



**National Aboriginal Community Controlled Health Organisation  
(NACCHO)**

**BOARD GOVERNANCE CHARTER**

September 2019

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## 1. Introduction

NACCHO is the peak national body for Aboriginal health in Australia. It has a membership of 144 Aboriginal Community Controlled Health Services (ACCHS). NACCHO provides informed advice and guidance to the Australian Government on policy and budget matters that will contribute to the quality of life for Aboriginal people.

The NACCHO Constitution (as ratified at the NACCHO AGM 15 November 2011) sets out the rules for the organisation.

The NACCHO Board Charter sets out the corporate governance responsibilities of the NACCHO Board, in particular the policies, structures and processes to meet its objectives, legal and other responsibilities.

The Charter and its attachments provide the overarching principles, strategies, assurance activities and key documents to assist the Board and Chief Executive Officer (CEO) to:

- achieve NACCHO's strategic objectives
- provide effective and accountable leadership
- exercise effective direction and control over the operations of NACCHO

## 2. Objectives

The Board Governance Charter has the following four objectives:

1. to establish and document the respective roles and responsibilities of the Board and CEO;
2. to outline key board functions, including ethical and responsible decision making;
3. to outline sound Board governance processes to facilitate achievement of NACCHO's strategic objectives; and
4. to always strive for continuous improvement in Board processes.

## 3. Authority and Governing Laws

NACCHO is a public Company Limited by Guarantee, not having a share capital and incorporated under the *Commonwealth Corporations Act (2001)* and the *Act and Regulation 2013*.

The NACCHO Board uses a consultative process with the NACCHO membership to develop a long-term strategic plan that sets out the key strategies to achieve the NACCHO vision.

NACCHO provides an Annual Report to its members at the Annual General Meeting to account for the actual results achieved. The Annual Report is also publicly available on the NACCHO website

NACCHO is a not-for-profit organisation registered with the Australian Charities and Not-for-profits Commission (ACNC) and is required to meet the legal requirements of a registered charity under the ACNC Act 2012.

NACCHO's charitable purpose is to improve the health and well-being of Aboriginal and Torres Strait Islander people. The assets and income of the organisation are applied solely to further these objects and no portion shall be distributed directly or indirectly to the members of the organisation except as bona fide compensation for services rendered or expenses incurred on behalf of the organisation.

In the event of the organisation being dissolved, the amount that remains after such dissolution and the satisfaction of all debts and liabilities will be transferred to another organisation with similar purposes which is not carried on for the profit or gain of its individual members.

## 4. Defining Governance Roles

### 4.1. Directors

The composition of the Board is determined in accordance with the Company's Constitution, which among other things requires that:

- the Board is comprised of sixteen members ("directors");
- one is the Chairperson;
- one is the Deputy-Chairperson;
- each state/territory peak Aboriginal community controlled health organisation affiliated with NACCHO elects/appoints the following number of ordinary members (who must be members of their respective Affiliate) for a position as a director on the NACCHO Board for 1 year:
  - Western Australia                      2 ordinary members
  - South Australia                        2 ordinary members
  - Northern Territory                      2 ordinary members
  - Queensland                              2 ordinary members
  - New South Wales                        2 ordinary members
  - Victoria                                 2 ordinary members
  - Australian Capital Territory          1 ordinary member
  - Tasmania                                 1 ordinary member
- the full NACCHO membership (at the AGM) endorses the 14 appointed members and votes (triennially) for the NACCHO Chair and Deputy-Chair.

NACCHO directors do not "represent" the particular interests of the individual state/territory 'nominating' entity that elects/appoints them. They have a duty under law to form an independent opinion of matters before the board and to "*act in the best interests of the corporation*" to which they have been appointed (i.e. to act in the interests of the collective ownership of NACCHO).

*[Corporations Act 2001 s.181 (1)]*

Directors remain on the Board until they resign office, are required to vacate the office by law or are replaced by the Membership in accordance with the Constitution.

### 4.2. Board

Under the Corporations Act 2001 and the ACNC Act 2012 the Board is required to:

- govern in a way that promotes the proper use and management of resources, ensuring financial sustainability;
- govern in a way that promotes the achievement of NACCHO's purpose;
- establish and maintain appropriate internal systems of risk management and oversight; and
- act corporately, manage conflicts of interest and make decisions and sets policies at meetings formally convened by the Chairperson.

