

GOVERNING DOCUMENTS

RACHEL GEAR

Instructional Designer I Education and Public Affairs



Introduction to governing documents

A charity's governing document is the formal document that sets out:

- the charity's charitable purpose or purposes
- that the charity operates on a not-for-profit basis
- the way the charity's governing body (such as its committee or board) makes decisions and consults any members, and
- what happens to any charity assets if the charity is wound up.

The purpose of a governing document is to help you make sure your charity is run well and on track.



Why do governing documents matter?

A charity's governing document matters because:

- it helps give some certainty about how the charity is run and
- it establishes procedures that everyone involved can rely on.

The governing document binds you (as a board member), the charity and its members.

When applying to register your charity, you need to provide the ACNC with a copy of your charity's governing document. We check if it shows your charity's charitable purposes. It is part of the evidence we need to make sure your charity is eligible for registration, and if it can remain registered.

Once registered, the public can view the governing documents of registered charities online via the ACNC's Charity Register.



Key parts of a charity's governing document

A charity's governing document will set out:

- that it is not-for-profit
- its charitable purpose
- the powers of its board
- how to become a member and the rights and obligations of members
- how members of the board (and any office bearers such as a president or treasurer) are elected or appointed
- how meetings of members and meetings of the board are called and held
- how authority is delegated to the board, staff or volunteers, and
- what will happen if the charity needs to be wound up.

Your charity's governing document needs to accurately reflect how your charity operates. You should be able to rely on it when there is uncertainty or conflict.

