

PEDAL POWER ACT INC GOVERNANCE POLICY

Approved by the Board on: March 22, 2016
Scheduled review date: February, 2017

INTRODUCTION

Governance in the not-for-profit community sector is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision and accountability of an organisation.

Board members take ultimate responsibility for the governance of their organisations. However, governance is not a role for the Board and Board members alone. Governance is also concerned with the way Boards work with chief executives and staff, volunteers, service users, members and other stakeholders to ensure the organisation is effectively and properly run and meets the needs for which the organisation was set up.

PURPOSE

The Governance Policy is intended to clarify the content of the organisation's constitution (Pedal Power ACT's Rules) by making explicit the underlying principles of governance approved by the organisation.

This policy does not cover legal or ethical issues concerning the role of Board or its members.

POLICY

The function of the Board of Pedal Power ACT is to collectively ensure the delivery of the organisation's objectives, to set its strategic direction, and to uphold its values. The Board is collectively responsible and accountable for monitoring and ensuring that the organisation is performing well, is solvent, and is complying with all its legal, financial, and ethical obligations.

The Board of Pedal Power ACT is an elective, representative, and collective body.

- It is **elective**, in that the determination of Board members is the prerogative of members through the election process.
- It is **representative**, in that all members are committed to acting selflessly and making decisions and voting on decisions solely in the best interests of the organisation.
- It is **collective**, in that while each member has the right to argue for their own point of view and to vote for that position, once a collective decision has been taken Board members are required to support that decision.

The responsibilities of the Board that cannot be delegated to any other person or body as described in the Pedal Power ACT Rules and Pedal Power ACT Delegations and Authorisations Schedule include:

- Compliance monitoring – ensuring compliance with the objects, purposes and values of the organisation, and with its constitution
- Organisational governance – ensuring that appropriate policies are in place, monitored and evaluated
- Strategic planning – contributing to, reviewing and approving strategic direction and initiatives

- Regulatory monitoring – ensuring that the organisation complies with all relevant laws, regulations and regulatory requirements
- Financial monitoring – reviewing and approving Pedal Power ACT’s annual and major events budgets; monitoring management and financial performance to ensure the solvency, financial strength and good performance of the organisation
- Financial reporting – considering and approving annual financial statements and required reports to government
- Organisational structure – setting and maintaining a framework of delegation and internal control
- Leadership selection – deciding the selection, performance evaluation, rewards and, if necessary, dismissal of Pedal Power ACT’s Executive Officer
- Succession and remuneration planning – planning for Board, Executive, and Executive Officer succession, and determining senior management remuneration
- Risk management – reviewing and monitoring the effectiveness of risk management and compliance in the organisation; agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise
- Dispute management – ensuring that conflicts that arise within the organisation, including conflicts arising between Board members, staff, members, volunteers or service users are dealt with and managed, with or through appropriately skilled people where necessary
- Social responsibility – considering the social, ethical and environmental impact of all activities and operations and ensuring that these are acceptable
- Board performance and composition – evaluating and improving the performance of the Board

Relationship with management

The Board should focus on its accountabilities, strategic direction and the core policies of the organisation, and avoid becoming involved in day-to-day operational matters and decisions.

Where individual Board members do need to become involved in operational matters, they should separate their operational role (where they act at the direction of management) from their Board role (where they operate on behalf of, and at the direction of the Board)

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Date:

Secretary, Pedal Power ACT

PEDAL POWER ACT GOVERNANCE PROCEDURES

Approved by EO on:
Scheduled review date:

RESPONSIBILITIES

It is the responsibility of the Board to establish and maintain policies and procedures, and systems of financial control, internal control, and performance reporting.

It is the responsibility of the Board to clearly articulate the roles and responsibilities and delegated authority of sub-committees, officers, the Executive Officer, and other staff and agents.

It is the responsibility of the Executive Officer to address key management and operational issues within the direction and the policies laid down by Board, including

1. Developing and implementing organisational strategies and making recommendations to the Board on significant strategic initiatives;
2. Making recommendations for the appointment of staff, determining terms of appointment, evaluating performance, and developing and maintaining succession plans for staff;
3. Developing the annual budget and managing day-to-day operations within the budget;
4. Maintaining effective financial controls and risk management framework;
5. Keeping the Board and regulators informed about any developments with a material impact on the organisation's performance; and
6. Managing day-to-day operations in accordance with agreed standards for social, ethical and environmental practices.

PROCEDURES

Internal controls

The Board should set and maintain policies and procedures, and systems of financial control, governance, and performance reporting. The Board should ensure that there is a system for the regular review of the effectiveness of its financial control, governance, performance reporting, and policies and procedures.

Managing risk

The Board should undertake regular risk assessments and take appropriate steps to manage the organisation's exposure to significant risks, including the risks associated with Board decisions. The Board must regularly review existing and potential risk factors, and acknowledge and/or take action to mitigate these risks.

Board review

The Board should ensure that there is a system for the regular review of its own effectiveness in meeting its responsibilities.

RELATED DOCUMENTS

- Pedal Power ACT Delegations Policy and Procedures
- Pedal Power ACT Delegations and Authorisations Schedule

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Executive Officer, Pedal Power ACT

Date: