

COMMUNITIES@WORK

CORPORATE GOVERNANCE CHARTER

26 June 2007

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Approval and Amendment

This document was approved by the Board of Directors of Communities@Work on 26 June 2007.

Amendments:

Number	Paragraph	Scope	Date approved
1	3.1.1	Meeting frequency – January meeting to be convened	25/3/08
2	3.5	Board Calendar – the word ‘no’ deleted from first row second column	25/3/08
3	3.5	Board Calendar – risk management to July	25/3/08
4	Annex D	Replace Business Development Committee Terms of Reference with OzHarvest Committee Terms of Reference	29/7/08
5	Annex E	Addition of Terms of Reference (TOR) for NuSkills Learning and Development committee	29/7/08
6	5.3	Board Remuneration - Addition of entitlement to provision of stationery supplies and IT assistance.	25/11/08
7	3.6	Board Committees - Deletion of “Business Development Committee”. Replaced with “Infrastructure and Assets Committee”. NB: Terms of Reference for this new Committee approved by Board resolution on 16 Dec 08.	16/12/08
8	Annex F	Add Infrastructure and Assets Committee Terms of Reference	16/12/08

1 Scope

This charter is a policy document that defines the rules, responsibilities and authorities of the Board of Directors in setting the direction, management and control of Communities@Work (C@W).

The charter provides the guiding principles for the development and implementation of the organisation's strategic, business and functional plans. It is consistent with and should be read in conjunction with the Company's Constitution. In the event of any conflict between the documents, the Constitution takes precedence.

2 Governance Roles

2.1 Role of the Board

The Constitution, in accordance with the Corporations Act 2001 as amended, establishes a Board of Directors to control and manage the affairs of the Company. In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of C@W, other than those powers, duties and functions which are required to be exercised by a General Meeting.

The Board has power to perform all such acts and do all such things as appear to the Board to be necessary or desirable for the proper management of the affairs of the Company.

Without intending to limit this general role of the board, the specific or principal functions and responsibilities include:

- setting the goals of C@W, and short, medium and long-term objectives;
- providing the overall governance and strategic direction of C@W;
- determining all policies governing the operations of C@W;
- appointing and determining the terms and conditions of the appointment of the Chief Executive Officer (CEO);
- reviewing and providing feedback on the performance of the CEO;
- endorsing the terms and conditions of senior executives to executive manager level through the Executive;
- establishing and determining the powers and functions of committees of the board;
- approving major operating plans, including an annual corporate plan;
- approving the annual budget and long-term budgets;
- approving all items of capital expenditure in excess of financial delegations as determined by the Board from time to time, excluding accounts for routine operations;
- approving all mergers and acquisitions, tender submissions and property acquisitions and disposals;

- reviewing the annual progress and performance of C@W in meeting the objectives of the organisation, including reporting the outcome of such reviews.

2.1.1 Form of Proxy

In accordance with Section 38 of the Constitution the Board has approved a Form of Proxy for use by members as appropriate at General and Annual General Meetings (refer Annex A.)

2.2 Board Structure

2.2.1 Size

The Board will consist of a total of nine Directors, comprised of the Executive and four other Directors.

The Executive will be:

- (a) the Chair
- (b) the Deputy Chair
- (c) the Chief Executive Officer; and
- (d) two Directors appointed by the Board.

2.2.2 CEO

The CEO is an executive director of the Board and Company Secretary to the Board. The CEO may be removed by resolution of the Board. A CEO who no longer holds the position, is deemed to have resigned from the Board.

2.2.3 Skills required on the board

As far as possible, the board should contain a blend of expertise in:

- accounting;
- finance;
- business and management
- government;
- C@W service functions;
- legal skills, and
- CEO-level experience.

2.2.4 Financial skills

All Board members should have understanding of financial statements and related documentation.

2.2.5 Election of the Board of Directors

The Board of Directors is appointed under the terms of the C@W Constitution.

