



NGO 董事會網絡
GOVERNANCE

Seminar on Governance
Responsibilities and Risk Management
under the Lump Sum Grant Subvention
System

25 January 2018

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Review of Governance, Responsibilities, Decision-making and Monitoring

審視管治的責任決策和監督工作

- Introduction
- Purpose and role of a Board/Governing Committee
- Board Composition & Conduct
- Roles of Independent Non Executive Directors (INEDS)
- What is required of an INED?
- Audit Commission's Audit Criteria
- Conclusion



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Purpose and role of a Board/Governing Committee

1. Governance: policy decisions, hold management to account
2. Culture: open discussion, everyone prepared, best practice
3. Strategy: risk recognition (risk appetite)
4. Assessment: performance of the CEO, Chairman, the board & each director
5. Committees: set up Committees to help discharge its functions; Audit, Risk, Finance etc.



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Board Composition & Conduct

1. Knowledge: know the business of the NGO
2. Mix of talents: INEDs should have various skills
3. Contributions: every director should be encouraged to contribute
4. Meetings etiquette: electronic devices off, no rude interruption, one speaker at a time
5. Preparation: agenda and papers always issued promptly before meetings



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The Roles of INEDs

1. Always take an overview and help the NGO develop
2. Seek solutions not impasses
3. Encourage openness and transparency
4. Team building, sensible support, asking tough questions politely
5. Critique management's proposals
6. Ensure internal controls , risk management in place and work effectively
7. Act as the NGO's proponent/advocate
8. Assist management make their point more effectively



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What is required of an INED?

1. Integrity
2. Intelligence
3. Diplomatic
4. Pragmatic and realistic
5. Team builder/player
6. Committed yet dispassionate
7. Don't get personal
8. Clear thinking
9. Time commitment



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Audit Commission's Audit Criteria

審計署的審計準則

- Economy, efficiency & effectiveness 節省程度, 效率和效益
- Not entitled to question the merit of government policy e.g. Lump Sum Grant (LSG)
- Evidence-based
- Identify non-compliance
- Based on existing rules/regulations/guidelines



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Conclusion

Governance

Responsibilities

Decision-making

Monitoring



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Thank You



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