



Queensland Parachute Association

Director's Handbook

Nov 2018

CONTENTS	
CONTENTS.....	3
DIRECTORS' CODE OF CONDUCT	6
FUNCTIONS/RESPONSIBILITIES OF THE BOARD.....	7
GOVERNING STYLE	8
RELATIONS BETWEEN BOARD & STAFF	9
POSITION DESCRIPTIONS	10
MEETINGS.....	10
Gov. Funding.....	10
President/ Chairman.....	13
BOARD PERFORMANCE	14
MEETINGS	15
DIRECTOR'S DUTY STATEMENT	17
SCHEDULE 1.....	22

GOVERNANCE

STATE ASSOCIATION

Comprises of 3-4 Executive members from both North Queensland and South Queensland Regional Councils.

Powers/Duties

- Election of the Committee
- Design/review QPA's strategic direction
- Discuss Statewide/nationwide issues
- Approve funding allocations to regional bodies
- Provide feedback to the Board on the results of its governance decisions in practice at the member level.

Meets formally twice per year:

The AGM to be held within the period of six months after the end of the financial year. (The date it will be held is according to availabilities of attendees – usually in May).
The second association Meeting is held preferably in Sept.

EXECUTIVE COMMITTEE

President/ Chairperson, Administrator, Director of Coaching and Director Instructors.

Powers/Duties

- Enact QPA's strategic direction and priorities
- Interact with key stakeholders to inform them of achievements and ensuring that they have input into determining strategic goals and direction
- Regularly scanning the external operating environment to ensure that QPA's strategic direction remains both appropriate and achievable.
- Monitor organisational performance and evaluating strategic results.
- Ensure financial viability and security of QPA by setting financial governance policies.
- Report back to the stakeholders at the AGM.
- Assess risks facing the organisation, establishing a risk management plan and monitoring compliance.
- Evaluate its effectiveness as a Board.
- Appoint committees and officers to carry out aspects of their work.

Meets as often as is deemed necessary in every calendar year.

Max 3 year terms for Directors.

ADVISERS

- NQPC Administrator
- SQPC Administrator
- Australian Parachute Federation CEO

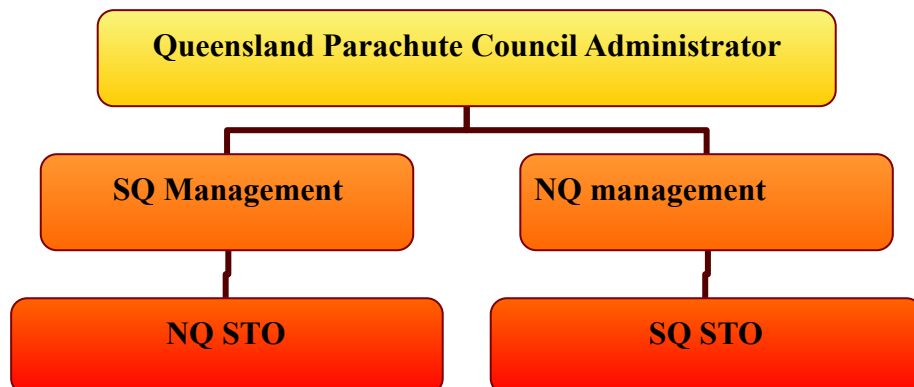
Powers/Duties

- May be required to attend State Council Meetings without the right to vote.
- May be invited to attend Executive Meetings for specific discussions.

QPA STAFF, OFFICERS AND COMMITTEES

Development Officer / Administrator,

- Appointed to run the 'business' of QPA
- Manage all administrative and operational matters relating to QPA
- Oversee the financial management of QPA through annual budgeting and reporting processes.
- Advise the Executive Committee when required
- Appoint staff to assist them carry out their duties
- Assist committees and officers to carry out aspects of the Executive's work.



DIRECTORS' CODE OF CONDUCT

The primary function of the Board is to work with the Administrator to efficiently and effectively manage the business of QPA on behalf of the Members.

Directors are expected to:

- Meet fiduciary responsibilities as required under all relevant Commonwealth and State legislation.
- Act within their duty of care to make decisions in the best interests of the Association.
- Develop strategic planning and direction of the Company including monitoring organisational performance and evaluating strategic results.
- Develop and implement policies.
- Interact with key stakeholders and members to inform them of achievements and to ensure that they have input into determination of strategic goals and direction.
- Report back to the stakeholders at the Annual General Meeting through the Chairperson and Administrator.

