



Board Governance Charter

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BOARD GOVERNANCE CHARTER

Australian Osteopathic Accreditation Council (AOAC)

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Acknowledgements

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1 Legal Context

1.1 Introduction

The National Registration and Accreditation Scheme (NRAS) was established by intergovernmental agreement on 26 March 2008. NRAS for health practitioners commenced on 1 July 2010 and was established by state and territory governments through the introduction of the *Health Practitioner Regulation National Law 2009* (National Law). The Scheme provides for a single national registration board as well as a single national accreditation council for each of the 10 health professions that joined the National Scheme in July 2010.

In July 2012 four additional professions joined the National Scheme making a total of 14 health professionals that are nationally regulated by a corresponding Board.

The National Scheme has a number of objectives, including:

- Help keep the public safe by ensuring that only health practitioners who are suitably trained and qualified to practice in a competent and ethical manner are registered;
- Facilitate workforce mobility for health practitioners;
- Facilitate the provision of high-quality education and training for practitioners;
- Facilitate the assessment of overseas qualified practitioners;
- Facilitate access to Health Practitioners; and
- Enable the continuous development of a flexible Australian Health Workforce.

The Australian Health Practitioner Regulation Agency (AHPRA) is the organisation that is responsible for the implementation of NRAS across Australia.

The National Law empowers the Osteopathy Board of Australia (OsteoBA) to decide whether Accreditation functions will be carried out through an external accreditation entity, or a committee established by the OsteoBA (Section 43). Currently accreditation authorities exercise accreditation functions under the National Law specified in an agreement with AHPRA on behalf of each National Board.

1.2 About Australasian Osteopathic Accreditation Council

The Australasian Osteopathic Accreditation Council (AOAC) has been duly appointed as the accreditation authority under s.43(1)(a)

The accreditation functions are defined under Part 6 section 42:

- a) Developing accreditation standards for approval by a National Board; or
- b) Assessing programs of study, and the education providers that provide the programs of study, to determine whether the programs meet approved accreditation standards; or
- c) Assessing authorities in other countries who conduct examinations for registration in a health profession, or accredit programs of study relevant to registration in a health profession, to decide whether persons who successfully complete the examinations or programs of study conducted or accredited by the authorities have the knowledge, clinical skills and professional attributes necessary to practice the profession in Australia; or
- d) Overseeing the assessment of knowledge, clinical skills and professional attributes of overseas qualified health practitioners who are seeking registration in a health profession under this law and whose qualifications are not approved qualifications for the health profession; or
- e) Making recommendations and giving advice to a National Board about a matter referred to in paragraph (a), (b), (c), or (d).¹

Further information regarding accreditation functions may be obtained from the National Law, and a document developed by the Forum of Australian Health Professions Councils, National Boards and AHPRA, Appendix A).

1.3 Corporate Governance

The AOAC is an Australian Propriety Company Limited by Guarantee. AOAC is also registered with the Australian Charities and Not for Profit Commission (ACNC). This Board Governance Charter governs the operations of AOAC, under the Constitution which gives the Board of Directors (known hereafter as “the Board”) the power to determine policies and procedures for the Organisation’s governance.

The Board is responsible for ensuring AOAC has an appropriate corporate governance structure. This requires that the Board establish appropriate strategic direction and goals in line with the Aims and Objectives of AOAC (clause 4 of the Constitution) and ensure appropriate accountability and control systems are in place.

This Board Governance Charter explains AOAC’s commitment to the principles and practices of good governance. It is not an all-inclusive document and should be read as an expression of principle. The Board will review and update this Charter as required.

AOAC supports the principles of the ACNC Governance for Good 2013 and the Australian Stock Exchange Corporate Governance Council’s Principles of Good Corporate Governance and Best Practice Recommendations (ASX Principles) published in March 2003 as they apply to an organisation with the scope of operation and breadth of member interest of AOAC (see Appendix A)

1.4 Constitution

The Constitution of the AOAC, (“the Constitution”) ([Appendix B](#)) is AOAC’s key governance document. The Board must ensure that it and AOAC comply at all times with the provisions of the Constitution.

This Charter supports the Constitution of the AOAC (“the entity”). The Constitution takes precedence in the event of any inconsistency. All references to clauses in this Charter are referring to clauses in the Constitution.

1.5 Compliance with Laws

As a Not-for-Profit entity, AOAC will comply with the ACNC 2012 (Cth) and Corporations Act 2001 and as well as all other applicable laws and statutes. The AOAC operates under the Health Practitioner Regulation National Law Act 2009. Examples of other applicable areas of regulation include:

- a. Consumer law: Competition & Consumer Act 2010;
- b. Intellectual Property law: Trade Marks Act 1996;
- c. Anti-discrimination legislation: Age Discrimination Act 2004; Australian Human Rights Commission Act 1986; Disability Discrimination Act 1992; Racial Discrimination Act 1975; Sex Discrimination Act 1984;

¹The *Health Practitioner Regulation National Law Act 2009*, s.42

- d. Privacy law: Privacy Act; 1988;
- e. Australian Taxation law applying to a company limited by guarantee with confirmed Health Promotion tax status;
- f. Legislation and regulations relating specifically to AOAC's business; e.g. the Corporations Act 2001, Higher Education Act

2 Governance Policies – Board of Directors

2.1 Board composition

The Board shall comprise of not less than five (5) directors and no more than nine (9), as specified in Clause 8 of the Constitution.

The Board shall comprise of:

1. At least two (2) people as community representatives, appointed by the Directors on the grounds that such persons possess particular skills;
2. At least two (2) people appointed by the Directors who possess skills in osteopathic education and/or accreditation;
3. At least one (1) person appointed by the Directors who represents the professional interests of registered osteopaths;

Directors on the Board will have a balance of skills and experience and be of both male and female gender. A position description is included at [Appendix C](#).

All Directors should be free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the Director's ability to act in the best interests of AOAC.

2.2 Nomination of Directors

Directors shall be nominated, elected and appointed in accordance with clauses 9 of the Constitution and AOAC's *Director Appointment Policy* ([Appendix D](#)). A Director will hold office for three (3) years after they are appointed and will be eligible for reappointment provided that a Director cannot serve more than two (2) consecutive terms on the Board (unless specifically exempted from the operation of this rule by a resolution of the Board in each case).

2.3 Induction of Directors

It is the responsibility of the Board to develop an orientation program for new Directors and the induction process shall include but not be limited to:

Provision by the Company Secretary of an induction pack containing a copy of:

- a) AOAC Constitution;
- b) Most recent AOAC Annual Report;
- c) AOAC Board Governance Charter;
- d) Copies of the Board meeting agendas and minutes for the preceding six months;
- e) Budget for the financial year as approved by the Board;
- f) Templates and forms the Director will require to participate in Board meetings;
- g) Relevant documents for completion to enable requirements with AOAC to be met; and
- h) Other documentation as appropriate to supporting the orientation of the new Director to the Board's activities;

An opportunity to meet or teleconference with the Board Chair for any clarification of the papers included in the induction and/or on the expectations of being a Director of the Board;

An opportunity to meet or teleconference with the EO for a briefing on AOAC's operations and activities.

2.4 Role & Responsibilities of the Board

The Directors of the Board are responsible for the overall governance of AOAC, including ensuring the long-term viability and enhancing the performance of AOAC through strategy formulation and policy making.

The Board comprises the individual Directors elected or appointed to the Board in compliance with Clause 8 of the Constitution. Individual Directors can only act to influence the decision-making of the entity when meeting formally as a group - as the Board. Directors are unable to allocate a proxy for Board meetings if they are unable to attend but may authorise another director or the Chair to vote on their behalf.

The Board of Directors will consider succession planning when making appointments in order to ensure continuity of purpose and maintain institutional knowledge.

