The Mathematical Association of Victoria Board Charter

Approved by Board: 14 Sept 2021

To be reviewed: June 2022

*Dear MAV Board Member,*

*A Board Charter is an invaluable guidance tool for Board members, prospective Board members and senior managers of organisations on how the Board functions and fits with the association.*

*Board Charters retain stability of process to facilitate the Board’s operation while regularly evolving to accommodate changes to circumstances, technologies and the participants on the Board.*

*Please read this important document and if you have feedback please provide it to the President or CEO.*

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# Overview

The purpose of the Charter is to define the rights and responsibilities of the Board Members of the association to assist them in fulfilling their duties and obligations. The Board is bound by the Constitution and the law. It also works to the policies of the organisation that are largely reflected in this Charter, which the Board can change as and when it needs. Other documents are referred to and should be read in conjunction with the Charter in order to gain a full understanding of how the the responsibilities of Board members and operation of the Board.

## About MAV

The Mathematical Association of Victoria (MAV) was incorporated as a Public Company on the 5th July 1971. MAV is registered as company with Limited Liability without the addition of the word ‘Limited’ to its name.

ACN: 004 892 755.

MAV became a registered Charity on 4 August 2020 and reports to the Australian Charities and Not-for-profits Commission (ACNC): <https://www.acnc.gov.au/charity/ed1e517072820097d5b4089c750f1866#overview>

Most of MAV’s obligations are to the ACNC rather than ASIC.

A charity’s members are its ‘owners’ and form an important part of any charity. Members are entitled to know how a charity is acting and using its resources (finances and any assets) on their behalf.

The [Constitution](https://www.mav.vic.edu.au/About-Us/Constitution-and-Policies) of the Mathematical Association of Victoria was approved on 21 May 2019 and updated on 4 August 2020 at a Special General Meeting. It can be accessed on the MAV website https://www.mav.vic.edu.au/About-Us/Constitution-and-Policies.

MAV is a not-for-profit and the Constitution prohibits the company from being operated for financial benefit of members and from members benefitting financially upon winding up of the company.

As a charity, MAV is income tax exempt .

***Core statement: Valuing mathematics in society***

Through its programs and services, The Mathematical Association of Victoria (MAV) promotes the Importance of Mathematics to Society. Our Association has over 1400 members from all sectors of education including individuals, schools, universities and other institutions. This provides membership benefits to a growing network of over 15,000 mathematics educators. MAV is the peak professional body for mathematics educators in Victoria.

MAV works with teachers and school leaders to enhance student outcomes in mathematics and numeracy, better preparing students for their personal, professional and civic lives. Our role is to support educators in developing and delivering curriculum and programs that challenge our students to become the future of mathematical creativity and innovation. In doing so we develop educator skills in implementation of evidence-based and cutting-edge teaching and learning approaches.

We work directly with students to increase their engagement in mathematics through games days, the Maths Talent Quest, Girls in STEM days, mathematics camps, VCE revision support, and other activities. In doing so we increase students’ prospects towards STEM careers that support our future economy.

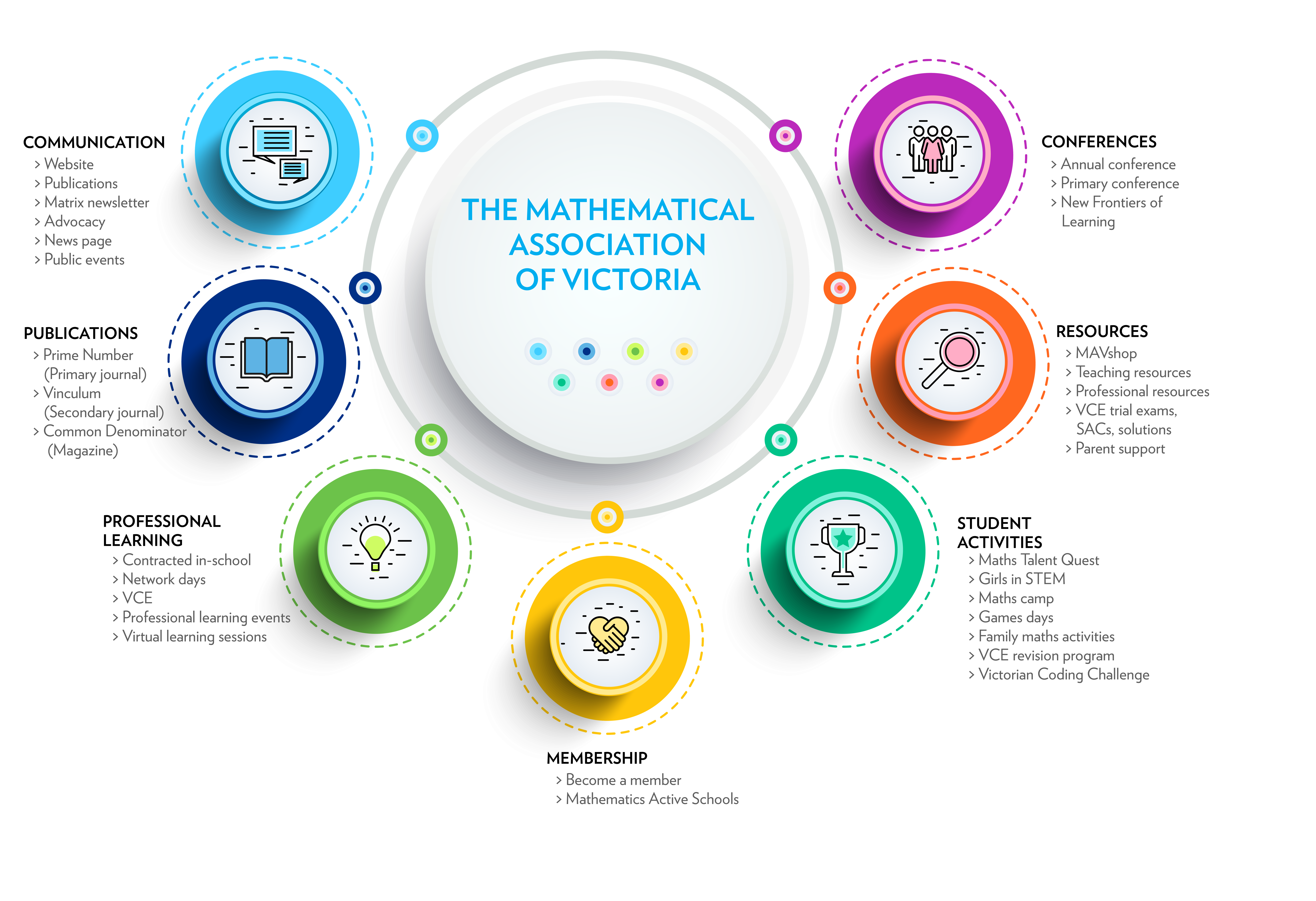
We provide resources to support both educators and parents, run public events, and work with various organisations and government to increase our reach and impact.

