



## Phone Link Ups

# Management Committee Responsibilities

## Discussion Paper

- What is Community Management?
- Why is it important to communities?
- What are the challenges?
- Where do we start?

## What is Community Management?

Community Management gives stewardship of a service or services to representatives of the community. They are non-government, non-commercial (no owner or shareholders) providers who reflect the needs of their community within the guidelines of good practice as outlined by legal, ethical and the community sector requirements. These requirements change over time as new information becomes available, as service delivery changes in response to changes in the community or reporting and accountability expectations of governments change.

What doesn't change is that there is an expectation of effective governance that directs and provides overall accountability including electing and appointing management committee members. Though the task can seem large, good information and processes can make it much clearer

## Why is it important to communities?

Services that are managed by the community are more able to:

- make decisions which reflect their community, its culture and changes within it
- be well connected to their community as they are managed by representatives from it
- be the most responsive to their community because of their direct and continuing connection
- adjust service delivery quickly because of this connection and responsiveness
- develop social capital by building connections, relationships and networks for families<sup>1</sup>

Your contribution as a committee/board member is vital, not only to your service, but also to the principles of community ownership and management. Being a committee/ board member can provide a great learning opportunity while allowing the service to benefit from the diverse skills and experiences of different community members.

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"Social capital, participatory management and community development", Hadley F. & Hayden J., Children First Inc.UWS 2005, p5

Most committee/board members report the experience is positive. It can be very rewarding to know that you have played a part in developing high-quality services for your community while meeting new people and developing your skills. Many develop the skills which increase their own career opportunities.

## What is Social Capital?

Social capital has been described that the 'glue that holds a community together' and includes such elements as:

-  The store of goodwill
-  Trust: both individual & social
-  Civil conflict resolution
-  Regular supportive interactions
-  Connection to local services
-  Co-operation & connections
-  Shared ownership of community resources
-  Being healthy & connected
-  Contribution to strong, functional families
-  Share concerns and make informed choices

**“These elements contribute to strong, active, 'healthy' communities ....**

**Cox 2002 (from Hadley & Hayden)**

*Participatory Management* is part of social capital and “is a process of sharing power amongst all participants. It provides an opportunity for all to analyse problems or issues. Develop consensus and implement decisions”<sup>2</sup>

## What are the challenges?

### “I know nothing about it”

The biggest challenge facing management committee members, and those considering taking on the role, is not knowing what might be involved. In fact, one of the most important parts of the role is bringing your own experience when representing the children and families in your community, a task which all parents and other interested individuals can do very well. Information regarding the roles and responsibilities can be learned, particularly when there are effective processes in place for this to occur. One of the most important things to remember is to ask questions and seek the answers as a group.

### “It's too hard”

The other major challenge is being comfortable that taking on the legal responsibilities involved in management is something which can be achieved when the right information and support is available to you or you know where to go to find it. Again, good processes can help and provide effective guidance when it is needed. A good orientation and resource manual can allow expectations and requirements to become quite clear.

<sup>2</sup> “Social capital, participatory management and community development”, Hadley F. & Hayden J., Children First Inc.UWS 2005, p6

## “I don’t have the skills”

Many life skills provide the foundation for good management. Parents understand how to plan and operate a household budget. Others are involved in clubs or groups that have similar requirements to meet some legal obligations and might be incorporated organisations. Still others can bring the skills and knowledge they have developed in their work life and all these can be transferred to managing a children’s centre. Everyone understands the importance of childhood and how important our children are to us.




## Where do we start?

The starting point is understanding:

1. The structure of the organisation and its governance
2. The role and responsibilities of the board/committee
3. The responsibilities of individual roles
4. The requirements of the different organisations to which the service reports
5. The responsibility of the Director/Co-ordinator/Authorised Supervisor

## Legal Structure






There are 3 major ways an organisation may form as a legal entity:

-  An Association under the Associations Incorporation Act 1984 or
-  As a co-operative under the Co-operatives Act 1992 or
-  As a company limited by Guarantee under corporations law.

