



**ECA COLLEGE OF HEALTH SCIENCES (CHS)**  
**A.C.N. 627 475 790**

## **GOVERNING BOARD CHARTER**

**Approved by The Governing Board**  
**Version 2, 18 February 2020**

## Version Control

<b>Document Name</b>	CHS Governing Board Charter	
<b>Approved by</b>	Governing Board	
<b>Date Originally Approved</b>	7 August 2018	
<b>Date of Next Review</b>	31 January 2022	
<b>Responsible Officers</b>	Principal, Governing Board Chair	
<b>Related Documents</b>	CHS Constitution CHS Academic Board Charter	
<b>References &amp; Legislation</b>	<ul style="list-style-type: none"> <li>• Tertiary Education Quality and Standards (TEQSA) Act 2011</li> <li>• TEQSA Higher Education Standards Framework (Threshold Standards) 2015</li> <li>• Education Services for Overseas Students (ESOS) Act 2000</li> <li>• National Code of Practice for Providers of Education and Training to Overseas Students 2018 (National Code 2018)</li> <li>• Higher Education Support Act 2003</li> </ul>	
<b>Date</b>	<b>Summary of Changes</b>	<b>Status</b>
7 August 2018	V1.0 approved by CHS Governing Board	Approved
27 November 2018	V1.2 ARC terms of reference revised and included in Annexure to the Charter. Document format improved	Approved
18 February 2020	V2 consistency review and amendment and additions on diversity & inclusiveness, gender balance and also F&PP declaration, plus revision to GC terms of reference.	Approved

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## 1. Purpose

The Governing Board Charter defines the role, functions and processes of the College of Health Sciences (“CHS”) Governing Board, including its Governance Framework.

The document’s structure conforms to the best practice advice of the Australian Institute of Company Directors and further follows the Tertiary Education Quality Standards Agency (TEQSA) [Guidance Note - Corporate Governance](#) and [Guidance Note - Academic Governance](#).

## 2. Alignment to HESF and The Corporations Act

The College’s Governance Framework aligns with the requirements of the Higher Education Standards Framework (Threshold Standards) 2015 and its other statutory obligations. It also conforms to the Corporations Act (2001, Cth).

## 3. Governance Framework

The Constitution is the primary governance document. The following excerpt defines the relationship between the governing board, the academic board and the executive in CHS, which is depicted schematically in *Figure 1 - CHS Governance Framework*.

The Governing Board establishes and monitors the performance of the overall Company-wide decision-making Governance Framework that has three principal components relating to corporate governance, academic governance and executive management:

**3.1 The Governing Board** itself, led by an independent, non-executive Governing Board Chair (normally with high-level higher education experience), which

- sets overall strategic directions and the framework of policies and procedures necessary to achieve the Institute’s objectives
- is ultimately responsible to shareholders and/or stakeholders for both corporate and academic outcomes

**3.2 The Academic Board**, led by an external Academic Board Chair, appointed by the Governing Board), which

- sets and oversees the policies and processes necessary to achieve the planned academic outcomes (quality and integrity) consistent with the Institute’s overall strategic directions
- sets academic standards and monitors academic outcomes
- is ultimately responsible and accountable to the Governing Board

**3.3 The Executive Management team**, led by the Principal, which

- implements policies, programs and processes, including making decisions about staffing, budgets and infrastructure, guided by the Institute’s values, vision, mission and following the Institute’s Business Plan, Strategic Plan, Academic Plan, Risk Management Plan and functional plans
- is ultimately responsible and accountable to the Governing Board for achievement of both corporate and academic objectives

The Governing Board, the Academic and the Executive Management Team have interdependent and overlapping functions to some degree but their principal roles and responsibilities are distinct and separate to ensure that governance is effective. This separation is achieved by formal delegations from the Governing Board under its overarching responsibility for all operations.

Separation of functions is achieved at CHS by formal delegations from the Governing Board which defines the roles and authorities of the Academic Board and the senior executives including the Principal.

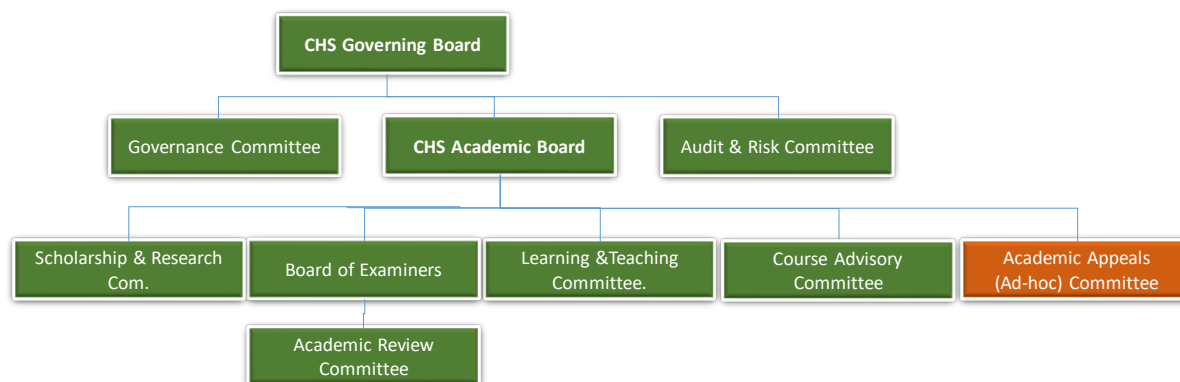


Figure 1 – CHS Governance Framework

## 4. Governing Board Composition and Role

### 4.1. Governing Board Composition

The Governing Board shall have no less than five (5) voting members and no more than nine (9) voting members.

