[Insert organisation name/logo]

GOVERNANCE POLICY

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|  |  |  |  |  |
|  |  |  |  |  |

***🖌Note\****

*This policy template has been developed to meet the needs of a diverse range of services and includes items for consideration in policy and procedure.*

***Not all content will be relevant to your service.******Organisations are encouraged to edit, add and delete content to ensure relevancy.***

*All notes (like this one) should be considered and deleted before finalising the policy, and the contents list should be updated as changes are made and when content is finalised. See the NADA Policy Toolkit User Guide for more editing tips.*

*\*Please delete note before finalising this policy.*

***🖌Note\****

*To update the contents list when all content has been finalised, right click on the contents list and select ‘update field’, an option box will appear, select ‘Update entire table’ and ‘Ok’.*

*To use the contents list to skip to relevant text, use Ctlr and click to select the relevant page number.*

*\*Please delete note before finalising this policy.*

SECTION 1: GOVERNANCE POLICY FRAMEWORK 4

1.1 Policy statement 4

1.2 Purpose and scope 4

1.3 Definitions 4

1.4 Principles 4

1.5 Outcomes 4

1.6 Delegations 5

1.7 Policy implementation 5

1.8 Risk management 6

SECTION 2: THE ORGANISATION 7

2.1 Introduction 7

2.2 Goal of the organisation 7

2.3 Principles of the organisation 7

2.4 Outcomes of the organisation 7

2.5 Services provided 7

2.6 Target group 7

2.7 Staff 8

2.8 Organisation structure 8

SECTION 3: ROLE OF THE BOARD 9

3.1 Introduction 9

3.2 Role of the Board 9

3.3 Board structure 9

3.4 Organisation members 9

3.5 CEO/Manager 10

3.6 Board sub-committees 10

3.7 Summary Strategic planning 11

SECTION 4: PERSONAL AND LEGAL RESPONSIBILITIES 13

4.1 Personal responsibilities 13

4.2 Specific legal responsibilities 14

4.3 Responsibilities of Board office holders 14

4.4 Code of conduct 16

4.5 Conflicts of interest 16

SECTION 5: APPOINTMENT OF BOARD MEMBERS 18

5.1 Composition of the Board 18

5.2 Limits to Board tenure 18

5.3 Rotation of Directors 18

5.4 Board nomination and election 18

5.5 Appointment to casual vacancies in elected Board positions 19

5.6 Appointment of independent non-member Board Directors 20

5.7 Board Executive 20

SECTION 6: GOVERNANCE PROCESSES 21

6.1 Organisational viability 21

6.2 Decision making 24

6.3 General meetings of the organisation 24

6.4 Annual Report 25

6.5 Board member register 26

6.6 Representing [insert organisation name] 26

6.7 Feedback and complaint management 26

6.8 Grievance management 27

6.9 Board meetings 27

SECTION 7: BOARD ORIENTATION AND DEVELOPMENT 30

7.1 Board member orientation 30

7.2 Board skill, knowledge and performance review 30

7.3 Board training and development 31

SECTION 8: BOARD AND CEO/MANAGER RELATIONSHIP 32

8.1 Relationship between the Board and staff 32

8.2 Relationship between the Board and CEO 32

8.3 Role of the CEO 32

8.4 The CEO/Manager at Board meetings 33

8.5 CEO/Manager performance management 33

8.6 CEO/Manager succession planning 35

SECTION 9: INTERNAL REFERENCES 36

9.1 Supporting documents 36

9.2 Referenced policies 36

9.3 Others 36

SECTION 10: EXTERNAL REFERENCES 37

10.1 Legislation 37

10.2 Resources 37

10.3 Websites 37

🖌Note\*

For more information on organisational governance visit the NADA website <http://www.nada.org.au/resources/nadapublications/resourcestoolkits/> and download the NADA Governance Toolkit developed in 2011.

\*Please delete note before finalising this policy.

# SECTION 1: GOVERNANCE POLICY FRAMEWORK

## 1.1 Policy statement

**[Insert organisation name]** is governed by a voluntary Board of Directors acting on behalf of clients of **[insert organisation name]**. The Board is committed to providing effective oversight of the organisation, setting the strategic direction and ensuring organisational viability.

## 1.2 Purpose and scope

The purpose of this Governance Policy is to provide guidance to **[insert organisation name]’s** in developing and implementing governance systems to ensure compliance with relevant legislation, funding and financial obligations, and that the organisation meets the needs of its clients.

This policy applies to all **[insert organisation name]’s** staff and Board members.

## 1.3 Definitions

|  |  |
| --- | --- |
| **Board/Board of Directors** | The legally responsible managing body of the organisation.  |
| **Constitution** | Set of written rules or an agreement governing the aims of the organisation, how it will be run and how the members will work together. |
| **Governance** | Rules and structures setting out how an organisation is managed.  |
| **Ordinary Board Member/Director**  | A Board member who does not have a formal title, such as the President, Vice-President, Treasurer or Secretary. |
| **Tenure** | Term limit relating to the number of years a Board member is eligible to stay on the Board. |

## 1.4 Principles

* **[Insert organisation name]’s** views good governance and management practice as essential to fulfilling its goal in a responsible manner.
* The Board conducts its affairs legally, ethically and with transparency.
* Board membership diversity in skills and experience is valued.

## 1.5 Outcomes

* **[Insert organisation name]’s** governance practice contributes to a quality, community-driven organisation.
* **[Insert organisation name]’s** goals and stated outcomes are fulfilled.
* Organisational risks and legal obligations are identified and managed through policies, procedures and practice improvement.

## 1.6 Delegations

|  |  |
| --- | --- |
| **Board of Directors** | * Endorse and ensure compliance with **[insert organisation name]’s** Governance Policy and its procedures.
* Understand and manage organisational legal responsibilities.
* Monitor **[insert organisation name]’**s financial, risk, compliance, human resources, work health and safety and service delivery practices.
* Develop the strategic direction of the organisation in partnership with the CEO/Manager, and aligned to the **[insert organisation name]’s** Constitution.
* Undertake Board self-assessment and improve on governance practice.
* CEO/Manager performance management.
 |
| **Business services/Management**  | * Compliance with **[insert organisation name]’s** Governance Policy and its procedures.
* Operational implementation of **[insert organisation name]’s** financial, risk, compliance, human resources, work health and safety, and service delivery practices.
* Contribute to the development of the strategic direction of the organisation in partnership with the CEO/Manager, and aligned to the **[insert organisation name]’s** Constitution.

**CEO/Manager*** Develop the strategic direction of the organisation in collaboration with the Board.
 |
| **Program services/Clinical** | * Compliance with **[insert organisation name]’s** Governance Policy and its procedures.
* Operational implementation of **[insert organisation name]**’s financial, risk, compliance, human resources, work health and safety and service delivery practices.
* Contribute to the development of the strategic direction of the organisation in partnership with the CEO/Manager, and aligned to the **[insert organisation name]’s** Constitution.
 |

## 1.7 Policy implementation

This policy is developed in consultation with **[insert organisation name]’s** Board members and staff and approved by the **[insert organisation name]’s** Board of Directors. All Board members and employees are responsible for understanding and adhering to this Governance Policy and its procedures.

Specific monitoring and support activities undertaken are:

* New Board members are provided with an orientation to the Board including an information package and opportunity to meet with the President and the CEO/Manager.
* Regular Board self-assessment and development activities.
* Annual schedule of Board meetings with documented terms of reference.

## 1.8 Risk management

This Governance Policy and its procedures are informed by and comply with **[insert organisation name]’s** Constitution and **[Select which legislation applies: Corporations Act, NSW Incorporations Act, Co-operatives Act, or other]**. The Board demonstrates that mechanisms are in place for fair and transparent governance through accessible meeting minutes, Board self-assessment and a Board development plan. Annual performance reporting to stakeholders and the community it serves demonstrates transparency in governance and operations.