We are educational experts and leaders, supporting the future of mathematics education from early childhood to year 12. Through our 100+ events per year we reach over 60,000 educators, students and parents across metropolitan and regional Victoria.

MAV has been around for over 110 years and is a highly respected, proactive professional association that fosters the promotion of mathematics education.

MAV is an affiliate of the Australian Association of Mathematics Teachers (AAMT).

MAV’s core services are shown in the infographic on the following page.



## Status of this Charter

The policies in this Charter are to be adopted by the Board and apply from the date shown on the document .

All policies in this Charter are to be read in the context of the Constitution and the relevant Acts and Regulations.

The Charter will be reviewed by the Board as required and at least once every two years to ensure currency of content and consistency with the Constitution, By-Laws and current policies of the Association.

This Charter uses the terminology as used in the Constitution and does not reflect that of the Corporations Act. For avoidance of any doubt about the responsibilities of Board members and the Board, Board members must act in accordance with the Corporations Act and requirements of the Australian Charities and Not-for-profits Commission (ACNC).

# Role of the Board

Board members (the Board) provide leadership, set strategic and policy direction, and oversee the business and strategic direction of the association for the purpose for which the association is established. The Board is accountable to the members of the association for the overall performance of the association.

The Board does not manage the day-to-day operations of the association. This is delegated to the CEO.

# Responsibilities and functions

As well as the following responsibilities, Board members should check the Constitution for any specific additional responsibilities or for any limitations on these responsibilities.

The Board has a range of responsibilities that generally include:

## Strategic Direction

* Overseeing the development, approval and periodic review of the mission, objectives/goals and ensuring consistency with the Objects as per the Constitution.
* Overseeing the development and approval of the strategic plan.
* Ensuring that the association has appropriate processes for regular (at least annual) review of the strategic plan and other key strategies.
* Monitoring and assessing achievements and performance against strategic and business plans.
* Acting on any recommendations from the CEO in regards to impediments, structural, resources, staffing or otherwise, that are impeding achievement of the strategic plan and delivery of programs and services.
* Approving the annual budget.

## Policy setting

* To facilitate the efficient working of the association the Board considers and approves broad policies developed by management (as for example on Child Safety and Protection, Whistle blower, investment, and other policies as appropriate from time to time).
* Such policies should follow a standard format, be concise, clear, readily available, and be reviewed regularly.

## Finance and Accounting

* Assessing the Board’s capability and financial knowledge and whether it has the necessary capacity to oversee the business and affairs of the association.
* Taking steps needed to ensure the Board addresses any shortfall in its financial knowledge and capacity to oversee the business and affairs of the association.
* Providing direction to management on financial matters.
* Overseeing the association's financial position including approving financial statements and monitoring financial performance at each Board meeting.
* Through the Finance Committee, monitoring the application of the association's financial control procedures to ensure internal compliance with established policies.
* Reviewing routine management financial reports.
* Approving annual accounts and reports in accordance with the Constitution and Chapter 2M of the Corporations Act.
* Ensuring appropriate financial policies and procedures are in place to safeguard the cash, assets, investments and finances of the association, to ensure a financially sustainable association.

## Risk Management

* Ensuring relevant and suitable risk assessment and management strategies are in place and reviewing risk management at least bi-annually.
* Ensuring relevant insurance cover is in place and ensuring a process for reviewing the adequacy of that cover.
* Considering the social, ethical and environmental impact of the association’s activities and modifying policies as appropriate.
* Taking into account the skills and knowledge of the Board members:
  + Ensuring there is continuing education and information provided to Board members regarding:
    - the business of the association;
    - the role of the Board and its functions and obligations; and
    - other relevant corporate governance issues.
  + seeking external expertise as required, including advisory or co-opted directors when appropriate

