



**1998**

**Endorsement**

**The Constitution for the Governance of Various Agencies of the Roman Catholic Trust Corporation of The Diocese of Cairns**



**Reviewed 2010**

**Board of Governance (Education)**

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## Preamble

The Catholic Church has many facets and many different images: the body of Christ, the People of God, a Pilgrim People. But the Church's essential mission has always been as the agent of change to help realise God's Kingdom of justice, peace and love. Each various activity and entity (school, hospital, aged care facility, welfare program) is part of the institutionalised, missionary outreach of the Church.

Canonically the Church is composed of communities of Christ's faithful in particular places (parishes), who form together a communion which is the Diocese, (a Local Church) in communion with other Catholic Churches in union with the Roman See).

The Bishop has oversight of the Local Church and preserves and fosters unity among all the Church's activities.

The Diocese is not merely another entity or authority alongside, over above, let alone over against, the other Church agencies. The Diocese is that whole to which all else belong and form its various parts.

This ecclesial reality is reflected in the civil reality, the Roman Catholic Trust Corporation of the Diocese of Cairns, in which all assets and legal responsibilities reside.

The various activities of the Church, while they may receive some or even substantial government funding through government, or are self-funding and profit producing, none-the-less depend upon some capital and/or recurrent funding from parish or Diocesan sources. Diocesan buildings occupy land which is partly or wholly owned or leased by the Church (in the name of the Trust Corporation). Hence, the proprietorship of assets and the ultimate responsibility for activities rests with the Diocese - the Catholic faith community - in Far North Queensland.

The Bishop embodies this proprietorship and responsibility - this stewardship - on behalf of the whole Diocese.



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## Establishment of Governance

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To enable this Catholic proprietorship and responsibility to be realistically and effectively exercised in an ecclesial collegial manner, which also reflects contemporary governance practice, Diocesan Boards of Governance shall be set in place and commissioned by the Bishop to assume particular responsibilities of stewardship.

These Boards shall be as follows:

- I. The Diocesan Education Board of Governance
- II. The Diocesan Welfare Board of Governance

The work of these Boards shall reflect agreed Diocesan pastoral priorities and be carried out in collaboration and co-operation with the Diocesan Finance Council and the Diocesan Planning and Development Committee.



The establishment of a Diocesan Finance Council is required by Canon Law. It shall be composed of at least three of the faithful, expert in financial affairs and civil law, of outstanding integrity and appointed by the Bishop. The members of the Finance Council shall be appointed for five years, but when this period has expired they may be appointed for further terms of five years. Persons related to the Bishop up to the fourth degree of consanguinity or affinity shall be excluded from the Finance Council (Canon Law Code 492).

The Finance Council shall not determine pastoral priorities, but shall carefully scrutinise (monthly or otherwise as required) the financial reports presented to each Board.

The Constitution of each Board of Governance shall be as follows.

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## Board Role

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- 2.1 Each Board shall act as the official entity of the Diocese responsible for the missionary outreach of the Local Church agency or agencies in its sector. (At this initial stage, these entities will not be considered as civil, legal entities or canonical, juridical persons).

The Local Church is a community of believers, one family under God. All the diverse members are bound together as brothers and sisters in a unity of faith, goodness and holiness of life and in a peaceful accord. The Mission of the Local Church is God-given and universal: "Go out then to all peoples everywhere and make them my

disciples: baptise them in the name of the Father, the Son, and the Holy Spirit and teach them to obey everything I have commanded you." (Matthew 28:10,20). The broad mandate of each Board is to act as an agent of the Local Church as it strives to usher in God's reign of justice, love and peace in the world and thus to help God's Kingdom come.

Each Board's primary role is to ensure that all of its activities and those of its agency or agencies are imbued with a Catholic, Christian spirit and are directed towards furthering the reign of God in the Diocese of Cairns.



Each Board must devise and implement appropriate strategies for the constant review of the activities in which it and its agency/agencies are engaged to ascertain whether or not the Kingdom might be better, or otherwise, realised here and now; and whether or not the resources of the Church community, and the resources from governments and other agencies, are being used to the maximum advantage, especially of those most in need.

