ACT
Mental Health
Consumer Network

2026-27 PROJECTED BOARD MEETING DATES

Thank you for considering a position on the ACT Mental Health Consumer Network Board. For your ease of reference the following are the projected Board meeting dates so that you may consider them prior to nominating.

- Tuesday **17** November 2026, **1:00-2pm—immediately after Annual General Meeting**
- Tuesday **15** December 2026, **11am-2pm—includes internal governance training**
- Tuesday **16** February 2027, 11am-1pm
- Tuesday **20** April 2027, 11am-1pm
- Tuesday **15** June 2027, 11am-1pm
- Tuesday **17** August 2027, 11am-1pm
- Tuesday **19** October 2027, 11am-1pm
- Tuesday **16** November 2027, **11am-1pm Annual General Meeting**

Ideally, Board members should be available for each meeting, however, we understand that there may be occasions when someone is not able to attend. Board members are able to be present either in person or virtually, such as by phone or Teams.

Members nominating for a position can expect that the same schedule - third Tuesday of the above months - will repeat in the second year of their term. This is with the exception of the December meeting which may be held on the second Tuesday if the third Tuesday falls close to our end of year closure.

This year, the positions open for election are the Deputy Chair, Treasurer and Ordinary Members. To nominate for one or more of our vacancies, please use the links on the following page or complete and return the forms on the pages that follow.

If you are a Primary Member who is unable to attend the AGM and would like another Primary Member to vote on your behalf in the AGM and Board elections, please complete a Proxy Form attached or at the link on the next page.

ACT Mental Health Consumer Network
Phone: (02) 6230 5796
GPO Box 836 Canberra ACT 2601

ACT
Mental Health
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Instructions for returning your completed Nomination/Proxy Form/s

As this Annual General Meeting (AGM) will be held virtually and in person, and some staff are working remotely, we ask that members return their completed forms **as early as possible** to ensure nothing is missed and everyone's nominations/votes and proxies are counted.

In accordance with the Constitution:

- completed nomination forms must be received no later than 3pm on Monday 16 November 2026 (close of business the day before the AGM); and
- completed Proxy Forms must be received before 11am on Tuesday 17 November 2026 (the start time of the AGM).

Please return your completed form/s, **as early as possible**, using one of the following methods:

Email to: executive@actmhcn.org.au

Post to: ACTMHCN
Reply Paid 83404
CANBERRA ACT 2601

Deliver to: Mailbox 2.11 ACT Mental Health Consumer Network
Ground Floor, The Griffin Centre
(Mailboxes are located on the righthand side of the left corridor)

If you would like to complete Nomination or Proxy forms online, please use the following QR codes/links.

If you prefer to complete the forms in hard copy, please continue to the remaining pages.

Form	Link	QR Code
Board **Nomination** Form	Board Nomination Form – Fill out form *If nominating for more than one position, please complete the form once for each position	Board Nomination Form
Proxy Form	Annual General Meeting Proxy Form 2026 – Fill out form *Please complete this form only if you are unable to attend and want another member to vote do your voting for you	Annual General Meeting Proxy Form 2026

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Nomination Form for Election to hold the position of

DEPUTY CHAIR on the Network's Board (2-year position)

Please complete the form below (or see previous page for online options) and return the form to the Network no later than **3pm Monday 16 November 2026 NO EXCEPTIONS.** Only Network members, **both primary and associate**, are eligible to nominate. Only a primary member can second a nomination – we can arrange for a seconder if you don't know someone who can second for you.

NB: Where a seat is contested, individuals nominating will each be granted **2 minutes** to address the attendees to put forth their case for election. Each candidate may only address the AGM once.

I, ……wish to nominate for the position
(Your Name)
of **DEPUTY CHAIR** on the ACT Mental Health Consumer Network Board 2026-28.

Under the *Associations Incorporation Act 2009* (ACT) it is an offence to accept a position on the Board if you:

- have been convicted of an offence in relation to the promotion, formation or management of a body corporate; or an offence involving fraud or dishonesty punishable by imprisonment for a period of 3+ months and the conviction or your release from prison was within the last 5 years; or
- are bankrupt or personally insolvent

Maximum penalty: 50 penalty units and/or 6 months imprisonment.

NB: Please only nominate for a Board position if you can personally answer 'yes' to these two questions.

1. I have not been convicted of one of the abovementioned offences.
2. I am not bankrupt or personally insolvent.

Signature: ……
(Your Signature – if sent via email, your email will be considered your electronic signature)

Please contact actmhcn@actmhcn.org.au or 02 6230 5796 if you need help having your form seconded.

I second the above nomination (the seconder must be a Primary Member of the Network) *Please contact us if you need help having your form seconded*

Name: ……..