Limitations:

- The Directors report to the Chairperson and are accountable for the performance of their duties as a Director.
- No Director is authorised to incur expenses or debts on behalf of the Association.
- All Directors are expected to abide by the Association's policies, regulations and directives.
- Exercise their powers fairly and for the purposes for which they were conferred, and not misuse or profit from information obtained through their position.
- Respect confidential information obtained, and disclose any actual or potential conflict between their obligations owed to SLSNSW and their personal interests and other duties.

FUNCTIONS/RESPONSIBILITIES OF THE BOARD

The successful operation of QPA depends on the development of a positive working relationship between elected Directors, Officers and other staff.

Members are required to:

- Work within their respective Board's roles and responsibilities as set out in the terms of delegation
- Discuss, debate and submit objective recommendations on issues to the State Council
- Assess items that may be referred to them from time to time
- Conduct annual reviews of their area
- Submit recommendations to the State Regional Council's
- Make decisions in the best interests of QPA and Regional Councils
- Avoid conflict of interest
- Interact with key stakeholders and members as required
- Report back to the stakeholders at the AGM as required
- Basically, the Directors (Board) are responsible for determining policy issues including strategic and operational plans and organisational structure, as well as making those major executive decisions which are not covered by policy or delegated, while the Administrator and other staff are responsible for implementing the Board's decisions and the day-to-day management of the organisation.

GOVERNING STYLE

The Directors will govern with an emphasis on:

- Good governance
- Organisational Development
- Strategy and policy which will be advantageous to the Company
- Planning
- Membership and club development
- Strategic leadership
- Risk management. Clarity of roles and responsibilities
- Development
- Unity
- Focus on the future direction of the Company
- Business opportunities
- Equity

RELATIONS BETWEEN BOARD & STAFF

Directors are clearly entitled to expect high standards of professional competence, loyalty, diligence and impartial advice from staff. In return, an effective working relationship will depend upon the trust, respect, consistency and support shown by Directors towards staff.

The following points are important features of a healthy and productive relationship between the Board and Staff:

- It is essential to ensure that appropriate well defined lines of communication exist to facilitate the provision of help and advice to Board members and to ensure that staff are not placed in untenable positions which may conflict with instructions from the Administrator and other work priorities. Following these procedures will help to ensure effective and efficient functioning of the organisation.

These provisions are not intended to cut Board members off from necessary access to staff.

- Directors shall respect normal workplace operations and efficiencies, and professional courtesies i.e.,

POSITION DESCRIPTIONS

JOB DESCRIPTION: ADMINISTRATOR/ DEVELOPMENT OFFICER

Hours: 10 per week

Salary: \$4 -5,000 per annum

Responsible for:

- Administering the development of the sport in Queensland, under the direction of the Queensland Parachute Association.
- Act as Secretary / Treasurer for QPA.
- Liaise with Govt.

Requirements:

- ASSA Level One, with a thorough background knowledge and understanding of the sport in all areas.
- Knowledge of the sport, Office and MYOB.
- Available to work irregular hours eg. weekends/evenings and available to travel to meetings when required.
- Knowledge of APF and Regional Council structure.
- Self motivated and organised.

Duties:

- ◆ Distribute Funding as per KPI's that are met by each Regional Council
- ◆ Collect levies from each regional Council.
- ◆ Keep records of Income and Expenditure.
- ◆ Organize Audit at end of each financial year.
- ◆ Register with Consumer Affairs after each AGM and Audit.
- ◆ Maintain role of members.
- ◆ Liaise with both SQPC and NQPC secretaries.

MEETINGS

- ◆ Book and confirm venue.
- ◆ Send out Agenda at least 21-days prior to meeting.
- ◆ Up-date delegate email addresses as required.

Gov. Funding

- Maintain/distribute communications regarding the Qld. Govt. SDU for funding.
- Prepare the QPA 3 Year Development Plan.
- Ensure acquittals are prepared and submitted for grants received.
- Ensure Website is kept up to date.

JOB DESCRIPTION: State Technical Officer

Hours: 10 per week

Salary: up to \$15,000 per annum per regional area

Area Safety Officers (ASO)	Responsible National Director Safety and APF. <ul style="list-style-type: none">- Surveillance of sport parachuting safety within the powers granted by the APF/NQ constitution and the APF Operational Regulations- Conduct APF annual audits for all organisations- Attend investigations for major parachuting accidents- Compile information for accident report- Compile safety statistics- Liaise with National Director Safety and other Area Safety Officers- Liaise with Administrator/Development Director- Report annually to the Council on matters relating to safety
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Requirements:

- Must be highly qualified min Instructor B parachutist.
- Organisational and report writing skills.

