



R O Y A L  
Z o o l o g i c a l  
S O C I E T Y  
of S.A. Incorporated

## Terms of Reference Board Charter V4

<b>Approved by</b>	<b>RZSSA Members</b>
Approval Date	12 December 2016
Review Date	November 2018

### **1. Purpose**

The purpose of this charter is to articulate a set of rights, responsibilities and obligations that pertain to functioning of the Society's Board and its committees. (As provided for by Rule 9.3 of the Society Rules)

### **2. Governance context**

The Society's Board and its committees are the principal means for governing and managing all the affairs of the Society and must undertake their activities in accordance with the Society's Rules, the laws of the State of South Australia and the Commonwealth of Australia and particularly the Associations Incorporation Act 1985 (SA) and the Corporations Act 2001 (Cth).

### **3. Functions of the Society**

The Society is a not-for-profit entity established in 1878 initially to house and show animals, birds and reptiles to the community but has increasingly broadened its aim to assist the conservation of the natural diversity of life on Earth. The Society intends to achieve that aim through education, animal management, research, recreation, sustainable resource management and responsible financial management.

In order to achieve these aims and objectives, it is essential that members of the Board of the Society understand their duties and responsibilities.

### **4. Operations**

In accordance with the functions above, the Society, via its Board, is responsible for overall management of animal collections and associated operations at Adelaide and Monarto, which are designed to complement and not replicate each other.

### **5. Directions and Policies**

The Board establishes the overall directions and policies of the Society with advice from committees and the executive as appointed by the Board. These directions and policies are developed by a periodic strategic planning process involving Board membership (and committees as needed), the detail of which is shared with the Society membership whose views are to be taken into account. The policies and directions are reviewed and adjusted according to the needs of the strategic plan, the financial position of the Society (including risk assessment) and views of the membership.

## **6. *Liaison with Government***

Notwithstanding its non-government nature, the reliance of the Society on Government funding and the amount of public good generated by its operations means that a good working relationship with Government is an essential ongoing need. The Rules require at least twice yearly reporting to the State government minister whose responsibilities include liaison with the Society. The maintenance of this relationship and ensuring that reporting to government occurs as set out in the Rules is a key Board responsibility. Any funding agreement or other cooperative arrangement affecting the operations of the Society with either State or Commonwealth governments must be considered and approved by the Board before its adoption. The Board must also seek and receive periodic reports on the effect of any such agreements to ensure that they serve their purpose in the interests of the Society.

## **7. *Understanding the Society's business and the Board's role***

Board members are expected to quickly gain an understanding of the purpose and context of the Society's business and their roles, responsibilities and duties in proper and sustainable management of that business.

Individual Board members must ensure that their understanding of the organisation is such that they are able to properly fulfil their responsibilities as a member. This understanding should extend to:

- The complexity of the industry in which the organisation operates;
- The organisation's structure;
- The organisation's operations and its regulatory obligations;
- The types of transactions it undertakes; and
- The political and economic environment in which it operates.

The Board must establish a process of inducting individual members when they are first elected & appointed. All new members will be provided with an information pack containing the current Rules, this Charter, relevant corporate governance policies and the minutes and associated papers from the preceding two meetings.

## **8. *The Board and committees***

### ***a) Responsibilities***

The Board is responsible for the proper administration of the property and affairs of the Society, including controlling its funds. This responsibility places considerable onus on Board and committee members to understand the Society's aim and objectives and the nature of the business. Board and committee members are voluntary and this means such members must be prepared to contribute time and effort to make the Board effective and accountable to the Society members for its actions.

It is the Board's and each Board members' duty to:

- Be familiar with the Society's Rules and Board Charter and act in accordance with both and the Society's overall vision and purposes;
- Abide by a Code of Ethics for Board members as approved by the Board from time to time;
- Ensure that corporate governance arrangements are relevant and up to date with current needs;
- Ensure that an up to date set of corporate strategies and directions are developed, with sufficient resources allocated to implementing these strategies and directions;

- Ensure that the organisation is managed in accordance with any legal obligations under Corporations Law, the Associations Incorporation Act and with principles of good governance;
- Ensure that the organisation is managed in accordance with any other relevant laws (e.g. occupational health and safety legislation, employment related laws, anti-discrimination legislation, the Privacy Act, etc);
- Ensure that effective measures are taken to minimise risk including development of management arrangements designed to mitigate risks and achieve financial sustainability;
- Promote and preserve the Society's reputation and standing as a not-for-profit institution;
- Review regularly the performance of executive management and act as necessary to deal with identified problems;
- Implement effective measures for reviewing its own performance and the performance of any committees it may appoint.

Committees of the Board must operate in accordance with the provisions of this Charter as well as abiding by any terms of reference set out for each committee by the Board.

#### Fit and Proper

Board members need to have appropriate skills, experience and knowledge, and act with honesty and integrity.

