



PRESIDENT'S REPORT

AGM REPORT

The AGM Report of the President will reveal the successes and failures of the 2010/2011 SAOF committee and will seek to develop the concept of good governance.

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Introduction

We are facing new challenges in the SAOF that no previous committee has faced before. The SAOF executive has taken steps to move into a professional era for the administration of the sport. These changes necessitate more changes in order to meet the demands of our major funders. It is an opportunity for the SAOF to spread our wonderful sport throughout the republic of South Africa. The days of Amateur sport administration are drawing to a close and though we will always remain grateful to all the volunteers over the years, we must say goodbye to that era and welcome the new era with open arms.

2010 Report Matters Arising

At the 2010 AGM the President was challenged to improve certain key areas for the benefit of the Sport.

1. Communication

The first challenge was to improve communication with the clubs and members.

Action

Garry Morrison was given all the funding and support by the executive to get the Website active and very attractive. Lisa de Speville was appointed to develop the website and it has been well utilized to communicate vital information with the community.

A part time administrator, Val Brentano was appointed and paid out of funds raised through SAOF levies to assist Garry with uploading the information. She ensured that all SAOF minutes and Resolutions were uploaded for easy access by the community.

RSA orienteers the Yahoo Groups group of South African orienteers has been utilised to communicate relevant, but less official

OUR FOCUS

2012:

More clubs;

More provinces;

Good Governance;

Better events;

Better results.

information. The President would regularly send information about international events to the community. The committee occasionally used it to call for assistance and the clubs occasionally used it as a method to communicate important event information.

Word of Mouth – the Committee spent more time meeting with community members at events and any social arena and discussed the activities of the SAOF committee.

Val Brentano also ensured that all club chairs were kept informed of SAOF activities and it appears as though the Club Chairs have been communicating this information down to their members as requested by the President during the 2010 AGM.

2. Liability Insurance

Event liability insurance was requested.

Action

This insurance was bought and paid for during October 2010 in order to cover our planners, organisers, controllers and club committee members.

The President drafted and distributed a guideline on preparing an Event Liability management plan. To my knowledge, the clubs have failed to prepare event liability management plans. The Insurance requires the clubs to comply with relevant laws. The Guide is required in order to comply with the relevant laws. The failure by the clubs to prepare such plans means that in the event of a claim the insurance might not respond.

Planners, Controllers, Organisers and club committee members should be made aware that they carry personal liability in the case of death or injury. It is also worth noting that orienteering has some of the highest paid people competing regularly and a loss of income claim could be in the millions.

SRSA

The SAOF executive committee has managed to secure a grant of over R500 000-00 for the 2011/2012 period. This is to be spent mainly on Strategic maps, the expansion plan and SAOF administration expenses. It will mean an increased monthly fee to the paid Administrator, if one is appointed by the new committee.

SRSA's focus is on being able to produce documents with a certain level of independent verification showing the number of participants. The SAOF is encouraging any event organisers to keep track of the number and diversity of the participants. These reports are the core reason for the increased grant from SRSA.

SASCOC

Has, under the leadership of Gideon Sam, continued to run more effectively. There are quarterly meetings held in various cities throughout South Africa and key issues relevant to Sports Federations are being addressed.

School Sports. There are 14 identified priority sporting codes that will be given access to all schools in South Africa. The requirement for being a priority sporting code is the ability to deliver the sport to all nine provinces. It means that only codes with clubs in 9 provinces will receive the associated benefits, which includes priority access to funding, selection to international games and assistance with corporate sponsorship. It should be the SAOF's main purpose to become a priority sporting code.

SASCOC is preparing for London 2012 and the World Games has been placed on the back burner. We have applied for a team of 4 persons to become a part of the World Games 2013 Columbia operation excellence Squad, but we have had no feedback as yet. We must however be prepared to receive notice of selection at any time. Being part of the squad means that those four athletes get access to top sports scientists and training programs and funds.

We have been one of the first few sporting federations to be a part of the Long Term Participant Development Program. This was identified by the President as an ideal opportunity to develop the structures and capacity of our sport and the Vice president technical of the time, Garry Morrison, was delegated to run with the project. Garry did a phenomenal job to complete a demanding project and will be revealing the results of his team's hard work during this SA Champs. This work has assisted our relations with SASCOC and we have certainly taken huge strides in becoming a favoured federation.

Relationships with SASCOC are crucial and I believe we have not been in a better position in a long time. We have engaged transparently with SASCOC and they have indicated their support for our federation.

