



Australian
Charities and
Not-for-profits
Commission

Welcoming new Responsible People to your charity

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acnc.gov.au/webinars



- What is a Responsible Person?
- Governance Standard 5 and the duties of Responsible People
- Inducting and welcoming your new Responsible Person

On the
agenda

A rolled-up piece of light blue paper is positioned on the left side of the image. The background is a solid teal color, and a horizontal tear in the paper reveals a light orange layer underneath. The text "What is a Responsible Person?" is written in a bold, blue, sans-serif font across the orange layer.

What is a Responsible Person?

A decorative graphic featuring a cluster of blue dots of varying sizes in the upper left, a blue ribbon with a yellow-to-green gradient looping in the upper right, and a blue arrow pointing downwards from the text box, surrounded by more blue dots at the bottom.

A Responsible Person is
someone responsible for the
overall direction of the charity.

What is a Responsible Person?

Generally, Responsible People are those who are on charity's board or committee, or who serve as trustees.



What is a Responsible Person?



Just a reminder ...

- Not all charity members are Responsible People.
- Not all people who attend charity meetings are Responsible People.
- Don't list all charity members as Responsible People on the ACNC Charity Register.

What is a Responsible Person?

Responsible People have certain duties they need to fulfil as part of their role.

They include:

- Ensuring their charity is run properly.
- Ensuring their charity is run in line with ACNC Governance Standards.





ACNC Governance Standards

There are six Governance Standards. They:

- require a charity to remain charitable, operate lawfully and be run in an accountable way
- aim to help maintain public trust and confidence in charities.





**So what does Governance
Standard 5 cover?**

Governance Standard 5
spells out the duties that
Responsible People have
when running a charity.

Governance Standard 5

For Responsible People to act with reasonable care and diligence

- Staying updated and informed
- Attending meetings where required
- Seeking more information where required
- Making informed decisions



Governance Standard 5

Act honestly and fairly, in best interests of charity and for its purposes

- Place the charity first
- Interests of charity about their own personal interests - wearing 'charity hat'
- Work towards what charity has been set up to achieve



Governance Standard 5

Do not misuse their position or information gained as a Responsible Person

- Again, wearing your 'charity hat'
- Don't use 'charity information' for personal or professional gain
- Don't misuse 'charity information'



Governance Standard 5

Conflicts of interest must be addressed

- Must be identified and properly disclosed
- Not for Responsible Person themselves to judge if something is a conflict of interest
- Independent observer test



Governance Standard 5

Conflicts of interest must be addressed

- Identify, then declare
- Accurate, accessible and open. Conflict of Interest Register is vital
- Decision making processes can vary



Governance Standard 5

Ensure charity's financial affairs are managed responsibly

- Read financial statements and ask questions
- Have a 'curious mind'
- Know charity's anti-fraud measures and financial controls



Governance Standard 5

Do not allow charity to operate while insolvent

- If a Responsible Person reasonably suspects a charity is insolvent, they should take all reasonable steps to prevent the charity taking on more debt.



Remember our resources

Governance Standard 5 and the duties of Responsible People:

