

Board inductions – bringing on a new board member

Legal information for community organisations

This fact sheet covers:

- ▶ why are board inductions important?
- ▶ who is responsible for board inductions?
- ▶ what should happen before an appointment to the board?
- ▶ what should be covered in a board induction?
- ▶ training and development of board members, and
- ▶ a checklist to support the board induction process



A well-functioning board is vital to the success and sustainability of any community organisation. The effectiveness of a board largely depends on open communication, where information and ideas are freely exchanged between board members, supporting informed decision-making.

Ensuring new board members are quickly brought up to speed with the organisation (including its strategy and the environment within which it operates) is an important aspect of every board's role.



Disclaimer

This fact sheet provides general information about the process for inducting people to a community organisation's governing body (the board or committee of management). This information is a guide only and is not legal advice. If you or your organisation has a specific legal issue, you should seek legal advice before deciding what to do.

Please refer to [the full disclaimer](#) that applies to this fact sheet.

The terms we use in this fact sheet

We use the terms 'board', 'board member' and 'member' in this fact sheet. These terms are used in a generic sense to refer to the decision-making body of an organisation, the people that form the decision-making body, and the group of stakeholders that the decision-making body serves respectively.

The description of the decision-making body differs between organisations depending on the type and structure of the organisation. The principles explained in this fact sheet apply to the decision-making body and the people on the decision-making body of your organisation no matter what terms may be used.



In this fact sheet we use:	The equivalent name used by your organisation might be:
board	committee, committee of management, council
board member	committee member, director, councillor, responsible person, office holder
constitution	rules, rule book, governing document, articles of association

Why are board inductions important?

There are many different roles and people involved in the management of an organisation. These people may be board members, employees, volunteers, clients and customers.

Board members have distinct responsibilities in the organisation and it's important that board members understand the role generally, their specific role on the board and how that role differs from the roles of other people involved in the organisation. Taking the time to establish a good board induction process is a prudent investment in any organisation's future.

A person invited to join the board of a community organisation may have an extensive background in the not-for-profit sector and other board experience. Alternatively, a new board member may be volunteering their services for the first time, and have no previous board experience or detailed knowledge of the sector or the organisation.

In either scenario, establishing and implementing an effective board induction process is an important way of ensuring that new board members:

- quickly develop a clear understanding of the organisation and its expectations of them as board members
- understand the legal obligations, duties and liabilities that accompany the role of a board member, and
- are equipped with the information they need to hit the ground running and make a meaningful contribution to the work of the board

More broadly, a comprehensive and well-structured board induction is a useful way to establish and promote a strong board culture and governance within the organisation.

Who is responsible for board inductions?

The responsibility for conducting board inductions is typically shared between the board itself, senior management of the organisation, the company secretary and the new board member.

The chairperson of the board, or another senior person in the organisation, will often play a pivotal role in the induction process for new board members. A person who knows the organisation 'inside out' should oversee the process so that the necessary and practical information can be shared with the new board member and any questions can be answered in an appropriate way.

The person who assumes responsibility for overseeing the induction process should be supported by other board members and senior management. For instance, the organisation's CEO may be involved in the process by introducing the new board member to key members of the management team, conducting a briefing on the challenges and opportunities facing the organisation and sector and conducting a tour of the organisation's premises or operations.

The company secretary often coordinates the practical aspects of the induction process, such as distributing key documents, ensuring the new board member understands their duties and facilitating training on governance and compliance matters.

A new board member will need to make themselves available to participate actively in the induction process.



What should happen before a person is appointed to the board?

Before a person is appointed to the board, an organisation should take steps to ensure the appointment is both legally compliant and in the organisation's long-term interests.

The following questions should be considered:

1.	• Does the person meet the organisation's requirements? Are you selecting the right person?
2.	• Does the person meet the legal requirements for appointment to the board?
3.	• Does the chosen board member understand the legal obligations and liabilities that apply to their role?
4.	• Have you followed the proper process for appointment of the board member?

Does the person meet the organisation's requirements? Are you selecting the right person for the role?

