

## **Briefing Notes for Student Candidates for the position of**

### **Director of DIT Students' Union Company Limited by Guarantee (CLG) 2017/2018**

Article 6 DITSU Constitution states *"The Union has established a corporation incorporated under law with limited liability, which it is beneficial owner, herein after referred to as DITSU Ltd who shall hold the funds, assets and liabilities of the Union and manage all commercial services or other financial or trading activities on behalf of the Union. DITSU Ltd is empowered to establish, acquire and dispose of any subsidiary companies, to act on its behalf"*

### **All company directors have the same legal duties under the Companies Act.**

#### **Principal Duties and Powers of Company Directors:**

The primary function of the directors is to manage the company on behalf of the members.

Directors' common law duties can be summarised into three principles:

1. Directors must exercise their powers in good faith and in the interests of the company as a whole. Directors must not abuse their powers. They must exercise their powers in what they honestly believe to be the interests of the company as a whole or the members as a whole rather than in the interests of a particular member or members.
2. Directors must act honestly and responsibly in relation to the company.
3. Directors must act in line with the company's constitution and the law.
4. Directors are not allowed to make an undisclosed profit from their position as directors and must account for any profit which they secretly derive from their position as director.
5. Directors are obliged to carry out their functions with due care, skill and diligence. A director can be penalised if a court finds that they or the company have disobeyed the Companies Act.

#### **The Purpose of the Board:**

In any organisation, whatever its size or structure, there are three roles that need to be carried out:

- Governance – taking responsibility for the work of the organisation
- Management – organising the work and making sure that it happens
- Operations – carrying out the work

These roles are complementary but different, and it is important that there is ongoing discussion and clarity within the organisation in relation to who is carrying out which role.

The principal responsibility of the Board is always governance, but the way in which the other roles are carried out varies from one organisation to the next.

All board members have a general responsibility to prepare for meetings, read board papers in advance and take an active part in board discussions. The board member who can make a useful contribution to board discussion and meaningfully take part in decision making is providing a valuable service to the organisation.

## **The Board of DIT Students' Union Company Limited by Guarantee (CLG):**

As per Article 6, Schedule B of the DITSU Constitution, the Board of DITSU Ltd shall consist of the following Directors:

- a. The Independent Chairperson of DITSU Ltd (external Director) – appointed in consultation with Student Council
- b. The President, *ex officio*
- c. Vice President for Education, *ex officio*
- d. Vice President for Welfare, *ex officio*
- e. Vice President for Events, *ex officio*
- f. Two members of the Student Council – each serving a one year term.
- g. Four other persons, who shall not be members of the Union, known as External Directors – are appointed in consultation with Student Council

The CEO of DITSU CLG will be in attendance at the Board Meetings to report on the work currently underway in DITSU.

All new directors sign a B10 form, which is lodged with the Companies Registration Office (CRO), registering them as Directors of the Company.

The external directors and the Student Council appointed directors, receive a gross meeting fee of €202.40 for each meeting you attend. This payment will be processed through the fortnightly DITSU CLG payroll as the payment is subject to the normal revenue deductions. Upon election to the post of Director, you will be asked to submit bank details into which this payment can be made.

### **Company Secretary:**

- Every Company is required by law to have a company secretary.
- The role of the company secretary is to:
  - Carry out the instruction of the company directors;
  - Help ensure that the company obeys both the law and the rules in its company constitution
  - Prepare and maintain the company's legal documents
- The company secretary has many administrative duties i.e.
  - maintaining the register of directors and members,
  - arranging the company's annual general meeting and EGM's if needed,
  - organising the board meetings,
  - preparing the minutes of each meeting,
  - circulating the relevant documents of each Board meeting
  - submitting updated information and forms to the Companies Registration Office (CRO) in a timely manner.
- The company secretary also has legal duties including completing and signing the company's annual return to the CRO, certifying that the financial statements attached to the annual return are true copies of the originals.