VOLUNTARY POSITION: JOB DESCRIPTION

STATE DIRECTOR OF COACHING

Responsible to:

- The State Management Committee reporting of regional coaching activities in each council area.

Requirements

- Thorough knowledge of the sport in the coaching, training and competitive areas.
- Website skills.

Duties:

- Liaise with both SQPC and NQPC Area Coaches, and State Administrator to ensure that KPI objectives are being targeted.
- Update Website with events list from both NQPC and SQPC
- Approve seminars, courses and funded club activities for QPA.
- Organise invoicing for courses to QPA.
- Provide 6 month report to QPA via Web Site on activities in each State.
- Attend competitions, conferences, seminars in Australia and overseas where possible and keep up to date with new techniques and knowledge in the sport.
- Provide 6 month and annual report AGM.

VOLUNTARY POSITION: JOB DESCRIPTIONS

President/ Chairman

Chair Council Meetings, Management Committee Meetings monitor constitutional And policy matters.

Requirements: Experienced, respected parachutist, with organisational and communication skills.

Management - Responsible to QPA

Committee - Conduct regular meetings to overview the administration and general operations of the QPA

(Minimum 3) **Requirements:** Knowledge of the sport in all areas, good business sense, respected in both business and sporting areas.

Suggestion would be QPA Administrator, SQ and NQ representatives acting as State Coach and State Instructor chair.

BOARD PERFORMANCE

ANNUAL REVIEW

The Board shall review its performance at least annually.

Such reviews of the performance of the Board, as a whole, assist to focus Directors' attention on the key strategic goals of the organisation.

Such reviews also demonstrate the Board's acceptance of its accountability to QPA stakeholders.

EVALUATION

The Board will assess its performance against the following:

- compliance with APF 'governance style'
- compliance with Directors' 'Code of Conduct'
- setting strategic direction and goals
- formulating strategy
- reviewing and initiating strategic analysis
- approving budgets
- monitoring budget control and corrective actions
- critical assessment of external reports (e.g. auditors) and monitoring of implementation of agreed recommendations
- establishment of high level Risk Management Plans
- monitor conformance with statutory/regulatory compliance
- review monthly Operations Committee reports
- periodically audit/review strategically important programs
- carry out constituent and stakeholder satisfaction surveys and review the results regularly against baseline parameters established at the beginning of the term
- present a mid-year and end-of-year report card comparing actual performance against planned and present to Council

MEETINGS

THE IMPORTANCE OF MEETINGS

- As a general rule, individual Directors have no personal or individual authority to act, or to make decisions, on behalf of QPA. Decisions can only be made by the Board in accordance with its constitutional authority. This requires that a majority vote be obtained at a properly convened meeting of the Board or that the decision be made pursuant to a power of delegation granted by the Board or Council.
- QPA's Constitution provides delegated authorities to the Administrator to transact the business of QPA in accordance with QPA's policies, endorsed plans and budgets.
- Therefore, Directors do all or most of their legally effective decision making at Board meetings as part of a group. There is a clear duty on Directors to attend meetings regularly and to vote on all matters coming before a meeting for consideration.

PREPARING FOR MEETINGS

- The degree to which a Director is prepared for a meeting is perhaps the single most important factor in ensuring meetings are effective and achieve results with a minimum of time wasted.
- In preparing for Board Meetings, Directors should:
 - read the agenda and background reports provided
 - familiarise themselves with matters which are of particular interest, or which may prove to be controversial
 - seek any clarification, or additional information from the CEO
- Directors are particularly encouraged to carefully read the Operations Committee Minutes and Reports.

DIRECTORS' AGENDA ITEMS

- Directors are encouraged to submit items to be placed on the agenda of a Board meeting.
- Any such agenda items need to be submitted to the Administrator, in the agenda pro-forma template (as follows) at least 10 days prior to the meeting.

