



# CommitteeMembers Guide

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# Welcome to the **2018 New** Committee **Members** Guide



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**DISCLAIMER:** The information contained in this publication has been prepared as general information only. It is not intended as a substitute for legal or professional advice relating to your specific circumstances. CCSA, its employees and agents shall not be liable for any loss or damage incurred as a result of any reliance upon the information in this publication.

The 2018 Committee Members guide makes essential reading for anyone involved in a group governing the management of early childhood education services. Whether you are new or experienced, this guide outlines the key information you need to operate effectively to get the best outcomes for your service. The Guide covers:

- Roles and responsibilities
- What to do after your AGM
- Meeting procedures
- Understanding your funding arrangements
- Funding contracts
- The National Quality Framework
- The Australian Charities and Not-for-Profit Commission
- Fundraising
- Effective policies
- Delegations policy

We encourage you to take the time to read through this Guide it as it contains current information based on our years of experience supporting early childhood education and care services.

Of course, our support doesn't stop with the guide. As a CCSA member, your service has access to a wealth of online resources via our members dashboard on our website at <https://www.ccsa.org.au/>. For specialised advice, members also have direct telephone access to our sector experts via the Member Infoline on 1800 991 602. Either way CCSA will always be your partner in management.

All of us at CCSA wish you every success in your role as a committee or board member and remember, and remember that help is only a phone call away.

\*For ease of reading we have used "committee" to describe the governing body of a community based organisation. Some services may use other terms such as "board of management" to describe the same thing.

# Roles and Responsibilities of Committee Members

## What is community management?

Community-owned children's services are non-government, non-commercial providers that reflect the needs of their community within the guidelines of good practice, as outlined by legal, ethical and community sector requirements. Services that are managed by the community can make decisions that reflect their community, be responsive to their community, and develop social capital by building connections, relationships and networks for families. The management committee is made up of representatives of that community.

In your role as a committee member your contribution is vital, not only to your service, but also to the principles of community management and ownership.

## What is the overall role of the committee?

The role of the management committee is to provide the overall governance and management of the service. Good governance supports the purpose of the service – which is to provide quality outcomes for children and families in the community. This purpose should underpin your thinking when making decisions as a committee member, and you must be aware that as a committee member you are representing the community, not yourself.

Your service's constitution provides the legal framework and foundation for your service's governance arrangements. The constitution is a legal document that sets out:

- your organisation's 'objects' or purpose
- how the organisation meets the legal definitions to be a not-for-profit and/or charitable organisation
- how to become a member of the organisation (if the organisation has members)

- how the committee is elected and constituted including roles of other office bearers and what is a quorum at meetings
- the role of the public officer
- when and how meetings are to be held.

Your constitution refers back to the relevant Act and Regulations depending on whether you are an Association, Co-operative or Company Ltd.

Every committee member should be provided with a copy of their service's constitution. And, like all legal documents, committees must comply with their constitution at all times.

In the early childhood sector, committee members are also:

**The Approved Provider of the service:** with responsibilities to the regulatory bodies that oversee education and care services.

**The Employer of the service:** with responsibilities to a range of industrial legislation covering employer responsibilities and employee entitlements.

**The Financial Manager of the service:** with responsibilities to the Australian Tax Office as well as to your State and/or Commonwealth funding bodies.

**The Business Planner and Strategist of the service:** seeking to ensure a sound future for the service through research, planning and policy making.

The committee also oversees the work of the director, who is appointed by the committee to manage the day-to-day operations of the service in line with the strategic plan and policies set by the committee.

Some of the issues a committee is likely to deal with include:

- compliance with local, state and national government laws regarding the operation of the service
- staff and employment issues
- meeting the requirements of the National Quality Framework including overseeing the development and implementation of the service's Quality Improvement Plan
- financial matters including approving and monitoring the budget, setting fees, ensuring funding requirements and financial obligations are met
- marketing, promoting and fundraising for the service.

Though the job of being on a committee may appear daunting, access to information and well established processes can make the role less complex than it appears. Most committee members report that the experience is positive. It can be very rewarding to know that you have played a part in developing high-quality services for your community while meeting new people and developing your skills.

### **What are the key responsibilities of the different committee members?**

Your committee will be made up of ordinary members as well as office bearers. All committee members, regardless of whether you are an office bearer or not, share the legal responsibility for the management and control of the service.

Office bearer positions include:

**The President or Chair:** responsible for the leadership of the committee, liaison with the director and, often, public relations.

**The Vice-President or Vice-Chair:** supports the role of the President and acts in their absence.

**The Secretary:** prepares and circulates meeting agendas, keeps an accurate record of meetings, circulates the minutes of meetings, and reports on and responds to correspondence on behalf of the committee.

**The Treasurer:** ensures that the service prepares an annual budget, that profit and loss is monitored, and that correct accounting procedures are in place. The Treasurer presents financial reports to the committee meetings and presents the annual financial statement and auditors report at the Annual General Meeting. In most services, day-to-day financial administration will be delegated to the director and a bookkeeper/administration position.

For more detail on the roles of office bearers, go here <https://www.ccsa.org.au/member-article/roles-and-responsibilities-of-the-committee/>

Although the office bearers may hold specific roles under your constitution, ALL members of the committee are responsible for the management and operation of the service. Therefore, ALL members of the committee should be involved in decision-making.

