

## Licence Agreement

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A number of resources have been consulted in preparing this document including *AICD Code of Conduct and accompanying guidelines (1998)*

**Purpose of this document:**

The purpose of this document is to set out the expectations of Wyong Christian Community School ("**the School**") in relation to conduct of the School Board. In particular, the document

- what is considered to be the primary tasks of the
- the expectations of the School in relation to the conduct of Board
- guidance in relation to the interpretation of these expectations;  
how the document will be publicised and

**Who must comply with this document:**

The School has established the Code of Conduct set out in this document to assist Board members in operating along Biblical standards and to comply with relevant statutory obligations.

- compliance with the processes and polices set out in this document;
- that all Board members are aware of the expectation which apply from time-to-time under this document.

**Important related documents:**

Wyong Christian Community School Constitution

Wyong Christian School Board Governance

## **1 ROLE OF THE BOARD**

The Board's primary task is to seek Godly wisdom and to act on behalf of those served by the school. The specific responsibilities of the Board are set out in the Wyong Christian Community School Board Governance Charter.

In order to fulfill its role and responsibilities the Board, serving together as a community of believers has adopted this Code of Conduct to articulate its expectations of Board members in making ethical and responsible decisions, ensuring effective administration, and maintaining public confidence in the integrity of both the School's and School Company's processes and practices.

## **2 CODE OF CONDUCT FOR BOARD MEMBERS**

- a) A Board member must retain an active relationship with Jesus Christ revealed in a lifestyle that reflects Biblical teaching and values.
- b) A Board member must act honestly, in good faith and in the best interests of the School as a whole.
- c) A Board member has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- d) A Board member must use the powers of office for a proper purpose, in the best interests of the School as a whole.
- e) A Board member must recognise that the primary responsibility is to the School as a whole but should, where appropriate, have regard for the interests of all stakeholders of the School including parents, students and staff.
- f) A Board member must act with a level of skill expected from Directors of a Not for Profit Company.
- g) Board members will respect each other's views and seek to understand them, humbly and openly participate in all discussions, graciously provide and accept challenging ideas.
- h) A Board member must not make improper use of information acquired as a Board member.
- i) A Board member must not take improper advantage of their position or use

their position for personal gain.

- j) A Board member must undertake diligent analysis of all proposals placed before them.
- k) A Board member must make reasonable enquiries to ensure that the School Company is operating efficiently, effectively and legally towards achieving its goals.
- l) A Board member must not allow personal interests, or the interests of any associated person, to conflict with the interests of the School or the School Company.
- m) A Board member has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
- n) Confidential information received by a Board member in the course of the exercise of Board member duties remains the property of the School Company or the person from which or whom it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the School Board, or the person from whom the information is provided, or is required by law.
- o) A Board member must not disclose non-public information except where disclosure is authorised or legally mandated.
- p) A Board member should not engage in conduct likely to bring discredit upon the School or the School Company.
- q) A Board member must encourage fair dealing by all employees with the Company's suppliers, competitors and other employees.
- r) Board members do not exercise special authority to direct staff and so must clearly differentiate the two roles in speaking with staff, but should be willing to listen impartially to views and concerns raised without expressing how the Board might respond.
- s) A Board member must encourage the reporting of unlawful/unethical behaviour and actively promote ethical behaviour and protection for those who report violations in good faith.

- t) A Board member has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code.
- u) In general, a Board member should serve no more than three consecutive terms of office (such terms to be no more than three years).

### **3 GUIDELINES FOR THE INTERPRETATION OF THE BOARD CODE OF CONDUCT**

The following guidelines are intended to assist directors in complying with the core principles of the Board Code of Conduct. They are not meant to be exhaustive and may be added to over time to address issues of importance as they arise.

#### **3.1 Duties to the School**

Each Board member should endeavour to ensure that the functions of the Board have been specified clearly, are properly understood and are competently discharged in the interests of the School.

A Board member should endeavour to ensure that the management of the School is competent and is devoting its best endeavours in the interests of the School.

In evaluating the interests of the School, a Board member should take into account the interests of the members as a whole, but where appropriate or required by law should take into account the interests of creditors and others within the school community.