When selecting a board member, it is crucial to ensure they have a range of (or can quickly gain) skills and traits to contribute effectively to the board, including:

- enthusiasm for, and knowledge of, the organisation, its mission and purpose
- sufficient time to dedicate to the role and their duties effectively
- an understanding of the role and responsibilities of a board and an interest in governance
- the ability to build good working relationships with other people involved in managing the organisation
- reliability and good organisational skills, and
- the ability to communicate clearly and effectively



Tip

You can post free notices for board vacancies with the [Institute of Community Directors Australia Board Positions Service](#), [Pro Bono Australia's Volunteer Roles](#) and [Volunteering Australia's GoVolunteer](#).

You may also be required to conduct relevant screening checks, such as police checks, reference checks and working with children checks, where appropriate.



For more information about the legal issues arising when recruiting and engaging employees, see [our webpage on background checks](#).



Does the person meet the legal requirements for appointment to the board?

Your organisation may **set out requirements in its constitution** in relation to the appointment of board members. For example, there may be a requirement that the person be a member of the organisation to be appointed to the board or that a board member must hold certain qualifications, skills or minimum experience.

There are also certain legal requirements for the appointment of board members and for specific roles, such as the 'company secretary' or 'public officer' (these roles are typically responsible for reporting to regulators and ensuring compliance with applicable laws and regulations), that must be met in addition to anything set out in the organisation's constitution. Some of these legal requirements are set out below.



For more information about positions in an incorporated association in your jurisdiction and in a company limited by guarantee, see our webpage [who runs the organisation](#).

The requirements for appointment are different in each jurisdiction and for the different legal structures available to not-for-profit organisations.

We have provided a high level overview below for the two most common legal structures.



Caution

Our summary is not exhaustive and, if you are involved in board appointments, you should refer to the legislation governing your organisation and familiarise yourself with the specific requirements that apply to the board members.

If you are uncertain about the requirements, contact the relevant regulator, or seek legal advice.



Note

In some circumstances, a person will automatically cease to be a board member. For example, a person is automatically disqualified from managing a corporation and ceases to be a director, alternate director, or secretary if the person is an undischarged bankrupt under the law of Australia, its external territories or another country. It is an offence for a person to continue managing a corporation in this circumstance and the penalty is a fine, imprisonment, or both.

Companies limited by guarantee

If your organisation is incorporated as a **company limited by guarantee (CLG)** under the *Corporations Act 2001* (Cth) (**Corporations Act**), a board member (referred to as a 'director') of the CLG must:

- consent to the appointment by providing your CLG a signed consent to act as a director of the organisation before being appointed
- be at least 18 years old
- not have been convicted of various offences under the law of Australia and the law of a foreign country such as fraud or offences under the Corporations Act (and certain time limits apply from the time of conviction or release from imprisonment)
- not be an undischarged bankrupt or have not fully complied with the terms of an executed personal insolvency agreement, and



- not be the subject of a court disqualification order made by a court in Australia or a court of a foreign jurisdiction

A CLG must always have at least three directors, and at least two directors must ordinarily reside in Australia.

CLGs must also appoint at least one company secretary who must ordinarily reside in Australia. A company secretary may, but does not have to be, a director of the CLG. However, a company secretary must meet similar legal requirements as a director (set out above) and must also provide their signed consent to act as a secretary of the organisation before their appointment.



Note – Director Identification Numbers

Directors are required to have a Director Identification Number (**DIN**). A DIN is a 15-digit identifier given to a director (or someone who intends to become a director) who has verified their identity with the [Australian Business Registry Service \(ABRS\)](#).

A person will need a DIN if they are (or intend to become) a director or an alternate director of a company, a Registrable Australian Body or a registered foreign company under the Corporations Act.

A director will only ever have one DIN, which they keep forever even if they:

- change companies
- stop being a director
- change their name, or
- move interstate or overseas

If you do not have a DIN, you must apply for a DIN before your appointment as a director. Applications can be made through the [Australian Business Registry Service](#).



For more information about companies, their directors and secretary's duties, see the Australian Securities and Investments Commission (**ASIC**) webpage – [‘Your company and the law’](#).

Incorporated associations

Organisations that are incorporated under state incorporation laws must ensure they comply with any specified requirements set out in those laws.

