

PYRENEES
SHIRE



Australian Government



Digital Enterprise

Six Secrets of Successful Committees

This DigiBiz workshop and mentoring program for community groups and not-for-profit organisations, is made possible through the Australian Government funded [Digital Enterprise Program](#). Branded as DigiBiz, the project is an initiative of the Centre for eResearch and Digital Innovation at Federation University Australia. It is supported by City of Ballarat, Golden Plains, Hepburn, and Pyrenees Shire Councils, and Regional Development Australia-Grampians.

Find out the full range of our Digital Enterprise training activities at www.digibiz.net.au

Events....Workshops....Digital Champions....Case Histories....Online Resources

Workshop author/Mentoring facilitator: Gerrie Carr-MacFie



Six Secrets of Successful Committees

Learning Outcomes

At the end of this Mentoring program you will

- Have an increased awareness of how broadband technology can benefit our region, your committee and association
- Be able to identify success factors and barriers to the good governance of your association and your own performance as a committee member
- Have shared best practice examples of good governance
- Have determined strategic and operational improvements to ensure personal and board improvement in undertaking governance responsibilities

Voluntary committees help build cohesive and connected communities- from preserving history, maintaining built infrastructure and facilities; to managing festivals, events and youth groups. It is estimated six million+ Australians volunteer in not-for-profit organisations. Age and Socio Economic status influence levels of volunteering. Volunteer recruitment and retention strategies can be assisted by understanding local demographics and by understanding what 'drives' volunteers. In Australia the highest rates of volunteerism occurs in the 45 to 54years cohort. In Pyrenees Shire 30% of the population report doing some form of volunteer work. The SEIFA index scores Pyrenees has a high level of disadvantage.



Volunteerism

Pyrenees Shire - Total persons (Usual residence)

Volunteer status	2006			2006			Change 2006 to 2006
	Number	%	Greater Melbourne %	Number	%	Greater Melbourne %	
Volunteer	1,593	29.7	15.7	1,593	29.7	15.7	0

Age structure 15years+ x five year age groups

Pyrenees Shire - Total persons (Usual residence)	2006			2001			Change
Five year age groups (years)	Number	%	Greater Melbourne %	Number	%	Greater Melbourne %	2001 to 2006
15 to 19	380	5.8	6.7	430	6.6	6.8	-50
20 to 24	227	3.5	7.4	243	3.7	7.2	-16
25 to 29	246	3.8	7.1	286	4.4	7.6	-40
30 to 34	319	4.9	7.7	350	5.4	8.2	-31
35 to 39	405	6.2	7.9	403	6.2	7.9	+2
40 to 44	457	7.0	7.5	468	7.2	7.7	-11
45 to 49	460	7.0	7.2	521	8.0	6.9	-61
50 to 54	552	8.4	6.4	531	8.1	6.5	+21
55 to 59	588	9.0	5.9	482	7.4	5.0	+106
60 to 64	517	7.9	4.5	412	6.3	4.0	+105
65 to 69	389	5.9	3.6	358	5.5	3.4	+31
70 to 74	286	4.4	3.0	300	4.6	3.2	-14
75 to 79	236	3.6	2.6	228	3.5	2.6	+8
80 to 84	167	2.5	2.0	123	1.9	1.7	+44
85 and over	130	2.0	1.6	94	1.4	1.4	+36
Total	6,556	100.0	100.0	6,522	100.0	100.0	+34



Not a volunteer	3,173	59.3	74.8	3,173	59.3	74.8	0
Volunteer work not stated	589	11.0	9.5	589	11.0	9.5	0
Total persons aged 15+	5,355	100.0	100.0	5,355	100.0	100.0	0

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2006. Compiled and presented in profile.id by .id, the population experts.
<http://www.id.com.au/id>, population experts. (Usual residence data)



Committee responsibilities

The responsibilities your organisation holds as a community owned entity are many and varied. If you want your community and a wider audience of donors to invest volunteer time and dollars to your cause you should start by ensuring basic governance and management policies and procedures are in place. Donors and community don't just invest in a cause- they invest in entities that can demonstrate sound governance. Your local reputation is important.

