

Policy 1	Corporate Governance	
Record of policy development		
Version	Date approved	Date for review
2.5	December 2020	December 2022
2.4	October 2020	October 2022
2.3	March 2020	March 2022
2.2	May 2019	January 2021
2.1	January 2018	January 2021
<b>Policy purpose:</b>		
To ensure that Coastlink is governed by a board that upholds the values and vision of the organisation through best practice governance.		
<b>Policy:</b>		
Coastlink follows the ‘Australian Institute of Company Directors Not-for-Profit Governance Principles’ to guide professional governance of the organisation. Coastlink has implemented corporate governance processes that are accountable to all stakeholders including regulatory bodies.		
Coastlink is governed by a board in accordance with its Constitution and charitable purpose.		
<ul style="list-style-type: none"><li>➤ The board will hold responsibility and accountability for the organisations financial, legislative, regulatory and contractual responsibilities.</li><li>➤ The board will monitor and respond to quality and safeguarding matters associated with delivering supports to clients.</li><li>➤ The board will be suitably qualified for governing the organisation, and maintain the relevant skills and knowledge for effective governance.</li><li>➤ The board will ensure that strategic and business planning considers legislative requirements, organisational risks, client and employee needs, regulator requirements (e.g. the NDIS Quality and Safeguarding Commission and NSW Health) and the wider organisational environment.</li><li>➤ The board will monitor the performance of the organisations management to drive continuous improvement in management practices.</li><li>➤ The board will ensure that the organisation is managed by suitably qualified and/or experienced persons with clearly defined responsibility, authority and accountability for the provision of supports.</li><li>➤ The board will ensure that there is a documented system of delegated responsibility to another suitable person in the absence of a usual position holder in place.</li><li>➤ The board will ensure that perceived and actual conflicts of interest are identified, proactively managed and recorded.</li><li>➤ The board will provide for people with disability to contribute to the governance of the organisation and have input into the development of organisational policy and processes relevant to the provision of supports and the protection of participant rights.</li></ul>		

Relevant Standards	
NSW Disability Service Standards:	
6. Service Management	
NDIS Practice Standards:	
<ol style="list-style-type: none"> <li>1. Rights and Responsibilities</li> <li>2. Provider Governance and Operational Management</li> <li>3. Provision of Supports</li> <li>4. Support Provision Environment</li> <li>5. High Intensity Daily Personal Activities</li> <li>6. Specialist Behaviour Support</li> <li>7. Implementing Behaviour Support Plans</li> <li>8. Early Childhood Supports</li> <li>9. Specialised Support Coordination</li> <li>10. Specialist Disability Accommodation</li> </ol>	
Aged Care Quality Standards	
<ol style="list-style-type: none"> <li>1. Consumer dignity and choice</li> <li>2. Ongoing assessment and planning with consumers</li> <li>3. Personal care and clinical care</li> <li>4. Services and supports for daily living</li> </ol>	<ol style="list-style-type: none"> <li>5. Organisation's service environment</li> <li>6. Feedback and complaints</li> <li>7. Human resources</li> <li>8. Organisational governance</li> </ol>

Related Legislation & References
<a href="#">ACNC Governance Standards</a> <a href="#">Aged Care Act 1997 (Cth), Schedule 2 User Rights Principles 2014. Charter of Rights and Responsibilities – Home Care</a> <a href="https://www.legislation.gov.au/Details/C2018A00149">https://www.legislation.gov.au/Details/C2018A00149</a> <a href="#">Better Practice Guide to Complaints Handling in Aged Care Services (2013)</a> <a href="#">Children and Young Persons (Care and Protection) Act 1998</a> <a href="#">Commonwealth Home Support Programme Guidelines</a>

[Commonwealth Privacy Act 1988](#)

[National Disability Insurance Scheme Act 2013](#)

[National Disability Insurance Scheme Code of Conduct](#)

[NDIS Practice Standards and Quality Indicators 2018](#)

[NDIS Quality and Safeguards Commission](#)

[United Nations Convention on the Rights of Persons with Disabilities](#)

The Constitution of the Central Coast Alternative Care Group Ltd

Related Procedures	
Documents/Forms	

Responsibilities and delegations	
<b>This policy applies to:</b> Board Members CEO	<b>It will be distributed through:</b> Board Members handbook Board Members handbook
<b>Policy approval</b>	Board

Definitions
Refer to Definitions list at front of Coastlink Policy and Procedure Manual

## 1. CORPORATE GOVERNANCE PROCEDURE

### Introduction

COASTLINK is governed by a professional board who is committed to best practice governance and compliance. As a part of this the board ensures that the organisation is compliant with relevant legislative and legal requirements, is led by a suitably qualified and experienced senior management team and is meeting a high standard of quality service provision. The board provides opportunities for feedback from stakeholders to inform the governance and work of the organisation. The board practices superior financial, governance and legal oversight of the organisation always.

### Learning and development

The Board of COASTLINK commits to maintaining a high level of skill within the board by accessing training relevant to the governance of the organisation. This includes, but is not limited to:

- attending conferences, forums and workshops (including maintaining membership and attendance at AICD conferences)
- reading current reports and papers on topics relevant to governance practice
- keeping well-informed of any changes to legislation and learning how they might impact on the organisation
- gaining feedback from staff and clients to inform continuous improvement
- Undertaking regular skills and performance reviews

### 1.1 CORPORATE GOVERNANCE – TABLE OF STANDARDS

The following table represents some of the requirements that the COASTLINK board must consider, and which may give cause to the board's decision making.

Corporations Act. 2001	Description	Reference
	<ul style="list-style-type: none"> <li>• Maintain proper records of accounts showing the financial position of the group and present these at an Annual General Meeting.</li> <li>• Maintain an up-to-date Register of Members and Register of Board of Management Members and make it available to members.</li> </ul>	<p>Constitution of Coastlink</p> <p>1.2.1 Requirements of Companies Limited by Guarantee</p> <p>1.12.1 Conditions of Registration as a Charity</p>

<p>Charitable and not-for-profit organisations can be registered as public companies limited by guarantee. This means the liability of the company's members is limited. The limit is usually the amount members will contribute to the property of the company if it is wound up.</p> <p>Registration of a company creates a legal entity separate from its members. This means the company can hold property and sue or be sued.</p>	<ul style="list-style-type: none"> <li>• Maintain the constitution up-to-date and make it available to members.</li> <li>• Advise ACNC of any changes to the constitution or changes to Board members. (ACNC will also advise ASIC of any changes, although these changes will be monitored by the Company secretary to ensure all relevant information is processed by the ASIC.)</li> </ul> <p>A public company must:</p> <ul style="list-style-type: none"> <li>• have at least three directors and one secretary</li> <li>• have at least one member</li> <li>• have a registered office address and principal place of business located in Australia</li> <li>• have its registered office open and accessible to the public</li> <li>• be governed by a constitution</li> <li>• maintain a register of its members</li> <li>• keep a record of all directors' and members, meeting minutes and resolutions</li> <li>• appoint a registered company auditor within one month of its registration</li> <li>• keep proper financial records</li> <li>• lodge audited financial statements and reports after the end of every financial year.</li> <li>• send its members a copy of its financial statements and reports. This does not apply to some companies limited by guarantee</li> <li>• hold an annual general meeting once a year. The meeting must be within five months of the end of financial year.</li> <li>• receive and review an annual company statement and pay an annual review fee. Some charitable</li> </ul>	<p><a href="#">ASIC</a></p>
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	<p>and not for profit organisations are eligible for reduced fees</p> <ul style="list-style-type: none"> <li>• tell the ACNC (and in some instances where information is not shared between the ACNC and ASIC, the Company Secretary must also advise the ASIC) when their details change and lodge any documents within the required timeframe.</li> </ul>	
ACNC Act	Description	Reference
<p>A charity must make sure it continues to be entitled to registration under the ACNC Act. This includes meeting all of the criteria for initial registration, and ongoing registration.</p>	<p>Registration, and ongoing registration, requires that the organisation:</p> <ul style="list-style-type: none"> <li>• continues to be a charity, which means it must: <ul style="list-style-type: none"> <li>○ remain <u>not-for-profit</u>, and</li> <li>○ have a <u>charitable purpose</u> which is for the <u>public benefit</u></li> </ul> </li> <li>• is complying with the <u>governance standards</u> (and external conduct standards, if introduced) that may apply to it</li> <li>• has an <u>Australian Business Number (ABN)</u>;</li> <li>and</li> <li>• is not involved in terrorist or other criminal activity.</li> <li>• The organisation must tell the ACNC when their details change and lodge any documents within the required timeframe; and</li> <li>• The organisation must provide the annual statement to the ACNC.</li> </ul>	<p>1.12.1 Conditions of Registration as a Charity</p>

ACNC Governance Standards	Description	Reference
Standard 1: Purposes and not-for-profit nature	Charities must be not-for-profit and work towards their charitable purpose. They must be able to demonstrate this and provide information about their purposes to the public.	
Standard 2: Accountability to members	Charities that have members must take reasonable steps to be accountable to their members and provide them with adequate opportunity to raise concerns about how the charity is governed.	
Standard 3: Compliance with Australian laws	Charities must not commit a serious offence (such as fraud) under any Australian law or breach a law that may result in a penalty of 60 <u>penalty units</u> (equivalent to \$12,600 as at December 2018) or more.	
Standard 4: Suitability of responsible persons	Charities must take reasonable steps to: <ul style="list-style-type: none"> <li>be satisfied that its responsible persons (such as board or committee members or trustees) are not disqualified from managing a corporation under the Corporations Act 2001 (Cth) or disqualified from being a responsible person of a registered charity by the ACNC Commissioner, and</li> <li>remove any responsible person who does not meet these requirements.</li> </ul>	
Standard 5: Duties of responsible persons	Charities must take reasonable steps to make sure that responsible persons are subject to, understand and carry out the duties set out in this standard.	

AICD Principles	Description	Reference
Purpose and Strategy	The organization has a clear purpose and a strategy which aligns its activities to its purpose.	'About Coastlink' – 1.1 Constitution/Strategic Plan
Roles and Responsibilities	There is clarity about the roles, responsibilities and relationships of the board.	1.5.4 – 1.5.6
Board composition	The boards structure and composition enable it to fulfill its role effectively.	1.5
Board effectiveness	The board is run effectively and its performance is periodically evaluated.	1.5.9
Risk Management	Board decision is informed by an understanding of risk and how it is managed.	1.14.1 Section 6: Risk Management
Performance	The organisation uses its resources appropriately and evaluates its performance.	1.5.9
Accountability and transparency	The board demonstrates accountability by providing information to stake holders about the organisation and its performance.	1.17
Stakeholder engagement	There is meaningful engagement of stakeholders and their interests are understood and considered by the board.	1.14 Continuous Improvement Committee



Conduct and compliance	The expectations of behavior for the people involved in the organisation are clear and understood.	1.5.7
Culture	The board models and works to instill a culture that supports the organisation's purpose and strategy.	
<b>NDIS Practice Standards</b>	<b>Description</b>	<b>Reference</b>
	Opportunities are provided by the governing body for people with disability to contribute to the governance of the organisation and have input into the development of organisational policy and processes relevant to the provision of supports and the protection of participant rights.	
	A defined structure is implemented by the governing body to meet a governing body's financial, legislative, regulatory and contractual responsibilities, and to monitor and respond to quality and safeguarding matters associated with delivering supports to participants.	1.9 Section 2: Regulatory Compliance
	The skills and knowledge required for the governing body to govern effectively are identified, and relevant training is undertaken by members of the governing body to address any gaps.	1.5
	The governing body ensures that strategic and business planning considers legislative requirements, organisational risks, other requirements related to operating under the	1.5.5

	NDIS (for example Agency requirements and guidance), participants' and workers' needs and the wider organisational environment.	
	The performance of management, including responses to individual issues, is monitored by the governing body to drive continuous improvement in management practices.	1.5.9
	The provider is managed by a suitably qualified and/or experienced persons with clearly defined responsibility, authority and accountability for the provision of supports.	1.5
	There is a documented system of delegated responsibility and authority to another suitable person in the absence of a usual position holder in place.	1.5.6
	Perceived and actual conflicts of interest are proactively managed and documented, including through development and maintenance of organisational policies.	1.5.7

## 1.2 Company Requirements

### 1.2.1 Register of Members and Register of Board of DIRECTORS

The Company Secretary will maintain a register of names, showing each member's name, home address, any other address or contact information provided by the member and the date of commencement of membership.