In general, the Board is responsible for and has the authority to:

- set the strategic directions and identify strategic opportunities and risks;
- pursue a not-for profit purpose;
- appoint the CEO and oversee the activities of the CEO in carrying out his/her delegated duties, responsibilities and authorities and supervise and evaluate his/her performance (via a Board approved annual performance scheme outlining performance measures);
- approve and review the NACCHO operating budget, performance measures and provide input into the annual plan;
- determine policies, including the policy principles for establishing, directing and monitoring Board Committees, policies relating to workplace health and safety;
- approve financial delegations;
- monitor and review NACCHO's performance, ensuring it strives for continuous improvement and review of Board and Board Committee performance;
- ensure records, including financial records, are correctly documented; and
- prepare and present an annual report including an annual performance statement and financial statements.

### 4.3. Board Committees

The Board has three Committees in line with contemporary governance standards for not-for-profit companies.

1. **Audit Assurance Committee (AAC)** – Its objectives are to provide advice and assurance on:
  - issues relevant to the integrity of an entity's financial reporting;
  - establishing and maintaining appropriate systems for oversight and management of risk, internal control and compliance with finance law; and
  - the measures established and maintained by Management to prevent, detect and deal with fraud in respect of financial reporting and performance reporting.

Good practice set out by the Australian Institute of Company Directors encourages independent members or Chair that are not employees of the entity. The AAC Charter stipulates that the Committee be comprised of at least one external member who is independent of NACCHO and its affiliates.

2. **Remuneration Committee**- its objectives are to:
  - assist the board in the oversight of the company's remuneration and incentives for the Chair, CEO, Company Secretary;
  - monitor and review the CEO's performance against key performance indicators and review and recommend to the Board remuneration of the CEO, within the terms of the employment contract;
  - consider and make recommendations to the Board about NACCHO committee appointments; and
  - work to improve the skills and experience of the Board.

Good practice set out by the Australian Institute of Company Directors encourages an independent Chair that is not an employee of the entity. The Remuneration Charter stipulates that the Committee be comprised of at least one external member who is independent of NACCHO and its affiliates.

3. **Finance Committee** – its objectives are to:
- monitor NACCHO’s performance against budget and key performance indicators and any risk tolerance indicators approved by the Board;
  - review NACCHO’s investment strategy and other significant financial policies in consultation with management and provide input into the development of policies to be approved by the NACCHO Board; and
  - monitor and review the financial and performance information of the State/Territory Sector Support Network Organisations (SSNs) as submitted by the management of these organisations.

Other Committees may be formed as required from time to time with specific terms of reference. Board Committees will have a Charter which details the, responsibilities, functions, reporting and administrative arrangements of each Committee.

#### 4.4. Role of the Chairperson

The chairperson is “first among equals” on the Board and as such has no additional power or authority above that of any other Director. In general, the role of the Chairperson is to:

- convene such meetings of the NACCHO Board necessary for the efficient performance of the Board responsibilities and preside at all meetings of the NACCHO Board at which he/she is present;
- ensure the Board accomplishes its functions and responsibilities;
- take leadership on Board governance issues, including promoting the Directors Code of Conduct and facilitating participation of all Directors in discussion and making decisions on matters before it, including seeking consensus of opinion wherever possible and respecting the rights of Directors to share alternative opinion;
- facilitate an appropriate meeting agenda and the timely and accurate dissemination of information to Board members in support of agenda items;
- maintain a strong working relationship with the CEO to facilitate implementation of Board policies and decisions and approve CEO leave;
- assess and deal with complaints concerning the NACCHO Board or an individual Board member and take appropriate action;
- be a spokesperson of the organisation with the Minister and relevant external stakeholders (consistent with the NACCHO Media Protocol). The CEO will provide the Chairperson relevant information for liaison with the media;
- lead on director induction, Board training and development of succession plans for the roles of Chair and Deputy Chair;
- set the tone and foster an effective, collaborative and ethical Board culture;
- act as mediator in all disputes between member organisations (in their capacity as members of NACCHO) and disputes between member organisations and NACCHO, in accordance with the rules of natural justice; Aboriginal ethical values of trust, integrity and consensus; and the spirit of Aboriginal community control as defined in the NACCHO Constitution. with a demonstrated understanding of and commitment to the aims and objectives of the organisation; the definitions of ‘health’ and ‘Aboriginal community control in health’; and
- ensure the absolute discretion and application of culturally appropriate protocol and confidentiality applies in NACHHO with a demonstrated understanding of, and commitment to, the aims and objectives of the organisation; the definitions of ‘health’ and ‘Aboriginal community control in health’.

It is expected that the Chairperson undertake this position part time with an appropriate rate of remuneration that is set by the Remuneration Committee.

The role of the Board is evaluated every other year by an independent expert as part of the Board Performance Review.