Secret No. 1: Know your rules

A successful committee understands the rules

Reasons for having rules

Rules define the purpose and operation of committees. Under Australian law every incorporated association must have rules. In Victoria, the [Department of Justice –Consumer Affairs Victoria](#) oversees the conduct of incorporated associations.

Rules:

- are a written document
- guide how your association operates
- are a contract between the association and its members
- set out your association's purposes
- list the rights and responsibilities of members and office holders.

Members should know the rules /have the right to inspect/obtain a copy on request.

Statement of purposes

The statement of purposes should clearly articulate what and why the committee exists. It informs what the committee does and can help keep a committee on track to deliver 'core business'. Since November, 2012 an association's statement of purposes is automatically included as part of its rules.

Model rules versus own rules

Your association may use the [model rules](#), or create its own rules. Rules must address every item listed in Schedule 1 of the *Associations Incorporation Reform Act 2012*. Relevant provisions of the model rules will be deemed to apply to all associations, to ensure all 23 items listed in Schedule 1 are addressed. Alternatively, the association can expressly address those items by changing its rules.

Model rules

Using the model rules can save an association the time and expense of drafting its own rules.

There are three items that can be specified to suit an association's particular circumstances:

1. Association's name
2. Purposes
3. Association's financial year.

If an association changes any other items in the model rules, then the association has made its own rules. These rules must be lodged with the relevant regulator.

Secret No. 2: Understand the role of committee and members

A successful committee member understands their role as a Board member

The committee (sometimes referred to as the 'management committee' or 'board') looks after the association's affairs. Incorporated Associations have legal duties under the *Associations Incorporation Reform Act 2012* (the Act).

The first step in understanding your board/committee role is to understand the purpose of the committee and to determine your availability to commit time to the work of the committee, not just to the purpose. Committee members are appointed according to your association's rules. Depending on the rules, duties may include:

- maintaining the association's financial viability
- ensuring the association's purposes are being achieved
- keeping up to date with legal requirements
- signing contracts on the association's behalf.

Specifically, committee members' functions under the Incorporations Act include:



- Annual general meeting held within five months of the end of the association's financial year
- Submitting a 12 month financial statement which gives a 'true and fair' view of the association's financial affairs, to members at the annual general meeting
- Overseeing the association's financial affairs. This includes making sure the association does not continue to operate if it is insolvent
- Returning all documents that belong to the association within 28 days of ceasing to be a committee member.

Secret No. 3: Act in the best interest of the association

A successful committee acts with reasonableness and care

Material personal interest

A material personal interest is something that can have a significant impact on a matter the association is discussing. An interest is a matter paid or unpaid that benefits the committee member directly or indirectly. A committee member must disclose any 'material personal interest' to the committee as soon as they are aware of this interest.

All members must be advised of the nature and extent of this interest at the next general meeting. The details of the interest must be recorded in the committee meeting minutes. The committee member cannot:

- be present while the matter is discussed at the committee meeting, and
- vote on this matter.

The above does not apply if the:

- interest exists only because the person is employed by the association, or
- association was established to benefit members in the same membership class, or
- person shares this interest with all, or most, of the association's members.

Insolvent trading

The committee is responsible for overseeing the financial affairs (and financial health) of the association. Insolvency is the inability of a business or person to pay debts when they are due or in the usual course of business. If an association is trading while insolvent, it means it is



continuing to operate and enter into contracts or incur debts it cannot repay. A committee member must ensure the association does not trade if it is insolvent.

Documents and contracts

Your association may authenticate its documents under its common seal (if it has one) or with the secretary's signature. Your association may, subject to its rules, execute contracts or other documents if these are signed by:

- two committee members, or
- a committee member and the secretary (if the secretary is not a committee member).

When a secretary or committee member leaves office

A committee member or secretary must retire and leave office in accordance with the rules. In addition, a committee member or secretary vacates office if they:

- resign (a written resignation must be given to the committee)
- are removed via a special resolution
- declare bankruptcy
- become a represented person within the meaning of the *Guardianship and Administration Act 1986* (includes somebody who has suffered a severe injury or illness and can no longer look after their own interests)
- move overseas (in the case of a secretary), or
- get replaced by a statutory manager to conduct the association's affairs.

An association's rules may include other reasons a person may leave office. When a secretary or committee member leaves office, they must be replaced in accordance with the rules.