The Company Secretary is responsible for ensuring that the Register is maintained up to date.

### 1.2.2 Membership

#### **Applications for membership**

An eligible person, aged 18 years or over, may apply to become a member of Central Coast Alternative Care Group Ltd (CCACGL) by completing and signing a written membership form.

The Board has adopted a written policy which identifies the minimum and desirable criteria (including skills, experience and qualifications) to be met by directors, as well as any matter which would disqualify a person from being a director. In addition to any requirements and/or prohibitions imposed by the Corporations Act, to be eligible to serve as a director, a person must meet the minimum criteria set out in the policy and the Constitution of the CCACGL and must not be subject to any matter which would disqualify that person pursuant to the policy.

Any person not approved by the Board of Directors is advised of the reason why within 30 days of the meeting at which the decision was made. There is no appeal against the rejection of an application for membership.

The Board has agreed that the following Code of Conduct must be agreed to, and signed, by any person wishing to become a Director of COASTLINK:

#### **Membership fees**

The Board of Management sets the membership fees.

- a. Every Member must contribute an amount not more than \$1.00 to the property of the Company if it is wound up while the person is a Member or within one year after the person ceases to be a Member for:
  - i. Payment of the Company's debts and liabilities contracted before the time he or she ceased to be a Member; and
  - ii. Costs, charges and expenses of winding up.

## 1.3 The Constitution

The constitution underpins all of COASTLINK's operations and services and specifies the legal framework in which COASTLINK operates.

### 1.3.1 Familiarity with Constitution

Board of Directors and the CEO are familiar with the details of the constitution, and make sure that all of COASTLINK policies and practices are consistent with the constitution. In particular, the Board makes sure that the legal requirements specified in the constitution and the Corporations Act are met.

### 1.3.2 Review of Constitution

The constitution is reviewed by the Board every three years to ensure that it is up-to-date and relevant to the changing environment in which COASTLINK operates.

#### *Changing the constitution*

The constitution may only be altered, rescinded or added to by a special resolution of Central Coast Alternative Care Group Ltd in a general meeting.

A notice of the special resolution is forwarded to ACNC as soon as practicable following consent to the special resolution.

## 1.4 Meetings

### 1.4.1 Annual General Meeting

COASTLINK must hold an annual General Meeting at least once in each calendar year (within 5 months after the end of financial year).

### 1.4.2 Special General Meeting

All meetings of all members other than AGM's will be called Special General Meetings and will be held at the discretion of the board or when called by other person(s) permitted to call such meeting pursuant to the corporations act.

The Board will meet at regular General Board Meetings as required under the Constitution.

## 1.5 Board of Directors

COASTLINK is managed by a Board of Directors of up to eight people comprising of:

- Chairperson
- Vice Chairperson
- Treasurer
- Directors (a maximum of 5 other Directors)

## Management Qualifications

Board of Directors comprise people who can acquire appropriate knowledge, skills and training to fulfil all the responsibilities related to the governance of the organisation and funded programs and

who can exercise objective and independent judgement on corporate affairs separate from decision making on operational matters.

The responsibilities of Board members are clearly defined and documented within these policies and procedures and are disclosed to board members through the provision of information and orientation training when they join the Board. (See 1.5.7 Orientation for Board of Management Members).

Board members are encouraged to become members of the Australian Institute of Company Directors (AICD), and assisted to graduate from the AICD.

### 1.5.1 Board of DIRECTORS Meetings – Structure

See Table 1.1: Management Meetings.

### 1.5.2 Orientation for Board of DIRECTORS

If new members are elected through a meeting of the board as determined by the Constitution, a short orientation session for new members with the CEO and/or the Chairperson is required following election as a member. This covers information in this section of the Policies and Procedures manual including:

- The vision, objectives and philosophy of our organisation
- Board and Board member roles and responsibilities
- Distinction between corporate affairs and operational matters
- Information on funding
- Information on the services delivered
- Information on staff
- Information about Board meetings
- The Code of Behaviour for Board members.

In addition, new Board members will be given a copy of the above information and the constitution.

The CEO is responsible for preparing this information for new Board members.

### 1.5.3 Advisory Committees

The Board may elect to establish Board advisory committees to advise on certain matters. There are currently four on-going committees:

- Finance, Risk and Audit Committee;
- Remuneration and Nomination Committee;
- Governance and Compliance Committee; and
- Growth and Diversification Committee.

Terms of Reference are developed and approved by the Board for each committee. These are reviewed from time to time.

Clients have ongoing input into the operations of the organisation through our continuous improvement processes (see Section 5: Continuous Improvement).

#### 1.5.4 Role of the Board of Directors

The Board of Directors provides strategic direction to, and monitors the operations of, COASTLINK to ensure that it:

- Meets its objectives as specified in the constitution,
- Remains a viable organisation, and
- Meets legal requirements, including those related to corporate law, funding, contractual arrangements, the employment of staff and the provision of services.

The Board of Directors is responsible for ensuring COASTLINK operates within its approved budget and in accordance with the policies and procedures set down by the Board and all other legislative and regulatory requirements of the organisation.

##### *Working with the CEO*

The Board meets its responsibilities by working in partnership with the CEO who is responsible for implementing the directions and decisions of the Board and for providing the Board with the information necessary to effectively monitor the operations of the service.

The CEO implements the directions and decisions of the Board by ensuring day to day operations of the service are managed in accordance with the policies and procedures and all legislative and regulatory requirements.

Issues that are not covered by established policies and procedures are referred to the Board for consideration and direction.

The CEO is provided with a Contract that is to remain in operation at all times. The contract provides additional information pertaining to the CEO requirements and expectations.

##### *Involvement in day to day management*

The Board is not involved in the day to day management of COASTLINK and Board members cannot direct the staff or volunteers of the service, unless authorised by a meeting of the Board of Directors to do so. The Chairperson is the nominated member liaising with the CEO on an ongoing basis.

#### 1.5.5 Responsibilities of the Board of DIRECTORS

Specific responsibilities of the Board are:

##### *Legal responsibilities*

Ensure that COASTLINK operates within relevant Federal, State and Local Government laws and funding provider requirements including:

- Operates in line with
  - The COASTLINK Constitution
  - The Corporations Act
  - ACNC requirements
  - The CHSP, NDIS Practice Standards, Aged Care Quality Standards and any Funding Agreements.
- Complies with all legislation in relation to the employment of staff and volunteers including:

- Minimum conditions of employment and any awards and agreements that may apply;
- Income tax requirements;
- Work health and safety requirements;
- Equal employment opportunity legislation;
- Workers compensation; and
- Superannuation
- Has adequate insurance cover
- Complies with the Australian Privacy Principles, the NDIS Practice Standards, the NDIS Terms of Business, the Aged Care Quality Standards, the NSW Children's Guardian legislation and any other relevant legislation or regulations.

#### *Policy and planning*

Ensure that:

- COASTLINK has clear and relevant objectives that guide the operations of the organisation.
- Strategic Plans are developed every 3 years and Operational Plans developed each year, reviewed each year and identified priorities are implemented.
- High quality and effective services are delivered to clients in line with the Aged Care Quality Standards, NDIS Practice Standards, Standards in Action and relevant funding program guidelines (CHSP, NDIS)
- This policies and procedures manual is kept up-to-date and complies with funding requirements, legal requirements, relevant standards and accepted sector good practice.
- The Board approves all major changes to policies and any new policies.

#### *Financial*

Ensure that:

- COASTLINK has an annual budget that is approved by the Board and that expenditure is within the budget.
- Variances in budget are explained in monthly reports to the Board who make recommendations on future actions.
- COASTLINK has sufficient income to meet the budget requirements.
- The conditions of the Funding Agreements are followed.
- Funds are properly accounted for and that an external audit is completed every year.

#### *Staff management responsibilities*

- Ensure the recruitment of the best possible CEO.
- Provide CEO with support, direction, supervision and appraisal.

### 1.5.6 Further Responsibilities

#### *Community Support*

- Ensure that COASTLINK has community support and is a strong and viable organisation.
- Represent the organisation to the public.

#### *Attendance at Board meetings*

Board members agree to attend all scheduled and extraordinary Board meetings. If unable to attend a meeting, members agree to give the maximum notice possible. Notice should be given to the CEO or Chairperson to ensure that a quorum for the meeting is met.

A Board meeting may be called or held by means of telephone, audio-visual or other instantaneous communication method ("a tele-meeting"), subject to certain conditions in the Constitution being met.

### *Resignation of member*

In the event that a Director resigns, he/she agrees to give as much notice as possible in writing and to make every effort to find a replacement person for the position.

### *Expulsion of member*

A Director can be expelled from the Board as per the procedures specified in the Constitution including not attending three consecutive meetings without an acceptable reason.

### *Responsibilities of the Chairperson*

The responsibilities of the Chairperson include:

- Ensure regular Board meetings are held;
- Draw up agenda items with the assistance of the Secretary and/or the CEO;
- Prioritise agenda items and if necessary set time limits;
- Lead the meeting through the agenda, keeping discussion relevant and decision making clear and encouraging broad participation;
- Sign the minutes after they have been confirmed as an accurate record of the previous meeting;
- Ensure the meetings are run in accordance with the Company constitution;
- Act as a spokesperson for COASTLINK;
- Sign letters, contracts or documents on behalf of COASTLINK as required;
- Stay in touch with day-to-day happenings in the service through the CEO;
- Act as a spokesperson for COASTLINK.

### *Responsibilities of the Vice Chairperson*

The responsibilities of the Vice Chairperson include:

- Take on the role of Chairperson when he/she is absent from any meetings (in line with Constitution requirements);
- Assist the Chairperson in their duties;
- Be a member of and/or chair sub-committees/task groups as required;
- Sign letters, contracts or documents on behalf of COASTLINK as required;
- Undertake any other tasks as needed.

### *Responsibilities of the Treasurer*

The responsibilities of the Treasurer include ensuring:

- Books of account are properly maintained and kept safe;
- Monthly financial reports are prepared and presented at monthly Board meetings;
- Financial/accountability requirements of funding bodies are met;
- Board members understand the financial position of CCAGL;
- Funds are not being mismanaged;
- An annual audit of the books of account is conducted and the audited financial statements are presented to the Board and to the Annual General Meeting.

### *Responsibilities of the Secretary*

The responsibilities of the Secretary include ensuring:

- Accurate minutes of all meetings are taken and are properly filed;
- Copies of the minutes of Board meetings are distributed to Board members prior to the next Board meeting;
- A Register of Board Members and Association Members is maintained;
- Any reporting under the Associations Incorporation Act is completed;
- ASIC and/or ACNC is promptly advised of any changes to the Board as required.



### *Responsibilities of other Board members*

The responsibilities of other Board members include:

- Assisting the Chairperson, Secretary or Treasurer to undertake their duties;
- Acting as a spokesperson when requested by the Board;
- Manage and support staff when requested by the Board;
- Be a member of and/or chair sub-committees/task groups as required;
- Sign letters or documents on behalf of COASTLINK as required;
- Assist with any other tasks that may arise.

