

Governance Manual Template



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1 Corporate Governance

Corporate Governance is the framework of structures, rules and processes by which organisations exercise their formal power and responsibilities. The term refers broadly to the rules, processes and laws by which companies, regardless of their purpose, are operated and regulated. In community, voluntary and not-for-profit organisations, corporate governance has another important function.

Why is corporate governance necessary?

Corporate governance is necessary to ensure the long-term relevance and viability of the organisation and to ensure that the organisation operates legally and effectively, and to provide reassurance to funders and statutory authorities that this is the case.

2 Legal Requirements for the Company

Charity Name (CLG) T/A Any name is a Company Limited by Guarantee (CLG), that is it is limited by guarantee not having a share capital.

The members' liability is limited to the amount they have undertaken to contribute to the assets of the company, in the event it is wound up, not exceeding the amount specified in the memorandum. As a guarantee company does not have a share capital, the members are not required to buy any shares in the company.

For the purposes of this handbook Charity Name (CLG) will be referred to as (Acronym) Company Structure

Insert organisational chart here.



Charity Name CLG



3 Board Roles and Responsibilities

3.1 Duties of Directors

Directors are bound by an overriding duty, both individually and as a board, to act reasonably at all times in the interests of the company and of its present and future beneficiaries.

All directors are equally responsible in law for the board's actions and decisions and have equal status as directors of the board. At all times the board acts collectively, even if when an individual does not agree with the majority decision. The Chairperson has the right to call a vote, although this would be only be exercised when the usual consensus decision-making processes have not been successful.

The board delegates to the manager the responsibility for the day to day management of the business and its operations including all staff matters. The manager is accountable for, and reports to, the board on the implementation of policies agreed by the Board. By reading this document and agreeing to participate at board level, all directors agree to:

- Understand their role and responsibilities as described in this document;
- Know and support the mission of the organisation;
- Uphold the values, aims and objectives of the organisation;
- Give adequate time and energy to the duties of being a director;
- Prepare for meetings in advance;
- Achieve attendance at three-quarters of meetings;
- Maintain confidentiality;
- Avoid any conflicts of interest;
- Offer informed and impartial guidance;
- Fulfil fiduciary and statutory duties;
- Be tax compliant and have no judgments made against them;
- Participate in committees and special events where possible;
- Support the manager, while monitoring their conduct;
- Present their views on all topics and listen to those of other directors;
- Act with integrity and avoid or declare all personal conflicts of interest.

3.2 Chairperson Job Description

- Is a member of the Board;
- Serves as the Chief Volunteer of the organisation;
- Is a partner with the manager in achieving the organisation's mission;
- Provides leadership to the Board of Directors, who sets policy and to whom the manager is accountable;
- Chairs meetings of the Board after developing the agenda with the manager;
- Encourages Board's role in strategic planning;
- Appoints the Chairpersons of committees, in consultation with other Board members;
- Discusses issues confronting the organisation with the manager;
- Helps guide and mediate Board actions with respect to organisational priorities and governance concerns;
- Reviews with the manager any issues of concern to the Board;
- Monitors financial planning and financial reports;
- Evaluates annually the performance of the organization in achieving its mission;
- Performs other responsibilities assigned by the Board.

3.3 Board Secretary Job Description

- Is a member of the Board;
- Maintains records of the board and ensures effective management of the organisation's records;
- Manages the minutes of board meetings;
- Ensures that the minutes from the last meeting held are distributed to members in advance (at least 3 days ahead) of the next meeting;
- Is sufficiently familiar with legal documents to note applicability during meetings;
- Ensures that the company is compliant with the demands of Company Law and the Charities Acts.

3.4 Board Member Job Description

- Regularly attends board meetings and important related meetings;
- Makes a serious commitment to participate actively in board and committee work;
- Volunteers for, and willingly accepts, assignments and completes them thoroughly and on time;
- Stays informed about board and committee matters, prepares well for meetings, and reviews and comments on minutes and reports;
- Gets to know other board and committee members and builds a collegial working relationship that contributes to consensus;
- Is an active participant in the board's annual evaluation and planning efforts;
- Ensures compliance with all Revenue and Legal requirements and that funds received are used for the required purposes and that management and work practices reflect best practices;
- Is familiar with and adheres to the norms of The Governance Code.

3.5 Manager's Responsibilities (with respect to Board Matters) (If there is a manager)

- To develop draft agendas for board meetings (for approval by the Chairperson);
- To ensure relevant and appropriate materials for all board meetings and subgroup meetings are prepared and circulated in a timely manner in advance;
- To ensure that any follow-up actions from board meetings are implemented and to report as necessary;
- To act as a link person between the board and the staff;
- To attend subgroup and board meetings (unless specifically requested not to do so from time to time);
- To implement the operational aspect of Board succession planning as delegated by the Chairperson.