2.3 Role of the Board of Directors

2.3.1 General roles

The Board has responsibility for the overall successful operations of the organisation. The Board's duties relate to:

- the strategic direction of the organisation;
- financial operations and solvency;
- matters as prescribed by law including, but not limited, safety and the environment
- major policy issues including, but not limited to, industrial relations, quality assurance and risk management

2.3.2 Code of conduct

In accordance with legal requirements, community standards and ethical standards, the Directors will:

- owe a fiduciary duty to the organisation as a whole;
- use the powers of the office for a proper purpose;
- discharge their duties honestly and in good faith;
- act with the level of skill, care and diligence expected of a Director;
- demonstrate commercial reasonableness in their decisions;
- act at all times in the best interests of and for the benefit of the organisation;
- not make improper use of information gained through their position as a Director;
- not take improper advantage of the position of Director;
- not allow personal interests, or the interest of any associated person, to conflict with the interests of the organisation |
- make reasonable inquiries to ensure that the organisation is operating efficiently, effectively and legally towards achieving its goals;
- undertake diligent analysis of all proposals placed before the board;
- not engage in misconduct likely to bring discredit onto the organisation
- give of their specific expertise generously to the organisation;
- comply with the spirit, as well as the letter, of the law and with the principles of this charter.

2.3.3 Expectations of Directors

A Director shall, in good faith, behave in a manner that is consistent with generally-accepted procedures for the conduct of meetings at all meetings of the board. This will include, but not be limited to:

- acting in a business-like manner;
- acting in accordance with the constitution;
- addressing issues in a confident and firm, yet friendly manner;
- using judgment, common sense and tact when discussing issues;
- ensuring that others are given a reasonable opportunity to put forward their views (i.e. refraining from interruption or interjection when another board member or person is speaking); and
- being sensitive in interpreting any request or indication from the Chair that aims to ensure the orderly and good-spirited conduct of the meeting.

Directors are expected to be forthright in Board meetings and have a duty to question or request information, raise any issue, fully canvass all aspects of any issue confronting the organisation and express or cast their vote on any resolution according to their own discretion.

Outside Board meetings, however, Directors will support the letter and spirit of Board decisions in discussions with joint venture partners, suppliers, customers, staff and other parties.

Directors will keep confidential all Board discussions and deliberations. Similarly, all confidential information received by a Board member in the course of the exercise of the Board member's duties remains the property of C@W. It is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided, or is required by law.

2.3.4 Conflict of interest and related party transactions

No person with a significant conflict of interest is eligible to be a Director.

Directors must:

- disclose to the Board actual or potential conflicts of interest which may exist or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the organisation; and
- at the request of the Board within seven days, or such further period as may be allowed, take such steps as are necessary and reasonable to remove any conflict of interest referred to above.

If a Director cannot, or is unwilling to, remove a conflict of interest as required then the Director must not be present in the room when discussing matters to which the conflict relates. This entry and exit will be minuted. However, where the Board passes a resolution that identifies the nature and extent of the board Director's interest and clearly states that the remaining Directors are satisfied that the interest should not disqualify the Director, then the Director can take part in discussion involving the conflicting interests.

Directors will indicate to the president any potential conflict of interest situation as soon as it arises.

2.4 Role of Chair

The Chair's role is a key one within C@W. The Chair is the chief office-bearer of the Company. The Chair exercises a broad oversight of the operations of the Company with respect to meeting its constitutional, legal and social obligations. C@W anticipates that the Chair will use his/her experience, skills and leadership abilities to facilitate the governance processes.

2.4.1 Specific roles of the Chair

The Chair will:

- chair board meetings,
- establish the agenda for board meetings in consultation with the CEO,
- approve papers to be presented to the Board, if desired,
- approve, for distribution to Board members, the draft minutes of Board meetings,
- be the major point of contact between the Board and the CEO,
- be kept fully informed of current events by the CEO on all matters which may be of interest to Board members,
- regularly review with the CEO, and such other senior staff as the CEO recommends, progress on important initiatives and significant issues facing C@W,
- provide mentoring for the CEO,
- chair the CEO evaluation process and commence the annual process of Board and Director evaluation.

2.5 Role of CEO

The CEO is responsible for the ongoing management of C@W in accordance with the strategy, policies and programs approved by the Board. The organisation shall be managed to achieve the goals agreed and endorsed by the Board.