Signed: …… (or a confirmation email from the seconder)

ACT Mental Health Consumer Network
Phone: (02) 6230 5796
GPO Box 836 Canberra ACT 2601

Nomination Form for Election to hold the position of TREASURER on the Network's Board (2-year position)

Please complete the form below (or see page 2 for online options) and return the form to the Network no later than **3pm Monday 16 November 2025 NO EXCEPTIONS.** Only Network members, **both primary and associate**, are eligible to nominate. Only a primary member can second a nomination – we can arrange for a seconder if you don't know someone who can second for you.

NB: Where a seat is contested, individuals nominating will each be granted **2 minutes** to address the attendees to put forth their case for election. Each candidate may only address the AGM once.

I, ……wish to nominate for the position
(Your Name)
of **TREASURER** on the ACT Mental Health Consumer Network Board 2026-28.

Under the *Associations Incorporation Act 2009* (ACT) it is an offence to accept a position on the Board if you:

- have been convicted of an offence in relation to the promotion, formation or management of a body corporate; or an offence involving fraud or dishonesty punishable by imprisonment for a period of 3+ months and the conviction or your release from prison was within the last 5 years; or
- are bankrupt or personally insolvent

Maximum penalty: 50 penalty units and/or 6 months imprisonment.

NB: Please only nominate for a Board position if you can personally answer 'yes' to these two questions.

3. I have not been convicted of one of the abovementioned offences.
4. I am not bankrupt or personally insolvent.

Signature: ……
(Your Signature – if sent via email, your email will be considered your electronic signature)

Please contact actmhcn@actmhcn.org.au or 02 6230 5796 if you need help having your form seconded.

I second the above nomination (the seconder must be a Primary Member of the Network) *Please contact us if you need help having your form seconded*

Name: ……..

Signed: …… (or a confirmation email from the seconder)

ACT Mental Health Consumer Network
Phone: (02) 6230 5796
GPO Box 836 Canberra ACT 2601

Nomination Form for Election to hold the position of ORDINARY MEMBER on the Network's Board (2-year position)

Please complete the form below (or see page 2 for online options) and return the form to the Network no later than **3pm Monday 16 November 2026 NO EXCEPTIONS.** Only Network members, **both primary and associate**, are eligible to nominate. Only a primary member can second a nomination – we can arrange for a seconder if you don't know someone who can second for you.

NB: Where a seat is contested, individuals nominating will each be granted **2 minutes** to address the attendees to put forth their case for election. Each candidate may only address the AGM once.

I, ……wish to nominate for the position
(Your Name)
of **ORDINARY MEMBER** on the ACT Mental Health Consumer Network Board 2026-28.

Under the *Associations Incorporation Act 2009* (ACT) it is an offence to accept a position on the Board if you:

- have been convicted of an offence in relation to the promotion, formation or management of a body corporate; or an offence involving fraud or dishonesty punishable by imprisonment for a period of 3+ months and the conviction or your release from prison was within the last 5 years; or
- are bankrupt or personally insolvent

Maximum penalty: 50 penalty units and/or 6 months imprisonment.

NB: Please only nominate for a Board position if you can personally answer 'yes' to these two questions.

5. I have not been convicted of one of the abovementioned offences.
6. I am not bankrupt or personally insolvent.

Signature: ……
(Your Signature – if sent via email, your email will be considered your electronic signature)

Please contact actmhcn@actmhcn.org.au or 02 6230 5796 if you need help having your form seconded.

I second the above nomination (the seconder must be a Primary Member of the Network) *Please contact us if you need help having your form seconded*

Name: ……..

Signed: …… (or a confirmation email from the seconder)

ACT Mental Health Consumer Network
Phone: (02) 6230 5796
GPO Box 836 Canberra ACT 2601

Appointment of Proxy Form 2026

Complete this form here (or see page 2 for online options) *if you are a Primary Member who is unable to attend the AGM and would like another Primary Member to vote on your behalf in the AGM and Board elections.*

I……
……

(your full name)

of……
……

(address)

being a primary member of the ACT Mental Health Consumer Network Inc.

hereby
appoint……

(full name)

of……
……

(address)

being a primary member of the Network, as my proxy to vote on my behalf at the Annual General Meeting of the ACT Mental Health Consumer Network Inc. to be held on Tuesday 17 November 2026 and at any adjournment of that meeting.

……
(signature of member appointing proxy - if sent via email, your email will be considered your electronic signature)

……/……/……..… (date)

Note:

- A proxy vote may only be given to a person who is a primary member of the Network
- No member may hold more than two (2) proxies for a meeting
- If completed, this form must presented to the Chief Executive Officer **before the time of the AGM** in accordance with the Constitution.

