

**TOURETTE'S ASSOCIATION NEW ZEALAND**

**GOVERNANCE CHARTER**

# **Tourette's Association New Zealand**

## **Governance Charter**

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# **Tourette's Association New Zealand**

## **Governance Charter**

### **Role of the Association**

#### **The Association was established to:**

Help and support all those involved with the care, upbringing and education of children and adults with Tourettes Syndrome (TS).

Help relieve the stress and difficulties of families affected by TS through increasing public awareness and understanding of the nature and cause of TS; provide members with services which include information on treatments and management, a library of books and DVDs, newsletters, articles, workshops and seminars.

Provide members with opportunities for contact with experienced and understanding peers by way of support group meetings and events.

Carry on any other exclusively charitable purpose which may seem to the Trust capable of being conveniently carried on in connection with the above purposes or calculated directly or indirectly to advance the purposes of the Trust

Limit the activities of the Association to Aotearoa/New Zealand.

## **Strategic focus**

The trustees have determined the following strategic focus through its vision, mission and statements of intent.

### **VISION**

To create and sustain a charitable organization that effectively and efficiently provides information and support to Tourette Syndrome sufferers in New Zealand, and is acknowledged by the Health and Education sectors as a valued collaborative partner.

### **MISSION**

To help and support New Zealand children, teenagers and adults diagnosed with Tourette's and the family members, caregivers and friends who care for them while promoting tolerance and acceptance of Tourette Syndrome within the community.

## **Statements of Intent**

To reach out to those living with Tourette's, either as a child, an adult or a parent / caregiver / supporter of someone with Tourette's to let them know they are not alone.

To establish a library of relevant reading materials and other forms of information for parents to better understand Tourette's Syndrome.

To provide information and guidelines to educators and health care service providers so that the best care and support is available for our children.

To encourage evidence-based best practice in assisting children during formative and tertiary education.

To increase public awareness and understanding of the nature and cause of Tourette's.

To ensure that New Zealanders will have a greater acceptance of those with Tourette Syndrome.

## **History**

*The Association was formed in 2013 by Robyn Twemlow of Christchurch in response to receiving the diagnosis that one of her daughters had Tourette Syndrome. When attempting to obtain information and peer support within her community she found that in fact no support network existed in New Zealand. Being a qualified journalist, she instigated her own investigations into what information was available world-wide on the subject of Tourette's, what was best practice in assisting those with the neurological disorder and what guidelines should the medical and educational sectors of New Zealand be applying in order to effect best practice.*

*During these investigations she made contact with two other mothers of children with Tourette's, who were also searching for help and guidance. Collectively Robyn Twemlow, Robyn Martinovich and Amber Murdoch registered the Tourette's Association of New Zealand (**TANZ**) in July 2013 and set the wheels in motion for information building and peer support to commence.*

*In May 2014 two additional trustees were added and a volunteer treasurer later appointed. Fund raising has allowed the first bi-annual support camp (Camp Twitch) to be held in October 2014, which has attendees who are children in the age brackets 12-years and under, teenagers and then adults. All registered attendees must have been diagnosed by a health professional in order to become members of TANZ and to qualify to attend these camps.*

## **Board structure**

The Board may have between three and 10 trustees.  
(Refer also to clause 7)

## **Role of the Board**

The Board of trustees is responsible for the Trusts overall performance in accordance with the relevant sections of its Trust Deed (dated 24<sup>th</sup> July 2013) and in accordance with the Charitable Trusts Act 1957 and the Trustee Act 1957.

As such, it has the following responsibilities:

Setting strategic direction and policy

Ensuring compliance to the Charitable Trusts Act 1957, the Trustee Act 1957, the Law and any accountability documents that may exist

*Maintaining proper relationships with the Department of Education, Ministry of Health, sponsors and the general public*

*Recruiting and monitoring an Executive Director*

Monitoring performance of trustees and asset management

The Board has wide ranging powers and these are contained within Clause 6 of the Trust Deed.

## **Role of Chair**

The principal role of the Chair is to ensure the effective management of the TANZ's governance process.

The Chair presides at meetings of the TANZ but does not have a casting vote in the instances of equality of a vote.

