Shelly Beach GOLF CLUB

Shelly Beach Golf Club

Board Policy

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1. PURPOSE

The purpose of Board Policy is to assist Directors in understanding their obligations, to promote good decision making and to help maintain confidence of members in the governance of the Club.

Directors should read, understand and comply with all provisions of the Board policy. It is important to understand that, except where stipulated, Board Policy is not law; legislation and the Club Constitution sits above Board Policy.

Board Policy cannot anticipate every circumstance or question about policy. The Board reserves the right to revise, supplement, or rescind any policies or portions of Board policy from time to time as it deems appropriate in its sole and absolute discretion with or without notice.

2. CENSURE MOTION

Failure of a Director to adhere to any provisions of Board Policy may result in the Board passing a Censure Motion against that director. If a Censure Motion is passed against a director, the board may resolve to act against the director.

Actions may include (but are not limited to) exclusion from representing the club at functions, removal from committees, or removal of delegated roles allocated to that director.

3. CODE OF CONDUCT

The Directors Code of Conduct has been formulated to provide a clear statement of the Club members' expectations of its governing body, the Board, in respect of their professional and personal conduct.

In performing their Board duties and functions, the behaviour and conduct of Directors must pursue the vision, mission and values within legislative, constitutional, industrial and administrative obligations of the Club through their professional and personal conduct as described below.

Professional Conduct

Directors are required to comply with various federal and state laws including:

- Act in good faith and for a proper purpose
- Exercise due care and diligence
- Not gain an advantage or improperly use information
- Disclose any conflicts of interest
- Ensure the club does not continue to trade whilst insolvent
- Not ask for or accept gifts or benefits which might compromise or influence them
- Behave responsibly, particularly regarding confidential information
- Engage in mandatory training
- Not improperly using the position of Director to gain an advantage for oneself or someone else or cause detriment to the club.

Directors are also expected to:

- Review Board papers before meetings
- Acquaint themselves with the strategic issues confronting the club
- Contribute to Strategic Planning
- Make decisions in accordance with Board Policy
- Monitoring the General Manager's performance regularly (referred to hereafter as GM)
- Actively participate in continuous professional development and training
- Contribute to a safe, healthy and discrimination free environment

Personal Conduct

Directors are expected to act with integrity to ensure that the reputation of our club is managed, protected and enhanced, including:

- Uphold a position of trust
- Recognise that the position of director has no power of authority when acting alone unless specifically delegated
- Recognise that no person employed by the club in any capacity can be instructed by any individual director
- Ensure the club is operating efficiently, effectively and legally
- Undertake diligent analysis of all proposals
- Strive to obtain value for the money spent, avoid waste and to use the club resources in a proper manner
- Promote and encourage equity and inclusiveness throughout the club and consider age, gender, cultural background and people with a disability in decision making
- Act honestly and in the best interests of the members as a whole and not to represent individual constituents
- Contribute to a positive board behaviour and culture by showing respect for other directors' opinions and allowing each director a fair and equal opportunity to contribute to discussion and decision making.

4. ROLE OF THE BOARD

Principal Tasks

We recognise that the board's primary role is one of trusteeship on behalf of its stakeholders. As a Board, we ensure that the club remains viable and effective today as well for the future. This is achieved through the principal tasks of the board as described below:

- **Strategy**
  Strategy provides underpinning guidance for the board in fulfilling its mission with maximum efficiency, impact and with regards to available funds, personnel and other resources. The strategic process includes research, setting vision, mission and objectives, strategies to achieve those objectives and determining reporting standards to ensure the GM is implementing the strategy.

- **Control**
  Control of the club is achieved through Board policy and the recruitment of the GM. Policies control the governing of the organisation, the realisation of the organisational objectives and place limitations on and provide guidelines for decision making. The GM is expected to perform and is fiscally rewarded in the key responsibilities.

- **Monitoring and Evaluating**
  Quality reporting by the GM at board meetings allows the board to ensure the effectiveness of strategy and monitor the GM's performance. This is achieved through analysis of actual results and discussion, and making decisions regarding our strategy moving forward. Evaluating board and the GM's performance is via an annual review conducted internally or via an external third party.

- **Leadership**
  Ethical behaviour that contributes to a high standard of leadership. This includes adherence to the Code of Conduct and appropriate legislative, constitutional and administrative requirements as well as doing the right thing at the right time.

