
BOARD CHARTER

Governance Defined – the Role of the Board

Governance might be described as:

The exercising of corporate leadership through the establishment and monitoring of necessary controls and strategic direction setting so that the organisation is equipped to respond to the changing circumstances and situations in the external and internal environments in order to meet its requirements in law and the expectations and requirements of owners (members) and other key stakeholders.

Responsibilities of the Board

On behalf of the key stakeholders, the Board of University and Tertiary Sport NZ (UTSNZ) is responsible for the active stewardship of the organisation to ensure its future well-being for the benefit of members and other current and future stakeholders.

The Board's legal duty is to the organisation as a whole. In meeting this duty the Board must ensure that all legal requirements under the relevant Acts and regulations are met and that the entity is protected from harmful situations and circumstances, in the interests of both current and future stakeholders.

The Board:

1. Provides leadership to UTSNZ ensuring that the organisation fulfils its purpose and acts in the best interests of UTSNZ and its members and other stakeholders.
2. Determines and articulates UTSNZ's purpose and values, sets the strategic direction as the basis for further planning, e.g. annual and longer-term planning, and oversees the selection and implementation of strategies consistent with that purpose and those values.
3. Determines the appropriate culture for UTSNZ and models behaviours that both reflect and promote the desired culture.
4. Establishes governance policies that provide the framework for the management of UTSNZ e.g. financial, human resource, asset management policies etc, and ensures that internal processes and procedures are designed to provide effective controls and serve as the basis for reporting to the Board as required.
5. Appoints and employs the Executive Director (ED) and monitors management and organisation performance against Board-established criteria.
6. Identifies and characterises potential organisational risks and creates a framework for managing and monitoring them.
7. Ensures that the organisation satisfies all internal and externally imposed compliance requirements including all applicable laws, regulations and codes of best practice.
8. Takes an active role in succession planning ensuring that the Board has directors with an appropriate mix of skills, knowledge and experience, whether, individually, they are elected or appointed.
9. Establishes and maintains an effective interrelationship with stakeholders in general, and serves, in particular, the legitimate interests of the members of UTSNZ and accounts to them fully.



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Reference document: UTSNZ Constitution 8.0 Role of the Board

Duties of Directors

1. A director must fulfil his/her fiduciary duty to act in UTSNZ's best interest at all times regardless of personal position, circumstances or affiliation.
2. A director must exercise a power for a proper purpose.
3. A director must not act, or agree to the organisation acting, in a manner that contravenes relevant Acts of Parliament or the constitution of the organisation.
4. A director must not agree to the business of the organisation being carried on in a manner likely to create a substantial risk of serious loss to the organisation's creditors or to put the health and safety of those who work in the organisation at risk.
5. A director must not agree to the organisation incurring an obligation unless the director believes at that time on reasonable grounds that the organisation will be able to perform the obligation when it is required to do so.
6. A director, when exercising powers or performing duties as a director, must exercise the care, diligence and skill that a reasonable director would exercise in the same circumstances.
7. A director, when exercising powers or performing duties as a director, may rely on reports, statements and financial data and other information prepared or supplied, and on professional or expert advice.
8. A director must, immediately after becoming aware of the fact that he/she is interested in a transaction or proposed transaction with the organisation, ensure this is entered in the Register of Interests.
9. A director who, in his/her capacity as a director or employee of the organisation, has information that would not otherwise be available to him/her must not disclose that information to any person, or make use of or act on the information, except:
 - a. For the purposes of the organisation.
 - b. As required by law.

Reference document: Position Description UTSNZ Board Member

Governance Philosophy and Approach

The Board will govern UTSNZ with an emphasis on:

1. Serving the legitimate collective interests of the present members of UTSNZ and accounting to them fully for the performance of the organisation and for the Board's stewardship of that performance.
2. Remaining up to date in terms of key stakeholders' concerns, needs and aspirations.
3. Ensuring that no one person or block of persons has unfettered power and that there is an appropriate balance of power and authority on the Board.
4. Demonstrating high ethical standards and integrity in their dealings both individually and collectively.
5. Speaking with one voice on all policy and directional matters, acknowledging that directors are collectively accountable for all Board decisions.