The Chair is the authorised spokesperson of the TANZ at public meetings; this authority may be delegated to the Executive Director or other trustees as appropriate to the occasion.

## **Trustee appointments**

Trustees are elected for a term of two (2) years and may serve a further two terms of two (2) years *but the maximum term of office is six (6) years*, extended only in situations when a replacement trustee is yet to be appointed. *The TANZ carries Trustee and Officer Liability Insurance at a level deemed appropriate to the level of its risk exposure.*

The current Board has identified a wide range of skills and knowledge that it believes are necessary for effective governance. They are:

Governance

Legal

*Investment*

*Advertising/Marketing*

Public Relations and/or Journalism

Accounting

Education (*School trustees, teachers*)

Fundraising

Charity/Not for profit

New/replacement trustees are appointed in the following manner:

### **7.1**

Nominations are sought from existing trustees of suitable and potentially interested persons in the community.

Nominations are collated along with the skills/experience base of each nominee and are reviewed by the Board against the skill gaps of the current trustees.

A 'short-list' is prepared and an information pack about the TANZ is sent to these nominees. These nominees are invited to attend a Board meeting to deliver a short verbal presentation of their suitability and desire to become a trustee and to ask any questions regarding the TANZ. The trustees in turn have a short period in which to question each nominee should they wish to do so.

A short-listed nominee may be asked to provide referees who may be contacted for validation.

The Board considers the merits of each nomination and makes its decisions "in committee". Any nominee who is then invited to become a trustee receives a copy of the Trust Deed and is allowed a maximum of 30 days to accept or decline the invitation.

Current trustees – see Appendix 1

## **Role and terms of reference of Board sub-committees**

There may be two standing committees – Finance and Marketing.

The role of each committee would be to advise the Board on any issue covered by its term of reference and to investigate any matters referred to it by the Board.

Please refer to Appendix 2 and 3 for detailed terms of reference for each committee.

## **9. Role of Patron**

9.1 The role of patron is to support the aims, objectives and activities of the TANZ at every opportunity.

9.2 The patron will have attendance and speaking rights but no voting rights at meetings of the Board. To this end the Patron will receive all notices of meetings, reports and minutes as those provided to trustees.

9.3 The Patron will be expected to attend any locally organized public events and any similar promotional events, and shall be given the opportunity to open such events with a short address in support of the TANZ.

9.4 The patron will be entitled to use the resources of the TANZ Executive Director and office to support their TANZ-based activities.

9.5 The appointment shall be for an initial term of three (3) years with the right of appointment for a further term of three (3) years.

9.6 The trustees reserve the right to terminate the appointment in the event of any inappropriate behavior that is deemed by the trustees to be injurious to the integrity and good reputation of the Association.

9.7 The appointee may resign at any stage in writing to the Executive Director and/or Chair of the Board.

## **10. Grants**

*The TANZ was not set up to make grants to other Associations, Trusts or individuals but may lend its expertise or specifically noted fund-raising efforts to a particular situation that (1) enhances the TANZ's specific Statements of Intent and/or enhances the Mission Statement of the TANZ, and (2) gains the expressed support of the majority of trustees in a blind ballot.*

## **11. Meeting cycle**

Normal meetings of the Board follow a quarterly pattern with the timing of the AGM determined by the timing of the Annual Financial Report which will usually be available within three-months from the end of the TANZ's financial year (30<sup>th</sup> June).

A Marketing Committee meeting would normally precede a Finance Committee by one week and the Board meeting would follow the Finance Committee meeting by one week.

The Annual General Meeting is normally held in September, back to back with the September Board meeting.

Special meetings may be convened at any stage as long as trustees are given 10 calendar days notice of such a meeting.

## 12. Legislative requirements of the Board

The TANZ applies integrity and diligence in conforming with those Acts of Parliament in Appendix 4 that have been identified as pertaining to its operation.

Furthermore the TANZ has two specific policies that demonstrate best practice of governance that it reviews on an annual basis.

These policies are:

Sensitive Expenditure policy

Fraud policy

Please refer to Appendix 6 and 7 for details.

