



BOARD PAPERS

Madren Oluoch-Olunya
Tuesday 31.8.21, Mombasa

Module Content



- Formats of Board Packs and Board Papers
- Board Approvals and Board Resolutions

Module Objectives



By this module's end, participants will be able to:

- Identify good practices for **effective board pack preparation, presentation** and follow-up
- Raise awareness of **considerations for board approval** and decision making



PLENARY DISCUSSION:

What **good practices and procedures** have you seen in the **preparation** for board meetings?

Board Meeting Preparation



- Setting the agenda and its content
- The annual Board calendar and workplan
- Board meeting frequency
- Board briefing papers, management reports
- Director induction



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Setting The Agenda, Its Content – Key Success Factors



- A balance between the reviews of past performance and discussion of forward-looking issues
- Ample time for debate
- Not too much time on routine or administrative matters



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FICKS Governance Framework



Function		% of Time
F	Future Focus	30%
I	Issues & Risks	30%
C	Compliance	15%
K	KPI Monitoring	15%
S	Skills & Succession	10%

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Source:
Westlake Governance

Sample Board Agenda



- Declaration of Conflicts of Interest
- Approval of minutes of last meeting
- Matters Arising from the minutes
- Executives' reports – company performance, financial performance, unbudgeted capital expenditure, request for approval
- Business plan review
- Board Committee reports
- Use of Company Seal
- Any Other Business?



Sample Annual Calendar and Workplan



Standing items

- Approve meetings of previous meeting
- Approve unbudgeted capital expenditures over
- Review actual versus budgeted financial results
- Approve board committee reports

February

- 1 year assessment
- Dividend declaration
- Growth strategy discussion
- Strategy review

March

- Review financial performance versus competitors

April

- Authorization of foundation contribution
- Business plan review for next financial year

June

Review / approve strategic plan
Business unit No. 1 strategy review
Review of chairman's personal objectives
Dividend declaration
Annual meeting resolutions
Set meeting schedule for next calendar year
Litigation review

September

Annual organization matters (committees, officer elections)
Dividend declaration
Annual shareowners meeting
Review financial performance versus competitors
Appoint external auditors

October

Strategic plan review

December

Approve annual budget
Management development update
Dividend declaration
Strategy review

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Activity



DISCUSSION:

Challenges In Preparing Board Packs and Board Papers?

Board Packs

- 1.
- 2.
- 3.

Board Papers

- 1.
- 2.
- 3.

Board Papers



- Management Reports
- Short
- Timely
- Concise and material
- Focused, action-oriented
- Technology enabled



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Board Papers



Three (3) Purposes:

- For Information
- For Discussion
- For Decision



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Board Papers



Five (5) best practices of Board reporting:

- Measure **only** what matters
- **Automate data** collection
- Use a **centralised** information management system
- **Automate your reporting**
- Transition to the **cloud**

Dominic Fatibene, June 2020

Board Papers – Other considerations



- Balance of **decision-making, ratification, informing**
- **Information requirements**, including presentations from management and board committees
- Board Paper **formats and numbering**
- **Virtual** board meetings
- Board Meeting **frequency and duration**

Board Papers – Other considerations



- Papers relating to **specific agenda** items
- Professional **advisors/Technical** papers
- Review **relevant information outside** of the Management reports
- **Proper and timely flow** of information
- **Archiving and Destruction**

Board Papers from Committees



- Frequency and Timeliness
- Presenter
- Format
- Matters for escalation to the Board
- Annual reports

Activity



DISCUSSION:

Structure: What information should be included in Board Papers?

Meeting Minutes



- Location, date, mode of the meeting
- Names of the persons who participated in the meeting and those absent
- Principal points arising during discussion
- A record of board decisions
- Proper flow of information

Board Approvals and Resolutions



- Board Resolutions –Approved/Adopted/Noted
- Proposer and Seconder
- Extract of the Meeting Minutes
- Written/Circular Resolutions
- Ratification
- By Order of the Board

Director Induction Package



- Appointment Letter
- Briefing papers
- Internal visits
- Introductions
- Continuous Development



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Red Flags



- Are you presented with **strong analysis and thorough reports?**
- Does the board receive **effective, concise** presentations?
- Are the directors sufficiently provided with **needed information?**

Red Flags



- Are you presented with **sufficient time** before the board meeting **to prepare**?
- Are you **only told what the executive wants** you to be told?
- Is **information kept confidential** within the boardroom?

Board Papers – Remember the 3 Cs



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Q&A



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