Ballarat Golf Club Director's Guide to Club Governance 2022

This document is intended to provide an effective governance and accountability framework

Principal 1 – Lay solid foundations for management & oversight. The club should establish and disclose the respective roles and responsibilities of the Board, Sub-Committees & Management.

Recommendation

- The Board should establish the functions reserved to the Board and those delegated to Management and disclose those functions.
- The Board should disclose the process for evaluating the General Manager

Principal 2 – Structure the Board to add value. Ensure the Board is of an effective composition and commitment to adequately discharge its responsibilities and duties

Recommendation

- The Board should have in place a process for evaluating the performance of the Board and its committees.

Principle 3 – Promote ethical and responsible decision making. Recommendation

- The Board should establish a code of conduct and disclose.

Principal 4 – Safeguard the integrity in financial reporting.

Recommendation

- The Board should establish an audit committee
- The audit committee should be structured so that it; o Is chaired by the Finance Director, who is not the chair of the Board. o Has at least three members
- The audit should have a formal charter

Principle 5 – Respect the rights of members Recommendation

- The Board should design a communication policy for promoting effective two-way communication with members and encourage members to participate at general meetings.
- Use electronic communication effectively

Principle 6 – Recognise & manage risk. The board should establish a sound system of risk oversight, and management and internal control.

Recommendation

- The Board should establish a policy for the oversight and management of business risks.

<u>Notes</u>

Where there is any inconsistency between this guide line and the Rules of the club, the Rules are to take precedence

The Board should provide the information indicated in this guide to all members via the clubs website

In the annual report the Board should make a declaration of the six principles established in this guide.

It is recommended that a review of the Rules of the Club be conducted and that a subcommittee is established to conduct this review. That the subcommittee report to the Board on its recommendation for consideration by January for the Annual General Meeting unless a Special General Meeting be scheduled.

It is recommended that the Sub Committee be made up of the following - President, General Manager and 1 other board member.

Principal 1 - Roles and responsibilities of the Board, Sub Committees & Management.

Board Duties & Responsibilities

1. The role of the board is contained in the rules
2. Directors will abide by their Code of Conduct
3. Directors are responsible individually and collectively for the stewardship and sustainability of the club to achieve its goals.
4. Club policies are determined by its Board of Directors
5. 5. In particular, the Board of Directors will add value by:
   - 5.1. Providing strategic direction to the club by constructive engagement in the development, execution and modification of the clubs strategy
   - 5.2. Ensure that all regulatory requirements are met
   - 5.3. Appointing the General Manager
   - 5.4. Approve the appointment of the following managers – Operations Manager & Course Superintendent
   - 5.5. Monitor the performance of the General Manager and, through the President, provide constructive advice on improvement.
   - 5.6. Approve policies for terms and conditions of employment in the club, including remuneration of management and staff
   - 5.7. Communicate to members.
   - 5.8. Providing advice and counsel to management on a periodic and ad hoc basis, adding strategic value
   - 5.9. Ensuring appropriate compliance frameworks and controls are in place
   - 5.10. Approving policies governing the operations of the club
   - 5.11. Monitoring financial results on an ongoing basis.
   - 5.12. Ensuring the Board's effectiveness by operating as a team
   - 5.13. Ensuring the club's business is conducted ethically and transparently
   - 5.14. Take a leadership role in the oversight of Sub Committees as delegated by the Board of Directors
   - 5.15. Overseeing strategic risk management
   - 5.16. Overseeing OHS compliance
   - 5.17. Overseeing of succession plan for Board & Senior Management

Induction of New Directors

New directors will be provided with an induction program conducted by the President & General Manager. As a guide it will provide advice to new members of the Board on:

- Matters the club has under active consideration and issues that it is dealing with.
- Update on the club's financial position.
- Clarification as necessary on the roles of Directors.
- Relevant Acts of Federal & State Parliament
- Code of Conduct
- New Directors are required to have relevant government checks completed within 6-week period

This program is to be completed in the first week of being elected to the Board

Separation of Responsibilities

The matrix identifies where responsibilities lie regarding major activities within governance and operations. It provides a clear division between the Board & the General Manager

