



# **Terms of Reference**

## **Board of Directors**

## 1. Title of Document

Terms of Reference of the Board of Directors (TOR-BoD)

## 2. Establishment

The Board of Directors (BoD) is established according to the Constitution of the Institute of Health & Management (IHM). By its structure, BoD provides governance, control, direction, and management of IHM.

## 3. Rationale

The Board of Directors of the Institute of Health & Management is responsible for the overall conduct, management, administration, and control of the affairs of the organisation. The primary responsibility of the Board is to represent the interests of IHM in directing its affairs and to do so within the statutes relating to the organisation as a higher education provider.

## 4. Objectives

The Board has the final responsibility for the successful operations of IHM. In general, it is responsible for, and has the authority to determine, all matters relating to the policies, practices, management, and operations of IHM. It is required to do all things that may be necessary to be done in order to carry out the objectives of the IHM. In carrying out its governance role, the main task of the Board is to drive the performance of the IHM. The Board must also ensure that the IHM complies with all of its contractual, statutory and any other legal obligations, including the requirements of (but not limited to):

- 4.1 *Tertiary Education Quality and Standards Act 2011;*
- 4.2 Higher Education Standards Framework (Threshold Standards) 2015 (HES Framework);
- 4.3 *Education Services for Overseas Students Act 2000 (ESOS Act);*
- 4.4 National Code of Practice for Providers of Education and Training to Overseas Students 2018 (National Code 2018).

## 5. Chair and Deputy Chair

In accordance with general business practices and with the constitution, the Directors elect the Chair at the first meeting of the Board following the annual public meeting. A director is also selected as a deputy chair. It is envisaged that the standard term for a chair will be for three years subject to satisfactory performance.

## 6. Membership

The Board comprises a maximum of ten directors, including the chair and the deputy chair. A minimum of two directors is to be independent, non-executive.

## 7. Roles

Statement of Primary Responsibilities:

- 7.1 To approve the mission and strategic vision of IHM, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders;

- 7.2 To ensure that processes are in place to monitor and evaluate the performance and effectiveness of IHM against the plans and approved key performance indicators, which should be—where possible and appropriate— benchmarked against other comparable institutions;
- 7.3 To delegate authority to the head of IHM, as chief executive, for the academic, corporate, financial, estate, and human resource management of the institution. And to establish and keep under regular review the policies, procedures, and limits within such management functions as shall be undertaken by and under the authority of the head of IHM;
- 7.4 To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest;
- 7.5 To establish processes to monitor and evaluate the performance and effectiveness of the Board of Directors itself;
- 7.6 To conduct its business by best practice in HE Corporate Governance and with the principles of public life drawn up by the Committee on Standards in Public Life;
- 7.7 To safeguard the right name and values of IHM;
- 7.8 To appoint the head of IHM as chief executive, and to put in place suitable arrangements for monitoring his/her performance;
- 7.9 To appoint a Secretary to the Board of Directors and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability;
- 7.10 To be the employing authority for all staff in IHM and to be responsible for establishing a human resources strategy;
- 7.11 To be the principal financial and business authority of IHM, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for IHM's assets, property and estate;
- 7.12 To be IHM's legal authority and, as such, to ensure that systems are in place for meeting all IHM's legal obligations, including those arising from contracts and other legal commitments made in IHM's name;
- 7.13 To receive assurance that adequate provision has been made for the general welfare of students;
- 7.14 To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of IHM;
- 7.15 To ensure that IHM's constitution is followed at all times and that appropriate advice is available to enable this to happen.