The CEO's responsibilities include:

- developing and implementing, with the Board, C@W's vision and direction;
- constructing with C @ W's management team programs to implement this vision;
- undertaking the role of Company Secretary
- representing and promoting the organisation;
- negotiating the terms and conditions of appointment of senior executives for Board approval;
- appointing the senior management team;
- negotiating the terms and conditions of appointment of all other staff members;
- providing strong leadership to, and effective management of, the organisation in order to:
 - encourage cooperation and teamwork;
 - build and maintain staff morale at a high level; and

- build and maintain a strong sense of staff identity with, and a sense of allegiance to, the organisation
- ensuring a safe workplace for all personnel;
- ensuring a culture of compliance generally and specifically in relation to environmental matters;
- carrying out the day-to-day management of the organisation;
- keeping the board informed, at an appropriate level, of all the activities of the organisation; and
- ensuring that all personnel act with the highest degree of ethics and probity.

The CEO is formally delegated by the Board to authorise all expenditures as approved in the budget, subject to limitations determined by the Board from time to time.

All CEO compensation, outside of normal pay, must be authorised by the Chair. While the Executive must approve the terms and conditions of employees directly reporting to the CEO, the appointment of individuals to specific management roles is the responsibility of the CEO.

3 Board Processes

3.1 Board Meetings

The Board meetings and agenda are fundamental governance processes. The Board meeting is critical as it is the main opportunity for Directors to:

- obtain and exchange information with the senior management team;
- obtain and exchange information with each other; and
- make decisions.

The Board meeting agenda is important as it shapes the information flow and subsequent discussion.

3.1.1 Meeting frequency

Unless otherwise agreed, the Board will meet at least ten times a year, but so that not more than 3 months shall elapse between successive meetings. The expectation is that the Board will meet for 12 times a year. It is anticipated that the Board meetings will be held on the fourth Tuesday of the month, except December where an earlier meeting will be held.

A Board meeting can be convened when any two Directors or the Chair so requests. In such situations, a minimum of seven days' notice must be given unless it is an emergency meeting.

While it is envisaged that these will be physical meetings of the Board, it is recognised that meetings may be convened electronically.

An annual schedule of the upcoming Board and committee meetings should be approved before the end of a calendar year and amended as necessary at subsequent Board meetings.

3.1.2 Meeting time

Unless otherwise agree, the physical Board meetings will occur at C@W Tuggeranong campus and will generally commence at 7:00 pm.

3.1.3 Attendees

Attendees at Board meetings will comprise all Directors. In addition, senior executives scheduled to give presentations and other parties as required will be invited for the relevant part of the meeting.

3.1.4 Emergency decision making

An urgent decision that cannot wait until the next board meeting can be dealt with by the Executive. Proposals may be approved by a meeting of Directors. This may be done through a face-to-face meeting or by electronic means. Decisions are to be advised to the C@W officer responsible for recording minutes of the board. The Executive is required to report at the next Board meeting on all its activities since the last Board meeting for ratification by the Board.

3.1.5 Quorum

In order for a decision of the Board to be valid, a quorum of Directors must be present. A quorum for a Board Meeting will be five Directors, and shall include at least two of the Executive.

The quorum at executive meetings is three members and shall include the Chair or Deputy Chair together with any two other Directors.

The quorum for a committee meeting is one-half of the committee.

3.1.6 Meeting cycle

The time-schedule to be followed for Board meetings, where the Board meeting is held on B Day and the number of days refers to work days, is:

Draft agenda from CEO to Chair (if required)	B-14 days
Accounts for previous month to Finance and Audit Committee	B-7 days
Board papers to Chair for distribution approval (if required)	B-5 days
Meeting Finance and Audit Committee	B-5 days
Finance and Audit Committee paper for Board	B-3 days
Papers circulated to Board	B-3 days
Board meeting	B day
Draft minutes to Chair (if required)	B+3 days
Draft minutes sent to Board	B+7 days

3.2 Board Meeting Agenda

A formal agenda is an important part of the Board meeting because it shapes the information flow and subsequent discussion. An agenda will be prepared for each Board and committee meeting. The Board meeting agenda will generally follow the format outlined below.