### **The Role of the Company Secretary**

- The Constitution requires the Board to appoint the Company Secretary of Central Coast Alternative Care Group Ltd..

The Company Secretary is not a Board member;

- The Company Secretary shall hold office on such terms and conditions as the Board determines;
- Company Secretary reports on correspondence & writes outgoing letters on behalf of the Board of Directors;
- Advise at Board meetings any correspondence that requires attention;
- Immediately advise the Chairperson of any item requiring urgent attention;
- Ensure that correspondence is properly filed and up to date and is available for any member to examine;
- Ensures accurate minutes are taken of meetings; ensure minutes are circulated to directors in advance of following meeting and that the Chair at the next meeting signs them;
- Maintain a register of members;
- Lodge the following documents with the Australian Charities and Not For Profit Commission (ACNC) as required:
  1. The income and expenditure statements of COASTLINK
  2. A statement of the assets and liabilities of COASTLINK
  3. A statement as to any mortgages or any other charges or securities affecting any property of COASTLINK
  4. Changes to Board membership.
- Receive formal notices from the ACNC as required;
- Comply with responsibilities of Public Officer.;
- With the Chair, maintain the Board of Directors orientation kit and provide a copy to all new Board members on appointment.

### **1.5.7 Code of Behaviour for Board of DIRECTORS**

COASTLINK's Code of Conduct for Directors

This Code of Conduct will apply to Directors of the Company. In addition to the specific Board Code of Conduct, all Board members are required to sign and understand the NDIS Code of Conduct.

#### **Board Values:**

In all our operations and relationships Directors value:

- Working together to make life better for people of all ages and abilities, their carers' and families and the community of the Central Coast;
- Working to create an inclusive community where each person is empowered to improve their quality of life through building independence, resilience and confidence;
- Each person is valued as an individual and will be treated with dignity, respect, privacy and confidentiality and will have their human rights respected at all times;
- Throughout the organisation the Board will lead promotion of:
  - respectful partnerships;

- clear and honest two-way communication;
- transparent processes;
- democratic, informed decision-making; and
- personal and professional integrity.

### Functions of the Board

The Board of Directors is the highest authority in the organisation. It represents the members of the organisation. The Board guarantees good governance for the company and ensures adherence to all legal requirements.

The operational guidelines for the Board are:

1. Keep COASTLINK legally compliant;
2. Ensure financial compliance and viability;
3. Oversee long-term development of the organisation;
4. Represent COASTLINK to the rest of the community; and
5. Promote the interest of the organisation at all times.

### *Directors agree to:*

- Always act ethically and with integrity;
- Act in accordance with the COASTLINK Constitution and the Corporations Act;
- Have a genuine interest in COASTLINK and its operations and the people we serve;
- Be prepared to undergo police and other screening checks;
- Acknowledge that Directors cannot get involved in the day to day operations of the Company;
- Declare any conflicts of interest;
- Ensure personal and financial interests do not conflict with the ability to perform official duties in an impartial manner;
- Observe Board solidarity and collegiality re decisions reached and authority to act;
- Not to speak on the Board's or the organisation's behalf unless authorised by the Board;
- Respect that all discussions at Board level and between Board members and senior management, including those recorded in minutes by the Board, are confidential and for company use only;
- Not to harass, bully or discriminate against colleagues, employees, clients, other stakeholders and members of the community;
- That Directors are responsible to the Company not to any group, external entity or the community;
- Only have formal contact with staff members as prescribed by the Company's grievance procedure;
- Only relate to staff in such a way that enhances, not undermines, senior management;
- Only make requests of staff members, and accept requests from staff members, through the CEO unless otherwise agreed to by the Board and the CEO.

I have read and understand this COASTLINK Code of Conduct and I agree to abide by the Code at all times.

- Signature .....
- Printed Name .....
- Date ...../...../.....

### *Conflict of interest*

Members and staff of COASTLINK act in the best interests of the organisation. If business or personal interests or affiliations of members conflict with (or may be perceived to conflict with) the interests of the organisation the following procedures, as specified in the *Corporations Act*, apply:

- Conflict of Interest is a permanent agenda item at all Board meetings.
- If a member of the Board has any direct or indirect pecuniary interest in any contract being considered by the Board, as soon as they become aware of their interest, it must be disclosed to the Board.
- An interest disclosed by a Board member must be recorded in the minutes of the Board meeting at which it was disclosed.
- A Board member with any direct or indirect pecuniary interest in any contract being considered by the Board shall not take part in any deliberations or decision of the Board with respect to that contract.

Failure to abide by the Code of Conduct may result in the expulsion of a Board Member from the Board.

See Sections 21 and 22 of the *Associations Incorporation Act 1987*.

## 1.5.8 Current COASTLINK Directors

(As at October 2020)

- John Mouland - Chairperson
- Stephen Glen– Deputy (Vice) Chairperson
- Dr Lisa Barnes - Treasurer
- Helen Roberts
- Anthony Tuxworth
- Steven Paul
- Ainslie Whitburn

Additional details and bios are available on the COASTLINK webpage.

## 1.5.9 IMPROVING BOARD PERFORMANCE

### Preparing for Board evaluation:

The COASTLINK Board has agreed to prepare and implement this Action Plan as way of determining whether Directors are meeting Board goals and what action needs to be taken to ensure progress.

Working on improving Board performance is a vital part of corporate governance. The Chairperson will lead the other Directors in the process and will seek consensus on ways forward.

The Board will investigate (where appropriate) the tools necessary for this task and which tools are best aligned to the Board's needs. Options for Board evaluations will be determined year on year by

the Board at ordinary meetings or planning workshops. A general process is provided below. This may be amended by the Board on a consensus basis.

#### Conducting the evaluation:

- Board Evaluations will be undertaken every two years;
- The Chairperson will lead the Board in the evaluation process;
- Board evaluations are aimed at identifying gaps and improving performance where necessary;
- Where required, the Chair can arrange to support Board members with training, coaching and mentoring with a more experienced Director to help a Director meet goals and objectives;
- Throughout the evaluation process, Directors may consider engaging the services of a facilitator to work with them on the best ways of providing constructive feedback and to help discussions progress smoothly;
- The results of the evaluations will be discussed with Directors at in-camera sessions where discussions can take place around the strengths and weaknesses of the Board as well as the best ways to realign Directors with the organisation's identity, mission, values and goals;
- At the same time as the Board Evaluation, each Director will be invited to rate their own performance to gauge each person's thinking about their own contribution to the Board;
- Each Director will be invited to discuss their self-evaluation with the Chairperson in a private and confidential session;
- These meetings will give the opportunity for Directors to provide feedback to the Chairperson on leadership style and facilitation skills and to highlight the Chair's strengths and weaknesses in handling challenges and his or her ability to keep board members engaged;
- From the evaluations processes Directors can make recommendations including clarification of roles and duties, expectations and opportunities for Board and self improvement.

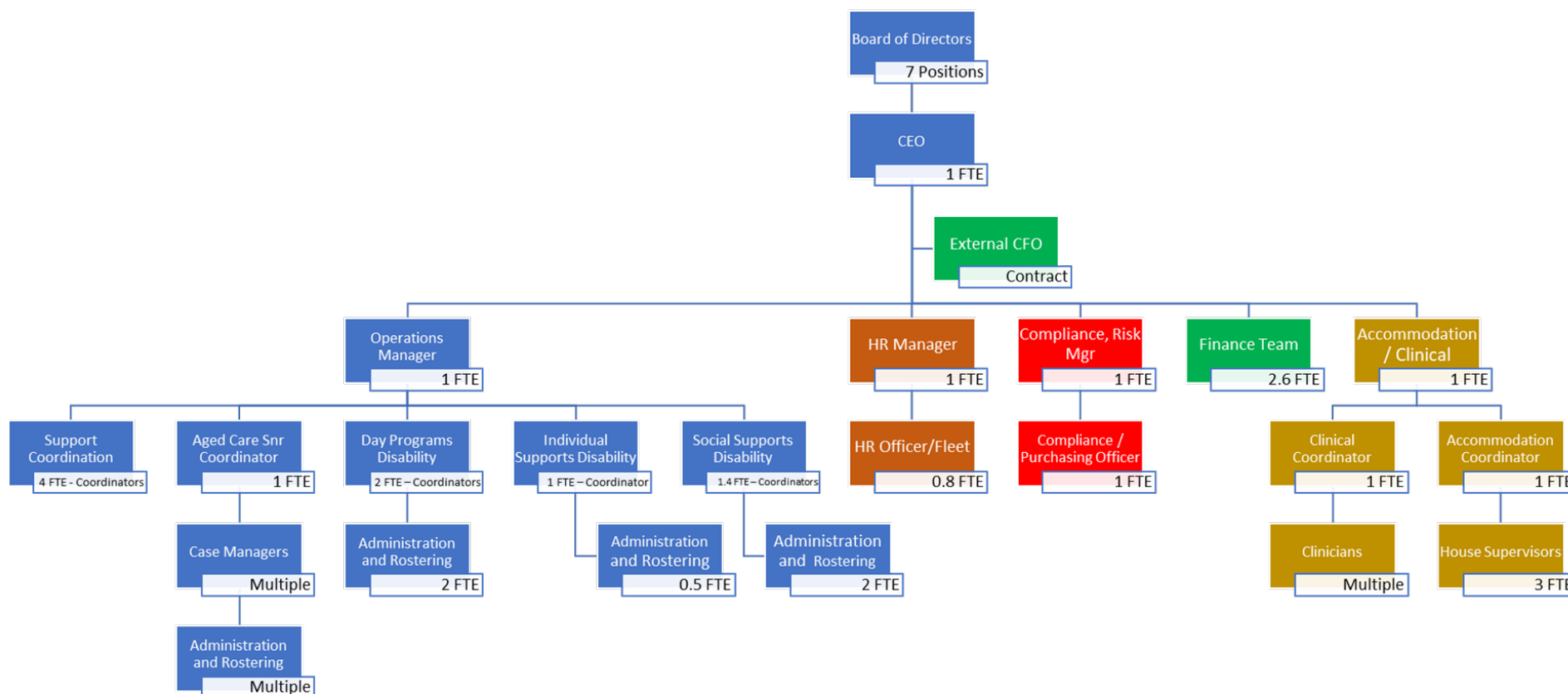
#### Skills Audit

- Every 2 years the Chairperson will organise a skills audit for all Directors using a tool approved by the Board.
- This is necessary to understand what skills Directors have as well as any gaps;
- It enables a targeted analysis of development needs for any Directors needing support;
- The information can be used for succession planning when seeking new Directors.

## 1.6 Management Structure

The management structure for COASTLINK is shown in Figure 1.1: COASTLINK Management Structure.

FIGURE 1.1 Organisational Structure



### 1.6.1 Reporting responsibilities

All reporting is based on the management structure in Figure 1.1: COASTLINK Management Structure. Specifically:

- All staff report directly to their Supervisor;
- Where there is no supervisor all staff report to their Coordinator;
- Supervisors report to their Coordinator;
- Coordinators and Senior Coordinators report to the Manager Accommodation and Clinical, Operations Manager or the CEO;
- The Operations Manager and the Manager Accommodation and Clinical report to the CEO;
- The CEO reports to the Board of Directors.

These lines of reporting are not varied except where expressly stated in these policies and procedures or with the agreement of the CEO.

### 1.7 Management Meetings

The management meetings for COASTLINK are detailed in Table 1.1: COASTLINK Management Meetings. Attendance is required for all meetings unless an acceptable reason is provided and approved by the chair of the meeting.

### 1.8 Management Reports

Management reports are detailed in Table 1.2: COASTLINK Management Reports.