- **One Voice**
  Our Board agrees that the authority of the board resides in the body of the board, not in its individual members. On our seven-person board, an individual director does not have one-seventh of the power. An individual director has no individual authority.

  We recognise that the only time a director has individual power is when they vote. Directors use their judgement when making decisions and must ensure decisions comply with the law, the Constitution and Board Policy.

  Final decision/s are in the form of a Resolution of the Board at a board meeting. Whether present when the decision was made or not, we recognise that all members of the board share accountability in the decision.

Once a decision is made, our board agrees to act as 'one voice'. We agree that the opinion of an individual director must not have the weight of authority or influence over the board's decision and no individual director may undermine the board's decision.

5. CHARACTERISTICS OF A DIRECTOR

A Director is a person who was elected or appointed to the position. Directors must carry out their duties in compliance with all applicable State and Federal law, the club Constitution, board policy and other requirements deemed appropriate by the board.

This requires our directors to commit the time necessary to understand and contribute to strategy, the formation of policy, and monitoring of results as well as engagement in ongoing skill development. Directors must abide by the Code of Conduct.

Board Meetings

Our directors are required to prepare for board meetings. Board papers are available on the OneDrive for access by all directors at least 48 hours before each board meeting. Preparation may include:

- Reading material circulated
- Reading the minutes of the previous meeting
- Consideration of matters to be discussed

Our directors are also required to attend other meetings:

- The Annual General Meeting (referred to hereafter as the AGM)
- Special general meetings
- Extra meetings to discuss strategy
- Sub-committee meetings
- Or to receive special training

Decision Making

Directors are required to make complex decisions. We define 'good decision making' as decisions that are made in the best interests of the club and its people.

Our directors make decisions at the governance level, not at the management level of business.

Confidentiality

Our directors recognise it is essential that information relating to any business and operational aspects of our organisation is treated confidentially. Directors must not:

- Disclose confidential or private records or information, except when authorised
- Access or use information, including information on electronic systems and hard copy files, other than for an authorised purpose
- Keep minutes or other confidential information relating to board meetings on unsecured portable electronic devices and removable storage media
- Destroy or authorise the destruction of organisational records other than in accordance with policy and relevant legislation.

6. ROLE OF THE CHAIR (THE PRESIDENT)

The President is a specially empowered member of the Board and has the prime responsibility for the club overall and for ensuring that the GM implements Board decisions. The President should exercise careful supervision over the work of the

GM and other members of the Board and ensure that decisions are promptly carried out. The president ensures constructive relations between the board and the GM.

The President ensures the integrity of the Board's processes and the achievement of results. The board recognises that the President strongly influences the behaviour of directors and boardroom culture, leads by example, and ensures the boardroom culture is respectful and inclusive. The President will keep all Board decisions ad discussions private where appropriate and insist on Board members observing the same rule.

Board meetings are managed by the President in a manner designed to encourage diversity of opinion, ensuring that all directors are given an opportunity to contribute to discussion and decision making. The President may be called upon to achieve a decision by way of an additional or casting vote where voting of Directors reaches a non-result or equal division. The President shall sign the recorded Minutes of the Board of Directors meetings, as confirmed by the board.

The President, following an election, will choose and appoint directors to serve in various capacities apart from the Executive positions voted in by members at the AGM. These may include policy development for the Club projects.

The President is bound by our board's policies and decisions and thus has no authority to alter, amend or ignore these. Except where stated in the Constitution, the board has not delegated to the President the right to independent decision making.

Roles and Responsibilities

The Chair's role and responsibilities include:

- Representing the Board
- Abiding by our Code of Conduct and ensuring other directors do the same
- Liaise with the GM regarding the agenda and ensuring board members receive timely and clear information
- Manage board meetings
- Liaising with the GM and manage an effective working relationship
- Support of the strategic planning process
- Board member development and encouragement
- Induction and training of newly elected directors
- Performance assessment and evaluation
- Increasing the awareness of the benefits of diversity on boards

7. ROLE OF THE CEO (GM)

As the professional manager of the club and within the board's guidelines and limitations, our GM is responsible for leading the development and execution of our strategy with a view to creating stakeholder value. Our GM is ultimately responsible for all day-to-day management decisions and for implementing our long- and short-term plans.

The GM acts as a direct liaison between the board and management of the club and communicates to the board on behalf of management. The GM also communicates on behalf of the board to employees, government authorities, other stakeholders, and the public.

