



**BOARD PAPERS
5 DECEMBER 2019**

NEAS BOARD MEETING 5 DECEMBER 2019

Thursday, 5 December 2019

Morning tea with Staff at NEAS Office, 10.00-10.30
Suite 211, 25-29 Berry Street, North Sydney. NSW 2060

Board Meeting, 10.30-13.30
Room 533.6.25, Level 6, 33 Berry Street, North Sydney (ACU meeting room)

AGENDA

Time	Duration	Item / Appendix #	Details	Who
10.30	5	1	Welcome and Apologies – Meeting Starts	Chair
10.35	5	2	Conflict of Interest	All
10.40	5	3	Item Starring (Taken as read)	Chair
10.45	5	4	Minutes of previous meeting	All
10.50	10	5	Matters Arising	All
11.00	10	6	Director Update – discussion of relevant items of sector interest raised by Directors to inform board decision making for this meeting	Chair
11.10	20	7	Strategic Plan 2023	CEO
11.30	15	8	Membership and Activity Report 1. Endorsed members summary 2. Member pipeline FY2019 3. Associate Members Report	CEO
11.45	15	9	Financial and Investment Report a. Liquidity Assessment and Financial Position Summary b. Balance Sheet c. Profit and Loss d. Aged Receivables e. Investment Reports f. Cash Flow Analysis g. 12 Month Rolling Budget	CEO
12.00	20		WORKING LUNCH (provided)	
12.20	10	10	Board Succession Planning Communications plan for change of Chairperson	CEO
12.30	10	11	Committees Report 1. Audit and Investment Committee Report 2. Advisory Council Report (2020 new members for Board Approval)	CEO / Chairs of Committee
12.40	15	12	Review of Board Policies	Chair
12.55	15	13	Review of Risk Register	Chair
13.10	20	14	Update on Strategic Collaborations	CEO
13.30	30	15	Board Reflection	Chair

AGENDA ITEM #4: MINUTES OF PREVIOUS MEETING

NATIONAL ELT ACCREDITATION SCHEME LIMITED (NEAS)

ABN: 29 003 980 667

**MINUTES OF THE MEETING OF DIRECTORS HELD AT BENTLEYS,
LEVEL 14, 60 MARGARET STREET, SYDNEY ON THURSDAY 24 OCTOBER 2019, 10.00am**

PRESENT

Ms Denise Taylor (Chair)
Ms Tanya Buchanan
Ms Christine Bundesen AM
Dr James Langridge
Ms Katherine Olston
Ms Heather Thomas
Mr David Yoo

IN ATTENDANCE

Dr Patrick Pheasant, Chief Executive Officer
Ms Jacky Ronan, Executive Assistant, minutes

DECLARATION OF DIRECTORSHIPS

None

DISCLOSURE OF INTERESTS

None

APOLOGIES

None

NOTICE AND QUORUM

The meeting opened at 10:05 am.

All Directors confirmed that appropriate notice of the meeting had been given. The Chair confirmed that a quorum was present.

ITEM STARRING

Agenda item 8, Financial and Investment Report

AGENDA

It was advised that Greg Bell from Bentleys would be joining the meeting at some stage today to discuss the recent audit.

MINUTES

The minutes from Meeting of Directors, 8 August 2019, require the following changes.

1. Item 2, Disclosure of interests – Katherine Olston would like it recorded that she is a committee member of UECA.
2. Item 6, Directors update – The number of UECA members was recorded at 31, and this should be 21.
3. Item 8, Chief Executive Officer's Report – Regarding the use of videoconferencing for Board meetings, the minutes stated, 'Video conferencing for subcommittees only and not for full Board

Meetings was agreed to'. The Board agreed that this should be 'Video conferencing for subcommittees and Board meetings is an option'.

MATTERS ARISING

The CEO provided updates on the following:

- Patrick met with Christopher Lawson at the English Australia conference. They will meet in Canberra beginning of next year to discuss how his speeches are populated and what's the best approach to connect with Dan Tehan (Minister for Education).
- The Board sought clarification of their role on the conference organising committee. Christine Bundesen expressed interest in being Board representative and the Board agreed. It was suggested the Advisory Council (AC) would be well suited to have input into the conference. The CEO would like to workshop some new concepts for the 2021 conference at the 25 October Board Meeting and then present back at next Board meeting for decision. One of the major concepts is the location and whether to keep the conference in Sydney or rotate domestically. The Board resolved to decide on some new concepts at the 25 October Board meeting and then take this to the AC for their views. A radical overhaul on concept may not be possible until 2022, but 2021 could be a good opportunity to test some changes.

ACTION: Engage AC out of meeting to test ideas and concepts. Take this feedback back to the Board on 5 December 2019. The CEO will then be seeking some confirmation from the Board as to what the new concepts are, and then formally engage a board member to be on committee.

ACTION: CEO to create terms of reference to provide to Board members for conference committee.

DIRECTORS' UPDATE

It was highlighted the post study work rights the UK have granted for their students and how this will affect the ELICOS market and our members. There has been a change of India's risk profile to a 3, which makes it harder for Indian students to get visas to Australia.

Updates were provided on UECA:

- PD fest is on Saturday 26 October 2019. Ana Bratkovic from NEAS will be attending and presenting
- UECA HAS launched their new website this week
- They had positive feedback from TEQSA on the benchmarking project and are currently looking at phase 2, which will focus on writing. Refinements are still being made and they want to add tracing student performance.

It was reported that some admissions team informed it was harder to get a packaged offer for an Indian student. These types of offers are seen as high risk as Indian students have a higher risk of transfer from a higher degree to a lower one or drop out completely.