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Board Roles and Responsibilities



THE ROLES AND RESPONSIBILITIES OF ACT MENTAL HEALTH CONSUMER NETWORK'S BOARD

This document outlines some of the responsibilities members agree to take on when joining the Network's Board. In particular the document outlines the roles of the office bearers: Chair, Deputy Chair, Secretary and Treasurer.

The first part of the document contains the sections on roles of the Board and its office bearers in the Network's Constitution. The duties specified in this part of the document are specific to the Network. The second part of the document holds more general comments on the role of board members and office bearers taken from ACTCOSS' Organisations Information Kit (www.actcoss.org.au/oik/index.html), which is a useful resource for aspiring and current Committee/ Board members.

The information contained in this document is only a brief guideline and not a full description of the practical duties of Board members. Current and aspiring are also always welcome to make an appointment to speak to the executive officer about the roles, responsibilities and expectations, which are associated with being a member of the Network's Board.

What the Network's constitution says about the Board:

14.1 The Board consists of:

14.1.1 the office bearers of the Network; and

14.1.2 up to seven ordinary Board members

who are elected at an annual general meeting of the Network or appointed to the Board according to this constitution.

14.2 Only an individual who is a member of the Network is eligible for election or appointment to the Board.

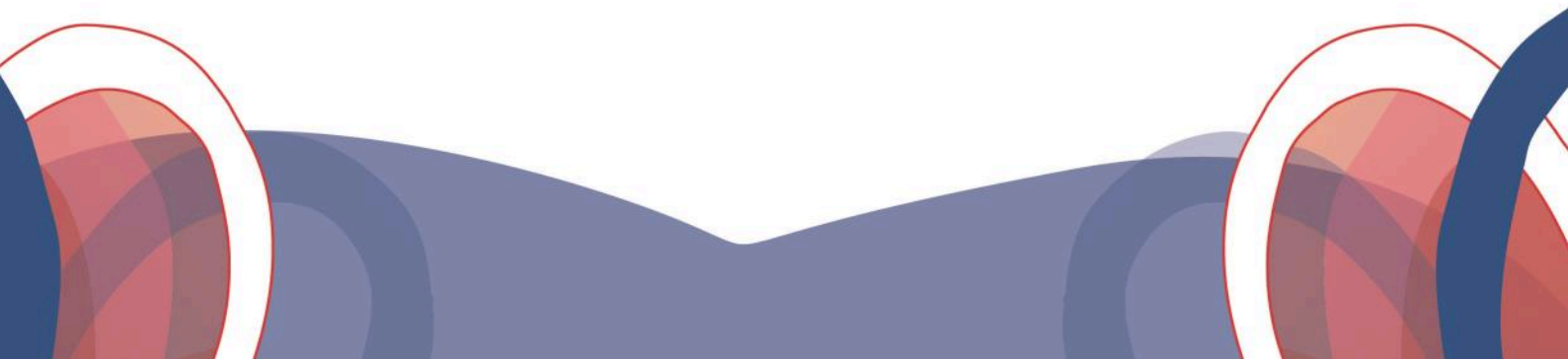
14.3 At least six of the Board members (including the chair) must be primary members of the Network.

14.4 Subject to this constitution:

14.4.1 the chair and the secretary hold office for a two year term commencing in odd calendar years;

14.4.2 the deputy chair and the treasurer hold office for a two year term commencing in even calendar years;

14.4.3 each ordinary Board member holds office for a two year term; and



14.4.4 each Board member is eligible for re-election, unless they have served the maximum number of consecutive years.

14.5 Subject to clause 14.6, the maximum number of consecutive years a person may serve as a Board member is six consecutive years.

14.6 The maximum number of consecutive years a person may serve as a Board member is seven consecutive years only:

14.6.1 if they are an immediate past office bearer of the Network; and

14.6.2 as an ordinary Board member.

14.7 A person who has been on the Board for the maximum number of consecutive years may be appointed or elected to the Board again only after a gap of one full year in which they are not a Board member.

14.8 Subject to clause 14.7, if there is a vacancy in the membership of the Board, the Board may appoint a member of the Network to hold office for the remainder of the relevant election period, with that member's agreement.

15.1 Subject to the Act, the regulations, this constitution and to any resolution passed by the Network in general meeting; the Board manages the affairs of the Network.

15.2 The Board delegates the day to day management of the Network to the Chief Executive Officer, subject to any conditions or limitations decided by the Board.

15.3 The Board is responsible for effective staff recruitment, management and supervision.

What the Network's constitution says about individual membership:

5.1 An individual is qualified to be a primary member if the individual:

5.1.1. identifies as having lived experience of mental illness or psychiatric disorder, or has personally used a mental health service for their own mental health needs;

5.1.2 is resident in the ACT or uses services and programs in the ACT;

5.1.3 accepts the objectives of the Network; and

5.1.4 has lodged an application for primary membership.