The GM attracts, motivates and retains a suitably qualified team of managers and staff. The GM may also represent the club.

Financial Jeopardy

The GM manages to avoid financial jeopardy, which is defined as:

- Allowing trading whilst the club is insolvent
- Allowing financial management that facilities insolvency
- Financial management that results in financial viability but not effectiveness; that is financial decisions made without regard to the organisational objectives

- Financial management that is conducted in a manner that threatens financial viability even if organisational objectives are being accomplished

Delegations

The board may delegate authority and /or place limitations on the following:

- Financial matters, including budgeting, asset protection, investment management and pricing
- Expenditure
- Debt, accounts payable and receivable
- Risk, including risk appetite and monitoring
- Procurement, tenders and contract management
- Compliance
- Grants and sponsorships
- Governance, including altering the club's legal structure
- Reporting requirements
- Staff management and recruitment
- Organisational design
- Membership and subscriptions
- Obtaining legal advice

8. STRATEGY

It is the Board's responsibility to ensure that the strategic plan is documented, as the strategic plan influences many aspects of Board governance and club operation. It is the Board's responsibility to ensure the strategic plan is reflected in all other documentation including the GM's Position Description, reports and performance appraisal criteria.

Strategic Planning

The strategic plan determines the business plan; how the GM plans to implement the strategic plan 'on the ground'. As a board, directors should easily recognise elements of the strategy in the business plan and in the GM's reporting. The strategic plan with the board policy determines the staff policy and determines the organisational structure; how the GM manages and plans human resources.

Our strategic plan provides the underpinning guidance for the board in fulfilling our mission with maximum efficiency, impact and with regards to available funds, personnel and other resources. Our strategy is researched, documented, monitored and evaluated. When developing strategy, the board strikes balance between operating for today's market and ensuring the club is optimally prepared for the future.

We recognise that input by the GM and, where appropriate, external third parties is critical in designing a strategy that will be successful operationally, balances our communities wants and needs, is free of any conflicts of interest and encourages action towards our vision.

Research

As part of the annual strategic review, our research is conducted in 4 areas:

- People – Internal to the club
- People – External to the club
- Environment – Internal business and process
- Environment – External trends and changes

Vision and Values

Our club's vision clearly and crisply illuminates our direction. We state where the club is heading, phrased as being there today. Our values form the foundation of the boards governing style and the GM's management style. Our values describe the key behaviours to achieve our vision. Our vision and values are unique to us.

Objectives and Strategies

Our objectives describe the broad steps to realise our vision. Our strategies provide specific instructions to the GM on how the board wishes objectives to be realised. Our strategies provide clarity, ensuring that the board can govern and prioritise complex tasks. This includes monitoring and evaluating our collective success as a board and the GM's performance.

9. DECISION MAKING

Our board recognises that decision making is a complex process. Fundamental steps make for sound decision making:

1. Clarify - the issue
2. Research - facts and causes
3. Options - brainstorm, discuss, research
4. Discuss - pros, cons, budgets, indicators
5. Select - one clear rational option
6. Implement - resources, accountability
7. Evaluate - success or barriers to success

Annual Decision Making

An Annual Calendar is a guide to planning the annual meeting schedule in advance. We recognise that this assists individual directors to ensure that our governance matters are addressed in a timely and logical manner. Annual meetings to consider:

- AGM
- Annual governance professional development
- Policy review
- GM review
- Board evaluation
- Strategic Planning
- Financial planning and review of financial governance
- Board succession planning
- Board professional development
- Review of Constitution and By-Laws

Monthly Decision Making

Reports are presented by the GM at least once a month at the board meeting. We recognise the quality of the management reports and other information we receive directly affects the quality of our decision making. The following reports assist in making good decisions.

- Strategic Evaluation Report
- Financial Report
- Decision / discussion papers
- For information papers
- Sub-Committee Reports

The board recognises that making good decisions is directly linked to the quality of the:

- Strategic Plan
- Board's collective skills and cohesiveness
- Director's individual governance and leadership skills
- Directors' individual contribution to discussion

- Reporting standards we determine for the GM
- Risk frameworks
- Using the decision-making process

Third-party input

Where it is identified that the board does not have the requisite degree of knowledge or experience to make good decisions, the chairperson or GM is delegated to obtain appropriate third-party input.