### **What are my responsibilities as a committee member?**

Your responsibilities as a committee member include:

- attending committee meetings, and taking an active part in discussion and decision making
- having a working knowledge of the service's constitution, policies, procedures, Quality Improvement Plan (QIP), strategic and/or business plans
- acting in the best interests of the service rather than your own personal interest
- being accountable for all committee decisions
- always declaring any potential, perceived or real conflicts of interest
- maintaining confidentiality
- ensuring any information gained through your position is used properly and in the best interests of the service
- ensuring that the service does not incur expenses or liabilities it cannot meet
- accepting the decisions of the committee
- developing and maintaining strong links with the local community.

These responsibilities are drawn from common law provisions which are now embedded in legislation covering the legal and governance requirements of associations, co-operatives, companies and registered charities. For more information go here <https://www.ccsa.org.au/content-type/governance/>

### **What is the relationship between my role and the Director?**

To ensure that the service is able to meet the overall objectives set by the committee, a director is employed to manage the day-to-day operations of the service. While the director does not have voting rights at committee meetings, they are an integral part of the service's leadership team.



The director:

- manages the day-to-day operations of the service, including managing staff
- provides relevant and up-to-date information to the committee to assist them in their decision making
- works in partnership with the committee to achieve the service's mission and purpose
- reports to the committee on progress against the service's strategic plan.

The committee has overall longer-term strategic and governance responsibility, and the director has operational responsibility on a day-to-day basis. The director will lead curriculum development and implementation, and is responsible for on-site management.

The committee and director need to be appropriately encouraged, resourced and supported by each other, and both roles must be respected and acknowledged, to create an effective working relationship.

### Will I be liable for losses?

One of the most common concerns for a new committee member is whether they could be held responsible for the debts or liabilities of the organisation if something goes wrong. One of the benefits of being an incorporated organisation is that members and office bearers are not generally liable for debts or liabilities incurred by the organisation.

However, incorporation does not provide protection for committees who act outside the framework and capabilities of the organisation. Committee members are required to fulfil their role to the best of their ability. Where a committee member is negligent, does not act in good faith, or deliberately ignores the rules and procedures of the organisation, they can be found personally liable for any resulting loss or damages.

### Where can I get help?

Being a committee member can seem like a big responsibility – but as a member of CCSA you have the advantage of access to the CCSA Management Infoline and members-only website. We provide expert information and guidance, and can support you and your committee to operate as effectively as possible. ■



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# What to do after your Annual General Meeting

After a community-based early childhood service has its Annual General Meeting (AGM), there are several notifications, checks and forms that must be completed. These are legal requirements as set down by NSW Department of Education, NSW Fair Trading, the Australian Taxation Office (ATO) the Australian Business Register (ABR) and, if applicable, the Australian Charities and Not-for-profits Commission (ACNC).

**Note:** *this information applies to requirements in New South Wales. Please contact us if you require further information for other states and territories.*

*\*This guide is correct at the time of printing. Check your compliance with the relevant authorities at the time of your AGM. Contact CCSA if you need help.*

## Responsibilities as an Approved Education and Care Service

### Provider Approval Notifications

All notifications and forms must be submitted using ACECQA's National Quality Agenda IT System (NQA ITS) portal at <https://public.nqaits.acecqa.gov.au/Pages/Landing.aspx>

Declaration of fitness and propriety (Form PA02) can be found here <https://www.acecqa.gov.au/resources/applications>

This must be completed by all new committee members. Committee members who are continuing from the previous year and have already met these requirements do not need to re-submit these documents.

Must be lodged within 7 days. This form is compulsory for

- an individual provider applicant, or
- all persons with management or control in the case of an entity provider applicant (eg all committee members of an Incorporated Association).

NSW applicants are also required to complete a Working With Children Check here <https://www.kidsguardian.nsw.gov.au/child-safe-organisations/working-with-children-check> and a Criminal History Check here <https://www.nationalcrimecheck.com.au/>

### Notification of change to information about approved provider.

Must be lodged within 14 days.

This information is to be submitted through the NQA ITS portal. There is no form to complete.



You can view the notification types and timeframes on the ACECQA website here.

<https://www.acecqa.gov.au/resources/applications/notification-types-and-timeframes>

### Responsibilities as an Incorporated Organisation

- Within 30 days of your AGM, submit your organisation's Annual Summary of financial affairs (Form A12) to NSW Fair Trading (for incorporated associations) or annual return fee as invoiced by the ASIC on your annual statement (for companies).
- If the public officer has changed, complete the appropriate notification to NSW Fair Trading (Form A9) or ASIC (Form 484) within 28 days of the change.

You can find Fair Trading forms here

[http://www.fairtrading.nsw.gov.au/ftw/About\\_us/Our\\_services/Forms/Associations\\_forms.page?](http://www.fairtrading.nsw.gov.au/ftw/About_us/Our_services/Forms/Associations_forms.page?) and ASIC

forms here <http://asic.gov.au/regulatory-resources/forms/>

### Responsibilities to the Australian Taxation Office and Australian Business Register

Ensure your registered business details are up to date, including your authorised contact person. This is particularly important should you need to discuss your AUSKEY.