3.2.1 Draft template agenda

Statutory matters:

- Apologies.
- Conflict of interest.
- Minutes of previous meetings.
- Matters arising from minutes.
- Decisions of the Executive since the last Board meeting.
- Reports of senior managers (if required).
- Report from CEO.
- Report from Finance and Audit Committee.
- Report from other committees.
- Business activities requiring Board discussion and/or approval.
- Other business.
- Next meeting.

3.2.2 Conduct of meetings

The Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings. As such the Chair will: ensure that all Directors are heard:

- retain sufficient control to ensure that the authority of the Chair is recognised - this may require a degree of formality to be introduced when it is required to make progress;
- take care that the decisions are properly understood and well recorded; and
- ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.

3.3 Board Papers

The Chair, together with the CEO, is responsible for the preparation and circulation of Board papers. Papers may be circulated in hard copy or electronically, as is most convenient and cost-effective for the Board.

No papers requiring consideration or decision can be tabled at the Board meeting, except with the unanimous approval of the Board.

Normally, Board papers should comprise:

- minutes of the previous meeting;
- agenda;
- business activities requiring board approval;
- CEO's report;
- Finance and Audit Committee report;
- reports of other committees (as appropriate)
- submissions requiring decisions.

As appropriate, papers should be clearly marked as either information papers or decision papers.

As practicable, decision papers should commence with the recommended resolution. Lengthy submissions and reports shall contain a brief (1 – 2 pages) executive summary.

3.3.1 Access to Board Papers

Access by members of the Company, by staff or by any other person is at the complete discretion of the Board. Members, staff or any other persons do not have a right of access to Board papers.

3.4 Board Minutes

Minutes will refer to relevant Board papers tabled plus the resolutions adopted by the Directors. All decisions will be recorded in the minutes by means of a formal resolution.

The Chair will read the precise resolution to the Board and ask for all in favour and those against. If a Director does not voice dissent, it is taken as support for the resolution. The exact wording will be recorded in the minutes and whether the resolution was carried or defeated, but will not contain the number of votes.

Directors who dissent can ask to have their decision noted in the minutes.

Where a draft resolution, as recommended in the Board papers, is not adopted then a summary of the reasons for the alternative course of action is noted in the minutes. In addition, if points are raised by Directors that are not found in the supporting papers, a brief summary of these points will be recorded in the minutes.

At the Chair's discretion and in consultation with the CEO, an extract or elaboration of the minutes may be circulated for the purposes of communicating decisions within C@W.

Decisions by the Board of a policy nature will also be recorded in relevant C@W policy manuals. This is the responsibility of the CEO.

It is recommended that each Director maintains a complete set of Board papers.

3.5 Board Calendar

In order to provide an even distribution of work over the year, the Board will adopt a rolling twelve-month Board calendar. Included will be all scheduled Board and committee meetings, as well as major corporate and Board activities to be carried out in the month in question.

January	Board meeting Finance and Audit Committee meeting
February	Board meeting Finance and Audit Committee meeting Board-Executive retreat
March	Board meeting Draft Strategic Plan Executive (Review of CEO; Remuneration: CEO and Executive Managers) Finance and Audit Committee meeting
April	Board meeting Draft budget Finance and Audit Committee meeting
May	Board meeting Finance and Audit Committee meeting
June	Board meeting Final Budget Finance and Audit Committee meeting
July	Board meeting Finance and Audit Committee meeting Risk Management and Business Continuity
August	Board meeting Draft annual report Finance and Audit Committee meeting
September	Board meeting AGM Finance and Audit Committee meeting
October	Board meeting Finance and Audit Committee meeting
November	Board meeting Finance and Audit Committee meeting
December	Board meeting Finance and Audit Committee meeting

3.6 Board Committees

The C@W Board will have the following committees:

- Executive Committee

- Finance and Audit Committee
- Infrastructure and Assets Committee.

Other committees, either standing or short-term may be formed by the Board. The Executive Committee is comprised of the Chair, Deputy Chair, the CEO and two Directors appointed by the Board. The Finance and Audit and Business Development Committees are each chaired by a Director appointed by the Board and comprise at least one other member of the Board and relevant executive and other staff, members of the Company or others as may be determined by the Board from time to time. The Chair is ex-officio a member of all Board committees.

The Board is to approve terms of reference for each committee (see attached annexes) which identifies:

- responsibilities
- delegations
- membership
- reporting requirements
- support to be provided by C@W.