#### 4.5. Role of the Deputy Chairperson

The role of the Deputy Chairperson is to assume the roles and responsibilities of the Chairperson in his or her absence, as outlined in the Chairperson's position description. In addition, the Deputy Chairperson will:

- work closely with the Chairperson to ensure the organisations objectives are met;
- assist with the Chairperson's workload as and when required;
- undertake the following specific tasks:
  - stand in as chair if conflict of interest arises with existing chair;
  - assist the Chairperson in mentoring Directors;
  - undertake representational activities on behalf of the organisation; and
  - be a point of liaison for Directors, particularly for performance issues involving the Chairperson; and
- undertake other duties as required by the Board.

#### 4.6. Term of Office

The NACCHO Chairperson and Deputy-Chairperson are elected by NACCHO Members at triennial Annual General Meetings (AGMs) for a term of three years. Other members of the NACCHO Board hold office until the conclusion of the AGM following the date of the Member's ratification but are eligible for re-appointment.

#### 4.7. Board performance

The Board will undertake an annual evaluation of Board performance. In every other year this will be done by an independent assessor and include individual Director's performance evaluation with the aim of identifying skills and proficiency gaps that can be rectified by targeted professional development.

In both instances the evaluation process will be designed to assess performance expectations outlined in the NACCHO Board Charter and Strategic Plan.

The Board considers the outcome of the review and may develop a series of actions to guide improvement.

#### 4.8. Chief Executive Officer

The CEO is appointed by the Board and must be an Aboriginal person with a demonstrated understanding of, and commitment to, the aims and objectives of the organisation and the definitions of 'health' and 'Aboriginal community control'.

The CEO:

- is responsible for the management of the day-to-day administration of NACCHO;
- must act in accordance with policy determined, and any directions given, by the Board;
- engages staff as necessary for the performance of NACCHO's functions and has the authority to engage consultants as necessary and staff must have a demonstrated understanding of, and commitment to, the aims and objectives of the organisation and the definitions of 'health' and 'Aboriginal community control in health';
- approves guidelines, procedures and processes (including the establishment of management committees) to manage the day-to-day administration of the NACCHO;
- authorises NACCHO management and staff to implement policies approved by the Board through program procedures and other controls;
- must adhere to the NACCHO Code of Conduct for NACCHO employees;
- must disclose any direct or indirect pecuniary interests to the Chairperson;
- be a spokesperson of the organisation with the Minister and relevant external stakeholders; and
- can approve a NACCHO employee to give regional press or radio interviews on a case by case basis should the NACCHO Chair or CEO not be available to respond to media at short notice.

The CEO is accountable for:

- the achievement of the Board-stated strategic directions, performance targets and standards as documented in the strategic and business plans;
- overall operational, financial and behavioural performance of NACCHO and the effective, efficient, lawful, prudent and ethical management of all operational aspects of the organisation within the delegated authorities expressed in Board approved policies;
- providing executive leadership and management of a team of senior executives responsible for all NACCHO functions;
- ensuring that risks are identified at an early stage, assessed and then mitigated to facilitate the achievement of NACCHO objectives; and
- providing the Board, in a timely, accurate and concise manner, with reports on:
  - implementation of Board policies;
  - any actual or anticipated non-compliance with any policy of the Board;
  - any matter the CEO believes is material to the Board's decisions or that may affect a Director's personal liability, including correspondence to NACCHO; and
  - any other matter that the Board determines from time to time.

#### 4.9. Board Company Secretary

All Directors have a right of access to the Company Secretary. With the support of the NACCHO Secretariat, the Company Secretary is responsible for:

- keeping and maintaining a register of all member organisations which have been accepted as members of the organisation;
- maintaining a register of interests and related party transactions;
- maintaining a register of Board policies;
- retaining records of Board and Board Committee meetings and decisions;
- reporting to the Board at each meeting the documents executed under power of attorney, documents executed, and reporting on new entrants in the significant contracts register;

- coordinating the provision of advice to Directors to ensure compliance with legal requirements, including the Board Charter, Corporations Act 2001 and Australian Charities and Not-for profit Commission Act 2012 as well as NACCHO's Constitution;
- liaising with the Board, coordinating Director Inductions, Board performance reviews and skill gaps assessments;
- providing counsel on corporate governance principles and directors' liability;
- complying with the obligations for a Company Secretary under the Corporations Act 2001 in relation to the filing of documents and notifications; and
- liaising with the Company's external legal advisor.