The Board discussed NEAS Assist as needing a separate/new title as people might not know it exists. It was flagged as a highly beneficial service to members as it helps people prepare for TEQSA audits etc. The suggestion to change the name to NEAS Validate was well received by the Board.

It was reported that the decline in students in WA is now at 25%, with Curtin University heavily affected. The CEO confirmed we've lost a couple of members there recently, mainly due to ELICOS numbers dropping. Callum Cowell (NEAS AC member) has recently resigned, so we need to try and engage another Perth local. The Board discussed the value that NEAS brings to people in these areas and how we are positioning ourselves to be able to offer them what they need to survive in this environment (attract more students etc).

Concern was reported about the business activities happening away from NEAS, that assist other providers to excel (like the benchmarking that UECA are doing). The purpose of the directors update was questioned at the meeting. The Board agreed it was valuable in order to understand the full landscape of the whole ELT environment and that it was particularly valuable for those not in the industry to be updated on events. The Board also agreed that when undertaking the directors update discussion,

the boards focus should be to discuss how these activities impact NEAS and what action we need to take to support our members.

It was reported that as of July 2019, a Training and Assessment Certificate 4 is required to teach at VET centres. Since this rule has applied, 400 providers have dropped to 60. The Board agreed that NEAS may have an opportunity here and flagged this for further discussion at tomorrow's meeting.

AUDIT REPORT – MEETING WITH GREG BELL, BENTLEYS (NEAS AUDITOR)

Greg reported that the audit had gone smoothly and that an outsourced bookkeeper had been appointed this time. He flagged that there had been several years of losses with a continued focus point for NEAS being the merger with English Australia. Regarding internal controls, Greg flagged the CEO being on the Audit Committee, which is not typical. He also recommended the Board do a monthly check on corporate credit cards, which is currently done quarterly.

Greg was asked about the spread of the annual return fee. Greg's recommendation was to make the policy and process explicitly clear. He suggested a shift to change the title of the fees – i.e. an annual membership fee and then an endorsement fee, which could be advertised as different fees. Greg suggested making an accounting policy change for reporting purposes in future annual reports, otherwise this will skew profit numbers.

The Board requested an in-camera discussion with Greg.

Patrick and Jacky left the meeting.

Patrick and Jacky returned to the meeting.

Greg left the meeting.

The Board advised Patrick that they need to consider whether to stay with Bentleys and request a change in lead auditor or to change auditors next year. Bentleys have been the auditor for the past 8 years. It was agreed that Bentleys are doing an adequate job, but we should get a few other cost proposals.

The Board resolved to leave current audit arrangements in place for this year and up to end June 2021.

ACTION: At a Board meeting in early 2020, Board to review audit process and discuss potential lead auditor change. Whatever changes are made must then be communicated at the AGM. Add to agenda for September 2020 Audit and Investment Committee.

MEMBERSHIP AND ACTIVITY REPORT

This is a newly named report, replacing the CEO report. The Board expressed their favour of this revised and streamlined reporting.

ACTION: Patrick to add traffic light summary to front page of membership and activity report.

Patrick explained how members are notified that their fees are due. This is currently a manual process, which could be simplified with a CRM (which is on the agenda for discussion at the 25 Oct meeting).

It was raised that NATA has a method where you submit an application and if you need more help, a fee is charged. The Board discussed NEAS potentially implementing something like this. Perhaps not charging a fee, but provide a discount on membership etc.

ACTION: Patrick to investigate NATA's (and others) processes for add on revenue.

Item 1: Endorsed members summary

The fluctuation of endorsed member numbers was discussed. The highest number was in June 2019, then it went down and now going back up again. Patrick explained this was due to cessations. The Board questioned the Vietnam Centres numbers, particularly the growth since the last financial year.

ACTION: Patrick to do analysis of numbers and income for Vietnam Centres and work out difference.

Item 2: Paid applications FY2019

Patrick demonstrated the schedule of fees on the NEAS website. The Board discussed how our long-term members are rewarded. It was suggested they could be recognised on the website, nominated for an annual membership award, featured in NEAS News or get priority to present at the NEAS conference. Patrick is waiting on data to come back from the new website to see who's utilising what sections and who's looking at certified members sections.

Item 3: Member pipeline FY2019 (taken as read)

Item 4: Watch List FY2019

The Board discussed the conflict of having the watch list included in the Board papers, specifically Board members working for colleges being able to see issues arising at other colleges.

ACTION: Patrick to remove the watch list report and the paid applications table from reporting going forward as the Board deemed this level of detail is no longer required. The watch list report can be replaced with a report outlining trends/issues related to suspension of providers.

Item 5: Associate Members List

ACTION: Patrick to change the associate members list reporting to include only those we've rejected, those who challenge their rejection or those recommended for suspension.

ACTION: Patrick to create membership code of conduct.

Item 6: Board and Advisory Council Meeting Dates 2019 / 2020

The Board resolved to hold the 5 December 2019 meeting in North Sydney and have morning tea at the new NEAS office. James indicated he may have a potential clash for the June meeting and Heather for the August meeting.

Item 7: Public Events 2019

Christine questioned the Cambridge Singapore event being removed from the list. Patrick confirmed there was no update on the Cambridge MOU but the relationship was still good.