4 Board Functions

4.1 Strategy Formulation

The Board will approve the corporate strategy of C@W. As appropriate, a strategic plan will be developed, updated, approved and reviewed each year.

The Board will be fully involved in the development of the strategic plan. This will be undertaken in conjunction with senior management.

It is expected that papers requiring significant resource decisions will address how the decision is related to the agreed strategy.

4.2 Service/advice/contacts

It is recognised that a key component of Director duties is providing a sounding board for CEO ideas and challenges. In recognition that the CEO-Board relationship is critical to effective corporate governance, Directors of C@W should provide frank and honest advice to the CEO.

Where appropriate, Directors should recommend possible alternative advisers if they do not feel adequately trained to assist.

Directors are also expected, where appropriate, to employ contacts in furthering the interests of the organisation.

4.3 Monitoring

A fundamental function of the Board is to monitor the performance and compliance of the organisation. With this general principle in mind, the Board is charged with monitoring both financial and non-financial Key Performance Indicators (KPIs)

4.3.1 Financial KPIs

The Board will closely follow:

- cash reserves;
- balance sheet (statement of financial position);
- profitability (statement of financial performance);
- cash flows; and
- creditor days.

As well as providing the full data, each report will also contain relevant financial ratios and benchmarks, as appropriate and practicable.

4.3.2 Non-financial KPIs

In addition to the financial reporting, the Board will consider the need for periodic reporting of the following KPIs:

- staff numbers;
- administrative overheads;
- productivity;
- services by category;
- customer (including government) satisfaction;
- OHS measures;
- quality assurance; and
- environmental measures.

These KPIs will, where possible, be benchmarked for industry comparison of the organisation's performance.

4.4 Compliance

C@W is an organisation of integrity and does not breach the law or ethical standards. It is part of the philosophy of C@W that the organisation will comply with the law and will demonstrate ethical behaviour. We believe that ensuring everyone in our organisation complies with the law is a part of good management.

Every officer, contractor, agent and representative of the organisation is required to comply with all aspects of the law and to act ethically.

No person who wilfully breaches the law and is prosecuted will receive support from the organisation.

4.5 Risk Management and Business Continuity

The CEO is charged with documenting and implementing appropriate risk systems (including business continuity arrangements) within the organisation. The implemented risk management processes will be in accordance with Australian Standard 4360:2004 'Risk Management'. Business continuity plans will be developed using Standards Australia Handbook 221:2004, 'Business Continuity Management', as guidance.

On an annual basis, the CEO will present a risk management plan to the Board and, as appropriate, provide a report to the Board on risk management matters of concern.

It is expected that all papers requiring significant resource or policy decisions will address how the decision is related to the agreed risk management strategy.

The CEO must ensure that the Board is advised on all matters involving a material risk.

4.6 CEO Evaluation

The CEO is the key employee of the organisation in general and of the Board in particular. As such, a special relationship exists between the CEO and the Board. The detailed CEO evaluation is undertaken by the Executive, with the process coordinated by the Chair.

Evaluation will be judged primarily against the approved strategic plan.

CEO evaluation will occur annually in March by the Executive. At this time the Board and CEO will discuss and agree on goals (both quantitative and qualitative) for the upcoming year.

4.7 Delegation of Authority

Directors are responsible for any delegations of their responsibilities with regard to corporate operations. As such, they decide as a Board what organisation matters are to be delegated either to specific Directors or to management. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, Directors have no individual authority to participate in the day-to-day management of the organisation, including making any representations or agreements with suppliers, customers, employees or other parties or organisations.

The exception to this principle occurs where the Board through resolution explicitly delegates an authority to the Director individually.

Committees and their members require specific delegations from the Board as a whole and these will be contained in each committee's respective terms of reference.

4.7.1 Decision-making process

The decision-making process and delegations of a Board are fundamental to the corporate governance process.

Questions arising at the Board meeting should usually be decided on a consensus basis. In the event of a vote, a decision is decided by a majority of votes. In the event of an equality of votes, the Chair has a casting vote.

4.7.2 Delegation of authority

To facilitate day-to-day operations, the Board has delegated its authority on specific matters to the CEO and senior executives. Changes to these delegations must be approved by the Board.