Area	Board	GM
Long-Term Goals (1 + years)	Approves	Provides Input
Short-Term Goals	Monitors	Establishes & Executes
Day-to-Day Operations	No Role	Makes All Management Decisions
Budget	Approves	Develops/Recommends
Capital Purchases	Approves	Prepares Requests
Decisions on Renovations/Expansions	Approves	Provides Input/Signs Contracts
Supply Purchases	Sets Policy	Purchases/ Maintains Audit Trail
Major Repairs	Approves	Quotes/Prepares Recommendation
Minor Repairs	Sets Policy/Spend Limit	Authorise Repairs to spend limit
Emergency Repairs	Works with GM	Notifies Board Chairperson
Cleaning & Maintenance	No Role	Sets up Schedule
Pricing	Sets Policy	Develops Pricing Schedule
Gaming Nominee	Approves	Acts
Liquor Nominee	Approves	Acts
Hiring of General Staff	No Role	Approves All Hiring
Key Managerial Staff	Approves	Interviews/Makes Recommendation
Staff Development	No Role	Establishes
Staff Grievances	No Role	Grievances Stops with GM
GM Grievances	With President	Prepares any requests
Members Grievances	Works within Rules	Investigates
Staff Salaries	Allocates line item in Budget	Approves Salaries
Staff Evaluation	Evaluates GM	Evaluates Other Staff

Responsibility of the Executive

The Executive members include the President, Vice President, Captain and Finance Director.

- Conduct quarterly business reviews with General Manager
- Review and agree the expected trading position over the following 3 months with an understanding of likely circumstances for the next 6 months
- Conduct the Performance review of General Manager
- To allocate sub-committees of Directors after each Annual General Meeting

Responsibilities of President

• Providing overall leadership of the Club ensuring that it meets its strategic objectives
• Acting as the chair of the Board of Directors
• Signing minutes and thereby authorising the public record when agreed by Directors who attended the relevant meeting
• Delegating responsibilities to other Directors as necessary to meet the needs of the Club.
• Acting as the public spokesperson of the Club when circumstances warrant
• Oversighting of the process of formal evaluation of the General Manager and the performance of the Board
• Oversight of all HR issues within the Club. (This role can be delegated to a suitably qualified board member but must still be overseen by the President)

Responsibilities of the Vice President

The Vice President is to provide support and learn the role of the President whilst holding this position. As required to take the role of President on occasions when the President is unavailable or agreed between them.

Responsibilities of Captain

• The Club Captain is responsible for all matters associated with the Club's golfing program
• Set local and temporary rules in collaboration with Head Professional and Course Superintendent.
• The Club Captain chairs the Golf Sub Committee
• For Golf rules and etiquette matters, the Captain may investigate and for minor matters issue a first warning or have a discussion with the member. For more serious matters they will be referred to Board for further action.

Responsibilities of Finance Director

1. The Finance Director is the primary advisor to the Board on all financial matters and for ensuring the Board members are provided with financial and other advice regarding their responsibilities
2. The Finance Director chairs the Finance & Audit Sub Committee of the Board and brings its recommendations to the Board, or at any other time it sees fit, concerning
    a. The financial performance of the Club against expected and reasons for variations.
    b. Any aspect of the trading position of the Club that should be brought to the Boards attention.
    c. Any business risks they perceive is present or emerging.
3. Additionally, the Finance Director is responsible for;
    a. Acting as the primary advisor to the General Manager on Club financial matters and meeting as required fulfilling this responsibility.
    b. In conjunction with the General Manager, provide to the Board annual budgets as needed to match the Club's annual business planning cycle
    c. Immediately bring to the Boards attention any concerns regarding the accuracy of the Club's accounts, suspicion of illegal activity or methods that are inappropriate for the proper financial matters of the Club
    d. Advising the Board on the appropriateness of taking on or paying down debt
    e. Oversight the performance of the external auditor
    f. Ensure regularity requirements for financial reporting are met
    g. Make recommendations to the Board yearly on expenditure limits for General Manager & Senior Staff

Performance Review Process General Manager

• The executive will conduct a yearly performance review of the General Manager on the anniversary of his employment. Performance review matrix is attached (appendix 1)

Guidelines for Sub - Committees

- The President and General Manager are ex officio members of all sub-committees and have the courtesy of an invitation to each meeting
- The General Manager will appoint the appropriate responsible Club employee to participate in sub-committee meetings
- The Executive Committee appoints membership and Chairs of sub-committees; Once the Executive committee have determined membership of sub-committees, information should be communicated to board and general membership as soon as practicable.
- For liaison purposes, a member of the Board of Directors should be assigned to every sub-committee.
- All Directors are expected to participate as members of sub-committees
- Sub - Committees have the responsibility to analyse the services and operations within their area and make recommendations.
- Sub - Committees are advisors of the Board of Directors and thus have no "command" function over personnel
- All sub - committee actions require Board approval
- No sub-committee can have more than 4 Directors as members (to prevent the sub-committee having a quorum on any subsequent board discussion). If the President attends a sub-committee meeting that they are an ex officio member and there are 4 other sub-committee directors in attendance, the President will not have a vote to avoid a quorum.
- Every sub-committee will keep records of its meetings and report to the board
- Sub Committees have the responsibility to analyse the services and operations within their area and make recommendations.

