

Board Operating Charter

The Board Operating Charter sets out the role, composition and responsibilities of the Board of Directors (“the Board”) of the Sorrento Community Centre (“SCC”)

The conduct of the Board is also governed by the Constitution of the Sorrento Community Centre. Refer to the Constitution for the rules regarding the election of directors.

Purpose of the Board

The Board has two broad purposes; performance and compliance:

Performance: assist Sorrento Community Centre to perform to its best potential

Strategy and Policy

- Approve the Vision and ensure it is embedded into the organisation’s operations
- Approve strategic plans and monitor regularly

Accountability

- Overall performance of Sorrento Community Centre
- Board evaluation, succession planning
- Manage Centre Manager

Marketing and Communications

- Promote the Vision and Mission of Sorrento Community Centre
- Raise the profile of Sorrento Community Centre
- Use personal and corporate contacts and connects to further Sorrento Community Centre’ purpose

Risk Management

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

Compliance: conform with or exceed all legal requirements

Legal

- Monitor Constitution
- Comply with Directors’ Responsibilities
- Comply with Laws
- Monitor insurance requirements

Financials

- Monitor financials
- Compliance audits

Roles and Responsibilities

The Board retains the responsibility for managing its own affairs, including planning its composition, selecting its Chair, nominating candidates for election to the Board and appointing Committees

The Board has no operational involvement in the conduct of Sorrento Community Centre's business activities and delivery of services. Its role is confined to setting and reviewing policy. The Board has delegated authority for the operations and administration of Sorrento Community Centre to the Centre Manager.

The functions of the Board are:

1. Strategy Determination and Review

- Provide effective leadership and collaborate with the Executive management team in:
 - Articulating Sorrento Community Centre's values, vision, mission and strategies
 - Developing strategic plans and ordering strategic priorities
 - Maintaining open lines of communication and promulgating through Sorrento Community Centre and with external stakeholders the values, vision, mission and strategies
 - Developing and maintaining an organisation structure to support the achievement of agreed strategic objectives
- Review and agree the business action plans and budgets proposed by the Executive management team
- Monitor the achievement of the strategic and business plans and projected cash flow forecasts.

2. Selection of Management

- Appoint and replace the Centre Manager, monitor the performance of the Centre Manager against agreed performance indicators and provide advice and counsel in the execution of the Centre Manager's duties.
- Ensure that adequate provision has been made for management succession (including appointing, training and monitoring senior management).

3. Policies and Procedures

- Establish such committees, policies and procedures as will facilitate more effective discharge of the Board's roles and responsibilities
- Ensure that all significant systems and procedures are in place for the organisation to run effectively, efficiently and meet all legal and contractual requirements
- Ensure that all significant risks are adequately considered and accounted for by the Executive management team

4. *Legal*

- Ensure, through the Board committees and others as appropriate, compliance obligations and functions are effectively discharged
- Ensure that legal requirements, documents and records have been properly prepared, approved and maintained.

5. *Ethical*

- Ensure that Sorrento Community Centre has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate and social responsibility

6. *Self-Review*

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

Membership and Term

The Constitution provides for a maximum of 12 Directors and a minimum of 5 Directors (so that a quorum can be formed to transact business at meetings).

Directors are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Sorrento Community Centre

Membership of the Board shall be disclosed in the Annual Report including whether a director is independent or not independent.

Board/Centre Manager Relationships

The roles of the Chairperson and Centre Manager are strictly separated.

The Centre Manager is responsible for:

- Policy direction of the operations of Sorrento Community Centre
- The efficient and effective operation of Sorrento Community Centre
- Bringing material and other relevant matters to the attention of the Board in an accurate and timely manner.

Board Culture

The Board actively seeks to have an 'engaged culture' which is characterised by candour and a willingness to challenge. The following denotes evidence of an engaged culture:

Agendas

- The agendas of the Board limit presentation time and maximise discussion time.
- There are many opportunities for informal interactions among Board members.

Norms

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

Beliefs

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

Values

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

Reporting

Proceedings of all meetings are minuted and signed by the Chairperson of the meeting. Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.

Conflicts of Interest of Board Members

A Board Member shall immediately report to the Chairperson of the Board any conflict of interest or potential conflict of interest and shall provide all relevant information, including information concerning his or her spouse/partner and relatives by blood or marriage up to the second degree. The board member concerned shall not take part in the assessment by the Board of whether a conflict of interest exists.

A potential conflict of interest exists if the company intends to enter into a transaction with a related party. A related party includes:

- The Board members of Sorrento Community Centre
- The Centre Manager and key officers, including anyone who directly reported to the Board or the Centre Manager

- The father, mother, sons, daughters, husband or wife of any of the natural persons listed above.
- Any business, and the directors, Centre Manager and key officers of the business, in which the natural persons listed above own jointly or severally at least 20% of the voting rights.
- Any person whose judgement or decisions could be influenced as a consequence of an arrangement or relationship between or involving themselves and any of the persons mentioned above.

A Board Member shall not take part in any discussion or decision-making regarding any subject or transaction in which s/he has a conflict of interest with Sorrento Community Centre.

All transactions in which there are conflicts of interest with board members shall be agreed on terms that are customary for arm's-length transactions in the company's business.

Decisions to enter into transactions in which there are conflicts of interest with board members require the approval of the Board.

Review of Charter

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

Policy Control Data

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| Charter Created On: | 15 September 2020 |
| Charter Reviewed On: | 10 October 2020 |
| Charter Endorsed by Board of Directors On: | 10 December 2020 |
| Next Review Date: | 15 September 2021 |