## Compliance

* The Board is responsible for meeting specific [requirements of Australian Charities and Not-for-profits Commission (ACNC).](https://www.acnc.gov.au/for-charities/manage-your-charity/other-regulators/companies-limited-guarantee) These include:
  + complying with governance requirements. Some of these are different from, and more flexible than, the requirements for companies under the *Corporations Act 2001* (Cth) (the Corporations Act).
  + ensuring an [Annual Information Statement](https://www.acnc.gov.au/for-charities/annual-information-statement) is submitted each year by the Secretary.
  + Ensuring the Secretary [notify of changes](https://www.acnc.gov.au/for-charities/manage-your-charity/make-changes-your-charity-details) to:
    - company name (including removing ‘Limited’)
    - address for service
    - directors (which ACNC call [Responsible Persons](https://www.acnc.gov.au/tools/factsheets/responsible-persons-board-or-committee-members)), or
    - constitution (which ACNC call a ‘[governing document](https://www.acnc.gov.au/tools/factsheets/governing-documents)’).
  + Meeting the ACNC Governance Standards: a set of core, minimum standards that deal with how charities are run (including their processes, activities and relationships) – their governance. These [standards can be found here](https://www.acnc.gov.au/for-charities/manage-your-charity/governance-hub/governance-standards) in detail and include:

# GOVERNANCE STANDARD 1: NOT-FOR-PROFIT AND WORKING TOWARDS CHARITABLE PURPOSE

Governance Standard 1 requires charities to demonstrate that they:

* + were set up as a not-for-profit with a charitable purpose, and
  + run as a not-for-profit and work towards that charitable purpose.

It also requires charities to demonstrate that they can provide information to the public about their charitable purpose.

For MAV, this includes ensuring communications align to the charitable purpose including the Objects of the Constitution. This is especially important for key public facing communications such as the magazine, website, newsletters, the annual report and ACNC Annual Information Statement displayed on the ACNC website.

# GOVERNANCE STANDARD 2: ACCOUNTABILITY TO MEMBERS

This standard requires charities to:

* + take reasonable steps to be accountable to their members, and
  + allow their members adequate opportunities to raise concerns about how the charity is run.

Being accountable includes letting the members know about the charity’s activities and what the results of those activities are. It also includes allowing members to raise concerns and ask questions about how a charity is run.

For MAV, this includes producing an annual report, releasing audited financial reports, and calling and holding of the AGM within 5 months of the end of the financial year.

# GOVERNANCE STANDARD 3: COMPLIANCE WITH AUSTRALIAN LAWS

Governance Standard 3 requires charities to not act in a way that, under Commonwealth, state or territory law, could be dealt with as:

* + an indictable offence (being a serious crime that is generally tried by a judge and a jury), or
  + a breach of law that has a civil (not criminal) penalty of 60 [penalty units](https://www.acnc.gov.au/tools/topic-guides/penalties) (currently $12,600) or more.

For MAV, this includes (but is not limited to) ensuring all activities are within the law, by developing, implementing, and reviewing best practice:

* Board policies including delegations, conflict of interest, child safety, whistle-blower, risk management, etc
* Training and induction for Board members
* Staff policies and employment contracts
* Onboarding for staff and ongoing compliance training
* Processes and procedures such as for financial approvals and payments, and customer complaints handling
* Volunteer code of conduct and induction
* Management of cyber risk including data and privacy related issues.

# GOVERNANCE STANDARD 4: SUITABILITY OF RESPONSIBLE PERSONS

This standard requires charities to take reasonable steps to be satisfied that its [Responsible Persons](https://www.acnc.gov.au/tools/factsheets/responsible-persons-board-or-committee-members) (its board or committee members, or trustees) are not disqualified from:

* + managing a corporation under the Corporations Act 2001 (Cth) (the Corporations Act), or
  + being a Responsible Person by the ACNC Commissioner, within the previous 12 months.

If a charity is not satisfied, it must not appoint this person. If the person is already appointed, the charity must take reasonable steps to remove them as a Responsible Person.

The requirement to ensure that Responsible Persons are not disqualified from managing corporations applies even if your charity is not a company.

For MAV, this means ensuring all Board nominees disclose any conflicts of interest, and supply annually copies of their Working with Children and/or VIT registrations and when nominating, completing a declaration stating that they are eligible to nominate.

# GOVERNANCE STANDARD 5: DUTIES OF RESPONSIBLE PERSONS

This standard requires charities to take reasonable steps to make sure that the following duties apply to Responsible Persons and that they follow them. The duties can be summarised as follows:

* + to act with reasonable care and diligence
  + to act honestly and fairly in the best interests of the charity and for its charitable purposes
  + not to misuse their position or information they gain as a Responsible Person
  + to disclose conflicts of interest
  + to ensure that the financial affairs of the charity are managed responsibly, and
  + not to allow the charity to operate while it is insolvent.

Generally, the duties mean that responsible persons should act with standards of integrity and common sense.

For MAV, this requires all Directors to personally take responsibility for ensuring they understand their role. MAV has a robust induction process, ongoing Board training, an active conflict of interest policy and register, developing and reviewing this Charter and policies to guide expected behaviours, including a Board Code of Conduct.

* MAV also has an audit, approving the audited financial statements at a Board meeting following the end of the financial year. The signing of the audited financial statements takes place at a meeting of the Finance Committee plus President, with the auditors.
* Each Board Member is responsible for advising the company secretary within 1 week of any changes occurring in their name, address or other details for advising ACNC of changes in required information within 28 days of the change.
* The Board is responsible for ensuring the Association meets the requirements of relevant legislation and the Constitution.

