

GOVERNANCE STANDARD 005

GS 005: BOARD PAPERS

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ICS is a membership professional body, established under the Certified Public Secretaries of Kenya Act, Cap. 534 of the Laws of Kenya, with its core mandate being promotion of good governance.

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1. PURPOSE

This Standard describes the recommended governance practice for preparation of Board Papers and Board Packs for Board Meetings and Board Committee Meetings.

2. SCOPE

Applies to Organisations duly registered (by the registering body) in the Republic of Kenya.

3. LEGAL FRAMEWORK AND GOVERNANCE STANDARDS

This Standard takes into consideration the applicable laws, regulations and global best practices including but not limited to:

- 3.1. Certified Public Secretaries of Kenya Act (Cap. 534)
- 3.2. Companies Act (No.17 of 2015)
- 3.3. Data Protection Act (No. 24 of 2019)
- 3.4. The Code of Corporate Governance for Issuers of Securities to the Public 2015
- 3.5. The Code of Corporate Governance for Private Companies
- 3.6. GS 001: General Meetings
- 3.7. GS 002: Meetings of the Board
- 3.8. GS 003: Minutes

4. DEFINITIONS

- 4.1. "Articles" means the Articles of Association of a company
- 4.2. "Board" means a body comprising of persons empowered to carry out functions relating to the overall direction of an Organisation;
- 4.3. "Board Member" means a Director, Trustee or Representative of the Board of an Organisation
- 4.4. "Constitutive Document" collectively means the Articles, By-laws, Constitution , Charter , Trust Deed or similar documents of an Organisation
- 4.5. "Council" means the Council of the Institute of Certified Secretaries;
- 4.6. Institute of Certified Secretaries "ICS" means Institute of Certified Public Secretaries of Kenya as established under the Certified Public Secretaries of Kenya Act, Cap. 534 of the Laws of Kenya, hereinafter referred to as "Institute"
- 4.7. "Organisation" means a Company, Society , Cooperative Society , University , Trusts, Non-Governmental Organizations, Government Owned Entities , Commissions , Public Service Boards or other similar institution
- 4.8. "Secretary" means A Certified Secretary as defined in the Certified Public Secretaries Act;
- 4.9. "Practising Secretary" means a person that practises as a Secretary in consideration of remuneration or other benefits received or to be received and whether by himself/herself or in partnership with any other person, meaning that he /she :

- 4.9.1. Engages in the public practice of secretaryship or performs the statutory duties of a certified public secretary or holds himself out to the public as a person entitled to do so
- 4.9.2. Offers to perform or performs services involving the submission of official and statutory returns of companies and trading organizations;
- 4.9.3. Offers to perform or performs services involving the certification of statutory returns or records related to statements; or
- 4.9.4. Engages in any practice, or performs or offers to perform any services, which may be prescribed.
PROVIDED THAT a salaried employee of a government, Company or of any other person does not practise as a certified public secretary by reason only of doing, in his/her capacity as such employee, any of the acts referred above
- 4.10. "SWOT" means Strength, Weaknesses Opportunities and Threats

5. STANDARD GUIDELINES

5.1. Definition

A Board Paper is defined as any document, memorandum, presentation, exhibit or other related materials used by the Board to make decisions relating to the Organisation at a Board Meeting. Together, all such Papers are collectively known as the Board Papers which form the major component of a Board Pack.

5.2. Contents of a Board Paper

Substance and form shall be adhered to in the preparation of Board Papers but subject to the requirements of the Constitutive Documents of an Organisation or the applicable law;

- 5.2.1. Form of the Board Paper;
The Board Paper should contain;
 - a) Name of the Organisation
 - b) The Meeting the Board Paper relates to
 - c) The author and department responsible for the Board Paper
 - d) Agenda Item Number
 - e) Title of the Board Paper
 - f) Pagination
 - g) Standardized Organisation template or format for consistency
- 5.2.2. Substance of the Board Paper;
The Board Paper should contain;
 - a) Introduction and context of the Board Paper
 - b) Executive summary, highlights or summary of the Board Paper such as graphs, diagrams, flow charts, accounts, financial models and pictorials.

- c) Details of the Board Paper may include ;
 - (i) Best and worst case scenarios for Board consideration with the relevant SWOT and cost-benefit analysis
 - (ii) Items for discussion and input from the Board
 - (iii) Items for approval or decision making by the Board
 - (iv) Items for information and noting by the Board
 - (v) Conclusions and/or recommendations
- d) Appendices or Attachments for further detailed reading or clarification
- e) The Board Paper(s) may be in a physical or in electronic form (subject to the requirements of the Constitutive Documents of the Organisation)

5.2.3. In addition, the Board Paper should be;

- a) Clear, legible and unambiguous
- b) In a language understood by the Members
- c) Concise, although not too brief to avoid losing meaning
- d) Consistent in form throughout the Organisation
- e) Neutral tone and in present continuous tense

5.3. Preparation of the Board Pack

5.3.1. Contents of the Board Pack

- a) Cover Page; with Name of Organisation, Meeting, Date, Venue, Name of Member
- b) Notice of the Meeting that was circulated
- c) Agenda of the Meeting
- d) Minutes of the Previous Meeting
- e) Matters Arising from last Meeting, Management action and status reports.
- f) Draft resolutions to be deliberated and passed at the Meeting
- g) Management Reports which may include the following:
 - (i) Project Reports
 - (ii) Performance Reports
 - (iii) Financial Reports
 - (iv) Operations Reports
 - (v) Human Resources Reports
 - (vi) Compliance Reports
 - h) Board Reports such as;
 - (i) Internal Audit Report
 - (ii) Committee Meeting Reports
 - (iii) Governance Auditors Reports
 - (iv) Risk Management Reports
 - (v) Sustainability Reports
 - (vi) Corporate Social Investment/Responsibility Reports
 - (vii) Environmental, Social and Governance Reports
 - (viii) Other reference materials

- i) To ease discussion and decision making for the Board Members , the Board Pack should be chronologically numbered and segmented into sections to prioritize matters for discussion, decision and close with matters for information purposes
 - j) Board Packs should be distributed or transmitted to the Board Members in a secure manner, as they contain sensitive and confidential information that needs to be protected accordingly
- 5.3.2. It is the role of the Secretary to put together the Board Pack. This shall be done in liaison with the Management team after approval of the Agenda by the Chairperson.
- 5.3.3. The Board Pack should be received by the Board Members at least seven (7) clear days (or such longer period as set out by law or the Constitutive Documents) before the Board Meeting, to allow for reading and proper understanding of the materials.
- 5.3.4. The Board Pack should be sent to the respective Board Members by hand, post or electronic means as the Board Member shall approve.

5.4. Records

- 5.4.1. A set of the Board Pack shall be kept in safe custody by the Company either in electronic or physical form for at least 7 years.
- 5.4.2. The Board Papers and Board Packs should be kept in line with the principles of the Data Protection Act.
- 5.4.3. The Board Pack may subsequently be destroyed or deleted in line with Law and on the authority of the Board.

6. APPROVAL DATE

This Governance Standard was approved by the Council of the Institute on Thursday January 21, 2016 (now past)

7. REVIEW OF STANDARD

This Governance Standard may be reviewed from time to time by the Council at its discretion and subject to the laws

8. EFFECTIVE DATE

The Governance Standard shall come into effect from March 1, 2016 (now past)

9. FIRST REVIEW DATE

This Governance Standard was first reviewed by the Council of the Institute on November 26, 2020

Institute of Certified Secretaries

'The Governance Profession'



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