

ASSOCIATION OF INDEPENDENT SCHOOLS ACT

GOVERNANCE CHECKLIST

In conjunction with

SCHOOL GOVERNANCE GUIDING PRINCIPLES: A GUIDE TO PROMOTE GOOD GOVERNANCE

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INTRODUCTION

The Association of Independent Schools ACT (AISACT) has developed the *School Governance Guiding Principles: A Guide to Promote Good Governance* (the Guide) to support AISACT members in the pursuit of good governance within their schools. The Guide contains eight guiding principles for effective governance, as well as recommendations for actions school boards can take in support of each principle.

The guide has been inspired by and draws on:

- [ASX Corporate Governance Principles and Recommendations](#)
- [Australian Institute of Company Directors \(AICD\) Not for Profit Governance Principles](#)
- [Australian Charities and Not for Profits Commission \(ACNC\) Governance Standards](#)

All schools are different. While general principles of good governance are universal, it isn't possible to develop a prescriptive "one size fits all" governance approach for all schools. Different schools will have different governance structures depending on their size, history, complexity and corporate culture.

The Guide is not meant to be a prescriptive template for adoption by all schools. It is for individual school boards to identify the guiding principles and recommendations they may wish to adopt. The hope is that the Guide provides inspiration, ideas, and support for strong, effective governance within our schools.

THE GOVERNANCE CHECKLIST

To bring the eight guiding principles to life the *Governance Checklist* has been developed. It is a self-assessment tool that schools can use to assess how closely their school's current governance practices align to the eight principles and to identify any gaps that may exist which could put the school and the board at risk.

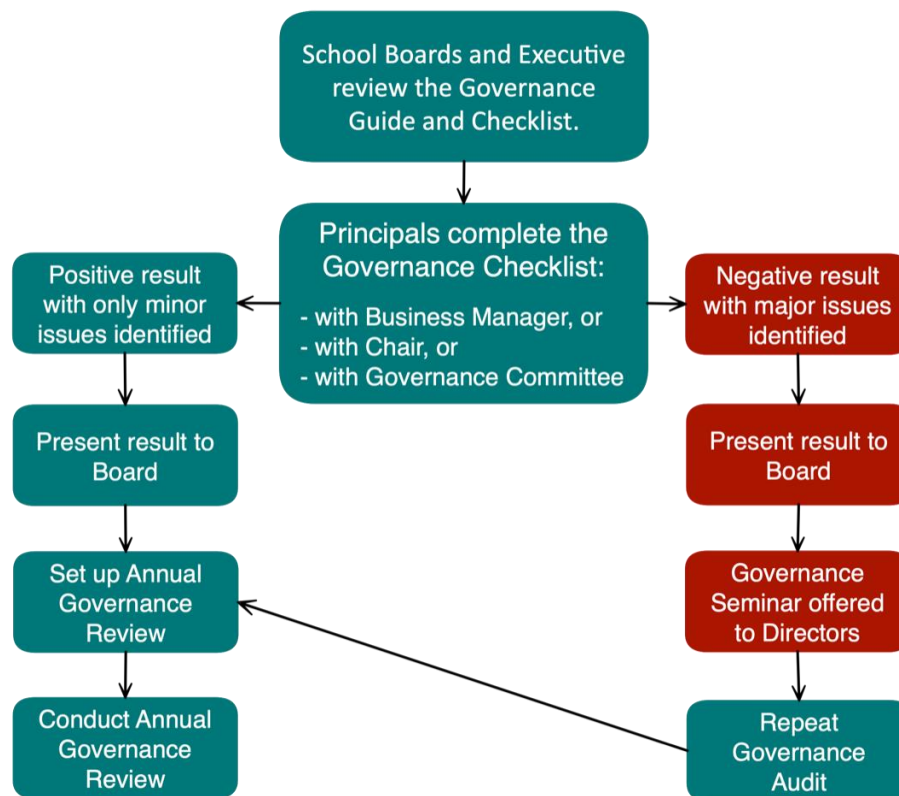
To ensure good governance, AISACT recommends at least two people be involved in completing the checklist and that the outcomes be formally presented to the board.

Depending on school preference the checklist could be completed by:

- The principal with the business manager, or
- The principal with the chair, or
- The principal with the Governance [or other relevant] Committee.

The outcome of the assessment should determine next steps (please refer to the Figure next page). For example if the result of the checklist assessment is positive the school would be able to move to an annual review process. However if the results show critical or major areas of governance shortfall the board would be able to participate in a governance seminar, *Making the Schools Governance Guide Real*, to help identify steps that can be taken to enhance governance, and to reduce the risks to the school, the board and individual board members.

Figure - AISACT has identified the following processes that we encourage all schools to embark on:



The *Making the Schools Governance Guide Real Seminar* is available from (to be advised by AISACT; recommendation is members only section of the website). The seminar is accompanied by a *Facilitator Manual* which provides step by step guidance to support schools to deliver the seminar themselves. This gives individual schools the ability and flexibility to run the governance seminar whenever they wish.

The seminar is based on the following:

- Content links directly to the AISACT School Governance Guiding Principles document, ie. shows participants how the Guide can be used in a practical sense to uplift governance in their school.
- To enhance engagement and learning the seminar focuses on scenarios rather than lectures on content.
- Scenarios include questions connected to each of the eight principles with participants able to draw on the guide and their own experience to come up with answers.
- To ensure relevance and interest, seminar content is set in the ACT context as/where feasible and covers key challenges/issues of relevance to ACT schools.

COMPLETING THE CHECKLIST

This checklist is an important opportunity for organisational self-reflection on two aspects of governance:

- Are appropriate governance principles in place?
- Are they being actively adhered to?