The table below outlines some of the key requirements and is not a complete list. You should refer to the relevant legislation and regulations to make sure that you are clear about the requirements and that the person your organisation is appointing as a board member meets the requirements. Note, in the table below we have used the term ‘management committee’ and ‘committee’ rather than ‘board’, as these terms are used in the legislation and regulations in Australia.

State or territory	Requirements
Victoria Associations Incorporation Reform Act 2012 Sections 72,73(3) and 78	No specific requirements for general management committee positions exist under the Act as these are typically set out in the incorporated association's rules. Incorporated associations can choose to draft their own rules or use the model rules contained in the regulations, which address the 23 mandatory matters in Schedule 1 of the Act. The model rules include matters relating to management committee positions (such as the composition of the committee,



[Associations
Incorporation Reform
Regulations 2023](#)

duties of committee members and eligibility requirements to be a committee member).

However, under the Act, a person will automatically stop being a committee member in certain situations (including if they resign, are removed by special resolution, die, become insolvent, are under the legal care of a guardian or administrator, or have been disqualified from holding office as a director of a company, Aboriginal and Torres Strait Islander corporation or a co-operative).

In Victoria, the **secretary** of an incorporated association must:

- consent to the appointment to the position
- be at least 18 years old, and
- be a resident of Australia

A secretary of a Victorian incorporated association may, but is not required to be, a management committee member.

Find more information on secretaries on Consumer Affairs Victoria's [website](#).

New South Wales

[Associations
Incorporation Act 2009](#)

Sections 28, 34

[Associations
Incorporation
Regulation 2022](#)

A committee must be established to manage the affairs of an association and must include three or more members, each must be aged 18 years or more, and at least three must be ordinarily resident in Australia.

In New South Wales, the '**public officer**' of an incorporated association must be:

- a person who is 18 years old or more, and
- ordinarily resides in New South Wales

The public officer of a NSW incorporated association may, but does not have to be a committee member. Under the Act, a person will automatically stop being a public officer in certain situations (including if they become bankrupt, mentally incapacitated or cease to ordinarily reside in New South Wales).

Find more information on public officers on Fair Trading NSW's [website](#).

Queensland

[Associations
Incorporation Act 1981](#)

Sections 60, 61, 61A,
65 and 66(1)

[Associations
Incorporation
Regulation 1999](#)

All incorporated associations must have a management committee consisting of at least three members who must be adults and include one president and one treasurer.

A person is not eligible to be elected to the management committee if the person:

- has been convicted of an offence on indictment or is summarily sentenced to imprisonment (other than in default of payment of a fine), and the rehabilitation period in relation to the conviction has not expired
- is an undischarged bankrupt, or
- has entered into certain arrangements due to bankruptcy

In Queensland, the **secretary** of an incorporated association must be an adult and:

- reside in Queensland, or
- reside in another state but no more than 65km from the Queensland border

The secretary of a Queensland incorporated association may, but does not have to, be a committee member (they can be elected by the association or be appointed by the management committee).

Find more information about Queensland incorporated associations on the Queensland Government [website](#).

Northern Territory

[Associations Act 2003](#)

A person can't be a member of the management committee if:

- they are an 'insolvent under administration' or 'a disqualified person' as declared in writing by the Commissioner of Police, or



Sections 27, 29, 30 and 40

[Associations Regulations 2004](#)

- they have been convicted of certain offences (including offences involving fraud or dishonesty on conviction by imprisonment for not less than three months, or in relation to the promotion, formation or management of a body corporate), within five years after the conviction, or if sentenced to imprisonment, within five years after release from custody

unless they have applied for and have been granted leave from the Commissioner of Consumer Affairs.

An employee of the incorporated association is not precluded from being appointed as a member of the management committee.

In the Northern Territory, the '**public officer**' of an incorporated association must be a resident in the Territory and may (subject to the rules of the organisation) hold any other position on the management committee in addition to that of the public officer. If under the rules of the organisation the public officer is required to be an employee of the incorporated association or hold another office, the public officer ceases to be the public officer if they don't satisfy this requirement.

Find more information about Northern Territory incorporated associations on the Northern Territory Government [website](#).

Tasmania

[Associations Incorporation Act 1964](#)

Section 14

[Associations Incorporation Regulations 2017](#)

There are no specific requirements for general management committee positions.