The Board's responsibilities are to:

1. Determine the strategic direction of AOAC, through:
 - i. Determining AOAC's vision for the future, and making the choices to create the future in that vision;
 - ii. Monitoring changes in the external environment that have bearing on AOAC's vision, and identifying implications for AOAC's strategic direction & goals.
2. Establish the policies by which the organisation will be governed and its statutory duties managed including:
 - i. Developing and maintaining this Board governance charter;
 - ii. Approving and reviewing policies that relate to the Board, including codes of conduct, continuous disclosure, legal compliance and other significant policies to ensure they remain current;
 - iii. Determining the delegations of power and responsibility to the Executive Officer (EO), and the limits to those powers and responsibilities;
 - iv. Having input to and giving final approval of the annual budget;
 - v. Recognising appropriate risks to the achievement of the strategic direction set, determining the Board's "risk appetite", having input to and giving final approval of the risk management plan, and ensuring appropriate systems of risk management and internal compliance and controls are in place.
3. Monitor and supervise the organisation's performance and its control and accountability systems; including
 - i. Monitoring the provision of executive and administrative services delivered under the Service Agreement with the contracted contractor and implementation of policies, ensuring appropriate resources are available;
 - ii. Monitoring progress against the budget;

- iii. Approving expenditure outside the approved budget and delegations;
 - iv. Ensuring the entity's assets are safeguarded.
4. Ensure accountability of the organisation to members, regulators, and other stakeholders, including through:
 - i. Approving and monitoring financial and other reporting to members and other stakeholders;
 - ii. Monitoring compliance with all legal and regulatory obligations, including provisions in the Constitution;
 - iii. Evaluating its own (the Board's) performance and compliance with the Constitution.
 5. Ensure key organisational positions are filled with appropriately skilled and qualified individuals, including appointing and removing as necessary:
 - i. Chair, Deputy Chair and Treasurer;
 - ii. AOAC Company Secretary;
 - iii. Executive Officer;
 6. Work with and through the EO;
 - i. Providing leadership, guidance, advice and support to the EO to deliver on the Board's strategic priorities;
 - ii. Overseeing the conduction of accreditation functions under the National Law
 - iii. Delegating appropriate authority and responsibilities to the EO to establish programs, budget, administer finances and otherwise manage the organisation according to sound business practice;
 - iv. Providing a credible and effective link between AOAC and the activities undertaken by others on behalf of the organisation;
 - v. Holding the contracted contractor accountable for the management of all delegated responsibilities under the Service Agreement.

2.5 Role & Responsibilities of Directors

By law, in discharging their duties, each Director of AOAC must:

1. Act honestly, in good faith in the best interests of AOAC as a whole;
2. Use the powers of the office for a proper purpose;
3. Discharge their duties in good faith and honestly;
4. Act with a level of skill, care and diligence expected of a director of an Australian company;
5. Demonstrate commercial reasonableness in their decisions;
6. Not make improper use of information gained through their position as a director; not allow personal interests or the interest of any associated person, to conflict with the interests of AOAC;
7. Make reasonable enquiries to ensure that AOAC is operating efficiently, effectively and legally towards achieving its goals;

8. Undertake diligent analysis of all proposals placed before the Board;
9. Not engage in conduct likely to bring discredit upon AOAC;
10. Give of their specific expertise generously to AOAC;
11. Adhere to and uphold the Board's policies and decisions properly arrived at, and respect the Board's authority to act, notwithstanding that the Director may have offered a dissenting view at the Board table prior to the Board's decision being made;
12. Act in accordance with their fiduciary duties, complying with the spirit as well as the letter of the law and recognising both their legal and moral duties as a Director of AOAC;
13. Commit the time necessary to discharge effectively his/her duties as a Director;
14. Understand the complexities of the sector in which AOAC operates in order to adequately assess the opportunities and risks faced by the sector and by AOAC;
15. Prepare for and endeavour to attend all Board meetings;
16. Respect the confidentiality of all matters, information, discussions and deliberations coming before them as Board members and not disclose (or allow to be disclosed) confidential information of a sensitive nature gained in the course of performing their duties, other than as agreed by the Board, required by the Constitution or as required by law;
17. Systematically consider information relating to AOAC's performance;
18. Ensure that AOAC remains solvent and does not trade while insolvent.

In addition, Directors must:

1. Immediately declare to the Board any conflicts of interest that may arise and comply with provisions in Clause 14 of the Constitution and AOAC's Conflict of Interest Policy for addressing such conflicts;
2. Not claim to represent AOAC's views and policies except where explicitly authorised to do so by the Board;
3. Not make negative public comment about AOAC or engage in conduct likely to bring discredit upon AOAC, its Board, Directors, members or contractor;

Expectations in Board Process

1. Acting in a business-like manner;
2. Acting in accordance with the Constitution;
3. Addressing issues in a confident and firm, yet friendly manner;
4. Using judgement, common sense and tact when discussing issues;
5. Minimising irrelevant remarks;
6. Ensuring that others are given a reasonable opportunity to put forward their views (ie refraining from interruption or interjection when another is speaking); and
7. Being particularly sensitive in interpreting any request or indication from the Chairperson that aims to ensure the orderly and good-spirited conduct of the meeting.

Directors are expected to be forthright in board meetings and have a duty to question, request information, raise any issue, fully canvass all aspects of any issue confronting AOAC and cast their vote on any resolution according to their own decision.

Outside the boardroom, however, directors will support the letter and spirit of board decisions in discussions with joint venture partners, the EO, Company Secretary, suppliers, customers and other parties. In keeping with confidentiality practices, Directors will keep confidential all board discussions and deliberations. Similarly, all confidential information received by a director in the course of the exercise of the director's duties remains the property of AOAC. It is improper to disclose it, or allow it to be disclosed, unless that disclosure had been authorised by the person from whom the information is provided, or is required by law.

Emergency Contact Procedures

As there is the occasional need for urgent decisions directors should leave with the Company Secretary any contact details, either for themselves or for a person who knows their location, so that all directors can be contacted within 24 hours in cases of a 'circular resolution'.

2.6 Independence of Directors, Conflicts of Interest and Related Party Transactions

Independence of Directors speaks to the Director's legal and fiduciary responsibilities to make decisions and act in the best interests of AOAC, free from any conflicting interest or loyalty that may impact detrimentally on the capacity to carry out their responsibilities (as outlined in Clause 14 of the Constitution and the Section 2.5 on 'Role and Responsibilities of Directors' on page 10 of this Charter).

Directors are appointed to the Board in accordance with the Constitution.

The above guidelines must be applied with common sense. Directors are best able to determine if they have an interest or relationship which is likely to impact on their independence. As such, each Director is expected to advise the Chair immediately if they believe they may no longer be independent. Should the Chair or any other Director have any concern about the independence of a Director, they must immediately raise the issue with that Director and, if the issue is not resolved, with the Board.

Should the Chair have any concern about his/her own independence, they must immediately raise the issue with the Board.

Directors must enter information into the Register of Conflicts of Interest and Related Party Transactions:

- i. To disclose to the Board actual, potential and/or perceived conflicts of interest which may exist or might reasonably be thought to exist between the interests of any other parties in carrying out the activities of AOAC;
- ii. At the request of the Board within seven days or such further period as may be allowed, take such steps as are necessary and reasonable to remove any conflict of interest referred to above.

If a Director cannot, or is unwilling to, remove a conflict of interest as required then the Director must absent himself or herself from the room when discussing matters to which the conflict relates. This entry and exit will be minuted.

However, where the Board passes a resolution that identifies the Director, the nature and extent of the Director's interest and clearly states that the remaining Board members are satisfied that the interest should not disqualify the Director, then the Director can take part in discussions and voting involving the conflicting interests.

Directors will indicate to the Chairperson any potential conflict of interest situation as soon as it arises. Further, under s.192(1) of the Corporations Act, 'A director of a company who has an interest in a matter may give the other directors standing notice of the nature and extent of the interest in the matter,' and

that such notice 'may be given at any time and whether or not the matter relates to the affairs of the company at the time the notice is given.' Such notice shall be recorded in a Register of Conflicts of Interest.

The same requirement will exist for related party transactions. Related party transactions include any financial transaction between a Director and the AOAC and will be reported in writing to each Board meeting.

These requirements will also apply to the Executive Officer and Company Secretary. The company secretary will maintain a Register of Related Party Transactions and a Register of Ongoing Conflicts of Interest. Directors, the EO and Company Secretary of the Company will be required to complete the form in [Appendix E](#) to register any conflicts of interest or related party transactions.

