

SANFL - Community Football League Development Forum 29 February 2020

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CLUB GOVERNANCE 101



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CEO Clubs SA

Club Governance

The Committee manages the affairs of the Club by
overseeing its activities and operations.

It is **not performing** the activities or operations
within the Club.

Club Governance

Most Clubs in SA are incorporated associations under the *Incorporated Associations Act 1985*

Therefore by Law, the Committee is responsible for the affairs and performance of the Club

Your Club has a number of stated, mandatory requirements:

The Constitution

A Constitution (rules) is a mandatory obligation for Clubs under Law

The Essentials

- Name of the Association
- Objects of the Association
- Membership of the Association
- Composition of Committee and how elected
- Powers of the Association
- Powers and Responsibilities of the Committee
- Appointing an Auditor
- Appointing a Public Officer
- Start and finish date of your Financial Year
- Special General Meetings and the AGM
- Winding Up

The Constitution

Associations Incorporation Act 1985
Section 23(A)

Consumer and Business Services

Checklist for the proposed rules or the alteration of rules of an association

This checklist must be completed and lodged if the association is submitting a new set of rules or an alteration of rules.

Section 23A of the Associations Incorporation Act 1985 (the Act) applies to new applications and to the alteration of rules which are submitted to Consumer and Business Services (which incorporates the Corporate Affairs Commission) for registration.

A publication called 'An Example of Rules' may be obtained from the Office of Consumer and Business Services at www.cbs.sa.gov.au. Please refer to the example rule reference within the table below.

Act/Reg reference	Example Rules reference	Required matter	Your Association's Rule number
20(1)(c); 23(a)	1	Name of the association	
18(1)	3	Objects or purposes of the association	
	2	Definitions (optional but useful)	
23(c)(vii); 25; 29(1)	4, 6.1	Powers of the association and by whom and in what manner they are exercised	
3; 23(c)(i)	5	Membership in the case of an association that has members, including: <ul style="list-style-type: none">• Types of membership	
	5.1	<ul style="list-style-type: none">• Subscriptions	
	5.2	<ul style="list-style-type: none">• Resignations	
	5.3	<ul style="list-style-type: none">• Register of members	
	5.4	<ul style="list-style-type: none">• Expulsions of member	
	5.5		
Div 1	6	The Committee	
23(c)(ii); 23(c)(vi)	6.1	Powers and duties including: Who has the management and control of the funds and other property of the association	

To incorporate an association you'll need to upload a copy of:

- your association's proposed rules (sometimes called the constitution)
- [the completed checklist for the proposed rules](#)
- any trust documents connected to the rules, including documents which establish the trust.

The name of the association must be the same as shown in the rules.

Application fee: **\$216.00**

You'll receive the Certificate of Incorporation in approximately 14 days.

[Start now](#)

cbs.sa.gov.au

The Constitution

Constitution Tips

- ✓ Plain English
- ✓ Contemporary
- ✓ Keep it as open ended as possible
- ✓ Make amendments worthwhile
- ✓ Pinch a good template!

The Committee

Committee Operational Tips

- ✓ Committee Composition:
 - **6 to 10 members ideal**
 - 5 elected positions and max of 3 skills based appointments
 - 2 or 3 year terms
- ✓ Must have a President, Treasurer and Secretary
- ✓ Meet at least 6 times per year, more is better
- ✓ **Paid Club employees on committees should be discouraged**
- ✓ Committee members must have an understanding of their roles and obligations

The Committee

Committee Conduct

- Act transparently, openly and honestly
- Ensure fairness and equity
- Listen to the views of the members, volunteers, community etc
- Work together to drive the Club's objects and vision
- Maintain confidentiality

The Committee

Associations Incorporation Act 1985

39A—Duties of officers etc

(1) An officer of an incorporated association must not, in the exercise of his or her powers or the discharge of the duties of his or her office, **commit an act with intent to deceive or defraud the association**, members or creditors of the association or creditors of any other person or for any fraudulent purpose.

Maximum penalty: \$20 000 or imprisonment for four years.

(2) An officer or employee of an incorporated association, or former officer or employee of an incorporated association, **must not make improper use of information acquired by virtue of his or her position in the association so as to gain**, directly or indirectly, any pecuniary benefit or material advantage for himself or herself or any other person, or so as to cause a detriment to the association.

Maximum penalty: \$20 000 or imprisonment for four years.

(3) An officer or employee of an incorporated association **must not make improper use of his or her position as such an officer or employee so as to gain, directly or indirectly, any pecuniary benefit or material advantage** for himself or herself or any other person, or so as to cause a detriment to the association.

Maximum penalty: \$20 000 or imprisonment for four years.

