



AUSTRALIAN INSTITUTE OF BUSINESS AND MANAGEMENT PTY LTD
GOVERNANCE CHARTER

25 February 2020

1. Purpose

The purpose of the Governance Charter is to establish the governance system for the Australian Institute of Business and Management Pty Ltd (AIBM) trading as King's Own Institute (KOI).

The primary purpose of AIBM is the provision of higher education. AIBM is committed to support free intellectual enquiry in its academic endeavours as well as nurturing a culture of scholarship throughout the organisation.¹

2. Definitions

"AIBM" means the Australian Institute of Business and Management.

"Company" means the Australian Institute of Business and Management Pty Ltd.

"Constitution" means the Constitution of AIBM registered on 7 August 2008, together with any amendments or additions approved by the members of AIBM.

"Council of Directors" or "Council" means the Board of Directors of the Company.

"Academic Board" means the committee responsible for the oversight of the academic functions and policies of AIBM.

"CEO and President" means the Chief Executive Officer of AIBM.

"Governance Charter" or "Charter" means the Governance Charter approved by the Council of Directors and includes amendments approved from time to time by the Council of Directors.

3. The Governance of AIBM

The Council of Directors of AIBM is the principal governing authority. Under the Constitution², the Council of Directors is responsible for the management and control of the business and affairs of AIBM.

Under the Constitution, the Council of Directors may from time to time confer upon any Director for the time being or any other person as they may select such of the powers exercisable under this Constitution by the Directors as they may think fit for such time and to be exercised for such purpose and on such terms and conditions and with such restrictions as they think expedient.³

The Council of Directors has established the Academic Board with the responsibility for the oversight of the academic functions and policies of AIBM.⁴

The Council has appointed the CEO and President as the principal executive officer of AIBM to be responsible for executive management and for the academic, administrative, financial and other business of AIBM.

The Council of Directors, the Academic Board and the CEO and President have the distinct roles described in this Charter for corporate governance, academic governance and executive management respectively and collaborate to achieve a coherent system of governance which complies with the requirements of the Higher Education Standards Framework.⁵

¹ AIBM Constitution, 4 February 2020, clause 2.3.

² AIBM Constitution, 4 February 2020, clause 84.1.

³ AIBM Constitution, 4 February 2020, clause 88.1

⁴ AIBM Constitution, 4 February 2020, clause 88.2.

⁵ Higher Education Standards Framework (Threshold Standards) 2015.

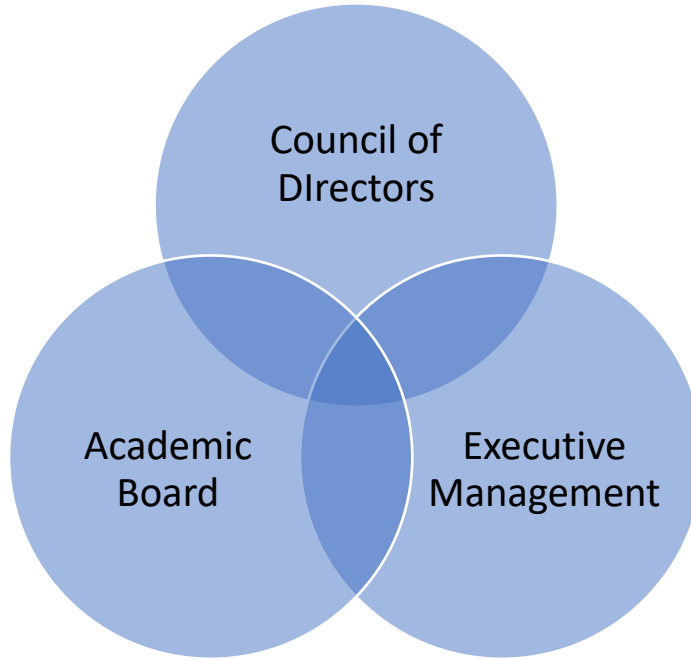


Figure 1. Components of governance for AIBM

As of the date of this Governance Charter, the sole member of the Company is Aspen Higher Education Pty Ltd.