5.2 An individual is qualified to be an associate member if they:

5.2.1 empathise with consumers;

5.2.2 accept the objectives of the Network; and

5.2.3 have been accepted for associate membership by the Board.

What the Network's constitution says about office bearers:

1. Chair

17.1 The chair shall:

17.1.1 be responsible for the direction and supervision of the Network, with the Board's agreement;

17.1.2 preside at all general meetings and meetings of the Board;

17.1.3 be the public spokesperson for the Network to fellow consumers, government, media and other relevant bodies, including local, state and national interests of the Network; and

17.1.4 ensure appropriate communication with the Board, Network members and the executive officer.

2. Deputy Chair

18.1 The deputy chair shall:

18.1.1 replace the chair as required or when requested to do so by the chair;

18.1.2 act as advisor and support to the chair; and

18.1.3 assist the chair in their duties.

3. Secretary

19.1 The secretary must keep minutes of:

19.1.1 all elections and appointments of office bearers and other Board members;

19.1.2 the names of Board members present at a Board meeting or a general meeting; and

19.1.3 all proceedings at general meetings and Board meetings.

19.2 The secretary must ensure the minutes of proceedings at a meeting are signed by the person presiding at that meeting, or by the person who presides at the following meeting of that type.

19.3 The secretary must:

19.3.1 give notice of all general meetings;

19.3.2 oversee preparation of the agenda for meetings of the Board or the Network; and

19.3.3 oversee the preparation of the Network's annual report.

4. Treasurer

20.1 The treasurer must oversee all financial management of the Network including:

20.1.1 ensuring that all moneys due to the Network are collected and received and that all payments authorised by the Network are made;

20.1.2 ensuring that accurate books and accounts are kept showing the financial affairs of the Network;

20.1.3 ensuring that financial statements and reports are presented at such times as required by the Board, for the annual report, and at the annual general meeting; and

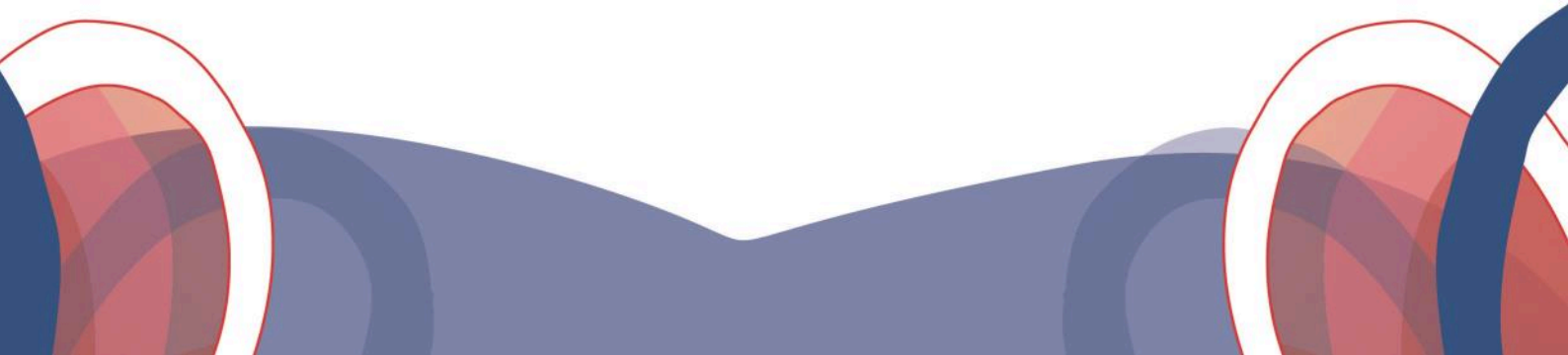
20.1.4 ensuring that the Network's financial affairs are audited and that the Network is informed of any anomalies.

WHAT ACTCOSS' ORGANISATIONS INFORMATION KIT SAYS ABOUT BOARD MEMBERSHIP:

1. Duties of Management Committee/Board Members

Showing leadership by:

- Providing organisational vision above all else
- Understanding their role within the organisation
- Being a trustee/owner not a volunteer/helper
- Being results focussed: consumer result, cost result, vision outcomes



The governing body has obligations to membership including to:

- Maintain the register of members
- Manage the funds
- Appoint the auditor and commission the annual audits
- Appoint a Public Officer
- Convene the Annual General Meeting
- Ensure elections are conducted as required
- Provide reports to the Annual General Meeting
- Lodge documentation with the Registrar General

Governing body members must have the discipline to:

- Focus on their governance role
- Be responsible for working as a group
- Determine what information is needed for accountability
- Give clear and consistent instruction to the staff
- Speak with one voice

Office Bearers

Chair: responsible for the integrity of the process.

