COMMITTEE TOOLKIT

Community Management Solutions

GUIDANCE • ADVICE • SUPPORT

A COMPREHENSIVE TOOLKIT TO ASSIST COMMITTEES/BOARD WITH THE MANAGEMENT OF THEIR COMMUNITY ORGANISATION.

1. CONTENTS

DISCLAIMER: This is information has been provided by Community Management Solutions as general guidance and should not be treated as advice. Please contact Community Management Solutions for further advice.

1. INTRODUCTION

Welcome to Community Management Solutions (CMS) Toolkit aimed at helping you to be the best committee you can be.

This toolkit has been developed by CMS to assist people elected to committees, and their organisations generally, to understand and undertake the management of their community organisation.

While you may have experience on other committees some of you will be new to the role. This toolkit is to help guide you through the things you must do by law and offers some good practice advice to help you make the most of your term in office.

Like CMS membership service, this toolkit us a backup and reference point if ever you are unsure how to move forward on an issue.

In Queensland there are some 5000 committees, and the not for profit sector contributes a total of over 600 million hours of labour to the Australian economy annually. This equates to **359,700 full time equivalent employees**, using the base rate of pay, this equates to **3.5% of gross domestic product** or in dollar terms **$16.5 billion dollars'** worth of volunteer contributions. So the value of your contribution is not to be underestimated.

We welcome you to the world of a committee member on a not for profit board/committee and we trust that your time on the committee is both fulfilling and pleasurable and that the efforts that you and your colleagues make add value to the overall success of the business for which you are now governing. Congratulations on your appointment. Let's get started!

2. COMMITTEE ROLES & RESPONSIBILITIES

COMMITTEE RESPONSIBILITY

The committee having been elected, are responsible to the members of the association for the proper management and conduct of the affairs of the community association. A major concern and responsibility of the committee must be above all to ensure that their decisions and actions are at all times taken in the light of the best interests and welfare of the members and clients of the association.

Some of the functions and duties arising from this responsibility are:

    i.   To ensure that appropriate staff are employed at all times.
    ii.   To ensure the proper maintenance of any assets including building, grounds and equipment.
    iii.   To ensure that proper control is maintained over the finances of the association not only for the present but also with the future in mind.
    iv.   To be aware of the needs of the community in which the organisation operates and ensure that this knowledge is reflected in its decision.
    v.   To encourage active client and general community participation in the activities of the association and to ensure that the community is aware of what the association is doing.
    vi.   To initiate fund-raising and social activities so as to foster a close relationship between the association and the community.
    vii.   To have an understanding of the organisation's programmes and its benefits for the clients and attempt to foster a general awareness of these aspects in the community.
    viii.   To be aware of and ensure the regular review of the constitution and any by-laws, regulations and policies so that these are appropriate to the current situation.
    ix.   To have a willingness to learn about the organisation, its operation and its people/staff.

Since the committee is representing all the members of the association it is highly desirable that its decisions and actions always have regard to what is in the best interests of the majority of members of the association. Failure to do so may well lead to conflict within the association.

COMMITTEE PERSONNEL

Most community organisational committees will usually comprise the following positions:

- President
- Immediate Past President (optional)
- Vice President/s
- Secretary
- Treasurer
- General Committee Members

Some of the desirable characteristics of persons occupying these positions are:

PRESIDENT

The primary role of the President of an association is to provide leadership to the committee and the association. The President must act as a co-ordinator ensuring that all facets of the operation come together in a controlled way. The President must also be prepared to be a motivator providing encouragement to members of the committee, members, and employees, to maintain their interest and commitment.

The President normally acts as chair for all regular meetings of an association (unless the Rules or Constitution say otherwise) so it is extremely important that the person occupying this position has knowledge of meetings and meeting procedure.

In the past the Chair or Chairperson of the committee was referred to as the 'Chairman'. The gender neutral title of Chair or Chairperson is considered more appropriate. Some committees may use the term 'President' instead of Chair or Chairperson.

The President/Chair or Chairperson serves as the committee's figurehead and acts as a link between the committee and the management who in turn act as a link to employees and volunteers.

While in practice the President/Chair or Chairperson is required to play a leading role in the committee, it is worth noting that there is little legal distinction. There is no legal distinction between the duties of a President/Chair or Chairperson, and those of any other committee member.

In some organisations the President and the rest of the executive committee are the management.

The President is also responsible for taking a leading role in keeping the vision of the community organisation alive, setting its direction and course and monitoring, and ensuring that proper procedures are in place.

Other roles may include the following duties/functions/responsibilities:

- Having an enthusiasm for the association and what it does.
- Leadership ability (an ability to motivate people to work together as a team – including employees).
- Representing the organisation at official functions,
- Knowledge of the local area.
- Overseeing the search for and monitoring of the group's management,
- Calling 'special' or 'extraordinary' meetings when required,
- Having a manner and disposition coupled with common sense to enable him or her to get along with most people.
- Assisting employees in preparing committee meeting agendas,
- Knowledge of meeting procedure.
- Welcoming and inducting new committee members,
- Mediating disputes between committee members and/or staff,
- As required, acting as a spokesperson for the organisation to the media, to government and to other organisations,
- Calling other committee members into line if they are not fulfilling their responsibilities and obligations.
- Preferably previous experience on a committee.
- A willingness to learn about the organisation and its operations.

IMMEDIATE PAST PRESIDENT

Some Rules/Constitution provide for the Immediate Past President to remain on the committee. This is usually done to ensure that there is continuity and the retention of history between one committee and the next one where regular changes in committee membership may occur. The primary role of the Immediate Past President is to act as advisor to the new committee. However, it is essential that the Immediate Past President does not dampen the enthusiasm of the new committee or be seen to be over-ruling decisions or changes.

VICE PRESIDENT

The primary role of the Vice President is to support the President in the functions of leadership, co-ordination and motivation. Vice Presidents should therefore be prepared to:

- Assist the President or take the President's place in his or her absence.
- Accept responsibility such as chair of a subcommittee or other specific function when called upon.

SECRETARY

It is a requirement that all incorporated organisations appoint a Secretary. Like committee members, Secretaries must be at least 18 years old, however they are not necessarily committee members in their own right, and the task may be carried out by a paid employee.

The position of Secretary is perhaps one of the two "busiest" within any organisation. The functions of a Secretary include:

- Recording of minutes of all meetings.
- Handling all correspondence for the organisation.
- Maintaining the files.
- Maintaining membership records.
- Maintaining employees/personnel records. (employment contracts, correspondence)
- Ensuring that all rules relating to meetings are complied with including:
- Notices
- Quorums
- Meeting Procedures
- Preparing agendas for all meetings (in consultation with the President).
- Provides safe custody of "Common Seal" and maintains records of use of Common Seal
- Maintaining a Register of Officers and committee members

It is not uncommon to use a Dictaphone to record events at meetings. This is useful to assist in recalling discussions and decisions for minutes but only key points need to be included rather than general conversation.

TREASURER

The Treasurer's job is to monitor the organisations financial processes and keep on top of the variety of different reporting obligations. In a large organisation with professional employees, a Treasurer may provide a link between the employees and the committee on financial matters, make sure procedures are put in place to keep things running smoothly, draw up a budget and monitor the monthly accounts. In smaller community organisations, the Treasurer also organises bank accounts, signs the cheques, keeps the books on track, draws up a budget, and manages the asset register.

Traditionally Treasurers have needed to have a good/sound understanding of bookkeeping and/or accounting regimes.

Today's Treasurers have a number of options available to them. These include outsourcing payroll and bookkeeping to an organisation that specialises in the Not for Profit sector and who will do up the bookkeeping to a professional standard. This in turn has the knock on effect of reducing your annual audit costs.

CMS can do this for you. Cost effective member rates apply!

The reality is that the role of volunteer Treasurer is one of the hardest roles to recruit for. The outsourcing non-core functions of any volunteer allows the committee members to focus on running the organisation and securing funding by way of either sponsorship, fundraising or grant writing.

The other option is to recruit a Treasurer that has a good understanding and a practical application of the following;

- Australian Taxation Office (ATO);
- Business Activity Statement (BAS);
- Fringe Benefits Tax (FBT);
- Goods and Services Tax (GST);
- Non Contributory Superannuation, etc.

Outsourcing the bookkeeping and payroll functions will assist in securing a Treasurer as this is one of the most difficult positions to fill. The Treasurer will usually chair the finance committee, (if there is one), and ensure that regular financial reports are provided to the committee. The Treasurer is also responsible for liaising with independent auditors and external agencies such as the Australian Tax Office (ATO) in the production of financial statements, GST Returns and ensuring the committee is aware of and understands the group's financial situation and performance.

It is important to note, that the existence of a Treasurer in no way detracts from the obligations of other committee members. Duties of care are personally imposed on every committee member regarding the finances of the organisation.

The specific jobs of the Treasurer include:

- Preparation and maintenance of all Accounting records;
- Preparation of payroll and associated records of leave etc;
- Preparation of Business Activity Statements (GST) and other Tax Office requirements;
- Preparation of all budgets;
- Preparation of all Financial Reports and Statements. (Monthly reports to committee and end of year reports);

- Maintenance of all records of income and expenditure;
- Maintain a general supervision of the finances of the association and provide advice to the committee;
- Arrange for the annual audit of the Financial Statements for the organisation.

To undertake these functions the Treasurer needs:

- Knowledge of bookkeeping.
- Time to maintain the records.
- A willingness to learn.

NOTE: Because of workload involved it is recommended that organisations and committees consider ways of helping Secretaries and Treasurers. The appointment of Assistant Secretary and Assistant Treasurer from general committee members is one option you may wish to consider.

Some committees now employ a person on a casual basis as an administration officer to help the secretary and treasurer depending on the size of the organisation and the extent of their finances. Again, many smaller organisations don't want the added burden of hiring yet another staff member (irrespective of them being casual) to perform a function that can be readily outsourced and professionally administered.

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3. CONSTITUTION SUMMARY

The Rules (or Constitution) of an organisation are the foundation upon which the organisation is established and developed.

They specify the purposes for which the organisation was established and exists.

They regulate the way in which the organisation is to be conducted and details the rights and obligations of members.

They provide a *broad* outline of the methods by which the organisation is to be managed and controlled.

They specify arrangements for meetings including details of voting rights, notices, quorums, types of meetings and meeting procedure.

The Rules (or Constitution) of an organisation lay down guidelines for the effective operation of an organisation. It is essential that all members of a committee have access to and carefully read the Rules of their organisation.

Members of an organisation should similarly be given access to the Rules of their organisation if they seek to make themselves aware of the provision of the Rules.

Some general guidelines in respect of Rules (or Constitution) are:

    i.   The wording should be in simple language.
    ii.   There should be clear headings to various sections for quick reference.
    iii.   While the Rules should clearly specify the powers, responsibilities and rights of the members and/or committee, it should provide flexibility so that the association and/or the committee are not seriously hamstrung in carrying out their activities.
    iv.   Ensure that adequate copies of the Rules are always available to members of the association and the committee.
    v.   Ensure that the Rules are reviewed from time to time to ensure that they are appropriate to the current operations of the organisation.
    vi.   Ensure that the provisions of the Rules relating to meetings, notices, quorums etc., are always complied with as failure to do so could invalidate the proceedings at a meeting. The consequences of such a situation may well be that actions taken from decisions made at such meetings may be illegal and result in problems of legal liability for some or all of the members of a committee or the association.

Use the table below to summarise your constitution and rules. If you feel they are no longer appropriate you may wish to re-draft them for discussion and approval at a Special General Meeting.

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Constitution / Rules			Page	9
1. **The official name of your** organisation**/association**			
2. Classes of Membership	(a) Ordinary	Y/N	
	(b) Honorary Life Members	Y/N	
	(c) Other, Specify	_____	
3. Membership Acceptance by:	(a) Management Committee/Executive Committee	Y/N	
	(b) General Meeting	Y/N	
4. Member ship Fee	(a) No	Y/N	
	(b) Yes, cost	$0.00	
5. When membership of association ends	Each AGM	Y/N	
	Lapses when membership fee not paid	Y/N	
	Date of written resignation to Secretary	Y/N	
	Verbal resignation	Y/N	
	Termination of membership by Organisation/Association	Y/N	
6. Appeal against rejection of membership	Clause	Y/N	
7. Appeal against termination of membership	Clause	Y/N	
8. Register of members, what must it contain	(a) Full name and residential address of member	Y/N	
	(b) Date of admission of member	Y/N	
	(c) Date of death, or resignation of member	Y/N	
	(d) Details about termination or reinstatement of membership;	Y/N	
	(e) Any other particulars the Management Committee/ Executive Committee or members at a general meeting decide.	Y/N	

9. Is the register of members open for inspection?	Clause	Y/N
10. Who can inspect the register of members?	Clause	Y/N
11. How is the inspection of the register of members arranged?	Clause	
12. Can you have a valid organisation/association without a Secretary?	Clause	Y/N
13. Does the Secretary have to be a member of the organisation/Association?	Clause	Y/N
14. Can the Secretary be appointed?	Clause	Y/N
15. If so, who can appoint the Secretary?	Clause	Include specifics
16. How is the Secretary Appointed?	Clause	Include process
17. What positions make up the management Committee/Executive Committee	Clause	List of positions
18. Election of Management Committee/Executive Committee	Clause	
19. How do members nominate for election to MC or EC	Clause	
20. Can Office Bearers/Executive Member be removed from Office	Clause	Y/N
21. How is an Office Bearer/Executive Member removed from Office	Clause	
22. Vacancies on MC/EC	Clause	Election by members –Y/N Appointment by MC/EC - Y/N

23. General Meeting
 	
   a. Frequency
 	
   b. Quorum
 	
   c. Notice period
 	
   d. How is notice to be given
	Clause	_____
		
		_____
		
		_____

24. Annual General Meeting:
 	
   a. Notice period;
 	
   b. Quorum;
 	
   c. Method of notice
	Clause	_____
		
		_____
		
		_____

25. Special General Meeting:	Clause		
a. Why			_____
b. Who calls			_____
c. Notice period			
d. Method of notice			_____
e. What can be discussed.			_____
26. Management/Executive Committee Meeting:	Clause		_____
a. Notice period			_____
b. Quorum			
c. Method of notice			_____
27. Sub-Committees	Clause		
a. Who can be a member			
b. At what meeting can they be established			
28. Adjournment of meeting	Clause		
29. Proxy votes	Clause	Y/N	
30. By-Laws	Clause	Y/N	
31. Common Seal	Clause	Y/N	
32. Financial Year	Clause	Details	
33. Employees as Officers	Clause	Y/N	
34. Date of current constitution/Rules			

4. COMMITTEE OBLIGATIONS AND MANAGING STAFF

The committee members and executives within a community organisation are the employer of all employees.

The committee members of the Association represents the organisation and deals with all employment requirements in a confidential manner. Subcommittees within the community organisation are not legal entities and are not legally able to be responsible for the employment requirements of employees i.e. the subcommittee has no authority to hire or dismiss.

COMMITTEE MEMBERS AND COMMITTEE RESPONSIBILITIES

All employers irrespective of whether they are community based not-for-profit or corporations need to adhere to and comply with the business practises and legislative requirements that are applicable to all employers.

The committee members and executives need to ensure that the requirements of the award/industrial agreement under which the employee is employed are met. Wages and superannuation must be paid on time and in accordance with the award/industrial agreements.

Employment by committee members and executives can be difficult to work with and a clear reporting structure, delineating who deals with whom and under what circumstances, is highly recommended. It is important to be open and available to your employees in providing the information that they require while under your employ.

Effective communication and teamwork is a MUST to ensure a happy, safe and harmonious working environment and to ensure your community organisation is running efficiently, effectively and achieving its aims.

PRE EMPLOYMENT PROCESS

1. A position becomes vacant or a new position is identified;
2. Committee members agreed to fill the vacant position;
3. Create a position description for that particular position;
4. Advertise the position;
5. Interview suitable candidates;
6. Conduct reference checking;
7. Appointment of employee;
8. Letter of Appointment, Confidentiality Deed and Position Description issued to new employee;
9. Induction & training;
10. Monitor performance during probation period.

