

		Version	2
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The National Institute of Organisation Dynamics Australia Ltd (NIODA) is a not-for-profit 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 ACNC is the main regulator of NIODA 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 NIODA.

As such, NIODA routinely 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 set out a minimum standard of governance at: <https://www.acnc.gov.au/for-charities/manage-vour-charity/governance-standards>. NIODA must also comply with other areas of regulation including:

- a. occupational health and safety legislation
- b. employment related laws
- c. anti-discrimination legislation
- d. the *Privacy Act*
- e. the *Corporations Act*
- f. the *Higher Education Standards Framework (Threshold Standards) 2021*
- g. legislation and regulations relating specifically to NIODA's business.

The *NIODA Constitution* is the key governance document and takes precedence over this Charter in the event of any inconsistency. This Board Charter sets out the role and responsibilities of the Board of Governance, which of those responsibilities are delegated to sub-committees or to the Chief Executive Officer, as well as the membership and the operation of the Board of Governance. Key features of this Board charter are outlined in the annual Directors' Report.

Principal Purpose (*NIODA Constitution rule 3*):

Providing education in systems psychodynamics and advancing the field through leading edge research and development for the improvement of organisations, community and society.

1. Role of the Board of Governance

The principal role of the Board of Governance is to set the strategic direction for NIODA and manage NIODA's affairs to further NIODA's principal purpose. This includes the following :

- 1.1. oversee compliance with applicable laws and the *NIODA Constitution*
- 1.2. ensure the company's financial affairs are managed in a responsible manner

- 1.3. determine NIODA's culture through values, establishing high ethical standards, and reflecting the culture, values and standards
- 1.4. review NIODA's progress and appraise management's performance against the strategy, policies, business plan and budget
- 1.5. monitors and evaluates its performance annually in order to determine the extent to which it is assisting NIODA to achieve its purpose. This involves evaluating the performance of the Board of Governance as a whole, the workload of the Board of Governance and the contribution of directors of the Board of Governance. Systemic issues are considered in this evaluation.
- 1.6. set the risk appetite for NIODA. Maintain oversight of material business risks and satisfy itself that management has developed and implemented a sound system of risk management and internal control, reporting systems and compliance frameworks that are operating effectively.
- 1.7. to act as a representative and develop or maintain connections for the benefit of NIODA.

2. Fiduciary duties of the Directors

Directors must act in accordance with their fiduciary duties and consistently with obligations under ACNC and ASIC legislation.

Directors owe a fiduciary duty to NIODA to act honestly, in good faith and to the best of their abilities in the interests of NIODA. This requires directors, in performing their functions, to:

- 2.1. Act in good faith (honestly, fairly and loyally) and for a proper purpose;
- 2.2. Act with reasonable care, skill and diligence;
- 2.3. Not improperly use information that NIODA has provided for the purpose of fulfilling their role as director, or their position as a director; and
- 2.4. Disclose and manage conflicts of interest.

Any breach of fiduciary duty is considered serious and the Board shall address it in the following way:

- 2.5. immediately advise the Chair of any identified potential breach of fiduciary duty
- 2.6. if it is the Chair that has made a potential breach of fiduciary duty, then it is immediately advised to the Deputy Chair, who then assumes the role of Chair for the purposes of this matter
- 2.7. the Chair may request further information, including from the CEO and the Board Secretary, to assess the potential breach
- 2.8. the Chair must provide the affected director information about the potential breach and an opportunity to make submissions
- 2.9. the Chair together with support from the Board Secretary, assesses the potential breach

- 2.10. the Chair advises the other directors of the potential breach of fiduciary duties (excluding the director who may have breached their fiduciary duties), including the Chair's assessment of the potential breach, in a timely manner
- 2.11. the Chair and the other directors confirm if it is a breach of fiduciary duties
- 2.12. the Chair advises the director that the Chair and the other directors has considered:
 - a potential breach of their fiduciary duties and explain the nature of the potential breach; and
 - the outcome of the considerations
- 2.13. the Chair and the other directors meet to discuss the breach and make an outcome decision in the best interests of NIODA. In making a decision the Chair and the other directors may consider alternate options to requiring the director to resign. Further governance training (at either the director's or NIODA's expense) may be an alternate option.
- 2.14. the Chair communicates the decision to the director; and the decision is final.

