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## **Governance: Roles & responsibilities.** How to meet the roles and responsibilities of a board.

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### **What you will need**

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- Incorporation Document.
  - Art Centre Policies.
  - The desire to accept advice and training.
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## **GLOSSARY: Words you need to understand**

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<b>Act</b>	A decision made by a Federal, State or Territory parliament which becomes law.
<b>Annual General Meeting</b>	A meeting of members, open to the public, held once each year after the financial audit. It is a law set in the constitution or rule book.
<b>Auditor</b>	A person qualified to check that the financial management of your organisation is correct.
<b>Constitution (Rule Book)</b>	A set of rules agreed to by the organisation which also abides by the law.
<b>Directors</b>	People who make up the governing body of a corporation (the board). They have authority over the corporation and are ultimately responsible for it.
<b>Financial Report</b>	A report which explains if the art centre has enough money in the bank to pay its bills, including artist payments.
<b>Governance</b>	Managing the activities, and planning the business of the art centre within the rule book (or constitution) of the organisation and the law.

- Members** People who have an interest in the business of the art centre and who fit the description for membership in your rule book.
- Minutes** A written record of decisions made at a meeting.
- Motion** An idea on the agenda for discussion at a meeting. A motion requires a discussion to see if most of the members support the idea, then it needs a mover and a seconder.
- Mover** A member who puts a motion to a meeting.

**Office of the Registrar of Indigenous Corporations**

The office which supports and regulates the corporations that are incorporated under the *Corporations (Aboriginal and Torres Strait Islander Act) 2006* or CATSI Act.

- Policy** A set of written rules that the board of directors has agreed to which guide how the art centre is managed.

- Quorum** The minimum number of members required at a meeting to make decisions. The Rule Book (or constitution) will say what the minimum number (quorum) is.

**Rule Book (Constitution)**

A set of rules agreed to by the organisation which also abides by the law.

- Secunder** A person who also agrees to put a motion to a meeting.

- Secret Ballot** A vote where members write down on a piece of paper if they agree or disagree with a motion put to a meeting. This means that nobody knows how each member voted.

**Special General Meeting**

A meeting of members to make a special decision as required under the constitution or rule book.

**The Corporations (Aboriginal and Torres Strait Islander) Act 2006**

Also known as the CATSI Act, these laws guide the rule book for Aboriginal and Torres Strait Islander corporations.

**Vote** Members agree or don't agree to a motion in a meeting. For a meeting to agree with a motion, half the members plus one must agree to the motion. If this does not happen, the motion is defeated.

### Art centre policies

Generally, the board, sometimes with the help of non board members, makes decisions about policy. Examples of policies might include rules about how the art centre operates, strategies and plans for the future, procedures and guidelines.

The manager of the art centre will make everyday decisions to make sure things run smoothly. The manager of the art centre makes sure that any decisions made are in line with the policies set by the board.

If decisions need to be made by the manager which do not fit with current policy, a board meeting should discuss it and make a policy for the manager to follow.

- Ensure the roles of board members, manager and staff are written down.
- Ensure both the board members and management understand their roles.

### Writing reports and contracts

Board members should understand the relationship between their art centre and other organisations. The board should work with the manager to develop employment contracts, copyright agreements, sales and exhibition contracts, a code of conduct and other agreements with funding bodies.

Many art centres have a funding relationship with the Department of the Environment, Water, Heritage and the Arts. (DEWHA).

This Department requires regular reports which are written by the manger in consultation with the board. The board must agree to the information in them before the reports are sent to the funding body.

## Financial Reports

The financial health of the art centre should be understood by the board.

- The manager should provide a financial report to the board at least every three months. Ideally, a report should be provided every month. Many art centres use a professional bookkeeper to provide these reports. This makes sure that the finances comply with all funding, tax and corporation laws.

The board needs to understand these reports and be able to ask questions about them. The manager or an outside organisation can provide training for the board and art centre members. This helps keep the art centre's money safe.

The financial report should say

- how much money was spent.
- how much work was sold.
- how much money is in the bank.

## Legal responsibilities

Board members need to understand their legal responsibilities. Some of these include:

- The legal provision under which the art centre is incorporated (many are incorporated under the CATSI Act, but some may be incorporated under State Acts or the Federal Corporations Act.
- Responsibilities as board members under the relevant Act.
- Employment of a manager or other employees.
- Agreements with suppliers or art galleries.

Board membership often changes. New Board members should also receive training if required.

## Occupational Health and Safety

Occupational Health and Safety responsibilities include:

- an Occupational Health and Safety Procedures manual, which all members should be aware of.
- Art centres should have a regular health and safety audit by an outside organisation and make any required changes to how the art centre operates to keep the artists and staff healthy and safe at work.

## Complaints procedure

The board should develop a written procedure to deal with all complaints. This should include:

- writing down the complaint.
- then writing down the decisions and reasons for the decision
- allowing the person complaining to have their say
- communicating the decision to the person who brought the complaint to the board.

The CATSI Act rule book sets out steps to be taken to try to resolve any disagreement or dispute concerning members and directors.

## TIPS: Support and training

If a board thinks their manager is not acting according to board directions or procedures, the board should seek outside advice, initially from:

- Office of the Registrar of Aboriginal Corporations (ORAC).
- A funding body.
- Someone from outside who understands how art centres should operate, for example a consultant.

**Always seek training if board members do not understand their roles and responsibilities.**