

# EVOLVING HOT'S GOVERNANCE MODEL

**FINAL RECOMMENDATIONS FOR THE HUMANITARIAN OPEN  
STREET MAP GOVERNANCE WORKING GROUP**  
JULY 2023

**RESEARCH BY:**

**DENISSE ALBORNOZ | [albornoz.denisse AT gmail DOT com](mailto:albornoz.denisse@gmail.com)**

**NATALIA NORORI | [natalianorori AT gmail DOT com](mailto:natalianorori@gmail.com)**

# TABLE OF CONTENTS

---

<b>ABOUT THE PROJECT</b>	<b>3</b>
LOWERING BARRIERS TO GOVERNANCE	3
BYLAW AMENDMENTS	3
SCOPE AND METHODOLOGY	4
<b>OVERVIEW OF RECOMMENDATIONS</b>	<b>5</b>
1. Should some HOT board members be appointed based on a process as defined by the membership, board, and executive committee?	5
2. Should board members receive a stipend for their contributions?	5
3. Should the membership chair position be a two-year term?	6
<b>RESEARCH FINDINGS</b>	<b>7</b>
1. Should some HOT board members be appointed based on a process as defined by the membership, board, and executive committee?	7
2. Should board members receive a stipend for their contributions?	11
3. Should the membership chair position be a two-year term?	16
<b>ANNEX</b>	<b>19</b>
1. Bylaw comparison	19
2. Expert insights summary	19

# ABOUT THE PROJECT

---

This project was co-designed with Humanitarian Open Street Map's Governance Working Group. This report consolidates evidence to inform potential bylaw updates as part of ongoing activities to evolve HOT's governance model.

## LOWERING BARRIERS TO GOVERNANCE

The guiding objective of this project is to reduce barriers to participation in governance and ensure “more people can shape the future of HOT by potentially [becoming] board members or taking up other governance roles in the future.”<sup>1</sup>

Overall, increasing participation and representation on a board means committing to removing barriers to access for people who have not traditionally been considered or able to participate. These barriers can include i) lack of previous board experience, ii) time or financial constraints, or iii) burnout and being over capacity<sup>2</sup>.

For this reason, our recommendations consider alternative membership models, e.g. (“who gets to participate and have decision-making power in the board?”) and deal directly with issues of financial compensation (“In what conditions do members serve in the board?”)<sup>3</sup>

## BYLAW AMENDMENTS

Practically, this research was focused on assessing the viability of three bylaw amendments to change HOT's existing membership and compensation model:

1. Should some HOT board members be appointed based on a process as defined by the membership, board, and executive committee?
2. Should board members receive a stipend for their contributions?
3. Should the Membership chair position be a two-year term?

Each possible amendment was assessed in terms of their potential to lower barriers to participation in governance, whether they address HOT's ongoing governance challenges and governance trends in the open source and open data ecosystem.

The recommendations are not all-encompassing and need to be complemented with other initiatives to i) build membership engagement, ii) mentor future governance leaders, and iii) make HOT's governance structure accessible and understandable to everyone<sup>4</sup>.

---

<sup>1</sup> Leson, H (2022) [Opening up HOT governance \(Help wanted\)](#)

<sup>2</sup> DeEtta Jones (2021) [Board Nomination Process](#)

<sup>3</sup> DeEtta Jones (2021) [Board Nomination Process](#)

<sup>4</sup> Humanitarian OpenStreetMap Team (2022) [HOT Governance matters and how to get involved](#)

## SCOPE AND METHODOLOGY

The team collected evidence through the following data collection activities:

1. Bylaws review of 20 non-profit organizations from the open source, technology, and international development ecosystem.
2. 8 interviews with individuals associated with HOT, including current and past board members, voting members, executive directors and regional hub leadership from Latin America and the Caribbean, Asia Pacific, West and Northern Africa, and Eastern and Southern Africa.
3. 3 interviews with experts who provided input about governance in the open-source ecosystem.
4. 1 survey disseminated with HOT membership, collecting responses from 30+ members.
5. 2 membership engagement meetings, collecting the feedback of 20+ members.
6. Desktop research into legal, non-profit, and open science sources discussing governance.

