CIT GOVERNANCE FRAMEWORK

Canberra Institute of Technology

RTO Code 0101 | CRICOS No. 00001K

1. CIT - Who We Are

The CIT is a Territory Authority established under the *Canberra Institute of Technology Act 1987* (the CIT Act).   The functions of the CIT are to:

- conduct an educational institution to provide excellence in study that the Board, with the Minister's written approval, decides; or the Minister directs;
- provide educational products and services to advance and develop knowledge and skills in the community;
- support ACT industry and business in pursuing economic growth and sustainability for the community;
- perform the role of public provider of vocational education and training in the ACT;
- issue awards to people who have satisfactorily completed a course of study at the CIT and to issue honorary awards;
- consult and cooperate to promote education and training and employment pathways for learners;
- make suitable financial arrangements with industry and business for the purpose of the CIT's functions above; and
- exercise any other function given to it under a Territory law.

2. Authority

The CIT Board approves this framework in recognition of the importance of good governance for the CIT and the Board commits to having effective governance and continuous improvement having regard to the Australian Standard Good Governance Principles [AS8000-2003] and the legislative frameworks applying to the CIT.

3. Values

CIT's core values are the ACT Government values of integrity, respect, innovation and collaboration. In addition, the Strategic Compass 2025 provides the aspiration for CIT that CIT:

- collaborates
- is influential
- is recognised
- is inclusive
- is trusted.

4. Purpose of the Governance Framework

The CIT governance framework aims to:

- Support business/organisational operations to achieve corporate goals;
- Ensure that statutory and legal obligations are met;
- Ensure the Institute delivers public value and is accountable to the community, stakeholders and the Government;
- Support and fostering a positive corporate culture;
- Ensure that the reputation of CIT is held in high public regard; and

- Manage risk.

The diagram below shows how governance evolves through leadership and management, through accountability and performance and feeding into policy and strategic direction and core values and culture.

The CIT Board and CEO are responsible for ensuring that CIT implements an appropriate governance framework and strategic plan. The CEO and the Executive of CIT are responsible for implementing, monitoring and reporting on the operations of the CIT. The CIT Executive and Managers have responsibility for promoting a positive attitude towards compliance as part of organisational culture and continuous improvement of performance.

All CIT staff have individual responsibilities for compliance with applicable legislation, polices and this framework as a public servant and as part of their work requirements and must demonstrate compliance actions and behaviours including complying with the Public Sector Management Act, Code of Conduct and the public service values.

Divisions are responsible for implementation of their governance requirements, including identifying legislation and policy and procedures that are specific to their work area and the governance responsibilities of each staff person in their area.

4.1 Decision Making
Decision making rests with the Board, CEO, and employees within a designated framework of delegations and as prescribed by the responsibilities of the position each employee and member of the Board is appointed. A delegation framework is determined by the Board.

4.2 Delegations
The Board has a delegation policy and has delegated some of their functions, such as some financial decisions. The CEO has also delegated some CEO functions, such as some HR decisions. The delegations are available on the intranet.

5. Roles and responsibilities

The CIT high level Governance structure is set out below.
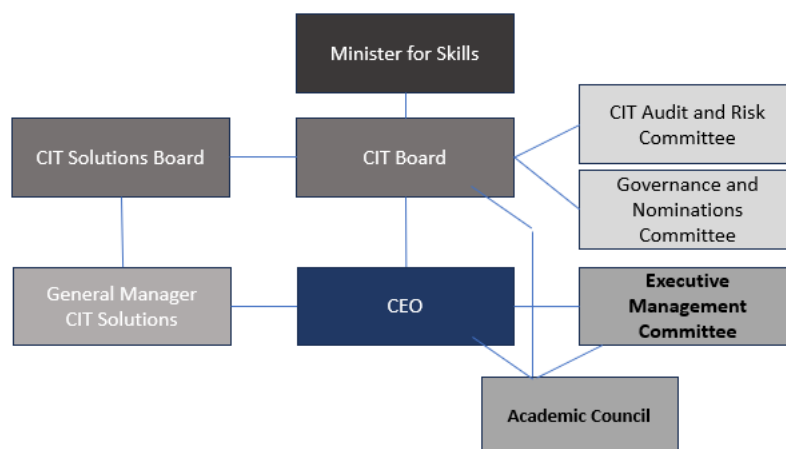
Governance is a shared responsibility between the CIT Board, CEO and staff and relevant committees.

