



V O C A R E

L A W

Good Governance: Charity

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**We are called to deliver Just,
Redemptive Outcomes.**



Framework

This pack will assist in completing a checklist for what you will need to ensure all paperwork reflects the position of the entity in pursuing responsible stewardship.

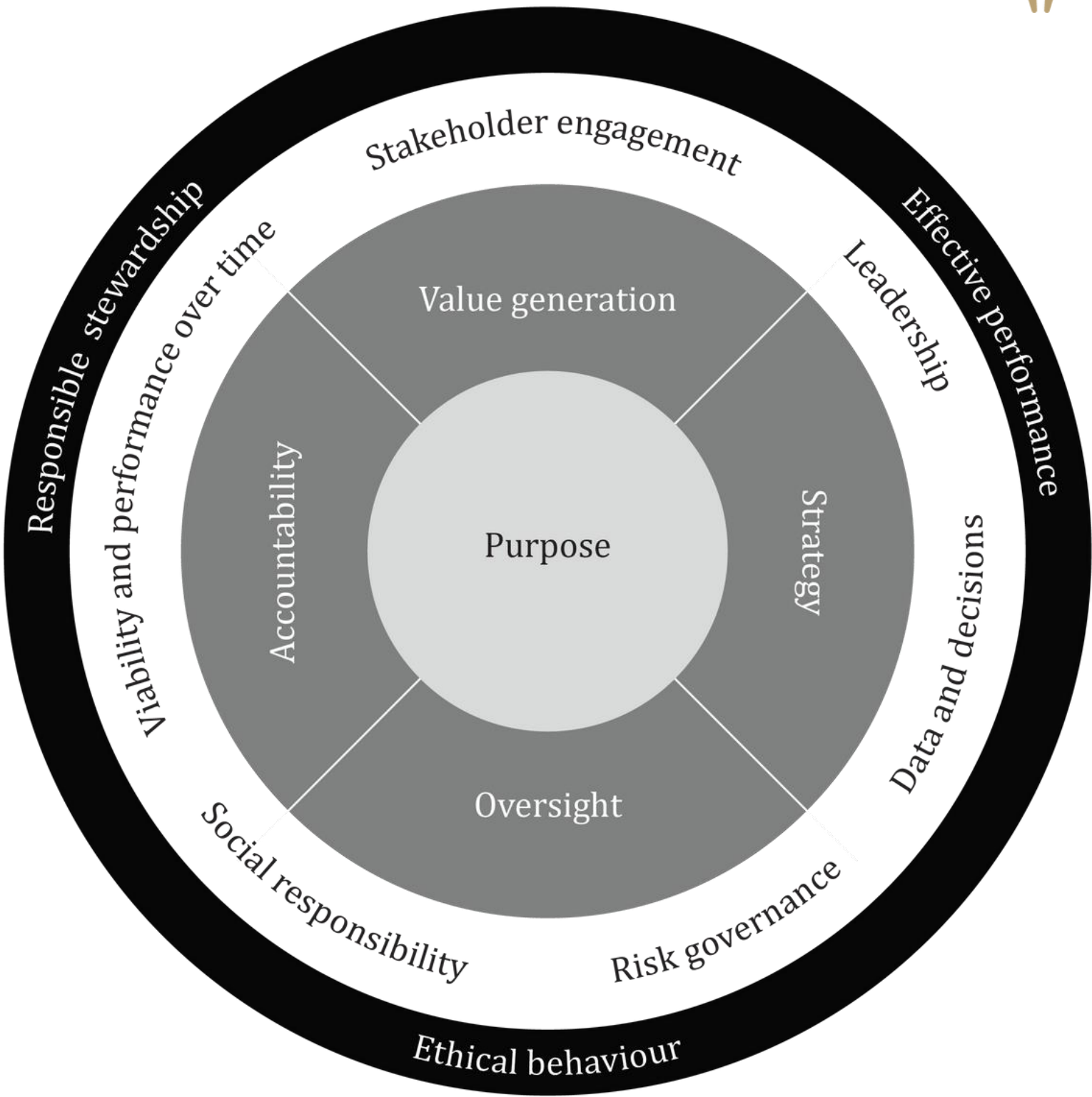
In addition, setting the tone from the top will ensure that ethical and effective priorities are maintained in the governance of the organisation.

