

## ESOP BOARD DEVELOPMENT

### *A Structure for Sustainable Success*

High-performing ESOP boards help CEOs achieve consistently better valuations, but CEOs don't have the time to find the right documents, best practices and candidates. They worry they'll create time-wasting friction if they get it wrong.

We have the tools, network and best practices to help partial and 100% ESOPs set up a new board—or take an existing one to the next level. We can save CEOs time and headaches by tapping our networks, experiences and toolkit.

These are the steps for creating a board from scratch. This work is customized and done for a fixed fee, set after a thorough, no-cost discussion of the situation.

<b>Full menu, in typical sequence</b>
0. <i>Gather background:</i> learn seller/buyer goals, succession plans, review by-laws
1. <i>Outline alternative structures:</i> size, terms, termination, committees, schedule
2. <i>Develop board profiles and job descriptions:</i> duties, skills, knowledge, networks
3. <i>Create Table of Accountability &amp; Authority:</i> duties & boundaries of authority
4. <i>Update by-laws:</i> compliance, checks/balances, code of behavior
5. <i>Recruit 2 candidates for each spot:</i> identify, interviews, checks
6. <i>Develop calendar of issues:</i> ESOP obligations, strategic plan review
7. <i>Develop orientation process:</i> fiduciary duties to business, expectations, materials
8. <i>Hold board kick-off:</i> social event, orientation, first meeting
9. <i>Attend first year's meetings:</i> meeting management, agendas, facilitation, notes
10. <i>Evaluate board:</i> board as a whole and board members

Our expertise and coordination will save a great deal of time—and produce a board that helps the CEO make even better decisions as the company grows. Please contact us to learn more and to schedule a confidential, no-cost review meeting.

#### ***Governance advisory***

Provides guidance and discipline for the proper and effective functioning and development of the ESOP's governance system. See outline of issues, above.

#### **Tim Stewart**

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#### ***Management support***

Provides tools, training and facilitation for board duties such as strategic planning and risk assessments. Confidential support and forums for executives.

#### **Derrick Van Mell**

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