



## POLICY RELATED DOCUMENT

<b>Code and Number</b>	<b>PRD.2c</b>
<b>Title of Document</b>	<b>External Governance Statement</b>

This policy encompasses the Australian College of Nursing Ltd (ACN 154 924 642), The College of Nursing (ACN 000 106 829), Royal College of Nursing, Australia (ACN 004 271 103), Australian College of Nursing Foundation (ABN 55 745 393 419) – collectively referred to as the ACN Group.

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## 1 Overview of our Corporate Governance

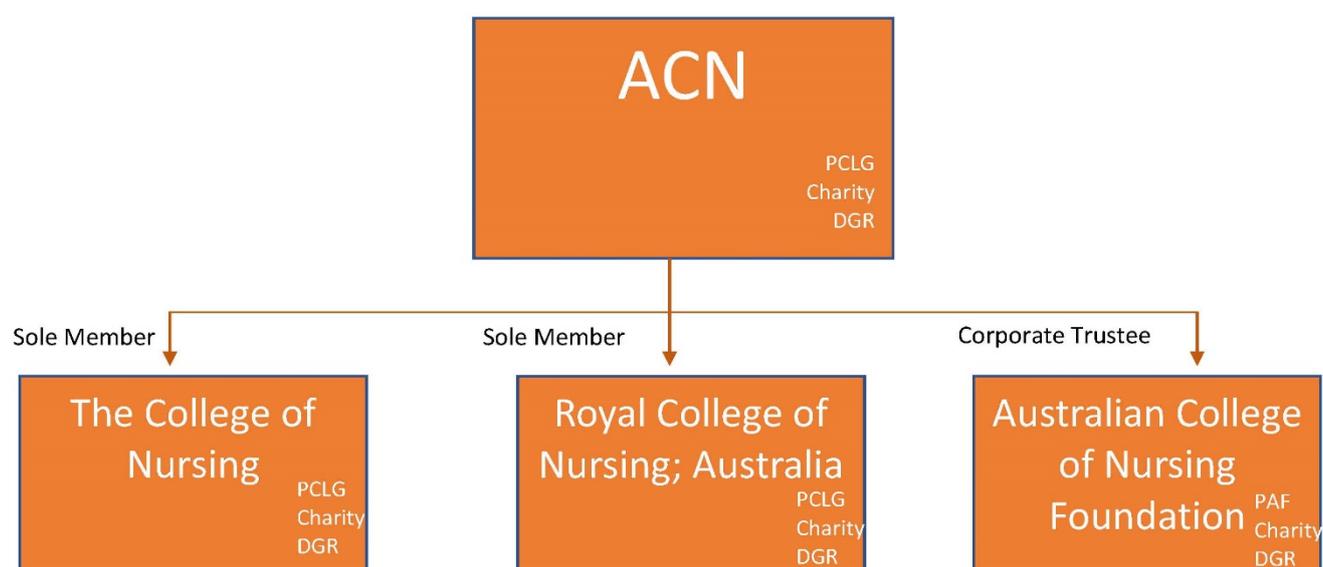
### 1.1 Standards and Requirements

In developing our corporate governance framework, we have considered the standards and requirements of:

- (a) Tertiary Education Quality and Standards Agency (**TEQSA**) (in our capacity as a registered provider with TEQSA);
- (b) Australian Charities and Not-for-profits Commission (in our capacity as a registered charity);
- (c) Australian Securities and Investments Commission (in our capacity as a public company limited by guarantee); and
- (d) Australian Taxation Office (in our capacity as a tax-concession charity, a deductible gift recipient, and a trustee of a public ancillary fund).

### 1.2 Corporate Structure

Australian College of Nursing Limited (ACN 154 924 642) (**ACN**) is the parent body of two other companies in our corporate group, and the corporate trustee of a public ancillary fund. Our structure is represented diagrammatically as follows:



## 2 Our Commitment to Governance

We are strongly committed to best practice with regard to governance. In ensuring best governance for the ACN Group, we have implemented a governance framework comprised of the following policies, procedures, by-laws and terms of reference:

### 2.1 Policies and Procedures

- (a) Board and Committee Performance Evaluation and Skills Audit Policy;
- (b) Risk Management Policy;
- (c) Investment Policy;
- (d) Reserves Policy;
- (e) Whistleblower Policy;
- (f) Conflict of Interest Policy and Procedure;
- (g) Related Party Transactions Policy;
- (h) Privacy Policy;
- (i) Data Breach Response Policy;
- (j) Information Governance Policy;
- (k) Confidential Information Policy; and
- (l) Strategic Planning Policy.