Governance responsibilities unpacked

Adequate guidance, protection, safety and insurance cover for board, members, volunteers and activities

Board members duties suit personal preferences, motivation, skills, experience and qualifications

Board/members not coerced into doing tasks against their wishes or that they do not feel qualified to undertake



Capacity for office bearers and members to resign from their position without resentment or guilt
Clearly written job descriptions for Board and Members
Confidentiality of personal information
Complaints and concerns of members and community to be heard
Consultation and involvement in decisions that affect members, volunteers and community

Respect for members, volunteers and donors
Recognition for contributing time, experience, ideas and skills

Suitable and safe place in which to work
Satisfying duties that recognise worth and give dignity
Supervision with details of the chain of command

Training and professional development aligned to mission & assigned duties

Upfront policy and guidelines for reimbursement of out-of-pocket expenses

Policies and Procedures for undertaking financial management and basic workplace rules, regulations and policies

Zzzzzz no sleeping members- lack of attendance does not absolve responsibility

Secret No. 4: Exercise care and respect

A Successful committee looks after their people

Committee participation

Committee members are active citizens, who through volunteering, support and create civil society, drive community capacity and act as the invisible hands of social prosperity. People choose to volunteer from their own value base, they don't do it for money, and usually not for power or recognition, they do it because something resonates within. When personal values align with the goals of a project, organisation or community values- action takes place and social cohesion is made possible. A well performing committee respects the commitment and rights



of all members. A successful board provides all members with the information necessary to meet the purpose of the association, encourages open and transparent decision-making, and provides opportunity for respectful debate.

A successful committee recruits committee/board members for skills and networks, provides an Induction Kit, and develops a Succession Plan compliant with the Rules of Association.

Volunteers have Rights

Volunteer work should not be undervalued because it is "free". Committees have responsibilities in terms of workplace health and safety. Volunteers also have responsibilities in terms of reliability, adherence to regulations and conduct on the job. The only difference between paid staff and volunteers should be the negotiated hours of work and agreed levels of responsibility. A successful committee provides an induction for volunteers and adequate training in respect of duties.

Volunteers: work health and safety laws

Everyone has a right to be safe at work, including volunteers. Committees are responsible for volunteer safety under workplace regulations. The information on the WorkSafe Australia & WorkCover Victoria websites outline ways organisations and volunteers can meet their work health and safety duties and explains what volunteers can expect from the organisations.

Online resources WorkSafe Australia:

<http://www.safeworkaustralia.gov.au/sites/swa/model-whs-laws/guidance/volunteers/pages/volunteers>

[Information for volunteers \(!\[\]\(3211b5d1d968fc1665909b34f9f16010_img.jpg\) PDF 675KB \)](#)

[Information for volunteer organisations \(!\[\]\(6059a5aa8b4ca7bb793408023d6c6e42_img.jpg\) PDF 700KB \)](#)

[Frequently asked questions](#)

[Volunteer resources kit](#)

More information on general model Work Health and Safety laws:

[model WHS legislation](#)

[model Work Health and Safety Act](#)

[model Work Health and Safety Regulations,](#)

[model Codes of Practice](#)



Online resources WorkCover Victoria:

<http://www.worksafe.vic.gov.au/forms-and-publications/forms-and-publications/more-information-about-community-service-volunteer-boards-and-committees>

- Managing volunteers [A handbook for community services organisations - volunteer health and safety](#)
- Volunteers [What you need to know about health and safety - volunteers in community services](#)

[More information about community service volunteer boards and committees](#)

Secret No. 5: Meaningful meetings

A successful committee conducts efficient, productive and inclusive meetings-compliant with regulatory requirements.

The Act mandates four committee meetings must be held each year. If not managed correctly, committees can become obstacles. Successful committees create and sustain an action-oriented focus. The chair or president plays an important role in the conduct of meetings. The chair should take the lead in:

- Clearly defining the purpose of the meeting. What does the committee need to accomplish?
- Scheduling meetings well in advance and in association with the secretary/treasurer emailing the agenda and associated documents so members can prepare for the meeting.
- Beginning and ending committee meetings on time.
- Inviting feedback from all members on key issues and decisions.
- Making members feel comfortable through asking questions. Ideas are often developed and solidified through exploration. As well, asking for clarification can mean a poorly-expressed, good idea isn't lost.
- Providing feedback and acknowledgment when a committee member brings forward an idea.
- Investing in consensus building- it takes time, but less time than revisiting decisions repeatedly or motivating people to take action on decisions with which they don't agree.
- Manage a vote on significant decisions and record the decision
- Manage conflict- generate new ideas and new perspectives.



