



COMMITTEE MEMBER INDUCTION ESSENTIALS PACK

For **Small** Recreation & Sport Organisations

Version 1: June 2011





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MESSAGE FROM THE MINISTER

COMMITTEE MEMBER INDUCTION ESSENTIALS PACK

Sport and recreation organisations play an important role in building active, healthy communities.

The vast majority of sport and recreation clubs and associations are incorporated bodies run by volunteer management committees. These volunteers are responsible for the financial viability, strategic direction and future development of the organisation, as well as maintaining day-to-day operations.

The induction of committee members is an opportunity to ensure that they are aware of their roles and responsibilities and understand the organisation's objectives and operations. A good induction can influence how quickly new committee members become confident to provide input.

'Committee Member Induction Essentials Pack' is a collection of best practice information to help committees to operate effectively. This edition has been tailored to suit the needs of small organisations run entirely by volunteers. A second edition, 'Board Directors Induction Essentials Pack', has been developed for medium to large organisations.

I encourage you to provide this Pack to new members when they are inducted to your committee. The induction may also include the provision of critical documents such as budgets and strategic plans, presentations by key personnel, formal or informal meetings with existing or retiring committee members and mentoring relationships.

Tom Kenyon, MP

MINISTER FOR RECREATION, SPORT & RACING



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IS THE COMMITTEE MEMBER INDUCTION ESSENTIALS PACK RELEVANT TO OUR ORGANISATION?

This document is relevant to purely volunteer-run sport or recreation organisations, including small state and district or regional associations and clubs. Please read on to find out more about how this document applies to your organisation.

The committee has ultimate responsibility for its organisation and it is accountable to its members. For smaller organisations, the committee is usually responsible for hands-on operational management. Committees also have the responsibility for inducting prospective or new committee members.

This document aims to assist volunteer committees to operate more effectively by:

- explaining their legal obligations
- detailing key responsibilities
- defining the elements of good governance
- suggesting processes that may be used to improve efficiencies.

HOW TO USE THIS PACK

The Committee Members Induction Essentials Pack (the Pack) is designed to cover basic and generic information for committee members and can be used as a key part of the induction process for new committee members. It is recommended that this Pack be accompanied by documents pertaining to the finance, planning and decision making of your organisation and used within an induction process (see Section 1).

The information contained in this Pack can also be used by existing committee members as a reference tool and when reviewing their current roles and practices.

A collection of documents appropriate to use in an induction process may have a number of components, which may include, but is not limited to:

- generic information relating to the responsibilities of the committee in the governance role - this Pack provides this information
- organisation-specific documents that outline the current and future structure, financial, and planning information for the organisation
- sport/activity-specific information.

The finished collection of documents may be presented in a loose-leaf folder to allow for additions or substitutions or they may form a web-based document to be accessed by committee members under a log-in system. Suggested documentation that may be useful to include in the induction process is listed in Section 1.2

The Office for Recreation and Sport (ORS) website will have some optional additional contents including information and documents that can be selected for inclusion in your final committee member's induction documentation or that can be useful to support the work of the committee over time.

This Pack is available in both hardcopy and electronic formats. For an electronic copy, please visit the ORS website.

For hardcopies please phone (08) 7424 7767.

ACKNOWLEDGMENTS

The material in this Committee Member Induction Essentials Pack was derived from an extensive desktop/literature review of the latest legal and operational trends as well as from sporting, recreation and legal experts. The sources of all information included in this Pack are referenced where applicable.

Industry representatives were involved in workshops as part of the process of development.

This Pack has been developed and compiled by PKF Organisation Development and the Office for Recreation and Sport with considerable comment and input from Sport SA and Recreation SA, Delta Training and a group of industry representatives.

It is intended that this Pack will be updated as an electronic file when new or changed information needs to be included. The updated copies will be available on the ORS website.

This resource was initiated and coordinated by Michelle Ingrames, Senior Project Officer Industry Development at the Office for Recreation and Sport.

TERMINOLOGY IN THIS PACK

Organisation: refers to any of the following local organisations that are accountable to their members:

- voluntarily run small state organisations
- voluntarily run district or regional associations
- local clubs.

Committee: the governing body or group of people appointed to govern or direct the organisation. It may also be called *committee of management, management committee or committee of directors*.

Committee member: a member of the governing body (the committee) as described above.

Governance: the system under which organisations including volunteer organisations such as associations are controlled and directed, normally in the form of authority agreed upon by the members of a committee. The term governance has been described as: ‘the process by which a governing body ensures that an organisation is effective and properly run... Governance is not necessarily about doing; it is about ensuring things are done.’

(S. Adironack. The Good Governance Action Plan. London: National Council for Voluntary Organisations, 2002.)

Stakeholders: any party that affects, or can be affected by, the organisation’s actions. Stakeholders in non-profit organisations have been described as ‘*organisations and individuals who have an interest in the success and services of the organisation - ranging from staff and volunteers to members, affiliates, funding bodies and sponsors.*’

(D. Fishel. The Book of the Board: Effective Governance for Non-Profit Organisations. Sydney: The Federation Press, 2003.)

Examples of stakeholders in recreation and sport include members, players, participants, parents, coaches, instructors, officials, grounds owners, local government and sponsors.

Parent body: this is the group that a club or association is affiliated with. Traditionally this would be:

- regional district association for club
- state recreation and sport organisation for regional or district association
- national recreation and sport organisation for state body.

Prescribed position: The *Children’s Protection Act 1993 (SA)* refers to ‘prescribed positions’, which include positions that require or involve ‘prescribed functions’. Prescribed functions are those involving any of the following:

- regular contact with children or working in close proximity to children on a regular basis
- supervision or management of persons in positions requiring or involving regular contact with children or working in close proximity to children on a regular basis
- access to records relating to children
- functions of a type prescribed by regulation.

As of 1 July 2007, the *Children’s Protection Act 1993 (SA)* did not specify any further functions in the regulations. People who work with children may be either employees or volunteers.

Section 2.2 of this Pack discusses the obligations of recreation and sport organisations under this legislation.

RELEVANT ORGANISATION ACRONYMS

ASC	Australian Sports Commission
ORS	Office for Recreation and Sport
OCBA	Office for Consumer and Business Affairs
ASIC	Australian Securities and Investments Commission
DFC	Department for Families and Communities



NOTE: Where the Pack directs the reader to other documents and websites for further information, be aware that different documents may use various terms to explain the same thing.

Section 1

COMMITTEE MEMBER INDUCTION PROCESS

Purpose of this section: To outline the induction process by listing the elements that prospective and newly recruited committee members should know in order to operate effectively within the committee.

It is important to ensure that your customised committee members' induction documentation, which includes this Pack, is used within a broader induction process.

This section discusses information you may include in the overall induction process. The committee may also consider developing a documented guide to its induction process, which outlines the steps used and supporting documentation to be provided to new committee members.

While it is important to provide committee members with the information they need, it will also be important to help them feel comfortable in their new roles. This can be achieved by taking steps to introduce them into the existing committee and to develop relationships within the organisation.

This Pack, along with other specific documentation about your organisation, will personalise the induction process and make it easier to cover all the elements a new or prospective committee member will either ask for, or need to receive, in order to be adequately informed.

This section outlines:

- what you may do to induct new committee members
- what information to consider incorporating in your customised induction documentation.

1.1 INFORMATION COMMITTEE MEMBERS NEED TO KNOW ABOUT THE ORGANISATION

This section is intended to help guide your committee in selecting the relevant background material about the organisation to add to this Pack for use in an induction process. This includes information about the organisation's history and evolution, strategy and direction, financial circumstances, current happenings and progress, and other relevant information.

This knowledge is vital to assist new committee members to assimilate into the team and operate with knowledge of the organisation's purpose, progress, and future direction.

These documents are specifically about your organisation and should be included in the final induction package. They should be reviewed on a regular basis and altered as necessary.

