

# Governance

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## Good Governance Principles

Governance is the process by which clubs/societies are directed, controlled and held to account. It is concerned with the overall structures and processes for decision-making, accountability, control and behaviour and should be directed by the Executive Committee of the Club/Society.

The below table from the [Good Governance Principles and Guidance for Not-For-Profit Organisations](#) suggests the below 10 principles provide a useful starting point for considering what constitutes good governance.

### 1 ROLES AND RESPONSIBILITIES

There should be clarity regarding individual director responsibilities, organisational expectations of directors and the role of the board.

### 2 BOARD COMPOSITION

A board needs to have the right group of people, having particular regard to each individual's background, skills and experience, and how the addition of an individual builds the collective capability and effective functioning of the board.

### 3 PURPOSE AND STRATEGY

The board plays an important role in setting the vision, purpose and strategies of the organisation, helping the organisation understand these and adapting the direction or plans as appropriate.

### 4 RISK - RECOGNITION AND MANAGEMENT

By putting in place an appropriate system of risk oversight and internal controls, boards can help increase the likelihood that their organisation will deliver on its purpose.

### 5 ORGANISATIONAL PERFORMANCE

The degree to which an organisation is delivering on its purpose can be difficult to assess, but this can be aided by the board determining and assessing appropriate performance categories and indicators for the organisation.

### 6 BOARD EFFECTIVENESS

A board's effectiveness may be greatly enhanced through: careful forward planning of board-related activities; board meetings being run in an efficient manner; regular assessments of board performance; having a board succession plan; and the effective use of sub-committees, where appropriate.

### 7 INTEGRITY AND ACCOUNTABILITY

It is important that the board have in place a system whereby: there is a flow of information to the board that aids decision-making; there is transparency and accountability to external stakeholders; and the integrity of financial statements and other key information is safeguarded.

### 8 ORGANISATION BUILDING

The board has a role to play in enhancing the capacity and capabilities of the organisation they serve.

### 9 CULTURE AND ETHICS

The board sets the tone for ethical and responsible decision-making throughout the organisation.

### 10 ENGAGEMENT

The board helps an organisation to engage effectively with stakeholders.

Sourced from <https://aicd.companydirectors.com.au/-/media/cd2/resources/director-resources/nfp/pdf/nfp-principles-and-guidance-131015.ashx> on 24/1/2019

## Executive Committee

The Executive Committee is an elected group of people who work together to oversee the setting of and achievement of the objectives of the Club/Society in accordance with their constitution.

This committee delivers activities that are determined by the powers, duties, and responsibilities delegated to it by the members of the organisation, as outlined in the Constitutions.

All JCUSA affiliated Clubs and Societies must be democratic, not-for-profit student groups run by JCU students and for the benefit of JCU students.

This committee will follow and act in accordance with all Club and Society policies, procedures and documents created and maintained by the James Cook University Student Association and in particular POL048 Clubs and Societies Policy and all related legislation and documents that it refers to.

The composition of the Executive Committee must include a President, Vice President and Treasurer, with the role of a Secretary being optional.

### President

The President is responsible for coordinating the Clubs/Societies overall activities and administration. The role involves being spokesperson for the club, calling and chairing meetings, ensuring that communication with members and the SA Office is carried out and that Grant Acquittals and Annual General Meetings take place in the specified time. Most importantly, the President must maintain a close relationship with the Townsville/Cairns Campus Officer as all club correspondence is sent to them. This includes Stall Applications, Subsidy Forms, bills, notices, etc. It is therefore imperative that the President communicates with the rest of the Executive about this correspondence or your club could miss out on deadlines.

### Vice President

The Vice President usually assists the President's in their duties in the activities and administration of the club/societies. The Vice President will also acts as the President if the President is absent.

### Secretary

The Secretary provides an important link between the President, club members and the Clubs & Societies Committee. The first task of the Secretary is to arrange an e-list of members in order to keep in contact electronically. The Secretary is responsible for arranging venues, compiling agendas and taking minutes of all club meetings. The most important job the Secretary does is to submit minutes from the Annual General Meeting to the clubs and societies team. These minutes provide testimony that your club/society is behaving in accordance with its Constitution in electing new office bearers etc.

