GOVERNANCE

# Major Transactions Committee Terms of Reference

## ***Introduction***

The Major Transactions Committee (MTC) is a committee of the Executive Team (ET) under the authority of the Chief Executive (CE). These Terms of Reference set out the objectives, composition, reporting, administrative arrangements, and review process for the MTC.

## ***Purpose***

The MTC supports the ET to manage and direct CSIRO’s involvement in major transactions and related matters and investment.

The MTC will review and decide whether to recommend to the CE major transactions that require CE or Board approval. If a transaction does not align strategically or involves broader policy, financial sustainability and coordination issues MTC will refer the transaction to the ET for consideration.

Major transactions include any transaction that achieves one or more of the following:

|  |  |  |
| --- | --- | --- |
| Transactions with a significant impact in any of the five risk questions and with a total CSIRO lifetime transaction value under $5m | Other strategic partnerships or significant government initiatives (e.g. national facility) | Transactions with a (total CSIRO lifetime transaction value over $5m) |
| Equity transactions of any value | MoUs | Umbrella agreements |
| Strategic relationship agreements | Joint ventures | Alliances |

The transactions can be of a commercial, procurement or capital (property and major equipment) nature.

## ***Specific responsibilities***

The MTC will:

* Make recommendations to the CE regarding major transactions and in doing so review:
* soundness of the commercial strategy, including sensitivities and issues
* strategic alignment, including financial and capital implications
* details of the transaction
* compliance with legislation, particularly s59 of the PGPA Act
* compliance with policy, guidelines and procedures and
* risk mitigation strategies, including proposed management and financial controls.
* Provide advice and feedback to transaction proponents with the aim of improving the quality and impact of CSIRO’s business development and technology transfer activities.
* Monitor the pipeline of major transactions to identify and address strategic and other implications and ensure efficient management of the approval process. Raise implications, as required, with the ET or ET member responsible.
* Provide advice to the ET or ET member responsible, as requested, on matters related to proper and efficient performance of business development, intellectual property management and technology transfer activities in CSIRO, including advice on:
  + delivery of agreed investment strategies
  + delivery of the CSIRO strategy with respect to the collaboration pillar
  + the implications of CSIRO’s involvement in potential commercial ventures, major projects and government programs (e.g. CRCs) including recommendations regarding conditions for involvement in such ventures, projects or programs
  + related new directions and/or policies and guidelines.
* Review the delivery of major transactions or sets of transactions, as appropriate, to improve processes and inform future decision-making.

## ***Composition***

The MTC comprises:

Chief Operating Officer (Chair) Chief Finance Officer

Director, Science Impact and Policy Executive Director, Future Industries

Executive Director, Environment, Energy and Resources Director, Governance

Executive Director National Facilities and Collections General Counsel

Director, Business Development and Commercialisation

## ***Operations***

In the absence of the Chair, a member selected by the Chair (or the MTC if the Chair is unable to select an acting Chair) will chair the meeting.

A quorum is a majority of members including the Chair or Acting Chair.

All decisions are by consensus. If there is no consensus, the MTC will refer the transaction to the ET.

The Chair will recommend (which may include conditions) to the CE whether MTC supports CSIRO entering a transaction.

As required, the Chair will provide written advice to the relevant Executive Director (sponsor) about decisions, recommendations and required actions.

MTC has no executive powers and derives its authority from:

* MTC Terms of Reference, approved by ET;
* CSIRO policies, guidelines, procedures, which identify matters to be referred to / decided by the MTC;
* CSIRO delegations & authorities, including the Chief Executive & Board Major Transactions Threshold Table.

## ***Administration***

The Manager, Policy and Governance provides Secretariat support for the MTC and will review these terms of reference annually.

**Meeting calendar**

* The Chair convenes meetings and MTC meets approximately fortnightly from February through to December.
* The location and dates of meetings will be determined in advance and published annually.
* Other meetings may occur to address specific issues, such as strategy development.
* Meetings occur by video, telephone, email, or any other method decided by the Chair.
* Secretariat, in discussion with the Chair, will develop a forward planner to support the timely preparation of papers and reports and the business of the MTC.

**Meeting papers**

* Secretariat will prepare and circulate at least five days in advance of each meeting a formal agenda, together with copies of papers relevant to the business of the meeting.
* Papers are due at least ten business days and presentations at least three business days before the meeting at which the matter is listed.
* Sponsors are responsible for the Secretariat receiving papers on time and in the agreed format.
* Secretariat has responsibility for quality control of papers (ensuring papers achieve their purpose).
* Papers will be brief and succinct; describe the anticipated impact on CSIRO, and its stakeholders; and enable the MTC to provide advice or make decisions on a sufficiently informed basis.
* The purpose must succinctly state what the paper is about, and action required (decision, discussion, noting). See template for more details.

Only in exceptional circumstances will a late paper be allowed.

**Minutes and report to ET**

* Secretariat will maintain a formal record of the meeting in a form agreed by the Chair.
* Secretariat will distribute a copy of the Chair-approved minutes at the next meeting.
* Transaction teams will receive a relevant extract of the minutes after Chair approval.
* The Chair will provide a summary of issues and actions of each MTC meeting to the ET meeting (where possible immediately following the MTC meeting).

**Out of session papers and circular resolution**

* In certain circumstances, MTC meets out of session to consider proposals unable to align with scheduled MTC meetings. This is at the discretion of the Chair. Failing to prepare a paper in time is not a valid reason for not providing a proposal at a scheduled MTC meeting.
* Proposed out-of-session papers must be discussed with the Secretariat and then the Chair.
* If an out-of-session paper is circulated for comment or approval, a non-response by an MTC member within the stated timeframe will be taken as no comment / endorsement of the recommended action.

**Records**

* Records of the business of the MTC including meeting papers and minutes, will be maintained initially in SharePoint and then in the CSIRO Records Management System, in accordance with CSIRO recordkeeping procedures.