



Management Board Charter

Category: Governance
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Approved By: Executive Committee & Management Board
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Introduction:

The purpose of this charter is to clarify the role and responsibilities of the Management Board and to contribute to high standards of governance within the Association.

Policy Statement:

The Management Board has responsibility for oversight of the activities and affairs of the Association, and shall work to protect and enhance the value of the assets of the Association in the interests of the Association and its current and future members.

Procedures:

Membership

The Association Constitution provides for up to six members on the Management Board. The Management Board shall normally consist of six members as follows:

- a) three members of the Executive Committee: the President (who shall be Chairperson of the Management Board), the Finance and Services Officer, and one other member of the Executive Committee; and
- b) three external people with relevant commercial and management experience.

The Management Board should comprise of members:

- a) with an appropriate range of skills and experience;
- b) who have a proper understanding of, and competence to deal with, the current and emerging issues of the business; and
- c) who can effectively review and challenge the performance of the Chief Executive and management and exercise independent judgement.

The Chief Executive is a non-voting member of the Management Board.

The Chairperson of the Management Board meets with the Chief Executive prior to each meeting to discuss the agenda for the forthcoming meeting. Each member of the Management Board is able to suggest agenda items.

All members of the Executive Committee are entitled to attend meetings of the Management Board as observers, and shall be notified of meetings by the Chairperson of the Management Board.

All business transacted at meetings of the Management Board is confidential, and the Management Board shall have the authority to exclude any member or observers when required.

Independence

A member of the Management Board is considered independent if they:

- a) do not have a material relationship with the Association (other than solely as a consequence of being a director) or a related organisation;
- b) are not a member of management and have not been employed as a member of management of the Association or related organisation within the last three years;
- c) are not a member of Executive Committee and have not been a member of the Executive Committee within the last three years;
- d) have not served on the Management Board for a period which could reasonably be perceived to materially interfere with their ability to act in the best interests of the Association; and
- e) have no other interest or relationship that could interfere with their ability to act in the best interests of the Association and independently of management.

All external members of the Management Board are required to be independent. All members of the Management Board that are members of the Executive Committee shall attempt to satisfy as many of the criteria for independence as is practical.

Nomination

The Management Board shall be responsible for selection of candidates of appropriate qualities and experience to be appointed to act as an external member of the Management Board. The Management Board may choose to form a Nomination and Remuneration Committee to carry out the identification and recommendation of candidates.

The Executive Committee shall be responsible for ratifying the appointment and removing if necessary Management Board members. No candidate shall be appointed as an external member of the Management Board without first undergoing a selection process.

Rotation

One external member on the Management Board shall stand for reappointment each year. In each year the external member who retires shall be the person who has been in office the longest since their last appointment, unless otherwise agreed to by the Management Board. There is no maximum term for which a person can remain a member of Management Board.

Remuneration

The remuneration of external members of Management Board shall be paid in the form of directors' fees, unless otherwise agreed to by the Chairperson of Management Board. The total fees available to be paid to external Members of Management Board including any additional fees to reflect additional responsibilities shall be subject to Executive Committee approval.

The Management Board shall be responsible for reviewing the remuneration of external members, and recommending any changes to the Executive Committee. The Management Board may choose to form a Nomination and Remuneration Committee to review and make recommendations regarding remuneration.

Reimbursement

The Association shall meet any costs of members of Management Board directly associated with the performance of their role.

The Chairperson shall approve all expenses of members of the Management Board. The Finance and Services Officer shall approve the Chairperson's expenses.

Responsibilities

The Management Board has responsibility for oversight of the activities and affairs of the Association, and shall work to protect and enhance the value of the assets of the Association in the interests of the Association and its current and future members.

