



Australian Men's Shed Association
SHOULDER TO SHOULDER

By-Laws

ABN 84 144 866 277

Board Charter and Governance

Adopted on: _____ 23 July 2013 _____

AUSTRALIAN MEN'S SHED ASSOCIATION
(a Company limited by Guarantee)

Board Charter and Governance

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1 Purpose of this charter

The purpose of this charter is to specify how the Association is governed so as to promote the Association and protect the interests of members, and other stakeholders.

The Board is responsible for the governance of the Association. This charter sets out the role and responsibilities of the Board, which responsibilities are delegated to committees of the Board or to management, as well as the membership and the operation of the Board.

2 Role and responsibilities of the Board

2.1 Role

The role of the Board is to provide overall strategic guidance for the Association and effective oversight of management. The Board ensures that the activities of the Association comply with its constitution, from which the Board derives its authority to act, and with legal and regulatory requirements.

To achieve this role, the Board has reserved to itself the following specific responsibilities.

2.2 Responsibilities

The Board is responsible for:

- (a) approving the strategic direction and plans for the Men's Shed Movement
- (b) oversight of the Association, including its control and accountability systems;
- (c) appointing and removing the chief executive officer ("CEO");
- (d) Ratifying the appointment and the removal of senior executives directly reporting to the chief executive officer and the association secretary;
- (e) approving the establishment of relationships and sponsorship agreements with aligned organisations that support the goals and objectives of the Men's Shed Movement;
- (f) providing input into and final approval of management's development of corporate strategy, project plans and performance objectives;
- (g) actively promoting ethical and responsible decision-making, including establishing, maintaining and monitoring compliance of appropriate codes of conduct and other significant corporate policies, and all legal requirements in regard to anti-discrimination and employment legislation

- (h) reviewing, ratifying and monitoring systems of risk management and internal compliance and control and legal compliance;
- (i) monitoring senior executives' performance and implementation of strategy, and ensuring appropriate resources are available;
- (j) approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures; and
- (k) approving and monitoring financial and other reporting.
- (l) Actively promoting adoption of effective Workplace Health and Safety policies and practises throughout the AMSA Shed Movement and that a systems of continuous improvement is in place;
- (m) Requiring that notifiable incidents and critical safety incidents occurring in individual Sheds are reported to authorities and monitored to ensure that 'safety alerts' are acted upon through sheds.
- (n) Delegating to the chief executive officer and the executive the day to day management of the National Office of AMSA other than those functions it reserves to itself and approve a schedule of delegations to guide decision making in all areas.

3 Role and responsibilities of chairman and association secretary

3.1 Chairman

The chairman is an independent and non-executive director appointed by the Board. The chairman is responsible for:

- (a) leading the Board in reviewing and discussing Board matters;
- (b) chairing Board meetings and shareholder meetings;
- (c) ensuring the efficient organisation and conduct of the Board's function;
- (d) briefing all directors in relation to issues arising at Board meetings;
- (e) facilitating effective contribution by all directors and monitoring Board performance;
- (f) overseeing that membership of the Board is skilled and appropriate for the Association's needs;
- (g) promoting constructive relations between Board members and between the Board and management;
- (h) ensuring that non executive directors meet separately at least annually to consider, among other things, the CEO's and senior executives' performances

- (i) reviewing corporate governance matters with the association secretary and reporting on those matters to the Board; and
- (j) establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

3.2 Association Secretary (Company Secretary)

The Association Secretary acts as secretary of the Board, attending all meetings of the Board as required. The association secretary is accountable to the Board through the chairman on all corporate governance matters.

The association secretary is responsible for:

- (a) organising Board meetings and director attendance;
- (b) monitoring compliance with Board policy, procedures and by-laws;
- (c) coordinating the completion and despatch of the Board agenda and briefing materials;
- (d) preparing minutes of meetings and resolutions of the Board and taking these to the chairman for approval and circulation;
- (e) circulating minutes from committee meetings to the Board; and
- (f) ensuring the Association complies with its requirements under the Corporations Act regarding registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission.
- (g) ensuring that all contracts and or agreements comply with the law and are not detrimental to AMSA interests.
- (h) maintain a register of all agreements, insurances, contracts and other matters which must be renewed or maintained on a periodic basis and provide to the board on a quarterly basis a schedule reporting those which had been renewed and those which are due for renewal together with a recommendation as to action for renewal or discontinuance,

4 Delegations of authority

4.1 Delegation to committees

Under the Association's constitution, the Board may delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board.