The Governing Body shall consist of the following persons:

- An independent, non-executive Director and Chair of the Governing Body appointed by the Company;
- An independent, non-executive Director Deputy Chair of the Governing Body appointed by the Company;
- At least one further independent, non-executive Director appointed by the Company;
- The Principal appointed by the Governing Board;
- An executive Director who is a nominee of Education Centre of Australia Pty Limited (the sole shareholder);
- A non-voting Company Secretary appointed by the Company

The Governing Board may invite other people to attend Board or Committee meetings, as it considers necessary, and from time to time request presentations from internal and external advisers at its meetings.

The Chair or Deputy Chair of the Governing Body shall normally have high-level experience of higher education.

Of the independent, non-executive Directors, including the Chair and Deputy Chair, normally at least one shall have high-level experience of each of: higher education; economics, finance or accounting; and corporate governance, law or human resource management.

Persons appointed to Governing Board shall have high-level experience in the areas specified above, which requirement shall be satisfied by relevant experience at a senior managerial or professional level in the public or private sector. In all cases, they shall normally have expertise and experience relevant to the functions exercisable by the Governing Board and an appreciation of the object, values, functions and activities of the College.

The majority of members of the Governing Board must be independent, non-executive, external persons. In appointing Directors, the Company and the Governing Board must have regard to and consider the gender balance of the Governing Board, with the goal of the Governing Board to achieve gender balance over time. The term of office of Directors shall be as follows:

- The Chair shall be appointed for an initial term of three years, and maybe further appointed by the Company, subject to satisfactory performance against agreed performance indicators, for a further one three-year term (a maximum of six years);
- The Deputy Chair shall be appointed for an initial term of three years, and maybe further appointed by the Company, subject to satisfactory performance against agreed performance indicators, for a further one

- three-year term (a maximum of six years);
- Independent, non-executive Director not holding the Chair or Deputy Chair shall be appointed for an initial term of three years, and may be further appointed by the Company, subject to satisfactory performance against agreed performance indicators, for a further one three-year term (a maximum of six years);
- The term of appointment of the executive Director who is a nominee of Education Centre of Australia Pty Limited shall be determined by the Education Centre of Australia Pty Limited; and
- The College Principal shall sit as an executive Director of the College whilst holding the office of Principal.

#### 4.2. Fit and Proper Person's Requirements

All the Governing Board and Committee members shall meet the Fit and Proper Person's requirements<sup>1</sup>. All Board and Committee members must complete the TEQSA's fit and proper person's requirements declaration form prior to their appointment to the Board and annually thereafter. All signed declarations shall be maintained by the Company Secretary for the Board's reference. A Board member must declare and submit an updated Fit and Proper Person's Declaration form to the Board prior to any meeting to inform the Board of any event that has taken place that has resulted in changes to his or her responses to the questions since the last declaration.

#### 4.3. Governing Board's Role

The Governing Board sets overall strategic directions and the framework of policies and procedures necessary to achieve the College's objectives<sup>2</sup>.

The Governing Board is ultimately responsible to shareholders and/or stakeholders for both corporate and academic outcomes, hence, the Governing Board's role is to supervise the College's operations in two broad areas:

- *Overall business performance* — ensuring the College develops and implements strategies and supporting policies to enable it to fulfil the objectives set out in the College's Constitution. The Board delegates the day to day management of the College to the Executive Management team, but remains accountable to the shareholders and/or stakeholders for the College's performance. The Board monitors and supports Executive Management in an on-going way; and
- *Overall compliance performance* — ensuring the College develops and implements systems to enable it to adhere to higher education standards and to comply with its legal and policy obligations, under the: *Corporations Act 2001; Tertiary Education Quality and Standards (TEQSA) Act 2011; Higher Education Standards Framework (Threshold Standards) 2015; Education Services for Overseas Students Act 2000; National Code of Practice for Providers of Education and Training to Overseas Students 2018 (National Code 2018); and Higher Education Support Act 2003.*

Some of GB's functions include (but not limited to) the following:

- Ensuring compliance with the Corporations Act ASIC requirements as well as fulfilment of all applicable statutory obligations under the related State and Federal Legislations.
- Delegating responsibilities for various functions to the respective committees or individual office holders and monitoring the effectiveness of delegations and accountability.
- Exercising oversight for the pursuit of the mission, values, educational philosophies and strategic priorities of the College, determining the character of the College and oversight of the College's activities.
- Monitoring the implementation of the College's strategic direction, business plan, risk management

<sup>1</sup> TEQSA has made the Tertiary Education Quality and Standards Agency and Proper Person Determination 2018 dated 6 December 2018 (Instrument) under s 7A(2) of TEQSA Act 2011.

