

Understanding Your Role: A Guide for Community Centre Board Directors

Roles, Responsibilities and Best Practices



Community Centres SA
Strengthening Local Communities

Why Boards matter.

- Purpose: Strong governance, strategic oversight.
- Supporting community centre growth and sustainability.
- Creating positive community impact.





Role of the Board

The responsibility of the Board is to support the growth and sustainability of the organisation.

- Board members help develop long-term plans that address community needs beyond day-to-day operations.
- Resource development - The board may help secure funding, build partnerships, and identify services.
- Leverage their networks to support the centre's financial sustainability and growth through grant applications, corporate sponsorships, community fundraising events, and strategic alliances with other organisations.



Core Responsibilities of Board Directors

- Make decisions in the Centre's best interest.
- Responsible financial management.
- Governance and Risk.
- Maintain board and subcommittee minutes.
- Manage conflicts of interest.
- Legal compliance and protecting confidential information.

Making Decisions in the Centre's Best Interest

- Act with care and good judgement.
- Put the Community Centre's needs first.
- Align decisions with purpose and the strategic plan.
- Example: Fair process for selecting suppliers/contractors.
- Multiple quotes, clear documentation, avoid personal connections.

Responsible Financial Management

- Oversee the Centre's finances and resources.
- Review financial reports regularly.
- Ask questions until you understand.
- Carefully evaluate major expenses.
- Consider costs, risks and benefits before approvals.

Following Legal Requirements

- Ensure compliance with relevant laws.
- Maintain proper records and ensure contracts and agreements are current
- Keep accurate meeting minutes.
- Stay current with reporting obligations.
- When in doubt, ask questions!

Board Skills & Experience

- Include people who represent different parts of your Community.
- Consider age, cultural background, gender and lived experiences
- Different viewpoints help identify blind spots and opportunities
- Balance between professional expertise and community understanding
- Diversity helps ensure all community needs are considered



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BOARD AND MANAGEMENT DELINEATION



Strategic focus vs operational detail

- Boards should concentrate on long-term vision and policy direction while allowing management to handle daily implementation, ensuring decisions are made at the appropriate level of expertise and scope.
- Resource Development - The board may help secure funding, build partnerships, and advocate for support.



Board versus Management

- **Governance & Strategic Oversight**

Boards provide essential leadership and accountability, ensuring the organisation operates ethically while making informed decisions that align with its mission and values.

- **Avoiding Micromanagement**

Board interference undermines management authority and confuses staff about operational responsibility.

- **Respecting Professional Expertise**

Trust management's professional judgment in executing Board-approved strategies and policies.



Board versus Management

- **Clear chain of command**

Distinct roles prevent conflicting staff instructions, with the CEO/Manager as the primary board-operations link.

- **Legal & Fiduciary Boundaries**

Board involvement in management functions can compromise governance duties and create potential liability issues.

- **Efficiency and effectiveness:**

Both governance and management work better when focused on their core competencies, enabling more effective decision-making.



Conflicts of Interest

- **Be transparent about personal connections**

Always disclose any relationships, business interests, or personal connections that might influence your judgment on board matters, even if they seem minor.

- **Declare any potential conflicts:**

Speak up at the beginning of meetings or discussions if you have any interest - financial, personal, or professional - that could be seen as a conflict with the topic at hand.

- **Abstain from discussion and decision making when conflicted**

When you have a conflict, don't participate in the debate or vote on that issue - your role is to step aside and let others make the decision.



Conflicts of Interest

- **Step back from discussions where conflicts exist**

Physically remove yourself from the room or discussion when your conflict could influence the conversation, even if you're not voting.

- **Prioritise Centre interests over personal benefit**

Always ask yourself "What's best for the Community Centre?" rather than "What's best for me?" - your duty is to the organisation and community you serve.

Protecting Confidential Information

- Keep private information secure.
- Use information appropriately.
- Handle members details carefully.
- Maintain confidentiality of sensitive Board discussions.



The Importance of Board Diversity

- Different perspectives improve decision making.
- Consider varied professional, cultural and lived experiences.
- Include representatives from different community segments.
- Balance professional expertise with community understanding.





Board Diversity

- Board diversity isn't just about being inclusive - it's about making better decisions for your community.
- When you bring together people from different backgrounds, careers, and life experiences, you create a team that can look at issues from various perspectives and identify potential problems or opportunities that a more similar group might overlook.
- The key is finding the right balance between professional expertise and genuine community understanding, ensuring you have both the technical skills to govern effectively and the real-world knowledge to make decisions that truly serve everyone in your community.

Essential Board Skills around the Table

- Financial literacy (understanding budgets and reports).
- Industry knowledge (community services).
- Strategic planning ability.
- Risk Management experience
- Legal/governance background.
- Community Development expertise.
- Not every Director needs all skills, but Board should cover these areas.

Role of the Board Chair

- Leads the Board and connects with CEO/Management.
- Runs meetings efficiently and fairly.
- Ensures all Directors can contribute.
- Understands governance principles and boundaries.
- Resolves conflicts between Board members.
- Focuses Board on governance, not operations.

Effective Governance Practices

- Regular Board meetings with clear agendas.
- Minutes of the meeting are recorded and approved prior to the next board meeting
- Comprehensive governance policies.
- Clear Board Charter.
- Proper onboarding for new members.
- Annual Board performance reviews.
- Succession planning.



