QUT COUNCIL CHARTER

QUT Council is committed to the achievement of the University’s aims and ambitions within an operational framework that embodies the principles of good governance and results in objectives and actions that are ethical and socially responsible, and relevant to the communities the University serves.

The environment in which the Council operates is complex. The University is accountable to the State Minister for Education, in accordance with its founding legislation, and to the Australian Government from which a significant portion of its funding is derived. It competes with other higher education providers for international and domestic students and for research income. Providing an enriching, high quality physical and virtual environment at the University, within a constantly changing higher education sector, presents both opportunity and challenge. Council accepts its responsibilities to operate with due diligence and integrity in promoting the independence, interests and superior performance of the University, and to safeguard its reputation.

Council members act always in the best interests of the University as a whole, with this obligation taking priority over any duty a member may owe to those electing or appointing him or her. Members act in good faith, honestly and for a proper purpose; exercise appropriate care and diligence; do not improperly use a member’s position to gain a personal advantage or advantage for others; and disclose and avoid conflicts of interest.

1. Values and behaviour

Council members, as officers of the University, are bound by the QUT Code of Conduct which is designed to assist staff and Council members to discharge their individual responsibilities in an ethical and responsible manner. The Code stresses the importance of respect for the law and system of government, respect for persons, integrity, diligence, economy and efficiency.

The QUT Corporate Governance Guidelines aim to create a culture in which members can discharge their obligations and responsibilities appropriately. The Guidelines are consistent with the National Governance Protocols for Higher Education Providers and specify the manner of exercising responsibility, use of position and information, disclosing and dealing with conflicts of interest, separation of roles, independence of action and debate, communication internally and externally, and review of the member’s and Council’s performance. Council members must notify the Chancellor of any reportable gifts (over $250 in value in any one year) received as a direct result of their membership of QUT Council.

Council members are responsible and accountable to the governing body. Where a breach of duty is alleged, the Chancellor may issue a verbal warning. If a breach of duty has a material effect on the Council’s operation and/or impacts negatively on the effective governance of the University, the Chancellor will refer the matter to Council which may, by resolution of two-thirds of the membership, reprimand the member in writing for the breach and seek a written undertaking that a subsequent breach will not be committed or proceed to have the member removed from Council’s membership.

Major policies and documents to be read in conjunction with Section 1 of the QUT Council Charter are –

Appendix 1 – QUT Mission, organisational values, goals
Appendix 2 – QUT Code of Conduct
Appendix 3 – QUT Corporate Governance Guidelines
Appendix 4 – Equal Opportunity Policy
Appendix 5 – QUT Reconciliation Statement
Appendix 6 – National Governance Protocols for Higher Education Providers
2. QUT Council

Composition, membership, powers and responsibilities of QUT Council are governed by the QUT Act 1998. Council comprises the Chancellor, Vice-Chancellor, eight nominees of the Governor in Council, one nominee of the Director-General of Education, two nominees of Council selected on the basis of contributing to the effective working of the governing body, five elected staff, two elected students and two elected Alumni members. The National Governance Protocols of Higher Education Providers require at least two members to have financial expertise and at least one member to have commercial expertise as demonstrated by relevant experience at a senior level in the public or private sector.

Council has delegated authority to the Chancellor’s Committee to nominate prospective members of Council to relevant appointment authorities.

Council appoints a Chancellor for a period of up to five years, and re-appointment is permissible. A person eligible for nomination to the office of Chancellor need not be a serving member of Council. A Deputy Chancellor acts as the Chancellor in his or her absence. The Deputy Chancellor must be a serving member of Council and is appointed for a one-year term.

A person is not eligible for membership of Council if the person is bankrupt or taking advantage of the laws in force about bankruptcy, has been found guilty of an indictable offence (see Section 23 of the QUT Act), or becomes disqualified from acting as a Director of a company or managing corporations under Part 2D.6 of the Corporations Act 2001.

Council’s term is specified in the QUT Act and is currently a three-year term. The maximum term to be served by any one member should normally not exceed 12 years unless otherwise specifically agreed by the majority of Council members.