Item 8: QLS Activity (taken as read)

Item 9: Public Events / Budget 2020

- Patrick flagged a few large costings and informed he will be doing less travel and events next year to focus on strategy and the NEAS team. The CamTESOL cost was flagged as being high due to the sponsorship inclusion. The Board would like Patrick to remain as the face of NEAS and attend enough events to remain 'visible'.
- Patrick confirmed that this expense budget (totalling \$79,723) will not show directly in the P&L statement but be distributed within travel, accommodation and external conference budget lines.
- The Board discussed what it actually costs NEAS to serve our members, via QLS offerings in particular.
- The Board approved the public events listed in this budget and also to agree on a marketing plan presented by the CEO in December.

ACTION: Patrick to remove QLS from report and put QLS list into marketing strategy document.

FINANCIAL AND INVESTMENT REPORT

Patrick gave an overview of the budget and finance reports.

- Patrick distributed updated P&L report in hard copy (one small change to fix an error in appendix 8, missed international accommodation cost). He explained the P&L's alignment with high risk high return of revenue gross above \$1.2mil and net profit of \$14k
- Patrick gave a recap of the budget process this year in which he presented a budget to the Board at the beginning of the year, looking at running at a loss. He was then asked to rethink budget with a high risk and high return approach. This is what the P&L document presented at the meeting was.
- He drew attention to application fees, annual returns fees (domestic and international) and highlighted the conference has been removed from expenses. The additions in expenses are around travel, staffing and external contractors.
- The budget is looking at high return against quarters 3 and 4.
- He is confident we now have a good way of reporting on actuals against budget in Xero. There is now less risk of error.
- The Board queried staffing costs being at 68%, which is higher than usual for the service industry (typically 45-50%). Patrick explained his reasoning for appointing two new NEAS staff to assist in achieving the strategy and budget.

ACTION: Patrick to add a commentary column in the P&L report so the Board can better understand the assumption on the budget numbers. Patrick to also add a column with FY18 comparatives.

The Finance and Investment Reports were discussed.

- Patrick asked for the Board's feedback on the Liquidity Assessment and Financial Position Summary document to take back to the accountant. The Board were complimentary of the performance ratios and agreed 1.9 was healthy. The Board requested some commentary on the ratios in future.
- Patrick highlighted the potential need to withdraw 150k from JBWere term deposit before 30 June 2020.
- The Board queried the NEAS fee collection service schedule and how we could be 150k short in cash at the end of the year if we've made budget.
- It was observed that the budget was inconsistent with cash flow, a difference of \$37k.

The Board approved the revised Budget FY2020.

ACTION: Patrick to check if the 14k profit includes the JBWere withdrawal.

ACTION: Patrick to do further analysis of budget and cash flow to identify discrepancy.

The Board asked Patrick to give an overview of the CEO KPI document.

Patrick gave a review of his achievements in the first quarter, including the creation of a pipeline detailing activities for the remainder of the year, delivering the new website and work started on the new marketing plan.

ACTION: Patrick to provide another KPI update to the Board prior to 30 June 2020.

The Board requested an in-camera discussion.

Patrick and Jacky left the meeting.

Patrick and Jacky returned to the meeting.

The Board thanked CEO for his work so far this financial year. They have streamlined his KPI's to two things going forward:

- 1) Achieve the budget as approved by the board today.
- 2) Develop and deliver a fully costed operational (business) plan, which includes a marketing plan, member services plan etc.

Each of these KPI's have a 50% weighting.

COMMITTEES REPORT

Item 1: Audit and Investment Committee Report (taken as read)

Item 2: 2019 Auditors Report and Management Letter (taken as read)

Item 3: Advisory Council Report (taken as read)

- Patrick distributed a hard copy outlining nominations received to date for 2020 AC members.

ACTION: Board to send any further AC nominations to Patrick by 31 October.

BOARD SUCCESSION PLANNING

- a. Formalise agreement on appointment of Tanya Buchanan as Chair - as per proposal agreed by email
 - Moved by Denise, seconded by James. The Board resolved Tanya will commence as Chair from February 2020, with Denise remaining as Chair until that time.
- b. To discuss appointment /commencement date for new Chair and continuation of Denise Taylor as a Director for an agreed period.
 - The Board resolved Denise will stay on as a Director until the AGM 2020. The Board resolved not to announce new Chair at today's 2019 AGM, as insufficient notice had been given to members. It was agreed that the new Chair announcement will be made via comms such as NEAS News in December 2019.

ACTION: Patrick to develop Board succession communications plan and present at December meeting.

REVIEW OF RISK REGISTER

The Board approved the risk register.

AGM PLANNING

The Board ran through the agenda for the AGM.

UPDATE ON STRATEGIC COLLABORATIONS

1. English Australia

The merger with English Australia is not going ahead at this point, however the CEO relationship is still strong and collaboration between the two organisations will occur when appropriate. The Board agreed that this can be undertaken by the respective CEO's without the need for a Board working party at this stage.

2. ITECA

Patrick sought Board approval to review the services agreement and gauge ITECA's intention to continue. The Board agreed to close the collaboration.

3. UECA

No update.

4. ISEAA

No update.

CLOSE

The formal meeting concluded at 2.10pm.