AGENDA/DISCUSSION ITEM

TO/MEETING:
ITEM N^o:
FROM:
DATE:
SUBJECT:
BACKGROUND:

ISSUES:

RISKS/LEGAL CONSIDERATIONS:

FINANCIAL CONSIDERATIONS:

CONSULTATION:

RECOMMENDATIONS:

AGENDAS & BRIEFING NOTES

- A full agenda, together with briefing papers, will be circulated to Directors at least 7 days prior to meetings.
- "Full" agenda means that quite a deal of commentary and sometimes recommendations are included in the agenda.

QUORUM

- *At meetings of the Executive the number of Directors whose presence is required to constitute a quorum is three.*

CHAIR

- The President is the nominal chairman of all meetings of the Board or a nominee of the President if he can't be present.

MINUTES

- Minutes of Board meetings shall be distributed (electronically) within 10 days of the meeting.

DECISIONS – UNITY

- It is not expected that there will be consensus amongst all Directors on all issues.
- It is important to emphasise that teamwork and harmony do not exclude robust differences of opinion; indeed on important issues it may be desirable to stimulate disagreement and debate.
- However, Directors need to ensure they raise any concerns in meeting.
- But when the debate is over, and when as large a consensus as possible has been reached, all Directors must accept that the Board has made a decision, and if they choose to remain as part of the Board, they must accept a duty of loyalty and confidentiality.
- All Directors, whether for or against a particular decision, need to become advocates for the final Board decision.
- If a Director understands his or her fiduciary duty is to QPA as a whole, there can be no justification for breaching Board confidentiality or showing public disloyalty while remaining a member of the Board. In such cases, resignation is the only option.

DIRECTOR'S DUTY STATEMENT

LEGAL

This section outlines the key legal duties and obligations of directors.

Directors owe certain duties to the Company and the member, QPA. The duties require directors to act competently, honestly, in good faith and in what they consider to be the best interests of the Company.

The duty statement covers both common law duties and the duties imposed on directors under the Corporations Act. It is not an exhaustive summary of a director's legal obligations, but it does summarise some of the key obligations imposed on directors of companies.

Directors are required to understand the needs of the Company and their legal responsibilities as directors.

Certain duties apply to a director in every aspect of the Company and to every transaction the Company enters into. Directors are regarded as owing a fiduciary duty to the Company. This means that a director has special obligations to the Company because they occupy a position of trust. As a result of the fiduciary relationship between the director and the Company, the director is bound to exercise their rights and powers in good faith and for the benefit of the Company.

In very broad terms, the principle statutory and common law duties imposed upon directors may be summarised as follows:

- a) To act honestly and in good faith in the interests of the Company as a whole
- b) To exercise the degree of care, skill and diligence that a reasonable person in a like position would exercise in the Company's circumstances
- c) To exercise powers granted honestly and for the purposes for which they were conferred and not for collateral purposes
- d) To avoid any actual or potential conflict between the obligations owed to the Company and director's personal interest or other duties
- e) To keep confidential information obtained confidential, and not to disclose an advantage or business opportunities acquired, in the course of office
- f) To prevent insolvent trading by the Company.

GENERAL DUTIES OF GOOD FAITH AND CARE

a) **Duty of Good Faith and Honesty**

Directors are given broad discretions to govern the Company's business under the Constitution of the Company. The duty of good faith applies to all discretions and decisions of directors.

The duty of good faith and honesty arises at common law partly (as with most of the other common law duties of directors) because directors are regarded as being in a position of trust with respect to the Company.

This duty is also reflected in the Corporation's Act, which requires that an officer of the company at all times act honestly in the exercise of his powers and the discharge of his duties.

In this context, the duty of honesty is equivalent to the duty to act for a proper purpose. If a director's purpose is misguided or improper, the director will breach the duty even though there is no question of personal gain or dishonesty in the generally understood sense. Accordingly, a director can be dishonest without being fraudulent.

Principally, therefore, this duty requires directors to consider the interests of SLSNSW (as the only member of the Company). This may involve considering whether the short term or long term interest of QPA should be paramount. In circumstances of insolvency or near insolvency, the duty to act in the best interests of SLSNSW is overridden by a duty to act in the best interests of creditors.

b) **Duty to Act for Proper Purpose (and not for a collateral purpose)**

Since directors of the Company are fiduciary agents, powers given to directors may only be exercised for the purposes for which they are given. In particular, those powers may not be exercised in order for the directors to obtain a private advantage.

