



THE CRUISING YACHT CLUB OF SOUTH AUSTRALIA INC and Controlled Entities.

CORPORATE GOVERNANCE POLICIES 10.8.13

Corporate Governance is the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations. It encompasses the mechanisms by which companies, and those in control, are held to account" – *Justice Owen in the HIH Royal Commission report.*

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1 THE BOARD

1.1 Structure of the Board

The Board must be structured such that:

- (a) its composition complies with the requirements of the Constitution and the law;
- (b) it has a proper understanding of, and competence to deal with, the current and emerging issues of the Club;
- (c) it can provide direction to, and review the performance of, management; and
- (d) it can exercise independent judgment.

A majority of Board members must be free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their independent judgment.

1.2 Test of independence

A Board member will be considered to be independent if he/she:

- (a) within the last three years has not been employed in an executive capacity by the Club;
- (b) within the last three years has not been a principal or a professional adviser to the Club, or an employee associated with advice so provided (having regard to the materiality of the advice);
- (c) is not a supplier of the Club or otherwise associated directly or indirectly with a supplier (having regard to the materiality of the business dealings);
- (d) has no contractual relationship with the Club other than as a Board member (having regard to the materiality of the relationship); and
- (e) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Board member's ability to act in the best interests of the Club.

Board members must advise the Board in a timely manner of any changes to their independence. The Board must annually assess the independence of each member in the light of interests disclosed by them. So that it can do this, each Board member must provide the Board with all relevant information and the Board should consider materiality thresholds from the perspective of both the Club and its Board members. The CEO will provide a standard form of disclosure to be used for the purposes of this Code by Board members and the CEO.

1.3 Independent professional advice

All Board members should bring an informed judgment to bear in decision-making. To facilitate this, Board members may take independent professional advice, if necessary at the Club's expense. Commissioning independent advice by individual Board members will require the approval of the President and such approval will not be unreasonably withheld.

2 POWERS AND RESPONSIBILITIES OF THE BOARD

2.1 Powers

The Board may exercise all the powers detailed in the Constitution.

2.2 Responsibilities

The Board will be responsible for:

- (a) participating in the development of, and ultimately approving, the Club's strategic plan and performance objectives;
- (b) overseeing the Club, including its control and accountability systems;
- (c) reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance;
- (d) approving and monitoring financial and other reporting to the members at large and other parties to whom such reports should be provided;
- (e) approving and monitoring the progress of major capital expenditure and divestitures and capital management;
- (f) ensuring that policies on key issues are in place and appropriate, particularly in areas that may give rise to liability for the Club;
- (g) monitoring senior management's performance and implementation of strategy, and ensuring that appropriate resources are available;
- (h) appointing and removing the Chief Executive Officer;
- (i) appointing and removing Board members to and from sub-committees of the Board;
- (j) Appointing and removing Flag Officers; and
- (k) ensuring that the business of the Club is conducted ethically and transparently and that all decisions taken give priority to the interests of Members.

2.3 Delegation of powers and responsibilities

In accordance with the Constitution, the Board may delegate to any person any of the powers and responsibilities conferred on it provided that:

- (a) any delegation of a power to expend money shall be limited to a specified sum; and
- (b) no delegation may be further delegated except to the extent that the Board authorises such.

2.4 Board decisions

The agenda for Board meetings will be determined by the President:

- (a) in consultation with the Chief Executive Officer;
- (b) having regard for any matters nominated by Board members;
- (c) ensuring provision for Board members to discuss matters without management being present; and
- (d) ensuring adequate coverage of strategic, financial and major risk areas.

Materials for meetings should be circulated to Board members at least two days before the meeting (unless circumstances prevent) and where appropriate, executives may be requested to present information and recommendations.

Proposals requiring a decision by the Board should clearly state the proposer's recommendations.

The President should ensure that all Board members have an opportunity to express their opinion and defer the final determination of a matter if:

- (e) it is apparent that additional information is required; or
- (f) it is apparent that members require additional time to consider the matter; or
- (g) the matter requires the opinion of a Board member or members who are not present

Where it is necessary for a decision to be determined by vote, the President should, where necessary, convene a further meeting, by telephone if necessary, to provide all Board members the opportunity to cast a vote. The President will have a casting vote.

The President should periodically request that a member of the Board conduct a review of the effectiveness of the meeting.

3 RESPONSIBILITIES OF A BOARD MEMBER

Board members will comply with the following core principles of conduct and be responsible for:

- (a) discharging their duties in good faith and honestly, in the best interests of the Club;
- (b) acting with required care and diligence and applying commercial reasonableness;
- (c) making reasonable inquiries to ensure that the Club is operating efficiently, effectively and legally towards achieving its goals;
- (d) undertaking diligent analysis of all proposals placed before them;
- (e) being independent in judgement and action and taking all reasonable steps to be satisfied as to the soundness of all decisions taken by the Committee;
- (f) using the powers of office for proper purpose, in the best interests of the Club;
- (g) avoiding conflicts of interest and not allowing personal interests, or the interest of any associated person, to conflict with the interests of the Club;
- (h) not making improper use or disclosure of confidential information gained through their position of Board member nor take improper advantage of the position of Board member;
- (i) ensuring that no conduct is likely to bring discredit upon the Club; and
- (j) serving on Board sub-committees as required.

