



CHAPTER COUNCIL CHARTER

Preamble

Chapters are established by the Board of the Institute of Internal Auditors – Australia (IIA-Australia) to provide a local community and organisation forum for members. The Chapter is the primary mechanism for providing members in each State/Territory the opportunity to meet and it also provides the opportunity for input to the National Office and the Board on member needs and issues.

A Chapter is not a legal entity. It is part of the organisation structure of the IIA-Australia.

IIA-Australia members are automatically allocated to a local Chapter when they become a member of IIA-Australia. This is based on the primary business address of the member and may be varied on request (usually dependent on main business location of the member).

Chapter Councils

Governance Philosophy and Approach

- The **Council** will assist the development of members and the IIA-Australia.
- On behalf of the stakeholders, especially the Members, the **Chapter Council** is explicitly responsible for assisting the implementation of the IIA-Australia Strategic Plan in accordance with the directions of the Board and the National Office.
- In discharging their responsibilities the **Council**, and individual councillors, have a duty to act in the best interests of the IIA-Australia as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

Strategic Leadership

The **Council** will:

- Provide input to the Board and National Office that assists in identifying and understanding emerging trends and issues.
- Develop and implement annual business plans to achieve the strategic objectives.
- Seek to achieve the KPIs as determined by the Board and National Office from time to time.

Structure

The Chapter will have a Council to direct its activities. A Council will have a minimum of 5 members and up to 15 members on it at any time. The term of a Council member is 3 years and Councillors may seek re-election for a total continuous period of up to 9 years. Minimum required positions are:

- Chapter Chair
- Vice Chair (maximum 2)
- Plus other operational position/s as required by the Board¹.

A Council can decide to establish other positions and may establish sub-committees to assist in its role or as directed by the Board.

The **Council** will ensure that:

- There is an effective process for encouraging members to nominate for Council so that the Council maintains an effective mix of skills and backgrounds that broadly reflect the nature of the Chapter membership base
- There is succession planning for positions on Council and
- Members are encouraged to nominate for Board positions.

Reporting and Responsibilities

- The Chapter Chair reports to the Board which has delegated this functional and administrative responsibility to the CEO. The Chair is responsible for collating input to the various National Office plans and to then guide the Chapters' implementation of these and Board policies to achieve the objectives of the IIA-Australia.
- The Chapter Chair is responsible for ensuring the various roles and responsibilities of the Chapter are conducted in accordance with the *Operating Roles and Responsibilities of the Board, Chapters and National Office*² as they exist and are updated from time to time.
- The Chapter Council is not responsible for the financial outcome of IIA-Australia activities in the local community or State. However, it is responsible for achieving certain KPIs as defined in the *Operating Roles and Responsibilities of the Board, Chapters and National Office*.

Compliance and Integrity

The **Council** will:

- promote ethical behaviour amongst its members and ensure compliance with the **Board's Personal Conduct of Office Bearers**³

¹ See By-Law 601.4

² See Addenda A

³ See Addenda B

and *Conflict of Interests Guiding Principles*⁴, the IIA-Australia stated values, laws and regulations, audit and accounting principles and any other governance documents.

Secretariat Duties

- The Council Chair, or a delegated council member⁵, will minute the matters arising from all meetings. The minutes will be ratified by members in attendance/discussion at the next Council meeting.
- The Council Chair will circulate the approved minutes to the Company Secretary promptly after approval.

Use of Member Lists

The **Council** will:

- Engage with the wider membership in a region and invite them to attend member meetings and events.
- Encourage the establishment of sub-chapters in larger population centres away from the capital city.
- Target potential members and CAEs in firms and companies that do not currently benefit from IIA-Australia membership.
- Follow-up with former members of the IIA-Australia and encourage them to become members again.

Rules for use:

- Lists are to be used for the sole purposes listed above.
- The contents are not to be made available to persons outside the Chapter Council. If there are members of the Council with potential conflicts of interest in having access to the lists then the Chapter Chair is expected to use his or her discretion and not make the details known to that person/s.
- Any contact with members would need to occur responsibly and as a member of the Chapter Council.

