

WESTERN SYDNEY
UNIVERSITY



Board of Trustees Charter

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Board of Trustees Charter

1 About the University

- 1.1 The University is a statutory corporation established by the *Western Sydney University Act 1997* (NSW). Its object and functions are, in broad terms, to promote: "... scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence."¹
- 1.2 The University is also a registered entity under the *Australian Charities and Not-for-Profits Commission Act 2012* (Cth) and holds tax concessions, including deductible gift recipient status.
- 1.3 As a statutory corporation, the University has accountability under a number of Commonwealth and New South Wales laws, including:
- (a) *Annual Reports (Statutory Bodies) Act 1984* (NSW)
 - (b) *Education Services for Overseas Students Act 2000* (Cth)
 - (c) *Government Information (Public Access) Act 2009* (NSW)
 - (d) *Higher Education Support Act 2003* (Cth)
 - (e) *Public Finance and Audit Act 1983* (NSW)
 - (f) *Tertiary Education and Quality Standards Agency Act 2011* (Cth)

2 About the Board of Trustees

- 2.1 The Board of Trustees is the governing authority of the University and has the functions conferred on it under the *Western Sydney University Act*.²
- 2.2 The Board oversees all major decisions affecting the University, including the approval and implementation of strategic plans and policies and processes that promote good governance and align with the University's mission and values. It also awards all University degrees and diplomas.

3 Charter statement

- 3.1 The Board and the University's Executive recognise the importance of strong, accountable and transparent corporate governance to inform and guide the attitudes, decisions and actions of the University.
- 3.2 This Charter summarises the role, responsibilities, structures and processes of the Board of Trustees.
- 3.3 This Charter is reviewable annually by the Board.

4 Board membership and composition

- 4.1 The Board of Trustees comprises up to 22 members who contribute commercial, legal, academic and administrative expertise to the University.
- 4.2 The Board consists of official, elected and appointed members³ as follows:
- (a) the Chancellor, who is elected by the Board and can be elected from among the members of the Board or from outside;
 - (b) the Vice-Chancellor, who is an ex officio member;
 - (c) the Chair of Academic Senate, who is an ex officio member;
 - (d) one member elected by and from the University's academic staff;
 - (e) one member elected by and from the University's professional staff;
 - (f) one member elected by and from the University's postgraduate students;
 - (g) one member elected by and from the University's undergraduate students;
 - (h) one or more external persons who are graduates;
 - (i) up to six external persons who are appointed by the NSW Minister for Education; and
 - (j) one or more external persons appointed by the Board.

- 4.3 The *Western Sydney University Act* requires that:
- (a) at least two members must have financial expertise (as demonstrated by qualifications and experience in financial management at a senior level in the public or private sector);
 - (b) at least one must have commercial expertise (as demonstrated by relevant experience at a senior level in the public or private sector);
 - (c) all appointed members (whether appointed by the Minister or by the Board) must have expertise and experience relevant to the Board's functions, including an appreciation of the object, values, functions and activities of the University;
 - (d) a majority of the Board members must be external to the University.⁴
- 4.4 To ensure the Board has an appropriate balance and depth of talent and experience, the Board is comprised of members who collectively possess and provide the knowledge, skills and experience needed to provide strategic leadership and oversight in a dynamic local and global environment.
- 4.5 All Board members are required to undergo an induction program, and are also entitled and encouraged to undertake continuing professional development programs.
- 4.6 The Board also reviews its performance and that of its committees at regular intervals.
- ## 5 Terms of office of Board members
- 5.1 Elected staff and student members of the Board hold office for two years following election.
- 5.2 Board members appointed by the Minister hold office for a term (not to exceed four years) specified in the Minister's instrument of appointment.⁵
- 5.3 Board members appointed by the Board (including graduate members) hold office for a term (not to exceed four years) specified in the member's instrument of appointment.⁶

¹ *Western Sydney University Act 1997* (NSW), s.8(1).

² *Western Sydney University Act 1997* (NSW), s.11.

³ The constitution of the Board is set out in s.12(1) of the *Western Sydney University Act 1997* (NSW).

⁴ *Western Sydney University Act 1997* (NSW), ss 12(5), (6) and (7).

⁵ *Western Sydney University Act 1997* (NSW), cl. 1(b), Sch. 1.

⁶ *Western Sydney University Act 1997* (NSW), cl. 1(1)(b) and (h), Sch.1.

6 Role and primary responsibilities of Board

6.1 The Board provides leadership and strategic guidance to and oversight of the University. It has the following key functions:

- (a) approving the strategic direction and significant strategic initiatives of the University;
- (b) generally defining the University's educational profile;
- (c) managing the University's resources and monitoring its performance; and
- (d) representing the University as occasion requires.

