

TRIATHLON
WESTERN AUSTRALIAN
Governance Principles

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Preface

This Document is based upon the Governance Policy of the Western Australian Sports Federation and that Policy was in turn based on consideration of:

- a paper issued in May, 2002 by the Australian Sports Commission titled “Governance: Principles of Best Practice”;
- the principles of good governance identified by Commonwealth Heads Of Government Meeting of November 1999, and;
- the principles identified by “Enterprise Care for Governance in the Not-for-Profit organisations”.

The preparation of this report also had regard to the “Carver Policy Governance Model” expounded in Good Governance publications and explained in detail on the John Carver web site “carvergovernance.com”.

The TRIATHLON WA Constitution (which incorporates any Rules and By-Laws) is the foundation of Triathlon WA. This Governance Principles Policy should be seen in the context of the Constitution and is complimented by the following documents:

- The Board Code of Conduct;
- Contract for Funding between TRIATHLON WA and DSR;
- Job Description and Duty Statement for the Executive Officer;
- Strategic and Operational Plans;
- TRIATHLON WA Board resolutions and policies.

Governance

Governance concerns three issues:

- 1 How an organisation develops strategic goals and direction.
- 2 How the Board of an organisation monitors the performance of the organisation to ensure it achieves its strategic goals.
- 3 Ensuring that a Board acts in the best interests of the Members.

Effective governance will ensure:

- Improved/effective decision making with organisations demonstrating transparency, accountability and responsibility in the activities undertaken and the resources expended.

The following five principles (identified in the ASC Paper) address these issues and the desired outcome.

Principle 1: Clear Delineation of Governance Roles

- 1.1 TRIATHLON WA has a Constitution, which specifies that the Members in General Meeting have responsibility for the determination of the broad policy objectives of TRIATHLON WA.
- 1.2 Under the Constitution, the Board has the authority to exercise all the powers of TRIATHLON WA other than those required by the Constitution to be exercised by the Members in General Meeting and must act in accordance with the purpose of TRIATHLON WA and the plans and policies approved in General Meeting. The Board may also make, vary or repeal By-Laws and delegate its authority to any person or committee. Only a General Meeting of Members can make, vary or repeal the Rules.
- 1.3 The Board should be broadly reflective of TRIATHLON WA's membership with a blend of expertise and skills sufficient to effectively carry out its role.
- 1.4 Members, in accordance with the right embodied in the Constitution, elect the members of the Board.
- 1.5 The Constitution identifies specific positions on the Board. The Board should specify in detail the role of individual Board members and should make those details available generally at the time nominations for elections to the Board are called.
- 1.6 The Board,
 - in consultation with the Members and Affiliated Clubs, shall set, articulate and review the broad strategic direction of TRIATHLON WA including determining the mission, core values and ethical framework for TRIATHLON WA as well as key objectives and performance measures.
 - shall appoint, direct, support professional development, evaluate performance and determine remuneration of TRIATHLON WA Executive Officer and if required to dismiss the Executive Officer.

- shall monitor TRIATHLON WA's financial and non-financial performance and ensure that risks are appropriately managed.
- shall ensure that TRIATHLON WA complies with all relevant laws, codes of conduct and appropriate standards of behavior.

1.7 The Board shall ensure that there is a clearly defined contract of appointment, complete with the levels of authority and responsibility, remuneration, duty statement, performance measurement indicators and any other conditions of employment for its Executive Officer and that the Executive Officer has this in place for all staff.

Principle 2: Conduct of Meetings and Business

2.1. The Board and its committees' meeting procedure shall be set out in -Laws.

This will include:

- Legal requirements (such as quorum, notice for calling a meeting, etc, if not specified in TRIATHLON WA's Constitution);
- Decision-making approach (consensus versus voting) and voting rights of attendees;
- Protocol(s) for conduct of Board/Committee meetings and orderly Board/Committee Member behaviour at meetings;
- Logistical details such as meeting frequency, meeting location, timing of meetings, attendees,
- The format and general content of financial reports to each meeting.

2.2 The Board, at its first meeting after the AGM, shall set an annual agenda and calendar of activities that identifies the overall direction and format for each meeting, and will agree on how the Executive Officer is to develop the agenda for each subsequent meeting, the items for regular inclusion and the degree of prior consultation which might be required with Board Members.

2.3 Board meetings shall have appropriate documentation. This means that papers submitted with and relevant to the agenda will be in an agreed form and be circulated sufficiently in advance of the meeting. The Board shall also maintain a clear record of decisions made through an agreed minuting process.

- 2.4 In the exercise of its power to appoint sub-committees, the Board shall keep the number of committees to a minimum. It should be accepted, however, that there may be a need for establishing Standing Committees to oversee particular operational matters and Ad-Hoc Committees (from time to time) to research an issue and make recommendations to the Board. All sub-committees will be appointed with appropriate Terms of Reference and will operate in accordance with approved procedure.

The written appointment of all Sub-Committees shall include, as a minimum:

- Committee purpose;
- Terms of Reference;
- Authority delegated to the Committee;
- Committee composition, including the chair appointed by the Board;
- Reporting requirements including research information and recommendations;
- Delineation of the role of the sub-committee, the role of management and the interaction expected between them;
- Timelines for action; and,
- Any limitations (including budgetary constraints).