A Board member with a material, personal interest in a matter which is being considered by the Board must not be present when the matter is being discussed unless otherwise agreed by the Board, and may not vote on the matter.

Board members should participate in discussions with a robust exchange of views and bring their independent judgements to bear on issues and decisions.

4 PRESIDENT'S RESPONSIBILITIES

The President will be responsible for:

- (a) ensuring that the Board provides leadership and vision to the Club;
- (b) formulating, in consultation with the CEO, the agenda for Board meetings, ensuring adequate coverage of strategic, financial and major risk areas throughout the year;
- (c) presiding over Board meetings and directing discussions to effectively use the time available to address the critical issues facing the Club;
- (d) convening meetings, when necessary, to address specific matters which are not able to be dealt with adequately in scheduled Board meetings;
- (e) ensuring that the Board has the necessary information to undertake effective decision making and actions;
- (f) ensuring Board minutes properly reflect decisions;
- (g) acting as a mentor to the CEO;
- (h) maintaining an overview of the Club's strategic planning process;
- (i) maintaining an overview of the Club's governance processes, including those in relation to financial management;
- (j) assessing Board members' workloads and assessing whether members are meeting their workload;
- (k) ensuring that, when a Board member takes office, they are fully briefed on the terms of their appointment and their duties and responsibilities;
- (l) managing any general meetings of members and the AGM
- (m) ensuring regular and effective communication with members;
- (n) representing the business and commercial aspects of the Club at local, regional, state and national levels and representing the views of the Club to the public.

5 CHIEF EXECUTIVE OFFICER'S RESPONSIBILITIES

The Chief Executive Officer will be responsible to the Board for the overall management and performance of the Club in accordance with the strategy, plans and policies approved by the Board and ensuring compliance with applicable laws and regulations.

In particular, the CEO's responsibilities will include:

- (a) ensuring that the Club complies with all statutory and regulatory requirements, including OH&S and Environmental requirements;
- (b) facilitating the development of strategic plans taking account of the members' expectations and the resources available to the Club;
- (c) ensuring that Board members are kept informed on a timely basis of developments which impact on their responsibilities;
- (d) representing the Club within sporting and related industry forums, seeking advice and direction from the President where the circumstances require;
- (e) providing leadership to staff, motivating and developing staff, measuring and rewarding performance, and addressing areas of weakness;
- (f) ensuring reliable recording systems and effective operating systems, particularly those which impact on members;
- (g) ensuring that the Club's financial accounts present a true and fair view of the Club's financial condition and operational results; are in accordance with relevant laws, regulations and standards; and founded on a sound system of risk management and internal compliance and control;
- (h) ensuring that the Club's risk management and compliance and control systems are operating efficiently and effectively in all material respects;
- (i) ensuring that transactions outside the CEO's delegation are referred to the Board for approval;
- (j) ensuring that all actions comply with the Club's policies in force from time to time; and
- (k) other responsibilities as delegated by the Board from time to time.

6 FLAG OFFICERS - APPOINTMENT

6.1 Flag Officers

- (a) The Board may appoint Flag Officers consisting of a Commodore, Vice Commodore and one or more Rear Commodores.
- (b) The Board shall appoint a Commodore who shall hold office at the pleasure of the Board and who shall have the right to be present at and to address, but unless he is otherwise entitled, not vote at any meeting of the Board, the Club or Associations of the Club.
- (c) The Board may appoint a Vice Commodore who shall hold office at the pleasure of the Board and shall in the Commodore's absence, have the right to be present at and address but unless he is otherwise entitled, not vote at any meeting of the Board, or Associations of the Club.
- (d) The Board may appoint one or more Rear Commodores who shall hold office at the Board's pleasure. In the absence of the Commodore or Vice Commodore, a Rear Commodore nominated by the Commodore shall have the right to be present at and to address, but unless he is otherwise entitled, not vote at any meeting of the Board or Associations of the Club.
- (e) The Flag Officers shall be Senior Members of the Club.
- (f) Any additional titles of any Rear Commodore or Rear Commodores may be designated by the Board from time to time.
- (g) A Board Member cannot be appointed a Flag Officer of the Club and a Flag Officer cannot be appointed to fill a casual vacancy on the Board. A Flag Officer shall resign as a Flag Officer before contesting any election for members of the Board.

7 FLAG OFFICERS - RESPONSIBILITIES

7.1 Commodore

- (a) The Commodore is responsible to the Board. The role is to;
- (b) Promote and uphold the image, protocol and traditions of the CYCSA;
- (c) Represent the Club at boating events, kindred clubs and other functions to which he or she is invited;
- (d) Attend a meeting of the Flag Officers, President, Chief Executive Officer and Association Chairs at least twice yearly;
- (e) Liaise with the Chief Executive Officer regarding the conduct of Opening Day;
- (f) Attend Club Board meetings. Should he or she not be able to attend then he or she should request that the Vice or Rear Commodore attends in his or her place; and
- (g) Take an active interest in the activities of all Club Associations.

