



## 1. The Board of Directors

The Institute resolved to amend its constitution in 2006 and establish a Board of Directors, and the Board agreed to implement organisational structure changes in April 2013. The Institute Constitution was amended in 2014 to reflect the organisational structure changes and also in 2017, and this Charter reflects the same. The Constitution further provided that the Board would have the following objectives, membership, procedures, duties and responsibilities:

### Objectives

The main objectives of the Board are to ensure the following are achieved:

- a) Formulate and set strategies for the long term direction and benefit of the Institute;
- b) Develop broad and inclusive policies to control the governance activities of the Institute and ensure the Chief Executive Officer ('CEO') keeps the organisational performance within the policy criteria;
- c) Monitor and supervise the achievement of strategic and operational KPI's;
- d) Institute fulfils its statutory obligations and responsibilities; and
- e) Setting and evaluating the achievement of annual performance objectives of the CEO.

### Membership

The Board comprises the President, Deputy President, the Immediate Past President and up to eight Directors. The 2017 AGM agreed to transition the number of directors from a maximum of 11 to 9 by the 2019 AGM. The Immediate Past President and a Director position will cease at the 2019 AGM. The CEO and Company Secretary ('CS') attend all Board meetings.

### Procedures

The Board shall meet at least six (6) times per year, either in person or by teleconference, with such meetings to include approving the strategic plan, annual budget, evaluating the CEO performance, and approving the annual report and financial statements, provided that at least three (3) meetings shall be face-to-face meetings. A quorum shall be six (6) Directors. The CS shall be appointed secretary of the Board. The CS, in conjunction with the Chairperson and the CEO, shall draw up an agenda, which shall be circulated at least seven (7) days prior to each meeting.

### Duties and Responsibilities

- Provide leadership, setting the vision, strategic goals and culture;
- Represent the interests of members in the governance of the Institute;
- Understand the difference between governing and managing to avoid interfering in operational issues which are the domain of the CEO;
- Develop and approve the annual business plan, budget and five (5) year strategic plan;
- Ensure there are appropriate legal, accountability and financial reporting systems in place to enable monthly and quarterly monitoring of performance against budget;
- Review progress against the strategic plan including monitoring the achievement of objectives of committees and the CEO;
- Approve annual report and financial statements, ensuring the organisation is solvent, meeting its liabilities and legal responsibilities and is accountable to stakeholders;

- Review and approve all significant business transactions and commitments within the defined Levels of Authority (see Schedule of Delegation Section 9.3 and Levels and Limits of Authority Policy P13).
- Ensure the CEO has the skills, resources and support needed;
- Establish and manage the CEO and CS relationships;
- Appoint and determine the remuneration of the CEO and CS. Also, as recommended by the CEO, approve the remuneration of other staff (contractual or employee);
- Develop and implement appropriate internal controls including levels of authority, and risk management procedures;
- Develop and recommend governance and be aware of key operational policies; and
- Liaise with state branches through and with the CEO.

The President and / or selected Board members and the CEO are ex-Officio members of all committees.

Responsibility for the day-to-day operation and administration of The Institute, Branches and Sub-Branched has been delegated to the CEO and his/her team. The Board have delegated a number of its powers to the CEO and the CS.

The role of the CEO, with the support of the CS, is to ensure that The Institute, Branches and Sub-Branched meets their statutory duties and obligations and, in conjunction with the various Committees, to implement and monitor the strategic plan and annual operating budget including providing education information and other services to the members via the National Office.

In addition, the Board have delegated a number of its responsibilities and authorities to Committees. Each Committee is chaired by a Director. The current Committees are:-

- Corporate Governance Committee;
- Audit Committee; and
- Remuneration Committee.

The Board annually reviews the terms of reference and authorities of their committees. The Board is responsible for ensuring that the management team and Committee objectives and activities are aligned with The Institute's overall objectives. The Board has a number of mechanisms in place to ensure this is achieved, with the most important being:

- Establishment of monitoring of Board Committees and
- Establishment and monitoring of Key Performance Indicators (KPI's)

### **Executive Management**

- Establish the performance agreement for the CEO and CS;
- Annually perform and document the CEO and CS performance appraisal;
- Monitor the relationship between the CEO, CS and the Board, ensuring the differing responsibilities are clearly delineated; and
- Review the succession plan for Board members.

## **2. Individual Board Members Duties and Responsibilities**

- Understand their responsibilities, including legal obligations and the limits of the role;
- Act in accordance with "duty of care" and as a "reasonable person" in discharging that duty;
- Attend meetings and abide by agreed corporate governance policies and processes;
- Act honestly and in good faith, avoiding conflicts of interest and abide by confidentiality and privacy protocols;
- Understand the organisation, engage in business orientation processes, training and development opportunities and Board review;
- Keep informed of the organisation's activities and performance, in particular the financial position and play a pro-active role in direction and strategic setting.

### **3. Board Committees**

#### **Responsibilities of the Committees**

The Board of Directors retains responsibility for the governance of the organisation regardless of how it structures its committees. Unless explicitly empowered by the Board, the committee cannot make binding Board decisions. For the most part the function of the committee is to solve problems for and/or make recommendations to the Board on which the latter, and only the latter, has the power to make decisions or policy.

A committee cannot exercise authority over consultants/staff, nor shall they delegate tasks to any consultant/staff unless the CEO has specifically agreed to such delegations.

A committee has a responsibility to ensure that the organisational systems for managing the business have integrity and work in practice, and that the information being provided to the Board is accurate.