Review of Charter

- This charter is to be reviewed by the **Board** annually to provide assurance that it remains consistent with the **Board's** objectives and responsibilities.

⁴ Refer to the *Annual Business Practices Awareness and Compliance Certification* form

⁵ To assist the administration of the Council, a Secretary is usually appointed from amongst the councillors.

OPERATING ROLES AND RESPONSIBILITIES OF THE BOARD, CHAPTERS AND NATIONAL OFFICE

INTRODUCTION

The following table describes the operational interrelationships between the Board, Chapters and National office. It recognises the fact that Chapter Councillors are volunteers and that their resources and responsibilities are limited.

	Board	Chapter	National Office
Strategy	Set National Office priorities, KPIs and operating structure through the IIA-Australia Strategic Plan	Develop and implement Chapter Action Plans (in conjunction with National Office) to achieve National strategy and objectives	Set National Office plans and actions to implement strategy
	Provide input into the Strategic Plan and monitor its achievement	Collate input from local members and feed through to the National Office Member Relationship Manager	Provide professional association input and support to Board via CEO
Membership	Set National and State targets	Provide input to the Membership Recruitment Plan, as developed by the Member Relationship Manager Conduct personal meetings, telephone contact, etc. (as per National Office Plans) to assist in achieving the membership targets of National Office Contact members in accordance with the Membership Recruitment & Retention Plans	Develop and execute Membership Recruitment Plan and the Membership Retention Plan

	Board	Chapter	National Office
Professional Development (PD) program	Approve National Office's PD program budget	Provide input to National Office on program ideas and topics of local interest or need Encourage members to attend PD courses	Develop PD program for all states, including timing, instructors, venues, fees and topics
	Board	Chapter	National Office
Education Program (i.e. Certifications & GradCertIA)	Approve the Education Program budget	Encourage members to participate in the Education Program	Provide Chapters with details of the Education Program Develop and execute the Education Program Marketing Plan
Member Meetings	Approve the budget supporting Chapter Member Meetings	Responsible for scheduling and conducting Member Meetings including presenters, format, sponsors, venues, etc. Responsible for proactively promoting Member Meetings in order to maximise member participation	Provide financial support in accordance with the Chapter Activity Plan Guide topic choice in response to issues, changes in standards, etc. Provide staff liaison support to Chapters Chapter Annual meetings to be organised in conjunction with the Jul/Aug Members' Meeting Assist to identify sponsors for venues, catering etc. Approve expenditure
Financial	Approve budget	Submit a Chapter Activity Plan in Sep for the following financial year	Develop budget and control expenditure

	Board	Chapter	National Office
Advocacy	Approve advocacy initiatives	Develop local relationships and support advocacy actions in accordance with National Office advocacy initiatives	Develop advocacy initiatives and execute

	Board	Chapter	National Office
Professional Issues	Channel Professional Issues through the CEO	Facilitate and encourage members to contribute to issues and forums Ensure members feel part of a vibrant and professional association	Organise forums for members to participate in and contribute ideas on professional matters on a National and Global basis.
Board and Council elections	Oversee elections in accordance with Constitution	Encourage local members to nominate for Chapter Council and Board positions	Conduct elections

Summary of Operating Roles, Responsibility and Reporting

Board

- The IIA-Australia is a national organisation that is governed by a Board
- Board member elections will be overseen by the Board
- The Board Nominations Committee will seek out and encourage members to nominate for Director positions.

Chapter

- Chapters are the primary mechanism for members in each State to meet and provide input to the National Office on member needs and issues. Chapter Councils are the 'eyes and ears' of IIA-Australia in their respective jurisdictions.
- The Chapter Council is not responsible for the financial outcome of the IIA-Australia activities in the State/Territory. However, it is responsible for proactively promoting to members the benefits of attendance at State Conferences and SOPAC.

Connect ▶ **Support** ▶ **Advance**

Approved: September 2006; Amended May 2011; Amended: September 2014; Amended May 2015; Reviewed May 2016; Reviewed May 2017; Reviewed and updated June 2020

Chapter Chairs

- With assistance from the National Office and the Board, the Chapter Chair has responsibility for:
 - Leading the Chapter and ensuring it is active, vibrant and effective;
 - Communicating National Office initiatives and developments to other Councillors;
 - Encouraging diverse opinions and views;
 - All aspects of the Council's performance;
 - Continuously improving Council operations and be a mentor to less experienced Councillors;
 - Representing the interests of the IIA-Australia locally; and
 - Providing feedback to National Office on National Office performance in assisting Council or on any other issues of local concern or interest.
- Chapter Chairs also have an important role to play in communicating to new members in accordance with the Member Retention Plan.

National Office

- National office, through the CEO, will regularly report to the Board on Chapter performance. KPIs include:

Council Engagement & Governance

- Number of council meetings per year
- Diverse council membership (including gender, background, sector)
- Councillor attendance >75%
- Active involvement of all councillors
- All minutes provided to IIA-Australia Company Secretary
- Targets for sponsor support of meetings

Membership Growth

- Member growth target
- Member retention > 90%

Member Engagement

- Number of member meetings per year
- Total meeting attendees per year
- Member satisfaction (Council; Member meetings; Conferences; National Office; IIA)

State Initiatives

- TBA – each Chapter should determine a range of local initiatives that promotes the role of the IIA and adds value to members

Connect ▶ **Support** ▶ **Advance**

- National office has primary responsibility for planning and delivering on membership growth, professional development programs, financial outcomes and services to members.
- National Office is responsible for overall service delivery to the members in each Chapter. National Office staff will work with Chapter Chairs to address any issues in service delivery from National Office to the members in the Chapter and any issues the Chapter Council is encountering in implementing the Operational Plan and Board policies.

PERSONAL CONDUCT OF OFFICE BEARERS

INTRODUCTION

This statement is not designed to overrule the Institute of Internal Auditors – Australia Board Charter but to complement the content and to articulate expected behaviour of Directors, Chapter Chairs, Councillors and members of IIA-Australia Committees.

In the conduct of his/her role as a Director of the IIA-Australia it is expected that Directors:

- 1) Have an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board;

In the conduct of his/her role as a Director, Chapter Chair, Councillor or Committee Member of the IIA-Australia it is expected that they:

- 1) Should act honestly, in good faith and in the best interest of the IIA-Australia;
- 2) Should use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- 3) Must use the powers of office for a proper purpose, in the best interest of the IIA-Australia as a single organisation;
- 4) Have regard for the interests of all stakeholders of the IIA-Australia;
- 5) Not take improper advantage of their position;
- 6) Not allow personal interests, or the interests of any associated person or other organisation, to conflict with the interests of the IIA-Australia;
- 7) Not engage in conduct likely to bring discredit upon the IIA-Australia;
- 8) Demonstrate consensus with decisions made by the Board;
- 9) Should not act as a communications spokesperson for the IIA-Australia, but should refer anyone enquiring on these matters to the CEO of IIA-Australia;
- 10) Should be an advocate for the profession and the IIA-Australia but should refer any requests for media interview/contact to the CEO;
- 11) Should respect and be considerate of their colleagues, employees and stakeholders of the IIA-Australia;
- 12) Should value diversity and differing opinions of their colleagues, employees and stakeholders of the IIA-Australia;
- 13) Should, in the first instance, discuss any perceived breaches of this conduct charter with the Chairman of the Board of the IIA-Australia;
- 14) Should be supportive of the IIA-Australia staff and other colleagues and not enter into discussions about possible perceived breaches/omissions etc. but refer such matters to the CEO or Chairman of the Board as appropriate.