## 5. Board Functions

### 5.1.Strategy Formulation

The Board is responsible for the formulation of broad strategies relating to NACCHO's statutory functions, including the development of Corporate and Strategic Plans, which document NACCHO's high level strategic directions. These are developed in consultation with the CEO and management, key stakeholders and accessing expert external advice when needed.

These documents enable NACCHO to demonstrate accountability to members, the Aboriginal and Torres Strait Islander communities and the community at large to advocate for improvements in Aboriginal and Torres Strait Islander health and wellbeing and effectively deliver its programs and maintain its credible reputation.

### 5.2.Policy Making

The NACCHO Board will ensure that specific policies and procedures are in place which will meet the specific requirements of relevant funding bodies.

The Board will adopt a process to ensure the independence of the Corporation's external auditor. The Board will meet with the external auditor without the presence of the CEO or other members of the senior management team, on an annual basis. The Board will develop an open, unimpeded and constructive relationship with the external auditor and must be satisfied that the scope of the audit is adequate and carried out thoroughly with the full cooperation of Management.

The Board will exercise control of the organisation in times of crisis.

### 5.3.Monitoring NACCHO Performance and Compliance

The Board monitors performance to ensure:

- NACCHO's operations are consistent with both its functions as stated in the Constitution and with the Board's approved strategies and policies;
- NACCHO and its directors and officers are complying with Board policies, delegated authorities and applicable legal and regulatory obligations; and
- appropriate risk management processes are in place.

The CEO is responsible for overseeing the production of Board requested reports and other information necessary to support the Board in meeting these objectives.

## 6. Board Governance Processes

The NACCHO Board adopts practices as recommended by the Australian Institute of Company Directors and the Australian Charities and Not-for-profit Commission.

### 6.1. Directors' Code of Conduct

The conduct of Directors is prescribed by the *Corporations Act 2001 and Australian Charities and Not-for-profits Commission Act 2012* requires Directors to exercise their powers and duties with care and diligence, in good faith, in the best interests of NACCHO and for a proper purpose.

Directors have an individual responsibility to ensure that the Board is undertaking its role in accordance with the above legislation and as set out in this Charter.

Directors are bound by the Directors' Code of Conduct which is included in the Charter (see **Attachment 1**). This Code also includes guidelines for managing potential and actual conflicts of interest, including material personal interests.

### 6.2. Delegation of Powers

The Board has delegated powers to the CEO as specified in the Statements of Delegated Authority (as allowed under Corporations Act 2001: 198D Delegation). This does not absolve the Board of their accountability for these delegated decisions.

### 6.3. Director Induction and Development

New Board members shall undertake a formal induction into their role on the Board including a meeting with the Chairperson and the CEO. New members will be provided a copy of this Charter and a briefing pack containing information relevant to Board process and governance (e.g. relevant legislation, recent Board papers and minutes, etc.).

Company Directors training will be made available for NACCHO Board members on an as required basis.

The NACCHO Board is committed to continuous improvement of the Board and the organisation as a whole. Directors are encouraged to undertake ongoing professional development where relevant in line with NACCHO's needs. NACCHO will provide reasonable financial assistance to facilitate ongoing professional development by Directors.

### 6.4. Board Meetings

Meetings may be held in person, by telephone or by video conference. Minutes of meetings must be kept and reported to the Board. Meeting Guidelines, including nomination of agenda items, decision making and recording procedures are specified in the NACCHO Constitution.

The Chairperson will convene the Board as often as necessary for the efficient performance of the NACCHO Board's responsibilities. As a guide, this will be at least four times a year with the Chairperson able to convene additional meetings as required.

In order to provide an even distribution of work over each financial year and to ensure the strategic focus of the Board, the Board and its committees will adopt a 12-month Board calendar (see **Attachment 2**). The calendar incorporates key corporate compliance issues to be considered by the

Board during the year and the related scheduling required for Board committees and subsidiary Board meetings to facilitate this.

The quorum for any meeting of Board Directors shall be one-half (or where one-half is not a whole number, one half plus one).

All directors attending NACCHO Board Meetings are expected to remain until the conclusion of the Board meeting; however, those Board Members who must leave earlier, must receive special permission from the Chairperson in advance and prior to travel bookings being made to ensure that all NACCHO Board business is completed with a legal quorum.

Directors who are not available to attend a Board meeting should seek, in advance and in writing, a leave of absence from the meeting from the Chairperson.

The Standing Orders for Board Meetings (Rules of Debate) are at **Attachment 3**.

Detailed procedures for Annual General Meetings, and Extraordinary General Meetings are in the NACCHO Constitution Part 6.