For the purposes of determining whether a person is fit and proper to hold a responsible position, the criteria are whether:

- (a) it would be prudent to conclude that the person possesses the competence, character, diligence, honesty, integrity and judgement to perform properly the duties of the responsible person position.
- (b) the person either:
  - (i) has no conflict of interest in performing the duties; or
  - (ii) if the person has a conflict of interest, it would be prudent for the Board to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position.

#### ***b) Board Membership***

The majority Board membership is drawn from the Society's members and the process of nomination and election of Society members to the Board is set out in the Rules. The Board may, as it sees fit, also appoint up to 3 further Board members to fill specific skills requirements of the Board.

The Board must strive to ensure that it is composed of members (both elected and appointed) with a range of relevant skills, knowledge, and experience so that it is equipped to achieve the organisation's goals.

The Board may suspend or remove any Board member from the Board by majority resolution of the Board if, in the opinion of the Board, that Board member is unduly disruptive, dishonest, indolent (including regularly failing to attend meetings), is seriously in breach of this Charter or the Board's approved code of ethics or is otherwise incapable of, or failing to, fulfil the role of a Board member. Such a resolution, and the reasons for it, must be provided to the subsequent annual general meeting of Society members. Where a Board member has been suspended or removed from the Board, the Board must provide a report and recommendation to the membership that the person no longer be eligible to nominate for a Board position, either for a nominated period of time or permanently. The Society membership is to consider and decide on the Board's recommendation.

#### ***c) Office-holders***

The Rules provide that the President, and in the absence of the President the Vice President, will usually preside at Board meetings. Both President and Vice President (and particularly the President), must:

- Have the confidence of the other Board members;
- Have a demonstrable understanding of the nature of their roles, the role of the Board itself and its relationship with the executive;
- Have the experience and capacity to preside at Board and Society meetings;
- Have reasonable experience in business and financial management;
- Be acceptable to the membership of the Society, as far as is known;

#### ***d) Appointment of extra Board members***

The Rules provide for the appointment of up to three Board members (who need not be Society members) for particular purposes for up to 3 years. The Board is responsible for identifying the need for appointing particular expertise to the Board and recording the reasons in its minutes. The President is responsible for reporting these reasons, and the relevant appointments, to the following Annual General Meeting as well as ensuring that such information is included in the annual report to members. Those appointed to the Board must be appointed by letter, which seeks their agreement to:

- Abide by the board's code of ethics, the Rules and this Charter, including the provision for removal that applies to other Board members;
- Accept the voluntary nature of their service;
- Be prepared forthwith to immediately resign from the Board if the Board or the Society membership lose confidence in their appointment;
- Serve as an appointed member for no more than three years from their date of appointment. An Appointed Board member may not commence acting as a Board member without having signed an acknowledgement and acceptance of the above conditions of appointment.

#### ***e) Financial Management***

The Board and any committees of the Board dealing with finance are responsible to ensure that effective financial management of the Society is of the highest priority. Notwithstanding its not-for-profit status, the aim of the Board and its committees is that the Society does not incur or accumulate debt, unless part of a well-constructed business plan approved by formal resolution of the Board that sets out the future advantages for the Society in building or strengthening the overall business.

## *f) Board Administration and Procedure*

### ***f1) Frequency of Meetings***

Board meetings should be frequent enough to allow the Board to discharge its roles and responsibilities properly and effectively. In any event, the Rules specify that meetings that are to be held no less than bi-monthly.

### ***f2) Attendance by Board members***

Members are expected to attend all scheduled Board meetings, unless they have submitted prior apology to the Chief Executive or to the President.

Attendance can either be physical or, if approved by the Board depending on needs at the time, by means of electronic communications.

### ***f3) Voting***

Voting is an essential aspect of Board governance and must be undertaken following due process to ratify or veto any proposal or decision before the Board. Voting outcomes must also be appropriately recorded in the minutes and must be held confidential by all Board members. Prior to voting on any matter, Board members must declare any interest or conflict they may have that may require them to abstain from voting.

### ***f4) Reports from appointed staff***

Board and committee members expect that the Chief Executive will ensure that written and verbal reports for consideration at meetings are informative yet succinct and be satisfactory to achieve their purpose.

## *g) Communicating with Members*

The Board as a whole and where delegated, individual Board members, commit to communicating effectively with the membership about matters such as the organisation's financial and operational performance. All communications from the Board to members should be done via the President or, in the absence of the President, the Vice President, unless the Board specifically delegates authority to one or more other Board members. Such authority should specify whether it is ongoing authority or relates to only one communication.

## *h) Conflict of interests*

Board members must advise the Board if the member has a potential or actual conflict of interest and/or believes he or she may no longer be sufficiently independent. All such potential conflicts of interest will be recorded in the minutes of the relevant meeting and added to a Board conflict of interest register. Upon such advice the Board shall determine whether the Board member should be excluded from discussions on any issue to which the conflict of interest applies and/or excluded from voting on such issue.

## *i) Standard of Conduct of Individual Members*

Each Board member must carry out his/her duties and responsibilities ethically, in good faith, and in the best interests of the organisation and in accordance with any Code of Ethics approved by the Board from time to time.