## 1: COASTLINK Management Meetings

Meeting	Frequency and Duration	Purpose and Agenda	Attendance	Chair	Agenda Preparation	Minutes
<b>Scheduled General Meeting</b>	Annually in October  Quorum: 3 members  28 days' notice is provided to all members.	Election of Board of Directors  Agenda:  1. Confirm the minutes of the previous General Meeting and of any Special General Meetings held subsequently. 2. The receipt of the Chairperson's report for the previous financial year. 3. The receipt of the Treasurer's report and the audited financial statements for the previous financial year, together with the financial budget for the current financial year. 4. The receipt of the CEO's report for the year. 5. Acceptance of Reports; 6. The election of Board of Directors; 7. The appointment of the Company Secretary; 8. The appointment of an auditor for the current financial year. 9. Any other business placed on the agenda prior to the commencement of the meeting.	Members of COASTLINK including Board members  CEO/Company Secretary as an observer and for advice  Other staff as observers if they wish	Chairperson	Chairperson and Secretary	Minute taker
<b>Special General Meetings</b>	As called  Quorum: 3 members  14 days' notice is provided to all members	All meetings of members other than AGM's will be called Special General Meetings and may be called by: <ul style="list-style-type: none"><li>the Chair acting on a resolution of the Board; or</li><li>any other person(s) permitted to call such meeting pursuant to the Act or the Constitution.</li></ul> Information provision to members or to deal with special issues	Members of COASTLINK including Board members CEO/Company Secretary as an observer	Chairperson	Chairperson and Secretary	Minute taker

Meeting	Frequency and Duration	Purpose and Agenda	Attendance	Chair	Agenda Preparation	Minutes
<b>Special General (Ordinary) Board meetings</b>	Bi-Monthly, usually on 3rd Friday at 8:30am in the Central Coast Regional Development office in Ourimbah. Quorum: 3 members	The Chair at any time and the Company Secretary on the requisition of any director may call a meeting of the Board. Notice of a meeting must be given to each director at least 48 hours (or such other period as is unanimously agreed on by the Board) before the time appointed for the holding of the meeting according to the Constitution.  Management of organisation. Agenda:	Members of COASTLINK including Board members CEO as an observer	Chairpersons	Chairpersons and Secretary	Minute Taker



		<p><b>Part A) Welcome and apologies</b></p>				
		<p><b>Part B) Administration Matters</b></p> <ol style="list-style-type: none"> <li>1. Declaration of interests</li> <li>2. Notice of additional agenda items</li> <li>3. Notice of any 'In Camera' items</li> </ol>				
		<p><b>Part C) Consent Agenda Items</b></p> <ol style="list-style-type: none"> <li>1. Confirmation of the previous meeting minutes</li> <li>2. Staff Reports</li> <li>3. WHS Committee Report</li> <li>4. Continuous Improvement Report</li> </ol>				
		<p><b>Part C) Corporate Governance &amp; Risk Appetite</b></p> <ol style="list-style-type: none"> <li>1. Policies and Procedures – Nil new</li> <li>2. Complaints</li> <li>3. Restrictive Practices</li> </ol>				
		<p><b>Part D) Reports</b></p> <ol style="list-style-type: none"> <li>1. Business arising from the minutes</li> <li>2. Treasurer's Report</li> <li>3. CEO Report</li> </ol>				
		<p><b>Part E) General Business</b></p>				
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Meeting	Frequency and Duration	Purpose and Agenda	Attendance	Chair	Agenda Preparation	Minutes
<b>Board Advisory Committee meetings</b>	As determined by the Board and the agreed Terms Of Reference for each Committee	<p>Four Committees with various Board and staff sitting.</p> <p>The Finance, Risk and Audit Committee</p> <p>Growth and Diversification Committee</p> <p>Remuneration and Nomination Committee</p> <p>Governance and Compliance Committee.</p> <p>In addition, a Board member is required to sit on the Restrictive Practices Panel to meet as required</p>	Appointed Board and staff members	As determined by the Board	Chair and Secretary	Minute taker
<b>Senior Management meetings</b>	Monthly	<p>Issues arising in COASTLINK;</p> <p>Progress in resolving previously identified issues</p> <p>Progress in implementing COASTLINK plans and improvements</p> <p>Achievement of contractual outcomes and status of budget</p> <p>Program and area KPIs</p> <p>Operational Plan outcomes</p> <p>WHS status, actions and outcomes</p> <p>Staffing and staff issues</p> <p>Continuous Improvement Actions and Outcomes</p> <p>Any other items</p>	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Operations Manager</li> <li>• Manager Accommodation and Clinical</li> <li>• Senior Finance Officer;</li> <li>• Compliance Officer;</li> <li>• HR Officer</li> </ul>	CEO	Compliance Officer)	Compliance Officer
<b>Office Team Meeting</b>	Monthly	<p>Discussion of individual issues as required</p> <p>Issues arising in COASTLINK</p> <p>Progress in resolving previously identified issues</p> <p>Progress in implementing COASTLINK plans and improvements</p>	CEO and Manager Senior Managers Finance and Clerical personnel Coordinators	As elected by the Team	Compliance Officer	Designated staff member – within 2 working days
<b>Coordinator's meeting</b>	Monthly	<p>To discuss all matters pertaining to program coordination</p> <p>Staffing and staff usage</p> <p>Budgets</p>	All coordinators and senior coordinators	As elected for one	As elected for one	Within 7 days As elected

Meeting	Frequency and Duration	Purpose and Agenda	Attendance	Chair	Agenda Preparation	Minutes
		Shared Resources The Operational Plan		year by the Team	year by the Team	for one year by the Team
<b>Individual Program meeting</b>	Bi-Monthly	Discuss program issues New and changed policies and procedures Exchange of information Undertake training Provide an opportunity for all staff to have input into the management of COASTLINK Achievement of contractual outcomes and status of budget Update on continuous improvement and risk management activities Update on implementation of plans Changes to practices, processes etc	A senior coordinator, the relevant program coordinator, program supervisors and support workers.	As elected on the day	The team	The coordinator within 5 working days
<b>Whole of Community Care Team Meeting</b>	Annual  The OM is to ensure this occurs	Focus on social get together	All staff	Informal get together		
<b>Continuous Improvement Committee /Continuous Change Committee</b>	Monthly on the third Thursday of the month or as required	Agenda: 1. Attendance 2. Apologies 3. Minutes of the last meeting 4. Business from the last meeting including review of all open forms carried forward 5. Review of the Continuous Improvement Register 6. Review of new Occupational Health and Safety reports including: Staff Accident/Incidents, Adverse Events, Hazards, and identification of improvements 7. Review of other new information including Client Complaints, Survey/Audit Reports, and identification of improvements 8. Review of risk management – consideration of existing risks and new risks to clients, staff and the organisation and improvements to reduce or control risks 9. Consultation on new and reviewed policies and procedures; 10. Other Business Including a. Enhance communication between office and support staff;	<ul style="list-style-type: none"> <li>Coordinator</li> <li>Elected staff</li> </ul>	Delegated team member	Delegated team member	Designated staff member - within 5 working days

Meeting	Frequency and Duration	Purpose and Agenda	Attendance	Chair	Agenda Preparation	Minutes
		b. Flow of information between internal and external staff c. Suggestions for improvements across the operations; d. Reviewing survey results, letters of complaint and praise and suggestions from stakeholders for service improvement 11. Next Meeting				

Table 1.2: COASTLINK Management Reports

Report	From	To	Date Due	Content
Monthly Program Report	CEO	Board	One week before Board meeting.	Analysis of Company's operations for previous month and YTD Progress on strategic directions Updates on Strategic Plan <i>Budgets and financial status</i> Funding agreements and contracts New/reviews of policies and procedures Progress on issues such as preparation of Company wide issues such as Quality Management Framework and Continuous Improvement program Ccomplaints <i>WHS</i>
Monthly Report	OM and Coordinators	CEO and then to Board	One week before Board meeting.	<ul style="list-style-type: none"> <li>Program Budget updates</li> <li>KI Reports including KPIs on rostering; workers; service agreements and bookings; invoicing; operational, NDIS Practice Standards and WHS compliance.</li> </ul>

Report	From	To	Date Due	Content
Monthly Report for the Board, Monthly for the CEO and Treasurer	Monthly financial accounts	CEO and then to Board	One week before Board meeting.	Full set of financial accounts including explanatory notes where required; Grants demonstrating adherence to budgets, growth targets and strategic plans; Recommended write offs for bad debts (aged receivables); Recommendations for purchasing items over and above the CEO's spending limit.

## 1.9 Funding Provider Reports and Monitoring

### 1.9.1 FUNDING PROVIDER REPORTS

The funding reports to be completed as a condition of funding grants, are shown in Table 1.3 COASTLINK Funding Provider Accountability Reports.

The CEO is responsible for ensuring the reports are prepared as required and are reviewed and signed off by the designated positions prior to forwarding to the funding provider.

COASTLINK maintains client and service delivery information on Coastlink's Client Management System. The information underpins the preparation of client and service delivery reports.

Income and expenditure information required by the funding providers is maintained by the finance team in conjunction with external financial contractors.

In accordance with Dept. of Health Grant Agreements, services are required to submit a Financial Acquittal Report for each funded Activity<sup>1</sup>.

The Dept. of Health Grant Agreement also requires a Performance/Service Delivery Report. As our client and service delivery information is maintained on the Client Management System this information is provided electronically.

### 1.9.2 FUNDING PROVIDER ACKNOWLEDGEMENT

The Terms and Conditions of our funding from the Department of Health require us to acknowledge the Department's support. The following prescribed wording must be used:

Funded by the Australian Government Department of Health. Visit the [Department of Health](http://www.health.gov.au) website ([www.health.gov.au](http://www.health.gov.au)) for more information.

The Snr Finance Officer is responsible for ensuring the reports are prepared as required and are reviewed and signed off by the CEO prior to forwarding to the funding provider.

Our organisation maintains client and service delivery information on the Client Management System. This information underpins the preparation of client and service delivery reports.

Income and expenditure information required by the funding providers is maintained by the Finance team and is supported by external contractors.

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<sup>1</sup> Department of Health - Programme Manual 2018

### 1.9.3 Monitoring Funding requirements and service delivery

The NDIS Terms Of Business stipulates the guidelines and requirements for service providers in delivery of NDIS funded supports. These include:

#### **Maintaining Records**

COASTLINK keeps full and accurate accounts and financial records of the supports delivered to NDIS participants, along with records of service agreements. The accounts and financial records are maintained so that the NDIA is able to accurately ascertain the quantity, type and duration of support delivered.

Financial records and accounts are retained by COASTLINK for a period of no less than 5 years from the date of issue.

COASTLINK retains all records to also comply with all relevant statutes, regulations, by-laws and requirements of any Commonwealth, State, Territory or Local Authority (see Section 3).

COASTLINK acts in good faith and in the interests of the participant.

When delivering supports or conducting a business in relation to the delivery of supports, COASTLINK complies with each of the following:

- the NDIS Act, the Rules, all relevant NDIS guidelines, and all policies issued by the NDIA (as in force from time to time)
- the Coastlink Code of Conduct, the NDIS Code of Conduct, Coastlink's Service Charter, and
- any Commonwealth, State or Territory laws, and any other requirements, that are applicable to the Registered Provider, including, but not limited to the Privacy Act 1988 (Cth), the Australian Consumer Law, and any relevant quality and safeguard laws, including Quality Assurance and Safeguards Working Arrangements and the Guide to Suitability.

COASTLINK complies with relevant Commonwealth, State and Territory quality and safeguarding arrangements.

COASTLINK will notify the NDIA if it is in breach of any Commonwealth, State or Territory law, including any Commonwealth, State or Territory disability service standards.

COASTLINK will also notify the NDIA if it becomes subject to any investigation for breach of a Commonwealth, State or Territory law and/or quality and safeguard arrangements (Section 19)..