This Governance Policy is included in **[insert organisation name]’s** policy review schedule where all policies are reviewed every **[Insert frequency]** at a minimum, or following significant operational, policy or legislative requirements.

# SECTION 2: THE ORGANISATION

## 2.1 Introduction

The **[insert organisation name]** is a **[Insert the type of organisation e.g. Association, Co-operative, Foundation or other]** non-government, community-based organisation formed in **[insert year of establishment]**.

## 2.2 Goal of the organisation

**[Insert organisation name]’s** goal is to **[Insert organisation’s goal]**

## 2.3 Principles of the organisation

**[Insert organisation name]’s** guiding principles include:

* **[Insert the organisation principles]**
* **[Insert the organisation principles]**
* **[Insert the organisation principles].**

🖌Note\*

Examples of principles include:

• The organisation values and reflects diversity, respect and dignity

• The organisation operates with integrity and fairness

• Consumer participation is a central component of the organisation’s programs and operations.

\*Please delete note before finalising this policy.

## 2.4 Outcomes of the organisation

**[Insert organisation name]’s** pursues the following outcomes:

* **[Insert the organisation outcomes]**
* **[Insert the organisation outcomes]**
* **[Insert the organisation outcomes].**

🖌Note\*

Examples of outcomes include:

• Quality programs and services delivered

• Promote healthy life values

• Consumer participation adds value to the organisation and improves client engagement and treatment outcomes.

\*Please delete note before finalising this policy.

## 2.5 Services provided

**[Insert organisation name]’s** provides the following services:

* **[Insert the programs or services provided]**
* **[Insert the programs or services provided]**
* **[Insert the programs or services provided].**

## 2.6 Target group

**[Insert organisation name]’s** provides services to **[Insert target group].**

## 2.7 Staff

**[Insert organisation name]’s** employs the following staff:

|  |  |  |
| --- | --- | --- |
| Number | Name of position | Hours per week |
| **[Insert Number of staff in this position]** | **[Insert positions name, including volunteer positions]** | **[Insert hours per week]** |
|  |  |  |
|  |  |  |

## 2.8 Organisation structure

 The structure of **[insert organisation name]** is shown in the organisation diagram\* below:

 

***\*This is only an example, replace before finalising this policy.***

# SECTION 3: ROLE OF THE BOARD

## 3.1 Introduction

The Board of Directors is the governing body elected **[Insert frequency]** at an Annual General Meeting in accordance with the provisions of the **[insert organisation name]’s** Constitution.

## 3.2 Role of the Board

The Board’s role is to manage **[insert organisation name]’s** within the approved budget and in accordance with the relevant law and the organisation’s plans, policies and procedures.

Within this role, the Board may delegate many responsibilities to nominated members of the Board, sub-committees or the Chief Executive Officer (CEO)/Manager.

## 3.3 Board structure

The **[insert organisation name]’s** Board is structured by a voluntary and representative Board, with **[insert total number of Board members]** Board members. The Board may appoint **[insert number of Board members]** additional independent members or consumers for the purpose of bringing expertise from other areas.

The diagram\* below demonstrates **[insert organisation name]’s** governance and management structure.



***\*This is only an example; replace before finalising this policy.***

## 3.4 Organisation members

Includes any community individuals or groups that have paid a membership fee to be able to participate in **[insert organisation name]’s** governance processes. Members can be elected to be part of the **[insert organisation name]’s** Board of directors. Refer to **[insert organisation name]’s** Constitution for more information on members or memberships.

## 3.5 CEO/Manager

The Board delegates responsibility for running of the organisation to the CEO/Manager.

## 3.6 Board sub-committees

### 3.6.1 [Insert Board sub-committee name]

Responsibility for **[Insert responsibility of the sub-committee]** is delegated to the **[Insert Board sub-committee name]**.

The primary task(s) for the **[Insert Board sub-committee name]** Sub-committee is to **[Insert sub-committee primary task(s)]** and provide recommendations to the Board on **[Insert responsibility of the sub-committee]**. This includes:

* **[Insert activity under responsibility of the sub-committee]**
* **[Insert activity under responsibility of the sub-committee].**

The **[Insert Board sub-committee name]** sub-committee consists of:

* **[Insert Board member’s position]**
* **[Insert Board member’s position]**
* **[Insert Board member’s position]**
* **[Insert Board member’s position]**
* **[Insert Board member’s position].**

A quorum for the **[Insert Board sub-committee name]** Sub-committee is **[Insert quantity, (No)]** persons.

The sub-committee meets **[Insert frequency]** on **[Insert date and location].** The Management may or may not attend the **[Insert Board sub-committee name]** Sub-committee at the discretion of the Board and will **[Insert voting rights option]** have voting rights.

### 3.6.2 Other sub-committees

Under the **[insert organisation name]’s** Constitution, the Board can create sub-committee(s). Members of the sub-committees can include Board members and/or independent advisers with specialist knowledge and skills appointed by the Board. All decisions made by the sub-committees are to be approved at full Board meetings.

🖌Note\*

Ensure that the organisation’s constitution allows sub-committees. If the Board wants to include these working groups permanently into the formal structure, the constitution must be changed to indicate the addition to the formal structure of the organisation.

\*Please delete note before finalising this policy.

### 3.6.3 Summary of responsibilities

The following table summarises the responsibilities held by the Board, the CEO/Manager and sub-committees in meeting the main roles of the Board.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Planning and policy** | **Legal** | **Financial** | **Other** |
| **Responsibility of the Board** | » Ensure that strategic and operational plans are developed and evaluated » Approve the organisation’s strategic plan» Hold the CEO/Manager accountable for implementing the strategic plan» Approve policies that guide the organisation’s operations» Ensure policies and procedures are kept up-to-date and put into practice | » Ensure at all times that the Board is fulfilling its role and responsibilities» Ensure that **[insert organisation name]’s** operates in line with the organisation Constitution, legislation and entered agreements or contracts » Ensure that staff employment agreements and contracts comply with relevant laws » Ensure that safe working conditions are provided» Ensure that **[insert organisation name]’s** has adequate insurance cover» Ensure that all risk is properly managed» Ensure that **[insert organisation name]’s** operates within relevant Federal, State and Local Government laws and regulations  | » Oversee financial management and budgeting» Ensure funding agreements are followed» Ensure that accounts are properly accounted for and an audit is completed every year» Adopt a financial/sustainability plan in line with the strategic plan» Ongoing improvement to financial management processes» Monitor risk management» Prepare and review budgets and forecasts » Review monthly accounts prepared by the Finance Officer» Review organisational income and expenditure | » Appoint and support the CEO/Manager » Represent the organisation when required» Ensure that **[insert organisation name]’s** has strong community support, a solid membership base and is a viable organisation» Provide staff with support and direction through the CEO/Manager  |
| **Responsibility of the CEO/Manager** | »Identify and prepare papers for the Board relating to key policy issues» Manage the preparation of the strategic plan» Provide input (and co-ordinate the provision of input from other staff) into the strategic plan» Implement the strategic plan» Report to the Board against the strategic plan | » Ensure organisation complies with its policies and procedures» Ensure organisation complies with relevant laws | » Supervise financial staff, management and budgeting» Ensure funding agreements are followed» Ensure that accounts are properly accounted for and an audit is completed every year» Implement the financial/sustainability plan in line with the strategic plan» Prepare budgets that align with the strategic plan  | » Attend **[Insert Board sub-committee(s) name]** Sub-committee meetings as required» Provide reports to Board meetings on major operational issues, including: **[insert detail e.g. human resources]**» Supervise staff |
| **Responsibility of [Insert Board sub-committee name] Sub-committee** | » **[Insert planning and policy responsibilities of sub-committee if any]** | » **[Insert legal responsibilities of sub-committee if any]**  | » **[Insert financial responsibilities of sub-committee if any]** | » **[Insert other responsibilities of sub-committee if any]** |

## 3.7 Summary Strategic planning

The goals and outcomes in the **[insert organisation name]’s** Strategic Plan provide key directions for the organisation and its key stakeholders as a service provider.