## **2.2 By-Laws**

- (a) Elections By-Laws;
- (b) Office Bearer Election By-Laws; and
- (c) Membership By-Laws.

## **2.3 Terms of Reference**

- (a) Finance, Audit Risk and Investments Committee Terms of Reference;
- (b) Governance and Scholarship Committee Terms of Reference;
- (c) Academic Council Terms of Reference; and
- (d) Nominations and Selection Committee Terms of Reference.

## **2.4 Summary**

In this external governance statement, we will summarise the important measures that we have effected through these policies, procedures, by-laws and terms of reference.

## **3 Director Selection**

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### **3.1 Director Selection**

We are determined to ensure that our Boards have the appropriate range of expertise to properly fulfil their responsibilities, including, for example, expertise in:

- (a) accounting;
- (b) business; and
- (c) issues affecting the profession of nursing.

### **3.2 Methods**

We ensure that our Boards have an appropriate skills matrix by:

- (a) having a mix of elected and board-appointed Directors;
- (b) obtaining and implementing the advice of the Nominations and Selections Committee; and
- (c) where Directors are elected by Members, providing Members with all relevant information regarding whether or not to elect or re-elect that nominee to the Board.

## **4 Equipping and Supporting Directors**

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Directors are well equipped to perform their roles, and are supported throughout their term on the Board. This occurs through the following:

- (a) There is a robust Director induction process, provided for in our Board Charter; and
- (b) Directors are entitled to seek independent professional advice (including, but not limited to, legal, accounting and financial advice) at our expense on any matter connected with the discharge of his or her responsibilities, in accordance with, and subject to, our approval protocols.

## **5 Board and Committee Performance**

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It is important to us to regularly evaluate Board and Committee performance. We have implemented a policy for this purpose. That policy includes the following:

- (a) The Board should explicitly set standards and performance expectations to provide a basis for a formal annual evaluation of its governance effectiveness, and of its Committees;
- (b) The Board and its Committees should evaluate their own effectiveness annually;
- (c) The Board and its Committees should assess its performance according to pre-agreed objective criteria, preferably derived from its own governance policies and processes; and
- (d) The outcome of the evaluation process should be used as the basis for Board and individual director development goals, leading to an improvement in Board performance over time.

## **6 Remuneration**

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- (a) Presently, our Directors are not remunerated in their capacity as Directors.
- (b) Directors can be reimbursed for travel and other expenses incurred for participating in meetings, but only if the expenses have been properly documented, and are in accordance with our reimbursement policy from time to time.

## **7 Academic Governance**

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- (a) As ACN is a registered provider with TEQSA, we are committed to strong and contemporary academic governance.
- (b) The Academic Council assists ACN's Board with academic governance. The Academic Council's oversight specifically ensures that processes and structures are established, and responsibility is assigned to demonstrate that we:
  - (i) have governance frameworks (academic, quality, and risk) that enable us to meet the TEQSA's standards;
  - (ii) achieve effective academic oversight of the quality of teaching and learning;
  - (iii) set and monitor institutional benchmarks for our academic quality and outcomes against comparable non-university higher education providers; and
  - (iv) have systems to provide competent advice to the Board and executive management on academic matters, including advice on our academic outcomes, policies, and practices.