2.7 Role & Responsibilities of the Board Chair

The Board Chair:

1. Is elected by and accountable to the Board as a whole;
2. Has all the same duties and responsibilities as other Directors of the Board, but is considered the 'lead' Director, with additional responsibilities for leading the Board, and for ensuring the integrity of the Board's processes and actions;
3. Must commit the time necessary to discharge effectively his/her role as Chair of the Board;
4. Is normally the designated signatory for Board business, unless otherwise delegated by the Chair.

The Chairperson is the major spokesperson for the Board although responsibilities may be delegated to specific directors on specific issues, relating to their offices.

The Chair's responsibilities are to:

1. Maintain a good relationship with the contracted contractor and meet regularly with the EO to optimise the fulfilment of her/his responsibilities
Oversee adequate processes to enable the Board to function properly and effectively discharge its role in relation to Australian law and its own governance policies, including but not limited to;
 - i. Developing the Board meeting agenda;
 - ii. Chair meetings of the Board;
 - iii. Ensure the Board complies with its own governance policies and prosecutes its strategic, policy, monitoring and accountability responsibilities effectively;
 - iv. Facilitate all Directors making an informed and constructive contribution to the Board's deliberations;
 - v. Guide and mediate Board deliberations and responses with respect to major organisational priorities and governance concerns; and
2. Lead the development and maintenance of good relationships with stakeholders, including representing AOAC at meetings, forums and events relevant to accreditation and meeting key stakeholders regularly according to the stakeholder engagement policy;
3. Promote constructive and respectful relations between Board members and between the Board and the EO;
4. Protect AOAC's policy of non-alignment with any political party
5. Ensure that the annual performance of the Board and its Directors are evaluated in a professional and timely manner;

6. Monitor the performance of the contracted contractor in its delivery of executive and administrative services under the service agreement, including contributing to the annual performance review of the appointed EO.;
7. Preside over General and/or Special Meetings of AOAC ensuring these meetings are conducted efficiently and effectively and that the membership has adequate opportunity to air their views and obtain answers to their queries;
8. Perform other responsibilities assigned from time to time by the Board;
9. The Chair is the formal link between the the EO and the Board. The Chair is not empowered to unilaterally change Board governance policies, strategic directions or Executive Limitations (delegations) policies or act outside the policies agreed by the Board.

2.8 Election of the Chair, Deputy Chair & Treasurer

The Board will appoint the Chair, Deputy Chair and Treasurer from amongst the Directors.

The Board resolves that the following process shall be followed when an election falls due for the position of Chair, Deputy Chair and Treasurer of the Board:

1. A specific agenda item for election of office bearers shall be included in the agenda for the first Board meeting following a vacancy, or before the vacancy occurs;
2. The positions shall be declared vacant for all office bearers whose three-year term expires (as per clause 9 (e) of the Constitution);
3. Should the Chair be among the office bearers whose term has expired, the Deputy Chair shall temporarily assume the role of Chair of the meeting (for this agenda item only);
4. If the Chair becomes vacant, the Deputy Chair shall act until a new Chair is appointed at the next Board meeting;
5. The Chair shall call for nominations for the vacant position(s) prior to the meeting;
6. Each nomination shall be seconded by another Director;
7. The nominee shall be asked if they accept the nomination;
8. If the nominee accepts, and there is only one nomination, the Board will consider whether the nominee is appointed. This outcome shall be recorded in the meeting minutes;
9. If there is more than one nominee for the position, a secret ballot shall be held. The Company Secretary and/or one an independent person will act as Returning Officer;
10. The nominee with the greatest number of votes shall be declared elected. This outcome shall be recorded in the meeting minutes;
11. Should there be an equal number of votes cast for each nominee, the vote shall be held a second time;
12. At the conclusion of voting and minuting of elections of office-bearers, the newly elected Chair will assume this responsibility for the remainder of the meeting.
13. The newly elected Chair will be appointed for a three-year-term.

2.9 Board meetings

Board meetings shall be conducted in accordance with Clause 13 of the Constitution. The purpose of these meetings over the course of each yearly cycle is to:

1. Determine and/or refine AOAC's strategic vision and objects in line with Clause 4 of the Constitution;

2. Engage in analysis and make informed choices to deliver the future articulated in AOAC’s vision for its members and their communities in light of changing environmental and other circumstances over time;
3. Review and approve policies as needed;
4. Approve operational goals for management including annual budget;
5. Monitor progress over time against strategic objectives ;
6. Monitor performance including financial results;
7. Confirm the appropriateness of the Board’s risk appetite, and the effectiveness of risk management and compliance procedures and practices;
8. Approve the annual audit plans;
9. Review contracted deliverables of the executive and administrative contractor against the Service Agreement

The Board resolves that the following processes shall apply to the preparation for and conduct of Board meetings:

1. Meetings shall take place at a frequency determined by the Board, but not less than four times per year;
2. Every reasonable effort should be made to organise meetings at a time and place that can be attended by all Directors and the EO;
3. Notice of a meeting shall be given and papers provided for access at least 1 week in advance unless in the case when an urgent board meeting has been called;
4. The Board may meet in person or by teleconference (Clause 13 of the Constitution). Decisions can also be made through the Circular Resolution process. All the provisions of this charter apply, no matter the means by which Board meetings are held;
5. All Directors are expected to make every reasonable effort to attend meetings;
6. Where a Director knows in advance that s/he is unable to attend a meeting s/he must give an apology and may provide the Chair with written advice of her/his vote on matters before the Board to the Chair ahead of the meeting;
7. Directors are entitled to reasonable reimbursement for expenses incurred in travelling to and from Board meetings, in accordance with the AOAC’s policies, if submitted on the requisite claim form or GST invoice ([Appendix L](#));
8. The indicative cycle for Board meetings is as follows:

ACTIVITY WORKING DAYS	
Call for Agenda Items and Committee Reports	-16
Draft Agenda prepared by Chair and CEO	-16
Agenda finalised and confirmed by Chair	-14
All papers circulated to Board meeting attendees	-7
Board Meeting held	0
Draft Minutes sent to Chair	+7
Draft Minutes circulated to Directors	+14

9. Agenda items shall be accompanied by a paper providing necessary information to support informed decision making by the Board;
10. No papers shall be tabled at the Board meeting without prior notice, except with the permission of the Chair. Wherever possible, matters without notice (and without papers) shall be placed on the agenda for the subsequent Board meeting and a paper prepared;
11. Directors are expected to make all reasonable effort to read the Board papers provided and to remain informed of issues, analysis, information, developments and policies that have bearing on AOAC's strategic position and activities;
12. Clause 13 (e) of the Constitution provides that a quorum for Board meetings is a majority of the Directors in office at the time;
13. Minutes of proceedings shall be kept of all meetings of the Board and its committees. Minutes will contain key discussion points, official resolutions and follow-up actions adopted by Board members as a group. All decisions will be recorded in the minutes. As a formal record, minutes should be succinct, but include enough detail to ensure ease of retrospective reference to clarify and confirm key issues if required, and provide enough background information to enable and streamline future decision-making processes;
14. Minutes will be draft only until they are formally moved and accepted by the next meeting of the Board. Once minutes are formally accepted they cannot be changed. A record of all minutes shall be kept by the Company Secretary;
15. Board Directors are to destroy all notes and copies of any papers once the minutes are approved and signed;
16. The Directors shall meet in private session at least annually to assess the performance and effectiveness of the contracted contractor.

2.10 Access to Board Papers

1. Access to Board papers will be at the discretion of the Board and limited to current and previous AOAC Directors, EO, Company Secretary, and relevant staff of the contractor and the auditor.
2. Previous AOAC Directors may have access to Board papers generated during their period of directorship for a period of seven years from date of resignation;
3. All requests for access to Board papers will be made in writing to the EO. Prior to access the applicant will be required to read and sign a confidentiality declaration;
4. Records will be maintained by the contracted contractor.

