



*netball*  
WESTERN AUSTRALIA

NWA (INCORPORATED)

# BOARD CHARTER

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Approved by NWA Board

Dated as at 04 July 2016

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## **INTRODUCTION**

The Board of Directors of Netball WA (NWA Board) is responsible to its members for the strategy, performance, compliance and risk of the Association. The NWA Board will govern the association within this governance framework and carry out their duties in a lawful and professional manner, and with the utmost integrity and objectivity. Good governance requires balancing the need for short-term performance with the vision to deliver long term strategy and initiatives in accordance with the Constitution.

The NWA Board Charter outlines the Board's Corporate Governance Framework. This defines the respective roles, responsibilities and authorities of the Board, both individually and collectively, and the Boards ability to provide guidance to Management with respect to strategy, development and direction of the Association. It establishes the guidelines within which the Directors and Officers are to operate as they carry out their roles. It does not in any way constitute legal advice or act as a substitute for legal advice.

The purpose of this Board Charter is to document the policies upon which the Board has decided to meet its legal and other responsibilities. The Association's Board Charter has four main sections:

- Part A – Defining Governance Roles
- Part B – Improving Board Processes
- Part C – Key Board Functions
- Part D – Board Effectiveness

The Board Charter should be read in conjunction with the *Netball WA Constitution* and the *WA Associations Incorporations Act 1987*.

## **PART A – DEFINING GOVERNANCE ROLES**

### **1. POWERS OF THE BOARD**

The powers of the Board shall be in accordance with the Constitution of the Association, Section 23, as amended from time to time.

### **2. BOARD COMPOSITION**

#### **2.1 Number, Appointment and Duration of Directors**

The number, appointment and duration of Directors shall be in accordance with the Constitution of the Association, Section 24, 25 & 26 as amended from time to time.

#### **2.2 Casual Vacancies**

- 1) A casual vacancy shall be filled in accordance with the constitution of the association and section 27, as amended from time to time.
- 2) The board has the authority to appoint a candidate to a casual vacancy, but so that the total number does not at any time exceed the maximum number specified by the constitution.
- 3) When considering the filling of a casual vacancy, the following processes apply:
  - (a) the Board must consider the desirable skills and experience for candidates, having regard to the existing mix of skills and experience on the Board;
  - (b) the Board must appoint a sub-committee to manage the selection process, comprising of the President, the CEO and one additional Board member;
  - (c) the sub-committee must determine the eligibility criteria for prospective candidates having regard to the Board's feedback;
  - (d) the sub-committee must prepare an advertisement for the position and determine the form and closing date for expressions of interest;

- (e) Board members will be invited to put forward prospective candidates based on the eligibility criteria;
- (f) Netball WA must advertise the casual vacancy to members via email newsletter, website and any other means the sub-committee determines appropriate;
- (g) all candidates must be asked to submit:
  - (i) a curriculum vitae; and
  - (ii) written responses to the same questions asked of Board candidates at the most recent AGM;
- (h) the sub-committee must:
  - (i) develop an evaluation methodology for considering candidates;
  - (ii) review all expressions of interest received; and
  - (iii) prepare a shortlist of candidates;
- (i) one or more members of the sub-committee must interview shortlisted candidates;
- (j) the sub-committee may request and contact candidates' referees;
- (k) the sub-committee must:
  - (i) prepare a short evaluation report to the Board on the shortlisted candidates;
  - (ii) provide the Board with the expressions of interest of the shortlisted candidates; and make a recommendation to the Board as to a preferred candidate.

### 3. THE ROLE OF THE BOARD

The Board is ultimately responsible for all matters relating to the leadership of the Association.

The Board's role is to govern the Association rather than manage it. In doing so, the Board of Directors must act in the best interests of the Association and its members. It is the role of the Chief Executive Officer ('CEO') to manage the day-to-day administration and operations of the Association in accordance with the directions and delegations of the Board. It is the responsibility of the Board to oversee and monitor the activities of the CEO and Management in carrying out these delegated duties.

The Board has the final responsibility for the successful operations and delivery of the strategic intent of the Association. It is responsible for, and has the authority to determine, all matters relating to policies and best practices of the Association. It is required to do all things necessary to carry out the Objects of the Association. The main task of the Board is to drive the performance and strategic direction of the Association. The Board must also ensure that the Association complies with all its contractual, statutory and any other legal obligations, including the requirement of any regulatory body.