7.2 Vice and Rear Commodore

- (a) The Vice and Rear Commodores are responsible to the Board. The role is to;
- (b) Promote and uphold the image, protocol and traditions of the CYCSA;
- (c) Represent the Club at boating events, kindred clubs and other functions to which he or she is invited;
- (d) Attend a meeting of the Flag Officers, President, Chief Executive Officer and Association Chairs at least twice yearly;
- (e) Assist the Commodore and the Chief Executive Officer in the conduct of Opening Day and other Club functions as requested;
- (f) Attend Club Board meetings as requested by the Commodore; and
- (g) Take an active interest in the activities of all Club Associations.

8 SUB COMMITTEES

8.1 Sub-committees

The Board shall establish the following sub-committees:

- Finance, Audit and Risk Committee.
- Facilities Committee.
- Marketing, Communication and Sponsorship Committee (short title Membership Committee)

8.2 Special purpose sub-committees

The Board may establish sub-committees for other purposes in order to share detailed work and consider particular issues in detail.

8.3 Structure and administration of subcommittees

- (a) Each sub-committee must have its own charter, approved by the Board, setting out its responsibilities, membership, meeting frequency and Board reporting obligations. A board member must chair each sub-committee.
- (b) It is important that the sub-committees be of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives and skills.
- (c) Sub-committees may have access to employees through the CEO.

- (d) Sub-committees may, where they deem appropriate, engage experts to assist in their considerations and determinations.
- (e) The membership of sub-committees should be periodically rotated, to the extent possible having regard for specific skills and experience which may be required.
- (f) The existence of a sub-committee does not diminish the responsibilities of the Board.

8.4 Meetings and minutes

- (a) The members of sub-committees may meet or convene by telephone or other electronic means, as necessary.
- (b) Minutes of sub-committee meetings must be recorded, endorsed as an accurate record and reported at the next full meeting of the Board.

9 FINANCE, AUDIT AND RISK COMMITTEE

9.1 Purpose

The Finance and Audit Committee (F,A&R) will oversee all matters concerning:

- (a) the internal control framework and its capacity to safeguard assets from inappropriate use and/or loss and to maintain the integrity of records and reports (**audit**);
- (b) the risks to which the Club is exposed, the assessed likelihood and potential impact of each risk, the Club's risk tolerance and the efficiency and cost effectiveness of the processes which management has implemented to manage those risks (**risk management**);
- (c) the internal control framework and its capacity to ensure legal and regulatory compliance (**compliance**); and
- (d) the monthly management accounts and annual financial statements, including the suitability of the accounting policies adopted by the Club (**finance reporting**).

9.2 Responsibilities

The F,A&R Committee will be responsible for:

9.3 Audit

- (a) reviewing the scope of audit plans;
- (b) meeting with the external auditor and other members of management, jointly and independently, and inviting and receiving comments and recommendations;
- (c) taking reasonable steps to satisfy itself that all recommendations of the external auditor are followed up and implemented or reasons given as to why recommendations have not been implemented;
- (d) forming opinions on:
 - the systems of internal control;
 - the effectiveness of management and the external auditor with respect to audit and internal control;
 - the independence of the external auditor;
 - the integrity of the Club's records, management accounts and statutory accounts.

9.4 Risk Management

- (a) reviewing management's risk assessments and its strategies and action plans to:
 - mitigate those risks; and/or
 - transfer those risks (eg by insurance);

- (b) forming opinions on:
 - risk assessments;
 - mitigation strategies and action plans;
 - the effectiveness of management with respect to risk management.

9.5 Compliance

- (a) reviewing management's assessments of the Club's compliance obligations and its strategies and action plans to ensure compliance with those obligations;
- (b) forming opinions on compliance and the effectiveness of management with respect to compliance and communicating those opinions to the Board;

9.6 Reporting

- (a) assessing the budget and any revisions thereto and communicating its opinion to the Board;
- (b) assessing the monthly financial position and performance against targets (both financial and non-financial, as established by the Board) and receiving and assessing statements from management and communicating its opinion to the Board;
- (c) reviewing undertakings and representations to financial institutions;
- (d) reviewing the annual financial statements having regard, in particular, to management's judgements, the application of relevant accounting standards, the appropriateness of accounting policies and the adequacy of the disclosure of material items and communicating its opinion to the Board;
- (e) receiving and assessing statements from management and, where relevant, the auditor, confirming the integrity of reports and information provided to the Board, the members and regulatory authorities.

9.7 Engagements

- (a) having regard to management's recommendations, recommending to the Board:
 - the appointment or dismissal of the external auditor;
 - the rotation of the external audit engagement partners; and
 - the level of the audit fees.
 - the appointment or dismissal of an external insurance broker

9.8 Other Matters

- (a) reviewing and recommending to the Board the annual operating and capital budgets and all substantive changes throughout the financial period; and
- (b) accepting references from Board regarding any financial matters.
- (c) overseeing the insurance renewal program including but not limited to accessing asset valuations, any limitations of cover (if any), premiums to be paid, with an approved/professional third party insurance broker.