## APPENDIX 1

### Current trustees: as at July 2014

Trustee	Date appointed	Terms ends
Amber Murdoch	July 2013	July 2017
Barry Pett	May 2014	May 2018
Robyn Martinovich	July 2013	July 2017
Robyn Twemlow	July 2013	July 2017
Tania Humphreys	May 2014	May 2018

Trustees can be re-elected for two more term of two-years but must then retire unless unable to be replaced.

Retirement of founding trustees in particular may be staggered to maintain continuity of knowledge and systems.

### Current position holders:

**Executive Director** - no current incumbent

**Treasurer** (honorary) - Xinya Xu

## **APPENDIX 2**

### **Finance Committee – Terms of Reference**

The Finance Committee could be a standing committee of the Association, with delegated responsibilities and authorities as set out below.

#### **Purpose**

The purpose of the Finance Committee would be to monitor the finances and investments of the Foundation and to make recommendations to the Trustees.

#### **Responsibilities**

The Finance Committee is responsible for monitoring the financial and investment welfare of the Association.

Specific responsibilities include:

Monitor financial operations and results

Oversee preparation and accuracy of annual budget

Ensure timely, accurate and useful financial information is presented to Trustees

Receive annual accounts and make recommendations to the Trustees regarding their content and presentation

Receive reports from any appointed investment manager and monitor performance of any investment portfolio

Recommend budgets, financial and investment decisions to the Trustees for approval or other required action

Develop and recommend to the Trustees appropriate policies to guide the financial and investment affairs of the Association

*Arrange for and maintain adequate insurance cover for the Association*

#### **Membership**

The Finance Committee shall comprise not less than three trustees appointed by the board.

The Chairman of the Finance Committee shall be elected by the members of the Finance Committee.

The Trust Chair is an ex officio member of the Finance Committee.

The Executive Director will attend Finance Committee meetings.

#### **Meetings**

The Finance Committee shall meet at least four times each year.

A quorum shall be two members of the committee.

Reasonable notice of meetings and business to be conducted shall be given to all Trustees.

Any Trustee is entitled to attend meetings of the Finance Committee.

The committee may invite such persons as it considers necessary to provide appropriate information and advice.



Any member of the Finance Committee or the Executive Director may request a special meeting having given 10 days notice  
Minutes of all meetings shall be kept, and shall be circulated to all Trustees

### **Reporting**

Agendas and minutes of all TANZ Committee meetings shall be circulated to all Trustees and shall be retained by the Association. Minutes will be included in the next set of Board papers for noting. After each meeting the Committee Chair shall report any of the Committee's recommendations to the Board.

### **Authority**

The Finance Committee has no delegated authority.  
Approval of the Board must be obtained before committing to any expenditure.  
The Board may delegate to the Finance Committee such matters as it sees fit.  
Recommendations of the Finance Committee must take into account the impact on all other aspects of the TANZ's activities.

## **APPENDIX 3**

### **Marketing Committee – Terms of Reference**

The Marketing Committee could be a standing committee of the Association, with delegated responsibilities and authorities as set out below.

### **Objectives**

The objectives of the Committee would be to:  
Assist and advise the Executive Director to promote and market TANZ and its activities to stakeholders and potential funders and partners  
Assist the Executive Director to develop annual marketing and fundraising plans as appropriate and monitor progress against targets on behalf of and reporting to the Trust board

### **Membership**

The committee shall comprise no less than three trustees appointed by the board. The Executive Director will attend the meetings. The Chairman of TANZ may attend ex officio.

### **Meetings**

A quorum shall be two members of the committee.  
The Committee may have in attendance such other persons including external advisors as it considers necessary to provide appropriate information and advice.  
All trustees shall be entitled to attend Committee meetings after giving prior notice to the Committee Chair.  
Reasonable notice of meetings and business to be conducted shall be given to the members of the Committee and other members of the board.  
The committee shall hold at least three meetings each year.  
Any member of the Committee or the Executive Director may request a meeting if they consider it necessary having given 10 days notice  
Minutes of all meetings shall be kept by TANZ

### **Responsibilities**

The responsibilities of the Committee are to:

Review strategy for marketing, promotion, fundraising and stakeholder engagement and make recommendations for approval to the Board.

