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Resources available to help with implementation of the Charities Governance Code

[Updated, January 2022]

This guidance document has been developed by Carmichael to help charities that are implementing the Charities Governance Code by matching the standards in the Code against resources that are available to help with implementation. Most of the resources included in this document are available from:

- **The Charities Regulatory Authority**
- **Carmichael**
- **Charities Institute Ireland**
- **Employer Resources**
- **Volunteer Ireland**

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Complex and Non-Complex Charities

Guidance from the Charities Regulator on how to decide if your charity is complex or non-complex.

Carmichael Sample Compliance Form

This guidance document has been developed by Carmichael to help charities that are implementing the Charities Governance Code to complete the Compliance Record Form. The document is for guidance only and organisations should complete their own Charities Governance Code Compliance Record.

The Charities Regulator has also developed two Sample Completed Compliance Forms:

Charities Regulator Sample Completed Compliance Record Form
Charities Regulator Sample Completed Compliance Record Form (Non-Complex)

1 Hour Webinar on the Charities Governance Code
Carmichael's free webinar on the Charities Governance Code for Charity Trustees. This 1-hour webinar is intended to give Trustees an insight into the 6 Principles of the Code and help your Charity on the road to compliance with the 32 Core Standards.

Board/Trustee Governance Handbook Template
The Board/Trustee Governance Handbook Template has been developed by Carmichael as part of our ongoing efforts to support non-profit organisations during this difficult time and beyond. In developing this **free** handbook, Carmichael sought to reflect the principles and standards of the Charities Governance Code but it can be used by any non-profit organisation. This handbook is a template and it should be amended/tailored to reflect your own charity or other non-profit.

The Charities Governance Code Podcast

Diarmaid Ó Corrbuí, CEO, and Derek O'Reilly, Training Manager of Carmichael, in conversation about the Charities Governance Code. This conversation provides practical insights into the Code and how to go about the compliance process. It touches on the challenges and pitfalls, as well as resources, supports and key dates to ensure full compliance by 2021.

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Principle 1: Advancing charitable purpose

<u>Core standards for advancing charitable purposes</u>

1.1 Be clear about the purpose of your charity and be able to explain this in simple terms to anyone who asks.

Resources available:

What is a Charity?

1.2 Consider whether or not any private benefit arises. If a private benefit arises, consider if it is reasonable, necessary and ancillary to the public benefit that your charity provides.

Recourses Available:

Private benefit is something that benefits an individual. It is acceptable for a charity to provide some private benefit, but it must be necessary and reasonable and contribute to the public benefit that the charity provides.

National Guide to Pay and Benefits in Community Voluntary and Charitable Organisations 2019 from the Community Foundation
Department of Health Consolidated Salary Scales with effect from 1 January 2020
Consolidated Salary Scales In Accordance With Fempi 2015 And The Public Service Stability Agreements 2013 - 2020

1.3 Agree an achievable plan for at least the next year that sets out and budgets for what you will do to advance your purpose.

 Resources available:

Guidance Note on Planning

1.4 Make sure your charity has the resources it needs to do the activities you plan. If you don't have the resources, you need to show a plan for getting those resources.
Recourses Available:

Annual plan template
Annual budget template

1.5 From time to time, review what you are doing to make sure you are still:
- o   acting in line with your charity's purpose; and
- o   providing public benefit.

Resources available:

N/A

<u>Additional standards for advancing charitable purposes</u>

1.6 Develop your charity's strategic plan and associated operational plans.

Resources available:

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Guidance Note On Planning
Annual Plan Template
Annual Budget Template

1.7 Make sure there is an appropriate system in place to:
- o monitor progress against your plans; and
- o evaluate the effectiveness of the work of your charity.

Resources available:

Internal Financial Controls Guidelines For Charities
Annual Budget Template
Guidance Note On Minute Taking
Explanatory Sample Board Minutes
Board Minutes Template

1.8 From time to time, consider the advantages and disadvantages of working in partnership with other charities, including merging or dissolving (winding up).

Resources available:

Guidance on Winding Up a Charity
8 Critical Things To Consider Before Deciding To Do A Merger Process
Making a Merger Happen

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Principle 2: Behaving with integrity

<u>Core standards for behaving with integrity</u>

2.1 Agree the basic values that matter to your charity and publicise these, so that everyone involved understands the way things should be done and how everyone is expected to behave.

Resources available:

Guidance on Code of Conduct for Charity Trustees
Code of Conduct for Charity Trustees Template
Creating an Ethical Culture in Organisations Podcast

2.2 Decide how you will deal with conflicts of interests and conflicts of loyalties. You should also decide how you will adhere to the Charities Regulator's guidelines on this topic.