10. RECRUITMENT OF THE GM

The board recognises that we must recruit a GM that has the management skills and leadership qualities to manage the club according to our vision, mission, values and objectives.

To recruit a GM, we prioritise our strategic elements to determines the leader we need. In recognition of this important governance task, we prepare quality documentation to which applicants can respond rather than a generic list of operational tasks.

Our board or our delegated sub-committee forms the interview panel. The interview tests the candidates for leadership style and skills application. We endeavour to reference check the candidates' subordinates, peers, same-level colleagues as well as previous employers.

Key Responsibilities

The GM's expected to perform and is fiscally rewarded in 4 areas: Strategic Objectives, Personal Attributes, Compliance and Representation.

Selection Criteria

The boards selection criteria include:

- Strategic thinking and planning skills
- Visionary leader in a complex environment
- Strong work ethic
- Collaboratively work with diverse groups
- Leadership style that develops, coaches and empowers results focused approach
- Driving accountability and effective performance
- Sound financial understanding
- Ability to interpret financial and statistical data

Independent Recruitment

Our board recognises that employing the wrong GM can have a significant detrimental effect on achieving our organisation's vision, mission, values and objectives. We recognise that employing the wrong GM for our club is a costly exercise.

Where it is determined that the board do not have the requisite degree of knowledge or experience to effectively recruit the ideal GM for our cub, we will outsource the process to an independent third-party recruiter.

9 BOARD SUCCESSION

The board recognises that the more diverse in gender and background we are, the better positioned we are to think differently and represent broader interests of our community. We ensure that our board is both representative of our community and appropriately skilled through our proactive approach to succession strategies.

We also recognise that long-standing board members need to ensure that their contribution is dynamic through their engagement in continual professional development. All directors must apply high-quality governance skills and leadership, and possess a contemporary understanding of our complex environment to govern effectively.

Succession Strategies

To recruit the best possible decision makers and encourage board diversity, we ensure the following strategies are in place.

1. **Board Evaluation and Skills Audit**
   Annual board evaluation and skills audit is undertaken to identify skill and diversity gaps and assist with the recruitment of board members with appropriate attributes, knowledge, skills and qualifications.

2. **Role Description**
   The director's role description clearly outlines the responsibilities and expectations so that potential candidates are fully informed about the skills and commitment required.

3. **Communication with Members**
   An election kit containing the director's role description and election process is distributed to potential candidates. Those voting are informed of the attributes and kills that the board is seeking so that voting can be based on merit rather than popularity.

4. **Encouragement for Women to Apply**
   We recognise that, generally, females are more likely to apply for board positions when encouraged and supported in the process. As our board has historically been male dominated, we should actively seek appropriate women to apply for directorship. Whilst women do provide a different perspective and management style, a director's appointment will always be appointed based on skill and experience relevant to the role of a director, over gender.

5. **Board profiles**
   We will include profiles of existing directors on our website so that potential candidates can consider where their attributes and skills would 'fit' into the existing mix and to highlight existing role models for other women as our board already has female directors.

6. **Review of Constitution**
   Our board annually reviews our Constitution and By-Laws to ensure they are not discriminatory, encourages diversity and a range of skills, and to allow the board to fill the gaps if required.

7. **Recruitment methods**
   Our board will consider a range of recruitment methods to attract a wide range of candidates, including the promotion of board nominations through the club website and newsletters. Candidates to be interviewed formally, and nominated and encouraged based on merit.

10 BOARD EVALUATION

Our board recognises the link between a high performing board and the successful performance of our club. We recognise a well-functioning board will have a positive influence on the day-to-day operations as well as he performance of individual directors, GM, staff, stakeholders and volunteers.

Our board processes are evaluated annually to obtain feedback on the collective performance of the board as well as the performance of individual directors to determine ongoing development, improvement and recruitment needs. To avoid internal bias, we ensure an external and independent evaluation is conducted at least biennially.

Objectives of the Evaluation

Generally, the objectives of or evaluations are to ensure:

- Development of high-quality strategy
- Effective monitoring of the GM
- Directors understand their ethical, legal and financial responsibilities

- An effective induction program is in place
- An established Code of Conduct is in place
- Values and positive behaviours are defined
- Meeting procedures encourage strategic discussions
- Appropriate decision-making models are in place
- Appropriate policies are in place

This policy revokes and replaces all previous policies on this topic including the policy titled Board Policy (2013 Edition).