<sup>2</sup> "More specifically, the Governing Board must assure that the College complies with the obligations specified in the Higher Education Standards Framework (Threshold Standards) 2015.

In relation to Standard 6.1.3, TEQSA will wish to see the mechanisms that the governing body has adopted to obtain independent advice and academic advice as is necessary to carry out its governance roles diligently and competently. TEQSA will also want to see the governing body's delegations of authority and the mechanisms it adopts to assure itself that such delegations are implemented and are operating effectively." ([TEQSA Guidance Note - Corporate Governance](#))

and annual budget and maintaining oversight of the operational and financial viability of the College.

- Establishing an Academic Board to oversee the academic governance of the College, approving membership and monitoring its activities.
- Ensuring qualifications are awarded legitimately.
- Awarding qualifications on recommendation of the Academic Board.
- Advising and monitoring operational policies and procedures for higher education operations consistent with legal requirements and the College's social responsibility.
- Monitoring academic management of the College and its performance as a non-university higher education provider (NUHEP).
- Consulting on the appointment of the holders of Senior Academic and Executive positions.
- Monitoring the allocation of resources for the effective delivery of the College's educational programs.
- Ensuring that the mission and strategic priorities of the College are maintained and developed.
- Reviewing and improving the College's initiatives and progress in terms of gender balance, diversity and inclusiveness, gender balance and support for socially disadvantaged students.
- Reviewing and improving the College's initiative and progress in terms of recruitment and support of Aboriginal and Torres Strait Islander students.
- Reviewing and improving initiatives and progress in ensuring that the College provides a safe and collegial learning environment, free from discrimination and sexual harassment.
- Approval of all operational policies, plans and procedures.

#### **4.4. Role of Individual Governing Board Directors**

##### **4.4.1. Role of Independent, Non-Executive Directors**

The role of the College's independent, non-executive directors is to:

- Ensure that the College is effectively governed, specifically by ensuring the separation and cooperation of the functions and processes of the Governing Board, Academic Board, and the Executive Management team;
- Guide the College's strategic direction;
- Ensure the Board sets and monitors the College's culture of inclusiveness and guarantees and promotes freedom of intellectual enquiry;
- Ensure the College provides a safe learning environment free from any form of discrimination and sexual harassment;
- Ensure the College has programs to support the socially disadvantaged students as well as students from Aboriginal and Torres Strait Islanders;
- Appoint and monitor the performance of the Principal;
- Review, approve and monitor the business plan and annual budget;
- Contribute to the development of Board and organisational policies;
- Comply with the legal requirements of being a Director;
- Comply with legal and regulatory requirements of running the College;
- Monitor and mitigate the risks facing the College;
- Participate in the Governing Board's Audit and Risk, and Governance Committees;
- Identify skills required by the Board and potential candidates;

Independent, non-executive directors shall fill the roles of Governing Board Chair and Governing Board Deputy Chair.

**4.4.2. Characteristics of an independent member** are indicated in the [TEQSA Guidance Note – Corporate Governance, Appendix A](#)

##### **4.4.3. Role of Executive Directors**

The role of the executive director is similar to that of non-executive directors. Both executive and non-executive Directors add value to the Governing Board through their:

- Deep knowledge of the business, its strategy and direction;
- Deep knowledge of the industry and the competitive pressures;
- Technical expertise in their functional area, e.g. finance, accounting, law; and
- Regular scrutiny of company information.

Executive Directors shall not sit on the Governing Board's Audit and Risk Committee.

#### **4.5. Role of the Governing Board Chair**

The role of the Governing Board Chair within Governing Board is to:

- Act as an important link between the Governing Board and the College without inhibiting direct access of fellow Directors;
- Establish and maintain an effective working relationship with the Principal;
- Set the tone for the Governing Board, including the establishment of a common purpose;
- Chair Governing Board meetings efficiently and shaping the agenda in relation to goals, strategy, budget and executive performance;
- Obtain appropriate information to present to the Governing Board;
- Encourage contributions by all Governing Board members, and seeking consensus when making decisions;
- Motivate Governing Board members and where appropriate deal with under-performance;
- Institute the process for appraising Governing Board members individually and the Governing Board as a whole;
- Oversee negotiations for the Principal's employment
- Evaluate the Principal's performance;
- Plan for the succession of senior executives, including the Principal;
- Assist with the selection of Governing Board Committee members.

The Governing Board Chair shall not sit on the Governing Board's Audit and Risk Committee or the Governance Committee.

Outside of Governing Board and Committee meetings the role of the Governing Board Chair is to communicate with shareholders and/or stakeholders on matters of corporate governance, diversity and inclusiveness, advice on strategic direction, investment options, risk mitigation etc.

#### **4.6. Role of the Company Secretary**

The company secretary plays an important role in supporting the effectiveness of the Governing Board by monitoring that Governing Board follows its own policy and procedures and coordinate the timely completion and dispatch of Governing Board agenda and briefing material, and Governing Board minutes.