Incorporation as an Association is the most common of the 3 options as it is relatively inexpensive and only requires a relatively small amount of administration. It is governed by the Office of Fair Trading NSW (OFT) and an Annual Report needs to be submitted after the AGM each year.

It is usually a condition of funding that an organisation be incorporated. Incorporation provides the service with limited liability so long as it adheres to its rules of incorporation. The OFT provides model rules and these may change over time.

## Governance involves:

-  Deciding and guiding the strategic direction of the service
-  Providing leadership and direction
-  Monitoring financial performance
-  Ensuring legal compliance
-  Managing human resources<sup>3</sup>

“Good governance structures provide vision and united efforts to ensure the overall viability of your service.”<sup>4</sup> It should always be clear that good governance supports the purpose of the service which is to provide quality outcomes for the children and families in the community. This should underpin the thinking of the board/committee and staff in their decision making.

The management committee tasks should be conducted in consultation with the Director/Co-ordinator who has the on-site responsibility to implement policies and procedures and the

<sup>3</sup> Adapted from “Service Analysis & Business Development Resource Manual”, DoCS NSW, 2007, p36

<sup>4</sup> “Service Analysis & Business Development Resource Manual”, DoCS NSW, 2007, p36

development and implementation of the curriculum. The Management Committee and Director/Co-ordinator work together as a team on behalf of the community.

## Rules of Incorporation (formerly constitution)

The following is a table of some of the rules covered by the OFT's Model Rules:

Objects or aims of your organisation	Non-profit clause
Membership qualifications	Register of members
Membership fees	Members liabilities
Disciplining of members	Internal disputes
Procedure for electing the committee and filling casual vacancies	Quorum for meetings (minimum number of members to be present)
Calling of General Meetings	Procedures at General Meetings
Notice of General Meetings	Source and management of funds
Use of the common seal (official stamp)	Custody of records
Inspection of records	Public Officer

**Note:** where your rules do not address a particular issue the Mosel Rules will apply!

## Roles and Responsibilities

In general the responsibilities can be viewed as:

- The Licensee of the Service with responsibilities to NSW Department of Community Services (the regulatory body for licensed children's services)
- The Employer of the Service with responsibilities to a range of industrial legislation covering employer responsibilities and employee entitlements
- The Financial Manager of the Service with responsibilities to the Australian Tax Office, The NSW Office Charities as well as to your State and/or Commonwealth funding bodies
- The Business Planner and Strategist of the Service seeking to ensure a sound future for the service through research, planning and policy making.

More specifically the role is to:

- determine the service's mission and purpose which underpins the strategic directions of the organisation
- develop the services strategic plan
- appoint and monitor the performance of the Director/Co-ordinator
- ensure staff are employed in accordance with industrial obligations
- ensure compliance with legal obligations
- ensure the on-going financial viability of the service
- ensure the centre operates in line with its policies
- monitor and evaluate the services performance against the strategic plan including the board/committee performance

- enhance the profile of the service in the community and its connection with it
- recruit and orient new board/committee members and encourage the involvement of parents and the community in the service
- ensure there are systems in place to support these responsibilities

## Individual Roles of Board/Committee Members

In addition to understanding the role of the board/committee as a whole, each member needs to be aware of their individual role on the board/committee (particularly if they are an office bearer).

### President

The president's role encompasses three broad areas:

- leadership of the board/committee
- liaison with director/coordinator
- public relations

To be effective in these areas, it is helpful if the president gains an awareness and an understanding of the needs of children and families and the role of the service within the community.