The checklist is a platform for further development of Governance Principles (if required) and for an annual review process which recognises the importance of governance for incumbent and incoming board members and senior executives to understand and address.

Before commencing it is important that you understand the following.

Anonymity & confidentiality

This is an internal review process and all information and observations coming from it remain the sole property of the school, and in particular the board. Any disputes around the findings should be addressed through the School's/Board's Disputes Resolution Policy.

Rating scale

You need to score each question as to whether the policy is in place, up to date and also whether it is being adhered to.

Whether the policy/action is in place is a simple yes/no answer. Whether the policy/action is up to date is a simple yes/no or not applicable (NA) answer.

For the adherence scale:

- a score of 1 indicates that significant improvement is needed
- a score of 2 would indicate that the school is proficient in this aspect and whilst not perfect achieves satisfactory outcomes most of the time
- while a score of 3 indicates that the policy is extremely well known and adhered to with no further action required for that policy/question.

WHAT NEXT?

There is no quantitative assessment with this checklist as each school's situation will differ.

However as a guide, if there are more than four critical items (items in bold) with a score of 1 consideration should be given to arranging to run the *Making the Schools Governance Guide Real* seminar for the board and senior executives.

Principle 1. Clarity in roles and responsibilities	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Is there a Board Charter?						
Does the board have an Induction process?						
Does the Board measure and monitor its own performance?						
Are there clear delegations of authority within the board and from the board to the executive?						
Is there clear separation between board activities and school day to day operations?						

Principle 2. Board Structured to be effective and add value	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Does the board have clear policies around prerequisites for membership, including required skills, diversity of membership, etc?						
Does the Constitution of the school and/or the board have clear policies on the number of members and their terms?						
So as to ensure continuity of knowledge, experience and board skills are succession plans in place for key board and committee roles?						
Does the board have a policy on committees, including terms of reference?						
Is there a functioning governance committee?						



Principle 3. Clear purpose and strategy	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Is there a school vision and mission?						
If yes, is it still current?						
If yes, is it widely known and understood?						
Is there a strategic directions plan?						
If yes, is it still relevant and does it reflect all external and internal drivers/issues/opportunities the school faces?						
If yes, is it widely known and understood?						
Is board decision making directly linked to achieving the vision, mission and strategic directions?						
Is school operational decision making directly linked to the vision, mission and strategic directions?						



Principle 4. Risk recognised and managed	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Is there a risk management policy?						
Does the risk management policy seek to clarify both the likelihood and potential impact for all risks identified?						
Is there an up to date risk register?						
Does the board regularly review risk?						
Is there an audit and risk committee?						
Is there an Internal audit policy?						
Does risk form part of board decision making?						
Does risk form part of operational decision making?						



Principle 5. Organisational capability to deliver purpose	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Is there a finance committee?						
Are there clear delegations of authority to the principal and within the executive cohort?						
Are all audit reports (internal and financial) referred to the board or the finance committee?						
Are timely and appropriate financial performance indicators in place?						
Are timely and appropriate non-financial performance indicators in place?						
Are robust protocols in place for the appointment of the principal and senior executives?						
Have performance criteria been established for members of the executive?						
Have support mechanisms (eg. mentoring and coaching) been put in place for board members and the executive?						

Principle 6. Integrity and accountability	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Does the board have a policy about access to information?						
Are timely and appropriate financial reporting mechanisms in place?						
Is financial literacy part of the Board Charter?						
Do directors have access to information/courses to enhance financial literacy?						
Is there a Board Code of Conduct?						
Is ACT and Federal annual reporting (census, audited financial report, school's annual report, etc.) shared with and approved by the board in a timely manner?						
Are timely and appropriate non-financial reporting mechanisms in place?						
Does the school prepare and distribute information about school governance						



Principle 6. Integrity and accountability	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
protocols and other key metrics and report performance against these to all stakeholders?						
Does the school prepare and distribute/make publicly available an annual report to all stakeholders?						
Is there a Whistleblower Policy?						
Does the audit report also include a separate management letter?						



Principle 7. Effective stakeholder engagement	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Does the board have access to detailed information around education and other authorities' requirements of the school?						
Does the board have access to detailed information around demographics (and changes), competitors, and community expectations of the school?						
Does the school survey teachers, student and parents/guardians to understand their expectations of the school and current performance levels?						
Is the information above used to inform reviews of the school's vision, mission and strategic directions?						
Is the information above used to inform board and school executive's decision making?						
Does the school regularly and effectively communicate with stakeholders, including parents, students, teachers, education						



Principle 7. Effective stakeholder engagement	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
and other authorities, and the general community?						
Does the school have a publicly available and documented policy and process to investigate, record, track and respond to complaints?						



Principle 8. Culture that supports the school's vision and mission	Policy/Action		Adherence			Comments
	Do we have it? Yes/No	Is it up to date? Yes/No/NA	Score of 1 = Needs significant improvement	Score of 2 = Satisfactory but could be enhanced	Score of 3 = Meets all requirements	
Do members of the board adhere to the Board Charter?						
Do members of the board adhere to the Board Code of Conduct?						
Are the school's organisational and behavioural values articulated, encouraged and enforced?						
Are the school's organisational and behavioural values used to inform board and school executive's decision making?						
Is there a Dispute Resolution Policy?						
Are the school's governing bodies vision, and mission, ethos and values embedded into the culture of the school?						
Do all members of the school treat others (regardless of their role, age, gender, etc.) with respect and dignity?						
Is there a zero tolerance bullying policy?						