6. Developing a future focus rather than being preoccupied with the present or past.
7. Providing leadership in the exploration of strategic issues rather than becoming distracted by administrative or operational detail.
8. Behaving proactively rather than reacting to events and to the initiatives of others.
9. Bringing a diversity of opinions and views to bear on its decisions. Diversity means that in Board recruitment we seek variety in gender (50:50 ration), ethnicity, age, background and experience.
10. Developing and expressing a collective responsibility for all aspects of the Board's role.
11. Ensuring there are positive conditions for the motivation of the Executive Director and that there is adequate training to support him/her in their role.
12. Performing such other functions as are prescribed by law or assigned to the Board.

Governance Process Policies

Code of Ethics

The Board is committed to ethical conduct in all areas of its responsibilities and authority.

Directors shall:

1. Act honestly and in good faith at all times in the best interests of UTSNZ as a whole.
2. Declare all interests that could result in a conflict between personal and organisational priorities.
3. Exercise diligence and care in fulfilling the functions of office (see Conflict of Interests policy).
4. Make reasonable enquiries to ensure that UTSNZ is operating efficiently, effectively, legally and ethically in pursuing its organisational goals and strategies.
5. Maintain sufficient knowledge of UTSNZ's business and performance to make informed decisions.
6. Not agree to UTSNZ incurring obligations unless he/she believes that such obligations can be met when due.
7. Attend Board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making.
8. Scrupulously avoid deception, unethical practice or any other behaviour that is, or might be construed as, less than honourable in the pursuit of UTSNZ business.
9. Not disclose to any other person confidential information other than as agreed by the Board or as required under law.
10. Act in accordance with his/her fiduciary duties, complying with the spirit as well as the letter of the law, recognising both the legal and moral duties of the role.
11. Abide by Board decisions once reached, notwithstanding a director's right to pursue a review or reversal of a Board decision.
12. Not make, issue, comment on, authorise, offer or endorse any public criticism or statement having, or designed to have, an effect prejudicial to the best interests of UTSNZ.

13. Ensure that all members are treated on an equitable basis.

The Board shall:

14. Make every reasonable effort to ensure that UTSNZ does not raise community, supplier or stakeholder expectations that cannot be fulfilled.
15. Meet its responsibility to ensure that all staff employed by UTSNZ are treated with due respect and are provided with a working environment and working conditions that meet all reasonable standards of employment as defined in relevant workplace legislation.
16. Carry out its meetings in such a manner as to ensure fair and full participation of all directors.

Strategic Direction and Planning

An essential element in the Board's leadership role is its responsibility to set the future direction for UTSNZ, making clear the outcomes the organisation must achieve. Accompanying this is an ongoing responsibility to identify organisation priorities, monitor progress against the achievement of desired outcomes and approve the annual budget. The Board will annually:

1. In partnership with management, establish and review UTSNZ's Purpose, Vision, Organisation Outcomes and Priorities.
2. Review annual business plans to ensure alignment with the strategic direction and priorities.
3. Schedule a programme of strategic dialogue at Board meetings that reflects the priorities defined by the Board and that creates opportunities for the Board and management to think strategically about future issues of strategic importance to UTSNZ's well-being and success.

Reference document: UTSNZ Strategic Plan, UTSNZ Operational Plan, UTSNZ Board Annual Work Plan

Financial Governance

The Board has a core duty to ensure the financial integrity and viability of UTSNZ. This entails oversight of all financial processes and systems. The Board will therefore:

1. Develop, review and monitor the implementation of governance-level financial policies.
2. Provide guidance to the Executive Director on budget parameters and priorities and review and adopt the annual budget and financial plan, including capital expenditure.
3. Approve expenditure outside budget parameters that the Board determines to be material.
4. Review and adopt the full-year financial statements, reports and outcomes.
5. Review and adopt regularly scheduled financial statements and reports, i.e. for each Board meeting or when or at a frequency that the Board requires.
6. Receive and adopt the Audit and Risk Committee's annual plan and scheduled reports.

Reference document: OPER 001 Financial Delegations Policy v2, UTSNZ Current Budget

Conflict of Interests

The Board places great importance on making clear any existing or potential conflicts of interest for directors.