www.acnc.gov.au/Standard5-Duties

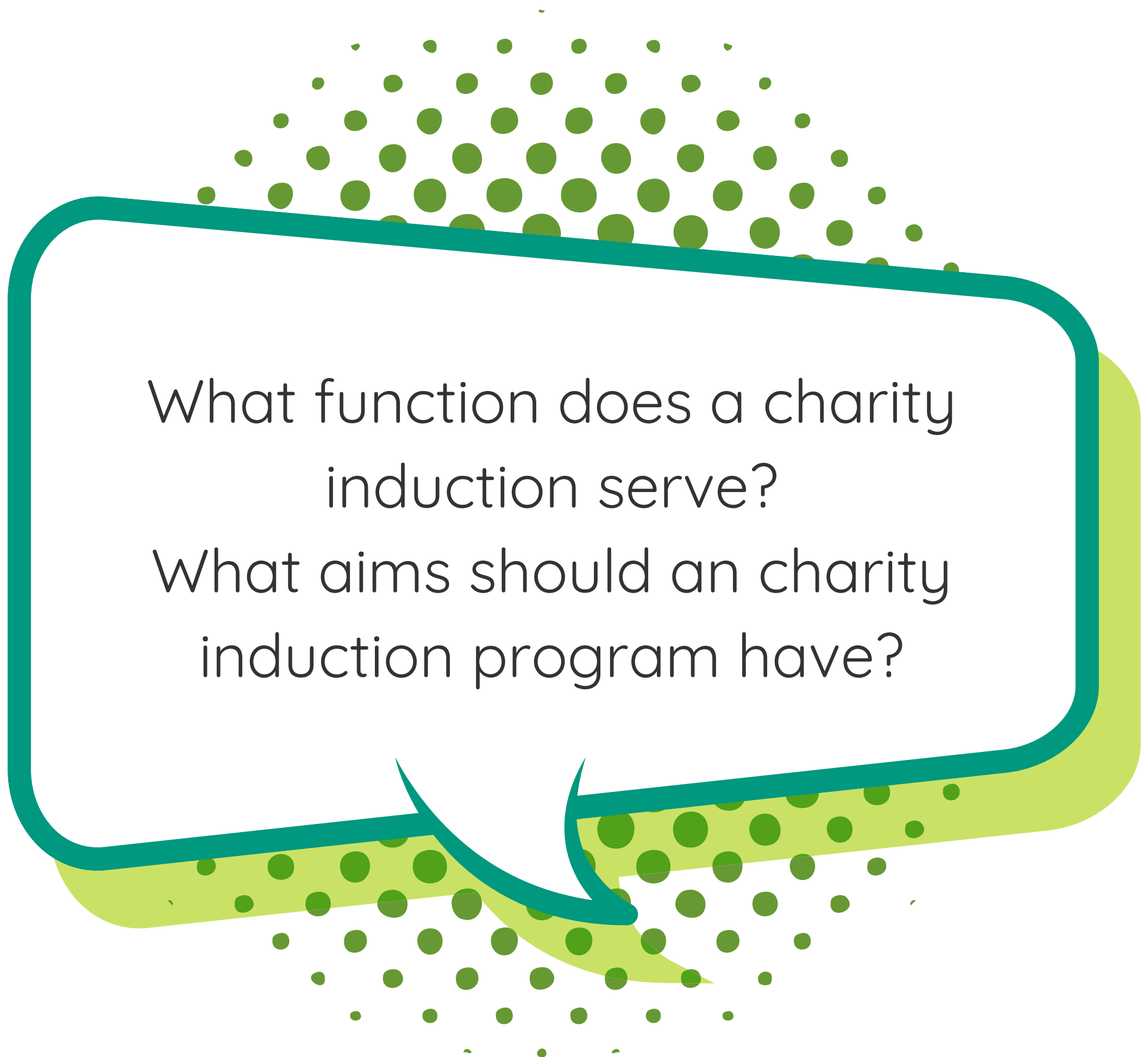
Template letter of appointment for new Responsible People:

www.acnc.gov.au/templates

Self-evaluation for charities:

www.acnc.gov.au/selfevaluation





What function does a charity
induction serve?
What aims should an charity
induction program have?



Taking aim and

hitting the target



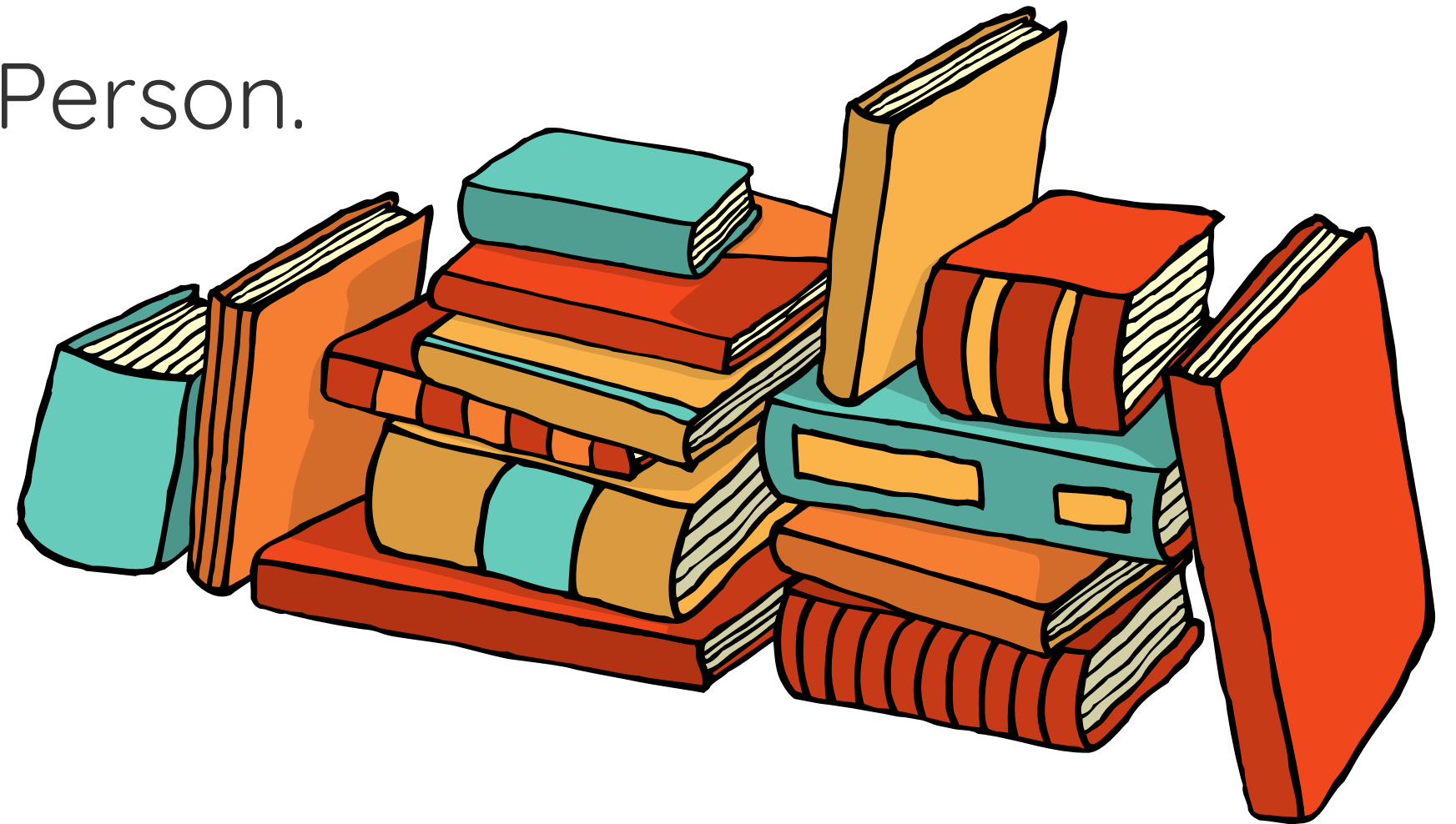
Hitting the target - foundation stone

Induction programs should form a reliable **foundation stone** that Responsible People can base their role on and and build around.



Hitting the target - guidebook

An induction program should be a **guidebook** and reference point to the role and duties of a Responsible Person.



Hitting the target - launching pad

An induction program should be a **launching pad** that helps Responsible People jump into their role and hit the ground running.



Hitting the target - team builder

Inductions are **team builders** too. They should build a sense of team and make Responsible People feel part of the group.



Features of a winning charity induction



Charity induction - features



Who is responsible for induction?

- Can be one person or a team effort

Welcoming letter:

- Is a basic starting point
- Can be a cover letter for larger welcome pack

Charity induction - features



Welcome pack contents:

- Basic charity documents - including charity governing document and administrative detail
- Policies and procedures - key information on charity rules, what guides the charity and how it does its work
- Information on ACNC Governance Standard 5

Charity induction - features

Welcome pack contents:

- Important documents - legal documents, as well as annual report, strategic plan, financials
- Access information - passwords/logins
- Contact names and numbers



Charity induction - features



Welcome pack contents:

- Step-by-step walkthroughs or instructions for important charity tasks
- A list of things your charity is currently doing online or remotely

**Get this pack to new Responsible People quickly.
And keep it up to date.**

Charity induction - features

In-person welcome:

- In-person might mean 'in-person' or, right now, it might mean 'virtual'
- Maybe a online catch-up for the group - including new Responsible People - is an idea too