3.6 Size of the Board (How many directors?)

There are 9 directors at the time of registration.

3.7 Board Induction of new trustees.

Induction to the board will occur as soon as possible after an individual has been selected to join the board. All board documents are on a shared [Google Drive???](#) which members will have access to.

In all cases, induction will take place before attendance at the first meeting. Providing induction is the responsibility of the Chairperson and manager and will involve:

- A meeting in which the following will be introduced: the role and aims of the **Charity Name**;
- Its core activities, history and successes;
- Also covered will be an introduction as to how the board functions, as well as the role and responsibilities of becoming a member of **the Charity CLG Board**;
- The new director will receive an induction pack which will include as a minimum:
 - A copy of the corporate governance manual;
 - A copy of the Governance Code;
 - The last Local **Charity** strategic plan;
 - Minutes of the previous board meeting;
 - The **Charity** Financial Procedures and Policies Manual;
 - Copy of the Memorandum and Articles of Association;
 - Copy of the most recent Annual Report.

New Board members will be required to sign to confirm they have read the Governance Manual and will abide by its content including the code of conduct and terms of reference.

3.8 Succession Planning

Prior to the board advertising for new posts, the Chairperson will instigate an audit of the board directorship with a view to ensuring that the board meets the following good practice guidelines:

- The board has at least one member with relevant financial experience;
- The board has an appropriate mix of experience including both sectorial and commercial;
- The board has a correct gender balance.

A.1 4.9 Skills Audit

The Board will oversee the processes to recruit new directors. In some instances, this will be preceded by a skills audit so that people with the appropriate skills can be

targeted. Service on the Board is voluntary, and Directors are asked to give their time and expertise for the service of the community gratuitously. Where an individual director feels they have identified someone who would make a positive contribution to the operation as a director, they may propose them as a director. It is up to the Board to decide; taking cognizance of skill needs and gender balance, whether the proposed new director should be invited to join.

4 Operation of the Board (**Replace when they meet**)

The board meets quarterly in January, April, July and October as well as for other unscheduled meetings as required.

A schedule of meetings will be agreed at the start of each calendar year. It is the responsibility of the manager to send out meeting notifications by email. A copy of the agenda and minutes of the last meeting and supporting documentation will be sent out at least 24 hours before the scheduled meeting date, this will be the responsibility of the manager and Chairperson.

At the beginning of the meeting, the Chairperson will also provide an opportunity for directors to raise issues under 'Any Other Business' (AOB). Issues are included on the agenda at the Chairperson's discretion.

4.1 Conduct of the Board of Directors

The board of directors are able to make decisions and have due authority in line with their Articles of Association. The Articles of Association will specify what makes up a quorum for meetings and what form of voting rights there are.

If there is a necessary quorum for board business, this will be a valid and enforceable decision. So, whilst the board does act as a whole unit, it doesn't mean every single director will be directly involved in every decision.

There is, therefore, a requirement for meetings to be held regularly and for decisions to be reached collectively.

When members of the board act alone or in small groups, such as a sub-committee, they must do so with the board having first delegated authority to that individual or sub-committee to act on its behalf. Members must follow the reporting procedures laid out in the Terms of Reference.

The board is responsible for securing the company's compliance with its obligations under Irish tax law and its obligations under the Companies Act, specifically in relation to accounting records, audits and financial statements.

Absence from a board meeting does not absolve a director from their responsibility or liability.

The behaviour of one member of the board is the concern of all other members.

The board must declare conflicts of interest and abide by its common law and fiduciary duties.

Ultimately the board decides and acts collectively, and all directors are legally bound by the decisions of the board.

4.2 Integrity

The Board have a commitment to act ethically and honestly:

- The Board will ensure that the accounts/reports accurately reflect their business performance and are not misleading or designed to be misleading;
- The Board will not use Charity CLG's resources or time for personal gain, for the benefit of persons/organisations unconnected with the body or its activities or for the benefit of competitors;
- The Board of Directors will disclose any outside employment/business interests in conflict or in potential conflict with the business of the body.

4.3 Confidentiality

The Board of Directors will conduct its activities in a confidential and objective manner:

- The Directors will support the management and employees of Charity Name CLG for the provision of access to general information relating to the body's activities in a way that is open and that enhances its accountability to the general public;
- The Directors have a commitment not to acquire information or business secrets by improper means;
- Members of the Board are not permitted to disclose any confidential information obtained while performing or as a result of performing any activities on behalf of Charity Name CLG unless the information is already in the public domain or in the possession of the person prior to them undertaking their duties;
- The Directors will comply with relevant statutory laws and provisions (e.g. Data Protection Act, Freedom of Information Act);
- The Directors will respect the confidentiality of sensitive information held by Charity Name CLG. This would constitute material such as personally sensitive information or commercially sensitive information (including but not limited to future plans or details of major organisational or other changes such as restructuring).