The table illustrates governance of organisations in ISO37000:2021 - the first international standard in organisational governance.



Where the shades represent:

	Governance outcomes
	Primary governance principle
	Foundational governance principles
	Enabling governance principles



What Is Corporate Governance?

The heart of every organisation is its mission and purpose. The ability to strategically achieve the mission requires careful consideration of systemic, long-term and proactive view of risk that ensures the organisation remains viable over time.

The Board is responsible for overall superintendence of the organisation. There are clear legal responsibilities that are required to be fulfilled, and where good governance is valued, accountability exists.

Setting the tone for ethical organisation culture needs to prioritise the transmission of quality information, and ensure the executive and board understand their roles and are aligned with broader stakeholder expectations.



Understanding Corporate Governance

Resources such as governance for good by the ACNC can assist in implementing appropriate governance measures.



Benefits of Good Governance

It promotes long-term financial viability, opportunity, and returns

It can lessen the potential for financial loss, waste, risks, and corruption

Good corporate governance can translate to increase in fulfilment of purpose

Builds resilience and long-term success

Risk Management

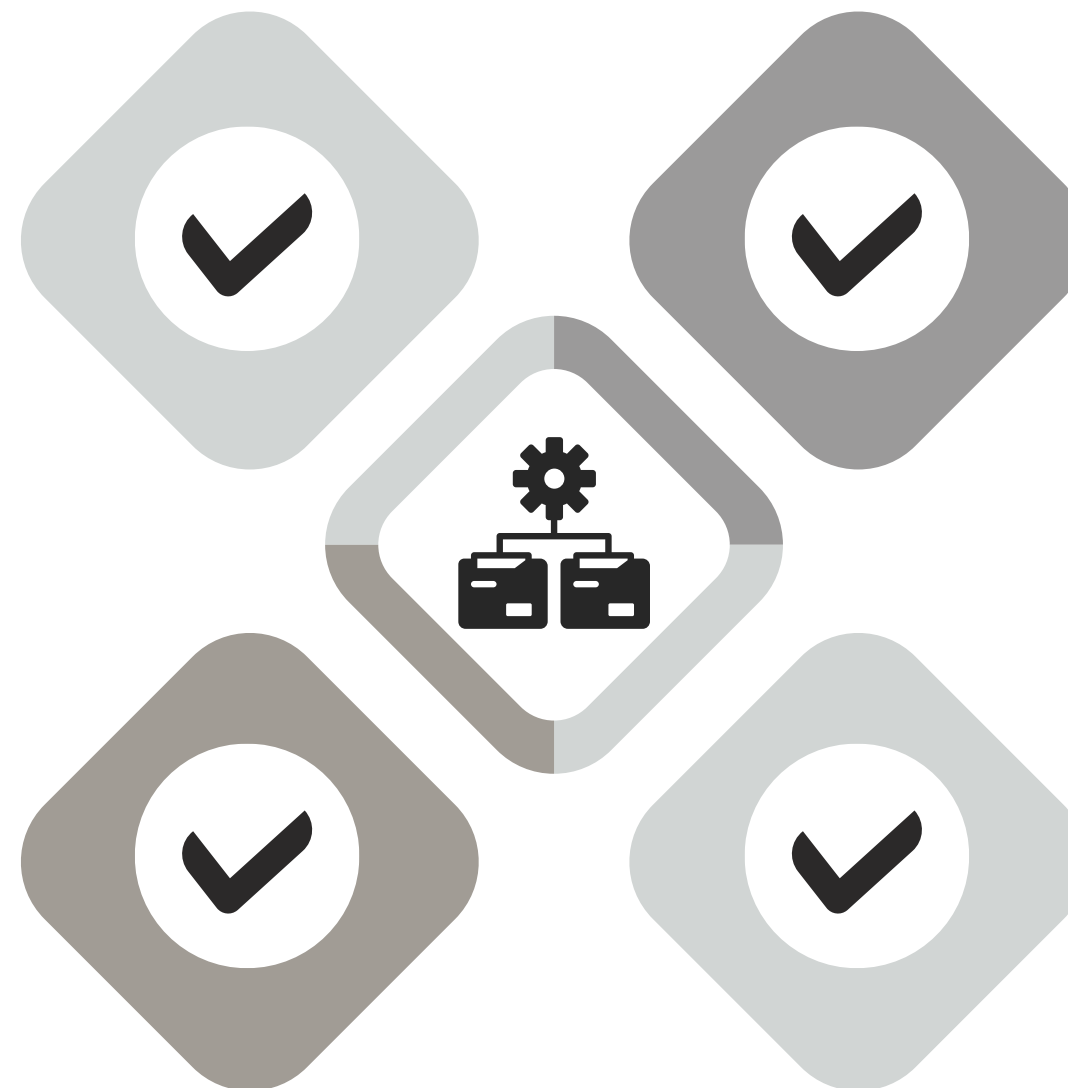


Risk Acceptance

Risk can be accepted as a necessary risk. Acknowledgment of the risk but a decision to allow the risk is usually as a result of the cost being too great to mitigate the risk where the damage or potential loss from the risk is not worth that investment.

Risk Reduction

Reducing the likelihood or severity of potential risk is often the only way to mitigate significant risks.



Risk Transference

Shifting the risk to facilitate mitigation can assist the organisation. For example, having insurances in place for some risks such as data security or management liability.

