ABORIGINAL ALCOHOL AND DRUG SERVICE INC.
ROLES AND RESPONSIBILITIES OF DIRECTORS

DIRECTORS

The Aboriginal Alcohol and Drug Service is incorporated under the Associations Incorporations Act 1987 (WA). The Aboriginal Alcohol and Drug Service operates under the Direction of a Board of Directors consisting of not less than 7 Directors and not more than 9 Directors, including an Executive (Chairperson, Deputy Chair person, Secretary and Treasurer). Directors are elected every three years.

The Directors are responsible for:

1. Ensuring that the objectives of the Association, pursuant to the Constitution are met.

2. Ensuring that the legal obligations of the Association are discharged according to laws and regulations including contractual obligations and the laws and regulations of the Commonwealth of Australia, WA and the general law.

3. Representing the interests and needs of The Aboriginal Alcohol and Drug Service.

4. Developing the strategic direction of the Association.

5. Ensuring that the Association has the means necessary to achieve the aims and objectives of the Association.

6. Ensuring that the legal, financial and workplace relations obligations of the Association are in order and consistent with the legal and ethical responsibilities.

7. Ensuring that the meetings of the Board of Directors and the AGM are organised and conducted in accordance with the Constitution and the Act.

8. Ensuring that the strategic direction of the Association is consistent with the needs of the community that the Association represents and serves.
SPECIFIC RESPONSIBILITIES

Directors and the CEO are responsible for:

- Ensuring that the Association is compliant with all legal obligations
- Ensuring that the Association remains solvent
- Ensuring that the work of the Association is consistent with the objectives of the Association
- Ensuring that the objectives of the Association are carried out
- Conducting regular Directors’ meetings
- Attending to all standing agenda items at meetings
- Participating in annual strategic and business planning
- Participating in community and member forums
- Promoting the objectives of the Association subject to the laws and bylaws of the Association
- Approving budgets
- Approving policies in respect to good financial governance and risk management
- Appointing the CEO

INDEPENDENCE

Directors are required to act with integrity and honesty, in good faith and in the best interests of the Aboriginal Alcohol and Drug Service at all times for the purpose of progressing the objectives of the Association. To this end, Directors must ensure their independence from management and staff interests, special interest groups (unless specifically related to the objectives of the Association) and political bias.
What is the role of the Directors?

The duties and commitments of Directors will vary according to the role of the member and the needs of the Association. However, at the least, the following commitments are required:

- Attendance and participation in at least 10 Directors’ meetings per annum and other meetings held regularly or from time to time as the Directors deems appropriate and necessary
- Reviewing all papers presented prior to meetings (approximately 2 hours prior to every meeting outside of meeting times)
- Attendance and participation at annual strategic and business planning days (1 - 2 days per annum)
- Attendance and participation at the Annual General Meeting
- Attendance and participation at Special Members Meetings
- Review of monthly financial statements and reports provided to the Directors
- Participation in induction training (1 - 2 days in the first 6 months of membership)
- Participation in annual education and training 1 – 2 days per annum

Directors are responsible for understanding the policies and procedures that have been developed and implemented specific to the Directors and those implemented for the good governance of the Association. Directors are bound by the Code of Ethics and Conduct and all of the laws and bylaws of the Association.

Accountability

Directors are accountable to the Chairperson, other Directors, the community and the members subject to the Constitution and by-laws.
The Duty to Act with Care and Diligence

This duty requires Directors and the CEO to exercise their powers and discharge their duties with reasonable care and diligence.

This includes each Director ensuring that they:

- Have made decisions honestly, in good faith and in the best interests of the Aboriginal Alcohol and Drug Service.
- Have sufficient information to make informed decisions.
- Have sought advice from experts as necessary
- Have read papers provided prior to meetings and have made proper enquiries to ensure that they have understood the information provided.
- Decisions are always made in the best interests of the Aboriginal Alcohol and Drug Service as a whole. This means that decisions cannot be made without proper consideration being given to the consequences to the Aboriginal Alcohol and Drug Service.
- Keep themselves adequately informed of the financial status of the Aboriginal Alcohol and Drug Service and act appropriately and in a timely manner on any matters requiring action.

The Duty to Act in Good Faith

This duty requires Directors and the CEO to act honestly in the best interests of the Aboriginal Alcohol and Drug Service. It means Directors must be honest and candid with other Directors and with the Aboriginal Alcohol and Drug Service.

