[Insert organisation name/logo]

**Board of Directors**

**Code of Conduct and Ethics**

**Introduction**

This code sets out the relevant standards of conduct expected of the [Insert organisation name] Board of Directors in order to promote and maintain the highest standards of integrity and leadership.

* This Board Code of Conduct has been developed to set out the legal and ethical responsibilities of the [Insert organisation name] Board of Directors. It will help ensure the organisation is effective, open and accountable.
* The Code of Conduct forms part of the Board of Directors frame of reference for the review of their performance as a governing body and is operationalised through:
* The provisions of the [Insert organisation name] Constitution with respect to the Board of Directors
* The procedure for managing conflicts of interest (Appendix 1)
* The procedure for managing a breach of the code of conduct (Appendix 2)

**Code of Conduct:**

**In regards to legal and ethical responsibilities, the Board of Directors:**

* Must act with honesty, due caution and be willing to consider professional advice on any matter in which they do not have expertise.
* Must administer the organisation and its assets in the interest of current and future stakeholders.
* Will administer the organisation in line with [Insert organisation name] agreed values as per the Strategic Plan.
* Should hold themselves accountable to the organisation’s stakeholders, (including the general community) for their decisions and for their and the organisation’s performance.
* Must not gain financially, or in other material ways, including families and friends, from association with the Board. This includes using his/her status on the Board to gain advantage from any other organisation. The Board should ensure there are clear written policies on claiming expenses by Board Director.
* Must not place themselves under any obligation, financial or otherwise, to any other organisation that can or may influence them in the performance of their duties.
* Must not act in a manner that may damage or undermine the reputation of the organisation or the staff and must not take part in an activity which is in conflict with the organisations objectives.
* Must make decisions together and take joint responsibility for those decisions. Where one Board Director or small group of Directors is authorised to speak or take action on behalf of the organisation, it is a matter for all Directors to decide together. This decision needs to be recorded in a written format.
* Must formulate and review regularly the organisation’s vision, values and long-term strategy as well as policies.
* Must, with the help of the Chief Executive Officer and professional advisors, ensure that the organisation complies with all legal requirements and that they exercise overall control over the organisation’s financial affairs.
* Must be familiar with and regularly review the rules and constitution of the organisation. Any changes must be made in accordance with legal requirements.
* Must strive to attend all meetings regularly, ensuring they are familiar with the issues to be discussed, enabling them to contribute appropriately and effectively.
* Must aim to predict and avoid any conflict of interest. Where any conflict of interest does arise, the member must at once declare an interest and absent him/herself from the discussion or vote (see Appendix 1).
* Must ensure that any confidential information or material provided or discussed at the meetings, remain confidential and only within the scope of the meeting.
* Must ensure that the Board is properly constituted, balanced and competent. This includes clear procedures for selection, election (including officeholders), training and if necessary removal.

**[Insert organisation name] Code of Ethics for Board Members**

This model code of ethics is not meant to address every potential ethical dilemma encountered which a board may encounter, but is offered as a guiding ethical *decision making* framework.

**Board members should:**

* Strive at all times to serve the best interests of the organisation as a whole regardless of their personal interests or views.
* Use sound judgment to make the best possible business decisions on behalf of the organisation taking into consideration all available information circumstances and resources.
* Act within the boundaries of their authority as defined by the law, legislative and regulatory supporting documents as found in organisational policies; in particular the [Insert organisation name] Governance Policy.
* Provide opportunities for members and stakeholders to comment on decisions facing the organisation.
* Perform their duties without bias for or against any individual or groups or individual stakeholders.
* Disclose personal or professional relationships with any stakeholder or individual who has or is seeking to have a business relationship with the organisation.
* Always speak with one voice, supporting all duly-adopted board decisions even if the board member was in the minority regarding actions that may not have obtained unanimous consent.

**Board members should not:**

* Reveal confidential information unless specifically authorised by the board.
* Make unauthorised promises to other parties.
* Advocate or support any action or activity that violates a law or regulatory requirement.
* Use their positions or decision-making authority for personal gain or to seek advantage.
* Spend unauthorised association funds for their own personal use or benefit.
* Accept any gifts - directly or indirectly - from other parties without the knowledge of the board and Chief Executive Officer.
* Misrepresent known facts in any issue involving [Insert organisation name] business.
* Divulge personal information about any member, stakeholder representative or employee obtained in the performance of board duties.
* Make personal attacks on colleagues, staff or residents.
* Harass, threaten or attempt through any means to control or in-still fear in any board member, stakeholder or member organisation.