Meetings of Sub–Committees

- Agenda for meetings should be set by the chair and circulated to sub-committee members before meeting dates
- The President and General Manager are to be provided copies of all Agenda prior to meeting being held
- Minutes of sub-committee meetings shall be kept
- Minutes of sub-committee meetings are to have clearly marked paragraph of recommendations that avoids the need to select them from within the minutes
- The Board meeting will typically only consider and approve/change/not approve the recommendations of sub-committees, and in that context they become decisions of the Board on the advice it receives
- In general, there will be no need for the Chair of Sub-Committees to discuss details of matters contained within the body of the minutes unless a board member requests

House and Strategy Sub Committee

Responsibilities

- Recommend to the Board future equipment and resource requirements
- Continue a channel of communication with the members
- Set short & long term objectives for improvements to the club house operations which is in line with the strategic plan and budget
- Quarterly review of performance of all house functions, bistro bar and gaming
- Oversee and support the social calendar of events such as wine nights and new member information sessions

Finance & Audit Sub Committee

Responsibilities

- Assist the Finance Director in meeting their responsibility for making recommendations to the Board which ensures that the Board discharge its responsibilities to exercise due care, diligence and skill regarding management and reporting of financial information, application of accounting policies, and the internal audit process and risk management programs.

• Provide a formal forum for the General Manager and Finance Manager to communicate their day-to-day operational responsibility for financial management, compliance and control to a member of the Board.
• Review monthly the financial reports and analyse the financial performance of the Club
• Advise the Board on the adequacy of the pricing policy and methods adopted by the Club
• Assess the effectiveness of management information systems and other systems of internal control for financial performance of the Club
• Review the processes of the Club for compliance with laws and regulations relevant to finance, audit, risk management and gaming legislation
• Review the processes of the Club for compliance with all Commonwealth and State legislation regarding the conduct of business by the Club

GOLF Sub Committee

Responsibilities
• Review major golfing events and discuss changes
• Sets Conditions of Play prior to the event and conduct reviews
• Determines handicap divisions in which Club events will be played
• Discuss and review local and temporary rules as required
• Promote Club harmony & enjoyment of the game between members of all standings & visitors
• Assist the Board of Directors in its responsibilities for ensuring that golf is promoted to younger people and being encouraged to take up and enjoy the game. As per the strategic plan.
• Investigate breaches of golf rules or etiquette and makes recommendations to the Board on suspension of members (recommendation for termination of members must be forwarded to the full Board)
• Recommend to the Board the philosophy for the preparation and maintenance of the golf course
• Recommend to the Board future equipment & resource requirements subject to finance committee approval
• Continue an open channel of communication with the members
• Set short & long term objectives for improvements to the golf course in line with the strategic plan

Women's Golf & Development Sub Committee

Responsibilities
• Will be conducted with 2 board members and a number of co-opted Women Members, Head Professional, Assistant Head Professional and General Manager.
• To ensure satisfaction levels of women within the Club
• Increase the leadership of women in capacity, number and representative in governance
• To ensure the major women's golfing calendar events are well supported and structured while appointing a volunteer/s for each event.
• Review of the major women's events and daily presentations.
• To increase the number of new women and girls participating in golf and becoming members.
• To increase the retention rate of existing women and girls as participants and members
• To promote and assist in the development of women and junior golfing programs which is in line with the strategic plan.
• To observe and protect the history, heritage and traditions of the Club.

Clubhouse Development Sub Committee

Sub Committees have the responsibility to analyse the services and operations within their area and make recommendations.
Responsibilities
• To explore, discuss and review the Clubhouse development opportunities to improve member and function activity
• The project must be in line with the Club finances and strategic direction

Principal 2 – Structure the Board to add value

Self-Evaluation by the Board of Directors will be conducted on a periodically basis using Survey Monkey. The average time for completion should be around 5mins, it will be structured to ensure confidentiality with overall responses presented to the Executive.