The CEO/Manager is responsible for developing the Strategic Plan in consultation with the Board and staff, with the Board formally endorsing the final document.

The Strategic Plan outlines the outcomes for **[insert organisation name]’s** and broad strategies to meet the outcomes. Broad outcomes and strategies are identified after assessing the environment in which the organisation operates, and consulting with clients, community members and stakeholders. The Board is responsible for agreeing on the strategic priorities for **[insert organisation name]’s** for each **[insert frequency]** year period.

The Strategic Plan is a public document distributed among the community, organisation members and stakeholders. Copies are made available on the **[insert organisation name]’s** website and upon request from the **[insert organisation name]’s** office.

# SECTION 4: PERSONAL AND LEGAL RESPONSIBILITIES

## 4.1 Personal responsibilities

Once elected to the Board, members act on behalf of **[insert organisation name]’s** to meet the goals and outcomes of the organisation. Board members are representative of the community and membership and must make decisions according to the best interests of **[insert organisation name]’s** in meeting its goals and outcomes.

**[Insert organisation name]’s** Board members’ duties include:

1. Putting the interests of the organisation above all else
2. Acting with care
3. Remaining always honest
4. Avoiding any conflict of interest by being up-front about likely conflicts and withdrawing from any discussion or decisions where this is an issue
5. Not gaining in a personal way from being a Board member
6. Not divulging any confidential information outside of the Board
7. **[Insert here any other duty outlined in the legislation that applies to your organisation for example: Corporations Act, NSW Incorporations Act, Co-operatives Act, or other].**

**[Insert organisation name]** Board members have a duty that requires them to act with the degree of care and diligence that a reasonable person in that position would exercise. Board members are required to:

* Make judgment in good faith for a proper purpose; and
* Not have a material personal interest in the subject matter of the judgment; and
* Inform themselves about the subject matter of the judgment to the extent they reasonably believe to be appropriate; and
* Rationally believe that the judgment is in the best interests of the **[insert organisation name]**.

Board members must be fully up-to-date with **[insert organisation name]’s**’s activities and take an active role in decision-making. Board members need to:

* Attend all or the majority of Board meetings;
* Ensure they have read and considered all Board papers prior to the meeting and come prepared to discuss and debate decisions required;
* Obtain sufficient information and advice about major activities or proposals put to the Board, before deciding whether to approve them.

🖌Note\*

The duties of the Board may vary from organisation to organisation depending on the organisational needs and type of the organisation. For example, the requirements to be honest, not gain in a personal way, and not divulge confidential information are set out in Sections 32 and 33 of the Association’s Incorporations Act 2009. This Act makes it an offence for a Board member to use information obtained as a Board member, or to use their position as a Board member, dishonestly with the intention of gaining advantage for themselves, or for another person, or for causing detriment to the organisation. Complete your organisation’s Board responsibilities according to the legislation that applies to your legal status.

\*Please delete note before finalising this policy.

## 4.2 Specific legal responsibilities

The Board is responsible for ensuring the organisation complies with a range of legal and other obligations. Refer to Section 6 for details of these obligations. Refer to **[insert organisation name]’s** Compliance Register for details of how **[insert organisation name]’s** meets the obligations.

## 4.3 Responsibilities of Board office holders

### 4.3.1 President

The President is the leader of the Board and along with the CEO/Manager, the primary spokesperson for **[insert organisation name]’s**. The role of the President requires more time than that of an ordinary Board member. Additional responsibilities for the President include:

* Steering the direction and performance of the organisation
* Facilitating relationships between Board members, between the Board and **[insert organisation name]’s** stakeholders, and with the CEO/Manager
* Modelling and promoting high standards of behaviour and practice
* Chairing Board meetings and acting as final decision-maker in any such circumstances as when the vote is tied
* Developing meeting agendas with the CEO/Manager
* Preparing for the AGM.

Within the leadership role, the President will be expected to demonstrate the following skills:

* Chairing or facilitating meetings
* Liaison and negotiation with the government and corporate sector, particularly funding agencies or foundations
* Staff supervision or human resource management skills
* Media interaction
* Financial management.

**[Insert organisation name]’s** has delegated this role to the **[Insert role and name of delegate].**

Refer to **[insert organisation name]’s** Board President Position Description for further detail.

### 4.3.2 Treasurer

The Treasurer’s role is to monitor **[insert organisation name]’s** financial processes and ensure financial reporting obligations are maintained. The Treasurer will have sound knowledge of financial matters. Responsibilities include:

* Developing and updating financial policies and procedures with the CEO/Manager and **[Insert finance role name e.g. finance officer, finance co-ordinator.]**
* Preparing or co-preparing budgets
* Monitoring monthly accounts
* Signing off on the creation of new bank accounts, cheque facilities and credit cards
* Liaising with auditors in relation to annual financial statements, or oversight of the process
* Ensuring the Board is aware of **[insert organisation name]**’s financial situation and performance.

Although the Treasurer has specific financial management tasks, all Board members are responsible for monitoring the financial viability of the organisation.

**[Insert organisation name]’s** has delegated this role to the **[Insert role and name of delegate].**

Refer to **[insert organisation name]’s** Board Treasurer Position Description for further detail.

### 4.3.3 Secretary/Public Officer

The Secretary will act as the organisation’s Secretary/Public Officer and **[insert organisation name]’s** has delegated this role to the **[Insert role and name of delegate].**

Specific responsibilities of the Secretary/Public Officer include:

* Ensuring meeting agendas are prepared and distributed according to **[insert organisation name]’s** Constitution
* Ensuring meeting minutes are taken and properly stored
* Ensuring all the legal requirements of the association are carried out
* Maintaining up-to-date contact details for Board members
* Assisting in the organisation of Board meetings, AGMs, and special general meetings.

Refer to **[insert organisation name]’s** Board Secretary Position Description for further detail.

🖌Note\*
The inclusion of a Secretary/Public Officer varies from organisation to organisation, depending on the organisational needs and type of the organisation. For example, The Associations Incorporation Act 2009 (NSW) does not mention the Secretary position within the Act itself; however, it does recommend the creation of a Secretary position in its Model Constitution. [Delete the role or insert the role and responsibilities outlined in the legislation that applies to your organisation; for example: Corporations Act, NSW Incorporations Act, Co-operatives Act, or other].

\*Please delete note before finalising this policy.

### 4.3.4 Vice-President

The Vice-President supports the President in his/her tasks and fills in when the President is absent. The role of the Vice-President provides opportunity for training to succeed the Chair.

Refer to **[insert organisation name]’s** Board Ordinary Member Position Description for further detail.

### 4.3.5 Consumer representative(s)

Consumers are involved in the **[insert organisation name]’s** Boardand sub-committees to provide a consumer voice in the governance and operations of the organisation. Consumers are entitled to take on any Board member positions. Consumers are encouraged to participate and are supported through training, development and supervision as required.

🖌Note\*

Some organisations may include consumer-specific positions on the Board to ensure active consumer involvement in the organisation’s governance. When specific positions have been identified, this should be included in the organisation’s constitution.

\*Please delete note before finalising this policy.

## 4.4 Code of conduct

All Board members understand and sign acceptance of the **[insert organisation name]’s** Code of Conduct at commencement of their tenure. The Code of Conduct outlines expectations of staff and Board members’ behaviour, including the use of social media, interactions with others, confidentiality and safety.

Refer to **[insert organisation name]’s** Human Resources Policy for further detail.

## 4.5 Conflicts of interest

Board members are required to put the interests of **[insert organisation name]’s** above individual interests.

A conflict of interest situation arises when a Board member's duty to **[insert organisation name]’s** conflicts with their duties, obligations or interests elsewhere – for example, the interests of their private business, own organisation, or family.

Examples of real or potential conflicts of interest are:

* A Board member works for an agency that also provides funding to **[insert organisation name]**
* The Board or a Board member receives a gift from a firm that provides office equipment to the organisation
* A Board member sits on the Board of another organisation and the two organisations are competing for the same funds.

🖌Note\*

It is important to remind Board members that they must be conscious of the perception of conflicts of interest: “How will their actions be perceived by the community and/or stakeholders outside the Board meeting?”

\*Please delete note before finalising this policy.

### 4.5.1 Managing conflicts of interest

The potential for a conflict of interest exists on an ongoing basis, so **[insert organisation name]** manages these interests in a transparent manner that maintains the confidence and trust of the community, stakeholders and staff.

**[Insert here the legislation that applies to your organisation for example; Corporations Act, NSW Incorporations Act, Co-operatives Act, or other]** specifies requirements for the management of real, potential or perceived conflicts of interest. In signing the **[insert organisation name]’s** Code of Conduct, Board members declare that they understand these requirements and agree to comply. The requirements are summarised:

* **[Insert here the requirements outlined in the legislation that applies to your organisation for example; Corporations Act, NSW Incorporations Act, Co-operatives Act, or other].**

🖌Note\*

Management of conflict of interest changes from organisation to organisation depending on the organisational needs and type of the organisation. For example: The Associations Incorporation Act 2009 (NSW) (Section 31) specifies the following requirements:

Board Directors declare potential conflicts of interest that may arise at the next Board meeting prior to the meeting or when that person becomes aware of the potential conflict of interest.

There is a conflict of interest standing agenda item for Board meetings to ensure the issue is raised and addressed at every Board meeting.

All declarations of potential conflicts of interest are recorded in the minutes of each meeting.

Board members declaring their conflict of interest leave the room while the Board discusses the conflict.

The Board examines each potential conflict of interest on its merits and assesses possible risk factors. The Board implements contingency plans or arrangements for dealing with each circumstance.

While absent, the Board may resolve that the Board member can participate in discussion and decision making, and can bring them back into the meeting.

The Board may decide to place restrictions on that person voting, deciding on any question, and/or taking part in a discussion where that person’s interests conflict with the decision at hand.

All decisions of the Board relating to the management of the conflict of interest are noted in the minutes.

Copies of Board minutes discussing particular conflicts of interest are filed in a Conflict of Interest Register.

The Board may grant leave of absence for a person from the Board for such times in which the decisions where such an important conflict of interest may influence decisions (positively or negatively) to be made.

The Board responds to complaints made to the Board (or CEO/Manager in the case of conflict for staff), which assert that they have ignored conflicts of interest. The complainant is informed, in writing, of the decision and reason within ten (10) working days.

Where conflicts of interest are not declared, or are continued once declared, and determined as inappropriate, the President and remaining Board Directors implement the appropriate disciplinary procedures.

\*Please delete note before finalising this policy.

# SECTION 5: APPOINTMENT OF BOARD MEMBERS

## 5.1 Composition of the Board

The Board is made up of **[Insert total number of Board members (No)]** Directors. Directors are appointed by **[Insert appointment process e.g. voting]** at the AGM. The **[Insert appointment process; e.g. voting]** and appointment of **[insert organisation name]’s** Board members ensures the Board:

* Has a good mix of experienced people and allows newer members to be nurtured
* Is representative of its membership/stakeholders
* Can access people from outside the membership who may bring in particular expertise
* Includes at least one consumer representative.

## 5.2 Limits to Board tenure

Board Directors hold the position for **[Insert No. of years],** also referred to as one (1) term. Board Directors may serve a maximum of **[Insert maximum No. of Terms]** terms in succession, allowing for new Directors to join the Board and ensuring long-term Directors take a break.

Once a Director has served **[Insert maximum No. of Terms]** terms on the Board and he/she steps down, that person cannot be re-nominated for the Board for a minimum period of **[insert period]** year/s. However, **[insert organisation name]** has the discretion to re-appoint that person as a Director.

## 5.3 Rotation of Directors

Every AGM, **[insert organisation name]** will nominate and elect Board Directors to make up the full quota of **[Insert total number of Board members (No)]** elected Board members.

The process for determining whether there are positions that require filling at an AGM is as follows:

* Before the AGM, the Board is to discuss the upcoming AGM and Board Director positions
* A register of current Board members (including their commencement dates) is distributed, noting any Board vacancies
* The Board identifies whether any Director is at the end of their term and whether they are planning to re-nominate; and which Directors are at the end of their **[Insert maximum No. of terms]** term, and therefore cannot re-nominate
* Independent Board members are appointed by the Board and no re-nomination is needed until their **[Insert maximum No. of Terms]** terms are complete.

## 5.4 Board nomination and election

### 5.4.1 Independent Returning Officer

Prior to the AGM, the President appoints an independent Returning Officer to handle Board nominations and elections at the AGM.

### 5.4.2 Call for nominations

**[Insert organisation name]** provides members with notice and relevant documents of the upcoming AGM and the Board Director nomination and election process. Nomination for election to Board Director positions must be received in writing **[Insert number (No) of days]** days prior to the AGM, using the Board Director nomination form and signed by two members of the **[Insert the type of organisation that applies to your organisation for example: Corporation, Association, Co-operative or other].**

### 5.4.3 Election and voting at the AGM

* Fewer nominations than Board positions:

Where there are fewer nominations than there are vacant Board positions, all eligible nominations received are endorsed to the Board by the Returning Officer.

If there are still vacancies after received nominations are endorsed, further nominations can be received from the floor to fill remaining vacancies. Where nominations received from the floor are equal to the number of vacancies, the Returning Officer declares all eligible nominees as elected.

* More nominations than Board positions:

Where there are more nominations than there are Board positions, the Returning Officer conducts a ballot at the AGM. Only current financial members in attendance at the AGM are eligible to vote using the **[insert organisation name]’s** Board Directors’ voting materials.

The process includes:

* **[Insert the voting process]**
* **[Insert the voting process].**

🖌Note\*

Voting processes change from organisation to organisation depending of the organisational needs and type of the organisation. Please find below a voting process example:

* First the Returning Officer distributes a voting slip listing the candidates’ names to all the organisation members.
* The Returning Officer announces all nominees and allows them each up to three minutes to introduce themselves and state why they should be elected to the Board.
* The Returning Officer opens the voting, asking members to put a cross on their voting slips next to the names of the candidates they would like to vote for. They should nominate the same number of candidates as there are vacancies. Forms which nominate more or less than the number of vacancies will be invalid.
* All members place their votes in a voting box.
* The Returning Officer counts the votes and announces the successful candidates according to the most votes received.
* In the event of a tie, the Returning Officer may still be able to determine a result, e.g. if there are three positions to be filled and the top two candidates are tied.

\*Please delete note before finalising this policy.

## 5.5 Appointment to casual vacancies in elected Board positions

Where a Board position becomes vacant during the Board term, the Board is to identify the criteria to fit the needs of the Board and agree on potential candidates at a general Board meeting to select and appoint a person to fill the casual vacancy. The Board President or the CEO/Manager invites the potential candidate to join the Board.

The casual Board Director:

* Will have all rights and obligations of elected Board Directors.
* Will hold a casual status until the next election process where the organisation members may nominate for a Board Director position. If the casual Board member is elected, they will be in the role for **[insert number of term(s)]** term(s).

## 5.6 Appointment of independent non-member Board Directors

The Board can appoint **[Insert total number of independent Board members]** Directors who are independent. The Board identifies and selects candidates who have expertise and/or particular skills that will enhance the Board’s capacity to govern on behalf of the community that **[insert organisation name]’s** serves. Following the Board meeting after the AGM, or at any time throughout the term, the Board President or the CEO/Manager invites the potential candidate to join the Board.

The independent Board Director:

* Will have all rights and obligations of an elected Board Directors.
* Will hold office for either one (1) or **[Insert maximum No. of Terms]** terms, each term being of **[Insert No. of years per term],** after which they must retire.

