

**BETTING, GAMING AND LOTTERIES
COMMISSION
78CEF HAGLEY PARK ROAD
Kingston 10, Jamaica**

**CHARTER & TERMS OF REFERENCE
FOR
THE BOARD OF COMMISSIONERS**

Amended February 15, 2021

MANDATE

Members of the Board of Commissioners of the Betting, Gaming and Lotteries Commission (BGLC) are appointed by the Ministry of Finance and the Public Service (MFPS) to supervise the business and affairs of the Commission in a manner that enhances its efficiency and effectiveness in accordance with Government Policy, taking into account the interests of all stakeholders including the Public, the Commission's Licensees, and its employees.

The Board accepts that there should be a clear division between its strategic role and the day-to-day running of the Commission, which is the mandate of its Executive, that will be accountable for agreed deliverables. Accordingly, the roles of Chairman and Executive Director are separated and clearly defined in the Board Manual of March 2019.

- **The Chairman is responsible for leadership of the Board and creating the conditions for overall Board and individual Commissioner's effectiveness.**
- **The Executive Director is responsible for the daily operations of the Commission.**

The Board further accepts its responsibilities relating to strategy and management; structure and capital; financial reporting; internal controls; major contracts; communication; delegation of authority; corporate governance; policies and such other matters relevant for Board attention.

GOOD BOARDROOM PRACTICE: A CODE FOR COMMISSIONERS AND THE COMPANY SECRETARY

1. The Board should establish [written procedures for the conduct of its business](#) which should include the matters covered in this Charter. A copy of these written procedures should be given to each Commissioner and compliance monitored, preferably by the Audit & Risk Committee of the Board. Breach of the procedures should be reported directly to the Board.
2. The Board should ensure that each Commissioner is given, on appointment, sufficient information to enable him/her to perform his/her duties.

3. In the conduct of Board business, two fundamental concepts should be observed:
 - Each Commissioner should receive the same information at the same time; and
 - Each Commissioner should be given sufficient time in which to consider such information.
4. The Board should identify matters which require its prior approval and establish [procedures to be followed when](#), exceptionally, [a decision is required before its next scheduled meeting](#).
5. All material contracts should be referred to the Board for decision prior to the BGLC committing itself.
6. Matters for the agenda of Board meetings are the purview of the Chairman in consultation with the Company Secretary, and items Commissioners or the Executive wish to be included, are thus directed.
7. The Company Secretary is responsible to the Chairman for the proper administration of the meetings of the Board and Committees. To carry out this responsibility, the Company Secretary is entitled to be present at (or represented at) meetings and prepare (or arrange for the preparation of) minutes of the proceedings of all such meetings.
8. The minutes of meetings should record the decisions taken and provide sufficient background to those decisions. All papers presented at the meeting should be clearly identified in the minutes and retained for reference. The procedures for the approval and circulation of minutes should be adhered to.
9. Where the constitution of the Commission allows the Board to delegate any of its powers to a committee, the Board should give its prior approval to:
 - The membership and quorum of any such committee
 - Its terms of reference; and
 - The extent of any powers delegated to it
10. The minutes of all meetings of Committees (or a written summary thereof) should be circulated to the Board prior to its next meeting and the opportunity should be given at that meeting for any member of the Board to ask questions thereon.

11. Notwithstanding the absence from the formal agenda, the Chairman should permit any Commissioner or the Company Secretary to raise at meetings of the Board any matter concerning BGLC's compliance with this Charter, its constitution, any other legal or regulatory or government-related requirement, or any matter affecting the Commission.

MEETINGS

1. The Board will meet at least eleven (11) times each calendar year. Special meetings may be called by the Chairman or requisitioned by the Executive Director.
2. The quorum for meetings of the Board is one-half of its members. Where this number is equal, the quorum for meetings shall be one-half plus one.
3. The Chairman, in consultation with the Company Secretary, will set the agenda for each Board meeting. Each Board member and the Executive Director may suggest agenda items to be discussed.
4. Commissioners will receive the agenda and Board papers prior to meetings with sufficient time to review the documents beforehand for Board members to understand and evaluate the matters to be discussed.
5. Non-Board members may attend Board meetings or parts thereof at the invitation of the Chairman and with the agreement of the members in attendance.
6. Members of the Board may attend meetings by teleconference or similar media so long as all persons participating in the meeting can communicate with each other.
7. Minutes of the Board meetings should be accurately recorded and contain the decisions reached by the Board. Minutes of each meeting are to be distributed to the Commissioners and the Executive Director with a list of actions to be taken prior to the next meeting.

MATTERS RESERVED FOR THE BOARD

The Board is required by law to manage or oversee the management of the Commission and its affairs. In discharging this duty, with the assistance of its Committees, the Board will:

Strategy Planning and Major Transactions

- ❖ Oversee the strategic planning process; approve the overall corporate strategy presented by management and monitor its implementation.
- ❖ Approve the annual operating and capital expenditure budgets and any material changes thereto.
- ❖ Oversee the Commission's operations to ensure prudent management; sound planning; adequate systems of internal controls; adequate accounting and other records; compliance with statutory and regulatory obligations.
- ❖ Review the Commission's performance in line with the strategies, objectives, business plans, and budgets; and to ensure that any necessary corrective actions are taken in a timely manner.
- ❖ Approve any acquisition, disposition, or expenditure value \$30M or greater.

Structure and Capital

- ❖ Review changes to the Commission's management and control structure.

Financial Reporting and Controls

- ❖ Oversee the quality and integrity of the Commission's accounting and financial reporting systems, disclosure and internal controls, and management information systems.
- ❖ Monitor operational and financial results monthly.
- ❖ Approve the audited accounts.
- ❖ Approve any significant changes in the Commission's investment policies or practices.

The Board should present a balanced and understandable assessment of the Commission's position and prospects.

Internal Controls

- ❖ Identify the principal risks of the Commission's business in collaboration with management.
- ❖ Review, approve and monitor the implementation of appropriate systems to manage and reduce those risks identified.

- ❖ Ensure maintenance of a sound system of internal control and risk management and review the effectiveness of the Commission's risk and control processes to support its strategy and objectives. Undertake an annual assessment of these processes.
- ❖ Approve an appropriate statement for inclusion in the annual report.

The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving the strategic objectives of the Commission. It should maintain sound risk management and internal control systems.

Contracts

- ❖ Review major capital projects
- ❖ Review contracts which are material strategically or by reason of size, entered into by the Commission in the ordinary course of business, and the acquisitions or disposals of fixed assets.
- ❖ Review contracts that are not in the ordinary course of business, or major acquisitions or disposals.

Communication

- ❖ Ensure that the Commission has an effective communications process in place with stakeholders.
- ❖ Approve the annual report (including the corporate governance statement)

Board Membership and Other Appointments

- ❖ Ensure adequate succession planning for senior management
- ❖ Appoint or remove the Executive Director
- ❖ Approve the membership and chairmanship of Board Committees
- ❖ Appoint or remove the Company Secretary
- ❖ Appoint or remove the external auditors on the recommendation of the Audit & Risk Committee

Corporate Governance

- ❖ Develop the Commission's approach to corporate governance; formalise corporate governance principles and guidelines for the Commission.
- ❖ Undertake a formal, objective, and rigorous annual review of the Board's performance, its committees, and individual Commissioners.

- ❖ Consider the balance of interests between stakeholders, employees, suppliers, and the community.
- ❖ Solicit and review reports from the Commission's stakeholders on how they view the BGLC.

Remuneration

- ❖ Determine the remuneration policy for the Executive Director, Company Secretary, and other executive officers.

Delegation of Authority

- ❖ Ensure the division of responsibilities between the Chairman and the Executive Director.
- ❖ Approve the terms of reference of Board committees
- ❖ Receive reports from Board committees on their activities

Matters which the Board considers suitable for delegation are contained in the terms of reference for its Committees or by Resolution of the Board.

Conflicts of Interests

- ❖ Disclose interest in contracts to be made by the Commission
- ❖ Disclose the nature of such interest at any meeting called to discuss, inter alia, the said contracts.
- ❖ Refrain from deliberating or participating in any deliberations on the said contracts
- ❖ Identify potential conflict areas and ensure they are appropriately identified and reviewed.
- ❖ Adhere to the provisions of the Conflicts of Interest Policy

Policies and Procedures

- ❖ Monitor compliance with all significant policies and procedures
- ❖ Review significant new corporate policies or material amendments to existing policies.

Other

- ❖ Consider major changes to the rules of the joint pension scheme or changes of trustees or changes in the fund management arrangement.

Oversight of Management

- ❖ Outline the responsibilities and duties of the Executive Director and monitor his/her performance.

- ❖ Review the Executive Director's performance at least annually against agreed objectives.
- ❖ Establish a succession plan for the Executive Director and other executive officers of the Commission including programmes to train and develop management.
- ❖ Satisfy itself of the integrity of the Executive Director and other executive officers and that the management team create a culture of integrity throughout the Commission.
- ❖ Provide a source of advice to the Executive Director and senior management on critical issues and matters faced by the Commission.

BOARD AFFAIRS

1. Assess on a regular basis the effectiveness of the Board, its Committees in fulfilling their responsibilities and this charter as well as the charters for all Committees.
2. Ensure new Commissioners are provided with adequate education and orientation as to their role and responsibilities.
3. As a member of the Board, each Commissioner is expected to act honestly and in good faith with a view to the best interest of the Commission and to exercise the care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances.
4. Demonstrate high ethical standards and integrity in their personal and professional dealings.
5. Maintain confidentiality and be an available resource to management and the Board.
6. To enhance the effectiveness of the Board and Committee meetings, each Commissioner will:
 - a) Maintain an excellent Board and Committee attendance record
 - b) Prepare for meetings in advance by reading the papers provided
 - c) Participate fully and frankly in Board deliberations and discussions
 - d) Become knowledgeable about the role and objectives of each Committee

- e) Participate in orientation and development programmes developed from time to time
- f) Become generally knowledgeable of the Commission's business and industry, and of the regulatory, legislative and business environments within which the Commission operates.

COMMITTEES

Areas of the Board's responsibilities may be delegated to Committees. The composition, responsibilities and authority of these Committees will be set out in their charters and terms of reference as approved by the Board from time to time.

COMMUNICATION WITH THE BOARD

Stakeholders and other interested parties may communicate with the Board and individual Commissioners by contacting the Commission's head office.

ACCESS TO INDEPENDENT ADVISERS

The Board will have the resources and authority appropriate to the discharge of its duties and responsibilities. It may at any time retain outside financial, legal and other advisors at the expense of the Commission without the approval of management. Any Commissioner may, subject to approval of the Chairman, retain an outside advisor at the expense of the Commission.

**Approved by the Board of Commissioners
On Friday, March 26, 2021**