Conflicts of interest may occur:

1. When a director, or his/her immediate family or business interests, stands to gain financially from any business dealings, programmes or services provided to (name of organisation).
2. When a director offers a professional service to UTSNZ.
3. When a director stands to gain personally or professionally from any insider knowledge if that knowledge is used for personal or professional advantage.
4. When a director has family or whānau who are active in the sport and might benefit, or be seen to benefit, from decisions made by the Board.

Accordingly:

1. Any business or personal matter which could lead to a conflict of interest of a material nature involving a director and his/her role and relationship with UTSNZ must be declared and registered in the Register of Interest.
2. All such entries in the Register shall be presented to the Board and minuted at the first Board meeting following entry in the records.
3. All conflicts of interest must be declared by the director concerned at the earliest time after the conflict is identified. Normally there will be the opportunity at the commencement of each Board meeting for conflicts of interest to be declared.
4. The Board shall determine whether or not the conflict is of a material nature and shall advise the individual accordingly.
5. Where a conflict of interest is identified and/or registered, and the Board has declared that it is of material benefit to the individual or material significance to the organisation, the director concerned shall not vote on any resolution relating to that conflict or issue.
6. The director shall only remain in the room during any related discussion with Board approval.
7. The Board will determine what records and other documentation relating to the matter will be available to the director.
8. All such occurrences will be minuted.
9. If individual directors are aware of a real or potential undeclared conflict of interest of another director, they have a responsibility to bring this to the notice of the Board.
10. Any director who has an ongoing, significant material conflict of interest must consider resigning from the Board.

Reference document: Conflict of Interest Register

Risk Management

The Board will identify and evaluate the principal risks faced by UTSNZ, including the protection of intellectual capital, and ensure that appropriate systems are in place to avoid or mitigate such risks. Accordingly, the Board will ensure that:

1. Robust risk management policies and processes are developed and monitored addressing all areas of organisational risk.
2. There are clear processes to enable it to keep abreast of all key organisation risk areas and strategies in a timely manner.
3. Suitable internal controls are in place and are used and monitored to ensure effective and efficient operation and management of the organisation's resources.
4. The organisation is governed and managed in accordance with its constitution and policies.
5. Proper accounting records are kept.
6. Any material shortfalls or breaches in compliance or risk management standards are investigated promptly.

Reference Document: UTSNZ Risk Register

Health and Safety at Work

The Board shall ensure that all directors understand and discharge their duties and responsibilities under the Health and Safety at Work Act 2015. Accordingly, the Board will ensure that:

1. It keeps up to date in respect of potential risks to health and safety in workplaces that are the responsibility of UTSNZ.
2. Robust systems are designed so that the Board will receive regular information in the form of written and verbal reports necessary to exercise its duties under this Act.
3. Timely and accurate records are maintained to enable tracking of events, trends and responses/actions.
4. It understands the hazards and risks that employees and volunteers are, or might be, exposed to in carrying out their duties including, where possible, the opportunity to meet with affected staff or to visit their place of work relating to exposure to risk.
5. It undertakes annually a formal assessment of compliance with directors' duties and responsibilities under this Act.
6. Budget planning takes account of all requirements under this Act.

Board Committees and Working Parties

The Board may establish committees and working parties to support it in its governance work. The work of committees and working parties should not conflict with the Executive Director's delegated responsibilities.

1. Committees and working parties shall have Terms of Reference defining their role, life span, procedures and functions, and the boundaries of their authority, reviewed annually (see Appendix).
2. Committees and working parties may co-opt members from outside the Board to bring additional skills, experience or networks to bear on their work.
3. Committees and working parties shall not exercise authority over employees, nor shall they delegate tasks to any employee unless the Chief Executive has specifically agreed to such delegation.
4. Unless explicitly empowered by the Board, committees or working parties cannot make binding Board decisions or speak for the Board. For the most part the function of committees and working parties is to make recommendations to the Board.
5. Committees and working parties will not mirror operational divisions, departments or employee functions.