9.9 Composition

- (a) The F,A&R Committee must be of sufficient size, independence and technical expertise to discharge its responsibilities effectively. It will consist of:
 - a Board member other than the President (Chairman);
 - the Treasurer (who shall not be Chairman);
 - up to three others, being members of Board or co-opted Senior Members (as approved by the Board).
- (b) Membership should be periodically rotated in accordance with the terms of reference of the committee.
- (c) The CEO will be requested to attend meetings.

9.10 Auditor's attendance at meetings

- (a) The chairman of the committee must ensure that the external auditor understands that he/she may attend meetings as appropriate.

9.11 Access to auditors

- (a) The F, A&R committee members should have unlimited access to the external auditor.
- (b) Where there is any difference of view between the auditor and management, the chairman must ensure that such is resolved to the committee's satisfaction.

9.12 Meetings

- (a) The members of the committee should meet not less than quarterly and may convene by telephone or other electronic means, as necessary. The quorum for a meeting is 3 members.

10 FACILITIES COMMITTEE

10.1 Purpose

- (a) The Facilities Committee's role is to assist the Board with the development and overall strategic management of the Club's physical environment and assets, guided by the Club's Master Plan.

10.2 Responsibilities

- (a) To advise the Board on and oversee major Club facilities development projects
- (b) To advise the Board on priorities with and oversee systems for the maintenance and replacement of the Club's physical assets, including but not limited to:
 - Marinas and hardstands
 - Slipway, ramps and associated equipment
 - Club boats, tractor, golf carts, trolleys, grounds equipment
 - Club buildings and storage assets and associated mechanical, electrical and plumbing services
 - Kitchen, bar, dining areas and associated hospitality facilities
 - Computing and communication systems, office equipment
 - For-hire facilities and equipment
 - Club grounds including perimeter and internal access controls, parking facilities, gardens
 - Energy, water and waste management systems
 - Security systems
 - Environmental response systems
 - Safety equipment, including fire and first aid response, within-marina rescue facilities
- (c) To monitor systems and programs with a view to achieving appropriate outcomes in relation to:
 - Health and safety of members, visitors, staff and contractors while within the Club's precincts
 - Staff training in relation to use of and instruction of members and contractors in the use of the Club's facilities
 - Implementation of applicable Australian Standards

- Environmental sustainability
 - Regulatory compliance
 - Compliance with insurance conditions in relation to Club assets
- (d) To develop, review and update the North Haven and Port Vincent site Master Plans in light of progress achieved, priorities of the Board and funding circumstances
- (e) To receive and consider members' proposals on Club facilities and report to the Board on such proposals
- (f) To prepare or oversee the preparation of grant applications as realistic opportunities arise, for funding assistance in relation to the above

10.3 Composition

- (a) The Facilities Committee shall comprise of:
- at least one Board member as Chair;
 - up to 1 other Board member other than the President or Treasurer;
 - up to 3 other Senior Club members and;
 - the Club's Chief Executive Officer.

Sub-committees may be established to address particular projects or operational issues and such sub-committees may report directly to the Board. Examples of such sub-committees are the Marina West Inner Breakwater Extension Committee and the Marina East Replacement Committee. Sub-committees shall comprise individuals with particular backgrounds and expertise relevant to the project or area of responsibility assigned.

10.4 Meetings

- (a) The Committee shall meet as the need arises and may convene in person, by telephone or other electronic means, as necessary. The quorum for a meeting shall be 3 members. The Club shall provide secretarial assistance to the Committee as required. The Committee may engage consultants subject to Board approval, to assist in executing its responsibilities. Similarly, sub-committees shall meet as the need arises and where they report direct to the Board, the reporting shall be at such intervals or times as the Board may request.

11 MARKETING, COMMUNICATION AND SPONSORSHIP COMMITTEE *(short title – Membership Committee)*

11.1 Purpose

The Membership, Marketing, Communications and Sponsorship Committee's role is to advise and assist the Board by:

- (a) Developing ongoing marketing strategies to retain existing membership, attract new members and foster participation in Club activities, events and boating lifestyle;
- (b) Developing, maintaining and improving communication strategies to enable and encourage members' views to be shared; for management, Board, Flags and Associations to economically and effectively target information within the Club and for appropriate channels of information flow with external stakeholders and the community;
- (c) Developing and continually refining sponsorship policies and practices to support Club activities, events and specific projects while keeping whole of Club interests to the fore and providing tangible commercial value for corporate sponsors, appropriate recognition for individual sponsors and creating a welcoming environment for bequests;
- (d) Assessing and recommending on new applications for Senior Membership.

