

Department of Communication and the Arts

Feedback: Board Charter

Recommendations	Review feedback (Areas where document does not appear to meet requirements of the review)	Guidance / questions (Dept welcomes views on identified issues)	General Observations / Context	auDA Response
<p><b>Rec 8:</b> That auDA establish a Board Charter:</p> <p>a) to set out the respective roles and responsibilities of the Board, Chair and CEO</p> <p>b) to set out the basis for appointment of the Chair</p> <p>c) that requires the Board to report on an annual basis to stakeholders publicly on its performance against this charter.</p>	<ul style="list-style-type: none"> <li>Rec 8a requires that the Charter sets out the role of the CEO. This is not discussed in the Board Charter.</li> <li>Rec 8b requires the Charter set out the basis for the appointment of the Chair. This is not discussed in the Board Charter.</li> <li>Rec 8c requires the Board to report annually on its performance against the charter. This is not discussed in the Board Charter.</li> <li>The .au Review requires that auDA provide updates at AGMs (Rec 4, 6, Rec 9b, Rec 12, Rec 19). This is not discussed in the Board Charter.</li> </ul>	<ul style="list-style-type: none"> <li>The Board Charter does not set any context around the .au Review and the organisational transition – this would be relevant to the transitional and incoming Board. Views welcome on whether this can be added to the background.</li> <li>Principal purpose includes ‘To develop and implement strategies to support and grow the .au namespace by incentivising industry partners and suppliers of services’ – this purpose is not specified in the Terms of Endorsement or the current or proposed Constitution. The Department would welcome feedback on why this is included in the Board Charter?</li> </ul>	<ul style="list-style-type: none"> <li>The Department anticipates correspondence from auDA providing assurance and clarification regarding issues associated with the Board Charter, including the Government’s role as a non-voting observer at Board meetings. The Department’s feedback has considered this correspondence.</li> </ul>	<ul style="list-style-type: none"> <li>The CEO under the new constitution is no longer a director of the company and therefore no longer a member of the board. The Board Charter addresses CEO appointment, oversight and succession planning. The auDA Board nonetheless will amend the Board Charter to be consistent with recommendation 8a.</li> <li>Clause 5.6 of the new Constitution outlines the Board’s role in appointing any Independent Director, approved by the Nomination Committee, to be the Independent Chairman. The auDA Board will amend the Board Charter to reference this clause to be consistent with recommendation 8b.</li> <li>The directors of auDA have a fiduciary responsibility to ensure the company manages its operations and finances compliant with the Corporations Act 2001. This necessitates that auDA’s revenue model is sustainable. Therefore as a single-source revenue company, ensuring appropriate strategies and incentives are in place to support and grow the .au namespace is a key cornerstone of the company’s activities. Whilst auDA acknowledges that this is not a condition of the new terms of endorsement, directors must act in the best interest of the company, including ensuring its ongoing financial sustainability.</li> <li>As discussed, the Transparency and Accountability Framework outlines auDA’s commitment to report annually at its General Meeting, and in its Annual Report.</li> </ul>