



Reciprocal Board Agreements: What Do Board Members Give? What Do They Receive in Return?

It's vital to spell out what board members can expect in return for what they give.

By Andy Robinson

A Message to You as a Board Member:

At one time or another, if you're like me, you've probably taken a new job without having a complete picture of your responsibilities—in other words, without seeing a job description first. Undoubtedly you encountered workplace surprises, not all of them pleasant. You may have wished you'd had a better understanding of the work before you accepted the post.

Board service is a job, too. Like

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any job, it has specific requirements and responsibilities. As a board member, you don't expect to be paid, but you have the right to expect other forms of compensation: a sense of fulfillment, the opportunity to learn new skills, and

the privilege of being part of an effective team. You might even be invited to cool parties.

Nearly all successful boards have some sort of "job description" or "board agreement" or "board contract." Nearly all of them describe, at some level of detail, what's expected from the board member. Far too few are *reciprocal*, spelling out what you, as a board member, can expect in return.

What do you need to do the job?

If you've ever tried to complete a task without the right tool—we could be talking about cooking or carpentry or operating your computer—you've undoubtedly felt frustrated. In the same way, your service as a board member can be frustrating if you lack the tools you need to do the job effectively.

An example: By joining the board, you've accepted fiduciary responsibility for your organization, which means you and your fellow trustees must ensure its financial health and integrity. But what if you don't really understand the financial statements distributed at each board meeting? (This may be embarrassing to admit, but believe me, you're not alone.) The missing "tool," in this case, is the ability to interpret the numbers

and evaluate their implications.

As a board member, you can't do

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you own it.

your work without adequate training and support. Any meaningful job description must itemize your needs and how those needs will be addressed:

Board member responsibilities
I accept fiduciary responsibility for the organization and will oversee its financial health and integrity.
What board members can expect in return
I expect timely, accurate, and complete financial statements to be distributed at least quarterly, one week in advance of the relevant board meeting. I also expect to be trained to read and interpret these financial statements.

As you can see, this approach provides fewer opportunities for misunderstanding, because the specifics are covered in enough

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Figure 1. Sample board job description

What board members provide	What board members can expect in return
1. I will give my best effort to “hit the ground running” when beginning my service with the board.	1. The organization will provide me with a full orientation, including background information on work accomplished to date.
2. I will learn about the organization’s mission and programs, and be able to describe them accurately.	2. The organization will provide me with relevant materials and education.
3. I understand that the board meets ___ times per year, plus one annual full-day retreat. I will do my best to attend each meeting, with the understanding that three consecutive unexcused absences will be considered resignation from the board.	3. I expect that board meetings will be well run and productive, with a focus on decision-making and not merely reporting. I understand that agendas will be distributed at least one week in advance. If I wish to add items to the agenda, I will contact the chair at least two weeks in advance.
4. I accept fiduciary responsibility for the organization and will oversee its financial health and integrity.	4. I expect timely, accurate, and complete financial statements to be distributed at least quarterly, one week in advance of the relevant board meeting. I also expect to be trained to read and interpret these financial statements.
5. I will provide oversight to ensure that our programs run effectively.	5. I expect monthly reports from the executive director, program updates, press clippings, etc.
6. I accept ethical responsibility and will help to hold fellow board members and the executive director (and, by extension, the full staff) to professional standards.	6. The organization will provide me with relevant training.
7. I will serve as an ambassador to the community to educate others and promote our work.	7. I will need materials and may need training (public speaking, etc.) to do this job effectively.
8. I commit to increasing my skills as a board member.	8. The organization will provide me with appropriate training and support.
9. I will participate in fundraising to ensure that our organization has the resources it needs to meet its mission. I commit to making a personal donation; our organization will be one of the top three charities I support each year that I am on the board.	9. I will be able to choose from a range of fundraising activities, and I expect relevant training and support to help me fulfill my obligations. I will have the option of fulfilling my personal pledge in monthly or quarterly installments, if I so choose.
10. I will evaluate the performance of the executive director.	10. This evaluation will be based on goals developed jointly by the board and the E.D.