Observers are permitted at the discretion of the Board, to attend any or part of a NACCHO Board meeting. They have no voting rights and must respect the position of the Chair in running the meeting. People wishing to attend a NACCHO Board Meeting (other than those requested to attend) must seek the permission of the Chair seven (7) working days prior to the meeting date. The observer may be asked to leave anytime during the meeting. The observer must maintain the confidentiality of the meetings content and proceedings.

To assist the smooth running of Board processes, the Board has adopted an indicative cycle as shown in the table below. The indicative cycle gives Board members seven days to review the agenda and Board papers. This is to allow directors time to seek clarification or further information in advance on ambiguous items and to save valuable time at meetings by being prepared for discussions.

Under normal circumstances, Board meetings shall follow the following cycle:

<b>ITEM</b>	<b>DAY</b>
Draft Agenda to the Chairperson	-21
Agenda agreed	-14
All papers are circulated to Board meeting attendees	-7
Papers available for inspection at NACCHO	-1
NACCHO Board meeting	0
Draft Minutes and Action Items Circulated	14
NACCHO Board Communication sent to members	21

All days indicated are calculated in relation to the Board meeting day [day zero]. This is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board meetings will be dependent upon the circumstances surrounding each individual meeting.

## 6.5. Review of Board performance

The NACCHO Board and its committees will be formally reviewed through an assessment process every year. Every other year this will be conducted by an independent expert. This is with a view to:

- improving the effectiveness of the board to achieve its objectives;
- identifying any issues for improvement, including skills and experience;
- clarifying individual and group roles;
- team building amongst board members;
- improving relationships between the board and management;
- improving relationships between Board members; and
- improving corporate performance.

The following areas will form part of the review:

- relevant-administrative arrangements;
- performance against the agreed role of the board; and
- the attainment of strategic objectives.

## 7. Support for Directors

### 7.1. Director's Access to Professional Advice

Directors are to exercise considered and independent judgment on the matters before them. To allow Board members to discharge their duties, a Director may from time to time need to seek independent, expert, professional opinion on matters before them.

- Prior to seeking professional advice, a Director shall inform the Chairperson about the nature of the opinion or information sought, the reason for the advice, the terms of reference for the advice and the estimated cost of the advice.
- Where more than one Director is seeking advice about a single issue, the Chairperson shall endeavour to coordinate the provision of the advice.
- The Chairperson has the delegated authority to authorise reasonable expenditure. If the Chairperson withholds authorisation, the Director has the right to seek authority from the Board at the next Board meeting.
- The Board must approve engagement of professional advisor(s) likely to exceed this limit. The Board as a whole must be the recipient of such advice.
- The Board must be provided with a copy of any written instructions to the advisor and any written advice. Where instructions or advice are verbal the Board must be provided with a full record of these.

### 7.2. Communications with External Parties

The Chairperson is authorised to comment on:

- resolutions to be put to the General Meetings of NACCHO;
- changes in Directors and any matter related to the composition of the Board;
- any speculation concerning Board meetings or the outcomes of the Board meetings; and
- other matters specifically related to members.

The CEO is authorised to comment on:

- the Company's future outlook;
- any operational matters;
- service issues and other media queries concerning operational issues which reflect either positively or negatively on NACCHO;
- proposed or actual legal actions; and
- queries and general discussions concerning NACCHO's sector.

There will be times when Directors and employees will be approached by the media for public comment. On such occasions, the Director(s) or employee(s):

1. refer the person to the CEO or Chairperson as appropriate for comment;
2. refrain from disclosing any information, documents or other forms of data to the person without the prior consent of the CEO or Chairperson; and
3. report the person who contacted the Director/employee as soon as possible to the CEO or Chairperson.

### 7.3. Director's Access to Corporate Material

Directors have a right to inspect documents held by the Company that are relevant to the affairs and management of the Company to aid the proper execution of his/her fiduciary obligation to advance the interests of the Company (and for the purposes of a legal proceeding and for private interest).

Special provisions apply regarding the circulation of Board papers to Directors with a known conflict of interest.

A Director's right to inspect corporate material is a legal right that does not depend upon the views of the Board or the CEO. Access may only be denied for good cause and then by a court decision where the Director is considered to have an ulterior purpose, which is disclosed in evidence.

At no time must a Director act in any way that is not in the best interests of the Company.

If a document contains a confidentiality clause, it must be shown to Directors on request, since the presence of a confidentiality clause does not preclude inspection of the document by a member of the Board as one of the parties to the document. Once he/she has inspected it, the Director is bound to observe the contractual confidentiality outside of Board discussions.