The collected feedback represents the perspectives of over **60+ individuals** with current or past associations with HOT and experts in non-profit and open-source governance.

We collected evidence on the viability of appointments, compensation of board members and duration of board service (- the latter was investigated via desktop research). It was then used to produce recommendations for each bylaw amendment.

# OVERVIEW OF RECOMMENDATIONS

---

## 1. Should some HOT board members be appointed based on a process as defined by the membership, board, and executive committee?

### RECOMMENDATION

- We recommend a hybrid model for the composition of the board of directors that includes board members elected from HOTs membership in addition to appointed board members.
- The majority of board members should still be elected by the membership, with a designated number of seats reserved for appointments.
- The primary focus of these appointments should be to bring in individuals with specific skills and expertise that are deemed essential for effective governance.
- Establishing how and when new members with the desired skills can be introduced to the board is necessary. The specific roles and responsibilities required should be clearly defined by the board and membership through a transparent process that includes community oversight.
- Consider ex officio and non-voting board members for specific positions within the board, such as the executive director. These are individuals who are part of the board and can influence but don't have voting powers.
- While amending this bylaw, HOT needs to specify whether all individuals serving on the board will serve for an equal amount of time or whether their time in office will vary according to the class of member (e.g. elected versus appointed board members).

## 2. Should board members receive a stipend for their contributions?

### RECOMMENDATION

- We do not recommend bylaw amendments at this moment. Members consider providing a stipend is currently unfeasible, incompatible with HOT's organizational values and likely to create new divides and barriers for governance rather than alleviating existing ones.
- However, there is strong membership interest in exploring stipends as a mechanism to improve fairness and diversity in board governance. We recommend revisiting it in the future (See future research agenda)

- We recommend strengthening non-financial incentives to join the board, emphasising healthy working conditions, setting up leadership and mentorship schemes for inexperienced or new members and clear professional development opportunities. These need to address the power imbalances created by volunteerism explicitly.
- We recommend reviewing current reimbursement policies to ensure they are effective, fair and in line with what similar organizations provide. The focus must be on supporting board members facing burnout and those facing financial barriers to meaningful engagement in in-person meetings.
- We recommend conducting further research to understand what motivates HOT members to become board members now and what is discouraging members from running. Identifying the multiple barriers can contribute towards more holistic solutions.

### **3. Should the membership chair position be a two-year term?**

#### **RECOMMENDATION**

- A two-year term had been deemed the most adequate duration for the membership chair before the start of this research. Expanding the duration of the term of office from one year to two years was also deemed desirable through expert interviews.
- HOT can also consider whether a staggered system is appropriate to ensure continuity in service.

# RESEARCH FINDINGS

---

## 1. Should some HOT board members be appointed based on a process as defined by the membership, board, and executive committee?

### RECOMMENDATION

- We recommend a hybrid model for the composition of the board of directors that includes board members elected from HOTs membership in addition to appointed board members.
- The majority of board members should still be elected by the membership, with a designated number of seats reserved for appointments.
- The primary focus of these appointments should be to bring in individuals with specific skills and expertise that are deemed essential for effective governance.
- Establishing how and when new members with the desired skills can be introduced to the board is necessary. The specific roles and responsibilities required should be clearly defined by the board and membership through a transparent process that includes community oversight.
- Consider ex officio and non-voting board members for specific positions within the board, such as the executive director. These are individuals who are part of the board and can influence but don't have voting powers.
- While amending this bylaw, HOT needs to specify whether all individuals serving on the board will serve for an equal amount of time or whether their time in office will vary according to the class of member (e.g. elected versus appointed board members).

### I. OVERVIEW

- The ultimate accountability for ensuring that an organization fulfills its mission and safeguards its overall well-being lies with the governing board.<sup>5</sup>
- The two most common membership models for boards of directors are appointed and elected. Some boards adopt a hybrid model, where a designated number of seats are reserved for appointed and elected members. There are advantages and disadvantages to each governance model depending on the context that should be carefully considered.
- Appointing board members provides an opportunity to open up governance by bringing in people with specific skill sets and knowledge into the board and can help fill the gaps in knowledge