Without limiting the role of the Board, the principal functions and responsibilities of the Board include the following:

1. Leadership and governance of the Association.
  - a. Guiding the development of an appropriate culture and values in the Association through the establishment and review of Codes of Conduct, rules and procedures to enforce ethical behaviour and provide guidance on appropriate netball issues.
  - b. Always act in a manner consistent with the Associations culture and Code of Conduct.
2. Board management, succession and performance evaluation.
  - a. Develop an annual Board calendar.
  - b. Ensure the Directorship and structure is suitable to the current circumstances of the Association, having in place effective succession planning procedures.
  - c. Undertake annual performance evaluation of the Board to identify appropriate ongoing professional development and generate succession plans for Directorship.
  - d. Provide developmental activities for Directors to ensure the Board receives current best practice methodology.
3. Strategy formulation and approval.
  - a. Working with the Executive Management Team to ensure that an appropriate vision, strategic direction and initiatives are in place.
  - b. Regularly reviewing, re-aligning and updating the Associations strategic direction and goals.

- c. Overseeing planning activities including the development and approval of strategic and operational plans, annual and long term budgets including operating budgets, capital expenditure and cash flow forecasts.
- d. Reviewing the progress and performance of the Association in meeting these plans and Association objectives, including reporting the outcomes of such reviews on an annual basis to stakeholders and members.
- e. Overseeing the control and accountability systems that ensure the Association is progressing toward the goals set by the Board and in line with the Association's purpose, the agreed Association strategy, legislative requirements and community expectations.
4. CEO selection, monitoring, evaluation, succession, remuneration and, when necessary removal.
  - a. Appointing, ratifying and remunerating the CEO.
  - b. Developing the terms and conditions of appointment, and ensuring a succession plan is developed.
  - c. Managing the performance of the CEO.
  - d. Providing advice and counsel to the CEO including formal reviews and feedback on their performance;
  - e. Providing support to the CEO with the appointment, monitoring performance and developing a good working relationship with the Head Coach.
  - f. Ensuring that the CEO has appropriate human resource systems (including OH&S systems) are in place to ensure the well-being and effective contribution of all employees.
5. Ensuring effective governance processes are implemented.
6. Determining the values and culture of the Board.
  - a. Set the Boards corporate culture and values considering what culture they currently have, and what culture they want to have in the future.
7. Ensuring appropriate risk management is in place.
  - a. Ensure robust and effective risk management and internal controls and ethical and legal compliance, including ensuring appropriate policies are in place to identify the main risks associated with the NWA's operations and the implementation of appropriate controls to manage these risks.
  - b. Monitor, review and assess risk management and internal controls on a regular basis.
8. Compliance with the law and the requirements of regulators.
9. Financial control and monitoring solvency.
  - a. Ensuring that an appropriate set of internal controls are implemented and reviewed regularly.
  - b. Review and approve major capital expenditure and expenditure outside approved budget and delegations.
  - c. Approve and monitor financial and other reporting, including reporting to member constituents.
  - d. Monitor processes aimed at ensuring the integrity of financial and other reporting, including the annual external audit.
10. Development of delegation authorities.
  - a. Delegating authorities for the CEO to ensure the effective day-to-day management of the business and monitoring of the exercise of these powers.
  - b. Making all decisions outside the scope of these delegated powers including.
  - c. Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures.
11. Policy formulation.
  - a. Adopt governance principles and policies and encourage ethical behaviours and compliance with these principles and policies.
  - b. Review and approval of policies, and ensuring CEO implements appropriate procedures to execute the intent of policies.
12. Establish a 'Code of Conduct'.
  - a. Establish a Code of Conduct for the Association.
  - b. Establish a Code of Conduct that applies to the Board and Committees of the Association, including external appointees of Board Committees which illustrates the obligations and behaviours expected and is underpinned by the following ethical principles: integrity, accountability, honesty, impartiality and objectivity.
13. Determining committees of the Board.

- a. The details of some Board functions will be delegated to Board Committees. However, the Board is responsible for determining the extent of powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.
14. Communication with key stakeholders and members.
- a. Ensuring accountability to the members primarily through adopting an effective stakeholder communications strategy, encouraging effective participation at General Meetings.

#### **4. THE ROLE OF INDIVIDUAL DIRECTORS**

Directors have an individual responsibility to ensure that the Board is undertaking its responsibilities as set in *Annexure 'A'*. It shall be acknowledged by all Directors that no one Director has any more apparent power/authority than any other Director. As decided and voted on by the Board, a Director may be elected as the President of the Board. Directors need to ensure that the Board is carrying out the principles functions and responsibilities as outlined in (3) *The Role of the Board* and that they have an effective decision making process.

