When I became the acting president of Hamilton College in 1999, I already knew a lot about the college. I am a 1996 Hamilton graduate, the parent of a former student, and I have served for 12 years on the college’s governing board. Still, when Hamilton President Eugene Tobin took a much-deserved sabbatical, I learned more about Hamilton during my six months in the presidency than in all my previous time associated with the college. Much of what I learned will make me — and, I expect, my fellow board members — better in the future.

An unusual level of alumni involvement distinguishes Hamilton. Typically, more than 55 percent of alumni contribute every year to the annual fund, and more than a third volunteer to recruit students, raise funds, counsel undergraduates about careers, provide internships, conduct alumni events, and participate in other activities. As is the case at other colleges, Hamilton's board sets the tone for financial and volunteer support.

Yet despite this high level of alumni involvement and my own active participation with my alma mater, I had a superficial understanding about many important facets of the college and wondered whether my fellow board members did as well. Naturally, I recognize it is unrealistic to expect that board members who typically visit the campus just three or four times a year will ever have the same breadth and depth of knowledge as the president and senior administrators who are charged with the daily operations of the institution.

A New Understanding of the College

Soon after I became president, the impact of policy decisions became clear to me — much more so than when I was a board member. For example, deciding to admit an additional 20 to 30 students from the waiting list or planning for a larger class, though attractive from a financial point of view, had significant ramifications in the day-to-day life of the campus. Admitting more students means hiring more staff members. Where would we find additional housing? And if the new hires were adjuncts, how could we be certain they would be as qualified and as committed to the institution as full-time faculty members?

This level of detail rarely makes it to the boardroom, but as president, I could see how a tempting financial solution might create an irritant in campus life.

My experience as a college president has made me much more aware of the nuances of board decision making. Many issues that boards are asked to consider require much broader scrutiny. Switching roles for six months taught me five fundamental lessons that may help boards and board members become more effective.

1. Balance the membership of board member committees. Hamilton's board of directors, like many governing boards, consists disproportionately of business executives, investors, and successful entrepreneurs. Their acumen is in finance and in running a business, so they tend to be most interested in the issues — fund-raising, endowment performance, and investments — with which they are most familiar and where results are tangible. They tend not to be so comfortable with the other components that make a college successful such as its staff, programs, and facilities.

   The tendency among board members to gravitate toward finance is understandable. After all, board members have a fiduciary responsibility to the college, and given today's fiscal pressures, no board can be blamed for being preoccupied with an organization's assets. But a balanced budget and a growing endowment are only two measures of an organization's health.

   It is equally important that all board committees have the appropriate firepower if the mission of the institution is to be fulfilled. The committee on board members should look carefully at the distribution of talent and influence among the various standing committees to ensure that every function has an important voice at the boardroom table.

2. Seek, within limits, close encounters with leaders of the organization. In my six months as president, I met and spent time with most of the faculty, the swimming coach, the chair of the chemistry department, the director of the career center — people board members typically would not encounter. Yet the insights and opinions of such individuals can give board members a much broader understanding of an institution.

   Recognizing this untapped resource, we restructured board weekends at Hamilton to facilitate even greater informal interaction between the board and various college...
Many boards spend considerable time defining the board’s role in securing adequate resources for the organization. Personal contribution is an essential part of that discussion. Each board should determine its own personal giving policy. For boards that raise funds, the target should be to reach 100 percent board member participation.

Why should board members give?
Board member giving is natural and necessary. Here are some rationales:

• Board members of most charitable organizations are expected to participate in fundraising. An appeal is particularly convincing if a board member uses him or herself as an exemplary donor.
• The board is responsible for providing a sound financial basis for the organization. By personally contributing, a board member recognizes this responsibility and demonstrates a commitment.
• Nearly 90 percent of American households contribute to charities. A board member should designate his or her own organization as one of the main recipients of his or her generosity.
• Many foundations only contribute to organizations where every board member is a contributor.

Giving policies
The board must draft a fundraising and personal giving policy. A strong leader during the decision-making process — a sensitive peer who is in a good position to make the case — can help find a consensus among board members. As the decision affects each board member individually, it is necessary to create a policy that can be enforced. To avoid any misunderstandings and false expectations, every board candidate should be familiar with these policies.

How much is enough?
It is probably not a good idea to ask each board member to make an equal contribution. Some board candidates might find the amount too high, therefore the policy would eliminate valuable prospects from joining the board. Others may have considered contributing more but a lower suggested amount could change their minds. The policy could set a range, suggest a minimum amount and/or encourage each member to give generously according to his or her means. One set of guidelines may not be appropriate for every board.

Additional options
Some boards tie fundraising and personal giving closely together. Each board member, for instance, is asked to bring in $5,000. It is up to the individual board member to raise the funds or make a personal contribution. Many performing arts boards, besides setting a base contribution level, want board members to purchase season tickets and bring guests to performances. In other types of organizations, board members could be asked to buy memberships for others, subscribe to the organization’s journals, or purchase publications as gifts. Board members could pay their own registration fees for conferences. They could support special events financially by purchasing auction tickets or donating items to an auction or a sale.

How to make board members deliver
Some boards ask their members to pledge a certain amount for the year or have them sign a letter of intent. The board chair or the chair of the development committee keeps track of the contributions and contacts any member who seems to have forgotten the pledge. Vigilant board chairs share the track records of individual board members with the rest of the board, thus increasing the ‘public’ pressure. When 100 percent of the board members have fulfilled their promises, the entire board celebrates. As long as there is a policy in place, there must be a method of making it work.

Statistics
According to a recent BoardSource survey, 70 percent of nonprofit organizations have a policy requiring board members to make a personal contribution on an annual basis. Boards average 85 percent participation in giving; however, on the average only 46 percent boards had a 100 percent participation. In the arts and cultural organizations it is more common to find required annual contributions.

References
Fearless Fundraising for Nonprofit Boards
Available at www.boardsource.org or by calling 202-349-2500.

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