3. Board of Governance responsibilities

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

- 3.1. board composition recommendations, succession planning, director nomination and appointment practices and criteria (*NIODA Constitution 13.1 & 13.2*)
- 3.2. oversee induction of newly appointed directors and the professional development of all directors
- 3.3. appoint a Chair and Deputy Chair
- 3.4. appoint and remove a Board Secretary
- 3.5. confer degree awards
- 3.6. appoint NIODA's external auditor
- 3.7. set corporate governance principles and policies
- 3.8. establish Board of Governance committees, their membership, Chair and delegated authorities and approve their Terms of Reference (*NIODA Constitution 13.12*)
- 3.9. approve NIODA's annual Directors' Report, and any other communications to stakeholders relating to the external auditors and the company's financial statements
- 3.10. examine ways to improve Board of Governance performance

- 3.11. to speak with one voice with respect to Board of Governance decisions
- 3.12. select, appoint, set performance expectations, determine the remuneration of, set performance indicators for, evaluate performance against those indicators and (if necessary) remove the Chief Executive Officer (CEO)
- 3.13. review and approve succession plans for the CEO
- 3.14. establish delegations of authority, where appropriate
- 3.15. review and approve business plans and budgets
- 3.16. approve major capital expenditure, acquisitions, divestitures and mergers in excess of authority levels delegated to management
- 3.17. approve any public statements that reflect decisions of the Board of Governance.

4. Delegations of Authority

The Board of Governance may delegate any of their powers and functions to one or more of the directors, a committee, an employee of the company, or other person.

- 4.1. The delegation may be set out in the Terms of Reference of committees, the Contract of Employment of staff or the Delegated Authority Policy
- 4.2. Irrespective of any formally delegated responsibility, final authority and responsibility rests with the Board of Governance
- 4.3. During periods of leave or business travel, the Chief Executive Officer (CEO) may appoint an Acting CEO as approved by the Board of Governance. Delegations to the CEO may be exercised by an Acting CEO and similarly for other acting appointments.

5. Board of Governance Committees and Portfolios

The Board of Governance may delegate any of its powers to one or more committees consisting of the number of directors and others as they think fit (*NIODA Constitution 13.12*).

The Board of Governance appoints the members of each Committee, and approves the Chair of each Committee. Each Committee has a clearly defined Terms of Reference setting out its role, structure, functions, duties, responsibilities and the boundary of their authority.

The work of Committees should not conflict with the Chief Executive Officer's (CEO) delegated responsibilities.

Unless explicitly empowered by the Board of Governance, Committees cannot make binding Board of Governance decisions or speak for the Board of Governance.

The Board of Governance has four established committees:

- 5.1. Academic Board of Governance
- 5.2. Board of Governance Learning Activities
- 5.3. Finance and Risk Management Committee
- 5.4. Reconciliation Working Group

The Board of Governance appoints directors to portfolio roles, in addition to the responsibilities of an ordinary director. The Board of Governance, on recommendation of the Board of Governance Chair, will appoint persons to the portfolio roles who have the particular skills and expertise required for undertaking the duties in the table below:

Portfolio	Responsibilities
Finance	<p>Oversee NIODA's financial policies and processes, ensuring they are legal, compliant with regulation and prudently undertaken, particularly:</p> <ol style="list-style-type: none"> 1. advise the Board of Governance on matters of finance 2. oversee the preparation of financial policies and procedures 3. oversee and support the CEO in ensuring that the organisation's financial records are adequate, protected, backed up and accessible 4. oversee the CEO's maintenance of the organisation's asset register 5. oversee the CEO to ensure that the organisation's financial control procedures are adequate and that financial safeguards against fraud are in place 6. oversee the CEO to ensure that financial risk management strategies (including appropriate insurances) are in place 7. oversee the authorisation of payments 8. oversee the organisation's investment strategy and reporting about this to the Board of Governance 9. oversee the preparation of the Budget for the coming year 10. oversee the review of income and expenditure against the budget on a continuous basis 11. ensure the organisation's compliance with all applicable tax laws. <p>In collaboration with the Risk Management Portfolio holder, the Finance Portfolio role holder co-Chairs the Finance and Risk Management Committee.</p>
Risk Management	<p>Oversee the Risk Management Policy, Risk Management Plan and Risk Register.</p> <p>In collaboration with the Finance Portfolio holder, co-Chairs the Finance and Risk Management Committee.</p> <p>Report to the Board of Governance on risk management, both corporate and academic risk.</p>

Strategy	Responsibility for the strategic planning development and review cycle by scheduling, planning and facilitating meetings/workshops (with the support of the Board Secretary).
Academic Governance	<p>Represent the Board of Governance at Academic Board of Governance meetings.</p> <p>In this role, the portfolio holder provides a channel of communication between the Academic Board of Governance and the Board of Governance.</p> <p>Ensure reporting to the Board of Governance on matters of academic governance, including academic risk occurs at each Board meeting.</p>
Board policies	<p>Support the CEO to regularly review Board of Governance policies.</p> <p>Report to and advise the Board of Governance on policy development and review matters.</p>
Networks	Develop network links (industry and other external organisations) that can support board practice and NIODA in its primary purpose.

Annually in the meeting following the AGM, the Board of Governance:

- undertakes a board skills matrix and reconsiders the appropriateness of the portfolio roles
- the succession plan is also reviewed and considered, and
- formally evaluates its own performance.

6. Role of the Chair

The Chair is a director, elected by the Board of Governance, and has not held the position of CEO of NIODA in the previous three years. The Chair is responsible for:

- 6.1. leadership of the Board of Governance
- 6.2. oversight of the Board of Governance in the effective discharge of its governance and fiduciary role
- 6.3. the efficient organisation and conduct of the Board of Governance's function and meetings
- 6.4. ensuring effective contribution of all directors and the Board of Governance working as a whole group
- 6.5. overseeing negotiations for the CEO's employment and overseeing evaluation of the CEO's performance
- 6.6. establishing and maintaining an effective working relationship with the CEO

- 6.7. providing leadership and support to the CEO
- 6.8. ensuring a constructive and respectful relationship between the Board of Governance and management.

7. Role of the Board Secretary

The Board of Governance must appoint at least one secretary, who may also be a director.

The Board Secretary reports to the Chair of the Board of Governance for governance matters, and the CEO for operational matters, and is responsible for:

- 7.1. all matters relating to logistics for Board of Governance and Committee meetings, the preparation of the agenda and papers, minuting meetings and follow-up of action items
- 7.2. organising the Annual General Meeting of NIODA
- 7.3. together with the CEO managing the preparation of the annual Directors' Report
- 7.4. together with the CEO, ensuring NIODA complies with reporting requirements of ACNC, ASIC and other regulators
- 7.5. developing, implementing, communicating and maintaining compliance policies, processes and procedures.

8. Role of the Chief Executive Officer (CEO)

The CEO is appointed by the Board of Governance with a formal employment agreement describing the term of office, duties, rights and responsibilities and entitlements on termination.

The principal role of the CEO is to manage NIODA in a manner consistent with the strategic plan and in a way that advances NIODA's principal purpose.

As determined by the Board of Governance, the CEO's responsibilities are:

- 8.1. the day to day management of NIODA with all powers, discretions and delegations as authorised by the Board of Governance
- 8.2. report regularly to the Board of Governance, including on matters that are sensitive, extraordinary, or strategic in nature, consistent with NIODA policies
- 8.3. recommending a business plan to the Board of Governance to implement the Strategic Plan
- 8.4. to ensure that the organisation's structure and processes meet the strategic and cultural needs of NIODA
- 8.5. to select, appoint and remove employees of NIODA

- 8.6. to 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.

The following table identifies the Board of Governance’s relationship with the CEO based on functions:

Functions	Role of the Board of Governance	Role of the CEO
Clarity of purpose	Define purpose, vision, values Ensure attainment of the above	Achieve the purpose and vision Work within the values set by the Board of Governance
Business acumen	Identify opportunities to fulfil purpose	Deliver business plans and brief the Board of Governance on same Achieve business results
Planning	Set the strategic direction and targets Monitor performance	Develop operational plan/s Brief the Board of Governance on operational matters Achieve strategic goals and targets
Policy	Develop and approve NIODA policies Monitor compliance with policies	Identify policy gaps and provide advice Implement policy requirements
Resources	Set resource targets Request costs/budgets/plans	Transparent recording and reporting Prepare costs/budget plans Develop income expansion strategies Gain Board of Governance’s endorsement (or otherwise) for plans
Services & facilities	Insist on quality Promote a future development focus	All matters to do with service provision e.g. systems, culture, quality & outcomes
Stakeholders	Be a positive ambassador Ensure stakeholders are informed	Manage stakeholder concerns Maintain proactive and effective relationships