Risk Avoidance

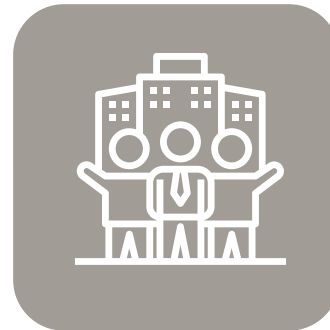
The pursuit of complete elimination is sometimes possible and preferred given the nature of the harm that could be caused.

Accountability



Corporate Accountability

Executive to Directors and Directors to Members. Integrated corporate accountability strengthens organisations.



Members

Providing adequate documentation and updates to members can assist in providing more accountability and transparency.

Stakeholders

Other stakeholders such as givers/donors/ or those that are recipients of the outcomes of your purpose.



Government Accountability

Regulators include:

- ACNC
- ASIC
- ATO
- OAIC
- ACCC



Checklist

Here are some core items to consider to facilitate your framework of good governance

- ✓ Constitution
- ✓ Strategic Plan
- ✓ Director Onboarding
- ✓ Board Charter
- ✓ Composition | Renewal
- ✓ Regular Review
- ✓ Policy Framework
- ✓ Risk Framework
- ✓ Board Registers



Risk Framework

Develop a risk framework

- ✓ Develop Risk Appetite
- ✓ Risk Statement
- ✓ Risk Matrix
- ✓ Assessment of Governance Risk
- ✓ Assessment of Operational Risk
- ✓ Assessment of Financial Risk
- ✓ Assessment of External Risks
- ✓ Assessment of Compliance & Legal Risks
- ✓ Develop Risk Controls
- ✓ Maintain Risk Register
- ✓ Periodic Revision



Policy Framework

Consider these policies and accompany them with procedures that can be practically outworked.

- ✓ Board Charter
- ✓ Conflict of Interest
- ✓ Related Party Transaction
- ✓ ABC (Anti Money Laundering, Bribery & Corruption)
- ✓ Composition | Renewal
- ✓ Overseas Operations (External conduct standards)
- ✓ Whistleblower | Grievance
- ✓ Record Keeping
- ✓ Employment Policies | Code of Conduct
- ✓ Cyber and Data Security, including data breach response
- ✓ Privacy
- ✓ Safeguarding

**Need a review, don't have what
you need or have questions?**

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