- Keep action items task oriented and distribute the tasks as evenly as possible.
- Have committee members approve the minutes to confirm that everyone agrees that discussion summaries, decisions, and action items are recorded correctly.
- Follow up with members after a meeting. Don't wait until the next meeting to check on the status of action items

Recording your meetings

The Agenda and Minutes should be forwarded to the committee or available in the Cloud five working days before the meeting. Apologies/Attendances need to be recorded. Conflicts of Interest should be notified and recorded. Minutes should be moved by a committee member that has attended the meeting. Minutes should be brief. If a motion is passed- it is passed by the whole committee/board- and the whole board takes responsibility. Non-attendance does not absolve a committee member from responsibility.

Meetings should be a productive interaction between relevant people with an achievable outcome at the end of the process. Don't carry 'sleeping' members.



Simple Agenda: Ordinary Meeting

Name of Organisation		Purpose of Meeting: Date/Time: Chair: Attendees:			Apologies:	
Topic	Discussion	Action	Motion Moved/Carried	Lead Person/ Responsible		
1. Chairs Welcome & Report	Not necessary to forensically record discussion. Brevity is best.	Efficiency and Time Hint: Draft motions prior to meeting	Adopt Chairs report	Members		
2. Declaration of Conflicts of Interest	The Chair should ask if any actual or perceived Conflicts of Interest are likely to arise. Record Conflict	Members can advise at any time during the meeting if a conflict arises	Any member with a Col should not be in the room during discussion/motion of the relevant item	The Chair and all members have responsibility to raise Col		
3. Minutes of Previous Meeting	Circulate for reading prior to meeting.	Record Amendments	Members present at previous meeting should move minutes	Chair/Secretary		
4. Correspondence of Note	List only relevant emails/mail	Advise action in the Agenda and add any further action notified at the meeting	The Correspondence be accepted	Secretary/ Members		
5. Financial Report	No question is stupid. Get this done early in Agenda to allow discussion/ensure quorum	Financial Responsibilities are clear under the law. Transparency is paramount.	Budget adopted annually. Report against budget should be presented each meeting	Treasurer to present Report/take questions.		
6. General Business- Items to be numbered. Standing reports numbered e.g. 5.1 Risk 5.2 Special Project (Event)	Maintain a set order e.g. Standing Items followed by special reports/business on notice. You can change the order by deferring discussion on any particular item to allow for priority discussions as needed.		In some circumstances it may be efficient to frame up motion prior to the meeting- providing this does not stymie discussion	Members holding Portfolio responsibilities should report progress/lead discussion		



Simple Minutes: Ordinary Meeting

Name of Organisation		Purpose of Meeting: Date/Time: Chair: Attendees:			Apologies:	
Topic	Discussion	Action	Motion Moved/Carried	Lead Person/ Responsible		
1.						
2. Chairs Report	Brevity is best.	Lead an action oriented committee. Outline who is responsible for what.	The Chairs Report as written is accepted Moved: Initials/Name Seconded: Initials/Name Carried	Chair		
3. Minutes of Meeting xx/xx/xxxx	Brevity is best.	Be an action oriented committee. Record and check off who is responsible for what.	The minutes of the meeting XXXX are accepted as fair and correct. Moved: Initials/Name Seconded: Initials/Name Carried	Secretary/Members present at meeting		
4. Correspondence of Note:	List as per Agenda	Cut & Paste from Agenda and add any further action notified at the meeting	The Correspondence be accepted Moved: Initials/Name Seconded: Initials/Name Carried	Secretary/Members		
5. Financial Report	Liabilities must be properly understood, reported and discussed. Can delegate approval of expenditure up to a reasonable level that does not expose undue risk. Must anticipate meeting operational costs/servicing debts	Outline what needs to be done/Discuss & Record deviation from budget/Record delegated decision-making on expenditure items. Record extraordinary approvals or actions	The Financial Report as <i>presented/as amended</i> be accepted Moved: Initials/Name Seconded: Initials/Name Carried	Treasurer/Chair		
6. Reports and General	Be brief on recording discussion.	Outline what needs to be done.	Report as <i>presented/as</i>	Member holding Portfolio		



Business	Record motion carefully. Generally dissenter's names are not recorded as the whole board is responsible for decisions.	Be action oriented. Record and check off who is responsible for what.	<i>amended</i> be accepted Moved: Initials/Name Seconded: Initials/Name Carried	responsibilities
Close of Meeting:			Next Meeting:	

Annual General Meetings

Procedures for carrying out an Annual General Meeting of an incorporated association vary. Mandatory minimum rules for giving of notice and conducting an annual general meeting are set under law. An association must hold its first annual general meeting within 18 months of becoming incorporated and all subsequent annual general meetings must be held within five months after the end of the association's financial year. The association must hold its annual general meeting after its financial year ends, to allow for the association's financial statements for that year to be presented to members. If you cannot meet requirements notify the regulator. They can be helpful in guiding your governance.

Each association member who is entitled to vote must be:

- notified of the date, time and place of the general meeting in the manner specified in the association's rule, and
- given a proxy form, if the rules allow for proxy voting and there is a standard form.

At the Annual General Meeting, the association must present its members with the required financial statements (including additional statements or reports, depending on the tier of the association). The members review the financial statements and decide whether to accept them as the association's financial statements for that financial year.

The committee must ensure the minutes of the annual general meeting include a copy of the:

- financial statements presented at the meeting
- certification from two committee members that the financial statements give a 'true and fair' view of the association's financial position and performance.

After the annual general meeting, a committee member must certify that they attended the annual general meeting and that the financial statements were presented.



Members must provide certification, which they can do on the annual statement form which is submitted to [Consumer Affairs Victoria](#). A fee of \$53 Tier 1 to \$211.80 Tier 3 applies.

Register of members

Your association must keep and maintain a register of members and allow a member, at a reasonable time, to inspect the register. The register must contain the:

- person's name and address (Unless information is restricted for legal or other reasons i.e. restraining order)
- class of membership, if applicable (for example, voting or non-voting)
- date the person became a member.

If a person ends their membership:

- the date they stopped being a member must be entered in the register within 14 days
- all other information about that person (other than their name and date they stopped being a member) must be removed from the register within 14 days.

Election of Board/Committee members

Division 3 of the Model Rules specifies election protocols. You can modify the rules e.g. a rotating 'Term of Office'. This can be helpful in retaining corporate knowledge. If your board/committee of management has a set term of office specified under the rules you should record when that expires.

Secret No. 6: Managing risk

A successful committee is action orientated, understanding exposure to risk and taking action to mitigate risk.

Risk comes in many forms. Common risk for committees includes operational, people and financial matters- from access to sufficient capital, exposure to litigation, deterioration of assets, to lack of volunteer participation. Managing risk is essential to sustainability and the long-term future of your committee. Risks can be viewed and mapped in terms of probability and consequences.



A simple Risk Assessment/Management Plan can help in formulating long-term goals and in conducting operational activities. Managing risk should not mean that a committee is stymied in undertaking new projects or investing in long-term goals.

Risk management begins with five basic questions:

- What can go wrong?
- How likely is it to go wrong?
- What will be the consequences if it goes wrong?
- What will we do to prevent it?

Simple Risk Plan

Risk	Likelihood H/ L/ M	Impact H/ L/ M	Current Mitigation	Further Mitigation	Time Scale	Date Reviewed/Reviewer

Managing grievances

The model rules advise that members can ask the committee to call a special general meeting to consider any issues they wish to raise. The committee must call a special general meeting if at least 10 per cent of members entitled to vote make a written request. If the committee does not arrange for this meeting to be held within six weeks of the request, the members may hold the meeting. If the dispute cannot be solved through the internal grievance procedure, the relevant parties may contact the Dispute Settlement Centre of Victoria (DSCV)-a free mediation service. If all efforts to settle a dispute have failed and the dispute relates to the rules or rights of members, an association member may apply to the Magistrates’ Court for an order to enforce those rules and rights.