2.11 Board Decision Making

1. The Board will always use consultative and collective decision-making processes in making decisions;
2. Individual Directors must always ensure that they bring independence of thought and commitment to their deliberations and decision making on behalf of AOAC;
3. To promote effective decision making, individual Directors must always respect the contribution of other directors and strive to understand their perspectives and contribution to Board debate;
4. Directors must commit to debating issues openly and constructively and must be free to constructively question or challenge the opinions presented at meetings;
5. Directors should always ensure that their relevant skills, knowledge, experience and perspective are made available to support rigorous decision making in all discussions relating to AOAC;

6. The Board will make every effort to make its decisions on a consensus basis before resorting to a vote to ensure that all views have been fully heard and examined in the interests of making the best decision on behalf of AOAC; When a vote is required a decision shall be deemed made once a majority plus one of the Directors present at the meeting confirm their support for the resolution put. Each Director has one vote, subject to 13 (f) of the Constitution. In the event of a tied vote, the Chairperson has a casting vote;
7. The Board's responsibilities are collegiate and once decisions are made, Directors must not publicly advocate policies contrary to established Board decisions.

2.12 Board Committees

The Board may establish Committees to assist the Board in fulfilling its duties and responsibilities when it becomes apparent that the business of the Board requires a more detailed approach than can be done with the full Board.

The following rules apply to the creation, conduct and dissolution of Board Committees

1. The Board shall ensure that each Committee has formal terms of reference endorsed by the Board that outline:
 - i. Objectives, role and powers if any;
 - ii. Accountability;
 - iii. Membership and length of appointment, including processes for appointing members, and whether and by what process additional members may be co-opted by the committee to meet particular requirements for expertise;
 - iv. Resourcing arrangements (e.g. Secretariat support);
 - v. Meeting arrangements and quorum;
 - vi. Reporting procedures to the board;
 - vii. Time limit – 'sunset' or dissolution clause.
2. The Board appoints all members of committees;
3. The Board appoints Committee Chairs from amongst the Board Directors. Committee Chairs will serve a 2-year-term.
4. With the exception of certain limited delegations contained in their terms of reference, recommendations of the Committees are to be referred to the Board for approval. The Board reserves the right to accept, reject or modify Committee recommendations;
5. Committees of the Board may not:
 - i. Make decisions, undertake activities or engage resources outside the provisions contained in the Committee's terms of reference and delegations;
 - ii. Change their own terms of reference, although advice may be given to the Board on a recommended change;
 - iii. Make decisions on behalf of the Board unless the Board has charged the Committee with the authority to do so, in a specific circumstance. [Note: In these circumstances, the Board still remains accountable for that decision];
 - iv. Make representations to any stakeholders, including members, government agencies, suppliers, employees or other parties or organisations, or enter into any agreements with third parties, on behalf of the Board;

6. Committees shall be required to evaluate themselves no less than every 2 years and provide this report to the Board;
7. Under these powers the Board has established the following:
 - i. Finance, Audit and Risk;
 - ii. Accreditation Committee;
 - iii. Qualifications and Skills Assessment Committee.

Terms of Reference for each of these Committees are included at ([Appendix F](#)).

2.13 Directors' access to information & independent advice

The Directors must be provided with the information they need to efficiently discharge their responsibilities.

The Board will arrange for the EO to supply the Board with information in a form, timeframe and quality that enables Directors to effectively discharge their duties. All Directors are to receive copies of Board papers, unless there is a significant conflict of interest, in which case relevant board papers will be withheld from the director. In the event of a any doubt, the Chairperson shall decide which papers should be withheld.

Any Director may take such independent legal, financial or other advice as they consider necessary at AOAC's expense provided:

1. The advice sought is in writing;
2. The advice sought is directly relevant to AOAC affairs;
3. The Chair's consent is first requested and obtained. The consent of the Chair will not be withheld unreasonably.

2.14 Risk Management

The Board is committed to protecting the human, financial and good-will assets and resources of the organisation through the practice of effective risk management. The Board ensures that the organisation has a risk management policy ([Appendix H](#)) that outlines the organisation's risks and mitigation strategies. The Board will determine and monitor the strategic risks for the organisation.

The Board ensures, through the budget process, that there are sufficient resources available to implement the risk management plan and monitors the development and implementation of this plan.

In developing a risk management policy and plan the Board ensures that:

1. The safety of board members, the EO, Company Secretary, and stakeholders is given the highest priority in their interaction with AOAC;
2. Materials, copyright and trademarks are cared for in such a way that characterises responsible stewardship;
3. Policies and practices are established and followed;
4. AOAC conforms with all legal and regulatory requirements;
5. The reputation of AOAC is enhanced through the provision of high quality services;
6. The internal financial controls adequately protect the assets of the organisation.

The Board identifies those strategic risks which are to be monitored at each Board meeting. All external projects overseen by AOAC will include a risk assessment.

2.15 Directors Insurance and Indemnity

The Constitution indemnifies each Director to the fullest extent permitted by law. Each Director is entitled to a deed of indemnity, which shall include provisions relating to:

1. Access to Board papers;
2. Confidentiality;
3. Indemnity by the entity;
4. The provision of Directors insurance.

2.16 Board Accountability

Boards act as agents for their 'owners' (members, as defined at Clause 7.2 of the Constitution), with authority over and accountability for the outcomes, behaviours and actions of the organisation. The Board is accountable for the overall performance of the organisation.

The Board's job is to see to it, on behalf of the members, present and future, that the organisation, AOAC, produces what the members expect (i.e. fulfil the purpose of the organisation's reason for existence) while avoiding situations and conduct that should not occur.

Directors are therefore responsible for establishing an appropriate system for governance. This is reinforced in the ACNC's Governance for Good (see [Appendix A](#)). The AOAC Board is accountable first and foremost to the members of AOAC for exercising the authority given to it in the AOAC Constitution (2014) and Australian law.

The Board places great importance on maintaining a strong relationship with stakeholders of AOAC and keeping them informed of progress in achieving AOAC's objectives as outlined in Clause 4 of the Constitution.

The Board therefore resolves to:

1. Represent the AOAC ownership as a collective, i.e. all members/stakeholders equally, and not the singular interests of a particular member or stakeholder;
2. Elicit and gather information about matters concerning AOAC stakeholder interests and desires, both in and outside of general meetings;
3. Consult with and disclose to relevant stakeholders any material changes to the AOAC's purpose, strategic directions, structure or operations;
4. Ensure transparency and accuracy in any management of stakeholder relations.

The directors also acknowledge that they have an accountability to the many stakeholders of AOAC.

for ensuring the conduct of AOAC is at all times lawful, ethical, responsible and conscientious. and will maintain a good relationship with key stakeholders in accordance with its stakeholder engagement policy.

2.17 Board Evaluation

The Board will assess its performance at the meeting held before every second AGM. Evaluation will be on a collective and individual basis. Similarly, Board committees will also be evaluated every second year.

3 Governance Policies – Executive & Administrative Services

AOAC does not have employees. Instead, AOAC engages a contractor to provide Executive and administrative services.

The AOAC Board appoints the Executive Officer and the Company Secretary.

3.1 Role & Responsibilities of the Executive Officer

In accordance with the relevant contract in place, the contractor is responsible for the day-to-day management of AOAC within the strategic directions established by the Board with all powers, discretions and delegations authorised, from time to time, by the Board. The Board shall be responsible for regularly reviewing and ensuring that all necessary and appropriate delegations are in place to enable the EO to meet this responsibility.

The EO:

1. Is the Executive Officer to the Board;
2. Supports the Board with strategic information, ideas and reports that are relevant, timely and accurate;
3. Plans, co-ordinates and implements the policies established by the Board
4. Reports to the Board through written and verbal reports;
5. Supports the Board with compliance to its policies through reporting processes. Meets regularly

with the Chairperson, usually by teleconference, The EO shall be entitled to:

1. Attend all board meetings, including in camera sessions unless requested by the Board to not be present;
2. Participate in any discussions relating to any question or motion before such meetings;
3. Offer advice, counsel, information, make recommendations and provide their opinion on matters before the Board;
4. Have access to all Board documents and minutes, excluding minutes of any in camera sessions unless provided access by the Board;
5. Receive notices of all Board meetings;
6. Shall not be entitled to vote on any Board motion.

The EO's responsibilities are set out in the service agreement as agreed between the Board and the contractor ([Appendix M](#)). The service agreement and KPIs with the contractor will be reviewed annually and any changes agreed by the Board negotiated between the Chairperson, on behalf of the Board, and the CEO of the contracted contractor.

3.2 Limitations on the Authority of the EO

While the Board has power and responsibility to govern AOAC, it cannot effectively do so without the EO executing its policies and decisions, managing the resources, representing the organisation to stakeholders, etc.