Although the Board has delegated its financial authority to management, the following decisions must be referred to the board for approval:

- budgets (including background papers);
- details of proposed appointments of an executive manager reporting to the CEO, whether budgeted or not - this includes approval to make the appointment and approval of the proposed person to be appointed. Where timing is an issue, the matter may be referred to the Executive as an alternative;
- approving expenditure in excess of financial delegations as determined by the Board from time to time;
- major changes of policy including marketing, human resources and financial,
- submissions for government grants;
- expansion of services; and
- any proposed changes in strategic direction.

4.7.3 Actions for advice or noting

Periodically, unless the matter is urgent, the following should be reported to the Board or appropriate Board committee for advice/noting:

- bad debts in excess of ninety days;
- potential legal action against the organisation;
- significant insurance matters;
- non-routine financial claims against the organisation;
- expenditure in excess of financial delegations as determined by the Board from time to time; and
- all important business activities and matters, and all recognisable risks.

4.7.4 Execution of documents

The procedure for the execution of C @ W documents will be as follows:

- Contracts, documents and written obligations executed by C@W, which exceed management's delegated authority, must be signed by either two Directors or any one Director and the CEO for and on behalf of the organisation and formally recorded and reported to the Finance and Audit Committee.
- The Seal of C@W is not to be affixed to an instrument without the authority of the Board. Execution of the seal may be delegated for defined purposes to the CEO.

4.7.5 Delegated authority for cheque signing and funds transfers

Cheque signing and authorising the transfer of organisation funds is a significant responsibility. Those who are made authorised signatories do so on the understanding that they share in the responsibility for the payment or transfer made. This means that an authorised signatory should have clear understanding of the payment or transfer being made and is obligated to question any invoice or payment/transfer that appears to be abnormal or without sufficient authorisation.

The following officers are authorised under this delegation to sign cheques or transfer funds as required (i.e. authorised signatories for the operation of all organisation bank accounts):

- Chair;
- CEO; and
- Designated executive managers.

Any two of the above signatories are authorised to sign cheques on behalf of the organisation and such signatories must always sign jointly.

5 Continuous Improvement

5.1 Director Protection

As a general rule, a Director has two key areas of protection - the right to information and the ability to insure against specific risks of being a Director. Therefore, as general practice, the following measures of Director protection will apply:

5.1.1 Information-seeking protocol

Directors will adhere to the following protocol when seeking information:

- Approach the CEO to request the required data.
- If the data is not forthcoming, approach the Chair.
- If a resolution is still not forthcoming, write a letter to all Directors and the CEO detailing the information required, the purpose of the information, and who the Director intends to approach in order to obtain the information.

5.1.2 Access to Board papers and legal advice

A complete set of Board papers is to be held by C@W on behalf of the Board for a period of at least seven years.

Directors are entitled to access the papers for the period when they were a Director on request, even if they have ceased to be Directors.

Documentation containing or seeking legal advice will clearly state that the legal advice is sought both in relation to the organisation and to the Directors in their personal capacity.

5.1.3 Insurance

The organisation will provide each Director with a copy of the 'directors and officers' insurance policy and any changes to that policy.

The organisation will maintain each Director's insurance for seven years from the date at which they ceased to be a Director.

5.2 Board Evaluation

As a matter of principle, the Board is committed to the ongoing development of both individual Directors and the Board as a whole.

Each year the Board will conduct an evaluation of its performance. The objective of this evaluation is to provide best practice corporate governance to C@W. Such a review can be:

- qualitative, quantitative or a mixture of both;
- formal or informal;
- concentrated on reviewing the board as a whole or Directors individually;
- self-administered, administered by the Chair/fellow Directors or administered by an independent expert; or
- focused internally on the Directors or involve the wider body of company members.

The Chair will initiate this evaluation, obtaining any assistance required. It is envisaged that all relevant changes in Board policies and processes will be integrated into this Corporate Governance Charter.

Every three years the Board will commission a corporate governance audit from a reputable external authority.

5.3 Director Remuneration

By serving on the Board, the Directors of C@W assume significant responsibility. Nevertheless, as C@W is a not-for-profit organisation, it is expected that Directors undertake their duties as a community service.

