



Victorian Aboriginal Legal Service Board Charter

Australian Company Number (ACN) [45926675900]

Australian Business Number (ABN) 45 926 675 900

1. Introduction

- 1.1. The Victorian Aboriginal Legal Service Co-operative Limited (VALS) was established as a community controlled Co-operative Society in 1973. VALS plays an important role in providing referrals, advice/information, duty work or case work assistance to Aboriginal and Torres Strait Islander peoples in the State of Victoria.
- 1.2. The parent entity of VALS is the South East Australian Aboriginal Justice Service Limited (SEAAJSL). VALS is governed by SEAAJSL's Constitution which should be read in conjunction with this Charter. The Constitution overrides any clause in this Charter should there be any inconsistencies.
- 1.3. VALS is regulated by the following Acts:
 - The Australian Charities and Not-for-profits Commission (ACNC) Act 2013;
 - The Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act); and
 - Corporations Act 2001.

2. Purpose

- 2.1. The purpose of the Board is to identify and oversee the implementation of VALS direction and goals.
- 2.2. This Charter sets out the authority, responsibilities, membership and operations of the Board, adopting principles of corporate governance and practices that align with applicable laws.

3. Board Composition

- 3.1. The Board will comprise of six Directors, but in accordance with the appointment process below can be amended in size to at least three and no more than nine Directors.
- 3.2. Each of the Directors must be appointed by a separate resolution, unless:
 - The Directors present have first passed a resolution that the appointments may be voted on together, and
 - No votes were cast against that resolution.
- 3.3. A person is eligible for election as a Director if they:
 - are an Aborigine;
 - are a member of the company, or a representative of a member of the company;
 - are nominated by two members or representatives of members entitled to vote (unless the person was previously elected as a Director at a general meeting and has been a Director since that meeting);
 - give the company their signed consent to act as a Director of the company; and
 - are not ineligible to be a Director under the Corporations Act, the ACNC Act, or the CATSI Act.

- 3.4. The Directors may appoint a person to fill a casual vacancy (arising from long periods of expected absence) or as an additional Director if that person:
 - is an Aborigine;
 - is a member of the company, or a representative of a member of the company;
 - gives the company their signed consent to act as a Director of the company; and
 - is not ineligible to be a Director under the Corporations Act, the ACNC Act, or the CATSI Act.
- 3.5. Independent advice may also be sought by the Board, through a resolution via quorum, on any matter before the Board for consideration, however, the engaged party not a member of the Board will not have any voting abilities.
- 3.6. Directors must be listed in the VALS website.
- 3.7. New Directors will be provided with a membership induction by the Secretariat.

As identified in the SEAAJSL Constitution Clauses 38, 39 and 41, appointment and appointment terms are as follows:

- 3.8. At each annual general meeting:
 - any Directors appointed by the Directors to fill a casual vacancy or as an additional Director must retire, and
 - at least one-third of the remaining Directors must retire.
- 3.9. The Directors who must retire at each annual general meeting under clause 41.1(b) will be the Directors who have been longest in office since last being elected. Where Directors were elected on the same day, the director(s) to retire will be decided by lot unless they agree otherwise.
- 3.10. Other than a Director appointed to fill a casual vacancy, a Director's term of office starts at the end of the annual general meeting at which they are elected and ends at the end of the annual general meeting at which they retire.
- 3.11. Each Director must retire at least once every four years.
- 3.12. A Director who retires under clause 3.8 may nominate for election or re-election, subject to clause 3.130.
- 3.13. A Director who has held office for a continuous period of nine years or more may only be re-appointed or re-elected by a special resolution.

4. Role and Responsibility

The Board will:

- 4.1. Establish a strategic plan and direction for VALS, aligned to VALS objectives, and oversee the implementation at each meeting.
 - The strategic plan should include the priorities of VALS which it aims to achieve in the short and long term. Each objective should be underpinned by measurable key performance indicators (KPIs) which should be tracked and reviewed on a regular basis.

- The Board will review the historic trends of these indicators and interrogate any deviations against targets and review the strategic plan on an annual basis.
- 4.2. Approve the annual budget and annual financial statements of VALS.
- Review the annual budget endorsed from the Finance and Audit Committee, and should the Board be satisfied with its parameters, approve the budget.
 - Review the monthly financial statements that have been endorsed by the Financial and Audit Committee.
 - Approve the annual financial statements for lodgement with the regulators.
 - Should the Board not be satisfied by the annual budgets or quality of the financial statements endorsed by the Finance and Audit Committee, they must be submitted again to the Board for approval once matters have been addressed to the satisfaction of the Board.
- 4.3. Monitor financial performance of VALS against the approved annual budget.
- Develop financial KPIs for the organisation where information can be monitored on a regular basis.
 - Review the financial KPIs on at least a monthly basis.
- 4.4. Ensure that financial grants are consistently monitored, renewed and sourced to ensure the financial viability of VALS.
- Maintain oversight of all financial grants provided to VALS.
 - Establish strategies to ensure the renewal of grants.
 - Continuously source additional sources of funding for continued growth.
 - Review and approve all reports provided by VALS to funders.
- 4.5. Establish strategic partnerships with third parties which share similar values to VALS.
- Identify organisations which support or have aligned objectives to VALS.
 - Develop a relationship management plan to ascertain how the relationship will be maintained.
 - Assess and evaluate the relationship management plan on a regular basis to ensure that stakeholders are engaged and aligned with VALS objectives.
- 4.6. Appoint and establish the remuneration and performance objectives of the VALS Chief Executive Officer (CEO) including the periodic performance evaluation.
- Identify and evaluate applicants for the role of the CEO based on criteria established by the Board.
 - Establish performance objectives and measures of the CEO based on the VALS strategic plan.
 - Develop remuneration outcomes for the CEO which are aligned to performance objectives of the CEO.

