Board Development

Committees

 A committee is a workhorse of the board. The board organizes and completes its work efficiently through the effective use of committees.

Committees can perform different functions in an organization. Board committees report to the board because they assist with the board's governance function. These committees perform such tasks as developing and reviewing policy, conducting research, and other tasks supporting improved governance. If an organization has staff, they may serve as advisors on these committees. Any committees involved in the direct operations of the organization, such as newsletter or special events, are formed and directed by staff or service volunteers.

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Types of Committees

There are three types of committees:
- ➢ Standing Committee – an ongoing committee of the board.
- ➢ Sub-committee – a work unit that reports to a standing committee; established to assist with the work load of the standing committee.
- ➢ Ad Hoc committee – a short-term, temporary committee of the board established to complete a specific task.

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Committee Membership

Committees can be made up of interested board members, members of the organization, and/or individuals from community at large. Staff members are not members of the board's committees, but they can serve as advisors. The board chair and the executive director are usually *ex-officio* members of every committee.

Board Development:
Committees

A committee's main function in a policy governing board is preparatory work leading up to board decisions - such as developing policy options and recommendations for the consideration of the board.

Standing committees are normally granted their authority by the board through the bylaws.

The preferred size of a committee is three to five members.

Committee appointments should be made with a clear view of the goals of the group and the skills required. They offer an opportunity for the board to bring new participants from business, government, or professional organizations that can provide expertise that may not be available on the board or within the membership. This can provide the dual effect of promoting the organization within the community while increasing the effectiveness of the board. It may also serve as a successful recruiting tool. Inviting community members to participate in your organization through sitting on a committee allows potential board members to "test drive" the board before making a longer term commitment. It also allows board members to evaluate the newcomer's potential for future benefit to the board.

The committee chair needs to be involved in the selection process. Ideally this process includes an interview where a candidate's suitability is evaluated while providing clear position expectations to the prospective committee member. The committee chairperson, usually a board member, is key to the success of the committee. It is the leadership provided through delegation, guidance, meeting facilitation and information sharing that will determine the success of the committee.

The Role of an Effective Committee Chairperson

➢ Lead, direct, communicate, coordinate, and initiate committee actions.
➢ Have time to carry out the committee's responsibilities.
➢ Know the committee's assignment and the chairperson's role as group facilitator.
➢ Orient members to the committee's structure and place in the organization.
➢ Understand the organization's structure and relationships.
➢ Delegate appropriate tasks to committee members.
➢ Understand group process and be able to measure and monitor the group.
➢ Call committee meetings and develop agendas with the input of the members.
➢ Report regularly to the board and the membership to update them on the committee's progress.
➢ Encourage committee members to participate.
➢ Recognize member's contributions to the committee's work.
➢ Keep discussion on topic. Synthesize and summarize issues.
➢ Know staff members' role on committees. Makes sure staff have an opportunity to be heard before recommendations are given to the board.
➢ Make sure meeting minutes and other relevant information are recorded and filed.
➢ Guide the committee through its meetings to fulfill the committee's purpose.

Committee Roles & Responsibilities

Each committee is responsible for implementing the mandate it receives from the board. The organization's bylaws may describe or define certain committees, but each committee still needs its own mandate. A mandate is the authority given by the board to a person or group of persons to carry out specific tasks on its behalf.

This mandate is defined by the terms of reference developed for each committee. The terms of reference are approved by the authority that established the committee and are given to the committee chairperson by that entity.

The Committee Terms of Reference

The mandate statement, included in the committee terms of reference, is the tool the board uses to delegate its authority to the committee. Without authority from the board, the work of the committee is not sanctioned and is without the legal protection provided by the board's incorporation.
The terms of reference are prepared as soon as a committee is formed. They are written in a clear and concise manner in order to provide clear direction to the committee with regards to its function and expected outcomes. A committee may be informal, but direction is required in order for the group to fulfill its purpose.

Sections of a Committee's Terms of Reference

1. **Name and Type of Committee -** gives the committee an identity and indicates if the committee is ongoing or for a specific project.

2. **General Purpose -** a short description of the committee's area of responsibility, what it does and why it was formed.

3. **Key Duties and Responsibilities -** specific objectives or tasks the committee is expected to achieve during the term or within the defined time frame and the level of authority granted to the committee by the Board of Directors.

4. **Composition and Appointments -** identifies the committee leadership, membership and who will receive the committee's reports.

5. **Meetings -** specifies duration of the committee and when it meets.

6. **Resources**
   a) **Financial** – specifies the financial resources available.
   b) **Staff** – specifies the staff positions, type of support and the estimated time required.

7. **Specific Annual Objectives** – specifies project milestones.

8. **Reports and Target Dates -** reporting dates, completion and final report dates.

Non-profit boards often utilize some of the following committees:

- *Executive Committee*
- *Nominating Committee*
- *Board Development Committee*
- *Audit Committee*
- *Finance Committee*
- *Fundraising Committee*
- *Personnel Committee*
- *Program Committee*
- *Public Relations Committee*

http://www.mentoringcanada.ca/ training/boards/modules/4_committees.html

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9. **Review and Evaluation Process -** process by which the work of the committee will be reviewed and evaluated as well as the positions involved in the process.

10. **Approval Date and Review Date -** the date by which the terms of reference are approved by the board, the date by which the committee reviews and evaluates its terms of reference and forwards recommended adjustments to the appointing authority.