## Treasurer

The Club Treasurer is responsible for keeping and maintaining all Club financial records, holding cheque and deposit books, petty cash tins, etc. The Treasurer keeps the Club/Societies informed of its financial position and carries out financial transactions as directed by the Club/Societies management. The Treasurer must ensure that all payments made are legitimate and have been authorised by the Club/Society. Amongst other things, the Treasurer should prepare budgets for income and projected spending, keep a current list of all financial members, be responsible for the Club/Societies bank account, give a financial report at the Annual General Meeting and keep and label all receipts. Further duties include preparing a financial statement of all major transactions for the annual Audit. It is recommended that each month the Treasurer do a bank reconciliation – that is compare the receipts collected and expenditure authorised to the bank statement.

There are only a few things you need to do to be a successful Treasurer:

1. Only spend Club/Society money if it is approved by your Executive;
2. Get a receipt for everything;
3. Stick your receipts in a scrapbook or a binder;
4. Write up your spending in a financial journal;
5. Manage your Club/societies income with style, grace and integrity;
6. Write receipts out for monies received;
7. Deposit all money received into the Club/societies bank account the day you receive it;
8. Write up your income in your financial journal; and
9. Reconcile your journal to the monthly bank statements each month.

Detailed roles and responsibilities are detailed in:

- DOC012 Role of the President
- DOC013 Role of the Vice President
- DOC014 Role of the Secretary and;
- DOC015 Role of the Treasurer.

## Executive Composition

1. The Executive Committee will be chosen at the Annual General Meeting for the term specified in their constitution.
2. All Executive Committee members must be a majority of current JCU students, with the exception of large sporting clubs who will require a minimum of 1 JCU student holding an Executive Committee member position.
3. Each club or society must have at least 3 Executive committee members responsible for day to day business and operations of the Club/Society. Usually, there is a President, Vice President, Secretary and Treasurer of the club or society. In most cases, the President, Vice President and Treasurer are usually the Executive committee members however, it is up to the club or society on what executive positions are to be included in the Executive committee.  
If the Constitution of the club or society does not make provision for the appointment of Executive committee members then the President, the Secretary and the Treasurer are deemed the Executives for regulatory purposes.  
If a position is uncontested the nominee will be elected unopposed.  
A General meeting may establish other Executive positions.
4. Executive Members cease to hold office if they:
  - a. resign by writing to the Secretary (or, in the case of the Secretary, to the President);
  - b. cease to be a current student; or
  - c. are removed by a resolution of no confidence passed by a two-thirds majority of Members present and voting at a General meeting.
5. Where an Executive Member ceases to hold office an election will be held at the next meeting of members to fill the position.

## Purpose and Strategy

It is suggested the Club/Society determine and then document in their Constitution:

- Why the Club/Society exists;
- What the Club/Society does;
- For whom the Club/Society does things;
- How the Club/Society aims to do those things; and
- How it will measure its success/objectives.

The Constitution should set out what things the Executive Committee must do.

It would be prudent to share the vision and purpose of the Club/Society by communicating with its members.

Further information on the Constitution is available from DOC020 Clubs and Societies Constitution.

## Executive Committee Effectiveness

The effectiveness of the Executive Committee members can be influenced by the role they undertake as determined by the constitution and what activities are required of the incumbent, however, usually an effective Executive Committee is committed to:

1. Set, guide and monitor the direction of the Club/Society as per the Constitution;
  2. Ensure the Club/Society organisation meets its objectives and its obligations;
  3. Develop processes and monitor governance of the Club/Society;
  4. Adhere to duties and obligations that sit with the committee and individual executive positions;
  5. Ensure that legislation and regulations are being adhered to;
  6. The management and control of the funds and other property held by the Club/Society.
- Steer the Club/Society for all of its members;
  - Have the minutes of all meetings, the Constitution and the current membership list available for inspection by JCUSA at any time;
  - Act as authorities on the club or society's bank account;
  - Maintain all documentation relating to the bank account, as well as an up to date account book, all available for inspection by JCUSA at any time;
  - Reconcile the club or society's funds at the end of the year and accurately acquit JCUSA clubs and societies funding;
  - To actively plan, develop and coordinate club related activities to fulfil the purpose of the club or society, i.e. play soccer, debate, watch anime, pray, etc.;
  - Ensure that the club or society complies with the contents of this document, Handbook policies, and procedures stipulated by JCUSA as well as those others set down in the Constitution of the club or society.
  - Arrange the handover to next year's Executive committee members - all club or society records must be passed to the incoming executive members and contact details of all new executive members/trustees for the club or society must be updated with JCUSA.

Efficient meetings can also assist with effectiveness and hence more information on meetings is available [here](#).