### **Members of DITSU CLG:**

- a. The membership of the Board of DITSU CLG, *ex officio* (see above)
- b. The membership of the Executive Council of the Union, *ex officio* ( 4 sabbaticals, 6 College Officers and Post Graduate Officer)
- c. Two members of the Student Council

### **Annual General Meeting:**

All members of DITSU CLG are invited to attend the Annual General Meeting (AGM) at which the Audited Accounts of DITSU Ltd for the previous financial year i.e. to 30<sup>th</sup> June, are presented for the members' approval.

Notice for this meeting is sent to all members at least 21 days before the meeting. This notice will state the date, time, and location of the meeting. The Agenda and other relevant documents such as the Financial Statements, Directors' report and the auditor's report will be issued in advance of the meeting.

## **New Company Laws**

The new Companies Act 2014 became effective from 1<sup>st</sup> June 2015 and consolidated all the existing company law into one document.

The new Companies Bill will have more emphasis on the personal liability of Company Directors.

## **DITSU CLG Board Meetings:**

DITSU Ltd Board meetings are held monthly normally starting late afternoon or early evening – depending on the availability of student and external directors and take place in a DIT College. During the summer when the colleges are closed early, a hotel room is hired for the meetings. The location of the meetings normally rotates between a Northside and Southside campus depending on the availability of rooms in the colleges at that time.

### **Agenda:**

- Outlines date, location and time of meeting.
- Standard Items on DITSU Ltd agenda can include but are not limited to:
  - Minutes from the previous meeting – very important to read the minutes carefully
  - Matters arising from these minutes, that are not included on the current agenda
  - Chairman's update
  - DITSU CLG Management presentation on work areas within DITSU i.e. Academic, Welfare, Events etc
  - Financial updates relating to the two DITSU CLG accounts in AIB and Bank of Ireland.
  - Report from CEO which can include updates on staffing matters, Grangegorman, TU4D etc
  - Comment and update from each of the Sabbatical Officers
  - Company Matters which can include policy documents etc
  - A.O.B.

### **Board Papers:**

- All documents and papers for the Board Meetings are emailed to all directors prior to the meeting.
- The Company Secretary provides each Director with a printed copy of all documents on the night of the meeting.
- All documents are **confidential** and must be stored in a safe secure place or can be returned to the Company Secretary for shredding after each meeting.
- A copy of all Board Minutes and documents are kept on file and maybe need for reference during the annual audit.

### **Chairman's Update**

- The Chairperson updates the Board meeting on relevant issues pertaining to DITSU or may refer to items of correspondence which he has received.

### **Reports:**

- The CEO submits a report to each meeting, updating the Directors on matters/work current in DITSU which can include (but not limited to) staffing matters, Grangegorman, financial, DIT/DITSU meetings and discussions, TU4D update etc
- All sabbatical officers update each meeting on work done and work that is planned to take place.

### **Management Accounts:**

- Management accounts are produced for each Board Meeting showing the Income and Expenditure at the close of business at the end of the previous month.
- These figures are cumulative from the beginning of DITSU's financial year i.e. 1<sup>st</sup> July. Exceptions are highlighted.
- There are two Management accounts presented to the monthly Board Meetings i.e. the main DITSU CLG account in Bank of Ireland which manages the income from the Student Charge and expenditure and an account in AIB which manages all other income i.e. activities, events, marketing, sponsorship etc.

**Correspondence:**

- Items of correspondence for the Board should be addressed to the Chairperson, Mr. Pat Brady c/o Company Secretary, DITSU CLG, DIT Bolton Street, Dublin 1.

**Company Matters:**

Items for inclusion under this heading can include the following:

- DITSU CLG Policy Documents
- DITSU CLG Human Resource Policies
- Operational policy and procedures.
- Corporate Governance matters

**A.O.B.:**

Any other business.... the Chairperson does not encourage items for inclusion under this heading!

All necessary business should appear as an agenda item. It is at the discretion of the Chair to allow items for discussion under AOB.

**Date of next meeting:**

The date and venue for the next meeting is set at the end of every meeting.

**Note:****Student Council:**

DITSU CLG is a standing item on the agenda for Student Council. An Aide Memoire (a memory aid) of the previous board meeting is prepared by the company secretary and forwarded to the two Student Council directors to be read out at the Council meeting.

For further information please see [www.odce.ie](http://www.odce.ie) (Office of the Director of Corporate Enforcement)