Responsibly acquitting board duties

Six questions for responsibly acquitting board duties

1. Act with reasonable care and diligence

Ask yourself - would someone who was observing me think that I was being careful and conscientious in my duties?

2. Act in the best interest and proper purpose

Ask yourself - is this decision in the best interest of my charity and does it further its charitable purpose?

3. Proper use of information & position

Ask yourself – am I using information I have obtained as a board member for the benefit of my charity or am I using it for my own interests or the interests of my family or others I have a relationship with?

Ask yourself - am I using my position as a board member for the benefit of my charity, or am I using it for my own interests, or the interests of my family, or others I have a relationship with?

4. Responsible financial management

Ask yourself – are there systems and processes in place that ensure that your charity's resources are being effectively put towards your charitable purpose and are protected from misuse?

5. Disclose and manage conflicts of interest

Ask yourself – would an independent observer be sure that I was acting in the best interests of my charity? Or might they think I was acting in my own interest?

6. Insolvency

Ask yourself – will my charity be able to pay its debts when they fall due?



DigiTips for Good Governance

Online resources for improving governance

Check out tips from the Australian Charities and Not-for-profits Commission

www.acnc.gov.au Note: Changes to the government regulator are proposed for 2014



- [Changing your governing rules - incorporated](#)
- [Choosing a new board member](#)
- [Winding up your charity](#)
- [Holding meetings](#)
- [Disaster relief](#)
- [Changing your governing rules - unincorporated](#)
- [Merging your charity](#)
- [Basic financial controls](#)
- [Engaging volunteers](#)
- [Holding your annual general meeting](#)
- [Making sure your donation gets to where it needs to](#)



- [Conflicts of interest](#)
- [Internal disputes](#)
- [Taking on employees](#)

Check 'Our Community'- Australia's Centre for Excellence for not for profits. www.ourcommunity.org.au Governance related downloadable tools, resources, templates, director and staff training are available online.



Moving towards Incorporation? Check Out [Not for Profit Compliance Support Centre](#)

Kwik find: [Model rules](#)

PART 1—PRELIMINARY	pg 3	PART 5—COMMITTEE	pg 14,15
1 Name		Division 1—Powers of Committee	
2 Purposes		42 Role and powers	
3 Financial year		43 Delegation	
4 Definitions		Division 2—Composition of Committee and duties of members	pg 15,17
PART 2—POWERS OF ASSOCIATION	pg 4	44 Composition of Committee	
5 Powers of Association		45 General Duties	
6 Not for profit organisation		46 President and Vice-President	
PART 3—MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES	pg 4	47 Secretary	
Division 1—Membership	pg 4,5,6,7	48 Treasurer	
7 Minimum number of members		Division 3—Election of Committee members and tenure of office	pg 17,19
8 Who is eligible to be a member		49 Who is eligible to be a Committee member	
9 Application for membership		50 Positions to be declared vacant	
10 Consideration of application		51 Nominations	
11 New membership		52 Election of President etc.	
12 Annual subscription and fee on joining		53 Election of ordinary members	
13 General rights of members		54 Ballot	
14 Associate members		55 Term of office	
15 Rights not transferable		56 Vacation of office	
16 Ceasing membership		57 Filling casual vacancies	
17 Resigning as a member		Division 4—Meetings of Committee	pg 19,21
18 Register of members		58 Meetings of Committee	
Division 2—Disciplinary action	pg 7,8,9	59 Notice of meetings	
19 Grounds for taking disciplinary action		60 Urgent meetings	
20 Disciplinary subcommittee		61 Procedure and order of business	
21 Notice to member		62 Use of technology	
22 Decision of subcommittee		63 Quorum	
23 Appeal rights		64 Voting	
24 Conduct of disciplinary appeal meeting		65 Conflict of interest	
Division 3—Grievance procedure	pg 9,10	66 Minutes of meeting	

