



LEGAL AND GOVERNANCE BEST PRACTICE AND COMPLIANCE

PURPOSE

To support periodic review of the currency and thoroughness of governance practice and compliance.

1. Our board members are familiar with the organisation's Constitution
2. We have reviewed our Constitution within the last three years
3. We are satisfied that the substantive provisions of the Constitution are being satisfied and that the organisation's activities are consistent with its objects
4. We have appointed a secretary and, for companies, a public officer
5. We have a register of members, a register of directors, and a register of directors' interests/potential conflicts of interest
6. We hold our AGMs within the timeframe and manner required
7. We understand the nature of our legal entity, our existing tax structure and, in particular, the organisation's applicable tax endorsements and concessions
8. Our board members can describe in simple terms their general statutory and fiduciary duties and what they mean in practice
9. We have adopted a Code of Conduct to guide board practice and director conduct
10. The board regularly considers our compliance performance, including an annual or biennial compliance audit
11. We are aware of our obligations under funding agreements or government contracts, and monitor their fulfilment
12. We are aware of our compliance obligations in relation to fundraising activities
13. Our senior staff are aware of the areas of legislation which are most relevant to our operations
14. We include legislative awareness and compliance within our organisation's (a) performance management and (b) professional development processes
15. We have developed a Compliance Policy which confirms our commitment to maintaining a strong compliance culture throughout the organisation
16. We have developed policies and procedures which minimise the risk of our breaching the law in respect of:
 - Occupational/workplace health and safety
 - Anti-discrimination legislation
 - Taxation and charitable obligations
 - Contractual obligations
 - Conditions of funding
 - The terms of our Constitution
 - Corporate governance and reporting
 - Fundamental legal obligations specific to us (e.g., special legislation that applies to our sector/organisation)

17. Directors can articulate how the board leads the monitoring and fulfilment of our compliance obligations
18. We regularly consider Directors and Officers Liability Insurance, and either maintain a policy or have chosen not to for reasons that the board can articulate
19. We secure the input of legal professionals through legal services, having a lawyer on our board and/or subscribing to legal training and information services
20. We have a thorough board members' induction program
21. Our board minutes are accurate, and promptly distributed
22. We maintain current copies of all staff contracts and volunteer job/task descriptions
23. We have appropriate, safe storage arrangements for all official documents

SOURCE

- > Fishel, D, The Book of the Board, Federation Press, Sydney, NSW (2003; 3rd edn. 2014), with assistance from McCullough Robertson Lawyers

ABOUT POSITIVE SOLUTIONS

[Positive Solutions](#) offers a range of services to non-profit boards throughout Australia. [Board development workshops](#) and detailed board reviews can be tailored to the needs of each organisation. To find out more about how Positive Solutions can help you, contact: info@positive-solutions.com.au or call 07 3891 3872.

THE BOOK OF THE BOARD

[The Book of the Board](#) is Australia's standard reference book for board and committee members of non-profit organisations. Authored by Positive Solutions Director, David Fishel, and currently in its third edition, The Book of the Board provides clear guidance on the role of the non-profit board, formal and legal responsibilities, and the ways in which the board can maximise its effectiveness for the organisation.

- > RRP \$59.95
- > Positive Solutions Price \$55 Inc. GST