##### **4.1 Directors Code of Conduct**

As a member of the Board of NWA, a Director should meet the following general standards:

- Respect the rights, dignity and worth of others.
- Be fair, considerate and honest in all dealings with others.
- Be professional in, and accept responsibility for, his/her actions.
- Make a commitment to providing quality service.
- Be aware of, and maintain an uncompromising adherence to, NWA standards, rules and policies.
- Operate within the official rules of the International Federation of Netball Associations (IFNA) and the All Australian Netball Association Limited guidelines that govern NWA.

##### **4.2 Expectations of Directors in the Board Process**

To maintain Association membership confidence in the integrity of the Board, it is essential that Directors of the Board are seen to exhibit the highest ethical standards in carrying out their duties. Directors must pursue, and must be seen to pursue, the best interest of the Association and its members. Directors must perform their duties impartially, with professionalism, objectivity and integrity.

Since the Board needs to work together as a group, Directors need to establish a set of standards for Board Meetings. At the Association, it is expected that Directors shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board. Within the Board deliberations and processes, a Director should meet these standards:

##### **General**

- Shall at all times act in the best interests of NWA as a whole.
- Shall act honestly and in good faith at all times in the interest of NWA and its members, ensuring that all members, particularly those who are recipients of services, are treated fairly according to their rights.
- Shall carry out their duties in a lawful manner and ensure that NWA carries out its business in accordance with the law and its own constitution.
- Shall establish NWA's vision and purpose and key values by which NWA should work.
- Shall not do anything that in any way denigrates NWA or harms its public image.
- Regularly review the Board's performance, and their own.

##### **Meeting**

- Shall avoid conflicts of interests. Where such conflicts do arise, the Director must act within the terms of the Constitution of the Association, Section 29 as amended from time to time.

- Shall be diligent, attend board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making.
- Shall interact with the Board and NWA in a positive and constructive manner.
- Shall be loyal and supportive to the Board, abiding by board decisions once reached at meetings.
- Shall actively discuss the monitoring of the performance of management and NWA as a whole.
- Shall expect that appropriate monitoring and reporting systems are in place and that these are utilised to provide accurate and timely information to the Board by the CEO.
- Shall expect that financial reporting will be provided in an accurate and timely manner, and risk management assessment shall be reported on regularly by the CEO.
- Shall ensure that the independent views of Directors are given due consideration and weight.

#### **Finance**

- Shall act in accordance with their fiduciary duties, complying with the spirit as well as the letter of the law.
- Shall ensure that members are provided with an accurate and balanced view of NWA's performance including both financial and service provision.
- Shall make clear the requirements for reporting both formal and informal by the CEO and Directors.
- Shall ensure that NWA assets are protected via a suitable risk management strategy.

#### **Confidentiality**

- Shall observe the confidentiality of non-public information acquired by them in their role as Directors.
- Shall ensure that the President, the CEO, or their nominees are the only people to speak to the media on behalf of NWA.

#### **Relationship with CEO**

- Clearly delineate the role and responsibilities of the Board and the CEO.
- Shall provide clear key results that are to be achieved by the CEO with appropriate reporting processes and within agreed timeframes.
- Shall use Key Results Areas as the basis for the evaluation of the CEO's performance, and will apply a strict discipline of measuring performance against these objective criteria only.
- Shall set, ahead of a performance appraisal, the basic values and expectations on which the judgement of effectiveness will be based.
- Shall support the CEO in the management of the sport by only communicating with staff either through them or with their endorsement.
- Shall perform a pastoral role to the CEO in their development.

Directors are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, and fully canvas all aspects of any issue confronting the Association, and cast their vote on any resolution according to their own judgement. The Board will always work towards reaching a consensus on all matters in the first instance.

Outside the boardroom, however, Directors will support the letter and spirit of the Board decisions in discussions with all stakeholders including any special interest groups, customers, staff, suppliers and any other parties.

Directors will keep confidential all Board discussions and deliberations. Similarly, all confidential information received by a Director in the course of the exercise of the Directors duties remains the property of the Association and is not to be discussed outside the boardroom. It is improper to disclose it, allow it to be disclosed, unless that disclosure is done with appropriate authorisation.

### **4.3 Conflicts of Interest and Related Party Transactions**

#### **4.3.1 Conflicts of Interest**

Directors' interest shall be in accordance with the Constitution of the Association, Section 29 as amended from time to time.

Directors must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Director and the interests of the Association. Whether an interest is material or not will vary depending on individual circumstances. Directors are expected to know when a matter is material and accordingly would declare any material conflict. On appointment, Directors should have an opportunity to declare any such interests and they should be entered into the Associations Register of 'Ongoing Conflicts of Interest'.