25	Application	67	Leave of absence
26	Parties must attempt to resolve the dispute	PART 6—FINANCIAL MATTERS	pg 21,22
27	Appointment of mediator	68	Source of funds
28	Mediation process	69	Management of funds
29	Failure to resolve dispute by mediation	70	Financial records
	PART 4—GENERAL MEETINGS OF THE ASSOCIATION	71	Financial statements
	pg 10-14	PART 7—GENERAL MATTERS	pg 22,24
30	Annual general meetings	72	Common seal
31	Special general meetings	73	Registered address
32	Special general meeting held at request of members	74	Notice requirements
33	Notice of general meetings	75	Custody and inspection of books and records
34	Proxies	76	Winding up and cancellation
35	Use of technology		
36	Quorum at general meetings	77	Alteration of Rules
37	Adjournment of general meeting		
38	Voting at general meeting		
39	Special resolutions		
40	Determining whether resolution carried		
41	Minutes of general meeting		



Penalties and infringements

Section of the Associations Incorporation Act	Obligation	Infringement penalty for breaching obligation
s.23(1) s.23(2)	An incorporated association's name and registration number must appear on all notices, advertisements and business documents. The name must also be on the common seal (if any).	1 penalty unit
s.28(1) s.28(3)	An incorporated association must have a registered address and must notify the Registrar of Consumer Affairs Victoria, in the form approved by the Registrar, within 14 days of any changes.	1 penalty unit
s.31(3)	<p>The secretary must, within 14 days of an association becoming a trustee of a trust, lodge with the Registrar particulars of the trust and a copy of any deed or other instrument creating or embodying that trust.</p> <p>Relevant particulars of a trust are:</p> <ul style="list-style-type: none"> name of the trust purpose of the trust beneficiaries of the trust name of trustee(s) 	1 penalty unit
s.53(1) s.53(2)	<p>An incorporated association must permit a member at a reasonable time (see below), to inspect the rules and minutes of general meetings of the association.</p> <p>An association must give a member a copy of the rules and minutes within 14 days if the member:</p> <ul style="list-style-type: none"> a) makes a written request, and b) pays the prescribed fee (if any). 	1 penalty unit
s.74(1)	Within 14 days after their appointment, a secretary must give written notification, in the approved form, to the Registrar of their appointment and contact details.	1 penalty unit

Section of the Associations Incorporation Act	Obligation	Infringement penalty for breaching obligation
s.88(2)	An office holder or member must, within 28 days after ceasing to hold their position, return original copies of any relevant documents to the association's committee.	1 penalty unit
s.99(1)	<p>Before a tier three association's financial statements are submitted to the annual general meeting, the committee must have the financial statements audited.</p> <p>The audit must be conducted by an independent:</p> <ul style="list-style-type: none"> a) registered company auditor, or b) firm of registered company auditors, or c) member of, and who holds a current practising certificate from: <ul style="list-style-type: none"> i) CPA Australia, or ii) the Institute of Chartered Accountants in Australia, or iii) the Institute of Public Accountants d) approved by the Registrar to audit the financial statements. 	2 penalty units
s.101(2)	An incorporated association must allow a member at a reasonable time (see below), to inspect a copy of the trust deed of any trust that holds association funds or assets.	1 penalty unit
s.102(1)	<p>After each financial year of the association, the secretary must lodge with the Registrar a copy of the association's financial statements prepared for that year.</p> <p>The financial statements must be lodged within one month of the annual general meeting.</p>	1 penalty unit
s.105(1)	An incorporated association must keep the financial statements submitted at its annual general meeting for at least seven years.	4 penalty units
s.112	An incorporated association must notify the Registrar in writing of its transfer of incorporation within 14 days after it registers.	2 penalty units
s.201(2)	An incorporated association must keep an original of a document for which a copy has been lodged with	4 penalty units

Section of the Associations Incorporation Act	Obligation	Infringement penalty for breaching obligation
	the Registrar for seven years. It must also produce that document if requested to by the Registrar.	
s.202(3)	If asked by the Registrar, an incorporated association must produce an original document within 28 days or a longer period specified by the Registrar.	1 penalty unit
s.206(3)	If a person lodges with the Registrar a document not written in English, the person must at the same time lodge a certified English translation of the document.	1 penalty unit
s.209(1)	Use of the word 'incorporated', 'inc.' or 'inc' when not entitled to do so.	2 penalty units

Consumer Affairs Victoria can issue an infringement notice for breaches of certain sections of the *Associations Incorporation Reform Act 2012*. An infringement notice allows a fine to be paid for offences without an admission of guilt, rather than going to court. The infringement penalty is less than the maximum penalty a court can impose. Penalty amounts are set at \$144.36 per penalty unit for 2013-14. These may increase at the beginning of each financial year, in line with the *Monetary Units Act 2004*.