4.4 Minute Taking

It is a legal requirement that minutes of meetings be retained in a minute book/Folder and that they also are accessible to the directors.

Minutes are taken in a standard format and are approved at subsequent committee meetings as an accurate reflection of the proceedings. Minutes are kept as computer files and as hard copies in the organisation's head office. Minutes of the previous meeting will be sent out at least one day before the next board meeting.

The manager is responsible for providing secretarial support for minute taking for all board and committee meetings. Where there is dissent, then the minutes shall record the number of votes for and against a motion and include a list of dissenting members.

4.5 Sub-Committees

Sub-committees may be established to progress specific pieces of work. Where a sub-committee exists, they will have explicitly defined terms of reference. Sub-committees will present recommendations to the full board that will be responsible for approving any recommended actions. Sub-committees will be made up of directors of the board, the manager plus the relevant staff and external expertise.

The Board has created the following Sub-committees: (only relevant if sub committees)

- Governance, Finance and Human Resources
- Quality & Health & Safety
- Strategic Planning.

The Terms of Reference for each sub-committee have been approved by the board. All sub-committees will be required to give updates at meetings on work in progress and activities.

4.6 Quorum

The quorum is the number of directors of the board who must be present for the organisation to conduct its business.

The quorum for the board is one-third of the number of Directors and the quorum for sub-committees of the board is three members.

4.7 Expectation and Confirmation of Attendance (Decide internally)

Directors are expected to make at least three-quarters of all meetings in any given year. When a director cannot attend, they should contact the manager or Chairperson by phone or email as soon as possible so that a quorum can be assured. An attendance list will be maintained and made available at the AGM.

All Directors agree to support Charity Names CLG adoption of, and compliance with, the Governance Code for Community, Voluntary and Charitable organisations and its associated implementation actions. All Directors also agree not to accept any gifts or hospitality in relation to their duties, both directly and indirectly, with the Charity Name CLG.

5 General Meetings

5.1 Annual General Meetings

Every year the company holds an Annual General Meeting (AGM) within 9 months of its financial year-end. The purpose of the meeting is to:

- To receive and consider the audited financial statements;
- To elect the directors;
- To re-appoint the auditors;
- To fix the auditors remuneration;
- To make any changes to the Articles and Memorandum of Association;
- To appoint or remove members of the committees.

The period of notice, quorum and requirements for taking minutes are set out in The Articles of Association.

5.2 Extraordinary General Meetings

Extraordinary General Meetings (EGM) are formal meetings of the members that are called outside of AGMs. The purpose of these meetings is to agree on any change in the organisation's Articles and Memorandum of Association or to consider any other changes recommended to the members.

The period of notice, quorum and requirements for taking minutes are set out in The Articles of Association.

A director may be requested to resign from the board:

- Where there is evidence of a conflict of interest that has not been adequately disclosed, or where there is ambiguity between the individual's values and the ethos of the organisation;
- Where their behaviour and attendance at board or committee meetings is judged to be disruptive and divisive by the other directors;
- Where they continually demonstrate antagonism or hostility towards the other board members;

The offending member will be advised by the Chairperson that their continued membership is under consideration if this behaviour continues unaltered.

If any of these issues arise, it shall be referred to a committee of the board or to an arbitrator who shall examine the issue and report to the board.

Termination of tenure will be by letter on behalf of the board.

6 Audit of Board, Rotation and Recruitment of Directors

6.1 Rotation of Directorship and Roles

At the first Annual General Meeting of the Company, all the Directors shall retire from office and at the Annual General Meeting in every subsequent year, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

The Directors required to retire in every year shall be those who have been the longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. A retiring Director shall be eligible for re-election.

7 Conflicts of Interest

7.1 Avoiding a Conflict of Interest

Unless authorised to do so by the board, any director may not:

- Act on behalf of the company, or deal with the company, in any matter where they are in a conflict of interest or appear to be in a conflict of interest. Use their position, office or affiliation with the company to pursue or advance their personal interests or those of a person who is a close friend, family member, business associate, corporation or partnership in which they hold a significant interest, or a person to whom they owe an obligation that could influence their decisions and impair their ability to act in the best interest of the company or represent the company fairly, impartially and without bias;
- Use their relationship with the company to confer a benefit on a person described above; or
- Personally benefit, or indirectly benefit, from any business activity involving the company except in unique situations, authorised by the board.

An "indirect benefit" is a benefit derived by a close friend, family member, business associate, or a company or partnership in which the director holds a significant interest, or a benefit which advances or protects their interests although it may not be measurable in monetary terms. (See Conflict of Interest Policy).