Reference document: SAC Terms of Reference

Board Meetings

Board business will generally be conducted in Board meetings. To ensure effective meetings:

1. The Board will make the best possible use of its meetings by dealing only with matters that have governance-level significance, by focusing primarily on the future and, within a defined policy framework, by delegating as much as possible to the Executive Director.
2. The Board will develop a work plan covering the next 12 months that:
 - a. Ensures the Board regularly reviews progress towards achievement of the strategic direction/strategic plan and relevant strategic issues.
 - b. Provides assurance that all relevant compliance requirements are addressed.
 - c. Improves Board performance through education and continuous focus on its governance effectiveness.
3. The Chairperson, in consultation with the Executive Director, will establish the agenda for each Board meeting, although each director is free to suggest the inclusion of item(s) on the agenda. The agenda will generally be structured so that the most important business of the meeting is taken near the start of the meeting.
4. The Board will normally meet quarterly per annum; however, Board meetings may be scheduled at other times or at other frequencies as determined by the Board. The Board will normally meet quarterly per annum; however, Board meetings may be scheduled at other times or at other frequencies as determined by the Board. Generally 2 Board meetings are by teleconference, and 2 in person. Standard travel (flights, transfers, associated parking costs and private mileage) and accommodation expenses are provided for in person meetings. Completion of UTSNZ expense form including receipts is required to receive reimbursement.
5. Board meetings will be conducted in an open, constructive and respectful manner, recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions.
6. Directors will receive their Board papers at least 4 working days prior to the meeting.
7. Apart from the Executive Director, others, e.g. employees, consultants, contractors, etc, may participate in Board meetings at the Board's discretion. Such attendees will respect the Board's integrity and

accountability and will thus accept any constraints imposed by the Board or the Chairperson on their participation and presence.

8. The Board may hold 'Board only' sessions at its discretion. Such sessions will usually be scheduled prior to, or at the commencement of, the meeting and will generally address matters related to the effectiveness of the Board. They should not exclude the Executive Director from deliberations on matters in which his/her role as the Board's principal officer would be compromised.

Monitoring Operational Performance

The Board has a duty to oversee and monitor the performance of the operational organisation, and so:

1. The Executive Director will report to the Board on the performance of UTSNZ at a frequency and to a standard specified by the Board.
2. All such reporting should be designed to address and support the Board's interests and duties. It should primarily document the outcomes achieved by management rather than describe the activity engaged in by management to achieve (or not) the desired outcomes.

Director Induction

The Board will give all newly appointed directors a thorough induction into the affairs of both the Board and UTSNZ at large. In fulfilment of this obligation:

1. All prospective directors will be provided with all relevant information.
Upon appointment/election and prior to attendance at their first Board meeting, newly appointed directors will receive a copy of the Board Charter, a copy of the Constitution and other relevant legal governance documentation, current and recent meeting papers, contact details for other directors and the ED, the current year's meeting schedule and the Board work plan.
2. Ideally, the newly elected or appointed directors will meet with the Chairperson for a governance familiarisation and the Executive Director for an operational familiarisation.

Board and Director Professional Development

The Board's value-adding role requires that the Board as a whole and all directors individually regularly review their performance and have access to professional development relevant to the role and duties of directorship.

1. The Board will review its effectiveness and the performance of individual directors at least every two years.



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- a. The criteria for assessing the Board's performance will be drawn from the documented policies of the Board together with any further criteria agreed by the Board from time to time. The outcomes of the assessment will establish the upcoming requirements for the effective governance and Board leadership of the organisation.
 - b. A suitably qualified independent specialist may be used to assist the Board in this process.
2. All directors will be encouraged to undertake relevant professional development including attendance at conferences relevant to their role as directors or conferences related to other aspects of their directorship of UTSNZ. UTSNZ may contribute to the costs associated with this activity according to a policy that the Board will adopt and review from time to time.
 3. All costs associated with governance effectiveness will be designed to ensure the development of the highest standard of governance including: meeting costs associated with effective communication with owners and other key stakeholders, surveys and associated analysis, focus groups, the costs associated with external audit, and other independent third party reviews or consulting input.

Chairperson Role

The Chairperson ensures integrity of the Board's processes and actions consistent with its policies and, as appropriate, represents the Board and the organisation to outside parties. It is expected that the Chairperson will promote a culture of stewardship, collaboration and co-operation, modelling and promoting behaviours that enhance the functionality of the Board and define sound directorship.