The Coordinators of disability programs are responsible for ensuring all services they provide meet the NDIS Terms of Business and Safe Guarding Arrangements.

In addition to the provision of reports required by funding providers, Coastlink ensures that the contractual requirements of funding agreements are being met through the range of meetings and reports described in Table 1.1 Management Meetings and Table 1.2 Management Reports.

In addition, corporate governance processes and systems are regularly audited as part of our audit program to ensure that they are effectively implemented. (See 1.17 Monitoring Corporate Governance Processes and Systems and Section 5: Continuous Improvement).

## CHSP Supports

The CHSP coordinators responsible for monitoring the delivery of CHSP against the CHSP contracted outcomes/outputs and income and expenditure against the funding budgets. Table 1.3: *COASTLINK Funding Provider Accountability Reports*; shows that the reporting process is managed by the coordinators who are responsible for delivering the required outputs, entering monthly outputs into the organisation's Client Management System, and entering outputs and other relevant data into the Government's Data Exchange system (DEX). They also report to the CEO monthly, providing data relating to the hours delivered each month. This report also goes to the Board meeting.

The CEO and Board are responsible for ensuring the outputs comply with the funding provider's requirements.

*Table 1.3: COASTLINK Funding Provider Accountability Reports*

Funding Provider	Report	Content	Preparation	Date Due
NDIS – Reports to the participant or to their plan manager	Case Notes, Group Rosters, Log of Supports	Service Types, Time, Duration, Price, Cost and kilometres where relevant	Relevant Program Coordinator	As per service agreements
Department of Social Services	Continuity of Supports acquittal data and outputs	Client <i>outputs and acquittal data</i>	Relevant program coordinator	<i>Annually as prescribed by the CoS Agreement</i>
NSW Government funded services (ADHC)	From each coordinator	CHSP Number of referrals Number of new program users Number of people services; Number of people on waiting lists Number of people referred to other services Number of people exited NDIS Budget progress KPIs on rosters, workers, service agreements and bookings, invoicing and operational, NDIS Practice Standards and WHS compliance	Relevant program coordinator	To the CEO by Wednesday proceeding Board meeting.  CEO sends details to the Board monthly.
Department of Health (Commonwealth)	Monthly report to CEO and Board	Same as State funded programs	Relevant program coordinator	To the CEO by Wednesday proceeding Board meeting.
See Clause 1.9.1A for how aged care funding will be reported to the Commonwealth DOHA	<b>Financial Acquittal Report</b>	A report which facilitates acquittal of funds expended, providing assurance	<ul style="list-style-type: none"> <li>Administration Team</li> <li>Review by Team Leaders</li> </ul>	Due annually – by 31 October – as specified in E4 of the Grant Agreement



Funding Provider	Report	Content	Preparation	Date Due
		and evidence that public funds have been spent for their intended purpose, as specified in the Grant Agreement <sup>2</sup>	Administration Team forwards to National Data Repository	
	<b>Performance/ Service Delivery Report via Data Exchange</b>	A report on service delivery activities and outcomes submitted through the Data Exchange (DEX)	<ul style="list-style-type: none"> <li>Administration Team</li> <li>Review by Manager</li> <li>Presentation to Board for review and certification</li> </ul> Administration Team submits to the Department	1 July to 31 December  1 January to 30 June
	<b>Aged Care Workforce Census</b>	Information on employees	<ul style="list-style-type: none"> <li>Administration Team</li> <li>Review by Manager</li> </ul> Administration Team submits to the Department	As requested by Dept of Health

Table 1.4: COASTLINK Corporate Calendar 2018

Regular Meetings and Other Events	Regular Meetings and Reports
<ul style="list-style-type: none"> <li>Snr Management meetings (monthly)</li> </ul>	<ul style="list-style-type: none"> <li>Leadership files</li> </ul>
<ul style="list-style-type: none"> <li>Office Team Meeting (monthly)</li> </ul>	<ul style="list-style-type: none"> <li>Monthly minutes kept on shared files</li> </ul>
<ul style="list-style-type: none"> <li>WHS ACT 2011, WHS REG 2012 Meeting (monthly)</li> </ul>	<ul style="list-style-type: none"> <li>Minutes to all staff, CEO and Board.</li> </ul>
<ul style="list-style-type: none"> <li>Coordinators meetings (monthly)</li> </ul>	<ul style="list-style-type: none"> <li>Monthly outputs achieved – each coordinator provides their KPI reports to the OM for reporting to the CEO who reports to the Board. Where meetings do not align with the Board timetable, reports may be provided directly to the OM for future use by the CEO and Board.</li> </ul>
<ul style="list-style-type: none"> <li>Individual Program meetings</li> </ul>	<ul style="list-style-type: none"> <li>Bi-Monthly Program Reports – minutes distributed to all staff.</li> </ul>

<sup>2</sup> Department of Health Commonwealth Home Support Programme Manual 2018

Regular Meetings and Other Events	Regular Meetings and Reports
<ul style="list-style-type: none"> <li>Continuous Improvement Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Monthly report to CEO and Board</li> <li>All stakeholder feedback, incidents and accidents, policies and procedure reviews, recommendations for change and new policies and procedures are discussed;</li> <li>Reports from the field feeds into continuous improvement;</li> <li>Suggestions from staff to Committee members for improvements are most valued.</li> </ul>
<ul style="list-style-type: none"> <li>Monthly Board meeting</li> </ul>	<ul style="list-style-type: none"> <li>CEO and staff report to the Board;</li> <li>Monthly correspondence report from CEO to Board.</li> <li>Monthly Coordinators Reports -completed by each Coordinator and sent to the Board through the CEO</li> <li>Monthly outputs delivered by all program from the coordinators to OM to CEO and on to Board;</li> <li>Monthly Assessment Report ie how many assessments have been requested/completed</li> <li>See table 1.1 for additional details on what is reported to the Board.</li> </ul>
<ul style="list-style-type: none"> <li>Quarterly Newsletter for staff and clients</li> </ul>	Separate newsletters for staff and clients.

A Board Calendar is maintained by the CEO. The Calendar provides dates for all Board and Committee Meetings, along with strategic planning workshop dates. The Calendar is approved each year by the Board.

Other compliance activities, including BAS and superannuation timelines are maintained by the finance team in collaboration with the external CFO (AdviceCo). Compliance is reported to each Board meeting.

## 1.10 Financial Management

### 1.10.1 ROLES AND TASKS

The Board of Management is responsible for the financial management of our organisation including the establishment of financial policy and procedures and monitoring the financial management of the organisation through comprehensive reports provided for review at Board meetings.

#### *Treasurer*

The Treasurer is responsible for ensuring that the financial policy and procedures set down by the Board are followed and for monitoring our financial operations. This includes ascertaining on behalf of the Board that financial reports and other information reflect the actual financial situation of our organisation.

The Treasurer will present monthly financial statements to the Board for endorsement and be available in person for consultation on financial matters with the CEO and the Finance contractor and the finance team.

#### **CEO**

The CEO is responsible for ensuring that the financial policy and procedures set down by the Board are followed and that accurate monitoring information is provided to the Board as required.

The CEO is also responsible for the employment and supervision of the Chief Financial Officer (CFO) who is responsible for the day-to-day financial tasks and management of the financial staff;

The CEO is responsible for ensuring that the financial policy and procedures set down by the Board are followed and provided to the Board as required.

#### **Senior Finance Officer**

Overseeing the day to day management of financial matters.

#### **The Finance Team**

The Finance Team is responsible for:

- Preparation and monitoring of the annual budget in conjunction with other managers and programs coordinators;
- Banking of payments
- The preparation of financial reports
- Monitoring income and expenditure against the budget and the funding agreements and advising
- Preparation of accountability reports for the Coordinators and CEO as per Table 1.3 COASTLINK Funding Provider A
- Assisting the CEO with funding applications
- Compilation of Unit Costs with the CEO.
- Invoicing the NDIA for supports
- Reconciling and maintaining sound financial records of all NDIS payments and outstanding invoices.

#### ***Senior Managers and Coordinators***

- Ensuring the smooth, effective and efficient operation of all programs in line with all policies and procedures and direction from the CEO and the Board through the CEO
- Ensuring all legislation and regulations are followed in provision of all programs
- Ensuring all invoicing of ancillary and contribution costs are invoiced correctly and maintaining the relevant debtors for these services
- All NDIS participant's documents are maintained to ensure service agreements and bookings are current and allow correct invoicing for services provided
- All rosters are maintained, with changes made to rosters to ensure rosters directly reflect case notes, group rosters and logs of service as agreed by the client.

### **1.10.2 FINANCIAL MANAGEMENT PRACTICES**

The following practices apply to financial management in COASTLINK:

#### ***Accrual based accounting***

The financial management system is based on accrual accounting principles.

#### ***Bank accounts***

All bank accounts are maintained at the Westpac Bank and require Board approval to establish new accounts.

#### ***Signatories***

Up to three Board members may be designated signatories to the accounts. The CEO and the Senior Finance Officer are cheque signatories. Approval are in line with Delegation Table 1.4

#### ***Budget***

An annual budget will be developed through collaboration with the finance team, senior managers, program coordinators, the external finance contractor and the CEO.

The draft budget will be approved by the Treasurer in consultation with the CEO and the external finance contractor. The Treasurer will present the draft budget to the Finance, Risk and Audit Committee for endorsement, then for ratification to the Board by 30 May each financial year.

#### ***Books of accounts***

The Senior Finance Officer is responsible for maintaining the books of accounts on MYOB, for processing all receipts and payments and assisting the CEO in the preparation of the annual budget and for preparing monthly and annual financial reports. The external CFO will be consulted to ensure all financial data is correct and reported in a meaningful way.

#### ***Reports***

See Table 1.2: COASTLINK Management Reports and Table 1.3: COASTLINK Funding Provider Accountability Reports.

Finance Reports are presented to the Board by the Treasurer who highlights any issues requiring Board consideration.

### ***Income***

- All cash received must be recorded in a receipt book and deposited in the COASTLINK operating bank account. Financial staff will issue a receipt for any cash received. No receipts will be issued for cheques received or Internet banking receipts.
- All cash receipts and payments are recorded promptly in the MYOB accounting system.
- An employee is not allowed to go to the bank alone and must be accompanied by another employee.

### ***Payments***

- All payments (except petty cash) must be made by cheque, corporate card or through Internet banking
- Internet banking will be operated by the CEO and the senior Finance Officer each having their own confidential password unknown to the other party.
- After the CEO has approved the amounts a Financial Officer will enter the amounts to be paid and to whom into the Westpac Internet banking system.
- The Senior Finance Officer is the first signatory and will check the amounts and recipients. The CEO is the second signatory and after submission of all entries will print a receipt which will be signed by the CEO and the Senior Finance Officer and then filed.
- Blank cheques must never be signed.

### ***Recurrent payments***

Recurrent payments, where possible, are made electronically.

### ***Supplier accounts***

Wherever possible, accounts are established with suppliers and purchases charged to the accounts. Accounts are paid in full on receipt of the statement or invoice.

### ***NDIS Invoicing Process***

- Services are provided in line with rosters set by coordinators
- Clients sign case notes, group rosters and/or log of supports
- Community workers return these to the coordinator
- The coordinator ensures rosters are amended to reflect any changes
- The timesheet process is then undertaken, with coordinators approving timesheets on-line (ProSIMS)
- Invoices are then run from the amended timesheets and invoices made to electronically claim

from the NDIA (Note: where an NDIS Participant has their funds managed by other than the NDIA, a log of care will be provided to the authorized payment authority. Once approved, an invoice will be provided directly to the authorized party for payment.