BASIC INFORMATION THAT NEEDS TO BE PROVIDED TO YOUR EMPLOYEES

As Employers you need to provide all employees (current and new) with:

- A copy of their Letter of Appointment – This letter defines the status, terms and conditions of employment;
- A copy of their Position Description – This defines the scope of the role, duties etc.;
- A copy of the Confidentiality Deed;
- A copy of their tax file declaration;
- A copy of and/or access to the Award under which they are employed;

- Group certificates must be issued on time as per requirements of the ATO.

Employees need to provide details to the employer such as:

- Copy of Blue Card, or application for same (where appropriate);
- Copy of qualifications;
- Completed tax file declaration form;
- Notify employer of critical health issues e.g. extreme allergy/medical conditions e.g. anaphylaxis, Diabetes etc. (need for EPI pens, insulin etc.);
- Banking details - account numbers, if wages can be electronically transferred;
- Details of Superannuation provider as identified within the Award under which they are employed;
- Emergency contact details and any medical conditions e.g. asthma, allergy to bee stings, etc.;
- Copy of a Police check.

This list should be used as a guide only.

AWARDS/INDUSTRIAL AGREEMENTS (ENTERPRISE AGREEMENTS)

When the committee want to fill a vacancy or create a new position, an offer of employment linked to the appropriate award/industrial agreement would be made by the committee to the potential new employee. This is done through a written (formal) employment contract (employment agreement, common law contract) exclusive of a position description. The employment is confirmed by the signatures of both the employer and the employee.

All awards made by the Fair Work Commission and the State Industrial Relations Commission are common rule awards, which are binding on the employers and employees of the "industry type" nominated in the award.

All award set out a minimum set of pay and conditions under which you can employ employees.
The Employment contract outlines the terms and conditions of the employment and would include:

- Classification/title
- Status of Employment (Permanent/Part Time/Casual/Temporary Tenure)
- Applicable Award
- Commencement Date
- Hours of Duty
- Duties and Responsibilities
- Reporting to
- Rate of Pay and how paid
- Termination of Employment
- Entitlements
- Probationary periods
- A position description

The employment agreement cannot include terms and conditions which are less favourable than those contained in the Award/Industrial Agreement.

A Deed of Confidentiality should also be prepared and signed by both the employer and employee.

EMPLOYEE PAYROLL RECORDS AND PROCEDURES

It is advisable to check the provisions of the various Awards to verify that all of the requirements of the Awards as well as the various Industrial Relations Act and the Fair Work Act 2009 are being met at all times.

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It is essential that employers maintain the required employee/payroll records at all times. Should you as the employer fail to keep adequate records you could be in breach of the various State Industrial Relations Act and Fair Work Act 2009, and you could expose your community organisation to financial penalties.

REGISTER OF EMPLOYEES

Employers are required to maintain a book (or similar record), which is a register of employees showing:
- The full name, residential address, and contact details of each employee;
- Where necessary the permanent and residential address (if employee is away from permanent residence);
- The employee's resume,
- The position in which each employee is engaged;
- The date on which the employee joined the organisation;
- The date on which each employee ceased their employment.

TIME AND WAGES RECORDS

Employers are required to keep and have available for inspection, a time and wages book or similar record for:
- All persons who are currently in the employer's employment.
- All persons who were in the employer's employment at any time within 6 years before the date of an inspection.
- Records are required to be kept for any person who ceased employment for at least 6 years after cessation of employment.

Time and Wages records should include the following details:
- Full name and full address of each person employed (or previously employed);
- Date of Birth;
- The employee's designation (Job title);
- The name of the relevant award or industrial agreement;
- The number of hours worked each day and week;
- Times which each employee started and ceased work and details of any work breaks including meal periods;
- The gross and net amounts of wages paid;
- Details of any deductions made;
- Contributions made by the employer to the nominated occupational superannuation scheme or fund as identified in the award;
- Details of sick leave credited or granted, and sick leave payments to each employee;
- The date on which each employee commenced employment (and where appropriate, the date on which employment ceased or was terminated).

PAY SLIP / ENVELOPES

All employers are required to provide their employees with a pay slip / envelope upon payment of wages at the time of such payment showing how their payment is made up.

The pay slip or envelope should include the following details:

- The date of payment;
- The period covered by the payment;
- The number of hours covered by the payment at:-
- Ordinary rate of pay;
- Overtime rate of pay;
- The ordinary hourly rate and the amount paid at that rate;
- The overtime-hourly rate and the amount paid at this rate;
- The gross amount of wages payable;
- The net amount of wages paid;
- Details of any deductions made (including tax);
- The amount of contribution paid to an occupational superannuation scheme or fund;

INSPECTION OF EMPLOYER'S RECORDS

Employees can inspect records or request copies or details in writing of the records relating to their employment. Letters relevant to diminished performance should not be removed under any circumstances.

COPIES OF INDUSTRIAL AWARDS TO BE DISPLAYED

All employers are required to provide, and have available to employees, copies of relevant Awards and agreements under which they work. The employer must display a copy of the Award or agreement. The most usual location for this requirement is in the tea room, where employees can review it at their leisure.

INCOME TAX INSTALLMENTS

The Australian Taxation Office (ATO) requires that all employers deduct and remit to the ATO tax instalments from all employee wages.

Visit the Australian Taxation Office website for more information https://www.ato.gov.au

SUPERANNUATION GUARANTEE LEVY

Community Organisation's must make monthly or at least quarterly payment into an approved superannuation fund, as identified within the appropriate award (this applies to employees who earn $450 per month or more). The employer must contribute the relevant Superannuation Guarantee for each employee who earns $450.00 gross or more in a calendar month. Conversely this means that if an employee earned less than $450 per month then the Community Organisation is not required to make the Superannuation Guarantee payment.

WORKCOVER

All community organisation must provide WorkCover insurance for all employees, employed by the community organisation. This also includes volunteers.

PAYMENT AND RECOVERY OF WAGES

The Treasurer and Bookkeeper need to be very careful in determining the correct wage rate and payment. Should an error occur, it is essential that the employer approach the employee immediately, to make arrangements for the necessary adjustments to be made.

It is most important that your payroll system is effectively managed by ensuring that:

- Accurate records are kept about current wage rates at all times;

- The correct wage is being paid at all times;

- Accurate records are being maintained in respect of sick leave, holiday leave and the like;

- Any termination pay is correct – it is virtually impossible to recover monies once an employee has left – except through court action.

Employees need only attend meetings of the community organisation if they are required to do so. Employees can be requested to write a report (during working time) and submit that to any meeting held if required. Should employees be required to attend any meeting outside normal hours then you will need to pay those employees for such attendance.

If the employee wishes to attend community organisation and/or subcommittee meetings because they want to be involved (that is there is no written, verbal or implied requirement by the community organisation for the employee to attend), this attendance is done so in a voluntary capacity with no obligation on the community organisation to make any payment for such attendance.

Again, communication with employees is critical and you need to communicate this situation to the employee attending on a voluntary basis.

EMPLOYEES HANDBOOK

Supplying all employees with an accessible employment handbook is an effective way of ensuring that all employees are aware of the aims and objectives of the organisation, their rights and responsibilities and obligations.

All employees should be given a job description and employment contract to sign, stating that they have read and agree and had the opportunity to discuss the conditions stated in the contract and handbook.

DEVELOPING AN EFFECTIVE INDUCTION PROCESS

Time spent getting new employees up to speed quickly will pay off over time. Some employees will hit the ground running but you can help to make the settling in process a little less daunting by having procedures in place to welcome and introduce new employees to their role.

WHY?

It is of utmost importance for your community group that the organisation functions as a team. Having one or some members who do not yet feel part of the team can therefore badly impact on the effectiveness of the organisation.

An induction process will also help to ensure that the new employee can more easily grasp the processes, procedures and aims of the organisation, which will in turn help to boost their confidence.

WHEN?

As soon as an appointee commences their role, you can begin their induction.

While it is important to start the induction immediately, don't do it all at once. Overloading any new employee with too much information can leave them feeling overwhelmed and frustrated.

WHO?

Offer the services of an experienced employee as a mentor for the new addition. The mentor should be able to assist with information on running of the organisation. The mentor should be available to answer questions the new employee has and act as a sounding board for ideas or issues the new employee may have.

PERFORMANCE REVIEWS

Community organisations may wish to consider performance reviews as a regular part of the management of employees.

LEAVE

All Federal and State awards contain provision for paid leave for employees covering such things as:

- Annual leave (Holiday leave)
- Sick leave
- Bereavement Leave
- Long Service Leave
- Family or Special Responsibilities Leave
- Parental Leave

LONG SERVICE LEAVE

- Long Service Leave is accumulated by employees through continuous service with the same employer.
- It is recommended that employers make provision in their accounts for long service leave and ensure that an appropriate amount of cash is put aside to cover the liability. This practise should commence at the time of hiring a new employee.

INSURANCE

All organisations will need to acquire a WorkCover Queensland Accident Insurance Policy to cover the cost of compensating a worker who sustains a work-related injury or illness. You are legally obliged under the *Workers' Compensation and Rehabilitation Act 2003 and Workers' Compensation and Rehabilitation Regulation 2003* to have this policy if you employ workers whose principle place of employment is in Queensland.

If you do not have correct insurance coverage and one of your workers lodges a compensation claim with WorkCover Queensland, you will be liable for 150% of the cost of the claim.

TAXATION

Payment of PAYG (pay as you go) taxation is a legal requirement of every employer in Australia.

Income Tax tables are available on the ATO website: www.ato.gov.au or in hard copy from the local newsagent.

Employers must ensure that all employees have completed a Tax File Number Declaration (if employed pre July 2002) or a Withholding Declaration (if employed after July 2002).   This form is also available on the ATO website or at your local newsagent in hard copy.

TERMINATION OF EMPLOYMENT

This aspect of being an employer is the most stressful if not handled with care and skill.
All Awards/Enterprise Agreements contain "dispute resolution procedures" in them in an attempt to set out a process for resolving disputes or grievances.

The committee members and executives within the community organisation should make every effort to work through any problems to make certain that all legislative requirements, as well as ethical and moral obligations are observed.

Make sure that there is clear authority of the committee members and executives within the community organisation to engage in the counselling process, and any remaining steps in the process, including a decision to terminate employment. These details should be minuted.

Employment disputes can be costly and damaging to any community organisation. So prevention is always better than cure.

CONTACT INFORMATION

- ➢   Australian Taxation Office: www.ato.gov.au
- ➢   WorkCover Qld: - www.workcoverqld.com.au
- ➢   Office of Fair-trading: www.fairtrading.qld.gov.au
- ➢   Fair Work Ombudsman: www.fairwork.gov.au
- ➢   Australian Charities and Not-for-profits Commission: www.acnc.gov.au
- ➢   Queensland Industrial Relations Commission: www.qirc.qld.gov.au

PERSONNEL RECORD AUDIT

Using the format below, assess how adequate your organisation's personnel records are. Consider whether the existing system is meeting your needs and if not what changes and additional files and procedures might be required.

Personnel records and associated procedures	Yes/No	Changes and additional files and procedures required
There is an individual file for each member of the : Committee of management Paid employees (employees) Unpaid employees (volunteers) Organisation (if appropriate)		
These files are securely stored in a locked filing cabinet		
For all personnel		
Basic contact details are recorded on each file (address, phone, email, preferred and emergency contact)		
The records about each person show: Their starting date with the organisation Dates when significant changes occurred (e.g. in their role/responsibilities/remuneration) Significant dates during future years (e.g. salary increments, membership renewal, performance reviews due)		
There is a centralised procedure to implement these annual processes on the due date.		
The responsibilities and obligations of each person are clearly identified in writing (e.g. Duty descriptions; job contracts or acceptance of the conditions of employment for paid employees; code of ethics, for all personnel, if applicable) and signed copy placed on their file		

Copies of original application, referee reports, performance reviews and other personal information are kept on file		
When the person ceases to hold a position with the organisation, their record is updated with dates and reasons for leaving the organisation, and the file stored securely for 6 years.		

Personnel records and associated procedures	Yes/No	Changes and additional files and procedures required
For Paid employees		
There are effective systems in place to make payments to employees in accordance with their contract (e.g. Time sheets completed and approved by the supervisor before payments are processed; accurate records kept of accumulated annual, sick and long service leave and leave taken; other benefits owed and taken recorded)		
The wages payment system ensures correct tax payments and superannuation payments are made for each employee by the due date		
A copy of a completed and current tax declaration is kept on each file		
Group certificates are provided to each employee annually		
For paid and unpaid employees		
The contact information includes the contact for a next of kin		
The file record includes identifying data (e.g. Date of birth and tax file number if relevant)		
Details of police and other required screening checks		
Records of incidents with industrial or other legal implications (e.g. Workers Compensation Claims)		
Other		

5. RISK EXPOSURE – HR MATTERS & WORKERS COMPENSATION

New committee members need to be aware of who their existing staff are and familiarise themselves with their positions and their length of service. They should ascertain whether or not personnel files exist and where these might be located. Scanned copies of these personnel files should be stored off site, preferably on a memory stick and handed from one committee to the next.

Personnel files should contain such basic information such as;

- Resume
- Next of kin
- Tax File Declaration
- Copies of letter of appointment
- Position description
- Confidentiality deed
- Warning letters
- Performance appraisals
- Sick leave certificates
- Annual leave application forms
- Blue card licences
- Police checks
- And any other information which may be deemed relevant to the employees employment.

New committee members should be given a comprehensive briefing from the outgoing President and/or executive committee in relation to any risk exposures that may exist. These risk exposures would take the form of the following;

- Asbestos Register
- Slips, Trips and Falls Register
- Workers Compensation History and any other standing Workers Compensation related matters and correspondence relating to same.
- Return to work plans
- Information relating to employees medical conditions that may prove to be a severe risk exposure such as anaphylaxis, asthma, and allergy conditions, etc.
- Any other previous, current or outstanding industrial relations matters. These could be matters that the previous committee were aware of but haven't yet been listed in either the Fair Work Commission or the Industrial Relations Commission.
- Any applications for Anti-Discrimination through the Anti-Discrimination Commission of Queensland and the Human Rights and Equal Opportunity Commission.
- Any outstanding insurance claims by way of flood, water damage, lost property etc. It is important to also ascertain whether or not the insurance coverage is adequate and whether it contains insurance coverage for industrial relations.

All of the above mentioned risk exposures need to be identified and clarified along with a copy of the asset register. The register identifies all current assets, their current value, date of purchase and their depreciated value. All these are risk exposures. If current committees do not possess a copy of this then they should ensure that they act with due diligence and obtain a copy either at the time of taking over their new role as committee members or during the first month of tenure as a committee member.

6. RUNNING IT LIKE A BUSINESS

It has been reported on more occasions than we would like to remember from Volunteer Committee Members that their responsibility as a not for profit committee member is not to make a profit. Perhaps a better way to think of it is as a profit for purpose organisation. The difference between the for profit sector (i.e. the commercial sector) and the not for profit sector is the profit that is raised in the commercial sector goes to either shareholders or owners of the business. The profit that is made in a not for profit business is not called a profit, it is called a surplus and is used to further the aims of the organisation. The more surplus you create, the more good work your can do.

Your responsibility as a committee member is to run the business that you are now an elected official of and if the organisation is not run a like a business with the objective of making a surplus then you will cease to be able to operate.

Making a surplus is healthy. A surplus in the not for profit sector in general terms is ploughed back into the service and to provide better facilities to the people that use the service. To kindergartens this might mean play equipment. In schools the money goes to the Principal and is used for the betterment of state school facilities, such as air conditioning, swimming pools, tennis courts, halls etc. In disability organisations and respite care that surplus goes into equipment and/or services for those people that utilise those services etc. Failure to make a surplus means that you will no longer be able to provide the services you were set up to.

