



SAMPLE COMMITTEE CHARTER: GOVERNANCE COMMITTEE

Overall Roles and Responsibilities

The Governance Committee provides for the board's effectiveness and continuing development.

Responsibilities

The specific responsibilities of the Governance Committee include:

- Recommending to the board policies and processes designed to provide for effective and efficient governance, including but not limited to policies for:
 - Evaluation of the board and the chairperson.
 - Election and reelection of board members.
 - Board orientation and education.
 - Succession planning for the board chair and other board leaders.
- Reviewing and recommending a position description detailing responsibilities of and expectations for board members and the board chairperson.
- Recommending nominees for election and reelection to the board. To facilitate this responsibility, the committee will:
 - Develop and recommend to the board a statement of the competencies and personal attributes currently needed on the board, to be used as a guideline for recruitment and election of board members.
 - Conduct a “gap analysis” to identify succession planning/recruitment needs.
 - Develop and regularly update a list of potential board members regardless of whether a current vacancy exists.
 - Oversee a process for vetting the fitness of prospective nominees.
 - Develop and oversee a plan for enhancing board diversity.
 - Evaluate the performance of individual board members eligible for reelection.
- Conducting a succession planning process for the board chairperson and other board leaders. Nominating board officers for election by the full board.
- Reviewing the corporate bylaws annually and recommending any needed changes to the full board.
- Advising management on plans for board education, including new member orientation, education of board members, and an annual board retreat.

- Overseeing the board's self-assessment and improvement process every one or two years.

Meetings

The Governance Committee meets at least four times a year or when necessary at the call of the committee chair. Meeting dates and times should be specified a year in advance.

Members

The committee charter should include a list of the committee members as well as the staff supporting the committee.

(Note: Some boards follow the convention of having the board's chair-elect serve as the chair of the Governance Committee because of this committee's key role in selecting and preparing future board members.)

The CEO, as the organization's lead ambassador to community leaders and the board's chief educator and staff person, should be involved with the Governance Committee. However, in this era of increasing focus on board independence, many boards are limiting membership on the Governance Committee (like the Audit and Executive Compensation Committees) to independent directors. Therefore, nowadays CEOs are often nonvoting members of, or staff to, the Governance Committee.

Reports

The committee will receive and review the following reports:

- Competency matrix. Profile or matrix of the board's current makeup compared to its list of needed competencies, plus an analysis showing areas to emphasize in recruitment of new members.
- Backgrounds of prospective board members.
- Annual board education plan.
- Participation summary. Annual review of average attendance, and each director's attendance, at board meetings, committee meetings, education sessions, and (if possible) community events.
- Board self-assessment. Report of the full board's self-evaluation survey (every one or two years).
- General counsel's report. Written report or briefing from the general counsel on current legal and regulatory issues affecting governance, plus analysis of whether any changes are needed in board bylaws or policies.

Annual Committee Goals

The Governance Committee will establish annual goals specifying its principal work focus areas for the coming year. Typical examples might include:

- Developing a definition of and standards for independent directors.
- Reviewing and revising the conflict of interest policy.
- Conducting a comprehensive evaluation of the responsibilities and structure of subsidiary boards and making recommendations to the full board for needed changes.
- Developing a mentoring program for new board members.
- Developing a plan to increase the ethnic and gender diversity of the board.



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