Resources available:

Managing Conflicts of Interest

2.3 Have a code of conduct for your board that is signed by all charity trustees. It must make clear the standard of behaviour expected from charity trustees. This includes things like maintaining confidentiality and what to do in relation to:
   o gifts and hospitality; and
   o out-of-pocket expenses.

Resources available:

Guidance on Code of Conduct for Charity Trustees
Code of Conduct for Charity Trustees Template

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Principle 3: Leading people

Core standards for leading people

3.1 Be clear about the roles of everyone working in and for your charity, both on a voluntary and paid-basis.

Resources available:

Recruitment and Induction of Prospective Charity Trustees
Induction Pack Checklist
Board/Trustee Governance Handbook Template
Legal Duties of Charity Trustees
The Role of the Chairperson of a Charity
The Role of the Secretary of a Charity
Employer Resources

3.2 Make sure there are arrangements in place for the effective involvement of any volunteers, including what to do if any problems arise.

Resources available:

Sample Volunteer Recruitment Policy
Sample Code of Conduct for Volunteers
Volunteer Management Resources from Volunteer Ireland

3.3 Make sure there are arrangements in place that comply with employment legislation for all paid staff including:
   o recruitment;
   o training and development;
   o support, supervision and appraisal;
   o remuneration (money paid for work); and dismissal.

Resources available:

Employer Resources
Sample Employee Recruitment Policy
Sample Code of Conduct for Employees

3.4 Agree operational policies where necessary, to guide the actions of everyone involved in your charity.

Resources available:

N/A

Additional standards for leading people

3.5 Make sure to document the roles, legal duties and delegated responsibility for decision-making of:
   o individual charity trustees and the board as a whole;
   o any sub-committees or working groups;
   o staff and volunteers.

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Resources available:

Board/Trustee Governance Handbook Template
Legal Duties of Charity Trustees
The Role of the Chairperson of a Charity
The Role of the Secretary of a Charity

3.6 Make sure that there are written procedures in place which set out how volunteers are:
  - recruited; supported and supervised while within your charity; and
  - the conditions under which they exist.

Resources available:

Sample Code of Conduct for Volunteers
Volunteer Management Resources from Volunteer Ireland

3.7 Decide how you will develop operational policy in your charity. You also need to decide how your charity trustees will make sure that the policy is put in place and kept up-to-date.

Resources available:

N/A

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Principle 4: Exercising control

<u>Core standards for exercising control</u>

4.1 Decide if your charity's current legal form and governing document are fit for purpose. Make changes if necessary, telling the Charities Regulator in advance that you are doing so.

Resources available:

Model Constitution - CLG
Model Constitution - Unincorporated
Standard Clauses - CLG
Standard Clauses - Unincorporated

4.2 Find out the laws and regulatory requirements that are relevant to your charity and comply with them.

Resources available:

General Note on other Legal / Regulatory Requirements

4.3 If your charity raises funds from the public, read the Charities Regulator's guidelines on this topic and make sure that your charity adheres to them as they apply to your charity.

Resources available:

Guidance for Charitable Organisations on Fundraising from the Public
Internal Financial Controls Guidelines for Charities
Guidance on Anti-Money Laundering and Counter-Terrorist Financing for Charities
Charities Institute Ireland Fundraising Codes of Practice
Developing a Fundraising Plan

4.4 Make sure you have appropriate financial controls in place to manage and account for your charity's money and other assets.

Resources available:

Internal Financial Controls Guidelines for Charities
Guidance on Anti-Money Laundering and Counter-Terrorist Financing for Charities

4.5 Identify any risks your charity might face and how to manage these.

Resources available:

Risk Management for Charities
Template Risk Register
Risk and Risk Management Podcast

4.6 Make sure your charity has appropriate and adequate insurance cover.

Resources available:

N/A

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Additional standards for exercising control

4.7 You should have written procedures to make sure that you comply with all relevant legal and regulatory requirements.

Resources available:

General Note on other Legal / Regulatory Requirements

4.8 Make sure there is a formal risk register that your board regularly reviews.

Resources available:

Risk Management for Charities
Template Risk Register
Risk and Risk Management Podcast

4.9 Consider adopting additional good practice standards that are relevant to the particular work that your charity does.

Resources available:

Charities SORP - Statement of Recommended Practice

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Principle 5: Working effectively

Core standards for working effectively

5.1 Identify charity trustees with the necessary skills to undertake:
- o any designated roles set out in your governing document; and
- o other roles as appropriate within the board.