The EO shall not cause or allow any practice, activity, decision, or organisational circumstance that is unlawful, imprudent, inefficient [wasteful] or in violation of the organisation's corporate values or commonly accepted social, business and professional ethics or generally accepted accounting principles

3.3 Financial Planning & Budgeting

The Board acknowledges its own responsibility for ensuring the ongoing financial viability of AOAC and compliance with various financial constraints placed on it by outside agencies (legislative, contractual, etc).

The EO's reports on AOAC's financial situation and budget variances must reflect the implications for the rest of the financial year rather than merely explaining what has already happened.

To ensure financial viability and compliance, the following financial framework makes clear those things that the EO must not do in the development of the financial plan/budget for any fiscal year (or the remaining part of any fiscal year). Accordingly, the EO shall not allow financial planning/budgeting that:

1. Fails to be dedicated to the achievement of, and shall not deviate materially from, the Board's Strategic Direction priorities or purposes;
2. Neglects to take into account longer-term issues, priorities, plans and predictions;
3. Fail to include credible projections of revenues and expenses, cash flow (for defined periods), separation of capital and operational items, and disclosure of planning assumptions;
4. Confuses or misleads audit trails;
5. Results in financial harm to the organisation or risks fiscal jeopardy;
6. Plans the expenditure in any fiscal year that would result in default under any of AOAC's financing agreements or cause the insolvency of the organisation;
7. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period (unless offset by Board approved borrowings or withdrawals from reserves outside of guideline policies);
8. Threatens the organisation's financial status by allowing AOAC's equity to fall below board-determined levels;
9. Plans to use financial reserves outside Board-approved parameters;
10. Does not make provision for the Board's own operational expenses.

3.4 Financial Conditions & Activities

With respect to the actual, ongoing financial condition and activities, the EO shall not make financial decisions that cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the Board's Strategic Direction policy priorities or purposes.

Accordingly, the EO shall not:

1. Allow any unauthorised expenditure of AOAC's financial resources nor use them for any purposes other than those that implement AOAC's duly approved activities;
2. Operate AOAC so as to cause it to be in default under any of its financial arrangements (e.g. contracts for services);
3. Expend more funds than have been received in the fiscal year to date;
4. Make a single purchase or commitment greater than \$5,000 in accordance with the Financial Delegation policy;
5. Allow tax payments or other government-ordered payments or legal and regulatory compliance filings to be overdue without reasonable cause or inaccurately filed;

6. Use any long term reserves or maintain reserve accounts for the purposes of managing earnings for questionable purposes;
7. Fail to aggressively pursue receivables after their due date;
8. Fail to follow and comply with applicable Australian Accounting Standards and use specialist advisors as required in the maintenance of the financial records of AOAC.

3.5 Financial Delegations

The Board ensures that acceptable financial controls exist to ensure the appropriate stewardship of AOAC's resources and obligations. These are outlined in detail in the Financial Delegations Policy ([Appendix G](#)).

The Board delegates to the EO responsibility for:

1. The preparation of the annual operating budget by the middle of February each year for presentation to the Board;
2. The management of the annual Budget;
3. Quarterly financial reporting to the board through the Treasurer and the Executive Committee and provision of all financial information requested by the Board.

The Board delegates authority to the EO for:

1. Signing contracts, when they have been approved by the Board or Executive Committee;
2. Initiating orders for payment;
3. Receiving or depositing money;
4. Investing available funds in short term bank products to maximise interest returns;
5. Signing cheques;
6. Withdrawal of money from AOAC accounts;
7. Use of a corporate credit card.

All authorisations to expend AOAC funds or commit AOAC to future payments must be maintained for audit on proof of authorisation.

3.6 Asset Protection

The EO shall not allow AOAC's assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the EO shall not:

1. Unnecessarily expose the organisation, its board, or staff to claims of liability;
2. Make any purchase not in line with delegation, Fail to maintain adequate records storage, protect information, files and intellectual property including AOAC branding from loss, improper use or significant impairment or damage;
3. Receive, process, or distribute funds under controls that are insufficient to meet the board-appointed auditor's standards;
4. Fail to keep all appropriate licences, permits, registrations, trademarks, patents, copyrights, registered designs and other relevant statutory or legal compliance regulations and documents current;
5. Hold operating capital in insecure instruments, including uninsured cheque accounts, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions;

6. Endanger the organisation's, or any other parties it represents public image, reputation or credibility, particularly in ways that would hinder its accomplishment of the board's strategic direction policy priorities or purposes;
7. Undermine, cause to lose credibility, or otherwise jeopardise the independence or transparency of any relationship the board establishes with auditors or other entities of governance support.

3.7 Legal, regulatory and accounting compliance obligations

The EO shall not:

1. Allow the legal, regulatory and accounting compliance obligations of the organisation to be disregarded, neglected, breached, or inadequately filed;
2. Fail to report on breaches or exceptions of legal, regulatory and accounting compliance obligations as necessary.

3.8 Contracts Arrangements

The EO may not enter into any contract arrangements, commitments or other external party agreements where:

1. They are inconsistent with the policy, priorities or purposes as determined by the Board; and/or;
2. They are outside the delegated powers of the EO.

Before signing any contract on behalf of AOAC the EO shall be assured that:

3. All ramifications of the contract regarding fiscal responsibilities and liabilities of AOAC have been duly considered;
4. The contractor has the capacity to produce appropriate and effective services or outcomes.

4 Governance Policies – The Organisation

4.1 Communications

While all Board members are ambassadors for the reputation of AOAC, the Board recognises that it is important to have, wherever possible, a single authoritative voice articulating the AOAC's views and policies. This ensures a consistent approach to public representations of AOAC's views on any given issue.

The Board assigns this role to the Chair, who shall be the official spokesperson for AOAC in any dealings with key stakeholders and the media., with the chairperson having the power to delegate this responsibility as he/she sees fit. In so doing, the Chair shall ensure, where possible, their comments reflect the considered view of the Board as a whole and that any comments are in line with purpose and objectives of AOAC as outlined in the Constitution.

However, the Board also recognises that interacting with the media can involve short timelines where it is not possible for the Chair to consult with the Board. The Chair is entrusted to make an appropriate judgement on the views or comments to be provided in such situations and will be supported by the Board in that judgement. The Chair is entrusted to make an informed professional judgement about the best person to give media comment in appropriate situations.

4.2 Professional Service Claims

AOAC will make available a Professional Services Claim form ([Appendix L](#)) to Directors and Committee members.

The following principles apply for reimbursement:

- Where an individual is already receiving a salary or funds and the directorship of the Board or membership of a committee is consistent with their employment an offer of professional service fees would be made and the individual would decide if payment is made to them personally or to their employer through an appropriate tax invoice.
- A claim for professional services is appropriate where an individual is making a significant contribution outside their employment role on behalf of AOAC.
- Where the director is self-employed, expense claims need to be submitted through appropriate GST tax invoices.
- Committees include:
 - Board;
 - Executive Committee;
 - Accreditation Committee, and duly constituted assessment panels;
 - Qualifications and Skills Committee.
- Any claim must be made within 30 days of the meeting or no later than 30 days after the end of the financial year that the committee meets. Sitting fees must be approved by the Treasurer prior to payment or if the Treasurer is making a claim, by the Chairperson.
- Claim for travel, accommodation and other related expenses may also be claimed at the same time. on the expenses claim form required or on tax invoice.

The professional service fee is intended to remunerate Board and Board Committee members for the time they spend at Board and Committee meetings or travelling to meetings in accordance with the AOAC director reimbursement policy.. Professional service fees are not payable to compensate attendance at conferences, seminars or meetings that are not related to AOAC.

Approved claims will be paid through the AOAC EO, by electronic transfer direct to the claimant's bank account. Claimants should ensure that correct bank details are forwarded to the EO and that a relevant Tax File Number declaration is completed and held by AOAC. Confirmation of payment and details of any deductions, are sent as soon as the claim is processed.

4.3 AOAC Code of Conduct

The Board has adopted, and from time to time amends, the AOAC Code of Conduct. This is a formal Code of Conduct to be observed by all Directors and officers. The Code of Conduct appears at [Appendix I](#) to this Charter.

4.4 Complaints & Conflict Resolution

AOAC is committed to a fair, accessible, transparent and efficient process for managing complaints about any of its activities, policies or behaviours.