In Tasmania, the '**public officer**' of an incorporated association must:

- be a person who is 18 years old or more, and
- be a resident in Tasmania

The public officer of a Tasmanian incorporated association may or may not be a member of the management committee. They can hold any other office (subject to the rules of the organisation), except the office of auditor.

If the committee fail to appoint another person as public officer, the first public officer of an incorporated association is to be the person who applied for incorporation of the association.

If the office of a public officer of an association becomes vacant (at any time), the committee of the association must, within 14 days after the office becoming vacant, appoint a person to fill such vacancy. Failure to comply with this requirement will result in each member of the committee being deemed guilty of an offence.

Find more information about Tasmanian incorporated associations on the Tasmanian Government [website](#).

Western Australia

[Associations Incorporation Act 2015](#)

Sections 39 and 40

[Associations Incorporation Regulations 2016](#)

A person can't accept an appointment or act as a member of the management committee if:

- they are a bankrupt
- their affairs are under certain insolvency arrangements, or
- they have been convicted of certain offences (such as those involving fraud or dishonesty punishable by imprisonment for at least three months or in relation to the promotion, formation or management of a body corporate), within five years after the conviction, or if sentenced to imprisonment, within five years after release from custody,

unless they have successfully applied to the Commissioner to accept an appointment or act as a member of the committee of an association.

The Act does not specify certain positions (or specific requirements).

Incorporated associations can choose to draft their own rules or use the model rules contained in the Regulations. The model rules include matters relating to management committee positions (such as the composition of the



committee, duties of committee members and eligibility requirements to be a committee member).

Find more information about incorporated associations on the Western Australian Government [website](#).

South Australia

[Associations
Incorporation Act 1985](#)

Sections 29, 30 and 56

[Associations
Incorporation
Regulations 2023](#)

A person can't be appointed as a member of the management committee or be in any way (whether directly or indirectly) concerned in or take part in the management of an incorporated association if:

- they are an 'insolvent under administration', unless they have successfully applied to the Corporate Affairs Commission for leave to be a member of the committee, or
- have been convicted of certain offences in South Australia or other states (such as those involving fraud or dishonesty or under the SA incorporated organisation's law),

unless they have successfully applied to the Corporate Affairs Commission to be a member of the committee.

If the Commission has decided to allow the person to be a member of the committee despite these rules, the Commission may impose conditions or limitations as it thinks fit and failure to comply with these set conditions or limitations is an offence under the Act.

Subject to the rules of the association, no employee of an incorporated association is to be precluded from being appointed as a member of the committee of the association simply by reason of their employment.

In South Australia, the '**public officer**' of an incorporated association must:

- be a person who is 18 years old or more, and
- be a resident in South Australia (if the public officer is no longer a resident in South Australia, they will cease to be a public officer of the association)

A public officer of a South Australian incorporated association may or may not be a member of the management committee.

In South Australia, an incorporated association must have a public officer. If an incorporated association is without a public officer for a period longer than one month, the association will be deemed guilty of an offence.

Find more information about incorporated associations on the South Australian Government [website](#).

Australian Capital Territory

[Associations
Incorporation Act 1991](#)

Sections 57, 60 and 63

[Associations
Incorporation
Regulation 2023](#)

In the ACT, an incorporated association must have a management committee of at least three members of the association.

A person can't be appointed as a member of the management committee, or a public officer, of an incorporated association if:

- they are bankrupt or personally insolvent, or
- have been convicted of certain offences (such as those involving fraud or dishonesty, or in relation to the promotion, formation or management of a body corporate) whether in or outside the ACT,

unless they have successfully applied to the Supreme Court for leave to accept an appointment to act as the public officer or a member of the committee of an association.

In the ACT an incorporated association must have a public officer.

The '**public officer**' of an incorporated association must be:

- at least 18 years old, and
- be a resident in the ACT

The public officer of an ACT incorporated association may, subject to the rules of the organisation, hold any other office, in addition to that of public officer.



Find more information on the Australian Capital Territory Government [website](#).



For more information about positions in an incorporated association in your jurisdiction and in a company limited by guarantee, see our webpage [who runs the organisation](#).