- Regularly review the performance of the CEO and develop actions to improve performance if required.
- 4.7. Establish and review succession plans for the CEO.
- Identify the key capabilities required for the CEO, such as knowledge, skills and competencies.
 - Identify employees and staff within VALS who have the ability to take on partial responsibilities of the CEO.
 - Develop plans to transfer knowledge to identified individuals who can take on responsibilities of the CEO.
- 4.8. Monitor the performance of VALS against established metrics.
- Establish indicators to measure VALS performance in the delivery of its services and achievement of its strategy.
 - Review these metrics at least each Board meeting and identify reasons for underperformance.
 - Hold VALS Management accountable for the inability to deliver results.
- 4.9. Monitor effectiveness of VALS risk management systems, including compliance with regulatory requirements and ensure that appropriate internal control mechanisms are in place and are being implemented.
- Review any reports from the Finance and Audit Committee and Governance and Risk Committee on the internal control and risk management systems.
 - Review and ensure appropriate actioning of remedial actions identified in independent assessments undertaken on the internal control and risk management systems.
- 4.10. Approve the appointment of the internal auditor and the external auditor, including evaluating the auditors' performance and ongoing independence as endorsed by the Finance and Audit Committee.
- Approve the endorsement from the Finance and Audit Committee with regards to the annual strategic internal audit plan.
- 4.11. Consider the community, social, economic and environmental impact of the organisation's activities.
- Ensure that the welfare of the Aboriginal and Torres Strait Islanders communities are continuously at the forefront of all decisions.
- 4.12. Monitor compliance of VALS with regulatory and ethical standards.
- All Board members are required to understand the key regulatory and ethical standards under the Corporations Act, ACNC Act and CATSI Act.
 - Board members are expected to observe the highest standards of ethical behaviour.

- The Board supports and encourages policies within the VALS which require Directors and employees to observe high standards of personal integrity and display honesty in their dealings.
- 4.13. Develop a skills matrix which details the mix of knowledge, experiences and attributes required for each Board member, and identify potential candidates who hold these characteristics, appointing them to the relevant sub-committees which meet these skills.
- The skills matrix should consider individuals with skills across finance, accounting, legal, governance, politics and government affairs and not-for-profits.
 - The Directors' skills and experience should be regularly mapped to the skills matrix to identify any collective gaps or individual development areas.
- 4.14. Undertake a self-assessment, as the Board collectively, its sub-committees and as individual Directors, to evaluate their performance and identify areas to improve their contribution to the Organisation.
- This is to be primarily facilitated by the Chairperson, with assistance from the Company Secretary.
 - External independent assessors may be appointed to undertake this activity.

Each Director will:

- 4.15. Independently review and assess the information provided, and make decisions based on the information provided; not persuaded by emotion or existing biases.
- 4.16. Query, request information or raise any issue which is of concern with regards to information presented or any issue that is currently or due to be confronted by VALS.
- 4.17. Participate in discussions during meetings, providing respectful challenge on topics.
- 4.18. Cast their vote on any resolution according to their own judgment. Outside the Boardroom, Directors support the letter and spirit of Board decisions.
- 4.19. Have an understanding of their obligations under the Corporations, ACNC and CATSI Acts, as well broader legal obligations.
- 4.20. In agreement with the Chairperson, seek independent advice at the expense of the Organisation on any matter before the Board for consideration.
- 4.21. Act in the best interests of the entity and its members, avoiding and managing all actual, potential and perceived conflicts of interest.

Chairperson

- 4.22. The Directors must elect a Director as the VALS elected chairperson, by ordinary resolution at the first board meeting of every calendar year. Refer to Clause 40 of the SEAAJSL Constitution.
- 4.23. The Chairperson represents the Board to members of VALS, and where appropriate, to communicate the Board's position. The Chairperson also advocates and promotes the interests of VALS as a whole in relations with members and other stakeholders.

4.24. The Chairperson will:

- Oversee the development of Board agenda, papers and its provision to Directors as required by the timelines specified in this Charter.
- Manage the proceedings of the Board during meetings, assisting in the resolving of differences in opinions to enable resolution of decisions.
- Monitor the performance of the Directors as both a collective Board, and also on an individual level to ensure that they are discharging their obligations as required.
- Oversees the relationship between the CEO and the members of the Board.
- Continuously improve the performance of Directors through the provision of training, education and professional development.