### ***Payment of Wages and Salaries***

- Wages and salaries are paid by direct debit via an Electronic Rostering System/Aussiepay;
- Each available shift is assigned to a support worker through an Electronic Rostering System;
- Each support worker must have a smart phone with Internet access. They will be provided with a password to access TimeOnLine (ProSIMS staff data). Those without Internet access will have information on shifts mailed to their homes;
- Each support worker will lodge a fortnightly, electronically signed timesheet which will be approved in ProSIMS by the relevant coordinator
- Timesheets must be in the office by 9:00am every second Monday to be processed by 1:00pm as required;
- The relevant coordinator will ensure all the timesheets are entered correctly;
- The Senior Finance Officer will lock the payroll and will send it electronically to the electronic roosting system and Aussiepay;
- Every second Wednesday morning (pay week) the Senior Finance Officer will receive any corrections to the payroll from Aussiepay and will approve these for payment;
- The CEO will undertake a cursory review of the payroll for errors, omissions or misstatements;
- When the Senior Finance Officer is satisfied that the payroll is correct they will sign an electronic copy and return the payroll by email to Aussiepay who will process the payroll and instruct the bank to pay it;
- Pays are put into the bank over night every second Wednesday night and the staff can access them on the Thursday;
- Wages will not be paid without the production of a signed care sheet for all 1:1 clients;
- Wages will be paid on original documents and receipts; however faxes and emails are acceptable with originals to be posted to the office within 4 working days.

### ***Procedure to ensure originals are received in a timely fashion:***

- Coordinators will collect the post each day and will send any original timesheets, signed care sheets, receipts etc and will match them up to the fax or email and then file them;
- At the end of the pay week there may be faxes with no originals;
- The first time a worker fails to provide originals as required they will be followed up by finance but after that pay may be withheld until the originals arrive.

### **Petty cash**

- A system of petty cash is used with a float of \$500.00
- All petty cash expenditure is backed up with a receipt
- Petty cash is balanced whenever it is topped up
- The Financial Officer is responsible for the petty cash.

### ***Reconciliations and ATO reports***

#### ***Monthly reconciliations and ATO reports***

The following reconciliations and ATO reports are completed at the end of each month:

- The cheque account is reconciled.
- The Instalment Activity Statement is completed and forwarded to the ATO.

#### ***Quarterly reconciliations and ATO reports***

The following reconciliations and ATO reports are completed at the end of each quarter:

- The Business Activity Statement is completed and forwarded to the ATO
- Superannuation Guarantee contributions are reconciled and payments made by Aussiepay;
- The Finance Manager enters the superannuation entry from the Aussiepay report into MYOB promptly.

#### ***End of year reconciliations and ATO reports***

- The following reconciliations and ATO reports are completed at the end of each year:
- Books of accounts are balanced and closed off
- Wages are reconciled forwarded to the ATO electronically
- Audit reports are prepared as required.

### ***Audit***

- An annual audit is undertaken each year by a qualified Auditor appointed by the Board at an annual General Meeting in October each year
- The Treasurer presents the audited report for the previous financial year to the General Meeting;
- A copy of the audited financial statements are forwarded to funding providers who may require it and the ACNC.

### ***Asset Register***

A full Company Asset Register recording a description of the goods, the date of purchase, where purchased and cost will be maintained by finance staff for any asset with a value in excess of \$500.

A separate Asset Register for the Commonwealth is kept as required and updated on the portal. This Register records the asset, the value and the percentage of each asset attributed to the Commonwealth for the operation of Commonwealth funded programs.

These Asset registers will be forwarded to the June Board meeting for approval and will be provided to the external auditors for auditing purposes.

### **Debit Cards**

COASTLINK operates debit and credit cards to enable coordinators, senior staff, supervisors and support workers to draw necessary funds from CCAC and make approved payments for goods and services.

Each card has the name of the person on it to whom it has been issued as well as COASTLINK's name. Each staff member issued with a card must go to Westpac and personalise a pin number with which they can access cash from an ATM or purchase goods in a store when required.

The CEO has a debit card which is used to purchase equipment and other items for office and client use. The CEO must sign off on all requests for use of this card before items are purchased. This card is usually kept in the office safe and is not kept personally by the CEO. This card can be provided to Board members who may be attending conferences and may need to pay expenses.

All requests for transfers of funds to debit cards will be on a request form stating the amount, the program and what the amounts are to be used for. These will be presented to the CEO for approval and signature by Wednesday of each week.

Casual workers and volunteers will not be provided with debit cards but from time to time funds may be put into casual workers' bank accounts for payments for client activities including food, venue entry, hotel accommodation and so on. These payments and the presentation of receipts to ensure any funds which have not been expended are returned to COASTLINK in a prompt manner.

The funds will be transferred by Internet by the CEO and the Senior Finance Officer. In the case of extended leave for the CEO and/or Senior Finance Officer (SFO) the Board will appoint a Board member/s who can access COASTLINK's Internet banking. Currently, the Treasurer and the Chairperson and the ex-Treasurer are able to operate COASTLINK's Internet banking in the absence of either the CEO or SFO.

The CFO is responsible for reconciling each debit card at least weekly and will report any discrepancies immediately to the CEO and Treasurer who will report to the Board.

Funds placed on debit or credit cards can only be spent on authorised COASTLINK activities, purchases and clients.

All cash put on to debit cards must be approved in writing by the CEO and must state the purpose for this funding.

### **Providing cash to staff**

COASTLINK believes that it is not desirable to provide cash to workers for various items such as client activities, the purchase of food and small items of equipment, hence the advent of debit cards. However, Westpac will only allow 12 debit cards per organisation, and there are occasions when cash will need to put into the personal accounts of staff.

When this occurs, the staff member will be asked to sign that they will receive the funding into their



personal bank account. The money will then be transferred through the Internet system.

Finance staff will check daily on the progress of the spending of these funds and will reconcile any spending upon completion of the activity or when the item has been purchased.

Any excess funding left in the staff member's account will be returned to COASTLINK within one week. Failure to do so could result in wages being reduced by the amount owing.

Casual staff will not be requested to accept cash into their bank accounts unless there is no alternative.

All cash put into workers' accounts must be approved in writing by the CEO and must state the purpose for this funding.

This funding must only be spent for the purposes stated on the funding requisition signed by the CEO.

### 1.10.3. FINANCIAL AND OTHER DELEGATIONS

The Board of Directors approve the delegation of all financial and operational authority. Matters are placed into two key categories, strategic and operational. The Board are responsible for all strategic policy positions, development and amendment. They may delegate authority to the CEO who may in turn delegate to employees and officers of the company.

Matters specifically reserved for the decision of the Board include:

- appointment and succession of the CEO;
- approval of key Company policies including but not limited to policies relating to:
  - legal compliance;
  - corporate governance;
  - subsidiary company directorships;
  - reputation and business conduct;
  - donations and sponsorship;
  - health, safety and environment;
  - risk management;
  - accounting policy;
  - dividends;
  - equal employment opportunity;
  - executive remuneration and benefits; and
  - management and board diversity.
- the annual budget;
- the Company's strategic direction, goals and targets;
- the Company's capital structure and funding strategy;
- appointment of auditors;
- material accounting matters requiring judgment;
- material changes to the Company's organisational structure;
- the Company's executive talent development and succession strategies; and
- funding, security, transactions, projects and contracts exceeding specified thresholds.

### Delegation to management

- All matters not specifically reserved for the Board and necessary for the day to day management of the Company are delegated to the CEO, who can sub-delegate authority where appropriate.

The roles, decisions and tasks, and the specific level of delegation provided to the CEO are clarified in Table 1.4: Delegations of Financial and other Authorities.

The Board of Directors has delegated authority as outlined below:

AREA	BOARD OF DIRECTORS AUTHORITY	CEO's AUTHORITY
1. Recurrent Operating Expenditure	Approval of operating budget and variations to budget	Expenditure within annual operating budget (overall budget – not line item);  No additional single item greater than \$25,000 or a supply exceeding 12 months without minuted approval of the Board.
2. Capital Expenditure	Approval	All capital purchases up to \$25,000
3. Write off bad debts	Approval	Under \$2000
4. Employment of Consultants	Approval	In line with budget and minuted approval of Board.
5. Employment of External Contractors	Approval	In line with budget and minuted approval of Board.
6. Travel	Approval	In line with budget and minuted approval of Board
7. Travel Expenses	Approval	In line with budget and minuted approval of Board
8. Petty Cash	Approval of procedures	Approval of float
9. Cheque signatories	Approval of procedures	Cheques to be signed by any 2 or the 4 approved signatories.
10. Signing of Purchase orders	Not applicable	Within approved budget and no purchase order to cover supply exceeding 12 months without Board approval.
11. Lease arrangements	Approval	Sign with Board approval
12. Funding Agreements	Approval	Ensures compliance with funding agreements and associated guidelines.
13. Client contributions	Approval of policy on fee levels, exemptions and reductions.	Implementation of policy and approval for exemptions and reductions as per policy.
14. CEO's appraisal	Board of Directors or its representatives	Board of Directors
15. Approve CEO's leave	Approval	
16. Christmas close down	Approval	Make recommendations to Board.
17. Issue press releases and talk to media	Approval	CEO to notify Chairperson of any media interest or press releases. Chair usually person to talk to media.

#### 1.10.4 Client Fees – Payment Process

The fee payment processes are described in Section 14: Information Provision under 14.4.8 Paying Fees.

### 1.11 Fund Raising

#### 1.11.1 Applying for Funds

The following applies to all applications for funding:

1. Applications are only made for programs or projects that are in line with our organisation's current Strategic Plan and the objectives and priorities
2. All contact with the funding body is through the CEO, Senior Managers and Coordinators as decided by the CEO;
3. All applications are approved by the Board and signed by the CEO (o Board members were required) before submission.

#### **Fund Raising Accounting procedures**

Our organisation complies with Australian Accounting Standards in the preparation of accounts.

Any monies raised through fundraising are clearly identified and properly accounted for in order that the results of fundraising activities are verifiable.

Our financial statements include:

- A balance sheet
- An income and expenditure statement and
- A cash flow report.

### 1.12 Registration as a Charity

#### 1.12.1 Conditions of Registration

CCAGL is registered as a charity with the ATO and the Australian Charities and Not for Profit Commission (ACNC) and licensed to fundraise by the State Government's Office of Liquor, Gaming and Racing under the Charitable Fundraising Act 1991.

### 1.13 Annual Report

The CEO is responsible for compiling an Annual Report in August/September of each year in consultation with the CFO, Coordinators, Administration Teams and other senior staff. In addition to general information about our organisation, the report includes:

1. The services delivered for the year.
2. The number of individual clients who received services.
3. The number of people on the wait list (if applicable).
4. Requests for assistance not met and reasons for refusal of service
5. Service delivery issues in the last year
6. Major improvements implemented in the last year
7. Planned improvements for the coming year
8. Achievements against (where practical against key result areas (see 1.1.5 Key Result Areas)).

The Annual Report is provided to:

1. The CEO for review
2. The Board for approval.  
).

### 1.14 Planning

#### 1.14.1 Improvement Plan and Strategic Plan

COASTLINK maintains a Continuous Improvement Plan as part of the QMS that details all significant improvements in the operations of the community care programs and a Strategic Plan that includes a longer term vision based on person centred approaches, contemporary practice and future organisation and industry needs. The Strategic Plan is prepared every 3 years by the Board in consultation with all stakeholders (minor updates are usually prepared annually, with major reviews every three years).

COASTLINK incorporates into these plans, processes to ensure service continuity in line with the Aged Care Funding Agreement, the Commonwealth Home Support Programme, The NDIS Practice Standards, Common Care Standards and the requirements of the NSW Family and Community Services Ageing, Disability and Home care funding agreements.