6.2 The Board has a number of other functions, including oversight of the University's controlled entities and University commercial functions, as prescribed in the *Western Sydney University Act*.⁷

6.3 To accomplish its role, the Board:

- (a) approves the University's strategic direction, budgets and business plans;
- (b) approves significant commercial activities and investments and monitors the return on these;
- (c) oversees and monitors the academic activities of the University;
- (d) monitors the financial performance and operations of the University, including approving its annual financial statements and reports;
- (e) appoints and monitors the performance of the Vice-Chancellor;
- (f) appoints other senior officers of the University as considered appropriate;
- (g) oversees the remuneration, development and succession planning for the Vice-Chancellor and other senior management;
- (h) oversees and reviews the University's management and performance;
- (i) oversees the identification of key risks to the University's operations, approves risk management systems, monitors the effectiveness and efficiency of those systems and sets the appropriate risk appetite within which the Board expects the management to operate;
- (j) reviews and approves the University's compliance systems and corporate governance principles;

(k) oversees the University's commitment to its principles and values, sustainable development, the environment and the health, safety and welfare of University employees;

(l) acts to protect and enhance the University's reputation in the broader community.

7 Duties of Board and Board committee members

7.1 The duties of each member⁸ include the requirements to:

- (a) act always in the best interests of the University as a whole, with this obligation to be observed in priority to any duty the member may owe to those who elected or appointed him or her;
- (b) act in good faith, honestly and for a proper purpose;
- (c) exercise appropriate care and diligence;
- (d) not improperly use his or her position, and his or her access to information, to gain advantage for that member or for someone else; and
- (e) disclose and avoid conflicts of interest.

7.2 All Board (and Board committee) members are required to:

- (a) observe the highest standards of ethical behaviour;
- (b) keep confidential all Board discussions, deliberations and decisions except where these are publicly disclosed or required to be publicly disclosed;
- (c) monitor and disclose actual or potential conflicts of interests as soon as they become aware of them, and to take active steps to monitor and manage them if they cannot be avoided, in accordance with any requirements specified by the Chancellor or the Board;
- (d) exercise independent judgment and take all reasonable steps to satisfy themselves about the soundness of decisions taken by the Board;
- (e) be well-informed about the University's strategic goals, operations and performance and develop a good understanding of the wider higher education sector;

(f) work with the Chancellor and other Board members to ensure proper oversight and management of the University;

(g) participate in performance reviews, inductions and ongoing professional development;

(h) regularly attend Board meetings and scheduled Board activities, such as strategy days.

7.3 In order to perform their role effectively, Board (and Board committee) members are entitled to:

- (a) have access to a comprehensive induction program and ongoing professional development opportunities;
- (b) receive agendas and papers in a timely fashion;
- (c) receive accurate and complete information, advice and recommendations about matters to be decided by the Board;
- (d) receive legal, financial and other professional advice necessary to enable them to comply with their fiduciary duties;
- (e) adequate levels of insurance cover to ensure they are appropriately indemnified against personal liability; and
- (f) appropriate levels of access to University staff as and when required.

8 Delegation

8.1 The Board of Trustees can delegate any of its functions (except its power of delegation other than to the Vice-Chancellor) to its committees, the Vice-Chancellor and other officers or employees of the University.⁹

8.2 To ensure effective oversight and accountability, the Board approves delegations of authority that set out the various functions and accountabilities (including financial expenditure and other limits) delegated to specified committees, officers and employees.

8.3 The Board has also reserved to itself certain functions, including approval to establish controlled entities or undertake commercial activities above a certain financial limit.¹⁰

⁷ *Western Sydney University Act 1997* (NSW), ss. 8, 22 and 22A. See also para. 17 of this Charter about controlled entities.

⁸ *Western Sydney University Act 1997* (NSW), Sch. 2A. See also the University's *Conflicts of Interest Policy* and the *Voluntary Code of Best Practice for the Governance of Australian Universities*.

⁹ *Western Sydney University Act 1997* (NSW), s.23.

¹⁰ Refer *Delegations (Administrative) Policy*, Schedule D and Western Sydney University, *Commercial Activities Guidelines*.