AOAC will treat a matter as a complaint where there is:

1. A written expression of significant concern, dissatisfaction or frustration with the quality or delivery of a service or event by AOAC or the conduct of the EO; and/or;
2. An allegation of misconduct, corruption or other unlawful behaviour on the part of an AOAC office bearer.

In the event that a complaint is received in writing from a member or other stakeholder, AOAC will, in line with the Australian Standard for Complaints Handling (AS ISO 10002-2006):

1. Seek feedback and suggestions for improvement proactively as a routine part of the delivery of services;
2. Welcome critical feedback from members and other stakeholders who are dissatisfied with decisions, actions, or services;
3. Provide accessible, transparent and accountable processes for resolving the complaint;
4. Handle any complaints received with objectivity, confidentiality, sensitivity and fairness, and in a timely manner that keeps the complainant informed;
5. Respect the right of a complainant to express their views of the matter raised and to receive a considered response;
6. Offer alternative independent options for complaint mediation and resolution if AOAC's processes do not lead to a resolution satisfactory to both AOAC and the complainant;
7. Recognise feedback and complaints as opportunities to build knowledge and improve services;
8. Strive at all times to prevent the need for complaints by providing courteous, professional, and quality services.

4.5 External Auditor

An External Auditor shall be appointed each year by the members as recommended by the Board and by general resolution at the Annual General Meeting or a Special General Meeting. The external auditor may be requested to attend AOAC's Annual General Meeting and be available to answer questions about the audit and the preparations and content of the Auditor's report.

4.6 Review of AOAC Governance Charter

In the interests of sound governance of AOAC, the Board commits to reviewing the governance policies contained in this Charter regularly and when necessary changing them, in accordance with best practice governance principles, current Australian law and the needs and best interests of the membership, as owners of AOAC.

All policies will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend upon a routine schedule and will give reasonable notice to the EO to provide the necessary data on compliance or performance.

Any new governance policies established by the Board following the passage of a resolution to adopt this Charter, shall be included in this Charter. The latest date on which the Charter has been reviewed, and a resolution passed by the Board to adopt it, shall be published in the footer.

Appendix A: Governance Principles

There is change occurring within the not for profit sector which impacts on AOAC. As a registered charity AOAC has obligations to the Australian Charities and Not for Profit Commission (ACNC). AOAC is also registered with the Australian Security and Investments Commission (ASIC) and gives regard to their guidance also. Over time, a number of the functions of ASIC, with respect to charities and NFP organisations, have been transferred to the ACNC.

Australian Charities and Not-For-Profit Commission – Governance for Good. The ACNC Governance for Good document is available at:

https://www.acnc.gov.au/acnc/manage/tools/acnc/edu/tools/GFG/GFG_Intro.aspx
(hard copy available by request)

The document outlines five Governance standards. These are:

- Standard 1: Purposes and not-for-profit nature of the registered entity;
- Standard 2: Accountability to members;
- Standard 3: Compliance with Australian Laws;
- Standard 4: Suitability of board members ('responsible persons');
- Standard 5: Duties of board members ('responsible persons').

Australian Stock Exchange Principles of Good Corporate Governance:-

The Australian Stock Exchange (ASX) Corporate Governance Council has developed a set of guidelines, Principles of Good Corporate Governance and Best Practice Recommendations. This document was updated in 2010.

This document articulates 10 core principles that the ASX Corporate Governance Council believes, if followed, help to ensure good corporate governance. The principles are compulsory for publicly listed companies on the ASX, but are advisory only for organisations like AOAC which are registered with the Australian Securities and Investments Commission but are not listed companies.

Each principle is then explained in detail, with guidance to organisations in the form of best practice recommendations. Because the principles have been developed with publicly listed companies in mind the language is geared towards shareholders for some of the principles. For AOAC, on most points, it is relevant to simply substitute the term 'shareholder' with 'member'.

The eight principles are:

1. Lay a solid foundation for management and oversight;
2. Structure the board to add value;
3. Promote ethical and responsible decision-making;
4. Safeguard integrity in financial reporting;
5. Make timely and balanced disclosure;
6. Respect the rights of stakeholders (members);
7. Recognise and manage risk;
8. Remunerate fairly and responsibly.

A copy of this ASX document is available on the ASX website www.asx.com.au and specifically at:

http://www.asx.com.au/documents/about/cg_principles_recommendations_with_2010_amendments.pdf

Appendix B: AOAC Constitution

AOAC's Constitution is available at

https://osteopathiccouncil.org.au/wp-content/uploads/2018/04/AOAC_Constitution.pdf

Appendix C: Position Description-Board Director

A not-for-profit organisation such as AOAC aims to represent the public's best interest in osteopathic education and skills assessment and the primary purposes of the board of directors is to ensure that the organisation is on track with meeting its goals.

A Position Description has been developed for Board Directors to provide guidance on the role and the responsibilities of Board Directors.

Position: Board Director

A Director will contribute to the strategic governance and leadership of AOAC. While the day-to-day operations of AOAC are led by the EO it is important that the EO-Board relationship is seen as a partnership, and the Boards involvement is seen as appropriate, critical and expected.

Specific Director responsibilities

A Director acts in a position of trust for the membership and broader community and is responsible for effective governance of AOAC.

Requirements

1. Eligible for election in line with the Constitution of AOAC;
2. Commitment to and understanding of the work and membership of the organisation;
3. Knowledge and skills in one or more areas of Board governance:
 - i. Policy;
 - ii. Finance;
 - iii. Advocacy;
 - iv. Legal;
 - v. Risk management.
4. Understanding of the principles of non-profit management;
5. Willingness to serve on committees;
6. Demonstrate willingness to be an active participant in the work of the Board with regular attendance at meetings;
7. Regular attendance at assigned committee meetings;
8. Support of special events;
9. Respond to ad hoc issues and challenges as identified by the Chair.

Term

Directors are elected by the Board every three years. Directors are elected for a three-year term in accordance with the Constitution. Directors may be elected for no more than two consecutive terms unless specifically exempted from the operation of this rule a resolution of the Board in each case.

General duties

1. Abide by AOAC's Board Charter;
2. Approve AOAC's budget and monitor financial performance and ensure that effective financial controls are in place;
3. Approve policy and other recommendations received from the Board, sub committees and the EO;
4. Monitor all AOAC's Policies;
5. Assist in developing positive relations among the Board, committees, the EO, Company Secretary and the community to enhance AOAC's intent and profile;
6. Enhance AOAC's standing within the profession and the broader community;
7. Review the Constitution and recommend changes to the Membership;
8. Review the Board's structure and approve changes as required;
9. Ensure confidentiality, legal and ethical integrity is maintained;
10. Ensure compliance with regulations and accreditation bodies;
11. Appoint the EO including the service agreement based on the recommendations of the Board;
12. Appoint the contractor and confirm the Service Agreement;
13. Support and participate in evaluating the Service Agreement;
14. Prepare for and actively participate in all meetings of the Board and its committees where required.

Attendance

In the event a Director cannot attend a Board or Committee meeting, timely advice of inability to attend is expected. Attendance of directors at meetings of the Board and committees of the Board is recorded in the Annual Report.

Evaluation

A Director's performance is evaluated annually based on the performance of assigned Board requirements and duties. A Director will also participate in the annual evaluation of the Board as a whole and in the evaluation of Board committees.

Time Commitment

The following provides a general guide for the estimated time commitment required from Directors. This may vary by Director dependent on location, familiarity with governance and board activities; membership of committees etc. It is intended as a broad guide only:

- Board meetings: Four meetings per annum, at least two face-to-face. Meetings are mostly held in Sydney or Melbourne and on the occasion in Canberra. Board meetings occupy the majority of a day. Depending on the location of the meeting, a Director's time will need to be allocated for travel. Additional time to read meeting papers prior to the Board meeting will also need to be allocated – depending on the volume of papers, the time required can be from three to six hours on average.
- Board Committees: Committees meet between Board meetings and are predominantly held by teleconference with limited face to face meetings. Committees meet between four and six times per year. Additional time to read meeting papers prior to the meeting will also need to be allocated – approximately four hours on average.
- The Annual General Meeting is held in October or November of each year.
- Additional AOAC activities can vary in terms of time commitments. The Chair may be required to be available for one to two days in some months and none in others.

