

Thinking of joining the committee?

South Australia relies on its volunteers for many invaluable services that enhance community life. Joining the committee of a club or association is an important way to contribute to the life of your community. It can also reward you with the opportunity to develop your skills, knowledge and experience. However, many people join committees without fully understanding what is involved. Before you decide whether to join, make sure you know what you are taking on.

The committee is responsible for running the affairs of the association in accordance with law so that the purposes of the association are achieved. Committee members have legal duties and management responsibilities. Make sure you understand these.

1. Know what the association does

As a committee member, you help run the association. You need to understand what the association does and how it works. Seek out information so that you can answer these questions:

- What services does the association provide and to whom?
- What laws regulate the provision of those services?
- What systems does the association have in place to comply with those laws?
- What staff are employed and what do they do?
- What are the current issues for the association e.g. are any major projects planned? Are there any known issues or problems?

2. Check the money side

You need to understand the financial side of the association. You do not need accounting qualifications but you need to know where the association's money comes from, where it is saved or invested and how it is used.

Find out:

- Does the association receive government funding? If so, how secure is that source of funding in future? What processes have to be followed to obtain the funding?
- Does it raise funds by selling goods or services? If so, how do its price and quality compare with competitors?

- Does it rely on membership fees? Is membership growing or dwindling?
- What is its current financial position? Will it be able to pay its debts as they fall due? Are there any financial threats looming?
- What property does it own? Is the property affected by a trust and how does this work?

It may be unwise to join the committee if the association appears to be in financial trouble.

3. Check the books

Read the rules of the association (sometimes called the constitution). The rules tell you the purposes for which the association exists, who is entitled to be a member, voting rights and so on. An association must be run in accordance with its rules. If you find that the association does not seem to be following its own rules, this may indicate that it is not well run.

Ask to see the minutes of recent meetings of the association and the committee. This may indicate what are the current issues for the association. Are there plans to build new premises? to borrow money? to change the rules? Find out what is really going on. If no minutes are kept or if there is reluctance to show you the minutes, this is also a warning sign.

Check the financial records. Associations with a large turnover (over \$500,000 per year) have to have their accounts audited and you should see the auditor's report. If the turnover is more than \$500,000 a year but there are no audited accounts, again, this is a warning sign that the association is not well run. If there are inadequate financial records, joining the association is unwise.

4. Check insurance

In some circumstances, committee members can be sued for their actions. An association should maintain insurance cover to protect the members if this happens. Ask to see the current policy.

5. Ask questions

Here are some helpful questions to ask before joining an association's board:

- What is the financial situation? If it isn't clear to you from the documents, see if you can speak to the association's accountant.
- What are the current issues for the association? Does it need new premises? Will it need to raise substantial funds? Is its work changing?
- What challenges are facing the association? Are there changes in the relevant industry, in the law or in the business environment that will affect how the association works in future?
- What are the major projects coming up?
- Is the association involved in any contentious issues? disputes among members? litigation?
- How has the vacancy arisen on the board?

6. Eligibility

Some people are not eligible to be committee members unless they get permission from the Corporate Affairs Commission. For example, bankrupts and people who have committed certain types of offences. See section 30 of the *Associations Incorporation Act 1985* for more information.

7. Consider the commitment

How hard are you prepared to work for the association's benefit? Committee membership means more than just going along to a regular meeting. You will need to read the paperwork and to think carefully and critically about what is going on in the association. You will need to examine new proposals to test whether they are in the best interests of the association, how they will be funded, whether they fit with the rules of the association etc. In some situations, you will need to identify that the committee should get advice, such as legal or other expert advice. You will need to be willing to ask hard questions and sometimes to take unpopular views. You may even come into conflict with fellow members at times.

On the plus side, you will be contributing to your community and advancing a cause that you believe is important. You will be working with like-minded people and could gain valuable skills and experience.

Look before you leap. Consider whether you have the time and the commitment to undertake the responsibilities of a committee member.