Monitor progress against marketing, promotion, fundraising and stakeholder engagement strategies

Advise and assist the Executive Director, as appropriate, in the development and delivery of such strategies

### **Authorities**

The Committee must seek the approval of the Board before committing to any expenditure or engaging the service or advice of any external advisors

The Board may delegate to the Committee such matters as it sees fit

### **Reporting**

Agendas and minutes for all Committee meetings shall be circulated to Trustees and retained by the TANZ. Minutes will be included in the next set of Board papers for noting.

After each meeting the Committee Chair shall report any of the Committee's recommendations to the Board.

## **APPENDIX 4**

### **Legislative Compliance policy.**

The Trustees of the TANZ are obligated to keep aware of changes in legislation that may/will have an impact upon any aspect of the functions/governance/management of the TANZ's affairs and act accordingly to ensure compliance at all times.

The known Acts of parliament that impact upon the Foundation are as follows:

The Trustees Act 1957

Charities Act 2005

Health and Safety in Employment Act 1992

Holidays Act 2003

The Employment Relations Act 2000

In order to remain abreast of actual changes to any of these pieces of legislation, the Trustees may arrange to receive regular briefings from a NZ Law Society approved organization/individual that currently holds a certificate as 'Barristers and Solicitors'.

## **APPENDIX 5**

### **Conflict of Interest Policy and Agreement**

#### **1 Purpose**

It is important for the Tourette's Association of New Zealand Trustees and staff to be aware that both real and apparent conflicts of interest or dualities of interest sometimes occur in the course of conducting the affairs of the Association and that the appearance of conflict can be troublesome even if there is in fact no conflict whatsoever.

Conflicts often occur because the persons associated with the Association could be expected to have, and do in fact generally have multiple interests and affiliations and various positions of responsibility within the community. In these situations a person will sometimes owe identical duties of loyalty to two or more organisations. The purpose of the conflict of interest policy is to protect the TANZ's tax-exempt interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Trustee of the Association or might result in a possible excess benefit transaction.

Each member of the board of Trustees and any staff of the Association have a duty of loyalty to the Association. The duty of loyalty generally requires a Trustee or staff member to prefer the interests of the Association over the Trustee's/staff's interest or the interests of others. In addition, Trustees and staff of the Association shall avoid acts of self-dealing which may adversely affect the tax-exempt status of the Association or cause there to arise any sanction or penalty by a governmental authority. However, the long-range best interests of the Association do not require the termination of all association with persons who may have real or apparent conflicts that are harmless to all individuals or entities involved. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the interest and be given the opportunity to disclose all material facts to the Trustees and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

## **2 Definitions**

### **2.1 Interested Person**

Any Trustee, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

### **2.2 Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (a)** An ownership or investment interest in any entity with which the TANZ has a transaction or arrangement,
- (b)** A compensation arrangement with the organisation or with any entity or individual with which the TANZ has a transaction or arrangement, or
- (c)** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the TANZ is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favours that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under part 3 (Procedures), Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

## **3 Procedures**

### **3.1 Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all

material facts to the Trustees and members of committees with governing board delegated powers considering the proposed transaction or arrangement

### **3.2 Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

### **3.3 Procedures for Addressing the Conflict of Interest**

**(a)** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

**(b)** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

**(c)** After exercising due diligence, the governing board or committee shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

**(d)** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

### **3.4 Violations of the Conflicts of Interest Policy**

**(a)** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

**(b)** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **4 Records of Procedures**

### **4.1 Minutes**

The minutes of the governing board and all committees with board delegated powers shall contain:

**(a)** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.

**(b)** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **5 Compensation**

**5.1** A voting member of the governing board who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.

## **6 Annual Statements**

Each Trustee, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- (a)** Has received a copy of the conflicts of interest policy,
- (b)** Has read and understands the policy,
- (c)** Has agreed to comply with the policy, and
- (e)** Understands that the Association is charitable and in order to maintain its tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- (f)** Each trustee shall list their main employment, any other directorships or Board positions they may hold and any trading entities in which the trustee may have a share-holding or any other form of financial benefit interest. This list will be kept confidential to the TANZ and will be held by the branch secretary to which the trustee belongs.