#### **3.2 Duties to Members**

Each Board member should endeavour to ensure that the School is financially viable, properly managed and constantly improved.

A Board member should consider whether any benefit to be received by the Board member or an associated person is of sufficient magnitude that the approval of the members should be sought, even though not required by the law.

A Board member who is elected to the Board on the basis of nomination through a particular group should recognise the particular sensitivity of the position. Fiduciary

duty requires the Board member to make a contribution in the interests of the School as a whole and not only in the interest of the nominating group.

Where obligations to other people or bodies preclude an independent position on an issue the Board member should disclose the position and seriously consider whether to be absent or refrain from participating in the Board's consideration of the issue. Before taking the decision to be absent, a Board member should consider whether that absence would deprive the Board of essential background or experience. The matter should be disclosed to and resolved by the rest of the Board.

### **3.3 Duties to Creditors**

While the obligations of a Board member are primarily owed to the School there are situations in which it is necessary to evaluate the interests of the creditors. This is particularly so where the School's financial position is uncertain or where insolvency may be pending. In cases of doubt, a Board member should, with some urgency, seek professional advice.

### **3.4 Duties to Other Stakeholders**

The School and its Board members must comply with the legal framework governing their operations and must be conscious of the impact of their conduct on the local community. Without limiting in any way the nature of the issues with which the Board member must be concerned in the running of the School, particular attention should be paid to the environment, questions of occupational health and safety, industrial relations, equal opportunity for employees, the impact of competition and consumer protection rules, and other legislative initiatives that may arise from time to time.

Although the Board member owes primary duty to the School as a whole, the responsibilities imposed on the School and the Board member under the Corporations Law and other relevant legislation clearly demand that the Board member evaluate actions in a broader social context.

### **3.5 Due Diligence**

A Board member should attend all Board meetings but where attendance at meetings

is not possible appropriate steps should be taken to obtain leave of absence.

A Board member must acquire knowledge about the business of the School, the statutory and regulatory requirements affecting Board members in the discharge of their duties to the School, and be aware of the physical, political and social environment in which it operates.

In order to be fully effective, a Board member should insist upon access to all relevant information to be considered by the Board. This information should be made available in sufficient time to allow proper consideration of all relevant issues. In the extreme circumstances where information is not provided, the Board member should make an appropriate protest about the failure on the part of the School to provide the information and if necessary abstain from voting on the particular matter on the basis that there has not been the time necessary to consider the matter properly. Any abstention, and the reasons for it, should be included in the minutes. It may also be appropriate to vote against the motion or move for deferment until proper information is available.

A Board member should endeavour to ensure that systems are established within the School to provide the Board, on a regular and timely basis, with necessary data to enable them to make a reasoned judgment and so discharge their duties of care and diligence. A review of systems supporting the Board should be conducted regularly.

A Board member should endeavour to ensure that relations between the Board and the auditors are open, unimpeded and constructive. Similarly, the auditors should have direct and unimpeded access to the Board. A Board member should be satisfied that the scope of the audit is adequate and that it is carried out thoroughly and with the full cooperation of management.

A Board member should endeavour to ensure that the School complies with the law and strives for the highest standards of business and ethical conduct.

A Board member from time-to-time may need expert advice (whether it be legal,

financial or some other professional advice and whether it relates to fiduciary or other duties) in order to discharge the Board member's duties properly. As the School is a member of Christian Schools Australia Ltd, Board members can seek expert advice from that organisation on a range of issues at any time. The Board can also seek legal advice from the Board's nominated legal advisor through the Chairperson.

In rare circumstances an individual Board member may need to seek expert advice to assist them in maintaining integrity in their decision making. Individual directors who wish to obtain independent professional advice should seek the approval of the Chairperson (acting reasonably), and will be entitled to reimbursement of all reasonable costs in obtaining such advice. In the case of a request made by the Chairperson, approval is required by the remaining Board Executive members (Treasurer and Secretary). Each individual situation will need to be evaluated independently, but where appropriate the Principal and/or Business Manager should be consulted regarding any real or potential expenses that may be incurred.

### **3.6 Conflicts of Interest**

A Board member must not take improper advantage of the position as Board member to gain, directly or indirectly, a personal advantage or an advantage for any associated person, which might cause detriment to the School.