You also need to ensure from a HR (Human Resources) perspective that there are sufficient funds in your bank account at all times and preferably in a separate account to cover off employee entitlements for long service leave, sick leave and annual leave. Those funds are not to be spent under any circumstances. They are the employees' entitlements. They are not to be donated to schools, not to be used to buy equipment or to better the business. If these monies are spent then you could be found liable for misappropriation which is a criminal offence. At the beginning of their tenure the Executive Committee and the Treasurer should identify and look at previous profit and loss reports and annual reports, identify projected profits and margins and where monies are being made versus where monies are being lost. Correct the loss making deficiencies and identify and structure a target and/or budget for the ensuing twelve months of your tenure.

At every meeting the profit and loss reports should be tabled and an assessment and identification against budget should be made at each meeting. Having a strategic plan and putting members in charge of various areas such as fundraising activities and grant applications will also help keep you on track to meet specified objectives.

If you have any difficulties with business planning or are concerned with any part of your responsibilities as business managers please call us. We are here to help!

7. ACCOUNTING

One of the major tasks which all committees have to come to grips with is the proper administration and control of the finances of their organisation.

While everyone associated with the provision of community services would like to feel that they could concentrate their efforts on those factors which most directly relate to the activities of the organisation, it is a fact of life that most services now require significant sums of money to operate effectively.

Committees must accept that they have an obligation to their clients, the community, Governments, and their employees (who rely upon the committee for their livelihood), to ensure that the finances of their organisation are efficiently managed.

GENERAL COMMENTS

As the title of this section suggests, the various facets of Accounting and Finance should be integrated so that there is a flow of information to the committee to enable them to meet their obligations.

While the Treasurer may be responsible for the day-to-day preparation of accounting records and presentation of reports and information, the committee cannot delegate its overall responsibility for the administration of the finances of their organisation to any single person. It is therefore essential that each and every member of the committee make an effort to fully acquaint themselves with the accounting, budgeting and control processes of their organisation.

Committees must also recognise that they are accountable for public funds whether they are in the form of government grants or other forms of income. The maintenance of proper accounting records is essential if governments are to receive appropriate verification of use of their funds by the organisation.

ACCOUNTING RECORDS AND PROCEDURES

The method of accounting and the type of records maintained do vary greatly from organisation to organisation.

Many smaller organisations may use what is commonly known as a 'single entry' system of accounting which is based on the maintenance of cash books written up from duplicate cheque butts and receipts. In other organisations "double entry" accounting systems which involve the addition of a General Ledger to the Cash Receipts and Payments Books (or Journals) would be more the norm.

GENERAL GUIDELINES ON ACCOUNTING

   i. The accounting system should be uncomplicated so that it can be easily understood and managed by a non-professional person if necessary.
   ii. The system should be designed to allow relevant information to be easily retrieved for the purposes of reports, budgets and control.
   iii. Committees should ensure that there is adequate provision for safe custody and control of all accounting records. Remember that most accounting records will need to be kept for at least six years.
   iv. All accounts (bills) should be submitted to the committee for approval of payment (or ratification if paid prior to a committee meeting) and details noted in the minutes (this is normally required by the relevant legislation governing community organisations).
   v. All payments should only be made by cheque/electronic payment except for very small items purchased from petty cash. If payment is made from cash held on hand, the cash taken should be

reimbursed by drawing a cheque or electronic payment. This is a valuable internal control because cheques and electronic payments normally are required to be approved by 2 officers.

vi.   All income for any purpose should be acknowledged by a receipt and the total of receipts should balance with amounts banked.

vii.   The committee should ensure that only a restricted number of people are authorised to incur expenditure and handle money on behalf of the organisation.

viii.   Any cash should be immediately receipted and banked. Don't under any circumstances leave cash lying around.

ix.   Avoid issuing blank cheques with one or more signatures. This breaks down the internal control of two signatures being required.

x.   Ensure that all "cancelled" cheques and receipts can be accounted for. The original cancelled cheque or receipt should be kept for the auditor.

xi.   Issue of cheque books and receipt books should be strictly controlled, and verified by the auditor.

xii.   Ensure that all invoices, statements and bills are retained and carefully filed (in cheque number order) and that they contain details of date paid and cheque numbers. Again this is necessary for the auditor.

No payment should be made unless an account or bill containing full details of goods or services provided is presented with receipt of the goods and services verified.

Documenting your financial procedures is a good opportunity to check over your financial processes to see whether adequate controls are in place.

THE BASICS

Basically, bookkeeping is simply recording all your income and all your expenditure and having the information easily accessible. You must be able to know how much was spent or received, what it was for, and who authorised it.

All this information – how much, what for, and by whom – should be recorded in all your invoices, receipts, bills, cheques, and other financial records. If your receipts for example, don't show all this information, you'll have to write it on to each receipt.

AUTHORISATION LIMITS

You will need to decide which of the members or employees is entitled to authorise spending, and how much each person is able to spend before they must check with their manager. An office assistant, for example might have a spending limit of $50 for items of petty cash, while a department manager in a large organisation might have a limit of $10,000. All these details need to be recorded in the procedures manual and included in training programs.

AUTHORISATION PROCEDURES

No matter what limits people have been given, it will probably be the case that in order to make an actual payment, employees will need to have the cheque signed or payment approved by one or two of the office bearers, probably including the Treasurer. This can be inconvenient, if the Treasurer is not always available, but it is nonetheless important to have someone made responsible to have a watching brief over the expenditure as it happens.

In order to give some flexibility, many associations provide that any two of three or four people (usually the office bearers) may sign or approve.

Your bank will usually ask for a list of your office bearers (President, Vice-President etc) with an indication of who has signing authority. Each person who has signing authority will be required to fill out a form. This

allows their signatures to be checked against the signatures on any cheques your organisation issues. They may also be issued with an electronic authority device for EFT or similar payment.

Remember that when the office bearers change, the bank should be advised, as new forms will have to be signed.

ACCOUNTING SYSTEMS

There are several basic methods for keeping your accounts, ranging from very simple systems for very small organisations to more sophisticated packages for organisations that handle larger sums of money.

CASH ACCOUNTING

When small organisations are starting off they usually begin with a cash basis accounting system. At its simplest, this uses the association's receipts' book and bank deposit details to track income and the association's chequebook to track expenditure. This can work, if you are very careful to record all the details on every occasion, but it can become complicated if you need to work out payrolls and tax liabilities.

LEDGERS

The next stage of sophistication is to keep ledgers or journals of income and expenditure – either one journal for each, or separate journals for separate types of income and expenditure such as Payroll, Sales, Account Payable, and Cash Receipts. The outcomes from all these will be bought together in a General Ledger.

You can buy Software to help you work with this system. Ensure you print out hardcopy backups frequently, and remember to keep a hardcopy audit trail where every transaction can be traced to an actual piece of paper–a receipt, cheque stub, or invoice – recording it.

The computer system goes on top of the paper system and adds more functions, but it is not an alternative to the paper system. You will need both, to guard against the very real risk that a computer crash or file corruption will leave you with no working records system. You must be able to recreate the ledgers if, for example, you are burgled. Thieves may take computers, but they very seldom take receipt books.

CASH BASIS ACCOUNTING / ACCRUAL ACCOUNTING

Cash basis accounting is the simplest form of keeping your ledgers, and small organisations may find it adequate. In cash basis accounting you make an entry in your ledger when you pay someone money or when someone pays you money.

Accrual accounting differs from the simpler cash basis accounting in that you make an entry into your ledger at the time you incur a debt or receive a grant, not on the date when you actually pay out or get in the money. Accrual accounting is generally preferable, if you can manage it, because it gives a better idea of where you organisation stands in the medium term. If your organisation works on short-term transactions and doesn't have long-term debts or commitments, you may be able to get away with cash flow accounting while you stay small.

Some non-profits use a modified-cash basis of accounting, which is a cross between accrual accounting and cash basis accounting. They will record payroll taxes withheld from employees or large revenue or expense items on an accrual basis. This means recording revenues when they are earned and expenses when obligations are incurred.

RECEIVING MONEY

Cash receipts should be issued for all cash and cheques received. The receipt should include the date, the name of the person or organisation paying the money, what the money is for and the dollar amount. Cash that is received should be deposited as soon as possible. Delayed deposits represent a significant risk to you. Many (though not all) ATM facilities will take deposits after-hours.

When cheques are received make sure they are made out to your organisation's name. If a cheque is made out to an individual employee's member or office bearer, make sure he or she signs it, and then writes on the back of the cheque "For the deposit only to the credit of (name of association)".

If your organisation wants to have the capacity to take in credit card payments, this will have to be negotiated with the card organisation.

PAYING MONEY

Bills can come in either as unpaid invoices where the money is still due or as reimbursements for payments made by someone authorized to do so.

It is important that there is a receipt or an invoice for every payment made.

Receipts or invoices for an expense should include the:

- Date
- Name of individual or company being paid
- Dollar amount
- Cheque number and
- Purpose of the payment (e.g. rent, postage, etc.)

PETTY CASH

Petty cash allows you to make small purchase or reimbursements, in cash, for items such as stamps, office supplies, parking etc. You should set an upper limit on payouts from petty cash. Anything over $50, for example, should be paid by cheque. The fund should be enough to cover petty cash expenditures for about a month. If it is too small you will have to constantly replenish the funds, and if it is too large it means you have cash on hand which should be more safely kept in your bank account.

Keep petty cash in a locked box or drawer. It's better if only one or two people are responsible for petty cash. Buy or develop petty cash vouchers for documenting each transaction, and decide who in the organisation can approve petty cash payments.

ACCOUNTING FOR TAXES

You will also have to deduct tax from salaries and pay the retained tax to the Tax Office. For these reasons, you may find it preferable to keep a separate ledger for salary payments and withholdings.

Associations may have to pay income tax, Goods and Services Tax (GST), fringe benefits tax, and payroll tax, all of which have implications for the way you keep your accounts and the things you have to record about transactions. In particular, many community and not-for-profit organisations have some difficult decisions to make about how they want to approach the GST. You may need to consult an accountant about this.

UNDERSTANDING BASIC BOOKKEEPING

ACCOUNTABILITY

Your organisation will need to be financially accountable to its members, its funders and donors, and to the government. Accountability means being able to demonstrate whether your organisation, and each individual program within your organisation is making money, breaking even or losing money.

You will need to be able to show that all transactions are recorded, all payments are authorised, all necessary information is available to managers, and nothing goes astray.

For all of this you will need a bookkeeping system.

An efficient and appropriate bookkeeping system will allow you to know at any given moment what your organisation owes, how much money it has on hand, and what needs to be paid. It will also allow you to detect any irregularities in the funds before they get out of hand.

Each organisation has different accounting and financial reporting needs, depending on the amount and from where it receives and spends it. However, every organisation needs a bookkeeping system.

> **CMS can help you. Bookkeeping at cost effective rates!**

FINANCIAL PROCEDURES MANUAL

As you work through what processes are right for your organisation in a financial management system, the details should be written down in a financial procedures manual. This will allow the relevant employees (and your management committee) to consult and operate safely within its specifications.

The manual should describe all the organisation's normal administrative tasks and specify who is responsible for each one. It should give simple descriptions of how functions such as paying bills, depositing cash, and transferring money between funds are handled.

ACCOUNTING BOOKS / RECORDS

The following records represent the minimum accounting books and records recommended for an association which uses manual bookkeeping.

There are several loose leaf type accounting systems now available which can overcome the need to repeat column headings for expense and income items. Alternatively, bound cash books with multiple columns are also acceptable and readily available.

Don't try to "squash" everything into one Cash Book with only a few columns. Use separate books for receipts and payments.

When writing up your monthly figures, ensure that you leave space for bank adjustments. Trying to add figures later is awkward and messy.

Make sure that cheque and receipt numbers are kept in numerical order (for the sake of your auditor). Always ensure that all columns are added and cross balanced for each month and for the year to date. Ensure that your cash books are reconciled (balanced) with your bank account each month.

The following are examples of the main accounting books suggested:

CASH PAYMENTS JOURNAL

In this book, all payments made should be listed in cheque numerical order.
Don't forget to include debits (charges) which may appear on your Bank Statement.

CASH RECEIPTS JOURNAL

This book should contain a list of all income received by the organisation in strict receipt numerical order. Always ensure that amounts in the column balance with the total amount of receipts and the amount banked.

Again, ensure that you leave space for bank entries such as interest on your account.

SUMMARY OF INCOME AND EXPENDITURE

This book should contain a progressive summary of income and expenditure in a multicolumn book. (Some organisations may use a page at the back of their cash book but a separate book is more convenient).

Monthly figures from the Cash Receipts and Cash Payments journals should be transferred to this book. (This book is like a ledger but does not require separate "accounts" and journal entries to balance as is the case under a double entry accounting system.)

FEES REGISTER

This book (or loose leaf folder) should contain full details of fees charged for each client and the date and receipt number of any payment received.

This will provide a ready record of amounts due to the organisation and should enable the Treasurer to fairly quickly identify outstanding fees.

ASSET REGISTER

This book or loose leaf folder should contain records of the assets of the organisation including such things as:

- Land
- Building
- Grounds (major capital equipment)
- Furniture
- Equipment
- Investments (deposits, stocks, bonds).

(NOTE: It should only be necessary to record those assets which have some extended life. Items of equipment of relatively low value and short life should be written off in full in the year of purchase).

The Asset Register should also contain details of depreciation allowances on assets.

Other Records to be maintained include:

PAYMENTS VOUCHER FILE

A ring binder or suitable file box should be maintained with all invoices, statements, accounts, bills, etc., filed in cheque number order.

Do not send invoices or accounts back with your payment. Remittance advice slips can be obtained from most stationers and newsagents.

Maintenance of payment vouchers is essential for the proper audit of your finances.

RECEIPT BOOKS

Pre-numbered duplicate receipt books should be used.

(Again receipting systems are available which enable the preparation of the receipt, the bank deposit and cash book sheet at a single writing. These systems can save time and avoid duplicate writing errors, but can also be more expensive than the duplicate receipt book.)

The issue of receipt books should be carefully controlled.

8. BEING A TREASURER

WHAT IS INVOLVED IN BEING A TREASURR OF A COMMUNITY ORGANISATION?

What makes people become Treasurers of community organisations? Some gravitate to the role because they're good with numbers others just want to 'give something back'.

The Treasurer is usually appointed at the annual general meeting and tasked with keeping the finances healthy so the organisation can achieve its mission.

Anyone taking on the role of treasurer in a community organisation must have or needs to learn a basic understanding of accounting and a working knowledge of the laws governing the organisation's operation. However if this is not the case then don't panic.

Some people on the committee may not have well developed financial skills and you need to be able to explain your reports simply and clearly.

Being treasurer of a community organisation is a great honour, and a great responsibility. An active and alert treasurer can ensure their community group is able to extend its activities, resulting in greater benefits to the wider community. It's a big job – while you may be able to delegate some duties to the employees and volunteers, you can't delegate the responsibility.

The main duties of a treasurer are to oversee the financial administration of the organisation, review procedures and financial reporting, advise the committee on financial strategy, and advise on fund-raising. Let's look at what the treasurer needs to do in each of these areas.

FINANCIAL ADMINISTRATION

- Make sure the committee understands its financial obligations
- Keep up-to-date records as well as an audit trail for all transactions (consider setting up an audit committee and appointing an external auditor)
- Protect the organisation against fraud and theft, ensuring safe custody of money, and prompt banking
- Review all internal processes and reporting methods at least annually
- Make sure the organisation complies with tax regulations, such as GST, payroll tax and fringe benefits tax.

Many smaller organisations do not employ employees, so the treasurer has to do everything such as;
- depositing cash and cheques,
- the banking,
- tracking income and expenditure throughout the year and
- paying the bills.

You need to be aware of the organisation's finances so the organisation knows how to respond if unexpected situations present.

In larger organisations, professional employees manage the daily transactions and record-keeping and the treasurer maintains a watching brief on the monthly accounts.

If you're a medium-sized organisation, and either doing the books yourself or employing someone part-time, consider using an accountant once a month or every quarter to check your work. This will give you the security of knowing your procedures are working.

