



CIT BOARD Charter

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Canberra Institute
of Technology



CIT BOARD CHARTER (November 2023)

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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. Ministerial Directions

On 18 August 2022 the Minister issued a direction to the CIT. The Board recognises the requirement to comply with the below directions:

- 1. To demonstrate the efficient and effective financial management of the resources for which CIT is responsible, I propose the CIT take steps to be satisfied that there are appropriate financial management systems to:*
 - a. accurately report to the CIT Board on the expenditure of CIT funding; and*
 - b. provide detailed reports to the CIT Board about CIT's training activity, delivery, and costs, sufficient to inform Government decision making about VET investment.*
- 2. CIT's reporting to the CIT Board must inform the CIT Board of the following:*
 - a. Procurements for goods and services of over \$1 million; and*
 - b. Procurements for consultancies of over \$500,000*
- 3. The CIT must consider any advice provided by the Government Procurement Board in relation to procurement proposals. CIT must report to the CIT Board in relation to any departures from the advice of the Government Procurement Board together with the justification for that departure.*
- 4. Relating to these directions and the CIT Board's functions under section 56 of the Financial Management Act 1996, the CIT Board should review the CIT Board Charter and Board policies annually to ensure appropriate and current governance documentation for the Board's activities.*

3. Board Membership

Sections 10 and 11 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.

In addition to the CEO, a staff representative and a student representative, the Board includes Members with expertise and knowledge in the following areas:

- industry, business and finance;
- vocational education and training;
- education pedagogy;
- social policy issues;
- governance;
- infrastructure.

The Board oversees the Company CIT Solutions and selected Board members will serve on the Board of CIT Solutions and members are appointed by the Board.

3.1 Role of the Chair

The Chair is responsible for:

- managing the affairs of the Board;
- ensuring, as far as practicable, that there is a good working relationship between the governing board and management of the authority;
- ensuring the responsible Minister is kept informed about the operations of the authority.

3.2 Role of the Deputy Chair

The Deputy Chair is responsible for exercising the functions of the Chair if the Chair is absent or cannot exercise their functions.

3.3 Role of the CEO

The CEO is responsible for:

- ensuring, as far as practicable, that the authority's statement of intent is implemented effectively and efficiently;
- managing the day-to-day operations of the authority in accordance with any relevant government policies and policies set by the Board and each legal requirement that applies to the CIT;
- regularly advising the Board about the operation and financial performance of the CIT;
- immediately advising the Board about significant events (as defined in the FMA).

3.4 Ending Appointments

Board Members (excluding the CEO) can have their appointment ended by the Minister for:

- contravening a territory law
- misbehaviour;
- if the Member becomes bankrupt or personally insolvent;
- if the Member is convicted, or found guilty, in Australia of an offence punishable by imprisonment for at least 1 year (or an offence overseas punishable by imprisonment in the ACT for at least 1 year);
- if the Member doesn't exercise their functions with honesty, care and diligence
- if the Member fails to take all reasonable steps to avoid being placed in a position where a conflict of interest arises during the exercise of their functions;
- if the Member contravenes the FMA regarding disclosure of interests
- if the Member is absent from 3 consecutive meetings of the board (and is not on approved leave);
- if the Member has a physical or mental incapacity that substantially affects the exercise of their functions.

The Minister can also end an appointment if recommended by a majority of at least 2/3 of the Members. The FMA has requirements for notice to the Member concerned and ensuring that they have opportunities to make submissions.

3.5 Protection from liability

Under the FMA Board Members are not civilly liable for anything done or omitted to be done honestly and without recklessness in the exercise of a function under a territory law. The liability attaches instead to the CIT.

4. Conduct of Members

4.1 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.
- attend meetings noting that members appointments can be ended if they are absent from three consecutive meetings if they are not on approved leave and the number of meetings attended is included in the Annual Report
- participate in committee work at the discretion of the Chair.

4.2 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](#).

4.3 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. The Board has a conflict-of-interest form and a Standing Notice of interests form.

4.4 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.

4.5 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.

4.6 Use of a Proxy

Members of the Board are not permitted to send a proxy in their place to participate in the meeting or decision-making of the CIT Board. An Acting or Interim CEO may attend Board meetings.

4.7 Remuneration

Members of the Board are remunerated in accordance with the Remuneration Tribunal determination for part time office holders. Members eligible for the daily rate payment shall record their hours for payment and provide these to the Secretariat to arrange payment. Guidance material on remuneration shall be maintained for Members.

5. Meetings

5.1 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 two Board members.

The Chair must give members reasonable 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.

5.2 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 generally no later than ten working days after a meeting. Minutes will then be formally endorsed at the following meeting.

Minutes shall include the meeting attendees, all resolutions, action items and sufficient information to provide proof of what was discussed at the meeting.

5.3 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].

5.4 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 generally 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 where appropriate.

6. 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. The Board has a member on the Academic Council.

Audit Committee

An independent audit committee is fundamental to good corporate governance. Membership of the Audit Committee shall consist of one Board member. The Chair and the Deputy Chair of the Board are not permitted as members of the Audit Committee. The Audit 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.

Governance and Nominations Committee

The Governance and Nomination Committee consists of Board members and provides advice to the Board on appointments and governance practices. The Governance and Nomination Committee shall be regulated by its own Charter which sets out the Committee's objectives and includes authority, membership, frequency of meetings and context.

7. Board Secretariat

Secretariat and support work for the Board is provided by an Executive provided by the CIT. 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 that records are kept in accordance with the *Territory Records Act 2002*.
- ensure timely payment of remuneration and other administrative arrangements for Board members, where relevant.