The following matters are reserved in the Constitution for approval of general meetings of the Company.

| # | Matters reserved for general meetings | Authority |
|---|--|--|
| 1 | Certain changes of share capital | Constitution, clause 43, subject to clauses 5-9. |
| 2 | Amendments of the Company Constitution | Constitution, clause 46.4.1 |
| 3 | Appointment, replacement and removal of Directors and the Chairperson of the Council | Constitution, clause 69.1 |
| 4 | Significant contracts ⁶ | Constitution, clause 46.4.2 |
| 5 | Appointment, removal and remuneration of the auditor | Constitution, clause 46.4.3 |

⁶ See definitions in the Administrative Delegations Register.



4. Council of Directors

The Council of Directors is the corporate governing body of AIBM and is collectively accountable for the governance, direction setting, oversight and performance of AIBM overall. The Directors are accountable for all AIBM's operations in and from Australia, including accountability for the award of higher education qualifications, and for continuing to meet the requirements of the Higher Education Standards Framework. The arrangements for corporate governance aim to ensure that there is a traceable accountability pathway to the Council for all areas covered in the Higher Education Standards Framework.

4.1 Terms of reference

The Council of Directors exercises competent governance oversight of and is accountable for all of AIBM's operations, for complying with the Higher Education Standards Framework and for AIBM's representation of itself. The Council of Directors acts for and on behalf of AIBM and has the following functions:

1. To approve the vision, mission and values, the strategic plan and the business plan of AIBM, to monitor the performance against the goals and ensure action is taken to correct underperformance
2. To approve the annual budget of AIBM, monitor the financial position and performance of AIBM and ensure that AIBM is financially viable and has the capacity to continue to achieve its higher education objectives and performance targets and to sustain the quality of higher education that is offered
3. To declare and pay dividends as appear to be justified by the performance of AIBM
4. To approve and monitor systems of control and accountability for AIBM and ensure that delegations of financial, academic and operational authority are implemented appropriately and reviewed at least annually
5. To ensure that risks to higher education operations have been identified and material risks are being managed and mitigated effectively and ensure that appropriate business continuity plans including tuition protection safeguards are in place
6. To ensure that mechanisms for competent academic governance and leadership of higher education provision and other academic activities have been implemented and are operating effectively
7. To appoint, remove, approve the remuneration and monitor the performance of the CEO and President
8. To appoint, remove and approve the remuneration of the Vice-Presidents and other senior managers
9. To make such policies as it sees fit for the management, good government and discipline of AIBM and to ensure that the policies are operating effectively
10. To approve the award of qualifications
11. To monitor the occurrence and nature of formal complaints, allegations of misconduct, breaches of academic or research integrity and critical incidents and to ensure that action is taken to address underlying causes
12. To approve the organisation structure and management reporting mechanisms
13. To establish committees and the rules for the operation of committees
14. To maintain a true record of the business of the Council and its committees
15. To approve the stipend of directors and members of committees
16. To approve the form and use of an emblem of AIBM or of any person or organisation within or associated with AIBM
17. To obtain advice and receive and disclose information to meet compliance requirements of AIBM and the members
18. To review its own performance regularly in light of its functions and obligations under this Charter, the Company Constitution and the Higher Education Standards Framework
19. To ensure that lapses in compliance with the Higher Education Standards Framework are identified and monitored and prompt corrective action is taken
20. To schedule an independent review at least every five years that measures the effectiveness of the Council, as well as its corporate and academic governance processes and to ensure that the findings of such reviews are considered by the Council and agreed actions are implemented.



4.2 Membership

The Directors who are the members of the Council are appointed under the provisions of the Constitution of AIBM⁷. The shareholders by resolution passed in a general meeting may appoint or remove a Director. The Council of Directors may appoint a Director and such an appointment must be confirmed by resolution passed in a general meeting of the shareholders within six months. The Council may appoint an alternate director in the absence of a Director.

At least two Directors must be resident in Australia and at least two Directors must be independent.

The Council will review its membership regularly, at least every three years, to ensure that collectively its members continue to have the skills for informed and competent decision making and direction setting.

To ensure that Directors remain fit and proper persons, members of the Council are required to complete and review the TEQSA Fit and Proper Person Declaration form every three years, or earlier if their circumstances change.

Directors are prohibited from holding the office if they become insolvent under administration or are deemed to be of unsound mind.⁸ Evidence that reasonably suggests either a deliberate pattern of unethical behaviour or of acting inconsistently with laws relating to the provision of education or the provision of false/misleading information will also exclude a Director.

4.3 Quorum

A majority of Directors personally present (or in conference⁹) form a quorum and a quorum must be present at all times during the meeting. An alternate Director, provided that he is not also a Director, shall be counted in a quorum at a meeting at which his appointor is not present.¹⁰

4.4 Rules for meetings

The meeting requirements and proceedings are those specified under the Constitution and as may be approved from time to time by the Council.

A resolution of the Directors must be passed by a majority of votes of Directors present at the meeting who vote on the resolution. Each Director shall have one vote. In case of an equality of votes at a meeting of Directors, the Chairperson as a casting vote in addition to his deliberative vote.¹¹

4.5 Delegation by the Council of Directors

Under the Constitution, the Council of Directors may from time to time confer upon any Director for the time being or any other person as they may select such of the powers exercisable under this Constitution by the Directors as they may think fit for such time and to be exercised for such purpose and on such terms and conditions and with such restrictions as they think expedient.¹²

The Directors will not delegate this power of delegation. The Directors will also maintain full oversight of risk, finance and continuity planning and for AIBM's representation of itself.

4.6 Related party transactions

Where a related entity to any member of the Company's senior management or Council of Directors provides services, the Council of Directors should be satisfied that the transactions are provided on terms no less favourable than arms-length terms and with appropriate quality assurance, that is, the arrangements should be fair and reasonable with no control through restrictive clauses. The Director who may have personal interest in the transaction shall abstain from voting for such transactions. Such transactions should be formally documented.

⁷ AIBM Constitution, 4 February 2020, clause 69.

⁸ AIBM Constitution, 4 February 2020, clause 70.2.

⁹ AIBM Constitution, 4 February 2020, clause 92.4.

¹⁰ AIBM Constitution, 4 February 2020, clause 93.1.

¹¹ AIBM Constitution, 4 February 2020, clause 95.

¹² AIBM Constitution, 4 February 2020, clause 88.1



5. Academic Board

The Council of Directors has established the Academic Board as the principal academic body in AIBM to which the Council delegates the oversight of the academic functions and policies of AIBM. The Academic Board collectively provides academic leadership and oversight of AIBM's academic activities at an institutional level.

5.1 Terms of reference

The Academic Board will advise the Council on matters concerning academic and related activities of AIBM and has the following functions:

1. To form and establish committees such as course advisory committees, a teaching and learning committee and other committees as required, with such terms of reference, membership, voting and other obligations as the Academic Board may set from time to time.
2. To confirm that delegations of academic authority are implemented.
3. To determine rules for the admission to, enrolment in and exclusion from courses of studies,
4. To scrutinise and approve requirements for courses of study and the award of degrees, diplomas, certificates and honours
5. To establish academic governance and academic leadership arrangements to provide for the development, dissemination and monitoring of academic policies related to student affairs and academic standards.
6. To devise policies and mechanisms for monitoring the quality of teaching, research, scholarship and professional development.
7. To evaluate critically the quality and effectiveness of academic innovation.
8. To set and monitor institutional benchmarks for academic quality and consider and act on relevant data such as teaching qualifications, teaching evaluations, student feedback, admission standards, English proficiency, student attrition, progress rates, grade distributions, course completions and graduate satisfaction
9. To advise on effective mechanisms to collect regular, valid and reliable feedback from stakeholders, such as students, graduates, staff and employers of graduates, and to ensure effective mechanisms are in place so that the feedback is acted upon to bring about improvements.
10. To advise on mechanisms for benchmarking academic performance against other appropriate higher education institutions and to ensure that such procedures are used to identify and address areas requiring improvement.
11. To advise the Council on processes for student academic appeals and grievances.
12. To devise policies and procedures to encourage student and staff understanding of scholarship and academic integrity and monitor their effectiveness and potential risks.
13. To devise policies and procedures for promoting equal opportunity in education and to monitor the impact of these policies.
14. To consider and report to the Council on academic matters and on any matter referred to it by the Council.