The use of software packages such as MYOB to keep track of the both the finances and the payroll will be easier to maintain the organisations finances. You will need to compare actual financial performance against predicted financial performance so the committee understands the state of its finances. This analysis gives the committee the ability to make informed decisions about future income and expenditure.

You may have to lodge returns with authorities such as the Australian Securities and Investments Commission (ASIC), Office of Fair Trading and the Australian Tax Office (ATO). As Treasurer you will need to find out what returns you have to lodge and the dates they are due.

REVIEW PROCEDURES AND FINANCIAL REPORTING

You will need policies and procedures to protect the organisation and its people. These will include;

1. Systems for ensuring cash and chequebooks are kept securely;
2. Controls on expenditure, such as who can authorise spending, upper limits before committee approval is needed, and who can sign cheques;
3. Controls on income generation, including appropriate and inappropriate ways of raising money.

You need to track:
- How much your organisation owns;
- What you are spending money on;
- Your main source of income;
- How much money you can easily access;
- How much you owe.

You also need to be aware of any financial risks that may arise.

ADVISING THE COMMITTEE ON FINANCIAL STRATEGY

There is more to managing the finances than just good bookkeeping. You need to prepare reports for members, management and sponsors outlining the current financial situation, looking at possibilities for the future and drawing people's attention to tax implications, and potential risks or opportunities.

On the basis of the treasurer's reports, the committee may have to modify the budget. Unfortunately, a blow-out in expenses is more common than an unexpected expansion in income.

If you have made an unexpected profit, you may wish to put it aside as a reserve to protect yourself against potential cash-flow problems or use the money to strengthen your current operations or programs. Based upon Community Management Solutions experience these sorts of situations often present themselves when employees apply for long service leave and there have been no accrual put aside for Long Service Leave.

As Treasurer you should commence an accrual for Long Service Leave as soon as you take over if this has not already been done by your predecessor.

WORKING WITH THE AUDITOR

Even if your organisation has a regular accountant, the accounts will have to be audited once a year. The Auditor is elected at the Annual General Meeting, when the audited accounts for the past year are presented and approved. The Auditor must be appropriately registered, qualified and licensed; see the relevant legislation in your state (incorporation law, for example, if you're an incorporated association). committees should seek a quote from the Auditor and follow up with a letter of appointment.

The format the Auditor uses is different from the month-by-month management accounts, involving things like depreciation and asset balances, and will need extra material.

The auditor will ask the Treasurer to provide the following:

ASSETS

- Cash in bank
- Accounts Receivable – Who owes you money, how much, when it was due?
- Property and Equipment (Fixed Assets) – When acquired, how much you paid, how long they are expected to last, how much they are depreciated each year, and how much has been depreciated to date?

Asset Register

This book or loose leaf folder should contain records of the assets of the organisation including such things as:
- Land
- Building
- Grounds (major capital equipment)
- Furniture
- Equipment
- Investments (deposits, stocks, bonds).

Note: It should only be necessary to record those assets which have some extended life. Items of equipment of relatively low value and short life should be written off in full in the year of purchase.

The Asset Register should also contain details of description allowances on assets.

Example Asset Register

Asset Title				
Description				
Date of Original Acquisition/Purchase				
Original Supplier				
Original Cost				
	Date	**Details**	**Supplier**	**Cost**
Details of Additions or Deletions				

LIABILITIES

- Payables – To whom do you owe money, and how much do you owe to each? Get out copies of invoices or loan agreements.

REVENUE

- Grants and Contributions- produce grant details, grant period, grant amount, when received, restrictions, and copies of the grant letters and grant applications;

- Donated services and materials- you may be required to place a dollar value on contributions of certain services and materials. Prepare a list of these donations to discuss with your auditor;
- Special events and benefits (income and expenses);
- Documentation—such as contracts and invoices, names and addresses, registrations, etc. fees from memberships, tuition, performances, and other services;
- Inventory—if you sell tee-shirts, books, or other products, keep a record of sales throughout the year so that beginning inventory can be reconciled with inventory at the end of the year.

The more material that can be prepared for the Auditor in advance, the smaller the bill may be.

9. COMMITTEE RESPONSIBILITIES FOR FINANCE

COMMITTEE IS RESPONSIBLE FOR FINANCE NOT JUST THE TREASURER

It is the job of ALL committee members to ensure that the committee is overseeing the financial health of your organisation so it is vital that you remain vigilant to any situations that may spell trouble.

SOME THINGS TO WATCH OUT FOR

The following are some warning signs that may help committee members to recognise when the organisation may be heading towards financial difficulties. By no means do any of these situations mean there is a problem, rather they indicate circumstances in which questions should be asked.

- **ANY DEVIATION FROM THE BUDGET APPROVED BY THE COMMITTEE AT THE START OF THE FINANCIAL YEAR**
  Changes to the budget can mean a change to the organisation's bottom line. However, bear in mind that a budget is really no more than a plan, and things don't always go exactly to plan. Committees need to make sure they are receiving regular updates on how the organisation is performing in relation to the budget so they can keep on top of problems if and when they occur.

- **AN UNEXPECTED REDUCTION IN REVENUE IN COMPARISON WITH PREVIOUS YEARS**
  Unexpected is the operative word here. Being aware of fluctuations (particularly if they are not anticipated in the budget) will ensure you can be one step ahead of any potential problems and take steps to overcome them.

- **AN UNEXPECTED INCREASE IN COSTS IN COMPARISON WITH PREVIOUS YEARS**
  This could include a telephone bill that is usually $100 a month that suddenly jumps to $500, or a wages bill that suddenly becomes much more expensive than usual. Again, it is the unexpected nature of the increase that should set the alarm bells ringing, rather than the increase itself.

- **ANY UNUSUAL AND UNEXPECTED AND SIGNIFICANT EXPENSE**
  A large cost that appears out of the blue can throw a budget right out of whack. When this happens it is important to confirm that the expense is a one-off and that it can be covered.

- **A FAILURE TO OBTAIN INDEPENDENT VALUATION OF MAJOR ASSETS**
  The key feature of this statement is "independent". Changes in the value of any assets that come under your committee's responsibilities need to be assessed at arm's length by a third party before any changes are made to the accounts.

- **SIGNIFICANT VARIATION IN THE AMOUNT OF DEBT IN COMPARISON WITH PREVIOUS FIGURES**
  Spiralling debts are often the first sign of ill-health. If the organisation is spending too much, it's vital to get to the bottom of the problem, sooner rather than later.

- **A REDUCTION IN THE VALUE OF NET ASSETS**
  Net assets are the value of total assets minus total liabilities. Any change in the net assets, therefore, indicates a change in the organisations value.

- **POOR PERFORMING FUNDRAISING ACTIVITIES**
  If fundraising activities are not bringing in the expected revenue, it may be time to start pulling in belts or thinking about other alternatives.

- **A LACK OF CLARITY AS TO THE SOURCE OF FUNDS AND LIQUIDITY**
  It is wise to know exactly where your organisation's funds are coming from as there may be conflict of interest, legal or ethical considerations to take into account. This can also affect liquidity – not having enough funds to pay bills.

- **LATE REPORTS TO COMMITTEE OR AUDITOR (POTENTIAL FOR FRAUD)**
  Late reporting is often an indication of deceptive behaviour, misleading practices – deliberate or otherwise – or an attempt to avoid accountability. Even at its most benign, late reporting still constitutes a failure of duties and may prevent you from detecting a problem early enough to fix it. It is therefore vitally important that the cause of the delay is uncovered immediately and that processes are put in place to prevent it happening again.

- **VAGUE ANSWERS TO QUESTIONS REGARDING FINANCIAL POSITION**
  Committee members are duty-bound to ask questions and continue asking them until they are completely satisfied with the answers. If you are being put off by the person responsible for safeguarding your organisation's financial health, you would be foolhardy if you did not find out why.

- **ASK TO SEE COPIES OF BANK STATEMENTS AND EVIDENCE OF OTHER FUNDS FROM TIME TO TIME AND CHECK AGAINST REPORTS.**

10. BUDGETING

GENERAL COMMENTS

The preparation of a budget and the subsequent process of review and control benefit the committee and all members of the organisation.

It allows the committee to confidently carry out its functions in full knowledge of the financial implications. Without this confidence committees struggle with uncertainty which ultimately evidences in lack of enthusiasm and involvement.

Budgeting benefits all members now and in the future because good planning of finance provides a stable foundation for the effective delivery of services.

GENERAL GUIDELINES

In preparing your budget you should carefully note the following aspects:

Salaries, Wages and On Costs

Salaries and wages represent the largest proportion of your budget. An error or omission can seriously "put your budget out".

List your staff and their current salary or wage and then make provision for:
- Salary and wage rises likely to occur during the year.
- The 17.5 per cent loading on holiday leave for 4 weeks.
- Long Service Leave
- Accrued Annual and Sick Leave or the cost of engaging relieving staff during the year.
- Superannuation (employers contributions)

Other Items to Remember Are:

- Zone or locality allowances for country areas (if applicable)
- Any special award allowances
- Any service increments which may fall due during the year.
- Workers' compensation.
- Payroll Tax (if applicable).

OTHER COSTS OR EXPENSES

Some of the other costs or expenses can include things such as:

Fixed Expenses (Unavoidable):

- Rates
- Electricity
- Insurance
- Telephone
- Affiliation fees
- Membership Fees
- Cleaning (e.g. contract)
- Rent of premises (if applicable).

Other General Expenses

These expenses may be subject to some control depending upon the finances of the organisation. They include:

- Advertising and publicity.
- Equipment (small items)
- Bank charges and interest.
- Books, journals and subscriptions
- Medical supplies.
- Printing and Stationery.
- Postage.
- Program materials.
- Repairs and Maintenance.
- Sundry Expenses.

PROVISIONS AND RESERVES

Committees should be aware of the need to provide for the future. This is done by way of transfers to provisions and reserves which can include:

- Provisions for depreciation of buildings, equipment and furniture.
- Provisions for long service leave and accumulated annual and sick leave (as already mentioned above).

With regard to depreciation of buildings, the Australian Accounting Standards adopted by the Australian Society of Certified Practicing Accountants and the Australian Institute of Chartered Accountants specifically provide for the depreciation of such assets in addition to furniture, equipment and fittings.

Committees must accept that they have an obligation under the various industrial awards to pay staff for long service leave (currently at the rate of 8.6667 weeks after 10 years service – or a pro-rata amount for employees who leave their service under certain circumstances after completing 7 years service). This can represent a substantial outgoing and it is essential that organisations ensure that they have the necessary funds available.

Under most industrial awards in Australia, employees are entitled to accumulate unused sick leave. If an employee subsequently suffers a prolonged illness, employers are bound under the Award to pay employees their accumulated sick leave.

(NOTE: Employees are not entitled to claim their accumulated sick leave on termination of their employment.)

As mentioned in another section, the organisation's building and grounds represent a valuable and essential asset.

Experience indicates that unless committees provide for the future maintenance of buildings and grounds, future committees may find that they simply do not have funds to carry out necessary maintenance. Budgeting for the above contingencies each year will "spread the load" over a number of years and not burden a committee in any particular year.

CAPITAL COSTS/EXPENSES

While capital costs may not be directly related to the cost of operating an organisation, committees must be aware that they have to "earn" income to offset any necessary capital expenditure.
This particularly relates to such things as:

- Building or other loan repayments.
- Purchase of new furniture and equipment.
- Building renovations or improvements.

Adding these costs to the expenditure portion of your budget means that your income should be increased proportionately to balance your budget, and thereby you can ensure that funds are available to cover the "costs".

A question often asked by committees is "Who is responsible for preparing the budget?" There can be little doubt that budget preparation is a function of the Treasurer. However, in many organisations committees find that it can be helpful if the Treasurer has the assistance of two other committees' members (particularly if they have some experience in this type of activity or in the organisation generally).

While the Treasurer is responsible for preparing the Budget, the committee as a *whole* is responsible for *approving* or adopting the *budget* for the organisation.

PREPARING YOUR BUDGET (STEP BY STEP)

One of the essentials of good budgeting is good information.

Step 1 - You should obtain:

i.   Copies of the audited financial statements for the past two years.
ii. A copy of the budget for the current year for the organisation and current financial estimates for the year. (Remembering that you should be preparing your budget for the next year before the end of the current year).
iii. Details of the current salaries and wages of staff. (Don't forget increases in wage levels).
iv. Information from the "Manager" about equipment requirements in the next year.
v.   Check with your "Manager" about expected increases in fees or sales for the next year.
vi. Other information which you need to obtain and consider includes:
   a) What can your community reasonably afford in fees etc?
   b) What has support been like for fund-raising? This is essential in determining a "target" for fundraising.
   c) What has support been like for things such as working bees, parent rosters, etc.? This will have an effect on amounts set aside for maintenance of the building, grounds and equipment.
   d) Do you receive donations of programme materials and the like? (An example of this is the supply of paper which can be quite expensive if your organisation has to pay for its supplies.
   e) Can you obtain local support for supply of equipment or services at favourable prices? Many organisations have arrangements with local firms which support community organisations by providing significant discount arrangements.

Step 2 – Prepare your Budget Worksheet.

The Appendices include an example of a worksheet which allows you to compare the results for two years in deciding what amounts to include in your budget.

This form of worksheet not only substantiates the allocations made in your budget but also helps the Treasurer to 'sell' the budget to a Committee and clients.

Step 3 – Finalising your Budget

Expenditure

You will note that the Budget Worksheet lists expenditure first.

This is done on purpose because it is essential that you calculate what it is going to cost to operate your organisation first, and then determine how you intend to pay your way.

Ensure that you take account of all the guidelines mentioned earlier in determining your expenses.

Don't forget to allow for indexation or increases in costs during the year. As a general guide, increases of the order of least 4 to 5 percent could be used as a guide.

Income

Once you have determined your expenditure you should now work on your income.
The main sources of income available for your organisation:

- Membership Fees
- Government Grants or Subsidies
- Fund Raising
- Varies Fees, Levies and Sales of services or products
- Investment Income
- Donations

Under normal circumstances, and unless there are major changes in Government funding policies (of which we all hope we will receive adequate notice), the amount which your organisation received in Government funding during the previous year may be used as a guide if your funding is on a recurrent basis.

As mentioned earlier, you should try to establish an achievable fund-raising target for the year.

Again, past experience should provide a reasonable guide as to the level which is achievable in your community.

Do not under any circumstances place unreasonable or unfair expectations on the next year's committee and community.

Other Income

If your Organisation happens to be in the happy position of having built up some reserves of finance, it may well be that you can expect to earn interest on investments. This can, of course, represent a valuable source of income and should be included in your budget.

Some banks may pay interest on cheque accounts of not-for-profit organisations.

Some services also benefit from levies paid by clients who forfeit those levies when they do not fulfil their roster duties.

In those situations where the necessary work is still undertaken by the other people anyway, these forfeited levies represent a source of extra income.

The final source of income available to the organisation to balance its budget must be fees paid by clients for services provided and/or sales of materials etc.

The yearly total can be broken down into a weekly or daily figure on the basis of the number of weeks which the service is open.

Treasurers should be prepared with options when they present their budget to their committee.

These options may include various combinations of fees, levies and fund-raising targets.

Again, it is stressed that individual circumstances in each community should have a bearing on the "budget strategy" for each organisation.

Step 4 – Plan Your Cash Flow

Experience suggests that one of the major causes of stress in financial management in organisations is the failure of committees to manage their cash. This is particularly so in newly established services where the committee is often faced with a tight financial situation.

The sample Cash Planner in the Appendices can help you to plan your cash flow so that you do not experience the embarrassment of not being able to pay staff wages.

Reference to past accounting records will show when regular payments for things such as electricity, telephone, rates, etc., fall due.

The Cash Planner will also show you when you need to program for fund-raising activities and to ensure that fees, etc. are paid on time.

Remember that priority should be given to staff salaries and wages (and associated payments to the Australian Taxation Office and Superannuation Fund) and other purchases or projects planned for times when you have the funds available.