11.2 Responsibilities

- (a) The Marketing, Communication and Sponsorship Committee will be responsible for:

11.2.1 Marketing

- (a) Develop and keep under review a marketing strategy for the Club, including but not limited to:
- Media advertising of berths and for Club membership;
 - Boat Show participation and associated props, show bags and the like;
 - Assisting the Club and Associations with promotion of events;
 - Commercialisation of Club assets eg for functions; training services (Marine Academy); hire of Club boats, buildings, grounds and berths for business and government clients;
 - Branding: apparel and personal accessories, paraphernalia, giftware, flags, stickers, business stationary, staff uniforms.

11.2.2 Communications - internal

- (a) Keep under review the existing channels of communication within the Club, including but not limited to the Annual Report, Groundswell, Association publications, notice boards and advertising hoardings, internet and internet forums, events fliers;
- (b) Receive advice on situations where communication content, style and delivery might be improved;
- (c) Assist members in having their voice heard where existing communication channels have not been adequate.

11.2.3 Communications - external

- (a) Develop a public relations strategy addressing interaction with local, state and federal governments, industry and community bodies and local neighbours;
- (b) Develop media relationships to foster infomercials, train key players to best respond to media opportunities including scripting Club positions covering topical issues;
- (c) Consultation strategies to win over neighbours to assist development applications.

11.2.4 Sponsorship

- (a) Establish a Club foundation for donations and bequests taking available opportunities to enable taxation advantages and to provide recognition for support as appropriate;
- (b) Keep under review and report to the Board on the Club's sponsorship of others in sailing and in supporting charities and community associations;
- (c) Coordinating and promoting whole of Club/Association sponsorship initiatives.

11.3 Composition

- 11.3.1 The Marketing, Communication and Sponsorship Committee shall comprise of:
- at least one Board member as Chair;
 - up to 1 other Board member other than the President or Treasurer;
 - a Flag Officer;
 - up to 4 other Senior Club members and;
 - the Club's Chief Executive Officer.

Where practical, membership shall be drawn to include representation from the Club's associations. Sub-committees may be established to address particular projects or operational issues. In particular a Membership sub-committee comprising a Flag as chair and up to 3 other Senior Members shall deal with applications for Senior Membership and report to the Board on each application received.

11.4 Meetings

The Marketing, Communication and Sponsorship Committee shall meet as the need arises and may convene in person, by telephone or other electronic means, as necessary. The quorum for a meeting shall be 3 members. The Club shall provide secretarial assistance to the Committee as required. The Committee may engage consultants subject to Board approval, to assist in executing its responsibilities. The Membership sub-committee shall meet monthly in order to receive and advise on applications save for any month where there are no applications to consider.

12 BOARD MEMBER PERFORMANCE EVALUATIONS

12.1 Each year, the President is responsible for co-ordinating:

- an assessment by the Board of its performance;
- an assessment by the Board of the performance of the President;
- a self-assessment by each Board member of his/her performance.

The President should provide an appropriate report at a Board meeting.

12.2 Evaluation of the Board's performance

The following matters should be considered in assessing the Board's performance:

- (a) The existence of clear performance objectives and the Board's performance against them;
- (b) The Board's contribution to the development of strategy;
- (c) The Board's contribution to ensuring robust and effective risk management;
- (d) The composition of the Committee and the mix of knowledge and skills necessary to maximise performance in the light of future strategy;
- (e) The Board's response to any unexpected events;
- (f) The Board's communication with the management team;
- (g) The Board's currency with the latest developments in the market and the regulatory environment.

12.3 The Board's effectiveness will be facilitated by:

- (a) Relevant, timely and unbiased information of the right length and quality and management's responsiveness to requests for clarification and amplification;
- (b) Sufficient Board meetings of appropriate purpose and length to enable proper consideration of issues;
- (c) Board procedures which are conducive to effective performance and flexible enough to deal with all eventualities.

12.4 Evaluation of the President's performance

The following matters should be considered in assessing the President's performance:

- (a) The President's leadership of the Board;
- (b) The management of relationships and communications between Board members;

- (c) The management of the relationship with the CEO;
- (d) The management of relationships and communications with Members;
- (e) The effectiveness of the process for setting the agenda and whether it allows Board members to raise issues and concerns;
- (f) The extent to which all Board members are allowed and encouraged to participate fully in Board discussions.

12.5 Evaluation of the Commodore's Performance

The Board will assess the contribution of the Commodore and take into account:

- (a) Leadership and contribution to the activities of the Club;
- (b) Relationship to the CEO;
- (c) Relationship with Club members;
- (d) Relationship with Chairmen of Associations.

12.6 Evaluation of each Board member's performance

The following matters should be considered by a Board member in self-assessing his/her performance:

- (a) The extent to which the Board member is prepared and informed for meetings and their meeting attendance record;
- (b) The member's willingness to devote time and effort to understanding issues;
- (c) The quality and value of their contributions at meetings;
- (d) Their contribution to the development of strategy;
- (e) The extent to which they have brought their knowledge and experience to bear in the consideration of strategy;
- (f) The extent to which they have probed to test information and assumptions and where necessary, their resolution in maintaining their own views and resisting pressure from others;
- (g) Their effectiveness in pursuing areas of concern;
- (h) Their relationships with fellow Board members and senior management;
- (i) The respect which they are given by fellow Board members;
- (j) Their effectiveness in presenting their views and preparedness to have regard for the views of others.