Must be advised within 28 days.

Information required includes changes to your:

- entity name or registered business name
- authorised contact person
- postal, email or business address
- associates
- main business activity
- ACN or ARBN
- Public Officer (this is the person registered with the ATO, not necessarily the person you have registered with Fair Trading)
- name of trustees
- financial institution details.

Find out how to update your information on the ATO website here <https://www.ato.gov.au/Business/Registration/Update-your-details/> or see the Australian Business Register here <https://abr.gov.au/>

### Other contact details and authorisations to update

- If necessary change your service's bank account signatories.
- If necessary update your Responsible Persons and any changed contact details with the Australian Charities and Not-for-profits Commission (ACNC) through the ACNC Portal at [www.acnc.gov.au](http://www.acnc.gov.au)
- Provide all committee members with the login details for the CCSA website, and go to <http://eepurl.com/wmkHL> or contact CCSA here <https://www.ccsa.org.au/contact/> to subscribe all committee members to CCSA's fortnightly eConnect newsletter. ■

# Meeting Procedures

As a committee member, you will be expected to regularly attend committee meetings, taking an active part and listening to other committee members. Your role at these meetings is to take a broader view and independently represent the best interest of the service, the management committee, parents and carers, educators and children, and the broader community. Sound meeting procedures ensure effective use of time and encourage committee members to attend. The following is designed to assist in the preparation and smooth running of your meetings.

Your organisation's constitution will usually indicate the minimum number of general and committee meetings to be held each year. If not, it is important to determine the number and types of meetings that your service needs to hold. This may be done by looking at the current custom and practise and determining whether or not this is meeting the needs of the service.

When holding a meeting it is important to be aware of:

- the quorum (the minimum number of members required to hold the meeting)
- who has voting rights
- procedures for dealing with confidential items.

## The Agenda

The agenda provides a framework for meetings by identifying a list of items to be discussed. It gives direction to the meeting and enables time to be kept. Ideally, agendas should be circulated prior to the meeting, so committee members and other interested people know what will be discussed.

There are many examples of agendas which could be adapted to the needs of your service. They can be more or less complex, depending upon the type of meeting.

The sample agenda below can also be adapted for an AGM by inserting a motion regarding the nomination of a returning officer and making provision for the election of officer bearers.

Preparation of the agenda is usually the responsibility of the president/chairperson or the secretary in consultation with the director, staff and other committee members.

If the agenda is lengthy, then items should be prioritised at the start of the meeting, to ensure important issues are adequately addressed and given sufficient time. An agenda should only be altered at a meeting by a motion of amendment that is voted on and approved by the attendees.

## Sample Agenda

Type of Meeting (select one of these):

- Annual General Meeting (AGM)
- General Meeting
- Committee Meeting
- Executive Committee Meeting
- Special General Meeting

Date

Venue

Start and Finish Time

Open Meeting – Welcome & Acknowledgement

Attendance

Apologies

Declaration of conflict of interest

Confirmation of previous minutes

Business arising from the previous minutes

Correspondence

- Incoming
- Outgoing

Reports e.g.

- President
- Treasurer
- Director
- Sub-committee/s or working parties

Issues for discussion

Matters for information only

Any other business

Next meeting (time/date/venue)

## The role of the chairperson

Each meeting requires a chairperson (usually the president or, in their absence, the vice president).

The chairperson should come to meetings prepared.

They need to:

- understand the constitution, particularly in relation to the conduct of meetings
- identify the purpose of the meeting
- have a pre-planned agenda but be prepared to make adjustments (with the approval of the meeting)
- have all relevant material at hand (minutes of previous meeting, copies of reports, etc).



During the meeting the chairperson needs to:

- provide direction, keep the meeting relevant and in accordance with agreed time
- remain impartial, and avoid leading the meeting from the chair ( if the chairperson holds a strong viewpoint on an item and wishes to participate in the discussion, they should allow another member to chair that particular part of the meeting)
- provide opportunities for participation from all who are in attendance
- be aware of individual needs within the group (eg. people who have English as a second language, nervous speakers, etc)
- where conflict occurs, it should be acknowledged but not allowed to dominate, and be prepared to mediate by allowing each person to present their point of view
- move the meeting forward by calling for motions after a reasonable discussion period
- ensure that all voters understand all motions that are put to the meeting
- ensure that motions are recorded accurately and reflect the intentions of the mover and seconder
- if the motion prescribes an action, the chair should call for or nominate a delegate to carry out the task.

It is important to remember that while the chairperson provides leadership and direction within the meeting, there is an onus on all of those present to take responsibility to ensure the success of the meeting and progress through the agenda.

## Minutes

Each meeting also requires a minute taker (usually the secretary or another nominated individual).

Minutes are a concise and accurate record of decisions resolved at the meeting. They are extremely important as they are the only evidence on which committee members can rely to demonstrate that the committee has made its decisions correctly (even if the result of a decision does not work out as expected). They comprise the recorded history of the service. Minutes should include:

- copy of the agenda
- date and commencement time of the meeting
- the name of the chairperson
- venue (if place varies)
- attendees
- apologies
- a motion regarding confirmation/acceptance of previous minutes as a true and accurate record, or notes as to where previous minutes should be amended

- business arising from the minutes
- record of correspondence (incoming and outgoing)
- summary or complete reports presented at the meeting
- items of general business (include a brief appropriate summary of discussion and exact record of any decision made)
- the time meeting closed.

