



**FOOTBALL
FEDERATION
VICTORIA**

Board Charter

Reviewed April 2014

Board Sub-Committees Terms of Reference updated June 2016

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General Principles

On behalf of the stakeholders, especially the owners (**Members**), the Football Federation Victoria (FFV) Inc (**FFV**) board of directors (**Board**) is responsible for the stewardship and future well-being of FFV. The Board should exercise leadership, enterprise, integrity and judgement in directing the organisation so as to provide assurance of its continuing and lasting prosperity. FFV's purposes are made clear in its constitution. Directors should apply and endeavour to achieve the highest possible standards of corporate governance.

In discharging their responsibilities the Board and individual Directors have a duty to act in the best interests of FFV as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations. Directors' first duty and loyalty must be to the organisation/legal entity.

Governance defined – the role of the Board

Governance might be described as:

The exercise of corporate leadership through the establishment and monitoring of necessary controls and strategic direction setting so that the organisation is equipped to respond to the changing circumstances and situations in the external and internal environments in order to meet the expectations and demands of Members and other key stakeholders.

In summary the Board:

1. Provides leadership to the organisation ensuring that it achieves continuing prosperity in the best interests of the organisation and its stakeholders.
2. Ensures an appropriate mix of Directors whether through interaction with Members/key stakeholders resulting in the election of appropriately skilled personnel or through the appointment of such individuals.
3. Establishes the organisation's purpose, values and strategies.
4. Determines the appropriate culture for the organisation and models behaviours that both reflect and promulgate the desired culture.
5. Employs the Chief Executive Officer (**CEO**) and monitors management and organisation performance against Board-established criteria.
6. Identifies and monitors the management of corporate risks.
7. Ensures that the organisation complies with all internal and externally imposed compliance requirements.
8. Establishes and maintains an effective interrelationship with stakeholders.
9. Ensures that internal processes and procedures are designed to provide effective controls and serve as the basis for reporting to the Board as required.

In brief, governance involves the Board in the process of ensuring that FFV is well managed without the Board itself becoming involved in the operations except as required by its legislation or as a consequence of exceptional circumstances.

Governance is different from Management

Whereas the Board sets governance-level policies and establishes the strategic direction including the development of the organisation purpose, values and the organisation-wide goals and objectives, the CEO designs and manages the day-to-day operational processes. The CEO is thus the agent of the Board. The Board is responsible for determining organisational 'Ends' or outcomes and the CEO's role to design the 'Means' or methods to achieve those ends.

Two levels of organisational policy

- (a) Governance-level policy. Policies at this level are developed and adopted by the Board and relate to high-level, organisation-wide matters. These include policies in respect of the Board's operating processes and duties, and its delegation to the CEO for the organisation's day-to-day management. These policies are a reflection of the Board's desire to meet its duty of care under law and its moral responsibility to provide good governance on behalf of all interested parties.
- (b) Management-level policy. These are developed by the CEO and relate to the operational management of the organisation. The Board is not required to approve policies at this level. Management-level policies flow logically from the governance policies.

Responsibilities of the Board of Directors

Enacting the Governance Responsibilities

The Board is responsible for protecting the rights and interests of the FFV and is accountable to the Members for the overall management of the organisation. In discharging its obligations and duties, the Board should assume responsibility in at least the following areas:

1. Meeting Legal Requirements

The Board's first duty is to the legal entity. In meeting this duty the Board must ensure that all legal requirements under the relevant Acts are met and that the entity is protected from harmful situations and circumstances in the interests of current and future stakeholders. The Board also has a responsibility to its various stakeholders to ensure that the available resources are used to deliver the 'right outcomes' to the 'right people' in the 'right way'.

In particular Directors have the following obligations:

- a. To act in good faith in the interests of all stakeholders of FFV
- b. To exercise their powers for a proper purpose
- c. To avoid conflicts of interests
- d. To act honestly
- e. To act with reasonable care and diligence
- f. Not to make improper use of either their position on the Board or information gained while in that role.

Directors, either individually or collectively, are potentially liable if they act illegally or negligently.

2. Directorship

The Board will:

- a. Assist FFV to make good appointments to the Board by ensuring that constituent bodies are fully conversant with the role, responsibilities, work programme and performance of the Board and its members.
- b. Provide a thorough orientation process for new Directors.

3. Governance Philosophy and Approach

The Board will govern FFV with an emphasis on:

- a. A future focus rather than a preoccupation with the present or past;
- b. Strategic issues rather than administrative detail;
- c. Pro-activity rather than reactivity;
- d. Promotion of principles of equity and diversity across all areas of FFV's operations;
- e. Encouraging a diversity of opinions and views;
- f. The development and expression of a collective responsibility for all aspects of the Board's performance;
- g. Continuing improvement in Board and individual Director effectiveness; and the interests of FFV as a whole.

4. Strategic leadership

The Board will:

- a. Formulate, authorise and monitor FFV's vision, mission and strategic objectives.
- b. Provide input that assists in identifying and understanding emerging trends and issues likely to affect the well being of FFV and its stakeholders.
- c. Review FFV's situation and agree the broad framework within which the strategic and business plans will be prepared each year.
- d. Recommend any significant shifts in the broad strategic direction of FFV to the stakeholders.
- e. Ensure that CEO is continually striving for above average performance after taking into account risk.
- f. Ensuring there are adequate internal controls and ethical standards of behaviour.
- g. Ensure the development of medium-term and annual business/operational plans.
- h. Review and approve FFV's financial objectives, plans and actions, including significant capital allocations and expenditures.
- i. Monitor the effectiveness of the governance policies under which it operates and make changes as required.

5. Direction of Executive Performance

The Board will:

- a. Select, monitor and, if necessary, replace the CEO.
- b. Maintain an up to date framework for defining the Board's expectations of the CEO's performance including the setting of a clear, annual performance agreement.
- c. Provide regular, honest and rigorous performance feedback to the CEO on the achievement of such expectations.
- d. Ensure there are positive conditions for the motivation of the CEO and ensure that there is adequate training to support her/him in their role.

6. Compliance and Integrity

The Board will:

- a. Ensure ethical behaviour and compliance with the Board's policies, and statutes and regulations, audit and accounting principles and FFV's stated values and its governance documents.
- b. Ensure the integrity of FFV's internal control and management information systems so that its decision-making capability and the accuracy of its reporting are maintained at a high level at all times.

7. Board Focus

The Board will:

- a. Ensure that the Board makes the best possible use of its meetings by dealing only with matters that have governance-level significance, by focusing primarily on the future and, within a defined policy framework, by delegating as much as possible to the CEO.
- b. Ensure that reports and proposals for the Board are timely, contain content and are formatted so as to reinforce and support the Board's governance role.
- c. The Chairperson will establish the agenda for each Board meeting although each Director is free to suggest the inclusion of item(s) on the agenda. To the extent possible (given some matters worthy of the Board's attention may be unforeseen) agendas will be based on a schedule of subjects agreed at the beginning of each year and documented in the form of an annual work agenda.

8. Board Meetings

As a general rule, the Board will meet monthly but at least not less than bi-monthly.

9. Material Transactions

The Board will review and approve transactions that are not consistent with the ordinary course of business (i.e. of considerable size, or of an unusual nature).

10. Monitoring and enhancing Board effectiveness

The Board will assess annually its own effectiveness in fulfilling this charter and other Board responsibilities, including the effectiveness of individual Directors.

11. Assurance of Accountability

The Board will:

- a. Serve the legitimate collective interests of the present stakeholders of FFV and account to them fully.
- b. Remain up to date in terms of stakeholders' concerns, needs and aspirations.
- c. Report to the Members and other key stakeholders on the performance of all FFV's entities and account for the Board's stewardship of that performance.

12. Interaction with the Media

In all contact with the media the Chairman shall be the sole spokesperson on all operating matters relating to FFV. The Chairman may delegate aspects of this responsibility as appropriate.

13. Other

The Board will perform such other functions as a prescribed by law or assigned to the Board under FFV's governing documents.

Expectations of Directors

To execute these governance responsibilities, Directors must, so far as possible, possess certain characteristics, abilities and understandings:

1. Directors Responsibilities

Directors must fulfil their fiduciary duty to act in FFV's best interest at all times regardless of personal position, circumstances or affiliation. They should be familiar with FFV's constitutional arrangements and be aware of, and fulfil, the statutory and fiduciary responsibilities of a director.

The Code of Ethics and Conflict of Interests policies provide direction to Directors and the Board in addressing key ethical issues.

Directors are expected to be punctual and attend regularly for the full extent of Board meetings and be willing to contribute between meetings if required. They should come fully prepared for Board meetings.

2. Strategic Orientation

Directors should be future oriented, demonstrating vision and foresight. They are expected to think conceptually, taking a 'helicopter' or 'big picture' perspective. They should be able to synthesise and simplify complex information and ideas. Their focus should be on strategic goals and policy implications rather than operational detail. They need to understand and focus on issues that are central to the success of FFV.

3. Integrity and Accountability

Directors must demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on - and remain collectively accountable for - all Board decisions even if these are unpopular or if individual Members disagree with them. Directors must be committed to speaking with one voice on all policy and directional matters.

4. Informed and Independent Judgement

Each member of the Board must have the ability to provide wise, thoughtful counsel on a broad range of issues. He or she must have (or be able to develop) a sufficient depth of knowledge about FFV's business in order to understand and question the assumptions upon which strategic and business plans and important proposals are based, and to be able to form an independent judgement as to the probability that such plans can be achieved, or proposals successfully implemented. Each Director must be willing to risk rapport with fellow Directors in taking a reasoned, independent position.

5. Financial Literacy

Because the Board must monitor financial performance, Directors must be financially literate. They should be able to read financial statements and understand the use of financial ratios and other indices used for evaluating FFV's performance. To achieve this appropriate training and support will be provided.

6. Industry and Sector Knowledge

Each Director is expected to bring a level of industry and sector knowledge sufficient to contribute to the Board's deliberations and considerations on behalf of the organisation and its stakeholders.

7. Participation

Each Director is expected to enhance the Board's deliberations by actively offering questions and comments that add value to the discussion. Each should strive to be at ease with fellow Directors participating in a constructive manner that acknowledges and respects the contribution of others at the table including the executive team. Directors must be able to accept challenge from others without becoming defensive. In order to foster teamwork and engender trust Directors should be willing to reconsider or change their positions after hearing statements of others' reasoned viewpoints.

Governance Policies

Code of Ethics

The Board is committed to the adoption of ethical conduct in all areas of its responsibilities and authority.