### 7.4. Director Expenses Protocols

Directors are entitled to be paid travel, accommodation and out-of-pocket expenses, as determined by the Board, incurred in connection with a Director's attendance at Board meetings, meetings of members or otherwise in connection with the performance of a Director's duties

If a Director chooses to drive, the NACCHO travel policy states that NACCHO will reimburse car mileage over 50kms @ (a rate determined from time to time) per km (depending on engine capacity) each way up to the full cost of an equivalent economy airfare from the nearest airport from your point of origin. Taxi and parking receipts must be given to NACCHO to claim reimbursement.

Directors are to provide reasonable forward notification of attendance at (or apology regarding inability to attend) NACCHO Board meetings and must notify the NACCHO Secretariat as soon as possible if there is a subsequent cancellation or alteration of arrangements. If there is no subsequent notice provided in the case of a cancellation or alteration of arrangements, all associated costs will be incurred by the individual director.

## 7.5. Smoking Policy

The Board will respect that NACCHO is a **non-smoking** environment.

## 7.6. Conflict of Interest

Directors have a duty to disclose to the Board pecuniary or non-pecuniary potential conflicts that may or might reasonably be thought to exist between the interests of the Director and the interests of NACCHO. On appointment, Directors will have an opportunity to declare any such interests and they will be entered into NACCHO's Conflict of Interest Declarations.

Directors should update this disclosure by notifying the Chairperson as soon as they become aware of any actual or potential conflicts. The first agenda item for each Board meeting will be the disclosure of any conflicts of interest. Any amendments to disclosures are to be tabled at this time and entered into the Conflict of Interest Declarations by the Company Secretary.

The Board can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot, or is unwilling to, remove a conflict of interest, then the Director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The Company Secretary will minute entry and exit of the Director concerned.

Directors do not have to absent themselves when either:

1. a conflict of interest relates to an interest common to all members; or
2. the Board passes a resolution that identifies the Director, the nature and extent of the Director's interest and the relation of the interest to the affairs of the company and clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.

## 7.7. Related Party Transactions

Related party transactions include any financial transaction between a Director or Officer and NACCHO and are to be reported in writing to each Board meeting.

In general, the Board must approve related party transactions. An exemption to this requirement occurs where the financial benefit is given on arm's-length terms.

To assist the Board in showing that a financial benefit, such as the awarding of a contract to a company in which a Director is a partner, is given on arm's length terms market testing will be conducted to ensure value for money by NACCHO. The Board has also resolved that a Director or Officer shall exclude himself/herself from the approval process where a related party has made an application to them.

A related party for this process means:

1. a spouse or de facto spouse of the Director or Officer; or
2. a parent, son or daughter of the Director or Officer or their spouse or de facto spouse; or
3. an entity over which the Director or Officer or a related party defined in one or two has a controlling interests.

The register of Interests will also include related party transactions.

## 7.8. Insurance

NACCHO arranges professional indemnity insurance to cover all activities of the Company and will also arrange other relevant insurances for directors and officers in relation to the provision of services on behalf of NACCHO where relevant, e.g. travel insurance, workers compensation, etc.

NACCHO indemnifies its Directors and Officers for all that is legally permitted and NACCHO seeks appropriate insurance cover where possible for all potential liabilities flowing from the indemnities. Deeds of Indemnity are executed in favour of any Directors nominated by NACCHO as its representatives on other boards.

## Attachment 1 – Directors’ Code of Conduct

The reputation of NACCHO, the quality of its programs, the goodwill and confidence shown towards the Secretariat by funding bodies and the broader community, and good relationships among staff will be greatly influenced by the professional attitude, behaviour and operations of the NACCHO Board, both as a group, and as individuals. NACCHO Directors’ conduct is underpinned by Aboriginal ethical values of trust, integrity and consensus. All NACCHO Directors are bound by this Code of Conduct.

1. A Director must act honestly, in good faith and in the best interests of NACCHO.
2. A Director has a duty to use care and diligence in fulfilling their functions, appropriately exercising the powers attached to that office.
3. A Director must use the powers of office for a proper purpose, in the best interests of NACCHO as a whole.
4. A Director must recognise that the primary responsibility is to the NACCHO members as a whole, but should, where appropriate, have regard for the interests of all stakeholders of NACCHO.
5. A Director must not make improper use of information acquired as a Director of NACCHO or related entities.
6. A Director must not take improper advantage of the position of Director.
7. A Director must not allow personal interests, or the interests of any associated person to conflict with the interests of NACCHO.
8. A Director has an obligation to be independent in judgement and actions and must take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
9. Confidential information received by a Director in the course of the exercise of directorial duties remains the property of NACCHO and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Board, or is required by law.
10. A Director should not engage in conduct likely to discredit NACCHO or be detrimental to the interests of NACCHO, and must not accept gifts, benefits or hospitality associated with their NACCHO role.
11. A Director is part of an apolitical NACCHO Board incorporated under ASIC and must work constructively with the Government of the day to improve services that will improve the health and overall wellbeing of Aboriginal and Torres Strait Islander people. A Director will always act in a professional and respectful manner in dealing with the Government, their officers and other stakeholders.
12. A Director has an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.