The personal interests of a Board member, and those of the Board member's family must not be allowed to prevail over those of the School generally. A Board member should seek to avoid conflicts of interest wherever possible. Full disclosure of any conflict, or potential conflict, must be made to the Board. In considering these issues, account should be taken of the significance of the potential conflict for the School and the possible consequences if it is not handled properly.

Where a conflict does arise, a Board member must consider whether to refrain from participating in the debate and/or voting on the matter, whether to be absent from discussion of the matter, whether to arrange that the relevant Board papers are not sent, or, in an extreme case, whether to resign from the Board. Where a Board member chooses to be absent from the meeting, consideration should be given as to whether



expertise that would be contributed by the Board member is otherwise available. In the case of a continuing material conflict of interest, a Board member should give careful consideration to resigning from the Board.

An Executive Board member must always be alert to the potential for conflict of interest between management interests and the Board member's fiduciary duties.

### **3.7 Use of Information**

A Board member must not make improper use of information acquired by virtue of the Board member's position. This prohibition applies irrespective of whether the Board member would gain directly or indirectly a personal advantage or an advantage for an associated person or might cause detriment to the School.

Matters such as information relating to staff, students or school families are particularly sensitive and must not be disclosed.

A Board member who takes the serious step of resignation on a point of principle should consider whether the reasons for resignation should be disclosed to members or the appropriate regulator. In deciding whether or not to make public the reasons for resigning and composing any resignation statement, a Board member should have regard to the following:

- a) the duty not to disclose confidential information so as to damage the School;  
and
- b) the duty to act bona fide in the interests of the School.

A Board member who has been nominated to the Board by a particular group should recognise the particular sensitivity of the position and should be especially careful not to disclose to the nominators matters that are confidential unless the prior agreement of the Board has been obtained.

A Board member should ensure that any information which is not publicly available and which would have a material effect on the reputation of the School is not provided to anyone.

### **3.8 Integrity in Decision Making**

If there is any doubt whether a proposed course of action is inconsistent with a director's fiduciary duties then the course of action should not be supported. Independent advice should be sought as soon as possible to clarify the issue.

When a director feels so strongly as to be unable to acquiesce in a decision of the Board, some or all of the following steps should be considered:

- a) making the extent of the dissent and its possible consequences clear to the Board as a means of seeking to influence the decision;
- b) asking for additional legal, accounting or other professional advice;
- c) asking that the decision be postponed to the next meeting to allow time for further consideration and informal discussion;
- d) tabling a statement of dissent and asking that it be minuted;
- e) writing to the Chairperson, or all members of the Board, and asking that the letter be filed with the minutes;
- f) if necessary, resign, and consider advising the appropriate regulator. "Opinion shopping" and the search for loopholes in the law is unacceptable.

## **4 VISIBILITY OF CODE OF CONDUCT**

### **4.1 Publicity of Code**

The School believes that the existence of its Board Code of Conduct must be publicised in such a way that members of the Board and wider School community are reasonably aware of its contents and obligations.

### **4.2 Board Training**

The Chairperson ensures that its procedures are familiar to all Board members in the following manner:

- all new Board Members are trained in the existence of the Code, and compliance with the Code is a factor considered in the performance development review of all Board members; and

- the Code and any update are distributed to Board members.

## 5 DEFINITIONS

- **Board** is the Board of Wyong Christian Community School Limited as defined and composed in accordance with the Constitution.
- **Board Executive** is the Board Chairperson, Company Secretary and Company Treasurer.
- **Company** is the Wyong Christian Community School Limited.
- **Constitution** is the Constitution of Wyong Christian Community School Limited. **School** is the Wyong Christian Community School operated by the Company.

## 6 REVIEW & UPDATING OF THIS DOCUMENT

The Board will from time to time review the Code to ensure that it meets best practice standards, complies with the applicable legislative and regulatory requirements and meets the needs of the School and the Board.

The Chairperson is responsible for ensuring that:

- this document, and any related documents, are updated when necessary to reflect changes in the law or when otherwise appropriate; and
- the current updated version of this document is given to all relevant people.