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22 August 2014

The Hon. Jay Weatherill MP
Office of the Premier
GPO Box 2343
Adelaide SA 5001

Jam Factory

Dear Premier

I am writing in reply to your letter of 8 July 2014 regarding reform of State Government Boards and Committees.

design + craftsmanship

JamFactory's governance model is relatively unusual in that it is an Incorporated Association with a Board of Directors wholly appointed by the South Australian Minister for the Arts.

Being a not for profit Incorporated Association allows JamFactory to be eligible to receive grant funding from State and Federal Governments and is a central requirement of our charitable status in relation to tax deductibility for donations and payroll tax exemption.

As an Incorporated Association, JamFactory is required to have a Board, whether or not its Members are appointed by Government.

JamFactory's Board provides high level strategic vision for the organisation. It appoints the CEO and ensures Management is accountable and on track with agreed strategic goals. The Board provides financial oversight - safeguarding the assets and viability of the organisation - and it ensures that all legal and legislative requirements are met.

JamFactory's Board also plays a key role in relation to financial support. It assists significantly with fundraising through individual donations by Board Members and by identifying and providing introductions to individuals and organisations who may be able to support the JamFactory. Board Members also assist in creating and identifying relevant business opportunities.

At our most recent Board Meeting we discussed the key question of whether or not Ministerial appointment is the most desirable model for appointing Members to JamFactory's Board. Given how well the model has served the organisation for over 40 years, we unanimously agreed that it was and in the interests of on-going stability we thus recommend that JamFactory's Board continue to be appointed by the Minister for the Arts.


JamFactory receives in excess of \$1million per annum in core funding through Arts SA, it is housed in a purpose-built, state-owned building and is a unique cultural asset for South Australia - all of which supports the argument for continued Ministerial Board appointments

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as occurs now following advice from the Board in relation to those specific skills required and suggested nominees.

I trust that our recommendation is helpful and I look forward to hearing of further developments.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Peter Vaughan". The signature is fluid and cursive, with a large initial "P" and a long, sweeping tail.

Peter Vaughan
Chair

C.C. The Hon. Jack Snelling MP, Minister for the Arts
C.C. Alex Reid, Executive Director, Arts and Cultural Affairs