Secretary: responsible for the integrity of the records.

Treasurer: responsible for the integrity of financial management

Coordinator (in the case of the Network, the Executive Officer)

- Work within agreed policies
- Work within delegations
- Manage external relationships
- Represent the organisation on a day-to-day basis
- Fulfil compliance obligations
- Ensure appropriate records are kept
- Brief the board

2. Responsibilities of the Chair - new legal requirements

Both the Board/Committee and the Chair have certain general obligations and responsibilities that they owe to the organisation for which they are responsible. These include:

- taking reasonable steps to ensure compliance with relevant laws;
- not improperly using their position;
- acting in good faith; and

- acting with a degree of care that a reasonable person sitting on the board would act with in the circumstances.

In February 2003 the Supreme Court of NSW agreed with the case put by the Australian Securities and Investments Commission (ASIC) that certain Chairs have responsibilities beyond those of other board directors, in certain circumstances. These involve overseeing adequate processes to enable the Board 'to properly and effectively discharge its supervisory role'.

In the case, the Court held that the Chair of the company under consideration had certain special responsibilities beyond those of non-executive directors.

These special responsibilities include:

- being more active and vigilant with respect to the organisation's financial circumstances, particularly in times of financial difficulty;
- ensuring that the board (or management committee) are properly informed about all relevant matters, in particular, financial matters and issues concerning the organisation's debtors and creditors and other information relevant to potential financial difficulties;
- ensuring that the board adequately, properly and promptly understand and address serious financial concerns of the organisation, if they arise; and
- personally assessing the quality, reliability and timeliness of information provided to the board, particularly where it concerns the organisation's deteriorating financial position.

Hence, the decision may generally suggest that current community standards now expect a Chair to have wider responsibilities when sitting on a board than merely the additional ceremonial or procedural functions involved in chairing meetings of the organisation. As a general proposition, such responsibilities might be summarised as a primary responsibility to oversee the proper functioning of a properly informed board or management committee.

In order to fulfil such special responsibilities, it may be useful for your organisation to develop a Chair Accountability Statement.

3. Role of the Secretary

A board or management committee will sometimes appoint a Secretary to take general responsibility for certain administrative tasks which the board or management committee is required to carry out.

As well as bearing all the general responsibilities of being a member of a management committee or board there are several tasks for which the Secretary of an organisation has responsibility. Many of these are the regular practical administrative duties that will be done by staff where the organisation employs paid members of staff.

The tasks of the Secretary for committee or board meetings can include:

- convening meetings
- booking rooms
- dealing with correspondence
- preparing agendas for meetings (in consultation with the Chair)

- taking the minutes of meetings (although some committees may wish to appoint a minute secretary for this purpose)
- ensuring back-up information is available at meetings where the topics to be discussed require it
- care of the common seal

Note that, in respect of incorporated associations, the position of Secretary is not expressly referred to in the *Associations Incorporations Act 1991* (ACT). Hence, all members of the management committee may be liable for any action taken or breach of its responsibilities under the Act.

4. Role of the Treasurer

As well as bearing all the general responsibilities of being a member of a committee or board, there are several tasks for which the Treasurer of an organisation has responsibility. Many of these are the regular practical administrative duties that will be done by staff where the organisation employs paid members of staff.

The Treasurer is responsible for providing financial transparency and accountability to the board/ committee, and ensuring that processes and reporting requirements are met openly and accountably. A Treasurer also provides an assurance of the ongoing financial viability of the organisation to the board/committee.

The tasks of the Treasurer for committee or board meetings may include:

- Ensuring that the finances of the organisation are managed appropriately
- Making recommendations to the board about income and expenditure, investments and debts
- Keeping records of all incoming and outgoing payments
- Reviewing the annual profit and loss, and balance sheets
- Ensuring that the annual audit process is undertaken in a timely fashion according to legislative requirements
- Providing regular financial statements to the management committee/board with a capacity to explain any details
- Drawing up the annual budget in consultation with staff and the other executive members
- Ensuring that sufficient funds are available at all times to support the organisation's liabilities

Many of these tasks would be undertaken by staff in organisations where administration is carried out by staff, but the Treasurer is still responsible for ensuring that the necessary processes for reporting are in place and that sufficient funds are available. The Treasurer is also responsible for explaining any details in those reports that the committee/board might ask questions about.