5.2 Membership

The Academic Board will consist of:

1. The Chair, appointed by the Council, who shall be an external member
2. The Chair of the Council, or a nominee of the Council
3. The CEO and President
4. The Vice-President (Academic)
5. The Vice-President (Professional Services)
6. The Vice-President (Academic Services)
7. At least two external members with expertise in disciplines or academic developments of interest to AIBM appointed by the Council on the recommendation of the Academic Board.
8. Up to two members of the academic staff, appointed by the Council on the recommendation of the Academic Board.
9. Up to two members of the administrative staff, with duties related to academic management, appointed by the Council on the recommendation of the Academic Board.
10. One student appointed by the Council on the recommendation of the Academic Board.
11. Such other members as may be approved by the Council from time to time.



The terms of appointment will be as follows:

1. Members appointed under clauses 3, 4, 5, 6 and 7. Ex officio, while holding the specific offices.
2. Members appointed under clauses 1 and 8. Four years.
3. Members appointed under clauses 9 and 10. Three years.
4. Members appointed under clause 11. One year.
5. Members appointed under clauses 2 and 12. As determined by the Council.

The Council may determine not to fill some of the membership categories in the light of the skills and experience of the appointed members.

5.3 Quorum

The quorums for the Academic Board and committees reporting to the Academic Board shall be a majority of members.

5.4 Rules for meetings

Each member has one vote, but where votes are tied the Chair may exercise a casting vote.

The Council reserves the discretion to terminate the appointment of a member of the Academic Board. Council may do this in case of inappropriate conduct, or if a member is absent from three successive meetings without good reason.



6. Chief Executive Officer and President

The CEO and President is the principal executive officer of AIBM and has the functions agreed under a contract to AIBM, but which will include the following:

1. To promote the interests and further the development of AIBM
2. To be responsible for the academic, administrative, financial and other business of AIBM
3. To report to the Council on matters affecting AIBM and such other matters as the Council may require
4. To appoint all general and academic personnel save that Council approval is required for all senior appointments
5. To exercise a general supervision over all persons in the service of AIBM.

6.1 Executive

The CEO and President is assisted by the Executive, comprising:

- Vice-President (Academic)
- Vice-President (Professional Services)
- Vice-President (Academic Services)
- Vice-President (Administration)
- Vice-President (Partnership and Marketing)
- Director Finance and Accounts



7. Committees

The Council and the Academic Board have established the committees shown in the following chart.

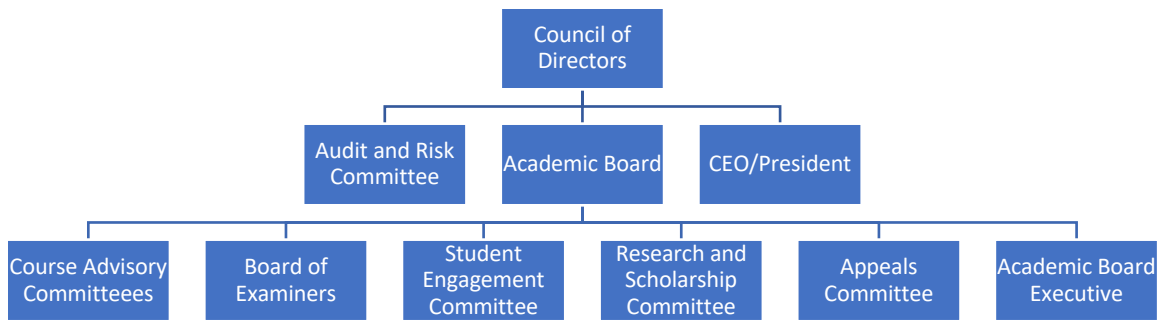


Figure 2. Committees of the Council and the Academic Board



7.1 Audit and Risk Committee

The Audit and Risk Committee is responsible for monitoring and reporting on audit and risk management processes within AIBM and ensuring that effective controls and risk management measures are maintained.