NLDTF

We have had no response to our previous application yet. No applications will be made this year as NLDTF has made about a third of the funds available for Sport in general than it has done in the past. It also appears that the priority sports will get the first bite of this cherry. The NLDTF funds appear to be earmarked for sports where we can gain international recognition and the smaller sports that require development may rely on SRSA for limited funds.

EXPANSION PLAN.

Congratulations to Lisa De Speville for being appointed as the Project manager (PM) of the expansion plan, which in my opinion was and will be the most important post in the SAOF in the past three months and following 12 months. She holds in her hands the future of our sport as a sport and her progress will be carefully monitored. This is a project we cannot allow to fail.

Her independent contractor's agreement has been signed and she is responsible for delivering all the goals set in the expansion plan under the guidance of Garry Morrison.

I have unfortunately not yet seen any report from Lisa on her progress and the Development report as it stands at the time of writing this, lacks this information. I am aware of and congratulate Lisa on rolling out the first Teacher training seminar in Limpopo. I am hopeful that the other two provinces will be included shortly.

It remains a key priority for the PM to develop contacts in three new provinces and to either establish clubs or to host a schools league. SRSA are eager to see these sorts of results and I am confident that with a full time salaried PM it is more than achievable. I certainly believe that at R12 500-00 a month it is not unreasonable to expect the PM to achieve the very realistic goals set by the SAOF committee in the expansion plan.

Peter Hemer has been appointed to set up the relevant orienteering structures in Durban as part of the KZN development. I have transferred some money to get this project started very recently. I contract has been signed with Peter Hemer.

It is not too far-fetched to state that failure to achieve those goals will be detrimental to the SAOF in so far as SRSA's grant was given with the intent that the SAOF utilize this money to meet SRSA's minimum requirements for being recognized as a sporting federation. Currently SRSA is the only avenue where we will be receiving the kind of money we need to achieve our stated goals. SRSA is our last resort, as we are unlikely to get funds from the NLDTF for a time and the sport currently does not appeal to the corporate sponsor.

GOOD GOVERNANCE.

What does it mean?

Good Governance is the name used to describe the principles guiding the leaders of an organisation to ensure that all decisions are made in the organisation's best interests.

Authority

The Sporting Body's Constitution forms the ultimate authority granting powers and casting responsibilities on the leaders of the organisation. Every decision made by the leaders must be in line with the Constitution. The Constitution gives the executive the power and authority to make certain decisions on the day to day running of the organisation.

The next Authority is the General Assembly of members. This means that the members control the organisation by way of directives issued to the executive during the Annual General Meeting. The powers only flow from the General meeting that has a quorum and has been properly called. The AGM may ratify or reject any decision made by the Executive during the year.

Finally the executive derives its authority from certain statutes and Acts. The sport and recreation act imposes certain duties on the executive. One such duty is the formation of a national federation with a presence in at least 5 provinces. This duty does not stem from the Constitution, but the Act requires the executive to ensure that there are at least 5 active provinces or else the entire federation is non-existent.

The Executives actions must always be measured first and foremost against the question of Authority and whether the Executive has or had the authority to make a decision binding or impacting on the Federation.

Fiduciary Duty

The Executive is appointed to a position of utmost good faith and has concomitant fiduciary duty. This means that every single decision, action or omission must be made in the best interests of the Federation. It has been found that where a party was authorised to perform, but the action taken was not in the best interests of the federation that the action may be overturned and the persons responsible for implementing the action are liable for the damages. Every executive member must ask themselves first and foremost whether they are acting the best interest of the Federation.

The conflict of interest provision always arises here where a particular club or friend of the executive is benefitted at the expense of the Federation. Any decision made by the executive in favour of a particular club or person, but to the detriment of the Federation may be overturned and the executive will be liable for whatever damages are suffered. How does the Executive ensure that its decisions can be demonstrated to be in the best interests of the Federation?

Transparency.

This means that all decisions made must follow a process and that process must lie open to scrutiny of the community. For example, the President has instructed the Administrator to make the Expansion Plan Job Application document, the applications received from all applicants, the decision making documents and reports by the executive committee members as well as the final appointment and agreement available to the community through the website. This is the core of transparency and means that every document exchanged can be seen by the community and the committee's logic in making their appointment is open to scrutiny. This ensures that the executive applies their minds to the decision and attempts to eradicate the risk of nepotism and corruption.

Accountability

The executive members are personally liable for any loss, harm or damage suffered by any person as a result of a decision made by the executive if the executive was negligent in making any decision.