---

<sup>5</sup>Worth, M. J. (2008). [\*Nonprofit management: Principles and practice\*](#). CQ Press. (Chapter 3)

required to operate successfully. This model offers a viable alternative to introducing essential skills into the board in a timely manner.<sup>5</sup>

- In HOT, There is a need to diversify the skills of the board to make it healthy and to support HOT in achieving its living strategy.<sup>6</sup> This includes people who are focused on specific needs and will take ownership of certain work areas within the board.<sup>7</sup> The process of choosing a membership model should be approached with great care, taking into account HOT's mission and strategy, as well as the needs of its community.<sup>8</sup>

## II. HOT'S CURRENT MEMBERSHIP MODEL

- When HOT was created, an elected membership model was established.
- Currently, everyone on the board of directors must have been a voting member of HOT when elected. Directors are elected at or before the annual meeting by the majority (two-thirds) of the membership, typically done by ballot.<sup>9</sup>

## III. BENEFITS OF RECOMMENDATION

- Reserving seats for appointments can facilitate the integration of individuals from a variety of backgrounds, fostering broader representation and inclusion of perspectives and experiences.<sup>10</sup>
- A hybrid model provides the board with the flexibility to address specific needs or fill gaps in skills and knowledge as required. This allows for quicker adaptation to changing circumstances.<sup>11</sup>
- Appointed members from outside of the membership can help expand HOT's network and facilitate future partnerships and access to resources that contribute to maximizing its impact.<sup>12</sup>
- This approach aims to strike a balance between democratic elections and targeted expertise selection.

## IV. LIMITATIONS OF RECOMMENDATION

- A process needs to be defined to decide how appointed members would be integrated, and how they can be part of HOTs organizational culture, as they would be new to HOTs ecosystem. The onboarding process needs to be robust and should provide the potential board member with the information they require in order to make an informed decision on whether or not to join HOT.<sup>13</sup>
- If not chosen carefully, appointed board members may be removed from HOTs culture and will have difficulty working well with elected board members.

---

<sup>6</sup> Leson, H (2022) [Opening up HOT governance \(Help wanted\)](#), OpenStreetMap diary entry

<sup>7</sup> Maron, M (2022) [What we need from the OSM Board Elections](#), OpenStreetMap diary entry

<sup>8</sup> Jones, D (2021). [Best Practices for Board Governance](#)

<sup>9</sup> Humanitarian OpenStreetMap team (2020) [Bylaws of the Humanitarian OpenStreetMap Team United States Incorporated](#)

<sup>10</sup> Worth, M. J. (2008). [Nonprofit management: Principles and practice](#). CQ Press. (Chapter 3)

<sup>11</sup> Worth, M. J. (2008). [Nonprofit management: Principles and practice](#). CQ Press. (Chapter 3)

<sup>12</sup> See annex 2

<sup>13</sup> See annex 2



- Having two types of board members can result in different levels of commitment and engagement.<sup>14</sup>

## **V. RESEARCH RESULTS**

### **A. EXPERT INSIGHTS FROM INTERVIEW AND ROUNDTABLES**

- The majority of those interviewed on a 1:1 basis (8 out of 11) considered the introduction of appointed board members as desirable for HOT, whereas 3 are unsure. None of the interviewed experts believes that introducing appointed board members would have negative implications for HOT.
- There was a growing recognition of the need for additional areas of expertise within the board. While the board members were found to possess strong skills in Geographic Information Systems and Technology, interviewees highlighted a significant gap in other crucial skills. Specifically, fundraising, finance, and legal expertise were identified as areas where representation was lacking on the board.
- A model where the majority of board members are elected by the membership, with a designated number of seats reserved for appointments, can help widen the expertise of the board and capture the knowledge of people with other skill sets while also keeping HOT community-led.
- Reserving a few seats for board members from specific regions can help enhance geographic representation and diversity of thought.
- All board members should be able to vote, with the exception of the Executive Director and other members of staff who could hold non-voting seats if deemed beneficial.
- Including a limited number of staff members as ex officio board members can potentially facilitate collaboration and improve the overall effectiveness of the board. If ex officio board members are introduced, they should not have the same powers as elected board members.
- Consultancy roles and advisory committees can help bring specific skill sets into HOT. In the current bylaws, there can be board officers that are not directors, but this has not been implemented in the past. Consider reviewing and clarifying the relevant bylaws.