*j) Access to Information and Advice*

The Board and any sub-committees must request and be provided with the information they need to be able to properly fulfil their duties to the Society.

Furthermore, the Board may, collectively or individually, take any legal, financial or other advice at the expense of the organisation, where such advice is relevant to their duties and role as a Board member, provided that individual members must gain the consent of the Board prior to taking such advice. Such consent by the Board will not be withheld unreasonably.

*k) Independent Decision-Making*

Board members must make their own independent assessments and decisions about matters before the Board in what they believe are the best interests of the Society.

*l) Confidentiality*

Board members must keep confidential all Board and Society discussions, deliberations, decisions and voting, which have not been disclosed to the public unless the Board specifically authorises the disclosure of such information or where disclosure is required by law.

*m) Decision making and actions*

Decisions made and actions undertaken by the Board must be prudent, based on adequate and accurate information as provided at meetings and as appropriate should not be made or enacted without considering the risks and benefits accruing to the Society in fulfilling its aim and objectives. Decisions made and actions undertaken must be made in the best interests of the Society and without regard to personal preference or interest.

The Board may resolve to use other brand names for promotional purposes that do not disturb or serve to remove or diminish in any way the Society name.

*n) Delegation*

The Rules provide that the Board may delegate any of its functions (except this power of delegation) to:

- A sub-committee appointed by formal resolution of the Board; or
- The Chief Executive; or
- If recommended by the Chief Executive, to another person who is an employee of the Society responsible to the Chief Executive. The Board has the power to revoke the delegated power by formal resolution.

Any such delegation should be specified in writing. This Delegation Manual is to be reviewed annually.

The Board will not exercise any of its powers to in relation to appointment, dismissal, remuneration or management of staff (other than the Chief Executive) unless there is no Chief Executive currently appointed or in circumstances where the Board decides that the Chief Executive has acted contrary to adopted policy or otherwise not in the best interests of the Society.

*o) Board Sub-Committees*

The Rules allow the Board to establish sub-committees to assist with the carrying out of its duties. Such committees allow detailed consideration of items for recommendation to the Board, and allow better management of Board meeting time.

Each sub-committee must operate in accordance with the Society's Rules and this Charter with terms of reference approved by the Board. Minutes of sub-committees are to be provided to the full Board after they are ratified by the Committee.

Sub-committees of the Board are to operate in a similar manner to the Board except that such sub-committees may only provide recommendations for consideration of the Board as a whole and may not make decisions on behalf of the Board unless its terms of reference specifically provide that authority.

The terms of reference of each sub-committee must also include details of nature, extent and frequency of reporting to the Board and of the composition of the sub-committee membership (which may include both Society members and non-Society members) and such other matters as the Board sees fit.

*p) Reporting and minute taking*

All decisions of the Board and recommendations from its committees are to be made in accordance with standard meeting procedure for boards and committees and are to be recorded by minutes prepared to satisfaction of the Board. In accordance with the provisions of the *Associations Incorporation Act 1985*, the Secretary appointed from time to time by the Society shall ensure that adequate minutes are taken and kept of all meetings of the Society, the Board and any committees appointed by the Board. Such minutes must include information to ensure that all Society, Board and committee members can confidently understand the context of all deliberations and decisions made at the meeting.

All meeting minutes must be ratified/approved at the subsequent meeting (subject to any alterations proposed to ensure accuracy) and the approved minutes, as altered, must be signed by the President or other person presiding over the relevant meeting at which the minutes were approved.

*q) The Chief Executive*

The Board is responsible under the Rules to appoint a Chief Executive to be responsible for the day to day management of the affairs of the Society and to assist the Board in meeting the objectives of the Society. The Board must be consulted and approve the appointment of any person identified to undertake the position of Chief Executive in either an acting or substantive capacity.

The Board must set clear and measurable goals against which the performance of the Chief Executive will be measured. The Board must ensure that a formal review of performance of the Chief Executive is undertaken through a Board appointed committee at least annually. The Board should ensure that the Chief Executive is provided with a report on his or her performance after it has been submitted to the Board for approval. If the Board is not satisfied with the performance of the Chief Executive it must either ensure the Chief Executive is provided with sufficient support and resources to improve his or her performance to a level satisfactory to the Board or remove the Chief Executive and appoint a new person to the role.

The Board is solely responsible for all action against a Chief Executive for discipline, suspension or dismissal.

### **9. Service standards**

The Board must endeavour to ensure that that Society provides and achieves service standards that are equivalent to other zoos and similar institutions both nationally and internationally.

### **10. Review**

The Board will:

- Review its composition and skills of members to ensure it has the capacity to undertake its functions in accordance with this Charter and provide a report on its findings to be included in the annual report
- Review bi-annually the work and effectiveness of sub-committees it may appoint and decide their continuation or cessation prior to the annual general meeting;
- Undertake to review this charter bi-annually.

Updated by the Risk & Governance Committee  
Revised 12 December 2016