Whether a particular act by directors as fiduciaries, is a bona fide exercise of their power for the benefit of the Company as a whole is generally determined by ascertaining the substantial motivating purpose for which the power is exercised and then by determining whether that purpose was proper or not.

c) Duty of Care, Skill and Diligence

The duty of care, skill and diligence is a subjective duty, so that essentially recklessness was (and possibly still is) required to amount to a breach. That is, to breach the duty, a director must be reckless in exercising his office.

Proper performance of the duties of a director will be dictated by all the surrounding circumstances including the type of organisation, the size and nature of its enterprise, the composition of the governing body and the distribution of its work between the directors and other officers.

The following are some of the broad principles which are relevant in the determination of whether a director has fulfilled his duty of care, skill and diligence to the Company. Although the list is not exhaustive, the common law requires that directors at least:

- Take reasonable steps to place themselves in a position to guard and monitor the management of the Company
- Acquire a working knowledge of the fundamentals of the business of the Company
- Keep informed about the activities of the Company and assess the safety and properness of the business practices of management
- Generally monitor the Company affairs and policies, although a detailed inspection of day to day activities need not be undertaken
- Maintain a familiarity of the financial status of the Company by regularly reviewing the financial statements
- Make enquiry into matters revealed by the financial statements which call for enquiry.

The common law duty to act with care, skill and diligence is also reflected in the Corporations Act which provides that in exercise of powers, a director must exercise "the degree of care and diligence that a reasonable person in a like position in a corporation would exercise in the corporation's circumstances".

Although this provision does not expressly distinguish the respective positions of executive and non executive directors, it is considered that regard will be had to the special background, qualifications and management responsibilities of a particular director in determining whether the director has complied with the statutory duties. The standard of care for a particular director may increase where a person is appointed to the Board because of particular skills.

DUTIES AND OBLIGATIONS RELATING TO CONFLICT OF INTEREST

a) Duty to Avoid Conflict and to Disclose Interests

Neither a director nor responsible officer should allow a conflict of interest to compromise their position in the Company. A directors' "personal" interests (for example, a shareholding in another company) or other duties (for example, being a board member of SLSNSW) and their duty to the Company must not be brought into conflict.

This overlaps with the duty to act in good faith and for a proper purpose.

Categories of situations which give rise to conflicts of interest are:

i. Directors or officers taking advantage of opportunity

The general rule is that a director must not use his position to make a profit. If he does, then he must account the Company for the profit made. The Corporations Act provides for a similar rule.

ii. Directors taking advantage of an opportunity where the Company is unable

A director has an obligation not to profit personally from his position as a director, and not to allow a conflict to arise between his duty as a director and his own self interest.

A director is disqualified from usurping for his own benefit or for the benefit of others, a maturing business opportunity which the Company is actively pursuing.

A directors' liability to account to the Company is not unlimited and depends upon the facts of the case. It is a defence that the profits or advantage were made with the informed consent of the Company.

iii. Directors contracts with the Company

The general rule is that contracts made by a director with the Company are voidable at the option of the Company. This includes contracts in which directors have an indirect interest. The fairness of the contract is irrelevant, and this is applied as a strict rule.

The contract may be validated by ratification at a general meeting, provided there is full disclosure.

iv. Conflict of external duties with directors' duties

Where a director holds an office or property, which creates duties in conflict with his duties as a director of the Company, they should declare the interest at the next meeting of the Board after they become aware of the conflict.

b) Confidential Information

Directors need to acknowledge that from time to time, information will be provided to them which will be considered to be "confidential". "Confidential information" is any information:

- a) Determined by the Board, and so declared by marking "confidential" or by statement agreed by the Board at the time of declaration; or
- b) Which may be reasonably considered by the Board to be commercially or otherwise sensitive or likely to be so to the Board.

Directors have a duty not to make unauthorised disclosure or use of the Company information and a duty not to disclose or exploit confidential information, such as commercially or price sensitive information or information which is confidential by virtue of a contractual arrangement.

Information is commercially sensitive where it is of specific value to the group concerned, particularly where its disclosure would allow others to "reap without sowing" or would otherwise be detrimental to the Company. In the context of the Company, this would involve any information that is of value to the Company in the sense that its disclosure might cause damage to the Company's reputation, or disclose plans which the Company would not want revealed to its competitors or third parties.

Directors should not reveal any discussions or meetings or documents relating to policies or plans in their initial stages without the consent of the other members of the Board.