1. The Chairperson will ensure that Board meetings are properly planned, including the development and distribution of Board papers in a timely manner, and that the minutes accurately reflect the deliberations and decisions of the Board.
2. The Chairperson will chair Board meetings ensuring that:
 - a. Productive use is made of the Board's time.
 - b. Meeting discussion content is confined to governance matters as defined in the Board's policies, i.e. the Board does not make decisions that belong with the Executive Director.
 - c. All directors are encouraged and enabled to make a contribution to the Board's deliberations.
 - d. All directors are treated even-handedly and fairly.
3. The Chairperson will ensure that all Board decisions are understood by directors and accurately recorded.
4. The Chairperson may delegate aspects of the authority accompanying the position but remains accountable for the overall role.
5. The Chairperson has no independent authority over the Executive Director, who is employed by the Board as a whole, and the Chairperson shall not cut across the formal links and flow of information between the Board and its Executive Director. However, this does not preclude regular communication between the Chairperson and the Executive Director to exchange information on a 'no surprises' basis and to ensure that the Board has effective support to perform its functions and fulfil its responsibilities.
6. The Chairperson has no authority to unilaterally change any aspect of Board policy.

Reference document: UTSNZ Constitution 9.0 Roles of Board Members



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Indemnities and Insurance – May 2017

UTSNZ will provide directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as directors, to the fullest extent permitted by relevant legislation and the UTSNZ's constitution.

Reimbursement of Directors' Expenses

UTSNZ will reimburse all reasonable expenses incurred by directors in carrying out their role.

Board-Executive Director Interrelationship Policies

Delegation to the Executive Director

The Board delegates to the Executive Director responsibility for implementation of its strategic direction/strategic plan while complying with the Executive Director delegation policies.

1. The Executive Director is the sole linkage and point of accountability between the Board and the operational organisation.
2. The Board will view Executive Director performance as equivalent to total management performance. The achievement of organisation success will be regarded as successful Executive Director achievement.
3. Unless the Board determines otherwise, e.g. by delegating its authority to a sub-group or individual directors, only the Board acting as a body can instruct the Executive Director.
4. Instructions to the Executive Director by the Board are in the form of Board policy pronouncements. Such policy pronouncements, which also serve as the basis for any performance planning and evaluation, will be in the form of:
 - a. A statement of strategic intent making clear the purpose of the organisation, the high-level outcomes it must achieve to fulfil that purpose, and the more specific short-term results that reflect the Board's priorities.
 - b. Any proscription (or limit) the Board chooses to place on the Executive Director's freedom to take actions or make decisions that the Board deems to be unwise or unacceptable in relation to its values and risk appetite.
5. These two categories of policy are the means by which the Board delegates its authority to the Executive Director. The Executive Director is allowed any reasonable interpretation of these policies (Note: this is further defined in the Executive Director Authority policy). Provided that the Executive Director achieves the outcomes sought by the Board and does so in a manner consistent with the Board's policies, the Board will respect and support the Executive Director's choice of actions.
6. The Executive Director is responsible for the employment, management and performance evaluation of all staff employed by/contracted to the organisation. Neither the Board nor individual directors will:
 - a. 'Instruct' staff or others ultimately in the employment of the Executive Director in any matters relating to their work. This constitutes interference in the chain of command and weakens the Board's ability to hold the Executive Director accountable.
 - b. Take any action that might be construed as public criticism of any staff member including the Executive Director. Any private criticism of staff that a director or the Board may wish to voice should be made through the Chairperson to the Executive Director as their employer.
7. The expert knowledge and experience of individual directors are available to the Executive Director at the Executive Director's initiative. The Executive Director is accountable for interpreting, weighing and acting (if at all) on any advice or information received in that context.

Executive Director Authority

1. As long as the Executive Director applies 'any reasonable interpretation' of the Board's policies (i.e. does not set out to defeat the stated intent or the spirit of the policies), he/she is authorised to establish all operational policies, make all operational decisions, and design, implement and manage all operational practices and activities.
2. Acknowledging a director's right to have access to information necessary to meet his/her duty of care to the organisation, the Executive Director may refuse instructions or requests from individual directors or from unofficial groups of directors if, in his/her opinion, such requests or instructions are:
 - a. Inconsistent with the Board's policies.
 - b. Deemed to make unjustifiable intrusions into the Executive Director's or other staff members' time.
 - c. Likely to pose an unjustifiable cost to the organisation.
3. The Executive Director must notify the Chairperson of the use of such a refusal as soon as possible.