Committees established by the Board will have charters setting out the authority, responsibilities, membership and operation of the committee approved by the board or the chairman of the Board

Committees established by the Board will observe the AMSA Constitution and By Laws

Committees established by the Board will regularly review the AMSA Constitution and all elements of By-Laws and Governance, including the charter of their committee and propose changes for approval by the Board

Each committee shall consist of at least two directors with expertise in the particular or related area. The committee shall elect a chairman. Committees will maintain minutes of their meetings. The chairman of each committee will report back on committee meetings to the Board at the next full board meeting.

The Board may appoint non board members with expertise, skills and relevant experience to a committee.

Other directors are entitled to attend committee meetings and receive committee papers.

Committees are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The chairman shall firstly consult with the Board Chairman before engaging any specialist advice.

The Chairman of the committee may seek assistance from the chief executive officer who may nominate a member of staff to assist and advise the Committee.

The Board has established the following committees to cover the subject matters outlined:

- AMSA membership fee committee
- Review of Constitution and By laws Committee
 - Review of constitution
 - Board Charter (Governance)
 - Code of Conduct
 - By Laws Other.
- Strategic Planning Committee
- Sponsorship and Fundraising Committee
- Finance Committee
 - Assist the Board in its consideration for approval and on-going oversight of matters pertaining to:
 - Cash Flow
 - Capital management planning and initiatives.
 - Ensure and advise that adequate cash reserves are maintained to meet medium term outgoings
 - advise on establishing and maintaining appropriate and accurate Financial Records (including a Chart of Accounts)and

Reports which are readily comprehended and translated into other necessary AMSA reports. (eg for DOHA)

- Risk and Audit Committee
 - The integrity of financial systems and management.
 - . Recommend to the Board the appointment and reward, of the external auditor and report to the Board on the performance of the external auditor, and the integrity of the audit process as a whole.
 - The effectiveness of the systems of internal control and risk management.
 - The performance and leadership of the internal audit function.
 - The CEO's compliance with applicable CEO Limits.

- Remuneration Committee
 - The remuneration policy and its application to the CEO and all other AMSA employees and Contractors.
 - The adoption of annual and longer-term incentive plans.
 - Assist with the performance review of the direct reports to the CEO
 - Guidance to the Chairman on the annual evaluation of the CEO.

- Sustainability Committee
 - The assessment of the AMSA activities and overall performance having regard to health, safety, environment and community matters.
 - Induction, skills audit, development plans and succession planning for Board Members and Non Board committee members.
 - Assist the Chairman with evaluation of performance of Board Members and Non Board members of Committees.
 - Drawing up policies for and promulgation of Succession Planning.

4.2 Delegation to CEO and management

The Board has delegated to the CEO the authority to manage the day to day affairs of the Association and the authority to control the affairs of the Association in relation to all matters other than those responsibilities reserved to itself in this charter.

Powers of the Chief Executive Officer

The Chief Executive Officer may authorise the publication of:
Management guidelines to staff of AMSA
Management guidelines for state branches and stakeholder sheds to follow
Procedures to be followed by AMSA staff.

In the event of any inconsistency between management guidelines and management procedures issued pursuant to the above and the Constitution, or Bylaws and the provisions of the Corporations Act, the provisions of the Constitution, the Bylaws and the Corporations Act will prevail.

The Board may impose further specific limits on CEO delegations. These delegations of authority will be maintained by the association secretary and will be reviewed by the Board as appropriate from time to time.

The CEO has authority to sub-delegate to the senior management team.

5 Membership

5.1 Composition and size

The National Board is made up of State Association appointed Directors, and up to 4 Independent Directors one of whom is elected by the Board to be Chairman. The (Chief) Executive Officer is an ex-officio director but does not have voting rights. All non-executive directors attending a meeting have one vote and in the event of a tied vote the Chairman has a casting vote.

