



MOLLYMOOK GOLF CLUB BOARD OPERATION GUIDELINES

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1. OVERVIEW AND PURPOSE OF GUIDELINES

An effectively operating Board is an essential component of Mollymook Golf Club (MGC). Effective Boards are clear about their role, practices and vision for the club. This Guideline aims to help MGC achieve effective and efficient operation of the Board by:

- establishing a framework for effective Board functioning;
- identifying best practice benchmarks for Board functioning; and
- fostering individual Director responsibility.

2. DEFINITIONS

'Business Plan' means any plan for the future administration of MGC (including strategic and operational plans) developed by management and approved by the Board

'Close associate' means any family member, personal friend or business associate of a Director. 'Material personal interest' means the Director stands to personally benefit financially or in some other material way. 'Board charter' means an agreement that outlines the role, structure and responsibility of the Board.

3. GUIDING PRINCIPLES

The MGC Board will pursue the aims and purpose of the club by actively ensuring that management and staff:

- Make decisions that are consistent with the club's role/purpose and the interests of members;
- Comply with any relevant legislative, industrial and administrative requirement and keep up to date with any changes;
- Maintain adequate documentation to support any decisions made;
- Treat each club member and staff member with courtesy and sensitivity to their rights;
- Provide all necessary and appropriate assistance to members of the club;
- Promote a culture of continuous professional development and training;
- Strive to obtain value for club money spent and avoid waste and extravagance in the use of club resources;
- Contribute to a safe, healthy and discrimination-free club environment; and
- Not take or seek to take improper advantage of any club information gained in the course of their appointment (in the case of Directors) or employment (in the case of managers/staff).

The Board should have a clearly defined and expressed statement of their aims and purpose as an organisation. This should be clearly communicated to members and stakeholders. The Board of the club is responsible to members for the overall governance and performance of the club.

The functions of the Board include the following:

- Providing strategic direction to the club by constructive engagement in the development, execution and modification of the club's strategy;
- Appointing the General Manager and approving succession plans;
- Monitoring the performance of the General Manager and approving senior management remuneration policies and practices;
- Reporting to members and ensuring that all regulatory requirements are met;
- Providing advice and counsel to management on a periodic and ad hoc basis, adding strategic value;
- Ensuring appropriate compliance frameworks and controls are in place;
- Approving policies governing the operations of the club;
- Monitoring financial results on an ongoing basis;
- Ensuring the Board's effectiveness by operating as a team;
- Ensuring the club's business is conducted ethically and transparently; and
- Overseeing strategic risk management.

5. ETHICS

In accordance with legal and statutory requirements, Directors should:

- Discharge their duties in good faith and act honestly, in the best interests of the club, and with the level of skill and care agreed in their role expectations;
- Act with care and diligence, demonstrating commercial acumen in their decisions;
- Declare any conflicts of interest;
- Act in the interests of the club at all times;
- Not make improper use of information gained through their position as a Director or otherwise take improper advantage of the position of Director;
- Not allow personal interests, or the interests of any close associate, to conflict with the interests of the club;
- Make reasonable enquiries to ensure that the club is operating efficiently, effectively and legally towards achieving its goals; and
- Undertake diligent analysis of all proposals placed before the Board.

6. CONFLICTS OF INTEREST

If a Director has a real or potential material personal interest relating to club procurement of goods and services and/or major capital works, the nature of that interest should be disclosed at the earliest possible meeting of the Board. If any proposals relating to the conflict of interest are being considered by the Board, the director with the stated conflict must absent themselves from the room during discussions and voting on the proposal.

7. CONDUCT OF BOARD MEETINGS

Key criteria for the conduct of Board meetings are:

- The Board should meet at least monthly on previously determined dates and conduct special meetings at the request of the Chairperson;
- The General Manager establishes the agenda for each Board meeting in consultation with the Chairperson. Board members should be encouraged to suggest items for inclusion on the agenda;
- The agenda for each meeting should be provided to the Directors at least three days in advance of the meeting, together with written materials (normally prepared by Management) on matters to be considered at the meeting. Management should endeavour to provide materials that are concise, relevant and informative;

8. SUPPORTING TEAMWORK AND DIVERSITY

Each financial year the Board should facilitate:

- a review and modification of the club's strategic plan to ensure the club's aims and purpose are fulfilled;
- the agreement of role expectations for each Director that identifies what results each Director has committed to deliver to the Board;
- personal development plans for each Director, agreed with the Chairperson, which identify what and how new skills should be developed, based on the role expectations;
- the giving and receiving of performance feedback for Directors by their peers based on the agreed role expectations.

9. RELATIONSHIP BETWEEN BOARD AND MANAGEMENT

Club Directors decide what matters are delegated to management and should ensure that adequate controls are in place to oversee the operation of these delegated powers. Directors should not participate in the day to day management of the club.

Agreements with suppliers, customers, employees, consultants, professional firms or other parties or organisations should be made by management unless such an authority is explicitly delegated by the Board to a Director, either individually or as a member of a Committee.

10. STRATEGIC PLANNING

A critical role of the Board is to ensure that the club is pursuing an appropriate strategy in line with its aims and purpose. To achieve this, the Board should constructively engage with management concerning the development, execution and modification of the club's strategy.

Management and the Board should agree on the processes used to develop the club's strategy and business plan. Each financial year management and the Board should discuss the substantive elements that are to be considered in the development and execution of the strategy.

Management then prepares and proposes a written strategy for consideration and approval by Directors. The approved strategy forms the basis for the business plan, which is also prepared by management and considered and approved by the Board.

In reviewing the strategy and business plan, Directors should consider implementation and timing issues and monitor on a continuing basis the execution of the strategy against milestones and targets set down in the business plan.

The full Board should review and approve the strategic and business plans, including financial objectives and budgets.

11. BOARD CHARTER

The implementation of the MGC Board Charter ensures that all Directors/Committee members are aware of their roles and responsibilities.

The Board Charter endeavours to provide the framework for the Board to deliver best practice standards of corporate governance in the execution of the responsibilities reserved for the Board.

Management, in consultation with the Board should review and update the Board Charter annually, with all Directors required to review and 'sign-on' to the Charter following each election.