Each Board is called to exercise leadership in the Church, but this leadership can only be authentic and credible when exercised as service: "You know that the rulers of the heathens have power over them, and the leaders have complete authority: this however, is not the way it shall be among you. If one of you wants to be great, he must be the servant of the rest." (Matthew 20:25-26)

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## Board Membership

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- 3.1 Each Board shall be representative of Christ's faithful in the Diocese. To this end, each Board member shall serve on the Board in his or her own right and not as the representative of any particular organisation, group or constituency.
- 3.2 Each Board shall have six (6) members.
- 3.3 The Bishop and the relevant priest Vicar shall be ex officio members of each Board. The Vicar shall liaise closely with the Bishop and shall represent the Bishop in his absence.
- 3.4 All other members of the Board shall be appointed by the Bishop, who shall consider, with due regard to the principles of inclusiveness, prospective members' evident and practical commitment to Catholic Christian life and values, the personal and professional contribution they might make to the work of the Board and the impact of their appointment on regional and gender balance in Board membership.

At least one other priest besides the Vicar or a religious of the Diocese may be appointed to the Board.

The Chief Executive Officer of the relevant agency, or any other officer or employee of the Diocese in receipt of salary or wages but not a stipend, shall not be a member of the Board and shall only attend Board meetings as required by the board to assist the work of its governance. However it is anticipated that the Chief Executive Officer of the respective agency or agencies will participate in all ordinary Board deliberations regarding his or her agency. There may, however, be extraordinary

circumstances where a Chief Executive Officer's presence at a Board meeting is not appropriate.

3.5 Board members shall be appointed every two (2) years, except that one-half of the original membership of the Board shall be appointed for a term of three (3) years.

3.6 Board members shall retire at the Annual General Meeting held during the year when the term of their appointment expires. They shall be eligible for re-appointment, with the subsequent date of their retirement being determined by the date of such re-appointment. No Board member shall be asked to serve on the Board for a period of more than six (6) years.



3.7 The Financial Administrator shall attend Board meetings. Other persons may be invited to attend from time to time if the Board considers their presence would be of assistance to it.

3.8 The office of a Board member becomes vacant if the incumbent is removed from office by the Bishop:

Grounds for removal from office may be inter alia.

- (i) a Board member's incapacity to act collaboratively;
- (ii) a Board member's appointment as an officer or employee of the Diocese in receipt of a salary or wage;
- (iii) a Board member is absent from three consecutive meetings for whatever reason or four meetings in any twelve month period for whatever reason;
- (iv) a Board member's becoming of unsound mind;
- (v) a Board member's conviction of a crime punishable by twelve (12) months imprisonment;
- (vi) a Board member's insolvency under administration within the meaning of Corporations Law;

or for any other reason prudentially decided by the Bishop.

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## Board Tasks

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In a spirit of openness to the signs of the times, yet ever discerning of the promptings of God's Spirit:

4.1 Each Board shall involve itself with the intended long-term impact of its agency or agencies, including the development of any long-range plans. It shall not involve itself with the administrative means of achieving this impact or these plans. Boards

should give the broadest, possible prescriptions for the implementation of their policies, but they may also be quite prescriptive, where necessary. Further, each Board shall be responsible for overseeing the creation and maintenance of a strong Catholic, Christian atmosphere in its agency/agencies. To this end the Board, with

due consideration for the particular nature and mode of operation of its agency/agencies, shall set realistic targets for the employment of committed Catholics active in the life of the Church and shall be ultimately responsible for approving the employment, and conditions of employment, of senior personnel in their particular agency/agencies and shall ensure that all staff participate in appropriate spiritual formation programs.

4.2 Each Board shall direct, control and inspire the agency by establishing, through prayerful reflection and, after appropriate consultation, by consensus, a series of policies which address the following:

4.2.1 The Board's Expectations of Outcomes, that is, the benefits which the Board expects its agent or agencies to produce, for which people and at what cost;

4.2.2 The Board's Expectations of Staff Practice, that is, the ethical and prudential standards which the Board expects the staff of its agency or agencies to observe;

4.2.3 The Board's Expectations of its own Governance, that is, the meeting procedures which the Board expects its own members to follow, which shall include, in particular, the holding of regular monthly meetings according to a pre-arranged schedule, each of which meetings shall begin with a period of prayer, shall include a consideration of the agency's/agencies' financial status on the basis of monthly financial reports received from the agency/agencies and shall conclude with a five-minute period of evaluation and critique of what the meeting has achieved in the light of its own express expectations.