5.1 CIT Board

The CIT Governing Board is established under the CIT Act. The functions of the Board are prescribed in section 77 of the *Financial Management Act 1996* (FMA) which 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).

The Board consists of at least nine 9 and no more than 11 members. The FMA and the CIT Act set out the requirements for appointments. The Board includes a student and a staff member.

The Board meets a minimum of five times a year and can hold additional meetings or can make decisions out of session where necessary. The Board uses consensus decision making process wherever possible. This does not mean unanimity is always achieved and a majority voting process is used when required.

The Chair of the Board 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 CIT; and ensuring the responsible Minister is kept informed about the operations of the authority.

More information on the Board and its Board Charter is available at
https://cit.edu.au/about/cit_board

5.2 CIT Chief Executive Officer

The CIT Act and the *FMA* provide for the CIT to have a CEO who manages the day-to-day operations of the CIT. The CEO is responsible for ensuring that the Statement of Intent is implemented effectively and efficiently and for regularly advising the Board about the operation and financial performance of the CIT. The CEO is employed by the Board, is a member of the Board and is accountable to the Board.

The CEO is responsible for employing staff for the CIT on behalf of the Territory and these staff are employed under the *Public Sector Management Act 1994*.

The CEO has day to day responsibility and may exercise any delegations given by the Board or set out under any law.

The CEO may engage executives to support the work of the CIT.

5.3 CIT Solutions

CIT Solutions Pty Ltd is a wholly owned subsidiary of Canberra Institute of Technology (CIT). CIT Solutions offers training and assessment services on a commercial basis under the CIT Registered Training Organisation (RTO). Its training activities are governed by the same RTO quality assurance framework as applies to the rest of the training delivery of CIT.

CIT Solutions operates under the *Corporations Act*. CIT Solutions has a Board of Directors, appointed by the CIT Board.

5.4 Board Committees

The CIT Board has two governance committees; the Audit and Risk Committee and the Governance and Nominations Committee. Other executive managed committees provide reports to the Board.

5.5 Role of Audit and Risk Committee

The Audit and Risk Committee is fundamental to good corporate governance. The Audit and Risk Committee has its own Charter which sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

5.6 Role of 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 is regulated by its own Charter which sets out the Committee's objectives and includes authority, membership, frequency of meetings and context.

5.7 Role of Academic Council

Academic Council is the principal academic governance body of the CIT. It is a standing committee accountable to the Executive Management Committee, and the CIT Board. A Board member sits on Academic Council.

Academic governance is the framework of policies, structures, relationships, systems and processes that provide direction and oversight of academic activities (teaching, learning and

assessment and research) at the CIT. This includes regulation of the quality and standards of performance of CIT vocational training and education services.

There are subcommittees which support and report to Academic Council.

<u>5.8 Role of the Executive Management Committee</u>

The Executive Management Committee supports the CEO and CIT Board by providing timely, professional and ethical advice in relation to key strategic direction setting and the efficient and effective operation of CIT. The Committee is accountable for the performance outcomes of CIT through the implementation and monitoring of strategic, operational, educational, people and financial business plans and processes and for ensuring that appropriate frameworks, delegations, policies, procedures and resourcing are in place to support the delivery of CIT strategic and operational objectives.

<u>5.9 Other Committees</u>

The executive may establish other committees to support the operations of the CIT and the reporting to the Board. These include committees required under legislation to support staff consultation and WHS and also committees to support day-to-day work such as to address workload pressures.

Major projects Committees are established as required.