The principal functions and responsibilities of the Board include the following:

- 7.16 Providing leadership to IHM by:

- guiding the development of an appropriate culture and values for IHM through the establishment and review of code of conduct, policies, rules and procedures to enforce ethical behavior and provide guidance on appropriate work methods;
  - always acting in a manner consistent with IHM's culture and code of conduct
- 7.17 Overseeing the development and implementation of an appropriate strategy by:
- annually approving the overall process of strategic planning;
  - approving the structure of plans used by IHM;
  - working with the senior management team to ensure that an appropriate strategic direction and goals are in place;
  - regularly reviewing and updating IHM's strategic direction and goals;
  - ensuring that an appropriate set of strategic internal controls are implemented and reviewed regularly;
  - overseeing planning activities including the development and approval of strategic plans, annual plans, annual corporate budgets and long-term budgets including operating budgets, capitals expenditure budgets and cash flow budgets;
  - reviewing the progress and performance of IHM in meeting these plans and corporate objectives, including reporting the outcome of such reviews on at least an annual basis
- 7.18 Ensuring corporate accountability to the shareholders/members primarily through adopting an effective shareholder/stakeholder communications policy, encouraging active participation at general meetings, and, through the Chair, being the critical interface between IHM and its shareholders/members;
- 7.19 Overseeing the control and accountability systems that ensure IHM is progressing towards the goals set by the Board and in line with IHM's purpose, the agreed corporate strategy, legislative requirements, and community expectations;
- 7.20 Ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- 7.21 Being responsible for IHM's senior management and personnel including:
- Directly managing the CEO, including:
  - appointing the CEO;
  - annually determining the remuneration of the CEO;
  - providing advice and counsel to the CEO including formal reviews and feedback on the CEO's performance;
  - overseeing the development of the CEO; and
  - removing the CEO, where necessary.
- 7.22 Ratifying the appointment, the terms and conditions of the selection and, where appropriate, the removal of the IHM Secretary and other senior managers, as determined by the Board;
- 7.23 Oversight of annual senior executive performance reviews;

- 7.24 Ensuring that an appropriate succession plan for the CEO, IHM Secretary, and other senior managers, as determined by the Board, is in place;
- 7.25 Ensuring appropriate human resource systems (including WHS systems) are in place to ensure the well-being and practical contribution of all employees;
- 7.26 Promoting diversity within all levels of IHM including:
- approving HM's policies about diversity at all levels of IHM including the Board;
  - establishing measurable objectives for achieving diversity at all levels of IHM including the Board;
  - assessing annually the measurable objectives set by the Board about diversity at all levels of IHM including the Board and the progress in achieving them, including the Board and the development in making them, including a review of the relative proportion of women and men in the workforce at all levels of IHM.
- 7.27 Delegating appropriate powers to the CEO, management and Committees to ensure the effective day-to day management of the business and monitoring the exercise of these powers;
- 7.28 Making all decisions outside the scope of these delegated powers;
- 7.29 The detail of some Board functions is handled through Board Committees. However, the Board as a whole is responsible of determining the extent of powers residing in each committee and is ultimately responsible for accepting, modifying, or rejecting committee recommendation.

## 8. Legislation and Standards

The Board is responsible to meet compliance of (not limited to):

8.1 *Tertiary Education Quality and Standards Act 2011*

8.2 Higher Education Standards Framework (Threshold Standards) 2015 (HES Framework)

8.3 *Education Services for Overseas Students Act 2000* (ESOS Act)