Directors should update this disclosure by notifying the CEO in writing as soon as they become aware of any conflicts. Directors are also expected to indicate to the President any actual or potential conflict of interest situation as soon as it arises. To ensure Directors have an opportunity to disclose new conflicts of interests, the first Agenda item for each Board Meeting will be the disclosure of any conflicts of interest. Any amendments to disclosures are to be tabled at this time and entered into the Register of Ongoing Conflicts of Interest.

The Board can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot or is unwilling to remove a conflict of interest, then the Director must absent himself or herself from the room when discussions and voting occur on matters to which the conflict relates. The entry and exit of the Director concerned will be minuted by the CEO. Directors do not have to absent themselves when either (a) conflict of interest relates to an interest common to all Association members/stakeholders or (b) the Board passes a resolution that identifies the Director, the nature and extent of the Director's interest and clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.

#### **4.3.2 Related Party Transactions**

Related party transactions include any financial transaction between a Director or Officer and the Association and will be reported in writing to each Board Meeting. In general, it will be a requirement that to assist the Board in showing that a financial benefit, such as awarding a contract to a company in which a Director is a partner, is given arm's length terms, the process outlined below (Potential Related Party Transactions) will be followed. The Board has also resolved that where applications are made by a related party to a Director of the Association, then the Director shall exclude himself/herself from the approval process.

Related party for this process means:

- a. A spouse or de facto spouse of the Director; or
- b. A parent, son or daughter of the Director or their spouse or de facto spouse; or
- c. An entity over which the Director or a related party defined in (a) or (b) has a controlling interest.

The CEO will maintain a Register of '*Related Parties Transactions*' as well as the Register of '*Ongoing Conflicts of Interest*'.

### **5. THE ROLE OF THE PRESIDENT**

The President's role is a key one within the Association. The President is responsible for ensuring that the Board is well informed and functions effectively and that they provide leadership in formulating the strategic direction and overseeing the operation of the organisation. The President utilises their experience, skills and leadership abilities to facilitate the governance processes. There are two main aspects to the President's role. They are the President's role within the boardroom and the President's role outside the boardroom.

#### **5.1 Inside the Boardroom**

The Role of the President is to:

- a. Ensure strong board governance that is built on unity, respect and clear understandings;
- b. Lead the Board to drive the strategic goals set by NWA;
- c. Establish the Agenda for Board Meetings in consultation with the CEO;

- d. Chair Board Meetings. If the President is not present within 15 minutes after the time appointed for the holding of the meeting, a Director chosen by a majority of Directors shall assume the role;
- e. Be clear on what the Board has to achieve, both in the long and short term;
- f. Provide guidance to other Directors about what is expected of them;
- g. Ensure that Board Meetings are effective in that:
  - The right matters are considered during the meeting (for example, strategic and important issues);
  - Matters are considered carefully and thoroughly;
  - A Board calendar is developed;
  - All Directors are given the opportunity to effectively contribute; and
  - The Board comes to clear decisions and resolutions are noted.
- h. Brief all Directors in relation to issues arising at Board Meetings. Where the President has access to better information that may impact on the debate within a Board Meeting, it shall be the obligation of the President to inform the Directors of such information;
- i. Ensure that the decisions of the Board are implemented properly and promptly;
- j. Ensure that the Board behaves in accordance with its Code of Conduct; and
- k. Commence the annual process of Board and CEO Evaluations.

## **5.2 Outside the Boardroom**

The Role of the President is to:

- a. Develop a strong working relationship with the CEO;
- b. Develop a good working relationship with the Head Coach;
- c. Develop a good understanding and working relationship with Netball Australia, our Regions and Associations across the State;
- d. Advocating for NWA and West Coast Fever across all stakeholders including government agencies, corporate business groups, community organisations and the sport and recreation industry;
- e. In conjunction with the CEO, undertake appropriate public relations activities;
- f. Be the spokesperson for the Association at the AGM and in the reporting of performance and profit figures;
- g. Be the major point of contact between the Board and the CEO;
- h. Ensure that the Directors are kept fully informed and current by the CEO on all matters which may be of interest to the Directors;
- i. Report to, and inform the Board on important initiatives and significant issues facing the association;
- j. Provide mentoring for the CEO; and
- k. Initiate and oversee the CEO evaluation process.

## **6. THE ROLE OF THE CHIEF EXECUTIVE OFFICER**

### **6.1 Appointment and Duties**

The appointment and duties of the CEO shall be in accordance with the Constitution of the Association, Section 30, as amended from time to time and of the 'Job Description Framework' (JDF) for the CEO position.

The CEO is responsible for the attainment of the Association's goals and vision for the future, in accordance with the strategies, plans, budgets, policies, programs and performance requirements approved by the Board.

The CEO is also charged with facilitating the Associations governance policy processes and holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The CEO is accountable to the Board through the President, on all governance matters and reports directly to the President as the representative of the Board. The CEO is appointed and dismissed by the Board and all Directors have a right of access to the CEO.