	Seek stakeholder views	Advise on the meeting of stakeholder needs
Decisions	Sound judgment and process Scrutinise & endorse CEO intentions Responsibility for decisions made	Quality briefings, accountability for advice Providing data to inform decisions Sound decision making processes
Staffing	Appoint the CEO Set CEO performance expectations and determine performance levels Endorse the HR framework in the Business Plan	Every aspect of staff management including performance review and development Manage within legal & best practice expectations Brief and inform the Board of Governance on staffing matters with significant implications
Control	Identify and monitor risks Practice due diligence	Risk Management Implement organisation controls
Accountability	Practice Board of Governance stewardship Hold the CEO accountable Ensure obligations are met	Maintain organisational accountability Report on results achieved

9. Board of Governance composition and succession planning

- 9.1. The Board of Governance strives to achieve a composition that reflects the diversity of Australia's peoples and the NIODA community, and includes at least three directors who are trained in systems psychodynamics.
- 9.2. The Board of Governance utilises a Board Skills and Diversity Matrix to guide the recruitment of desirable competencies, skills, knowledge and experience directors.
- 9.3. Where a director position becomes vacant, the Chair of the Board of Governance coordinates the following recruitment process:
 - 9.3.1. seek expressions of interest from suitably qualified individuals.
 - 9.3.2. assess each expression of interest, having regard to the Board Skills and Diversity Matrix
 - 9.3.3. hold interviews with appropriate candidates;

9.3.4. appoint new directors in accordance with the *NIODA Constitution rule 13.1*.

10. Induction and continuing training

10.1. After the Board of Governance has confirmed the appointment of a new member the Chair makes contact with the new member to let them know the outcome. The Chair also writes a letter of congratulation to welcome and introduce the board member to the Board Secretary.

Unsuccessful nominations are contacted with the outcome by the Chair of the Board.

10.2. The terms and conditions of the appointment of directors are contained in a letter of appointment which includes a copy of the *Board Charter, NIODA Constitution, Strategic plan, Business plan* and the most recent annual *Directors' Report*, and addresses the following:

- the term of the appointment
- access to all NIODA policies, meeting minutes, papers, agendas and calendars
- contact details of Board of Governance directors
- declaration of pecuniary interest
- declaration of confidentiality
- application for membership
- TEQSA fit and proper persons form
- the process for the reimbursement of expenses.

10.3. An induction program exists for new directors, the first steps being:

10.3.1. the Chair:

- introduces the new member to other directors of the Board of Governance and the CEO to senior staff as soon as possible after their appointment
- nominates a director to act as mentor to the new member

10.3.2. the Board Secretary:

- draws the new directors attention to the roles and responsibilities of the board in general, and the roles and responsibilities they will be expected to undertake as an individual
- arranges a technology orientation session
- answers any queries the new member has.

10.4. With the addition of a new member to the board, a 'new group' is formed. It is important to allow some time and space for the induction and inclusion of the new member and for the formation of the new group. This process is led by the Chair as part of the first meeting when new members are present.

- 10.5. When possible, Directors are supported to undertake governance training with organisations such as the Australian Institute of Company Directors, to further refine their governance skills.
- 10.6. Directors are encouraged to attend NIODA training seminars and events to further connect with the work undertaken at NIODA and in the field of systems psychodynamics. This deeper understanding assists in the promotion of NIODA.
- 10.7. NIODA provide directors with, and pay the premiums for, indemnity and insurance cover while acting in a volunteer capacities as directors.

11. Board of Governance meetings

- 11.1. The Board of Governance will meet no fewer than four times each year, and may at the discretion of the Chair, meet more frequently in order to fulfil its duties.
- 11.2. As the *NIODA Constitution rule 13.5(a)* stipulates, the directors may meet together and adjourn and otherwise regulate their meetings as they think fit.
- 11.3. A director may call a meeting of the directors by giving reasonable notice to the other directors (*NIODA Constitution rule 13.5(b)*).
- 11.4. A notice of a meeting of directors (*NIODA Constitution rule 13.5(c)*):
 - must specify the time and place of the meeting
 - must, if virtual meeting technology is to be used, provide sufficient information about the technology to allow the directors to participate
 - need not state the nature of the business to be transacted at the meeting
 - may be given immediately before the meeting
 - may be given in person or by post, telephone, email or other electronic means.
- 11.5. The non-receipt of notice of a meeting of directors by, or a failure to give notice of a meeting of directors to, a director does not invalidate any thing done or resolution passed at the meeting if (*NIODA Constitution rule 13.5(d)*):
 - the non-receipt or failure occurred by accident or error
 - the director has waived or waives notice of that meeting before or after the meeting
 - the director has notified or notifies the company of their agreement to that thing or resolution personally or by post, telephone, email or other electronic means before or after the meeting
 - the director attended the meeting.
- 11.6. The Chair of the Board of Governance and the Chair for each Committee of the Board of Governance is responsible for developing the agenda prior to each meeting in consultation with directors and the CEO as appropriate, and managing the agenda during the meeting. 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.