8.4 National Code of Practice for Providers of Education and Training to Overseas Students 2018 (National Code 2018)

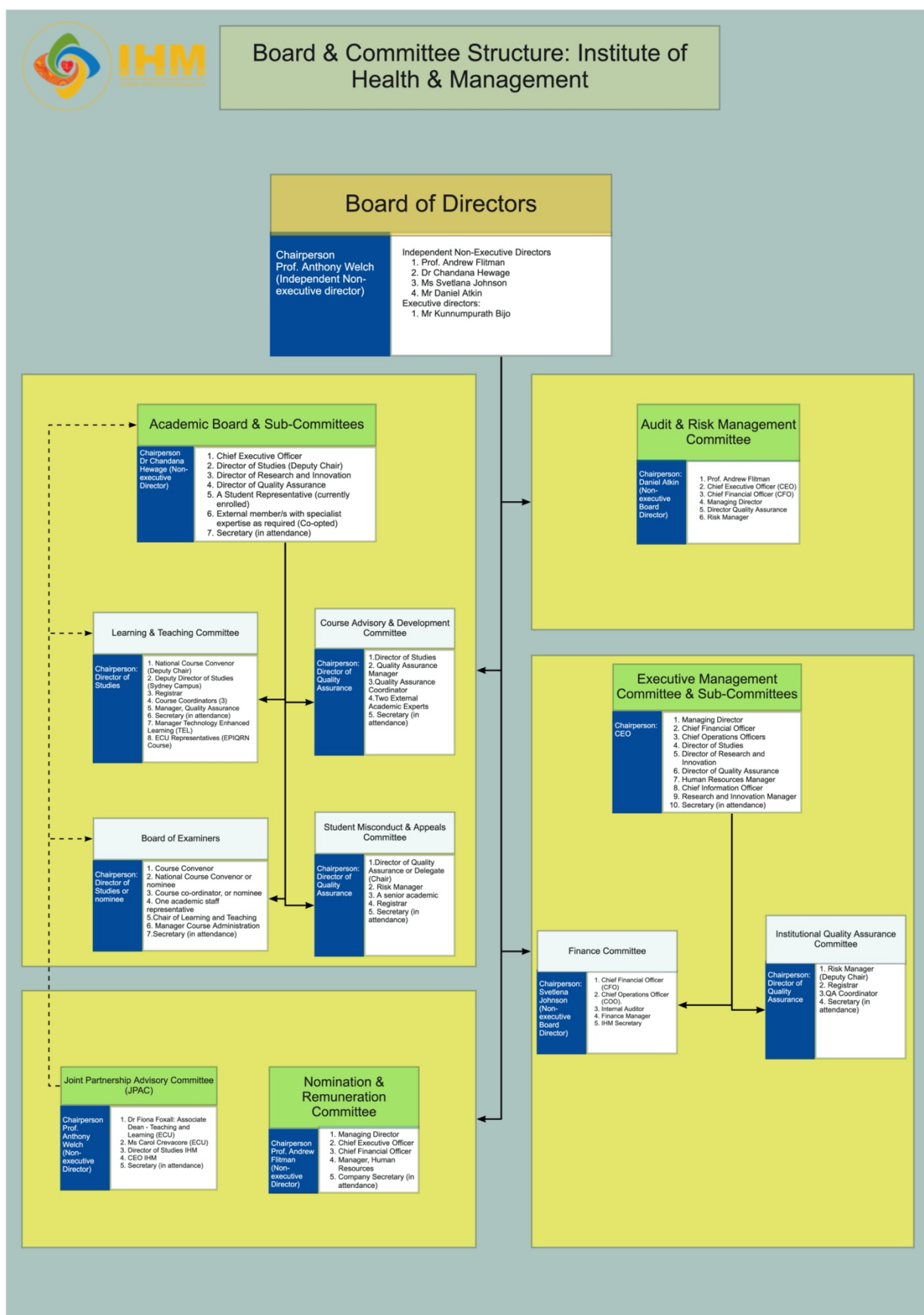
8.5 *Corporations Act 2001*

As well as specific to the following sub-standards of HES Framework 2015:

- Corporate governance arrangements ensure that breaches of academic or research integrity are monitored, and action is taken to address underlying causes (Standard 6.2.1j).
- The instrument formally establishing the provider and its governing body (see also Standard 7.3.1), such as the Constitution.
- Confirm from the provider's constitution or related documentation (e.g., The strategic plan) that: the entity has a primary purpose of higher education, the governing body's accountabilities are specified (e.g., Board charter, constitution or equivalent), and the membership of the governing body meets the requirements of the HES Framework.
- To form a view of their collective and individual competence and the experience of the members to undertake governance roles (see also Section 7.3) in a higher education provider.
- The governing body collectively has (or has ready access to) the range of expertise and governance experience necessary to undertake the overall roles specified by its charter (or equivalent) and the HES Framework (such as financial monitoring, planning, risk management, oversight of the quality of higher education).
- In relation to Standard 6.1.3, TEQSA will wish to see the mechanisms that the governing body has adopted to obtain independent advice and academic advice as is necessary to carry out its governance roles diligently and competently.
- Standard 6.1.3d requires the governing body to undertake periodic independent governance reviews.
- Internal audit reports or the like, showing that the entity is meeting its obligations for legislative compliance (Standard 6.2.1a)
- Required to keep a true record of the business of the governing body (Standard 6.1.3e). TEQSA will wish to examine the record of the governing body's work (e.g. Agendas, meeting minutes, actions arising).
- Performance reports that demonstrate that the provider is meeting its planning targets as set out in its strategic plan (or equivalent) (Standard 6.2.1b)

