

## BOARD POSITION DESCRIPTION

Rural Financial Counselling Service Victoria Gippsland Incorporated (RFCS Gippsland, [the organisation]) is a not for profit organisation funded by the Commonwealth Department of Agriculture, Water and Environment (DAWE) and the Victorian State Department of Jobs, Precincts and Regions (DJPR).

The organisation supports farming communities and small rural business owners; and is a funded program that provides free, confidential and independent assistance for agricultural farms and businesses at risk of financial hardship. Our service has been supporting farmers for nearly 40 years, and our experienced team of counsellors work with clients to help them better understand and manage their financial position, identify improvement opportunities, and work with them to develop financial and other plans. We can also assist our clients by providing referrals and access to government programs, and other support services to help manage personal stress.

### BOARD OF DIRECTORS - *Roles & Responsibilities*

Board members are responsible for ensuring governance of:

#### 1. Legal and Financial accountability

- Meets all legal requirements and remains accountable to its key stakeholders;
- Acts according to its stated mission and for the purpose for which it receives funding (funding deed); and
- Complies with all relevant statutory and reporting obligations.

##### 1.a Legal Responsibilities

Board members have a legal and accountable responsibility to execute their duties via:

- Duty to act in good faith (as per Section 181 of the Corporations Act) and with care and diligence by exercising powers and discharging duties with the care and diligence of a "reasonable person".
  - Make a decision to take, or not to take, action in good faith and for a proper purpose;
  - Do not have any material personal interest in the matter;
  - Inform yourself about the matter to the extent you reasonably believe is appropriate; and
  - Reasonably believe that your judgement is in the organisation's best interests.
  - Attend meetings regularly;
  - Act as an entrepreneur - look for opportunities that can advance your Board's cause;
  - Make certain that your Board undertakes good financial reporting practices;
  - Ask questions and seek more information when you believe it is required;
  - Define appropriate Board policies and supervise their implementation;
  - Review of other governance and compliance policies;
  - Understand your Board's core role; and
  - Keep abreast of governance issues.

- Delegate powers if the delegate (believed "reasonable and in good faith") is reliable and competent.
- Oversee financial management to achieve satisfaction that finances are in line with funding deed and budget.
- Reliance on the professional advice of others if the reliance is in good faith and have independently assessed the advice. Such reliance is reasonable unless the contrary is proven.
- Duty to act in the best interests of RFCSV-G as a whole, and in accordance with RFCSV-G delegations policy.
- Duty not to misuse information or misuse the position to gain advantage for themselves or another, or cause detriment to RFCSV-G (note: breach of this law may carry civil or criminal penalties).
- Duty to avoid and disclose any actual or perceived conflict of interest (personal or professional, pecuniary or otherwise).
- Duty to maintain confidentiality.
- Duty to observe the constitution, bylaws, policies and standing orders.
- Duty to avoid negligence, fraud and other wrongs.

### **1.b Financial Obligations**

Board members are accountable to provide sound financial governance via the following practices:

- Be financially competent - be capable of understanding the financial reports and affairs of RFCS Gippsland to provide sound governance and reach a well-informed opinion of financial capacity, responding properly to any changes in financial capacity.
- Duty not to allow the organisation to become insolvent and not to trade while insolvent, and therefore a duty to understand the financials.
- The Board delegates to the Finance Sub-Committee the responsibility to review and provide recommendations financial matters; business processes; controls; compliance & risk management. Refer to Finance Sub Committee Charter.

## **2. Funding**

- Ensure that there are adequate resources for the organisation to achieve its program objectives:
  - Assist the EO to identify potential grants or funding opportunities
  - Provide input into or develop funding plans
  - Approach key funder/sponsorship targets
  - Lay the groundwork with heads of government and funding bodies for further support
- Manage funding exclusively to further mission and objectives, and more specifically for which the funding was provided for.
- Ensure RFCS Gippsland has the capacity to deliver on the outcomes the funding was provided for.

### **3. Budget**

- Have a broad understanding of programs and priorities as per the overall strategy and specific funding needs to support sound financial decision-making regarding viability, ongoing funding; as well as consider whether the budget figures represent the supported programs.
- Translate individual program goals and strategies into a financial plan; finalise and approve the annual budget; signing off on any items of expenditure outside the approved budget.
- Develop contingency plans (anticipate depleting and identify alternative funding sources);
- Set financial goals - profit margins or reinvestment strategies.

### **4. Auditing**

- Appoint a qualified auditing firm or individual to conduct an annual audit of financial statements for the purpose of accuracy; forward planning; fraud identification or misuse/mismanagement of funds; acquittal reporting to funders and government; and provide overall credibility of RFCS Gippsland's financial administration.
- Ensure accurate, clear, and legible financial records and reporting mechanisms are implemented and maintained.

