

CORPORATE GOVERNANCE POLICY AND PROCEDURES

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| <i>Policy Number:</i> 1.0 | <i>Subject:</i> BOARD CHARTER |
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| <i>Contact Officer(s):</i> Company Secretary | |
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BOARD CHARTER

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1.0 BOARD CHARTER

1 Policy Statement

The Board is responsible to the Minister for the Arts for the performance of the National Portrait Gallery of Australia (NPGA). The Board's role, responsibilities and powers are set out in the *National Portrait Gallery of Australia Act 2012* and the *Public Governance, Performance and Accountability Act 2013*.

2 Revision and Approval History

2.1 Only the NPGA Board may approve changes to this Charter.

2.2 This Charter will be reviewed at least annually.

3 Authorisation

2.1 *National Portrait Gallery of Australia Act 2012*, part 3, Division 1 and 2 (NPGA Act)

2.2 *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and PGPA Rules.

4 Revocation

4.1 This charter revokes all previous policies relating to Board responsibilities and conduct from the effective date.

5 Target Audience

5.1 This Board Charter is applicable to all National Portrait Gallery of Australia Board members who are members of the governing body of an accountable authority as defined in s. 12 of the PGPA Act.

6 Breaches

6.1 Board members who do not comply with this charter may be found to be in breach of the National Portrait Gallery of Australia Act and the PGPA Act and sanctions may apply. Non-compliance may attract civil and criminal penalties.

7 Duties and responsibilities

7.1 The Board is responsible for the strategic directions and objectives of the NPGA, as represented in the Corporate Plan and other strategy documents. The Board's responsibilities include the corporate governance arrangements of the NPGA.

7.2 The Board has delegated responsibility for the day to day operations of the NPGA, subject to certain authority limits and reporting requirements. The Board reserves the following matters:

- Endorsing the NPGA Annual Report and annual financial statements;

- Appointing the Gallery Director (CEO) and endorsing direct reports to the Director such as the Chief Financial Officer;
- Delegating responsibility to the Director (CEO) and/or a member of the Board;
- Endorsing the annual budget estimates or significant variations to budget planning;
- Endorsing expenditure of funds outside the current financial authorisations;
- Endorsing commitment of funds outside appropriated periods;
- Endorsing policies relating to corporate governance, managing expenditure, treasury functions and borrowings and investment or those policies that may attract external interest;
- Endorsing submissions to enquiries and reviews and policy positions advocated by the NPGA;
- Approving the Strategic Plan and Corporate Plan;
- Providing oversight and assistance with the fund-raising programs;
- Approving the NPGA forward program and supporting outreach programs;
- Approving commissions and acquisitions of works of art;
- Approving major capital expenditure;
- Approving delegations;
- Reviewing the NPGA's financial position regularly;
- Endorsing organisational restructuring of a material nature;
- Agreeing membership of Board committees, including the NPGA Foundation;
- Undertaking risk management and monitoring of reputational, operational and financial risks;
- Undertaking periodically a Board performance assessment; and
- Undertaking Board member induction, training and development.

7.3 The Board may decide on other matters as necessary and at its discretion. To this end the Board has established an Audit Committee, a Work Health and Safety Committee, and a Foundation Committee to assist the Board in discharging its obligations. The roles of the respective committees are set out in charters established by the Board. Other committees of the Board may be established from time to time.

7.4 The Board Charter will be published on the NPGA website.

7.5 Board members must at all times:

- Understand and uphold the values and objectives of the NPGA:
- Be familiar with the NPGA Act, 2012, its policies and procedures, and the duties of Directors as described in relevant legislation, including the PGPA Act 2013;
- Prepare for, attend and actively participate in Board meetings and make decisions in a timely, fair and efficient manner;
- Ensure decisions of the Board are based on the best evidence and information available;
- Maintain good relationships with other government agencies and have due regard to stakeholders;
- Disclose immediately to the NPGA any personal conflicts of interest, real or perceived, to the NPGA;
- Conduct themselves with due regard to the reputation, purpose and objectives and interests of the NPGA, and not say or do anything which may bring the institution into disrepute, be inconsistent with or detrimental to its objectives and interests, or cast doubt on members' own professional integrity, and
- Not claim, or give the impression that they are representing the official views of the NPGA, unless they have been expressly authorised to do so.

8. Attendance at meetings and quorums

The quorum for meetings of the Board is a majority of appointed Board Members, as described in s. 24 (1) of the NPGA Act 2012.

9 Secretariat

The Board will appoint a person to provide secretariat support to the Committee. The secretariat will ensure that the agenda for each meeting is approved by the Chairman of each Committee; the agenda and supporting papers are circulated at least one week before the meeting; and the minutes of the meetings are prepared and maintained. Minutes must be reviewed by the Chairman and observers, as appropriate.

10 Assessment arrangements

The Chairman of the Board will initiate a review of the performance of the Board periodically. The review will be conducted on a self-assessment basis (unless otherwise determined by the Board) with appropriate input sought from Board members, Committee members, senior management, the internal and external auditors, Chief Financial Officer, and any other relevant stakeholders, as determined by the Chairman of the Board.

11. Circulating resolutions (Flying minutes)

A resolution in writing delivered electronically or in hard copy that has been:

- a. Notified to all Members; and
- b. Approved by a majority of all Members,

will be valid as if it had been passed at a meeting of the Committee and will be formally noted in the Minutes of the next Board meeting.

12. Further guidance

Guidance on the duties and obligations of members of accountable authorities can be found at www.pmra.finance.gov.au.