- Financial reports and audited statements, internal audit reports and reports from the audit committee (or equivalent) that show that the provider's financial position and projection are sustainable, and controls are in place (Standards 6.2.1c, d)
- Risk management plans showing that risks have been identified tenably and credible mitigation strategies have been implemented (Standard 6.2.1e)
- Academic governance reports demonstrating that the provider's higher education operations are operating as planned at the level of quality intended (Standard 6.2.1f)
- Equity/diversity reports that are relevant to the provider's operations (Standard 6.2.1g)
- Evidence that adequate controls for the security issue of qualifications are in place (Standard 6.2.1h)
- Evidence that tenable contingency plans are available to deal with unexpected events (Standard 6.2.1j)
- Records of incidents and complaints that are maintained and used to inform risk management and prevent recurrences (Standard 6.2.1j, see also Standard 7.3.3)
- Evidence that mechanisms for identifying and managing lapses in meeting the requirements of the HES Framework are effective (Standard 6.2.1k, see also Standard 7.3.3).

## 9. Sub-committees



The Committees are permitted to decide many matters on behalf of the Board, and on other



matters, the Board seeks advice from the Committees before decisions are reached. The Board of Directors will receive advice directly from the Academic Board and the operational Committees. Each of the Committees of the Board can utilise sub-committees and working parties as required to assist in meeting its obligations and objectives.

The Board of Directors will receive information, advice, and recommendations by way of comprehensive reports, analyses, and supporting papers.

## 10. Meetings

### 10.1 Meeting Schedule & Procedures

The Board of Directors shall meet a minimum of four times per year as scheduled. Additional meetings may be scheduled on a needs basis to enable the Board to operate successfully under its Charter. The Board meetings can be undertaken face-to-face, or online.

### 10.2 Committee meetings

The Committees meet as scheduled in each committee's respective charter. Board and committee meeting schedules are published annually through the "Board calendar and work plan procedure."

### 10.3 Sub-committees and Working Parties

Sub-committees are defined as ongoing groups responsible for issues and decisions in the areas of organisational operation, data analysis, and resources at IHM. Working Parties are defined as time-bound groups assigned problems to solve, or tasks to accomplish for the Board or Committee.

The Board of Directors or any of the Governance Committees, may at times, establish sub-committees and Working Parties to assist its work, functions, and to consider particular issues. The Academic Board will be advised when a Sub-committee or Working Party is established by any Committees.

Sub-committees and Working Parties can be appointed at any time by the Board of Directors on an as-needed basis. The Sub-committees and Working Parties will meet for a set timeframe to accomplish the specific objectives related to resolving an issue or implementing a strategy.

The Board of Directors will receive reports from established Sub-committees and Working Parties and has the responsibility to monitor and evaluate the activities with respect to each Sub-committee's functional liability.

## 11. Minutes

11.1 Members of the Board of Directors propose agenda items to be discussed in the upcoming meeting. All papers from the Board meetings being submitted by the governance Committees should follow the Guidelines for Board Papers and be sent to the Secretary two weeks before the meeting. Agenda items for the Committee may also be suggested by anyone in the IHM community (non-committee members) by directly contacting either a Board member, the Chair or the Committee Secretary. Agenda items for the Board meeting will be evaluated by the Board Chair. The Chair and the Secretary will meet monthly to coordinate the timing of committee efforts and ensure proper communication, inclusion and prioritisation.