## Integrity and Accountability

JCUSA has a Code of Conduct for Clubs and Society members, include the executives and it is located on our website.

## Acting in good faith

All Executive committee members are expected to act in good faith. This means that all will conduct themselves and their undertakings with the Club/Society by: encompasses three interrelated duties:

- Acting honestly the duty to act honestly;
- Exercise their powers for proper purpose; and
- Consult and act with reference to the organisation's interests and not to have regard to outside interests.

No members are to use their position to gain advantage for themselves (or another person) or to cause detriment to the club/society.

## Conflict of Interest

Committee members must not use their position to gain advantage for themselves (or another person) or to cause detriment to the organisation

All members of the Club/Society are to act in a clear and transparent manner and disclose publically any actual or perceived conflicts of interest.

## Confidentiality

Executive committee members are to maintain confidentiality in respect of all committee matters and discussions. This includes any sensitive information received during a meeting. It also includes the opinions and statements of other committee members.

This duty of confidentiality does not have to be spelled out in the Constitution as it is legislation

## Due care and Diligence

Exercising due care and diligence means giving a decision an appropriate level of attention. It's about giving a task the necessary concentration and effort to complete the task correctly and in a timely fashion.

Even if the outcome of the decision would have been the same whether the information was considered or not, if it was not considered then the decision was not made exercising due care and diligence.



Policy POL091 Disaffiliation Policy If the committee member or members inform themselves on a decision to the extent that they reasonably believe to be appropriate, they can still be deemed to have acted with due care and diligence, even if the decision was later shown to be detrimental to the organisation or put it at a disadvantage.

- a. make the judgment in good faith for a proper purpose; and
- b. do not have a material personal interest in the subject matter of the judgment; and
- c. inform themselves about the subject matter of the judgment to the extent they reasonably believe to be appropriate; and
- d. rationally believe that the judgment is in the best interests of the Club/Society.

## Club/Society Organisational Building

A fundamental part of the Executive Committees role in serving the best interests of the members and JCU wider community is to ensure the organisation develops and implements strategies and supporting policies to enable it to fulfil its purpose consistent with the objectives set out in its constitution.

Accordingly, one of the matters the Executive Committee members will need to address as part of its overall leadership role is the capacity and level of capability of the Club/Society to deliver on its purpose.

## Culture and Ethics

The culture of an organisation could be thought of as its “personality”. It is represented by shared values, norms, practices and core beliefs that shape behaviour.

The culture of the Club/Society will influences what it does, its relationships with members and the wider JCU community and its reputation.

When considering that culture can be described as “how we do things around here”, the way things are done will be noticed. If a club is highly organised and communicates effectively and that is the norm for them, there is a higher chance the Club/Society would be more effective on delivering events when compared to a Club/Society who turns up late and is disorganised.

The Club/Society should consider what they want to be known for.

## Engagement

Successful stakeholder engagement requires a commitment from the Club/Society to engage actively with stakeholders; listen to them, talk to them about why the Club/Society exists, what it does and build a relationship with them in a mutually beneficial way.

Those Clubs/Societies that engage with their members and the wider JCU student cohort would be able to gather feedback on what these groups expect of the Club/Society. This feedback should then be used by the Club/Society to look inwards and determine if stakeholder's needs are aligned to the purpose and vision of the Club/Society and is delivery what is expected by the members.

## Club/Society Performance

It is important for a Club/Society to identify and confirm that its available resources are being utilised in an efficient and effective manner to achieve its goals.

It is recommended that Clubs/Societies should identify the resources (human, financial, physical and intellectual/ intangible) they need to deliver on their objectives and purpose and plan how those resources will be made available to and best managed by the Club/Society.

## Damage to Reputation

Any perceived damage to the reputation of JCUSA, JCU or an affiliated Club/Society can result in immediate disaffiliation.

Damage can come result from:

- media attention;
- complaints;
- slander;
- defamation;
- unethical behaviour;
- data breaches;
- illegal undertakings such as fraud;
- breaches of policies, procedures and other governing organisational documentation such as a Code of Conduct;
- social media content; and
- other situations.

## Risk – Recognition and Management

A Club/Society needs to ensure they manage and assess risk and this is not just Work Health and Safety risks as financial and legal risks need to be considered.

It would be prudent for a Club/Society to establish a sound system of determining risk appetite, oversight, recognition, management, treatment and control.

Risk management is about evaluating and monitoring the risks a Club/Society faces in trying to achieve its objectives and fulfil its purpose.