Step 5 – Presentation of the Budget

The Treasurer should present the Draft Budget for the following year to the committee for consideration within the two months before the end of the financial year.

This will enable the committee to adopt a Budget for the following year and to set fees etc. so that the Manager can advise clients when services are being offered.

As suggested earlier in this document, the committee should take steps to ensure that general details of the Budget and a full outline of the fees and charges applying for the following year is prepared and made available to members and clients.

Step 6 – Follow-up on the Budget

The Budget should be presented to the new Treasurer and committee immediately after the Annual General Meeting (together with all working papers).

If the new committee feels it is necessary, they can revise the Budget.

However, it is important to remember that fees have been based on the Budget so increases in expenditure could involve an increase in fees.

If a committee is not presented with a budget (or the past committee just couldn't be bothered) one of the first tasks for the new committee must be to produce their own budget for the year.

Example Budget Worksheet

(Name of Organisation)
Budget for (Year)

	Previous Year Actuals	Current Year Budget	Current Year Estimated Actual	Next Year's Budget
EXPENDITURE:				
Salaries and Wages				
- All Staff				
Other Staff Costs				
- 17½% Leave Loadings				
- Relieving Staff Costs				
- Superannuation				
- Contingency for Increase				
- Provisions for Long Service and Sick Leave				
- Workers Compensation				
Total Salaries and Wages				
OTHER EXPENSES:				
Cleaning				
Electricity				
Rates				
Telephone				
Equipment Requirements and Replacements				
Postage				
Printing and Stationery				
Insurance				
Sundry Expenses				
Repairs and Maintenance				
Provisions for Building and Grounds Maintenance				
Depreciation of Equipment (and Building if applicable)				
Accounting Fees				
Total Other Expenses				
Total Operating Expenses				
INCOME:				
Fees				
Membership Fees				
Government Grants				
Interest Received on Investments				
Donations				
Fund Raising (Net)				
Art Unions/Raffles (Net)				
Other Sundry Income				
Total Income				
Operating Surplus/Deficit				
Capital Expenditure				
Building Loan Repayments (if applicable)				
New Furniture and Equipment				
Grounds Development				
Total Capital Expenditure				
NET INCREASE/DECREASE IN FUNDS				

Zero Based Budgeting

Most organisations budgets are under pressure from competition which normally has an impact on what fees can charged. As a consequence there may be limited opportunity to increase income from fees and other sources.

In such a case, there may also be limited opportunity to increase expenditure and in such a case the Zero Based Budgeting option should be considered.

Zero Based Budgeting means that the budget for each year starts out on a NEW BASIS and is not necessarily based on the income or expenditure in any previous year.

Effectively, with zero based budgeting you start again each year, with prior year figures, AS A GUIDE ONLY rather than the basis of the new budget.

In practice zero based budgeting is best applied by reversing the process already discussed namely:

- Calculate and list ALL income from ALL sources i.e.: Fees, levies, grants, fund raising.
- Then calculate and list:
    - Staff Costs (as per pervious schedule).
    - Fixed Costs (costs necessary to maintain operation) (See previous details).
- The balance of funds after paying for staff and fixed costs is then available for Variable or Discretionary expenditure. (As per previous schedule).

As can be seen this process ensures a balanced budget as expenditure cannot exceed the income for the year.

Control – After the Budget

Having gone to the trouble to prepare and adopt a budget, don't just file it away and forget all out it! Copies should be provided to all committee members.

As well as being a means of calculating fees, levies and setting fund-raising targets, Budgets should be used as a control device by committees to review their financial position.

Other Control Processes

In addition to the overall control of the finances of the organisation through the budget/financial report process, it is essential that the committee ensure that certain procedures are always followed in the general administration of the finances of their organisation.

Some of these controls have already been previously mentioned in this Section.

As also stated earlier in this Section the processes of Accounting, Budgeting and Control should be integrated so that committees have an overall supervision of the finances of their organisation.

11. FINANCIAL REPORTING

The main financial reports which a treasurer must prepare are the monthly Financial Report to the Committee and the end of year Financial Statements.

The end-of-year Statements of Income and Expenditure and Balance Sheet generally follow the requirements of the Incorporated association legislation so that there will be the least amount of work required to transfer figures.

CONTROL PROCESSES

Unfortunately, many new people on joining the committee of a community organisation have little appreciation of the importance of their contribution to the operation of their organisation.

The proper control of the finances of their organisation is essential for the effective operation of their organisation now and in the future.

Committees should insist on a regular monthly Financial Report from the Treasurer showing a comparison of actual figures with the Budgeted amounts.

This control process can indicate things such as:

- whether fees are being paid;
- whether fund-raising will reach its target;
- how much is left for the Manager to spend on discretionary material;
- how much is left on other expenses;
- it controls the over-eager committee member who sees some money in the bank and immediately wants to find ways of spending it; and importantly whether the association will still be "financial" at the end of the year and in the future.

STATEMENT OF RECEIPTS AND PAYMENTS

A Statement of Receipts and Payments is a record of the cash transactions of an organisation. It should therefore only summarize all transactions which actually affect the bank account of the organisation during the accounting period. This also includes payments of a capital nature (i.e. expenditure of a major nature for the improvement of buildings, equipment and grounds). Unless actual cheques are drawn for such things as provisions for long service leave, depreciation and for other purposes, these charges should not appear in a Statement of Receipts and Payments. Statements of this type may be appropriate for small clubs and the like who do not employ staff and do not have any assets.

12. BANKING

Every community group throughout Australia should be looking to get the best value from their banking products. We recognise that many community groups are not aware of the fees and charges that apply to many transaction accounts.

Community Management Solutions recommends that you discuss your fees and charges and the best account that suits your needs with your local bank. Your Bank should be able to explain why you are being charged the fees and/or charges and recommend a more suitable account for your transaction patterns. Some banks will waive fees for Community Organisations if you ask....if you don't ask you don't get.

These account Fees and Charges vary between banks but are basically similar in nature. Names and codes may vary. What are you charged for?

- **MONTHLY ACCOUNT FEE**
  This is a fee that is generally charged for the account every month ostensibly for account keeping. Look for an account that minimises this fee and has a further reduction by way of a rebate.

- **ATM TRANSACTION AND ENQUIRIES**
  While most community groups do not use ATM's for transactions and enquiries, note that if you do use these that they are generally lower fees than over the counter and can save substantial amounts. Any enquiry will generally be charged including account balance checks.

- **PAPER DEPOSITS OVER THE COUNTER AT YOUR OWN BANK BRANCHES**
  You should not incur a fee for your own deposits. This is one area where you should investigate the option of trying to minimise these transactions as much as possible. Look for ways you can get people who pay you to pay by alternative methods such as direct deposit into your account or an electronic transfer.

- **PAPER DEPOSITS OVER THE COUNTER AT OTHER BANKS**
  If deposits are made to your account via other banks (a bank not holding your account) they will incur even higher fees than deposits made at your own bank. These should definitely be avoided and every effort made to use your own bank to transact.

- **ELECTRONIC TRANSACTIONS**
  These transaction methods are the lowest fee based methods and can save substantial amounts of money in fees. Look at how your organisation can use these methods. Phone banking is one example that does not generally require any expenditure on equipment and is simple to use.

- **EFTPOS (ELECTRONIC FUNDS TRANSFER POINT OF SALE)**
  Electronic Funds Transfer Point of Sale is an acronym that basically means that you can transact there and then. If for example you charge fees for your service you may want to discuss with your bank how this can save you time and money.

- **INTERNET**
  The Internet is increasingly being used for many online banking uses and is a secure way that you can access your account details and make payments. It is a low cost fee environment.

- **DIRECT DEBIT OR CREDIT**
  The use of direct debit or credit can save time and money for community groups. Direct Debits and Credit can be used where you get payments or deposits directly made into your account. This is a

simple matter of providing or obtaining the banking details to the account and electronically making the transaction.

- **PHONE BANKING**
  The use of phone banking has led to a dramatic change in payment of bills. Many people do this in their everyday life to pay electricity, gas or telephone bills. This is one area where community groups can look to save money particularly as a means of bill payment. Phone banking provides a voice prompted script that takes you through a process to make the payment and is quite easy to follow.

WHAT DO YOU GET BACK?

Most banks often have accounts that provide some offset for keeping a credit balance or keeping transactions below a certain level.

Check with your bank to see what options they provide.

Check:-
- What do you need in your account before you get interest or do you get interest at all?
- What rebates do you get on fees or charges and what conditions apply?
- Do you get any free transactions and how many? What happens if you exceed this number?

MINIMISING BANK FEES AND CHARGES FOR A COMMUNITY GROUP

Every dollar saved by a community organisation is valuable.

The following list is rough guideline. You should ask your own bank for assistance in assessing your current fees and charges.

1. **THE MORE TRANSACTIONS YOU HAVE THE MORE YOU WILL BE CHARGED**
   Instead of withdrawing small amounts, try to plan your cash requirements in advance to make less frequent withdrawals. Check your budget and see when and how you will need funds. Also monitor transactions to see if you are close to any free limit and bear this in mind when you transact.

2. **THE MOST EFFECTIVE WAY OF MINIMISING FEES IS TO AVOID PAPER-BASED AND OVER THE COUNTER TRANSACTIONS.**
   If you are writing cheques to pay for regular payments, check to see if alternatives are available – these generally have lower fees.

   - Direct Debit
   - BPAY
   - Internet Banking
   - Phone Banking

   The fees payable on these alternative payment methods are often much lower and can mean significant savings.

3. **ANALYSE YOUR BANK STATEMENT**
   Analyse your bank statements to see what fees you are being charged, where and how. Take a good hard look at how you are using your account. Go back at least three months to see if there is any pattern to your transactions and see if there are ways you could receive or pay differently.

4.   SHOP AROUND

Compare your fees and charges with those at other financial institutions and make sure that you are getting the lowest available. Query your bank or credit union on any fees or charges that you are unfamiliar with. Ask them how you can get better fees and charges.

5.   CONSOLIDATE YOUR ACCOUNTS

Are you banking with more than one bank or credit union? If so it may save you money to consolidate your accounts as (1) this could give you access to a better interest rate and (2) if you have more than one account you may be charged monthly fees on each account.

6.   ENCOURAGE DIRECT DEPOSITS (AND PLANNED GIVING)

When client accounts are due or you are expecting a number of donations or receipts by cheque, why not try and get these deposited directly into the organisation's account electronically.

7.   CHARGE IT (CREDIT CARD)

Investigate the option of a credit/charge card. You can pay for supplies on the card and receive a detailed monthly statement, incur only one fee for payment, and receive an interest free period. Such a card does not need to operate on credit. You should check out your constitution and investment guidelines to ensure that your group can access these options.

Great caution needs to be exercised when issuing employees with either credit cards or debit cards.

13. TAXATION

The treasurer must ensure that the organisation meets all its tax responsibilities and takes all its tax opportunities.

Community organisations may have to pay income tax, Goods and Services Tax (GST), fringe benefits tax, and payroll tax. This will have implications for the way you keep your accounts and your transaction records.

You have to makes decisions about how you want to approach the GST and may need to consult an Accountant.

TAX CONCESSIONS

Many community organisations are exempt from paying income tax, but this is not an automatic right. If you are a charity, you can apply to the Australian Taxation Office (ATO) to become income tax exempt. Not-for-profit organisations that are not charities can self-assess their income tax status and exemption.

Community Management Solutions recommends that you ask the ATO for their requirements if you're not certain whether your organisation is tax exempt. Material for not-for-profits is also available online at www.ato.gov.au/nonprofit/. To qualify for a tax exemption your activities must not be carried out for the profit or gain of individual members. Organisations, such as professional associations which operate for the common benefit of members can qualify as not-for-profit organisations. Not-for-profit organisations can still make a profit, but these profits must be used to carry out your organisation's objectives, not distributed for personal gain to members, owners or other individuals.

ARE YOU TAX-EXEMPT?

Organisations that can be exempt from income tax include:

- Community service organisations
- Cultural organisations
- Educational organisations
- Employment organisations
- Friendly societies
- Health organisations
- Religious organisations
- Resource development organisations
- Scientific Organisations
- Sporting organisations

Although community organisations cannot operate for the financial gain of individual members, they can pay their members for their services or compensate them for expenses they incur on behalf of the organisation. Community organisations are generally treated as companies for income tax purposes, but some organisations are more correctly treated as partnerships. An organisation that is exempt from income tax will be exempt whether it is a company or a partnership.

CONCESSIONS

Two concessions available to many not-for-profit organisations are:

- The exclusion from income tax of the effect of mutual dealings with members.
- Exemption from charging GST if your organisation qualifies.

ALLOWABLE AND NON-ALLOWABLE DEDUCTIONS

It is usually easy to identify allowable and non-allowable deductions. For example, buying bags for members is not an allowable deduction, but buying bags to sell to the public as part of a fund-raising drive is an allowable deduction. Sometimes separating expenses is not possible and in these instances, the ATO will usually accept the most practical and appropriate method of apportioning expenses.

TAXABLE THRESHOLD

Community organisations with taxable income of $416 or less a year do not have to lodge an income tax return. If your organisation's taxable income is more than $416 a year, you have to lodge an income tax return unless you have been approved for income tax exemption.

SALARY-PACKAGING YOUR COMMITTED EMPLOYEES

If you are classified as a charity (must qualify as a Deductible Gift Recipient – a special category of charity, your employees can salary-package up to $30,000 worth of benefits before triggering the Fringe Benefits Tax (FBT).

Charities survive on a shoestring budget which can prevent them from matching the salaries offered by commercial employees. But the FBT breaks allow them to attract good quality employees by offering packages. Effectively, the employees get more for their salary dollar.

Fringe benefits include:

- Allowing the employee to use the work car for private use.
- Providing a cheap loan.
- Paying an employee's private health insurance.

It is recommended to engage the services of an accounting specialist to advice on Salary Sacrifice.

You need to distinguish between volunteers and employees. Volunteers are not paid in either cash or fringe benefits, though they may be reimbursed for out of pocket expenses. When you provide more than reimbursement, the person is generally regarded as an employee.

When the total taxable value of an employee's fringe benefit exceeds $1,000 in a financial year, it must be reported on the employee's annual payment summary. The employee doesn't have to pay income tax on the reportable fringe benefits.

Fringe benefits exempt from FBT include some minor benefits less than $100, some taxi travel, certain work-related items, such as mobile phones and work-related preventative health care.

The following organisations can also provide some exempt benefits. They are:

- Public benevolent institutions
- Religious institutions for certain employees

- Not-for-profit institutions whose activities include caring for elderly or disadvantaged people and who provide benefits to live-in carers

You need to keep employment records about all of your employees, including personal details and tax file numbers. These records must be kept in a secure place. Records should include:

- Full name
- Contact details- address, phone, and email address
- Emergency contacts
- Tax file number
- Date employment started
- Holiday leave
- Sick leave
- Superannuation fund
- Resume

AUSTRALIAN BUSINESS NUMBER

Even if your organisation is tax exempt, you need an Australian Business Number (ABN) for other tax obligations. These tax obligations stipulate that your organisation must:

- Register for GST and claim tax input credits
- Register for Pay As You Go (PAYG)
- Have an ABN to deal with investment bodies
- Apply to the ATO for endorsement as a deductible gift recipient (DGR) if you operate a gift deducible fund or institution
- Avoid having tax withheld from your income
- Deal with the ATO on other taxes if your organisation has independent branches or units. These can be treated as separate entities for GST purposes. If the sub-entity applies for an ABN, it can only be used for GST.

GOODS AND SERVICES TAX (GST)

Goods and Services tax (GST) is a broad-based tax of 10 per cent on most goods and services. It is a transaction-based tax, so no organisation is exempt.

Community organisations must register for GST if their annual turnover is $100,000 or more and they may choose to register if it is lower. Other organisations must register for GST if their annual turnover is $50,000 or more and they may choose to register if it is lower.

If your organisation is not registered for GST, you cannot charge GST on your supplies or claim a GST refund on goods and services you've bought. If you are registered for GST you must add 10 per cent to the price of your taxable goods and services and pay the ATO 1/11th of the price you charge for them.