The following:

- Requires responses from all board members
- The Executive will communicate plans to address areas needing improvement
- Survey will be conducted periodically and results tracked over time.
- The summary of responses are reviewed by the board, but must keep individual responses confidential.

Indicate your extent of agreement with the statements below by circling the appropriate number.

Strongly Agree Strongly Disagree

1 2 3 4 5 6

Linkage with Members

1. As a group, our board is proactive in its efforts to understand the views of club members
2. The members of the Board put the interests of the club above their personal and constituent interests.
3. The Board holds itself accountable to the club members for its performance
4. The Board communicates with the members in a timely, transparent manner.

Strategic Direction

5. Board members share a common vision of what is best for the club now and in the future.
6. The Board thinks and acts strategically
7. The content of board meetings is at an appropriate level for a governing body

Board Structure & Process

8. New Board members are adequately briefed and equipped to contribute early in their term
9. Sub Committees are appropriately sized, including the right members, and have clear guidelines.
10. Sub Committee reports are timely, comprehensive and valuable
11. There is a climate of trust on the Board
12. Board members support board decisions outside the boardroom, even when they disagree with them.
13. Individual views of Board members are respected by their colleagues.
14. Board members respect confidential information outside of Board meetings
15. Board meetings afford adequate time for full discussion of issues.
16. Board meetings a generally efficient
17. The Board receives adequate information on governance principles and practises.
18. Individual board members are held accountable for their performance.

Board Relationship with General Manager

19. The board acts in accordance with its role as policy makers and not as operational implementers.
20. The Board holds the General Manager accountable for accomplishing his/her objectives.
21. All board members understand the process for evaluating the General Manager performance
22. The board’s current process for evaluating the General Manager is appropriate & fair.
23. All board members have adequate opportunity to input their views regarding the General Managers goals
24. The board receives timely information that is sufficient for it to monitor operational performance.

Overall Evaluation

25. Overall the board is efficient and effective.

Principle 3 – Promote ethical and responsible decision making.

Board Members Code of Conduct

As a member of the Board of Directors, I will:

1. Listen carefully to my fellow board members
2. Carefully consider and respect the opinions of my fellow board members
3. Respect and support all majority decisions of the board
4. Recognise the authority vested in the board
5. Keep well-informed of developments relevant to issues that may come from the board
6. Participate actively in board meetings and actions and not discuss elsewhere what I am unwilling to discuss in board meetings.
7. Bring to the attention of the board any issues I believe will have a significant effect on our organisation or those we serve
8. Attempt to communicate the needs of those we serve to the board of directors
9. Refer complaints directly to the proper level on the chain of command
10. Recognise my job is to ensure that the organisation is well managed, not necessarily to manage the organisation
11. Consider myself a "trustee" of the organisation and do my best to ensure it is well-maintained, financially secure and always operating in accord with our stated objectives
12. Acknowledge conflicts of interest between my personal life and my position on the board and abstain from voting or attempting to influence issues in which I am conflicted

As a member of the Board of Directors, I will not:

1. Criticise fellow board members or their opinions outside of the board room
2. Use the organisation or my position for my personal advantage or that of my friends, relatives or associates
3. Discuss the confidential proceedings of the board outside the board room
4. Promise how I will vote on an issue before hearing the discussion and becoming fully informed on that issue
5. Interfere with the duties of staff or undermine the authority of our staff executive to perform his/her duties
6. Speak for or on behalf of the organisation unless specifically authorised to do so

Sub Committee Code of Conduct

As a member of a Sub Committee, I will:

1. Listen carefully to my fellow committee members
2. Carefully consider and respect the opinions of my fellow committee members
3. Respect and support all majority decisions of the committee
4. Recognise the authority vested on the committee
5. Bring to the attention of the committee any issues I believe will have a significant effect on our organisation or those we serve
6. Attempt to communicate the needs of those we serve to the committee
7. Acknowledge conflicts of interest between my personal life and my position on the committee and do not attempt to influence issues in which I am conflicted

As a member of the Sub Committee, I will not:

1. Criticise fellow committee members or their opinions outside of the board room
2. Use the organisation or my position for my personal advantage or that of my friends, relatives or associates
3. Interfere with the duties of staff or undermine the authority of our staff executive to perform his/her duties

4. Speak for or in behalf of the organisation unless specifically authorised to do so

<u>Principal 4</u> – Safeguard the integrity in financial reporting.