Therefore a Director who is also on at least one Committee will need to be able to commit no less than two days per month – excluding travel. The Chair will have a higher time requirement.

Appendix D: Director Appointment Policy

Purpose

The purpose of this policy is to ensure all director appointments are thoroughly assessed and appointed in accordance with AOAC's Constitution and that the Board continues to have an effective composition, size and commitment to adequately discharge its governance responsibilities and duties.

Appointment and Selection of Directors Policy

1. The Constitution and the *Corporations Act 2001* set out processes for the nomination, selection and appointment of directors.
2. In addition to adhering to these requirements, the Board will regularly review the size and composition of the Board to ensure that it continues to have the right mix of experience and competencies to fulfil its responsibilities effectively.
3. The Board also considers the re-appointment of directors.
4. The Board of Directors will consider succession planning when making appointments in order to ensure continuity of purpose and maintain institutional knowledge.

Appointment and Selection of Directors Procedure

5. The Board will regularly review the size and composition of the Board. In doing so it will have regards to:
 - The number of current directors, their skills and experience and length of both their past and prospective service on the Board;
 - The needs of AOAC currently and going forward; and
 - Perceived current or prospective inadequacies in the range of director skills and experience on the Board.
6. Following such review the Board will determine whether or not there is a need for Board membership to be augmented, the nature of the skills and experience required in any potential Board candidate(s) and, if appropriate, make a recommendation regarding additional appointments.
7. Nominations will be sought from stakeholder organizations and may also be sought from a variety of sources including (but not limited to) members and directors.
8. The Board will then review the list of those who have been nominated for consideration, and from this prepare a short list of candidates for further consideration.
9. The Board may appoint one or more directors to contact the short listed candidates in an agreed sequence to determine availability and confirm the suitability or otherwise of the candidate(s) for Board appointment and seek further information, including references, if deemed necessary.
10. If clause 9 is used, the nominated director(s) will report back to the Board on these discussions. The Board may make any other enquiries regarding the short listed candidates, as it deems appropriate.
11. Once all the relevant information has been obtained the Board will make an appropriate recommendation. This may be a recommendation to:
 - Make one or more appointments; or
 - Make no appointment at this time; or
 - Conduct a fresh search on similar or revised criteria.
12. Where the Board agrees to invite one or more candidates to join the Board, the Company Secretary will formally invite the candidate(s) to join the Board.
13. Once the invitation to join the Board has been accepted, the Company Secretary will:

- Obtain consent to act as a director
- Formally notify the candidate(s) of the appointment, enclosing all relevant documents including:
 - Form for director's disclosures on appointment
 - Details of the directors' payments and the routine for their payment and for the reimbursement of expenses
 - Advice about directors' meetings, their timing and location, and the company's practice with regard to their agendas and minute papers
 - The company's latest financial statements
 - The corporate constitution of the company
 - The board charter and any further advice as to the director's continuing duties to the company and obligations under the Corporations Act
- Within 14 days of the appointment, obtain from the director the details requested in the form for director's disclosures on appointment
- Within 28 days of the appointment, lodge a Form 484 *Change to company details* with ASIC and update the information with the Australian Charities and Not for profits Commission (ACNC).
- Amend bank and other authorities where necessary
- In conjunction with the chairperson, provide an induction program for the new director/s
- Ensure the appointment/s is ratified at the next Annual General Meeting Date Approved: 25

February 2016

Appendix E: Declaration of Interest

Interests that should be declared include:

- Directorships, including non-executive directorships held in private companies.
- Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the AOAC.
- Majority or controlling shareholdings in organisations in the field of health and social care.
- A position of authority in a charity or voluntary organisation in the field of health and social care.
- Any connection with a voluntary or other organisation contracting for AOAC services.
- Research funding/grants that may be received by an individual or their department.
- Interest in pooled funds that are under separate management.
- Any member of the AOAC Board who comes to know that AOAC has entered into or proposes to enter into a contract in which he/she or any person connected with him/her has any pecuniary interest, direct or indirect, the Board member shall declare his/her interest by giving notice in writing of such fact to the AOAC as soon as practicable.

NAME	POSITION	DETAILS OF INTEREST AND NATURE OF BUSINESS

Date: _____

Appendix F: Board Committees Terms of Reference

Executive Committee – refer to

[http://www.osteopathiccouncil.org.au/files/Terms%20of%20Reference%20February%202013%20\(Appeared\).pdf](http://www.osteopathiccouncil.org.au/files/Terms%20of%20Reference%20February%202013%20(Appeared).pdf)

Accreditation Committee – refer to <http://www.osteopathiccouncil.org.au/files/torac.pdf>

Qualifications and Skills Assessment Committee – refer to

<http://www.osteopathiccouncil.org.au/files/toroac.pdf>

Appendix G: Financial Delegations Policy

Purpose

1. This policy is provided to set out relevant delegation and authorities in respect to financial expenditure and operational management processes.

Delegations – Principles

2. Devolution of decision making and the consequential delegation of authorities will occur in a manner consistent with the following principles:
 - (a) be consistent with governance principles enunciated in the Constitution;
 - (b) align with the organisational structure of the Board;
 - (c) assist with the implementation of strategic and business plans and current priorities;
 - (d) align responsibility and accountability in a manner that facilitates efficiency and effectiveness;
 - (e) minimise steps in decision making processes;
 - (f) be supported by comprehensive documentation of all policies and procedures; and
 - (g) require that those exercising delegated authorities receive training at a level sufficient to enable them to carry out their responsibilities.

Delegations – General Conditions

3. Except in instances where a delegate is specifically prohibited from doing so, other people may be appointed to assist in carrying out the delegate's functions. However, ultimate responsibility for the delegate's function still lies with the delegate stipulated in this policy.
4. Delegation established under the terms of this policy relates to the delegate's position, not the individual in that position.
5. Subject to any limitation imposed by a delegation, the delegate may also give any approval, do anything or sign any document considered necessary to properly exercise the function in question or to complete a transaction.
6. The delegation applies only to that delegate's area of accountability
7. Any delegation of financial authority is always subject to any approved budget or source of funds that applies to that accountability area. There is no authority to incur expenditure unless there is an approved source of funds. A delegate who incurs expenditure beyond or without an approved source of funds is accountable for that expenditure. In

8. A delegate with authority to incur expenditure must not approve expenditure for or reimbursement of expenditure incurred by, and related to him or herself unless specifically set out in this policy

9. Financial Delegation Table

	CATEGORY	SCOPE/VALUE	DELEGATION OF AUTHORITY
1	FINANCE AND PROCUREMENT		
1.1	Approval of operational expenses, including individual items, sign off on grants, projects and contracts.	To \$5,000 (within budget) \$5,001 - \$10,000 (within budget) > \$10,001	Executive Officer Treasurer Board of Directors
1.2	Approval of non-budgeted items and services	To \$2,000 \$2,000 - \$5,000 >\$5,000	Treasurer Executive Committee Board
1.3	Transfer funds between bank accounts		Executive Officer
1.4	Bank account management	Set up/maintenance telephone banking Set up & maintenance of internet banking Adding/deleting bank signatories Opening/closing bank accounts	Executive Officer + Treasurer Executive Officer Any two members of the Executive Any two members of the Executive
1.5	Approval of external consultants	(including legal counsel)	Executive Committee
1.6	Approve and authorise payment of expense reimbursement claim	Directors Sub Committee Members Examiners/Accreditation Assess. Team Executive Officer	Executive Officer Executive Officer Executive Officer Treasurer
1.7	Approve honorarium payments	Directors (except for Treasurer) Treasurer Sub Committee Members Examiners/Accreditation Assessment Team	Treasurer + Executive Officer Chairperson + Executive Officer Executive Officer Chair of Accreditation Committee + Executive Officer
1.8	Approve payments for Administration contract		Treasurer
1.9	and/or Executive Officer payment		

Management

10. The Executive Officer is responsible for the overall management and maintenance of this policy.

Date approved by the Board: 25 February 2016.