Executive Director Remuneration

The Board will determine Executive Director's remuneration based on terms and conditions that reflect the nature of the organisation (size, sector, complexity of strategic challenges, etc) and market conditions for executive remuneration in comparable organisations. Unless otherwise delegated, e.g. to a Board committee, this will be determined by the Board as a whole.

Executive Director Performance Assessment

The Board will continuously, systematically and rigorously assess the Executive Director's performance against achievement of the Board-determined strategic outcomes and compliance with Executive Director delegation policies. The Board will provide regular performance feedback to the Executive Director.

1. Monitoring and evaluation of organisational and, thereby, Executive Director performance will be directly related to criteria embedded in Board-determined policy.
2. The standard applied to all facets of the performance assessment shall be that the Executive Director has met or can demonstrate compliance with the intent and/or spirit of the Board's policies.
3. The Board may monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule.
4. The Board may use any one or more of the following three methods to gather information necessary to ensure Executive Director compliance with Board policies and thus to determine its satisfaction with the Executive Director's performance:
 - a. Executive Director self-reporting.
 - b. Direct inspection by the Board or a Board-approved director or group of directors.
 - c. Advice from an independent, disinterested third party.

Executive Director Delegation Policies

Introduction

Use of the proscriptive format

The following delegations are expressed in the *proscriptive* or 'limitation' format. In other words, they make clear what an Executive Director must not do. This is quite different from the traditional and commonly adopted *prescriptive* alternative, which, despite the affirmative style of delegation statements, has the contrary effect of disempowering an Executive Director. This happens in two ways in particular:

1. By telling the Executive Director, in effect, what should be done or how it should be done. (The Board's role is to tell the Executive Director what must be *achieved*, not what must be done.)
2. By requiring the Executive Director to seek permission when something has not been included in the list of delegations.

The traditional approach has the further disadvantage of drawing the Board into designing and directing the Executive Director's work at the expense of the performance of its own job.

The method adopted in the following delegation policies sets decision-making boundaries within which the Executive Director is fully empowered to operate. The process of setting boundaries in this way acknowledges that 'the ends do not justify the means'. It requires the Board to express its values and appetite for risk while refraining from instructing the Executive Director, either explicitly or implicitly, on *what* he/she should do and *how* he/she should do it.

This approach allows the Board to concentrate on its own job while at the same time holding the Executive Director accountable for performance of his/hers. It provides greater clarity of role and mutual expectations between the Board and the Executive Director.

Sub-delegation

Within the constraints of what follows, and any other Board policy prescription or proscription, and without derogating from his/her personal accountability, the Executive Director is entitled to sub-delegate his/her authorities to other members of staff.

Overarching Executive Director Limitation

The Executive Director must not take, allow or approve any action or circumstance in the name of UTSNZ that is in breach of the law, is imprudent, contravenes any organisation-specific or commonly held business or professional ethic or is in breach of generally accepted accounting principles.

Operation of the Business

The Executive Director must not operate the business of UTSNZ in a manner that is inconsistent with Board-approved policies and plans and any amendments to these. Any instances of non-compliance should be immediately advised to the Chairperson and then reported to the Board.

Budgeting and Financial Planning

Budgeting and financial planning for any financial year or the remaining part of any financial year shall be designed to ensure the achievement of the Board-determined outcomes. In developing the operational financial plan and budget and without limiting the scope of the foregoing, the Executive Director must not allow budgeting that:

1. Contains too little information to enable:
 - a. A credible projection of revenues and expenses.
 - b. Separation of capital and operational items.
 - c. A projection of cash flows.
 - d. Disclosure of planning assumptions.
2. Creates financial risk beyond Board-determined parameters.
3. Plans expenditure in any financial year that would result in default under any of UTSNZ's financing agreements or increase the risks of insolvency.
4. Neglects to incorporate/accommodate medium- to long-term financial plans/projections and long-term business direction.
5. Anticipates the achievement of a 'bottom line' materially different from that determined by the Board, e.g. a predetermined surplus, acceptable deficit or balanced budget.
6. Omits Board developmental and other expenditure.