In the past, decisions were recorded in the form of motions with a mover and a seconder. Current recommended practice is that at the start of a meeting the minutes note that ‘all decisions of the committee are unanimous unless specified otherwise’ and then list each of the committee members names in attendance. However you must note if someone opposes or abstains from a decision. The minutes should also identify who is responsible for actioning the decision where appropriate.

To assist in the recording of minutes:

- record minutes in a standard format – use the agenda points as headings
- keep minutes brief and succinct
- if the meeting moves ahead, request the chairperson to pause until the minute taker has caught up
- minutes should be written up as soon as possible after the meeting.

Distribution of the minutes varies from service to service, however they must be open to inspection by all members of the association. Therefore it is important to be aware of how sensitive and confidential issues are recorded in the minutes.

## Confidentiality

Unfortunately, it often seems the more difficult the decision, the more sensitive the information on which it is based. It is essential to keep accurate minutes, but the Committee must also manage its obligations regarding confidentiality and privacy. For these reasons, the committee may refuse to permit a member of the association to inspect or obtain a fully copy of records that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interest of the association. However, the committee may allow limited access.

For example, the committee may allow a person to inspect part of the records by removing parts or redacting them so that sensitive information can be protected from view. (To redact is to take a copy of the minutes and blackout the lines and phrases which would breach any privacy or commercial-in-confidence obligations the committee has). ■

# Understanding your service's funding arrangements

ECEC services receive their income from two primary sources: **parent fees** and **government funding**.

Some services also generate income through fundraising. However, as fundraising income can vary greatly, it should not generally be used to cover a service's core operating expenses.

The government funding your service receives will largely depend on whether your service is:

- A long day care style service (operating 48 weeks or more per year and at least 8 hours per day).
- A preschool or similar service (generally operating school terms although recent changes to funding arrangements are changing this in some locations).

## **Long day care style services (Australia Wide)**

In the case of long day care and similar services, the Australian Government provides subsidies to reduce parent fees through:

- Child Care Benefit (CCB) - this is based on a family's income and is usually paid directly to the service to reduce a family's fees.
- Child Care Rebate (CCR) – this allows a family to claim a rebate on their out-of-pocket child care expenses and may be claimed directly by families or paid to the service to reduce the family's fees.

Other long day care style services, such as out of school hours care and vacation care, may also receive funding from the Australian Government through the Community Support Program.

From 2 July 2018, the current funding arrangements will be changing with the introduction of the Australian Government's new Child Care Package for Approved

Child Care Providers. This package includes the new Child Care Subsidy, which replaces the Child Care Benefit and Child Care Rebate. The Child Care Package also includes new eligibility requirements for families to receive the Child Care Subsidy as well as changes to the administrative arrangements for the payments of the Child Care Subsidy.

All Approved Child Care Providers should be preparing for transition to the new system. New committees should receive a briefing from their directors about how their service is managing this change as well as an assessment on what impacts, if any, this will have on your service. More information is available on the Australian Government's website: <https://www.education.gov.au/ChildCarePackage>. CCSA will also be providing regular updates through our e-newsletter eConnect. Go to <http://eepurl.com/wmkHL> to sign up your committee members to receive our fortnightly eConnect.

## **Preschools and similar services**

**(based in NSW, for other states please contact CCSA's Management Infoline)**

Preschools and similar services, such as mobile services, are funded by the NSW Government through the Department of Education (DoE). The NSW Government's **Start Strong** funding arrangements aim to increase the number of children who are accessing 600 hours of preschool in the year prior to starting school. Through Start Strong, NSW aims to meet the Council of Australian Governments' objective of 'universal access' for all four-year-olds to early childhood education.

In NSW preschools receive a base rate of Start Strong funding based on the SEIFA (Socio-Economic Indexes for Areas) score for the suburb in which your service is located.



In addition to the base rate of funding, services may also receive from the NSW Government:

- Safety Net funding
- Equity Funding
- English Language Loading
- Regional Loading (formerly Service Loading).

In 2018, the NSW Government replaced the Preschool Disability Support Program with the Early Childhood Education Disability Inclusion Program. This program provides funding and support to enable children with disability and additional needs to participate in a quality early childhood education program on the same basis as all children. As this is the first year of the new program, the NSW Government has also put transition and implementation arrangements in place. The NSW Government also provides grants for sector development, capital works and Start Strong pathways to enable young children and families to access a service that will support entry into early childhood education.

Incoming committee members should receive a full briefing from your director on how your service has transitioned to the new Start Strong funding arrangements and how it is managing the changes to the new Disability Inclusion Program.

Further information go to <https://education.nsw.gov.au/early-childhood-education> or call CCSA on 1800 991 602 or contact us here <https://www.ccsa.org.au/contact/>

## Funding Contracts

Incoming committee members should ensure that they are aware of the requirements of the various funding contracts their organisation has entered into, as they will bear the legal responsibility for meeting the obligations the service has agreed to. It is important to ensure that funds received from government grants are being accurately tracked in the accounts of the organisation. However, there should not need to be a separate bank account maintained unless this is a specific requirement of a funding contract.

