

Sub-committees

Depending on the size of the Board and your areas of expertise (for example, financial), you may also be asked to join sub-committees. Sub-committees are groups responsible for managing particular programs or functions related to the governance or operations of the organisation. Some are known as standing committees, and provisions for these may be made in your organisation's constitution.

Sub-committees may include:

- Audit Committee
- Finance committee
- Remuneration Committee
- Board Development Committee
- Public Relations Committee
- Fundraising Committee

You will be expected to attend separate meetings and activities for each sub-committee.

It is also common practice to establish 'ad hoc' committees to manage short-term activities that cease when the activities are completed.

Annual General Meeting (AGM)

The presence of Board members is required at all AGMs. This demonstrates to stakeholders your commitment to the Board and increases confidence in the Board.

SO WHAT NOW?

If you believe you would be a good Board member and have made the decision to commit to providing your service to the Board, the next step is to nominate yourself for election at the AGM, check the process for election with your association. From there, you will go through an induction process, including receiving information about the organisation, the sport and recreation context in South Australia, your duties and responsibilities, legal and compliance issues, etc. You will also meet the other members of the Board as well as the management team you will be working alongside. Then you are ready to start! As a Board member, you will need to continually update your knowledge about the context in which the organisation operates, and about best practice in corporate governance. The information in your induction pack should be a useful reference for you to use during your time on the Board.



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**SO YOU
WANT TO BE
A BOARD
DIRECTOR?**



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Office for Recreation and Sport

WHAT IS THE BOARD'S JOB ROLE?

The Board is the **governing body** responsible for ensuring the long-term health and success of the organisation.

The Board acts on **behalf of the members** to ensure that the organisation remains viable and effective both in the present and for the future.

The Board has the **ultimate authority** for financial operations and budgeting to ensure the achievement of strategic objectives. It also has the responsibility of ensuring that the various activities of the organisation are in compliance with the law and expectations of stakeholders and that risks are managed.

WHAT ARE THE MAJOR RESPONSIBILITIES OF THE BOARD?

The Board's key governance responsibilities include:

- **Strategic Planning** - set and review the short, medium and long term goals of the organisation in consultation with management and key stakeholders
- **Financial Oversight**
 - approve budgets; monitor business performance;
 - approve large investments and any major financial decisions;
 - ensure there is accurate financial reporting
- **Oversight of Chief Executive Officer** - appointment, performance management and review, providing advice and guidance and rewarding the CEO
- **Policy Formulation** - establish a Board level policy framework for governing the organisation within which all operational plans and actions are developed
- **Legal Compliance** - ensure that the organisation complies with all aspects of the law, including legislation covering such areas as employment, trading, occupational health and safety
- **Risk** - ensure major risks are identified and managed, ensure a risk management plan is established and monitored to ensure compliance and effectiveness
- **Organisational Performance** - monitor management and organisational performance
- **Succession Planning** - for the Board and oversight of staff and management
- **Stakeholder Relations** - identify key stakeholders, build relationships, communicate and seek stakeholder views on strategic direction

- **Promotion of the organisation** - positive ambassadors externally and role modelling internally
- **Reporting** to members and other stakeholders at the annual general meeting

If the organisation does not have a Chief Executive or equivalent and its operational activities are carried out by Board members, it is important for the Board to distinguish between the operational roles and governance roles in their meetings and to ensure that both roles are attended to.

WHAT ARE MY LEGAL DUTIES AS A BOARD DIRECTOR?

As Directors are appointed to act on behalf of the organisation, a high level of trust is placed in them to act appropriately. Under the law, Directors have fiduciary duties to the organisation. This means that Directors are required to act with a **high degree of trust, honesty, care and diligence** and to act in the best interests of the organisation at all times.

The detailed duties come from the legislation under which the organisation is incorporated - usually the Associations Incorporation Act or the Corporations Act and from common law and general law.

In summary the duties are:

- **To act with good faith and honesty in the best interests of the organisation**
- **To act with reasonable care and diligence**

WHAT SKILLS AND ATTRIBUTES DO EFFECTIVE BOARD DIRECTORS EXHIBIT?

Highly recommended skills and attributes include:

- Commitment to the organisation's objectives
- The ability to think critically and analytically
- The ability to think creatively and laterally
- Ethical and moral behaviour
- An understanding of basic finance
- Understanding of stakeholders and their needs
- Independence of thought
- Ability to think strategically
- Ability to operate as part of a team
- Effective interpersonal and communication skills
- Familiarity with the organisation and operation of the relevant sport or recreation activity, or willingness to familiarise yourself with it
- Organisational awareness, or willingness to learn about it



In addition, **ideally** a Board Director would have:

- Management / business experience
- Legal knowledge
- A general interest in sport and recreation, and the activity of your organisation in particular.

Do not join the Board if you have identified a major conflict of interest **which you believe would compromise yourself or the organisation.**

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

WHAT DOES THIS COMMITMENT INVOLVE?

Term of office

Usually, there is a set term of office for Board members, for example, 2 years. There may also be a limited number of times you can renew your term of office. This information will be set out in your organisation's constitution. It is important that you are able to commit to the set term of office, as it affects Board performance, succession planning and organisational health.

Board meetings

All boards will have regular Board meetings. These may be fortnightly, monthly, quarterly or otherwise. The minimum requirements for your Board will be set out in the organisation's constitution. You may not realistically be able to attend all of them - but as a 'rule of thumb' it is recommended that the minimum attendance be 80% of meetings. If you cannot make this commitment, due to other commitments, you may not be a useful Board member, despite your skills and experience. You maybe able to contribute as a member of a sub committee or in another volunteer role.

Board activities

From time to time, Board members must participate in activities such as strategic planning days, Board performance evaluations, large fundraising events, etc. Depending on your role on the Board, you may also be required to speak to the media on behalf of the Board or the organisation.