13 DISCLOSURE

13.1 The Board must ensure that timely and accurate disclosure is made to its Members on all material matters including, but not limited to:

- (a) the objectives of the Club and how they will be achieved;
- (b) the financial and operating results compared with expectations;
- (c) discussion and analysis of key financial and non-financial performance indicators used by management in assessing the performance of the Club;
- (d) discussion and analysis of the operational environment of the Club such as changes in market conditions, changes in the regulatory environment, etc;
- (e) discussion and analysis of the main factors and influences that may have a material effect on future results;
- (f) recent and planned capital expenditure;
- (g) material foreseeable risks facing the Club;
- (h) governance structures and policies; and
- (i) accounting standards and policies.

13.2 Information to be disclosed should be presented in accordance with generally accepted standards of accounting, financial and non-financial disclosure, and audit (where relevant).

13.3 Gifts

- (a) It is essential that the integrity of individuals is never compromised and that no external person or organisation is, or is seen to be improperly influencing the decision-making processes of the Club.
- (b) The Club allows the giving and receiving of gifts that fall within ethical business practices.
- (c) All individuals (the Board, the CEO, and Club management) will exercise judgement whether the receipt of a gift could be viewed as an inducement that could place them under an obligation to the donor or places them at risk of compromising their position.
- (d) An unacceptable gift includes anything that may provide, or is reasonably likely to be perceived as providing, incentive for an employee to make a decision (including seeking the services of a particular company or individual) which would not normally be made.
- (e) The giving of, or acceptance of, monetary gifts such as cash, cheques, vouchers, money orders, travellers' cheques or direct deposits is strictly forbidden. In the event that one of these gifts is received, the Approving Officer is to be immediately notified to determine the appropriate action to be taken. The outcome is to be recorded in the Corporate Gifts register.
- (f) Extra care must be taken by an individual who is aware that the benefit is being offered by a supplier who is in the process of tending for, or renewing a contract for, the supply of goods or services to the Club. When any gift from such a supplier is offered, permission is to be sought from the relevant Approving Officer.
- (g) Gifts may be accepted when it is quite clear the gift is not given or received with the intent of influencing an individual. When a gift is able to be accepted, and is reasonably believed to have a greater value than \$100, it is to be recorded on the Corporate Gifts register.
- (h) If there is any doubt as to the value or intention of the gift, the relevant staff or Board member will refer the matter to the relevant Approving Officer.
- (i) In addition to the above, where staff are offered a gift or benefit above reasonable and acceptable limits, approval will be sought from the relevant Approving Officer prior to accepting the gift or benefit.
- (j) Gifts such as sailing trophies, and or associated prizes won by an individual for a formal competition within the Club or associated sailing Clubs, are not considered unacceptable gifts.
- (k) The Approving Officer may decide whether a gift or benefit is to be retained by the intended recipient, divided amongst others in the Club, given to a charitable organisation or disposed of otherwise.
- (l) If it is clear the gift is not able to be accepted, the individual will politely refuse the gift, explaining that it is against the Club's policy for them to accept it.
- (m) Where a gift is proposed to be offered by the Club and is reasonably believed to have a value greater than \$200, approval must be sought from the relevant Approving Officer prior to the gift being offered. If approved; the gift must be recorded in the Corporate Gifts register.
- (n) All Board members, CEO, and employees will familiarise themselves with, and adhere to, this Code of Conduct.
- (o) The CEO will maintain a centralised Corporate Gifts register. It is the responsibility of the person accepting, or refusing or giving the gift to advise the CEO of the relevant entry to be made in the Corporate Gifts register.
- (p) The Corporate Gifts register is to be made available to any Board member on request.

14 ASSOCIATIONS

14.1 Association committees

14.1.1 The CYCSA currently has four Associations in place to represent the interests of the members and include:

- Racing Association
- Fishing Association
- Cruising Association
- Social Activities Association

14.1.2 The Associations have regulations to guide the respective committees and define the framework in which they operate. These regulations are reviewed from time to time to ensure compliance with current practice and the Board's strategic plans and objectives.