The following are recommended for inclusion in the committee members' induction process:

- information about the organisation – including its history and evolution
- the organisation's strategic plan and constitution
- minutes of the last three committee meetings¹ and the previous year's AGM minutes
- current newsletter (if applicable)
- annual budget, spending priorities and savings plans (e.g. for equipment replacement or facility development)
- current financial reports
- committee code of conduct
- profiles and contact details of committee members
- calendar of events
- website details of your organisation and parent association.

It is recommended these documents be made available to people interested in nominating for a committee position to assist them in making a fully informed decision.

The following points outline why you would consider including certain documents in your induction process.

1.2 RATIONALE FOR INCLUSION OF ORGANISATION-SPECIFIC INFORMATION

The documents listed in Section 1.1 are important to include in your committee members induction documentation because it will provide new committee members with information about the organisation's operations, values, direction, goals and strategies. It will also provide insight into the people currently responsible for the organisation's progress.

¹Minutes of the AGM are public documents that can be given to the organisation's members. The minutes of the committee are the property of the committee so you may want to discuss whether or not to give committee meeting minutes to prospective committee members or whether to just give them to committee members in their induction.

In particular, there are three key documents that provide important information that should direct the energies of committees: the strategic or long-term plan, constitution and financial reports. The benefit of continuous reference to these documents is to ensure that work undertaken is focussed on what the committee have previously agreed is the purpose of its existence, the direction it wishes to pursue and the way it goes about pursuing it.

If work is conducted without considering these three documents, there is a great risk of poor governance of the organisation and consequently poor decision making with possible threats to its viability.

1.2.1 STRATEGIC OR LONG-TERM PLAN

Committee members should be acquainted with their organisation's strategic or long-term plans that contain information about its vision, key long-term goals of the organisation, associated action plans and broad timelines for achievement. Long-term planning is usually referred to as strategic planning and is the responsibility of committees to develop, work on and achieve. The contents of the plan should form the basis of all key outcomes and associated implementation approaches and actions. Activity in committee meetings should therefore be linked to the plan wherever possible, forming the basis of its operations.

Organisations may also work to an operations plan, although such a plan would be about more immediate strategies and actions to achieve the key goals in a strategic plan.

If there is not a strategic plan and the committee is working only on operational plans, it is essential to arrange to develop such a long-term plan. The strategic plan should be developed and reviewed with input and agreement from all stakeholders.

Organisations should broadly align their plans with those of their parent association and committee members should therefore familiarise themselves with those plans.

For further information on approaching strategic planning and a case study which outlines the strategic planning development process as well as information on how to incorporate operational agenda items within meetings of a club, refer to the ORS website.

1.2.2 CONSTITUTION

It is important to include the organisation's constitution in the committee induction pack because the constitution outlines the powers, rules, and regulations for operation. It should also indicate to committee members and the wider membership the basis for the culture within the organisation.

Constitutions are a requirement under the South Australian Government *Associations Incorporation Act (1985)*.

Please see Section 2.1.1 of this Pack for further information on incorporations.

NOTE: The ORS has prepared template constitutions for clubs, regional and district associations and state sporting organisations, which can be customised for an individual sport organisation. To view these template documents and other documentation to support you in updating your constitution, visit the ORS website.

1.2.3 FINANCIAL REPORTS

An accurate, up-to-date summary of the financial situation of your organisation is necessary in order to know its current and future viability and to make sound decisions on financial matters.

Typical elements of financial information should include budget information, cash-flow status, funds available for meeting development goals, records of past transactions, planned future investments in people and/or facilities and grant applications – both current and planned.

The ORS website contains additional documents that may assist in tailoring an induction pack to complement those previously covered.

Visit the ORS website.



1.3 ORIENTATION OF NEW COMMITTEE MEMBERS

In planning your orientation, keep in mind that the experience levels of committee members will vary greatly. Some will have served on previous committees and others will not have had this experience. Levels of interest and expertise will also differ.

No matter how well qualified your new committee members are, it will take some time to get them up to speed and feeling comfortable as members of your team. The following steps will help make this process easier:

- Conduct an orientation session for the entire committee shortly after the election. It should occur well in advance of the first committee meeting and can be as short as two hours. Spend time covering background material about the organisation.
- Provide new committee members with this Pack along with additional documentation as recommended in Section 1.2.
- Hold an informal meeting with the committee chairperson/president and committee members. The purpose of the meeting is to welcome committee members, clarify their understanding of their roles and discuss what is expected from them. The meeting can also be used to highlight the vision of the organisation and its related goals.
- Have new committee members present themselves and their interests - what they hope to offer the committee and what they hope to gain as committee members.
- Provide some of the history and evolution of the organisation and review interim and long-term goals as reflected in documentation given out to the member/s.
- Bring new members up to speed on issues and challenges facing the organisation; discuss any key trends that could affect the organisation. (This is often overlooked and new committee members may be caught off guard.)
- Assign a mentor to help orient new members, especially if a role is critical to the operations of the committee such as the secretary.
- Provide new members with a dot-point list of their roles and responsibilities, especially if they have a specialist role.

An example template suitable for committee member induction is located on the ORS website.

1.4 ENCOURAGING COMMITTEE MEMBERSHIP BEFORE FORMAL ELECTION

Many prospective volunteers are daunted by involvement in their organisations in an administrative capacity even if they have the required skills and attributes to be effective. Volunteers may be encouraged to contribute to their organisation by first joining a sub-committee, which is often a short-term role and one that may provide useful insight into the organisation's operations and culture.

Prospective committee members should not feel pressured to join or offer themselves up for election without getting a picture of how they may best fit in or how they may be seen as a valuable asset.

The brochure *'So you want to be a committee member?'* is a useful resource for informing prospective committee members of what to expect when joining a committee; it may be downloaded from the ORS website or physical copies can be obtained by phoning the ORS 08 7424 7767.



Section 2

STRUCTURE AND LEGISLATIVE REQUIREMENTS FOR ORGANISATIONS

Purpose of this section: To make committee members aware of relevant structure and legislative considerations, notably an explanation of incorporation. It also outlines subsequent responsibilities that apply to each type of organisation. Information on child protection obligations is also provided.

2.1 LEGAL STRUCTURES

It is recommended that committees check their legal status. They may do so by referring to their own records or by checking the *Australian Securities Investments Commission (ASIC)* website. Legal status of your organisation will indicate the requirements for reporting and for governing the organisation.

2.1.1 INCORPORATED ORGANISATIONS

Sport or recreation organisations are likely to be incorporated. An incorporated organisation is recognised as a legal entity with an existence separate from that of its members.

According to the Office of Consumer and Business Affairs (OCBA), incorporated organisations:

- have their own corporate identity
- can sue and be sued
- can enter into contracts
- mostly appoint committees to run affairs
- have their documents lodged on a public register.

Incorporation provides limited liability; that is, if an incorporated organisation is sued, its members will generally not be personally liable. If the organisation does not have enough assets to pay its debts, it can be wound up but the personal liability of members will be limited. The extent of this liability is normally set out in the constitution.

It is important to consider incorporation if your organisation:

- wishes to apply for a grant of funding. Incorporation is generally a requirement of most government departments for funding and grants

- employs someone
- needs insurance
- wishes to enter into a substantial contract
- owns any interest in land that must be registered in the Lands Titles Office or any other substantial assets.

To become incorporated, South Australian organisations can use the process provided for in the *Associations Incorporation Act 1985 (SA)*, which is described in the OCBA website. The majority of non-profit community organisations incorporate using this Act.

In order to administer the requirements of Incorporation, organisations must appoint a public officer. Further information on this role can be found in Section 3.4.1 (Role of the public officer). The OCBA has the following two booklets available on its website or from its office that will be useful to inform committees of their obligations under the Act:

- *Administration of Affairs of an Incorporated Association*
- *Public Officer Responsibilities Under the Associations Incorporation Act 1985.*

2.1.2 UN-INCORPORATED ORGANISATIONS

Unincorporated organisations are not regarded as separate legal entities by law, even though their members may regard them as independent organisations. They are simply a collection of people acting together. This is the most obvious difference between unincorporated and incorporated organisations.