## Corporate Governance

* The Board plays a pivotal role in the corporate governance of the association, predominantly overseeing, reviewing and updating corporate governance practices and procedures as necessary to support the Association to good practice corporate governance.
* The Board may create By-Laws in accordance with the Constitution, Clause 54.
* The Board is responsible for ensuring the Association is in compliance with all applicable laws, regulations, standards and best practice guidelines including (but not restricted to):
  + Fair Work Act, Workplace Health & Safety Act, Working with Children, Environmental laws and any other applicable laws regulations, standards and best practice guidelines.
  + Annually reviewing the appropriateness and effectiveness of compliance controls to ensure compliance with relevant laws, regulations and industry codes.
  + Approving and bi-annually reviewing the Board’s delegations of authority.
  + Appointing and removing the CEO and determining his/her remuneration and conditions of service.
  + Overseeing the performance of the CEO, through the President and annually using the performance review methods applied to all staff.
  + Ensuring the CEO performs the role of Company Secretary effectively.

## Accountability

* Having a system of accountability to members including those as outlined in the Constitution and By-Laws.
* Ensuring a system of accountability to other appropriate stakeholders e.g. staff, funders, service users, related organisations etc.
* Improving the credibility and objectivity of established accountability processes, including financial reporting.
* Gathering information from members and stakeholders about their concerns, needs, suggestions and aspirations.
* Assessing effectiveness of, and compliance with:
  + the Board Code of Conduct as set out in this Charter
  + any applicable members’ code of professional conduct/ethics
  + compliance with internal plans, policies and procedures.
* Providing specific delegations to management.
* Identifying, managing and recording conflicts of interest.
* Confirming annually that all these responsibilities have been carried out.

## Decision making

* Matters that come before the board require a board member to:
  + **Note** matters the Board needs to be aware of
  + **Ratify** decisions based on recommendations made by others – committees or delegated individuals
  + **Decide** on matters before the Board – either where a matter is put before the Board for a decision, or a matter before the Board raises issues and the Board decides it wants action to clarify the matter.
* No individual Board Member has decision making power other than as may be specified in the Constitution or delegated by the Board.
* Decisions are made by the Board collectively. In coming to a decision, each Board Member must:
  + Manage any conflicts they may have in accordance with Part 2D.1 Div 2 of the Corporations Act and MAV’s conflict of interest process and register.
  + Come to their own objective decision that is in the best interest of the Association
  + Consider relevant briefing advice, matters raised by their fellow Board members and their own experience
  + Raise matters which in their view are of significance to the decision
  + Ask questions if they are unsure
  + Come to a decision for or against when a decision is taken, unless they are not in a position to make a decision and should abstain (eg: they are attending a meeting via telephone and the matter is a visual presentation before the Board that they are not able to see)
  + Support the decision, no matter the outcome – a Board Member who feels they cannot support a decision should consider resigning based on their perceived potential significance and risk of that decision.

## Communication

The Board:

* provides information to members as required and by the Constitution and ACNC and as otherwise agreed.
* provides information to the key stakeholders as required on a regular basis.
* communicates relevant decisions clearly to management using the following process:
  + Through minuting Actions in Board meeting minutes
  + In writing and/or verbally providing instruction to management.
* reviews as required the scope, style, form and frequency of routine management reporting to the Board.

## Networking

* Board members are expected to volunteer their time (within reasonable limits and expectations) to participate in networking events organised by the Association when applicable.
* Board members are expected to volunteer their time to participate in external networking events in order to enhance the reputation of the Association.

# Board composition

The Board is structured according to Clause 35 of the Constitution.

Board members are voluntary positions, and must be individual members of the association.

# Board selection and renewal

Elected Directors are appointed in alignment to the terms under Clause 35.4 of the Constitution. Director terms are for 2 years.

Co-opted Directors may be appointed according to Clause 35.5 of the constitution. Co-opted Directors can be appointed to the Board to address a necessary skill gap.

Board renewal, including new members, is important to enhance the overall performance of the Board and the association.

As part of the strategic planning process the Board, at least every second year, shall complete a matrix analysis that assesses desirable skill, knowledge and perspectives the Board needs to in line with the strategic plan, reviews the skills and perspectives available on the Board and identifies the desirable skills and perspectives not available on the Board. In the interest of good governance, the Board shall then consider ways in which those shortages of skills and perspectives might be addressed.

When calling for nominations, the Board must consider the requirements for desired skills and perspectives and consider how best to communicate concerns about shortfalls to members.

# Role of Board members

## Legal requirements and ethical standards:

In accordance with legal requirements and agreed ethical standards, Board members are legally the Directors of a company, and such Directors:

* Owe a fiduciary duty to the Association as a whole
* Use the powers of the office for a proper purpose
* Discharge their duties in good faith and honesty
* Act with the level of skill, care and diligence expected of a Board Member of an Association
* Demonstrate commercial reasonableness in their decisions
* Act for the benefit of the Association
* Do not make improper use of information gained through their position as a Board Member
* Do not take improper advantage of the position of Board Member
* Do not allow personal interests, or the interest of any associated person or organisation, to conflict with the interests of the Association
* Make reasonable enquiries to ensure that the Association is operating efficiently, effectively and legally towards achieving its goals
* Develop an understanding of the environment in which the Board operates and relevant activities affecting the Board
* Be independent in judgement and action and undertake diligent analysis of all proposals placed before the Board
* Publicly acting in solidarity with decisions made by the Board
* Do not engage in conduct likely to bring discredit upon the Association, and
* Comply with the spirit, as well as the letter, of the law and with the principles of the Constitution. Including compliance with the three duties: Duty of care, Duty of Loyalty and Duty of Obedience and the ACNC Governance Standard number 5 (See section 3.5 above).
* For more information about the responsibilities of a [Company Director see here](chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/viewer.html?pdfurl=https%3A%2F%2Faicd.companydirectors.com.au%2F-%2Fmedia%2Fcd2%2Fresources%2Fdirector-resources%2Fdirector-tools%2Fpdf%2F05446-6-2-duties-directors_general-duties-directors_a4-web.ashx&clen=97814&chunk=true).