**References**The [Insert organisation constitution]

I have read and agree to abide by the above Code of Conduct and Ethics.

Name .........................................................................

Signed ………………………………………………….. Date..................................

**Appendix 1**

**Procedures for Identifying and Managing Conflicts of Interest**

* All Board Directors will declare any potential conflicts of interest that may arise at the next Board meeting prior to the meeting or when that person becomes aware of the potential conflict of interest.
* All declarations of potential conflicts of interest will be recorded in the minutes of each meeting.
* The Board will examine each potential conflict of interest on its merits and assess the possible risk factors. The Board may then implement contingency plans or arrangements for dealing with each particular circumstance.
* Board Directors will abstain from voting or deciding on any question where that person’s interests conflict with the decision at hand.
* Any person with an agreed conflict of interest may be asked to leave the meeting during discussion and decisions where such an important conflict of interest may influence decisions to be made.
* The Board will grant leave of absence for a person from the Board for the times in which the decisions where such an important conflict of interest may influence decisions (positively or negatively) to be made.
* The Board will respond to any complaints made to the Board (or CEO in the case of conflict for staff), which assert that they have ignored conflicts of interest. The complainant will be informed of the decision and reason in writing within ten (10) working days.
* Where conflicts of interest are not declared by staff or continued once declared and determined as inappropriate, the Director will ensure that disciplinary procedures are followed.
* Where the disciplinary process is implemented to a conflict of interest, the Chairperson of the Board will be advised, consulted and involved as needed.
* [Insert here any other requirements outline in the legislation that applies to your organisation for example; Corporations Act, NSW Incorporations Act, Co-operatives Act, or other]

**[Insert organisation name]** **Board Director Declaration**

[Insert organisation name] requests that the standard of behaviour of all Board Directors, volunteers and staff carefully avoid conflicts of interest. This includes avoiding potential and actual conflicts of interest as well as perceptions of conflicts of interest. I understand that the conflict of interest statement is vital to the reputation and integrity of the organisation.

During Board meetings or any [Insert organisation name] related activity, I will disclose any personal interests in a decision, including those that affect my family or close friends, employer or close associates. I accept that after disclosure, I will be asked to either leave the room and/or refrain from any discussion on the matter or any vote taken.

I accept that any disclosure will be kept on file and will be updated and I understand and wholly support this statement and will respect its intention in the interest of the organisation.

Name .........................................................................

Signed ………………………………………………….. Date..................................

**Appendix 2**

**Procedures for Managing a Breach of the Code of Conduct**

* It is the responsibility of the governing body to manage a breach of the [Insert organisation name] Board of Directors Code of Conduct.
* All [Insert organisation name] Board Directors have an obligation to report any known breach of the [Insert organisation name] Board of Directors Code of Conduct to the President or [Insert organisation name] Board Executive.
* All reports of possible breaches of the Code of Conduct are to be documented by the President and responded to by the [Insert organisation name] President and [Insert organisation name] Board Executive in a timely manner.

**Management of a breach of the Code of Conduct is a three step process:**

* The President is to raise the issue of a possible breach of the Code of Conduct directly with the relevant Board Director and highlight the need to adhere to the Code of Conduct. This is to be documented and put on the agenda of the next [Insert organisation name] Board meeting.
* If breaches to the Code of Conduct continue, the President and [Insert organisation name] Board Executive will discuss the issue and strategies to manage the situation. The President will then formally write to the relevant Board Director requesting a meeting at [Insert organisation name] to discuss how to address the situation. The President and at least one member of the [Insert organisation name] Board Executive is to be present at such a meeting. The attending Board Director has the right to be accompanied by a support person in this meeting. Documentation of the meeting is to include plan of action to address the Breach of the Code of Conduct.
* If breaches to the Code of Conduct continue despite the above plan of action being put in place, the [Insert organisation name] Board will resolve to request a resignation of the Board Director from the Board. The President will formally write to the relevant Board Director requesting a resignation. If the Board Director elects not to resign, the Board has no other option than to terminate the Board Director’s position on the Board and document this at the Board meeting. Fair Trading NSW is to be notified within the appropriate timeframe.
* All documentation relating to breaches of the Code of Conduct are to be filed in the relevant Board of Directors files at [Insert organisation name]. These files are to be maintained in a locked filing cabinet at all times.