### **6.2 Performance Evaluation Process**

The CEO of the Association is subject to an annual performance review. The evaluation will be conducted at the anniversary of the engagement of the CEO. Any evaluation should establish goals that compliment any transition associated with new Directors appointed post the AGM (normally held in April each year).

At the performance evaluation, the CEO will establish a set of performance Key Expected Results (KER) with the Board. These KER's are aligned to overall business goals and the Association's requirements of the position. The Board will sign off the agreed KER's. An informal assessment of progress may be carried out at three month intervals. All evaluations conducted shall form a part any salary progression criteria for the CEO and may provide the Board guidance on the specific criteria of how any salary progression is attributed (e.g. Consumer Price Index – CPI, etc.).

## **7. BOARD COMMITTEES**

The Board has the ability to create Board Committees from time to time, the Board shall define:

- a. the make-up of the Committee and the potential skills required of its members;
- b. a Term/s of Reference and defined boundaries for the Committee;
- c. the specified period in which the Committee will operate and dissolve; and
- d. the expectation of when and in what format any report is to be submitted to the Board.

The Board will determine the Chair of any Committee within the Terms of Reference and the CEO may be a member of any Committee, as determined by the Board.

## **PART B – IMPROVING BOARD PROCESS**

### **8. BOARD MEETINGS**

Board Meetings shall be in accordance with the Constitution of the Association, Section 28, as amended from time to time. Board Meetings are a fundamental component of governance processes. Each Board Meeting is critical, as it is the main opportunity for Directors to:

- a. Obtain and exchange information with the CEO & Executive Management Team;
- b. Obtain and exchange information with each other; and
- c. Make decisions.

The Board Meeting Agenda is equally as important because it shapes the information flow and subsequent discussion.

#### **8.1 Meeting Frequency**

The Board will meet as often as deemed necessary in every calendar year for the dispatch of business and may adjourn and, subject to this Constitution otherwise regulate, its meetings as it thinks fit. The CEO shall, on the requisition of two Directors, convene a meeting of the Board within 30 days. It is anticipated that the Board shall meet no less than six times per year or bi-monthly and, unless otherwise agreed by Directors. Committees will generally meet as determined by the respective Committee. Where Board and Committee Meetings are scheduled for the same month, where possible, Committee Meetings will precede the Board Meeting by at least one week to allow the circulation of the Minutes of the Committee Meeting prior to the Board Meeting.

#### **8.2 Meeting Time and Location**

The Board generally meets at the Association's registered office located at the State Netball Centre, Jolimont, WA. Board Meeting times may vary depending on the Agenda of each individual meeting, the availability of key participants and the location in which the meeting is taking place. The Board will determine and agree on the time as applicable for each meeting.

Noting the possible locale of key participants with the Board structure, it shall be acceptable to use electronic media meeting methods (e.g. tele-conferencing, video-conferencing) to participate in Board Meetings, provided the remote participant/s has appropriate and un-degraded connectivity.

### 8.3 Meeting Cycle

To assist the smooth running of Board processes, the Board has adopted an indicative bi-monthly cycle as follows, The indicative cycle gives Directors seven days to review the Agenda and the Board Papers to save valuable time at meetings by being prepared for discussion and allowing them to seek clarification or further information in advance on ambiguous items.

Under normal circumstance, Board Meetings shall follow the following bi-monthly cycle:

#### ITEM DAY

	Day
Draft Agenda prepared by the CEO	-14
CEO updates actions arising from the previous meeting	-7
CEO reviews the proposed Agenda with the President	-10
Board Papers and Agenda are finalised	-7
Board Papers are printed/copied/filed	-7
All Board Papers are circulated to Board Meeting attendees	-7
Board Meeting	0
Draft Minutes sent to President	14
Draft Minutes sent to Directors	21

All days indicated are calculated in relation to the Board Meeting day (day zero).

Please note that this is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board Meetings will be dependent upon the circumstances surrounding each individual meeting.

### 8.4 Conduct of Meeting

The President will determine the degree of formality required at each meeting while maintaining the decorum of such meetings. As such, the President or their nominated replacement will:

- Ensure that all members are heard;
- Retain sufficient control to ensure that the authority of the Chair is recognised. This may require a degree of formality to be introduced if this is necessary to advance discussion;
- Take care that the decisions are properly understood and well recorded;
- Allocated a time limit (example of 15 minutes for an important issue) to each Agenda item to ensure that discussion and debate is assigned to the most important issues on a precedence basis. This action shall be taken to ensure that appropriate discussion and debate time is assigned to each Agenda item or issue;
- Ensure that where discussion and debate on topics exceeds the allocated time limit, that the Agenda item or issue is held over to the next Board meeting for continued discussion; and
- Ensure that decisions and debates are completed with a formal resolution and recording the conclusions reached. All motions that result in a resolution should be read-back to confirm that the motion as put is grammatically correct with regards to intent and outcome.