Effective Governance Practices cont.

- **Effective Board Governance** : Effective Board governance means having clear systems, policies, and processes that help the board make good decisions and fulfill its responsibilities to the community.
- **Board Charter**: A Board charter is the foundational document that outlines the board's purpose, responsibilities, and how it will operate - essentially the "job description" for your Board.
- **Governance Policies**: Governance policies are the written rules and procedures that guide how the board makes decisions, manages conflicts of interest, and handles key responsibilities like financial oversight.
- **Onboarding** means giving new board members the knowledge, relationships, and confidence they need to contribute effectively from day one.



Effective Governance Practices cont.

- **Succession Planning:** Succession planning ensures the board has a strategy for recruiting new members and transitioning leadership roles, so the organisation continues smoothly when people step down.
- **Annual Board Reviews:** Annual Board reviews give the board a chance to honestly assess how well it's performing, identify areas for improvement, and make sure it's still meeting the community's needs effectively.
- **Minutes of the Board Meeting:** Minutes are the official written record of what was discussed, what decisions were made, and what actions were agreed upon during each Board meeting - they serve as both a legal document and a reference for future decisions.



Practical Tips for New Directors

- **Ask questions when you don't understand:** There's no such thing as a silly question - if you're confused about something, chances are others are too, so speak up and ask for clarification.
- **Review materials before meetings:** Reading the agenda, reports, and supporting documents beforehand means you can contribute meaningfully to discussions instead of just catching up during the meeting.
- **Participate actively in discussions:** Your voice and perspective matter - share your thoughts, ask follow-up questions, and engage with the issues rather than sitting quietly on the sidelines.



Practical Tips for New Directors

- **Maintain professional boundaries:** Keep Board discussions confidential, avoid conflicts of interest, and remember you're representing the whole community, not just your personal interests.
- **Commit appropriate time to your role:** Being a Board member isn't just about showing up to meetings - factor in preparation time, committee work, and community events when considering your commitment.
- **Seek mentoring from experienced Directors:** Partner with a seasoned Board member who can help you navigate the culture, understand the unwritten rules, and build your confidence in the role.



How to Secure your First Board Role

- You do not need a qualification to join a Board though many boards require that you are **AICD accredited**. (Australian Institute Company of Directors).
- Must be over 18 years old.
- Not insolvent or under administration.
- Not disqualified under the organisation's Constitution.



How to Secure your first Board Role

- Evaluate your qualifications and skills.
- Have a prepared Board CV detailing your experience and areas of interest eg it could be bringing : Financial skills, Marketing, Diversity, Sector experience, Strategic thinking etc.
- Organisations like the AICD and Directors Australia offer platforms to connect with Board positions.
- Apply for position advertised in social media eg LinkedIn, sector news, Board recruiters marketing campaign organisations website.
- If you know the Chair of the Board or a Board Director have a conversation with them and explain why you are interested in a board position.



Prepare for Interviews

- You need to be thoroughly prepared – able to define the value you will bring to the Board and the organisation.
- Research the organisation, its mission and its challenges.
- Be ready to discuss how your skills and experiences align with their needs and why you want to join the board.
- Emphasise your ability to contribute to the Board's strategic goals, governance, and oversight.
- Be persistent.



Questions to Ask Before Joining

- Is there a clear strategic plan?
- What are the organisation's main challenges and opportunities?
- How is the board structured and what committees exist?
- What time commitment is expected?
- Is Director insurance and indemnification provided?
- How are Directors evaluated and what ongoing education is provided?
- What is the organisation's financial position ?
- Are there any current or potential legal issues?



Personal AI & Cybersecurity Governance

Password & Account Security

- Use unique, strong passwords for all Board-related accounts.
- Use a reputable password manager to generate and store secure passwords.
- Never share login credentials.
- System, phone and app updates: regularly update.
- Regularly update your passwords and don't use the same password for multiple websites and apps.



Personal AI & Cybersecurity Governance

Artificial Intelligence – AI | Tools Usage Guidelines

- Never input confidential board information into public AI tools – only use approved tools you subscribe too. Don't use 'free' versions.
- Understand what data AI tools retain and how they use your inputs.
- Use only organisation-approved AI tools for Board-related work.



Resources

- AICD: Australian Institute of Company Directors : <http://www.aicd.com.au>
- Institute of Community Directors Australia:
<https://www.communitydirectors.com.au/>
- Subscribe to their newsletters and follow them on LinkedIn.



Your Board CV

- There's a vast difference between the curriculum vitae (CV) that will get you that top Management position and the right CV to secure a Board appointment.
- Your CV as a Director needs to highlight your strengths in the area of governance, your point of difference in a hotly contested market for Board positions, and why you will be able to help the company meet its most pressing challenges, solve a particular problem or help shepherd the business on the right path to growth.
- The right combination of skills will depend on your particular strengths and what the company needs to take it forward.



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Board Bio Online Reference

ENHANCE CV - Developing you Board CV: 'Enhance CV'.

<https://enhancv.com/resume-examples/board-of-directors>



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Being a Director is both a privilege and a responsibility.
Take time to understand what you're committing to, ensure you have the right support and protection, and always act in the best interests of the organisation and its stakeholders.

Conclusion

- Your role combines professional governance with community service.
- Your diverse skills strengthen the Centre.
- Working together effectively supports community needs.