## **7 Periodic Reviews**

To ensure the TANZ operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a)** Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- (b)** Whether partnerships, joint ventures, and arrangements with management, public relation companies or the like, conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## **APPENDIX 6**

### **Sensitive Expenditure Policy**

#### **Definition:**

TANZ understands "sensitive expenditure" to be any expenditure that confers some private benefit to an individual trustee or staff member that is additional to the business benefit of the expenditure.

#### **Basis of policy**

This policy is based on the **principles approach**, and recognizes the trustees' decision to allow the Executive Director and Treasurer to use the TANZ office, phone and computer for personal and business reasons subject to a zero marginal cost regime, i.e. all such usage should not incur additional costs for the TANZ over that incurred in the normal operation of the TANZ.

2.2 It also recognizes that many common areas of sensitive expenditure, e.g. travel, accommodation and hospitality do not occur in the normal operation of the TANZ.

**Principles-based**

The Executive Director has authority to spend up to \$1000 on any capital purchase, and no limit for payments to suppliers and for professional services providing these are within budget.

We expect that any spending decision to be made is subject to the following principles:

- Has a justifiable TANZ business purpose
- Preserves impartiality
- Is made with integrity
- Is moderate and conservative, having regard to the circumstances
- Is made transparently; and
- Is appropriate in all respects

Subject to the authority levels specified above it is expected that the Executive Director will observe these principles in all areas of sensitive expenditure.

**Policy**

The following table sets out the policy for each category of sensitive expenditure.

Sensitive Expenditure Policy continued ...

Area of Expenditure	Relevance	Policy
<b>Travel and Accommodation</b>		
Air Travel	NR	Requires prior Board approval
Meals & Accommodation	NR	Requires prior Board approval
Motor Vehicles	NR	Requires prior Board approval
Tipping	NR	Requires prior Board approval
Other travel	NR	Requires prior Board approval
<b>Entertainment &amp; Hospitality</b>		
Hospitality (Suppliers/Sponsors, etc.)	R	Actual and reasonable costs reimbursed
<b>Goods &amp; Services</b>		
Sale of surplus assets	NR	Requires prior Board approval

Loyalty reward scheme benefits	NR	Requires prior Board approval
Private use of entity assets	R	Approved as per 5.2.1
Entity use of private assets	NR	Requires prior Board approval
Private use of entity's suppliers	R	Approved as per 5.2.1
<b>Staff support &amp; welfare expenditure</b>		
Clothes & Grooming	NR	Requires prior Board approval
Care of dependants	NR	Requires prior Board approval
Farewells & retirements	R	Requires prior Chairman approval
<b>Other types of expenditure</b>		
Donations / Grants	NR	Requires prior Board approval
Communications technology	R	Approved as per 5.2.1

## **APPENDIX 7.**

### **Fraud Policy**

The current operating environment of the TANZ with a single, honorary part-time employee reporting directly to the Board of Trustees is a low-risk one with respect to fraud.

The current "controls" in place to mitigate the risk of fraud are:

Assigned authority of two trustees to authorise internet banking payments with a maximum daily limit on the latter of \$300k (two trustees plus Treasurer to have signatory rights)  
Requirement for counter-signatory or authoriser to sight relevant statements or tax invoices prior to payment approval  
Regular reporting to the Executive Director and/or Finance Committee of income and expenditure reconciled against the bank statements

In the event that the Finance Committee detects or suspects that fraudulent activity may have or be taking place it will report directly to the Chair of the Board of Trustees setting out the evidence and this will be discussed at a Special Meeting of Trustees to be called by the Chair within 14 days of receiving the report.

In assessing the evidence provided by the Finance Committee, the Board of Trustees will observe the following principles:

Every individual suspected of committing fraud will be treated in the same manner and if this includes one or more trustees they will be excluded from the Special Meeting.

Every effort will be made to gather sufficient and reliable evidence to support a prosecution and every case of suspected fraud, supported by evidence, will be referred to the appropriate law enforcement agency with a view to prosecution.

Recovery of lost money or other property will be pursued wherever possible and practicable. Any employees and trustees will be made aware of their responsibilities under this policy.