Company Secretary

4.25. The Company Secretary will:

- Prepare the board agenda in consultation with the Chairperson and CEO.
- Co-ordinate the timely completion and provision of board papers.
- Ensure that appropriate company and Board records, including minutes are maintained.
- Ensure that the company complies with its constitution and its internal corporate governance system.
- Review the Suitability of its Responsible Persons by undertaking a search for each of the Board members on at least an annual basis against the following registers:
 - ASIC Disqualified Persons Register
 - ACNC Register of Disqualified Persons
 - ORIC Register of Disqualified Persons.
- Serve as the Chairperson of the Governance and Risk Committee. Refer to the Governance and Risk Committee Charter.

Secretariat

4.26. The Secretariat will:

- Maintain a register of the company's members.
- Maintain the minutes and other records of general meetings (including notices of meetings), Directors' meetings and circular resolutions.
- Maintain the minutes of the Board sub-committees.

Treasurer

4.27. The Treasurer is to be appointed by a majority of the directors and may be removed by a majority of Directors and will serve as the Chairperson of the Finance and Audit Committee. Refer to the Finance and Audit Committee Charter.

5. Board sub-committees

- 5.1. The standings sub-committees of the Board are:
 - The Finance and Audit Committee; and
 - The Governance and Risk Committee.
- 5.2. The Board will review the Charters for each of the committees on at least a yearly basis to ensure the remit and scope of each sub-committee are relevant and able to meet the objectives and demands of VALS.
- 5.3. The Board will review the composition and members of each of the committees on a yearly basis.
- 5.4. The Board will review all endorsements from each sub-committee and only approve through resolution via quorum. The sub-committees do not have the authority to approve any decisions on behalf, or through any delegated authority of the board.
- 5.5. Any endorsement by a sub-committee that is not approved by the Board must be reviewed and amended by the sub-committee from whence it was escalated
- 5.6. The Chairperson of each committee will report any material or adverse matters to the next Board meeting. A copy of all sub-committee minutes will be provided in each set of papers to the Board for discussion and noting.
- 5.7. The Board Chairperson will not serve as the Chairperson on any sub-committee.

6. Meetings and Administration

Meetings

- 6.1. The Board will meet on a monthly basis. The Board may also convene where matters arise requiring immediate attention of the Board.
- 6.2. A quorum for any meeting will be three Directors, one of which must be the Chairperson subject to Clause 6.3.
- 6.3. Should the Chair be unable to attend a meeting, the Board may appoint an existing Director to chair the meeting or may choose to defer the meeting.
- 6.4. The agenda and relevant supporting documentation will be distributed to all Directors at least 10 business days prior the meeting.
- 6.5. Minutes of the meetings will be taken by the Secretariat and distributed in draft within five business days after the meeting. Following approval of the draft by the Chairperson, Directors shall provide feedback within five business days of receiving the draft minutes.
- 6.6. Directors must attend all scheduled meetings of the Board including meetings called on an ad-hoc basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson or Company Secretary. A Director who does not attend more than 75% of scheduled meetings may be removed through resolution of the Board.

- 6.7. Directors may attend and be present physically or by electronic communication means. Members of senior management and professional advisors may attend meetings by other technological means.

Workplan

- 6.8. The Secretariat will develop an annual workplan based on areas of responsibility and major issues to be considered by the Board. The basis of the workplan will mirror the key responsibilities outlined in the Board Charter.

Conflict of Interest

- 6.9. Directors must declare any conflicts of interest (actual or perceived) annually and at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately documented and resolved to the satisfaction of the Chairperson (or Company Secretary in the case of the Chairperson).
- 6.10. Where Directors are deemed to have a real or perceived conflict of interest in may be appropriate that they are excused from Board deliberations on the issue where a conflict of interest exists. This decision resides with the Chairperson (or the Company Secretary in the case of the Chairperson).
- 6.11. The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairperson, or in the Chairperson's absence, the Company Secretary.

Review of Board Charter

- 6.12. The Board will review at least annually the Board Charter and any changes will be formally approved by the Board.

Relationship with Management

- 6.13. The Board may delegate their powers, as they consider appropriate. Ultimate responsibility for strategy and control and oversight of sound and prudent management of the Organisation remains with the Directors.
- 6.14. The Board delegates the management of the Organisation's day-to-day business and operations to the CEO, subject to the matters specifically reserved to the Board pursuant to formal delegations of authority approved by the Board.
- 6.15. Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.
- 6.16. The Board and the CEO should meet in advance of scheduled Board meetings to discuss key issues arising from day-to-day business that could impact the achievement of strategic outcomes

Appendix 1 – Board Charter Version Control

Reviewing and approving this Charter		
Frequency	Person responsible	Approval
Annually	Board of Directors	Chairperson Deputy Chairperson

Position Description review and version tracking			
Review	Date Approved	Approved by	Next Review Due
1			
2			
3			
4			
5			
6			
7			

Appendix 2 – Board and sub-committee Relationship

The effective use of sub-committees allow the Board to remain focused on the strategic direction of VALS. The diagram below summarise unique and shared responsibilities of each committee. Refer to each Committee Charter for further detail.