- 11.7. The Chair works 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.
- 11.8. Wherever possible, ten working days notice shall be given of the date, time and place of Board of Governance meetings. Where urgent matters arise, shorter notice may be given. Board of Governance agendas and any papers to be discussed at the meeting should be circulated in advance of the meeting, preferably seven days prior to the meeting.
- 11.9. Directors are required to review papers before Board of Governance meetings and acquaint themselves with the issues affecting NIODA.
- 11.10. Each Board of Governance meeting commences with an appropriate period of reflection. The reflection period is designed to support directors to enter the meeting space and be fully present. The reflection period may also, with respect to systems psychodynamic traditions, be an opportunity to come to be in touch with systemic issues affecting the Board and NIODA.
- 11.11. Directors may speak to any motion when granted the right to speak by the Chair. The mover of any motion has the right to speak first on that motion for the time period allocated by the Chair. In speaking to any motion or amendment, directors are to confine their remarks strictly to such motion or amendment, and shall not introduce irrelevant matters or indulge in needless repetition. In this matter, the Chair's ruling is final and not open to challenge.
- 11.12. Except where by law a resolution requires a special majority, resolutions must be decided by a majority of the votes cast by the members (*NIODA Constitution rule 12.7(a)*).
- 11.13. As detailed in the *NIODA Constitution rule 13.11(a)*, the Board of Governance members must ensure:
- 11.13.1. minutes of general meetings, directors' meetings and committee meetings (including all resolutions proposed); and
- 11.13.2. records of resolutions passed by members, directors and committees, without a meeting,
- are recorded and kept as part of the company's records.
- These records in *NIODA Constitution rule 13.11(a)* must be made within one month after the relevant meeting is held or written resolution passed.
- 11.14. The *NIODA Constitution rule 13.11(c)* details that minutes of a meeting must be signed within a reasonable time by the chairperson of the meeting or the chairperson of the next meeting. And the records of resolutions passed without a meeting must be signed within a reasonable time by a director (*NIODA Constitution rule 13.11(d)*).
- 11.15. The minutes of any meeting shall record:
- the date, time and venue of the meeting;
 - the names of those members and officers present;

- the name of the meeting Chair;
- any apologies tendered;
- any failure of a quorum;
- a list of items considered;
- any resolutions pertaining to those items; and
- details of any declarations of pecuniary interest.

Any other matters may be recorded at the discretion of the Chair.

- 11.16. A director who takes part in a meeting by telephone or other electronic means is taken to be present in person at the meeting (*NIODA Constitution rule 12.4(c)*).
- 11.17. If, before or during the meeting, a technical difficulty occurs which means that one or more directors cease to participate, the chairperson may adjourn the meeting until the difficulty is remedied or may, if a quorum of directors remains present, continue with the meeting (*NIODA Constitution rule 13.6(d)*).
- 11.18. In accordance with the *NIODA Constitution rule 13.2(e)*, except to the extent of a leave of absence granted by the directors, if a director fails to attend at least three consecutive meetings of the directors, the director position becomes vacant.
- 11.19. The Board of Governance actively seeks to have an ‘engaged culture’ which is characterised by candour and a willingness to challenge by:
- 11.19.1. maximising meeting discussion time over presentation time
 - 11.19.2. allowing for opportunities of informal interactions amongst directors
 - 11.19.3. be respectful and honest yet constructive, ask questions and challenge leadership, actively seek other’s views and contributions, spend appropriate time on important issues
 - 11.19.4. be prepared, actively participate and make valuable contributions.

12. Access to information and independent advice

Individual directors may seek information related to the performance of their duties from:

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

Management endeavours to supply the Board of Governance and Committees with information in a form, timeframe and quality that enables them to effectively discharge their duties.

Any director may take such independent legal, financial or other advice as they consider necessary to fulfil their duties, at NIODA’s expense, provided the advice sought is in writing and obtained with the Chair’s prior knowledge.