

AUSTRALIAN ASSOCIATION OF SOCIAL WORKERS LIMITED

ACN 008 576 010

BOARD CHARTER

1. BACKGROUND

The Australian Association of Social Workers Limited (“**AASW**”, “**the Association**” or “**the Company**”) is the professional representative body of social workers in Australia. Its purpose is to promote the profession of social work, advance social justice, uphold standards and build capacity of Members.

AASW is a public Company limited by guarantee. It is subject to the *Corporations Act 2001 (Cth)* and its Constitution. If there is any conflict between this Charter and the Constitution, the Constitution prevails.

2. PURPOSE OF THIS CHARTER

The purpose of this Charter is to document the objectives, responsibilities and governance framework for the operation of the Association. The Board of Directors will review this Charter each 2 years (or as required) to ensure it remains appropriate to the needs of the Association. Any modifications to or replacements of this Charter must be approved by the Board.

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

3. ROLE OF THE BOARD

The role of the Board is to set the direction and oversee the business of AASW and to carry out its objectives. The Board is accountable to Members for the performance of the Association.

3.1 Functions

The role of the Board 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 Association.
- c. Monitor progress against the strategic plan and budget.
- d. Appraise the strategies, policies and performance of the Association.
- 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 Association's values and standards and the establishment and observance of high ethical standards.

3.2 Responsibilities of the Board

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

- a. Selection, appointment and removal of the Chief Executive Officer (**CEO**); determining the terms of appointment; determining goals and objectives relevant to the remuneration of the CEO; and evaluating performance against those objectives.
- b. Approval and review of succession plans for the CEO.
- c. Reviewing procedures for senior management succession planning.
- d. Appointment of the Association's external auditor, if an auditor has not been appointed by the Association in a General Meeting.
- e. Appointment and removal of the Company Secretary.
- f. Establishment of Board Committees, their membership and delegated authorities.
- g. Development and monitoring of the strategic plan, including forward-looking expectations or possibilities.
- h. Approval of Australian social work education and accreditation standards.
- i. Approval of the annual budgets.
- j. Approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management.
- k. Monitoring of financial performance.
- l. Overseeing the preparation of any report or other disclosures to be included in the Association's annual report or other communications to members relating to the external auditors and the Association'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 the Association's 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.

3.3 Responsibilities of individual Directors

Directors have ultimate responsibility for the overall successful performance of the Association. Duties and responsibilities of individual Directors include:

- a. Preparing for, attending and participating at Board meetings and, where relevant, Committee meetings.
- b. Acting with care and diligence and performing with the expertise, competence and integrity required by the Board.
- b. Bringing their specific skills and experience that add value to the Association.
- c. Communicating openly within the Board and with management.
- d. Acquiring and developing general knowledge of AASW, its purpose and the regulatory and business environment in which it operates.
- e. Fulfilling their fiduciary duty to act in good faith and in the best interests of the Association.
- f. Cast their votes on any decisions before them according to their own individual judgement however, they will act in support of any Board resolution once passed at a Board meeting.
- g. Not improperly use their position or misuse the Association's information.
- h. Complying with their obligations under relevant law.
- i. Acting as ambassadors and developing or maintaining connections for the benefit of the Association.
- j. Observing Board solidarity where decisions are reached and authority to act.
- k. Adhere to Company guidelines on social media and not publish any material that contradicts Board decisions.
- l. Refraining from speaking or writing articles on the Board's behalf, unless they have been authorised by the Board to do so.
- m. Not allow the Company to operate while it is insolvent.

3.4 Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interests that could potentially conflict with those of AASW and shall advise the Company Secretary of all Directorships held in other companies.

If a potential material conflict of interest arises, the Director concerned shall advise the Chair prior to any Board meeting at which the issue is to be discussed. Any potential conflict of interest must be recorded in the Board minutes.

4. DELEGATIONS OF AUTHORITY

The Board may delegate any of its powers and functions to a specific Director, Board Committee and to Management. The delegation may be set out in the Terms of Reference of Committees, Board Minute or the Contract of Employment of staff.

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 (such as a Power of Attorney) or Meeting Minute, approved by the Board.

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.

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.

All delegations will be reviewed annually.

Irrespective of any formally delegated responsibility, ultimate responsibility for strategy and control and oversight of sound and prudent management of AASW rests with the Directors.

4.1 Delegations to Management

The management function is conducted by or under the supervision of the CEO, as directed by the Board, and by other officers to whom a management function is properly delegated by the CEO. The following responsibilities may be delegated by the Board to management:

- a) day-to-day management of the Association in accordance with the strategy approved by the Board, including the following areas:
 - (i) financial and capital management and reporting;
 - (ii) operations;
 - (iii) information technology;
 - (iv) marketing;
 - (v) member services;
 - (vi) admission of members that meet the requirements of the ByLaws;
 - (vii) developing relationships with governments, educational institutions and industry participants; and
 - (viii) human resources.
- b) reporting to the Board on the performance of the Company;
- c) consulting with the Board (or Board Committee) regarding the appointment, and where appropriate, the removal of the Chief Financial Officer;
- d) consulting with the Board regarding other senior executive appointments, organisational changes and senior executive remuneration policies and practices; and
- e) such other duties as are from time-to-time delegated by the Board.

It is intended that the CEO can take all decisions and actions which further the strategic objectives of AASW and which, in his or her judgement are reasonable having regard to the matters reserved by the Board, and the potential effect on the reputation of the Association.

The CEO will report systematically in a spirit of openness and trust of the progress being made toward achievement of the strategic objectives of the Association, as determined by the Board.

