

Meet Me Online

By Apryl Motley, CAE



"I didn't receive those materials."

"I didn't get my packet in time to review it."

"I am not sure we covered that at our last meeting."

Even after spending hours copying documents, using reams of paper, and incurring substantial mailing expenses, you still might hear these comments from your bank's directors. One remedy for this dilemma might be to use the Internet for storing, updating, and distributing board materials. As two community bankers have found, going electronic with your board meetings can save you time and money.

Charles Kleis, president of Brooklyn, N.Y.-based Atlas Savings, started using electronic communications for his monthly meetings with his seven-member board almost six months ago. "What

I send to one person goes to everyone," Kleis said. "I am able to distribute materials much faster."

Kleis facilitates electronic communication with his directors using EBOARD, a flexible system that provides hardware, software, and secure Web service to enable institutions to hold meetings and education sessions using a network of laptop computers. EBOARD was designed by Frank J. Shashaty, president and CEO of the Bermuda-based mutual insurance company First Monetary Mutual Limited, as a membership benefit for the 40 community banks that own the company.

EBOARD is bundled as a turnkey package that covers hardware, software, setup and system maintenance. The secure servers that drive EBOARD are

updated and maintained by First Monetary, creating a relatively hands-off environment for operators. Setup is configured on bank-owned equipment or refurbished laptop computers.

Shashaty visited Atlas and demonstrated how the system worked. He then assisted Kleis in setting up passwords, logins, and e-mail addresses for the bank's directors. Kleis had purchased rebuilt laptops for each director to use at meetings. All of the documents on the bank's EBOARD site, including meeting agendas and minutes, financial statements, and investment reports, are password-protected.

Kleis' goal is to eliminate sending any board materials via regular mail, and no more FedEx. He and his staff continue to make enhancements to the system as they go along, and he believes all banks

should use a similar product of some kind: "It's the best way to make information available to your directors 24/7. If it's ten o'clock at night and they can't remember a policy, they can go on the site and look it up."

So how do Kleis' directors, who range in age from their early forties to mid-sixties, like using this system? "It has put a lot of pressure on me to keep materials updated," Kleis said, "but so far the response has been good."

David C. Swanson, president and CEO of The North Country Savings Bank in Canton, N.Y., has also had success in using EBOARD to communicate with his bank's 11 directors. "We were going through a lot of paper to send out packets to board members," Swanson said. "And I was also concerned about privacy and confidentiality because you never know who might have access to the documents."

Swanson's staff stopped sending out packets to board members almost two years ago when he introduced them to EBOARD. The bank covers the cost for all directors to have Internet access at home and also installed a high-speed wired network onsite. "There's less wear and tear on the printer, and it is easier to produce color charts," Swanson said. "My board is a visual group, and they like charts that provide a historical perspective." Swanson acknowledges that communicating electronically was a cultural change for him in terms of producing reports. "It made me take a hard look at what was being provided to board members," Swanson said. "I had to rethink the development of the traditional board packet and consider how documents would look online."

While board members' responses to using the system have been mixed, "most of them would not go back to the old way.

Now everyone is on the same page. There is no shuffling of papers during the meeting," Swanson said. At North Country, they just keep coming up with new ways to use the system to educate directors and establish an even higher level of transparency than was possible before.

Swanson describes EBOARD as a system that is "very doable and manageable for smaller banks." You do need staff with technical expertise to get up and running, but according to Swanson, once you're set up, almost anyone can run the system: "We had a board meeting in June that I was unable to attend. It was the first board meeting that I've ever missed, and I was worried about not being there. But I told the chairman that I knew that he could run the computer and manage the meeting. The meeting ran smoothly without complication. It's nice to know that they could get by without me." **5**