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Responsible Person	The Board

GOVERNANCE POLICY

For the purpose of this policy, 'CRSF' means the Cambodia Rural Students Foundation

1. OBJECTIVE

This policy outlines the system of governance by which CRSF is supervised to ensure that management is fulfilling the foundation's mission and complying with legal and ethical requirements.

CRSF is a not-for-profit company limited by guarantee which provides services in international development assistance and emergency response.

2. POLICY

The governing rules for the foundation are provided by the *Australian Corporations Act 2001 (Cth)*, the *Australian Charities and Not-for-profit Commission Act 2012 (Cth)* and the CRSF Constitution.

This governance document provides further details on rules and procedures. Where there is any inconsistency between this document and the Constitution, the latter prevails.

Under the Constitution, the Board may delegate any of their powers, other than powers required by law to be dealt with by the Directors as a board, to a Committee consisting of such members of the Board and other people the Board thinks fit.

3. ACCOUNTABILITY

Accountability is an important element of corporate governance. In addition to meeting the requirements under the *Corporations Act 2001 (Cth)* regulated by the Australian Securities and Investments Commission (ASIC) and under the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* regulated by the Australian Charities and Not-for-Profit Commission (ACNC), the foundation must also observe all other applicable laws in Australia and in the countries in which it operates including relevant employment and health and safety laws.

4. FUNDRAISING REQUIREMENTS

CRSF must comply with the provisions of the fundraising laws which apply in each of the Australian jurisdictions.

5. AUSTRALIAN COUNCIL FOR INTERNATIONAL DEVELOPMENT (ACFID) REQUIREMENTS

CRSF is applying to become a member of ACFID. If successful, it will be bound to adhere to its Code of Conduct.

6. OTHER STAKEHOLDERS

The foundation is also accountable to other stakeholders who have a strong interest in the outcomes of the humanitarian aid and emergency relief provided by the foundation. These stakeholders include:

- Australian public (source of donations);

- Civil society partners/organisations in the countries in which we work;
- People and communities with whom we work and who receive support through humanitarian and development projects and initiatives; and
- CRSF members and volunteers.

7. BOARD OF DIRECTORS

An effective Board understands its role and responsibilities, has in place appropriate corporate governance structures, and therefore, ensures that it is well informed by management with whom it has an open and frank relationship. The Board is required to:

- to act with reasonable care and diligence
- to act honestly and fairly in the best interests of the charity and for its charitable purposes
- not to misuse their position or information they gain as a Director (Responsible Person)
- to disclose conflicts of interest
- to ensure that the financial affairs of the charity are managed responsibly, and
- not to allow the charity to operate while it is insolvent.

The most important functions of the Board are to:

- Ensure compliance with relevant laws, codes of conduct and ethical standards;
- Approve and monitor performance against strategic and operational plans and budgets;
- the performance of senior management; and
- Ensure appropriate succession arrangements are in place for the Board itself.

The Board only comprises of non-executive directors.

The range of skills and experience required by the Board covers strategic planning, governance, program development and monitoring, finance and audit and fundraising functions.

Criteria for the appointment of Board Members include:

- Status and respect in the community;
- Capacity to participate in corporate decision-making at the highest level;
- A strong commitment to humanitarian work in the developing world;
- Willingness to work on a voluntary basis; and
- A sound knowledge of Directors' responsibilities under the *Corporations Act 2001 (Cth)* and the *Australian Charities and Not-for-profit Commission Act 2012 (Cth)*.

CRSF strives to achieve a Board which is both skills based and representative. In appointing Board members, a strong focus is placed on diversity of membership and thinking including diversity along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, abilities, religious beliefs, political beliefs, or other ideologies.

CRSF ensures that directors are not disqualified from managing a corporation under the *Corporations Act 2001 (Cth)* or banned from taking up a role as a Responsible Person in the previous 12 months by checking the Registers of Disqualified Persons held by the ACNC and by ASIC. Where the director is not Australian based, the comparable legislative framework is used, where possible. Checks are also made to confirm that directors have not been associated with listed terrorist organisations.

In selecting members, the Board places emphasis on diversity and seeks out gender and safeguarding expertise as desirable skills and experience when recruiting new persons to the Board.

Appointments to and retirements from the Board are made in accordance with section 8 of the Constitution.

7.1 Board Tenure

Under the Constitution of CRSF:

- A person can only be admitted to membership of CRSF if the directors approve. The directors for the time being constitute the members.
- A person's membership may be terminated by the Directors by written notice to the member, or terminated by the members by resolution. A person ceasing to be a member ceases to hold office as a director.
- By resolution, the directors may appoint, and may remove, any one of their number to act as chair.
- Any director/member may resign by notice to CRSF.

7.2 Board Conflict of Interest

An issue or a transaction involving Board members and member-related entities may occur in the ordinary course of CRSF business. A standing requirement at all Board meetings is the declaration of any actual, potential and perceived conflicts of interest, including those that have already occurred. Where any member has a material personal interest in a transaction or issue to be considered at a Board meeting, that member will not be present while the transaction or issue is being considered and will not vote upon the transaction or issue.

The Board of Directors will determine whether that member's personal interest in a transaction or issue is material based on financial, reputational and legal risks. The Board of Directors has the discretion to determine whether a director should be asked to resign from the Board if the transaction or issue is considered sufficiently material and ongoing to warrant this.

8. RESPONSIBILITY

The policy applies to all CRSF members and volunteers, contractors and consultants, with specific responsibility held by the Board.