Major documents to be read in conjunction with Section 2 of the QUT Council Charter are –

Appendix 6 – National Governance Protocols for Higher Education Providers
Appendix 7 – The QUT Act 1998

3. Powers and responsibilities of Council

Under the QUT Act, Council has the power to appoint University staff, manage and control the University’s affairs and property, and manage and control the University’s finances. Council must act in the way that appears most likely to promote the University’s interests.

The Australian Government’s National Governance Protocols for Higher Education Providers specify the following responsibilities for governing bodies:

- appointing the Vice-Chancellor as the chief executive officer of the university and monitoring his/her performance
- approving the mission and strategic direction of the university, as well as the annual budget and business plan
- overseeing and reviewing the university’s management and its performance
- establishing policy and procedural principles, consistent with legal requirements and community expectations
- approving and monitoring systems of control and accountability, including general overview of any controlled entities
- overseeing and monitoring the assessment and management of risk across the university, including commercial undertakings
- overseeing and monitoring the academic activities of the university
- approving significant commercial activities of the university.

Council is required to oversee controlled entities by taking reasonable steps to ensure the board possesses the necessary skills, and to
• appoint some directors to the board who are not members of the governing body or officers or students of the university where possible,
• ensure that the board regularly adopts and evaluates a written statement of its own governance principles,
• ensure that the board documents a corporate and business strategy, including a business plan, and
• establish and document clear reporting expectations.

The Audit and Risk Management Committee of Council is responsible for reviewing annual financial statements and other reports of controlled entities to evaluate impacts on the University, and advising Council as appropriate.

<table>
<thead>
<tr>
<th>Major documents to be read in conjunction with section 3 of the QUT Council Charter are –</th>
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<tbody>
<tr>
<td>Appendix 6 – National Governance Protocols for Higher Education Providers</td>
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<tr>
<td>Appendix 9 – Constitutions of the Committees of Council</td>
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4. Delegation

Council is empowered, under Section 11 of the QUT Act, to establish committees and to delegate power to committees or officers of the University. Council established a Schedule of Authorities and Delegations to assist it in discharging its role, and to ensure that there is understanding of the responsibilities and reporting requirements delegated to officers of the University and committees.

The Schedule of Authorities and Delegations is reviewed annually and identifies the responsibilities which Council either may not, or has chosen not to delegate. Council may not delegate its duties in relation to the annual adoption of a budget and the approval of the spending of funds available to the University by way of bequest, donation or special grant.

<table>
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<tr>
<th>Major documents to be read in conjunction with Section 4 of the QUT Council Charter are –</th>
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<tr>
<td>Appendix 7 – The QUT Act 1998</td>
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<tr>
<td>Appendix 10 – Council Procedure 1 – Committees</td>
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<tr>
<td>Appendix 11 – QUT Schedule of Authorities and Delegations</td>
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5. Committees

Council is empowered to establish committees and to delegate power to them. All Council committees have constitutions setting out the committee’s role, terms of reference, delegated powers, membership and reporting arrangements. Council Procedure 1 - Committees outlines the roles of office bearers and conditions of membership, procedures for ordinary and special meetings including the quorum, procedures for decisions between meetings, record keeping responsibilities, conflicts of interest and indemnity, reimbursement of member expenses and induction and review.

Council Procedure 1 also provides for the Chair to inquire whether a member who has been absent from or apologised for every meeting in a period of six months is able to continue as a member. Under clause 3.11 of Council Procedure 1, the Chair may deem a position to be vacant. Attendance of members at meetings of Council is reported in the Governance section of the QUT Annual Report.

Where disagreement occurs at Council and committee meetings, every effort is made to resolve the issue and reach consensus. Where a member cannot agree with a decision of Council, the member may request that a decision be postponed to allow time for further consideration and informal discussion or ask that the member’s negative vote on a resolution be minuted.
Council committee documents are permanent records under the QUT Disposal Schedule and are, with limited exceptions, considered matters of public record of the University’s functions and activities. Committee documents are considered confidential to members prior to meetings, and may be designated confidential on a continuing basis. A complete set of papers for each committee meeting - the agenda, documents and confirmed minutes - is retained by the Secretariat and is available to members on request.

The following committees are authorised by Council to make decisions in respect of prescribed policy and procedural matters:

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<tr>
<th>Policy and Procedural Matters</th>
<th>Council Committee</th>
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<tbody>
<tr>
<td>Staff, including the Vice-Chancellor</td>
<td>Appointment panels, Chancellor’s Committee, Planning and Resources Committee</td>
</tr>
<tr>
<td>Finances, including investment and fundraising</td>
<td>Planning and Resources Committee, except for fundraising</td>
</tr>
<tr>
<td>Affairs and property</td>
<td>Planning and Resources Committee</td>
</tr>
<tr>
<td>Strategic direction, including planning and monitoring</td>
<td>Planning and Resources Committee</td>
</tr>
<tr>
<td>Commercial, including controlled entities</td>
<td>Council</td>
</tr>
<tr>
<td>Academic</td>
<td>University Academic Board and its committees</td>
</tr>
<tr>
<td>Audit and review, including risk management and compliance</td>
<td>Audit and Risk Management Committee</td>
</tr>
<tr>
<td>Legislative, including statutes and rules</td>
<td>Council</td>
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<tr>
<td>Self-management, including nominations</td>
<td>Periodic committee reviews, Chancellor’s Committee</td>
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Major documents to be read in conjunction with Section 5 of the QUT Council Charter are –

Appendix 8 – QUT committee structure
Appendix 9 – Constitutions of the Committees of Council
Appendix 10 – Council Procedure 1 – Committees
Appendix 12 – Policy on selection panels

6. Relationship to the Queensland Minister for Education

QUT is established under State Government legislation and is responsible to the Queensland Minister for Education. Under the QUT Act and the Financial Administration and Audit Act 1977-91, QUT is required to present an annual report to the Minister which includes audited financial statements signed by the Chancellor, Vice-Chancellor and Executive Director of Finance and Resource Planning.

Major documents to be read in conjunction with Section 6 of the QUT Council Charter are –

Appendix 7 – The QUT Act 1998

7. Separation of roles of Chancellor and Vice-Chancellor

There is a clear division of responsibility between the Chancellor and the Vice-Chancellor as set out in the Statement on the Role of Chancellor and responsibilities of the Vice-Chancellor.

The Chancellor is the formal head of the University by virtue of being the chairperson of the governing body. The Chancellor is responsible for the efficient operation of the Council and provides leadership to ensure it carries out its responsibilities in an effective manner. The Chancellor speaks on behalf of the governing body.
The Vice-Chancellor is one of the official members of the governing body identified in the QUT Act, together with the Chancellor. The Vice-Chancellor is the chief executive officer of the University and may exercise the powers and perform the functions conferred by the QUT Act or the Council. The term of office of the Vice-Chancellor is as decided by Council. The Vice-Chancellor is authorised to speak for the University.

Council appoints the Vice-Chancellor and has delegated authority to the Chancellor’s Committee to approve remuneration and conditions of his or her appointment. The Chancellor determines the Vice-Chancellor’s performance agreement and the process for review and assessment of his or her performance.

Major documents to be read in conjunction with Section 7 of the QUT Council Charter are –

Appendix 7 – The QUT Act 1998
Appendix 9 – Constitutions of the Committees of Council
Appendix 13 – Statement on the Role of the Chancellor

8. Relationship between Council and the Vice-Chancellor

The relationship between Council and the Vice-Chancellor as chief executive officer of the University is critical to the effective operation of the Council. It is built on respect, trust and mutual endeavour, and evolves not only with the development of the University and in the changing higher education environment, but also as the personalities and knowledge base and skills of the Council change over time. In fostering the relationship, members of Council must make a clear distinction between matters of governance and policy which are Council’s responsibility and matters of administration and management which are the Vice-Chancellor’s responsibility.

Both levels of Government are requiring Councils to act more strategically to anticipate and resolve issues that affect higher education. Council needs sufficient appropriate information for members to exercise independent judgement on issues facing the University and monitor operational performance and progress towards achievement of the University’s aims and ambitions. The Vice-Chancellor has a central role in supporting the flow of information to Council through reporting strategically focussed information and advice on the performance of the University against plans, and identifying and reporting on impending issues and risks facing the University.

Members are expected to make reasonable enquiries to ensure that the University and Council are operating efficiently, effectively and legally. This requires diligent analysis of all proposals placed before Council and its committees. In reviewing proposals and considering recommendations, members concentrate on questions that look to future implications of policies and procedures, rather than implementation issues. Council deliberations on any issue are confidential to Council members.

9. Indemnity, insurance and reimbursement of expenses

The University provides indemnity to non-staff who are acting as members of QUT committees, or as individuals acting in a voluntary capacity on behalf of QUT. Insurance provisions relevant to Council members are as follows:

**Directors & Officers Liability**

**Interest Insured:** 1. Legal liability of Directors and Officers for wrongful acts committed in the course of their duties. 2. The amount QUT is permitted or required by law to indemnify any of their directors or officers for successful defence costs of an action brought against them for wrongful acts committed.

**Sum Insured:** $10m in aggregate during the policy period.
**Directors & Officers Supplementary Legal Expenses**

*Interest Insured:* Liability incurred by a Director or employee with respect to legal fees and expenses incurred in defending any claims whether against the individual or QUT.

*Sum Insured:* $1m any one claim and in aggregate during the period of insurance.

**Professional Indemnity**

*Interest Insured:* Liability of QUT for claims for any error, misstatement, misleading statement, act, omission, neglect or breach of duty committed or attempted by an Insured Person while performing Professional Services on behalf of QUT.

*Sum Insured:* $10m any one claim and in aggregate during the period of insurance.

Insured person includes a duly elected director, duly elected or appointed officer or employee.

QUT reimburses all reasonable travel, accommodation and sustenance expenses incurred by any Council member in the performance of that member’s duties. If a question arises as to the reasonableness of any expenses incurred, or whether an expense was incurred in the performance of a member’s duties, Chancellor’s Committee determines the matter.

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**Major documents to be read in conjunction with Section 9 of the QUT Council Charter are –**

- Appendix 6 – *National Governance Protocols for Higher Education Providers*
- Appendix 10 – *Council Procedure 1 – Committees*

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**10. Induction and professional development**

Council members undertake a comprehensive induction program at the commencement of their term designed to give them an understanding of their roles and responsibilities. They visit campuses, meet senior staff, attend an annual workshop and are provided with procedural information on the conduct of meetings, contextual and background information, and presentations on key strategic issues facing the University. Members also discuss their interests in an area of the University with the Chancellor and may be assigned a ‘portfolio’ if considered appropriate.

Council is regularly provided with material relating to governance. Members are provided with the opportunity to attend activities in the University’s senior staff development program as a means of increasing their knowledge base of the University and to become familiar with topical issues or those central to the achievement of the University’s aims and ambitions.

Council members are sponsored by the University to undertake professional development that is relevant to their role as a member of the governing body.

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**Major documents to be read in conjunction with Section 10 of the QUT Council Charter are –**

- Appendix 6 – *National Governance Protocols for Higher Education Providers*
- Appendix 10 – *Council Procedure 1 – Committees*

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**11. Evaluation of Council performance**

The Chancellor conducts a review of Council performance and conformance with the *National Governance Protocols for Higher Education Providers* annually. The major areas of Council responsibility, Council processes and assessment by members of their performance are surveyed. The Chancellor may use the self evaluation information to discuss with individual members how their contribution to Council can be enhanced, including the opportunity for professional development and to take a more in-depth interest in a specific portfolio or area of the University.

The Chair of committees reporting to Council and the Vice-Chancellor conducts an annual review of each committee’s performance against its terms of reference and the Queensland Audit Office self assessment program for universities, and reports on the results to Council or
the Vice-Chancellor through the University Secretariat. Periodic reviews of committees are conducted by Council as required.

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