Members of an unincorporated organisation are subject to the powers of the organisation's constitution. They are capable of entering into contracts and doing things on behalf of other people. Where a contract is signed on behalf of an unincorporated organisation, the individual members who sign the contract are responsible and may be sued.

Members of an unincorporated organisation are individually and personally responsible for any debts incurred in the name of the organisation. Similarly, if someone is injured through an unincorporated organisation's negligence and there is no insurance, the organisation cannot be sued but individual members may be sued.

An unincorporated organisation has no legal identity and cannot hold assets in its own name. It must appoint individuals as trustees, who then own the assets but hold them for the benefit of the organisation. The trustees are bound by the *Trustee Act 1936 (SA)*.

Many community organisations seek grants to support their activities. It is a requirement of many funding programs that the organisation seeking funding must be incorporated.

It is an offence, punishable by a fine of up to \$5000, for a person to falsely represent that a body is an incorporated organisation under Section 60 of the *Associations Incorporation Act 1985 (SA)* in order to gain an advantage for herself or himself or any other person.

It is advisable for unincorporated bodies to carefully consider the benefits they may gain by becoming incorporated, especially limited liability for members.

It is important to note that your state and/or national bodies may choose different legal structures that they conform to. For additional information on a Unitary Governance Model, companies limited by guarantee and Australian Registered Body, check the fact sheet on the ORS website.

Note that incorporation acts are not identical in each state. Administrators should refer to the relevant legislation in the state in which the organisation is incorporated or intends to incorporate.

On the OCBA website, there is a document called '*How to Incorporate*', which you may wish to use as a guide.

2.2 CHILD PROTECTION LEGISLATION

The Children's Protection Act 1993 (SA) requires sport and recreation organisations that provide services wholly or partly for children in South Australia to establish policies and procedures to safeguard and protect children.

The guidelines for establishing these policies and procedures are set out in the document, *Child Safe Environments: Principles of Good Practice*, which is issued by the chief executive for the Department for Families and Communities (DFC).

Recent changes to the *Children's Protection Act 1993 (SA)* extend the steps organisations must take to help protect the children in their care.

NOTE: From January 2011, organisations are required to:

- lodge a Child Safe Environment Compliance Statement. Clubs need to check with their associations if a 'representative body' such as a state sport or recreation organisation has lodged a single compliance statement on behalf of their affiliated associations and organisations. Where an organisation finds that its policy is not fully compliant, it should still lodge a statement showing that the work is in progress and lodge a second statement when it is completed.
- conduct criminal history assessments on staff and volunteers holding 'prescribed positions'.

From January 2011 all paid or volunteer persons holding a 'prescribed position' are required to undertake a 'criminal history assessment', which is to be conducted by the organisation before they are engaged or appointed. This must include a police check unless an exemption applies.

Exemptions are listed on the ORS and DFC websites.

For organisations providing sport or recreational services wholly or partly for children, this requirement will commence in year two; that is, commencing 1 January 2012, and needs to be fully implemented as follows:

- all new and existing volunteers working with children younger than seven must be assessed by 31 December 2012
- all new and existing volunteers working with children younger than 12 must be assessed by 30 June 2013
- all new and existing volunteers working with children younger than 18 must be assessed by 31 December 2013.

Organisations must determine if this requirement applies to them and if the exemptions apply to any positions or persons within their organisation. Criminal history assessments must be conducted in accordance with the guidelines set out by the chief executive for the DFC.

To ensure a consistent and complementary process it is recommended that:

- the relevant state body primarily takes responsibility for setting out which positions are 'prescribed positions' for itself, its affiliates and organisations (these are then included in the policy documentation)

- the state body should manage the conduct of criminal history assessments on behalf of its affiliated associations and organisations.

To assist in meeting these requirements, there are a range of child safe resources available from the ORS and DFC websites. See Section 10 (Help and Further Information) of this document.

2.3 OCCUPATIONAL HEALTH, SAFETY AND WELFARE REQUIREMENTS

The *Occupational Health, Safety and Welfare Act 1986 (SA)* legislation establishes the health and safety obligations for all workplaces, workers and employers across South Australia. There is a requirement under the *Occupational Health, Safety and Welfare Act 1986 (SA)* that each body corporate that employs staff in South Australia must appoint one or more responsible officers (see Section 61 of the Act). It is highly recommended that, in addition to noting the information provided in this Pack, organisations seek professional advice from an accountant and/or solicitor and/or professional association to clarify if they are required to comply.

In general terms, the responsible officer makes sure that a body corporate complies with its obligations under the Act.

Briefly, the Act:

- requires relevant organisations to appoint a responsible officer to meet the requirements of the section
- requires a responsible officer to undertake training within the required period.

A responsible officer must be:

- a member of the governing body or the chief executive officer of the body corporate who lives in South Australia
- a senior executive officer of the body corporate who lives in South Australia
- if no one fits the aforementioned criteria, then a responsible officer could be an officer of the body corporate, which means either a member of the governing body or an executive officer of the body corporate or a receiver or manager of any property of the body corporate or a liquidator, wherever they live.

SafeWork SA has a fact sheet on responsible officers including definitions and other links on its website. It also has an information sheet specifically offering guidance for implementing Occupational Health, Safety and Welfare at major events that may be useful.

2.4 OTHER RELEVANT LEGISLATION OR LICENSING REQUIREMENTS

There is other legislation that may affect organisations, depending on their activities. If organisations have plans to undertake any projects of significance, it is recommended that they check with their parent body on legislative requirements that may apply.

Generally, legislative considerations may be relevant to some organisations in certain circumstances only but they are important, as non-compliance may have undesirable consequences.

Examples of legislation or licence requirements that organisations may need to consider include obtaining liquor licences and understanding and abiding by smoke-free laws, food handling requirements, consumer law and the requirements of running lotteries and raffles for fundraising.



Section 3

ROLES AND RESPONSIBILITIES OF COMMITTEES AND COMMITTEE MEMBERS

Purpose of this section: To provide new committee members with information regarding the roles and responsibilities of the committee. It also provides information of individual committee member positions.

3.1 ROLE OF THE COMMITTEE

The role of the committee is to oversee the organisation's business on behalf of the members and to ensure that the organisation remains viable and effective both in the present and for the future. The committee has the ultimate authority for financial operations and budgeting to ensure the achievement of strategic objectives and it has the responsibility of ensuring that the various activities of the organisation comply with the legal obligations and meet the expectations of stakeholders. It is also important that the committee understands all key risks facing its organisation and that these risks are managed.

The committee's key governance responsibilities are:

- strategic planning - set and review the short-, medium- and long-term goals of the organisation in consultation with management and stakeholders including its members
- financial management and budgeting for future needs
- ensuring that there is accurate financial reporting
- income and funding - including membership fees, fundraising, grants and sponsorship processes and policies
- periodic reflection about performance against achievement identified in plans and actions
- developing and practicing effective communication strategies within the committee and to members and stakeholders
- linking rules and practices to policies of its parent body where appropriate

- legal compliance - ensuring that the organisation complies with all aspects of the law, including legislation covering such areas as child protection, fair trading, liquor licensing and occupational health and safety
- managing risk - ensuring that major risks are identified and managed and that a risk management plan is established and monitored to ensure effectiveness
- contingency and succession planning for committee members including role rotation
- promoting the organisation (as positive ambassadors)
- reporting to the wider membership and other stakeholders at the AGM and general meetings held
- updating, reviewing and adhering to the constitution.

NOTE: It is useful for committees to distinguish the operational roles and governance roles in their meetings and to ensure that both roles are being addressed. This is in addition to regular reference to their strategic plans and constitution as previously recommended in this Pack.

3.1.1 OPERATING RESPONSIBILITIES

To ensure their effectiveness, committees need to consider various components when undertaking their operating responsibilities. Operational activities should link to the strategic plan where possible. To assist organisations in determining their 'health', the ORS has developed a process known as the STARCLUB Organisation Development Program.

Section 8 in this pack (Performance Management) discusses the STARCLUB program.