All Governing Board Directors have access to the Company Secretary.

The Company Secretary is accountable to the Governing Board, through the Governing Board Chair, on all governance matters.

#### **4.7. Principal's Role**

The Principal leads the Executive Management team and manages the day to day operations of the College, its people and resources. He/she implements the strategy approved by the Governing Board and ensures that the College's structure and processes meet the strategic and cultural needs of the College.

The Governing Board's most important role is to appoint and work with the Principal. In practice the two are mutually dependent. The Governing Board relies on the Principal to provide input into strategic development, implement strategy, communicate management's perspective and alert the Governing Board to the growing issues and risks. The Principal relies on the Governing Board for clear direction, mentoring and support.

Specifically, the Principal is responsible for:

- Developing and recommending business and operational plans for the board's consideration;
- Submitting reports, budgets and financial statements to the board;
- Submitting plans to initiate and improve the College's progress on achieving gender equity, diversity and



- inclusiveness, support of students from Aboriginal and Torres Strait Islander background;
- Implementing all approved plans, policies and programs and aiming to achieve agreed targets;
- Overseeing the financial management of the College;
- Maintaining awareness of the business, economic and political environment as it impacts the organisation;
- Overseeing the effective operation, administration and development of the College;
- Protecting and enhancing the image and reputation of the College;
- Ensuring compliance with legal and regulatory obligations of the College.

The Principal shall further provide administrative support to the Governing Board Chair and Company Secretary to ensure efficient and effective functioning of the Governing Board.

## **5. Key Governing Board Functions**

### **5.1. Business Performance**

#### **5.1.1. The Board and Strategy**

Under the requirements of HESF 2015 the Governing Board shall develop and approve a Strategic Plan and monitor its effectiveness.

The Governing Board shall review the Strategic Plan and supporting business plans and budgets at least once annually to ensure that it is current and effective.

The Governing Board shall review the execution of the Plan by the Executive Management team against key performance indicators at each ordinary Governing Board meeting.

#### **5.1.2. The Board and the Principal**

The Governing Board shall appoint the Principal.

The Governing Board shall monitor the performance of the Principal.

The Governing Board may remove the Principal from office for incompetence or conduct where there is a persistent failure to uphold the objectives of the College or where in the opinion of the Governing Board the conduct of the Principal brings or likely to bring the College into disrepute.

### **5.2. Compliance Performance**

As noted earlier, the Governing Board shall ensure that the College complies with its legal and policy obligations, under the: *Corporations Act 2001*; *Tertiary Education Quality and Standards (TEQSA) Act 2011* (Cth); *Higher Education Standards Framework (Threshold Standards 2015)*; *Education Services for Overseas Students Act 2000* (Cth); *Education Services for Overseas Students Regulations 2001*; *National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2018*; and *Higher Education Support Act 2003* (Cth).

#### **5.2.1. Risk Management**

The HESF 2015 requires the Governing Board to monitor potential risks to the provider's higher education operations regularly and ensure that strategies are in place to mitigate them.

The College's Governing Board shall ordinarily monitor operational risks four times a year through regular review of its Risk Plan and Risk Register, led by the Governing Board's Audit and Risk Committee.

The Principal shall alert the Governing Board to consider severe, acute risks at any time.

#### **5.2.2. Delegations**

The HESF 2015 requires appropriate delegations to be in place and regularly reviewed.

The Governing Board shall establish a comprehensive list of delegations. The Governing Board shall monitor and review its delegations annually as part of the Board's annual review except when an external review is

undertaken, in which case no internal review is required as the external review shall encompass review of the delegations.

### **5.2.3. Academic Governance**

Under the requirements of HESF 2015 the Governing Board shall ensure that academic governance structures and processes are in place and operating effectively. The Governing Board is ultimately responsible for effective academic governance of the College.

Responsibility for academic governance at the College is delegated to the College's Academic Board, the roles and responsibilities of which are articulated in the Academic Board Charter.

The Governing Board shall assess the conduct and assure the performance of the Academic Board at least twice a year, led by the Governing Board's Governance Committee.

### **5.2.4. Maintaining Academic Standards**

Under the requirements of HESF 2015 the Governing Board jointly with the Academic Board shall ensure that the College has structures and processes in place to maintain academic standards.

Primary responsibility for the maintenance of academic standards are delegated by the Governing Board to the College's Academic Board, though the Governing Board shall ensure that academic standards are maintained. The conduct and performance of Academic Board is monitored and reviewed by the Governing Board.

### **5.2.5. Quality Assurance**

Under the requirements of HESF 2015, the Governing Board shall ensure that quality assurance arrangements are in place and operating effectively.

Primary responsibility for the quality assurance of academic programs is delegated by the Governing Board to the Academic Board though the Governing Board shall ensure that quality assurance of the academic programs of the College is satisfactory.

The assurance of the quality of non-academic processes is monitored by the Governing Board, through its Audit and Risk Committee.