Resources available:

Guidance Note on Succession Planning
Due Diligence on Prospective Charity Trustees
Recruitment and Induction of Prospective Charity Trustees
Induction Pack Checklist

5.2 Hold regular board meetings. Give enough notice before meetings and provide prepared agendas.

Resources available:

Set Agendas and Take Effective Board Meeting Minutes
Tips for Running Effective Charity Board Meetings
Improving the quality of board packs for better decision making in Irish Nonprofits

5.3 At a minimum, your board agendas should always include these items:
- o reporting on activities;
- o review of finances; and
- o conflicts of interests and loyalties.

Resources available:

Internal Financial Controls Guidelines for Charities
Managing Conflicts of Interest

5.4 Make sure that your charity trustees have the facts to make informed decisions at board meetings and that these decisions are recorded accurately in the minutes

Resources available:

Guidance Note On Minute Taking
Explanatory Sample Board Minutes
Board Minutes Template

5.5 Consider introducing term limits for your charity trustees, with a suggested maximum of nine years in total.

Resources available:

N/A

5.6 Recruit suitable new charity trustees as necessary and make sure they receive an induction.

Resources available:

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Guidance Note on Succession Planning
Due Diligence on Prospective Charity Trustees
Recruitment and Induction of Prospective Charity Trustees
Induction Pack Checklist

5.7 Make sure all of your trustees understand:
- o their role as charity trustees;
- o the charity's governing document; and
- o this Code.

Resources available:

Guidance for Charity Trustees
What is a Charity?
Legal Duties of Charity Trustees
The Role of the Chairperson of a Charity
The Role of the Secretary of a Charity

5.8 Commit to resolving problems and emerging issues as quickly as possible and in the best interests of your charity.
Resources available:

Guidance Note On Planning
Annual Plan Template
Annual Budget Template
Risk Management for Charities
Template Risk Register
Risk and Risk Management Podcast

5.9 From time to time, review how your Board operates and make any necessary improvements.
Resources available:

Seven Signs that show your Board is in need of a Spring Clean
How do you conduct a Board self-assessment?
Board Appraisal for Complex Charities
Board Appraisal for Non-Complex Charities

Additional standards for working effectively

5.10 Make sure you send out board packs with enough notice and include all relevant reports and explanatory papers to enable informed decision-making.

Resources available:

Improving the quality of board packs for better decision making in Irish Nonprofits

5.11 Make sure that you have a charity trustee succession plan in place and consider how you can maximise diversity among your charity trustees.

Resources available:

Guidance Note on Succession Planning

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Due Diligence on Prospective Charity Trustees
Recruitment and Induction of Prospective Charity Trustees
Induction Pack Checklist
How do you conduct a Board self-assessment?

5.12 Put in place a comprehensive induction programme for new charity trustees.

Resources available:

Recruitment and Induction of Prospective Charity Trustees
Induction Pack Checklist

5.13 Conduct a regular review that includes an assessment of:
- o the effectiveness of your board as a whole, office holders and individual charity trustees
- o adherence to the board code of conduct; and
- o the structure, size, membership and terms of reference of any sub-committees

Resources available:

How do you conduct a Board self-assessment?

5.14 Do regular skills audits and provide appropriate training and development to charity trustees and staff. If necessary, recruit to fill any competency gaps on the board of your charity.

How do you conduct a Board self-assessment?

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Principle 6: Being accountable

Core standards for being accountable

6.1 Make sure that the name and Registered Charity Number (RCN) of your charity is displayed on all of your written materials, including your:
- o website;
- o social media platforms; and
- o email communications.

Resources available:

Guidance on Charity Communications

6.2 Identify your stakeholders and decide how you will communicate with them.

Resources available:

Guidance on Charity Communications

6.3 Decide if and how you will involve your stakeholders in your:
- o planning;
- o decision-making; and
- o review processes.

Resources available:

Guidance on Charity Communications
Guidance Note on Planning

6.4 Make sure you have a procedure for dealing with:
- o queries;
- o comments; and
- o complaints.

Resources available:

Guidance on Charity Communications
When things go wrong in Charities Podcast

6.5 Follow the reporting requirements of all of your funders and donors, both public and private.

Additional standards for being accountable

6.6 Produce unabridged (full) financial accounts and make sure that these and your charity's annual report are widely available and easy for everyone to access.

Resources available:

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6.7 Make sure all the codes and standards of practice to which your charity subscribes are publicly stated.

Resources available:

Guidance on Charity Communications

6.8 Regularly review any complaints your charity receives and take action to improve organisational practice.

Resources available:

Guidance on Charity Communications