This means that Directors will:

- Not make a decision in their own personal self-interest but in the best interests of the Aboriginal Alcohol and Drug Service as a whole.
- Declare all conflicts, interests and conflicts of interest (see below).
- Not exercise their influence in circumstances where they have a conflict of interests.
The Duty to Disclose Conflicts of Interest

This duty requires Directors to disclose to the other Directors any conflict of interest that they may have or which may arise in a matter that relates to the Aboriginal Alcohol and Drug Service’s affairs.

A conflict of interest shall exist in circumstances where a Director has an interest in a matter or issue and that interest is in conflict with the interests of the Association.

A person may have interests that do not immediately create a conflict of interest but may at some time in the future create a conflict of interest. Directors should be forthright and honest about all of these interests as soon as practical in order to avoid a conflict and also to avoid the appearance of a conflict and protect the Aboriginal Alcohol and Drug Service. The types of interests that may be in conflict with the Aboriginal Alcohol and Drug Service or may in the future become a conflict include:

- Family members who are employees
- Financial interests such as companies which a Director is a shareholder or a direct family member is a shareholder of that may in the future bid for work or be awarded a contract with the Aboriginal Alcohol and Drug Service
- Any other interest relevant to the business of the Aboriginal Alcohol and Drug Service

Interests are recorded in the Conflicts of Interests register.

Directors should remember that there is nothing wrong with having a conflict of interest and that declaring a conflict of interest before any benefit has been assigned is the right and proper thing to do. When this happens, the Board of Directors has a responsibility to manage the conflict.

This includes:

- Making sure that the Director concerned has no part in the decision of the Board of Directors that involves the interest. This is more than simply not permitting the Director to vote. The legal requirement is that the Director cannot exercise any influence over the decision making process. This means that they cannot be involved in any of the discussions about the issue and they cannot seek to exercise any influence over other Directors.
Directors ensuring that their decisions on the matter concerned are made in the best interests of the Aboriginal Alcohol and Drug Service.

- Documenting in the Conflicts of Interest register the action that the Board took to avoid the conflict.

In most circumstances, conflicts of interest can be managed as above, however some conflicts of interest will be such that the Director will no longer be able to serve because the conflict is of such a nature that the Director cannot adequately perform the duties required of them without the conflict arising time and again.

There is nothing wrong with having a conflict of interest, as long as Directors disclose these interests and the Board of Directors properly manage the conflict of interest.

The Duty not to improperly use the Position or Information

This duty requires Directors and the CEO to act properly in their position. This means that Directors must not improperly use their position, or use information obtained as a Director, for any purpose other than the business of the Aboriginal Alcohol and Drug Service.

For example, Directors cannot use their position or information obtained in their role as a Director for their own personal advantage or to the detriment of the Aboriginal Alcohol and Drug Service.

The Duty to not Trade While Insolvent

This duty means that Directors must not allow the Aboriginal Alcohol and Drug Service to continue to conduct business when the Association is insolvent or if there are reasonable grounds to suspect the Association will become insolvent.

Consequences of Breaches

When a Director fails to fulfil their duties they place the future of the Aboriginal Alcohol and Drug Service at risk. They also place the employment of employees at risk that in turn places the families of members of the community at risk. It is impossible to know the full extent of how this will impact on the community over time, but the consequences will be the responsibility of all Directors if they have failed to discharge all the duties and obligations associated with being a Director.

Under the laws governing the Aboriginal Alcohol and Drug Service, where one Director fails to act or acts improperly or contrary to their duties and obligations, the entire Board of Directors may and in many circumstances will, be held liable. Many breaches can result in the prosecution of individuals as well as prosecution of the Aboriginal Alcohol and Drug Service. Some breaches can be so serious...
as to amount to a criminal offence. Breaches can be acting contrary to the duties and obligations imposed and can also be the failure to act in circumstances where action should have been taken and wasn’t.