4.2.4 The Board's Expectations of Board/Staff relations: that is, the relationship which the Board expects to establish and maintain with agency staff, a relationship which is to be built on consultation and collaboration with staff and is to reflect the principle of subsidiarity and mutual trust.

4.3 Through the Chair, each Board shall communicate these policies in writing to the Chief Executive Officer for implementation. Between Board meetings the Chairperson communicates with and through the relevant Chief Executive Officer to the agency.

4.4 The Board shall assure itself of each agency's implementation of these policies through reports presented by the Chief Executive Officer who will, when required by the Board, evaluate the implementation of the policies.



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## Board Powers

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- 5.1 Within the general guidelines drawn up by the Diocesan Finance Council and ever mindful of the achievement of its own mission, each Board shall, subject to 5.2, exercise all such powers and functions as are necessary to perform its tasks including the following:
- (i) the consideration and authorisation of all capital expenditure, and of the agency's/agencies' annual budget(s) and any variation to the same;
  - (ii) the construction of a new building for the purposes of the Diocese or any of its agencies;
  - (iii) the approval of major extensions to an existing building owned by the Diocese or any of its agencies;
  - (iv) the changing of an agency's fee schedule;
  - (v) the changing of the principal role and service of any agency;
  - (vi) the making of any gift or grant for any purpose of a value to the amount specified by the Bishop from time to time for this purpose;
- However some of these issues may be affected by the provisions of Canon Law which must be respected.
- 5.2 The Bishop may reserve for himself the exercise of such Board powers and functions as he deems necessary to deal with the following matters:
- (i) issues of faith and morals and the unity of the Catholic Community;
  - (ii) any other matter affecting the well-being of the Diocese as may arise from time to time.
- 5.3 The Bishop shall declare those powers and functions he wishes to reserve at the Board meeting during which any matter is raised for discussion which he considers demands such action. The Bishop shall communicate the outcomes of his deliberations to a subsequent meeting of the Board giving the reason, where possible, for his determination of the issue.

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## Board Officers

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- 6.1 The Bishop will appoint a person as Chairperson. The Vice-Chairperson of each Commission will be appointed by the Bishop. In the absence of the Chairperson, the Vice-Chairperson will take the Chair. The attendance of four (4) Board members is required for a quorum.
- 6.2 The Boards shall appoint a Diocesan Officer or Officers, for a term of two (2) years, who shall serve the Boards in the capacity of secretary and shall act to ensure a commonality of purpose and procedure and appropriate communication among the Boards. The Diocesan Officer/s may be reappointed for a subsequent term or terms.

6.3 This Officer, who may be the same person and who may be in receipt of a salary or wage as an officer or employee of the Diocese, shall support the work of all Boards by carrying out inter alia the following duties:

6.3.1 keeping and maintaining a register of Members of the Board in which shall be entered the full name and address and date of entry of the name of each member;

6.3.2 preparing the agenda of each meeting of the Board in consultation with the Bishop and, where the Chairperson is not the Bishop, the Chairperson of the relevant Board and the Chief Executive Officer of its agency/agencies;

6.3.3 keeping the Minutes of each meeting, including details of the names of Board members present and of all resolutions passed and presenting these for the signature of the Chair at the Board meeting immediately following (with the exception of the confirmation of the Minutes of the Annual General Meeting);

6.3.4 ensuring that the Notice of each Meeting of the Board, including the Agenda and Business Papers, are delivered to each Board member or sent by post or fax no later than seven (7) days prior to the meeting. Failure by a Member of the Board to receive due notice of any meeting shall not invalidate the proceedings of that meeting;

6.3.5 conducting the regular evaluation of each meeting at its close of business;

6.3.6 exercising, between meetings of the Board, all the powers and functions necessary to maintain the Board's processes and projects and to check that the interim tasks of members are being fulfilled, according to an activities time-line, to be notified to the Board by the Officer no later than one week after each meeting;

6.3.7 establishing and maintaining an up-to-date manual of Board policy and policy decisions;

6.3.8 being responsible for communication among the various Boards, so as to ensure a commonality of purpose and procedure;

6.3.9 being responsible for the careful preparation of Board members for their task as Board members which preparation may be made as part of the agenda of regular Board meetings;

6.3.10 acting as a resource person for Board members in the performance of their tasks;



- 6.3.11 forwarding to each Board Member at least fourteen (14) days prior to the Annual General Meeting of the Board, the date for which is to be determined by each Board, a copy of the agency's/agencies' income and expenditure account, a duly audited balance sheet, accompanied by a copy of the Auditor's Report;
- 6.3.12 ensuring that all documents and any securities of the Board are kept at the registered address of the Board (the Bishop's House, 183 Abbott Street, PO Box 625, Cairns QLD 4870) or in such place or places as the Bishop thinks fit.