Organisations registered as charities with the Australian Charities and Not-for-profits Commission

Organisations registered as charities with the Australian Charities and Not-for-profits Commission (ACNC) also need to make sure they meet the requirements of the [Australian Charities and Not-for-profits Commission Regulation 2022 \(Cth\) \(ACNC Regulations\)](#) which sets out 'Governance Standards' that apply to people sitting on a charity's board or committee (referred to as 'Responsible Entities' in the ACNC Regulations and often as 'Responsible People' in ACNC Guidance).

For example, [Governance Standard 4 - Suitability of Responsible People](#) provides that a charity must take reasonable steps to be satisfied that persons appointed to a charity's board or committee are not disqualified from:

- managing a corporation under the Corporations Act, and
- being a Responsible Person by the ACNC Commissioner within the preceding 12 months



For more information about governance requirements for registered charities see the [ACNC webpage 'Welcoming new Responsible People to your charity'](#).



Tip

In addition to satisfying itself that the potential board member meets the above legal requirements for appointment, your organisation could also ask the person to sign a letter (a [template declaration for Responsible People](#) is available on the [ACNC website](#)).

Does the chosen board member understand the legal obligations and liabilities that apply to their role?

The organisation should provide an overview of the board position, including the legal obligations (duties) that a new board member must comply with.

A board member's legal obligations arise from several different sources including:

- legislation
- common law (judge-made law)
- the organisation's constitution or rules, and any
- the organisation's policies



Summary of obligations

There are four main legal duties that all board members must understand and comply with.

Four main legal duties of board members

1. Duty to act in good faith in the best interests of the organisation and for proper purposes

2. Duty to act with reasonable care, skill and diligence

3. Duty not to misuse position or information

4. Duty to disclose and manage conflicts of interest

While board members are typically not personally liable (that is, legally responsible) for the debts or consequences arising from an organisation's actions or decisions, there are circumstances where a board member will be personally liable for their organisation's debts or may be subject to regulatory action.

If a board member fails to meet their legal duties and responsibilities, for example they breach their duty to disclose and manage conflicts of interest, they may be held personally liable for the penalties incurred. Board members may also be held liable for the actions of the organisation they govern if the organisation has breached a law. For example, if the organisation fails to pay certain income tax instalments (such as on salary and wages paid to employees) or superannuation guarantee payments (for employees), board members may be personally liable for these amounts.



Note

Potential board members need to understand both the legal obligations and the potential liabilities so they can make an informed decision about whether they consent to becoming a board member.



Your organisation could provide our following resources (which explain directors' legal obligations and potential liabilities) to your new board members: [New to a board or committee? An introduction to your role](#) and [Duties Guide](#).

Have you followed the proper process for appointment of the board member?

Organisations must follow their governing document (rules or constitution) in relation to the appointment (and removal) of a person on their board. A new board member is usually elected by the members at an Annual General Meeting, or by direct appointment by the board (for example, the filling of a casual vacancy), which may or may not need a resolution at the next organisation meeting.

When a board member is appointed, organisations must notify the relevant regulators.



For example

- Companies limited by guarantee must inform ASIC. See [ASIC webpage - 'Adding or removing an officeholder'](#)
- Incorporated associations must notify their state or territory-based regulator (there may be some exceptions for incorporated associations in some states who are also regulated by the ACNC)
- Companies limited by guarantee and incorporated associations that are registered as charities will need to inform the ACNC. See the [ACNC webpage - 'Notifying the ACNC'](#) for further information (you can make changes through the Charity Portal).

It's important to note that time limits for notification are usually applicable and so organisations must make notification of appointing a new board member a priority.

What should be covered in a board induction?



Note

The main reason for a board induction is to make sure a new board member receives key information about the organisation and their role.

In addition, the induction process can be used to collect information required from the board member.

The nature and extent of the information provided to the new board member will, to a degree, be informed by:

- the industry and size and type of the organisation (for example, a multi-million dollar disability provider compared with a small maternal health support group)
- the person's background and experience, and
- the information that has been shared with them before their appointment was formalised

Despite this, the process should, as much as possible, be conducted in a consistent manner so that each new board member receives the same information. This helps to streamline the new board members transition into the organisation and will create a better functioning and more efficient board.

