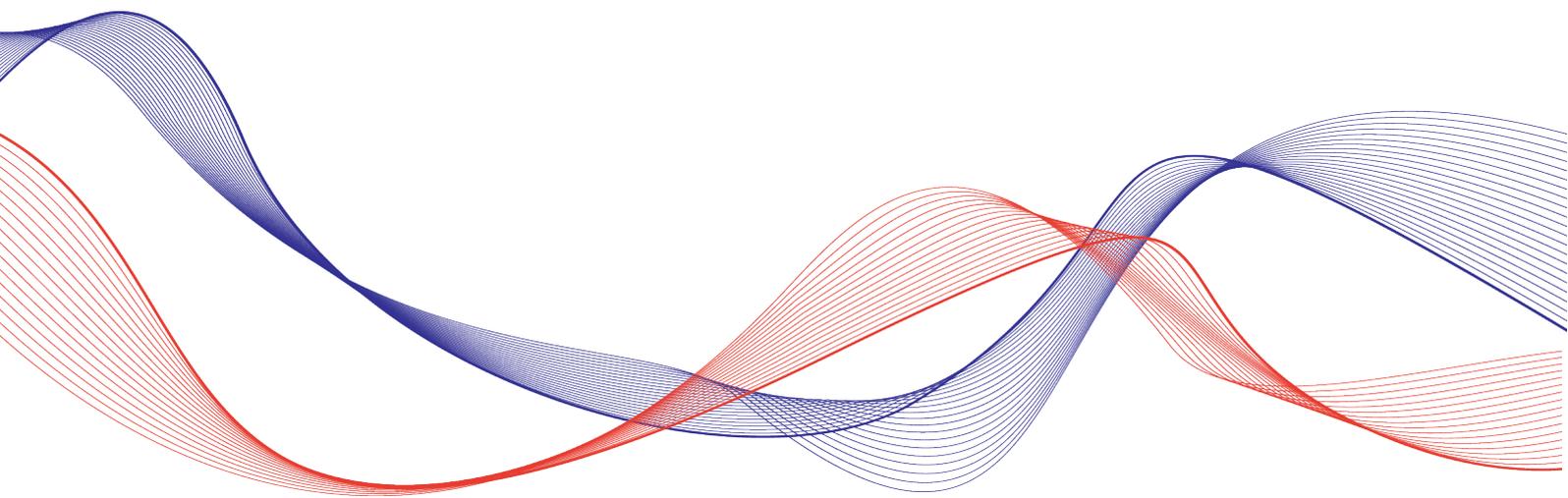




IAP2 Australasia Board Charter



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About International Association for Public Participation Australasia Limited (IAP2A)

IAP2 is an international not for profit organisation which seeks to promote and improve the practice of public participation or community and stakeholder engagement, incorporating individuals, governments, institutions and other entities that affect the public interest throughout the world.

As an international leader in public participation, IAP2 has developed tools that are widely used and acknowledged. These are the **Core Values for Public Participation** for use in the development and implementation of public participation processes; and the **Spectrum** which assists with the selection of the level of participation that defines the public's role in any community engagement program. The Spectrum is widely used and is quoted in most community engagement manuals. Additionally, there is the **Quality Assurance Standard for Community and Stakeholder Engagement**, which is recognised as the international standard for public participation practice.

IAP2 Australasia (IAP2A) is the largest IAP2 affiliate in the world and is committed to advancing the practice of community and stakeholder engagement through education, advocacy and building partnerships.

Our Vision and Mission are:

Vision:

Communities shaped by people

Mission:

To advance the practice of community and stakeholder engagement through education, advocacy and building partnerships

Values:

Inclusion, Transparency and Respect

IAP2 Core Values:

1. Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
2. Public participation includes the promise that the public's contribution will influence the decision.
3. Public participation promotes sustainable decisions by recognising and communicating the needs and interests of all participants, including decision makers.
4. Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
5. Public participation seeks input from participants in designing how they participate.
6. Public participation provides participants with the information they need to participate in a meaningful way.
7. Public participation communicates to participants how their input affected the decision.

1.1 Background

IAP2A is a public company limited by guarantee registered with the Australian Securities and Investments Commission (ASIC) and a registered charity with the Australian Charities and Not-for-profits Commission (ACNC).

The Constitution is the key governance document for the company.

The Board Charter explains IAP2A's commitment to corporate governance and should be read as an expression of principle. The Board Charter supports the Constitution of IAP2A.

The Constitution takes precedence in the event of any inconsistency.

The Constitution provides for the election of directors and specifies the operations of the Board.

The directors are responsible for the overall governance of the IAP2A, in accordance with the Constitution and with their statutory and common law powers and obligations. In general, the directors must ensure that IAP2A is solvent, well-run and delivers against its purpose.

Additionally, IAP2A has entered into an international Affiliate Agreement with IAP2.

1.2 Purpose of the Board Charter

This Board Charter sets out the function, duties and responsibilities of the Board of directors (the Board) and of the management of IAP2A.

The Board of directors will regularly review and update this Charter to ensure it remains appropriate to the needs of IAP2A.

The Charter will be publicly available and posted on the Company's website.

1.3 Constitution

The Board must ensure that it and IAP2A comply at all times with the provisions of the Constitution.

The Constitution sets out the Principal Purpose for which the Company is established and maintained, namely to; **advance the education of the community by teaching and communicating the principles of public participation and how to achieve effective community and stakeholder engagement (or public participation).**

To further this purpose to company may:

- (i) educate the community on how to meaningfully engage people for better decisions;
- (ii) be a leader in effective community engagement (public participation) excellence;
- (iii) promote a results oriented research agenda and use research to support educational and advocacy goals;
- (iv) promote best practice for public participation throughout Australasia; and
- (v) do all things incidental or conducive to furthering the Principal Purpose.

1.4 Compliance with Laws

As a public company limited by guarantee and a registered charity, the ACNC is the main regulator of IAP2A with ASIC continuing to have responsibility for a number of areas including incorporation, director standards, winding up, auditors, insolvency and raising funds. The Corporations Act 2001 is the statute that sets out the governance framework for the directors of IAP2A.

As such, IAP2A reports to the ACNC rather than ASIC, which includes notifying the ACNC of changes to company details such as address, directors and constitution; submitting annual information statements and financial reports.

The ACNC governance standards set out a minimum standard of governance, to help promote public trust and confidence in charities.

The Governance Standards are a set of core, minimum standards that deal with how charities are run (including their processes, activities and relationships) – their governance.

The Standards require charities to remain charitable, operate lawfully, and be run in an accountable and responsible way. They help charities remain trusted by the public and continue to do their charitable work. Because the Governance Standards are a set of high-level principles, not precise rules, your charity must decide how it will comply with them.

These five key standards are:

- Standard 1: Purposes and not-for-profit nature
- Standard 2: Accountability to members
- Standard 3: Compliance with Australian laws
- Standard 4: Suitability of Responsible Persons
- Standard 5: Duties of Responsible Persons

The standards can be read in detail: <https://www.acnc.gov.au/for-charities/manage-your-charity/governance-standards>

IAP2 Australasia Limited must also comply with other areas of regulation including:

- a. occupational health and safety legislation
- b. employment related laws
- c. anti-discrimination legislation
- d. Privacy Act
- e. Corporations Act
- f. legislation and regulations relating specifically to IAP2A's business

1.5 Role of the Board

The role of the Board is to set the direction and oversee the business of IAP2A, and to carry out its Principal Purpose. The Board is accountable to members for the performance of the IAP2A.

When the Board meets, it is a meeting of governors. It is critical to the good functioning of the Board that directors have a good appreciation of the difference between management and governance. Any director that is unclear of the distinction must advise the Chair who will recommend reading and training options to support their participation on the Board.

1.5.1 Functions

The Board's role is to:

- a. Monitor compliance with all applicable laws, regulations and the Constitution, and to meet fiduciary obligations.
- b. Set, review and monitor the strategic direction of the company.
- c. Monitor progress against the strategic plan and budget.
- d. Appraise the strategies, policies and performance of the company.
- e. Review management performance against strategies and policies.
- f. Protect and optimise the delivery of services and company performance by providing governance within a framework of effective control that enables risk to be assessed and managed.
- g. Set the company's culture, values and standards and the establishment and observance of high ethical standards.