Directors, the CEO excepted, may be reimbursed for out-of-pocket expenses incurred in connection with Board service and meeting attendance. This will include provision of stationery supplies and IT assistance.

5.4 Director Development

In order to continually improve Board performance, Directors are encouraged to undergo professional and self development. Where necessary, skills gaps are identified, and subject to funding provision, Directors may be provided with relevant resources and training. All Directors must ensure understanding of financial statements and associated documentation and access training in these matters if required.

Directors who wish to undertake a development activity at organisation expense should approach the Chair.

5.5 Director Induction

New Directors will undergo a full induction into their role on the Board.

Information conveyed to the new Directors will include the following:

- Corporate Governance Charter.
- Constitution of the Company
- Strategic Plan.
- Risk Management Plan.
- Most recent annual report.
- Background information on, and contact information for, Directors and for key people in the organisation (including an outline of their roles and responsibilities).
- Membership of sub-committees.
- Important operating information.
- A synopsis of current strategic directions.

Additionally, each Director will receive a formal letter of appointment that details:

- Terms of appointment
- Conflict of interest declaration
- Payment of expenses
- Access to information
- Authority to engage outside specialists for advice
- Insurance coverage
- Expectations of the Board.

COMMUNITIES@WORK LIMITED
FORM FOR APPOINTMENT OF PROXY

I, _____
(full name)

of _____
(address)

being a member of Communities@Work Limited hereby appoint

(full name of proxy)

of _____
(address)

being a member of the Company, as my proxy to vote for me on my behalf at the general meeting of the Company (annual general meeting or other general meeting, as the case may be) to be held on the

_____ day of _____ 20 ____

and at any adjournment of that meeting.

My proxy is authorised to vote in favour of/against (delete as appropriate) the resolution

(insert details) _____

SIGNED: _____ DATED: _____
(signature of member appointing proxy)

Note: A proxy vote may not be given to a person who is not a member of the Company

Executive Committee – Terms of Reference

Responsibilities

The primary role of the Executive Committee is to carry forward the objectives and strategies of the Company between Board meetings, if necessary, and as formally agreed in advance by the Board. The Executive is empowered by the Board to take all necessary actions and make all necessary decisions as if taken or made by the full Board.

The Executive is expected to respond to the requests of other Committees on matters requiring urgent consideration.

Membership

The Executive Committee is comprised of:

- the Chair of the Board
- the Deputy-Chair
- the Chief Executive Officer
- and two other Directors appointed by the Board.

Reporting Requirements

The Committee is to provide a written and oral report to the Board at the Board's next meeting.

Support to be provided by C@W

Senior management support is to be available to the Board to assist in progressing urgent matters and secretariat support is to be provided to Committee meetings and in the preparation of reports.

Annex C Finance and Audit Committee Terms of Reference

Finance and Audit Committee – Terms of Reference

Responsibilities

1. The primary objective of the Finance and Audit Committee is to assist the Board to fulfil its corporate governance and oversight responsibilities relating to financial accounting practices, financial reporting, financial risk management and internal control, and the internal and external audit function.
2. Specifically, the responsibilities of the Finance and Audit Committee include:
 - ensuring that the financial reports are founded on a sound system of risk management and internal compliance and control, which implement the policies adopted by the Board;
 - evaluating the Board's exposure to risk by reviewing audit and management reports and developing appropriate policy as required;
 - examining the accounting policies of the organisation to determine whether they are appropriate and in accordance with generally accepted practices;
 - reviewing the effectiveness of internal controls and adequacy of systems through an internal audit program and otherwise;
 - reviewing the performance of the internal and external auditors;
 - reviewing and providing recommendations to the Board on material changes to accounting practices;
 - monitoring and recommending policies and practices in relation to capital structure and financial management (cash management, investments, payments processing and bank account administration);
 - examining monthly financial statements, which show current cash flow as well as comparison of actual performance to budget on a monthly and year-to-date basis;
 - reviewing the draft annual financial statements before presentation to the Board, considering particularly any significant changes in accounting policies and practices;
 - submitting a proposed financial budget to the Board each year; and
 - providing copies of minutes of the Finance and Audit Committee to the next meeting of the Board.