GST is included in the purchase price of many things you buy for your organisation. If you're registered for GST, you can claim a credit for the GST you've paid – this is called an input tax credit. You must have a tax invoice for your purchase in order to claim input tax credits.

Some goods and services are GST-free, for example, basic food, exports and some health services. However, if you make GST-free supplies, you can claim an input tax credit for the GST component of the goods and services you bought to make the GST-free supplies.

Some goods and services, such as financial services, are input taxed and so do not include GST in the price. You can't claim input tax credits for GST for anything you acquired to make an input taxed supply.

The ATO gives the example of a bank buying a calculator to calculate interest on its housing loans. GST is included in the price of the calculator, but the bank can't claim input tax credit for this GST.

Another example is charity fund-raising events such as fetes, balls, galas and dinners. These can be input taxed, which means that no GST is charged on the fund-raising revenue and you can't claim any input tax credits for the expenses of running the events.

PAY AS YOU GO SYSTEM

The Pay As You Go (PAYG) tax system covers taxes payable to the ATO. For not-for-profit organisations, this will probably include:

- Income tax
- Tax withheld from employees' remuneration

PAYG consists of PAYG instalments and PAYG withholding. PAYG instalments allow you to pay tax instalments throughout the year.

PAYG WITHHOLDING

With the PAYG system you withhold tax from payments you make. Even if you are a tax-exempt organisation, you need to send it to the ATO.

Your organisation has PAYG withholding obligations if you make any of the following types of payment:

- Salary, wages, commissions, bonuses or allowances to an employee
- Remuneration to a director or member of a committee of management
- Salary, wages, commission, bonuses or allowances to an office holder
- Eligible termination payments, pensions and annuities
- Social security and compensation payments
- Payments for work or services under labour hire arrangements
- Payments for work or services where your organisation and an individual have a voluntary agreement to withhold payments for a supply (services or goods) to another business which does not have an ABN.

CMS can help you! Our Payroll Service can do all this for you very cost effectively.

As an employer, you must withhold the correct amount from your employee's salary or wages and send this to the ATO. Tax tables show you how much to withhold. At the end of the financial year, you must give employees a payment summary to include in their tax returns. Other common circumstances requiring PAYG withholding obligations are:

- Payments for work under voluntary withholding agreements (rates are in the ATO tax tables)
- Payments to a business which does not quote an ABN (highest marginal tax rate).

EXEMPTIONS

You do not need to withhold an amount if:

- The whole of the payment is exempt income of the supplier
- The payer is an individual paying for a supply of a private or domestic nature
- The payment does not exceed $50
- The supply is made by a member of a local governing body under a State or Territory law
- The payee has made a written, signed statement that the supply is private or domestic in nature, or relates to a hobby
- The supplier is a non-resident carrying on an enterprise in Australia
- The supplier has no reasonable expectation of profit or gain from the activity

BUSINESS ACTIVITY STATEMENTS

You will need to lodge a Business Activity Statement (BAS) monthly if your annual turnover is greater than $20 million. Otherwise, you have the option of lodging your BAS monthly or quarterly. You use your activity statement to report and pay PAYG (instalments and withholding), FBT instalments, GST and related tax obligations, and deferred company instalments.

The ATO will send you a personalised activity statement for you to lodge, with some parts already filled in. Your activity statement will generally only show the obligations that relate to you. For example, if you do not have a PAYG withholding obligation, this section will not appear on your activity statement. You must complete an activity statement at the end of each reporting period (month or quarter) if you have any PAYG, fringe benefits tax or GST and related obligations, even if the amount for that period is nil.

DEDUCTIBLE GIFT RECIPIENTS

Some organisations, called deductible gift recipients (DGR), are entitled to receive income tax deductible gifts. You can become a DGR if you are:

- Listed by name in the income tax law as a DGR, or
- Endorsed as a DGR by the ATO

To apply to the ATO for endorsement, your organisation must:

- Have an ABN
- Be covered by one of the categories of DGR set out in the tax law
- Maintain a special fund to receive gifts.

SUPERANNUATION GUARANTEE LEVY

If your organisation employs employees, you are subject to the Superannuation Guarantee Levy (SGL). Under this law, employers are required to pay a prescribed minimum level of superannuation support for the most employees even if you are exempt from income tax. If your organisation does not provide enough superannuation support, you must pay a Superannuation Guarantee Charge, which is not a tax-deductible expense. Most employees, whether full-time, part-time or casual, are covered by this legislation.

Your organisation does not need to pay SGL for employees who are:

- Paid less than $450 in any calendar month
- Non-resident employees paid solely for work outside Australia
- Under 18 and employed part-time(i.e. no more than 30 hours a week)

- Employed no more than 30 hours a week for work primarily of a private or domestic nature.

TAXES YOU MAY AVOID

You may be able to claim exemptions, concessions and rebates for some of the following taxes. As requirements vary between States and Territories, you will need to seek clarification for your local State or Territory revenue office.

STAMP DUTY

Stamp duty is a tax on written documents and certain transactions including motor vehicle registrations and transfers, insurance policies, leases, mortgages, hire purchase agreements and transfers of property, such as real estate or shares.

PAYROLL TAX

Payroll tax is the tax on wages paid by employers. Your organisation is liable for payroll tax when your total Australian wages exceed a certain level. This level varies from State to State.

LAND TAX

Land tax is a tax imposed everywhere except the Northern Territory. It is a tax levied on landowners, except in ACT, where it is levied on lessees under a Crown lease. Landowners are generally liable for land tax when the unimproved value of taxable land exceeds certain thresholds.

CAPITAL GAINS TAX

If your not-for-profit organisation is exempt from income tax, it is also exempt from capital gains tax. Capital gains tax applies to not-for-profit clubs, societies and associations that are treated as companies for income tax purposes. It is the tax an organisation pays on any capital gain it makes and includes in its annual tax return.

14. INSURANCE

Committee members and board members when taking on their new roles as President, Secretary, and Treasurer etc. within their respective organisations need to ensure that they have appropriate insurance coverage. This is often referred to as a certificate of currency, i.e. Public Indemnity, Public Liability, contents, vehicle insurance for those organisations that have vehicles. Make sure that your insurance values are up to date and a good reference would be to look at your asset register to make sure that the items contained within the asset register are up to date and contemporary values and align that with the amount that is contained within your insurance policy.

Community Management Solutions strongly advocates our members take out additional insurance to cover aspects of industrial relations and this is a further safe guard to ensure you have peace of mind. Committee members and board members also need to make sure that their Work Cover Policy is up to date and that it covers those employees that are employed by the organisation and/or the volunteers that are engaged within the organisation. If you are in doubt about your level of coverage then please contact Work Cover to ensure that you are up to date with these policies.

Your insurance broker will very quickly identify for you what your premiums are and what you should be budgeting for in relation to those costs associated with insurance whether it be Work Cover, Public Indemnity, Public Liability, Contents, etc.

15. STRATEGIC PLAN

Strategic planning helps determine
- Where an organisation intends to go over a pre-determined period of time;
- How it plans to get there – what it needs to do to get there;
- How it will know if it got there, or if it's on the right path.

Strategic plan vs. business plan
- The focus of a *strategic plan* is usually on the entire organization, and is considered a living and dynamic process;
- The focus of a business plan is usually on a particular product, service or program, for a fixed period of time.

Do what works, be realistic and customize your process
- There are a variety of perspectives, models and approaches that can be used in strategic planning. The way that a strategic plan is developed depends on the nature of the organisation's leadership, culture of the organisation, complexity of the organisation's environment, size of the organisation, expertise of the planners, etc;
- Some plans are scoped to one year, many to three years, and some to five to ten years into the future. Some plans include only top-level information and no action plans. Some plans are five to eight pages long, while others can be considerably longer;
- Quite often, an organisation already knows much of what will go into a strategic plan. However, development of the strategic plan greatly helps to clarify the organisation's plans and ensure that key leaders are all "on the same script";
- More important than the strategic plan document, is the actual strategic planning process.

Benefits of strategic planning
- Clearly defines or confirms the purpose of an organization;
- Establishes realistic goals and objectives consistent with the purpose;
- Communicates goals and objectives to the organization's constituents;
- Ensures effective use of the organization's resources by focusing on key priorities;
- Provides a base from which progress can be measured and establishes a mechanism for informed change when needed;
- Brings people together to share and work on a common purpose and vision, e.g. board, managers, staff, volunteers, customers.

TIMING AND SCOPE

The timing and scope of the strategic planning process depends on the nature and needs of the organization and its immediate external environment;
- In a highly-dynamic marketplace, planning should be carried out more frequently (once or even twice a year) and done in a comprehensive manner with attention to mission, vision, values, environmental scan, issues, goals, strategies, objectives, responsibilities, time lines, budgets, etc;
- If an organization has been around for many years and is in a fairly stable marketplace, then planning might be carried out once a year, focusing on certain parts of the plan.

BASIC STRATEGIC PLANNING PROCESS

The following is a basic process that is typically followed by organizations that are small, busy, and have not previously done a lot of strategic planning before.

1. Determine who will be involved in the process

2. Determine if the focus of the plan will be issue-based or goals-based

3. Determine the scope of the planning process

4. Determine a timeline for the planning process

5. Select a facilitator – preferably someone who is objective and impartial

6. Identify or confirm your purpose or mission statement – concise statements that describe why your organization exists, its reason for being. The statement should describe the customer or community needs to be met, for whom, and how.

7. Conduct a brief internal and external assessment – what's going on?
   - Identify SWOTs – Strengths, Weaknesses, Opportunities, Threats
   - Consider surveying constituents and stakeholders for their opinions and ideas by using a written questionnaire or evaluation

8. Identify, list, and prioritize the major issues and goals the organization must reach if it is to accomplish its purpose. Common categories include finance, administration, facilities, products and services, sales, customer satisfaction, marketing/advertising, partnerships, and personnel/staffing.

9. Establish action plans and strategies to address major issues and goals– objectives/targets, actions, resource needs, timelines, roles and responsibilities.

10. Develop a written planning document that can be used to track progress, record results, and communicate status to stakeholders.

11. Coordinate the strategic plan with the budget process, e.g. staffing increases/decreases, purchases, sales, etc.

12. Implement, monitor, and update the plan
    - Expect the board of directors and committees to use the plan as a guide for their responsibilities and work, and to report on their progress
    - Refer to and review the status of the plan at board and committee meetings
    - Regularly review, assess and refresh the plan so that it becomes a living document (be sure to keep an archived copy of the original plan).
    - Regularly dedicate time to work on the strategic plan.

A common mistake that committee or boards make is that they become involved in operational issues. This is not the function of the committee after all that is why you employ staff. The committees or boards role is strategic in its relationship with the staff. In plain terms what this means is that the committees or boards job is to ensure that the strategic plan, targets and budgets are being adhered to and that everyone is pulling in the same direction to achieve the same goals. As tempting as it might be don't become involved in operational issues, your value is in maintaining strategic oversight and leaving day to day operations to employees. If they are not operating at an acceptable level you may need to manage their performance.

SWOT ANALYSIS

Strengths – internal factors that allow an organisation to take advantage of opportunities and excel in the marketplace, e.g. excellent skills base on the board.

Weaknesses – internal factors that stand in the way of an organization taking advantage of opportunities or excelling in the marketplace, e.g. reliance on volunteers.

Opportunities – real or potential external situations and conditions that an organisation could take advantage of, given the right circumstances and planning.

Threats – real or potential external situations and conditions that could limit an organisation's effectiveness and competitiveness, if not dealt with in a pro-active manner.

Your Organisation

Internal	External
Strengths	**Opportunities**
Weaknesses	**Threats**

Important – allow time to step back to evaluate and validate the SWOT analysis before going forward with strategic planning

16. MEETING STRUCTURE, PROCEDURES, RULES

Meetings are where the decisions of an organisation/association are made.

Meetings may be run informally or can be conducted according to a set of rules known as Standing Orders.

The key to a well-run meeting is to have a chairperson with good skills and knowledge regarding the preparation required for meeting and running meeting.

Here are some of the skills required to run a successful meeting:

1. The Chairperson helps the meeting discussions to progress smoothly and fairly avoiding them turning into uncontrolled social chatter.

2. Understanding of rules of debate and Standing Orders of your particular organisation/association if you have them.

3. Ability to deal with conflict and disagreement within the group.

4. Know the strengths and weaknesses of your members and how to get the best out of them.

5. While the Chairperson does not actively participate in debate (i.e. influence decision by imposing their opinions) they do need to be able to move the meeting along. Comments should be put in as neutral a manner as possible.

1. Effective meetings

Have ground rules for the how meeting will be conducted. These rules should be developed in consultation with your members. Your members are more likely to follow the rules because they have ownership through participation in their development.

These rules can be written up into formal Standing Orders or shared informally. The difficulty with sharing informally is that over time the rules themselves or the interpretation of the rules may vary.

Standing orders usually cover the following aspects of meeting procedure:

1. Ability for people to participate without interruption;
2. The length of time which speakers have to express their view;
3. Whether matters can be discussed outside the meeting forum;
4. Acceptance by individuals to take responsibility to respect the process and decisions made at the meeting of the organisation or association. With this understanding and acceptance hopefully the incidence of gossip undermining the operation of the organisation or association can be eliminated or at the very least significantly minimised.
5. Decision making process either by voting or consensus.

2. Preparation for the meeting

It is the Secretary's responsibility to develop the agenda ahead of time in consultation with other members of the committee and with input from the members. Members should be encouraged to give plenty of notice of items they wish to discuss. Part of developing an agenda is prioritising the items to be discussed by placing important items early in the meeting including suggested timeframes for each item.

The Secretary should ensure that all reports and/or papers on which decisions need to be made are circulated to all members prior to the meeting. Best practice is that reports and papers are distributed with the agenda.

3. Meeting sequence

Opening

- Always start the meeting on time out of respect for those members who arrive on time. Latecomers can be welcomed on arrival, given time to settle and provided with a summary of proceedings to date.
- The Chairperson would declare the time that the meeting is declared open for the Secretary to record.

Quorum

- The Chairperson is responsible for ascertaining whether there is a quorum present at the particular meeting being held to ensure a valid meeting can proceed.
- During the meeting if person leaves the meeting permanently or temporarily, the Chairperson may need to ascertain if there is still a valid quorum to continue the meeting.
- At any time should the meeting permanently drop below the required quorum, the Chairperson would need to call a halt to proceedings and adjourn the meeting to another agreed time to complete the business. In the event that the lack of quorum is only temporarily below that required, the Chairperson may call a short adjournment e.g. 5 minutes, until the person/s temporarily unavailable returns. At which time the meeting is reconvened.

Welcome and introduction

- Welcome members and introduce any visitor whom may be attending.
- Report apologies received by the Secretary and ask for any apologies from the floor of the meeting.
- Go through any ground rules or standing orders which may include any agreements regarding confidentiality, respect and time allowed for each speaker.
- In the event of using unfamiliar premises, outline housekeeping regarding emergency procedures, location of toilets and other facilities such as the kitchen.
- Advise of the timeframe set for the meeting which the Chairperson should work towards meeting.

Adoption of Agenda

This is the opportunity for members to declare any item of business that has arisen after the circulation of the agenda and have it placed on the agenda. The meeting would then determine where on the agenda the matter is to be dealt with, having regard for the urgency or not.

N.B. New business cannot be added to the agenda of a meeting called for a Specific purpose commonly called a Special Meeting.

Confirmation of Minutes

As previously mentioned it is preferable for minutes to be distributed prior to the meeting to allow members to read them for those in attendance at the meeting to ensure they accurately reflect what actually occurred at the meeting and offer the Secretary proposed amendments.
Any proposed amendments must be approved by the meeting prior to the minutes being approved as true and correct.

Minutes can only be amended to reflect what actually occurred not to document an opinion.

Once all amendments have been approved the Chairperson would put a motion for the meeting to accept the minutes as a true and correct record and put this to the vote.

