
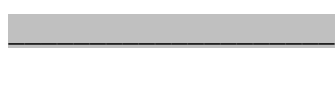
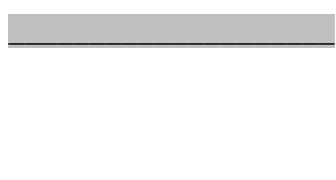
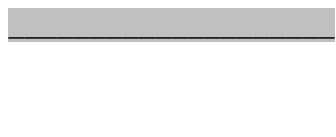



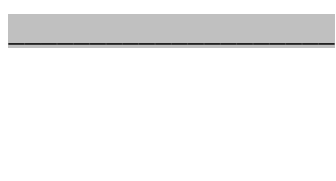
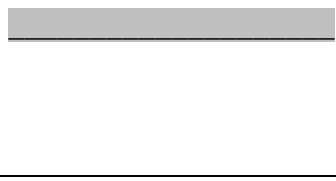
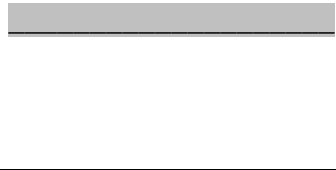
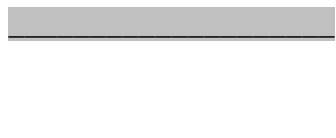



2008 Board Self Evaluation

| | Do you agree with the following statements? | Yes | No | Not Sure | Comments |
|-----|--|--------------------------|--------------------------|--------------------------|-----------------|
| 1. | The board has defined its role and responsibilities and communicated the scope of its authority. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 2. | The board's role should be expanded or reduced. (How?) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 3. | The board has the appropriate composition and number of directors. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 4. | The board has identified, prioritized, and scheduled those issues it believes should be discussed or reviewed by the board on a regular basis. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 5. | The board has identified the information (internal and external) it requires on a regular basis, including information by which to benchmark the strategic plan. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 6. | The board receives information of appropriate quality, detail, quantity, and timing. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 7. | The board receives clear and succinct agendas and supporting written material sufficiently prior to scheduled meetings. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 8. | The board makes optimum use of the meeting time allotted. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 9. | The board effectively oversees Texas RE's strategic planning process and in helping to set and articulate Texas RE's strategic direction. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 10. | The board effectively monitors operational and financial performance and the integrity of processes involved. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 11. | The board actively supports the TRE Mission | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

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| | and Vision. | | | | |
| 12. | The Board addresses matters appropriately within its jurisdiction and purpose. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 13. | Board members demonstrate their objectivity during meetings through behaviors such as driving agendas, rigorous probing of issues, consulting with other parties, and hiring experts, as necessary. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 14. | The board encourages the free and open exchange of views. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 15. | Differences of opinion on issues are resolved to the satisfaction of the board. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 16. | Board members challenge the Chair as appropriate. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 17. | The bylaws are used as a document to guide the board in its efforts, and to help guide the board's agenda. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 18. | The agenda setting process allows for appropriate issues to be raised. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 19. | The agenda allows sufficient time to discuss complex and critical issues. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 20. | Directors can influence the agenda. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 21. | The board engages outside experts as appropriate. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 22. | The board is cognizant of the appropriate distinction between oversight and management, and endeavors to respect that line. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 23. | The board holds management accountable as appropriate. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 24. | The board provides wise counsel to management. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

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| 25. | The board provides clear direction to management. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 26. | The board challenges management as appropriate. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 27. | The board ensures ethical behavior and proper compliance standards throughout the organization and sets the right “tone at the top” by its own behavior. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 28. | New directors are provided with adequate information and training about Texas RE and the board. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 29. | The board understands its role with both federal and state authorities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 30. | The board or committee organization and structure can be improved. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 31. | The board receives sufficient information about committee activities and discussions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 32. | Board members are financially literate, and the board has determined that it has adequate financial expertise in accordance with its obligations under the bylaws. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 33. | Directors participate in some form of continuing education to stay abreast of changes in the financial accounting and reporting, regulatory and ethics areas. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 34. | The board understands how Texas RE’s performance compares with its budgetary targets and its peers, and how management plans to address any unfavorable variances. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 35. | The board discusses significant, complex, or unusual transactions with management and the external auditors. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |
| 36. | The board understands which areas represent high risk for material misstatement of the financial statements, and discusses | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |  |

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| | assumptions and approaches used with management and the external auditors. | | | | |
| 37. | The board forms its own view of the risk of material misstatement due to fraud, discusses with management and the external auditors their views on the risk of material misstatement due to fraud, and is comfortable that any differences in views can be reconciled. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 38. | The board fully understands significant changes in financial statements from prior years and from budget, and is provided with sufficient, reliable evidence to support variances. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 39. | The board commits sufficient time to review, discuss, and consider the financial statements. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 40. | The board has a clear understanding of Texas RE's debt structure and cash management practices. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 41. | The board receives sufficient details regarding long-term financial planning. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 42. | The board makes appropriate use of workgroups or task forces to investigate issues defined by the board. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 43. | Texas RE's financial reporting processes are stronger as a result of management's interactions with the board. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 44. | Please add additional comments, questions and suggestions here. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |