



## BOARD CHARTER

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# LAUNCESTON CHAMBER OF COMMERCE BOARD CHARTER

## 1. VISION

The Launceston Chamber of Commerce is committed to supporting a dynamic business community to achieve sustainable economic prosperity for Launceston and the region.

## 2. ROLE OF THE BOARD

The primary role of the Board is to govern the organisation rather than to manage it. The principal functions and responsibilities of the Board include:

- a. Setting goals, formulating strategies and policies and approving business plans and investment
- b. Appointing the Executive Officer and approving the terms and conditions of employment
- c. Monitoring the performance of the EO
- d. Approving annual budgets and key management decisions
- e. Approving annual reports to members
- f. Monitoring financial performance of the Chamber
- g. Ensuring that there is an appropriate separation of duties and responsibilities between itself and the EO
- h. Establishing and determining the powers and functions of sub-committees
- i. Reviewing the Board's performance
- j. Ensuring that the Chamber complies at all times with its legal responsibilities.

## 3. DUTIES AND RESPONSIBILITIES OF DIRECTORS

Directors will:

- a. Act honestly, in good faith and in the best interests of the Chamber, and its members and stakeholders
- b. Carry out their duties in a lawful manner and ensure that the Chamber carries out its activities in accordance with the law and its Constitution
- c. Use care and diligence in fulfilling the functions of office and in exercising the powers of office
- d. Make reasonable enquiries to ensure that the Chamber is operating efficiently, effectively and legally towards achieving its goals
- e. Question, request information, raise issues and fully canvass all aspects of any issue confronting the Chamber
- f. Be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board
- g. Give their specific expertise generously to the business of the Chamber both inside and outside formal meetings

- h. Monitor and consider broader perspectives of business from different industries and bring forward for discussion in a constructive and creative way, suggestions, propositions and ideas in connection to the growth, development and improvement of the Chamber
- i. Take all reasonable opportunities to represent, promote and demonstrate a commitment to the Chamber within the business community and to the public at large
- j. Regularly 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
- k. Declare all interests that could result in a conflict between personal and organisational priorities
- l. Refrain from making improper use of information acquired as a Director
- m. Refrain from taking improper advantage of the position of Director
- n. Refrain from engaging in conduct likely to denigrate the Chamber or harm its image
- o. Understand the business of the Chamber and act with required care and diligence, in the decision making process
- p. Make every reasonable attempt to ensure that the Director does not raise member, community or stakeholder expectations that cannot be fulfilled

#### **4. COMMITMENT TO GOOD GOVERNANCE**

The Board supports the principles of good governance and best practice appropriate to an organisation of the Chamber's size and capacity.

#### **5. COMPOSITION OF BOARD**

The Board shall comprise between 10 and 13 Directors, with no more than 12 being elected. The Board can appoint a further member to supplement the skills base of the Board.

- 5.1 Elected Directors - The Board shall comprise between 10 and 12 elected Directors. Directors will be elected by the Membership for 3 year terms, other than where there is a casual vacancy, and 1/3<sup>rd</sup> of Elected Directors will be required to retire and seek re-election each year to ensure continuity and retention of corporate knowledge.
- 5.2 Transition Arrangements – Commencing at the annual general meeting in 2012 the number of vacancies on the Board shall be reduced by one at each general meeting until the number of elected Directors is consistent with the requirements of the Constitution of the Chamber.
- 5.3 Board & Director Skills – the size and structure of the Board, the election of Directors, and vacation of office is determined by the Constitution of Chamber.

The Board will ideally contain a relevant blend of skills and expertise in:

- Strategic thinking
- Logical / analytical thinking

- Financial / accounting
- Business management
- Corporate governance
- Strong industry networks
- Capacity to influence
- Entrepreneurial skills / background
- Marketing and communications

## 6. PRESIDENT

The President provides leadership to the Board, ensuring that the Board's process and actions are consistent with its policies. The President utilizes experience, skills and leadership abilities to facilitate the governance process. Where appropriate the President represents the Board and the organisation to outside parties.

### 6.1 Chairing the Board - the President's role in chairing the Board is to:

- Chair Board meetings. If the President is not present the role will be undertaken as outlined in the Chamber Constitution
- Settle Board Agendas, in liaison with the EO, ensuring appropriate matters are brought before the Board for information, discussion and decision including matters which Directors may wish to raise
- Monitor and review the accuracy of the information presented to the Board
- Obtain further information considered necessary for consideration and decision making on any matter relevant to the Board including obtaining external advice or the making of independent enquiries
- Convene Board meetings
- Ensure that the Board minutes properly reflect Board decisions
- Chair Board meetings in a manner which ensures that Board discussions are focused on matters before the Board and result in consensus and commitment to clear and unambiguous Board decisions
- Foster a climate of openness, common purpose and debate at Board meetings where contributions by all members are valued
- Chair the EO performance appraisal process

### 6.2 Leadership and Responsibilities of the President - the President will:

- Ensure that the Board provides leadership and vision to the organisation
- Ensure that Board and management abide by the Delegations of Authority document
- Act as a link between EO and Board
- Contribute to development of a strong positive profile for the Chamber
- Counsel and advise Board members where required
- Ensure that the performance of the Board, collectively and individually, is reviewed as and when agreed by the Board
- Provide political liaison in dealings with Government
- Chair meetings of the members of the Chamber and act as a spokesperson

for the Chamber on matters of governance

- 6.3 Tenure of President - the President will be elected by the Directors for a 12 month term at first regular monthly Board meeting following the AGM in accordance with the Constitution.

It is usual for the President to serve for two consecutive terms.

## **7. MEETINGS OF THE BOARD**

- 7.1 The Board shall meet at least once in each month except December and January.
- 7.2 A special meeting of the Board can be convened by the President, or any four of the Directors.
- 7.3 All questions arising at a meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes the President shall have a casting vote
- 7.4 A quorum of the Board shall be five Directors. A Director who is not entitled to vote or to be present during the consideration of a matter will not be counted in any quorum required for a meeting of Directors while that matter is being considered.
- 7.5 The Board may pass a resolution without a Directors' meeting being held if more than 50% of Directors entitled to vote sign a document setting out the resolution and containing a statement that they are in favour of the resolution. The resolution is deemed to be passed when the last Director signs.

## **8. CONFLICTS OF INTEREST OF DIRECTORS**

The Board places great importance on making clear any existing or potential conflicts of interest for Directors. Conflicts of interest include a direct or indirect financial interest, or a conflict of interest, duty or roles such as a duty or obligation to an individual or another organisation, where a reasonable person would perceive there to be a potential conflict.

- 8.1 Directors must keep the Board advised on an ongoing basis, of any interest that could potentially conflict with those of the Chamber.
- 8.2 If any matter is to be discussed at a meeting of the Board which would involve one or more Directors having a material conflict of interest, then those Directors:
- Will declare that conflict of interest
  - May be present at the meeting whilst the matter is considered, and may speak to any motion or proposal
  - Must not vote on any matter in which those Directors have any material interest, either financial or of interest or duty.

## **9. CONFIDENTIALITY OF BOARD PROCEDURES**

All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and will not be disclosed or released to any person other than Board members, except as required by law or as agreed by the Board.

## **10. ACCESS TO INFORMATION**

Directors are to be provided with information from management that is accurate, sufficient, relevant and timely in order to properly perform their role.

## **11. COMMITTEES**

- 11.1 The Executive Committee (of the Board) consists of the President, Vice-Presidents and Treasurer.
- The Executive Committee has the power to issue instructions to the public officer and the officers or employees of the Chamber for urgent matters between Board meetings, such instructions to be reported to the next Directors' meeting
  - The Executive Committee will hold formal meetings on a regular basis with minutes of each meeting to be provided to the full Board in accordance with its terms of reference
- 11.2 The Board may establish sub-committees from the Board to focus on key issues or activities that require active Board involvement. Sub-committees will report to the Board and act only as authorized by the Board.
- 11.3 The Board may co-opt any person to a sub-committee without voting rights
- 11.4 Three appointed members of a sub-committee constitute a quorum
- 11.5 Terms of Reference for sub-committees will be determined by the Board at time of the establishment of the sub-committee.

## **12. DIRECTOR INDUCTION**

The Board will provide all new Directors with a thorough induction in the affairs of the both the Board and the organisation as a whole.

Prior to attendance at their first Board meeting, new Directors will:

- Receive a copy of the Board's Charter, Constitution, Delegations of Authority and other relevant legal governance documentation, current and recent Board Minutes, contact details for other Directors and staff and the current year's meeting schedule.
- Meet with the President for a governance familiarisation. The meeting may be held as a group session or with individuals.
- Meet with the EO for an operational familiarisation.

## **13. BOARD CONNECTION WITH MEMBERS**

As a membership based organisation, the Board aims to ensure that it maintains sound connections with members. To assist with achieving this, the Board will:

- a. Gather information on a regular basis about members' concerns, needs and aspirations
- b. Remain up-to-date on relevant industry and community matters
- c. Report to members on a regular basis on the performance of the organisation and key issues affecting it.

## **14. ROLE OF EXECUTIVE OFFICER (EO)**

The EO is responsible to the Board for the general administration and management of the Chamber. The role of the EO is outlined in the Delegations of Authority.

**15. DELEGATIONS TO MANAGEMENT**

The Board has established a Delegations policy outlining any delegated powers for the Executive Officer.

**16. REVIEW OF CHARTER**

This charter will be reviewed by the Board on an annual basis to ensure its relevancy.