

Board Subcommittees

The most common Board committees are the **Finance and Audit committee** (sometimes called the Finance committee), the **Board and CEO Appraisal committee** (sometimes called the Governance committee, or the Succession Planning committee, or the Remuneration committee), and the **Compliance committee** (sometimes called the internal audit committee, or the audit and risk committee).

They have three distinct roles that are true governance roles. All other committees are typically operational committees (e.g. member, education, conference etc. committees), and should report through the CEO to the Board (if required)

Finance and Audit Committee Sample Charter

The Finance and Audit committee (“the committee”) of the Board of xxx (“the organisation”) will have the oversight responsibility, authority, and specific duties as described below. **Composition**

The committee will comprise the Vice President Finance who shall chair the committee and 2 Board members as determined by the Board, and the Chief Executive Officer as an invited guest with no voting rights. **Responsibility** The committee is a formal committee of the Board, and is responsible to the Board. Its primary function is to assist the Board in fulfilling its oversight responsibilities with respect to

1. Reviewing and providing analysis of the financial reports including but not limited to the Statement of Financial Performance (Profit and Loss), Statement of Financial Position (Balance Sheet), rolling cash flow statement, investment reports and retained earnings
 2. Recommending the appointment and remuneration of external auditors
 3. Reviewing the audit of the organisation’s books and records, and any subsequent management matters that arise from the auditors management letter,
 4. Reviewing the system of internal controls that the organisation has established. The committee should have a clear understanding with the outside auditors that they must maintain an open and transparent relationship with the committee, and that the ultimate accountability of the outside auditors is to the Board and committee. The committee will make regular progress reports to the Board.
 5. Recommending the appointment of insurance brokers
 6. Reviewing the adequacy of insurance arrangements
 7. Receive and assess any complaints regarding auditing or accounting matters, including complaints from those who wish to remain anonymous
 8. Review risk rankings, treatment plans and compliance breaches of key risks
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CEO and Board Appraisal committee sample charter



The Board and CEO Appraisal committee (“the committee”) of the Board of xxx (“the organisation”) will have the oversight responsibility, authority, and specific duties as described below. **Composition** The committee will comprise the President who shall chair the committee and 2 Board members as determined by the Board, and the Chief Executive Officer as an invited guest with no voting rights.

Responsibility The committee is a formal committee of the Board, and is responsible to the Board. Its primary function is to assist the Board in fulfilling its accountability responsibilities with respect to the Board and the Chief Executive Officer. The committee is responsible for:

1. Developing and implementing a Board Appraisal on an annual basis, or as otherwise decided by the Board.
 2. Developing and overseeing a Board member Induction program
 3. Developing and implementing a Board Succession Plan
 4. Identifying and providing any relevant Professional Development required by the Board to fulfil its responsibilities
 5. Establishing and monitoring performance measures for the Chief Executive Officer
 6. Developing a succession plan for the Chief Executive Officer position
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Compliance committee sample charter

The Compliance committee (“the committee”) of the Board of xxx (“the organisation”) will have the oversight responsibility, authority, and specific duties as described below.

Composition The committee will comprise the Vice President who shall chair the committee and 1 Board member as determined by the Board.

Responsibility The committee is a formal committee of the Board, and is responsible to the Board. Its primary function is to assist the Board in fulfilling its legal and operational compliance responsibilities. The committee is responsible for:

1. Developing processes for and implementing an Internal Audit Plan to review agreed processes (e.g. OH&S, risk management, fraud control, and equal opportunity)
2. Ensuring that all Board policies and relevant operational policies are in place and are being followed.
3. Developing and monitoring a compliance schedule that ensures all legal (statutory and regulatory) requirements are fulfilled.
4. Monitoring and providing recommendations to the Board based on the Chief Executive Officers annual compliance report