### **B. SURVEY RESULTS**

- 86.2% (25 respondents) agreed that HOT would benefit from having a number of appointed board members based on a process as defined by the membership, board, and executive committee. 10.3% (3 respondents) disagreed, and 1 respondent chose to stay neutral.
- 62.1% (18 respondents) agreed that HOT would benefit from appointing ex-officio board members, while 24.1% (7 respondents) disagreed with the inclusion of ex-officio board members. 13.8% (4 respondents) chose to stay neutral.
- Respondents agreed that appointing board members could fill gaps in expertise within the board, however, the majority of seats should be reserved for elected board members to ensure the membership continues to guide the path through which HOT evolves.

---

<sup>14</sup> Worth, M. J. (2008). [\*Nonprofit management: Principles and practice\*](#). CQ Press. (Chapter 3)

- Respondents identified a need to include people with non-profit management, legal, and fundraising skills in the board.
- When considering the selection of board members, several important factors should be taken into account. These include a demonstrated commitment to the humanitarian sector, alignment with HOT's mission and values, representation from different geographic regions, and possessing relevant skill sets and expertise.

### **C. GOVERNANCE TRENDS IN THE ECOSYSTEM**

- Out of 20 organizations, 7 follow a hybrid model for selecting board members, where a predetermined proportion of seats are reserved for elected and appointed board members.
- 9 follow partially hybrid models, where the majority of board members are elected, but can also be appointed under specific circumstances. These appointments are usually made by the board of directors to address gaps in expertise or fill vacancies within the board. Additionally, some hybrid models facilitate the appointment of specific officers for the corporation or establish advisory committees as needed.
- 2 follow an appointed-only model, where board members are appointed by a designated body.
- 3 follow an elected-only model, where board members are elected by the majority of vote by members of the corporation.
- The conditions under which members are elected and appointed vary by organization, and are disclosed in annex 1.

## **VI. IF CHOOSING TO APPOINT**

- A process needs to be defined to decide how appointed members would be integrated, and how they can be part of HOTs organizational culture, as they would be new to HOTs ecosystem. Mentorship models were suggested to match appointed board members with HOT members who could help them understand the organizational culture.
- Clearly communicate to the membership why a new class of board membership is required, why the change is important, and how it will be implemented. It is crucial to highlight the value of introducing appointed board members to the board before putting the changes into the ballot.
- The roles and responsibilities of board members should be clearly defined. There needs to be an examination into streamlining the process by which individuals attain voting member status.
- An in-depth review of the composition and role of the current and past boards is suggested to understand further the expertise required.
- The number and/or proportion of appointed seats needs to be clearly defined in collaboration with the membership. A scenario when the future board is expanded needs to be considered. The length of term of appointed board members and their exit strategy including resignation and removal also need to be clearly defined.

## VII. FUTURE RESEARCH AGENDA

- **A process needs to be defined to decide how appointed members would be integrated, and how they can be part of HOTs organizational culture.** Mentorship models were suggested to match appointed board members with HOT members who could help them understand the organizational culture.
- **An in depth review of the composition and role of the current and past board of directors and the composition of the membership** has been suggested to further understand the expertise required and make an informed choice on how to best fill the gaps.
- **Further research is needed to explore the differences between appointed directors and non-member officers.** Further work is needed to understand if non-member, non-voting officers could better fill the skill gaps while maintaining the membership-elected board of directors. This includes understanding the role of advisors to the board of directors who serve in multiple roles and can join board meetings by exception.

## 2. Should board members receive a stipend for their contributions?

### RECOMMENDATION

- We do not recommend bylaw amendments at this moment. Members consider providing a stipend is currently unfeasible, incompatible with HOT's organizational values and likely to create new divides and barriers for governance rather than alleviating existing ones.
- However, there is strong membership interest in exploring stipends as a mechanism to improve fairness and diversity in board governance. We recommend revisiting it in the future (See future research agenda)
- We recommend strengthening non-financial incentives to join the board, emphasising healthy working conditions, setting up leadership and mentorship schemes for inexperienced or new members and clear professional development opportunities. These need to address the power imbalances created by volunteerism explicitly.
- We recommend reviewing current reimbursement policies to ensure they are effective, fair and in line with what similar organizations provide. The focus must be on supporting board members facing burnout and those facing financial barriers to meaningful engagement in in-person meetings.
- We recommend conducting further research to understand what motivates HOT members to become board members now and what is discouraging members from running. Identifying the multiple barriers can contribute towards more holistic solutions.