Reproduced from ACTCOSS Board Basics

Responsibilities of the Board

A community sector board should be mindful of its responsibilities. These include:

- Showing leadership by:
  - Providing organisational vision above all else
  - Understanding their role within the organisation
  - Being a trustee/owner not a volunteer/helper
  - Being results focussed: consumer result, cost result, vision outcomes

- Having the discipline to:
  - Focus on their governance role
  - Be responsible for working as a group
  - Determine what information is needed for accountability
  - Give clear and consistent instruction to the staff
  - Speak with one voice

- Fulfilling obligations to membership under the *Associations Incorporation Act 1991*, including to:
  - Maintain the register of members
  - Manage the funds
  - Appoint the auditor and commission the annual audits
  - Appoint a Public Officer
  - Convene the Annual General Meeting
  - Ensure elections are conducted as required
  - Provide reports to the Annual General Meeting
  - Lodge documentation with the Registrar General

Fiduciary and Other Duties of Board Members

There are five key duties that board members have in carrying out their responsibilities under the *Corporations Act 2001*. These are also applicable to associations incorporated under the *Associations Incorporation Act 1991*, although they are not all specified in the legislation. The common law fiduciary duty applies to all incorporated entities.

- **Fiduciary duty:** the duty to act in the best interest of the organisation.
  - Within fiduciary duty is the expectation that board members will act with a duty of care, loyalty and obedience to purpose, in keeping with the philosophy and objectives of the organisation.
  - Even if the staff and/or volunteers run the day to day affairs of the organisation, the committee or board are ultimately responsible for maintaining financial and legal responsibilities.

- **Duty to act honestly:** to apply reasonable skills, act in good faith and in the best interests of the organisation.
  - Speaks for itself - just be honest and check if unsure.

- **Duty of care and diligence:** the duty to abide by the constitution of the organisation and to know and comply with all legal requirements.
    - This includes taking all reasonable steps to minimise risk for the organisation.
    - It also includes working on a positive public perception of the organisation.
    - It also means making sure you have enough information to make decisions.

- **Duty of confidentiality:** the duty to keep confidential all organisational and Board information.
    - This includes not expressing dissent about a board decision with which you disagree - remember the board speaks as one voice. If you cannot live with a decision you need to leave the board. Once a decision is made it is a decision of the board as an entity.

- **Duty to declare any conflict of interest:** the duty to inform the governing body of any personal interest in any matter before it and to absent yourself from issues where there is the possibility of a perceived or real personal or financial interest.
    - A financial conflict of interest may be, for example, where an organisation hires a contracting firm run by a board member's partner. There is the possibility of direct financial gain to the board member. Another common cause of conflict of interest arises when board members undertake paid work for the organisation.
    - An ethical conflict of interest may be, for example, a board member's partner is applying for the Executive Officer position. There may be no issue of direct financial gain but bias, real or perceived, may be an issue.

Conflicts of Interest

As members of the board or committee of an association, each board member needs to be aware that they are acting as a "fiduciary" of the association. A "fiduciary" is a person appointed to act at all times in the best interests of the association.

As such, board members should avoid situations in which there is a real and sensible possibility of conflict arising between the board members' personal interests and the interests of the association.

Such a conflict of interest might arise when negotiating a contractual arrangement between the association and another organisation owned or managed by a board member. Under the contract the board member may be deriving income and personal profit. Hence, the board member could not be taken to be acting in the best interests of both the association and the organisation at the same time when negotiating and performing the contract as he or she would have competing loyalties to both.

In these circumstances, the board member must declare the nature of the interest to the association so that the members of the association can consider whether or not to approve the arrangement. This requirement is also supported by the *Associations*

Incorporation Act 1991.

If a board member fails to declare any such conflicts of interest, he or she will be liable to compensate the association for any profit the board member makes from the contract or for any other loss or damage caused to the association by reason of the conflict.

Following on from the rule against conflict of interest is the rule against board members misusing their position or special knowledge of the association's affairs for their own advantage without the association's fully informed consent. Failing to inform the association of the board member's action in such circumstances would require the board member to account to the association for any personal profit made, or loss or damage caused to the association, by the board member.

Making Good Decisions

Successful decision-making by a board (or management committee) is the responsibility of the President (or Chair). This doesn't mean the President has the authority to make decisions for the board, but it does mean they have to facilitate the best decisions possible. In meetings, this means:

- deciding how much discussion to devote to decisions;
- ensuring all items on the agenda are dealt with;
- ensuring all viewpoints are heard, including the minority viewpoints;
- ensuring the board has the information it needs to make timely responsible resolutions; and,
- ensuring that the Board is clear about the decisions they have to make (e.g. to approve, or not to approve, the purchase of paper clips).