1.5.2 Responsibilities

Matters that are specifically reserved for the Board or its committees include the following:

- a. Establishing the systems to support the appointment of directors by members.
- b. Appointment of a Chair and other officers as required.
- c. Appointment and removal of the Company Secretary.
- d. Selection, appointment and removal of the CEO; determining the terms of appointment; determining goals and objectives relevant to the remuneration of the CEO; and evaluating performance against those objectives.
- e. Approval and review of succession plans for the CEO.
- f. Reviewing procedures for senior management succession planning.
- g. Establishment of Board Committees, their membership and delegated authorities.
- h. Input to and approval of the corporate strategy.
- i. Input to and final approval of the annual business plan and budgets.
- j. Approval of major capital expenditure, acquisitions, divestitures and mergers in excess of authority levels delegated to management.
- k. Approval and monitoring of financial delegations and reporting.
- l. Overseeing the preparation of any report or other disclosures to be included in the Company's annual report or other communications to members relating to the external auditors and the company's financial statements.
- m. Calling meetings of members (other than when requested by the requisite number of members in accordance with the Corporations Act and the Constitution).
- n. Monitoring compliance with all legal and regulatory obligations.
- o. Reviewing and ratifying systems of risk management and internal control.
- p. Setting corporate governance principles and policies.
- q. Any specific matters nominated by the Board from time to time.

1.5.3 Relationship with the CEO

The Board will monitor the performance of Management and the Organisation as a whole. To do this the Board will ensure that appropriate monitoring and reporting systems are in place and that these are maintained and utilised to provide accurate and timely information to the Board, to enable them to effectively discharge their duties.

The Board's key relationship is with the CEO, whom it has appointed, and whose performance it monitors. The Board shall ensure that there is an appropriate separation of duties and responsibilities between itself and the CEO and that no-one has unfettered powers of decision making.

The Board will provide regular feedback on performance against agreed objectives.

1.6 Delegations of Authority

- a. The Board may delegate any of its powers and functions to a specific Director, Board Committee and to Management in alignment with the Constitution.
- b. The delegation may be set out in the Terms of Reference of Committees, the Contract of Employment of staff or the Delegated Authority Policy.
- c. In addition, the Board may also delegate specific powers for executing contracts and approving expenditure. Such powers will be specified in an instrument of delegation approved by the Board.
- d. Irrespective of any formally delegated responsibility, final authority and responsibility rests with the Board.
- e. The CEO may recommend, for ratification by the Board, delegation levels for members of the senior management team and other staff, within his/her own delegation levels.
- f. During periods of leave or business travel, the CEO may appoint an Acting CEO as approved by the Board. Delegations to the CEO may be exercised by an Acting CEO and similarly for other acting appointments.
- g. All delegations will be reviewed annually.

1.7 Board composition

The Constitution of IAP2A specifies that the organisation shall be governed by a Board of directors.

The Company's Constitution provides for there being at least three and up to nine directors elected by the members, with the option to appoint a further two directors.

The Chief Executive Officer and the Company Secretary will not be Board members but will attend Board meetings except where access is restricted for a specific purpose. Other staff will attend meetings by invitation.

1.8 Board meetings

As stated in the Constitution, the Board may meet at any time, and the Company Secretary shall on the request of a director, convene a meeting of the directors. A Board meeting may be held by any technological means.

A quorum for a Board meeting is equal to half of the total number of directors plus one. If that number is not a whole number then the nearest whole number above, provided that each director is entitled under the law to vote on a motion that may be moved at that meeting. Directors excluded for conflicts of interest and granted leave are not included in the calculation of a quorum.

The Chair, in conjunction with the CEO, will determine the agenda for Board meetings.

The Board may meet from time to time without the presence of Management.

1.9 Board Committees

In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board Committee, which are established to oversee critical functions.

The Board will appoint the members of each committee, and approve the Chair of each committee. These appointments will be reviewed annually.

Each Committee will have a clearly defined Terms of Reference setting out its structure, functions, duties and responsibilities, which will be reviewed as part of the Board's annual work plan.

1.10 Board and Committee meeting agenda

The Chair of the Board and the Chair for each Committee of the Board is responsible for developing the agenda prior to each meeting in consultation with directors and CEO as appropriate, and managing the agenda during the meeting.

The Chair will work with the CEO to identify priority items and prepare reports for the consideration of directors. Directors may also submit reports for inclusion in the agenda directly to the relevant Chair and the Chair may include this report at their discretion.