- 6.4 There shall be no other officers of the Board appointed except the Chief Executive Officer of the relevant agency and the Board shall not establish any other Committees nor appoint any other agents without the approval of the Bishop.



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### The Signatory for Each Board

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- 7.1 Policy or other documents to be signed on behalf of the Board shall be signed by the Chairperson of the Board or such other Board member or other person appointed by the Board for that purpose.

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### The Appointment of Auditor for Each Board

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- 8.1 After appropriate consultation and at the cost of the relevant agency/agencies, the Diocesan Finance Council shall appoint an Auditor for each Board who shall have access to the books and accounts of each Board and its agency/agencies at all times and who shall make such reports, as they consider necessary, direct to the relevant Board. Each Auditor's appointment shall be reconfirmed or, in the event of a vacancy, a new auditor shall be appointed at each Annual General Meeting.
- 8.2 So that board Members may satisfy themselves that the financial position of its agency or agencies is sound, the Auditor shall make a report to the members on every balance sheet and statement of income and expenditure laid before each Annual General Meeting during his or her term of office and shall state in the reports whether it is his or her opinion:

- (i) that the Balance Sheet (with notes hereto) and the statement of income and expenditure are properly drawn up so as to give a true and fair view of the Board's financial affairs at the thirtieth (30th) day of June, (or, where the agency operates according to the calendar year, at an appropriate date to be determined by the Board), and of the financial results of its service for the period ended on that date;



- (ii) that the accounting and other records of the agency or agencies have been properly maintained.
- 8.3 A copy of each such report shall be submitted to the Diocesan Officer/s at least twenty-eight (28) days prior to the Annual General Meeting.
- 8.4 The Auditor may, if he or she considers it desirable to do so, make a direct report to the Board on any matter within the scope of his/her duties. When the Auditor makes a report he or she shall at the same time submit a copy thereof to the Diocesan Officer of the Board for information.

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## **Funds**

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- 9.1 The funds of the Board, if any, and of its agents or agencies are derived from fees for services rendered, donations, Government funding, interest, rents and sundry sources.
- 9.2 After all outstanding debts and liabilities have been met, the income and property of the Board, if any, and of the agents or agencies for which the Board is responsible in governance, whencesoever derived, shall be applied solely towards the promotion of the mission of the Board and its agency or agencies and no portion thereof shall be paid or transferred directly or indirectly to Members of the Board, except that each Board and its agency or agencies shall be levied a sum, determined by the Bishop, to support the administration of the Board.

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## **Indemnity**

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- 10.1 Every Board member and the Diocesan Officer shall be indemnified by the Roman Catholic Trust Corporation out of the assets of its agency or agencies against any liability incurred by him or her in defending any proceedings whether civil or criminal in respect of any alleged negligence, default, breach of duty or breach of trust arising out of his or her position as a Board Member or Diocesan Officer.

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## **Winding Up**

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- 11.1 If upon the winding up of a Board or its agency or agencies there remains, after the satisfaction of all debts and liabilities, any property whatsoever, such shall be given to or be transferred to the Roman Catholic Trust Corporation of the Diocese of Cairns for the apostolic works of the Diocese. The determination of the appropriate transfer or property upon the reconstruction or amalgamation of a Board or its agency or agencies shall be determined by the Bishop.

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## **Policies and Administrative Directives**

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- 12.1 Each Board shall have the power to make By-Laws and policies not inconsistent with this Constitution and may authorise any officer or servant of the Board, as it determines, to make administrative directives not inconsistent with this Constitution for the administration of its agency or agencies.
- 12.2 Each Board shall evaluate its policies from time to time and vary them as it thinks fit.
- 12.3 After appropriate consultation, the Bishop shall have power to vary and repeal this Constitution as he deems fit.