If an independent Board Director retires or otherwise leaves the Board before the end of a term, the Board may fill the vacant position with another independent member. The term of this member commences from the date of their appointment.

## 5.7 Board Executive

The **[insert organisation name]’s** Board Executive consists of four office holders elected by the Board of Directors. The Executive positions are:

* President
* Vice-President
* Secretary
* Treasurer.

Where office holders are continuing in their **[Insert maximum No. of Terms]** term on the Board, they continue in their Executive position. Where Executive positions become vacant, either following an AGM or during the Board term, the Board nominates and elects Directors to the Executive positions.

# SECTION 6: GOVERNANCE PROCESSES

## 6.1 Organisational viability

### 6.1.1 Legal compliance

The Board is responsible for ensuring the organisation complies with a range of legal and other obligations. Refer to **[insert organisation name]**’s Compliance Register for details of how **[insert organisation name]** meets current obligations.

The Legal Compliance Checklist is completed annually by **[insert position title]** to ensure the organisation is complying with relevant governance legislation.

* Constitution

The Board and organisation’s activities must comply with **[insert organisation name]**’s Constitution, including on matters relating to membership management, Board function and powers, Board appointments, general meetings of the **[Insert type of organisation; e.g. Association, Co-operative, Corporation or other]**, decision-making and the Public Officer.

* Contracts with funding bodies and others

The Board ensures that **[insert organisation name]** meets responsibilities set out in contracts with funding bodies. The President, Treasurer and/or CEO/Manager may co-authorise funding agreements as required.

🖌Note\*

Funding agreements are legal contracts, which can be enforced and may have significant impacts on the organisation if requirements are not fulfilled.

\*Please delete note before finalising this policy.

* Employment laws

The Board ensures that **[insert organisation name]** complies with laws relating to employment, remuneration, workers compensation, anti-discrimination and work health and safety.

The Board delegates all the employment processes to the CEO/Manager (except the CEO/Manager themselves). The Board is ultimately responsible if laws are broken, so must:

* Ensure that employment policies and procedures are transparent and fair, comply with relevant laws, and are being followed by the CEO/Manager and supervisors
* Appoint and manage the CEO/Manager
* Ensure they are informed of major employment decisions and issues, particularly where there is a potential for legal action (for example, in terminations due to disciplinary matters)
* Board members may also be involved in selection panels and the induction of
new employees.

Employment-related legislation includes:

* Annual Holidays Act 1944 (NSW)
* Anti-Discrimination Act 1977 (NSW)
* Disability Discrimination Act 1992 (Cth)
* Fair Work Act 2009 (Cth)
* Human Rights and Equal Opportunity Commission Act 1996 (Cth)
* Industrial Relations Act 1996 (NSW)
* Long Service Leave Act 1955 (NSW)
* Racial Discrimination Act 1975 (Cth)
* Sex Discrimination Act 1984 (Cth)
* Superannuation Guarantee (Administration) Act 1992 (Cth)
* Workers Compensation Act 1987 (NSW)
* Work Health and Safety Act 2011 (NSW).
* Insurance

As part of **[insert organisation name]**’s risk management practices, a range of insurance policies are purchased covering **[insert the organisation insurance covers; e.g. public liability, property, professional indemnity, motor vehicle, others].**

* Taxation obligations

**[insert organisation name]** is registered as **[insert the organisation taxation obligations; e.g. public benevolent institution (PBI) and/or holds deductible gift recipient (DGR) status].**

* Other legislation

The Board must also monitor compliance with other relevant state and federal laws, including:

* Copyright and publishing obligations
* Privacy legislation – Privacy and Personal Information Act 1998 (NSW) and the Privacy Act 1988 (Cth).

🖌Note\*

For example, organisations recognised as an incorporated entity under the Associations Incorporation Act 2009 (NSW), are required to:

* Establish a committee responsible for managing the Association
* Nominate a public officer
* Have a registered office in NSW
* Act in accordance with the organisation’s Constitution
* Hold an annual general meeting (AGM)
* Lodge an annual statement with the NSW Office of Fair Trading
* Keep proper accounting records
* Have financial statements audited
* Maintain minutes of all committee and general meetings
* Maintain a register of members.

\*Please delete note before finalising this policy.

### 6.1.2 Financial oversight

The Board is responsible for oversight of the **[insert organisation name]**’s financial viability. The majority of financial management monitoring is delegated by the Board to CEO/Manager and **[Insert role with financial responsibility],** as set out in Section 3.6.3. However, it is the duty of Board members to understand the financial status of the organisation and be satisfied that the organisation is financially viable.

Processes for ensuring the Board has sufficient financial oversight include:

* Board members are supported to undertake training to understand financial statements.
* Board members seek clarification from the Treasurer, President, CEO/Manager and relevant **[insert organisation name]** staff on financial matters requiring clarification.
* The Board develops and approves financial policies and procedures, including risk management systems that reduce the risk of fraud.
* Simplified financial reports – addressing the organisation’s overall financial viability – are prepared by the **[Insert role with financial responsibility]** and provided with Board papers in advance of every Board meeting.
* The Board must read and analyse financial statements before approving them.
* The **[Insert role with financial responsibility]** provides a written report at every Board meeting – where there are specific recommendations or decisions required.
* The annual budget is endorsed by **[Insert role with financial responsibility]** and recommended for approval by the full Board of Directors.
* The Board must approve audit reports.
* **[Insert other processes here].**

### 6.1.3 Risk management

The Board is responsible for overall risk management for the organisation. Risk management includes the implementation, adherence and monitoring of systems that identify actual and potential risks, and responding treatment strategies. Such strategies aim to avoid, minimise or administer the risk’s impact.

**[insert organisation name]’s** Risk Management Policy provides guidance on:

* Types of risks relevant to **[insert organisation name]’s**
* Identifying, assessing and treating risks
* Risk monitoring and review
* Communication, consultation and responsibilities
* Reporting and record keeping.

Specific Board responsibilities include:

* Endorsing and complying with the Risk Management Policy
* Ensuring compliance with relevant legislation
* Identifying and assessing new risks and implementing risk treatments
* Monitoring and updating identified risks and risk treatments.

The CEO/Manager provides Board meetings with an updated Risk Register and Compliance Register for review and endorsement.

### 6.1.4 Operational policy development and quality improvement

The Board’s responsibility for oversight of the organisation and its viability includes ensuring **[insert organisation name]’s** has relevant policies and procedures, and ongoing plans for improvement.

🖌Note\*

Policies provide high-level rules, which set out what the Board wants to achieve, and align with relevant legislation. For example, “The organisation is committed to a fair and democratic workplace that treats all staff with respect, without discrimination, and according to the law”. Procedures are the rules, which guide staff and Board about how they should behave and implement policies.

It is recommended to categorise your organisation policies and procedures in line with your quality improvement program. For example, in the NADA Policy Toolkit policies and procedures have been categorised into function areas:

* Governance and leadership
* Administration and support
* Service delivery.

\*Please delete note before finalising this policy.

In line with **[insert organisation name]’s** formal quality improvement program, **[insert organisation name]’s** policies and procedures are ategorized into **[Insert No. of function areas]** function areas:

* **[Insert name of function areas, for example, corporate or service delivery]**
* **[Insert name of function areas, for example, corporate or service delivery]**
* **[Insert name of function areas, for example, corporate or service delivery].**

The **[insert organisation name]’s** Board may be involved in the policy development process when relevant; however, the Board ensures that policies and procedures are appropriate by delegating development and review of policies and procedures to the CEO/Manager and staff, with reporting at Board meetings and endorsement by the Board before implementation.

The CEO/Manager is delegated with responsibility for ensuring all staff members understand and apply policies and procedures.

## 6.2 Decision making

The Board has a role in making high-level strategic decisions that keep **[insert organisation name]** progressing towards meeting its goal and outcomes.