### **5. Strategic vision and objectives**

- Take a lead role in:
  - Strategically plan to identify what RFCS Gippsland is doing, for whom, and why. Examine established directions and strategies for contemporary relevance and results.
  - define RFCS Gippsland's demographics or constituency;
  - describe its mission;
  - set its values and ethical guidelines;
  - determine long-term objectives;
  - define high level activities to achieve goals.

### **6. Risk Management**

- Oversee all activities undertaken to ensure risks are minimised with the aim to:
  - Protect People, Environment & Assets
  - Ensure financial sustainability
  - Protect from legal liability
  - Improve community and stakeholder perception
- Ensure emergency management procedures are up to date, and businesses continuity plans in place
- Ensure a risk register is maintained and updated.

## **7. Executive Officer (EO)**

In consultation with, and/or provide input through, the Chair:

- Develop a job description for an EO to lead the fulfillment of RFCS Gippsland's objectives and establish a process to recruit and select the most appropriate person to become the EO, as per the recruitment policy.
- Work closely with the EO to further RFCS Gippsland's objectives and to broaden its financial and membership support base. Together, regularly review RFCS Gippsland's overall mission and program goals and decide on a regular evaluation process for all programs to monitor program effectiveness.
- Conduct regular performance reviews of the EO with clearly defined performance indicators, and in partnership with the EO, decide the process; timing and form of this review.

## **8. Advocacy**

- Be the primary link between RFCS Gippsland and the broader community by representing the interests of RFCS Gippsland to the community, in accordance with the Delegations of Authority Policy.
- Structure communication channels that provide feedback producing candid internal & external stakeholder views of RFCS Gippsland's performance, and filter these views back to the organisation;
- Be familiar with RFCS Gippsland's programming to clearly articulate its mission, accomplishments and goals.

## **9. Appointment of Chair & Deputy**

- Ensure that appointment of the Chair & Deputy takes in consideration their ability to meet the aspects of the role, and skills; competencies and attributes considered desirable for an effective Chair.

## **10. Self-evaluation**

- Regularly evaluate the performance of the Chair and Board's operations, conduct a skills mix to ensure appropriate representation, responsiveness and effectiveness.

## **11. Meetings**

- Attend meetings of the Board and appointed Sub-Committees as frequently as RFCS Gippsland's governance requirements dictates (Funding Deed minimum quarterly meetings). *Currently 6 Board meetings scheduled per year, and approximately 3 hours per scheduled meeting. Sub-Committees scheduled 4 per year and/or as required.*
- Be available for Sub-Committee or extraordinary meetings, workshops and training as required.
- Ensure a suitable quorum of members before conducting a Board or Sub-Committee meeting.
- Allow adequate time to prepare for meeting agenda items and review of documents.

***Refer to RFCS Gippsland's Rules of Association***

## Competencies, Skills & Attributes

### Skills & Experience

Specific skills and experience required for an RFCS Gippsland appointed Director include:

- Rural / Agricultural background
- Corporate Governance
- Business Management
- Accounting or Financial Management
- Social welfare and/or community development
- Human Resource / People & Culture Management
- Other skills that would provide additional value; or specific skills as required to meet service programs and/or project initiatives.

### Competencies

- *Knowledge of corporate governance* – the ability to facilitate the governance processes and ensure regulatory compliance.
- *Business acumen* – having a strong understanding of RFCSV-G’s business and financial model and key elements which drive performance.
- *People skills* – experience in motivating, managing and dealing with people including evaluating performance, succession planning and executive remuneration.

### Attributes

- *Integrity* – meeting fiduciary duties and responsibilities, acting ethically, having appropriate independence, putting RFCS Gippsland’s interests before personal interests.
- *Collaboration* – the ability to individually contribute and participate as part of the Board and EO to set the aims, strategies and policies.
- *Effective communicator* – the ability to engage and effectively communicate with all stakeholders, and participate in frank debates and clear decision making.
- *Emotional intelligence* – as well as self-awareness and self-management, self-motivation, respect & empathy.
- *Commercial astuteness* – demonstrates good business instinct and acumen.
- *Engaged commitment* – a willing participant with genuine interest in the organisation and its business.
- *Approachable & Impartial* – in dealings with Board Members, Management, Key Stakeholders and others in the best interest of RFCS Gippsland.

## **CHAIR - Role & Responsibilities**

The Chair is accountable to the Board for the performance of their role. The Chair has an important role in:

- representing the Board in its accountability to members and stakeholders; and
- cooperating with the Executive Officer (EO), representing the public face of the organisation to its broader stakeholders and the community.

(a) The Chair is responsible for providing leadership in:

- Facilitating proper information flow to the Board;
- Facilitating the effective functioning of the Board including managing the conduct, frequency and length of Board meetings;
- Communicating the views of the Board, in conjunction with the EO, to RFCSV-G members, security holders, broader stakeholders and to the public; and
- Chair the Remuneration and Governance Sub-Committee.