The planning process involves:

Planning Activity	Notes	When
Continuous improvement activities	See Section 5: Continuous Improvement. These activities assist in identifying improvements and feed into the Improvement Plan	Ongoing
<p>Risk management activities.</p> <p>The Finance Risk and Audit Committee (FRAC) is presented with a schedule of recent incidents, accidents and other hazards.</p> <p>FRAC deals with all areas of risk and plans for the future through recommending ways of risk elimination.</p>	See Section 6: Risk Management. These activities assist in identifying improvements and feed into the Improvement Plan	Ongoing
Annual Planning Day with staff and management	See 1.14.2 Annual Planning Day. Outcomes from the planning day feed into the Improvement Plan, the Strategic Plan and the Operational Plan.	April/May
Review and development of the Operational Plan	The Operational Plan is required as a condition of community care funding but is utilised across all funding programs. It includes strategies for improving our organisation for the next 12 months and is updated on an ongoing basis. The Improvement Plan feeds into the Strategic Plan.	April/May and Ongoing
<p>Board - Review and development of the Strategic Plan</p> <p>The Operational Plan</p>	<p>Includes high level plans for the next 3 years.</p> <p>The Operational Plan is developed (by the CEO) from the Strategic Plan and establishes how the organisation will meet the requirements of the Strategic Plan.</p>	April/May
Ongoing implementation and monitoring of progress in implementing Improvement Plan.	Reported in Monthly minutes from the Continuous Improvement Committee which sees all feedback, incidents and accidents and so on from all sources and makes recommendations on changes to improve service. (See Table 1.2: Management Reports)	Monthly

### 1.14.2 Annual Planning Day

The purpose of the planning day is to bring the ideas and concepts from staff, management and Board members together to review operations in the light of client data, financial data, continuous improvement information, risk management information and issues facing the service.

Ideas from staff and management and from the review of information are used to add to the Operational Plan and to identify longer term goals for inclusion in the Strategic Plan. The Strategic Plan is the longer-term direction for the organisation and spans the ensuing three years (as a minimum).

#### **Planning day process**

The CEO, in consultation with senior staff and the Team, prepare the information presented at the planning day. Planning activities are conducted within the context of the longer-term vision of the organisation and changes based on person centred approaches, contemporary practice and future organisation and industry needs. The agenda for the planning day includes the following:

1. Review service data
2. Service data for the previous 12 months is reviewed to check the delivery of services against the contracted outputs. Service data is taken from the Annual Report that is compiled by the CEO each year (see 1.13 Annual Report).
3. Review demographic data.
4. Community demographic data is compared to the community care client group data, to identify any groups in the community that appear likely to need services but are not accessing them. In particular, the proportion of people from different cultural groups in the community is compared to the community care service delivery data to identify if groups are proportionally represented. Reasons why groups are not represented are documented and if appropriate, strategies to engage them are identified.
5. Review future needs.
6. Demographic data on the age of the population and on future trends is also reviewed to see if key age groups are likely to increase or decrease over the next few years.
7. Review continuous improvement data.
8. Feedback from staff, clients, volunteers and any other stakeholders is reviewed to identify improvements.
9. Review risk management information.
10. Feedback from risk management activities is reviewed to identify areas where improvements can be made.
11. Review previous plans.

12. Explore plans not yet implemented from the previous year to identify which of these will remain a priority.
13. From the information presented, review the longer term vision of the organisation based on person centred approaches and future organisation and industry needs.
14. Identify strategies and priorities for the year ahead, along with barriers to implementing these and solutions to the barriers.
15. Longer term major plans are included in the Strategic Plan and shorter term improvements (within the next year) are included in the Operational Plan.
16. Items in the Strategic Plan and the Improvement Plan are reviewed: what can be combined; what can be removed; what are the most important priorities?
17. Put a start and finish date against each priority.
18. Conduct an open forum discussion with all participants and Board representative acknowledges the input, commitment and continuing dedication of all staff in the organisation.
19. The Strategic Plan and Operational Plan are presented to the next Board meeting for review, revision and endorsement.

(Note: this is a general planning process and may be modified annually by the Board to address current and emerging issues. The inputs do not change)

### 1.14.3 Implementing the Plans

The Continuous Improvement Committee is responsible for developing detailed action plans for each of the priorities in the Improvement Plan. The CEO, Senior Management and the Coordinators are responsible for developing broad strategies for the implementation of the Strategic Plan and any Action Plans including community engagement initiatives (see Section 9: Service Access).

When strategic plans are being implemented, they are recorded in the Improvement Plan.

The CEO ensures plans are implemented and monitors the progress of tasks. The CEO reports on progress to the Board at monthly Board meetings.

Relevant priorities in the Strategic and Improvement Plans may also be presented to the Continuous Improvement Committee meeting for comment.

### 1.14.4 Review of Plans

The Strategic Plan will be reviewed by the Board annually.

The Operational Plan will be reviewed annually, with KPIs developed from the Operational Plan being provided to the CEO and Board on a regular basis.

### 1.15 Communicating Plans to Stakeholders

Before the Board undertakes preparation of a new strategic plan all internal/external stakeholders will be requested to input into the plan through surveys, at meetings and through face to face contact by managers with staff and clients.

Staff and clients may be invited to attend the annual planning day.

When the plans have been formulated all staff committees will be presented with the Plans through “Plan on a Page” concepts for their consideration, or presentations provided to the organisation by the CEO to advise on key changes and directions.

All job descriptions will contain KPIs directly stemming from the Strategic Plan.

### 1.16 Subcontracting

COASTLINK may subcontract some care delivery to another provider under a primary or secondary subcontractor agreement.

In the event this occurs we will notify the NDIA and Department of Health that we intend to use a primary subcontractor within 20 business days of entering into an agreement with that subcontractor. The notification includes the subcontractors name and ABN, the tasks which the subcontractor will complete under the funding agreement, the period of the subcontract and any other information requested by the Departments.

If we plan to use secondary sub-contractors, or its subcontractors plan to utilise any, we must request the Department’s prior written consent to the subcontractor before an agreement is entered into with that subcontractor. The request must include the subcontractor’s name and ABN, the tasks which the subcontractor will complete under the Aged Care Funding Agreement, the period of the subcontract and any other information requested by the Department.

We ensure a contract is signed by both contractors and COASTLINK and ensure that all contractors meet the requirements of the Aged Care Funding Agreement.

We remain responsible for the delivery of CHSP and NDIS services, regardless of any subcontracting arrangements and are also responsible for all reporting requirements.

We are responsible for client complaints about the services provided by subcontractors and investigate and ensure the complaint is resolved with the subcontractor.



Where a complaint regarding a subcontractor is made to the Department, we liaise with the Department and ensure the subcontractor complies with all reasonable requests, directions and monitoring requirements requested by the Department.

We will ensure that subcontractors are complying with the Aged Care Quality Standards by conducting regular meetings with contractors, reviewing any feedback provided to the contractors regarding service delivery, requesting and receiving a copy of the subcontractors continuous improvement plan and risk plan each six months and conducting internal audits of their operations periodically (if determined to be necessary). In addition, any sub contractors delivering services provide us with information on police checks of their staff. See 7.8.2 Police Check for details.

COASTLINK does not outsource or subcontract supports to other NDIS providers at present. Outsourcing will only be considered using other approved NDIS service providers and under written contract that ensures all NDIS Practice Standards are met including Safeguarding arrangements, the NDIS Terms of Business and other Commonwealth, State and Local laws (ie. WHS, insurance requirements and safeguarding).

### 1.17 Monitoring Corporate Governance Processes and Systems

Corporate governance processes and systems are regularly audited as part of our audit program and staff, clients and other stakeholders are encouraged to provide ongoing feedback on issues and areas where improvements can be made (see [Corporate Calendar](#) and Section 5: Continuous Improvement).

### 1.18 Financial Reserves Policy

#### **1. Objective:**

We use the term “Financial Reserves” to refer to the funds retained by COASTLINK to help meet future needs.

The Objective of holding a certain amount of funds in reserve can help COASTLINK to operate effectively in times of unforeseen or unplanned future costs that may arise, and facilitate planning for major operating risks in the future.

#### **2. Scope:**

This policy will:

- a. Be appropriate to the needs of COASTLINK, taking into account its objectives, nature and size, and the risks it faces.
- b. Explain the reasons why the organisation needs to maintain reserves.
- c. Clearly stipulate the level of reserves needed to operate effectively, and how this amount is determined.
- d. Explain how COASTLINK intends to establish and maintain the required level of reserves.

- e. Be reviewed periodically to adjust for any changes in COASTLINK's operating environment, or the risks it faces.

### **3. Policy Statements:**

- 3.1 COASTLINK will establish a dedicated Financial Reserve, to meet defined risks and contingencies
- 3.2 COASTLINK will review the adequacy of the Financial Reserves quarterly, by Management to the Board of Directors
- 3.3 COASTLINK will establish the level of the Financial Reserves annually, at the time of setting the Budgets, if necessary from the Profit Surplus. Replenishment will be the first priority for use ahead of expenditure items.

### **4. Reserve Determinations:**

#### **4.1 Considerations**

The Financial Reserve level will only be set after:

- Assessing the risks facing COASTLINK, and how these are likely to materialise.
- Forecasting levels of income for the succeeding year (taking into account the reliability of opening up new sources).
- Forecasting expenditure on the basis of planned activities.
- Analysing any future needs, opportunities, contingencies or risks, and the potential consequences.
- Discussion between CEO and the Board.
- Analysing existing funds and reserves.
- Reviewing committed expenditure and how far this is controllable.

#### Initial Reserve Determination.

The Initial Reserve is determined by the Board (on recommendation from the FRAC) on a regular basis. Investment strategies are developed in consultation with the external finance contractor and the CEO.

#### Reserve Adequacy Reviews.

The level of Financial Reserve adequacy will be reviewed quarterly, for a period of two years, to cover all risks and contingencies. No replenishment will take place until year end, when Profit Surplus will be available.

#### Recommendations and Approval.

The level of Financial Reserves will be recommended by the Finance, Risk and Audit Committee (FRAC) for Financial Budgets.

### **5 Reserve Establishment.**

5.1 Ongoing monitoring through monthly reports prepared by the external finance contractor in consultation with the CEO and the Finance Team continually review cash flow, investment and reserves. KPIs are used to monitor cash requirements and ensure liquidity at all times. Cash Flow forecasts are also provided to the FRAC along with all financial reporting as requested..

## 1.19 INVESTMENT POLICY

### 1. Objective:

The Board of Directors of the Central Coast Alternative Care Group Ltd (COASTLINK) is responsible for ensuring that a responsible, sustainable, financial framework exists and that COASTLINK has adequate resources to carry out its work.

The objective of this Policy is to outline and prescribe a prudent and acceptable investment philosophy for assets including financial assets and define the investment management procedures for COASTLINK.

### 2. Scope:

This Policy will:

- 2.1 Define how it is intended to annually develop, implement and monitor an Investment Strategy for the organisation which is monitored monthly by finance staff.
- 2.2 Dictate that all investments are made in accordance with the Board's vision, mission and values.
- 2.3 Determine that all investments and investment accounts are accurately recorded and reported in CCACG Ltd Annual Report
- 2.4 Dictate that all investments are made with reputable, publicly known financial institutions and authorities
- 2.5 Note that it is conservative by nature and designed to recognise the volatility of financial markets . The policy has been structured to minimize risk.

### 3. Policy Statements:

- 3.1 Set a financial structure and investment strategy that will meet the future financial needs of COASTLINK.
- 3.2 Determine a financial portfolio of investments that will accommodate the financial or strategic plan.
- 3.3 Optimise the income received from capital whilst in surplus.
- 3.4 Protect investment resources with a prudent spread of financial risks taking into account maturities, liquid assets.
- 3.5 Maximise interest gained by the organisation for the benefit of clients.