To ensure decisions made by the Board are accurately communicated, recorded and act as a reference point if required, the following procedures are in place:

* **[Insert procedures to communicate decisions]**
* **[Insert procedures to communicate decisions]**
* **[Insert procedures to communicate decisions]**

🖌Note\*

Some procedure examples include:

* Matters requiring a decision by the Board are flagged on the meeting agenda and/or papers
* The meeting minute-taker may request clarification and confirm a decision made to ensure it has been accurately recorded
* All Board meeting minutes and decisions are endorsed at the next Board meeting.

\*Please delete note before finalising this policy.

## 6.3 General meetings of the organisation

General meetings are meetings of all members of **[insert organisation name]** as an **[Insert type of organisation e.g. Association, Co-operative, Corporation or other]**. General meetings include Annual General Meetings (AGMs), Special Meetings and Extraordinary Meetings.

A quorum for general meetings of the organisation is **[Insert the minimum No. of attendees meeting]** of **[insert organisation name]’s** current organisation members as at the time the meeting is held.

### 6.3.1 Annual General Meetings

The **[Insert your type of organisation legislation e.g. Association Incorporation Act 2009, Co-operatives Act 1992 or other]** requires the AGM to be held within **[Insert timeframe]** months of the end of the financial year.

The AGM is the Board’s major opportunity to present to members the major issues and activities affecting the organisation throughout the previous year, and for a verbal summary of the Annual Report. Some processes that need to occur include:

* Members must appoint an auditor for the ensuing year
* Audited financial statements must be presented at the AGM before submitting to the Office of Fair Trading within one **[Insert No. of months]** month of the AGM
* The meeting will be held on **[insert meeting schedule]** once the audited financial statement is received from the auditor
* Notice of the scheduled AGM is provided to **[insert organisation name]’s** members via hard copy mail, email and the **[insert organisation name]’s** website. A minimum period of **[insert No. of days]** days’ notice must be provided for the AGM, with a minimum period of **[insert No. of days]** days’ notice where a special resolution is proposed.

Where the AGM is a **[insert organisation name]’s** Board voting year, sufficient notice is provided to members to allow for nominations to be received **[insert No. of days]** days prior to the AGM.

The standard agenda for the AGM includes:

* Confirmation of minutes of the previous AGM and any other General, Special or Extraordinary Meetings held
* Presentation of the Annual Report and the President’s report
* Presentation of the Treasurer’s report and audited statements
* Nomination and/or election of Board members
* Appointment of the auditor for the ensuing year
* Resolutions made by the Board during the year
* **[Insert other agenda item].**

## 6.4 Annual Report

The Annual Report is published each year for the AGM, and serves as the primary document to report on and showcase the performance of **[insert organisation name]**.

Typically, the Annual Report includes:

* President’s report
* CEO/Manager’s report
* Progress against Strategic Plan outcomes and performance indicators
* Program and service delivery highlights and achievements
* Treasurer’s report
* Audited financial statements
* Board member attendance record
* Staff and volunteers
* Important partnerships, funders or stakeholders.

**[Insert organisation name]’s** Annual Reports are available to members and stakeholders in hard and digital format, and posted on the website **[Insert organisation’s website].**

## 6.5 Board member register

In compliance with the **[Insert your type of organisation legislation e.g. Association Incorporation Act 2009, Co-operatives Act 1992 or other]** **[insert organisation name]’s** maintains a register of Board members at **[insert organisation name]’s**’s registered address. The Board member register includes the following details of each Board member:

* Name, date of birth, and residential address
* Date that the Board member commenced office
* Date that the Board member vacates office.

## 6.6 Representing [insert organisation name]

### 6.6.1 Representing [insert organisation name] in the media

The **[insert role, for example, President and/or CEO/Manager]** are primarily responsible for liaising with the media, and will negotiate their roles in relation to media comment on a case-by-case basis, depending on their respective skills.

If necessary, delegation may be handed to the Chair of a Board sub-committee if the President or CEO/Manager does not hold sufficient technical knowledge on the subject matter. Where this occurs, the Chair will represent the views of **[insert organisation name]** based on current evidence-informed practice, and on behalf of the **[insert organisation name]’s** membership and the community it serves.

Refer to **[insert organisation name]’s** Communications Policy for details on media liaison.

### 6.6.2 Representing [insert organisation name] on committees

Board members may represent **[insert organisation name]** on external committees and in various consultative forums. Decisions on Board members representing **[insert organisation name]** are made by the Board and the CEO/Manager, and may be in addition to or in place of a staff member.

Board and staff member representatives are responsible for providing feedback to the Board and staff where relevant on any committees and consultative forums.

### 6.6.3 Representing [insert organisation name] in advocacy

Board members, as well as staff, may represent **[insert organisation name]** in delegations to politicians where this is strategically useful to progressing **[insert organisation name]**’s goal and outcomes, and where Board members and staff hold specific expertise on the subject matter, or where it would otherwise be beneficial to the organisation.

## 6.7 Feedback and complaint management

As the legal entity responsible for the organisation, the Board plays a role in the management of feedback and complaints from the community and stakeholders reported by the CEO/Manager. Board members are responsible for understanding, endorsing and complying with **[insert organisation name]’s** Feedback and Complaint section of the Communications Policy.

* Involving the CEO

The Board may become involved in managing a complaint from the community, an organisation member or stakeholder where the matter relates to the CEO/Manager or the matter requires higher-level decision-making.

Where the CEO/Manager cannot resolve the matter, the Board can nominate the President, the Executive or other Board members to manage the complaint, with or without an independent mediator.

* Involving a Board member

Where there is a complaint involving impropriety of a Board member, or a failure to fulfill their legal or ethical responsibilities, the Board manages the complaint collectively, with the exclusion of the relevant Board member. Reference is made to **[insert organisation name]’s** Constitution that gives the Board the power to dismiss individual Board members.

## 6.8 Grievance management

Board members are responsible for understanding, endorsing and complying with **[insert organisation name]’s** Grievance Management section of the Human Resources Policy.

### 6.8.1 Involving the CEO/Manager

In addition to monitoring grievances reported by the CEO/Manager, the Board may become involved in managing a grievance from a staff member or Board member where the matter relates to the CEO/Manager, the matter requires higher-level decision-making, where the CEO/Manager cannot resolve the matter, or where the matter relates to another Board member. The Board can nominate the President, the Executive or other Board members to manage the complaint, with or without an independent mediator.

### 6.8.2 Involving a Board member

Where there is a grievance involving impropriety of a Board member, or a failure to fulfill their legal or ethical responsibilities, the Board manages the complaint collectively, with the exclusion of the relevant Board member. Reference is made to **[insert organisation name]’s** Constitution that detailed the disciplinary procedures for individual Board members.

## 6.9 Board meetings

### 6.9.1 Board meetings general details

The full Board of Directors meet at a minimum **[Insert No. of meetings]** times a year, with meetings being in-person, face-to-face or through telecommunications such as telephone and internet linkage.

The quorum for board meetings is **[Insert quantity, (No)]** persons.

The board meets **[Insert frequency]** on **[Insert date and location].**

### 6.9.2 Agenda

**[Insert organisation name]’s** uses a standard agenda for all Board of Directors meetings. Standard agenda content and additional items are prepared by the CEO/Manager and President prior to each meeting. Board members may contribute items prior to or at the beginning of meetings.

See the Board Meeting Agenda and minutes templates for standard agenda items.

At the beginning of each meeting, the agenda is reviewed to allow for re-ordering and prioritisation of critical items, if required. Items requiring a decision or action are flagged to ensure a meeting outcome.

🖌Note\*

It is important to schedule meetings in time with major funding rounds or relevant issues affecting the organisation in order to facilitate the organisation’s operations.

\*Please delete note before finalising this policy.