The induction process will often include:

- meetings with the chair, CEO, a mentor, or both (another board member that may be allocated) to introduce the organisation and invite questions, as well as meetings with other board members and senior management
- a tour of the organisation's premises and operations (if applicable)
- provision of a board induction pack (see below)
- specific training or professional development in relation to the role, and
- completion and return by the board member of any outstanding appointment-related documents, such as the consent to act as director, appointment letter and declaration of interests forms

A 'board induction' pack

A board induction pack should be produced and provided to each new board member at, or as soon as possible after, the time their appointment is confirmed.



The following information about the person's role, the board and the organisation, is often included in a board induction pack.

The board member's role

A letter or document setting out the 'terms and conditions' of appointment (a sample letter of appointment for responsible people setting out the duties and responsibilities of directors is available at the [ACNC website](#) (for organisations registered as charities).

A letter or document setting out their specific 'roles and responsibilities', including as member of a sub-committee (the job description).

Any policies or procedures specific to board members or related documents like insurance details.

Information about key legal duties and potential liabilities of board members (see, for example, our webpage [responsibilities of the board and committee members](#)).

Any handover notes, key contacts, regulator details and key compliance dates.



Note

Both the organisation and individual board members should understand the basis on which the board member is appointed. This can be either on a volunteer or employee basis. This is important as there are different legal entitlements that affect a volunteer board member compared to the legal entitlements that affect an employee board member, all of which the organisation must comply with.

The letter of appointment and induction process should be clear and consistent in stating whether the new board role is on a voluntary or employee basis. For more information about the different roles,, see [our guide 'Employee contractor or volunteer?'](#).

The board

The structure of the board (including positions held, together with the roles and responsibilities of those positions).

A list of all board members and their contact details (including biographies, if available).

A calendar, or schedule of upcoming board meetings (including the date, time and location of each meeting and whether the meetings can be attended using virtual meeting technology) and other significant events.

Details of any subcommittees (including roles, responsibilities, delegations and reporting lines).

Details on how the board operates in practice (for example, how documents are circulated, amended, and stored, how board meetings are run, and decision-making processes).

Previous minutes of board meetings (the last six to twelve months are likely to be most useful).



Any specific board policies, charters and procedures (such as attendance policy, disputes, delegations, and confidentiality).

The organisation

The organisation's governing document (rules or constitution)

Financial information (including the organisation's budget, funding sources, financial statements for previous years and audit reports, where applicable)

Annual report

Planning documentation (such as a corporate plan, strategic plan and financial plans)

Risk assessment information (such as a copy of the organisation's risk register)

Organisations policies and procedures (for example, its code of conduct, health and safety policies, social media policy)

History and background of the organisation (for example its purpose, mission and key achievements).

Training and development of board members

In addition to ensuring that an effective board induction process is implemented, community organisations should encourage and support their board members to complete appropriate training to make sure they have the necessary knowledge and skills to effectively perform their distinct role and responsibilities.

Boards often receive training and professional development in the following areas:

Financial literacy

All board members of a community organisation should have at least basic financial literacy skills so they can understand and participate effectively in the board discussions about the organisation's financial reports and financial position.

A board member can't simply rely on the opinions and financial expertise of the treasurer or chief financial officer. To meet their legal duties, specifically their duty of care and diligence and duty to not operate while insolvent, every board member needs to understand the organisation's financial position and contribute to its proper financial management.

A board member who doesn't have adequate financial literacy skills and knowledge to understand and interpret financial statements, or who would benefit from refresher training, should be supported by the board to attend appropriate financial literacy training.

Directors' duties and governance

As already discussed, board members have several legal obligations (duties) that must be understood and complied with. The source and nature of those duties, and the potential consequences of a failure to comply with them, may differ depending on the type of organisation.

At the time of their appointment, a new board member should be informed of their duties, including those under the Corporations Act, the ACNC Governance Standards or incorporated associations legislation (where applicable).

While these duties may initially seem daunting for some new board members, it's important to reassure them that these duties are essentially a common sense approach



to good governance and there are supports available to help them understand their duties and how they can be met. New and existing board members should also be encouraged and supported to attend governance training, as required, to ensure they are well-equipped to fulfil their roles.

For more information, see our webpage [responsibilities of the board and committee members](#).

Regulatory compliance

Particularly for community organisations operating in highly-regulated environments, it's important to consider facilitating board members' attendance at training sessions covering key regulatory issues and risks affecting the organisation.