The Chairman shall be appointed for a term of two years or such other period as the directors think fit provided that the chairman may not serve for more than six consecutive years. The Board will not comprise more non-executive, and independent directors than state appointed directors.

A general meeting will determine the size of the Board, subject to the Association's Constitution which provides that there be no less than three directors.

The number of directors and the composition of the Board must at all times be appropriate to the Association to achieve efficient decision making and adequately discharge its responsibilities and duties.

The Association will seek to have directors with an appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of the business. The Association's succession plans shall be designed to maintain an appropriate balance of skills, experience and expertise on the Board.

5.2 Appointment and re-election of directors

Each State Association as a shareholder is entitled to appoint one person as a director to the Board. The nominated person need not be a member of the State Executive but could be a person with appropriate skills, experience and expertise to discharge the duties as a director and complement the board's effectiveness. State appointed directors are appointed for a two-year term except as provided below.

Each state association member may be invited to nominate up to three persons with the appropriate range of skills that compliment the other board member's skills for consideration by the chairman for appointment to the board, The chairman will consult with the state association which of the nominees may be best suited for appointment as a director. Directors will be appointed by each State Association Member, which will provide written confirmation of the appointment to the Chairman within 14 days of the appointment.

The process of selection and appointment of independent directors to the Board is that when a vacancy arises, a committee established by the Board will identify candidates with appropriate skills, experience and expertise. Candidates with the skills, experience and expertise that best complement the Board's effectiveness will be recommended to the Board. When the Board considers that a suitable candidate has been found, that person may be appointed by the Board to fill a casual vacancy in accordance with the Association's constitution, but must stand for election by members at the next annual general meeting.

Non-executive Directors will be appointed by a letter of appointment setting out the terms and conditions of their appointment. Directors will be expected to participate in any induction or orientation programs on appointment and any continuing education or training arranged for them.

Directors must retire from office in accordance with the constitution. Retiring directors may be eligible for re-election. At each Annual General Meeting one half of the state appointed directors will retire and the other half retire at the following annual general meeting.

Before each annual general meeting, the chairman of the Board may assess the performance of any director standing for re-election and the Board may determine their recommendation to members on the re-election of the director (in the absence of the director involved). The Board (excluding the chairman), will conduct the review of the chairman.

5.3 Independence

All directors should bring an independent judgment to bear on all Board decisions.

A director is considered independent by the Association-if the director is a non-executive director who is not a member of management and is free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment or could reasonably be perceived to do so.

A director who:

- (a) is employed, or has previously been employed in an executive capacity by the Association, or another group member and there has not been a period of at least three years between ceasing that employment and serving on the Board;
- (b) within the last three years, has been a principal of a material professional adviser or material consultant to the Association or another group member, or an employee materially associated with the service provided; or
- (c) has a material contractual relationship with the Association or another group member other than as a director of the Association,

will not be independent, unless the Board is satisfied on reasonable grounds that the director is independent despite the existence of one or more of these circumstances listed in(a); (b) or (c).

The Board will regularly assess the independence of each director in light of the interests disclosed by them. Each independent director must provide the Board with all relevant information for this. The outcome of this assessment will be reflected in the corporate governance section of the annual report.

Any change to a director's independent status will be disclosed to the stakeholders in a timely fashion.

5.4 Conduct of individual directors

Directors must at all times act in accordance with legal and statutory requirements, and discharge all their duties as directors. Directors must:

- (a) discharge their duties in good faith and in the best interests of the Association-and for a proper purpose;
- (b) act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a director of a association, including applying an independent and enquiring mind to their responsibilities;
- (c) avoid conflicts of interest except in those circumstances permitted by the Corporations Act;
- (d) not make improper use of information gained through their position as a director;
- (e) not take improper advantage of their position as a director;
- (f) notify other directors of a material personal interest when a conflict arises;
- (g) make reasonable enquiries if relying on information or advice provided by others;
- (h) undertake any necessary inquiries in respect of delegates;
- (i) give the Association-all the information required by the Corporations Act; and
- (j) not permit the Association-to engage in insolvent trading.