### I. OVERVIEW

- Board members often have full-time jobs, families and busy professional lives but are also tasked with sizable responsibilities such as championing the nonprofit's mission and providing visionary and strategic leadership. The expectation is that they do this as *volunteers*<sup>15</sup>.
- The payoff of volunteer board members includes enhancing their professional reputations, expanding their networks, learning about governance community needs and feeling good about their contributions<sup>16</sup>.
- However, the nonprofit community has been reexamining these traditional notions in recognition of the need for more diversity on nonprofit boards<sup>17</sup>. Board members are not expected to benefit personally from their affiliation with the organization, but at the same time, they should not suffer financially from their service<sup>18</sup>.
- Whether board members should be compensated for board service is also a difficult logistical and ethical question that raises issues concerning public perception, organizational culture, as well as

---

<sup>15</sup> [Can board members be paid?](#)

<sup>16</sup> [Can a Nonprofit Pay Its Board Members?](#)

<sup>17</sup> [Nonprofit accounting Basics. Board Member Compensation](#)

<sup>18</sup> [Nonprofit accounting Basics. Board Member Compensation](#)

legal implications<sup>19</sup>.

- In HOT specifically, currently, there is a lack of incentives to participate in the board. Financial incentives have been considered as a mechanism to increase incentives and lower barriers to participation, particularly for those who face financial barriers to volunteering.

## **II. HOT'S CURRENT POSITION ON COMPENSATION<sup>20</sup>**

- Currently, the board of directors are not compensated for their services.
- They may receive reimbursement for expenses and reasonable compensation for services rendered in capacities other than as directors, e.g., as independent contractors, officers or employees, but not as a result of their service as board members.
- Bylaws state that compensation arrangements must be objectively fair, ordinary and reasonable.
- The bylaws also state that no board member can vote on any matter relating to his or her compensation. This means that an independent committee needs to make any decision related to possible compensation.
- The recommendation is to maintain the bylaw as is.

## **III BENEFITS OF RECOMMENDATION**

- Preserves HOT's culture of volunteerism, which is deeply valued by HOT's staff, current and former board members and HOT's Voting Members. However, power imbalances in volunteer practices need to be acknowledged and addressed.
- Reduces the likelihood of board members being affected by self-interest and the potential biases created by financial incentives, ensuring they are perceived with trust and confidence by HOT members.
- Can preserve a healthy and positive working relationship between board members and HOT. For example, compensating some board members or not all, or compensating board members but not other volunteer working committees can create tension and mistrust<sup>21</sup>
- Creates a sense of urgency to improve non-financial incentives to participate in the board and reduce the need for financial incentives. Experts emphasized that current incentives such as: learning about governance, obtaining mentorship, networking, and increasing career opportunities could be more promising in fostering equity, engagement and participation.

## **IV. LIMITATIONS OF RECOMMENDATION**

- Compensation promotes economic diversity.<sup>22</sup> Compensation could open up the pool of candidates by attracting people who may not have financial resources to volunteer, with implications for diversity and equity<sup>23</sup>
- Not compensating limits HOT's ability to welcome new voices from outside of the open source or

---

<sup>19</sup> [Nonprofit accounting Basics. Board Member Compensation](#)

<sup>20</sup> Humanitarian OpenStreetMap team (2020) [Bylaws of the Humanitarian OpenStreetMap Team United States Incorporated](#)

<sup>21</sup> [Compensating Nonprofit Board Members](#)

<sup>22</sup> [Should Board Members of Nonprofit Organizations Be Compensated?](#)

<sup>23</sup> [Compensating Nonprofit Board Members](#)

open data ecosystem. Experts and professionals from other sectors could expect to be compensated.

- Potential to increase accountability and performance. Recruiting and retaining diligent board members may be enhanced by the offer of compensation. Compensation promotes professionalism rather than amateurism and stimulates better attendance at board and committee meetings<sup>24</sup>, <sup>25</sup>.

