

Board Agenda Evaluation Rubric

STANDARD	Best ~ 5 points	Good ~ 3 points	Needs work ~ 0 points
Agenda Structure	<p>Agenda includes:</p> <ul style="list-style-type: none"> • A consent agenda: minutes show that the board quickly dispatches routine items including minutes of prior meetings and action items such as rate changes, fees, dividends, and charge offs in a single action with no discussion unless it pulls an item. (Can also include the beginning and ending time of the meeting to help the Chair control productivity.) No reports are in the consent agenda. • Strategic issues or major discussion items lead the meeting when attendees are freshest. • Action items consist of only high-level plan elements (mission, vision), and governance policy statements (board process, ends, and executive limitations). 	<p>There is a consent agenda but it contains one or more reports and no differentiation of status — “approved” v. “acknowledged.”</p> <p>Action items include operational things such as new accounts, closed accounts, charge offs, and other operational decisions that the Board could/should delegate to the CEO.</p>	<p>All or most reports are in the Consent area: financial; audit; committees. There’s no scheduled time for strategic or other long-term discussion. The agenda contains a litany of reports, too many to imagine a director to have the time or desire to read them all. Action items indicate a leaning toward micromanaging, such as personnel policies, review and approval of monthly expenses, marketing materials or plans.</p>
Financial Reports	<p>The financial information starts with a quick way to get a feel for position and performance: there’s a color-coded “dashboard” of ratios (maximum 12), and there are three-year charts of each with target ranges. Dashboard and charts are quarterly, not monthly. A single-page balance sheet and income statement compare the recent quarter against the same quarter a year ago. Any other reports are to meet the minimum required by regulation (e.g. investments per NCUA Rules Part 703). No more than annual peer comparison.</p>	<p>Charts are present for a handful of ratios or too many ratios to make any sense of it. Charts reflect monthly data points and less than 3 years or more than 5 years. Balance sheet and income statements are more than a page each. Financials are not comparative. Financials reflect detailed lines: e.g. more than 13 expense categories.</p>	<p>There are no charts. The balance sheet is very detailed including the list of liabilities, for example. The income statement shows more than a 13 expense line items. Neither report is comparative or, compares regularly to peer.</p>

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Minutes	<p>Minutes show who was in attendance and names directors not present.</p> <p>Consist only of the actions of the board; at most a sentence or two regarding the discussion or debate preceding the decision. There are no adjectives describing the discussion or debate such as “lengthy,” “contentious,” or “heated.”</p> <p>May include Board assignments to the CEO to aid in follow-up. May contain questions raised by Directors challenging management’s assumptions, solutions to operational issues, plans and other actions taken.</p>	<p>Minutes show who was in attendance, but names of directors not present. Minutes contain the actions of the board and descriptions regarding the discussion or debate preceding the decision. The adjectives used to describe the discussion or debates but do not describe participant behaviors.</p> <p>Minutes at times resemble a transcript or journalistic approach.</p>	<p>There appears to be an attempt to get every director’s name in at least once, sometimes by recording the names of who made the motion and second. Questions, answers and general discussions get ink. Adjectives abound telling more of a story, perhaps like a daytime TV drama or reality show in addition to actions.</p>
Proposals	<p>Proposals are single page documents that identify the current situation, and the pros and cons of the proposed action. Where there is a lot of support material, there is an executive summary with the action request on the first page. Excluded from this standard are routine proposals ~ rates sheets, fee schedule, where it may be unlikely that there is any supporting material with it. E.g., ALCO minutes may explain rate changes on the rate sheets.</p>	<p>Written proposals include narratives of the pros and cons, but not a succinct statement of the proposed action. Evidence suggests that the Board saw the proposal for the first time at the meeting — there was no time to read and understand it before the meeting.</p>	<p>The Board acts on complex verbal proposals. Proposals lack detail, pros and cons, and proposed actions. Directors had little to no time to review and digest the proposal.</p>
Overall	Packet no more than 20 sheets.	Packet is above 20 sheets.	Packet is above 30 sheets.

One at a time, study your packet for each of the four standards. Select the description that best matches your current board packet. Use the descriptions to make plans to improve your materials if you believe the descriptions have merit for your board/management relationship, and your culture. If your packets are overweight and you want objective help, check out our services at <http://danclark.com> >Governance