Performance audit for Good Governance

Assess your board's strengths and weaknesses as individual board members. Come together as a group. Compare audit results. Develop an action plan to address weaknesses and celebrate strengths.

Function	Strongly Agree	Agree	Disagree	Strongly Disagree
Board size board is optimal for the role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Each board member brings unique skills and relevant experience to the role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board members are loosely representative of the stakeholders that the board serves, taking into account gender, ages, cultures, etc. A diversity policy and/or strategy are in place to address any gaps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Policies are clearly understood and followed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board members are strongly committed to the mission and vision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meeting papers are relevant and logically presented and distributed well before meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meetings are held on schedule and all business is dealt with	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

thoroughly without the need to regularly run over-time

All board members are regular attendees at ordinary, committee and annual general meetings

All board members are thoughtful participants in debates and respectful of each other's opinions

Committees and sub-committees are well-focused and provide a useful adjunct to the full board

The board has in place short-term and long-term goals and strategies which provide direction to staff and members

There are clear expectations of the contribution and commitment required of board members, articulated in a formal written job description

All new board members are subject to a thorough induction process

Board members are fully aware of the division of roles between board and staff, and do not transgress into operational matters

The board is led by a competent, efficient and inspiring chair

The board is diligent in monitoring CEO performance,



providing feedback and formal review

Strict procedures are in place to ensure financial status is reported *in full* to the board at regular intervals

The board keeps a vigilant eye on the organisation's finances, requesting information and responding to potential or real problems that arise

Procedures are in place to ensure that all board members are aware of their ethical, legal and financial responsibilities

The board and individual members acquit all state/territory and federal laws

Ongoing training of board members is a undertaken

The board is a willing and effective participant in the organisation's fundraising strategy

The board has good standing in the wider community

Risk management is a high priority for the board

The board conducts business openly with appropriate levels of transparency

The board has an effective succession plan in place to ensure



board and operational knowledge is preserved

Ongoing and effective recruitment is in place. Board rejuvenation takes place periodically and painlessly

A culture of honesty and disclosure is encouraged among the board and throughout the organisation

The board is well led but not dominated by one person or a group of people. All views are treated equally.

Decisions are made in a timely manner and publicly supported by all board members – including those whose views may have been overridden

Board members are aware of their duty to the organisation and put this duty before obligations to any other interests. Conflicts of interest are disclosed and dealt with swiftly and appropriately.



(Place your community group logo here)

Code of Conduct: Board Director

Through our Code of Conduct each Board director will ensure and actively promote ethical behaviour and decision making that is aligned to our values and compliant with all relevant Australian law. Board members are expected to act with integrity to ensure our reputation is managed, protected and enhanced, and that we serve our community with transparency and honesty.

- The Board recognises the importance and value of board diversity.
The Board through the directors and members is expected to promote and encourage equity and inclusiveness throughout the organisation and in decision making processes including compliance with all relevant Australian legislation and regulation.
- Directors are expected to act honestly and in the best interests of the members as a whole and not to represent individual constituents or personal agendas.
- Directors are expected to contribute to a positive board behaviour and culture by showing respect for other board members opinions and allowing each member a fair and equal opportunity to contribute to discussion / decision making.
- Directors are required to comply with the following legal duties including:
 - *act in good faith and for a proper purpose*
 - *exercise due care and diligence*
 - *ensure the organisation does not continue to carry on its business whilst insolvent*
 - *meet the requirement of various federal and state laws that directly impact on the organisation*
- Directors are expected to disclose actual/potential conflicts of interest.
- Directors are expected to behave responsibly to promote our goals and our work particularly regarding use of confidential information, and in promoting our goals within the community and through social media.



- Directors are expected to review board papers before board meetings, acquaint themselves with the issues confronting the board, and contribute to sound decision-making.

Member/Director acknowledgement

I have read and agree the Code of Conduct

Name (print): _____ Signature: _____

Date: / /

Witness

Name (print): _____ Signature: _____

Date: / /

(Place the Registered Name, Address and Incorporation no. here)

Provide two copies - One to be retained by Board director/One retained in Board records