## Board members must not:

* Make improper use of information acquired as a Board Member
* Engage in conduct likely to bring discredit upon the Association
* Personally benefit at the expense of the Association or give the appearance of doing so
* Take inappropriate advantage of their fiduciary positions
* Make improper use of information acquired in their role
* Exercise powers of the Board individually without the approval of (delegation by) the Board.

## Board members must be active by:

* Attending:
  + all Board meetings
  + Annual General Meeting and any Special General Meetings
  + annual director training and strategy days
  + events supported by the Association when possible
* Making available adequate time to fulfil their duties
* Attending Board meetings fully prepared: including clarifying with the President or CEO basic queries related to the briefing material they may have – generally around 2 hours preparation would be required prior to each meeting
* Bringing to the Board table, and sharing with the group, their individual skills, experience, competencies and knowledge.
* Promoting the Association, its services and membership through community networking etc.
* Disclosing and appropriately managing conflicts of interest as set out in the Conflicts of Interest Policy
* Introducing potential customers, members and partners to the Association
* Drawing to the attention of the Board matters of concern in relation to the Association of which they become aware.

Board members must also be actively involved in the workings of the Association through a selection of the following:

* Join the Finance Committee
* Chair a portfolio committee
* Be a member of a portfolio committee
* Join special reference groups throughout the year as required (For example, strategic plan development, Discussion paper development, or other working groups)
* Volunteer for other special projects as they arise from time to time.

## Meeting civil statutory directors’ duties

MAV no longer needs to comply with the civil directors’ duties under the Corporations Act. Instead, MAV must comply with [ACNC Governance Standard 5](http://acncstg.prod.acquia-sites.com/for-charities/manage-your-charity/governance-standards/5-duties-responsible-persons), which requires charities to make sure that their responsible persons meet similar duties to those under the Corporations Act (hence those of the Corporations Act are included above in 6.1 as best practice governance).

However, the following requirements of the Corporations Act still apply to directors of companies that are registered charities:

* criminal offences relating to breaches of duties of good faith and acting for a proper purpose and misuse of position or information (under section 184 of the Corporations Act), and
* the duty to prevent insolvent trading (under section 588G of the Corporations Act) – this duty is also included under governance standard 5.

## Requirements of Board Office Bearers and other positions

### President:

* Chair of Board meetings
* Chair of Executive committee
* The principal role of the President of the Board is to manage and to provide leadership to the Board of the Association
* The President is accountable to the Board and acts as a direct liaison between the Board and the management of the Association, through the Chief Executive Officer.

In addition to the duties and responsibilities of Board members, there are two main aspects to the President’s role.

***Inside the Boardroom:***

* Establish the agenda for Board meetings in consultation with the CEO/Company Secretary
* Chair Board meetings. If the President is absent from the meeting the processes outlined in Clause 47 of the Constitution should be followed.
* Provide guidance to other Board members about what is expected of them.
* 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
  + all Board members are given the opportunity to effectively contribute, and
  + the Board comes to clear decisions and resolutions are noted.
* Brief all Board members in relation to issues arising at Board meetings.
* Ensure that the decisions of the Board are implemented properly.
* Ensure that the Board behaves in accordance with the Code of Conduct.
* Commence the annual process of Board and Board Member evaluation.
* ***Outside the Boardroom:***
* In conjunction with the CEO, undertake appropriate public relations activities.
* Be the spokesperson for the company at the AGM and in the reporting of performance and profit figures with the Chair of Finance Committee
* Be the major point of contact between the Board and CEO.
* Be kept fully informed of current events by the CEO on all matters that may be of interest to Board members
* Regularly review with the CEO, and other staff as the CEO recommends, progress on important initiatives and significant issues facing the company
* Provide mentoring to the CEO and initiate and oversee the annual CEO evaluation process.

### Immediate Past President

* Member of the Executive Committee to share their expertise allowing continuation of business
* Provide support or mentoring to the President on matters of procedure, process or conduct in the role of President.

### Vice President

* Member of the Executive Committee
* In close collaboration with President, take a lead on development of the strategic plan; monitoring implementation of the strategic plan.
* Support collating, reviewing or creating Board policies and By-Laws in accordance with Clause 54 of the Constitution.

### Chair of Finance Committee

* The Chair of the Finance Committee has a monitoring and advisory role over all aspects of financial management, working closely with other members of the Board and the CEO to safeguard the Association’s finances
* Member of the Executive Committee
* Advise the board on financial and investment strategy on behalf of the Finance Committee
* Support the CEO with the development of policies and procedures related to the finances.

## CEO

* Acting as the Company Secretary as per the Constitution
* Being a primary source of advice to the Board on matters affecting the Association
* Implementing and being accountable for the strategic plan implementation
* Managing and administering the day-to-day operations of the association
* Informing the Board of any matters of which the Board should be made aware, and
* Exercising such specific and express powers as are delegated to the CEO by the Board from time to time.

### Company Secretary (CEO)

The Company Secretary supports the effectiveness of the Board and as an officer under the Corporations Act has a role as chief governance officer to:

* Monitor Board actions to ensure that policy and procedures are followed and to draw the attention of the President for failures to follow requirements; and
* Monitor legal obligations and to draw the attention of the President when legal responsibilities of the Association are at risk of not being met.

The Company Secretary has specific obligations in accordance with s188 (1) of the Corporations Act and ACNC regarding regulatory obligations.