### **5.2.6. Diversity and Inclusiveness**

The Board has a primary responsibility to:

- promote a culture of mutual respect, assuring free intellectual inquiry and commitment to academic excellence;
- ensure the College provides a safe, collegial and supportive learning environment for both students and staff, free from any form of discrimination and sexual harassment;
- ensure the College has in place initiatives and monitors the progress of the recruitment and support of students from socially disadvantaged background, members of LGBT community, and students from Aboriginal and Torres Strait Islander backgrounds; and
- aim to achieve gender equity across the whole institution within a reasonable timeframe in line with the private higher education sector.

## **5.3. Monitoring Operational and Financial Performance**

In summary, the Governing Board is responsible for monitoring:

- The College's organisational performance against strategic goals and objectives;
- Financial performance against forecast and prior periods, including approval of the annual financial report, and the liaison with external auditors by the Audit and Risk Committee;

- The performance of the Principal; and
- Compliance performance against the HESF 2015.

Monitoring shall be conducted through reviewing reports to the Governing Board provided by the Governing Board's Audit and Risk Committee, the Governance Committee, the Academic Board, the Executive Management team (through the Principal), as well as *ad-hoc* committees established by the Governing Board, and external experts appointed by the Governing Board.

#### **5.4. Policy Framework**

The Governing Board shall establish a policy framework enabling the Governance Framework to function effectively. The policies may be drafted by the Governing Board and its committees, by the Academic Board and its committees, and by the Executive Management team. Responsibility for approval and endorsement of the academic policies is delegated to the Academic Board.

#### **5.5. Networking**

The Governing Board shall engage in advancing the interests of the College through participating in business, academic and policy networks relevant to the business and operations of the College.

#### **5.6. Stakeholder Communication**

The relationship between the shareholder (Education Centre of Australia Ltd, "ECA") and the College shall be as laid out in the Memorandum of Understanding between CHS and ECA "MOU". The Principal shall ensure that all communications and interactions between the parties are managed based on the principles enshrined in the aforementioned MOU.

The Governing Board shall delegate the authority to the Principal for day to day and overall representation of the College to and communication with a range of stakeholders, including but not limited to regulatory bodies, industry and professional bodies and government agencies.

The College shall develop and implement a Website and Brochure Contents Policy and Procedures approved the Governing Board, which shall be monitored and updated regularly to ensure currency of information communicated to the range of stakeholders engaging with the College.

#### **5.7. Decision-making**

The Governing Board is the ultimate decision making authority at CHS. All the decisions and approvals are ideally on a consensus basis. In the absence of consensus, the Governing Board shall make its decision based on the majority of votes of those members present. In the absence of a majority the Chair has the casting vote.

### **6. Improving Governing Board Processes**

#### **6.1. Governing Board Meetings**

In order to function effectively and to improve its processes, the Governing Board shall endeavour to:

- Robustly debate agenda items, in order to improve decision-making;
- Minimise personal friction and tensions between Governing Board directors during Governing Board and Committee meetings;
- Work together as a team;
- Work at an appropriate level of strategic involvement, so ensuring the separation of governance and executive management; and
- Address decisions comprehensively, seeking data and expert opinion where appropriate, and by thoroughly exploring decision alternatives.

In order to meet these aspirations:

- Whilst under the Constitution the Governing Board Chair and Deputy Governing Board Chair and all directors are appointed by the Company, the Governing Board shall be actively involved in selecting new Governing Board Directors;
- The Governing Board whilst delegating elements of its duties to the Academic Board and Governing Board Committees, shall remain cognisant that it is ultimately responsible for the College's overall business performance and overall compliance performance, and that its members should discharge their duties in accordance with their statutory obligations;
- The Governing Board shall require the Company Secretary and Principal in supporting the Governing Board to follow best practice in the development of the Governing Board agenda, papers and minutes, and specifically that Governing Board materials are meaningful and, wherever possible, concise; and
- Governing Board and Governing Board Committee papers shall be issued in advance of the meeting to enable adequate time to prepare for meetings.

The Chair shall follow best practice in the conduct of Governing Board meetings, specifically:

- Clarifying expectations of behaviour
- Ensuring that meetings are not overscheduled, and that time is left for Directors to discuss issues and engage in robust debate
- Facilitating meetings to improve involvement in debate
- Soliciting expert opinion to enrich decision-making where appropriate
- Regularly pose probing 'big-picture' questions to the Principal
- Where required establishing criteria for the strategic decisions that the Governing Board will address;
- Reviewing and ensuring that the induction process for new Directors is appropriate; and
- Informing all Directors that they are expected to attend all meetings save exceptional circumstances.

The Governing Board shall ordinarily meet five times per year on a date and time according to a pre-established schedule or extraordinarily when necessary at the call of the Governing Board's Chair. Members of the Governing Board may participate in ordinary or extraordinary meetings via video conferencing or by telephone with prior endorsement of the Chair or in his absence Deputy Chair.

Extraordinary meetings may be convened electronically via circular resolution through email, as per the Constitution.

#### **6.1.1. Quorum**

The quorum of members of the Governing Board necessary for the transaction of business shall be half of the number of Directors, plus one, provided that independent, non-executive Directors are in the majority.