Motion:

"That the minutes of the meeting of (insert date) be confirmed as a true and correct record."

OR

"That the minutes of the meeting of (insert date) with the following amendments (insert list of amendments accepted) be confirmed as a true and correct record."

Business arising from the minutes

The Chairperson should ensure that business arising from the minutes is limited to actions which have occurred or not occurred since the last meeting. The decisions have been made and this is not an opportunity for those not in attendance at the meeting to re-debate the decisions or resolutions.

Correspondence (In/Out)

- Circulate relevant correspondence to the members prior to the meeting, if possible.
- Letters do not have to be read to the meeting unless someone specifically requests the Secretary to do so.
- All questions regarding the correspondence should be directed through the Chairperson to the Secretary, never directly to the Secretary.
- A vote would be taken :

Motion:

"That the inwards correspondence be received and the outwards correspondence be endorsed (approved)."

Business arising from correspondence

It is good practice to deal with correspondence arising at this time rather than deferring until General Business. In circumstances where a particular item is being dealt with separately on the agenda, the business can be deferred until the meeting deals with that agenda item.

Treasurers/Financial Report

- The Treasurer should always provide a written report and if possible it should be circulated to members prior to the meeting.
- The Treasurers report usually consists of:
    - Monthly statement of income and expenses;
    - Profit and loss statement;
    - Bank Reconciliation;
    - Copy of the bank statement for month which is be reported;
    - Summary of the main points contained in the report; and
    - Any other financial information required or requested by the meeting.
- The Treasurer should be a motion for the report to be received and to ratify payments, previously not approved by the members, made since the last meeting and to approve accounts presented for payment.

Motion:

"That the Treasurers report be received, accounts paid be ratified and accounts presented for payment be approved."

Other reports

These may include reports from sub-committees, business Operations Managers/Coordinators/Convenors. Again it should be encouraged to avoid verbal reports, by asking that written reports be provided to the Secretary, for distribution to members, prior to the meeting.

Reports that have no recommendations should be received by the meeting with the person presenting the report moving that the reports be received.

Should the report contain recommendations, these recommendations can be accepted *en bloc* (as one) by the meeting passing a motion to adopt the report.

Motion:

"That the (insert name of report) be received."

Should there not be support for all the recommendations they may need to be dealt with individually and then a motion to adopt the report with those of recommendations listed.

Motion:
"That the (insert name of report) be adopted with the following recommendations (insert list of recommendations)."

General Business

- This is the time at which agenda items and motions ("motions on notice") placed on the agenda prior to circulation are discussed.
- The importance of receiving these prior to the agenda being made is that they can be positioned in an order of importance should the meeting run out of time an items need to be deferred to the next meeting or management committee.
- The last part of General Business is where members can raise issues without notice. The problem with not giving notice of items prior to the meeting is that there may not be time to discuss them and again they could be deferred to the next meeting.

Acceptance of new members

In organisations or associations where membership is not accepted by the management committee but at a general meeting of members, this is usually where membership is accepted to avoid allowing a meeting to be stacked by new members.

These new members once accepted would be eligible to vote at the next meeting of members. Manipulating the membership is one tactic a person or group of persons may use to force a decision through a meeting in their favour which may not necessarily be best for the organisation or association.

Date of next meeting

This where the meeting can decide when to meet next or to give notice of the date of the next meeting from a pre-determined schedule.

Meeting Closure

The Chairperson would thank those who have attended for their attendance and input and declare the time the meeting is closed for the Secretary to record in the minutes.

Standing Orders

Standing Orders are the rules of debate that govern the conduct of the meeting.

While it is okay to have a relaxed procedure for meetings it is still important to have rules. Once the chairperson loses control of the meeting it is very difficult to regain. However it is almost impossible if there are no rules governing meeting procedures.

If standing orders are strictly followed, no discussion is permitted except on a motion or amendment, which has been moved, seconded and accepted by the Chairperson. Yes, the Chairperson can refuse to accept a motion if the motion has no specific action, is an illegal request or the action could put the organisation/association at risk. The Chairperson may also request that all motions be put in writing.

The majority of small community based, not-for-profit organisations or associations do not generally operate so formally. The more common custom and practice is to allow free discussion, without first requesting a motion. The motion is usually formulated out of the discussion and then voted upon.

There are a number of disadvantages to this:-

- It is difficult to know whether the discussion is relevant, as the issue or problem hasn't been clearly identified by a motion. This can result in the meeting becoming confused.
- The discussion is easily side-tracked onto other related and sometimes, unrelated issues.
- The original problem remains unresolved.
- The discussion can be unproductive with no decision being made.

Substantive Motion

A substantive motion is simply a formal proposal that an action be taken, that something previously done be approved or, that the meeting express an idea or opinion about something.

Motions serve two specific purposes:

- Ensuring that everyone in the meeting is clear on the issue being discussed and to be voted upon; and
- The Secretary is able to accurately record the decision of the meeting in the minutes.

No matter how relaxed the meeting, the Chairperson should always insist that decisions are made by way of a vote on a motion.

Motions are the record in the minutes of the meeting and are required to be recorded verbatim. It is for this reason that the mover of the motion may be requested to provide the motion in writing, preferably prior to the meeting.

Motions usually start with "that" and should be:

- Clearly worded, so that they are easily understood by everyone;
- Expressed in position terms; and
- recorded in such a way that it is clear "who" is to do "what" and by "when".

The person who proposes an issue or matter for discussion to the meeting is the "mover". Before a motion can be discussed, it requires a "seconder" i.e. a person who agrees that the issue or matter should be discussed. Without a seconder the motion lapses and is not discussed.

Once the motion has been seconded, the mover then explains the reasons for putting the motion forward and what they believe it will achieve. After the mover has spoken, the motion can then be debated. If the meeting agrees with the motion, it then becomes a "resolution" of the meeting and will require some action to be taken.

The Debate

Standing orders give a framework which helps to control debate on a motion and ensure the meeting runs smoothly. The purpose standing orders is not gag debate but to ensure the process is orderly and productive. The rules for debate include:

- Time limit for each speaker. Extensions of time can be granted by the meeting. This avoids speakers just rambling and encourages them to be concise and to the point. The mover of the motion is generally allowed 4 minutes, speakers for and against the motion 2 minutes with a further 2 minutes for the mover's right of reply.
- Each speaker must state whether they speak for or against the motion and then state their reasons.
- Best practice is for the Chairperson to ask if anyone wishes to speak against the motion first. Should there be no speakers against the motion there is not much purpose in proceeding with the debate and the motion should be put to the vote immediately as there appears to be support for the motion.
- Speakers may only speak once to a motion except the mover who has the right of reply as the last speaker prior to the vote being taken.
- In the debate it is also good practice to have one speaker against and one for the motion. However, if there is an imbalance of speakers for and against ensure not to have more than two speakers either for or against the motion, speak consecutively e.g. two speakers for and one speaker against. This allows for a balanced debate by not allowing one viewpoint to dominate.
- The person speaking should be standing, however in an informal setting the speaker may be allowed to remain seated.

Amendments

An amendment is a proposal to amend the substantive motion, usually to make the motion more acceptable to the meeting. This may involve deleting, adding or substituting words with the intent to improve the motion. Amendments should not however, change the original intent of the motion.

A proposed amendment is a motion in its own right which must have a mover and a seconder. The amendment motion is then debated and voted on and if successful the amendment is applied to the substantive motion.

There is no limit to the number of amendments that can be moved as long as they are relevant and do not change the intent of the motion. Once all proposed amendments have been dealt with the original motion including accepted amendments, is put to the meeting.

Voting

Every member i.e. financial, honorary and *ex officio*, including the Chairperson, is entitled to one vote. Should your constitution and rules allow for proxies, notice of these should be with the secretary prior to voting in accordance with the constitution and rules.

Observers at meetings are not allowed to vote.

Once voting on a motion has commenced, no one is permitted to either enter or leave the room. Voting is usually taken with a show of hands unless required under the organisation/association rules, or a ballot or division has been requested by the meeting.

A simple majority is required for most votes however, the constitution/rules will indicate if a greater percentage is required to carry a vote and in what circumstances.

Members including the Chairperson can dispute the count and can call for a recount however, this must be made as soon as the result of the vote is announced.

In the event that the recount is disputed, the members can ask either for a ballot or division to clarify the vote.

Should the vote be tied, depending on your constitution/rules the Chairperson may have a casting vote i.e. second vote. Should there be no casting vote, the motion is lost. It is a very brave Chairperson that carries a motion by way of a casting vote. The general practice is that a casting vote is usually a vote in the negative.

Ballots and Divisions

Any two members may request that a decision be taken by a ballot or a division. Such a request can be made either before or on the declaration of the result of a vote and would normally override the previous vote. Although slower than a show of hands, the result is not open to dispute.

A ballot requires the Chairman to appoint returning officers to distribute the ballot papers, count the votes and advise the Chairman of the result.

When would a ballot be beneficial for voting? If the debate has been robust with strong emotions roused, members may feel intimidated if they vote with a show of hands and vote to avoid conflict with the stronger personalities in the group rather than the way they would prefer to vote.

A division requires those for the motion generally to stand on one side of the room with those against standing on the other side. The important point in a division is that the names can be recorded, dependent on what is required in the Standing Orders and also that no member can abstain from voting.

Point of Order

This procedural motion may be used when:

- the remarks of the speaker are irrelevant to the motion being discussed;
- the speaker has used "improper" language i.e. has sworn, become abusive, etc;
- a member is speaking twice to a motion, out of turn, or for longer than is allowed;
- a proposed motion is contrary to a previous resolution of the Association; or
- an amendment is improperly proposed.

Any member may raise a point of order at any time – thus interrupting the speaker. The Chairperson must give an immediate ruling on a point of order and the Chairman's ruling is final.

The Closure

The form of this motion is "That the question be now put." This motion can be moved at any time during debate, even interrupting a speaker. It may not be moved nor seconded by anyone who has spoken to either the motion or subsequent amendments. If the closure motion is carried, the mover of the original motion may exercise the right of reply, after which the question must be put. If the closure motion is defeated, discussion continues.

The Chairperson must remember to put the closure motion first, then if it is carried, the actual question (motion). This particular procedural motion is a useful device for those who feel that too much time is being devoted to a particular issue.

Rescinding Motions

Sometimes the effect of a motion needs to be cancelled. This requires a recission motion. When faced with a recission motion, the Chairman should consider the situation carefully before accepting the motion.

In principle the recission should not be allowed at the same meeting at which the original motion was carried. The resolution represents the collective will of those present when it was put and should not be overturned lightly. However, the Chairman needs to be flexible – it would be silly to deny a recission motion in those rare occasions when circumstances change before the close of the meeting that make the resolution unworkable or impractical. For example, you may delegate responsibility for a task to a person who then hears during the meeting that they have been successful in obtaining a job interstate.

Guidelines for Recission

- A motion to rescind a previous resolution should not be allowed at the same meeting at which the resolution was carried except in unusual circumstances. This may be one of the occasions in which a higher majority may be required to carry the motion e.g. 75%.
- A recission motion cannot be moved if the resolution has been carried out. For example, it is pointless to rescind a resolution regarding expenditure if the money has already been spent.
- The notice of such motions should be given in writing, to the Secretary, within the timeframe prescribed in the Constitution/Rules/Standing Orders for the recission motion to be dealt with at a subsequent meeting.
- A recission motion is debated in the normal manner.

"That the Debate be Adjourned"

This motion is used when you would like to return to the debate at a later time (either at the current meeting or at some future time). This is generally put when there is insufficient information on which the meeting can make a decision. The mover of such a motion cannot interrupt another speaker to bring this motion and you will need a seconder. The only debate required on this motion is to decide when the debate on the original motion may be resumed. This motion cannot be moved by anyone who has already taken part in the debate.

"That the Matter be Referred to a Sub-Committee"

Another useful motion when the meeting has insufficient information to make a decision, but this one allows the meeting to refer the matter to a committee to research and report back. Any debate on this motion

would be limited to the meeting giving directions as to when the committee's report is to be ready for consideration. Needs a seconder and you cannot interrupt another speaker.

"That the Chairperson's Ruling be Disagreed With"

Any member disagreeing with a ruling from the Chairperson can bring this motion. It must be seconded before it is accepted by the Chairperson.

Once accepted, the Chairperson is temporarily replaced by another member of the Organisation/Association (usually the Vice-President). The mover of the motion is then able to explain why he/she disagrees with the Chairperson, and the Chairperson is able to explain the ruling. No other member is entitled to speak.

The motion is then put in a positive form "That the Chairperson's ruling be upheld". Therefore, those disagreeing with the Chairperson must vote against the motion. A motion of dissent is not a motion of no confidence in the Chairperson. It is a simple statement of disagreement. The Chairperson continues to chair the meeting after the vote, whether or not the ruling is upheld.

Suspension of Standing Orders

This would normally only be used if the meeting was following strict meeting procedures. It needs a seconder and usually required a higher majority of members present and eligible to vote to carry the motion. If carried, the meeting goes into committee and unrestricted discussion can take place (without regard to time limits on speakers, etc.) This is a useful motion if you have an issue you want to discuss, but not a motion. Suspension of standing orders allows the meeting to discuss the issue and formulate a plan before presenting a motion. You will need another motion to return to Standing Orders, at which time a substantive motion can be presented. Discussion that takes place out of Standing Orders is not recorded.

17. YEARLY PLANNER

JANUARY	FEBRUARY	MARCH
• Ensure audit is well under way, all books are provided to auditor. • Start to get ready for AGMs.	• Update and record asset register for the organisation. • Ensure all Executive folders with required documents are maintained for any Executive Members, e.g. with Constitution, Operations Manual, Accounting Manual, smart choices policy, employer union contacts, gaming regulations and other contact details.	• All AGMs need to be conducted before the end of this month. • Give Secretary and President email addresses to administrator / principal to update email contacts. • Update membership register. • Update website with new committee details, price lists, fundraising events etc.
APRIL	**MAY**	**JUNE**
• If you operate an OSHC program, notify the Office of Early Childhood Education and Care of the new Executive within 14 days of the change to the approved providers.	• Audit and notification of new executive officers to be received by DETE Regional Offices by 31 May.	
JULY	**AUGUST**	**SEPTEMBER**
		• Succession training should begin for those who are looking for volunteers to fill executive positions. • Planning starts for next year.
OCTOBER	**NOVEMBER**	**DECEMBER**
• Set goals and objectives for the coming year. • Review fundraising calendar for the next year.	• Draft business plans. • Start preparing audit materials. • Stocktake of goods for insurance – reduce tuckshop stock. If an increase in uniforms may need to increase insurance.	• Getting books ready to be sent to auditor. • Celebrate the year's success with all volunteers.

Note: This is a generic template based on a P&C Association. It will differ depending on the type of organisation you run, your financial year end and other reporting dates. Contact CMS if you need help working out your dates and obligations.

18. SETTING YEARLY TARGETS

To avoid the risk of burning out your volunteers it is important not to do any fundraising in an haphazard manner. It is much better to have plan for each financial year.

Fundraising is a necessity for most not-for-profit organisations and is generally hard work but it does not mean it cannot be fun. The secret is to share the load by encouraging everyone to play some part in the fundraising experience.

1. Whether your organisation chooses to elect one person to be in charge of fundraising or to use sub-committees the first step is to appoint the fundraising Coordinator ("Coordinator"). This person would have overall responsibility for fundraising activities for your organisation. Any sub-committees established to assist with fundraising would still need to report to the Coordinator.

2. If you have a fundraising policy the Coordinator should make themselves familiar with the policy and in the event that your organisation does not have a policy serious consideration should be given to developing one as a matter of priority.

3. Next would be to get all interested persons together to brainstorm ideas for the fundraising year. This would include setting some goals and expected outcomes. Previously successful activities could be used a starting point as well as being aware of what has not been successful in the past.

    Also, identify who has supported your organisation in the past e.g. individuals, business, government departments and families.

4. In addition further identify where and how funds may be raised. The most common ways to raise funds are donations, grants and events e.g. fetes, gala dinners, raffles. Other sources that can be considered are sales and sponsorship.