3.2 AUTHORITY OF THE COMMITTEE

The extent of the organisation committee's decision-making authority is set out in the organisation's constitution. The committee as a group has authority to make decisions for the organisation; individual committee members do not have this power without the consent of the group.

A committee may delegate authority to sub-committees. See Section 3.5.

3.3 COMPOSITION OF THE COMMITTEE

To be able to fulfil its role, the committee ideally needs to be composed of people with the appropriate skills, expertise, experience and personal attributes.

Skills and attributes of committee members may include:

- a commitment to the organisation's objectives
- an ability and willingness to operate as part of a team
- effective interpersonal and communication skills
- the ability to think creatively and laterally
- an understanding of basic finance
- an understanding of legal requirements
- management/business experience
- an understanding of stakeholders and their needs
- ethical and moral behaviour that reflects the organisation's values.

3.4 THE ROLE OF THE COMMITTEE MEMBER

If your organisation is incorporated, then the only specific role or position required under the *Associations Incorporation Act 1985 (SA)* is that of the public officer. Other committee roles may be embedded in the constitution or have been traditional in your organisation. The most significant and typical roles are outlined in this section.

Every committee member is required to provide governance to the organisation and be accountable to the organisation's members.

Each committee member is responsible for:

- carrying out designated tasks relevant to his/her elected role
- remaining committed to the purpose and outcomes of the organisation
- attending to the required reading prior to meetings
- attending the AGM
- contributing to the effectiveness of the organisation's activities
- providing advice, criticism and suggestions, thus helping the decision-making process
- being active in the organisation - attending events and functions
- declaring and dealing with any conflict of interest

- adhering to the relevant rules and requirements required by law and the rules of the organisation
- participating in establishing goals with respect to strategy and direction of the organisation.

The following discussions on the specific roles within the committee represent the traditional roles found within recreation and sport committees. The roles in your organisation may also have different names within different organisations; there may be additional roles and the tasks may vary.

3.4.1 ROLE OF THE PUBLIC OFFICER (ONLY REQUIRED FOR INCORPORATED ORGANISATIONS)

Organisations incorporated under the *Associations Incorporation Act 1985 (SA)* are required to have a public officer to coordinate the activities of the organisation relating to compliance with the Act.

The committee can appoint anyone who resides in South Australia and who is older than 18 years of age to be public officer. The position may be filled by a member of the management team, a committee member or any other person the committee chooses to appoint.

The public officer is responsible for:

- lodging the annual statement with the OCBA each year
- signing and lodging periodic returns
- notifying the Registrar of Incorporated Associations of the appointment of a new public officer or a change of public officer's address
- notifying the Registrar of Incorporated Associations of a change of the organisation's registered address
- if the organisation becomes a trustee of a trust, lodging with the Registrar of Incorporated Associations the particulars to the trust and a copy of any relevant documents
- applying to the Registrar of Incorporated Associations for approval to alter the statement of purposes or rules (constitution) within 28 days after the alteration was passed by special resolution
- applying to the Registrar of Incorporated Associations for approval to change the name of the organisation within one month after passing a special resolution

- notifying the Registrar of Incorporated Associations of a special resolution relating to the winding up and distribution of assets of the organisation within 28 days of passing the resolution.

Some time limits and fees may be applicable to the aforementioned actions. For more information on the requirements of the public officer, please see the OCBA website.

If these obligations are not met, this may result in the organisation committing an offence.

3.4.2 THE ROLE OF THE PRESIDENT

The president is responsible for:

- demonstrating leadership of the organisation and overseeing its overall direction
- representing the organisation when addressing stakeholders and the wider community
- maintaining a thorough and up-to-date knowledge of all organisation activities
- having a sound working knowledge of the organisation and its functioning, including the constitution and regulations, rules and the duties of all office holders
- ensuring that meeting discussion is focussed on the key goals of the strategic plan, in consultation with the chairperson
- leading and facilitating organisation activities
- building strategic relationships.

3.4.3 THE ROLE OF THE CHAIRPERSON

The chairperson creates the conditions for overall committee and individual committee member effectiveness.

The chairperson will be a person with suitable skills to carry out the duties of the role, and it is recommended that the person is chosen by the committee from its committee members. The position of chairperson has been traditionally linked to the president, although the skills required for the two roles are quite different. Having a separate chairperson allows the president to focus on the committee and organisation performance rather than the facilitation of meeting processes.

In addition to the general committee member duties, chairperson responsibilities typically include:

- providing overall leadership of the committee and overseeing its effectiveness in fulfilling its purpose of governance

- chairing all (as far as practicable) committee meetings, ensuring that meeting rules are followed
- facilitating discussion and decision making
- managing the (agreed) process of the meeting
- delegating governance tasks to the appropriate committee members
- co-ordinating the meeting agenda items in collaboration with the secretary
- chairing the AGM
- being aware of future directions and plans, specifically the key long-term goals.

3.4.4 THE ROLE OF THE SECRETARY

The secretary of the organisation is typically responsible for:

- maintaining records of the committee and ensuring effective management of the organisation's records
- managing minutes of committee meetings
- ensuring minutes are distributed to members shortly after each meeting
- managing the organisation's communication processes
- collaborating with the chairperson/president when preparing agenda items.

The secretary, often, may also be allocated the role of public officer in relation to the organisation's requirements under the *Associations Incorporation Act 1985 (SA)*. See Section 3.4.1 for further details on the role of the public officer.

3.4.5 THE ROLE OF THE TREASURER

Committees need to check their organisation's constitution to see what, if any, role is assigned to the treasurer.

Responsibilities of the treasurer will typically include:

- preparing the draft annual budget and other financial reports
- budgetary planning
- monitoring balance sheets
- maintaining financial records
- reporting on the status of the organisation's finances to committee meetings with associated evidence.

There are resources available to assist the treasurer. The Australian Tax Office (ATO) has produced an *induction package for new administrators of non-profit organisations*. If you are a new treasurer, this package introduces you to the information and services the ATO has to assist you in your role and an overview of non-profit tax issues. Other committee members will also benefit from this document as they are equally liable for the financial obligations of the organisation.

3.5 THE ROLE OF SUB-COMMITTEES

Committees may choose to form sub-committees to help achieve goals and complete projects or to give attention to certain activities or groups such as juniors.

Sub-committees are small teams responsible for managing particular programs or functions related to the governance or operations of the organisation. It is common practice to establish ad hoc sub-committees to manage short-term activities that cease when the activities are completed.

The constitution should allow the committee to form sub-committees at its discretion. However, it is recommended not to embed particular sub-committees in the constitution as they are normally designed to be temporary and therefore may change.

Generally, sub-committees are recommended when it is apparent that issues are too complex and/or numerous to be handled by the committee. The committee may take care of all of these areas without the need for any sub-committees or, conversely, find it beneficial to have sub-committees for the operational aspects of the organisation to allow the committee to focus on its strategic direction.

A benefit of considering the establishment of a sub-committee is that it introduces people to the process of governance within the organisation. Volunteers in this situation may gain a greater appreciation of the governance challenges facing their organisation. Newfound knowledge may provide them with a possible incentive to consider a long-term role on the committee itself. Sub-committees may also assist organisations in managing the need for effective succession planning.

Sub-committees have various possible roles and are generally comprised of a committee member in addition to volunteers who are members of the wider organisation. The following are examples of the types of sub-committees formed:

- Audit committee – periodically reviews the organisation’s financial procedures, liaises with an external auditor, and ensures that risks are controlled. This sub-committee is highly recommended for any incorporated organisation.
- Organisation development committee – examines and improves aspects such as effective committee processes, structures and roles, including planning or reassessing the constitution.
- Social development/recruitment committee – represents the committee that has an obligation to enhance the organisation’s appeal to members and consider ways to attract and recruit new members.
- Fundraising committee - oversees development and implementation of the fundraising plan; identifies and solicits funds from external sources of support, including grant eligibility.

Specific responsibilities of sub-committees include:

- ensuring they work with the terms of reference and delegations allocated by the committee
- reporting on progress as advised by the committee
- meeting regularly (ideally meeting during times between standard committee meetings)
- recording minutes for all meetings
- making recommendations for approval by the entire committee
- supporting the committee in ensuring that it complies with good governance expectations.



3.6 HOW COMMITTEES SHOULD INTERACT WITH SUB-COMMITTEES

The following are examples of the ways in which a committee interacts with its sub-committees:

- The committee is responsible for ensuring the sub-committee has specific terms of reference or set of responsibilities and that sub-committee members understand their responsibilities.
- The committee must recruit members to sit on each sub-committee (may include both non-committee volunteers and committee members). The selection may require a certain set of skills and the time and willingness to participate. Criteria for selection should reflect the desired outcomes of the sub-committee as defined in the terms of reference for the sub-committee.
- It is common practice to have representation of the committee on each sub-committee.
- Sub-committee findings should be brought back to the committee and recommendations discussed.
- The committee must review the effectiveness of sub-committees regularly and ensure that they have a prescribed timeline for completion.

3.7 MANAGING RELATIONS AND COMMUNICATIONS WITH KEY STAKEHOLDERS

Arguably the most critical component to the success of a sporting organisation is the ability to nurture and manage relations with all stakeholders. Communication between the committee and the membership should be focussed on achieving a two-way flow whenever possible. Committees are encouraged to interact with the wider membership and its stakeholders.

Technological progress has meant that it has become easier than ever to communicate with other parties on key issues. E-mail, SMS and Facebook, for example, all offer opportunities to consult with or communicate quickly and effectively when the need arises. These methods support traditional ways to communicate such as either conducting face-to-face meetings or sending out newsletters.

There is a fact sheet on the ORS website providing ideas that may help in communicating effectively with particular stakeholder groups.



Section 4

COMMITTEE MEMBERS' CODE OF CONDUCT

Purpose of this section: To provide new committee members with an outline of the ethical principles that underpin good governance and to guide their conduct on the committee.

Codes of conduct for committee members can enhance an organisation's reputation, reduce risk of poor publicity, enhance relationships with stakeholders, strengthen compliance and increase both quality and efficiency of outputs.

The following information is intended for use as a general code of conduct applicable to all committee members.

Your organisation may already have its own specific code of conduct or list of organisation values for its committee members. If so, it may be useful to include that document in the induction package along with this general code.

Standards Australia has suggested the following ethical principles as guidelines for sound corporate governance:

1. Accountability - to stakeholders
2. Transparency - in the supply of information to relevant parties, excluding that which would infringe the privacy or intellectual property of individuals or is not in the interest of the organisation or the membership
3. Fairness and balance - in the use of organisational authority and discretion
4. Honesty - in the provision of information to internal and external stakeholders
5. Dignity - espouse the right to human dignity in all activities undertaken
6. Legal - compliance and adherence to conventional codes of behaviour
7. Goodwill - in the management and administration of all organisational activities.

An example code of conduct is available from ORS website.

It is recommended that this information be linked to the conduct of management committee meetings as provided in Section 7 of this pack (Committee Processes) to help overall management effectiveness.



Section 5

RIGHTS AND LEGAL OBLIGATIONS OF COMMITTEE MEMBERS

Purpose of this section: To provide volunteer committee members with information about their rights and legal obligations.

Committee members have a set of ‘rights’ that they are entitled to in order to be able to effectively fulfil their legal and moral responsibilities. They also have legal obligations in order to undertake their roles appropriately.

Rights of Committee Members	Duties of Committee Members
<ul style="list-style-type: none"> • Receive or access information from organisation records • Question fellow committee members on matters relevant to organisation management and receive truthful responses • Access and utilise professional advice* • Have opportunities to have views heard in meetings • Receive reasonable notice of meetings • Receive meeting minutes in a timely manner <p>*Section 39AB of the <i>Associations Incorporation Act 1985 (SA)</i> indicates that a member who relies on information or advice provided by a professional or expert competent in relation to the matters concerned is, in the absence of proof to the contrary, taken to be reasonable.</p>	<p>Legislative:</p> <ul style="list-style-type: none"> • Act with good faith and honesty in the best interests of the organisation • Act with reasonable care and diligence <p>Ethical:</p> <ul style="list-style-type: none"> • Guide and monitor organisation management • Be informed about all aspects of the organisation’s operations and related stakeholder expectations • Attend meetings as stated in the organisation constitution and read minutes and any other materials related to them • Question any process or information that requires transparency or clarification • Ensure the organisation manages risk and complies with its legal obligations • Ensures understanding of the organisation’s financial situation



Section 6

CONFLICT OF INTEREST

Purpose of this section: To clarify what constitutes a conflict of interest and to inform committee members of the process available to them in cases where conflict of interest may be a concern.

6.1 WHAT IS A CONFLICT OF INTEREST?

A conflict of interest occurs when an individual has a personal, professional or business interest that is likely to influence his/her decisions or that has the potential to interfere with the proper performance of official duties.

By law, all committee members must state any conflict of interest that may impede them from meeting their duties on the committee. Organisations should have a conflict of interest policy that describes the process of declaring conflicts when they are identified. This usually includes some form of an interest register and recording of identified conflicts of interest.

Failure to avoid conflicts of interest or failure to adequately disclose and manage unavoidable conflicts of interest may result in a breach of the common law and the *Associations Incorporation Act 1985 (SA)* or *Corporations Act 2001 (Com)* and a breach of a committee member's fiduciary duties.

It may also cause resentment among committee members who perceive others to be gaining unfair advantage, and it may damage the reputation of the organisation and the member in question.

Conflict of interest occurs where a committee member's interests:

- conflict with the effective performance of duties
- diminish the credibility, integrity or good standing of the organisation
- provide an unfair advantage or inequitable treatment to a supplier or potential supplier
- rely on the position held by the member
- use the intellectual property of the organisation in outside activities without permission
- provide an unfair advantage to a family member or family company.

There is no legal requirement for a committee member to refrain from participating in the discussion when they have identified a conflict, even though it is common practice not to.

Conflict of interest may also occur through:

- receiving a financial incentive
- personal or business relationships or activities
- being a member, official or representative of an outside organisation.

6.2 HOW TO DEAL WITH CONFLICT OF INTEREST

As a committee member, you need to ensure that:

- the interests of the committee do not correspond too closely with those of your own business or personal life, as clashes will inevitably occur in these cases. It may be best to reconsider joining the committee if you think this is a problem
- in the discharge of your duties, you do not give any preference or priority to any person or organisation as a result of any personal or professional association with that person or organisation
- your actions and conduct do not compromise your ability to use the powers, influence, resources and information available to you in your official capacity in a proper manner
- you do not use official resources or information gained in the course of performing your official duties for personal gain or other improper advantage for yourself or any organisation with which you are associated.

When a suspected conflict of interest arises:

- notify the committee immediately. Provide information about the interest and why you believe it represents a conflict with your ability to carry out your role
- ensure that your conflict of interest status is recorded in the meeting minutes
- if in doubt, seek legal advice about how to handle a real or potential conflict of interest.

The matter of voting on a contract in which a board director has an interest is covered in the *Associations Incorporation Act 1985 (SA), Part 4, Division 1, Section 31*. The Act states:

'A member of the committee of an incorporated association who has any direct or indirect pecuniary interest in a contract, or proposed contract, with the association must not take part in any decision of the committee with respect to that contract (but may, subject to complying with the provisions of this Division, take part in any deliberations with respect to that contract).'

Section 7

COMMITTEE PROCESSES

Purpose of this section: To outline constructive recommendations for approaches relating to operating processes and practices for committees.

The committee is responsible for systematically designing its own processes and practices; however, there are a number of key processes that are typically part of the role that are helpful to examine.

7.1 EFFECTIVE COMMITTEE MEETINGS

According to the *ASC's Governance Principles: A Good Practice Guide for Sporting Organisations*, an effective committee meeting should have:

- a capable chair, with meetings held regularly and attended by appropriate personnel (as set out in the organisation's constitution)
- an agenda that supports the ability of the committee to work in a strategic manner (with links to the organisation's strategic plan as a priority)
- times allocated to agenda items and the time managed by the chairperson
- committee papers for every item provided in advance so members are informed and well prepared
- clear, timely and accurate recording of decision making
- clear, timely and accurate communication of outcomes to stakeholders.

Usually, organisations will have a formal meeting process, outlined in the constitution or regulations. This may include information about:

- legal requirements, such as the official number required to make a quorum and the amount of notice required for calling a meeting, etc
- the decision-making approach (for example: consensus versus voting)
- voting rights of attendees
- protocol/s for meeting conduct and director behaviour
- logistical details such as meeting frequency, meeting location, timing of meetings, attendees, etc.

Meeting content and discussion about reports, investigations or research should focus on 'directly observable data' rather than hearsay or innuendo.

7.1.1 AGENDAS

Agendas ensure that:

- important matters are attended to in an appropriate order, with the most important decisions appearing first on the agenda. Taking a 'must do, should do and could do' approach is one simple way to prioritise items to be discussed. This can be illustrated by a 'traffic light' visual symbol for each (i.e. red, amber, green)
- all committee members have notice of key items so they can contribute and not be taken by surprise
- committee members understand if the agenda item is for decision, discussion or noting, which supports appropriate time management and effective decision making.

Items may include:

- regular items, which are recurring formal matters such as the confirmation of a quorum, attendance and apologies, declaration of any existing or potential conflicts of interest, confirmation or amendment of the previous meeting's minutes, statement of budget, etc.
- periodic items, which are items not on the agenda of every meeting but which are essential to review as a once-off or from time to time as a key responsibility of the organisation committee - for example, reviewing strategic plans; setting management goals; approving annual budgets, non-financial performance indicators and annual targets; recruiting a new committee member; and assessing risk, etc.

The committee must ensure that a majority of agenda items are linked to the organisation's strategic objectives and reflect its key performance priorities. One way of doing this is to list agenda items under the organisation's key goals identified in their long-term planning. Typically, organisations should have about six key goals or 'pillars' they wish to focus on.

'Recruitment and marketing' is an example of a typical key 'pillar' that could be a heading on an agenda.

Examples of agenda items that may be raised at a meeting under that ‘pillar’ include:

- proposal to visit local schools
- presentation of junior development plan – sub-committee progress report.

7.1.2 DECISION MAKING

Before any decisions can be made, there must be a certain number of committee members whose presence is required to constitute a quorum. The quorum for the conduct of a committee meeting is required to be defined in the constitution and is generally half plus one. As an example, if there are six committee members, the quorum should be four.

Questions arising at any meeting of the committee are usually decided by a majority of votes. The ASC’s *Governance Principles: A Good Practice Guide for Sporting Organisations* recommends that votes taken at committee or general meetings should be passed by a majority of members and not be subject to a casting vote. This principle is based on the premise that if a majority cannot agree on an issue then the issue should be forfeited.

Often, on important business, decisions should officially be made by way of a motion. Motions are formal proposals put to a meeting to obtain decisions. The following terms will help members understand the value of motions:

- amendment – a change to an original motion
- substantive motion – a motion that has been altered by amendments
- resolution – a motion that has been passed by a meeting.

Once a motion has been accepted by majority vote, it becomes the decision of the organisation. It may be noted as ‘carried by majority’ or whatever the result.

7.1.3 TIME MANAGEMENT

One of the most difficult tasks at committee meetings is facilitating time management; nobody likes a long meeting, but tasks must be completed. The challenges for the chairperson are to maintain momentum to keep the process moving, to stick to agreed priorities (by agreeing on what the committee ‘must do, should do and could do’) and to close discussion without dampening the members’ rights to speak.

For committee members, the challenge is to be wary of time allocated, which may be predetermined and only amended if imperative to do so in order to finalise a decision.

In a situation where the committee would benefit by seeking various views and ideas, the practice of ‘brainstorming’ by listing ideas on a flipchart board or similar may be helpful to reduce discussion time. It requires very little time (agree how long to spend on this activity) and all ideas are listed without comment. This high-energy approach also has the advantage of avoiding bias or domination from certain members or reticence from others. The list can be grouped into similar comments and then voted on for even less discussion, except for clarification purposes.

The ASC’s *Governance Principles: A Good Practice Guide for Sporting Organisations* suggests that it is good practice for the committee to ensure that meetings adhere to pre-agreed timeframes and that adequate time is given to each agenda item.

If the discussion on a particular agenda item is exceeding the time limit, it may be advisable to make time at another meeting to finalise the item after the committee has had time to gather more information. This can be managed by recording the item under ‘business arising from previous meeting’ at the next meeting. This ensures that any issues left unresolved are not forgotten.

Sometimes in-depth discussion is unavoidable and the following suggestions may help keep to time limits without compromising the process:

- Be constructive and impersonal.
- Ask yourself if you are adding value to the discussion.
- Keep to factual data.
- Avoid repeating already stated points.
- Only add new information.
- Suppress your ego – sometimes just let it go!

The chairperson should summarise points made as soon as trends of opinion are clear and then call for a decision.



7.1.4 MINUTES

Every committee will have a different level of formality in regard to minute taking. Usually, it is the responsibility of the secretary or similar to record and keep minutes.

Minutes are important as they ensure there is a record of items discussed, decisions made and those who agreed to them. Minutes are to be handled according to the requirement of the *Associations Incorporation Act 1985*, as outlined below.

It is a requirement of Section 51 of the *Associations Incorporation Act 1985 (SA)* that minutes of all proceedings of general meetings and meetings of the committee be:

- recorded
- confirmed by members at a subsequent meeting
- signed by members who presided at the meeting, which is subject of the minutes
- kept securely in clubrooms or in possession of an appropriate position holder. For this reason, formal minutes need to be approved and signed as a true and correct record by the appropriate committee members, and they must not be altered at any time. The minutes may also be useful when they are needed to refer to at a later date, or if they are required as evidence in the case that the committee or its members are the subjects of litigation.

The minutes of the committee meetings are the property of the committee and it decides who views the minutes; therefore, the committee must approve distribution outside of the board. The minutes of the AGM are public documents and are to be made available to the members of the organisation.

7.2 FINANCIAL RESPONSIBILITY

All committee members are responsible for the financial governance of their organisation. Financial viability is a crucial issue for all organisations, and it applies equally to non-profit organisations, which make up the majority of the recreation and sport industry.

Recreation and sport organisations have certain obligations in relation to their financial management. This section provides a summary of the key issues; however, if your organisation is incorporated under the *Associations Incorporation Act 1985 (SA)*, there are specific legal obligations in relation to financial responsibilities that apply. As such, it is important that you refer

to your organisation's constitution and to the *Associations Incorporation Act 1985 (SA)*.

According to the ASC, financial governance essentially entails setting financial policies that guide the day-to-day financial management of the organisation and monitoring and reviewing the effective implementation of these policies.

7.2.1 FINANCIAL PLANNING/BUDGETING

As the committee is responsible for key planning activities for the organisation, it is important that new committee members are aware of the financial status of their organisation.

All organisations should have a budget or a financial plan. A budget depicts what you expect to spend (expenses) and earn (revenue) throughout a time period. It is the means by which the organisation establishes how it will fund its activities and what costs are involved in achieving the desired outcomes.

Budgets allow organisations to plan expenditure and track whether spending is following the plan or not. Given the seasonality of most sporting and recreation organisations, it is essential that financial/budget review, including cash flow, is undertaken regularly to ensure debts are paid in a timely manner.

The budgeting process begins with the committee setting out the criteria for financial planning; this includes the 'financial state' the organisation should be in at the end of that financial year.

As the committee takes financial responsibility for the organisation, the approval of the budget must remain with the committee and not be subject to approval by the general membership.

The budget should be regularly reviewed, re-adjusted and up-dated. There is sometimes a misconception that not-for-profit organisations literally cannot make a profit. This is not so. Not-for-profit organisations do not disperse surplus funds to members. The funds are used to further the organisation. It is recommended that you consider budgeting for a surplus to support future development and in case of unforeseen circumstances in your organisation. For example, a surplus can be used when a higher-than-expected number of competitors qualify for national competition or for facility development or for trialling a new program.