## **8 Risk Management Governance**

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- (a) We are committed to implementing a strong risk culture. We have implemented a Risk Management Policy to identify risks, evaluate the likelihood and potential impact of risks, create an environment to minimise the chance of a risk occurring, and identify strategies to monitor or mitigate the risk.
- (b) We have appointed the risk management function, to support employees in managing risks. The risk management function also acts as a central focal point for risk management activities, and is supported by the Chief Executive Officer and Chief Operating Officer in their role.
- (c) The types of risk that we seek to address through our risk management governance include the following:
  - (i) academic;
  - (ii) external;
  - (iii) financial;
  - (iv) fraud;
  - (v) governance;
  - (vi) human resources;
  - (vii) information security;
  - (viii) operational;
  - (ix) quality, brand and reputational;
  - (x) regulations, accreditation and contracts; and
  - (xi) strategic and tactical.

## **9 Whistleblowers**

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### **9.1 Commitment**

We are committed to a culture of corporate compliance and exceptional ethical behaviour.

### **9.2 Whistleblower Policy**

- (a) To assist in the prevention and detection of fraud, corruption and misconduct, we have developed a Whistleblower Policy.
- (b) The Whistleblower Policy provides a framework for bringing suspected corrupt, illegal or unethical behaviour to the attention of the Board in a secure manner, while at the

same time protecting the confidentiality of those disclosures and the individuals who, in good faith, report such conduct.

## **10 Conflicts of Interest and Related Party Transactions**

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### **10.1 Conflicts of Interest**

- (a) Under statute and the Australian Charities and Not-for-profits Commission's Governance Standards, Directors and Officers must avoid situations where their interests and the interests of the Company conflict.
- (b) We have implemented a Conflicts of Interest Policy and Procedure to provide guidance to Directors and Officers in complying with their obligations to take all reasonable steps to avoid actual, potential or perceived conflicts of interests.

### **10.2 Related Party Transactions**

- (a) Our values are dedicated to ensuring that the ACN Group satisfies the highest standards of ethical conduct with respect to related party transactions, both in its Companies' capacities as registered charities with the ACNC, and as public companies limited by guarantee.
- (b) We have implemented the Related Party Transactions Policy and Procedure to ensure relevant transactions are identified, recorded and disclosed in compliance with good governance.

## **11 Data**

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### **11.1 Privacy**

- (a) We recognise the need to be consistent, cautious and thorough in the way that personal information which has been provided to us is recorded, stored and managed. As such, we are committed to protecting the privacy and confidentiality of the interested parties in the way information is collected, stored and used, to ensure that it is done so in an ethical and responsible manner.
- (b) Similarly, we understand the importance of ensuring that data is stored safely, and that confidential information is treated confidentially. This includes ensuring that when a data breach occurs, adequate steps are taken to address the breach.
- (c) We have implemented the:
  - (i) Privacy Policy;
  - (ii) Data Breach Management Policy;
  - (iii) Confidential Information Policy; and
  - (iv) Information Governance Policy,to ensure that we have robust measures in place to deal with information that we receive, in accordance with good governance and ethical obligations.

## **12 Investment and Reserves**

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### **12.1 Ethical Investment**

We are committed to socially responsible investment. We will not knowingly invest in an organisation without due regard for that organisation's impact on the environment, and its history of discrimination, human rights, public safety, diversity, equal opportunity, dignity of employees.