6 Board process

6.1 Meetings

All Board meetings will be conducted in accordance with the Association's constitution and the Corporations Act.

All resolutions or where a consensus has been reached must be recorded in the minutes.

Directors are committed to collective decision making, but have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the directors. Individual directors must utilise

their particular skills, experience and knowledge when discussing matters at Board meetings.

Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed. Or the Board agrees to the matters being disclosed.

All directors are generally expected to prepare adequately, attend and participate at each Board meeting. All directors should actively consider the sufficiency of the contents of the board papers that have been provided for their consideration. The Board should assess the information that it receives and the timing of its distribution to ensure the Board has sufficient time to examine the material provided to it for approval.

Non-executive directors will periodically meet without executive directors or management present.

The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.

The Board may conduct meetings by telephone or video conference.

6.2 Independent professional advice

Following consultation with the chairman, directors may seek independent professional advice at the Association's expense. Generally, this advice will be available to all directors.

6.3 Access to management

The directors have access to management following consultation with the chairman and CEO.

7 Relationship between Board, State Associations as shareholders and Independent Sheds as stakeholders

7.1 State Associations (Branches) are responsible for

- Managing their own affairs in particular financial. Administration and compliance with state based legislation.
- Relationships with State Governments
- Relationships with state based affiliations and organisations with interests aligned with and supportive of Men's Shed objectives.
- Funding and sponsorship arrangements for state based activities.
- Complying with and promoting AMSA by-laws, policies; management guidelines and procedures.
- Providing support to AMSA sheds within their respective State.

- Administering capacity building programs on behalf of the Board and National Office of AMSA with emphasis upon compliance with workplace health and safety; managing volunteers and effective management of sheds.

7.2 Independent Men’s Sheds are responsible for:

- The internal management of their respective shed and relationship with auspicing or sponsoring organisations.
- Must strive for financial independence and sustainability
- Effective management of workplace health and safety at their shed, whether bound by the workplace health and safety act, other state legislation or common law ‘Duty of Care’.
- Where occupying a shared space or space provided by another organisation. Ensuring that effective consultation is established and made with the other organisation and a clear agreement sets out the individual and shared responsibilities for workplace health and safety.
- Holding insurance policies approved by AMSA for Public Liability; Volunteer Insurance; Officers insurance and Contents and Property Insurance..
- Must comply with AMSA by-laws; policies; management guidelines; and procedures.
- Must display approved signage indicating that the shed is a member of AMSA.
- May form affiliations with other AMSA sheds for networking or resource sharing establishing alliances, clusters or zones and the like. These affiliations are not to subvert or displace either State Association or AMSA functions
- May form affiliations with other specialist groups that would assist the shed and its members acquire skills or information to assist the promotion of men’s health.
- A shed, which joins the AMSA, cannot join any other Mens Shed Association that is not affiliated with AMSA.

8 The following definitions are applicable to this and other by-laws:

8.1 Definitions

In this charter, unless the contrary intention appears:

- (a) a word or expression defined or used in the Corporations Act has the same meaning when used in this Charter in a similar context;
- (b) “section” means a section of the Corporations Act; and

- (c) subject to clause 9.1(a), a word or expression defined or used in the Constitution has the same meaning when used in this Charter in a similar context.

8.2 Documentation

- **AMSA Constitution**, the registered set of rules of the Association.
- **AMSA Bylaws**, those rules determined by the AMSA Board applying to the whole organisation and are not inconsistent with either the AMSA Constitution or the Corporations' Act. These must be followed.
- **AMSA Policies**, determined by the AMSA Board outlining desirable standards or outcomes without necessarily specifying the method of implementation.
- **AMSA Management Guidelines**, Guidelines approved by the Board, which indicate the preferred method to be adopted, but leaves the discretion to the manager to determine the best outcome.
- **AMSA Management Processes**, Defined procedures that should be followed to ensure a defined or specified quality outcome. Eg computer input procedures

9 Review and publication of charter

The Board is responsible for reviewing this charter, governance arrangements and the division of functions and responsibilities in the Association-time to time. The charter and governance arrangements may be amended by resolution of the Board.

The charter is available on the Association's-website and the key features are published in the annual report.

Approved by the Board on