

Launceston Community FM Group Inc

Governance Policy

Code of Practice 2

Introduction

Governance in the community sector is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision, accountability and independence of an organisation.

Management Committee members take ultimate responsibility for the financial and legislative governance of the organisation; however, governance is also concerned with the way the Management Committee works with volunteers, members and other stakeholders to ensure the organisation is effectively and properly run and meets the needs for which it was originally created.

This policy is intended to clarify the content of Launceston Community FM Group Inc (City Park Radio – 7LTN) Articles of Association by detailing the underlying principles of governance as approved by the organisation.

Policy.

1. The Management Committee is an elective, representative, and collective body.

- It is elective, in that the determination of Management Committee members is the prerogative of members through the election process outlined in the constitution.
- It is representative, in that all committee members are committed to acting selflessly and making decisions and voting on governance decisions solely in the best interests of the organisation. Members with a financial interest on any matter will absent themselves from any decision by the committee.
- It is collective, in that while each member has the right to argue for their own point of view and to vote for that position, once a collective decision has been taken,
all Management Committee members are required to support that decision.

2. The function of the Management Committee is to collectively ensure the delivery of its objects, to set its strategic direction, and to uphold its values.

The Management Committee is collectively responsible and accountable for ensuring all legal, financial, and ethical obligations. The responsibilities of the Management Committee that cannot be delegated to any other person or body include:

- Compliance monitoring – ensuring compliance with the objects, purposes and values of the organisation, and with its constitution.
- Organisational governance – setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance.
- Strategic planning – reviewing and approving strategic direction and initiatives.
- Regulatory monitoring – ensuring that the organisation complies with all relevant laws, regulations and regulatory requirements.
- Financial monitoring – reviewing the organisation's budget, monitoring management and financial performance to ensure the solvency, financial strength and good performance of the organisation.
- Financial reporting – considering and approving annual financial statements and required reports to government.
- Organisational structure – setting and maintaining a framework of delegation and internal control.
- Risk management – reviewing and monitoring the effectiveness of risk management and compliance in the organisation; agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise.
- Dispute management – dealing with and managing conflicts that may arise within the organisation, including conflicts arising between Management Committee members, members and volunteers.
- Social responsibility – the Management Committee will have consideration of the social, ethical and environmental impact of all its activities and operations and ensure that these meet current community expectations.
- Independence - the Management Committee will serve the interests of the station.

Procedures

1. Internal Controls

The Management Committee will set and maintain standing orders, policies and procedures, and systems of financial control, internal control, and performance reporting. The Management Committee will ensure that there is a system for the regular review of the effectiveness of its financial control, internal control, performance reporting, and policies and procedures.

2. Managing risks

The Management Committee will monitor risk assessment on a continuing basis and take appropriate steps to manage the organisation's exposure to significant risks. The Management Committee will ascertain the risks to which the organisation is subject, and act to mitigate the risks identified.

3. Management Committee review

The Management Committee will continue to examine its own effectiveness in meeting its responsibilities.

Responsibilities

1. It will be the responsibility of the Management Committee to establish and maintain standing orders, policies and procedures, and systems of financial control, internal control and performance reporting.

2. It is the responsibility of the Management Committee to clearly demarcate and delegate the functions of sub-committees and other volunteers.

3. It shall be the responsibility of the Management Committee to address key management and operational issues within the direction and the policies laid down, including

- Developing and implementing organisational strategies and making recommendations to the Management Committee on significant strategic initiatives
- Making any recommendations for the appointment of volunteers, determining terms of appointment, evaluating performance, and developing and maintaining succession plans for volunteers
- Developing the annual budget and managing day-to-day operations within the budget
- Maintaining an effective risk management framework
- Keeping the Management Committee and regulators informed about any developments with a material impact on the organisation's performance; and
- Managing day-to-day operations in accordance with agreed standards for social, ethical and environmental practices.

As a member of the Management Committee also operating a charity registered with the **Australian Charities and Not-for-profits Commission**, you have a duty

- **To act with reasonable care and diligence.** You must exercise your powers and duties with the care and diligence that a reasonable person would if they were in your place.
- **To act in good faith in the best interests of the charity and for a proper purpose.** When acting as a committee member you must make decisions that are in the best interest of the charity and to further its charitable purpose.
- **Not to improperly use information or position.** Any special knowledge that you gain as a committee member must only be used for the benefit of the charity and never to further personal or other interests. Similarly, you must not use your position to improperly gain an advantage for yourself or someone else, or cause detriment to the charity.
- **To disclose conflicts of interest.** If your duty to act in the best interests of the charity conflicts with (or may conflict) with your personal interests, you must disclose this responsibly.
- **To ensure that financial affairs are managed responsibly.** Ensure that there are systems and processes in place that ensure that the charity's resources are being effectively put towards the charity's charitable purpose and are protected from misuse.
- **Not to allow the charity to operate while insolvent.** You must ensure that the charity can pay its debts when they are due or will become due and that it does not continue to operate if it cannot pay its debts.

4. The Management Committee will

- convene once a month with agenda and meeting papers available five (5) days before each meeting
- ensure all monies received will be receipted
- ensure all monies paid out will be accompanied by an invoice or receipt within a month of receiving
- maintain two to sign on all bank accounts
- regardless of current legal requirement, have the organisation's financial records audited each year
- ensure all volunteers are adequately insured commensurate with roles required to be performed
- maintain current licenses and corporate registration for all aspects of operation.
- be transparent, whenever possible, with all decisions made – including minutes of meetings openly on display in the City Park Radio office.
- allow members to request to attend management meetings
- will provide induction and training on a regular calendar basis.

The following documents provide some of the guidance required for a detailed approach to Management Committee deliberations

- Launceston Community FM Group Inc Constitution
- Standing orders (automatically reviewed each year)
- City Park Radio Business Plan
- CBAA Codes of Practice
- Membership Policy
- Membership rights and responsibilities
- Volunteer rights and responsibilities
- Dismissal of volunteers
- Grievance policy
- Complaints procedure
- Community participation
- Promise of Performance
- Programming policy
- Office Procedures