### 6.9.3 Structure of meetings

Strategies to ensure productive Board meetings include:

* The meeting is chaired by the President, or in his/her absence the Vice-President
* Meetings commence and conclude at the scheduled time
* The agenda identifies items for noting/information only, items for discussion, and items for decision
* Items for the next meeting’s agenda are identified at the end of each meeting
* **[Insert other strategies to ensure productive meetings]**
* **[Insert other strategies to ensure productive meetings].**

### 6.9.4 Board meeting papers

Agenda papers and other materials are forwarded electronically to Board members at least **[insert timeframe]** prior to the scheduled meeting.

Board papers ordinarily include:

* Agenda
* Minutes of the previous Board meeting(s)
* Minutes of sub-committees and other meetings
* Financial reports
* Agenda item-related documents, such as reports, proposals, project information, significant communication
* CEO/Manager report
* Board-related documents, such as schedule of events and AGM election details.

Sufficient information is provided to the Board so that the Board is able to discuss and make informed decisions as required.

The CEO/Manager report identifies:

* Progress and outcomes against the Strategic Plan
* Risk and compliance management
* Feedback and complaints
* Major developments in government policy matters
* Internal policy issues that may need to be addressed in future policy development activities
* Report against CEO/Manager performance indicators or work plan
* **[Insert reporting item].**

🖌Note\*

The CEO/Manager report may or may not include a brief statement of all the organisation’s activities undertaken in the previous period, although a greater level of detail is more appropriate in performance reporting against funded project contracts.

\*Please delete note before finalising this policy.

### 6.9.5 Participation in Board meetings

Board members are expected to attend all Board meetings, with the **[insert organisation name]’s** Constitution stipulating that if a Board member is absent for **[Insert No. of consecutive meetings]** consecutive meetings without notifying the Board, their Board position lapses. A register of Board meeting attendance is maintained by **[insert organisation name]’s** and included in the **[insert organisation name]’s** Annual Report.

# SECTION 7: BOARD ORIENTATION AND DEVELOPMENT

## 7.1 Board member orientation

New Board members are provided with orientation to **[insert organisation name]’s**, their roles and responsibilities as a Board member, and how to gain further information and advice. An orientation session is provided by the CEO/Manager and the President for all newly elected and returning Board members.

All Board members are provided with information about **[insert organisation name]’s**, including electronic copies of:

* Board member position description
* Governance Policy
* Risk Management Policy
* Communications Policy
* Human Resources Policy and grievance management procedures
* Work Health and Safety Policy
* Constitution
* Strategic Plan
* Latest Annual Report
* Last Board meeting minutes.

## 7.2 Board skill, knowledge and performance review

Self-assessment provides opportunities for the Board to refrain from its usual preoccupations and reflect upon the expediency with which the Board is meeting its responsibilities, and to identify ways to strengthen **[insert organisation name]**’s governing capacity.

🖌Note\*

It is appropriate to maintain self-assessment of the Board’s skills, knowledge and performance in line with quality improvement processes. Board members are expected to prepare for meetings by reading Board papers prior to the Board meeting and formulating questions and ideas for discussion.

\*Please delete note before finalising this policy.

The Board Self-assessment Questionnaire includes questions for consideration by the Board on the below areas:

1. Audit of existing Board members
2. Review of Board’s compliance with legal, financial and strategic matters
3. Review of Board processes.

Self-assessment is the responsibility of the Board itself; however, the Board may choose to seek impartial additional input from professionals outside of the Board, drawing on representatives of **[insert organisation name]’s** staff, organisation members or an independent consultant to evaluate achievements, strengths and areas for development.

The President and/or a delegated Board member are primarily responsible for facilitating self-assessment, which should occur at least **[insert No. of occurrences]** within one (1) term.

## 7.3 Board training and development

Analysis of the Board’s self-assessment may initiate training and development activities to ensure the Board develops good governance knowledge and practice, and builds working relationships. These activities are recorded in the Board Development Plan to ensure transparent governance and continuous improvement in **[insert organisation name]’s** operations.

🖌Note\*

Annual professional development activities provide the opportunities for reflection and growth as a working group.

\*Please delete note before finalising this policy.

Professional development activities may include:

* Guest speakers/presentations
* Attendance at internal and external training sessions
* Formal group education sessions
* **[Insert Board professional development activity]**
* **[Insert Board professional development activity].**

# SECTION 8: BOARD AND CEO/MANAGER RELATIONSHIP

## 8.1 Relationship between the Board and staff

The Board will act unanimously in its relationship with staff members and the relationship between the Board and **[insert organisation name]** staff is through the CEO/Manager. Where staff have concerns about the behaviour or actions of other staff or of Board members, it is to be raised with the CEO/Manager in the first instance, or if the matter relates to the CEO/Manager, with the **[insert organisation name]’s** President.

Grievances are managed according to the **[insert organisation name]’s** grievance management procedures as part of the Human Resources Policy.

🖌Note\*

As the legal governing body and the employer, the Board must act unanimously in its relationship with staff members. Individual discussions relating to governance and operational matters between individual staff and Board members can cause – or be perceived as – a conflict of interest and have potential to undermine the role of the CEO/manager.

\*Please delete note before finalising this policy.

## 8.2 Relationship between the Board and CEO

The Board appoints the CEO/Manager, determines their salary, and manages their performance. The Board is, in turn, reliant on the CEO/Manager to manage the organisation effectively and implement the vision and strategies. The relationship between the Board and CEO/Manager is a critically important relationship for the effective governance and management of **[insert organisation name]’s**.

🖌Note\*

Both the Board and the CEO/Manager must understand the parameters of their roles. Confusion about roles and responsibilities can lead to conflict, inefficiency and low morale.

\*Please delete note before finalising this policy.

## 8.3 Role of the CEO

The Board delegates day-to-day management of **[insert organisation name]’s** to the CEO/Manager. Responsibilities include:

* Implementation, leadership and reporting of the Strategic Plan
* Recruitment, management and supervision of staff
* Principle liaison with **[insert organisation name]’s** stakeholders
* Overseeing financial management of the organisation, including approving expenditure within delegation and budget
* Performance and operational reporting to the Board
* Becoming public spokesperson for the organisation, together with the President.

Refer to the CEO/Manager Position Description and **[insert organisation name]’s** Functions and Delegations Matrix on Section 6 for further detail on CEO/Manager and Board responsibilities.

## 8.4 The CEO/Manager at Board meetings

**[Insert organisation name]’s** Constitution stipulates that the CEO/Manager is not a Board member and therefore does **[Insert CEO/Manager voting rights yes/no]** have voting rights. However, their attendance at Board meetings is vital to report and provide advice to the Board. Other senior staff may attend Board meetings at the discretion of the Board and the CEO/Manager.

The CEO/Manager reports at all Board meetings as per item 6.9.4 - Board meeting papers.

Where the Board needs to have meeting discussions without the CEO/Manager’s presence, the Board can take these discussions into a private session, with the CEO/Manager absent. A record of notes from these sessions are kept by the President, circulated only to other Board members, and not included in the general Board meeting minutes.

## 8.5 CEO/Manager performance management

The Board is responsible for oversight of the CEO/Manager and for ensuring his/her performance is regularly reviewed. The President provides an ongoing supervisory/management role and leads the annual performance review of the CEO/Manager with a second Board Executive member, usually the Treasurer. For more information on performance reviews, please refer to the Human Resources Policy.

### 8.5.1 CEO/Manager performance agreement

The President and Treasurer (or other Board member as nominated) form the CEO/Manager review committee and in partnership with the CEO/Manager are responsible for establishing a performance agreement for the upcoming year, and review performance against the previous year’s agreement.

The CEO/Manager performance agreement directly aligns with **[insert organisation name]’s** strategic plan and the CEO/Manager position description.

The performance agreement details:

* The process for review and tools that will be used
* The previous year’s review report
* Goals and performance indicators
* Support from the Board to assist the CEO/Manager in meeting performance expectations
* Professional development activity to improve performance and/or meet longer-term career plans
* Remuneration and conditions under which remuneration will be increased and/or a bonus paid.