Any member of the SAOF can scrutinise any decision documents and can call a meeting at which the executive may be challenged on their decision. This ensures accountability and any attempt at all to curtail such a process must be challenged. In fact, the members have a right to take any decision made by the executive to court for review. SASCOC has implemented an internal dispute resolution process whereby a dispute is referred to SASCOC first for mediation and possibly even arbitration in order to avoid unnecessary legal expenses.

Effective Financial Control.

Payments should only be made out of the SAOF bank account after a rigorous application process is followed. In light hereof the SAOF executive has over the past two years developed what is referred to as the ES system. The name is an abbreviation of the Expense Sheet used to track the expenses claimed and the authorities issued.

- The person applying for funds must first complete an ES form.
- The Form is sent to the Administrator to check whether funds are available in the portfolio.
- If funds are available the ES form is sent the rest of the committee for approval.
- If satisfied any member of the committee can approve the expense.
- Once approved the ES form is returned to the Administrator for an ES number.
- An ES number is allocated and the completed form is sent to the president for payment.

- The president quotes the ES number when making payment.

The Financials are captured regularly on Quickbooks accounting system by Cyberstream who are being paid R800 per month to do this work.

Cyberstream then prepares financials which are sent to the Auditors at the end of June to be audited. The Annual Financial Statements lay open for inspection and approval by the AGM.

Our financials will always have a qualified audit, as is usual in sports federations because the auditors cannot keep track of cash payments to clubs at events. This WILL however change in 2012 as the new consumer protection act requires each club to present the competitor with a completed receipt. These receipts will then be sent to the SAOF to be captured.

Record Keeping

All meetings must be minuted and the minutes must be published. The Executive shall meet at least once per quarter and each portfolio shall report to the executive on their activities and the activities of individuals within their portfolio. If sub-committees have been established their reports must be included.

If a decision is made, an executive resolution must be passed and signed by the assenting executive members. If an executive member dissents, then that dissent must be recorded. The resolutions must be circulated to all members as soon as possible after the resolution has been signed.

Governance Conclusion

I have touched on what I deem to be the most important principles of good governance to be applied by the executive. The fact is that as we move into a more professional administration era, tough questions are going to be asked. The executive must use these principles of good governance to defend themselves against those questions. The Federation members must demand that the Executive adhere to these principles in order to ensure that the Federation is protected against unscrupulous persons who sit on the executive to further their own agenda at the expense of the Federation. I attach hereto an excerpt of the principles of good governance to be applied by all organisations. The attachment is copied from the UK Charity Commission's website and is the best example of a governance guideline that I could find. The link to the site is as follows: http://www.charitycommission.gov.uk/Charity_requirements_guidance/Charity_governance/Good_governance/goodgovernance.aspx

CONSTITUTION

I drafted proposed changes to the Constitution before last year's AGM. I was asked to not raise the proposed changes as we had enough on our plate as it was. I am pleased I did so as we are now in a position where near wholesale changes need to be made. Changes must be made and it is the member's responsibility to have these changes made.

The fact is that our federation's Constitution is drafted for amateur status only and therefore, technically speaking the Executive does not have the required authority to employ paid staff. The

AGM must therefore ratify the appointments of Lisa, Val, Peter and Cyberstream. Changes are needed in order to prevent the executive from having their hands tied in performing necessary tasks.

The Constitution must match our national Constitution. It does not do so and it is therefore fundamentally flawed. The SAOF's Constitution does not restrict people from sitting on the executive for extended periods of time. The National Constitution for instance limits any person's seat in the presidency to two terms. Our Constitution does not make provisions for this. At this time any individual can sit in the presidency for the next 40 years as long as he keeps being elected. This is untenable and, what is more, is that SRSA may withdraw funding if we do not take steps to change this.

The Constitution does not address the issue of voting rights of members and, now that further provincial development is well under way, the matter will become a true challenge before the next AGM.

CONCLUSION

The SAOF Vice Presidents have submitted their reports for comment and approval. I will not comment on those reports save to state that although some may appear to be disappointing, I know that much work has been done behind the scenes. I have created an environment where each portfolio takes responsibility for their own actions and reports in a transparent fashion on their activities. You are encouraged to challenge each executive member's report and to not simply accept what is said at face value. It is your right and your duty as a member of the SAOF.

I am not standing for re-election this year for personal reasons. I believe that I have earned the right to stand down. I have created an environment with a simple structure and framework which any person can fill and know exactly what they must and must not do. I am not afraid to stand down; because I know that I leave the SAOF a strong position. I am grateful to Ian Bratt for the foundations he laid and for getting us to where he did. I could not have taken the SAOF further without his 16 years of leadership.