NEXT MEETING

5 December 2019

AGENDA ITEM #5: MATTERS ARISING

Area	Item #	Board Meeting Ref.	Action / By Whom	Who	Due Date & Status
Matters Arising	1.	BM1019	CEO to engage AC to test conference concepts	CEO	Feb 2020
	2.	BM1019	CEO to create terms of reference for conference committee	CEO	Complete
Director Update	3.	BM0619	CEO arrange a meeting with the Chief of Staff, Dan Tehan, Minister of Education (Commonwealth)	CEO	January 2020. Tehan invited to open NEAS Management Conference 2020
	4.	BM0819	CEO to research and prepare a risk analysis of agent quality endorsement.	CEO	Complete
	5.	BM1019	Review audit process and discuss potential lead auditor change	Board	February 2020
CEO's Report	6.	BM0119	CEO to explore conversion rate factors in new application time frames	CEO	Feb 2020
Membership & Activity Report	7.	BM1019	CEO to add traffic light summary to front page of this report	CEO	Complete
	8.	BM1019	CEO to investigate NATA's (and others) processes for add on revenue	CEO	Feb 2020
	9.	BM1019	CEO to do analysis of income numbers for Vietnamese Services	CEO	Feb 2020
	10.	BM1019	CEO to remove watch list and paid applications table from report	CEO	Complete
	11.	BM1019	CEO to change the associate members list reporting as per minutes	CEO	Complete
	12.	BM1019	CEO to create membership code of conduct	CEO	Complete
	13.	BM1019	CEO to remove QLS from report and put into marketing strategy document	CEO	Complete
Finance & Investment Report	14.	BM0618	CEO to provide the Board with monthly updates on accounts	CEO	Ongoing
	15.	BM0618	Board and CEO to conduct monthly teleconferences to consider the accounts	ALL	Ongoing
	16.	BM0419	CEO to transfer funds between accounts as required and report to Board only where there is shortfall.	CEO	Ongoing
	17.	BM0619	CEO to report the Quick (or current) Ratio at Board meetings.	CEO	Ongoing
	18.	BM1019	CEO to add commentary column and FY18 comparatives column in P&L	CEO	December 2019
	19.	BM1019	CEO to check if the profit in the P&L includes the JBWere withdrawal	CEO	Withdrawals from JB Were are scheduled to be returned in May 2020.

	20.	BM1019	CEO to do further analysis of budget and cashflow to identify \$37k discrepancy	CEO	Complete. New cash flow report presented Dec 2019.
	21.	BM1019	CEO to provide KPI update to the Board	CEO	Before 30 June 2020
Board Succession Planning	22.	BM1019	CEO to develop succession planning comms plan	CEO	Complete
Strategic Risk Management and Compliance	23.	BM0119	Compare costs associated with IALC and NEAS membership	CEO	August 2019
Policies Review	24.	BM0119	Locate all policies and file	CEO	Complete
	25.	BM0119	Update Board Workplan with a staggered policy review schedule	CEO	Complete
Risk Register	26.	BM0819	Directors to regularly contribute risks to the register	CEO	Ongoing
Advisory Council	27.	BM0619	SWOT Analysis	CEO	June 2019
	28.	BM1019	Board to send any nominations for 2020 Advisory Council nominations to CEO	Board	Complete
Board Skills Matrix	29.	BM0419	Incorporate sections for qualifications and experience	CEO	June 2019
	30.	BM0419	Include scale for each element	CEO	June 2019

AGENDA ITEM #6: DIRECTOR UPDATE

Discussion of relevant items of sector interest raised by Directors to inform board decision making for this meeting.

AGENDA ITEM #7: STRATEGIC PLAN 2023

Board to read Appendix #7: Strategic Plan 2020 – 2023 (includes Operational and Marketing Plans for FY2020).

Background

1. Draft Strategic Plan 2020-2023 is presented for Board approval.
2. If Board requires further analysis this needs to be completed by CEO by next Board Meeting scheduled for 6 Feb 2020 so Strategic Plan can be locked down and an edited public version published.
3. Three growth strategies presented:
 - a. Increase Australian market share for ELT endorsement from 50% to 70%.
 - b. Increase NEAS brand traction in ASEAN market for ELT endorsement .
 - c. Develop alternate revenue streams with parallel products and services to increase Associate Membership to 3,000 individuals.
4. Includes Market Insight for ASEAN (by Austrade) and NEAS Agent Verification Viability Report (by Edified).
5. Includes Revenue Forecast 2023, Monthly Targets for FY2020, Operational Activity FY2020, detailed sales targets for each quarter in FY2020, NEAS 2020 Conference Plan, quarterly Marketing Plan FY2020, Public Event Plan FY2020, Member Services Plan FY2020, Stakeholder Engagement Plan FY2020, Organisational Development Plan FY2023 and NEAS Team Work Slate FY2020.

For Discussion

- A. What further information is required by the Board in order to move forward on the three strategies?
- B. What risks are involved and what is the Board appetite for these risks?

SUMMARY AND ITEMS FOR BOARD APPROVAL




#	ITEM	APPENDIX	COMMENTARY	FOR BOARD APPROVAL	MOTION
1	Vision, Mission, Key Strategic Focus	7A, p3		<i>The Board Approve the updated vision, mission, objects and key strategic focus</i>	
2	NEAS Growth Strategy #1	7A, p5	Increase market share for ELT endorsement from 50% to 70%	<i>The Board approve NEAS growth strategy #1</i>	
3	2021 NEAS Management Conference to be held in Melbourne	7A, p5	2021 NEAS management conference to be held at Doltone House Melbourne	<i>The Board approve NEAS Management conference to be held in Melbourne 2021</i>	
4	NEAS Growth Strategy #2	7A, p7	Increase NEAS brand traction in ASEAN market for ELT endorsement	<i>The Board approve NEAS growth strategy for NEAS growth strategy #2</i>	
5	Engage Deloitte, Bonard or similar for research	7A, p9	Engage Deloitte or similar for market research and analysis of ASEAN English language schools for potential	<i>The Board approve use of \$15K of investment funds for market research of ASEAN schools</i>	