6. Principles Guide – Governance in CIT

The primary governing principles are:
- Accountability
- Transparency
- Integrity

CIT complies with accountability mechanisms. This includes legislation, regulations, Regulator requirements, contractual obligations and Auditor-General audits. In addition to these core, non-negotiable requirements, the CIT operates in a way to show its accountability to Government and its staff, students and stakeholders through:
- Complying with all applicable legislation
- Complying with any Ministerial Directions
- Reporting on performance through publishing a range of documents
- Publishing the annual Statement of Intent
- Publishing a strategic plan which sets the strategic direction
- Publishing Board communiques or media statements
- Publishing a CIT Annual Report which includes information on the Board and strategic direction
- Complying with the requirements of the FMA including disclosure of interests
- Attendance at Annual Report Hearings and Estimates hearings
- The Board publishes its Board Charter
- The CIT website includes a list of the Board members and their photos
- The CIT website indicates how the Board can be contacted.

7. Elements of Governance Framework

The below table sets out the elements of the Governance Framework for the CIT and the role of the CIT Board in strategic planning, oversighting policy and legal, reviewing performance and oversighting fiduciary responsibilities.

Strategic Planning	Policy/Legal
- Strategic Compass 2025 - People plan - Infrastructure strategic plan - Student engagement Plan - Communications Plan - ICT plan - Equity and Diversity Plan	- Compliance with Acts and regulations - WHS - Privacy - FOI and record keeping - Industrial relations - Policy development/approval - Compliance with Directions, regulatory requirements and registration
Performance	Financial and risk Management
- Key performance indicators - Regulators requirements - Audit/Evaluations - Quality assurance - Compliance monitoring - Reporting including Annual report	- Financial management and reporting - Delegations policy - Risk appetite statement - Risk management framework - Fraud and corruption framework - Compliance management framework - Statement of intent

7.1 Strategic Planning

CIT has a Strategic Plan referred to as Strategic Compass 2025. The Strategic Compass was agreed between the CIT Board and ACT Government and sets out the strategic direction. This Plan outlines the priorities and provides the framework in which CIT will deliver them. CIT also develops internal and operational plans that assist in implementing priorities and key initiatives.

CIT teams develop business plans where needed to operationalise the Strategic Compass and to assist with management of business areas.

7.2 Policy/Legal

CIT publishes its policies on its website at cit.edu.au/policies. This ensures that polices are transparent and accessible. There are also policies external to CIT that CIT must or may comply with such as ACT Government policies and policies set by regulators.

7.2.1 Ministerial Directions

Section 7 of the CIT Act provides that the Minister may give a direction to the CIT in relation to the exercise of the CIT's functions and that the CIT must comply with any direction of the Minister.

On 18 August 2022 the Minister issued a direction to the CIT which is available at https://legislation.act.gov.au/ni/2022-403/. The Board and CEO have provided updates to the Minister on compliance.

7.2.2 ASQA, Senior Secondary Studies and TEQSA requirements

CIT is registered by the Australian Skills Quality Authority (ASQA) and the Tertiary Education Quality and Standards Agency (TEQSA) and complies with their requirements and those set out by the Board of Senior Secondary Studies. CIT has a Quality system published on the intranet which has a quality assurance framework with four main elements on leadership/governance, staff capability and development, student engagement and support and industry/community engagement. CIT prepares an annual declaration against the Standards for RTOs 2015 yearly.

7.2.3 Records Management

In accordance with the *Territory Records Act 2002* the CIT has records management procedures and accurate records are kept and maintained. CIT has a published Records Management Policy a Records Management Program and a disposal schedule notified on the Legislation Register.

7.2.4 *Human Rights Act 2004*

The *Human Rights Act 2004* requires that all ACT laws are interpreted and applied consistent with the rights in the Act, and an understanding of it should inform the work of all public sector employees in the ACT. This Act includes rights to access to further education and vocational and continuing training. The CIT website refers to human rights complaints and how these can be made. Compliance with this Act is also referred to in the Student Behavioural Risk Policy, the CCTV (Closed Circuit Television) Policy and the Policy on International Students on Student Visas compliance with the ESOS Act.

7.2.5 Freedom of Information

The *Freedom of Information Act 2016* applies to information in the possession of CIT. CIT has published information on its functions on its website as well as information on how to make an FOI application. CIT has information officers to deal with requests and proactively publish open access information. The number of FOIs processed in the year is set out in the annual report.

