
Practice 3B: Board Composition

- The board is of sufficient size to conduct its work effectively. The board is composed of members with diverse skills, backgrounds and experiences who are committed to board service. There is a systematic process for recruiting, training and evaluating board members.
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A land trust's board needs to be of sufficient size and diversity to minimize conflicts of interest, qualify the organization for tax-exempt status, provide credibility in the community, and ensure effective operations. A land trust can help ensure recruitment of good board members by standardizing board recruitment and evaluation methods, usually through a nominating or board governance committee. It is helpful for the land trust to provide board members with written expectations or a job description to explain the role of the board member, expectations for board service and evaluation processes.

The [Better Business Bureau's Wise Giving Alliance](#) in its [Standards for Charity Accountability](#) recommends a board of directors with a minimum of five voting members.

Advantages of a Diverse Board

A land trust's board needs to be of sufficient size and diversity for several reasons:

- **To minimize conflicts of interest.** The size and composition of the land trust's board can minimize conflicts of interest. Conflicts are more likely to occur with a weak board dominated by one or a small group of individuals who, as full-time officers and/or employees, have a financial interest in the organization. The board should consist predominantly of individuals who are financially disinterested.
- **To qualify the organization for tax-exempt status.** The Internal Revenue Service looks at the composition of an organization's board when determining if it qualifies for 501(c)(3) tax-exempt status. The IRS looks for a representative and financially disinterested governing body that reflects a range of public interests, not simply the personal interests of a small number of donors.
- **To provide credibility in the community.** A land trust needs to gain the confidence of a wide range of people in the community: people with the ability to contribute financially to the land trust, landowners, business leaders, the real estate and development community, and conservationists, among others. Perhaps the best way to gain this confidence is to have representatives of these groups on the board. The land trust certainly needs to avoid the appearance of being a small group of insiders of any type.

- **To ensure effective operations.** Land trusts, like all nonprofits, need a wide range of expertise represented on their boards to help them operate effectively. Financial, management, fundraising, and legal skills are among those needed on a board.
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How Large? How Diverse?

There are no hard and fast rules for the ideal board size. State law usually specifies a minimum allowable number of board members, frequently ranging from one to three, but as a practical matter, this is an insufficient number.

In general, a board should be small enough to act as a deliberative body but large enough to carry the necessary responsibility. Land trusts commonly have boards numbering from nine to 15 or 19 board members, which seems to be a good compromise between efficiency and diversity.

Likewise, the composition of land trust boards varies greatly. Some factors to think about in choosing members include: age; gender; professional skills; ties with people the land trust needs to work with; contacts; credibility in the community; ability to make donations; time and energy; and personal qualities that will contribute to the board's operation and land trust's governance.

Above all, a land trust operates to further public, not private, interests, and the composition of its board should reflect this purpose. A land trust's board should not be made up of a narrow group of individuals who want to protect their own interests. Just one or two people who use it to further their own personal conservation vision, unsupported by the community, should not control it. Land trusts succeed by working cooperatively with people in the community to pursue public goals. A land trust's board needs to reflect this.

Recruiting New Board Members

A land trust can reduce the risk of inactive board members by recruiting people who understand the organization and are willing to assume the responsibilities of a board member—and by making those responsibilities clear before the person agrees to serve.

Time and energy are two of the most important attributes of an active board member. In recruiting potential board members, the land trust and the potential board member both need to assess whether the individual has the time to devote to this obligation. The amount of time and energy required may vary depending on the size, activity and age of the land trust, and whether or not there is staff.

A land trust can help ensure recruitment of good board members by taking the following steps:

- **Standardize board recruitment methods.** Every land trust should have a nominating or board governance committee. Many organizations feel this is the most important committee on a board because it is the key to the board's effective governance over time. The nominating committee should require resumes from potential nominees and develop standard interviewing questions.
 - **Develop a written job description or set of expectations for board members** so everyone knows what is expected. If the land trust expects potential board members to undertake specific activities—such as donating legal services or using their connections to raise money for the land trust—these expectations should be stated. The potential board member should be given a reasonable, informed chance to evaluate his or her ability to commit to and maintain the expected level of performance.
 - **Establish alternative ways for key individuals to participate in the land trust,** such as participation on an advisory committee or task force or holding an honorary position. These structures can accommodate individuals whose participation would benefit the land trust, but who cannot commit to the level of involvement necessary for a good board member. The land trust should consider, however, that advisory committees without any purpose often flounder, and it should be sure not to disaffect important people by relegating them to meaningless roles.
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Removing Inactive Board Members

Although removing inactive board members is a painful process, land trusts generally cannot afford to leave inactive members on the board. An inactive board member holds space that could be occupied by someone with energy, talent and drive beneficial to the land trust. Removing nonparticipating board members also reduces the risk of mismanagement of the land trust. Here are some suggestions that may ease the process.

- **Talk to the board member about his or her lack of effort.** If the board member has the best interests of the land trust at heart and truly does not have the time to participate, asking the board member to step down is reasonable. It also demonstrates that the other board members are willing to work in good faith with the nonparticipating member to try to solve any problems that have led to the lack of participation. In addition, it allows the board member to explain and possibly change his or her behavior. This step may prevent hard feelings and charges of discriminatory action.
 - **Add provisions to the bylaws allowing removal of a nonparticipating board member by resolution.** If land trusts choose this route, they should include a definition of nonparticipation that can be applied in an objective manner, such as requiring participation in a certain number of meetings.
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Links to Other LTA Resources

- [Building an Effective Board of Directors. Rally 2003 Workshop.](#)
- [Starting a Land Trust](#), published by the Land Trust Alliance, 2000 – for further information on board composition.

Links to Other Helpful Resources and Publications

- [Blank board matrix for planning board recruitment.](#)
- [Standards for Charity Accountability](#), Wise Giving Alliance, Better Business Bureau, 2003.
- [“What to Do with Board Members Who Don’t Do Anything”](#), excerpt from *The Best of The Board Café*, available at compasspoint.org.
- [Wise Giving Alliance](#) – part of the Better Business Bureau. The Alliance reports on nationally soliciting charitable organizations that are the subject of donor inquiries.

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