Full name of Director: \_\_\_\_\_

Director’s Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Attachment 2 – NACCHO Board and Committee Meeting Calendar

(Committees to meet at least 3 weeks prior to an NACCHO Board meeting to allow sufficient time for papers/minutes to be cleared and distributed)

	January	February	March	April	May	June	July	August	September	October	November	December
<b>NACCHO Board</b>		<ul style="list-style-type: none"> <li>• National Funding Agreement Report</li> <li>• Review Insurance Program</li> <li>• Annual Budget Submission</li> <li>• Committee Reports</li> <li>• Financial Performance Report</li> </ul>				<ul style="list-style-type: none"> <li>• Approve Budget</li> <li>• Corporate Risk Management Plan</li> <li>• Internal Audit Plan</li> <li>• Committee Reports</li> <li>• Financial Performance Report</li> </ul>			<ul style="list-style-type: none"> <li>• National Funding Agreement Report</li> <li>• Approve Financial Statements</li> <li>• Approve CEO Remuneration &amp; Performance</li> <li>• Note Annual Committee Performance Reports</li> <li>• Committee Reports</li> <li>• Financial Performance Report</li> </ul>		<ul style="list-style-type: none"> <li>• NACCHO Members Conference</li> <li>• NACCHO AGM</li> </ul>	<ul style="list-style-type: none"> <li>• Governance Training</li> <li>• Committee Reports</li> <li>• Financial Performance Report</li> <li>• Approve meeting dates for upcoming year</li> </ul>
<b>(Remuneration Committee)</b>					<ul style="list-style-type: none"> <li>• Review and recommend to the Board remuneration of CEO as required</li> <li>• Review the CEO's performance against key performance indicators</li> <li>• review remuneration for Chair</li> <li>• Recommend training and development for Board</li> </ul>						<ul style="list-style-type: none"> <li>• Co-ordinate review of board performance</li> <li>• Develop a list of appropriately qualified people for committee appointments</li> </ul>	

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Audit &amp; Assurance Committee (Charmaine)</b>					<ul style="list-style-type: none"> <li>• Review processes to ensure effective auditable financial reporting</li> <li>• Review Risk Management Framework</li> <li>• Review Financial Statement plan and timeline</li> <li>• Review Insurances</li> <li>• Review Fraud Control Processes</li> <li>• Review &amp; Test Business Continuity &amp; Disaster Recovery Plan</li> <li>• Review the internal audit plan</li> <li>• Review all audit reports and provide advice to the Board</li> <li>• Monitor management's implementation of audit recommendation</li> <li>• Review the performance of internal audit</li> <li>• Provide advice on appointment of Internal Auditors</li> <li>• Review CFO Report</li> <li>• Receive update on Significant issues</li> </ul>			<ul style="list-style-type: none"> <li>• Prepare annual AAC Performance Report</li> <li>• Review annual audited financial statements and Director's Report</li> <li>• Review CFO report</li> <li>• Monitor management's implementation of audit recommendation</li> <li>• Review CFO Report</li> <li>• Receive update on Significant issues</li> </ul>				
<b>Finance Committee (Charmaine)</b>	<ul style="list-style-type: none"> <li>• Review financial performance against budget</li> </ul>				<ul style="list-style-type: none"> <li>• Monitor and Review Financial performance</li> <li>• Review investment strategy</li> <li>• Review significant financial policies – (Delegations &amp; Investment strategy)</li> <li>• Review budget and budget forecasts</li> <li>• Review financial statements audit plan and timetable</li> </ul>			<ul style="list-style-type: none"> <li>• Review financial performance against budget</li> <li>• Review for Board approval Financial Statements (Prior to AAC)</li> <li>• Annual Report</li> </ul>		<ul style="list-style-type: none"> <li>• Review financial performance against budget</li> </ul>		

## Attachment 3 – Standing Orders for Board Meetings (Rules of Debate)

The rules of debate are applied at the discretion of the Chairperson or by resolution of the Board at any meeting. The Chairperson's interpretation of the rules of debate shall be final unless overruled by the meeting.