7.2.2 FINANCIAL REPORTING FOR COMMITTEE MEMBERS

It is important that all committee members have knowledge of the financial reports that they are required to view and approve as part of their role as a committee member.

In addition to viewing financial reports regularly, the committee should also require evidence of compliance with the board's financial policies. As such, either the treasurer or another nominated person (depending on the structure of your organisation) should present financial reports to the committee at every committee meeting. The role is to regularly report the financial situation of the organisation (actual performance) to the committee as well as comparing actual performance with budgeted performance.

In cases where actual performance varies unexpectedly from budgeted performance, the treasurer (or possibly an external advisor) might be called on to provide advice on action to take to correct or account for this in future planning.

For further information about financial reporting and details about possible taxation requirements, refer to the ORS website for the fact sheet: *Financial Reporting – details for committee members*.

7.2.3 DELEGATIONS

Since ultimate decision-making power rests with the committee, it should clearly document all delegations and authority to act on behalf of the committee.

Information should therefore be available describing who on the committee has delegated responsibility for approval for any expenditure or other unique task assigned to that role.

It is recommended, in the interests of effective governance, that the delegation documentation for approval of payments or contracts clearly defines that more than one person is required for approval to be made.

It is also possible to delegate authority for decision making to sub-committees. Indeed, it may be of benefit to overall operating efficiency and expedient decision making to delegate to the sub-committee not only the task to be undertaken but also the decision making. Possible delegation of that nature may include tasks such as rule changes to junior competition.

An example of a delegations policy is available on the ORS website.

7.2.4 AUDITING

An effective audit process should ensure there are adequate controls in place to alert the committee to potential financial risks associated with the operation of the organisation and its activities. The committee may put in place a simple internal audit mechanism of checks to ensure periodic financial monitoring takes place. A professional annual financial audit may be performed by an independent external auditor.

An external audit is unlikely to be a legal requirement (to comply under the *Associations Incorporation Act*) for small associations, but it may be a requirement for affiliation to a peak body or it may be embedded as a requirement in the organisation's constitution.

7.3 RISK MANAGEMENT

Risk management is the means by which the committee ensures that the risks faced do not result in significant loss or harm to the organisation.

Managing risk can also become a strategic advantage. For example, using policies and procedures for managing the risk of harassment in your sport or activity may result in your organisation being seen as 'family friendly', resulting in an increase in membership.

A risk is anything untoward happening that can affect your organisation's objectives and operations by creating exposure to potential loss or damage. There are many sources of risk to consider for sporting and recreation bodies, including:

- sport and recreation participation
- facilities/property
- commercial/legal relationships
- human behaviour/occupational health and safety
- economic circumstances
- management activities and controls
- natural events
- public/professional liability
- security.

Risk management is systematically identifying threats (risks) to your organisation and developing ways to minimise them from occurring. It helps to determine the most important risks and how you deal with them. Most organisations are already practicing risk management to some degree, but it is important that each organisation formalises what is done in this regard. Documentation is an essential component of managing risk.

7.4 INSURANCE

It is important for committees to know and check the types of insurance held by the organisation. Management committees should also familiarise themselves with the conditions of each type of coverage or know how to access information.

Insurance coverage for individual committee members is recommended to provide protection from potential legal challenges from individual members against the decisions made by the committee. This is known as Director and Officers Insurance.

Parent bodies, either state or national bodies or both, may provide essential insurance to cover organisation members for various liabilities. They may be party to 'group insurance schemes', which may offer considerable advantages for members - not the least of which is lower cost cover.

It is also important that committees inform their membership of the type of insurance cover they are eligible for or receive from their parent body and the conditions that apply for them to be valid.

It may also be a pre-requisite by some peak bodies that in order to gain affiliation status, some form of insurance cover is mandatory.

Note: Additional information on risk management and insurance may be found in Section 7 of the Risk Management Resource available from the ORS website under publications.

7.5 MANAGING COMPLAINTS OR INCIDENTS OF CONCERN

In sport there are a variety of incidents and issues that arise, with on-field incidents the most obvious. Off-field issues may be related to administrative processes such as team selection, selection of coaches or other volunteer positions or complaints about decisions made by the organisation. In addition, there are conflicts between members, between organisations and the state body and sometimes there are issues relating to the treatment of individuals, which may have legal repercussions.

The Play by the Rules website offers a range of resources, online training and case studies in harassment-free sport, risk management, legal issues and managing complaints for everyone involved in sport. A club toolkit is available, which has templates of policies and guidelines. The website also offers free online training courses for coaches, administrators, officials and players about their rights and responsibilities under discrimination and child protection laws.

The online courses are short (taking no more than two hours), may be done in part or all at once, and make extensive use of case studies. The website can be promoted to all club members and volunteers. Consideration should be given to making the online training a requirement for certain people within your organisation.

The ORS offers training in managing conflicts. For more information on this training, visit the ORS website.



Section 8

PERFORMANCE MANAGEMENT

Purpose of this section: To provide new committee members with information about the monitoring and evaluation of the performance of the organisation. This is important to include in your committee members induction process, as this is an ongoing responsibility of the committee.

Monitoring and evaluation are the means by which the committee ensures that it is performing to the standards that help maintain its viability.

8.1 PERFORMANCE MANAGEMENT OF THE ORGANISATION

It is recommended that committees consider how they will evaluate their performance. There are a number of methods of evaluating performance and a few of these are outlined below:

- *Measuring performance against strategic direction*

The committee could use the current strategic plan to evaluate the performance of the organisation. If the organisation's strategic plan has well-defined key performance indicators or goals, this document can be utilised as a tool for evaluating the performance of the organisation against set outcomes. Completing a regular, at least quarterly, review of achievements against the strategic plan is recommended. Some organisations will utilise the strategic outcomes to guide decision making about expenditure or program delivery within their regular meetings.

- *Benchmarking*

Organisations may choose to evaluate performance against similar organisations that have matching operating criteria and who have achieved positive results by various comparable measures.

Organisations may also choose to undertake an evaluation and set subsequent benchmark standards using the STARCLUB evaluation process developed by the ORS.

The STARCLUB Organisation Development Program sets out to:

- create a shared vision of what constitutes a successful or 'good' practice organisation in South Australia
- provide a means whereby organisations could self assess against this standard
- devise a method for providing feedback and advice on how organisations can move forward to continuously improve.

The STARCLUB process involves the recreation and sport organisation meeting a minimum of 15 out of 25 key criteria under the following five headings:

- Good Management
- Quality Coaching and Officiating
- Valuing Volunteers
- Providing Positive and Welcoming Organisations
- Providing Safe Environments for All.

The ORS has further information on the STARCLUB evaluation tool on its website.



- *Member satisfaction checks*

Given that your organisation exists to service its members, you may consider asking them to assess your performance as a committee.

Surveys are one method of gathering information. There are different methods for undertaking surveys and keeping your approach simple but non-biased is essential.

There are also informal ways of gathering information such as committee members attending competitions or functions or discussing perceptions with affiliated organisations and parent bodies. If you want to gain specific feedback from the general membership using an informal method, give each committee member a topic that they can bring up with members

in general conversation; for example: If you were to upgrade this facility, what would be your priority? What did you think of the last newsletter? (They will tell you if they received it, read it and whether or not they benefited from reading it.)

Some parent bodies may already have data on membership satisfaction or offer examples of evaluation tools they recommend and/or use and organisations are advised to check with them.

In addition, there is more information about consulting with your membership in the ORS publication, *A Step-By-Step Guide to Talking and Consulting with Our Members, A Guide to Effective Decision Making*.



Section 9

STAKEHOLDER RELATIONSHIPS AND AFFILIATION

9.1 AFFILIATION WITH PARENT BODY

Purpose of this section: To provide information on committee management activity that relies on collaboration with parent bodies.

Almost all state recreation and sport organisations will hold an affiliation with a parent body, usually a national organisation, generally for the purposes of providing continuity of competition pathways, supporting the activity/sport development and linking to activity/sport-specific resources and programs.