Accurate tracking will ensure that end of year acquittal requirements can be met. Often this will require the submission of audited financial statements for the entire organisation, in addition to an audited income statement for the specific grant funding and signed statements of compliance from the management committee. Monitoring that funds are only used for the purposes permitted under the funding contract will make acquittal easier and eliminate demands for repayment by the funder. The funding contract may also contain other compliance requirements such as minimum levels of insurance to be maintained by the ECEC service or compliance with other government policies such as the rules on universal access to early childhood education. ■

# National Quality Framework

The National Quality Framework (NQF) applies to most preschool, long day care, family day care and outside school hours care services in Australia. It was introduced on 1 January 2012, with some requirements being phased in over time.

The primary aim of the NQF is to raise quality and drive continuous improvement and consistency in early childhood education and care services (ECEC) across Australia.

The NQF contains the following elements:

- a national legislative framework that consists of the Education and Care Services National Law and the Education and Care Services National Regulations.
- a Regulatory Authority in each state and territory. In New South Wales, this is the NSW Early Childhood Education Directorate in the Department of Education. For the Regulatory Authorities in other states and territories please see the ACECQA website at <https://www.acecqa.gov.au/help/contact-your-regulatory-authority>
- a National Quality Standard (NQS) which has seven Quality Areas.
- an Approved Learning Framework which in Australia is the Early Years Learning Framework.
- a national quality rating and assessment process through which the Regulatory Authorities in each state and territory assess services against the NQS and provide services with a rating from one of the five rating levels.
- a national body called the Australian Children's Education and Care Quality Authority (ACECQA) which guides the implementation of the NQF in a nationally consistent way.

The diagram on the next page outlines the key elements of the NQF. While this refers specifically to NSW, the principles are the same nationally. Please contact CCSA if you are located outside of NSW and require further information about how the NQF applies to your service.

Under the National Law and the National Regulations, all education and care services that are covered by the NQF will have an 'Approved Provider' and a 'Nominated Supervisor'. The National Law and the National Regulations place many requirements on the Approved Provider and the Nominated Supervisor. ACECQA's Guide to the National Quality Framework outlines in plain English the requirements of the NQF and should be read in conjunction with the National Law and Regulations. You can download the Guide here <https://www.acecqa.gov.au/nqf/about/guide>.

## **The committee's role as the Approved Provider**

The Approved Provider is the owner or operator of a service. In a community-based service, this means that the committee holds the roles and responsibilities of the Approved Provider under the National Quality Framework.

Approvals of the Approved Provider and any changes to the approval are overseen by the Education and Care regulatory authority in each State and Territory. When new members join the committee, the Regulatory Authority must be notified, so that they can assess and determine that each of the committee member that makes up the Approved Provider is "**a fit and proper person(s)**" and has the "requisite level of knowledge and understanding of responsibilities under the relevant legislation" to be involved in the provision of an education and care service.



Under the National Law, the Regulatory Authority will consider:

- **compliance** with the National Law or past laws in this area
- **criminal history** of the person if this may affect the person's suitability for the role of a provider of education and care
- working with **vulnerable people laws (working with children checks)**
- bankruptcy, or application for **bankruptcy** or insolvency in the case of incorporated bodies
- **medical conditions** that may cause the person to be incapable of being responsible for providing an education and care service
- **financial circumstances** that may significantly limit persons capacity to meet the obligations of providing and education and care service.

All notifications of changes to the Approved Provider must be submitted using ACECQA's National Quality Agenda IT System (NQA ITS) portal (<https://public.nqaits.acecqa.gov.au/Pages/Landing.aspx>). (See also the Provider Notification Section of this Guide.)

### How is the Approved Provider assessed?

In NSW, the Early Childhood Education Directorate uses a risk-based approach to assess provider approvals and changes to existing approved providers. This approach may include attending an information and assessment session, and/or an interview with departmental officers. Under the risk-based approach the Department has advised that applicants assessed as low risk will not usually be required

to attend an information and assessment session.

In determining which services will be required to participate in an information and assessment session the Department will consider:

- the overall risk profile of a service
- individual's roles and responsibilities
- the size of the organisation
- any other relevant information.

The Department has advised that as a part of the risk-based approach it will undertake random sampling of services on advice of changes, typically to persons with management and control (through Notification Form PA02).

