

Governance and Legal

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Office of the Commissioner
for Voluntary Organisations



☰ The Office of the Commissioner for Voluntary Organisations was set up by the Voluntary Organisations Act 2007 with the task to strengthen the voluntary sector through various initiatives with the specific aim of promoting the work of VOs as well as encouraging their role as partners with the government in various initiatives.

☰ Cap. 23 of 2007 Voluntary Organisations Act came into force in November 2007 with the appointment of the first Commissioner for Voluntary Organisations (CVO) Prof. Kenneth Wain.

The Commissioner's Office Mission and Purpose

☰ The ultimate mission of the Commissioner's office is to give more visibility to the voluntary sector as well as to guarantee transparency and accountability of the organisations that compose it in the carrying out of their important work.

☰ In view of this, the Office of the Commissioner is also the regulatory authority responsible for this sector with the aim of monitoring and supervising the activities of these organisations as well as supporting them.

The Commissioner's Office Mission and Purpose

.../cont.

⋮ Although VOs are not legally obliged to enrol with the Office of the CVO, enrolment is important and beneficial since through registration organisations qualify for a number of benefits which are not otherwise available to them. Enrolment also demonstrates that the organisation is transparent in its running and operation. The certificate issued by this office certifies the organisation officially as a bona fide “voluntary”.

Enrolment with the Commissioner for VOs

What are the criteria for a Voluntary Organisation to enrol with the Commissioner for Voluntary Organisation?

- ❏ *Voluntary;*
- ❏ Lawful and Social purpose;
- ❏ Non Profit Making;
- ❏ Independent and Autonomous from Government;

Enrolment with the Commissioner for VOs

The Act

What is a 'Voluntary' Organisation?

To be considered as a voluntary organisation there has to be one or more of the following elements:

- *overall control of the organisation – by administrators who give their services for carrying on functions of administrators voluntarily;*
- *the organisation is created by voluntary and gratuitous grants and the organisation's affairs are supported, at least in part, by such grants or by services rendered on a voluntary basis;*
- *subject to limitations (ex. the statute) any person can join the organisation or participate in the activities of the organisation;*
- *every participant in the organisation has the right to freely leave the organisation.*

Enrolment with the Commissioner for VOs

The Act

What is a 'Lawful and Social purpose'?

"Social purpose" means any charitable or philanthropic purpose such as in the area of:

- *the advancement of education, including physical education and sports;*
- *the advancement of religion;*
- *the advancement of health;*
- *social and community advancement;*
- the advancement of culture, arts and national heritage;
- *the advancement of environmental protection and improvement, including the protection of animals;*
- *the promotion of human rights, conflict resolution, democracy and reconciliation;*
- *the promotion or protection of the interests of other social purpose organisations, including federations of such organisations.*

Enrolment with the Commissioner for VOs

The Act

What is an 'Non-Profit Making' Organisation?

An organisation is considered to be a non-profit making where:

- ☰ *the statute of the organisation contains an express exclusion of the purpose to make profits;*
- ☰ *there is express provision in the statute defining the purposes of the organisation which do not include the promotion of private interests, other than a private interest which is a social purpose;*
- ☰ *no part of the income, capital or property is available directly or indirectly to any promoter, founder, member, administrator, donor or any other private interest.*

Enrolment with the Commissioner for VOs

The Act

What is an 'Independent and Autonomous from Government'?

An organisation is considered to be 'independent and autonomous from government implies that:

☐ the organisation is not "controlled by the Government" means that the Government of Malta has the power, whether directly or indirectly, to nominate, appoint, change or remove the majority of the administrators of an organisation.

Enrolment with the Commissioner for VOs

The Act

How should a Voluntary Organisation function?

- *The 3 main aspects of Governance with respect to VO's*
 - Filing all the required forms for CVO
 - Having a good statute
 - Having proper committee/council/board minutes

Governance – Legal

- **Statute**

Contents should include:-

1. Name, address of organisation
2. Objects clause, covering all possible future activities
3. How the organisation is managed, election of committee/council members, legal representation

Governance - Legal

4. Types of members, who can be a member and process of becoming a member, the annual fees payable, termination of membership and suspension of membership etc..
5. Management: who occupies post of President ...etc and how elected, quorum necessary for starting a committee meeting, what happens if one or more committee members is absent, resigns, dies etc..

Statute (continued)

6. AGM and EGM, process of :

- when held, notice given and quorum
- who can vote
- approving annual/administrative report
- placing and approving motions
- approval of annual accounts
- amending statute
- elections of committee members
- electing internal and external auditor/s
- process of passing EGM items

Statute (continued)

7. Type of accounts to hold, when and how audited/checked, resignation of auditors, deadline when accounts should be ready and approved etc...
8. Dissolution clauses, how to dissolve, majority needed, what is to be done with funds remaining etc..

Statute has to be properly drafted and worded to make it ‘fool-proof’ as far as possible. Best way is to think about ‘*What can happen? What can go wrong?*’ whilst drafting.

Statute (continued)

Why keep Minutes? Six reasons for keeping minutes

The recording of minutes of the organisation's meetings is vital because:-

1. They are documented (in black and white!) proof of what was discussed, agreed, said etc... during a particular meeting which when approved could not be contested by anyone.

Minutes

2. It is argued that the same fact that minutes are being kept will give a sense of order and unity to meetings. For example, no one new item on the Agenda will be discussed until the previous one is dealt with permanently or temporarily.
3. Items dealt with temporarily or items which had to be dealt with in a future meeting can be brought forward for follow-up. This is done because as is customary, the minutes of the previous meeting are read out for approval by the committee.

Minutes (continued)

4. The fact that minutes of the previous meeting have to be read out for approval certainly avoids any possible misunderstandings which occurred in the last meeting. When any committee member objects to any part/s of the minutes, discussion should follow and if necessary, the minutes should be altered following agreement between committee members. The altered minutes should be duly initialled by the President and Secretary.
5. They would serve excellent value in an evaluation exercise of an organisation. From these minutes, past mistakes could be avoided; ideas which were successful in the past could (if still applicable) be re-implemented.

Minutes (continued)

6. The history of an organisation could usually be written/seen simply by looking at proper minutes of the organisation's meetings

Minutes (continued)



- **Thank you**

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