The Executive Committee must determine what level of risk they are prepared to accept. This is undertaken by the Executive Committee ensuring risk management practices are in place and plans and controls in place to mitigate the effect of events.

<b>Strategic Risk</b>	<p>This risk pertains to the Club/Society failing to achieve their strategic objectives.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• a poor business decision, failing to allocate enough funds;</li> <li>• not attending Market Day and jeopardise being ineligible for JCUSA SSAF grant funding; and</li> <li>• increased competition for funding</li> </ul>
<b>Operational risk</b>	<p>This type of risk pertains to the day-to-day running of the Club/Society and generally relates to human resources, environment, financial, documents (policies/procedures) and work health and safety.</p> <p>Failure here is generally caused by a breakdown in the application of the controls, systems and procedures of the organisation. For example: not observing work health and safety controls, not observing financial management procedures resulting in theft, or not having adequate IT security resulting in hacking etc.</p>



For Work Health and Safety, JCUSA has ultimate responsibility for affiliated Clubs and Societies and this is why policies and procedures must be followed or the JCUSA or the Councillors can be fined or imprisoned depending on the seriousness of the breach of the legislation.

## Evaluation of Risk

JCUSA and its affiliated clubs and societies are to use the below risk matrix to identify risk ratings.

This matrix has likelihood on one axis and consequences on the other. Where both intersect, a risk rating is produced.

			Likelihood				
			May occur within every 10 year period or more	Could occur within a 5-10 year period	Could occur within a 1 to 5 year period	Could occur within a 3 to 12 month period	Likely to occur within a 3 month period or during the performance of an actual task
			Rare	Unlikely	Possible	Likely	Almost Certain
Consequence	Fatality, prosecution or legislative non-compliance impacts a substantial part or whole of University with significant works > \$100k	Catastrophic	Medium	High	High	High	High
	Significant lost time injury (>6 months), notifiable event, finding, notice, suspension of work impacts a substantial part or whole of University with major works between \$50-\$100k	Major	Medium	Medium	High	High	High
	Lost time injury (<6 months), finding, ISOS combined extreme / high risk, impacts a moderate to substantial part of University with moderate works between \$10-50k	Moderate	Low	Medium	Medium	High	High
	Incident including medical treatment, near miss, safety finding resolved in 3 days, impacts a minor part of University with minor works <\$10k	Minor	Low	Low	Medium	Medium	Medium
	Incident including first aid, workplace hazard contained immediately and no ongoing safety risk impact. No known similar risk with University	Insignificant	Low	Low	Low	Low	Medium

Table 1.0 Risk Matrix

## Assessing operational and health and safety risks

- All hazards have the potential to cause different types and severities of harm, ranging from minor financial costs to a serious injury or death to a Club/Society member;
- One has to determine how severe the harm/cost could be, work out how the hazards/risks may cause harm and then work out the likelihood of them occurring;
- The Executive Committee members undertaking the risk assessment will rate the likelihood as one of the following:
  - Almost certain to occur - expected to occur in most circumstances.
  - Likely - will probably occur in most circumstances.
  - Possible – might occur occasionally.
  - Unlikely – could happen at some time.
  - Rare – may happen only in exceptional circumstances.
- The level of risk will increase as the likelihood of harm and its severity increases;
- For each risk, the likelihood and consequence should be determined as per the matrix above at Table 1.0 Risk Matrix. The overall risk ranking is then determined to help prioritise risks and subsequent controls/actions.

## Risk Register

All Executive Committee members are expected to periodically monitor risk management practices to ensure that existing risks are being managed well and to consider emerging risk. This can also involve reviewing the organisation's risk appetite.

The Club/Society will need to have a risk register in place that captures risks that have been identified. This document will need to be reviewed:

- Annually;
- When there is a change of executive as a result of an Annual General Meeting; and
- When new equipment is obtained.

The risk register records all these possible risks and rating, controls etc. for each risk.

Often the risks are grouped in categories such as:

Compliance risks	E.g. failure to comply with SSAF legislation
Financial risks	E.g. loss of funding, expense blow-out
Governance risks	E.g. ineffective oversight by the Executive Committee
Operational or program risks	E.g. poor service delivery of an event
Environmental	E.g. hot weather, lightening, torrential rain
Brand and reputational risks	E.g. JCU student cohorts and/or JCUSA and/or JCUs perceptions of a major event failure or adverse commentary on digital and social media channels

A risk owner should be assigned to each risk and/or a risk area. That person is then responsible for ensuring the necessary controls and preventative measures are in place and that the risk is periodically reviewed.