Terms of reference

1. To oversee and monitor the governance, risk, control and compliance frameworks, and external accountability requirements of AIBM.
2. Review and exercise oversight of risk management, internal controls and corruption and fraud prevention
3. Review the internal audit coverage and annual work plan, ensure that the plan is consistent with the AIBM's risk profile and reporting arrangements are in place, and recommend approval to the Council
4. Review all internal audit reports and provide advice, where appropriate, to the Council on significant issues identified and action taken on issues raised, including identification and dissemination of better practice and management's implementation of internal audit recommendations
5. Provide input and feedback on the audit coverage of the financial statements and plans proposed by external audit.
6. Assess the performance of the external auditor annually and provide feedback to the auditor on the services provided.
7. Review reports issued by external audit and recommend approval to the Council, monitor management's timely implementation of external audit recommendations and provide advice to the Council on action taken on significant issues raised by external audit
8. Recommend to Council the approval of actions and consider reports on any commercial activities of AIBM.
9. Consider regular reports from any AIBM controlled entities and recommend to Council actions as required.

Membership

1. The Chair appointed by the Council who shall be an external member
2. Members of the Council
3. Up to two external members appointed by the Council

The external members are appointed for a term of two years and will be eligible for re-appointment.

Meetings

Meetings shall be held at least four times per year and aligned to meetings of the AIBM Council.

The ARC may invite persons to attend meetings of the Committee.

The members of the ARC should meet privately with the external and internal auditor at least once a year, at times to be determined by the ARC Chair.

Minutes of ARC meetings will be reported to Council at the next meeting of Council following an ARC meeting.



7.2 Course Advisory Committee for [Discipline or Area of Study]

The Course Advisory Committee is an important part of the academic governance of the Institute. Its principal function is to provide advice on the relevance and future directions of the courses in its area of interest. The Committee may also facilitate benchmarking and networking with other institutions, business, industry and the community, foster support, provide opportunities for collaboration and provide contact for student placements.

Terms of Reference

The Course Advisory Committee is a Standing Committee of the Academic Board. Its purpose is

- To provide advice on the relevance and future directions of the courses to prospective students, the community and relevant professions
- To facilitate benchmarking and networking with other institutions, business and the community
- To provide input to course reviews and advice on the academic quality of the courses
- To foster support for the program, encourage opportunities for collaboration and suggest connections for student projects.

Membership

Ex officio members

- Vice-President (Academic)
- Head of Program
- CEO and President or nominee
- Chair of the Academic Board or nominee

Members appointed by the Academic Board

- At least two external academic experts in the area of study
- At least one industry or community representative
- A member of the Institute staff with expertise in the area of study

The terms of the appointed members will be for 2 years; members may be re-appointed for further terms. External members will receive a sitting fee for each meeting.

One of the external members will usually be appointed as chair of the committee.

Meetings

The Course Advisory Committees will meet at least four times a year. Members will have the opportunity to meet staff and students and to join in the academic activities of KOI.



7.3 Board of Examiners

The Board of Examiners was established by the Academic Board on 18 November 2011 and met for the first time on 9 March 2012.

The Board of Examiners has delegated responsibilities from the Academic Board for the approval of grades and conditional enrolment.

Terms of reference

- To review the distribution of grades and student marks in each subject at the end of each trimester, moderate marks where necessary and justified, and approve the release of the grades to students (by delegation from the Academic Board)
- To oversee the process for monitoring the performance of individual students in each trimester, including the identification of students with anomalous grades in their subjects (eg one subject failed and one distinction or better), identification of students on conditional enrolment (passing fewer than half the subjects they have attempted) and identification of students who may be excluded for unsatisfactory progress (by delegation from the Academic Board)
- To report to the Academic Board on subjects with high fail rates and on other issues relating to student progression
- To report to the Academic Board on matters relating to assessment.

Membership

Ex officio

- Chair of the Academic Board (chair)
- CEO and President
- Vice-President (Academic)
- Vice-President (Academic Services)
- Vice-President (Professional Services)
- Heads of Program
- Academic Manager

Appointed members

- One member of the academic staff
- One member of the administrative staff

The terms of the appointed members will be for 2 years; members may be re-appointed for further terms. External members will receive a sitting fee for each meeting.

Meetings

The Board of Examiners will meet two weeks after the examination week in each trimester and in week 3 of the following trimester.