15 BETTER PRACTICE CORPORATE GOVERNANCE CHECKLIST

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
Strategy and Planning		
Does the organisation have a Strategic Plan and is it supported by a Risk Management Plan?		
Is there appropriate involvement of the Board, senior management and staff in the development of the Strategic Plan?		
Are clearly definable performance measures (operational and financial) and accountabilities incorporated into the Strategic Plan?		
Does the organisation have systems and processes in place to monitor performance against the Strategic Plan?		
Does the organisation review the Strategic Plan on a regular basis?		
Are there appropriate links between the Strategic Plan and planning at the Board, senior management and individual levels?		
Does the organisation develop an annual Business Plan which is linked to the Strategic Plan and outlines what it will be undertaking in the year ahead and which is endorsed and monitored by the Board?		
Operations of the Board and Senior Management		
Does the Board and each Board Member understand that, individually and collectively, that they are responsible for governing the organisation?		
Does each Board Member know the legal governance framework under which its organisation operates?		
Does each Board Member have an up to date version of the organisation's Constitution?		
Are the roles, responsibilities and powers of the Board, Board Members and the Chairperson defined in a Board Charter?		
Is there a clear identification of the powers, roles, responsibilities and accountabilities between the Board and the Chief Executive Officer?		
Does the Board have collectively, a mix of appropriate skills, knowledge and experience?		
Are appointments made to the Board with regard to the skill requirements of the Board?		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
Have steps been taken to provide the Board, management and relevant staff with training and documentation as to their role and the roles and responsibilities of the Board?		
Are there adequate induction processes in place for new Board Members?		
Are there arrangements to support ongoing professional development for Board Members?		
Is there a sound system of procedures and financial delegations in place approved by the Board?		
Does the Chairperson facilitate the Board working as a team?		
Are members of the Board able to challenge the organisation and other Board Members constructively?		
Does the operation of the Board promote efficiency as well as control so that the Board is not involved in low level detail unless specifically required?		
Does the Board spend most of its time on strategic issues facing the organisation?		
Does the Board have a clear process for discussion and decision making, with the Chairperson encouraging views and insights from all members?		
Does the Board ensure that consultation with stakeholders occurs before making decisions which might affect them?		
Does the Chairperson ensure that the Board follows clear procedures in discussing and reaching decisions which ensures that the full implications in relation to a matter are identified and considered by the Board?		
Does the Board have adequate processes for dealing with decision deadlocks such that decisions are reached through discussion rather than vote-taking, where possible, and dissenting views are fully explored and that there is a focus on achieving the best outcome?		
Does the Board monitor the implementation of its decisions on a regular basis?		
Is there full and transparent explanation for decisions that are made by the Board which are clearly recorded in Board Minutes?		
Are there processes in place regarding governing or policy development, implementation and review, and		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
which ensures that the Board approves new policies?		
Does the Board have an annual Board Calendar which balances the need to focus on future development with monitoring current performance and conformance?		
Is the Annual General Meeting (AGM) on the Board Calendar?		
Are Board papers and Minutes circulated in sufficient time for Board Members to consider and review them before Board Meetings?		
Does the Board meet regularly as per the constitution?		
Do all Board Members attend and participate in the majority of Board Meetings?		
Do Board Members demonstrate an interest in the business of the organisation outside Board Meetings to facilitate their knowledge and understanding of the business affairs of the organisation?		
Does the Board assess its performance against agreed criteria at least once a year?		
Where the Board has identified areas for improving its operations, does it develop and monitor an action plan for their implementation?		
Does the Chairperson provide mentoring and support to the Chief Executive Officer?		
Does the Chief Executive Officer and other key managers attend Board Meetings to inform Board decision making and share information freely with the Board?		
Does the organisation have an Executive Management Group, comprising its senior managers, which meets on a regular basis?		
Has the Chief Executive Officer or the Board established appropriate internal management committees to develop strategies and policies in relation to such things as financial management and reporting, human resource management etc?		
Do established Board Sub-Committees have documented terms of reference which clearly define their roles, responsibilities and accountabilities?		
Has the Board established an Audit and/or Risk Board Sub-Committee?		
Do the Chief Executive Officer and/or the Board		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
monitor and review the performance and value of Board Sub-Committees?		
Does the organisation have regular staff meetings to ensure that employees are aware of current issues facing the organisation and to encourage feedback to management?		
Statutory and Contractual Compliance		
Is the Board aware of the relevant statutory reporting requirements and does it have processes in place to monitor compliance?		
Is the Board aware of its legislative compliance obligations and does it have processes in place to monitor compliance?		
Has the Board approved an appropriate contract management framework for the organization?		
Is the Board aware of its contractual compliance obligations and are processes in place to monitor compliance?		
Organisation Policies and Procedures		
<p>Has the Board agreed the operating policies and procedures for the organisation, covering such matters as:</p> <ul style="list-style-type: none"> • Complaint handling; • Delegation of authority; • Environmental and social obligations; • Ethical behavior; • Financial delegations; • Financial management, including financial transactions and reporting; • Tendering, contracts and procurement; • Fraud control; • Governance arrangements; • Human resource management; • Information Technology management; • Communications and public relations; • Occupational Health and Safety; • Risk Management; and • Stakeholder management and relations? 		
Ethical Environment		
Is there a Code of Conduct outlining standards of personal behaviour and the requirements for ethical conduct on the part of all Board Members, the CEO, management and staff?		
Are mechanisms in place to gain assurance that decision making processes are not subject to prejudice or bias?		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