Financial Management

The Executive Director is responsible for the day-to-day financial management of UTSNZ. In carrying out this duty he/she must ensure that nothing is done, or authorised to be done, that could in any way cause financial harm or threaten the organisation's financial integrity. Without limiting the scope of the foregoing, the Executive Director must not:

1. Operate the business of UTSNZ outside of the financial parameters of any Board-approved statement of intent, annual business plan, financial budget, policy or prior decision.
2. Use any organisation funds, or enter into any contracts or accept other liabilities, other than for the furtherance of Board-approved purposes and priorities.
3. Approve operating expenditure that is inconsistent with the achievement of a Board-approved end of year financial result.
4. Make a single purchase or commitment greater than (\$5,000). Splitting orders to circumvent this limit is not acceptable.
5. Expend more funds than have been received in the financial year unless offset by approved borrowings or approved withdrawals from reserves.
6. Allow undisputed invoices from suppliers of goods and services to remain unpaid beyond trade credit terms agreed with those suppliers.

7. Enter into leases/rental agreements where the contract term is longer than three years and the annual expenditure exceeds (\$5,000).
8. Approve any legal settlements or ex gratia payments without consultation with the Board.
9. Allow non-compliance with requirements agreed with lenders and other creditors.
10. Acquire, encumber or dispose of land or buildings.
11. Approve the sale of assets where the book value of any asset or series of linked assets is greater than (\$2,500).
12. Allow the allocation of credit cards or other purchase cards without adequate controls on their use by card-holding staff.

(Note: all dollar amounts in these delegations are GST exclusive. Dollar amounts relating to contractual commitments are for the sum payable over the term of the contract.)

Reference document: OPER 001 Financial Delegations Policy v2

Management of Investments

The effective management of UTSNZ's investments is central to its financial integrity. The Board delegates responsibilities to the Executive Director for implementation of the organisation's investments consistent with this policy. Without limiting the scope of the foregoing, the Executive Director must not:

1. Place financial assets at risk outside Board-determined parameters. Currently that means that:
 - a. Surplus cash may not be invested except in New Zealand banks with an AA- rating or higher; or
 - b. Investments not be overly exposed to any one financial institution.
2. Neglect to maximise investment return at the risk of loss of principal.
3. Allow the level of liquidity to fall below that consistent with the effective and efficient running of the organisation as determined by the Board.
4. Neglect to provide reports that enable and assist the Board to monitor the performance of the investment portfolio and the level of risk associated with that.

Remuneration and Benefits

In managing the setting and review of salaries and benefits, the Executive Director must not make decisions or promises that would in any way cause or threaten financial harm to UTSNZ. Without limiting the scope of the foregoing, the Executive Director must not:

1. Take any steps that would materially increase his/her personal effective remuneration or non-financial benefits.
2. Create obligations in respect of other staff that cannot be met over the projected period of an individual's term of employment or over a period for which revenues can realistically be projected.

3. Cause unfunded liabilities to occur, or in any way commit (name of organisation) to employment-related benefits that incur unpredictable future costs.
4. Make promises or offer guarantees of long-term employment under circumstances where such guarantees or promises cannot realistically be honoured.

Protection of Assets

The Executive Director shall not neglect to take all prudent and reasonable actions required to ensure that UTSNZ's assets, physical and intellectual, are protected against all foreseeable circumstances that might result in their loss, damage or deterioration. Without limiting the scope of the foregoing, the Chief Executive must not:

1. Permit any unauthorised person to handle funds.
2. Process the receipt or disbursement of funds outside of controls acceptable to (name of organisation)'s duly appointed auditor.
3. Allow the assets to be insured for less than is considered necessary for prudent risk-management.
4. Allow directors or staff to be unprotected against claims of liability.
5. Allow any purchase of goods or services without protection against conflict of interest.
6. Allow inadequate protection against theft or improper use of, or significant damage to, intellectual property and organisation information.
7. Allow the organisation to be in a state of unpreparedness in relation to conceivable threats to business continuity.