#### **6.1.2. Conflict of Interest and Fit and Proper Person's Declaration**

Members of the Board and the Board Committees are required and obligated to declare any conflict of interest that they have or that will become apparent during the course of the meetings as soon as they become aware of it. They should recuse themselves from discussing any items on the agenda that is impacted by a conflict of interest.

Members of the Board and the Board Committees are required to submit an annual declaration that they are fit and proper person to serve on the Board and or the Board Committees. They are also required to declare and submit an updated Fit and Proper Person's Declaration form to the Board prior to the meeting to inform the Board of any event that has taken place that has resulted in changes to their last declaration. The Governing Board must satisfy themselves that all members meet the Fit and Proper Person's requirements to be fit to sit in the Board.

#### **6.1.3. Chair**

All meetings shall be chaired by the Governing Board Chair and in their absence by the Governing Board

Deputy Chair. By exception, where neither the Chair nor Deputy Chair is present an independent, non-executive Director shall be elected Acting Chair by those Directors present.

## **6.2. Governing Board Meeting Agenda**

The Governing Board meeting agenda shall conform to best practice as specified by the Governance Institute of Australia, guided by the advice of the Company Secretary in consultation the Governing Board.

## **6.3. Governing Board Papers**

In preparing Governing Board papers, the Company Secretary, supported by the Principal shall ensure that:

- Board papers are written in plain English, with minimal use of acronyms and industry jargon (provide a glossary of acronyms if required)
- Board papers share a consistent format and layout include a summary, background and more detailed content, in an accessible font and font size, clarify upfront whether the matter is for information, for discussion or for decision and where a decision is being sought, contain a clear recommendation from management and the exact wording of the proposed resolution directors are being asked to consider
- If Directors are being asked to pass a resolution, the Board paper should clearly articulate the pros and cons and material risks of each alternative open to the Board
- Where appropriate Board papers articulate how any matter on which a decision is being sought is aligned with the Strategic Plan
- Board papers contain sufficient information to provide for an informed decision by Directors
- Board papers do not include so much information that the critical elements are obscure. Include a clear reference to any supplementary information (this could be a link in electronic board papers)
- Board papers are dated and include the author's name and title, and the name and title of the authorising executive or senior manager; and
- Board papers be reviewed by the Chair of the Governing Board.

The amount of supplementary material shall be carefully considered and shall be appropriate to the Governing Board and the College. Governing Board papers shall normally be issued approximately one week before the Governing Board meeting. Normally Governing Board papers shall be issued electronically, with hard copies issued on request. The Company Secretary shall keep a secure hard copy of all papers.

Documents may, by exception, be tabled. However, this is discouraged and shall be kept to an absolute minimum. Should a majority of Directors require the opportunity to read and consider tabled documents, at the discretion of the Governing Board Chair, the meeting shall be adjourned to allow them to do so. The practices and principles previously outlined shall apply to papers prepared for the Governing Board standing and *ad hoc* committees.

## **6.4. Minutes**

The minutes of the Governing Board's meetings shall be maintained.

The draft minutes shall be circulated to the Governing Board members as soon as the minutes are compiled.

Draft minutes will be subject to confirmation at the next meeting of the Governing Board. The Chair shall sign the confirmed minutes.

## **6.5. Governing Board Calendar**

A Governing Board calendar specifying dates of Governing Board and Governing Board Committee meetings for a given year shall be issued at the last meeting of the previous year.

The Governing Board calendar shall take account of Academic Board calendar and of dates associated with the Governing Board's statutory and regulatory obligations.

## **6.6. Standing Committees of the Governing Board**

The purpose of establishing Standing Committees is to enable the Governing Board to discharge its responsibilities on a continuing basis and interact closely with the Executive Team in the achievement of the College goals and objectives.

The Governing Board shall establish an Academic Board. The terms of reference of the Academic Board are detailed in the College's Academic Board Charter.

The Governing Board shall further establish an Audit and Risk Committee and a Governance Committee. The delegated terms of reference and membership for each of the Standing Committees will be reviewed on a regular basis, based on regulatory and statutory requirements, and best practice as defined by the Australian Institute of Company Directors. See Annexure A for the Audit and Risk Committee's terms of reference and business processes.

## **6.7. Governance Committee and Consultant's Terms of Reference**

### **Role**

The Governance Committee is a standing committee of the Governing Board. It consists of at least 3 Directors, a majority of whom are independent non-executive Directors, and which meet once a year typically in early December in each calendar year to prepare a report for the Governing Board's consideration on Governing Board and Academic Board performance in the preceding period with recommendations to improve performance.

### **Responsibilities**

The Governing Board shall appoint an expert or a consultant in the last quarter of the year to gather and compile data and prepare a draft report on the performance of the Governing Board and the Academic Board in the preceding period. The consultant may interview the Governing Board and Academic Board members or others or seek information from the key executives which shall be provided in an expedient manner. The Principal shall facilitate access to all College data and records in a timely manner.

