

NPO GOVERNANCE TOOL BOX SERIES

Vol. 6, Issue 3

For private circulation only

WRITING MINUTES



Financial Management Service Foundation

ACCOUNTABILITY HOUSE
A-5, Sector 26, NOIDA 201 301
Ph: 91-120-4773200
Fax: 91-120-4773299
Email: fmsf@fmsfindia.org



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Issue 1: Human Resource Policy - [Click here to download](#)

Issue 2: Conflict of Interest Policy-[Click here to download](#)

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Vol. VI: Conducting Meetings/Making Decisions

Issue 1: Notice -[Click here to download](#)

Issue 2: Setting the Agenda-[Click here to download](#)

Issue 3: Writing Minutes

Issue 4: Taking Resolutions

Issue 5: Attendance

Issue 6: Following up on Decision

Issue 7: Evaluating a Board Member

Vol. VII: Creating a Board Manual

Issue 1: Need for the Board Manual

Issue 2: Organization Essentials

Issue 3: Board Structure and Processes

Issue 4: Board – ED Relations

Issue 5: Executive Parameters

Issue 6: Review of Board Manual

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WRITING MINUTES & RESOLUTIONS

CONTENTS

| | |
|---|----------|
| WHAT ARE MINUTES? | 5 |
| CONTENTS OF THE MINUTES? | 6 |
| FINAL POINT OF REFERENCE | 7 |
| IS CONFIRMATION OF MINUTES NECESSARY | 7 |
| PRESERVATION OF MINUTES | 7 |

1. What are minutes?

Palmer's Company law defines minutes as- written record of the business transacted and the decision made at a meeting. In a narrow sense, minutes are a record of resolutions passed and matters related to them. Institute of Company Secretaries of India (ICSI) has defined minutes as "a formal written record, in physical and electronic form, of the proceedings of a meeting" (S.S.1)

Minutes also serve as an evidence of a meeting. It helps in understanding the deliberations and decision taken.

2. Contents of the Minutes:

Since minutes serve as a record that can also be considered as a legal document and the contents of the minutes become very important. The minutes generally consist of the:

- **Background to the agenda:** the background should include the advantages and disadvantages of the proposal. It should also briefly discuss the societal, environmental, technical, financial and other areas.
- **Key deliberations & discussions:** It should capture the major discussion points of the members. However, recording of specific names of members with their individual views are always avoided.
- **Decisions taken:** in case of decisions, the rationale of arriving at the decision needs to be clearly captured.

A good minute also records the time of commencement of the meeting and the time of conclusion as well as the venue of the meeting.

Some Key Reminders:

- ✓ Minutes should be written in clear, concise and plain language
- ✓ Minutes should be written in third person and past tense.
- ✓ However, resolutions should be written in present tense.
- ✓ Minutes need not be an exact transcript of the proceedings
- ✓ Any document, report or notes placed in the meeting and referred to in the minutes should be attached as an annexure. This will preclude the approval of certain documents like audited financial statements, annual report etc.

- ✓ In case an earlier resolution is superseded or modified; minutes should contain a reference to the earlier resolution.

3. Final Point of Reference

As a practice, the Secretary also acts as a recording Secretary for the meetings. However, the members may choose to appoint a different person as a recording Secretary. The responsibility of ensuring that the minutes are properly recorded finally rests with the Chairman. Therefore, the Chairman is provided with discretion to exclude certain matters which in her/his considered opinion are irrelevant, immaterial or inaccurate representation of the meeting.

4. Is confirmation of minutes necessary?

There is a practice to confirm the minutes of the meeting in the subsequent meeting. If we analyze the technicalities and relevance of such a practice, it comes across clearly, that it may not be a big necessity. This is due to the fact that there is a gap of 3 months to a year in between the meetings. Generally, as a good practice the minutes recorded soon after the conclusion of the meeting is circulated as draft minutes to the members and comments are invited. After incorporating the comments, the final minutes are circulated and decisions/resolutions are acted upon. This deems the confirmation of the minutes in the next meeting irrelevant to large extent. However, this practice can be continued and after the confirmation, the Chairperson can physically authenticate the minutes by signing them post, which no changes would be possible/allowed.

5. Preservation of minutes:

Generally, preservation of minutes should be given much importance since they are part of good governance practice and can be used as a legal document. The minutes are maintained in a minute book in a chronological manner. Certain good practices for maintenance of minute books are as follows:

- ✓ Minute book can be loose binding or bound register
- ✓ Minutes can be written by handwriting or can also be computer printed

- ✓ If they are computer printouts then after confirmation of minutes they need to be pasted in the minute's books. The Chairperson and Recording Secretary has to sign every page in such a way that part of the sign should be on the minute book and other part to be on the printout pasted. In case it is handwritten, then mere signing in every page should be sufficient.
- ✓ The minute book has to be carefully preserved and care should be taken to protect them from fire and other calamities.
- ✓ Minutes being part of the governance process of the organization needs to be preserved till the existence of the organization

Watch out for the next issue on "Taking Resolutions"



Published by Dr. Sanjay Patra on behalf of
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ACCOUNTABILITY HOUSE, A-5, Sector 26, NOIDA-201 301

Tel: 91-120-47732200 | Fax: 91-120-4773299 | Email: fmsf@fmsfindia.org

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