9 Chancellor

- 9.1 The role of the Chancellor is to provide leadership to the Board, facilitate discussion at Board meetings and to encourage a culture of openness and debate to foster an effective and collegial team of Board members. The Chancellor chairs Board meetings in accordance with the Board's meeting procedures.¹¹ The Chancellor is responsible for:
- advising and assisting the Vice-Chancellor in the exercise of his or her functions;
 - exercising a pastoral role within the University; and
 - any other functions conferred or imposed under the *Western Sydney University Act* or any other legislation.
- 9.2 The Chancellor also fulfils ceremonial, statutory and administrative functions, including representing the University both internally and externally and officiating at University graduation ceremonies.
- 9.3 The Chancellor is elected by the Board of Trustees and, unless filling a casual vacancy, holds office for a term of four years.¹²

10 Deputy Chancellors and Pro Chancellors

- 10.1 The roles of the Deputy Chancellors and Pro Chancellors are to support the performance of the Chancellor's functions, primarily ceremonial functions, such as graduation ceremonies.
- 10.2 Deputy Chancellors are elected by and from the Board of Trustees and, unless filling a casual vacancy, hold office for a term of four years.¹³
- 10.3 Pro Chancellors must be external members of the Board and are appointed by the Board for the duration of the Board member's term of office.¹⁴

11 Vice-Chancellor and President

- 11.1 The Vice-Chancellor and President is the chief executive officer of the University and the academic and administrative head of the University.¹⁵ The Vice-Chancellor exercises stewardship of the University on behalf of the Board.

- 11.2 The Vice-Chancellor and senior management of the University are responsible for:
- implementing the budgets and business plans approved by the Board;
 - operating within the risk appetite approved by the Board; and
 - providing the Board with timely, accurate and clear information to enable the Board to perform its responsibilities.
- 11.3 The Vice-Chancellor is also a member of every committee, except Audit and Risk Committee¹⁶, established by the Board or the Vice-Chancellor.

12 Committees of the Board

- 12.1 The Board may establish committees to advise and assist with the Board's work. There are currently four standing committees of the Board, all of which are chaired by the Chancellor or by a Board member:
- Audit and Risk Committee;
 - Board Executive Committee;
 - Finance and Investment Committee;
 - University Infrastructure Committee.
- 12.2 Each committee has its own written charter or terms of reference approved by the Board, which sets out its role and responsibilities (including any delegated authority) and composition. All charters or terms of reference are reviewed regularly and are publicly available on the University's website.
- 12.3 The Board can also establish other committees or working parties from time to time to consider matters of special importance or exercise delegated authority of the Board.
- 12.4 The University has established an External Relations Working Party, which is chaired by an external Board member.
- 12.5 The chair of a committee or a working party is responsible for:
- approving meeting agendas and draft minutes;
 - ensuring that the committee or working party acts within its charter or terms of reference;

- ensuring that meetings are conducted professionally and in a way that encourages members to contribute as independent individuals.

13 Academic Senate

- 13.1 The Academic Senate is established by the *Western Sydney University Act* and is a standing committee of the Board. It is the University's peak forum for academic debate and discourse and primary custodian of the University's academic values and standards.¹⁷
- 13.2 The role and functions of the Academic Senate¹⁸ include:
- monitoring academic standards, values and quality assurance;
 - accrediting and approving courses, programs and units;
 - deciding academic policy and approving related procedures;
 - advising the Board and the Vice-Chancellor as appropriate.
- 13.3 The Chair of Academic Senate is an *ex officio* member of the Board of Trustees.

14 Councils of the Board

- 14.1 The Board has also established the following advisory councils:
- Aboriginal and Torres Strait Islander Advisory Council, which provides advice to the University about a broad range of matters related to Aboriginal and Torres Strait Islander matters, including teaching and learning, research and external relationships and partnerships and consultation with the broader Aboriginal and Torres Strait Islander community; and
 - University Foundation Council, which provides advice with respect to the University's fundraising and philanthropy activities, guided by the strategic priorities of the University.
- 14.2 The Board of Trustees determines the terms of reference of each advisory council, as well as the membership and composition of each council, taking into account workload, skills and experience.

11 The Board of Trustees has adopted a set of Standing Orders that applies to the Board and its committees.

12 *Western Sydney University Act 1997* (NSW), s.13(2); *Western Sydney University By-law 2017*, cl. 4.

13 *Western Sydney University Act 1997* (NSW), s.14(2); *Western Sydney University By-law 2017*, cl. 5.

14 *Western Sydney University (Governance) Rule 2017*.

15 *Western Sydney University Act 1997* (NSW), s.15(3).

16 which is composed entirely of external members.

17 *Western Sydney University Act 1997* (NSW), s.20.

18 *Western Sydney University, Academic Governance Policy*, cl. 3.

15 University Secretary

15.1 The University Secretary is responsible to the Board, through the Chancellor, on governance matters. The University Secretary coordinates all Board of Trustees business and supports the Chancellor and Board members in carrying out their responsibilities. Key responsibilities include:

- (a) promoting good governance by working with the Chancellor and the Vice-Chancellor to establish and implement good governance practices;
- (b) providing high level governance advice and secretariat support to the Board and its committees and management in the good governance of the University, including:
 - (i) organising meetings of the Board and its committees;
 - (ii) preparing and circulating agendas and meeting papers;
 - (iii) ensuring that minutes are an accurate record of the Board's proceedings and deliberations;
 - (iv) monitoring implementation of Board decisions;
- (c) facilitating effective and appropriate communication between Board members and internal and external stakeholders.

15.2 The University Secretary functionally reports and is accountable to the Chancellor and Vice-Chancellor.

16 Compliance and risk management

16.1 The Board of Trustees has overall responsibility for ensuring the University has adequate systems to manage compliance and risk in accordance with all relevant laws, regulations, codes and standards applicable to the University's operations. The Board also approves the University's risk appetite and ensures that the University's compliance and risk systems support that risk appetite.

16.2 The Board has delegated to the Audit and Risk Committee specific responsibility for monitoring the University's compliance and risk systems, and overseeing their implementation across the University. Any compliance or risk issues or incidents are reported to that Committee.

16.3 The Audit and Risk Committee is supported by the University's compliance and risk management structures, as well as independent and objective assurance provided by:

- (a) Office of Audit and Risk Assessment;
- (b) Compliance Program Unit;
- (c) Office of General Counsel; and
- (d) Office of Governance Services.

17 Controlled entities

17.1 The Board has certain obligations under the Act in respect of its controlled entities,¹⁹ in particular, ensuring that they do not exercise any function or engage in any activity that the University itself cannot do unless specifically authorised by the Minister.

17.2 University controlled entities can only be established with the approval of the Board.²⁰

17.3 The Board exercises general oversight of controlled entities, including by:

- (a) ensuring that the entity's board possesses the skills, knowledge and experience necessary to provide proper stewardship and control of the entity;
- (b) as appropriate, appointing some directors who are external to the University;
- (c) ensuring that the entity board adopts and regularly evaluates a written statement of its own governance principles;
- (d) ensuring that the entity board documents a clear corporate and business strategy which reports on and updates annually the entity's long-term objectives and includes an annual business plan containing achievable and measurable performance targets and milestones;
- (e) establishing and documenting clear expectations of reporting to the governing body, such as draft business plans for consideration and approval before the commencement of each financial year and at least quarterly reports against each business plan; and

(f) ensuring that the entity board establishes appropriate systems to promote compliance and manage risks.

17.4 Boards of controlled entities support the Board of Trustees and the Vice-Chancellor by providing oversight of the University's businesses in a way that is consistent with the overall strategies of the University, as well as responsibilities prescribed by:

- (a) the controlled entity's constitution;
- (b) the *Corporations Act* 2001 (Cth); and
- (c) other applicable laws.

18 Meetings

18.1 The Board meets at least six times each year, and holds two workshops annually to consider matters of particular strategic importance.

18.2 The meeting procedures of the Board and its committees are prescribed in the Board's Standing Orders²¹, that regulate the following matters:

- (a) how and when meetings are convened;
- (b) rotary resolutions for urgent matters outside meetings;
- (c) who chairs and who can attend meetings;
- (d) disclosure of material interests;
- (e) security and confidentiality requirements;
- (f) meeting procedures (quorum, observers, closed sessions, voting, etc);
- (g) minutes and actioning of decisions.

19 Selection of Board members

19.1 The University is committed to ensuring that its Board of Trustees has the appropriate mix of skills, experience and commitment necessary to work as an effective team in fulfilling its duties and responsibilities. The University also recognises the importance of succession planning to ensure it can continue to meet the challenges of a constantly changing environment.

19.2 The Board Executive Committee of the Board is responsible for identifying and recommending suitable candidates for appointment.

¹⁹ *Western Sydney University Act* 1997 (NSW), s.22A.

²⁰ *Western Sydney University, Commercial Activities Guidelines*, cl. 15.

²¹ *Western Sydney University Board of Trustees, Standing Orders for Board and Board Committees*.

20 Induction and professional development

20.1 All Board and Board committee members are required to undertake an induction and have the opportunity to further develop their skills through professional development opportunities.

21 Access to information and advice

21.1 All Board members have access to the Chancellor, the Vice-Chancellor and senior employees and advisers, including the University Secretary and General Counsel.

22 Performance review

22.1 The Board and its committees undertake annual performance reviews at least once each two years to ensure the Board's continued effectiveness and efficiency. Periodically, these reviews will be conducted with the assistance of independent experts.

22.2 In addition, the Board has implemented a number of strategies to underpin its effectiveness, including skills matrices, succession planning and education and development opportunities.

23 Approval and review of this Charter

23.1 The Board will review this Charter periodically to ensure it remains relevant and effective.

23.2 This Charter is publicly available on the University's website.

Key Governance Documents and References

- *Western Sydney University Act 1997* (NSW)
- *Western Sydney University By-law 2017* (NSW)
- *Western Sydney University (Governance) Rule 2017*
- Voluntary Code of Best Practice for the Governance of Australian Universities
- Australian Not for Profit Charities Commission Governance Standards

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