The Governance Committee shall then meet to review and finalise the draft report and agree on the associated recommendations for the Governing Board's consideration.

In the case of the Governing Board the review typically encompasses the following areas in the year under consideration:

- The Governing Board's conduct of business pursuant to the Constitution of the College and the Governing Board Charter and compliance with the relevant regulatory requirements particularly the HESF2015;
- The Governing Board's effectiveness in setting and approving the strategic direction of the College, as well as monitoring of the annual budget and business plan in alignment with the College's values, vision and mission;
- The Governing Board's capacity in establishing policy and procedural principles consistent with legal requirements and common practices in higher education;
- The Governing Board's approval and monitoring systems of control and accountability, including general overview of any controlled entities;
- The Governing Board's oversight and review of the management of the College and its performance as a higher education provider;
- The Governing Board's oversight and monitoring of the assessment and management of risk across the College, particularly in relation to academic programs;
- The Governing Board's monitoring of academic standards, policies and conduct in planning and delivery of the College programs;
- The Governing Board's assurance of academic autonomy and freedom of inquiry;
- The Governing Board's monitoring of quality assurance of operations;
- The Governing Board's oversight of any significant commercial activity;
- The Governing Board's mechanisms for reviewing its own performance annually, including

- appraisal of Governing Board performance
- appraisal of the Governing Board's compliance with its obligations under all statutes and regulations applying to the College
- adequacy of induction and professional development of Directors, including needed skills and expertise for the future.

In the case of the Academic Board the review encompasses typically the following areas in the year under consideration:

- How the Academic Board satisfies itself that the College processes and structures are established and responsibilities are assigned that collectively:
  - a. achieve effective academic oversight of the quality of teaching, learning, research and research training
  - b. set and monitor institutional benchmarks for academic quality and outcomes
  - c. establish and maintain academic leadership at an institutional level, consistent with the types and levels of higher education programs offered, and
  - d. provide competent advice to the Governing Board and management on academic matters, including advice on academic outcomes, policies and practices.
- How the Academic Board satisfies itself that oversight by the Academic Board and or the associated sub-committees assures the quality of teaching, learning, research and research training effectively, including by:
  - a. developing, monitoring and reviewing academic policies and their effectiveness
  - b. confirming that delegations of academic authority are implemented
  - c. critically scrutinising, approving and, if authority to self-accredit is held, accrediting or advising on approving and accrediting, courses of study and their associated qualifications
  - d. maintaining oversight of academic and research integrity, including monitoring of potential risks
  - e. monitoring and initiating action to improve performance against institutional benchmarks for academic quality and outcomes
  - f. critically evaluating the quality and effectiveness of educational innovations or proposals for innovations
  - g. evaluating the effectiveness of institutional monitoring, review and improvement of academic activities, and
  - h. monitoring and reporting to the corporate governing body on the quality of teaching, learning, research and research training.
- Are students able to participate in academic governance? If so review the effectiveness of their participation.

### **Meeting**

The Governance Committee meets once a year to review and finalise the draft reports on both the Governing Board and the Academic Board performance. The meeting date and time will normally be specified in advance but will be at least three weeks ahead of the last Governing Board meeting in the year that is to consider the report.

### **Members**

The Governance Committee shall comprise three (3) members:

- An independent, non-executive Director, elected by a majority of the Governing Board Directors, who shall act as Chair of the Committee; and
- Two (2) further Directors, such that independent, non- executive Directors are in the majority.
- The Chair of the Governing Board shall not be a member of the Governance Committee.
- The Committee may seek administrative and support staff which shall be provided by the Principal.

The Board may remove any member from the Committee at any time with or without cause.

### **Program of Work**

The Governance Committee will meet to finalise the draft report on the Governing Board and the Academic

Board performance in the period under consideration, including recommendation for improvement, and submit that to the Governing Board for consideration.

## **7. Board Effectiveness**

### **7.1. Director Protection**

The indemnification of Governing Board directors is covered under Rule 34 of the Constitution. The Directors of the College are further protected under the provisions of Education Centre of Australia's Directors and Officers insurance policy. Further, Directors may grant access to confidential documents when required to do so in a formal investigation.

### **7.2. Board Evaluation**

The Governing Board shall have its performance evaluated periodically by an independent, external qualified consultant (at least every 7 years). Further, the Governing Board shall review the Constitution, the Governing Board Charter and the Academic Board Charter (in consultation with the Academic Board), as well as the Delegation Policy and Schedule periodically (at least every 7 years) to ensure that these documents are effective and compliant.

### **7.3. Director Remuneration**

The Directors shall be paid the remuneration that the Company in general meeting determines by resolution. The Company may also pay the Director's travelling and other expenses that they properly incur in any of:

- attending Directors' meetings or any meetings of committees of Directors;
- attending any general meetings of the Company; and
- in connection with the Company's business.

Travel expenses within the metropolitan area that the Board meeting takes place are not reimbursable.

### **7.4. Director Selection**

All non-executive directors shall be appointed by the Company. Appointments may be made through nomination or through a conventional recruitment process in which an open advertisement is placed, based on the role descriptions given in §3 of this Charter, followed by shortlisting and interviews with non-executive Directors. In the case of the Chair and Deputy Chair candidates shall be interviewed by the Company. The Company reserves the right to appoint all the Directors by invitation.