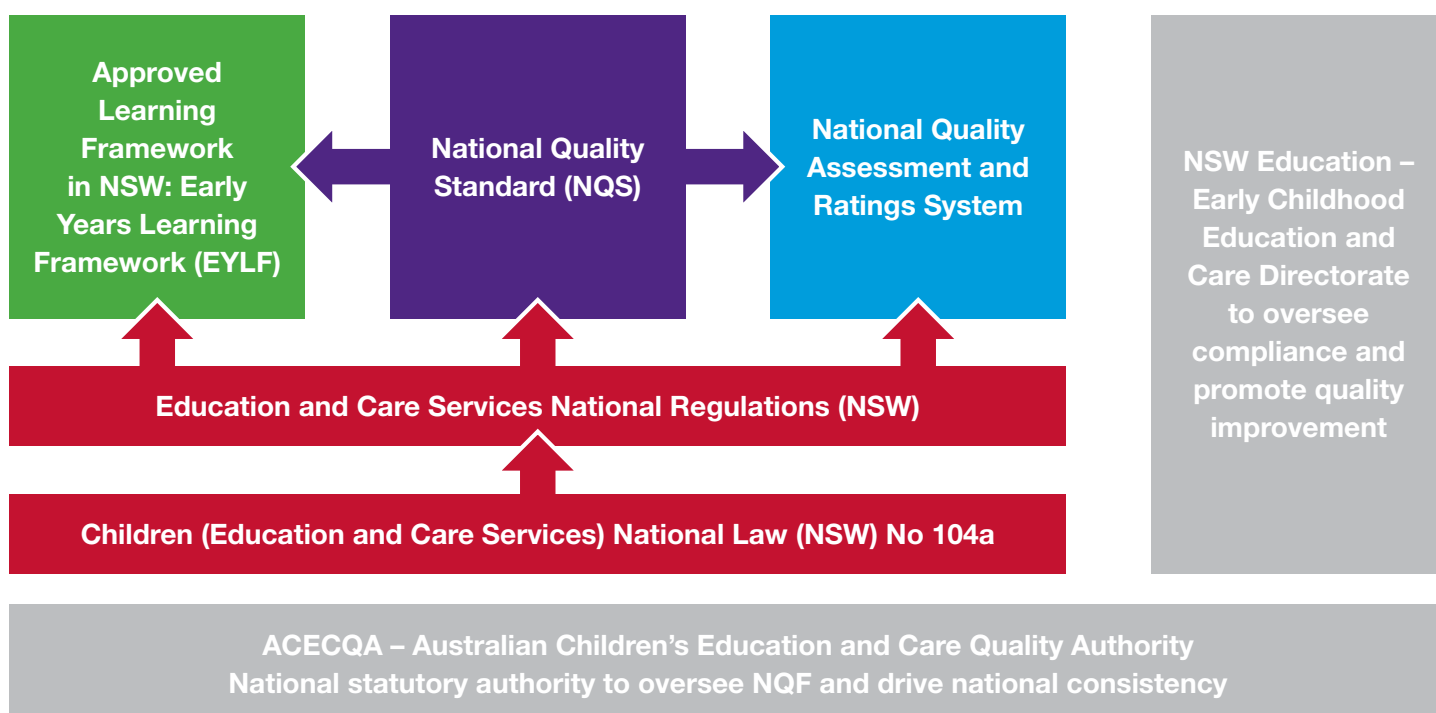
Further information can be obtained from the Department of Education by following this link <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/regulation-assessment-and-rating/approvals-process>.

Please contact CCSA regarding this process for other states and territories.

### What is the role of the Nominated Supervisor?

The Nominated Supervisor is the person designated by the Approved Provider to be responsible for the day-to-day management of an Approved Service. The Nominated Supervisor is an individual who has the required skills and experience and who accepts the nomination of the 'Approved Provider' to take on that role. The Nominated Supervisor is usually the director of the preschool, long day care, family day care or outside school hours care service.

## Key elements that make up the National Quality Framework



## What is the National Quality Standard?

The National Quality Standard (NQS) outlines seven Quality Areas that are important for providing high quality outcomes for children. The NQS is based on international research and outlines the most effective ways to support children's safety, health and wellbeing and their learning and development.

From February 2018, the NQS has been updated to streamline the number and descriptors of the standards and elements under each of the Quality Areas.

### The 7 Quality Areas are:

1. Educational program and practice.
2. Children's health and safety.
3. Physical environment.
4. Staffing arrangements.
5. Relationships with children.
6. Collaborative partnerships with families and communities.
7. Governance and Leadership.

The NQS is used to inform the Assessment and Ratings system for all centre-based early childhood education and care services. Services are assessed on how they are meeting each of the elements and the standards under the NQS.

The service will be rated against each of these quality areas as part of the rating and assessment process.

As a committee member, you will be involved to some degree in each of the quality areas. However, the ones which have the highest relevance for committee members are:

- Quality Area 4 – Staffing Arrangements
- Quality Area 6 – Collaborative Partnerships
- Quality Area 7 – Governance and Leadership.

## What is a Quality Improvement Plan?

To achieve the goals of the NQF and demonstrate how you are 'working towards', 'meeting' or 'exceeding' the National Quality Standard, all participating services are required to develop a Quality Improvement Plan (QIP). Under the Education and Care Services National Regulations, services are also required to review and update their QIP at least annually. It is the responsibility of the service's leadership team to regularly monitor, review and record progress on Quality Improvement projects under your QIP. The Management Committee, as the Approved Provider, should endorse the QIP after it has been reviewed and updated each year.

You can find out more about Quality Improvement Plans here on the ACECQA website <https://www.acecqa.gov.au/assessment/quality-improvement-plans>

The Committee should receive a briefing from the director/nominated supervisor on the status of their service's Quality Improvement Plan as well as how it is being updated to reflect the revised Quality Areas, standards and elements. ■



# Employment SPOTLIGHT

Don't miss this series of FREE webinars to help you understand the key elements of employment entitlements and obligations.



# The Australian Charities and Not-for-profits Commission (ACNC)

The Australian Charities and Not-for-profits Commission (ACNC) is responsible for the registration and regulation of charities.