The Board will, on a regular basis, undertake a review of its responsibilities and the responsibilities of management to ensure that they remain appropriate for the business conducted by the Association.

4.2 Access to Management

Individual Board members have complete and open access to the CEO, the Company Secretary, the Chief Financial Officer or other management, after consultation with the National President and CEO.

Enquiries from members to Directors on matters to be put to the Board should be redirected to the CEO in the first instance.

4.3 Board Access to Information

Management will supply the Board and its Committees with information in a form, timeframe and quality that enables them to effectively discharge their duties. Individual directors may, through the Chair, request that management provide any information relevant to the role of Director, subject to such a request not breaching the privacy of any individual (AASW member or staff member).

Directors may take independent professional advice related to the discharge of their responsibilities as Directors at the Company's expense, subject to the prior approval of the National President.

5. BOARD MEMBERSHIP, COMPOSITION, TERMS OF OFFICE AND TENURE

The Members elect the Board of Directors.

The Association's Constitution sets out the composition of the Board, eligibility requirements, terms of office and tenure of Directors. The Board may at any time appoint a member to fill a casual vacancy on the Board, in accordance with rules set out in the Constitution.

The terms and conditions of the appointment of Directors are contained in a Letter of Appointment.

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

5.1 Director induction and development

An induction program exists for new Directors. Directors are encouraged and supported to undertake the Company Directors course through the *Australian Institute of Company Directors* or similar. Directors are also expected to seek out other opportunities to further their knowledge and expertise in governance matters.

5.2 Director protection mechanisms

As a matter of policy, measures of Board member protection apply for Directors of AASW, via the Company's *Directors' and Officers' Liability* Insurance.

6. BOARD MEETINGS

The Constitution requires the Board to meet bi-monthly, as a minimum. The Board may hold such additional meetings as the Directors agree.

A Board meeting may be held by any technological means consented to by all the Directors.

A quorum consists of five Directors being present. The Company Secretary will attend Board meetings.

The Board encourages a “culture of attendance” at all Board meetings or meetings of Board Committees. Reasonable periods of absence may be requested from the Chair (National President) and approved from time to time. Generally, a leave of absence will not be approved for a period of more than three months.

The Chair, in conjunction with the CEO, will determine the agenda for Board meetings. Where possible, Board and Committee papers will be provided to Directors at least 5 days prior to the relevant meeting.

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

7. BOARD COMMITTEES

The Board may establish Board Committees to which it may delegate any of its powers, duties and responsibilities. The Board will appoint the members of each Committee and the Chair of each Committee.

The Board has established the following Committees to assist it in fulfilling its duties and responsibilities:

- (a) Finance, Audit, Compliance and Risk Committee
- (b) National Ethics Committee
- (c) Standards and Assessment Committee
- (d) People and Culture Committee

Each Committee has formal Terms of Reference and has been granted certain delegations by the Board. With the exception of those delegations, recommendations of the Committees are to be referred to the Board for approval.

8. ROLE OF THE CHAIR

The Chair of the Board is the National President, elected by the membership. 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 evaluating the CEO's performance.
- h. Taking the lead in selection of Board Committee members.
- i. Serving as an *ex officio* member of Board committees and attendance at their meetings when appropriate.
- j. Is the chief representative and spokesperson for the organisation, unless another Board member or the CEO is delegated to do so.

9. ROLE OF THE NATIONAL VICE PRESIDENT

The National Vice President fulfills the duties of the National President if the National President is absent, disabled or deceased. This person must report all important interim actions to the Board.

10. ROLE OF THE CHIEF EXECUTIVE OFFICER (CEO)

The CEO is appointed by the Board and holds office until the expiration of his/her employment contract, removal, resignation or retirement. The Board establishes performance expectations for the CEO and regularly monitors achievements against these, including annual performance reviews.

As determined by the Board, the CEO:

- a. Is responsible to the Board for the performance of the Association and Senior Managers.
- b. Is responsible for the day to day management of AASW with all powers, discretions and delegations as 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 CEO and the management team to meet this responsibility.
- c. 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 the Company.
- e. Can use discretion to involve the expertise of Directors in matters that have been delegated, such as the appointment of senior management staff.
- f. Must have a formal employment agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.

The CEO 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 National President will appoint an Acting CEO, with reference to the CEO Succession Plan. All Acting CEO appointments are to be ratified by the Board.

11. ROLE OF THE COMPANY SECRETARY

The Company Secretary is accountable to the Board, through the Chair, on all governance matters, with all Directors having access to the Company Secretary for advice or assistance on governance matters.

The Company Secretary is responsible for:

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

12. EXCEPTIONS TO THE BOARD CHARTER

The Board acknowledges the roles and responsibilities of Directors and that of Management as outlined in this Charter.

The Board acknowledges the right of Management to establish National Advisory Panels (“NAP”) to advise Management on operational matters which might require the views or input of subject matter experts, drawn from the Membership or external to the Association.

Directors have expressed a desire to be eligible to nominate for Membership of a NAP where one is to be established (or has been established).

Management will consider nominations of Directors to a NAP utilising “best person for the role” principles. To the extent that a Director is successful in being nominated to a NAP, the Director undertakes not to use their role as a Director to unduly, or inappropriately, influence the deliberations of the NAP.

13. BOARD EVALUATIONS

The Board considers the ongoing development and improvement of its own performance as a critical input to effective governance. As a result, the Board will undertake an annual evaluation of Board and director performance. The Chair, in consultation with the Board, will consider whether or not to engage an external facilitator to assist with the Board performance evaluation.