			endorsement. Estimated cost max. \$15K.	<i>for potential endorsement (currently unbudgeted).</i>	
6	Malaysia Activity	7A, p9	Key NEAS Members to help support growth: ELS Malaysia, EC Malaysia and English Malaysia. Recommendation is to move quickly on in-market event in 2020. A NEAS QLS has been tentatively scheduled in Kuala Lumpur for 16 May 2020	<i>The Board approve this activity.</i>	
7	Indonesia Activity	7A, p9	Key NEAS members to support growth: IALF and UIG English (UTS:INSEARCH). Recommendation is to move quickly on in-market event in 2020. A NEAS QLS has been tentatively scheduled in Jakarta for 14 May 2020.	<i>The Board approve this activity.</i>	
8	Vietnam Activity	7A, p9	Key NEAS members to support NEAS growth: VUS, RMIT Vietnam and ACET. Existing agreement with MOET. Recommendation is to move quickly on in-market event in 2020. A NEAS QLS has been tentatively scheduled in Hanoi for 14 May 2020.	<i>The Board approve this activity.</i>	
9	Thailand Activity	7A, p9	Key NEAS members to support NEAS growth: Mahidol University. Recommendation is to move quickly on in-market event in 2020. A NEAS QLS has been tentatively scheduled in Bangkok for 11 Feb 2020.	<i>The Board approve this activity.</i>	
10	Philippines Activity	7A, p9	Philippines is a mid-term opportunity and an initial event in Manila should be scheduled for late 2020. Bonard could be engaged to do a deep dive market research for the 147 ELT sites, alongside engagement with English Philippines.	<i>The Board approve this activity.</i>	
11	NEAS Growth Strategy #3	7A, p14	Develop alternate revenue streams with parallel products and services to increase Associate membership to 3,000 individuals	<i>The Board approve NEAS growth strategy #3</i>	

12	NEAS Verified Education Agent	7A, p14	Launch NEAS Verified Education Agent in 2020 in stages, initially with ISEAA membership	<i>The Board approve strategy for launch of NEAS Verified Education Agent</i>	
13	Market Insight Agents, Homestay, Professional Development	7B	This initial summary has been supplied by Edified. Please see Appendix 7B for the full report. For further in-depth analysis of how NEAS is placed within the wider International Education industry it is recommended NEAS further engage Edified to produce market research on the international education industry and the impact of NEAS on this community. Estimated cost of this proposal = \$15K	<i>The Board approve use of \$15K of investment funds for in-depth analysis of business opportunities in the wider Education industry (currently unbudgeted).</i>	
8	FY2020 Operational Plan	7A, pp30-66	Operational Plan presented which includes Operational Activity FY2020, detailed sales targets for each quarter in FY2020, NEAS 2020 Conference Plan, quarterly Marketing Plan FY2020, Public Event Plan FY2020, Member Services Plan FY2020, Stakeholder Engagement Plan FY2020, Organisational Development Plan FY2023 and NEAS Team Work Slate FY2020.	<i>The Board approve the operational plan FY2020.</i>	

AGENDA ITEM #8: MEMBERSHIP AND ACTIVITY REPORT

SUMMARY AND ITEMS FOR BOARD APPROVAL

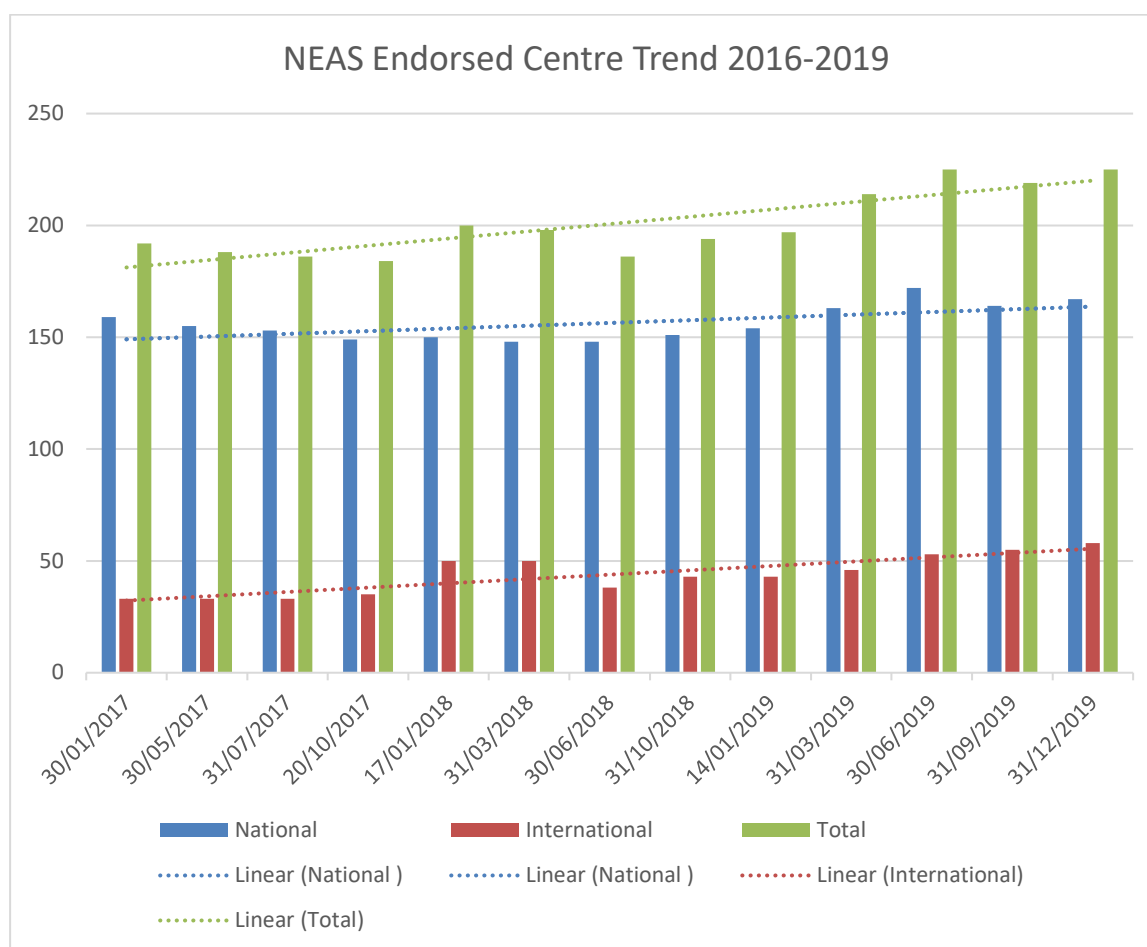
#	ITEM	APPENDIX	STATUS	COMMENTARY	FOR BOARD APPROVAL	MOTION
1	Endorsed members summary	In paper, 8.1		As at 31/10/19, current 130 Members / 219 Centres (down 2% from 30/06/19). Expecting 4 new UHE (Ultimate Holding Entities = Full Members) to complete endorsement process by early Dec 2019. Two members to be ceased (AICE and Canterbury College) due to no ELICOS.	-	
2	Member pipeline FY2020	Appendix 8A		Six members / 12 centres completed endorsement since 1/07/19.	-	
3	Associate Members Report	Appendix 8B In paper, 8.2		Up 7% on target with 52 active members with 3 waiting for confirmation and 2 rejections.	<i>Board to ratify confirmation and rejection of new associate membership application</i>	

	Target not met
	Tracking well but not achieved
	Target achieved

8.1 ENDORSED MEMBERS SUMMARY

DATA	31 Mar 18	30 May 18	30 Jun 18	30 Sep 18	31 Oct 18	17 Jan 19	31 Mar 19	17 May 19	30 Jun 19	31 Oct 19	31 Dec 19
Ultimate Holding Entities Current											
- National	111	112	111	116	113	112	115	116	124	120	122
- International	8	7	7	7	7	7	9	9	9	10	11
Total	116	119	118	123	120	119	124	125	133	130	133
Centres Current											
- National	148	149	148	154	151	155	163	168	171	164	167
- International	50	31	38	38	43	43	46	46	53	55	58
Total	198	180	186	192	194	197	209	214	224	219	225

* Green column (far right) is a projection based on centres in the pipeline and possible cessations as per detailed watchlist.



Green = Total Centres, Blue = National Centres, Red = International Centres

8.2 ASSOCIATE MEMBERS REPORT

Please see Appendix 8B for full list of current members.

REJECTED APPLICANT SUMMARY

First Name	Surname	Organisation	Reason for joining as an Associate Member	Reason for Rejection
Bona	Man	TMG College	Assessment of Qualifications	Works for full Member
Christopher	Agboma	None	Professional Development	Located in Nigeria with no real reason for joining

NEW APPLICANTS SINCE LAST BOARD MEETING

First Name	Surname	Organisation	Reason for joining as an Associate Member	Reason why still pending
Josephine	Gibbs	Australis	Assessment of Qualifications	Waiting on identity check
Benjamin	Kooyman	ANU	Professional Development	Waiting on identity check
Gill	Jewell	Union Institute of Language	Professional Development	Waiting on identity check








For more information about the Criteria and Terms and Conditions for NEAS membership, please see the NEAS Membership terms and conditions:




https://neas.org.au/wp-content/uploads/2019/11/NEAS-Membership-Terms-and-Conditions_2020.pdf

Please note: additional requirements around Use of NEAS membership, Cancellation and Fit and Proper Person have been added.

AGENDA ITEM #9: FINANCE AND INVESTMENT REPORTS

SUMMARY AND ITEMS FOR BOARD APPROVAL

#	ITEM	APPEN DIX	STATUS	COMMENTARY	FOR BOARD APPROVAL	MOTION
1	Liquidity Assessment and Financial Position Summary	9A		Quick ratio: 1.53; Current Ratio: 4.01; ROI: -13.2%. Improvement on same period FY2018. Analysis made by accountant that period for wind up is at 14 weeks.		
2	Balance Sheet	9B		Slowed decrease in equity to 12% Oct 2018-2019 from 19% on same period between Oct 2017-2018.		
3	Profit and Loss	9C		0.5% above YTD revenue target. 6% cost efficiencies with total operating expenses. 30% above target for operating profit and 35% better than budget for Net Loss. Application Fees Domestic and International under target due to delayed processing (timing issue). Salaries over budget due to 3 payroll cycles occurring in October (timing issue - scheduled for Nov)		
4	Aged Receivables	9D		Letter of demand issued to Cynest Pty. Ltd. ABC study group and You Study in process of ceasing. Other July aged receivables are in the process of being put on payment plans.		
5	Investment Report	9E + 9F		\$50K moved from cash allocation to Westpac Checking Account on 31/10/19. Report of growth over 2019 supplied by JB Were (App. 9F)		
6	Cash Flow Analysis	9G		Cash flow analysis updated.		
7	12 Month Rolling Budget			Not yet completed.		

	Target not met / Important Alert
	Tracking well but not achieved / Alerts
	Target achieved / No alerts

AGENDA ITEM #10: BOARD SUCCESSION PLANNING

Board to read and approve Appendix #10: Board Succession Communications Plan.