Functions of a Committee

A committee fulfills the mandate defined in the terms of reference through three functions:

Policy Work

➢ Review & evaluate current policies relevant to the committee's responsibility.
➢ Identify problems with and recommend changes to existing policy for the board's review & approval.
➢ Draft new policies related to the committee's mandate for the board's review and approval.

Operational Work

➢ Review the prior work of the committee.
➢ Review or establish committee goal & objective statement for the current year.
➢ Develop strategy & action plans to achieve committee goals.
➢ Prepare committee budgets if required.
➢ Monitor on-going work and report to the board with reference to established objectives and action plans.
➢ Research new problems or needs and recommend solutions.

Terms of Reference Work

➢ Review the current terms of reference for direction and understanding.
➢ Evaluate the committee's work.
➢ Recommend revisions to the terms of reference.
➢ Prepare a final report for the board's review and presentation at the Annual General Meeting (AGM).

A key advantage of committees is that they have fewer participants and more flexibility in their proceedings. This allows for more efficient processing of information and quicker decision making. Directors should be aware, however, that delegating responsibility to a committee does not necessarily protect them from liability arising from committee decisions or actions. In practice, directors should always ensure that they have access to committee minutes and records. They are legally entitled to any such material.

Primer for Directors of Not-for-Profit Corporations: Rights, Duties and Practices. Industry Canada. 2002.

The terms of reference for any committee should be a document that is continually renewed. The last task of each committee is to propose changes to the committee terms of reference. In this way, the board's entire committee structure is reviewed annually.

Committee Authority

Committees receive their authority from the board. The board may delegate that authority in four varying degrees as follows:

Limited Advisor: *the committee* investigates and reports;
the board makes decisions.

Active Advisor: *the committee* investigates and suggests action;
the board will probably take committee suggestions.

Limited Agent: *the committee* can take some action with *the board's* consent.

Active Agent: *the committee* takes action;
the board can later formally approve the action taken.

Board committees are usually either limited or active advisors. Task focused ad hoc committees may be given any of the four levels of authority. Standing committees are ***never*** given the authority to make major decisions such as approving policy or budgets. These decisions must be made with the consent and cooperation of the board of directors. It is important that the board be clear on the degree of authority it is delegating when creating committees.
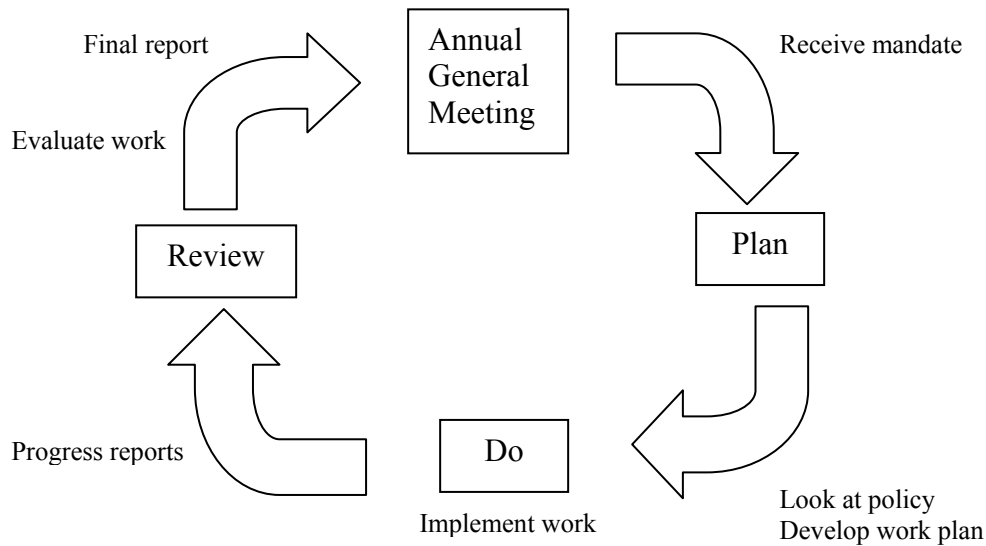
Committee Reporting

A committee reports to the board in three ways:

➤ *For information* – when a committee wants to update the board on an issue, event or ongoing work but no decision or input is required.

➤ *For discussion* – when the committee wants to generate feedback and input from the board on a particular issue, idea or plan, but is not looking for a decision.

➤ *For action* – when the committee wants the board to make a decision on an issue.

Ideally all committee reports are presented in writing to the board members before the board meeting. This gives board members time to think about the issue before the meeting and come prepared. The type of report should be identified and provide all the information necessary for an update, discussion, or a decision.

Annual Cycle of Board and Committee Activities

Final report

Receive mandate

Annual General Meeting

Evaluate work

Review

Plan

Progress reports

Do

Look at policy
Develop work plan

Implement work

The committee's direction for the year comes from the decisions made at the Annual General Meeting. At the AGM, the membership determines which priorities will direct the focus and scope of the board's work. That work is then delegated to committees for completion. Each committee must then determine a work plan for the year, which includes:

➢ review of old or creation of new relevant policy,

➢ delegation of duties from the committee chair to committee members to complete required tasks,

➢ regular progress reports to the board of directors,

➢ and finally, review and evaluation of the work completed and preparation of the final report before the next AGM.

About the Author: Sandra Neis, a Board Development Program Volunteer Instructor, has many years experience as staff and as board member on a variety of not-for-profit organizations. Sandra is the proprietor of *sdl consulting* which focuses on contract training, program development, and meeting facilitation.

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