The appointment of Standing Committees shall be set out in the By Laws.

The appointment for Ad-Hoc Committees should be delivered in writing to the members of the committee prior to or at its first meeting.

- 2.5 Board Members and/or staff may be appointed from time to time to represent TRIATHLON WA on external committees or working parties. In such cases those persons will:
- abide by the directions of the Board;
 - will have regard for the best interests of and the purposes of TRIATHLON WA and their role as a representative of TRIATHLON WA; and,
 - observe the terms of reference under which such committees or working parties are formed and draw their purpose and authority.

Principle 3: Effective Governance Controls

- 3.1 The Board is ultimately responsible for the success of TRIATHLON WA. The Board should fully understand and clearly recognize its role in discharging this responsibility.
- 3.2 The Board shall determine the process by which it will set the strategic direction, key objectives and performance measures of TRIATHLON WA as well as its core values and ethical framework. Such process will include appropriate “scenario planning”.
- 3.3 The Board shall formalise a protocol to regulate Board/management interactions. This will include:
- the extent of the authority of individual Board members to direct the Executive Officer and other TRIATHLON WA staff; and
 - the rights of individual Board Members to obtain information required for decision-making from TRIATHLON WA staff.
- 3.4 The Board shall establish and document an effective and efficient financial and non-financial monitoring and evaluation system. In particular, the Board will monitor outcomes arising from the implementation of the Strategic Plan as the basis for the evaluation of its overall performance for reporting to Members.
- 3.5 The Board shall establish and document an effective risk management strategy and process that will include appropriate and adequate insurances. The Board will undertake to identify and work through key risks facing TRIATHLON WA and ensure that risk management strategies are developed and pursued.
- 3.6 The Board shall implement an effective compliance system, and require, as a minimum, that:
- The Board is aware of and complies with all relevant statutes, regulations and other requirements placed on it by external bodies;

- The Board fully understands its fiduciary duty to Members;
 - Effective internal controls exist that ensure full and accurate reporting to the Board in all areas of compliance;
 - TRIATHLON WA is financially secure and able to meet all its financial obligations as and when they fall due, in the normal course of business.
- 3.7 The Board shall ensure development of intellectual capital and staff expertise through appropriate training and rewards and that any management succession not be impeded by lack of it.
- 3.8 The Board shall develop and document an annual performance review process for the Executive Officer. A Board sub-committee will undertake the review and report to the Board with its recommendations. The detail of the performance review will remain confidential between the Executive Officer and the Board sub-committee. (No Board Member, other than the President, will serve on the review sub-committee for more than two successive years).
- 3.9 The Board shall ensure that an effective audit process is in place, including full financial details of TRIATHLON WA as a going concern. The audit will involve internal audit through monthly statements prepared by TRIATHLON WA staff and checked by the Treasurer, together with regular financial reports presented to the Board by the Treasurer. Annually, an independent external audit will be commissioned and presented to Members at the AGM in accordance with the Constitution.
- 3.10 The Board shall ensure that the delegation of its authority and any terms, conditions or limitations are clearly documented on each occasion either by way of duty statements, terms of reference, register of resolutions or otherwise.
- 3.11 The Board shall maintain a Code of Conduct specifying the behaviour expected of Board Members and the responsibilities of a Board Member. Board Members are to receive a copy of the document as soon as possible following their appointment to the Board.

Principle 4: Governance Improvement

- 4.1 The Board shall ensure that there is regular assessment and review of its performance and of TRIATHLON WA's governance policy.
- 4.2 The Board shall ensure that all new Board Members undergo an appropriate induction process.
- 4.3 The Board shall ensure that there is an effective development plan in place to respond to the outcome of any assessment and review.
- 4.4 The Board shall develop and implement suitable mechanisms for responding to Board Members not conforming with their obligations to the Board.
- 4.5 The Board shall cause a review of the Constitution on a regular basis.

Principle 5: Member Responsiveness

- 5.1 The Board shall exercise leadership, enterprise, integrity and good judgement in its activities and decision-making and will act in the best interests of the Members in a manner based on transparency, accountability and responsibility.
- 5.2 The Board recognises that Members' rights and interests and the impact of Board policies and activities on Members are of fundamental importance and accordingly the Board guarantees participation, feedback and entrenched communications.
- 5.3 The Board shall strive to ascertain the interests, aspirations and requirements of Members and create responses to these in the form of a Strategic Plan.
- 5.4 Members shall retain the right to remove Board Members (or a Board as a whole) and to alter the Constitution.
- 5.5 The quorum at General Meetings should not be such as to permit Board Members present at the meeting to command a majority of votes.
- 5.6 The Board shall report to Members annually outlining the achievements of TRIATHLON WA against the Strategic Plan.

Acknowledgements:

National Sporting Organisations Governance: Principles of Best Practice. Australian Sports Commission 2002

Carver's Policy Governance Model in Non-profit Organisations. J & M Carver

Good Governance. BoardWorks International

Enterprise Care. Newsletter for Not-For-Profit Organisations.