The Executive must adopt the ethics of good governance in all its actions. When it makes a decision it must be based upon the best interests of the Federation. That is the standard that the SAOF executive will be held to in the future. I will ensure it



Eugene Botha

President: SAOF

Key Principles of Good Governance

Introduction

Good governance is acknowledged to be essential for the success of any organisation and is now more important than ever. Members of boards play a vital role in serving their causes and communities and bring passion and commitment as well as skills and experience to the organisations they lead. They provide long term vision and protect the reputation and values of their organisations. To make a difference a board needs to have proper procedures and policies in place but it also needs to work well as a team and have good relationships within the organisation. The purpose of these principles is to assist board members to enhance their decision making, increase their accountability and enable them to provide strong leadership. This will in turn assist the people and causes their organisations were set up to benefit.

The principles set out good practice but these are closely linked with the responsibilities of charity trustees and other legal requirements that may be imposed on board members.

The six high level principles are designed to be universal and applicable to all voluntary and community organisations. It is the practice and procedures which will vary according to the type and size of the organisation. Underlying each principle is the additional principle of equality - **that of ensuring equality, diversity and equality of treatment for all sections of the community. We consider that this is fundamental and it is embedded in all the principles.**

In the Code we have used the term “the board” to mean the organisation’s governing body. In your organisation it may be called the board (or board of directors or board of governors) the trustees, the management committee or some other name. It is the body with overall responsibility for governing the organisation, overseeing and controlling its management.

Lindsay Driscoll, Chair, Governance Code Steering Group, May 2010

The Principles

“An effective board will provide good governance and leadership by:”

- Understanding their role;
- Ensuring delivery of organisational purpose;
- Being effective as individuals and a team;
- Exercising control;
- Behaving with integrity; and
- Being open and accountable.

Principle 1

An effective board will provide good governance and leadership by understanding their role.

Members of the board will understand their role and responsibilities collectively as a board and as individual trustees in relation to:

- their legal duties;
- the provisions of the governing document;
- the external environment;
- the total structure of the organisation;

and in terms of

- setting and safeguarding the vision, values and reputation of the organisation;
- overseeing the work of the organisation; and
- managing and supporting staff and volunteers where applicable.

Principle 2

An effective board will provide good governance and leadership by ensuring delivery of organisational purpose.

The board will ensure that the organisation delivers its stated purposes or aims by:

- ensuring organisational purposes remain relevant and valid;
- developing and agreeing a long-term strategy;
- agreeing operational plans and budgets;
- monitoring progress and spending against plan and budget;
- evaluating results; and
- reviewing and/or amending the plan and budget as appropriate.

Principle 3

An effective board will provide good governance and leadership by working effectively both as individuals and as a team.

The board will have a range of appropriate policies and procedures, knowledge, attitudes and behaviours to enable both individuals and the board to work effectively. These will include:

- finding and recruiting new board members to meet the organisation's changing needs in relation to skills, experience and diversity;

- providing suitable induction for new board members;
- providing all board members with opportunities for training and development according to their needs; and
- periodically reviewing their performance both as individuals and as a team.

Principle 4

An effective board will provide good governance and leadership by exercising effective control.

As the accountable body, the board will ensure that:

- the organisation understands and complies with all legal and regulatory requirements that apply to it;
- the organisation continues to have good internal financial, management controls;
- the board regularly reviews and identifies the major risks to which the organisation is exposed and puts in place systems to manage those risks; and
- delegation to sub-committees, staff and volunteers (as applicable) works effectively and the use of delegated authority is properly supervised.

Principle 5

An effective board will provide good governance and leadership by behaving with integrity.

The board will:

- safeguard and promote the organisation's reputation;
- act according to high ethical standards;
- understand and manage conflicts of interest and loyalty;
- maintain independence of decision making; and
- deliver impact that best meets the needs of beneficiaries.

Principle 6

An effective board will provide good governance and leadership by being open and accountable.

The Board will lead the organisation in being open and accountable, both internally and externally. This will include:

- open communications, informing people about the organisation and its work;
- appropriate consultation on significant changes to the organisation's services or policies
- listening and responding to the views of supporters, funders, beneficiaries, service users and others with an interest in the organisation's work;

- handling complaints constructively and effectively; and
- considering the organisation's responsibilities to the wider community, for example its environmental impact.