7.4 Student Engagement Committee

Purpose

In recognition of the importance of increased student engagement and retention, the Academic Board established a Standing Committee on Retention to oversee and monitor the retention strategy and guide the development of retention strategies.

Terms of reference

- To track the initiatives in the Retention Strategy and analyse reports on retention performance
- To advise the Academic Board on the implications of initiatives in the Retention Strategy for academic policies and programs
- To promote a culture of student support

Membership

Ex officio members

- Senior Student Support Manager (Chair)
- Vice-President (Academic)
- Vice-President (Professional Services)
- Vice-President (Partnership and Marketing)
- Chair of the Academic Board or nominee
- Student Services Manager
- Academic Manager
- Counsellor
- Manager, Learning Skills Centre

Appointed members

- One Head of Program
- One member of the academic staff
- Student member approved by the Academic Board after consultation with the KOI Student Society

The term of membership for the appointed members is 1 year which may be renewed.

Meetings

The Committee will meet three times per year.

The quorum is a majority of the members.



7.5 Research and Scholarship Committee

Terms of reference

- To oversee research and scholarship at KOI, develop strategy relating to research and scholarship and make recommendations on research projects and scholarship activities.
- To support and facilitate academic research and scholarly activities and analyse reports on the outcomes.
- To encourage academic staff to conduct research and scholarship in their fields and engage in collaborative research activities with scholars in other institutions and related industries.
- To promote opportunities for internal and external funding for academic research and scholarly activities.
- To apply the Human Research Ethics Policy and determine procedures for approving applications for human ethics clearance by staff and students in accordance with the Policy.
- To investigate complaints and appeals. Where justified, the Committee may recommend suspension or discontinuation of a research project.

Membership

The membership of the Research and Scholarship Committee is

- Vice-President (Academic Services) (Chair)
- Vice-President (Academic)
- One Head of Program
- One member of the academic staff
- One member nominated by the Academic Board

Each member will be appointed for a term of two years which may be renewed.

Procedures for meetings and decision-making

The Committee will meet at least annually to review its work and meetings will be held as needed to ensure expeditious processing of applications.

The quorum for a meeting is a majority of the members. Decisions of the Committee will be by a majority of those present and voting. The Chair may exercise a casting vote in the event of a tied vote.

Members of the Committee may conduct the business by electronic means (eg teleconference, or email circulation),

The Committee will prepare annual reports for the Academic Board.



7.6 Appeals Committee

Role

The Appeals Committee will consider appeals referred to it and apply the procedures prescribed in the Student Academic Misconduct Policy, the Student Non-Academic Misconduct Policy and the Complaints and Appeals Policy.

The Committee will monitor the submission and resolution of complaints and appeals and the effectiveness of the relevant policies, recommending changes as required.

Terms of reference

The functions of the Appeals Committee are to:

- Determine the outcome of an appeal after considering the evidence in accordance with the relevant policies
- Ensure compliance with the relevant policies and provide advice and/or propose changes to the policy for approval by the Academic Board and the Council.

The Appeals Committee may try to resolve the matter by mediation or appoint a mediator to try to resolve the matter, in cases where it believes that course of action to be appropriate.

Membership

The Appeals Committee will comprise

- The Chair of the Council or nominee
- The Chair of the Academic Board or nominee
- One other member selected after considering the nature of the issues which are the subject of the appeal.

The Chair of Council or the Chair of the Academic Board will chair the Appeals Committee.

The members of the Appeals Committee must not be the subject of the appeal and must not have been involved in earlier determinations related to the appeal.

Meetings

The Appeals Committee meets as required.



7.7 Academic Board Executive

Where urgent action is required between scheduled meetings of the Academic Board, the Chair may convene the Academic Board Executive to act on behalf of the Academic Board.

The Executive will comprise three members: the Chair, the CEO and President and the Vice-President (Academic) (or representative from other senior staff).

The Chair will report all such actions to the next Academic Board meeting for ratification.

In the event that the Chair forms the view that there is not sufficient time to convene the Executive, the Chair is authorised to act on behalf of the Academic Board between meetings and report such action and/or decision to the next Academic Board meeting for ratification.

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