All Board members have direct and confidential access to the Company Secretary for advice or assistance on governance matters.

# Committees

Clause 50 of the Constitution deals with Committees of the Board.

Subject to the Constitution, the Board may from time to time establish committees to assist the Board to consider particular matters in detail.

Subject to the Constitution all Committees operate under Terms of Reference that detail their purpose, composition, meeting and reporting requirements, review date and whether or not they have delegated decision making power, and if so any limitations.

The terms of reference and continuation of each committee should be reviewed as required or at least every two years.

|  |  |
| --- | --- |
| Committee | Purpose |
| Executive Committee | Provide leadership on behalf of Board to progress the Board’s activities and ability to make decisions effectively. Support strong overall governance strategy and policy for the association. Manage the risk register. |
| Finance Committee | Maintain strong overall financial management. Review and advise the Board on the financial management and financial sustainability. |
| Membership Committee | Advise MAV on membership status and opportunities. The Committee will work closely with MAV staff to ensure that membership strategies and initiatives align to the mission, vision and strategic plan. |
| Publications Committee | Advise MAV on matters related to its publications, this committee is an operations committee. |
| Annual Conference Committee | Assist and provide advice on the construction of the Annual Conference program, the development of the Conference Proceedings and volunteering to ensure the smooth delivery of the annual conference. |
| Professional Learning Committee | Advise on the Professional Learning program and events. |

# Board processes

## Board induction

All new Board members appointed to the Board must be provided with information that covers Board members’ roles and responsibilities, Board operations and overview of the association. New Board members are provided with :

* Written confirmation of appointment
* Constitution, by-laws and this Board charter
* Last annual report and the last 2 years audited statements
* List of Board members, their contact details and biographies
* The schedule of Board and committee meetings, including new Board Member induction
* List of committees with names of members
* How the Board operates including this Board Charter, confidentiality and code of conduct
* Minutes of most recent AGM and Board meeting
* Organisational chart with staff names and titles and position description of CEO
* Strategic and business plan/budget
* Material on legal responsibilities under the governing act, fiduciary, conflict of interest etc
* Relevant policies and procedures
* Delegations, as included in this Board Charter
* Schedule of briefings by key staff members if required.

## Ongoing training

The Association will provide ongoing training for Board members, including:

* A session for new Board members to be held once per year after the AGM if required (at the request of the Board members and in consideration of Board Member’s previous experience)
* A session for all Board members once per year to advance their knowledge in specific areas of Board responsibilities.

Where appropriate, Board meetings will include a component where management or external experts will present or workshop material for Board members that will likely impact on the Association.

Board members are expected to maintain and develop the skills required to discharge their obligations to the Association. For this purpose, Board members are encouraged to attend relevant technical or professional development courses or networking opportunities to assist them to develop their skills.

## Board records

Board members have rights of access to books and records of the Association to allow them to fulfil their statutory obligations as Board members. Board members, as a right, do not have access carte blanche to all records of the Association.

Privacy, conflict of interest, commercial-in-confidence, contractual and service obligation issues all impinge on the rights of a Board Members to access to the books and records of the Association.

Board members do have some statutory rights under the Corporations Act. Section 198F gives a Board Members access to books other than financial records for the purposes of legal proceedings against them while they are a Board Members and for 7 years after they cease to be a Board Member. Section 290 gives a Board Members a right of access to the financial records at all reasonable times.

One copy of Board papers and minutes are kept securely by the Association.

## Access to association employees

In relation to the operations of the association and regular staff duties:

Except in unusual circumstances Board members do not manage the day-to-day affairs of the Association so it is vital that, in any communications with staff, a Board Member is not seen to be ‘issuing instructions’. That is the role of the CEO. When dealing with staff:

* Access should be through the CEO or with the CEO’s agreement;
* Must always respect the CEO’s role and not bypass or undermine the CEO in any way.

In relation to the committees of the association and staff:

* Board members should follow the terms of reference and ensure that the role of the staff member on the committee is clear and understood.
* Work assigned to staff member by a committee should be fair and reasonable in scope and relevant only to that committee, delivering outcomes as per the terms of reference.

# Association obligation to Board members

## General commitments

In support of their role as Board members, the Association will support Board members to fulfil their duties, and ensure that Board members are supplied with all necessary information to do so.

## Protections and indemnity

As indicated in the Constitution Clause 59, in support of their role as Board members, the Association will indemnify Board members to the full extent permitted by law apart from the exceptions as stated in the Constitution.

As indicated in the Constitution Clause 60 the Association also provides Board members’ and Officers’ Liability Insurance.

In accordance with the law and Constitution, the Association provides a right of access to Board documents after they leave the Board.

### Reimbursement and remuneration

In accordance with Clause 5.3 of the Constitution and in support of their role as Board members the Association may pay all reasonable out of pocket expenses related to their duties. These must be pre-approved by the Board. (i.e. cover travel and accommodation expenses for a Board member who is representing the MAV at an interstate meeting/event.)

# Board meetings and process

## Attendance at meetings, handling of apologies and participation.

In relation to a Board member’s participation, it is a requirement for a Director to be fully engaged in the Board process and other related responsibilities of being a Director.

**The duty of care**: to ‘act as an ordinary, prudent person would in like circumstances. This requires diligent, attentive and informed participation’.

Any Board member who does not comply with this [Duty of Care, the Duty of Loyalty and/or the Duty of Obedience](chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/viewer.html?pdfurl=https%3A%2F%2Faicd.companydirectors.com.au%2F-%2Fmedia%2Fcd2%2Fresources%2Fdirector-resources%2Fdirector-tools%2Fpdf%2F05446-6-2-duties-directors_general-duties-directors_a4-web.ashx&clen=97814&chunk=true) can find themselves having criminal actions taken against them as an individual or a Board.

