



Detailed Summary: Duties and Responsibilities of the Not-for-Profit Director

Session Overview

Purpose: To educate board observers and aspiring directors on governance responsibilities in the not-for-profit (NFP) sector.

Facilitators: Cathy Robinson (CEO, The Observership Program), Phil Butler, AICD, Trent Bartlett, AICD and Sally Howe, AICD.

Speaker Introductions

Phil Butler: Governance expert and long-time supporter of the Observership Program.

Trent Bartlett: Chair of Rocky Bay Ltd, with extensive governance experience.

Sally Howe: Non-executive director with a background in health, sport, and aged care.

Key Themes & Insights

Role of the Board

Governance is the separation of ownership from control. Boards must understand their constitution and define reserved matters.

Governance vs. Management

Directors must maintain a strategic view while understanding operations and regulatory frameworks.

Subcommittees

Subcommittees provide structured reports and recommendations. Inclusion of independent experts adds value.

Culture & Values

Boards are custodians of culture. Site visits and surveys help maintain alignment. CEO selection is crucial.

CEO-Board Relationship

Should be supportive but not overly familiar. Constructive skepticism and trust are key.

NFP vs. Commercial Boards

NFP boards are purpose-driven. Decision-making reflects mission and public benefit.

Conflicts of Interest

Must be declared and managed transparently. Standing registers and clear policies are essential.

Due Diligence for New Directors

Understand board composition, culture, and risk appetite. Review governance frameworks and insurance.

Small NFPs & Volunteer Boards

Governance must be fit-for-purpose. Consider merging or winding up if unsustainable.

Board Evaluations

Should be conducted annually with deeper reviews periodically. Must be psychologically safe and confidential.

Closing Remarks

Cathy Robinson emphasized the value of the partnership with AICD and encouraged observers to revisit the session recordings. Attendees were reminded to reach out to state coordinators for support.