## V. RESEARCH RESULTS

### A. EXPERT INSIGHTS FROM INTERVIEW AND ROUNDTABLES

- From those interviewed on a 1:1 basis, two (out of 11) strongly considered compensation **undesirable** for board service, particularly for HOT. They mentioned negative implications of compensation, including:
  - Payment would change the status of board members from volunteers to workers, which is undesirable considering HOT's community values and its strong culture of volunteerism.
  - The possible introduction of bias and self-interest into decision-making
  - Potential conflict and mistrust in board members who could be motivated by the salary instead of the organisation's mission.
- Only two **strongly encouraged** compensation for all and considered it necessary for board service. They emphasised:
  - Compensation is necessary to increase economic diversity, bringing in people facing financial barriers to volunteering.
  - Compensation can address the privileges and barriers to volunteering across regions and the power imbalance regarding who gets to sit on the board.
- Two interviewees recommended providing stipends for **some board members but not all**.
  - The recommendation involved creating specific categories for roles that needed compensation (E.g. people who can prove they are facing specific barriers) and roles that could remain voluntary.
  - This model was flagged by members as unfeasible and unlikely to increase the diversity of the board equitably. Perceptions regarding who should be compensated and by how much are delicate and will vary across backgrounds and cultures.
- Even though many HOT members and experts agree that compensation would be desirable to enhance diversity, many cited **concerns regarding the feasibility** of a compensation scheme in HOT. The main concerns raised include:
  - Tensions regarding who is compensated, the stipend amount and the impact of compensation on diversity and performance.

---

<sup>24</sup> [Should Board Members of Nonprofit Organizations Be Compensated?](#)

<sup>25</sup> [Compensating Nonprofit Board Members](#)

- A series of conditions would need to be in place to make compensation feasible, such as a clear rationale for compensation<sup>26</sup>, a transparent process to determine the stipend amount and who qualifies for it (E.g. sliding scale, need-based, etc.), and setting up a monitoring and evaluation process to demonstrate the outcomes of compensation.

## B. SURVEY RESULTS

- Almost 40% of survey respondents consider board members should be compensated (37.9%, 11 respondents) 27.6% (8 respondents) consider they should not be compensated, and 10.3% (3 respondents) consider that some members but not all. Seven respondents chose to stay neutral.
- Those **in favor** of providing a stipend mentioned the following justification.
  - Members consider that the time commitment of board service goes beyond a volunteer capacity and is closer to a part-time job. A minimal (symbolic) stipend would acknowledge this time commitment.
  - Addresses economic exclusion among members who cannot afford to commit time as volunteers and prevents members from participating in governance.
  - Use compensation to obtain participation from broader geographies and from members with specific expertise or networks whose participation would otherwise not be possible.
- Those **against** compensation mentioned the following arguments:
  - Time commitment of board services should remain under 10 hours a month, which is far from a part-time position. However, attention and care should be placed on how much time volunteers actually commit to board service.
  - Volunteers have different interests in serving an organization than staff.
  - It would raise a whole other set of complex issues that would eat up time and resources
  - It would be more advisable to find other ways, beyond financial incentives, to improve the health of the board.
- Considerations in determining a stipend:
  - The size of the stipend should be agreed upon to be more in line with an honorarium than outright compensation/remuneration.
  - Individual Board members should have the option of declining/donating their stipend.
  - Remuneration can be determined according to location.
  - Characteristics that could influence access to opportunities (E.g. access to technology, race, age, gender).
  - Level of participation, commitment and performance.

---

<sup>26</sup> [Should Board Members of Nonprofit Organizations Be Compensated?](#)

- Members suggested the consideration of non-financial incentives to provide recognition to board members, such as professional development opportunities, capacity building opportunities, etc.,
- Members suggested additional reimbursement or financial incentives, such as: providing internet stipends, home office allowance, providing a bonus or admin reimbursement fee for donations board members were responsible for acquiring. These could be offered on request.
- Members flagged how the location of members and whether they are from priority regions and outside priority regions determines whether they receive a stipend or whether they should have fundraising responsibilities. Some argue in favour of prioritising compensation for members from priority regions.

### C. GOVERNANCE TRENDS IN THE ECOSYSTEM

- Out of 20 organizations, 6 compensate board members with a fixed stipend, and only one organization does not provide fixed compensation, reimbursement or the possibility of compensating board members for other services.
- **12 organizations partially compensate board members**, meaning they do not provide a fixed stipend or formal compensation. However, they offer i) reimbursement for expenses, ii) compensation for services other than board services, or both. **Only five organizations provide both and align with HOT's current model.**
- The conditions under which members are elected and appointed vary by organization and are disclosed in Annex 1.

## VI. IF CHOOSING TO COMPENSATE<sup>27, 28</sup>

- Determine what compensation is considered reasonable and review the compensation regularly. Payment should be reasonable and necessary<sup>29</sup>.
- Determine how much each board member will be compensated and whether the chair will be paid more than others and determine how the compensation will be structured (i.e., flat fee, retainer, per diem, formula) and how it will be distributed.
- The responsibility for reviewing and approving compensation for board members should be delegated to a committee of independent board members who do not receive compensation and do not stand to benefit from the transaction<sup>30</sup>.

<sup>27</sup> [Should Board Members of Nonprofit Organizations Be Compensated?](#)

<sup>28</sup> [Sustainability Education 4 Nonprofits](#)

<sup>29</sup> [Should you compensate your board members?](#)

<sup>30</sup> [Sustainability Education 4 Nonprofits](#)



## VII. FUTURE RESEARCH AGENDA

- **Conduct further research to understand what motivates HOT members to become board members now and what discourages members from applying.** This can involve creating anonymous and safe channels for community participants who have demonstrated potential for board service to voice concerns. Identifying the multiple barriers can contribute towards more holistic solutions.
- **Assess what other types of compensation beyond financial incentives could be introduced to motivate potential board members,** such as professional development opportunities, capacity building, mentorship and leadership training, etc.
- **Consider other forms of lowering barriers to participation, with an emphasis on creating healthier working conditions.** Emphasis should be placed on better defining time commitments and expectations, lowering time requirements/commitments of board members, sharing administrative tasks taking up some of the members' time with paid staff and assessing the impact of board work on mental health and the extent to which board members are burning out.
- **Review current reimbursement policies and whether they enable board members to participate in in-person meetings in equitable and fair conditions.** Suggestions to address this include: providing an internet stipend, home office allowances, a more competitive meeting allowance, stipends to prepare for and attend meetings, and clarifying if the policy provides reasonable coverage of the cost of care normally provided by the board member (whether to children, elderly, etc.).
- **Continue exploring the conditions around which a stipend could be an effective financial incentive.** Consider the amount of stipend across locations, explore compensation frameworks that would address existing inequities and power imbalances without making assumptions and exacerbating biases (E.g. using the pro-rata schoolteacher rate in the participant's town of origin), and if it would be sustainable to compensate board members in the long run.

### 3. Should the membership chair position be a two-year term?

#### RECOMMENDATION

- A two-year term had been deemed the adequate duration for the membership chair before the start of this research. Expanding the duration of the term of office from one year to two years was also deemed desirable through expert interviews.
- HOT can also consider whether a staggered system is appropriate to ensure continuity in service.

#### I. HOT'S CURRENT POSITION ON MEMBERSHIP CHAIR TERM OF OFFICE

- HOT's bylaws only permit the membership chair to serve for a one-year term.
- According to expert interviews, a longer term is needed to provide continuity, accountability and improve the performance of board service.
- A two-year term had been deemed the most adequate duration for HOT's membership chair before the start of this research.

#### II. GOVERNANCE TRENDS IN THE ECOSYSTEM

- The duration of the terms for board members and officers varied across the 20 organizations included in this review, ranging from one to three years.
- 7 organizations had different terms for officers of the corporation, including the chair, president, other officers, and the board of directors, while 14 did not differentiate between the two.
- 4 organizations had different terms for different classes of directors.
- Among the organizations that specified the term of their chair or officers, eight chose a one-year term, while two opted for a two-year term. None of these organizations permitted the chair to serve longer than two years.

## ANNEX

---

1. [Bylaw comparison](#)
2. [Expert insights summary](#)