Presidential responsibilities include:

- understanding the organisation's governing rules
- developing the board/committee meeting agenda in consultation with the director/coordinator and other board/committee members
- chairing meetings including
- working through the agenda, prioritising items if time is limited
- ensuring discussion remains relevant
- keeping discussions to appropriate time
- allowing everyone to have an opportunity to put forward their opinions
- acting as final decision-maker when voting is tied
- signing the minutes after they have been confirmed
- preparing and delivering a report at the organisation's Annual General Meeting as well as any other reports as required
- communicating regularly with other members of the board/committee and director/coordinator
- keeping-on-track tasks that have been allocated
- speaking on behalf of, and representing, the service within the broader community.

While the role of the president can seem to be an all-encompassing role, help and support of fellow board/committee members can be enlisted in any area. The president should delegate and coordinate tasks into achievable action.

### Vice-President

The vice-president supports the role of the president, and undertakes the president's role during any absence. This role tends not to be too arduous, therefore individual services should consider how best to utilise this position by assigning particular tasks.

## Secretary

Secretarial responsibilities include:

- keeping a current list of members, including addresses and contact numbers
- consulting with the president on preparation of the agenda
- distributing the agenda for meetings, keeping in mind any requirements under your association rules
- keeping accurate records of meetings
- distributing copies of minutes at or before the next meeting in accordance with governing rules
- presenting applications for new membership to the board/committee for approval in accordance with governing rules
- collecting, reporting and responding to relevant correspondence as directed
- keeping the board/committee's files in order and up-to-date.

## Treasurer

Most services will have delegated some or all of the day to day financial administration of the service to the director/coordinator who may in turn supervise the work of a bookkeeper/clerical assistant.

However, the role of the treasurer is to ensure:

- preparation of the annual budget
- effective monitoring of income and expenditure (profit/loss) against the budget
- accurate books and financial records representing the current financial situation of the service are kept
- correct accounting procedures including associated documentation (invoices, receipts, bank statements, etc)
- presentation at board/committee meetings of financial reports (e.g. profit and loss statements against the budget and the balance sheet)
- preparation for the annual audit
- presentation of the annual financial statements and auditor's report at the AGM.

The treasurer plays a key role in reporting on the financial position of the organisation to the board/committee. However, the whole board/committee is responsible for ensuring the financial viability and accountability of the service.

## General Board/Committee Members

In addition to the roles of the office bearers, the board/committee will also have a number of other members who may or may not have delegated responsibilities.

The role of general committee members is to:

- support executive committee members by participating actively and constructively in committee meetings
- participate in discussions and decisions of the management committee
- volunteer to support organisational activities as time allows
- represent the organisation at significant community events

- Specific responsibilities could include:
- Staff Liaison Officer
- Fundraising Officer
- OHS
- Policy

### The Role of the Director/Coordinator

To ensure that the organisation meets its objectives, the board/committee employs a director/coordinator to manage day-to-day operations of the service within the policies and procedures determined by the service. While the director/coordinator does not have voting rights at board/committee meetings, the director/coordinator forms an integral part of the management team.

In children's services, the director/coordinator is employed to:

- manage the day to day operations of the service including supervision of other staff
- provide relevant and up-to-date information to the board/committee to assist with their decision-making which can include providing a written report to the committee
- work in partnership with the board/committee to achieve the service's mission and purpose
- report to the committee on progress against the service's strategic plan
- develop and implement the curriculum for children

### Phone Link-up

Please have ready your specific questions or issues for discussion and answer.

Also check:

- ➔ your own rules/constitution to see if these items are covered
- ➔ if your committee members have a copy of their responsibilities
- ➔ if your Director/Co-ordinator has a position description or outline of their responsibilities

What information and processes does your service have in place to ensure your board committee members are well informed?

Who is responsible for providing these?

*Prepared by Community Connections Solutions Australia for Contact Inc  
on behalf of Children's Services Central.*

### Program for Isolated Children, Families and Communities



Community Connections Solutions Australia  
*your partner in management*



Children's Services Central is the Professional Support Co-ordinator in NSW and is an initiative funded by the Australian Government under the Inclusion and Professional Support Program. Children's Services Central is managed by a consortium of key organisations that resource and support the sectors of children's services in NSW.