



## Board Processes Policy (Board)

<b>Policy Number:</b>	<b>BO-031</b>		
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### 1. Aim

The Breakaway Board aims to exercise good governance by exercising leadership and by being clear about its role, responsibilities, relationships and governance processes.

Breakaway will conform to all relevant legislation and statutory requirements.

The purpose of this document is to set out the roles and responsibilities of the Board and the GENERAL MANAGER to implement this policy.

### 2 Scope

This policy applies to members of the Breakaway Board and the appointed GENERAL MANAGER.

### 3. Policy

#### 3.1 The role of the Breakaway Board

##### 3.1.1 The Breakaway Board:

- Is accountable for exercising the authority given to it in its Constitution and the law of the land.
- Sees its role as one of governance and holds its GENERAL MANAGER accountable for the management of all delegated responsibilities
- Is accountable for the overall performance of the organisation.
- Is responsible for determining Board development, discipline and for its own performance and processes.
- Sets the Board's work plan and agenda for the year.
- Establishes the extent of the GENERAL MANAGER's authority to establish programs, budget, administer finances and otherwise manage the organisation according to sound practice
- Exercises due diligence, fiduciary responsibility and ensures that risk is identified and managed

##### 3.1.2 The Chairperson:

- Is responsible for maintaining the relationship between the Board, the GENERAL MANAGER and the organisation

- Is the chief representative and spokesperson for the organisation unless another Board member or the GENERAL MANAGER is delegated to do so.
- Chairs the meetings of the Board after developing the agenda with the GENERAL MANAGER which is based on the Board's work plan and the agenda for the year.
- Serves as an *ex officio* member of any Board committees and attends their meetings when appropriate.
- Discusses major issues confronting the organisation with the GENERAL MANAGER and reports such concerns back to the Board.
- Guides and mediates Board actions with respect to major organisational priorities and governance concerns.
- Ensures that the performance of the Board and GENERAL MANAGER are conducted in a professional and timely manner.
- Prepares a Chairperson's report inclusion in the Breakaway annual report.
- Performs other responsibilities assigned by the Board.
- Ensures Board members are satisfied with their contribution to the Board.

### **3.1.3 Board Members' Role:**

- Serve with respect, courtesy, concern and responsiveness.
- Observe Board solidarity re decisions reached and authority to act.
- Endeavour to attend all Board and committee meetings of which they are members.
- Be informed about the organisation's mission, philosophy, policies and services.
- Review the agenda and supporting materials prior to Board and committee meetings.
- Systematically consider information that evaluates the organisation's performance.
- Serve on committees and offer to take on special tasks.
- Do not speak on the Board's behalf unless they have been authorised by the Board to do so.
- Inform others about the organisation.
- Suggest potential Board members.
- Adhere to and maintain the Board's policies.
- Keep up to date on developments in the organisation's area of service.
- Attend a reasonable number of organisational and staff events, when considered appropriate by the Board.

### **3.1.4 Board Committees:**

- Are created by the Board when it becomes apparent that the business of the Board requires a more focused approach than can be done with the full Board.
- Develop policy options for the Board and recommend actions for its consideration and approval.
- Operate at Board level, not at operational/managerial level.
- Do not make decisions on behalf of the Board unless the Board has charged the committee with the authority to do so, in a specific circumstance.
- Require a membership that pays attention to a mix of skills and experience with the task of the particular committee.
- Require a "Terms of Reference" that outlines the committee's purpose, length of appointment, responsibilities, membership, meeting frequency and annual goals.
- May invite a staff member to join a Board committee because he/she has particular information and expertise that will assist the committee in its work.
- Evaluate themselves annually and give this report to the Board

### 3.2 Board – Chief Executive Officer (GENERAL MANAGER) Relationship

- The Board’s relationship with the operations of the organisation is through the GENERAL MANAGER.
- Individual Board members may have a relationship with the GENERAL MANAGER and staff that is acceptable to the GENERAL MANAGER.
- Using a commonly agreed upon interpretation of the Board’s policies, the GENERAL MANAGER is authorised to establish all management/operational policies, decisions and actions.
- The Board ensures that there is an annual performance appraisal of its GENERAL MANAGER in keeping with sound HR practice.

### 3.3 Chief Executive Officer (GENERAL MANAGER) – Board Relationship

The GENERAL MANAGER:

- Is the Executive Officer of the Board.
- Reports directly to the Board through written and verbal reports.
- Supports the Board with strategic information, ideas and reports that are relevant, timely and accurate.
- Plans, co-ordinates and implements the programs and policies established by the Board.
- Assures the Board of compliance to its policies through agreed upon reporting processes at least annually or as otherwise specified.

The following table gives examples of the different focus of the Board and the GENERAL MANAGER. While it is not a definitive list, it does provide a useful start point to define the differences between the Board’s governance role and the GENERAL MANAGER’s management role.

Governance Roles of the Board	Management Roles of the GENERAL MANAGER
The Board is responsible for the overall performance of the Organisation.	The GENERAL MANAGER is responsible for the day to day management and operations of the Organisation.
The Board sets and reviews the Organisation’s mission, values (policies) and strategic actions.	The GENERAL MANAGER implements the Organisation’s policies and objectives by developing operational plans to meet the Organisation’s aims and objectives.
The Board plans for the long term performance / adaptive capacity of the Organisation.	The GENERAL MANAGER makes decisions on the short term operation of programs and services.
The Board monitors and reviews the achievements of the organisation against its aims and objectives.	The GENERAL MANAGER makes decisions on the short term use of human, financial and physical resources to achieve aims and objectives.
The Board appoints the GENERAL MANAGER.	The GENERAL MANAGER oversees the performance of the other staff employed within the Organisation.
The Board establishes the values and culture	The GENERAL MANAGER finds ways to enact

<b>Governance Roles of the Board</b>	<b>Management Roles of the GENERAL MANAGER</b>
of the Organisation.	the values and culture of the Organisation.
The Board makes decisions on matters of strategic or symbolic significance for the Organisation.	The GENERAL MANAGER makes decisions on matters of operational significance.
The Board is accountable to and reports to the various stakeholders, in particular, the members of the Organisation who they ultimately represent.	The GENERAL MANAGER is accountable to and reports to the Board.
The Board is more concerned with macro management (in other words governance).	The GENERAL MANAGER is more concerned with micro management.

### **3.4 Board Member Recruitment, Appointment and Development**

- All Board members are responsible for identifying prospective Board members through a variety of processes.
- When the needs arise, the Board decides which prospective Board members should be recruited in the light of Board composition and skills need.
- The Board conducts a regular skills audit of its members in order to identify the skills the Board requires in new members to enable it to govern well.
- It is the responsibility of the Board to develop an orientation program for new Board members.
- It is the responsibility of the Board to develop an annual evaluation and development plan for the Board as well as regular informal ones.
- The Board includes the cost of these ongoing developments in its annual budget.

### **3.5 Board Governance Policy Review**

It is the Board's responsibility to review, and if necessary change, these governance policies annually.

This policy must be read in conjunction with the policies and procedures which supports this policy:

Breakaway Constitution  
Policy and Procedure Review Policy

## **4. References**

Corporate Governance Principles and Recommendations ASX Corporate Governance Council  
'It's Your Business' NSW Department of Ageing, Disability and Home Care  
Associations Incorporation Act 2009  
Privacy Act 1988 (Cth)  
Privacy and Personal Information Protection Act 1998 (NSW)  
NSW Disability Service Standard 6

## **5. Persons Responsible**

All employees and volunteers are responsible for:

- Compliance with all Breakaway policies and procedures.

GENERAL MANAGER is responsible for:

- Ensuring the implementation of efficient and effective procedures and systems to ensure the implementation of this policy
- GENERAL MANAGER is responsible for communicating matters to the Board as required by this policy

Board are responsible for:

- Approval of this policy
- Implementation of this policy

## 6. Definitions

**Breakaway** – all Breakaway Incorporated services and programs

**Board** – the governing body of Breakaway, comprised of elected or appointed members who jointly oversee the activities and legal responsibilities of the organisation

**Manager** – refers to the GENERAL MANAGER

**Staff** – refers to employees and volunteers of the organisation

**Family** – refers to the parents/caregivers of the children or young people that receive support from Breakaway

**Due diligence** – the degree of care and caution required by the circumstances of a person

**Fiduciary duty** – the highest standard of care imposed at either equity or law. The duty of caring for another's money.

**Governance** – is the legal authority of a Board to establish and be accountable for policies that will affect the life and work of the organisation.

**Constitution** – the name given to the memorandum and rules of an organisation

**Risk** – the likelihood and consequence of something happening that will have an impact on objectives

**Risk management** – the process of identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress

**Duty of care** – the obligation to take reasonable care to avoid causing harm to another person

**Conflict of interest** – situations where a conflict arises between public duty and private interest which could influence the performance of official duties and responsibilities

**Pecuniary interests** – financial interests or other material benefits or costs

**Non-pecuniary interests** – political, religious, recreational, family or other interests

**Vicarious liability** – situation in which an employer can be found liable for wrongs committed by employees in the course of the employer's work

**Ethics** - The basic concepts and fundamental principles of right human conduct. It includes study of universal values such as the essential equality of all men and women, human or natural rights, obedience to the law of land, concern for health and safety and, increasingly, also for the natural environment.

**Vision** – where an organisation wants to be at the end of the planning period

**Values** – the core principles that guide an organisation's service delivery and management

### ***Document review history***

<b><i>Date</i></b>	<b><i>Section</i></b>	<b><i>Change</i></b>