7.2 Declaration of Conflict

Where a conflict of interest exists, or where a conflict of interest could be reasonably perceived to exist, the director must immediately disclose the details of the conflict to the board (via the Chairperson) either in writing or as minuted at a board meeting. It is important to make the disclosure when the conflict first becomes known, even if you only become aware of the conflict after a matter has concluded. This conflict must be declared and the register of conflict of interest document must be signed and noted by the company.

7.3 Participation

Directors shall not vote at a board meeting on any resolution/decision concerning a matter in which they have, directly or indirectly or together with any person or persons connected with them, an interest which is (to their knowledge) an interest or a duty which conflicts or may conflict with the interests of the company.

Directors shall not vote at a meeting of the board on any resolution/decision concerning a matter where their objectivity or ability to properly fulfil their duties to the organisation may be otherwise compromised;

In both instances outlined above, the director with a conflict of interest shall not be counted in the quorum present at a meeting in relation to any such

Charity Name CLG



resolution/decision on which they are not entitled to vote and shall (unless otherwise agreed by a majority of the remaining board members) vacate the meeting room.

8 Legal Responsibilities

8.1 Charities Act

The Charities Act 2009 provides that public benefit includes:

- The advancement of community development, including rural or urban regeneration;
- The promotion of civic responsibility or voluntary work;
- The advancement of conflict resolution or reconciliation;
- The promotion of religious or racial harmony and harmonious community relations;
- The protection of the natural environment;
- The advancement of environmental sustainability;
- The advancement of the efficient and effective use of the property of charitable organisations;
- The prevention or relief of suffering of animals;
- the advancement of the arts, culture, heritage or sciences, and
- the integration of those who are disadvantaged, and the promotion of their full participation, in society.

Charitable trusts are subject to general trust law. Unincorporated associations are subject to general contract law, and charitable companies are subject to company law. Each structure is also subject to the Charities Act 2009 which requires all charities to register with the Charities Regulatory Authority.

To apply for charitable status, an organisation must register with the Charities Regulatory Authority.

8.2 Charities Regulatory Authority

The Charities Act 2009 established the Charities Regulatory Authority (CRA) which is charged with maintaining a register of charities, obtaining annual reports from charities, providing charity services and enforcement of compliance standard.

Charity Name has registered with the (CRA).

All charities are required to register with the Charities Regulator. Once an application to register is made and accepted, and the group is awarded charitable status, it will receive a Registered Charity Number (RCN). Registration with the CRA and having an RCN is separate to having a charity tax exemption number (CHY number) from the Revenue Commissioners. In principle, a community, voluntary or not-for-profit organisation should apply to the CRA to be on the list of registered organisations.

All charities must submit an annual report 10 months after the end of their financial year. They must provide an annual report and may also include audited accounts.

8.3 Companies Act

The Companies Act 2014 also specifies a number of legal responsibilities that relate to the role of Company Secretary, whose roles it is to oversee the company's day-to-day administration and to ensure that the company complies with the law and observes its own regulations. Specific legal requirements include providing relevant information on the company and its directors to the Companies Registration Office, keeping minutes of Board meetings, notifying members of AGMs, and providing legal and administrative support to directors.

8.4 General Data Protection Regulation

The General Data Protection Regulation (GDPR) is a new data protection law that came into force across the EU on 25th May 2018, replacing and repealing national data protection law. In Ireland, the national law, which gives further effect to the GDPR, is the Data Protection Act 2018. While encompassing existing data protection concepts, the GDPR introduced significant changes including enhanced rights for individuals and compliance obligations for the data controller.

B. **Company Policies (List as of November 2024)**

HR (Only relevant ones to be listed)

- Recruitment and Internal Selection Policy
- Annual Leave Policy
- Dignity at Work Policy
- Disciplinary Policy
- Employee Data Protection and Privacy Policy
- Employee Handbook
- Equal Opportunities Policy
- Grievance Policy
- Maternity Leave Policy
- Sick Leave Policy

Health & Safety

- Child Protection Policy
- Code of Behaviour for Adults Working with Children
- Risk Management Policy
- Safeguarding Vulnerable Adults Policy

Governance.

- Acceptance of Gifts Policy
- Acceptance of Gifts Procedure Form

C. **Contracted Third-Parties**

C.1 **Auditors**

ABC Accountants & Registered Auditors Limited, Anywhere , Castlebar, Co. Donegal

C.2 **Solicitors**

Myles Murphy & Co Solicitors, Co. Donegal

C.3 **Banking Services**

Bank of Ireland

D. Declaration of Understanding.

My signature below indicates that I have received a copy of the Charity Name (CLG) Governance Manual.

I understand that this manual contains information regarding the Company's rules, regulations and Code of Conduct which affect me as a director

I acknowledge that I have read and understood Company policies.

Print Name _____

Signature _____

Date _____

Charity Name CLG

