

**Governance, Finance and Audit Committee (GFAC)
Operating Principles and Processes for Assessing Nominations for Board Positions**

As per Term of Reference 7 of the Governance, Finance and Audit Committee (GFAC), the GFAC is responsible for “overseeing election processes for membership of the Board and its Standing Committees.” A key element of this is to assess nominations to ensure they meet the selection criteria and support a robust Board composition.

The role of the GFAC is to:

1. Assess applicants nominating for a position on the Board to ensure that they meet the selection criteria, by addressing the attributes required for the position;
2. Ensure a transparent and consistent approach to the assessment process;
3. Ensure uniformity of the assessment process.

Principles by which the GFAC are governed for the application assessment process¹:

4. *Openness and transparency* – the process of nomination to the Board must be open and transparent;
5. *Responsibility* – ultimate responsibility of appointment rests with the Board;
6. *Merit* – the GFAC has the abilities, experience and qualities to perform their role;
7. *Independent scrutiny* – the GFAC has independence from the Board;
8. *Equal opportunity* – implementation of equal opportunities principles;
9. *Probity* – commitment to the principles and values, and ability to perform duties;
10. *Proportionality* – procedures are appropriate to the nature of the role and responsibilities.

The process by which the GFAC evaluates applicants’ nominations is based on:

11. Checks of pre-declaration of formal qualifications, experience, required attributes and/or other criteria as requested by the Board in the nomination call.

The procedure by which the GFAC assesses applications:

12. Following the deadline for submissions, the Chief Operating Officer will send all applications to the GFAC Convenor, within three days after the closing date. An application will consist of:
 - (i) a nomination form; and
 - (ii) biography demonstrating (a) that the applicant possesses the attributes required for the role, and (b) how the applicant’s qualification(s) and/or experience will enable them to fulfil the responsibilities of the role for which they are nominating.
13. The GFAC Convenor will circulate applications to all GFAC members.
14. GFAC members will review applications based on the principles and the process (clauses 4 – 11).
15. GFAC members will confer to assess applications and reach a decision on each candidate’s application, within 10 days of receiving applications.
16. The GFAC Convenor will forward suitable applications to the ARMS Chief Operating Officer. In the case that there are more suitable applications than positions available, the GFAC will provide a list of suitable applicants along with its recommendations to the Board. These

positions will then be ratified (or a ballot held pending the number) by the Board. Applicants who are not successful will be notified.

17. In the case of no nominations passing the assessment process, an additional call-out will be announced by the ARMS Executive Office. Nomination applications from this call-out will be reviewed by the GFAC (clauses 12 – 16).
18. In the case of no nominations (clause 17) being deemed appropriate, the GFAC in collaboration with the Board will identify and approach individual(s) within the ARMS membership whom they deem experienced to fulfil a vacant Board role. Individual(s) will be invited to submit a nomination application that will be reviewed by the GFAC (clauses 12 – 16).

¹Edwards M (2006) Appointments to Public Sector Board in Australia: A comparative assessment. Corporate Governance in the Public Sector: An Evaluation of its Tensions, Gaps and Potential. University of Canberra, Canberra (Available at: http://apo.org.au/files/Resource/issuespaperno.3_appointmentprocesses_final.pdf Accessed 05 April 2017).

Approved by the GFAC on 29 May 2018.