### 8.5 Quorum and Voting at Meetings

The number of Directors shall be in accordance with the Constitution of the Association, Section 24, as amended from time to time. In order for a decision of the Board to be valid, a quorum of Directors must be present. In accordance with the Association’s Constitution a quorum is any four (4) Directors present. Remote attendance via

tele-conference and or video-conference shall be acceptable for the purposes of delivering a Board Meeting quorum. Questions arising at the Board Meetings are to be decided by a majority of votes of Directors who are present.

## **8.6 Emergency Decision Making – Written Resolutions**

As provided by the Constitution, a written resolution or circular resolution may be passed on the basis that it is signed by all current Directors. For the purposes of written resolutions, the receipt of electronic email with the name, date and time of the sending Director shall be construed to meet the requirement for written resolution. However, electronic email shall only be passed on a 100% majority to the written resolution or circular resolution.

## **8.7 Information between Meetings**

The Board shall decide the boundaries of additional information sent out by the CEO between meetings, other than Agenda, and should normally only cover such information of substance that directly impacts the integrity and good governance of the Association.

## **9. BOARD MEETING AGENDA**

### **9.1 Agenda Content**

An Agenda will be prepared for each Board Meeting. The Agenda should make it clear what subject is to be discussed, what aspects of that subject are to be discussed, why it is being discussed and what the Board hopes to achieve from the discussion. The Agenda shall be structured such that Agenda items are placed ahead of others that are of substance and require that the Board know of and discuss the item as a matter of importance within the Board Meeting.

### **9.2 Agenda Preparation**

The CEO, in consultation with the President is responsible for preparing an Agenda for each Board Meeting. However, any Director may request items to be added to the Agenda for upcoming meetings. The CEO circulates the Agenda to all Directors with the Board Papers at least seven days prior to the meeting.

## **10. BOARD PAPERS**

### **10.1 Preparation and Circulation of Board Papers**

The CEO is responsible for the preparation and circulation of Board Papers. The Board Papers will be circulated to Directors at least 7 days prior to the Board Meeting. If a Board Paper relates to a matter in which there is a known conflict of interest with a particular Director then the relevant Board Paper may be removed by the CEO on the instructions of the President, from the set of Board Papers sent to the Director.

In the case of the President having a conflict of interest, the Board will appoint another Director to make final decisions on the forwarding of Board Papers to the President.

### **10.2 Retention of Board Papers**

The CEO maintains a complete set of Board Papers at the Association's main offices. However, individual Directors may retain their own Board Papers in a secure location.

## **11 BOARD MINUTES**

Minutes are to be a sufficient record of discussion that appropriately details the decision/s and matters discussed at a Board Meeting. Minutes will contain a brief summary and reference to relevant Board Papers tabled plus any official resolutions adopted by the Directors.

All decision will be recorded in the Minutes by means of a formal resolution. Individual votes of the Board shall not be registered on the Minutes of the Board Meeting on any motion or decision, but rather that the Board resolved to accept or reject the motion or decision. A Director may request to have particular items noted in the minutes.

Final file copies of the Minutes shall reflect all corrections and amendments to the Minutes, as verified and or put by the Directors prior to the Minutes being accepted as correct. This may, in some circumstance, cause the Minutes to be one meeting in arrears before acceptance by the Board and filing.

## **PART C – KEY BOARD FUNCTIONS**

### **12 THE BOARD AND STRATEGY**

Each year the Board will approve a formal strategic planning process that articulates the respective roles and levels of involvement of the Board, CEO & Executive Management Team and other stakeholders and will review the current strategic plan against outcomes, and will formulate a new strategic plan as required.

### **13 CONTACTS AND ADVISORY ROLE**

#### **13.1 CEO Advisory Role**

It is recognised that a key directional duty is providing a sounding board for the CEO's ideas and challenges. Recognising that the CEO – Board relationship is critical to effective corporate governance, Directors should provide frank and honest advice to the CEO.

It is expected that the President will play a key part of this role and will maintain regular contact with the CEO. All Directors' advice should be constructive in nature and provided in a positive manner.

Where appropriate, Directors should recommend possible alternative advisers if they do not feel adequately trained to assist.