Specifically, the Management Board is responsible for:

- a) reviewing and recommending appropriate frameworks of governance and oversight of the Association to the Executive Committee;
- b) reviewing and recommending for approval to the Executive Committee each year the business plan, operating budget, and capital expenditure plan;
- c) ensuring there are adequate resources available to meet the Associations objectives;
- d) promoting ethical and responsible decision-making;
- e) safeguarding the integrity of financial reporting;
- f) ensuring that effective risk management procedures are in place and are being used;
- g) monitoring the Chief Executive and management's performance within the strategic direction and operating frameworks of the Association;
- h) appointing and removing the Chief Executive and overseeing succession plans for senior management;
- i) reviewing the performance of the Management Board and ensuring it remains appropriately skilled to meet the changing needs of the Association.

The Management Board shall have specific service responsibilities for:

- a) determining overall service targets, and recommending these to the Executive Committee;
- b) monitoring service targets and providing feedback on these to the Executive Committee;
- c) providing the Executive Committee with a monthly summary of progress made towards service objectives, and highlighting any major issues that need attention; and
- d) investigating reasons that any targets can not be reasonably met, recommending strategies to the Chief Executive, and explaining the situation to the Executive Committee.

The Management Board shall have specific audit responsibilities for

- a) overseeing the employment of the independent auditors;
- b) reviewing the plan for the audit and related services;
- c) reviewing the audit results and material communication between the auditors and management; and
- d) communicating progress, findings, and recommendations to the Executive Committee.

The Management Board may choose to delegate audit responsibilities to an appropriate member of the Management Board (other than the Chief Executive) or form an Audit Committee to deal with these matters.

The responsibility for achieving the direction and objectives of the Association through leadership and management of its activities and affairs is delegated to the Chief Executive, who shall be employed by and report to the Management Board.

The Chief Executive will normally be delegated the task of preparing any reports for the Executive Committee by the Management Board. These will normally be shortened and slightly modified versions of reports that go to the Management Board, to reflect the different information needs of the Executive Committee, and may also include minutes or a summary of agenda items dealt with at Management Board.

Chairperson

The role of the Chairperson includes:

- a) providing leadership to the Management Board and the Association;
- b) ensuring the efficient organisation and conduct of the board;
- c) facilitating Management Board discussions to ensure core issues facing the Association are addressed; and
- d) promoting consultative and respectful relations between Management Board members, and between the Management Board, the Executive Committee, and the Chief Executive.

Committees

The Management Board may establish committees to assist in carrying out its responsibilities. Committees do not take action or make decisions on behalf of the Management Board without prior authority to do so.

Committees of the Management Board shall include a Chief Executive Employment Committee, and may also include any of the following suggested committees:

- a) an Audit Committee; and
- b) a Nominations and Remuneration Committee.

Committees shall normally contain a balance of Executive Committee members that sit on Management Board and external members of Management Board.

Chief Executive Employment Committee

The Chief Executive Employment Committee shall be formed by Management Board and comprise of:

- a) the Chairperson of Management Board; and
- b) two other members of Management Board with relevant skills and experience.

The Chief Executive Employment Committee shall deal with all matters to do with the employment of the Chief Executive, including:

- a) developing performance objectives with the Chief Executive and presenting recommendations to the Management Board;
- b) developing and presenting recommendations on the review process to the Management Board, including who will be invited to rate the Chief Executive's performance, how performance data will be collected, and how performance data will be used;
- c) overseeing the conduct of the review;
- d) reviewing performance data and recommending performance targets for the following period to the Management Board;
- e) conducting performance discussions with the Chief Executive and developing objectives and performance targets for the following period;
- f) reviewing the remuneration and other benefits of the Chief Executive and recommending changes to the Management Board; and
- g) reviewing and making recommendations to the Management Board where the performance or conduct of the Chief Executive has not been satisfactory.

The Chief Executive Employment Committee shall make recommendations regarding all matters to do with the employment of the Chief Executive to the Management Board for ratification. The Chief Executive Employment Committee shall also normally be responsible for appointing and removing the Chief Executive.

The Chief Executive Employment Committee may choose to gain the input and advice from members of the Executive Committee and Management Board when appointing the Chief Executive by holding presentations by prospective candidates. However the appointment of the Chief Executive shall only require ratification by the Management Board.