To make the President's role easier, and meetings less stressful, the board needs to agree on its preferred decision-making method. Many NGOs seek 'consensus' decisions without fully understanding what consensus means. A textbook definition would be 'an ultimate position that represents a unified viewpoint after differences have been resolved'. A board that makes a decision without dissent has not necessarily made a consensus decision - quieter board members may secretly disagree with a decision. For this reason, the President must take pains to ensure that the decision is indeed unanimous. This might require him or her to directly ask each board member whether they agree or disagree on each decision, or ask out loud 'does anyone disagree?' and wait for a response, before the decision is minuted.

If you adopt consensus decision-making, you will still need a back-up system if the board becomes locked on an issue. In this case the President could put the resolution to a vote. To be true to the spirit of consensus, if the decision is found to be split 50/50, you can put it in your constitution, rules of association or board policy that the President does not have a casting vote and the proposal is deemed to be lost.

Some constitutions or rules of association may provide for certain important decisions of the board or management committee to be passed by special majority - i.e. by three quarters of the board/committee members present and entitled to vote at the meeting. Such decisions could relate to matters such as creating a charge over

the association's property, issuing proceedings in court against another party, entering into contracts to purchase real estate, or any other matter considered important.

If the board would prefer a basic voting system, board members need to understand that if they 'lose' a vote, it does not help the organisation's interests to attempt to undermine the decision's implementation. Nor is it helpful to criticise the decision publicly or to staff - this is a symptom of a weak or divided board.

If a board member strongly disagrees with a decision, there are a number of options they can take, for example:

- ask that the reasons for their dissent from the decision be minuted;
- ask to bring a further proposal to the board suggesting another approach; or,
- insist the board monitor the effects of the decision closely and review it by a certain date.

If a board member finds that they have constant problems with the kinds of decisions the board is making, it may be time for them to consider whether they are the right 'fit' for the board. A separate interview, outside board meetings, with the President may also help in clarifying the directions the board is taking.

In the case of a company incorporated under the *Corporations Act 2001*, if members feel decisions of a corrupt or fraudulent nature are being made, they may have rights to apply to the court to have the fraudulent or corrupt behaviour stopped and also to obtain orders for compensation to be paid if they have suffered any loss or damage due to such fraud.

The member, along with others, could also seek to hold an extraordinary general meeting with the whole company membership to question the board further about certain decisions. Further advice can be sought from the Australian Securities & Investments Commission, or the Australian Institute of Company Directors.

How a Good Board Functions

The following article gives you some ideas on the proper and smooth operations of a Board.

Structure of Boards

Under the *Associations Incorporation Act 1991* the board or management committee of an incorporated association must have at least three members. The model rules for associations in the ACT provide for three ordinary members and four office-bearers. The office bearers are the President (or Chair), the Deputy President, the Treasurer and the Secretary.

However, this make-up is not necessary if it is not considered appropriate for your organisation. The only mandatory office bearer position for an association is the appointment of public officer. The public officer does not necessarily have to be a governing committee member.

The Rules of Association (or Constitution) must specify the name, composition, powers and functions of the committee or board. The rules should also specify the method of election of committee members, the length of their terms of office, how

vacancies on the committee should be filled and the various procedures to be followed at committee meetings such as whom is entitled to make decisions, and how they are made.

Skilled Board Members
A skilled, communicative, functioning board is essential to an organisation's success.

A board should not be a collection of people who are friends of the staff and other board members. It should never be a bunch of "yes" people. It needs to be made up of people who have the right experience and skills, and management and financial background, to set and monitor the strategic direction of the organisation.

Staff can sometimes regard the board as simply a requirement for the organisation to satisfy its legal obligations. This is not a recipe for long-term success. As much as it may seem that because staff run day to day operations they are in the best position to make decisions, the history of failed NGOs shows that this is not always the best way to go.

Rather it is precisely because staff are involved in daily operations that they need a group of interested and dedicated people to ensure that the organisation's legal, policy and strategic requirements safely underpin operations. A good board does not constantly interfere in the staff's work; they monitor progress and offer advice when needed. Without board input, staff will find themselves increasingly making decisions without the information and strategic direction they need. Board members also need to have the courage to ask questions and sometimes challenge management.

Succession Planning
Often when a community organisation is created, it has a Board of committed, skilled and dedicated people to oversee the development of the organisation. However, some time on, these people slowly leave the organisation, and are not replaced with people with the same passion or skills, and the organisation slowly begins to atrophy and lose direction.

Succession Planning is the term used to describe the recruitment of new Board members and preparing them to take on more senior roles on the Board. This will help ensure that an organisation is continuously re-energised and secure its long-term viability.

Recruiting and developing new Board members is properly the responsibility of the Board, not staff or the CEO. Leaving Board member recruitment to staff leaves an organisation open to "staff capture": where the staff or CEO effectively appoint the Board and are no longer sufficiently accountable for their actions.