If there is disagreement between the CEO/Manager and the review committee regarding content of the performance agreement, the parties follow procedures outlined in **[insert organisation name]**’s grievance management procedures as part of the Human Resources Policy.

### 8.5.2 Performance review process

The CEO/Manager’s performance is reviewed annually by the President with a second Board Executive member, usually the Treasurer, and completed prior to the AGM.

🖌Note\*

The performance review process should be a ‘no-surprises’ review, with problematic issues having already been raised during informal or formal meetings between the President, Board and CEO/Manager.

\*Please delete note before finalising this policy.

Tools used to gather the information for the President and Treasurer to accurately assess the CEO/Manager’s performance may include:

* CEO/Manager self-review against their Performance Agreement, noting achievements, reasons for not meeting performance indicators, etc.
* 360-degree survey with feedback from Board members, staff and stakeholders
* Latest **[insert organisation name]** feedback survey
* Review by the President and Treasurer of the CEO/Manager’s performance against the CEO/Manager’s Performance Agreement
* Discussion between the CEO/Manager and the President, based on the CEO/Manager’s achievements, performance indicators and areas for improvement.

The President prepares recommendations including level of remuneration for the Board based on the CEO/Manager’s performance review. Recommendations are based on performance management actions to be implemented.

### 8.5.3 Formal and informal supervision

CEO/Manager performance reviews are undertaken annually; however, regular communication and feedback on CEO/Manager and organisational performance should be established between the President and the CEO/Manager at and between Board meetings.

Discussions and/or meetings may be informal, or occur on a pre-determined schedule, e.g. the third Monday of each month.

🖌Note\*

Such discussions and/or meetings provide an opportunity for the CEO/Manager to raise issues impacting on his/her performance, and for the President to provide feedback and direction.

\*Please delete note before finalising this policy.

### 8.5.4 Remuneration

The **[insert organisation name]** Board may decide to reward the CEO/Manager with a bonus as a motivational tool or in lieu of an annual increase in monetary value to the base salary, as well as to reflect the contribution expected from the CEO/Manager in the year ahead.

At the Board meeting when the CEO/Manager performance review is discussed, the President and Treasurer present a short report to the Board on:

* Current sector relevant CEO/Manager remuneration and whether **[insert organisation name]’s** CEO/Manager remuneration is sufficient to maintain competitiveness;
* **[insert organisation name]’s** budget and whether there are sufficient provisions for increasing the CEO/Manager’s remuneration or paying a bonus; and
* Whether the CEO/Manager performance review indicates impetus for increasing remuneration and/or awarding a bonus payment.

## 8.6 CEO/Manager succession planning

Workforce planning ensures **[insert organisation name]’s** recruits new employees and develops existing employees to undertake roles within the organisation. The focus of succession planning, as a part of broader workforce planning, is on leadership and positions critical to driving the achievement of organisational outcomes, including the CEO/Manager position.

**[Insert organisation name]’s** succession planning identifies organisational capabilities, ensures organisational systems are current and documented, and guides employee transition and handover processes.

🖌Note\*

Workforce planning will allow your organisation to have the right people in the right positions at the right time.

\*Please delete note before finalising this policy.

A current CEO/Manager succession plan is prepared by the Board and reviewed annually.

Refer to **[insert organisation name]’s** Human Resource Policy for details on succession planning.

# SECTION 9: INTERNAL REFERENCES

## 9.1 Supporting documents

* [Compliance register](Gov_Supporting%20documents/4.%20Gov_Compliance%20Register%20Template.xls)
* [Legal compliance checklist](Gov_Supporting%20documents/5.%20Gov_%20Legal%20Compliance%20Checklist.docx)
* [Board self-assessment questionnaire](Gov_Supporting%20documents/2.Gov_Board%20selfassessmentQ.docx)
* [Board development plan example](Gov_Supporting%20documents/3.Gov_Board%20Development%20Plan.docx)
* [Strategic plan template](Gov_Supporting%20documents/1.Gov_strategic%20plan.docx)

**Position descriptions**

* [Position description – Board President](Gov_Supporting%20documents/Gov_Position%20descriptions/1.GovPD_BoardPresident.docx)
* [Position description – Board Secretary](Gov_Supporting%20documents/Gov_Position%20descriptions/2.GovPD_BoardSecretary.docx)
* [Position description – Board Treasurer](Gov_Supporting%20documents/Gov_Position%20descriptions/3.GovPD_BoardTreasurer.docx)
* [Position description – Ordinary Board Director](Gov_Supporting%20documents/Gov_Position%20descriptions/4.GovPD_OrdinaryBoard.docx)

**Board Meetings**

* [Board meeting scheduler](Gov_Supporting%20documents/Gov_Board%20meeting%20templates/1.Gov_Board%20MeetingScheduler.docx)
* [Board meeting agenda](Gov_Supporting%20documents/Gov_Board%20meeting%20templates/2.Gov_Board%20MeetingAgenda.docx)
* [Board meeting minutes](Gov_Supporting%20documents/Gov_Board%20meeting%20templates/3.Gov_Board%20Meeting%20Minutes.docx)
* [AGM meeting templates](Gov_Supporting%20documents/Gov_Board%20meeting%20templates/4.Gov_Board%20AGM%20Meeting%20templates.docx)

**Part of the Risk Management Policy**

* [Risk register](../5.%20Risk%20Management/RM%20Supporting%20documents/4.%20RM_Risk%20Register%20template.xlsx)

## 9.2 Referenced policies

* [Communications Policy](../../2.Administration%20and%20Support/2.1%20Communications/2.1Communications%20Policy.docx)
* [Human Resources Policy](../../2.Administration%20and%20Support/2.2%20Human%20Resources/2.2%20Human%20Resources%20Policy.docx)
* [Risk Management Policy](../5.%20Risk%20Management/1.5%20Risk%20management%20Policy.docx)
* [Work Health and Safety Policy.](../2.Work%20Health%20Safety%20Policy/1.2%20Work%20Health%20Safety%20Policy.docx)

## 9.3 Others

* Constitution
* Functions and Delegations Matrix.

# SECTION 10: EXTERNAL REFERENCES

## 10.1 Legislation

* Annual Holidays Act 1944 (NSW)
* Anti-Discrimination Act 1977 (NSW)
* Associations Incorporation Act 2009 (NSW)
* Disability Discrimination Act 1992 (Cth)
* Fair Work Act 2009 (Cth)
* Human Rights and Equal Opportunity Commission Act 1996 (Cth)
* Industrial Relations Act 1996 (NSW)
* Long Service Leave Act 1955 (NSW)
* Privacy and Personal Information Act 1998 (NSW)
* Privacy Act 1988 (Cth)
* Racial Discrimination Act 1975 (Cth)
* Sex Discrimination Act 1984 (Cth)
* Superannuation Guarantee (Administration) Act 1992 (Cth)
* Workers Compensation Act 1987 (NSW)
* Work Health and Safety Act 2011 (NSW).

## 10.2 Resources

* NADA Governance Toolkit

<http://www.nada.org.au/resources/nadapublications/resourcestoolkits/nada-governance-toolkit/>

* ACNC Governance for Good – the ACNC’s guide for charity board members

<http://www.acnc.gov.au/acnc/manage/tools/acnc/edu/tools/GFG/GFG_Intro.aspx>

* Indigenous Governance Toolkit

<http://www.reconciliation.org.au/governance/>

## 10.3 Websites

* Australian Tax Office (ATO)

<https://www.ato.gov.au/>

* Australian Charities and Not for Profits Commission (ACNC)

<http://www.acnc.gov.au/ACNC/Home/ACNC/Default.aspx?hkey=3e39ac62-4f04-44fe-b569-143ca445c6bf>

* Australian Government Department of Finance

<http://www.finance.gov.au/>