#### 4. Compliance:

COASTLINK's investment policy and related procedures shall ensure compliance with the following legislation

- a. Corporations Act 2001 Vol 1 & 2.

#### 5. Related Policies:

- a. Financial Reserves Policy.
- b. Delegations Policy.
- c. Risk Management Policy.

#### 6. Definitions:

ADI refers to Authorised Deposit Taking Institutions, as authorised by the Australian Prudential and Regulator.

#### 7. Responsibility:

The Finance Risk and Audit Committee (FRAC) is responsible for ensuring all investments meet the guidelines and recommend to the Board proposals for investment of funds which are outside delegated authority.

The FRAC is authorised to seek external professional advice on investment strategy and planning, and for individual investments.

#### 8. Principles/Guidelines:

The investment guidelines have been formulated on the following considerations:

8.2 The capital security criteria that is consistent with the operating requirements of COASTLINK, and its operating finances/budgets.

8.3 The risk tolerance as outlined in the Policy and the need for Portfolio diversification.

8.4 The liquidity requirement of COASTLINK, and;

8.5 The need to document and monitor investment objectives and guidelines.

#### 9. Performance Objective:

For the present and consistent with a relatively conservative policy in the current investment climate, a financial investment has not been set, given that interest returns are, in part, a measure of risk.

In regard to Bank Term Deposits, the interest decided will only be after seeking at least two independent quotes with the highest quotation being accepted. <b>10.</b>	<b>Investment Portfolio:</b>	
The portfolio is limited in regard to asset class, as follows:		
ASSET CLASS	MINIMUM %	MAXIMUM %
Cash	0	100
Interest Bearing Securities issued by an ADI	25	100
Interest Bearing Securities issued by non-ADIs	0	10

## 10 Asset Investment

COASTLINK will:

### 10.1 Asset Budgets

The CEO and CFO will develop an annual asset and capital purchasing budget for endorsement at the FRAC and approval by the Board of Directors. It will include:

- a) Identification of all proposed asset purchases within the upcoming year with a value over \$2000
- b) expected sale of assets with loss and gain on asset valuations
- c) a value of surplus funds to be transferred to reserve for the purchase or replacement assets (or where material maintenance funds are required i.e. funding for roof replacement)
- d) a depreciation schedule that aligns to expected replacement schedules (values are to reconcile to operational budgets)

### 10.2 Asset Replacement and Purchase

All assets over \$25,000 must be approved by the Board of Directors in line with delegated authorities. The following criteria for asset purchases and asset replacement of the various asset types:

#### 10.2.1 Vehicles

- a) Buses –
  - Buses are expected to have a shelf life of 400,000 km or eight years.
  - Buses are not to be replaced before five years or 300,000 km, unless financial analysis suggests that the individual bus is not economically sustainable for company use
  - Provision for bus replacements will be funded at the depreciated rate, unless surplus or excess funds are available in dedicated replacement reserves
  - Purchases of new bus fleet may only be made following direct approval from the Board of Directors and following a robust needs analysis
- b) Company use cars
  - Cars used for COASTLINK service delivery will have a shelf life of 250,000 km or ten years
  - Cars used for COASTLINK service delivery are not to be replaced before eight years or 200,000 km, unless financial analysis suggests that the individual bus is not economically sustainable for company use
  - Provision for COASTLINK service delivery car replacements will be funded at the depreciated rate, unless surplus or excess funds are available in dedicated replacement reserves
  - Purchases of new COASTLINK service delivery fleet may only be made following direct approval from the Board of Directors and following a robust needs analysis

c) Private Use vehicles

- Cars used for private use will have a shelf life of 100,000 km or five years
- Cars used for private use are not to be replaced before two years or 40,000 km, unless financial analysis suggests that the individual vehicle is not economically sustainable for company use
- Provision for private use car replacements will be funded at the depreciated rate, unless surplus or excess funds are available in dedicated replacement reserves
- Purchases of new private use vehicle fleet may only be made following direct approval from the Board of Directors and following a robust needs analysis

### 10.3 IT hardware

a) IT hardware replacement and new purchases

- Replacement computers are able to be purchased within the CEO's delegation
- Computers will be replaced every three years unless there is a change in business needs and requirements
- All replacement computers will be assessed prior to purchase for meeting business needs and system compatibility
- Additional computers are within the delegation of the CEO. All adjustment to budget may be required if the purchase is outside of the approved capital works budget
- Servers are to be replaced with either a new server or an improved option (e.g. move to the cloud) on or before expiry of the licencing date
- Provision for all IT replacements will be funded at the depreciated rate, unless surplus or excess funds are available in dedicated replacement reserves

### 10.4 Property Assets

a) Property purchases

- COASTLINK will only purchase property where a formal approval has been provided by the Board of Directors
- The CEO is responsible for ensure accurate and complete financial and operational information is provided to the Board to approve property purchases
- Property will only be purchased for the purpose of providing, enhancing or developing operations or the prescribed purpose of the Company as defined by the Constitution
- All properties will have a long-term maintenance schedule which will be provided for in each annual budget process

## 1.20 Policy on Salary Packaging Guidelines

Salary Packaging (also called “Salary Sacrifice”) is a legal process whereby existing cash salary is remodelled by an employee with the approval of the employer, through enabling employment arrangements, into a combination of cash and non-cash benefits. The non-cash benefits are paid from the employee’s pre-tax salary.

For an employee to take up this benefit, it must be allowable under the terms of their relevant award or employment conditions.

Public Benevolent Institution (PBI) organisations are exempt from paying FBT up to a grossed up benefit. Taxation rules require the taxable value of any fringe benefits, as defined by the Fringe Benefits Tax (FBT) Assessment Act 1986, to be “grossed up” and shown on an employee payment summary certificates at the end of each financial year. This applies equally to all workers include those working in PBIs.

Meal and Accommodation cards are also available to be used by eligible employees who are totally responsible for how they spend the funds they allocate to these cards.

Salary packaging can provide a range of benefits to both employees and employers, such as:

- Net increases in remuneration for employees
- Retention of valued employees and
- Attraction of key employees

This policy and procedures document regulates the parameters, including the types of benefit items that can be salary packaged, and the administrative arrangements that operate at COASTLINK. These parameters and arrangements can change from time to time.

The FBT Tax Assessment Act 1986 and Income Tax Assessment Act 1936 and 1997 (and any changes made to this legislation) regulate the relevant tax payable on such benefits. Any changes to this legislation that impacts on salary packaging will be reflected in the employee’s remuneration package and will not increase or decrease the total cost to the employer. Should such a change in legislation occur, the employee will need to amend their salary packaging arrangements in accordance with the arrangements set out in this document.

If the legislation changes it is not the responsibility of COASTLINK to inform employees.

If higher FBT becomes payable on a packaged item the employee must make payments of the additional FBT amount, or equivalent, to the employer at the end of the reconciliation period.

The employee is responsible for any FBT payable if the grossed up value of the packages exceeds the capped limit, currently \$30,000 per annum.

## Financial Advice

Prior to commencing salary packaging, employees are advised to obtain independent financial advice from a suitably qualified advisor accredited by a recognised professional association (such as the Financial Planning Association). All costs associated with obtaining independent financial advice are to be met by the employee.

COASTLINK Superannuation will be paid on the employee's pre-packaged salary.

First \$6,000 per annum, (or relevant tax free threshold) of wage is not packagable.

Salary packaging will be offered only after an employee has successfully completed any probationary period or at the CEO's discretion

Salary packaging is only available to full time or part time permanent employees who earn more than \$15,000 per annum at COASTLINK.

It is the employee's responsibility to monitor the amount Salary Packaged to ensure the allowable grossed up limit is not exceeded.

## Salary Packaging Costs

All direct costs from salary packaging are to be met by the participating employee/s, including, but not limited to:

- Salary package payments
- All administrative fees and charges
- Any Fringe Benefit Tax and GST payable (where applicable)
- Any costs associated with obtaining financial advice
- Any costs resulting from changes to legislation or Government taxes and charges
- Costs associated with changes to their salary packaging arrangements

## Setting Up Process for Employees

It is strongly recommended that each employee seeks, at his/her own expense, independent financial advice prior to participating in salary packaging.

Contact the COASTLINK Senior Finance Officer to obtain a Salary Packaging Application Form

Complete the Application Form with:



- Details of institution where payments are to be made
- The account number for regular direct EFT payments such as mortgage payments
- Frequency of payments
- The payment amount
- The commencement date for regular payments
- Any specific payment instructions

The completed application form must be returned to COASTLINK for processing and referral to Aussie Pay, our payroll company.

### Changing a Salary Package

- In general, once an eligible employee has a salary package in place, the package is fixed for a full 12 month period ie the “package year”.
- Towards the end of each package year the employee should review the components of his/her salary package and may vary the package for the following year.
- If an employee decides to vary his/her salary package it is recommended that the employee seek advice from a qualified and independent financial advisor.
- Where an employee who is currently salary packaging wishes to increase his/her salary package amount the employee may only do so if he/she is not at the maximum limit allowed.
- The employee must notify the Finance Officer in writing of any changes requested to salary packaging
- An employee can vary his/her salary packing once a year however if they vary their salary packaging more than once there may be an extra cost involved;
- Upon receipt of the amendment to salary packaging, the Finance Officer will notify Aussie Pay who will make the necessary changes at the next pay period

### Ceasing Salary Packaging

An employee may elect at any time to cease salary packaging. This may be due to such circumstances as:

- Ill-health
- Extended leave
- Substantive change in impact of salary packaging
- Legislative change impacting on salary packaging
- A change to employer’s FBT status
- Termination of employment

Four weeks' notice, in writing, is required to process the necessary paperwork to cease salary packaging.

In the event that an employee ceases employment with COASTLINK, or ceases to be an eligible employee, all responsibility for salary packaging will revert to the employee.

In most instances approval of any period of leave without pay will require the employee to cease or suspend salary packaging.

If the employee wishes to recommence salary packaging he/she will need to complete a new Application Form and lodge it with the Finance Officer.

### Payment Summaries and Salary Packaging

COASTLINK is required by the ATO to show the "grossed-up" taxable value of any fringe benefits packaged on your Payment Summary (formerly known as Group Certificates).

The term "grossed-up" refers to the taxable value of the fringe benefit multiplied by a rate determined by the ATO. Gross-up is applied to ensure that the amount of tax paid on a fringe benefit is the same as the tax paid if a staff member received cash salary taxed at the highest marginal tax rate plus the Medicare levy.

The reportable fringe benefit may adversely impact on an employee's financial situation and this is the reason we ask all employees to seek independent financial advice from an independent financial advisor.

### 1.21 Managing Mobility Allowances

Clients and their families are able to apply to Centrelink for a Mobility Allowance if they attend a COASTLINK learning and development program. (Note, these are currently being phased out for disability clients. The NDIS provides transport funding for most clients).

COASTLINK will provide a letter annually stating that an applicant is attending one of our training and development programs. It is determination of Centrelink whether each applicant is granted the Allowance.

The following procedure will apply:

- Before a client commences at a COASTLINK training program he/she will be requested to agree to Centrelink direct payments to COASTLINK for transport service to and from the centre.
- The client/carer will be requested to complete the required form which will be faxed to Centrelink within 3 days of the completed form being received from the family.

- The mobility allowance received from Centrelink will be credited to the individual client's account for transport changes to and from the centre. It will not be used for attending activities or for any other purpose during the day.
- The Senior Finance Officer will notify Centrelink immediately of staff changes in those nominated to access Centrelink/Centrepay reports.
- Any information on Mobility Allowances will be kept confidential in locked computers and reports kept in locked cupboards.
- Computers will not be left on when accessing Centrepay reports or databases to ensure that client's information remains confidential.