- 11.2 Agendas, minutes and supporting documents shall be distributed to the Board Directors at least two (2) working days prior to the upcoming meeting.
- 11.3 Except with the express permission of the Chair, late papers and agenda topics will not be accepted and included in the upcoming meeting. All documents and topics must be submitted to the Board five (5) working days before the upcoming session.
- 11.4 Agendas, minutes, and associated meeting papers may be distributed electronically via email or by uploading to the intranet. Some decisions and projects may need additional communication due to their scope. These communications will be determined on a case-by-case basis.
- 11.5 The Board of Directors shall keep the minutes of all meetings. All documentation shall be retained in the Institute's primary electronic storage system in the Committee Management System.

## **12. Reporting**

- 12.1 Academic Board and all Committees report to the Board of Directors. The Board report to external stakeholders as required.
- 12.2 CEO reporting
- Progress report on organisational KPIs;
  - Critical incident response;
  - Regulatory communications with TEQSA, ANMAC and other regulatory Boards;
  - Policy updates;
  - Risk management updates;
  - Performance reports that demonstrate that the IHM is meeting its planning targets as set out in its strategic plan (Standard 6.2.1b);
  - Equity/diversity reports that are relevant to the IHM's operations (Standard 6.2.1g);
  - The security of institutional data systems and the controls that are in place to prevent unauthorised access to them (Standard 7.3.3b).
- 12.3 CFO reporting.
- Updated financial standing;
  - Latest financial viability assessment;
  - Financial risk management updates;
  - Budget updates.

## **13. Review**

The Terms of Reference and the functions of the Board of Directors will be subject to a periodic self-review to ensure that it is operating effectively and fulfilling its functions and to guarantee continuing relevance. At the end of the 12-month period the Board will undertake the self-evaluation of performance. Any areas requiring further attention in the following year will be addressed.

This Board is established by the Board of Directors to provide reports, recommendations and/or advice to the Board and the CEO and other Committees as required.

## 14. References

- 14.1 [TEQSA \(2019\), Guidance Note: Corporate Governance, Version 2.4](#)
- 14.2 [Australian Institute of Company Directors, Board Charter](#)

## 15. Document Approval

<b>Document ID</b>	Terms of Reference of the Board of Directors (TOR-BoD)		
<b>Owner(s)</b>	Board of Directors		
<b>Endorsed</b>		Date Endorsed	
<b>Approved</b>	Board of Directors	Date Approved	19/10/2020

This Board is established by the Board of Directors to provide reports, recommendations and/or advice to the Board and the CEO and other Committees as required.

## 16. Document History

Commencing Date	Version no:	Summary of Changes	Next Review Date
05/07/2012	0.1	Creation of draft Document	02/2013
22/02/2013	1.1	Approved by BOG	11/2013
13/11/2013	1.2	Two additional Committees added, change to committee structure, the addition of the second director.	12/2013
16/12/2014	1.3	A self - review members undertook of the TOR on 9 December, 2014	16/12/2014
19/12/2014	1.4	The editorial changes recommended by Dr. Michael Tomlinson (TEQSA, dated 19 December), under the heading "Responsibilities of the BOGs," page 4 and in particular to the following statement from " <i>has been developed to overview to have been established to oversee.</i> " The changes were accepted by members dated 19 December.	
22/12/2014	1.5	The following addition:  "The Board is responsible for the appointment of the CEO of IHM" immediately under the heading <i>Responsibilities of the Board of Directors</i> , (p.4) and "Approving the appointment of the CEO, IHM" under the <i>Terms of Reference</i> , (p.4) was accepted and ratified by the Board on 22 December, 2014.	

19/10/2020	2.0	ignment with TOR Template. opted The Higher Education Code of ernance published by the Committee of iversity Chairs, UK	19/10/2020
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## Appendix 1: Policies/Procedures/Registers and relevant documents

### Policies and Procedures

#### 1. Delegations Framework Policy and Procedure