7.2.6 Information Privacy and security

The *Information Privacy Act 2014* promotes the protection of the privacy of individuals and promotes responsible handling of personal information in accordance with privacy principles. CIT has published a Privacy Policy and has a process for dealing with privacy complaints.

7.2.7 Information Technology

CIT understands the importance of up-to-date IT systems at the CIT which support staff and students and the importance of these systems being secure. The Government funded in mid-2023 the Cloud Campus Program which will modernise CIT's Information and Communication Technology systems, learning and teaching environments, and business and administration systems. To ensure the investment is properly managed the Program is managed with its own governance framework with three governance Boards.

7.2.8 Work Health and Safety

CIT takes the safety of staff, students and visitors seriously. CIT has a WHS team to assist in advising on safety improvements and has safety policies and procedures in place. CIT is improving its policies through development of a new safety management system to further embed safety as a focus. Information on WHS is included in the CIT annual report.

7.3 Performance

7.3.1 Annual Report

CIT publishes an annual report each calendar year which is tabled in the ACT Legislative Assembly. CIT complies with the *Annual Reports (Government Agencies) Act 2004* and associated Directions. CIT attends annual report hearings held by the ACT Legislative Assembly. The annual report is also published on the CIT website.

7.3.2 Auditor-General

Under the *Auditor-General Act 1996* the Auditor General's Office ensure that monies are spent appropriately and in accordance with the FMA. The ACT Auditor-General's Office performs compliance audits of all agencies' financial statements and undertakes performance audits.

7.3.3 Performance reporting

Key Performance Indicators (KPIs) are reported against publicly and to the ACT Legislative Assembly in the Annual Report and the Statement of Intent. In addition, the Board has KPIs for measuring success against the Strategic Compass.

7.4 Fiduciary Responsibility

7.4.1 Statement of Intent

CIT prepares a Statement of Intent annually in accordance with Section 61 of the FMA which is included in the ACT Government Budget Statements. The Statement of Intent is agreed between the Government and CIT Board. The Statement sets out CIT's risks, priorities, reporting, employment levels, strategic and accountability indicators, appropriation and financial arrangements.

7.4.2 Government Procurement

CIT complies with the *Government Procurement Act 2001* when undertaking procurement. CIT has information and templates on procurement on the intranet, a Procurement Policy, procedures and procurement staff to assist with procurement. CIT must consider any advice provided by the Government Procurement Board in relation to procurement proposals. CIT reports to the CIT Board in relation to any departures from the advice of the Government Procurement Board together with the justification for that departure.

7.4.3 Financial Management

The FMA includes specific provisions for Territory Authorities to ensure proper financial management and oversight including by the Legislative Assembly. Part 8 provides the financial provisions for territory authorities such as the CIT and part 9 sets out the governance provisions for territory authorities.

CIT prepares a budget, reports on finances in the Annual Report and Statement of Intent and the financial statements are audited by the Auditor-General.

7.4.4 Risk Management

CIT manages risk in accordance with the ACT Government ACT Insurance Authority framework. CIT has a strategic risk register which is managed by the Executive Management Committee and is reviewed through the Audit and Risk Committee which reports to the Board regularly. The CIT Strategic Risk Register is reviewed every six months and is used to manage strategic risks as well as assist with the development of operational risk registers. Risks with a high-risk rating are reviewed by the Executive Management Committee. Other risk registers such as the WHS risk register, and the fraud and corruption risk register sit as sub-registers under the relevant strategic risk.

The CIT Board has a Risk Appetite Statement to guide the board reporting and monitoring standards that apply to identified risks.

7.4.5 Fraud and corruption Control

CIT does not tolerate fraud or corruption, and views fraud and corruption as serious offences.   CIT has a Fraud and Corruption Control Framework which identifies the objectives, policies and strategies to minimise the opportunities for fraud and corruption to occur in the CIT environment and provides CIT staff with the right information and tools to deal with matters of fraud and corruption that may present.

8. Review of Governance Framework

The Governance Framework is to be reviewed annually.