#	ITEM	APPEN DIX	STATUS	COMMENTARY	FOR BOARD APPROVAL	MOTION
1	Board Succession Plan	10		Completed and ready for Board Approval.	<i>The Board approve the Plan.</i>	

AGENDA ITEM #11: COMMITTEE REPORTS

SUMMARY AND ITEMS FOR BOARD APPROVAL

#	ITEM	DOCUMENT	COMMENTARY	FOR BOARD APPROVAL	MOTION
1	Audit and Investment Committee		-	-	
2.	Advisory Council Meeting	In paper, 11.2	Proposed list of new Advisory Council members for 2020, endorsed by Advisory Council	<i>- New members to be approved</i> <i>- New convenor to be approved</i>	

11.2 ADVISORY COUNCIL

Current Members

Name	Organisation	Renewal due	Notes
Ivano Buoro	TAFE NSW, Sydney Institute	Oct 2020	Continuing
Julian Wilson	University of Queensland	Oct 2020	Resigned in October 2019
Callum Cowell	UWA Centre for English Language Teaching	Oct 2020	Resigned in Oct 2019
Heidi Reid	Times Academy	Nov 2021	Continuing
Rosa Park	Kaplan English Sydney	Oct 2020	Continuing
Visal Sou	IDP Education Cambodia	Nov 2020	Continuing
David Hill	ELT Support Services	Nov 2020	Continuing

Note: At this stage, five members will remain on the committee for 2020 plus David Hill as proposed Convenor. Therefore, there is capacity for ideally eight new members (Council of 12 with Convenor).

2020 Nominations

Name	Organisation	Nominated by	Notes	AC Seconded	Proposed Board Selection (For Board Approval)
Alexander Nanni	Mahidol University International College, Salaya, Thailand	Patrick Pheasant	International	YES	YES
Jason West	UTS Insearch	Patrick Pheasant	NSW	YES	YES
Pamela Humphreys	Macquarie University International College and English Language Centre	Patrick Pheasant	NSW	YES	YES
Simon Costain	Go Study Australia	Robert Parsonson	NSW	YES	YES
Michael Bos	Moreton Bay College	Patrick Pheasant	QLD	YES	YES
Kit Perry	Townsville International English School	Patrick Pheasant	QLD	YES	YES
Jakki Postlethwaite	Avalon College	Heidi Reid	VIC	YES	YES
Nicki Blake	Kaplan International English	Patrick Pheasant	WA	YES	YES
Thorsten Wilhelm	Education Centre of Australia	Patrick Pheasant	NSW	NO	NO
Natalie Dipsellas	Academy of English	Patrick Pheasant	NSW	YES	NO
Youngeun Song	Australian Pacific College	David Yoo	QLD	YES	NO

Note: David Hill has been nominated by current members of the Advisory Council to be convener in 2020

AGENDA ITEM #12: REVIEW BOARD POLICIES

Board to:

- (i) *Note the current policies*
- (ii) *Identify any other policies required*
- (iii) *Agree on a policy review schedule for future*

Current Policies

Current policy documents can be found in [Appendix 12](#).

#	DOCUMENT	COMMENTARY
1.	CONSENT TO ACT AS A DIRECTOR	
2.	BOARD CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT	
3.	BOARD RECRUITMENT AND INDUCTION	
4.	CODE OF CONDUCT AND ETHICS	
5.	DISASTER RECOVERY PLAN	
6.	NEAS INFORMATION AND COMMUNICATION TECHNOLOGY RESOURCES	
7.	MEDIA RELATIONS	
8.	LEAVE	
9.	TRAVEL	
10.	TRAVEL EXPENSE CLAIM FORM	
11.	BUSINESS CONTINUITY	
12.	FRAUD INDICATORS CHECKLIST	
13.	FRAUD POLICY	
14.	DELEGATIONS OF AUTHORITY	
15.	GRIEVANCE RESOLUTION	
16.	PRIVACY	
17.	EXTERNAL CONDUCT	
18.	NEAS CODE OF ETHICS	
19.	COMPLAINTS MANAGEMENT	

Proposed Review Schedule for 2020

Policy	Feb	Apr	Jun	Aug	Oct	Dec
BOARD CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT						
BOARD RECRUITMENT AND INDUCTION						
BUSINESS CONTINUITY						
CODE OF CONDUCT AND ETHICS						
COMPLAINTS MANAGEMENT						
CONSENT TO ACT AS A DIRECTOR						
DELEGATIONS OF AUTHORITY						
DISASTER RECOVERY PLAN						
EXTERNAL CONDUCT						
FRAUD INDICATORS CHECKLIST						
FRAUD						
GRIEVANCE RESOLUTION						
LEAVE						
MEDIA RELATIONS						
NEAS CODE OF ETHICS						
NEAS INFORMATION AND COMMUNICATION TECHNOLOGY RESOURCES						
PRIVACY						
TRAVEL						
TRAVEL EXPENSE CLAIM FORM						

* Following 2020, the review of Board Policies is to be staggered across two years (with no more than two policies to be reviewed at each meeting).