Not-for-profit entities seeking registration as charities can apply online at <http://www.acnc.gov.au/>. After the ACNC has approved the registration it automatically forwards the approval to the Australian Taxation Office to commence the process of determining eligibility for tax concessions. Incorporated Associations that are endorsed as charitable institutions are then required to report to the ACNC, as well the State regulator (in NSW this is the Office of Fair Trading).

The Annual Information Statement (AIS) and associated financial report for charities using a reporting period of 1 July to 30 June is due to be submitted by 31 January. Charities that wish to use a reporting period other than 1 July to 30 June must request this in writing (ACNC Form 4A).

## Benefits of being a Charitable Institution

Endorsement as a Charitable Institution brings a range of benefits to an eligible organisation, including Federal Government tax concessions and exemptions or reductions in some State and Local Government charges. A quick way to determine if your organisation is already registered as a charitable institution and eligible for these concessions is to check the Australian Business Register at <https://abr.gov.au/>. Enter your ABN or legal name into the search facility and the search result for your company will include information on your charity tax concession status if applicable.

## Federal Government Tax Concessions

Federal Government Tax Concessions are administered by the Australian Taxation Office. The key concessions relevant to not-for-profit early childhood education services are:

- GST Concessions. These can be particularly beneficial by improving the fundraising outcomes of not-for-profit ECEC services.
- Fringe Benefits Tax (FBT) Rebate.
- Income Tax Exemption.

Detailed information on these concessions can be obtained from the ATO website at <https://www.ato.gov.au/>

## Concessions on State and Local Government Charges

Depending on the circumstances of a particular charitable institution it may be eligible for reduction or exemption from a range of charges including:

- Rates.
- Stamp duty.
- Motor vehicle registration fees.

Detailed information on these concessions and whether they apply to your particular circumstances in NSW can be obtained from the NSW Office of State Revenue at <http://www.revenue.nsw.gov.au/> or your local Council. For other states and territories please contact CCSA. ■

# Fundraising

As a committee member, you share responsibility for the financial management of your service. While your service receives the majority of its income from fees and government funding, most early childhood services will have a fundraising strategy to supplement these. Your organisation should not be dependent on fundraising to remain viable, but fundraising activities can provide important additional income for special purchases or expenses.

All services that conduct fundraising activities in NSW need to hold an “Authority to Fundraise” issued by the NSW Office of Fair Trading at <http://www.fairtrading.nsw.gov.au> under the terms of the Charitable Fundraising Act 1991.

The objects of the Act are to ensure that fundraising activities are properly and efficiently managed, that accurate and audited accounts are kept in relation to fundraising, and that members of the public that may wish to support worthy causes are protected from deceitful fundraising activities. For other states and territories please contact CCSA.

For fundraising to be successful, it must be a shared responsibility. While the committee may designate a fundraising coordinator or sub-committee to have overall responsibility for fundraising, everyone in the organisation needs to be involved for a fundraising activity to succeed. Fundraising should be a fun experience that encourages participation, and gives everyone who does participate a sense of involvement and achievement.

## **Your role as a committee member**

Committee members are responsible for providing leadership to the organisation and its members. You have a role in inspiring staff, families and the wider community, and making them aware of the importance of fundraising activities to

your service. The management committee is responsible for creating a fundraising strategy, and committee members are expected to support individual fundraising activities.

## **Your fundraising strategy**

Your service will probably already have some established fundraising activities in place and, as a member of the incoming management committee, you should be involved in reviewing and evaluating these. While recognising that staff and parents may be accustomed to a particular type or program of fundraising activities, it is important that the committee remain flexible so that it can respond to new opportunities and stop participating in activities that are not profitable. When establishing or reviewing a fundraising strategy, the committee should consider the following for each fundraising activity:

- What are the goals of the activity?
- Has this worked in the past?
- Who can you approach for support? (Government departments, local businesses, families, etc.)
- Has this been successful for other organisations? (use your contacts)
- What method is to be used to raise the funds?
- What is the estimated monetary target for the activity?
- What is the timeline for raising the funds? (be aware of deadlines when applying for grants)
- How will progress on the activity be recorded?
- How will the fundraising activity be evaluated?



When preparing your strategy, remember that most people will more readily support you if they know exactly what their money is going to be used for. It will be easier to raise money for a specific project or purpose, than for the organisation as a whole. Individually identified fundraising activities for targeted purchases (for example, a trivia night to raise funds for new playground equipment) will have the greatest success. Other fundraising options can then be incorporated into the initial activity. At a trivia night you could, for example, also hold a raffle and have a stall set up selling children's artworks, to raise additional funds.

### Your fundraising options

Fundraising options include:

**Grants** – all levels of government, as well as corporations and individuals, periodically offer grants to community organisations. While the grant completion process can be involved and time consuming (especially in the case of larger government grants), the funding available can be significant, and you can often adapt an initial application to future grant applications. Information about available grants, and how to prepare an effective grant application, can be found online.

**In-kind support** – this can be in the form of goods, services or resources. These can either be directly used by the service (for example, a local builder may offer to build a new cubbyhouse for your playground) or used for further fundraising activities (for example where a local hotel donates a night's accommodation that can be offered as a raffle prize). Developing and maintaining relationships with local businesses, and using the contacts of the committee, staff and families will help widen the potential pool of supporters.