In relation to this, a process is required to ensure participation and to therefore protect all Board members:

1. Board members will do their utmost to attend all Board events, and only be absent in extenuating circumstances.
2. Holidays do not remove a Director from having to fulfill their responsibilities; if for example, if a Director is away, they are still required to read the papers and respond to any queries in a timely manner.
3. If a Board member cannot undertake to attend a meeting, they will give the President notice. This is not taken as an apology.
4. The President shall respond by asking that the Director read the Board papers. The Director must send a note stating that they have done so, and include any questions or comments that the President can take to the meeting.
5. If this is completed the Director will be recorded as an accepted apology.
6. If this is not completed the Director will be recorded as absent, as they have not fully participated according to their responsibilities.
7. If a Director has had absences during a term on Board they can be removed for not participating. This falls under the Constitution which states under Clause 37 “*The office of a Director shall become vacant if the Director:*

(ix) *is absent without permission of the Board from fifty per cent (50%) of all meetings of the Board in a six (6) month period in a given calendar year, unless the Board resolves that the Director should not vacate from his or her office as Director*”

* The following process should be undertaken and considered in each case:
  1. After any and each absence the President should contact the absent Director to ascertain if reasons for non-participation. The Director should be reminded of their responsibilities, and asked if they require any support or assistance in meeting their responsibilities.
  2. Circumstances of the absence should be understood and considered prior to recording the absence in the final approved Minutes and Board records. The President should consult with Board if required, but has the discretion to not list the Director as absent in extenuating circumstances.
  3. Removal of a Director requires a majority vote from Board in order to action the removal. It should be noted that retaining a Director on the Board who is not participating creates risk for all Directors.

1. Any Director that does not think they can meet the commitments of being a Director should disclose this to the Board. It is acknowledged that circumstances change and Directors sometimes must resign prior to end of a term. This is more desirable as an outcome than non-participation.

### Board members should consult when required

* Board members may consult with stakeholders and associated parties about issues under consideration, in collaboration with the Board. In consulting externally confidentiality of issues should be considered.

### Board members should raise concerns by

* Expressing concerns to the President prior to meetings about issues or decisions that run contrary to the Board’s duty
* Expressing concerns during the meeting about issues or decisions that run contrary to the Board’s or the Board members’ duties
* Being prepared to resign if you feel the Board is refusing to deal with an important matter, either legal or in relation to decision making in an appropriate way that creates (in your opinion) an unacceptable risk for the Association or personally.

## Board meetings overview

Board will meet approximately every two months, and at least 6 times per year.

The CEO attends Board meetings by standing invitation to be of assistance and the principle adviser in the consideration of items of business before the Board. Boards may need to require the CEO to leave for some items (usually in relation to the CEO's evaluation and remuneration). Boards should minimise such occasions as they deprive themselves of their primary source of advice.

Further, as the CEO is the Company Secretary and has responsibility to ensure the Board members are proceeding in accordance with requirements, they should therefore be present at all times possible.

The Board may invite other persons to its meetings at it deems necessary or appropriate.

Regular attendees at Board meetings, as officers, as defined by s9 of the Corporations Act, and/or fiduciaries, have a duty to keep all information presented to (whether written or oral) or discussed at Board meetings confidential, or as otherwise agreed by the Board.

As per the Constitution Clause 46 the following processes apply to meetings:

* The quorum necessary for the transaction of the Board’s business is fifty-one per cent (51%) of Directors being personally present (or in conference in accordance with **clause 45**) rounded up to the nearest integer (provided that the majority includes the President or Vice-President).
* The President shall be entitled to be the Chairperson at every meeting of the Board but if there is no President or if the President declines to be the Chairperson, the processes as outlined in Clause 47 of the Constitution must be followed.
* Decisions arising at any meeting of the Board shall be decided by a majority of votes and in the case of an equality of votes the Chairperson of the meeting *does no*t have a casting vote.

## Agenda and Board Papers

### Agenda Format.

The agenda format has items for:

* decision,
* discussion ,and
* noting.

An item for noting only is a non-discussion agenda item. If a Board member wants an item discussed they must indicate this prior to the meeting for it to become part of the agenda.

Noted items for example may include committee and some operational reports.

### Distribution and reading of Board Papers.

To allow Board members time to read the papers prior to a meeting they will be distributed five days prior. Papers are distributed electronically.

Participation requires thorough reading and consideration of the Board papers.

### Call for agenda items, and focus on inclusion of items of strategic importance.

1. The Company Secretary will draft the agenda based on the President’s list of items to be included.
2. If a Board Member wants to include an agenda item, they request this through the President. The President controls the agenda, and will ensure that items included are of strategic importance to the Board so as not to waste meeting time.
3. Items for the agenda should be accompanied where possible by a short paper or description that allows Board members to become familiar with the issue while reading the papers. All papers for inclusion must be supplied to the Company Secretary in time for inclusion in the papers to be sent out. Late items will be struck from the agenda if they are not ready for inclusion in the papers when finalised and sent for reading.

### Minutes

MAV agrees to comply with the Section 251A of the Corporations Act requiring minutes of Board meetings and Board committee meetings. It requires the minutes cover proceedings and resolutions. It requires resolutions passed without a meeting be minuted. It requires the minutes be in the minute book within 1 month and be signed by the Chair or chair of the following meeting within a reasonable time.

The minutes need to be kept securely at the principal place of business of the Association (or the registered office).