Is there a mechanism that requires Board Members, the CEO, senior management and staff to declare any conflict of interest in all decision making processes?		
Risk Management		
Does the organisation have risk management policies and procedures to ensure risk is considered at all levels of the organisation – strategic, operational, and project levels?		
Does the organisation have a Risk Management Plan linked to its Strategic and Business Plans?		
Does the Board regularly assess whether the risk management strategies are working effectively?		
Is the Risk Management Plan reviewed regularly to ensure new and emerging risks and opportunities are identified and risk management strategies are put into place?		
Are there Disaster Recovery and/or Business Continuity Plans in place?		
Does the organisation have in place the required levels of insurance including Public Liability and Directors' and Officers' Liability Insurance?		
Does the organisation have appropriate plans in place to protect the physical security of its people, information and assets?		
Program Reporting and Monitoring Framework		
Has the Board established appropriate mechanisms and processes for ensuring that the organisation can meet obligations under funded programs including the Commonwealth Department of Health and Ageing on aspects such as financial and performance reporting?		
Are there arrangements in place for management to report to the Board on progress with meeting funding conditions for all funding agreements?		
Financial Management and Reporting		
Has the Chief Executive Officer or the Board established appropriate mechanisms and processes for budget development and financial planning for the organisation?		
Does budgeting documentation include operational and capital budgets for the medium to long term, and do these budgets link to the Strategic and Business Plans?		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
Are there appropriate performance measures, financial and operational (non-financial), which enable the efficiency, effectiveness and economy (value for money) of the organisation to be assessed?		
Does the Board receive timely financial reports on a regular basis?		
Do the financial reports presented to the Board communicate relevant financial data and information efficiently and effectively?		
Are the financial reports accrual based?		
Do financial reports show, at a minimum, a comparison between year to date, budget, last year to date, and full year data and provide information on the cash position of the organisation?		
Are financial reports supported by explanations of significant variances between budget targets and actual results?		
Are financial reports supported with appropriate financial and operational analysis – ratios, service delivery benchmarks and other performance indicators?		
Are financial reports derived directly from the underlying accounting systems and is there a quality assurance process over the compilation of the reports?		
Do adequate accounting systems and records support financial reports?		
Are financial reports provided to the Board in sufficient time to enable review before meetings?		
Is each member of the Board made aware of their financial responsibilities as a Director?		
Do the Board and management teams each include a person with appropriate financial management qualifications, expertise and experience?		
Does the Financial Officer have a direct reporting line to the Chief Executive Officer?		
Are the roles and responsibilities of the Financial Officer relative to other managers, clearly defined to avoid overlap of accountabilities and responsibilities?		
Is the Chief Executive Officer responsible for the strategic and operational aspects of financial planning, management, record-keeping and financial		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
reporting?		
Are there appropriate controls in place to effectively manage payments made by the organisation?		
Has the Board appointed an independent, appropriately qualified external Auditor?		
Have arrangements been made for the conduct of the audit of the Annual Financial Statements?		
Human Resource Management		
Does the Board receive timely reports on human resource management issues on a monthly basis covering such matters as: <ul style="list-style-type: none"> • Recruitment; • Departures; • Training and development; • Occupational Health and Safety; • Equal Employment Opportunity; • Staff complaints and Bullying & Harassment? 		
Is there an appropriate performance management system in place for the Board Members, the CEO, senior management and other employees that is aligned to the organisation's Strategic Plan and includes a formal review of the performance of the Chief Executive Officer by the Board?		
Is there appropriate succession planning in place for the Board, Chief Executive Officer, management and other employees?		
Does the organisation have appropriate policies in place relating to the recruitment, retention and engagement of staff?		
Are there adequate induction processes in place for new management and staff members?		
Does the organisation have a strategy for ensuring that its employees have and maintain the necessary skills to achieve its key business objectives and meet its responsibilities for service delivery?		
Information Technology and Systems Management		
Does the organisation have an appropriate Information Technology infrastructure to enable it to support its business needs and deliver key service outcomes?		
Does the organisation have in place appropriate policies, strategies and mechanisms for ensuring that its Information Technology facilities and systems are		

Better Practice Characteristic	Assessment	
	Criteria Met Y/N	Actions Required to Meet Criteria
secure?		
Information and Knowledge Management		
Does the organisation have in place appropriate policies and procedures for the keeping, accessing and disposal of records and their security?		
Does the organisation make available key information about its operations through a Website and other appropriate mechanisms – for example, Strategic and Business Plans, Annual Reports, policies and other relevant information?		
Asset Management		
Does the organisation have an Asset Management Plan?		
Stakeholder Management		
Has the organisation identified its stakeholders (for example, residents and relatives, funding bodies and community organisations), their needs and the associated business risks?		
Has the organisation established clear channels of communication with its residents and other stakeholders?		
Has the organisation implemented appropriate mechanisms and processes to ensure that stakeholders are consulted and engaged in the development and implementation of policies and programs, as appropriate?		
Fraud Control		
Does the organisation include fraud risks as part of its Risk Management Plan?		
Does the organisation have in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures?		
Project Management		
Does the organisation have an agreed project management framework in place?		
Are all relevant projects being undertaken in accordance with the mandated project management framework?		
Do the Board and management monitor project planning and implementation on a regular basis?		
Does the organisation provide project management training and support to its staff?		