Proposed Review Schedule for 2021/2022

Policy	Feb 21	Apr 21	Jun 21	Aug 21	Oct 21	Feb 22	Apr 22	Jun 22	Aug 22
BOARD CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT									
BOARD RECRUITMENT AND INDUCTION									
BUSINESS CONTINUITY									
CODE OF CONDUCT AND ETHICS									
COMPLAINTS MANAGEMENT									
CONSENT TO ACT AS A DIRECTOR									
DELEGATIONS OF AUTHORITY									
DISASTER RECOVERY PLAN									
EXTERNAL CONDUCT									
FRAUD INDICATORS CHECKLIST									
FRAUD									
GRIEVANCE RESOLUTION									
LEAVE									
MEDIA RELATIONS									
NEAS CODE OF ETHICS									
NEAS INFORMATION AND COMMUNICATION TECHNOLOGY RESOURCES									
PRIVACY									
TRAVEL									
TRAVEL EXPENSE CLAIM FORM									

AGENDA ITEM #13: REVIEW OF RISK REGISTER

For Board Discussion

1. Note: red items are new, added since last board meeting. This list will be archived at the end of 2019. Green needs to be added by Board at 5 Dec 2019 board meeting.
2. From the Board perspective, what are additional risks that need to be considered and mitigated against?

NEAS STAFF RISK REGISTER

Date	Ref	Risk	Consequences	Consequence Ratings	Likelihood Rating	Risk Rating	Control / Treatment	Responsibility
5/12/19								
5/12/19								
15/11/19		Quality / reputational risk associated with fast-tracking application process	Decreased quality standards of NEAS members, reputational damage, loss of existing high-quality members	High	Likely	High	Maintain rigorous application requirements and high level of support and explore options for incentivising / penalising for timeframe.	BC
18/11/19		IALC quality assurance moving into Australia	Loss of market share for NEAS	High	Likely	High	Ongoing competitor analysis	PP
19/11/19		Agent membership being done by English Australia from Feb 2020	Loss of market share for NEAS	High	Likely	High	Move forward on agent verification proposal	PP
21/11/19		HubSpot CRM integration	Data mismanagement	Medium	Unlikely	Medium	Training and rigorous processes put in place	CH
19/07/19		Loss of contacts and data, due to loss of staff and limited system	Loss of prospects, declining brand position, limit of information	Medium	Likely	Medium	Individual Contact CRM	MSO
19/07/19		Weakened core market penetration due to product	Slow ELT Centre growth, loss of members	High	Likely	High	Prioritisation of new initiatives, careful consideration of impact of new activity on ELT	CEO / GM / OM

		development/other new activity					member servicing and growth.	
29/05/19		Small and shrinking staff	Same workload spread over fewer people	High	Likely	High	Careful management of staff including balancing workloads, flexibility, positive culture.	CEO and GM
26/03/19	SR	Brexit	Loss of enrolments across all centres in Australia due to a trade war	High	Likely	Medium	Maintain diversification strategy	CEO
26/3/19	BC	Management unable to effectively handle core business workload post 30 June.	Build-up of self-assessments, document evaluations and report writing – poor member service / attention, weakened QA process – member loss	High	Likely	High	Not over commit management to additional responsibilities / projects for initial period post June 30 to ensure focus on new QA model.	CEO / GM / OM
26/03/19	BC	Weakened / Slowed pipeline as a result of OM heavy QA activity load	New Applications affected, slower growth	High	Possible	Medium	Allocate a QA load to assessors based on New Centres forecast for FY2020	CEO / OM
26/03/19	PC	Loss of European and ASEAN market position due to reduction in marketing	Loss of centre, weaker relationship with ST ALPHE and ICEF	Low	Possible	Minor	Check effectiveness of latest online marketing using redirections, Go to ST ALPHE 2020, ICEF Berlin 2019.	MSO, CEO
17/1/19	P	Collaborative activities not announced if merger with EA does not go ahead.	Loss of status amongst stakeholder, possible loss of centres	High	Possible	Medium	Announcements and communications plan for joint office space and combined conference	CEO
14/1/19	QA	Reduction in workload for	Loss of regional assessors	Medium	Possible	Minor	Continue to engage regional assessors	GM / Operations Manager

		regional assessors					with professional development	
14/1/19	PC	Merger with EA absorbs capacity of existing staff, thereby impacting core business	Loss of staff, loss of centres	Medium	Possible	Minor	Slow progress on new initiatives until merger is confirmed / not confirmed	CEO / GM

AGENDA ITEM #14: UPDATE ON STRATEGIC COLLABORATIONS

SUMMARY AND ITEMS FOR BOARD APPROVAL

#	ITEM	DOCUMENT	COMMENTARY	FOR BOARD APPROVAL	MOTION
1.	ISEAA	ISEAA / NEAS Draft MOU Appendix 14	Draft MOU sent to ISEAA CEO for discussion.	<i>CEO to sign MOU with ISEAA.</i>	
2.	English Australia	-	CEOs met and planning for shared promotion for PD and recognition of CPD points allocated to NEAS led professional development	-	
3.	ITECA	ITECA Services Agreement	CEO contacted ITECA CEO on 22/11/19 for update on progress of Industry Certification.	<i>CEO to continue ongoing discussion without breaking contract, due for expiration Nov 2020.</i>	
4.	TEQSA / ASQA	-	TEQSA MOU renewed and due for renewal Aug 2022. ASQA Deed of Standing Offer expires 20 June 2020.	-	
5.	DET	-	Hon Dan Tehran contacted and invited to open NEAS Management Conference. NEAS CEO invited to participate in industry consultation.	-	
6.	UECA	-	19 NEAS endorsed members out of 31 members. 3 under application. 9 members not NEAS members, mostly Navitas / Study Group / English Australia members.	<i>Proposal to be made to UECA with regards to possible collaboration. Ideas include a) benchmarking, b) managing new UECA applications, especially those overseas and from overseas and c) undertaking ongoing ad hoc independent reviews on different aspects for publication.</i>	

AGENDA ITEM #15: BOARD REFLECTION