Put effort into recruiting the very best people you can find to your board. This may take some effort, but it helps to recruit the assistance of the whole Board. If potential Board members decline, ask if they can suggest someone they think will be suitable.

Make a list of the relevant skills that your Board needs in order to have the proper expertise and be representative of the membership. It is always handy to have a lawyer and an accountant on a Board. If you serve a particular community or

population group, ensure your board has representatives of those groups. Think about factors like age, ethnicity, job background, gender and geography.

Ensure that while the person is committed to the organisation's ethos, the board's processes and its code of conduct, you are not recruiting someone who is exactly like the rest of the board. Aim for diversity not only in professional and personal backgrounds but also in personality. A good board needs people willing to question, disagree, and challenge. The board doesn't have to be best friends - but they do need to respect each other's viewpoints.

Governance and Management: Knowing the Difference
The following article gives you some information on the division of governance and management roles in an organisation.

Governance vs Management
A major obstacle in the governance of community organisations is ensuring the Governing Body and Managers are able to delineate their different responsibilities. **"Governance"** is the strategic task of setting the organisation's goals, direction, limitations and accountability frameworks. **"Management"** is the allocation of resources and overseeing the day-to-day operations of the organisation.

One way to think about this is that Governance determines the "What?" - what the organisation does and what it should become in the future. Management determines the "How?" - how the organisation will reach those goals and aspirations.

The Governing Body's Role
The Board or Committee of an organisation is the group of members elected by the membership to take responsibility for the governance and strategic direction of the organisation. It is usually also responsible for employing the Managing Director or Executive Officer.

They are responsible for all aspects of the continued or ongoing operation of the organisation. This means it has to find a way it can delegate the day-to-day business, functions and activities of the organisation to Management, and still account for its responsibilities back to the membership.

The single most important feature of good governance is a clear segregation of the responsibilities and accountabilities of the board from those of the management. The board's job is to oversee management, not to manage.

It can be difficult to separate what is and isn't the board's business. A useful rule is to always consider matters before the board in terms of the strategic direction of the organisation. Set up board meetings to ensure the board is constantly monitoring whether the goals of the strategic plan are being met, or will be met. While the board should be aware of all the organisation's operations, it needs to keep its eye on the overall strategy and big picture for the organisation.

Some useful strategies for ensuring the delineation of roles is clear include:

- Including a Duty Statement for the Board in the organisation's Governance Policy

- Implementing a Director/CEO limitations policy, articulating the limits of Management's authority
- Ensuring that Board members undergo basic training in governance to help them understand the role of the governing body

In some small organisations, some of the management duties of the organisation will remain with the Board, or an Executive or Management Committee of the Board comprising Office Bearers of the organisation. It is still important in these circumstances to clearly articulate the different roles of the Board, Management Committee and Staff, although the allocation of roles may not necessarily be along a strict division of governance and management responsibilities.

Allocating Responsibilities

Here is a list of the kinds of things you may wish to formally 'segregate' between the board and management. Areas where there may be some overlap are also shown.

Board/Management Committee	**Possible overlap**	**Executive Officer**
Setting strategic plan and monitoring it	Meeting strategic plan objectives	Implementation and driving strategic plan
Approving purchasing over an agreed limit	Purchasing limit	Purchasing below a certain agreed limit within board approved budget
Overseeing finances through financial reports to board	Keeping projects within budget	Detailed understanding of financial position and project-by-project status
Risk management	Constant assessment of risk, financial and otherwise	Reporting to board on risk, actual and potential, developing risk management plan
Making contacts for potential funding, passing on grant information	Ideas about the number and mix of grant proposals	Applying for funding, securing sufficient grant monies to run organisation
General framework for staffing matters	Staff performance issues; grievances	Staff matters such as leave, performance appraisals, conditions and detail of supervision

Board Member Code of Conduct

- Maintain and understand the ethos, values and objectives of the company or association
- Act in good faith toward the company, its members and creditors

- Be familiar with the organisation's constitution, policies and procedures, and the duties of directors as defined in the *Corporations Act 2001* or *Associations Incorporation Act 1991*(ACT)
- Make decisions in a timely, fair and efficient manner
- Prepare for, attend, and participate actively in board meetings
- Ensure decisions of the board are based on the best evidence and information available
- Develop contacts and good relations with other agencies
- Keep up to date on the environment in which the organisation is working
- Immediately report any personal conflicts of interest or serious breaches of the law to the board
- Make a minimum commitment of 12 months to your first board term
- Be available to undertake appropriate training
- Publicly represent the organisation in a positive manner
- Agree to resign from the board after 5 years' continuous service