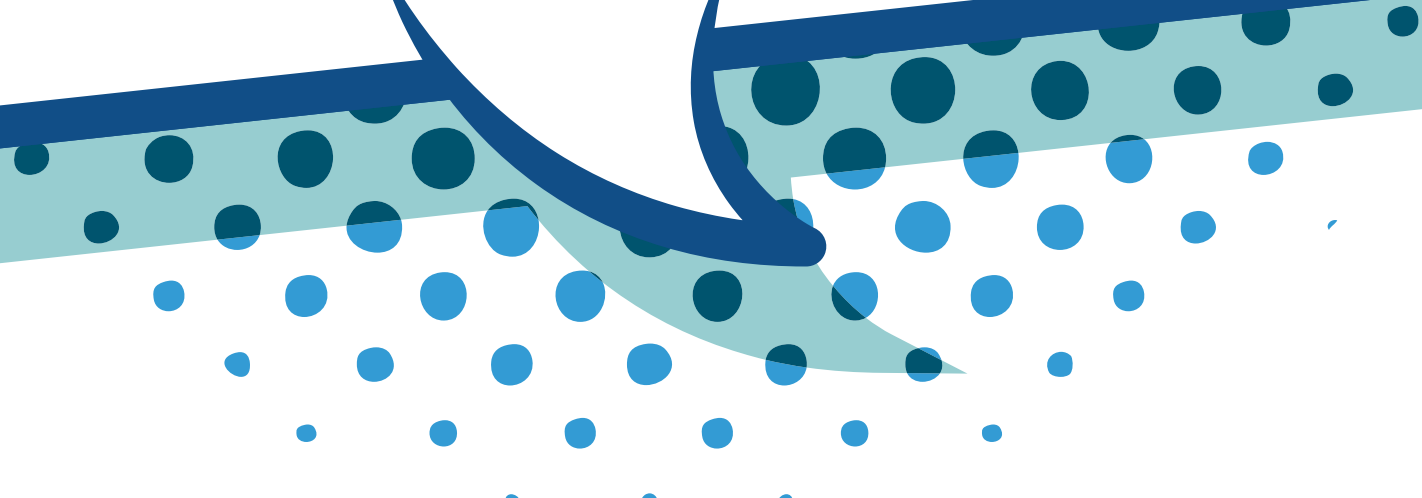
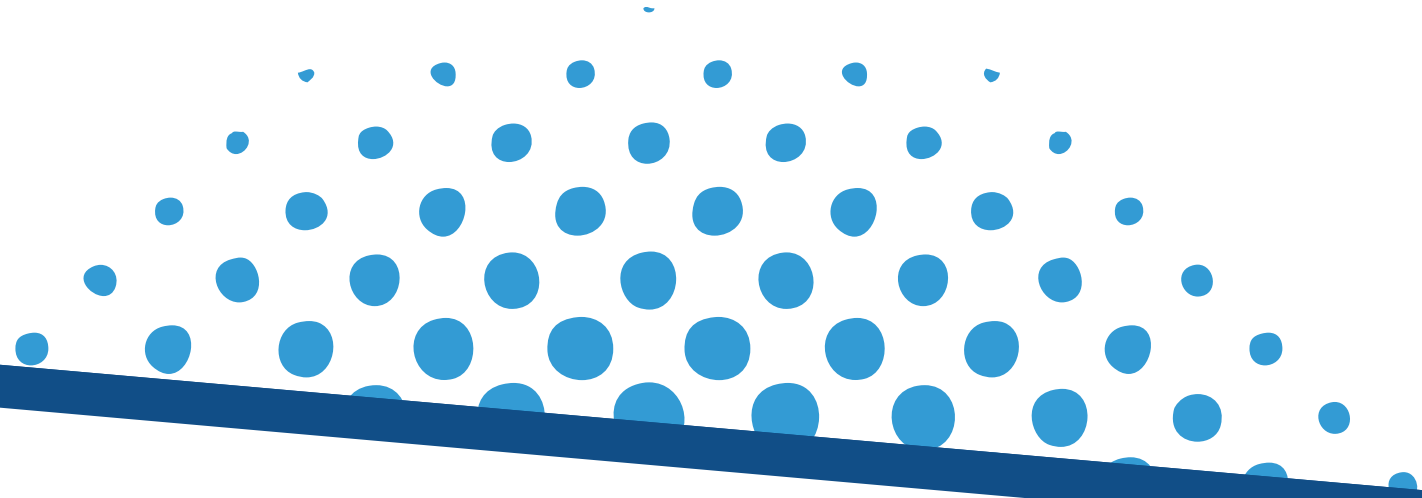


Charity induction - features



In-person welcome:

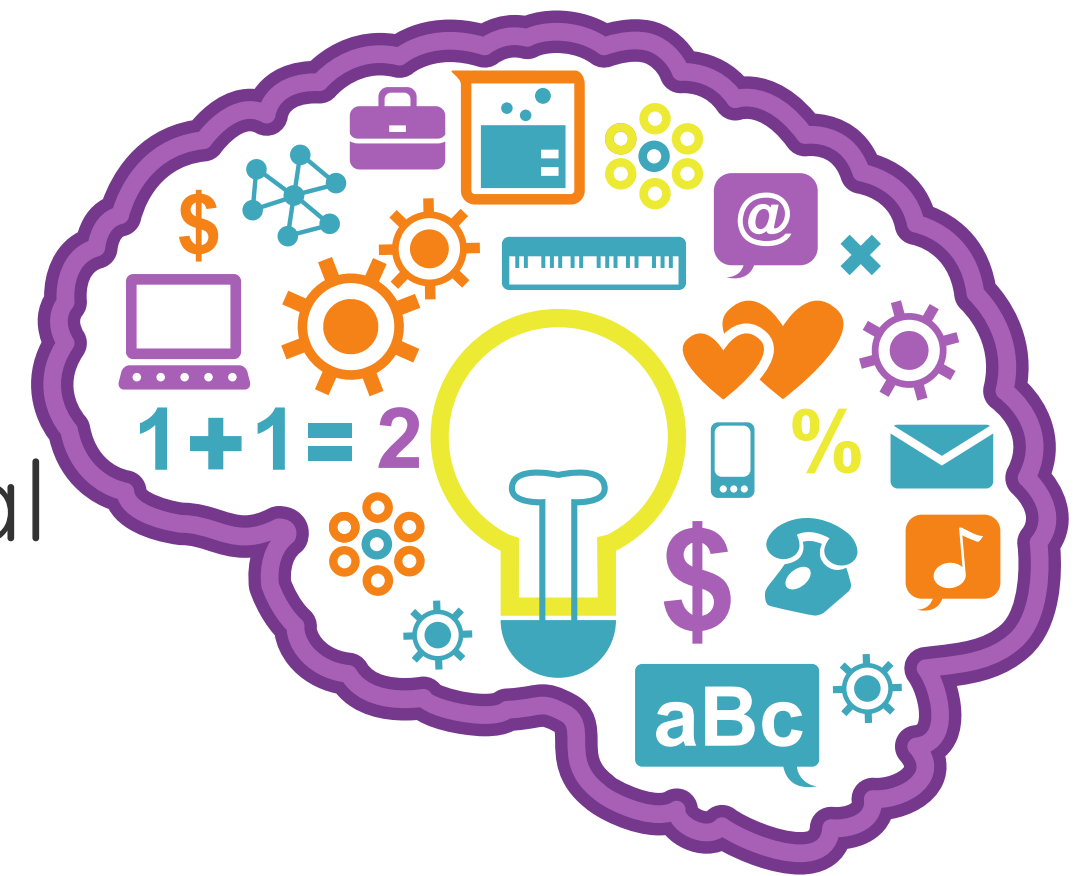
- Emphasise points of contact
- Convey knowledge a new Responsible Person needs from a specific person, or about a specific role
- Clarity on specific roles and expectations



Information delivered through
your induction process should
aim to build on pre-existing
skills and knowledge.

Pre-existing skills and knowledge

- Interpersonal and other skills
- Comprehension skills leading to informed decision making
- Basic awareness around risk management
- Working knowledge of organisational structures and frameworks



Here's the combo ...

Great induction + Solid pre-existing skills

+ Decent amount of common sense



A Responsible Person
ready to contribute



TIP S

Things to remember



Governance Standard 5 should be a key part of any induction.



Be clear on who at your charity is actually responsible for inducting new Responsible People.



Things to remember



Foundation stone, guidebook,
launching pad and team builder.



Keep the information in your
welcome pack up to date.



Things to remember



Relevant and effective in-person welcomes are an important part of induction too.



Remember the combo!





Stay in touch

- Web guidance and publications
- The Charitable Purpose e-monthly
- Webinars - acnc.gov.au/webinars
- Podcasts - acnc.gov.au/charitychat
- ACNC Advice Services: advice@acnc.gov.au

 facebook.com/acnc.gov.au

 [@acnc_gov_au](https://twitter.com/acnc_gov_au)

 youtube.com/ACNCvideos



Thank you

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Questions, comments, feedback:
education@acnc.gov.au