Delegations

3. The Committee can approve:
 - Non-material changes to financial policies and practices.
 - Extensions of investments for a period which takes account of return options.
 - New investments of a similar type to those already existing.

- Transfer of investments to provide sufficient cash flow to meet operating requirements.
- Approval of expenditure for routine operational expenditure up to \$500,000.
- Approval of expenditure beyond the delegation of the CEO up to \$50,000 (excluding GST) for capital purchases.

Membership

Chair of Finance and Audit Committee

Board Member(s)

CEO

Standing invited attendee:

Executive Manager, Finance and Facilities

Reporting requirements

4. The Committee is to provide a written and oral report to the Board meeting immediately following its own meeting.
5. Matters requiring urgent consideration before the next Board meeting are to be reported to the Executive.

Support to be provided by C @ W

6. Secretarial support for Committee meetings is provided by C @ W.

OzHarvest Committee – Terms of Reference

Responsibilities

The Committee's role is to provide general oversight and advice on the operations of Ozharvest Canberra, consistent with the terms of the OzHarvest Canberra Licence Deed.

Membership

The Committee is comprised of:

Two members of the Board of Directors, including
the Chair of the Committee

Up to four expert and/or community representatives

the Chief Executive Officer

Membership is for a period of one year, with the option of renewal for one further year.

Frequency of Meetings

Three times per annum.

Reporting Requirements

The Committee is to provide a written and oral report to the Board of Directors following each Committee meeting.

Support to be provided by Communities@Work

Secretariat support is to be arranged by the Executive Director, Community Services.

Review

These arrangements will be reviewed by the Board of Directors in June of each year. C @ W Corporate Governance Charter 23

NuSkills Learning & Development Committee Terms of Reference

Responsibilities

As part of the transitioning to the new training entity within Communities@Work, known as NuSkills Learning & Development (NuSkills), a committee is established to assist the Board of Directors of Communities@Work to derive optimum benefits from the synergies and additional capacity that can be achieved.

The Terms of Reference for the Committee are:

1.

Monitor the operations of the new training entity within Communities@Work and review its business plans, operations and achievements.

Provide advice to the Board of Directors on strategies and initiatives that should be pursued to improve performance and achieve best outcomes.

Undertake specific reviews or studies aimed at improving the performance of the new training entity as requested by the Board of Directors.

Provide quarterly reports to the Board of Directors which assesses the performance of the training entity and provides recommendations as appropriate.

The Secretariat to the Committee will be provided by Communities@Work. The Committee will determine its operating arrangements, including work program and frequency of meetings.

Membership

The Committee has been appointed by the Board of Directors and will consist of members (including a Chair) who bring knowledge and expertise in the management of training organisations including AXIS Development Inc.

The following list comprises the Committee:

□.

Two members of the Board of Directors, including the Chair of the Committee

Up to four expert and/or community representatives

Executive Director Community Services

Director NuSkills

Membership is for a period of one year, with the option of renewal for one further year.

Frequency of Meetings

Three times per annum.

Reporting Requirements

The Committee is to provide a written and oral report to the Board of Directors following each Committee meeting.

Support to be provided by Communities@Work

Secretariat support is to be provided by the Director of NuSkills.

Review

These arrangements will be reviewed by the Board of Directors in June 2009

Annex F Infrastructure and Assets Committee – Terms of Reference

**INFRASTRUCTURE AND ASSETS COMMITTEE
TERMS OF REFERENCE**

1. Oversight and review Communities@Work' proposals for infrastructure and assets investments and developments.
2. Oversight and review the organisation's infrastructure and assets projects, including the maintenance of assets.
3. Provide the Board with strategic advice on infrastructure and assets matters.
4. Assist management in delivering the best possible outcomes through advice and other forms of assistance the Committee may consider appropriate.

Membership will be two Directors and at least one external person who brings relevant expertise and capacity to the work of the Committee. The Chair of the Board and the Chief Executive Officer will be ex officio members of the Committee.

The Committee will meet at least quarterly and will provide written reports to the Board on a quarterly basis.

The Committee will be supported in its work by the Manager, Infrastructure and Assets.

**Approved: Board of Directors
16 December 2008**