Board chair signature _____

Date _____

Board member signature _____

Date _____

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detail to make everything explicit. Here's another example that covers meeting attendance:

Board member responsibilities
I understand that the board meets six times per year, plus one annual full-day retreat. I will do my best to attend each meeting, with the understanding that three consecutive unexcused absences will be considered resignation from the board.
What board members can expect in return
I expect that board meetings will be well run and productive, with a focus on decision-making rather than just reporting. I understand that agendas will be distributed at least one week in advance. If I wish to add items to the agenda, I will contact the chair at least two weeks in advance.

A Message to the Board as a Whole:

Boards are sometimes reluctant to create reciprocal agreements for fear of scaring away potential board members. In my experience, the opposite happens. A clear, concise board agreement is attractive. Prospective trustees review the document and say to themselves, "Wow, this group is *organized*. It's impressive how they've thought through this stuff. I bet this is a great board." And you know what? It probably is.

The gift of time: How much is enough?

Perhaps board members' most important contribution is their gift of time. Given their families, jobs, commutes, and social obligations, personal time is a shrinking resource, which makes it ever more precious.

It's unfortunate that so few boards have explicit guidelines about the time commitment involved. Many trustees assume that if they attend all board meetings, they've fulfilled their obligations. There's no discussion about preparing for meetings, working on committees, participating in organizational events, raising funds,

and other tasks that spring up over the course of the calendar.

Since nonprofit needs are wildly different, I'm wary about estimating the number of hours required. At one end of the spectrum, I know committed board members who invest 40 hours per month or more. At the other end are trustees who carefully choose their commitments—and these individuals can be very effective in their self-limited role. Overall, the typical board member probably contributes five to 10 hours per month.

What's the right number for your group? Put this item on the agenda and have a frank discussion. You could also check with peer nonprofits. Do they have explicit time requirements or benchmarks for their trustees?

Even if you ultimately "decide not to decide," the conversation will clarify what people want and expect from each other—and from their service on the board.

Will the agreement fit into your culture?

Perhaps you're thinking, "Boy, this seems so formal. Our group is much more relaxed. If we set specific rules—and hold people to them—it's going to feel a lot different around here."

You're right: it *will* feel different: less confusion, fewer unspoken assumptions, more accountability. However, informality and clear expectations aren't mutually exclusive. If you work it right—for example, creating an explicit job description, but also reserving time in your meetings for food, stories, and celebrating the mission—you

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can have both.

You'll find that a clearly drawn board agreement is helpful in many ways:

- It sets common expectations and levels the playing field among board members.
- It provides a basis for evaluating individual trustees and the board as a whole.
- It can serve as a pry bar to gently remove ineffective board members who aren't meeting their collectively agreed-upon responsibilities.
- It's a great tool for recruiting new board members.

A sample board job description can be found in Figure 1. Use it as a template, not a mandate. Play with the model and adapt it to suit your needs. Perhaps you can make the language less formal but still define everyone's shared responsibilities.

Use this document as an opportunity to discuss what you expect of each other. The more you debate and revise it, the greater your sense of ownership. If you build it, you own it. ■

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RESOURCES

- Bazan, Stan, "Improving Board Meetings: Three Steps to Success," *Nonprofit World*, Vol. 24, No. 6.
- Craft, Ralph & Ronald Benson, "How to Assess and Improve Your Board's Performance," *Nonprofit World*, Vol. 24, No. 1.
- Eadie, Doug, "Is There a Role for Your Board in Raising Funds?," *Nonprofit World*, Vol. 23, No. 3.
- Stewart, Andrew, "Long-Range Financial Planning: The Board's Role," *Nonprofit World*, Vol. 11, No. 6.

These resources are available from the Society's Resource Center, www.snpo.org/members. Also see Learning Institute programs on-line: Board Governance (www.snpo.org/lino).