### **Dissent from the Chairperson's ruling**

Any director dissatisfied with the Chairperson's ruling may move a motion of dissent in the following terms: "That the chairperson's ruling be dissented from". In such bases, only the mover shall be permitted to speak, except the chairperson who may state reasons for the ruling given. The motion shall thereupon be put to the meeting by the deputy chairperson, without further discussion in the following form: "The motion is that the chairperson's ruling be upheld."

The chairperson may not move, second or speak on any motion without leaving the chair. Having left the chair, the chairperson may not resume it until that debate has been concluded.

Whenever the chairperson speaks, whether during debate or not, any director speaking or proposing to speak, shall refrain so that the chairperson may be heard in silence.

The chairperson shall have a normal deliberate vote as well as casting vote when the voting numbers on each side or equal.

### **Motions**

A management recommendation in a report to the Board shall be regarded as a motion sufficient to start debate. Other motions must be duly proposed and seconded before debate may commence.

**Lapsed Motions** – Any motion or amendment not seconded shall lapse without further debate.

**Amendments** – The question having been proposed may be amended by leaving out, substituting or adding words. Any number of amendments may be proposed and discussed simultaneously with the original motion. When amendments have been put and lost, the original motion shall then be put to the meeting. When amendments have been put and carried they will then become the motion and be put to the meeting. At the close of debate, amendments shall be put in the order they have been moved.

Direct negatives disallowed. No amendment shall be received by the chairperson which shall be a direct negative to a motion, or which does not preserve the substance of such motion.

The proposer of a motion or an amendment shall be allowed five (5) minutes in which to introduce the matter and five (5) minutes in which to reply. Extension of time may be granted by any meeting without debate. All other speakers shall be limited to five (5) minutes each.

No other director shall speak more than once to any question before the chairperson, unless by way of explanation, or with the consent of the majority of directors' present.

### **Speakers in Succession**

No more than two (2) directors shall speak in succession on one side, either for or against any question before the meeting, and if, at the conclusion of the second speaker's remarks, no director speaks on the other side, the motion or amendments shall be put to the meeting after the mover has replied.

**Right of Reply**

The mover of the original motion shall have the right of reply. No further discussions shall be allowed after the mover has replied.

**Point of Order**

The director addressing the meeting shall not be interrupted unless called to order or a point of order is taken. When a point of order is taken, the director speaking shall desist and the director taking the point of order shall outline the reasons for taking it to the chairperson. The chairperson may either invite further submissions or rule upon it immediately. The chairperson must give a ruling before the debate is resumed.

**Question Be Put**

A director shall have the right at any time during the debate to move "That the question be now put" and it shall be submitted by the chairperson to the vote without question and if affirmed the chairperson shall put the question under discussion of the meeting without further debate after the mover has replied.

**Referral to a committee or deferral to a later Board meeting**

A motion to refer a matter to a committee, or to defer debate to a later Board meeting, must contain within it a reason for such action or terms of reference for a further report.

**Putting the Motion**

Immediately the debate on a question has been concluded, the chairperson shall put the question to the meeting in a distinct and audible manner. The question being put shall be resolved in the affirmative by a majority of those voting. Abstention will not be counted.

**No Further Speakers**

No director shall speak on any motion after it has been put by the chairperson.

**Recommittal**

Any matter may be recommitted, upon a two thirds (2/3) majority of the directors present voting in favour of such recommittal.

**Rescission**

A resolution passed at a meeting cannot be rescinded at the same meeting, or any subsequent meeting, unless notice of such intended rescission shall have appeared on the Business paper of that meeting.

Notice of motion for rescinding any motion carried at a meeting may be given by handing such notice signed by three (3) directors to the chairperson and causing it to be read to that meeting. The chairperson shall not allow discussion on the Notice of Motion at the meeting at which the notice is given. The Chief Executive Officer shall then include the Notice on the next Business Paper as a Notice of Motion.

If the Chief Executive Officer at any time after a meeting is verbally advised separately by three (3) directors that they propose to give the Chief Executive Officer a Notice of Rescission, the Chief Executive Officer is to cease, so far as is then practicable, the operation of the motion they seek to

rescind, providing that a written notice signed by three (3) directors is received within three (3) working days. The Chief Executive Officer shall then include the Notice on the next Business paper as a Notice of Motion.

The receipt of a duly signed Notice of Motion to rescind prevents the operation of the motion it seeks to rescind.

A Rescission Motion can only be carried by a two thirds (2/3) majority of the directors present at the meeting at which the Rescission Motion is put.

Once a Rescission Motion has been resolved, it shall not be resubmitted within a period of three months.