#### **13.2 Protocol for Interaction with Internal and External Parties**

##### **13.2.1 Media Contact and Comment**

The Board has designated the President or the CEO (where appropriate) to speak to the press on matters associated with the Association. In speaking to the press, and to safeguard against the inadvertent disclosure of sensitive information, the President or the CEO will not comment on confidential matters and only make comment of matters that have been previously released or information which the Board has sanctioned for release and public consumption.

There will be times when Directors will be approached by the media for public comment.

On such occasions the Director (s) shall comply with the following:

- a. Refer the person to the President of the Board or CEO as appropriate for comment;
- b. Refrain from disclosing any information, documents or other forms of data to the person without the prior consent of the President of the Board or CEO;
- c. Report the person who contacted the Director, the reason (explicit or inferred) for the contact and a summary of any other relevant information as soon as possible to the President of the Board or CEO.

##### **13.3 Hospitality and Gifts**

While the Association recognises the need from time to time to give or accept customary business courtesies in accordance with ethical business practices, Directors will not solicit such courtesies and will not accept gifts, services,

benefits or hospitality that might influence, or appear to influence, the Director's conduct in representing the Association.

#### **13.4 Employee Contact**

When there is a requirement to discuss Association business with or give instructions to staff of the Association, the Director should communicate through or in the presence of the CEO. To do otherwise, is to undermine the authority of the CEO and will destroy the line of authority which is so essential to the proper day to day management of the Association. Directors must remember that they do not individually have the right to direct employees, unless the authority is specifically delegated to one Director to handle staff affairs, no individual Director should assume the right to interfere.

It is the CEO that has responsibility for staff and it is the responsibility of the Board to ensure that the CEO fulfils their duties to in relation to staff.

The Board shall not receive complaints from staff. Any complaint from staff shall be represented via the agreed Association Grievance Policy and there shall be no discretionary alternative to this process, unless any complaint is of such a magnitude that warrants the complaint's direct representation to the President. In such a circumstance, an agreed protocol shall be developed to manage the complaint that maintains the order of procedural fairness.

#### **13.5 Political Comment**

The Board shall refrain from making comments that support or promotes any political party, organisation or entity. The Board shall remain apolitical unless directed by the Association's membership.

### **14 MONITORING**

An essential function of the Board is to monitor the performance of the organisation in implementing its strategy and overall operational performance. This will be done on an annual basis. The Board will meet annually, usually after the AGM and review its operations and achievements during the year and critically appraise the achievement of corporate objectives, the performance of management and the Board.

The Board will review the Constitution, at least every three years to determine whether the Constitution and its objectives is reflective of the way the Association and the Board operates. This review should look to innovation that permits the Association to adopt new approaches, practices, technologies that permit the Association to become more efficient.

### **15 COMPLIANCE**

The Board is charged with overseeing, reviewing and ensuring the integrity and effectiveness of the Association's compliance systems and processes, legal and other.

### **16 RISK MANAGEMENT**

Since risk management is a complex and critical component of the Association's governance, the Board will charge the CEO with implementing appropriate risk systems within the Association. Aspects of this process may be delegated. The risk management system should be based on the Australian Standard AS/NZS 4360:2004 "Risk Management".

Risk management is considered a key governance and management process. It is not an exercise merely to ensure business compliance. The primary objectives of the risk management system at the Association are to ensure:

- a. All major sources of potential opportunity for adverse events and harm to the association (both existing and potential) are identified, analysed and treated appropriately; and
- b. Business decisions throughout the Association appropriately balance risk and reward trade off.

Any risk management system should review all major strategies and purchases for their impact on the risk facing the Association and makes appropriate recommendations to the Board. The Board should undertake an annual review of the Association's operations to update its Risk Profile. This normally occurs in conjunction with the strategic planning process.

## **17 DELEGATION OF AUTHORITY**

Directors are responsible for any delegation of their responsibilities with regard to Association operations. As such, they decide as a Board what Association matters are delegated to either specific Directors or Officers. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual Directors have no individual authority to participate in the day-to-day management of the Association, including making representations or agreements with member companies, suppliers, customers, employees or other parties or organisations. The exception to this principle occurs where the Board, through resolution, explicitly delegates an authority to the Director individually. It is recognised that the CEO will carry significant delegated authority by virtue of their management position as outlined in a relevant Board resolution.

### **17.1 General Delegations**

A summary list of delegations and authorities is to be provided. In general, the Board will delegate all powers and authorities required to effectively and efficiently carry out the Association's business. Listed below are the exceptions to these delegations, whereby the Board or appropriate Committee reserves the power as indicated.