Each agenda item is to be agreed by the relevant Chair prior to distribution and only the Chair can approve late items after the agenda has been distributed. Late items should be exceptional in nature or deferred to the next scheduled meeting.

1.11 Role of individual Directors

1.11.1 Appointment and Term

Members will determine the appointments of the elected directors through a competitive election process mandated by the Board in alignment with the Constitution and By-laws. The appointment of elected directors must be confirmed at the annual general meeting.

The Constitution sets out the terms of appointment of directors. An elected director is appointed for an initial term of three years and may be reappointed for one additional term. The term for directors appointed by the Board shall be determined by the Board. A director who has held office for a continuous period of six years or more may only be re-appointed or re-elected by a special resolution.

At the Annual General Meeting, one third of the directors retire from office. Such retiring directors are eligible for reappointment, in accordance with the Constitution.

Directors who are appointed by the Board to fill a casual vacancy must retire at the next Annual General Meeting. They can choose to be elected or re-elected in line with the requirements of the Constitution.

1.11.2 Conditions of appointment

The terms and conditions of the appointment of directors are contained in a letter of appointment. The letter of appointment will include a copy of the Board's Charter, By-laws and Policies, and address the following:

- a) The term of the appointment
- b) The process for the reimbursement of expenses
- c) Opportunities for governance training.
- d) Requirements regarding management of material interests and related party contracts.

1.11.3 Duties and responsibilities

Directors have ultimate responsibility for the overall successful operations of the company. Duties and responsibilities include:

- a) Preparing for, attending and participating at Board meetings and, where relevant, committee meetings.
- b) Performing with the expertise, competence and integrity required by the Board
- c) Behaving responsibly with confidential information which includes Board papers and discussions.
- d) Communicating openly within the Board and with Management.
- e) Acquiring and developing general knowledge of IAP2 Australasia Limited, its business and the regulatory environment.
- f) Fulfilling their fiduciary duty to act in the best interests of the company.
- g) Complying with their obligations under ACNC Act and other relevant laws.
- h) Acting as representative and developing or maintaining connections for the benefit of the IAP2 Australasia Limited.

1.11.4 Board Code of Conduct

The Board's Code of Conduct supports the legal requirements and ethical standards required of directors.

1.11.5 Induction and Development

An induction program exists for new directors. All new directors will receive a copy of the Board Charter, By-laws and Policies and the other governance policies owned by the Board as outlined in section 5 Board policies. Directors are encouraged and supported to undertake governance training with organisations such as the Australian Institute of Company Directors or the Institute of Directors in New Zealand, to further refine their governance skills.

1.11.6 Director protection mechanisms

As a matter of policy, the following measures of Board member protection apply for directors of IAP2A, as adopted by formal resolution of the Board:

- Directors' and Officers' Liability Insurance.
- Travel Insurance
- Volunteer Insurance

1.11.7 Disclosure of Conflicts of Interest

A conflict of interest occurs when a director's personal interests conflict with their responsibility to act in the best interests of the organisation. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

Conflicts of interest are common and do not have to be a serious problem. However, if a conflict of interest isn't managed properly, it may damage IAP2A's reputation and, in serious cases, even breach the law.

Conflicts of Interest are to be managed in accordance with the Constitution and the Board Policies.

The Constitution requires that a director must disclose the nature and extent of any actual or perceived material conflict of interest in a matter that is being considered at a meeting of directors (or that is proposed in a circular resolution).

It is expected that directors will act with the highest standards of integrity, care, skill and diligence in the interests of the IAP2A.

- The *ACNC* provides guidance to deal with directors voting in positions of conflict of interest. Factsheet: <https://www.acnc.gov.au/tools/factsheets/conflict-interest>
- Guidelines: <https://www.acnc.gov.au/tools/topic-guides/conflict-interest>

1.11.8 Disclosure of Related Party Transactions

A Related Party transaction by nature gives rise to a Conflict of Interest and requires management in accordance with Constitutional requirements and the Australian Accounting Standards Board (AASB).

