

CYCLING NSW

BOARD CHARTER



1. PURPOSE OF CHARTER

- 1.1. The Board Charter sets out the role, composition and responsibilities of the Board of Directors ("the Board") of The Cycling Federation of NSW Inc (CNSW)
- 1.2. The conduct of the Board is also governed by the Constitution of CNSW, a copy of which has been provided to all Board members

A number of operational matters relating to the Board such as notification of interests and election of directors are governed by the Constitution and are not reproduced here.

2. PURPOSE OF THE BOARD

- 2.1. The Board has two broad purposes, compliance and performance:

COMPLIANCE - conform with or exceed all legal requirements

I. Legal

- monitor constitution
- comply with directors' responsibilities
- comply with laws
- monitor insurance requirements

II. Accountability

- monitor financials
- compliance audits

PERFORMANCE - assist the organisation to perform to its best potential

I. Strategy and policy

- approve the vision & mission and ensure it is embedded into the organisations operations
- approve strategic plan and policies and monitor regularly

II. Accountability

- overall performance of the organisation
- board evaluation, succession planning
- report outcomes to stakeholders
- manage CEO

III. Public Relations

- represent and participate
- keep stakeholders informed
- project a strong and positive image
- promote the vision
- facilitate cohesion

- protect the interests of stakeholders
- speak with one voice regarding Board decisions

IV. Risk management

- Ensure up-to-date and effective risk profile and management strategy
- monitor critical risks

2.2. The Board, while meeting its responsibilities, is mindful of the organisations mission and the objects of the organisation as embodied in its Constitution.

3. ROLES AND RESPONSIBILITIES

3.1. The Board has delegated authority for the operations and administration of the organisation to the Chief Executive Officer (CEO). A CEO Delegation Matrix describes the level of delegated authority.

3.2. The functions of the Board are to:

I. Provide effective leadership and collaborate with the CEO in:

- articulating the organisation's values, vision, mission and strategies
- developing strategic (direction) plans and ordering strategic priorities
- maintaining open lines of communication and promulgating through the organisation and with external stakeholders the values, vision, mission and strategies
- developing and maintaining an organisation structure to support the achievement of agreed strategic objectives

II. Monitor the performance of the CEO against agreed performance indicators

III. Review and agree the business (action) plans and annual budget proposed by the CEO

IV. Monitor the achievement of the strategic and business plans and annual budget outcomes

V. Establish such committees, policies and procedures as will facilitate the more effective discharge of the Board's roles and responsibilities

VI. Review and where appropriate ratify recommendations made by various Commissions/sub-committees which are constituted from time to time

VII. Ensure, through the Board committees and others as appropriate, compliance obligations and functions are effectively discharged

VIII. Initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for directors to attend courses, seminars and participate in development programs as the Board judges appropriate

IX. Ensure that all significant systems and procedures are in place for the organisation to run effectively, efficiently, and meet all legal and contractual requirements

X. Ensure that all significant risks are adequately considered and accounted for by the CEO.

XI. Ensure that organisation has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate and social responsibility.

3.3. The Board has no operational involvement in the conduct of organisation's business activities and delivery of services. Its role is confined to setting and reviewing policy.

4. MEMBERSHIP AND TERM

- 4.1. The Constitution provides for a quorum of four (4) Directors in order for a meeting to be formed to transact business.
- 4.2. The Board consists only of non-executive directors. That is, no member of the Board may be a member of the paid staff of the organisation.
- 4.3. Directors are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the organisation. Should they believe they have any such interests, the individual Board member will immediately notify the Board of any such interests.
- 4.4. Membership of the Board shall be disclosed in the annual report including whether a director is appointed or elected.
- 4.5. The Board has not adopted a tenure policy, but according to the Constitution, there are limits on tenure of individual Board members
- 4.6. The Board will actively review the skill set and experience of its members with a view of ensuring the major areas of the Federation's business are represented appropriately. These may include, cycling background (elite and recreational), finance, legal, marketing, Managerial. Strategies to ensure adherence to this policy include:
 - I. Seeking expressions of interest from within the Federation and externally from persons with specific skills sets as identified as a needs area by the Board for appointment as an independent Director
 - II. Approaching suitable candidates from within the membership group to stand for election
- 4.7. The Board will seek to ensure strategies are developed to encourage an appropriate gender balance within the Board's number

5. BOARD/CEO relationship

- 5.1. The roles of the Chairman and CEO are strictly separated.
 - I. The CEO is responsible for:
 - policy direction of the operations of the organisation
 - the efficient and effective operation of the organisation
 - bringing material and other relevant matters to the attention of the Board in an accurate and timely manner.
- 5.2. The CEO is not a member of the Board, but is entitled to be present at all meetings of the Federation and speak on any matter. (Note: in instances where the Board is discussing the performance of the CEO in the first instance, ie prior to formal review which is undertaken between the Chair and CEO, such discussions may occur "in camera")

6. BOARD CULTURE

- 6.1. The Board actively seeks to have an 'engaged culture' which is characterised by candour and a willingness to challenge. The following table is used to provide evidence of an engaged culture [taken from *Increasing Director Performance (Company Director, Vol 20 No 8 2004)*]:
 - I. **Agendas**
 - The agendas of the Board limit presentation time and maximise discussion time.
 - There are lots of opportunities for informal interactions among Board members.

II. Norms

Board members:

- are honest yet constructive.
- are ready to ask questions and willing to challenge leadership.
- actively seek out other Board members' views and contributions.
- spend appropriate time on important issues.

III. Beliefs

- "If I don't come prepared, I will be embarrassed."
- "If I don't actively participate, I won't be fulfilling my responsibility."
- "I'll earn the respect of fellow Board members by making valuable contributions and taking responsibility for what I do."
- "If I can't carry my load, or if I can't agree with what's going on, I should resign."

IV. Values

- The Board serves the cycling community by actively participating in governance.
- The Board is responsible to various stakeholders.
- Board members are personally accountable for what goes on at the organisation.
- The Board is responsible for maintaining the organisation's stature in the sector.
- Board members respect each other.

V. Confidentiality

- Notwithstanding the reporting requirements incumbent on the Board, all matters which the board are privy to and/or and are considered by the Board remain confidential unless specifically identified by the Board.
- Where matters are to be disclosed to either individuals or the Federation's general membership, the nature and extent of the communication will be mutually agreed by the Board

7. REPORTING

- 7.1. Proceedings of all meetings are minuted and signed by the Chairman of the meeting.
- 7.2. Minutes of all Board meetings are circulated to directors with any comments notified to the CEO within the designated time frames. The minutes are signed by the Chairman within 21 days of the Board meeting as per the Corporations act.
- 7.3. Resolutions are first put to the Board in draft form (as a "Board Paper") and, once passed, are recorded as a Resolution in the minutes.

8. REVIEW OF CHARTER

- 8.1. The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

9. PUBLICATION OF THE CHARTER

- 9.1. Key features of the charter are to be outlined in the organisation Annual Report.
- 9.2. A copy of the charter is available on the CNSW website