Communication and Support to the Board

The Executive Director shall not permit the Board to be uninformed about issues and concerns essential to meeting its duty of care, carrying out its responsibilities and meeting its accountabilities to its members and other key stakeholders. Without limiting the scope of the foregoing, the Executive Director must not:

1. Allow the Board to be uninformed about matters critical to the timely and effective governance of the organisation.
2. Neglect to provide financial reports that make clear:
 - a. Significant trends or exceptions that will impact materially on the surplus or forecast surplus.
 - b. Data relevant to agreed benchmarks and Board-agreed measures. These include, for example:
 - i. Profit and loss statement.
 - ii. Balance sheet.
 - iii. Cash flow statement.
 - iv. Cash flow forecast.
 - v. Current (and other Board-determined) ratio.
 - vi. Further financial data as determined by the Board from time to time.

3. Allow the Board to be uninformed of significant external environmental trends, potential or actual adverse media publicity, achievement of, or progress towards, the achievement of the outcomes stated in (name of organisation)'s Statement of Strategic Intent, or changes in the basic assumptions upon which the Board's plans and policies are based.
4. Present information in an unnecessarily complex or lengthy form or in a form that fails to differentiate between information that requires Board acknowledgement and attention, e.g. for decision-making and monitoring purposes, and information that is simply for directors' interest.
5. Leave directors uninformed when, for any reason, there is actual or anticipated non-compliance with a Board policy.
6. Allow the Board to be uninformed of any serious legal conflict or dispute, or potential serious legal conflict or dispute, that has arisen or might arise in relation to matters affecting UTSNZ.
7. Allow the Board to be uninformed of any Health and Safety at Work matters that fall within the directors' duties and responsibilities, or about any related matter the Board has made clear it wishes to be informed of, including the results of all internal and external health and safety audits.
8. Neglect to ensure that the Board is provided with a wide range of views and perspectives in support of effective decision making.
9. Permit the Board to be unaware of any occasion, action or decision that results in it being in breach of its Board Process policies, particularly when this relates to the Executive Director's ability to carry out his/her responsibilities.
10. Allow him/herself to neglect to treat all directors equally when responding to requests for information, except when responding to requests from Board committees or working parties.

Executive Director Absence (Planned and Unplanned)

The Board recognises the Executive Director will be absent from time to time in accordance with approved annual and other leave. It also recognises that one of its major risks is the unexpected loss of its Executive Director and/or other key personnel due to unforeseen circumstances. The Board expects that the Executive Director will have provided for his/her delegated authority to be exercised by others no matter what the reason for his/her absence. To this end the Executive Director must not:

1. Allow the Board (perhaps through the Chairperson) to be uninformed of sub-delegations of Executive Director authority applying during any period of leave or other planned absence.
2. Allow the organisation to operate at any time without an emergency succession plan in place (including at least one person nominated and acceptable to the Board who is capable of responding to Board concerns and requirements at a level necessary for business continuity and effective governance) to apply should there be an unexpected loss of his/her services.

Employment Conditions

In exercising the delegation for the management of employees and volunteers, the Executive Director must not fail to ensure that a workplace environment conducive to sound workplace practices is provided,



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consistent with workplace legislation and UTSNZ's core organisation values (including professionalism, integrity and trust). Without limiting the scope of the foregoing, the Executive Director must not:

1. Allow employees and volunteers to be engaged in the absence of clear guidelines about their rights, entitlements and workplace obligations.
2. Allow employees and volunteers to be subject to 'inequitable', 'unsafe', 'undignified' or 'unfair' working conditions as defined in relevant workplace legislation.
3. Allow employees and volunteers and others to whom UTSNZ owes a duty of care, to be exposed to unprotected or unprepared-for hazard and risk situations or circumstances that could result in harm as specified in the Health and Safety at Work Act 2015.
4. Neglect to ensure that staff are engaged in planning and reviewing health and safety policies and procedures.
5. Design health and safety systems and processes that do not include continuous improvement protocols.
6. Deny to any employees their right to an approved and fair internal grievance process.
7. Refuse employee access to the Board (via the Chairperson) to express a grievance when:
 - a. The internal grievance process has been properly followed.
 - b. The grievance asserts that the Executive Director has breached a Board policy to his/her detriment.
 - c. The grievance asserts that the Board has not provided adequate protection of the staff member's human rights.
 - d. There is verifiable evidence of this.
8. Allow employees and volunteers to be uninformed of their rights under this policy.

Public Affairs

The Executive Director shall not undertake, approve or in any way support any action that is directly or indirectly demeaning or derogatory or in any way damaging to UTSNZ.