Minutes shall be taken by the company secretary who will provide a draft to the President within 48 hours and President endorsed minutes will be forwarded to Board members for comment within 7 days after the meeting. Board members are expected to provide feedback to the Company Secretary within 1 week.

As the Board is responsible for the minutes and may need to rely upon the minutes, the Board should agree on the form in which the minutes are kept taking into account the obligations in Part 9.3 of the Corporations Act.

# Review of Board performance

Boards that review their performance perform better. There are various ways to review performance – jointly/individually, every meeting/periodically, internally/externally.

The Board undertakes a formal review of its performance, policies and practices at least every two years . The Board’s performance is based on agreed performance criteria including how it performs against this charter. The review includes:

* Assessment of the performance of the Board against the requirements of this Charter
* Assessment of the performance of the Board Committees against the requirements of their respective Terms of Reference
* Examination of the effectiveness and composition of the Board, including the required mix of skills, experience and other qualities which the Board members should bring to the Board for it to function competently and efficiently
* Assessment of outcomes in relation to the association’s strategic direction and objectives have been met
* Assessment of the appropriateness of corporate governance practices within the association; an
* Assessment of whether the expectations of varying stakeholders have been met.

# Delegations

The Board delegates management of the association to the CEO.

| **Subject** | **Instruction** | **Officer** | **Comment** |
| --- | --- | --- | --- |
| Appointment and retention of staff | Creation of a new permanent position. | Board | Within the context of the strategic plan and the budget |
| With respect to an approved permanent position, approve the appointment terms and conditions of employment, discharge and remuneration of staff. | CEO | Negotiation of salary for new appointments, resulting from performance reviews and for actions positions must be in accordance with relevant Board policies. Board to be advised. |
| Approval of temporary employment. | CEO | Provided expenditure is contained with salary estimates. Board to be advised. |
| Leave approval | Approve leave of absence of the CEO. | Chair of Board |  |
| Approve leave of absence of staff. | CEO |  |
| Operational policy approval | Approve policies and administrative orders that effect the overall management of the association. | CEO | Policies must be consistent with Board Policies, decisions and relevant statutes. |
| Public Relations | Authorise public / media statements on behalf of the association. | CEO |  |
|  | Respond publicly to significant issues on behalf of the association. | CEO in consultation with Chair of Board |  |

# Financial delegations

## Purpose of Delegations of Authority

Delegations of Authority are a mechanism by which MAV:

1. enables officers of MAV to act on behalf of MAV by providing the formal authority to commit The MAV and to incur liabilities for MAV; and
2. defines limits and establishes accountability of officers of MAV.

## Procedural Constraints

The delegation can only be exercised within the financial limits set by the budget and subject to the availability of funds.

Credit card limits are not in themselves authorisations to expend or approve budget allocations or submit purchase orders up to the limits specified. All expenditures by these methods must be within budget limits, subject to all procedures relating to the authorisation of purchase orders for goods and services.

It is expected that when large or new expenditure is required that multiple quotes or comparisons are made.

## Operation

The Financial Delegations shall be reviewed every year by the Finance Committee. Any changes to the positions and limits in the Financial Delegation list must be endorsed by the Board.

## Authorisation Levels

All values quoted are GST inclusive.

### Capital

Authority to purchase office furniture and equipment within budget

|  |  |  |
| --- | --- | --- |
| **Position** | **Limit** | **Comments** |
| CEO | $5,000 | Finance Committee informed of purchase at next meeting |
| Board | Over $5,000 | Decision based on recommendation from the Chair of Finance Committee after Finance Committee consideration |

### Goods and Services

Authority to commit funds, including by credit card, or approve payment for purchases, including signing of requisitions and invoices, and certifying credit card acquittals

|  |  |  |
| --- | --- | --- |
| **Position** | **Limit** | **Comments** |
| CEO | $25,000 or larger amount within approved project/annual budget | Provided all expenditure is of a normal business nature and within budget. If over $25,000 Finance Committee to be informed. For projects that are gained or approved out of annual budget, Finance Committee to be informed of project budget, and then limits apply. |
| Board | Over $25,000 or out of project/annual budget | Decision based on recommendation from the Chair of Finance Committee after Finance Committee consideration |

### Travel

Authority to commit funds, including by credit card, or approve payment for purchases of travel services and certifying credit card acquittals

|  |  |  |
| --- | --- | --- |
| **Position** | **Limit** | **Comments** |
| Education Consultants | $2,000 per event/trip/person | Provided expenditure is consistent with project budgets and CEO approves travel prior to purchase |
| CEO | $5,000 per event | Provided all expenditure is consistent with budgets  Finance Committee informed of travel purchase at next meeting |
| Board | Over $5,000 | Decision based on recommendation from the Chair of Finance Committee after Finance Committee consideration |

### Write-offs / debt recovery / disposal of property

|  |  |  |
| --- | --- | --- |
| **Position** | **Limit** | **Comments** |
| CEO | Write-offs up to $5,000 | Finance Committee and Board to be advised of amounts and reasons of write-offs |
| CEO in consultation with Finance Committee and Executive Committee | Write-offs between $5,001 and $10,000 | Board to be advised of amounts and reasons of write-offs |
| CEO in consultation with Finance Committee and Board | Write-offs over $10,000 | Write off to be approved by Board |
| CEO | Approve the recovery of debts by instalment |  |
| CEO | Authorise the recovery of debts by court action |  |
| CEO | Make declaration of indebtedness of behalf of the association in cases of insolvency of a debtor |  |
| CEO | Disposal of property |  |