Form 190 Club Society Risk Register is available and has been designed to capture all risks and not just WHS risks or hazards.

## Risk Assessments - WHS

Risk assessments are part of a risk management approach to health, safety and Club/Society operations.

It is prudent for Clubs/Societies to manage health and safety risks, so that the health and safety of people are not affected by the conduct of a Club/Society.

By completing risk assessments, documented evidence demonstrates that the Club/Society has:

1. Identified hazards;
2. Assessed the level of risk for the hazards; and
3. Put controls in place to manage the risks.

The Club/Society would then put practices in place to monitor the controls to ensure they continue to effectively manage the risks.



Risk assessments are required for every event that a Club/Society would like to undertake. Approval of the risk assessments are required prior to the event, as per policy POL048 Clubs and Societies. Work Safe Queensland have a range of resources available that can assist a Club/Society and information for not-for-profit organisations and volunteer associations

## Other Governance Areas

### Consent, Sexual: Harassment, Assault and Safety

As Clubs and Societies play an important role in the student experience whilst at JCU, all Executive Committee members are expected to role model behaviour and values that create and maintain a safe, respectful and fun campus environment.

As JCUSA and JCU have a zero tolerance for any form of harassment, abuse or violence, it is expected that affiliated Clubs and Societies will espouse the same view.

JCU has a comprehensive suite of initiatives for student communities designed to prevent and respond to sexual harassment and sexual assault.

The Executive Committee members as leaders of the Club/Society should undertake **JCU Respectful Relationships Training – Student Leaders**.

To enquire about the training please email [jcurespect@jcu.edu.au](mailto:jcurespect@jcu.edu.au).

### Policies and procedures

The Club/Society may decide to implement policies and procedures to ensure a consistent approach to its operations. These policies and procedures would establish rules and members would need to follow them.

It is prudent for all members to be familiar with the content of the policies and procedures and hence they should be easily accessible and available to members.

Conversely JCUSA has policies and procedures that JCUSA Club/Societies must follow and they are available here. Not being familiar with the content of these organisational documents can result in legislative requirements not being met and hence detrimental to the Club/Society and possibly JCUSA.

JCU also has its own policies, procedures and other governing documents such as a Code of Conduct.

## Financial Management

Financial management governance is a core component of the governance framework for Clubs/Societies.

Club/Society Executive members are responsible for ensuring that fraud does not occur and hence for complete financial management of the Club/Society, the Executive are responsible for implementing financial controls. A financial control is *a procedure that is implemented to detect and prevent errors, theft or fraud, or policy non-compliance in a financial transaction process.*

Each financial control procedure is designed to fulfil at least one of the below standards:

1. Completeness	Ensures that all records and transactions are included in the reports of the club/society;
2. Accuracy	Ensures that the right amounts are recorded in the correct accounts;
3. Authorisation	Ensures that the correct authorisations are in place to cover such things as approval, payments, data entry and computer access
4. Validity	Ensures that the invoice is for work performed or products received and the club/society has incurred the liability properly;
5. Existence	Ensures the existence of assets and liabilities. Has a purchase been recorded for goods or services that have not yet been received? Do all assets on the books actually exist? Is there correct documentation to support the item?
6. Handling errors	Ensures that procedures are in place to ensure that errors in the system have been identified and corrected; and
7. Segregation of duties	Ensures that certain functions are separated. For example, the person taking cash receipts does not do the banking.

A great deal of information on Finance is available on the Clubs page of JCUSA.

## Intellectual Property (IP)

Intellectual property (IP) is the property of your mind or proprietary knowledge. Basically, the productive new ideas you create. It can be an invention, trade mark, design, brand, or the application of your idea.

Intellectual property means:

- a) any proprietary right which arises under, or is capable of being obtained under, the following statutes:
  - Patents Act 1990 (Cth),
  - Copyright Act 1968 (Cth),
  - Trademarks Act 1995 (Cth),
  - Designs Act 1906 (Cth),
  - Circuit Layouts Act 1989 (Cth),
  - Plant Breeder's Rights Act 1994 (Cth), and
- b) the right to the protection under law of confidential information;

JCUSA asserts ownership of all intellectual property created by a club/society member for the purposes of club/society administration and operations.



When a Club/Society members creates something new, the IP will belong to their Club/Society and JCUSA.

This means, for example, documents and logos created as part of the role of a club/society member will result in the IP belong to the club and JCUSA – no one person owns them.