### **12.2 Reserves**

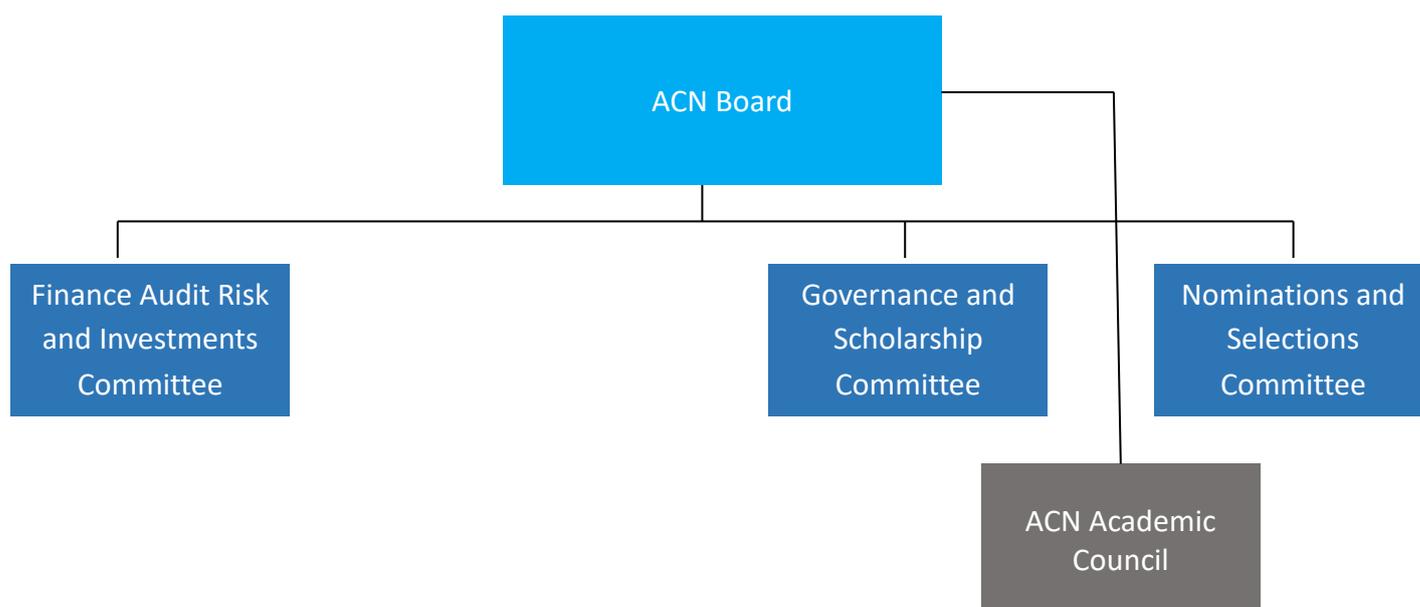
As all of the entities in the ACN Group are registered charities, we are committed to ensuring that we have appropriate plans in place for our reserves. Our reserves policy ensures that all of our reserves are either allocated towards particular projects, or towards a calculated contingency fund.

## 13 Board Committees

### 13.1 Board Committees

ACN's Board has the power under its constitution to create Committees of the Board. All Committees are answerable to the Board, and the Board may require all decisions of a Committee to be approved by the Board before becoming effective. Each Committee is governed by a separate terms of reference document.

At present, our Board has created five committees to assist with its governance and performance. The current Committees are represented diagrammatically as follows:



### 13.2 Purpose of each Committee

The purpose of each of our board committees is as follows:

(a) Finance Audit Risk and Investments Committee

This Committee is established to ensure our finance, audit and business functions comply with current regulatory requirements and reflect contemporary business, governance and ethical requirements in Australia.

(b) Governance and Scholarship Committee

This Committee is established to:

- (i) advise the Board on compliance with the requirements of our Constitution, organisational policies and procedures, as well as government legislation and regulations; and
- (ii) provide oversight and advice to the Board on the awarding of scholarships to Members and Fellows.

(c) Academic Council

This Committee is established to advise the Board on all academic governance issues, including TEQSA compliance.

(d) Nominations and Selection Committee

This Committee is established to ensure that our Directors meet the required skills and selection criteria for Director nomination.

## 14 External Appointments

- (a) From time to time, ACN has the ability to appoint directors of other entities, in its capacity as members of those other entities. For example, the Company can appoint Director(s) to:
- (i) Australian Nursing and Midwifery Accreditation Council Limited; and
  - (ii) International Council of Nurses.

- (b) The Board establishes procedures regarding ACN appointing directors of other entities, including how appointees are selected, and the expectations that shall be communicated to them. These appointments may only occur through a resolution of the Board.

## **15 Conclusion**

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This governance statement shows:

- (a) evidence of the ACN Group's commitment to best practice in good governance; and  
(b) that the ACN Group treats its governance policies as living documents which are reviewed and updated on a regular basis to ensure that they at all times reflect the law and best practice in Australia.

## **16 History**

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Developed by Mills Oakley October 2020

<b>Responsibility for Review</b>	Chief Operating Officer
<b>Ratification</b>	Board
<b>Date of Issue</b>	October 2020
<b>Date Last Reviewed</b>	