



DERBARL YERRIGAN HEALTH SERVICE INC.

Board of Directors Remuneration POLICY & PROCEDURE

Purpose

The purpose of this policy is to provide all stakeholders with a clear, transparent and accountable framework for remunerating Directors in accordance with the organisations Constitution and the principles of good governance. The policy is intended to be reviewed and endorsed by members on an annual basis at the Annual General Meeting.

Evidence Base

This policy is consistent with the following documents and authorities:

- Australian Standard AS 8000-2003 Good Governance Principles
- Australian and New Zealand Standards AS/NZ 4360 Risk Management

Linked Documents

- DYHS Constitution
- Associations Incorporation Act 2015
- DYHS Director Code of Conduct
- Fraud and Corruption Prevention Policy and Procedure
- DYHS Employment Policy
- DYHS Travel Bookings and Expenses

Objectives of Remuneration:

The Derbarl Yerrigan Health Service (DYHS) recognises the importance of remunerating Directors for the time and services they provide the organisation noting though the considerations and weight to be given to DYHS' prevailing financial position and performance projections in this regard and also DYHS' status as a charitable, not for profit organisation.

DYHS remunerates Directors based on the following principles:

- to help attract and retain appropriately qualified and experienced directors;
- to adequately compensate Directors for the time and skills they provide to the organisation;

- to acknowledge the level of responsibility each Director holds as an elected representative of the community to lead and govern the organisation;
- to ensure that no Director is disadvantaged by their involvement in Derbarl Yerrigan Health Service.

Where a DYHS Director is paid for their time spent in the performance of their duties as a Director or employee via any other means, the Director nominated is to ensure they disclose to the other party payment of Directors fees

Policy for Remuneration:

Directors will be remunerated on an annual aggregate as listed in the remuneration table below.

In determining the annual remuneration paid to each director the following has been taken into consideration:

1. That DYHS respects and values the work and skills of its Directors and the remuneration DYHS pays is not, nor is intended to be, a fee, on a commercial basis, for work performed
2. That DYHS does not have the resources now or in the foreseeable future to pay commercial Director's fees
3. That DYHS does not have the resources now or in the foreseeable future to pay for all work performed by all Directors
4. That DYHS Directors shall be reimbursed for a portion of their time spent in discharging their duties as Directors
5. That DYHS is a not-for-profit organisation operating in a sector where many people are not remunerated at all for their time spent in performing the duties as Directors
6. That DYHS identifies that certain positions on board such as the Chairperson, Deputy Chairperson, Treasurer and Secretary carry increased duties and responsibility and will be remunerated as such

The aggregate amount includes remuneration for attending relevant Board meetings, general meetings, workshops and for any additional work undertaken in connection with DYHS business.

Directors are also entitled to be paid for all travelling, accommodation and other out of pocket expenses incurred while attending and returning from Board and Committee Meetings, Workshops, General Meetings or other business outside the metropolitan area where they are attending as a representative of DYHS. This will be under the provision that all expenditure has been incurred in accordance with DYHS Travel Bookings and Expenses policy and all other relevant policies.

All payments will be subject to Australian taxation laws and regulations.

Remuneration Schedule

The following schedule outlines the annual Director Remuneration for each elected position.

POSITION	ANNUAL REMUNERATION
Chairperson	\$8,000
Deputy Chairperson	\$6,500
Treasurer	\$6,500
Secretary	\$6,500*
Director	\$5,000
Independent Director	\$5,000*

*Remuneration for Independent Directors and Company Secretaries is subject to change via resolution of the Board of Directors.

The above Board Remuneration is provided to remunerate Directors for all duties undertaken inclusive of attendance at all Committee Meetings, Sub-Committee Meetings, Workshops, Conferences, General Meetings or other business related to DYHS business. Such remuneration will be paid monthly on a pro rata basis.

Directors will have their monthly pro rata payments waived if:

- An individual Director fails to attend 2 or more consecutive meetings without providing sufficient reasoning or evidence for their absence in line with the DYHS Employment Policy. In this instance, payments will be resumed when it has been determined that the individual Director has recommenced properly discharging their duties.
- An individual Director breaches DYHS Director Code of Conduct. In this instance, monthly payments will be waived until the matter has been presented to the Board who will be in charge of determining when or if the Director will be entitled to payment.
- An individual Director materially breaches any other policy which causes detriment to the DYHS organisation. In this instance, monthly payments will be waived until the matter has been presented to the Board who will be in charge of determining when or if the Director will be entitled to payment.

In both instances above, it will be up to the discretion of the Board to determine whether the Director will be entitled to be paid for any missed monthly payments as a result of the actions identified above.

Attendance sheets and Board Minutes will record attendance and be used as evidence for payments being made.

Payment Method

Payment will be made on a pro rata basis via Electronic Funds Transfer (EFT) on the first Monday of every month, to a bank account as nominated by the individual Director.

A summary of this policy, is to be made publically available on the DYHS Website.