(4) **An officer of a prescribed association must at all times act with reasonable care and diligence in the exercise of his or her powers and the discharge of the duties of his or her office.**

Maximum penalty: \$1 250.

(5) A person who contravenes a provision of this section is liable to the association for any profit made by him or her and for any damage suffered by the association as a result of that contravention

The Committee

Tips to Ensure that your Committee Acts Lawfully

- ✓ **All committee members are lawfully appointed**
- ✓ Clubs that hold a liquor licence - CBS is notified of changes to your Committee
- ✓ The Club has a formally appointed Public Officer
- ✓ All committee members have a clear understanding of their legal obligations

The Committee

- ✓ Obtain the appropriate insurance cover
- ✓ **The committee has a quorum at its meetings**
- ✓ The committee follows due process for formally approving decisions (resolutions)
- ✓ A signed copy of the Minutes is kept

Meetings

Tips for Conducting Efficient and Effective Committee Meetings

- ✓ Committee meeting dates are scheduled well in advance
- ✓ The Agenda and any associated Papers are distributed to the committee members in a timely manner
- ✓ **All Papers etc should be assumed to be “as read” by the committee prior to attending the meeting**
- ✓ **Achieve outcomes at each meeting**

Meetings

The Agenda

ABC Club BOARD MEETING

ABC Club INC.
ABC House – 7 Smith Street, Smithville, SA 5555

Date | Day Month 2020

Time | pm

1. Welcome
2. Apologies
3. WH&S
4. Disclosure of Interest Declaration
5. Confirmation of Minutes of Meeting held - Day Month Year
6. Business Arising – Action Items
7. **Financial Reports**
8. **Strategic Items**
 - a. Current Issues Update
9. **Operational Reports**
 - a. Manager's Report
 - b. Sub Committee Report
10. General Business
 - a. Busy Bee
 - b. Friday night Barbeque
11. Date of next meeting:

Day Month 2020

ABC House – 7 Smith Street, Smithville, SA 5555
12. Meeting Closure

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CHAIRMAN

Date

Money Matters

Financial Reporting Tips

- ✓ *AIA - “A Club must keep such accounting records to correctly record and explain the transactions of the club and the financial position of the club.”*
- ✓ Minimum - Balance sheet, P&L, Cash flow and budget
- ✓ All Board Members must have a basic understanding of a balance sheet, a P&L, a cash flow and a budget

Money Matters

Financial Oversight Tips

- ✓ The Clubs total assets are more than its total liabilities
- ✓ The Clubs current assets are more than its current liabilities
- ✓ The Club's equity is equivalent to at least three months of its operating costs

Money Matters

Financial Oversight Tips

- ✓ Finances must be made available to the Members
- ✓ Ensure that your Club has systems in place to approve expenditure, payments, reimbursements etc.
- ✓ Prescribed Clubs must have their accounts audited



STRATEGIC
v
OPERATIONAL



WHY?

To identify how your club is positioned now; where it needs to head; how you are going to get there

- 3 to 5 year outlook
- Strategic Planning is the “What”
- Defines the Club’s goals and strategies

A Strategic Plan contains a:

- Vision
- Mission/Purpose
- Values
- Goals
- Strategies

Keep the Plan short, simple and open ended

Strategic Items can also arise during the course of the year

The Operational Plan

Operational Items (Business Plan)

- 1 Year Outlook
- Operational Planning is the “How”
- Includes projects and activities
- Defines the roles, responsibilities and the outcomes

Again, keep it simple

Hot Topic

Lease Agreements!!

Other Necessary Governance Practices

Risk Management

Risks:

- Hazards
- Financial
- People
- Regulatory
- Reputational

Risk is mitigated not eliminated

Other Necessary Governance Practices

Having Policies and Procedures

- Manages risk
- Sets boundaries
- Creates consistency
- Increases accountability
- Meets legal requirements
- Saves time, effort and money
- Improves the Club's reputation and its performance

“Pinch” them

Other Necessary Governance Practices

Compliance

Create a Register with timelines (the what and when)

Compliance examples:

- Obligations under the *Associations Incorporation Act 1985*
- Insurance
- Taxation
- Volunteer approvals
- Liquor Licensing

ONLY A PHONE CALL AWAY!

CLUBS SA HAS A TEAM OF SPECIALISTS IN LIQUOR AND GAMBLING LEGISLATION, WORKPLACE RELATIONS, WHS AND CLUB GOVERNANCE ETC, ETC

- We provide practical, easily understood advice on Club operational matters
 - We offer advice and guidance in plain English on Club regulatory & technical issues
 - We provide the tools and resources, including templates, to operate your Club
 - We successfully advocate on your behalf with the Government and MPs to obtain the best possible outcomes for Clubs
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