



CIT BOARD Charter

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Canberra Institute
of Technology



CIT BOARD CHARTER (October 2015)

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INTRODUCTION

Governance of territory authorities is regulated by the [Financial Management Act 1996](#) (FMA) and many such elements of the operation of a governing board established under territory legislation are provided for in the FMA. Appropriate references to the FMA requirements are outlined in this Charter.

The Canberra Institute of Technology is a territory authority established under the [Canberra Institute of Technology Act 1987 Act](#) (CIT Act). The CIT Governing Board (the Board) is also established under the CIT Act.

1. Role of the Board

The functions of the Board are prescribed in section 77 of the [FMA](#) and are:

- setting CIT's policies and strategies;
- governing CIT consistently with the authority's establishing Act and other relevant legislation;
- ensuring, as far as practicable, that CIT operates in a proper, effective and efficient way; and
- ensuring, as far as practicable, that CIT complies with applicable governmental policies (if any).

2. Board Membership

Sections 10-12 of the [CIT Act](#) and Part 9 of the [FMA](#) prescribe the requirements for appointment to the Board. The provisions of Part 9 of the [FMA](#) also cover a broad range of other matters relevant to being a member of the Board including, but not limited to:

- the functions of Chair, Deputy Chair and CEO;
- the ending of Board member appointments;
- protection of Board members from liability; and
- indemnification and exemption of Board members.

3. Conduct of Members

3.1 Roles and responsibilities of members

Board members agree to:

- be prepared for meetings by reviewing meeting papers in advance to ensure comprehensive understanding of agenda items;
- act honestly, in good faith and in the best interests of CIT;
- demonstrate care and diligence in fulfilling functions and exercising powers;
- keep abreast of best practices in corporate governance and implement such practices as are appropriate for CIT;
- demonstrate independent judgement and actions and take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.

3.2 Code of conduct

Board members who are employed under the *Public Sector Management Act 1994* (PSM Act) are subject to the provisions of Section 9 of the [PSM Act](#) – the ‘ACTPS Code of Ethics’. Other Board members have agreed on appointment to act in accordance with the provisions of Section 9 of the [PSM Act](#).

3.3 Conflict of interest

Section 86 of the [FMA](#) requires that a Board member must take all reasonable steps to avoid being placed in a position where a conflict of interest arises during the exercise of the member’s functions.

3.4 Disclosure of interest

In accordance with section 87 of the [FMA](#), the agenda for each Board meeting must include an item requiring any material interest in an issue to be considered at the meeting to be disclosed to the meeting. Section 88 of the [FMA](#) sets out the procedures to be followed in relation to a disclosure of interest by a member and also includes a definition of the key terms, *material interest and indirect interest*:

a governing board member has a **material interest** in an issue if the member has –

- (a) a direct or indirect financial interest in the issue; or
- (b) a direct or indirect interest of any other kind if the interest could conflict with the proper exercise of the member’s functions in relation to the board’s consideration of the issue.

3.5 Confidentiality

Members must ensure that issues discussed at Board meetings and opinions expressed at meetings remain confidential. Members should not circulate the Board papers beyond other Board members.

Section 23 of the [CIT Act](#) ‘Offences – use or divulge protected information’ applies to members of the Board.

3.6 Use of a Proxy

Members of the Board are appointed either as an individual or as a position (such as Director-General). For this reason Members unable to attend a meeting are not permitted to send a proxy in their place to participate in the meeting or decision-making of the CIT Board.

4. Meetings

4.1 Frequency and location

The Board meets as required and in accordance with section 93 of the [FMA](#) it must meet at least once every 3 months. The Chair may call a meeting at any time and must call a meeting if asked by the Minister or at least 2 Board members.

The Chair must give members a minimum of five working days notice of the time and place of a meeting called by the Chair.

Members will be advised of the location of a Board meeting, where possible, at the previous meeting of the Board.

4.2 Meeting papers

The Chair of the Board is responsible for setting the agenda, in consultation with the CIT Chief Executive Officer, and Members may submit items for consideration by the Chair to be included in the meeting agenda. Members are free to raise issues at Board meetings through other business.

Meeting papers are prepared and collated by the Secretariat and circulated to all Board members at least five working days prior to Board meetings. Minutes of meetings, cleared by the Chair, will be prepared and provided to Board members as draft minutes no later than ten working days after a meeting. Minutes will then be formally endorsed at the following meeting.

4.3 Quorum and voting

Section 95 of the FMA requires that at least half the number of members appointed must be present for business to be carried on. If a vote is needed, section 96 of the [FMA](#) provides that:

- each member present has a vote on each question to be decided; and
- a question is decided by a majority of the votes of the members present and voting. If the votes are equal, the member presiding has the deciding vote [note - member presiding is the Chair of the meeting].

4.4 Out of session papers

Where possible all decisions will be made at Board meetings and formally recorded in the minutes of that meeting.

When the Chair determines that urgent matters require the Board's approval between meetings members will be provided with a paper and the decision sought. Members will be given a minimum of five working days to consider the paper.

Approval of out of session papers or decisions will require support from a majority of the Board membership, evidenced by the members' signatures, which may include electronic signatures, or email confirmation sent from an authorised email account.

Decisions made out of session will be formally recorded in the minutes of the next scheduled Board meeting.

5. Sub Committees

The Board may establish sub-committees from time to time to more effectively deal with complex or specialised issues. Membership of sub-committees may consist of all Board members or a combination of expertise through external participation as required. However, all Board sub-committees must have at least one Board member.

An independent audit committee is fundamental to good corporate governance. The Board shall establish an independent Audit, Risk and Finance Committee. Membership of the Audit, Risk and Finance Committee shall consist of one Board member and at least two external members. The Chair and the Deputy Chair of the Board are not permitted as members of the Audit, Risk and Finance Committee. The Audit, Risk and Finance Committee shall be regulated by its own Charter which sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

6. Board Secretariat

Secretariat and support work for the Board is provided by the Executive Director, People and Organisational Governance and the Senior Manager, Governance and Ministerial Support. The functions of the Secretariat are to:

- provide support services for meetings of the Board (and where required for meetings of Board committees), including preparation of minutes, in accordance with the item 4.2 above and any other Board agreed requirements
- co-ordinate the provision of advice to the Board and decisions from the Board, where relevant
- co-ordinate the drafting of all correspondence, letters of advice and other material
- co-ordinate research on issues being considered
- ensure that statutory obligations such as legal notifications are met
- ensure timely payment of remuneration and other administrative arrangements for Board members, where relevant.