5. Once all the information has been collated a detailed proposal for each fundraising method will need to be developed including a target, timing and costs. Proposals would then be presented to the management or executive committee or other authorised group for approval.

6. A calendar for the year should be developed including all the proposals and the timelines for implementation.

7. Once projects have been approved, ensure that those managing the project are aware of the administrative procedures for your organisation. Ensure accurate records of all income and expenditure and accurate reporting to the Treasurer on a monthly basis.

8. To avoid getting bogged down in planning, organise a small initial fundraising event. This is a great way to hopefully have a quick success and build enthusiasm within the team.

9. To ensure improvement in subsequent years it is important to evaluate the process and make amendments along the way. Also, be sure to document any changes to the fundraising policy, ensuring it is always up to date. This can be achieved checking at least each quarter to see how you are going. If you are not hitting your targets you will need to look at what you can do to put them right.

10. Do not forget to ensure that your volunteers are not getting burnt out and if so look to increase the volunteer pool. Some people withdraw or move on and often this increases the work load for those volunteers left behind.

11. Do not forget to acknowledge those who have assisted in each event either as volunteers, donors or sponsors. There are many opportunities to express thanks through newsletters, during events, at meetings, awards nights, in advertising and in a personal letter from the President, Chair or Coordinator. Sponsors may require a more public acknowledge by way of framed certificate or plaque.

12. At the end of the year hold a review to evaluate the process and whether you hit your targets and how it may be improved for the next year. Perhaps you may even consider some sort of celebration for all those involved through at the year before taking a break prior to starting again the next year.

19. PROJECTS (FUNDING / GRANTS)

This guide is to give an outline of the process used in managing projects within the organisation/association as well as a current list of projects and their status. The decision as to who undertakes these activities, any need for a specialist project manager, and the particular activities assigned to them is a decision to be made on each project.

SCOPE

- Overseeing the development of the brief ensuring it covers the purpose of the project, the scope of work, and identifying any relevant documents driving the project (e.g. master plan, government policy).
- Ensuring that all relevant stakeholders have provided appropriate input into the development of the project brief.
- Ensuring that the project brief is signed-off by the organisation/association.
- Ensuring that all works required to complete the project are listed, with a clear understanding of who undertakes the work, including any items to be procured.
- Collation of project requirements including the brief, budget, time frames, relevant standards/legislation and delegation of responsibility.
- Identifying any constraints or conditions that will impact on the project delivery.

PROCUREMENT

- Selection of the appropriate project procurement method (e.g. project manager or in house).
- Management of the selection of architectural, engineering and other consultants if required.
- Ensuring that there is a mechanism for consultation with specialist advisers.
- Ensuring that the appropriate contracts are appropriately executed between your organisation and consultants.
- Processing the contract progress payments to consultants or contractors.
- Advising on requirements and timing of materials and services to be provided, by whom, and ensuring that they are built into project programs.
- Ensuring that feasibility study reports, sketch drawings and working drawings are completed, co-ordinated, checked and signed off at appropriate times if required.
- Management of the tender call, tender recommendation and contractor engagement process through the prescribed process for your organisation. Ensuring that contract documents are signed.
- Ensuring appropriate site meetings and inspections are undertaken if required, and that appropriate instructions are given to contractors.
- Ensuring that variations and contract instructions are made on a timely basis.
- Management of project completion and hand-over process.
- Management of dispute resolution, contract defaults and liquidations.

COST

- Reviewing and managing of project budget and cost estimates.
- Ensuring that cost issues are flagged early and discussed with all stakeholders.
- Management of variations and extension of time expenditure.
- Processing contract payments to contractors.
- Managing strategies to maintain the project budget when cost pressures arise.

QUALITY

- Ensuring that quality standards are articulated and understood by consultants.
- Managing the quality standards required from consultants and contractors.

RISK

- Identifying all project risks and preparation of plans to minimise them.

TIME

- Planning and establishing the project program and identifying key strategic activities.
- Monitoring and updating the program as required, flagging the timely provision of materials and services from other parties.
- Advising on strategies to maintain the project program when delays are evident.

COMMUNICATION

- Establishing and managing the consultative mechanisms including project meeting regimes and reporting processes.
- Establishing and managing the approval mechanisms for various sign-off requirements and identifying those with appropriate authority.
- Advising on and managing government and statutory approvals.
- Convening reporting meetings with stakeholders as appropriate.
- Preparation of regular progress reports on project issues including costs relative to budget and progress relative to program.
- Ensuring that all persons involved understand their roles and responsibilities and ensuring their on-going commitment to the project.

In handing over to a new management or executive committee it is important to provide details of where you are up to in each project that may currently be underway as well as those in the planning/approval stage. This would include a list and copy of contacts, consultant details, supplier's details and who is leading the management of the project e.g. individual, team or sub-committee.

20. MEETING WITH STAKEHOLDERS / GOVERNMENT

Most community not for profit organisations are either recipients of government funding or are attempting to become recipients of government funding.

It is important that committee members establish what efforts that have been made in the past to form partnerships or networking arrangements with these funding bodies that are appropriate to your business. Examples are disability groups and kindergartens that rely heavily on contributions by either state or federal governments for their ongoing success. Make sure that those relationships and contacts are maintained and kept up to date. This is best done with the Manager or your organisation plus a committee member going to see the relevant stakeholders to let them know that you are now on the board and that you thought it would be appropriate to meet with them to discuss potential problems, potential issues that have occurred in the past and how you might:

- Resolve those areas of concern;
- Cementing new relationships; and/or
- Approach opportunities that may present themselves during the course of the year.

Building up those relationships ensures transparency and assists in the building of greater business networks within the sector that your operate.

In relation to grants it is important to find out what if any attempts have been made by your organisation to achieve grants whether these be through state or federal government bodies or whether they be through things like gaming funds and/or philanthropic funds to which you can apply. Have a look at the history, have a look at the approach that previous committee members have taken and the level of success. Maybe find somebody that is very good at writing grants or an organisation that can assist with this process and/or committee members that have those expertise as grant writing is more of an art than a science.

These grants can go towards assisting your organisation to supply lifting equipment for disabled organisations, vehicles, play equipment, ergonomically safe cots for kindergartens, sunscreen, soft fall for play areas, etc. It is important that you attach yourself to the email list of these organisations so you can be notified when grants are put out. It may be worthwhile putting together a couple of interested committee members who can source this information and follow these opportunities through.

At the end of the day these sorts of opportunities present themselves and it behoves community organisations to apply for these grants in lieu of chewing into existing capital regime.

21. PREPARING FOR THE AGM

The Annual General Meeting (AGM) is a very important part of the Executive Committee's responsibilities.

As an incorporated body it is a requirement under legislation to hold an AGM annually. The AGM provides clarity and transparency to the members of the organisation, and is used to review the year's achievements and financial position. It is also the time to rejuvenate the organisation through the engagement of other members into key elected positions.

Remember

- Check your constitution to find out when the AGM needs to be held.
- Most importantly, the Executive should try and make the AGM a positive experience where people go away firmly committed to the organisation and its goals for the year ahead.

Preparation for an AGM

The AGM is one of the key duties of the Secretary of the organisation, with assistance from the rest of the committee. It is important, that everybody in the organisation knows who is responsible.

Date

The date of your AGM will depend on what is written in the Association Constitution (Rules). The rules should outline when the AGM is to be held by. The date of the AGM should remain relatively consistent each year as this provides solid continuity for planning and financial reporting.

Advertisement

As an incorporated association, the legislative requirement is to inform the members of the upcoming AGM by a minimum of 14 days before it is held. (Check your Rules for notice period of AGM notice).

There are various options to advertise the notice of the AGM date, this could be in the organisation newsletter, email communication to all members, or a notice placed on a notice board.

Officer Bearers and Committee

Try to confirm prior to the meeting which members of the current executive will be re-nominating and who will be resigning.

Do not wait for the AGM to seek nominations for the committee. It is a good idea to be on the lookout throughout the year for suitable people to assist in the running of the organisation.

It is an advantage to have approached people who are willing to fill these committee positions prior to the meeting however also remember that there may be people who come forward at the meeting itself.

Most importantly try to ensure that there are enough good nominations to fill the available positions.

Auditor

A preliminary obligation of Associations is to present the annual financial statements to members at the AGM. The Treasurer should be preparing monthly reports for committee meetings, so it should make it easier to prepare the financial statements at the end of the year.

The Treasurer should have organised an external audit of the association accounts, this should have been done well in advance of the AGM date. The Auditor should also have been informed of the date of the AGM.

It is also required to have a nomination ready for the position of the next year's auditor to be approved at the AGM.

Remember

- Make sure the notice to Members is in accordance or the organisation rules, and it is also a good idea to invite life members, representatives from other associations, local politicians and other stakeholders of the Association to the AGM.

Documents required for the AGM

Prior to the AGM, the Executive Committee needs to prepare the following documents and send them out to all members and office bearers in advance of the meeting including:

- Audited Financial statements
- Annual Report
  The organisation's annual report must contain the accounts, and should also contain:
  - o a summary of the year's activities;
  - o a record of the year's achievements;
  - o a preview of what is planned for the next year;
  - o a restatement of the organisation's vision.
- Agenda for meeting
- Minutes – these are the relevant minutes from the previous AGM, NOT the previous Committee meeting.
- A position description for all executive and committees roles so that members are aware of the possible time commitments required for each position.

Remember

- It is important to understand the processes for running the AGM which are contained in your rules. This will include how much notice is required to give the members of the meeting what information is to be provided to the members prior to the meeting, and what exactly defines a meeting quorum and all voting rules.

Motions

At the AGM meeting, motions must be moved:

- to accept the minutes of the last AGM;
- to approve the Chairperson's report (Annual Report);
- to approve the Treasurer's report (Audited Financial Statements).

Motions must be seconded, and a vote taken (this is generally a show of hands).

Nominations

Nominations must be called for from the floor for Executive Office bearers including the President, Vice President, Secretary and Treasurer. These are legislative requirements and must be filled along with other Committee Members.

Democratic principles apply to this process, if there is more than one nomination for any position then an election must be held. This election can be through a show of hands or by a secret ballot system.

Special Procedural Provisions

The only special procedural provisions at an AGM are that:

- the quorum may be different (consult your constitution or model rules);
- if the position of President is being contested, the President should stand down from the Chair during the election and be replaced by an acting President specially elected just for the period of the election. This should be someone who is not standing for the position.

After the AGM

Documentation

The minutes should be written up shortly after the meeting. These minutes and any necessary documentation (e.g. the new executive committee details and audited accounts) should be sent through the Office of Fair trade.

Handover

Outgoing office bearers should hand over the operations to the new person, together with all documents, rubber stamps, bank details etc. Outgoing officers should also give their successors briefings describing key processes and current priorities and challenges. If possible, provide a handover pack for each position.

Accounts and Banks

If any of the people who are outgoing from the Committee are signatories to the organisation's bank account, have the necessary forms on hand so that the new signatories can be authorised after the meeting.

22. END OF YEAR HANDOVER

As the end of the year is fast approaching, outgoing committees should ensure that all their hard work is not lost. You can do this by making sure the handover process is performed correctly. The key to a successful handover is ensuring that the lessons learnt over the last year are shared with the incoming Committee Officers. You and your fellow committee members have worked hard all year and have done a wonderful job. You have also learned a great deal about how your organisation operates. Do not allow this information to disappear out the door with you on your last day.

Having a good handover ensures the knowledge, experience and momentum gained continues and is built upon. Treat your successor the way you wish you had been treated at the beginning of this year. The most important role of the outgoing Executive Committees is a comprehensive handover to the incoming Executive Committee Members.

It is important that all Committee Members are fully informed about their responsibilities and operational processes and have the right information available to assist good decision making. This is also the time to warn the new Committee of likely pitfalls and dangers that they may encounter, whilst at the same time ensuring that they have all the knowledge, skills, training and contacts that they need to run a successful organisation.

Did you get all the information you needed to hit the ground running or did you spend 6 months finding information or redoing things that had already been done?

If it is the later than make sure you don't do the same to those who follow you. In this day and age many volunteers already have full time job and while willing to take on an unpaid job as a member of a Committee, it would be nice if time was not wasted reinventing the wheel.

If you haven't already documented your work in the last year now is the time to start so that you can share with new members of the committee. Decide how you would like to record the information and store the information – start with a folder either physically or electronically.

INFORMATION TO RECORD

- Committee Members roles and responsibilities;
    - President
    - Secretary
    - Treasurer
- List of contacts e.g. suppliers, organisation like CMS, insurers, governing bodies, funding bodies, local groups, local businesses and sponsors;
- Passwords;
- Where records are kept and how this data can be retrieved, e.g. electronically, filing cabinets or archives;
- Note anything of particular interest that must be shared with the incoming members;
- The basics about the nature and direction of the business;
- Any employment issues;
- General operations of the organisation as well as all governing documents e.g. rules, by-laws, standing orders;
- The aims and objectives of the committee and organisation;
- Any ongoing projects;
- Getting the books in order.

REMEMBER…You want to go out to a round of applause!

23. HANDOVER CHECKLIST FOR THE OUTGOING EXECUTIVE

Use this checklist to ensure all relevant information has been provided to the new executive committee. It is also recommended that the prospective committee members shadow the outgoing committee, attending committee meetings and working with them on all tasks remaining for their term.

Employee Information	✓	Executive Information	✓
List of employees and positons		Committee job descriptions for all positons	
Employee personnel files – Letter of appointment/Position descriptions		Year aims and objectives	
Current awards and agreements for employees		Communication information (e.g. access to the committee email, Facebook)	
Current pay rates		Procedures for running core activities and submitting event proposals	
Updated list of employee current pay levels		Current Association Constitution / By Laws / Standing Orders	
List of employees increments and anniversary dates		Other Association Policies	
Current records of employees leave entitlements (Annual Leave / Sick Leave / Long Service Leave)		Address list of contact for assistance – Government Departments, Bank, and Insurance. (Include contact name if you have one)	
Current employees records (All records from the time of their employment starts)		List of accounts (e.g. ATO, FACs, DOC) that has restrictions and can only be accessed by one or two committee members needs to be changed	
Past employee records (Those who have resigned/terminated must be held for up to 7 years)		Minute books with minutes from all meetings since Association commenced	
List of superannuation funds		Motions Register	
WorkCover information		A list of important issues/projects, which need to be followed up or continued by the new Executive	
Address list of contact for assistance – Industrial Relations or Employer Union (CMS), ATO, Super Fund, WorkCover. (Include contact name if you have one)		Any diary that has been kept by the Executive on issues, events and/or invitations attended by outgoing Executive	
		Books of accounts for current and previous years	
		Cheque, Receipt and Order Books	
		Asset Register	
		Auditor Statements and reports for the past 7 years including current year	
		Bank form for Change of Signatories and any investment funds	
		Register of Members	
		Meeting Procedures	
		List of everything that has password protection and include current password	

Disclaimer: This information has been provided by Community Management Solutions as general guidance and should not be treated as advice. Please contact CMS for further advice.

24. SUMMARY

Your obligations as a committee are extensive, but the rewards of the job can also be immense. Remember that there are many sources of information and support at your disposal.

Your CMS membership provides you with extensive provides you with extensive resources available through our website (www.cmsolutions.org.au) and we are here to answer queries by phone and email during business hours.

If you are ever unsure how to proceed give us a call and we will do our best to assist you.

Good luck for your tenure as a committee member. We hope you find it immensely rewarding.

Don't forget about all the services we can help you with!

WE CAN HELP YOU >>>
- Manage your staff
- Manage your finances
- Meet your work health and safety obligations

WE PROVIDE >>>
- Training and education
- Good governance advice
- Secretariat services
- Industry advocacy
- Guides and Toolkits, plus much more

MEMBER RESOURCES >>>
- Awards and pay rates
- Managing employees
- Employment obligations
- Position descriptions
- Recruitment and selection
- Employment documents
- Fact sheets
- Legislation
- Workplace Health and Safety
- Governance