**Special events** – your annual fete, an open day, an art exhibition, or the grand opening of building extensions.

**Sales** – sell products with your service name and logo.

**Commercial fundraising products** – includes book clubs, school photographs, class tea-towels, hardware store BBQ's etc. where the service receives a percentage payment based on sales made. The benefit of these is that the administration of the activity is carried out by the third party, however they cannot be as targeted as those that are organised by the service itself and so may not be as profitable.

### Ethical fundraising

When making fundraising decisions, the management committee is acting as the representative of families and the community. The committee is responsible for ensuring that fundraising activities reflect expected community standards, and for ensuring that fundraising is conducted in an ethical way. Your fundraising strategy should be supported by a policy that outlines the service's commitment to ethical behaviour when fundraising.

Your fundraising activities should meet the following standards

- all fundraising complies with relevant laws
- communication with potential supporters is truthful and non-deceptive
- money raised is used for the stated purpose
- any personal information collected remains confidential
- fundraising activities will not be detrimental to the community standing of the service.

Your service will also need to carefully consider whether to accept funding or donations from particular organisations; for example, fast-food, gambling, alcohol or tobacco companies. A failure to take into account the public's potential perceptions of these companies could result in a backlash against your service by families and the wider community. ■



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# Effective Policies



## Why do we need policies?

An important role of the management committee is to plan, deliver and evaluate the service's policies. Policies are the "blueprints" for the management of the service, providing:

- an outline of the operation of the service for children, parents, carers, staff, management and the broader community
- a structure to guide day-to-day decision-making
- authority and support for management and staff in dealing with service delivery and other issues, such as human resources and interactions with children and families
- a framework for compliance with legislative and regulatory obligations.

A set of effective policies will help ensure that the management committee is making consistent decisions that reflect the overall goals and expectations of the service.

Policies also promote:

- consistency in day-to-day management
- a work environment with less conflict
- increased efficiency
- smooth transitions in changes to management and staff
- an opportunity to evaluate existing systems and procedures
- a focus on future direction and ongoing evaluation of service objectives.

## What policies do we need?

Determining what policies are required for the service is an on-going and evolving process. The policies your service needs will not be the same as those of another service. Individual services must continually assess the policies they need to function effectively. Policies fall into three basic categories:

- Compulsory policies (those required by legislation, funding or other legal requirements).
- Essential policies (those that direct the overall philosophy, structure and objectives of the service).
- Desirable policies (those that support and guide service operation).

The *Education and Care Services National Regulations* (Regulation 168) specifies a number of compulsory policies that must be made available in all children's services. You are also required to have policies in place to meet your obligations under National and State legislation, including child protection, workplace health and safety, privacy and anti-discrimination.

Essential policies include those dealing with operational matters such as enrolment procedures and fee setting principles, and staffing issues such as recruitment and leave application procedures.

Desirable policies are those that deal with less vital aspects of the service's management, but where it is useful to have guidelines for dealing with issues that may arise. For example, you may wish to implement a dress code policy, or a policy around the use of social media in the workplace.

What one service sees as an essential policy may be only desirable to another, and your committee will need to prioritise policy development according to the individual circumstances of the service at any given time. ■

# Delegations Policy

The delegations policy is an essential policy for any ECEC service, irrespective of its corporate structure. Delegation is the act of authorising another person or entity to carry out specific activities. Without a delegations policy, the task of performing and achieving all the legal, compliance and corporate governance functions of the ECEC service remains with the committee or equivalent body.

It is important to note that, while tasks and accountability for those tasks can be delegated, the committee cannot abrogate its overall responsibility for the outcomes.

The most important part of a delegations policy is laying out the process required to make a proper delegation, including the authority for further sub-delegation, responsibility for the task in the absence of the person to whom it was delegated, and the enabling authorities and accountabilities associated with the delegated task.

Often a range of delegations are included in other documents of the organisation. For example, some of the employer responsibilities of the committee may be effectively delegated to the service director by virtue of tasks included in their letter of engagement and associated job description. For clarity, however, it is best to have a consolidated listing of delegations attached to the delegations policy. This makes it easier both to identify current delegations and to appropriately update them to changed circumstances.

Delegations are most commonly thought of in financial terms (e.g. authority to expend funds in accordance with the budget up to a dollar limit). However, a broader range

of compliance and governance functions are suitable for delegation. Good practice suggests that any major changes to policy or practice in delegated areas should always be reviewed by the director and/or committee. The following list is certainly not exhaustive but provides an indication of the range of activities that can be delegated, remembering that ultimate responsibility still rests with the committee.

- Development of operational and business plans.
- Development of certain service policies.
- Development of risk management plans.
- Signing routine correspondence.
- Preparing and reporting on budgets.
- Processing authorised payments.
- Liaising with families.
- Representing the organisation at meetings.
- Recruiting staff.
- Authorising engagement of casual staff.
- Authorising leave.
- Performance management of staff.
- Work Health and Safety tasks.
- Ensuring compliance with regulations.
- Submitting returns including BAS to the Australian Taxation Office. ■



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### **Member Support**

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