For example, if your organisation holds public events, it would be beneficial for board members to receive training on how to identify and manage key risks, occupational health and safety or work health and safety (OHS or WHS) and negligence laws, and the types of insurance and protection available.

The board may want to consider having regular discussions about the skills and knowledge of each board member and discuss (if are any gaps) where training would be beneficial.

The board may also want to consider conducting an annual review of the performance of all its board members, similar to performance assessments you might undertake with staff (if applicable). This is another good way of identifying gaps in the skills or knowledge of board members.

The following areas may be considered in these discussions and reviews:

- industry knowledge
- board experience
- CEO succession planning
- community affiliation or access
- financial skills
- fundraising
- government relations
- technology and IT
- human resources
- leadership
- legal and lobbying
- marketing or public relations
- organisation management
- risk management
- strategic management
- networking



Induction checklist

Completing an induction checklist for each new board member.

The following checklist is an example only. It's not exhaustive and should be tailored to suit the size and complexity of your organisation and the board member's role.

Step	Discussion	Completed
Before appointing the board member	Provide the person with an overview of the position, including the legal obligations and potential liabilities that come with being a board member so the person can make an informed decision about whether they consent to becoming a board member.	<input type="checkbox"/>
	Conduct screening checks, where appropriate (if they have contact with children or other vulnerable people, some checks will be mandatory).	<input type="checkbox"/>
	Ensure the person meets all the legal requirements (for example, above the age threshold, not bankrupt, and an Australian resident)	<input type="checkbox"/>
	Collect relevant information from the person including: <ul style="list-style-type: none"> • their consent to act as a director (if required). The ACNC has a sample appointment letter that could be used to appoint a person to the board of a registered charity. If your organisation is not a charity, and doesn't have a consent letter it may consider adapting the sample appointment letter as appropriate • a declaration of any conflicts of interest (potential or actual), which should be included on the organisation's risk register. The ACNC has a sample template conflict of interest policy and a template risk register. If your organisation is not a charity, and doesn't have a way to manage documents relating to conflicts of interest, it may consider adapting these templates as appropriate • personal contact details, and • any other requirements relevant to your organisation <p>For example, directors involved with a community organisation in Victoria that has a fundraising licence or is seeking a fundraising licence, may need to complete a 'Criminal Record and Personal Insolvency Declaration'.</p>	<input type="checkbox"/>
	Ensure the person has all information relevant to the role including: <ul style="list-style-type: none"> • the 'terms and conditions' of appointment letter <p>This is likely to include:</p> <ul style="list-style-type: none"> – the term of appointment – circumstances where they cease to be a board member – key duties – time commitment – information about disclosure of conflicts, insurance and any travel and reimbursement details, or remuneration • the expectations and specific responsibilities, and • any policies or procedures specific to board members 	<input type="checkbox"/>



Appointing the board member	<p>Follow the governing document of the organisation (rules or constitution) to appoint the board member (this will usually be at the election of the members at an Annual General Meeting, or direct appointment by the board to fulfil a casual vacancy).</p>	<input type="checkbox"/>
Notifying relevant regulators	<p>Promptly notify relevant regulators upon a person becoming a member of the board.</p> <p>For example:</p> <ul style="list-style-type: none"> • CLGs will be required to inform ASIC (unless they are registered with the ACNC), and • organisations registered as charities with the ACNC will need to inform the ACNC <p>Note that timeframes apply and late fees can be charged if notification of a new board member is not given within the required timeframes.</p>	<input type="checkbox"/>
Completing the induction process	<p>Meet with the new board member to:</p> <ul style="list-style-type: none"> • introduce the organisation, its history, mission and objects and invite questions, and • receive relevant documents from the board member if not already provided before the appointment (the declaration of meeting legal requirements, and declaration of interest's) 	<input type="checkbox"/>
	<p>Introduce the new board member to other board members (and senior management).</p>	<input type="checkbox"/>
	<p>Arrange visits to the organisation's premises and operations (if applicable).</p>	<input type="checkbox"/>
	<p>Discuss the new board members' needs (for example, training).</p>	<input type="checkbox"/>
	<p>Provide a board induction pack.</p>	<input type="checkbox"/>