

Trustee Director Course

– Build your expertise

Build your expertise, the foundation level of AIST’s Trustee Director Course provides directors and fund executives in superannuation with a comprehensive overview and understanding of the trustee director role.

Key outcomes include learning how a trustee director abides by their legal obligations; how a superannuation board works; how to analyse board reports and how to make valuable contributions at board meetings.

Facilitated by AIST and industry experts, this program will be delivered using a combination of interactive case studies and practical, real life learning experiences.

This five day program consists of eight modules of varying lengths with the following topics covered during the program.

Module 1: The superannuation industry (up to 2.5 CPD hours)

Covers the history and role of Australia’s superannuation system in the context of the economic and political landscape and the significance of past, present and future superannuation policies. Key topics include:

- ▶ Superannuation as social policy
- ▶ Superannuation in a global context
- ▶ Profit to members versus profit to shareholder
- ▶ Tax treatment of superannuation
- ▶ Equity and sustainability of the superannuation system

Module 2: Trustee director duties and obligations (up to 3.5 CPD hours)

Outlines the superannuation regulatory landscape and the legal obligations required of trustee directors, including the enhanced obligations resulting from the Stronger Super reforms. Learn about the key differences between trustee director and company director duties and why being a trustee director carries with it a much higher duty of care. Key topics include:

- ▶ Interaction between SIS Act and Corporations Act
- ▶ The role of regulators
- ▶ Trustee director duties
- ▶ Reporting and disclosure requirements
- ▶ Disputes handling

Module 3: Superannuation fund operations (up to 3 CPD hours)

Outlines the operations of a super fund from member services through to the role of service providers. Gain an overview of operational risks with a special focus on financial advice services and the level of advice that can be provided by the fund. Key topics include:

- ▶ How the sole purpose test impacts on fund operations
- ▶ Managing operational risks
- ▶ The role of service providers
- ▶ Outsourcing versus insourcing
- ▶ Financial advice service models

Module 4: The risk framework (up to 3 CPD hours)

Examines the role and responsibilities of the trustee director in understanding, monitoring and managing risks to ensure improved performance. Learn about the three lines of defence in mitigating risk, the components of a compliance framework, the international risk standard and the systems used to monitor risks. Key topics include:

- ▶ Risk frameworks explained
- ▶ Overview of risk management
- ▶ How the risk appetite is applied
- ▶ Monitoring and control mechanisms

Module 5: Interpreting financial statements (up to 6 CPD hours)

Provides the tools for trustee directors to interpret and monitor management reports and superannuation-specific financial statements. Targeted activities will help participants perform this core trustee director duty. Key topics include:

- ▶ Evaluating the operational budget
- ▶ Key elements of financial statements
- ▶ How to evaluate the effectiveness and accuracy of financial statements
- ▶ What to do if you have concerns

Module 6: Introduction to investment principles (up to 6 CPD hours)

Provides an overview of investment principles and explains the how the governance framework guides the investment decisions made at board level. Participants will learn how to evaluate investment risk and also gain an understanding of the common asset classes used by funds. Key topics include:

- ▶ Delegations and investment responsibilities
- ▶ The investment objectives and strategy
- ▶ Considering environmental, social and corporate governance
- ▶ Managing investment risks and asset allocations
- ▶ Implementation considerations
- ▶ Fees, performance measures and monitoring

Module 7: The trustee board (up to 2.5 CPD hours)

Discusses the role and operations of the board as a whole as opposed to individual trustee directors and examines the best practices of effective boards. Gain knowledge of board procedures, the role of board committees, the governance framework, how boards reach decisions and how to manage conflicts of interest. Key topics include:

- ▶ Board procedures and protocols
- ▶ Composition and reporting of board committees
- ▶ Conflicts management framework
- ▶ Ethical decision making

Module 8: Analyse board reports (up to 3.5 CPD hours)

Provides the tools for trustee directors to make active, informed and valuable contributions to board discussions. Participants will work in groups to analyse board papers, present opinions and interact. Key topics include:

- ▶ How to obtain more information prior to the board meeting
- ▶ Interacting with the Chair
- ▶ Board dynamics and discussion

All modules are highly interactive and use various case studies and learning activities enabling participants to apply their skills and knowledge to superannuation board matters.

Assessment (up to 6 CPD hours)

Participants will be required to submit an assignment upon completing the program. As a guide, we recommend that you allow at least 20 hours post-course to complete the requirements of the assessment. The assignment will focus on the core skills and knowledge covered during the program.

Full Course – participants who have completed all modules will be required to submit an assignment within six weeks of completing the program.

Modules – participants will be required to complete an assessment task for each module within three weeks of completing each module.