### **7.5. Director Induction<sup>3</sup>**

Directors appointed to the Governing Board are ordinarily expected to be qualified and aware of their roles and responsibilities. To be more effective the Company Secretary shall brief all new Directors of their expected roles, Board history and performance expectations. The Governing Board Chair or Deputy Chair shall also brief the new Directors of the Board members' roles, responsibilities and expectation, with due focus on compliance with the respective regulatory requirements including the HESF2015.

### **7.6. Director Development**

Based in part on the outcomes of regular Governing Board evaluations, the Board shall assess the professional development requirements of the Governing Board as a whole and of individual Directors. Based on the requirements the Governing Board shall initiate appropriate professional development activities for the Board

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<sup>3</sup> The Company may use the most up-to-date version of the TEQSA Guidance Notes on both Corporate and Academic Governance to ensure Directors are fully aware of their responsibilities under the HESF2015.



as a whole and for individual members.

## **8. Annexure A: Audit and Risk Committee Terms of Reference**

### **Role**

The Governing Board's Audit and Risk Committee (ARC) convened as part of the establishment of the CHS. ARC's functions will commence in full once the College enters the operation phase. The ARC examines all matters related to the CHS's financial affairs, including the external audit that it considers necessary, and reviews and makes recommendations to the Board in relation to the College's risk appetite and risk management framework. The Committee shall examine any other matter referred to it by the Board.

### **Responsibilities**

The specific responsibilities of the Audit and Risk Committee include, but are not limited to:

- Review and scrutinise all interim and final financial statements quarterly as provided by the College's Director of Finance or the appointed College Accountant to ensure the College continues to remain financially viable and sustainable, including monitoring potential capital and liquidity risks, gearing and forward commitments.
- Review the audited annual financial statements before their presentation to the board, to ensure they represent a true and fair view of the organisation's financial position and performance and the organisation's cash flow;
- Assess and monitor risks to the organisation and recommend strategies to the board to manage and mitigate the identified risks through the risk management plan, proposing corrective actions to policies and procedures where required;
- Monitoring and reviewing the College's operational and financial delegation to ensure that these are effective and appropriate, proposing corrective actions to policies and procedures where required;
- Monitoring the College's performance against academic standards through reviewing its performance vis-a-vis the Academic Management Plan, Learning and Teaching Plans, Board of Examiners' Minutes, and Assessment Policy and Practice, which includes nominating a representative to observe at least one Academic Board meeting annually and nominating a representative to observe at least one Board of Examiners meeting annually, proposing corrective actions to policies and procedures where required;
- Monitoring the College's operational performance against its strategic and functional plans to assure quality of provision, proposing corrective actions to policies and procedures where required
- Ensure a system is in place to assess the appropriateness and compliance with the organisation's internal control systems;
- Monitoring the conduct of the Board against the requirements of the Corporations Act, proposing corrective actions to policies and procedures where required; and
- Monitoring the College's performance against the HESF 2015 to assure compliance, proposing corrective actions to policies and procedures where required.

### **Meetings**

The Audit and Risk Committee meets at least four times a year or when necessary at the call of the Committee Chair. Meeting dates and times will normally be specified a year in advance, but will be at least one week ahead of Governing Board meetings.

### **Members**

The Audit and Risk Committee shall comprise at least two (2) members and no more than four (4) members:

- An independent, non-executive Director, elected by a majority of the independent, non-executive Governing Board Directors, who shall act as Chair of the Committee;
- At least one more non-executive Governing Board Director
- The CHS Principal; and
- The Company Secretary (non-voting).

The Committee may invite other people to attend Committee meetings, as it considers necessary, and from time-to-time request presentations from internal and external advisers at its meetings.

The non-voting secretary of the Committee is the CHS Company Secretary, or another person nominated by the Committee Chair. The Governing Board may remove any member from the Committee at any time with or without cause.

### **Voting**

Matters will generally be decided by consensus or, if a consensus can't be reached, by a majority of votes from the members present.

### **Conflicts of interest**

Committee members will be invited to disclose conflicts of interest at the start of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once they have been acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest they will be excused from committee discussions about the issue where a conflict exists.

### **Secretariat duties**

The company secretary or another appropriate, designated person will act as secretary to the Audit and Risk Committee. The Secretary will help the Chair to develop and distribute the agenda, papers, minutes and calendar.

### **Minutes**

Minutes must be prepared, approved by the Chair and circulated to the members within two weeks of a Committee meeting. The minutes must be ratified and signed by the Chair at the following meeting.

### **Reporting to the Board**

The Chair of the Audit and Risk Committee is to report to the Board following each Committee meeting. They may distribute a copy of the minutes supplemented with other necessary information, including recommendations requiring Board action and/or approval.

### **Program of Work**

The Committee shall meet at least 4 times a year and prepare reports as required by the Governing Board's requirements, as specified in the Governing Board's annual program of work.