### **17.2 Decision Requiring Board Approval**

The following decisions must be referred to the Board for approval:

- a. Acquiring, selling or otherwise disposing of property in excess of 10% of total assets of the Association;
- b. Starting new business activities, terminating existing business activities or initiating major changes to the field of the Association's business activities outside of those aligned to the strategic objectives of the organisation;
- c. Significantly altering the annual business plan (including financial planning) for the Association or any part of the Association, where by the alteration makes a material difference to the planned strategic outcomes.
- d. Determining the balance sheet strategy for the Association or any part of the Association;
- e. Approving annual Budget items that provide salary/performance progression of the CEO; and
- f. Granting or evoking a power of attorney or limited authority to sign and/or act on behalf of the Association.

## **PART D – BOARD EFFECTIVENESS**

## **18 DIRECTOR PROTECTION**

### **18.1 Information Seeking Protocol**

Directors will adhere to the following protocol when seeking information:

- a. Approach the CEO to request the required data;
- b. If the data is not forthcoming, approach the President;
- c. If the information is still not forthcoming, write a letter to all Directors and the CEO detailing the information that is required, purpose of the information, and who the Director intends to approach in order to obtain the information; and
- d. As a last resort, employ the provisions of the Association's Incorporation Act.

### **18.2 Access to Professional Advice**

A Director of the Association is expected to exercise considered and independent judgement on the matters before them. To discharge this expectation a Director may, from time to time, need to seek independent, expert opinion on matters.

Where a Director considers that expert advice is warranted on a matter, the Director has the right to present such information to the Board for consideration and/or approval of the professional advice. However, no Directors have the individual authority to commit the Association to an obligation for advice from an external expert or organisation. All expert advice so received should be received on behalf of the Board as a whole.

### **18.3 Access to Board Papers**

The Directors have the right to access Board Papers.

## **19 BOARD EVALUATION**

### **19.1 Evaluation Process**

The Board considers the evaluation of its own performance as fundamental to establishing a culture of performance and accountability.

### **19.2 Board Evaluation**

The Board considers the ongoing development and improvement of its own performance as critical input to effective governance. As a result, the Board will undertake an Annual Evaluation of the Board's performance. The review is based on a number of goals for the Board and individual Directors that are established at the start of the year. The goals are based on Association requirements and any areas for improvement identified in previous reviews.

### **19.3 Board Committee Evaluation**

At the end of each year, the Board reviews the performance of the Association's Committees and itself against set expectations. Based upon the review, Committees are provided feedback on their performance. The results of the review are a key input into the expectations set by the Board.

## **20 DIRECTOR DEVELOPMENT**

The Association is committed to continuing development of its Directors and CEO. In line with this commitment, there is an expectation that all Directors and CEO will commit to at least 2 days of professional development each year of their tenure on the Board of Directors. Specifically, where skills gaps are identified, the Directors will be provided with resources and training to address those skills gap. Directors are also encouraged to undertake self-development where appropriate.

The Association allocates an annual budget of at least \$5,000 to encourage Directors to participate in training and development programs. Any Director wishing to undertake either specific directorial training or personal development courses is expected to approach the Board of Directors for approval of the proposed course. Development may be in both governance and governance processes.

Personal development training programs will, where appropriate, draw upon existing development and training programs presented/facilitated by stakeholder entities at the State and National level that seeks to correlate with the expectations and requirements of those entities.

As appropriate, the Association will undertake to provide personal development training that is compatible with the induction of new Directors, as their appointment to the Board occurs from time to time. In other circumstances, the Association will task the CEO to remain current of contemporary and appropriate training programs that might be scheduled for the Directors to attend as a group.

## 21 DIRECTOR INDUCTION

A new Director will undergo an induction process in which they will be given a full briefing on the Association. This will include meeting with key Executive Management personnel, tour of the premises, an induction package and presentations. Information conveyed to the new Director will include:

- a. Details of roles and responsibilities of a Director with an outline of the expectations of a successful Director;
- b. Formal policies on Director appointments as well as conduct and contribution expectations;
- c. Details of the relevant legal requirements:
  - Associations Incorporation Act
  - Any Tax Office requirements; and
  - Other major statutory bodies or government entities
- d. A copy of the Board Charter;
- e. A copy of relevant Governance Policies;
- f. A guideline on how the Board processes function;
- g. Details of past, recent and likely future developments relating to the Board including any anticipated changes;
- a. Background information on and contact information for key people in the Association including an outline of their roles and responsibilities;
- h. An analysis of the Association including:
  - Core competencies and skills of fellow Directors;
  - Details of financial position;
  - Current financial structure;
  - Delegated authorities; and
  - Any other important operating information.
- i. A synopsis of the current strategic direction of the Association including a copy of the current strategic plan and annual budget;
- j. Copies of the Minutes of the last few Board Meetings; and
- k. A copy of the Constitution of the Association.