

Dated 31 March 2011

# **Charter of the Ministers' and Employees' Benefits Committee**

**The Council of Churches of Christ in Australia  
ACN 139 998 422**

**Contact**

Paul Paxton-Hall

Director

Level 10, 15 Adelaide Street, Brisbane Qld 4000

Telephone: 07 3007 9250

Email: paul.paxton-hall@foxthomas.com.au

**Contents**

- 1. Introduction .....1
- 2. Objectives .....1
- 3. Composition .....1
- 4. Meetings .....2
- 5. Powers.....3
- 6. Responsibilities .....3
- 7. Reporting .....5
- 8. Review of the Charter and Rules .....5

# Charter of the Ministers' and Employees' Benefits Committee

## 1. Introduction

- 1.1 CCCA operates a scheme to provide portable long service leave, relief benefits and funeral benefits in respect of certain ministers and employees of its Affiliated Bodies (**Scheme**).
- 1.2 Pursuant to Rule 29 of CCCA's constitution, CCCA wishes to delegate responsibility for the management and administration of the Scheme to a committee of the board of directors of CCCA (**Board**) to be known as the Ministers' and Employees' Benefits Committee (**Committee**).
- 1.3 This Charter governs the roles, responsibilities, composition and membership of the Committee.
- 1.4 The operation of the Committee is also governed, where applicable, by the constitution of CCCA.

## 2. Objectives

- 2.1 The purpose of the Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities in respect of the Scheme by:
  - (1) managing the administration of the Scheme;
  - (2) ensuring that books of account are kept in respect of payments into and out of the Scheme;
  - (3) monitoring and reviewing payments made into and out of the Scheme;
  - (4) keeping abreast of laws relating to long service leave in Australia;
  - (5) if necessary, making recommendations to the Board in relation to the appointment of external administrators and approving the remuneration and terms of their engagement.

## 3. Composition

### 3.1 Members

The Committee must have a minimum of 5 members.

The members of the Committee will be appointed and removed by the Board. Committee members who are not directors of CCCA will hold office at the sole discretion of the Board.

### 3.2 **Expertise**

Each member of the Committee must:

- (1) understand the operation of the Scheme; and
- (2) be able to read and understand financial statements.

The Committee must also include at least 1 member who has an understanding of industrial relations law.

### 3.3 **Chair and Secretary**

The Board will appoint a chair to the Committee (**Chair**) from the members of the committee.

The Committee will appoint a Secretary but not necessarily from the members of the Committee.

## 4. **Meetings**

### 4.1 **Frequency**

The Committee will meet as frequently as required but must, at a minimum, meet twice a year.

The Secretary must call a meeting of the Committee if requested to do so by any member of the Committee.

### 4.2 **Agenda and notice**

The Secretary will be responsible, in conjunction with the Chair, for drawing up the agenda (supported by any necessary explanatory documentation) and circulating it to Committee members prior to each meeting. The Secretary must notify members of the Committee of the date, time and location of Committee meetings as far in advance as possible, but not less than 3 days before the meeting.

### 4.3 **Quorum**

A quorum for Committee meetings must be more than 50% of the Committee members.

### 4.4 **Minutes**

The Secretary is responsible for taking minutes of each meeting and distributing them to Committee members as soon as practicable.

#### 4.5 **Attendance**

The Committee may invite any person to attend part or all of any meeting of the Committee as it considers appropriate. Voting at Committee meetings is restricted to Committee members.

### 5. **Powers**

#### 5.1 **Access**

The Committee has unrestricted access to all CCCA records for the purpose of carrying out its responsibilities under this Charter.

#### 5.2 **Delegation**

The Committee may delegate the administration of the Scheme to an external administrator with sufficient expertise and competency to properly administer the Scheme for the benefit of CCCA and its members.

#### 5.3 **Audit of accounts**

The Committee will cause the accounts of the Scheme to be audited by a registered company auditor each financial year.

The appointment and remuneration of the auditor will be fixed by the Board or their delegate.

### 6. **Responsibilities**

#### 6.1 **Scheme Rules**

The Committee is responsible for ensuring that the Scheme is administered in accordance with the rules which govern the operation of the Scheme from time to time (**Rules**). The Rules in operation at the date of this Charter are set out in Annexure A.

#### 6.2 **Scheme policies**

The Committee is responsible for providing the Board with advice and recommendations regarding the ongoing development of policies in relation to the Scheme. The policies should cover the areas of compliance and control and assessment of effectiveness of the Scheme.

#### 6.3 **Risk management and risk profile**

The Committee is responsible for:

- (1) providing the Board with advice and recommendations regarding the establishment and implementation of:
  - (a) a risk management system; and

- (b) a risk profile for CCCA that describes the material risks (including financial and non-financial risks) which CCCA faces in relation to the Scheme;
- (2) reviewing the effectiveness of CCCA's implementation of the risk management system at least once a year; and
- (3) regularly reviewing and updating CCCA's risk profile.

The Committee is responsible for ensuring that the appropriate systems have been established and implemented for identifying, assessing, monitoring and managing risks associated with the operation of the Scheme.

#### 6.4 **General responsibilities**

The responsibilities of the Committee include:

- (1) reviewing the administration and effectiveness of the Scheme;
- (2) recommending any necessary or desirable improvements to the Scheme for Board approval;
- (3) reviewing and approving the appointment and dismissal of any external administrators of the Scheme;
- (4) receiving summaries of significant reports prepared by, or recommendations of, any external administrators of the Scheme;
- (5) ensuring the compliance of any external administrator with CCCA's constitution, this Charter and any other directions of the Committee or the Board; and
- (6) ensuring any external administrators are adequately resourced.

#### 6.5 **External administrators**

The responsibilities of the Committee include:

- (1) providing a link between any external administrator and the Board;
- (2) reviewing the performance of any external administrator;
- (3) reviewing procedures for the selection and appointment of any external administrator;
- (4) recommending the appointment, remuneration and terms of engagement of any external administrator;
- (5) recommending the scope of the appointment of any external administrator for Board approval;
- (6) reviewing and providing oversight of reports prepared and issued by any external administrator;
- (7) optimising the return on moneys invested under the Scheme; and

- (8) ensuring appropriate prudential standards are adopted by any external administrator in relation to funds invested under the Scheme.

## **6.6 Review of reports**

Duties of the Committee include:

- (1) reviewing financial statements in relation to the Scheme for accuracy, adequacy and clarity; and
- (2) reviewing financial statements for the Scheme to ensure adherence to applicable accounting standards and policies.

## **7. Reporting**

### **7.1 Reporting to the Board**

The minutes of the Committee meetings and any other information deemed relevant by either the Board or the Committee, must be included in the papers for the next full Board meeting subsequent to each Committee meeting.

### **7.2 Annual report**

The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of CCCA's annual report which relates to CCCA's audit policies and practices in relation to the Scheme.

## **8. Review of the Charter and Rules**

- 8.1 This Charter and the Rules shall be reviewed and revised by the Board as required.

## **Annexure A Rules**

See attached