A club will generally be affiliated with either a district or regional association or state association to be involved in local competitions.

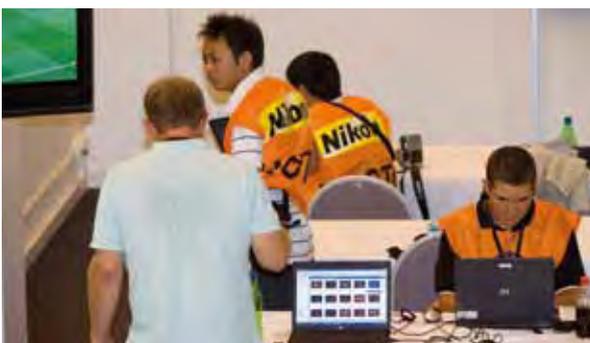
These affiliation agreements may take the form of a charter, a memorandum of understanding or a deed of agreement.

The requirements of the state organisation under the affiliation agreement with their national organisation, which may affect your organisation members, may cover a number of areas:

- elite pathways
- competition management and development
- coach and officiating development/training
- policy implementation at state and local level.

Clubs may have documentation for their affiliation to the district or regional association that outlines requirements of fees, notification of membership and teams, competition conduct, policies and development of coaches and officials.

Therefore, organisation committees should make themselves aware of their particular affiliation agreements.



9.2 POLICY DEVELOPMENT

Policies are important as they describe the course or general plan of action adopted by an organisation in a specific area.

It is important that management committees interpret their parent body's policies accurately. Committees then need to develop their policies consistent with those of their parent body and ensure that the general membership is aware of, and compliant with, those policies.

Committees are specifically responsible for:

- ensuring that they are aware of policies developed by their national or state parent body
- interpreting and determining how those policies are to be enacted by members
- indicating clearly how officials and competitors need to operate to correctly undertake their role within policy guidelines. For example, if umpires are to be given the power to call off games, is the criteria clear and well known? How will the organisation support the policy and how will that be demonstrated?
- developing a communication strategy to educate the membership of the policy meaning and practical implications. This can be achieved by whatever means is most effective in reaching organisation members. For example, is the Hot Weather Policy on a website or handbook or both? Will SMS messages be sent out on the day of competition or will the notice be relayed the day before via the radio?
- reviewing their policies from time to time to check for compliance and for effectiveness
- providing feedback to the parent body regarding any difficulties or unforeseen consequences in applying a policy, giving the parent body an opportunity to modify or improve policies.



9.3 SPONSORSHIP AND GRANTS

Sponsorship of sport may be in the form of cash, in kind or product, short term or long term. For competitors and officials, this may also include travel to key sporting events to which they have been selected to attend.

Most sponsorships will be organised by an organisation's parent body and include a formal agreement to guide the professional relationship between the sponsor and the recipient. The agreement generally outlines how the organisation provides sponsor benefits and may include how the sponsor will be acknowledged or appearances by athletes, etc.

Organisations need to make themselves aware of sponsorship processes operating within their parent body.

Organisations may be encouraged to develop their own approaches to sponsorship that will complement existing arrangements available from the parent body. An example would be a local sponsorship applied to a reward system that subsidises members when they reach certain milestones.



The committee also needs to be aware of grant possibilities and investigate the criteria for eligibility to obtain grants or other potential support, as parent bodies may expect organisations to take some initiative in this regard.

Your organisation may have been awarded grants to support the activities or development. It is important that the committee oversees the process of reporting against the requirements of the grant. It is recommended that the committee receives information about the grant requirements, including reporting dates. The committee needs to ensure reporting against the grant is adequate and timely and that grant funds are used for the purpose they are intended.



SECTION 10

HELP AND FURTHER INFORMATION

The Help and Further Information section will be maintained on the ORS website to ensure that the most up to date information and links are included.

General information - please see separate fact sheet on ORS website.

OTHER SOURCES

There are numerous sources of information that may be useful to you during your time on the board. The following documents, articles and websites have been referred to in this resource.

CHILD PROTECTION LEGISLATION RESOURCES

Child Protection Legislation

Children's Protection Act 1993 (SA)

Supporting Implementation of Child Safe Environments

Department for Families and Communities/Families SA

Office for Recreation & Sport

LEGAL STRUCTURE LEGISLATION AND AGENCIES OFFERING SUPPORT

Associations Incorporation Act 1985

Consumer and Business Services – holds information specific to the implementation of the Associations Incorporation Act

Cooperatives Act 1997 (SA)

Corporations Act 2001 (Com)

Australian Securities Investment Commission - holds information specific to the implementation of the *Corporations Act*

Trustee Act 1936 (SA)

OTHER LEGISLATION AND AGENCIES OFFERING SUPPORT

Occupational Health Safety & Welfare Act 1986 (this legislation will change in 2012)

SafeWork SA – holds information specific to the implementation of the Occupational Health Safety and Welfare Act

Volunteer Protection Act 2001 (SA)

Office for Volunteers

GENERAL GOVERNANCE RESOURCES

Australian Institute of Company Directors (AICD)

Adironack, S. *The Good Governance Action Plan*. London: National Council for Voluntary Organisations, 2002.

Conscious-Governance

Create the Future

Free Management Library

Management Alternatives

What is an Effective Board Meeting? – Best Practice Guidelines: Carter McNamara, MBA, PhD, Authenticity Consulting, LLC.

Managing Meetings *Planning Basics*, August 2004

Matrix on Board

Nathan Garber and Associates. Governance Check-Up

Our Community

Standards Australia – *Good Governance Principles Standards Australia AS 8000 -2003 Good Governance Principles*

GOVERNANCE BOOKS – THAT WERE MENTIONED IN THE TEXT

Stoldt, G. Dittmore, S. & Branvold, S. *Sport Public Relations: Managing Organizational Communication*. CA: Human Kinetics Publishers, 2006

Hoye, R. & Cuskelly, G. *Sport Governance*. Oxford, UK: Elsevier, 2007

Reynolds, K. *Just a Tick – A Best Practice Survival Guide for Committees and Boards of Management*. Adelaide: Volunteering SA, 2003.

McNamara, C. *Typical Types of Board Committees*, Adapted from the Field Guide to Developing and Operating Your Nonprofit Board of Directors

Fishel, D. *The Book of the Board: Effective Governance for Non-Profit Organisations*. Sydney: The Federation Press, 2003.

SPORT/RECREATION GOVERNANCE RESOURCES

Australian Sports Commission. *Governance Principles: Good Practice Guide for Sporting Organisations*. Belconnen ACT: Australian Sports Commission, 2007.

Australian Sports Commission. *Governing Sport – The Role of the Board*. Belconnen ACT: Australian Sports Commission, 2005.

Play by the Rules

SPORT AND RECREATION INDUSTRY SUPPORT ORGANISATIONS**Government Agencies**

Australian Sports Commission (ASC)
 Office for Recreation and Sport South Australia
 New South Wales Sport and Recreation
 Department of Sport and Recreation WA
 Office of Sport and Recreation Northern Territory
 Sport and Recreation Queensland
 Sport and Recreation Tasmania
 Sport and Recreation Victoria
 Sport and Recreation New Zealand (SPARC)

Industry Agencies

Fitness Australia
 Recreation SA
 Sport SA
 Sports Medicine Australia – SA Branch

OTHER AGENCIES / INFORMATION

Volunteering SA/NT
 Australian Bureau of Statistics (ABS)
 Australian Taxation Office
 Federal Government's Department of Education, Employment and Workplace Relations
 Legal Services Commission of South Australia
 Office for Volunteers
 Standard Chart of Accounts
 The Australian Government Workplace Authority
 Workcover SA

Financial Management

CPA booklet Financial management of not-for-profit organisations
 Australian Tax Office booklet, Induction Package for non-profit administrators
 Management Help website – information about financial management in not for profits
 Australian Tax Office - Tax basics for non-profits



Government of South Australia
Office for Recreation and Sport

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