EXECUTIVE ROLES

The Chairperson
The Chairperson is responsible for ensuring that the Directors:

- Are aware of and fulfil their governance responsibilities
- Comply with applicable laws and
- Conduct Board business effectively and efficiently
- Are accountable for their performance
- In order to fulfil these responsibilities and subject to the Association’s Constitution, the Chairperson:
  - Presides over meetings
  - Proposes policies and practices applicable to finance management, good governance and the Directors
  - Monitors the performance of Directors
  - Submits various reports to the Directors including the annual report and business and strategic plan
  - Liaises with the CEO
  - Represents the Association publicly
  - Calls the Annual General Meeting

Accountability
The Chairperson is accountable to the Directors and Members. Subject to laws, the Chairperson may delegate specific duties to the CEO and other Directors however, the accountability for them remains with the Chairperson.
SPECIFIC DUTIES

Meetings

- Ensures that an agenda is planned for Board meetings
- Ensures that Board of Director’s papers are ready
- Arranges a consent agenda when applicable
- Chairs meetings
- Encourages open and participatory discussion
- Ensures that all business is attended to
- Where a deadlock exists and subject to the Constitution, makes a casting vote

Management of the CEO

The Chairperson is the primary liaison between the Board of Directors and the CEO. In this capacity, the Chairperson:

- Presides over all activities relating to the employment of the CEO;
- Meets regularly with the CEO;
- Conducts an annual and other periodic performance review of the CEO;
- Ensures that the CEO has access to annual management and other relevant training and education.

Community Relations

The Chairperson ensures that the Association maintains positive and productive relationships with the community, media, funders, and other Associations. In this capacity, the Chairperson represents the Association. Duties may include:

- Conducting media conferences and interviews
- Representing the Association at conferences
- Ensuring timely and accurate reporting to stakeholders
• Ensuring that the annual general meeting is held annually and chairing the meeting

Legal compliance

The Chairperson, subject to other delegations, is normally the person designated by the Board of Directors to sign contracts, the annual report, the business and strategic plan and other reports.

The Chairperson is responsible for ensuring that the following registers are reviewed at regular intervals for accuracy and compliance and that appropriate review mechanisms are applied:

- Compliance registers
- Accident/Incident/Near miss register
- Complaints and Feedback register
- Interests/Conflict of Interest register

Director’s professional development

The Chairperson is responsible for ensuring that all Directors receive induction training on commencement as a Director and annual education and training thereafter.

The Chairperson is also responsible for ensuring that there is a current succession plan in place for the Association.

Vice Chairperson

The role of the vice-chair person is to act in the position of the chairperson during any absence by the chairperson.

General Responsibilities

Secretary

The Secretary of the Association is responsible for ensuring that adequate documentation of the Association exists. This documentation includes legal identification papers, records of decisions, the membership register and other relevant documents required pursuant to the rules, bylaws, laws and policies of the Association.

Specifically, the secretary has the following responsibilities including:
• Ensuring that minutes of Board meetings are recorded accurately

• Providing copies of the previous meeting minutes at every meeting for ratification by the Board of Directors

• Lodging documents with the Commissioner

• Notifying the Commissioner of the details of the Association and Directors and any changes in Directors or the Public Officer

• Determining eligibility of members to vote

• Monitoring voting and appointing a returning officer

Accountability

The Secretary is accountable to the Board of Directors. Subject to the laws and bylaws of the Association and as authorised by the Board of Directors, these responsibilities may be delegated to the CEO, however the accountability for them remains with the Secretary.

Treasurer

The role of the treasurer is to:

• Ensure that the Association remains solvent at all times and that any pending budget issues that may result in non-compliance are immediately brought to the attention of the Chairperson and Board of Directors

• Present summary profit and loss statements to the Director meetings

• Review the monthly finance statements and notify the Board that the review has been undertaken and draw to attention any irregularities (this may be by email).

• Explain any budget under or over spend

• Ensure that the Directors are provided with a list of suitably qualified auditors from which a decision is to made annually on the appointment of an auditor

• Present the annual financial statements to the Directors
Accountability

The Treasurer is accountable to the Board of Directors. Subject to the laws and the Constitution of the Aboriginal Alcohol and Drug Service and as authorised by the Board of Directors, some of these responsibilities may be delegated to the CEO, however, the accountability for them remains with the Treasurer.

Staff Relations

The Association engages a CEO to manage the day-to-day operations of the Association. The Directors approve an organisation structure. The structure is to be complied with by the staff of the Association. Directors should refer all staff queries in respect to operational matters to the CEO. Concerns with management should be raised through the appropriate channels and according to the organisation structure.

Directors do not have authority to deal with staff or to direct staff in any matters outside the context of their designated authority and Directors must seek the approval of the Board of Directors to deal with staff.