Directors shall:

1. Act honestly and in good faith and honesty at all times in the best interests of FFV as a whole.
2. Declare all interests that could result in a conflict between personal and organisational priorities.
3. Exercise diligent and care in fulfilling the functions of office.
4. Make reasonable enquiries to ensure that FFV is operating efficiently, effectively, legally and ethically in the pursuit of its corporate goals and strategies.
5. Maintain sufficient knowledge of FFV's business and performance to make informed decisions.
6. Must not agree to FFV incurring obligations unless he or she believes that such obligations can be met when required.
7. Attend Board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making.
8. Put the needs of FFV before their own needs.
9. Ensure scrupulous avoidance of deception, unethical practice or any other behaviour that is, or might be construed as, less than honourable in the pursuit of FFV's business.
10. Not disclose to any other person confidential information other than as agreed by the Board or as required under law.
11. Act in accordance with their fiduciary duties, complying with the spirit as well as the letter of the law, recognising both the legal and moral duties of the role.
12. Abide by Board decisions once reached notwithstanding a Director's right to pursue a review or reversal of a Board decision.
13. Not to make, comment, issue, authorise, offer or endorse any public criticism or statement having or designed to have an effect prejudicial to the best interests of FFV.
14. Ensure that all Members and other stakeholders are treated on an equitable basis.

The Board shall:

1. Make every reasonable effort to ensure that FFV does not raise community, supplier or stakeholder expectations that cannot be fulfilled.
2. Meet its responsibility to ensure that all staff employed by FFV are treated with due respect and are provided with a working environment and working conditions that meet all reasonable standards of employment as defined in relevant workplace legislation.
3. Carry out its meetings in such a manner as to ensure fair and full participation of all Directors.

Strategic Direction and Planning

An essential element in the Board's leadership role is its responsibility to set the strategic direction for FFV. Accompanying this is an ongoing responsibility to identify corporate priorities, monitor progress against the strategic goals and objectives and view and approve annual business plans and the annual budget. Accordingly the Board will:

1. Annually establish and review FFV's purpose, vision, mission, corporate strategies and priorities.
2. Annually review annual business plans to ensure alignment with the strategic direction, priorities and corporate strategies.
3. Annually schedule a program of strategic dialogue at Board meetings that reflects the priorities as defined by the Board and that creates opportunities for the Board and

management to think strategically about future issues of strategic importance to FFV's wellbeing and success.

4. Ensure the strategic work has been done to enable FFV to achieve the overarching goals set out in FFV's Strategic Plan 2012-2015.

Financial Governance

The Board has a core duty to ensure the financial integrity and viability of FFV. This entails oversight of all financial processes and systems, regular review of financial results and, annually, approving the company's financial plan and budget and financial announcements. Accordingly the Board will:

1. Develop, review and monitor the implementation of governance level financial policies.
2. Provide guidance on budget parameters and priorities and approve the annual budget and financial plan including capital expenditure.
3. Approve expenditure outside budget parameters.
4. Review and approve the full year financial statements, reports and outcomes.
5. Receive and approve the Finance and Audit Committees' annual plan and scheduled reports.
6. Review and approve quarterly financial statements.

Conflict of Interests

The Board places great importance on making clear any existing or potential conflicts of interest for Directors in any matter being considered at a Board meeting.

Conflicts of interest may occur in a variety of circumstances, including:

- *When a Director, or his/her immediate family or business interests, stands to gain financially from any business dealings, programmes or services provided to FFV.*
 - *When a Director offers a professional service to FFV.*
 - *When a Director stands to gain personally or professionally from any insider knowledge if that knowledge is used for personal or professional advantage.*
1. Any business, personal or other matter being considered at a Board meeting which may amount to a conflict of a 'material personal interest' involving a Director and his/her role and relationship with FFV, must be disclosed (including the nature and extent of the interest and the relation of the interest to the activities of FFV) by the Director as soon as the Director becomes aware of his or her interest in the matter.
 2. All such disclosures shall be presented to the Board and minuted at the first Board meeting following disclosure.
 3. A material personal interest in a matter being considered at a Board meeting must be declared by the Director concerned at the earliest time after the interest is identified. Normally there will be the opportunity at the commencement of each Board meeting for such interests to be declared, considered and minuted.
 4. The Board (other than the Director concerned) shall determine whether or not the interest is of a material personal nature and shall advise the individual accordingly. Any interest determined by the Board to be a material personal interest must be recorded in the Register of Interests.
 5. Where a personal material interest is identified and registered (or the Board has resolved should be registered), the Director concerned shall not vote on any resolution relating to that conflict or issue.
 6. The Director is not entitled to be present during or participate in any related discussion.
 7. The Board will determine what records and other documentation relating to the matter will be available to the Director.
 8. All such occurrences will be minuted (including the details required in paragraph 1 above).

9. If there are insufficient Directors to form a quorum to consider a matter, due to the operation of these conflict procedures, a general meeting may be called to consider and resolve the matter.
10. Individual Directors, aware of a real or potential conflict of interest of another Director, have a responsibility to bring this to the notice of the Board.
11. Where a Director has an ongoing material conflict of interest, this Director must consider resignation from the Board. However, resignation should not occur where this will result in serious detriment to the Board or to FFV.
12. Any matter recorded in the Register of Interests and not previously disclosed to FFV's members in general meeting shall be disclosed at the next general meeting of FFV.

Risk Management

The Board will identify and evaluate the principal risks faced by FFV and ensure that appropriate systems are in place to avoid or mitigate these risks including the protection of intellectual capital. Accordingly the Board will:

1. Ensure that robust risk management policies and processes are developed and monitored addressing all areas of organisational risk and that the Board is kept abreast of all key corporate risks areas and strategies in a timely manner.
2. Ensure that the organisation is progressing towards its strategic goals and objectives as established by the Board.
3. Ensure that suitable internal controls are in place and are enacted and monitored to ensure effective and efficient operation and management of the organisation's resources.
4. Ensure that the organisation is governed and managed in accordance with its constitution and policies.
5. Ensure that proper accounting records are kept.
6. Ensure prompt investigation of any material shortfalls or breaches in compliance or risk management standards.

Board Committees and Working Parties

The Board will establish committees as defined in the Constitution and Bylaws and in response to its governing requirements. In establishing committees and working parties the Board will ensure that these do not conflict with the CEO's delegated responsibilities.

1. Board committees and working parties shall have Terms of Reference defining their role, life span, procedures and functions, and the boundaries of their authority.
2. Board committees and working parties shall, by the end of 2015, have a minimum membership requirement of 25% female representation.
3. A decision of a committee or working party exercising delegated authority is a decision of the Board and should be treated by the CEO accordingly.
4. Committees and working parties may co-opt outside members from time to time in order to bring additional skills, experience or networks.
5. Committees and working parties shall not exercise authority over staff nor shall they delegate tasks to any staff unless the CEO has specifically agreed to such delegations.
6. Unless explicitly empowered by the Board, committees or working parties cannot make binding Board decisions or speak for the Board. For the most part the function of committees and working parties, in fulfilling their role, is to make recommendations to the Board.
7. Committees and working parties will not mirror operational divisions, departments or staff functions.

Note: Although not Board committees or working parties, for clarity, it is noted that Terms of Reference for each of the Coaches, Referees, Futsal, Junior's, Women's and Men's Standing Committees are defined in the FFV Constitution and Bylaws.

1. Committee Objective

The Finance and Audit Committee (in this section, '**Committee**') has been established to assist the Board in ensuring that FFV meets financial and other due diligence requirements. The Committee will also ensure that FFV policy and practice is not in conflict with the requirements established by the FFV. The Committee has no executive power in relation to its functions and does not act as a supervisory body.

2. Membership

The Committee should be of sufficient size, independence and technical expertise to discharge its mandate effectively.

- (a) Membership of the Committee consists of at least 3 non-executive independent members, of which 2 shall be Directors of the Board. Due to the office held, the Board Chair is a member of the Committee but can not be the Convenor of the Committee.
- (b) Appointment shall be by the Board and appointments will be reviewed annually.
- (c) The Convenor of the Committee shall be appointed by the Board. The Convenor shall chair all meetings and report to the Board. The Committee may appoint from its membership a person to deputise for the Convenor in his/her absence.
- (d) Members' expertise:
 - (i) All Committee members should have and maintain: Basic financial literacy, reasonable knowledge of FFV's risks and controls; integrity, objectivity, accountability, honesty and openness; dedication of time and effort; an enquiring mind; independence of judgement; and relevant industry knowledge. If members do not possess the above, training should be provided to the member within 6 months of their appointment to the Committee.
 - (ii) One member of the Committee should have appropriate expertise in financial accounting or auditing.
- (e) From time to time, the Committee may also co-opt other members to fulfil specific needs as required.
- (f) All Directors shall be entitled to attend all meetings of the Finance and Audit Committee.
- (g) Others will attend as requested, including the CEO, the Head of Finance (or equivalent) and the relevant Audit Partner of the accounting firm appointed as internal and/or external auditors.

3. Operating Principles

Frequency

- (a) The Convenor shall call a meeting of the Finance and Audit Committee if so requested by any Committee member, the Board, the internal audit manager or the external auditors.
- (b) The Committee shall usually meet at least 6 times per annum and at such other times as it deems necessary to conduct its business. It will be usual that there will be at least 3 meetings prior to the AGM, to facilitate review of the external audit, with attendance by those members of the Committee who are non-executive and attendance at a minimum of one meeting by the Audit Partner of the accounting firm appointed as external auditors.

- (c) The Committee shall meet at venues determined by mutual agreement between Committee members. Where appropriate, meetings may be held by teleconference or other means of communication allowing full and simultaneous participation in the meeting.

Notices, Agendas, Minutes

- (d) A Secretary shall be appointed to undertake relevant administrative duties, who may not be an ordinary member of the Committee.
- (e) The Convenor with assistance from the Secretary shall draw up an agenda to be circulated, along with relevant papers, at least 4 working days prior to each meeting. The agenda and papers shall be distributed to the members of the Committee and any other invitees.
- (f) Items not on the agenda will only rarely be tabled at the meeting, and only with the prior consent of the Convenor.
- (g) The Secretary shall ensure that minutes are kept for all meetings and distribute "Convenor Approved" minutes within 10 days.
- (h) Reasonable notice shall be given of meetings through the formal publication of a forward meeting schedule, incorporating the Annual Program.

Quorum

- (i) The quorum for meetings shall be at least 2 members, including by proxy, that must be in writing and provided to the Convenor prior to or at the start of the meeting.

Budget

- (j) The cost of administration for the Committee will be managed by the Secretary to the Board through the appropriate cost centre(s). A budget shall be established to provide for at least 4 meetings per annum, some of which may be held contiguously with Board meetings, the completion of both external and internal audits, and fees for the input of any other external expertise. The Committee is authorised to obtain external resources as required to assist with its work.

4. Responsibilities

The Committee will ensure that there is a comprehensive policy framework for management of financial matters and that assurance is obtained from the Head of Finance (or equivalent), as supported by internal and external audits, that appropriate financial controls have been established and are being operated. It will receive regular reports from internal and external auditors.

The Committee will also review and recommend to the Board the Annual Results, proposals for the appointment of external Auditors (for both Year-end and internal audit purposes), and Audit fees.

Scope of Activities

The Committee's scope of work will include the following:

Long Term Goals

Fostering good standards of financial due diligence within FFV through the adoption and implementation of effective financial risk management policy and practice.

Annual Program

Adoption of an Annual Program which will include:

- (a) Establishment and review of an appropriate financial due diligence policy framework.
- (b) Review of financial performance as reflected in the Annual Results.
- (c) Review, and if necessary commission of audit reports, both internal and external
- (d) Systematic review of financial due diligence performance which is independent of management.
- (e) Review of its own performance on an annual basis, including self assessment of performance against its scope of activities, and where applicable stakeholders assessment. Findings and actions arising from this review process shall be referred to the Board.
- (f) Review of any other matters referred to it by the Board.

External Financial Audit

- (a) Review and approval of the plan and scope of work for the external audit, and of the other responsibilities as outlined in the letter of appointment.
- (b) Making recommendations to the Board on the selection of external auditors.
- (c) Review of year-end results and recommendations to the Board as appropriate.
- (d) Review of audit reports and management responses.
- (e) Monitoring implementation of audit recommendations.
- (f) Reporting to the Board on matters of financial significance arising from the audit and operations.

Internal Audit

- (a) Review of the strategic audit plan for internal audit (including the audit scope and testing plan) and making recommendations to the Board as appropriate.
- (b) Review of internal audit reports and management responses to audit findings.
- (c) Monitoring of implementation of audit recommendations.
- (d) Reporting to the Board any matters of financial significance arising.

Financial Review

- (a) Review of the annual financial statements on advice from the CEO, Head of Finance (or equivalent) and external auditor, and making recommendations to the Board on acceptance or otherwise.
- (b) Review of strategies, and making recommendations to the Board as appropriate on:
 - (i) Consistent financial policy and practices in accordance with generally accepted accounting principles.
 - (ii) A system to report accurate and consistent financial information to the Board.

- (c) Review and making reports to the Board on:
 - (i) Any significant change in accounting policy.
 - (ii) Any significant adjustment made to the financial statements as a result of external audit.
 - (iii) Any proposed departure from generally accepted accounting practices.

Quality and Compliance

- (a) Ensure that FFV has an appropriate due diligence strategy capable of achieving due diligence of the financial operations of the business.
- (b) Review of the FFV strategy for assessment of major financial risks and a selection of relevant operational risks and making recommendations to the Board as appropriate.
- (c) Review of the establishment of appropriate controls for financial and non-medical regulatory compliance and making recommendations to the Board as appropriate.

5. Links to Other Bodies

Reporting to the Board

The Committee will report on its responsibilities and activities through its Convenor to the Board. This will include a specific report after each Committee meeting, submission of the minutes of Committee meetings, and presentation of an annual report of the Committee's activities.

Reporting to the Committee

In pursuit of its responsibilities, the Committee will receive regular reports on a range of matters from various parties as determined from time to time. This will include reports to satisfy the requirements of the Annual Program.

6. Authority

- (a) The Committee is authorised by the Board to investigate any activity covered by its functions and responsibilities. It is authorised to seek any information it requires from the CEO who shall co-operate with any request made by the Committee.
- (b) The Committee shall have the authority of the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
- (c) The Finance and Audit Committee shall have no executive powers with regard to its findings and recommendations other than those bestowed by the Board.

7. Review

The Terms of Reference for the Committee shall be reviewed by the Committee on an annual basis. Amendments shall be recommended to the Board for approval.

1. Purpose and role

The Quality and Risk Committee ("Committee") provides oversight of management processes and systems for ensuring effective governance and improved outcomes for stakeholders in all areas of the service. It also plays both a key leadership and support role in risk management. The Committee will specifically review, monitor and report on the following:

- (a) Governance Framework
- (b) Risk Management
- (c) Consumer Satisfaction
- (d) Accreditation and Assurance where relevant to FFV
- (e) Other matters specifically delegated to it by the Board
- (f) Data and Analysis

2. Specific responsibilities

Governance framework

The Committee will:

- (a) Annually review and monitor the key elements of the FFV Governance Framework and related key documents.
- (b) Review and endorse risk management plan; track progress and monitor performance against the risk management plan.

Risk Management

The Committee will:

- (a) Review risk management plan and other profile reports ensuring that adequate risk strategies are in place and timely rectification actions, where required, are being taken.
- (b) Review processes that govern the review of adverse events and confirm with management that these processes comply with legislative requirements.
- (c) Review the summary of incident reports (including seriously adverse and sentinel events) to ensure appropriate management control action has been taken.

Stakeholder satisfaction

The Committee will:

- (a) Review the relevant procedures for monitoring consumer satisfaction.
- (b) Review reports to monitor customer satisfaction with respect to services (including complaints).

Accreditation and Assurance

The Committee will:

- (a) Review relevant accreditation project plans and updates to demonstrate organisation preparation and readiness before accreditation surveys.
- (b) View surveyor accreditation reports and review and endorse action plans arising from report recommendations.
- (c) Review internal audit reports that identify areas of non-compliance with legislation, internal policies or standards of care, and monitor remediation action where required.
- (d) Review policies and procedures for monitoring the competence of persons providing services including credentialing processes.

Other matters specifically delegated to it by the Board

The Committee will:

- (a) Perform or undertake on behalf of the Board any such other tasks or actions as the Board may from time to time authorise.
- (b) Report any matter identified during the course of carrying out its duties that the Committee considers should be brought to the attention of the Board.

Data and Analysis

The Committee will:

- (a) Review quality and staff safety indicators, trend reports, benchmarked data and other relevant information within the various teams of FFV.
- (b) Follow up identified problem areas (through the analysis of data and audit) and monitor management plans for rectification.

3. Membership

- (a) The Committee shall consist of a minimum of three (3) non-executive members, of which at least two (2) must be Directors of FFV.
- (b) The Chair of the Board (in consultation with the Board) will appoint the Chair of the Committee, who will not be the Chair of the Board of Directors.
- (c) The Committee Chair will manage the Committee and its meetings, set its agenda and workplan, including specifying the information requirements from management.
- (d) All Board Directors are welcome to attend any Committee meeting as a non-voting attendee.
- (e) Appointments shall be made by the Board and shall be reviewed annually.
- (f) The Board may appoint an additional person to the Committee who possesses relevant skills to enhance the decision making capabilities of the Committee.
- (g) A representative of FFV management will attend all meetings of the committee unless otherwise advised.

4. Powers and Authority

- (a) The Board authorises the Committee to perform activities within its Terms of Reference, seek information internally and externally and, where necessary, obtain external legal and professional advice to assist in undertaking its responsibilities.
- (b) The Committee will make recommendations to the Board related to the areas of activities as described in the Terms of Reference.

5. Operations

- (a) For any resolution of the Committee to be carried, it must be supported by a simple majority of those Members present and voting. A Member has the right to abstain from voting on any resolution. There is no provision for absent Members to provide a proxy to another Member in attendance.
- (b) The Chair shall have the casting vote should it be required.
- (c) A quorum shall consist of three Members, at least 2 of whom shall be directors.
- (d) For a circular resolution to be passed refer to the Board Governance Information manual.
- (e) The Committee will meet quarterly.
- (f) The Committee provides a standing invitation to the CEO and delegated Executive.

6. Agenda and Minutes

- (a) Meeting documentation, including the agenda, minutes of the previous meeting and other relevant documents, will be distributed to the Committee Members and attendees one week prior to the meeting.
- (b) An annual program will be prepared outlining the key dates of each meeting and significant matters to be discussed.
- (c) The proceedings of all meetings will be minuted to reflect the work done by the Quality and Risk Committee and these minutes will be provided to the Board at its next meeting.
- (d) FFV management will provide secretariat support to the Committee.

7. Performance

The Committee will conduct an annual review of the Terms of Reference and the Committee's own performance and provide recommendations to the Board for consideration and approval.

1. Authority

- (a) These Terms of Reference (**Terms of Reference**) are made by the Board of Football Federation Victoria (**FFV**) under clause 12.9 (Sub-Committees) and clause 12.10 (Powers delegated to Sub-Committees) of the FFV Constitution (**Constitution**).
- (b) This document:
 - (i) establishes the Nominations and Remuneration Committee (**Committee**);
 - (ii) is subject to the Constitution; and
 - (iii) is consistent with the Constitution and By-Laws.
- (c) The interpretation of this document is solely the province of the Board.

2. Committee Objectives and purpose

- (a) The objectives of the Committee are to:
 - (i) assist the Board in fulfilling its responsibilities by reviewing, advising and making recommendations on the matters set out in clause 3 below; and
 - (ii) determine the appropriateness of any and all candidates for election to the Board enabling the Board to be comprised of Directors with a variety of skills and experience who act in the best interests of FFV as a whole.
- (b) The purpose of these Terms of Reference is to detail how the Committee is to be established and operate, including details about its composition, responsibilities and authority and limitations.
- (c) If the Committee consider that these terms are not sufficiently detailed for them to be able to operate in a particular situation or at all, the Committee is to refer all questions of clarification or amplification to the Board.

3. Responsibilities

It is the responsibility of the Committee to make recommendations to the Board relating to the employment of the Chief Executive Officer of FFV (**CEO**) and Board appointed directors, including the following:

- (a) CEO
 - (iii) recommend to the Board proposed candidates for the role of CEO;
 - (iv) recommend to the Board the terms and conditions of employment for, including the remuneration package of the CEO and any variation to those terms and conditions;
 - (v) evaluate the performance of the CEO, including annually in accordance with prearranged criteria; and
 - (vi) recommend remuneration package changes and discretionary bonus payments to the CEO.
- (b) Nomination
 - (i) For Elected Directors elected under clause 10.8 of the FFV Constitution, or casual vacancy directors under clause 10.11 of the FFV Constitution (which may be appointed by an election-like process):

- (A) Undertake a skills gap analysis of the Board to assess and recommend to the Board the desired competencies, experience, diversity and skills required on the Board for any Directors.
- (ii) For Appointed Directors under clause 10.12 of the FFV Constitution:
 - (A) establish processes for the identification of suitable director candidates for recommendation for appointment to the Board by the Board.
- (c) Board Performance
 - (i) develop and implement procedures for the Board's periodic evaluation and improvement of the performance of the Board and its committees;
 - (ii) review and recommend to the Board any changes to the induction process for new directors;
 - (iii) review and advise on appropriate succession planning for the role of directors;
 - (iv) and such other matters as the Board sees fit from time to time.

4. Composition of the committee

- (a) The Committee shall consist of not less than three (3) members and shall comprise as follows:
 - (i) the convenor of the Committee (**Chair**);
 - (ii) due to the office held, the President of FFV; and
 - (iii) at least two other Directors of FFV.
- (b) The Chair of the Committee will be appointed by the Board. The appointment will be reviewed annually. The Chair may be retained and remunerated as an independent professional service provider.
- (c) The CEO shall be entitled to attend meetings but is not a member of the Committee and has no voting rights. The CEO shall not attend parts of Committee meetings that discuss matters with respect to section 3(a) above.
- (d) The Chair shall be entitled to invite guests to attend Committee meetings as observers as required.
- (e) The Chair shall chair all meetings and report to the Board. The Chair may appoint from its membership a person to deputise in his/her absence.
- (f) Appointments shall be made by the Board and shall be reviewed annually. The Board shall ensure that the Committee is always comprised of a minimum of 25% of each gender.
- (g) The Committee may, at the request of the Board, make recommendations on possible candidates for appointment to the Committee.
- (h) A quorum shall be 50% of members of the Committee plus 1 (i.e. if there are four members of the Committee, then the quorum will be 3 members), one of whom must be the Chair. Quorum can be reached by proxy, proxies must be in writing and provided to the convenor prior to or at the start of the meeting. No business shall be transacted unless a quorum is present within half an hour of the time appointed for the meeting.

5. Proceedings

- (a) Consistent with rule 12.11 of the Constitution, the procedures of the Committee shall, with any necessary or incidental amendment, be the same as applicable to meetings of the Board under the Constitution. Proceedings of the Committee will be otherwise conducted in accordance with this clause 5.

Meetings of the Committee

- (b) The Committee will meet as frequently as is necessary to undertake its role and discharge its responsibilities effectively. The Chair may call a meeting of the Committee of their own motion, and must otherwise convene a meeting of the Committee if so requested by the Board, a majority of the Committee or the CEO.
- (c) Meetings may be held in person, or where appropriate, by teleconference or by other means of communication allowing full and simultaneous participation in the meeting.
- (d) An agenda which confirms the date, time and location (including dial in details if relevant) and items of business for the meeting shall be circulated at least five (5) working days prior to the meeting.

Committee Member interests

- (e) Members of the Committee will not participate in discussions and will not vote on any issues at Committee meetings relating to or in respect of which there is an actual or perceived conflict of interest.
- (f) The CEO must leave a Committee meeting on request while the Committee is discussing, reviewing or approving the CEO's remuneration or performance.

Minutes

- (g) The Committee must keep minutes of its meetings. The minutes must contain an accurate record of proceedings (but need not be a transcript), information relating to decisions of the Committee and the names of persons present at meetings.

Reporting to the Board

- (h) Within seven (7) days of any meeting of the Committee or within a time period as specified or requested by the Board, the Committee shall ensure a copy of the minutes and any supporting documents is provided to the CEO.
- (i) The minutes of the Committee meetings and any supporting documents provided by the Committee to the CEO shall be included in the papers for the next Board meeting. Any member of the Committee who is also a Board Member may report the findings and recommendations of the Committee to the Board after each Committee meeting, or as appropriate.

6. Authority and Limitations

The Committee has the following authorities and limitations:

- (a) The Committee is charged by the Board to act in accordance with its role, duties and responsibilities.
- (b) The Committee is authorised by the Board to investigate and pursue any activity covered by its role, duties and responsibilities.
- (c) The Committee is authorised by the Board to seek any information it reasonably requires from the CEO, who will co-operate with any reasonable request of the Committee.

- (d) The Committee should make decisions within these Terms of Reference and communicate them to the Board via the CEO. The Board will consider those decisions and have the absolute discretion to moderate, not act upon, review or ratify the decision having consideration of any relevant circumstances. Relevant circumstances may include but are not limited to budget, resources, political and other projects being undertaken.
- (e) The Committee is a committee of the Board and plays an advisory role. The Committee shall have no executive powers with regard to its findings and recommendations, and as above it cannot commit or bind the Board to any action, cost or decision unless the Board, in advance, delegates such authority in writing. The Committee does not relieve any directors of their responsibilities.
- (f) The Committee requires authority from the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
- (g) Positions on the Committee are honorary. The Committee is required to seek approval of the Board prior to incurring any expenses.
- (h) The Committee is not able to speak publicly as to its role or operation and is to refer all requests for public comment to the Board.
- (i) The Committee must, in the exercise of its powers or otherwise, at all times conform to any directions or regulations that may be prescribed by the Board. The Board may recall or revoke this power of delegation at any time.

7. Review

- (a) The Board shall review the activities of the Committee on an annual basis.
- (b) The Committee shall provide to the Board a report of its activities for the preceding year by way of review.
- (c) The Terms of Reference for the Committee shall be reviewed by the Committee on an annual basis. The Committee may recommend amendments to the Board for approval at any time.

1. Authority

- (a) These Terms of Reference (Terms of Reference) are made by the Board of Football Federation Victoria (FFV) under clause 12.9 (Sub-Committees) and clause 12.10 (Powers delegated to Sub-Committees) of the FFV Constitution (Constitution).
- (b) This document:
 - (i) establishes the Football Committee (Committee);
 - (ii) is subject to the Constitution; and
 - (iii) is consistent with the Constitution and By-Laws.
- (c) The interpretation of this document is solely the province of the Board.

2. Committee Objectives

- (a) The objectives of the Committee are to assist the Board in fulfilling its responsibilities by reviewing, advising and making recommendations on the matters set out in clause 3 below.
- (b) The purpose of these Terms of Reference is to detail how the Committee is to be established and operate, including details about its composition, responsibilities and, authority and limitations.
- (c) If the Committee consider that these terms are not sufficiently detailed for them to be able to operate in a particular situation or at all, the Committee is to refer all questions of clarification or amplification to the Board.

3. Responsibilities

It is the responsibility of the Committee to make recommendations to the Board on matters relating to football policies and strategies, including assisting the Board by providing advice and guidance on the following matters:

- (a) Recommendations to the Board from the FFV Standing Committees;
- (b) Recommendations to the Board on the Rules of Competitions and Competition structures including NPL, Community and Regional competitions;
- (c) Recommendations to the Board on the Grievance, Disciplinary and Tribunal By-Laws;
- (d) Provide assistance when requested by the CEO to review football operational plans to ensure alignment with Board strategy and policy;
- (e) Provide assistance to FFV executive staff via the Board and CEO with input into, or review of, major football policy and strategy documents pertaining to Mens football, Womens football, Junior football, Referees and Coaches.
- (f) Any other issue directed by the Board from time to time.

4. Composition of the Committee

- (a) The Committee shall consist of not less than three (3) members and shall comprise as follows:
 - (i) at least two (2) Directors of FFV;
 - (ii) the Chairs of each of the FFV Standing Committees;

- (iii) in addition to 4(a)(i) and due to the office held, the President of FFV; and
 - (iv) other Members appointed by the Board as required.
- (b) The Chief Executive Officer of FFV (CEO) shall be entitled to attend any and all meetings.
 - (c) The Chair shall be entitled to invite guests to attend Committee Meetings as observers as required.
 - (d) The Committee shall comprise a minimum of 25% of each gender.
 - (e) Appointments under clause 4(a)(i) and (iv) shall be made by the Board and shall be reviewed annually.
 - (f) The convenor of the Committee (Chair) will be appointed by the Board and must be a Director of FFV. The appointment shall be reviewed annually.
 - (g) The Chair shall chair all meetings and report to the Board. The Chair may appoint from its membership a person to deputise in his/her absence.
 - (h) A quorum shall be 50% of the members on the Committee plus 1 (i.e. if there are 12 members of the Committee then quorum will be 7 members), one of whom shall be the Chair. Quorum can be reached by proxy, proxies must be in writing and provided to the convenor prior to or at the start of the meeting. No business shall be transacted unless a quorum is present within half an hour of the time appointed for the meeting.

5. Proceedings

- (a) Consistent with rule 12.11 of the Constitution, the procedures of the Committee shall, with any necessary or incidental amendment, be the same as applicable to meetings of the Board under the Constitution. Proceedings of the Committee will be otherwise conducted in accordance with this clause 5.

Meetings of the Committee

- (b) The Committee will meet as frequently as is necessary to undertake its role and discharge its responsibility effectively. The Chair may call a meeting of the Committee of their own motion, and must otherwise convene a meeting of the Committee if so requested by the Board, a majority of the Committee or the CEO.
- (c) Meetings may be held in person, or where appropriate, by teleconference or by other means of communication allowing full and simultaneous participation in the meeting.
- (d) The agenda of the meeting shall be circulated at least five (5) working days prior to the meeting.

Minutes

- (e) The Committee must keep minutes of its meetings. The minutes must contain an accurate record of proceedings (but need not be a transcript), information relating to decisions of the Committee and the names of persons present at meetings.

Reporting to the Board

- (f) Within seven (7) days of any meeting of the Committee or within a time period as specified or requested by the Board, the Committee shall ensure a copy of the minutes and any supporting documents is provided to the CEO.

- (g) The minutes of the Committee meetings and any supporting documents provided by the Committee to the CEO shall be included in the papers for the next Board meeting. Any member of the Committee who is also a Board Member may report the findings and recommendations of the Committee to the Board after each Committee meeting, or as appropriate.

6. Authority and Limitations

The Committee has the following authorities and limitations:

- (a) The Committee is charged by the Board to act in accordance with its role, duties and responsibilities.
- (b) The Committee is at all times a committee of the Board and performs at all times an advisory role only. The Committee is authorised by the Board to investigate any activity covered by its responsibilities.
- (c) The Committee shall make decisions within these Terms of Reference and communicate them to the Board via the CEO. The Board will consider those decisions and have the absolute discretion to moderate, not act upon, review or ratify the decision having consideration of any relevant circumstances. Relevant circumstances may include but are not limited to budget, resources, political and other projects being undertaken.
- (d) The Committee shall have no executive powers with regard to its findings and recommendations, i.e. it cannot commit the Board to any action, cost or decision unless the Board, in advance, delegates such authority. The Committee does not relieve any directors of FFV of their duties or responsibilities.
- (e) The Committee shall have no power to direct or instruct the CEO, but for 6(c) above, or FFV management or staff to perform or complete any task or request.
- (f) The Committee requires authority from the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
- (g) Positions on the Committee are honorary. The Committee is required to seek approval of the Board prior to incurring any expenses.
- (h) The Committee is not able to speak publicly as to its role or operation and is to refer all requests for public comment to the Board.
- (i) The Committee must, in the exercise of its powers or otherwise, at all times conform to any directions or regulations that may be prescribed by the Board. The Board may recall or revoke this power of delegation at any time.

7. Review

- (a) The Board shall review the activities of the Committee on an annual basis.
- (b) The Committee shall provide to the Board a report of its activities for the preceding year by way of review.
- (c) The Terms of Reference for the Committee shall be reviewed by the Committee on an annual basis. Amendments shall be recommended to the Board for approval. This may be done at any time.

1. Authority

- (a) These Terms of Reference (Terms of Reference) are made by the Board of Football Federation Victoria (FFV) under clause 12.9 (Sub-Committees) and clause 12.10 (Powers delegated to Sub-Committees) of the FFV Constitution (Constitution).
- (b) This document:
 - (i) establishes the Regional Committee (Committee);
 - (ii) is subject to the Constitution; and
 - (iii) is consistent with the Constitution and By-Laws.
- (c) The interpretation of this document is solely the province of the Board.

2. Committee Objectives and Purpose

- (a) The objectives of the Regional Committee ('Committee') are to assist the Board in fulfilling its responsibilities by reviewing, advising and making recommendations on the matters set out under clause 3, below, entitled Responsibilities.
- (b) The purpose of these Terms of Reference is to detail how the Committee is to be established and operate, including details about its composition, responsibilities and, authority and limitations.
- (c) If the Committee consider that these terms are not sufficiently detailed for them to be able to operate in a particular situation or at all, the Committee is to refer all questions of clarification or amplification to the Board.

3. Responsibilities

It is the responsibility of the Committee to make recommendations and provide assistance to the Board regarding:

- (a) assist FFV by providing advice and guidance to the Board on the establishment of effective relationships and partnerships with key regional government, sporting and strategic stakeholders;
- (b) Assist FFV by providing advice and guidance to the Board on the establishment of effective relationships and partnerships with regional football entities including clubs, associations regional football centres;
- (c) Assist FFV by providing advice and guidance to the Board on the establishment of formal or informal policies and programs necessary to facilitate and promote the goals and objectives of football in regional Victoria;
- (d) Contribution to the development of strategies and any associated plans to support the welfare and prosperity of football in regional Victoria;
- (e) Recommendations regarding the deployment of FFV resources to support regional football operations; and
- (f) any other issue directed by the Board.

4. Composition of the Committee

- (a) The Committee shall comprise as follows:

- (i) a minimum of three (3) non-executive independent members, of which at least two (2) must be Directors of FFV;
 - (ii) due to the office held, the FFV President is an ex-officio member of the Committee;
 - (iii) one (1) Zone Representative from each of the regional zones; and
 - (iv) Other Members appointed by the Board as required.
- (b) Other people may be invited by the Chair to attend a Committee meeting as observers as required, including Standing Committee Zone Representatives and Victorian Country Associations.
 - (c) The Committee must always be comprised of a minimum of 25% of each gender.
 - (d) The Board shall appoint members to the Committee and the convenor of the Committee (Chair). Such appointments will be reviewed annually. The Chair shall chair all meetings and report to the Board. The Chair may appoint from its membership a person to deputise in his/her absence.
 - (e) A quorum will be 50% of the members of the Committee plus 1 (i.e. if there is 12 members of the Committee, then the quorum will be seven), one of whom must be the Chair and one of whom must be a Director. No business shall be transacted unless a quorum is present within half an hour of the time appointed for the meeting

5. Proceedings

- (a) Consistent with rule 12.11 of the Constitution, the procedures of the Committee shall, with any necessary or incidental amendment, be the same as applicable to meetings of the Board under the Constitution. Proceedings of the Committee will be otherwise conducted in accordance with this clause 5.

Meetings of the Committee

- (b) The Committee will meet as frequently as is necessary to undertake its role and discharge its responsibilities effectively. The Chair may call a meeting of the Committee of their own motion, and must otherwise convene a meeting if so requested by the Board or a majority of the Committee.
- (c) Meetings may be held in person, or where appropriate, by teleconference or by other means of communication allowing full and simultaneous participation in the meeting.
- (d) An agenda which confirms the date, time and location (including dial in details if relevant) and items of business for the meeting shall be circulated at least five (5) working days prior to the meeting.

Secretariat

- (e) FFV management will provide reasonable secretariat support to the Committee where practicable and subject to capacity.

Minutes

- (f) The Committee must keep minutes of its meetings. The minutes must contain an accurate record of proceedings (but need not be a transcript), information relating to decisions of the Committee and the names of persons present at meetings.

Reporting to the Board

- (g) Within seven (7) days of any meeting of the Committee or within a time period as specified or requested by the Board, the Committee shall ensure a copy of the minutes and any supporting documents is provided to the CEO.
- (h) The minutes of the Committee meetings and any supporting documents provided by the Committee to the CEO shall be included in the papers for the next Board meeting. Any member of the Committee who is also a Board Member may report the findings and recommendations of the Committee to the Board after each Committee meeting, or as appropriate.

6. Authority and Limitations

The Committee has the following authorities and limitations:

- (a) The Committee is charged by the Board to act in accordance with its role, duties and responsibilities.
- (b) The Committee is authorised by the Board to investigate any activity covered by its objectives and responsibilities. It is authorised to seek any information it requires from the CEO who will use best endeavours to cooperate with any reasonable request.
- (c) The Committee should make decisions within these Terms of Reference and communicate them to the Board. The Board will consider those decisions and have the absolute discretion to moderate, not act upon, review or ratify the decision having consideration of any relevant circumstances. Relevant circumstances may include but are not limited to budget, resources, political and other projects being undertaken.
- (d) The Committee is a committee of the Board and plays an advisory role. The Committee shall have no executive powers with regard to its findings and recommendations, i.e. it cannot commit the Board to any action, cost or decision unless the Board, in advance, delegates such authority. The Committee does not relieve any directors of their responsibilities.
- (e) The Committee requires authority from the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
- (f) The Committee does not replace or replicate established management responsibilities or delegation, or the reporting lines and responsibilities of the FFV Executive.
- (g) Positions on the Committee are honorary. The Committee is required to seek approval of the Board prior to incurring any expenses.
- (h) The Committee is not able to speak publicly as to its role or operation and is to refer all requests for public comment to the Board.
- (i) The Committee must, in the exercise of its powers or otherwise, at all times conform to any directions or regulations that may be prescribed by the Board. The Board may recall or revoke this power of delegation at any time.

7. Review

- (a) The Board shall review the activities of the Committee on an annual basis.
- (b) The Committee shall provide to the Board a report of its activities for the preceding year by way of review.
- (c) The Terms of Reference for the Committee will be reviewed by the Committee on an annual basis. The Committee may recommend amendments to the Board for approval at any time.

1. Authority

- (a) These Terms of Reference (Terms of Reference) are made by the Board of Football Federation Victoria (FFV) under clause 12.9 (Sub-Committees) and clause 12.10 (Powers delegated to Sub-Committees) of the FFV Constitution (Constitution).
- (b) This document:
 - (i) establishes the Stakeholder Engagement Committee (Committee);
 - (ii) is subject to the Constitution; and
 - (iii) is consistent with the Constitution and By-Laws.
- (c) The interpretation of this document is solely the province of the Board.

2. Committee Objective and Purpose

- (a) The objectives of the Committee are to make recommendations and provide assistance to the Board in relation to the matters set out under clause 3 below.
- (b) The purpose of these Terms of Reference is to detail how the Committee is to be established and operate, including details about its composition, responsibilities and, authority and limitations.
- (c) If the Committee consider that these terms are not sufficiently detailed for them to be able to operate in a particular situation or at all, the Committee is to refer all questions of clarification or amplification to the Board.

3. Responsibilities

The Committee may make recommendations and provide advice and assistance to the Board regarding:

- (a) the establishment of effective relationships and partnerships with key internal and external stakeholders, including government, commercial, strategic and football stakeholders;
- (b) the development of formal or informal policies and programs necessary to facilitate and promote the Stakeholder Engagement goals and objectives of the FFV;
- (c) the monitoring of these relationships, policies and programs;
- (d) proactive planning and activation within electoral cycles;
- (e) contribution to the development of an organisation wide Engagement Plan and any associated plans; and
- (f) any other issue as may be directed to the Committee by the Board from time to time.

4. Composition of the Committee

- (a) The Committee should be of sufficient size, independence and technical expertise to discharge its responsibility and functions effectively.
- (b) The Committee shall comprise as follows:
 - (i) a minimum of three (3) non-executive members, of which at least two (2) must be Directors of FFV;

- (ii) due to the office held, the President of FFV; and
 - (iii) other members appointed by the Board as required.
- (c) The Chief Executive Officer of FFV (CEO) shall be entitled to attend meetings but is not a member of the committee and has no voting rights.
 - (d) The Chair shall be entitled to invite guests to attend Committee Meetings as observers as required.
 - (e) The Committee must always be comprised of a minimum 25% of each gender.
 - (f) Appointments will be made by the Board and will be reviewed annually.
 - (g) The Committee may, at the request of the Board, make recommendations on possible candidates for appointment to the Committee.
 - (h) The convenor of the Committee (Chair) will be appointed by the Board. The appointment will be reviewed annually.
 - (i) The Chair shall chair all meetings and report to the Board. The Chair may appoint from its membership a person to deputise in his/her absence.
 - (j) A quorum will be 50% of the members of the Committee plus 1 (i.e. if there are four members of the Committee then the quorum will be 3), one of whom must be the Chair and one of whom must be a Director. Quorum can be reached by proxy, proxies must be in writing and provided to the Chair prior to or at the start of the meeting. No business shall be transacted unless a quorum is present within half an hour of the time appointed for the meeting

5. Proceedings

- (a) Consistent with rule 12.11 of the Constitution, the procedures of the Committee shall, with any necessary or incidental amendment, be the same as applicable to meetings of the Board under the Constitution. Proceedings of the Committee will be otherwise conducted in accordance with this clause 5.

Meetings of the Committee

- (b) The Committee will meet as frequently as is necessary to undertake its role and discharge its responsibilities effectively. The Chair may call a meeting of the Committee of their own motion, and must otherwise convene a meeting if so requested by the Board, a majority of the Committee or at the request of the CEO.
- (c) Meetings may be held in person, or where appropriate, by teleconference or by other means of communication allowing full and simultaneous participation in the meeting.
- (d) An agenda which confirms the date, time and location (including dial in details if relevant) and items of business for the meeting shall be circulated at least five (5) working days prior to the meeting.
- (e) The Chair will manage the Committee and its meetings, set its agenda and work plan, including specifying the information requirements from management.

Minutes

- (f) The Committee must keep minutes of its meetings. FFV management will provide secretariat support to the Committee and will assist in keeping minutes. The minutes must contain an accurate record of proceedings (but need not be a transcript), information relating to decisions of the Committee and the names of persons present at meetings.

Reporting to the Board

- (g) Within seven (7) days of any meeting of the Committee or within a time period as specified or requested by the Board, the Committee shall ensure a copy of the minutes and any supporting documents is provided to the CEO.
- (h) The minutes of the Committee meetings and any supporting documents provided by the Committee to the CEO shall be included in the papers for the next Board meeting. Any member of the Committee who is also a Board Member may report the findings and recommendations of the Committee to the Board after each Committee meeting, or as appropriate.

6. Authority and Limitations

The Committee has the following authorities and limitations:

- (a) The Committee is charged by the Board to act in accordance with its role, duties and responsibilities.
- (b) The Committee is authorised by the Board to investigate activities covered by its responsibilities. It is authorised to seek information it requires from the CEO who will use reasonable endeavours to cooperate with any reasonable request.
- (c) The Committee should make decisions within these Terms of Reference and communicate them to the Board via the CEO. The Board will consider those decisions and have the absolute discretion to moderate, not act upon, review or ratify the decision having consideration of any relevant circumstances. Relevant circumstances may include but are not limited to budget, resources, political and other projects being undertaken.
- (d) The Committee is a committee of the Board and plays an advisory role. The Committee shall have no executive powers with regard to its findings and recommendations, i.e. it cannot commit the Board to any action, cost or decision unless the Board, in advance, delegates such authority. The Committee does not relieve any directors of their responsibilities.
- (e) The Committee requires authority from the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
- (f) The Committee does not replace or replicate established management responsibilities or delegation, or the reporting lines and responsibilities of the FFV Executive.
- (g) Positions on the Committee are honorary. The Committee is required to seek approval of the Board prior to incurring any expenses.
- (h) The Committee is not able to speak publicly as to its role or operation and is to refer all requests for public comment to the Board.
- (i) The Committee must, in the exercise of its powers or otherwise, at all times conform to any directions or regulations that may be prescribed by the Board. The Board may recall or revoke this power of delegation at any time.

7. Review

- (a) The Board shall review the activities of the Committee on an annual basis.
- (b) The Committee shall provide to the Board a report of its activities for the preceding year by way of review.

- (c) The Terms of Reference for the Committee will be reviewed by the Committee on an annual basis. The Committee may recommend amendments to the Board for approval at any time.

Board Meetings

The majority of Board business will be conducted in Board meetings. In order to ensure effective meetings the following principles apply:

1. The Board will develop a one year agenda that:
 - a. regularly reviews progress towards the achievement of the strategic direction/strategic plan and relevant strategic issues;
 - b. provides assurance that all relevant compliance requirements are addressed; and
 - c. improves Board performance through education and continuous focus on its governance effectiveness.
2. The Chairman, in consultation with the CEO will prepare the agenda for each Board meeting. All Directors have the opportunity to contribute to the agenda.
3. The Board will normally meet once every month, however, Board meetings may be scheduled at other times or at other frequencies as determined by the Board.
4. Directors are expected to have read their papers and be prepared fully for Board meetings. Whenever possible personal queries and matters of clarification should be pursued prior to the meeting.
5. Directors are expected to provide input into Board decision-making and dialogue.
6. Board meetings will be conducted in an open and constructive manner, recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions.
7. Board decisions will be reached by vote. Every Board resolution requires a proposer and seconder and any decision will be recorded as a unanimous or majority decision in favour or against the motion, together with any abstentions..
8. Directors are expected to arrive on time and remain in the meeting for its duration.
9. Directors will receive their Board papers at least 5 working days prior to the meeting.
10. Directors shall disclose any conflicts of interest at the earliest point in the meeting and, as determined, refrain from voting or participating in resolution of the issue under discussion.
11. Other than in extraordinary circumstances, substantive papers or matters requiring Board consideration will not be received and acted upon at the meeting at which these are presented.
12. Attendees may participate in Board meetings at the Board's discretion. Attendees will respect the Boards' integrity and accountability and will thus accept any constraints imposed by the Board or the Chairman on their participation and presence.
13. The Board may determine to hold 'Board only' sessions in response to sensitive or confidential issues. Such sessions might also be scheduled on a regular basis at the commencement of the meeting so that the Board can, without observers present, agree the priorities for the meeting, answer questions from Directors that could cause embarrassment if asked in front of observers, or discuss any other matters of a confidential nature.
14. Call for agenda items at least 8 working days prior to the meeting.
15. Draft minutes to be distributed within 5 working days of the conclusion of the meeting and where appropriate listing action points and target dates for completion
16. Board Papers will be in a consistent reporting format.
17. Board Papers will indicate if an item is "matter for decision" or "matter for noting".
18. Matters for decision will include a section titled "recommendation" and list if an item is to "endorse" or "approve".

Monitoring Operational Performance

The Board has a duty to oversee and monitor the performance of the operational organisation.

1. The CEO will report to the Board on the performance of FFV at a frequency and to a standard specified by the Board.
2. All such reporting should be targeted at the Board's interests and duties rather than a description of management actions.

New Director Induction

The Board will provide to all new Directors a thorough induction into the affairs of both the Board and FFV at large.

1. All prospective Directors will be provided with all relevant information.
2. Upon appointment/election and prior to attendance at their first Board meeting, new Directors will receive a copy of the Board's resource handbook including Governance policies, Articles/Constitution and other relevant legal governance documentation, current and recent meeting papers, an organisational chart, contact details for other Directors and key staff, a glossary of key terms, definitions and acronyms, the current year's meeting schedule and the annual agenda.
3. Meet with the Chairperson for a governance familiarisation. This meeting may be held as a group session or with individuals.
4. Meet with the CEO for an operational familiarisation.

Board and Director Professional Development

The Board's value-adding role requires that the Board as a whole and all Directors have access to professional development relevant to the role and duties of directorship.

1. The Board will make every reasonable effort to facilitate training for all Directors and for the Board as a whole to maximise its value-adding contribution to the organisation.
2. An annual Board development budget will be established that provides for both Board and individual Director development, the quantum of this budget item to be determined on a year by year basis.
3. All Directors will be encouraged to undertake the AICD or comparable Director development course. The Board will pay all costs associated with this training including travel.
4. The Board will schedule at least one occasion each year when it will undertake professional development in an aspect of its governance role. This might involve hiring a governance specialist to attend a Board meeting or specially arranged session or might be conducted by one or more Directors as the result of their own specialist skills or following attendance at a governance-related training session.
5. Directors will be encouraged to attend conferences relevant to their role as Directors or conferences related to other aspects of their directorship of FFV. The Board will consider covering all or some of the costs associated with such attendance on a case by case basis.
6. All costs associated with governance effectiveness will be designed to ensure the development of the highest standard of governance including; meeting costs associated with effective communication with owners and other key stakeholders, surveys and associated analysis, focus groups, the costs associated with external audit and other independent third party reviews or consulting input.

Chairperson Role

The Chairperson provides leadership to the Board, ensuring that the Board's processes and actions are consistent with its policies. As appropriate, the Chairperson represents the Board and the organisation to outside parties. It is expected that the Chairperson will promote a culture of stewardship, collaboration and co-operation, modelling and promulgating behaviours that define sound directorship.

1. The Chairperson will chair Board meetings ensuring that:
 - a. Meeting discussion content is confined to governance matters as defined in the Board's policies.
 - b. All Directors are treated even-handedly and fairly.
 - c. All Directors are encouraged and enabled to make a contribution to the Board's deliberations.
2. The Chairperson has no authority to unilaterally change any aspect of Board policy.
3. The Chairperson will ensure that that Board develops and implements processes and systems that result in Board effectiveness including:
 - a. The development, review and monitoring of the organisation's strategic plan and risk management.
 - b. Director and office holder succession planning.
 - c. Director and Board professional development.
 - d. Board performance assessment.
 - e. Serving as a mentor to individual Directors.
 - f. Overseeing the stakeholder interface.

Nb. Some or all of these tasks may be delegated to a Board committee e.g. Governance Committee.
4. The Chairperson will ensure that Board meetings are properly planned including the development and distribution of Board papers in a timely manner and that the minutes accurately reflect the deliberations and decisions of the Board.
5. The Chairperson will ensure that all Board decisions are understood by Directors and accurately recorded.
6. With the approval of the Board the Chairperson may establish a regular communication arrangement with the CEO in which there is an exchange of information. This might also provide an opportunity for the CEO to use such sessions as a sounding Board for proposed actions or to check interpretations of Board policy. However;
 - a. The Chairperson will recognise that such sessions are not used to 'personally' supervise or direct the CEO.
 - b. The Chairperson will maintain an appropriate professional distance from the CEO to ensure objectivity and attention to governance matters and concerns,
 - c. The Chairperson will not inhibit the free flow of information to the Board necessary for sound governance. Therefore the Chairperson will never come between the Board and its formal links with the CEO.
7. The Chairperson may delegate aspects of the authority accompanying the position but remains accountable for the overall role.

Public Comment

The Board shall from time-to-time designate the Chairperson or the CEO to speak on behalf of FFV. When individual Director are approached by the media for comment the following guidelines apply. Directors:

1. Must refrain from disclosing any significant information, documents or other forms of data without prior consent from the Board or the Chairperson.
2. Refrain from performing any activities on behalf of the person or organisation approaching the Director without prior consent from the Board or the Chairperson.
3. Must inform the Board or the Chairperson at the earliest convenience of the approach and the request for comment so that, if possible, a Board agreed position or appropriate action can be determined.

Indemnities and Insurance

The organisation will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by the relevant legislation.

Reimbursement of Director's Expenses

FFV will reimburse all reasonable expenses as outlined in the Board Travel and Related Expenses Reimbursement Policy.

Dispute Resolution Procedure

From time to time disputes may arise between Directors which go beyond those differences of opinion encountered in the usual Board decision-making processes. To ensure any such dispute is resolved expeditiously and fairly, and to facilitate greater Board harmony and effectiveness, the following exclusive dispute resolution procedure applies. For the avoidance of doubt, this dispute resolution procedure must be utilised and exhausted prior to any other dispute resolution process being employed.

1. If there is a dispute or difference (Dispute) between Directors, then within 7 days of a Director(s) who is party to the dispute (party) notifying the other party(ies) in writing of the Dispute (with the notice copied to the FFV President), the parties and the FFV President (or, if necessary, his/her delegate) must meet and use all reasonable endeavours, acting in good faith, to resolve the Dispute expeditiously by joint discussions. If the FFV President is a party to the Dispute, the Dispute should be referred directly to a mediator in accordance with paragraph 2 below.
2. If the parties cannot reach agreement within 21 days of the date of notification of such Dispute, the parties will submit the Dispute, by an agreed mediation notice which identifies the nature of the Dispute, to mediation by a mediator appointed by agreement between the parties or, if agreement cannot be reached, by a person appointed by the President for the time being of the Law Institute of Victoria. The mediation procedure will include the following:
 - a. the mediator may fix the charges for the mediation which must be shared equally by the parties;
 - b. the parties must each co-operate with, attend meetings requested by, provide reports to and comply with the instructions of, the mediator;
 - c. the mediation is private and confidential and statements made by the mediator or the parties as well as discussion between the participants to the mediation before, during or after the mediation cannot be used in any other dispute resolution proceedings (of any kind);
 - d. the mediator is not bound by the rules of natural justice and may discuss the Dispute with a party in the absence of the other party; and
 - e. if the dispute is settled, all parties must sign the terms of agreement and those terms are final and binding on the parties.

3. If the Dispute is not resolved by mediation in accordance with paragraph 2 above within 55 days of a party notifying the other party in writing of the Dispute (or such longer period as may be agreed by the parties), either party may, by written notice to the other (with the notice copied to the FFV President), refer the Dispute to arbitration in Melbourne in accordance with, and subject to, the Rules for the Conduct of Commercial Arbitrations of the Institute of Arbitrators and Mediators Australia as then in force (or other arbitrator if agreed in writing by the parties).
 - a. The arbitration must be conducted by a sole arbitrator, who is an independent person agreed between the parties, or failing agreement, an arbitrator appointed by the President for the time being of the Institute of Arbitrators and Mediators Australia.
 - b. Subject to paragraphs 1 and 2 above, arbitration will be the final and exclusive method for resolution of a Dispute. The arbitration award will be final and binding upon the Parties and can be used as a basis for enforcement thereof in any competent court having jurisdiction.
 - c. The arbitration is private and confidential and the participants in the arbitration will execute any necessary or appropriate agreements to secure this outcome.
 - d. Each of the parties will be responsible for their respective own costs incurred in relation to the arbitration proceedings, unless the arbitral award provides otherwise.
4. This dispute resolution procedure is exclusive and shall be final and binding on the parties. No party may take any action in any court or tribunal or other forum to challenge an outcome achieved pursuant to this dispute resolution procedure, or seek to have such an outcome varied in any way.
5. Any notice given or made under this dispute resolution procedure:
 - a. must be in writing and signed by (or in the case of an email, stated to be from) the sender or a person duly authorised by the sender;
 - b. must be given or made by delivery, post, facsimile or email transmission at the last known address (street or email, as appropriate) or fax number of the parties last notified to FFV;
 - c. subject to paragraph d. below, a letter or facsimile is taken to be received:
 - i. in the case of delivery, on the day of delivery;
 - ii. in the case of a posted letter, on the third day after posting;
 - iii. in the case of a facsimile, on the date of sending, as specified by a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient (to be produced only upon request); and
 - iv. in the case of an email transmission, on the date of sending, as specified by a copy of the electronic record of sending from the computer or computer system from which the email was sent which shows that the email was delivered without error to the email address of the recipient (to be produced only upon request); and
 - d. if delivery or receipt occurs on a day that is not a business day in the place to which the notice is sent or is later than 4pm (local time) at that place, it will be conclusively taken to have been duly given or made at the commencement of business on the next business day in that place.

Board-CEO Interrelationship Policies

Responsibilities of the CEO

The CEO shall:

1. Act honestly, diligently, and competently at all times in the fulfilment of his/her duties and responsibilities. In so doing the CEO shall use *his/ her* best endeavours to promote and protect the interests of FFV.
2. Be responsible for discharging all duties and responsibilities hereunder at all times during the normal hours of FFV and at such other times as may reasonably be required by the Board having regard to the duties and responsibilities of the position.
3. Exercise all the rights, duties and powers that are conferred upon the CEO from time to time by any enactment, or by delegation from the Board.
4. Promote compliance with all statutory obligations imposed upon FFV, the Board, or upon employees.
5. Do all such incidental things consistent with the position of CEO as are reasonably necessary for the proper performance of the duties and responsibilities of the role.
6. Carry out and comply with all reasonable and lawful directions given by the Board or by any person authorised by the Board to give such directions.
7. Undertake such duties and exercise such powers, authority and discretion in relation to the business of FFV as may from time to time be delegated to the CEO;
8. Undertake such other responsibilities and perform such other duties from time to time as may reasonably be required to meet the operating needs of FFV ;
9. In the discharge of such duties and the exercise of such powers, authority and discretion, conform to, observe and comply with the directions, restrictions, and regulation of FFV made or given from time to time e.g. in the form of delegation and/or limitations policies set by the Board .
10. Comply with all legal requirements, statutory or otherwise pertaining to the position and responsibility of the CEO; and
11. Faithfully serve FFV and at all times use his/her best endeavours to promote its interest.

Delegation to the CEO

The Board delegates to the CEO responsibility for implementation of its strategic direction/strategic plan while complying with the CEO Delegation policies.

1. The CEO is the sole linkage and point of accountability between the Board and the operational organisation.
2. Only the Board acting as a body can instruct the CEO. Typically all instruction to the CEO will be codified as policy.
3. The Board will make clear FFV's strategic direction including performance indicators to be applied to the Board when reviewing the organisation's and the CEO's performance.
4. The Board will make clear to the CEO in writing any limitations or limits it chooses to place on his or her freedom to take actions or make decisions that the Board deems to be unacceptable within the delegation, allowing the CEO any reasonable interpretation of these policies (further defined in the delegation and/or limitations policies set by the Board).
5. The CEO is responsible for the employment, management and performance evaluation of all staff employed/contracted to the organisation.
 - a. Neither the Board nor individual Directors will 'instruct' staff in any matters relating to their work.

6. Provided that the CEO achieves the outcomes sought by the Board and does so in a manner consistent with the Board's policies and FFV's values, the Board will respect and support the CEO's choice of actions.
7. The expert knowledge and experience of individual Board members is available to the CEO.

CEO Authority

1. As long as the CEO applies any reasonable interpretation of the Board's policies, i.e. does not set out to defeat the stated intent or the spirit of the policies, he/she is authorised to establish all operational policies, make all operational decisions and design and implement and manage all operational practices and activities.
2. Acknowledging a Board member's right to have access to information necessary to meet his/her duty of care to the organisation, the CEO may defer instructions or requests from individual Board members or from unofficial groups of Board members if, in his/her opinion, such requests or instructions are:
 - a. Inconsistent with the Board's policies.
 - b. Are deemed to make unjustifiable intrusions into the CEO's or other staff member's time;
or
 - c. Are an unjustifiable cost to the organisation.
3. The CEO must notify the Chairperson of the use of point 2.

CEO Remuneration

CEO remuneration will be decided by the Board as a body based on terms and conditions that reflect the organisation performance and executive market conditions.

1. Organisation performance will be only that performance revealed by the monitoring system to be directly related to criteria given by the Board in policy.
2. Remuneration will cover the entire range of salary, compensation, benefits and all other forms.
3. Remuneration will be competitive with similar performance within the marketplace based on achievement of the Board's strategic direction and strategic goals while complying with the delegation and/or limitations policies set by the Board.
4. A committee process will be used to gather information and to provide options and recommendations for the Board for its consideration and decision.

CEO Performance Assessment

The CEO's performance will be continuously, systematically and rigorously assessed by the Board against achievement of the Board-determined strategic outcomes and compliance with delegation and/or limitations policies set by the Board . The Board will provide regular performance feedback to the CEO.

1. The Board's assessment of the CEO's performance will be against only those performance indicators that have been agreed at the commencement of the performance year.
2. The standard applied to all facets of the performance assessment shall be that the CEO has met or can demonstrate compliance with the intent or spirit of the Board policy/statement.
3. The Board may monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule.
4. The Board may use any one or more of the following three methods to gather information necessary to ensure CEO compliance with Board policies and thus to determine its satisfaction with that person's performance:
 - a. CEO reporting,
 - b. Advice from an independent, disinterested third party, or
 - c. Direct inspection by a Board approved Board member or group of Board members.
5. If at any time the Board engages an outside evaluator to assist the Board to conduct an assessment of the CEO's performance, the process must be consistent with this policy. Any such evaluator is a contractor to the Board, not the CEO.

Chief Executive Delegation Policies

Directors' Duties and the Delegation to the Chief Executive

Directors have a duty of care under the law. While the enactment of certain elements of this can be delegated, there are other elements that most boards determine should not be. No chief executive should reasonably expect that his or her board will accord an unbounded delegation. This is where the delegation and/or limitations policies set by the Board are intended to have effect, denying the chief executive access to certain operational actions or decisions that the board considers are 'off limits'. This is not to say, however, that such actions or decisions should not be completely 'off limits'. It is simply that these are matters (usually because of the risks involved) which the board wants to consider for itself as an essential component of its duty of care.

When confronted with an approach by the chief executive seeking permission to breach a board-set limitation or stating that the action must be taken, the board might choose one or other of the following responses:

- a. After consideration it might resolve that the delegation is too narrow and that the freedom to take such actions should be included within the delegation. The board would then change the policy to reflect the expanded delegation.
- b. It might decree that the issue or decision requires the board's authority and thus would exercise this and, in so doing, accept all accountability for the consequences of the action taken. In other words the limitation would stand.

The Scope of the Policies

In setting the limitations a board should be conscious of the need to make every best attempt to address all foreseeable matters that it wishes to cover. By starting with a broad statement of limitation and then working down through to more detailed statements, a board can, with some confidence, create a delegation that should stand the test of time and occasion. There might, however, be some circumstances that will cause the veracity of the policies to be tested.

The limitations, once adopted, should be sufficiently detailed and well-considered that the board can be confident that it can accept the chief executive's '*reasonable*' interpretation of the policy and subsequent action. In demonstrating that a '*reasonable interpretation*' has been made, the onus is on the chief executive to show that he or she has not set out to '*defeat*' the policy while making every reasonable effort to honour both the '*written word*' and its intended '*spirit*'.

Using the Policies to Determine Chief Executive Freedom to Act

Whereas in developing the policies the board works from the '*general to the specific*', the chief executive, in interpreting the policy works from the '*specific to the general*'. Having first established that the action is consistent with the organisation's purpose or the outcomes it must achieve the chief executive would check to see if the proposed action is '*within bounds*'. To determine this, the chief executive might first check to see if there is a specific prohibition. This is most likely to be found in the more detailed statements within the policy, e.g. the numbered detail. If there is nothing specific but the chief executive is still unsure, he/she might then move to the next level and check the head statement for each policy to see if this provides guidance. Some interpretation might be required. For example, the Financial Management policy statement might commence by stating that the chief executive must "*... ensure that nothing is done, or authorised to be done, that could in any way cause financial harm or threaten the organisation's financial integrity.*" The chief executive might need to examine a proposed action to be sure that no such harm could occur. If still in doubt, the chief executive might go to the highest level limitations statement (couched more generally still and embracing all the delegation and/or limitations policies set by the Board) and ask whether the proposed action, "*... is in breach of the law, is imprudent, contravenes any organisation specific or commonly held business or professional ethic or is in breach of generally accepted accounting principles.*" The chief executive should now be in a position to make a '*reasonable interpretation*' of the board's policies. He or she would either take the proposed action with confidence that it is within the delegation or refer it to the board for a board-level decision and subsequent action. If, however, there is still doubt, the chief executive would approach either the chairperson or the board to seek guidance on an interpretation of the policy.

There is an important distinction to be made at this point. When the chief executive approaches the board (or the chairperson) for this final exchange, he or she is not asking permission to act.

Rather the approach should be to seek confirmation that the board intended its chief executive to have the freedom to make the decision or take the action; in other words to check the interpretation. This is a subtle but crucial distinction. At this point the board might declare that, in setting the policies, it did not anticipate such a circumstance. Given the opportunity, it would have included a further prohibition that was designed to make clear to the chief executive that this action was not within his/her prerogative. The board would thus be obliged to change its policy accordingly. Alternatively the board might declare that it is perfectly comfortable that the chief executive should determine whether to act or not. The decision then lies with the chief executive as does accountability for the outcomes of the action or decision taken.

Spirit and Intent

The challenge for both the board and the chief executive lies in the determination and acceptance of the chief executive's 'reasonable' interpretation. It is at this point that the 'trust' component of the board-chief executive interrelationship is put to the test. The board must 'trust' that the chief executive has made an honest interpretation of the policy/ies and has taken an action with genuine intent, full integrity and professional competence. In turn the chief executive must 'trust' that the board, having defined a boundary and thus created certain freedoms, will honour its policies.

The policies are not designed to be used as a punitive tool by the board nor should the chief executive regard them in a laissez-faire or careless manner. Ideally no part of any policy should constrain a chief executive from taking actions or making decisions that are in the best interests of the company. The board must accept that a chief executive cannot be held to account for that which he or she cannot control; nor should there be accountability for that which, under normal circumstances, cannot be known. A chief executive, however, can and should be held to account for ensuring that there are adequate systems and processes in place to manage all that can or should be known and controlled.

Subject to regular review

As with all other board statements, the delegation and/or limitations policies set by the Board should be subject to regular review. The key to effective review is that the board achieves a level of satisfaction with the chief executive's demonstration of compliance with the policies. Ideally the delegation and/or limitations policies set by the Board are reported against and, at the same time, reviewed by the board on a scheduled basis. Certain of them, for example, the budgeting policy, have a logical time for review, i.e. when the budget is presented. Others might be scheduled for review at a date determined by the board.

Overarching CEO Limitation

The CEO must not take, allow or approve any action or circumstance in the name of FFV that is in breach of the law, is imprudent, which contravenes any organisation specific or commonly held business or professional ethic or is in breach of generally accepted accounting principles.

Financial Planning

Budgeting/financial planning for any financial year or the remaining part of any financial year shall be designed to ensure the achievement of the Board-determined outcomes. In developing the operational financial plan and budget and without limiting the scope of the foregoing, the CEO must not:

1. Fail to demonstrate (a) a credible projection of revenues and expenses, (b) separation of capital and operational items, (c) projection of cash flows, and (d) disclosure of planning assumptions.
2. Create financial risk beyond Board-determined parameters in accordance with the Financial Delegations Policy as amended from time to time..
3. Plan expenditure in any financial year that would result in default under any of FFV's financing agreements or cause insolvency.
4. Fail to incorporate/accommodate medium to long-term financial plans/projections and long-term business direction.

5. Design a financial plan that anticipates the achievement of a 'bottom line', materially different from that determined by the Board, e.g. a predetermined surplus, acceptable deficit or balanced budget.
6. Fail to provide for the Board's developmental and other expenditure.

Financial Management

The CEO is responsible for the day-to-day financial management of the organisation. In carrying out this duty he/she must ensure that nothing is done, or authorised to be done, that could in any way cause financial harm or threaten the organisation's financial integrity and must ensure compliance with the Financial Delegations Policy as amended from time to time. Without limiting the scope of the foregoing, the CEO must not:

1. Use any organisational funds, or enter into any contracts or accept other liabilities, other than for the furtherance of Board-approved purposes and priorities.
2. Expend more funds than have been received in the financial year unless offset by approved borrowings or approved withdrawals from reserves.
3. Allow undisputed invoices from suppliers of goods and services to remain unpaid beyond trade credit terms agreed with those suppliers.
4. Authorise expenditure beyond the level established by the Board.
5. Fail to meet all government imposed compliance requirements or payments on time and to standard.
6. Breach Australian Accounting Standards.
7. Acquire, encumber or dispose of land or buildings.
8. Neglect to ensure that there are limitations on expenditure and adequate controls on the use of credit or other purchase cards by card holding staff.

Investments

The CEO shall not allow or cause to allow FFV's investment assets to be invested in a manner that threatens its financial security. Without limiting the scope of the foregoing, the CEO must not:

1. Fail to maintain sufficient liquidity to meet short to medium-term financial commitments.

Remuneration and Benefits

In managing the setting and review of salaries and benefits, the CEO must not make decisions or promises that would in any way cause or threaten financial harm to the organisation. Without limiting the scope of the foregoing the CEO must not:

1. Change his/her remuneration.
2. Create obligations that cannot be met over the projected period of the individual's term of employment or over a period for which revenues can realistically be projected.
3. Cause unfunded liabilities to occur or in any way commit FFV to benefits that incur unpredictable future costs.
4. Make promises or offer guarantee of long-term employment under circumstances when such guarantees or promises cannot realistically be honoured.

Protection of Assets

The CEO shall not fail to take all prudent and reasonable actions to ensure that FFV's assets, physical and intellectual, are protected against all foreseeable damaging circumstances. Without limiting the scope of the foregoing the CEO must not:

1. Permit any unauthorised person to handle cash.

2. Process the receipt or disbursement of funds outside of controls acceptable to the duly appointed auditor.
3. Allow the assets to be insured for less than is considered necessary for prudent risk-management.
4. Fail to protect the organisation, its Directors or staff against claims of liability.
5. Make any purchase of goods or services without protection against conflict of interest.
6. Fail to protect intellectual property, information, and files from loss, improper use, improper purposes, or significant damage.
7. Fail to ensure that there are appropriate and effective security systems in place to adequately safeguard against loss, common damage or theft of staff, customer and organisation property.
8. Fail to maintain a current assessment and evaluation of the risk factors that could conceivably disrupt FFV's effective and efficient operation and ensure that there are plans and systems that, in the event of disruptive events, will allow continuity of business.

Communication & Support to the Board

The CEO shall not permit the Board to remain uninformed about issues and concerns essential to the meeting of its duty of care, the carrying out its responsibilities and the meeting of its accountabilities to its owners and key stakeholders.

The CEO must not:

1. Neglect to provide support and information in a timely, accurate and understandable fashion addressing the various issues to be monitored by the Board.
2. Neglect to provide financial reports that make clear:
 - a. significant trends
 - b. data relevant to agreed benchmarks and Board-agreed measures
 - c. further Board financial data as determined by the Board from time-to-time.
3. Fail to inform the Board of significant external environmental trends, adverse media publicity, achievement of, or progress towards the achievement of, the Board's Strategic Direction or changes in the basic assumptions upon which the Board's policies are based.
4. Fail to inform Directors when for any reason there is actual or anticipated non-compliance with a Board policy.
5. Neglect to inform the Board of any serious legal conflict or dispute or potential serious legal conflict or dispute that has arisen or might arise in relation to matters affecting FFV.
6. Fail to ensure that the Board is provided with the necessarily wide range of views and perspectives in support of effective decision-making.
7. Fail to bring to the Board's notice such occasions when it is in breach of its Board Processes policies particularly when this relates to the CEO's ability to carry out his/her responsibilities.
8. Fail to deal with the Board as a whole except when responding to individual requests for information or requests from Board committees or working parties.

Emergency CEO Succession

The Board recognises that one of its major risks is the loss of key personnel, particularly its CEO. To this end the CEO must not fail to ensure that there is in place an emergency management regime that can operate in the event of unexpected loss of his or her services. There must also be at least one person capable of responding to Board concerns and requirements at a level necessary for effective governance.

Employment Conditions

In exercising the delegation for the management of staff, the CEO must not fail to ensure that there is provided a workplace environment conducive to sound workplace practices, consistent with workplace legislation and FFV's core corporate values.

The CEO must not:

1. Fail to provide staff with clear guidelines as to their rights, entitlements and workplace obligations.
2. Fail to provide staff with 'equitable', 'safe', 'dignified' and 'fair' working conditions as defined in relevant workplace legislation.
3. Deny to any employees their right to an approved and fair internal grievance process.
4. Refuse employee access to the Board to express a grievance when:
 - a. The internal grievance process has been properly followed; and
 - b. The grievance asserts that the CEO has breached a Board policy to his or her detriment, and/or;
 - c. The grievance asserts that the Board has not provided adequate protection of the staff member's human rights.
 - d. There is verifiable evidence of this.
 - Access to the Board is via the Chairperson.
5. Fail to ensure that all staff members are acquainted with their rights under this policy.

Public Affairs

The CEO shall not undertake, approve or in any way support any action that is directly or indirectly demeaning or derogatory or in any way damaging to FFV.