(b) In performing their role, the Chair's responsibilities also include:

- In consultation with the EO/Board Secretary:
  - Setting the agenda for the matters to be considered by the Board;
  - Seeking to ensure that the information provided to the Board is relevant, accurate, timely and sufficient to keep the Board appropriately informed of the performance, finances, affairs, opportunities and challenges of the organisation, and of any developments that may have a material impact on it;
  - Seeking to ensure that communications with stakeholders, regulators and the public are timely accurate and relevant
- Facilitating open and constructive communications amongst Board members and encouraging their contribution to Board deliberations;
- Overseeing and facilitating Board, committees, Board member and EO evaluation reviews and succession planning;
- Liaising and interfacing with the EO as the primary contact between the Board and management;
- Liaising with and counselling, as appropriate, Board members;
- Be visible and available at times of crisis.

## **DEPUTY CHAIR - Role & Responsibilities**

The Deputy Chair has the following responsibilities:

- To perform the role and functions of the Chair in the absence of the Chair for any reason;
- To be available to facilitate the following matters when and as appropriate and required:
  - Chair succession planning;
  - Approvals and actions required to be performed by the Chair where the Chair actually or potentially may be compromised due to personal or other conflict of interest;
- At the request of the Chair, to support the Chair in the performance of the role and function of the Chair.

## **SECRETARY - *Role & Responsibilities***

The Secretary has the following responsibilities:

- To maintain the member register (Clause 8.2 of Constitution);
- Collate and present all member applications for board approval (Clause 10 of Constitution) and board resignations (Clause 15.1(d))
- Communicate with all board approved and declined member applications (Clause 11.2 & 11.3 of Constitution);
- Communicate with all board members of any disciplinary matters to be discussed (Clause 17.2 of Constitution)
- Ensure the minutes and other records of general meetings (including notices of meetings), directors' meetings and resolutions are maintained.

## **TREASURER - *Role & Responsibilities***

The Treasurer has the following responsibilities:

- Managing the company's financial risks, liquidity and investments.
- Managing and presenting budgets, financial reports and financial statements for board members adoption and auditor sign off.
- Oversight of forecasting cash flows, arranging funds, investing funds, and ensuring sufficient finance available for operating and other activities, aligned with the strategic plan.
- Developing fundraising strategies and overseeing funding, fundraising and sales.
- Creating internal controls and financial management frameworks to safeguard corporate assets and the integrity of financial information and systems.
- Ensuring compliance with financial regulations and policies and delegations.
- Ensure that all legal and fiduciary duties are conducted in line with expectations under the Constitution and board role.

## BOARD DUTIES - SUMMARY

<b>Governance</b>	Provide leadership
	Ensure [in partnership with the Board] that objectives and goals are being achieved
	Ensure compliance with funding deed
	Work with the EO to ensure [in partnership with the Board] that RFCS Gippsland operates in an ethically, environmentally, and socially responsible fashion
<b>Planning</b>	Provide leadership in the production of a Strategic Plan
	Oversee the regular review and development of the Strategic Plan
<b>Meetings</b>	Attend a minimum of 4 meetings per year (approx. 3 hrs each).
	Allow adequate time for meeting preparation and review of agenda and reports
<b>Administration &amp; Management</b>	Serve on Board committees as required
	Oversee the recruitment, performance and succession of the EO
	Review all governance and compliance policies
	Chair - Oversee the management of the business of the Board
	Chair - Oversee the management of recruitment, induction, and training of Board members
	Chair - Oversee the management of the assessment, review and renewal of the Board
	Chair - Oversee the management of the organisation's grievance procedures
	Ensure an environment of collaboration and provide adequate time for Board deliberations
	Manage the succession of the position of Chair
	Serve as liaison with the EO and, through them, to employees
<b>Media</b>	Operate within RFCS Gippsland's Communications and Delegations Policies
<b>Promotion</b>	Promote RFCS Gippsland in the community as opportunities arise
<b>Legal</b>	Ensure that: <ul style="list-style-type: none"> <li>- the modes of performance of all legal requirements are featured in the procedures manual</li> <li>- the performance of all legal requirements is reported to the Board</li> <li>- the performance of all legal requirements is fully documented.</li> </ul>
	Ensure that all legal requirements are met
<b>Finance</b>	Oversee the EO to ensure that financial control procedures are adequate and that risk management strategies are in place
<b>References and Links</b>	RFCS Gippsland's Board Rules of Association State and Federal Funding Deed  Compliance Register <ul style="list-style-type: none"> <li>• Policy Register</li> <li>• Legislation Register</li> <li>• Compliance Obligations</li> </ul> Board Recruitment Policy New Board Member Induction