The term 'related party' is defined by the AASB in AASB 124 *Related Party Disclosures*. The definition in AASB 124 refers to the following as related parties for a registered charity:

- a person that is connected to the charity, such as a Responsible Person or a close member of their family that has control or joint control of the charity
- an organisation that is connected to the charity and has control or significant influence over the charity, such as a parent entity of the charity
- an organisation that the charity has control or significant influence over, such as a subsidiary entity
- any organisation and the charity that are members of the same group (for example, fellow subsidiaries)
- a member, or a close member of their family, of the key management personnel of the charity (the people with authority and responsibility for planning, directing and controlling the activities of the charity directly or indirectly)
- an associate (an entity over which the charity has significant influence) or joint venture (a joint arrangement whereby the charity with another entity or other entities have joint control of the arrangements and have rights to the net assets of the arrangement)

1.11.9 Access to Management

Individual Board members have complete and open access to:

- the CEO
- the Company Secretary
- other management staff after consultation with the Chair and CEO.

1.11.10 Board skills and diversity

The Constitution requires that directors must have the suitable qualifications, skills and experience to discharge the functions of a director as determined by the Board from time to time. The Board may also develop By-laws or policy statements in relation to the composition of the Board.

All directors shall bring specific skills and experience that add value to the company. The balance of skills, experience and diversity of the Board will be regularly reviewed.

1.12 Role of the Chair

The Chair:

- is a director elected by the Board;
- does not hold the position of CEO of the Company; and
- has not previously held the position of CEO of the Company.

The Chair is responsible for:

- a) Leadership and oversight of the Board in the effective discharge of its supervisory and fiduciary role.
- b) The efficient organisation and conduct of the Board's function and meetings.
- c) Chairing Board meetings and shaping the agenda in relation to goals, strategy, budget and executive performance.
- d) Facilitating the effective contribution of all directors and where appropriate, dealing with underperformance.
- e) Instituting the process for appraising Board members individually and the Board as a whole.
- f) Establishing and maintaining an effective working relationship with the CEO.
- g) Overseeing negotiations for the CEO's employment and evaluation the CEO's performance.
- h) Planning for the succession of Board members, the CEO and senior executives.

1.13 Role of Company Secretary

The Company Secretary is responsible for:

- a) Ensuring that all company secretarial requirements under the Act and the Constitution are met in a timely manner.
- b) Managing Board processes, providing secretarial and support services to the Board and its Committees.
- c) Managing the preparation of the annual report.
- d) Ensuring the company complies with its legal and statutory obligations, and that requirements of ACNC, ASIC and other regulators are met.
- e) Organising the Annual General Meeting of the company.
- f) Developing, implementing, communicating and maintaining compliance policies, processes and procedures.

The Company Secretary reports to the Chair and is accountable to the Board in relation to compliance with the Corporations Act 2001, ACNC and corporate governance matters.

1.14 Role of Chief Executive Officer (CEO)

The CEO is appointed by the Board and holds office until removal, resignation or retirement.

The Board establishes performance expectations for the CEO and regularly monitors achievements against these, including annual performance reviews.

The Board maintains a succession plan for the CEO.

As determined by the Board, the CEO:

- a) Is responsible to the Board for the performance of IAP2A.
- b) Is responsible for the day to day management of IAP2A with all powers, discretions and delegations as authorised 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 CEO and the management team to meet this responsibility.
- c) Recommends business plan for the Board's consideration and implements the strategy approved by the Board, ensuring that the organisation's structure and processes meet the strategic and cultural needs of the organisation.
- d) Has authority to select, appoint and remove employees of IAP2A.
- e) Can use discretion to involve the expertise of directors in matters that have been delegated.
- f) Must have a formal employment agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.
- g) May appoint an Acting CEO for periods of leave or other absences where, in the opinion of the CEO, the appointment of an Acting CEO is required. In the event of an emergency the Chair will appoint an Acting CEO. All Acting CEO appointments are to be ratified by the Board.
- h) Will prepare and maintain the Board annual work-plan, executed document register and present these at meetings as agreed by the Board.

1.15 Reviews

1.15.1 Board performance

The Board will periodically monitor and evaluate its performance in order to determine the extent to which it is assisting IAP2A to achieve its purpose. This will involve evaluating the performance of the Board as a whole, the workload of the Board and the contribution of directors of the Board. The Director Performance Appraisal Policy & Procedure has been developed to guide this performance evaluation.

1.15.2 Board Charter

The Board will review and amend where appropriate the Board Charter and the operations of the Board and Committees every year.

Any modifications to or replacements of this Charter must be approved by the Board.