As a volunteer committee member or director, it’s important that your volunteer time is as productive as possible. It’s also critical to know areas of liability and your duties as an office bearer (includes directors and committee members).

Libby Klein, Principal, Moores Legal, outlines 8 key issues for directors and officers of Not-for-Profit organisations (2013). These are listed below.

1. **Know What Your Job Is**

This involves knowing what your duties are as an office bearer. Committee members have duties under law, which include:

- A duty to act in good faith in the best interests of the organisation;
- A duty to act with reasonable care and skill;
- A duty not to misuse information or position; and
- A duty to disclose and manage conflicts of interest.

The new Australian Charities and Not-For-Profits Commission (ACNC) also imposes additional obligations on office bearers (refer to Reporting Obligations factsheet).

**Tips:**

*Keep an eye out for the new ACNC governance standards and external conduct standards coming into effect 1 July 2013. Ask yourself, when was the last time our committee had a workshop on duties of office bearers?* Does your Landcare group have induction training for new office bearers?

2. **Know Which Hat You’re Wearing**

When making decisions, office bearers need to focus on the best interests of your Landcare organisation, as opposed to:

- Your individual interests
- The interests of those who elected you to your position.

**Tips:**

*Does your organisation have a Conflict of Interest Policy? Make ‘Conflict of Interest’ a standing agenda item at your meetings. Make sure Conflicts of Interest are minuted.*

3. **Understand the Financial Position**

While you may not consider yourself a ‘numbers person’, it’s important that office bearers reasonable questions to ensure the financial position of your organisation are clear. Leaving the finances in the hands of the bookkeeper or auditor without asking reasonable questions and using commonsense is not enough.

**Tip:**

*Consider a workshop for your office bearers on how to read and interpret financial statements. Have your organisation’s accountant/auditor meet with your committee to discuss the organisation’s finances.*
4. **Exercise Your Own Judgement**

It’s vital for office bearers to use their mind when leading the organisation. Exercising your judgement includes asking questions, not abdicating responsibility (ie, leaving the decision to someone else) and not just ‘going with the flow’. If something strikes you as odd, don’t assume it’s from a lack of understanding on your part. Ask the question!

- Delays in paying suppliers;
- Financial reports not forthcoming.

**Tips:**
*Seek confirmation at each meeting that your organisation can pay its debts as they fall due. Have a working knowledge of your organisation’s financial reporting, which will help assess solvency.*

5. **Ask the Solvency Question**

To be solvent, your organisation must be able to pay its debts as and when they fall due. This is not a case of lack of cash flow, but where insufficient cash is an endemic problem. Key indicators include:

- Problems with obtaining intelligible financial reports;
- Late payment of taxes;
- Irregularities with cheques being issued by the organisation (eg. dishonoured cheques, post dated cheques);
- Delays in paying suppliers;
- Financial reports not forthcoming.

**Tips:**
*Problems with obtaining intelligible financial reports; Late payment of taxes; Irregularities with cheques being issued by the organisation (eg. dishonoured cheques, post dated cheques); Delays in paying suppliers; Financial reports not forthcoming.*

6. **Take Risk Management Seriously**

Your Landcare organisation will have significant obligations relating to:

- Health and safety;
- Employment;
- Tax Concessions;
- Working with Children;
- Privacy;
- Negligence; and
- Contracts.

A risk management strategy and policy surrounding these issues is vital. For office bearers, it’s also important to keep up to date with these areas.

**Tips:**
*When was the last time you reviewed your insurance? Contact Landcare NSW for further information on insurance tips and competitive policies.*

7. **Get Your Insurance Right**

It’s recommended that your organisation reviews its insurance at least every 3 years.

For Landcare organisations, this includes insurance relating to volunteers, committee members and office bearers, the organisation’s products / services and employees.

**Tips:**
*Problems with obtaining intelligible financial reports; Late payment of taxes; Irregularities with cheques being issued by the organisation (eg. dishonoured cheques, post dated cheques); Delays in paying suppliers; Financial reports not forthcoming.*

8. **Keep Sight of Your Mission**

While keeping your bases covered on regulatory issues, it’s important not to lose sight of your Landcare organisation’s purpose and goals. All decisions made should have your organisation’s mission in the front of your mind.

**DISCLAIMER:** The information contained in this publication is based on knowledge and understanding at the time of August 2013. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of Landcare NSW or the user’s independent advisor.