Appendix H: Risk Management Policy

Introduction

1. Risk management is about highlighting possible business threatening incidents, which might occur in small and medium-sized business and identifying responses to minimise or negate those potential risks.
2. AOAC is accountable for the management of company assets and resources, and is open to scrutiny through annual reports, the Annual General Meeting, direct enquiry from members and other identified key stakeholders. The company's governance practices must therefore bear close examination.
3. Governance practices of AOAC must not only be directed to achieving its strategic and business objectives in an efficient and effective manner, but also to identifying and managing those risks that prevent it from achieving these objectives.
4. Risk management is not about eliminating risk rather risk management allows opportunities to be taken when appropriate, while minimising the likelihood and impact of undesirable events or outcomes. This is achieved through the application of policies and procedures to enable the systematic identification, analysis, treatment and monitoring of risk.
5. Not every aspect of risk management can be formalised and the Board recognises its reliance on the skills, experience and judgement of its Directors and Committee Members and contractors to take risk managed decisions using the risk management policy for guidance.

Risk Management Policy

6. The scope of the company's risk management will include, but not be limited to risks in relation to governance, statutory and regulatory compliance, financial management, information technology systems and contract management.
7. Key risks faced by the company are documented in the *AOAC Risk Register*. The *AOAC Risk Register* will be reviewed at least on an annual basis and updated for the following:
 - Changes in risks faced by the company
 - Changes in controls to mitigate identified risks
 - Assessment of effectiveness of controls
8. Where controls are assessed as ineffective, alternative controls should be identified and implemented to ensure minimum risk exposure.
9. The Board of Directors is ultimately responsible for approving and reviewing the risk management policy and the *AOAC Risk Register*. The management of risks and the implementation of measures to mitigate unacceptable exposure to risks are the responsibility of the Executive Officer.

Appendix I: Code of Conduct

Board and Committee members of the Australasian Osteopathic Accreditation Council are expected to comply with the following code of conduct as determined by the Institute of company Directors

1. Act honestly and in good faith and in the best interest of AOAC as a whole.
2. Have a duty to use care and diligence in fulfilling the functions of a Director of AOAC and exercising the powers attached to the office.
3. Use the powers of the office for their proper purpose, in the best interests of AOAC as a whole.
4. Recognise that the primary responsibility is to AOAC as a whole, but may, where appropriate, have the interest of other stakeholders of the company.
5. The Director should not make improper use of the information acquired as a director of the AOAC Board.
6. The member should not take improper advantage of the position of director
7. The Director should properly manage any conflict with the interests of the company
8. The Director has an obligation to be independent in judgement and actions and to take reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors.
9. Confidential material received by the Director in the course of the exercise of their duties remains the property of AOAC and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by AOAC, or the person from whom the information is provided, or is required by law.
10. The member should not engage in conduct likely to bring discredit to AOAC.
11. Directors have an obligation at all times, to comply with the spirit as well as the letter of the Law and with the principles of this code.

I, _____, a Director of AOAC

agree to abide by the Code of Conduct set out above.

Signed: _____

Witness signature: _____

Name: _____

Date: _____

Appendix J: Travel Policy

Purpose

This policy describes principles governing travel and travel related expenses incurred for AOAC business. As AOAC is a not-for-profit organisation, consideration should be given to the resources and expenses associated with travel.

The purpose of this policy is to facilitate business-required travel, while managing costs and maintaining efficient business processes.

Scope

This policy applies to AOAC Board Directors and people who undertake travel for AOAC business purposes.

Policy statement

AOAC will seek to maximise safe, cost effective travel for AOAC Business that is in the best interests of AOAC, with exceptions as determined by legislation, funding body requirements or medical grounds.

All travel must only be undertaken after due consideration of all other alternatives available to the AOAC.

Key Definitions

Best Fare of the Day: The lowest available fare on the day of booking that offers the traveler the convenience and flexibility he/she requires to complete the business purpose effectively.

Value for Money: Value for money is the overarching consideration when booking flights for both domestic and international air travel. Value for money requires the use of AOAC resources in an efficient, effective, economical and ethical manner.

Principles

- AOAC will meet reasonable, relevant expenses incurred by those who undertake travel on behalf of AOAC. The purpose of the travel must be business critical and duly approved by the Board or Chairperson.
- AOAC will ensure there is accountability and transparency of the costs associated with travel.
- Where possible, meetings will be held at airport facilities, between 10am and 4pm to minimise travel and accommodation costs to AOAC.
- All travel is to be Economy Class except where a medical condition may require an upgrade. This will be considered by the Executive Committee.
- Travel requests and bookings should be made at the earliest convenience to obtain the lowest fares available. Where travel is flexible, consideration should be given to selecting the day of travel and time of travel that results in the “best fare of the day”.
- AOAC will ensure that the comfort and safety of all who travel on behalf of AOAC meets work, health and safety obligations.
- AOAC will ensure that Board Directors who travel are treated fairly and equitably and will not be financially disadvantaged as a result of their travel.
- AOAC resources will only be used for booking travel for Board Directors who undertake travel for AOAC business purposes. Any accompanying spouse, partner or family member travel must be administered privately.

Roles and Responsibilities

- The EO is responsible for ensuring all policy documents are created, approved, managed and communicated.
- Directors and the EO are accountable for adherence to all policy documents. Any breach will be addressed through the Board.

Frequent Flyer Points

- Personal frequent flyer points may be accrued and can be used for personal or business use, however the administration of this must be undertaken by the traveler.

Accommodation

- Accommodation will provide a safe and secure environment, be convenient to the place of business and provide value for money.
- Accommodation is expected to be in well-equipped business hotels with facilities for carrying out business and supply of meals. Accommodation should be in the premises where the meeting is being held if possible for convenience.
- Unless otherwise specified, a standard room is to be booked and will include breakfast
- If internet access is required for work purposes, a reasonable internet access charge may form part of a claim.
- Any costs associated with damage to hotel rooms or cleaning of hotel rooms for any reason are to be paid for by the traveler.
- It is acceptable for Board Directors who undertake travel for AOAC business to stay with family and friends, however AOAC will not provide any reimbursement.

Meal Rebates

- AOAC will cover costs associated with meals when travelling for AOAC business. Note: breakfast should be provided with all accommodation bookings.
- Receipts must be kept and reasonable costs reimbursed using the appropriate AOAC claim form (Refer to Appendix 4: AOAC Claim Form)
- No alcoholic drinks will be reimbursed.

Taxis

- AOAC will provide Board Directors who undertake travel for AOAC business with access to Cab Charge e-tickets for travel to/from airport/hotel/meeting.
- When Cab Charge e-tickets cannot be used, costs associated with using taxis will be met by AOAC upon presentation of receipts using the appropriate AOAC Expense Claim Form.
- Where there is more than one traveler going to the same destination taxis are to be shared.

Private Vehicles

- In certain circumstances Board Directors travelling for AOAC business may need to use their private vehicles. If:
 - Living in a remote location where a private vehicle must be used to access an airport location or drive to the meeting.
 - It may be more cost effective to use a private vehicle.

- Compensation is provided for use of a private vehicle, mileage, parking and tolls will be reimbursed via the appropriate AOAC Expense claim form.
- AOAC strongly recommends that any private vehicle used be roadworthy and drivers must be comprehensively insured.

Cancellations / Changes

- AOAC acknowledges that at times due to unforeseen circumstances such as sickness and personal emergencies, changes to travel bookings may occur.

Appendix K – Daily accommodation rates

- Australian Taxation Determination – TD 2014/19

Place	Accommodation Price (\$) per night*
Adelaide	\$209.00
Brisbane	\$257.00
Canberra	\$246.00
Darwin	\$287.00
Hobart	\$195.00
Melbourne	\$265.00
Perth	\$299.00
Sydney	\$265.00

Please note these rates are a guide only. External factors such as availability can lead to variations in room rates.

Appendix L: Claim Forms

AOAC has two claim forms:

1. Expense Claim Form (Attachment L1)

For reimbursement of out-of-pocket expenses such as:

- Taxi fares
- Car Parking
- Meals

2. Professional Services Fee Claim Form/Tax invoice (Attachment L2)

For honorarium payments to Directors and approved contractors for carrying out AOAC business as agreed by the Board, Executive and/or the Chairperson.

Honorarium rates as outlined on the AOAC Professional Services Claim form are reviewed annually in July.

Appendix M: Executive & Administrative Services Agreement

Insert current agreement here.