Practicality and convenience must be taken into account. The Board should at the very least be informing SLSNSW of major decisions, which it has made and report on the reasons for these decisions. The Board is justified in not disclosing all its activities on the basis that in doing so it is acting in the interests of the Company, by preventing information which may be detrimental to it from being revealed and potentially distorted.

Directors must remember that they have a duty to act in the interests of the Company as a whole, which includes the interests of SLSNSW, as the only member.

Directors should support all determinations of the Board regardless of their support or dissent during the Board meeting. It is essential that discussions of the Board are freely entered into. However, it is imperative that beyond the meetings of the Board all directors are united in the determination of the Board.

Directors must always be sure that their actions are in the best interests of the Company, rather than for political expediency. This may from time to time place a director in a difficult position, for

example it asked to comment by QPA (as the only member), on a matter which is confidential to the Company. The director's duties to the Company must always be upheld despite the relationship which may exist between the director and QPA (as the only member).

The Corporations Act also imposes a statutory duty on a director not to make improper use of the information acquired by virtue of his office to gain, directly or indirectly, an advantage for himself or for any other person or to cause detriment to the Company.

c) Duty not to divert Corporate Opportunities

Misuse by a director of the Company's property so as to make a personal gain or gain for any other person (for example, a company in which the director is interested) without the authority of the Company is a clear breach of a director's fiduciary obligation. In particular, a director must exploit corporate opportunities for the benefit of the Company. A director who breaches this duty may be liable to account for any gain or profit made.

This duty is also reflected in the Corporations Act which requires a director not to make improper use of his position (as a director) to gain, directly or indirectly, an advantage for himself or any other person or to cause detriment to the Company.

Breach of this duty may also involve a breach of a director's duty of honesty imposed by the common law and by the Corporations Act.

d) Declaration of Director's Interests

There is a common law obligation on a director to declare a director's interest in a matter considered by the Board.

i. Directors' Interests

A Director is disqualified by that office from holding any place of profit or position of employment in the Company or in any company or incorporated association in which the Company is a shareholder or otherwise interested or from contacting with Company either as vendor, purchaser or otherwise except with express resolution of approval of the Company in general meeting or otherwise. Any such contract or any contract or arrangement entered into by or on behalf of the company in which any director is in any way interested will be voided for such reason.

ii. Conflict of Interest

A director shall declare his interest in any:

- a. Contractual matter;
- b. Selection matter;
- c. Disciplinary matter; or
- d. Other financial matter;

In which a conflict of interest arises or may arise, and shall, unless otherwise determined by the Board, absent himself from discussions of such matter and shall not be entitled to vote in respect of such matter. If the director votes, the vote shall not be counted. In the event of any uncertainty as to whether it is necessary for a director to absent himself from discussions and refrain from voting, the issue should be immediately determined by vote of the Board, or if this is not possible, the matter shall be adjourned or deferred.

iii. Disclosure of Interests

The nature of the interest of such director must be declared by the director at the meeting of the Board at which the contract or other matter is first taken into consideration if the interest then exists or in any other case at the first meeting of the Board after the acquisition of the interest. If a director becomes interested in a contract or other matter after it is made or entered into the declaration of the interest must be made at the first meeting of the Board held after the director becomes so interested.

iv. General Disclosure

A general notice that a director is a member of any specified firm or company and is to be regarded as interested in all transactions with that firm or company is sufficient declaration under the previous clause as regards such director and the said transaction. After such general notice it

is not necessary for such director to give a special notice relating to any particular transaction with that firm or company.

Notice may be provided in the form set out in Schedule 1

v. Recording Disclosures

It is the duty of the CEO to record in the minutes any declaration made or any general notice given by a director in accordance with proceeding clauses.

vi. Execution by Seal

A director cannot witness or sign a document if the director is interested in the contract or arrangement to which the document relates.

SCHEDULE 1

DECLARATION OF PECUNIARY AND NON PECUNIARY INTERESTS BY DIRECTORS OF

**QUEENSLAND PARACHUTE ASSOCIATION
ABN**

**APPOINTMENTS/ELECTED POSITIONS/PUBLIC DIRECTORSHIPS/
MEMBERSHIPS**

**NAME:
QUALIFICATIONS:**

**DATE:
OCCUPATION (if any):**

BUSINESS

NAME OF CORPORATION	PLACE OF INCORPORATION	OFFICE HELD	BENEFICIAL INTEREST	DATE OF APPOINTMENT	INSURANCE FOR OFFICE BEARERS	ABN

**SIGNATURE:.....
DATE:.....**