The Finance & Audit committee should be of sufficient size, independence and technical expertise to discharge its mandate effectively. The Finance & Audit committee will include members who are able to read and understand financial statements and at least one member should have relevant qualifications and experience (be a qualified accountant or other financial professional). Members should have an understanding of the hospitality and golfing industry in which we operate in.

Charter:

- The finance & audit committee should review the integrity of the company's financial reporting
- Oversee the company's compliance with legal and regulatory requirements
- Oversee the independence of the external auditors

<u>Principle 5</u> – Respect the rights of members

The Board should empower their members by:

- Communicating effectively with them
- Give them balanced and understandable information about the performance of the business
- Making it easy for them to participate in general meetings

The Board will design a communication policy for promoting effective communications.

The Board shall always consider how best to take advantage of new technologies for more effective communication with members.

- The Board will ensure that the website is kept informative to the members needs
- Encourage members to communicate via electronic methods

<u>Principle 6</u> – Recognise & manage risk

- Identify, assess, monitor and manage risk
- Conduct a yearly risk matrix review of current & future business operations

The Board is responsible for reviewing the Clubs policies on risks oversight and management and satisfying itself that management has developed and implemented a sound system of internal control.

Board Member Print Name: ____

Board Member Signature: ____ Date: / /

APPENDIX 1

BALLARAT GOLF CLUB

GENERAL MANAGER PERFORMANCE REVIEW FORM

Main accountabilities	Competencies Required	Comments on performance during review period
Catering	• Work with the Food and Beverage Manager to operate and develop the bar operations to achieve budgets, maintain profit margins and provide quality service to members and guests. • Work with the Food and Beverage Manager to develop a strong and sustainable Bistro market catering to members and residents from the surrounding area. • Work with the Food and Beverage Manager to develop and grow a weekday and weekend meetings and functions market utilising the facilities of the new club house precinct and the new championship course.	
Gaming	• Maintain and develop the existing gaming operations capitalising upon the relocation to the new club house. • Work with Tabcorp to develop the gaming operations prior to new Government regulations being introduced • In conjunction with the committee develop and implement strategies to maintain and grow gaming operations once the new Government gaming regulations are introduced.	
Golf Operations	• Work with the Club Golf Professional to ensure that a quality golf experience is delivered to members, guests and green fees players. • Work with the Club Golf Professional to ensure that standards of safety, behaviour and dress are maintained by those playing on the course • Manage the contractual relationship with the Club Golf Professional	
Course Maintenance	• Work with the Course Superintendent and Green's Committee to maintain the course in excellent condition to ensure that a high quality golfing experience is provided to those playing on the course. • Work with the Course Superintendent and Green's Committee to ensure that the course complies with safety and insurance standards.	

Financial	• Oversee the operation of all financial systems within the club. • Ensure that all financial compliance and reporting issues are fully addressed. • Work with the committee and specifically the Finance Director to set annual budget targets for all areas of operations. • Take responsibility for meeting annual budget targets and explain variances should they occur.	
Human Resources	• Provide leadership to staff working across all areas of the club • Ensure that all regulatory and compliance issues are met regarding the employment of staff • By recruitment and training ensure that staff have the necessary skills to carry out their roles • Ensure that staffing levels are maintained at the required level to meet the operational needs of the club. • Set up and maintain performance appraisal processes for all staff employed by the club.	
Occupational Health and Safety	• Ensure that the Ballarat Golf Club is a safe place to work. • Implement and maintain systems to ensure that all areas of safety regulation and compliance are addressed. • Maintain systems to ensure that all contractors working on the property have appropriate insurance and meet required safety standards	
Marketing	• Develop and implement marketing strategies to achieve growth in all areas of club operations including □ Gaming □ Bistro operations □ Functions □ Golf operations	

Internal and External Relationships	• Act as Secretary to the committee of the Ballarat Golf club attending and contributing to meetings. • As required work with sub committees to manage areas of club operations	
	• Develop an effective relationship with the club membership in order to be seen as the leader in delivering high quality services to members. • Implement procedures to ensure that effective communication is maintained with club members. • Develop an effective working relationship with the Club Golf Professional. • Represent the club in the Ballarat, golfing and wider communities in a manner that enhances the positive profile and reputation of the club.	

STRENGTHS (What aspects of the role does the individual perform well at):

AREAS OF IMPROVEMENT (In what areas could the individual improve to increase their effectiveness):

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SUMMARY OF PERFORMANCE: