

RESTRUCTURED NATIONAL ORGANISATION PRINCIPLES OF GOVERNANCE AND OPERATION

Introduction

These principles provide an overview of the organisation, governance and operation of the proposed restructured national association of Australian editors (referred to as IPEd or 'the institute' in the balance of this document). They are based on the practical experience of similar national associations, and legal and regulatory requirements. They are intended to guide and be the basis for the development of the constitution, policies, rules and operational procedures of the organisation.

Constitution

The national institute's constitution should be based on the IPEd constitution, as this will save some drafting effort. Legal advice has also been obtained about transitional processes and the constitution in general. The IPEd constitution should be reviewed against the Corporations Act replaceable rules and current guidelines and practice, and will need substantial amendment to:

- provide for direct membership
- provide for branches and branch committees
- include necessary transitional clauses (e.g. transfer of society members with the equivalent institute membership grade assigned automatically, initial council appointments, initial branch committee appointments, initial AGM, etc.).

Transition provisions

In order for a society to have the legal power to transfer its members to IPEd, and to transfer funds to IPEd without tax consequences, the society needs to be a member of IPEd at the time the revised, direct membership IPEd constitution takes effect. Consequently, the following transition steps are required:

1. IPEd modifies its constitution to allow direct membership by individuals, and adds transition rules to the effect that each existing society's membership of IPEd will cease when the society is deregistered or wound up.
2. The constitution is also modified to define branches, their governance and operation. The transition rules provide that each society, before winding up or cancelling membership, appoints the initial committee of its successor branch.
3. The name of the restructured national organisation is not part of WP4's mandate. Should IPEd and the societies decide to make any change to the name, IPEd must seek ASIC approval for the chosen name, and lodge the revised constitution with ASIC.
4. Each society whose members have voted to accept the direct membership implementation plan transfers its funds as contributions to IPEd, with an option to set aside a portion of the funds to be controlled by its successor

branch, and transfers its members. The successor branch comes into operation when funds and member transfer is done. When member transfer is complete and funds are below any regulatory threshold that requires the use of a registered liquidator, each society completes the process of winding up or cancelling registration and its membership of IPEd ceases.

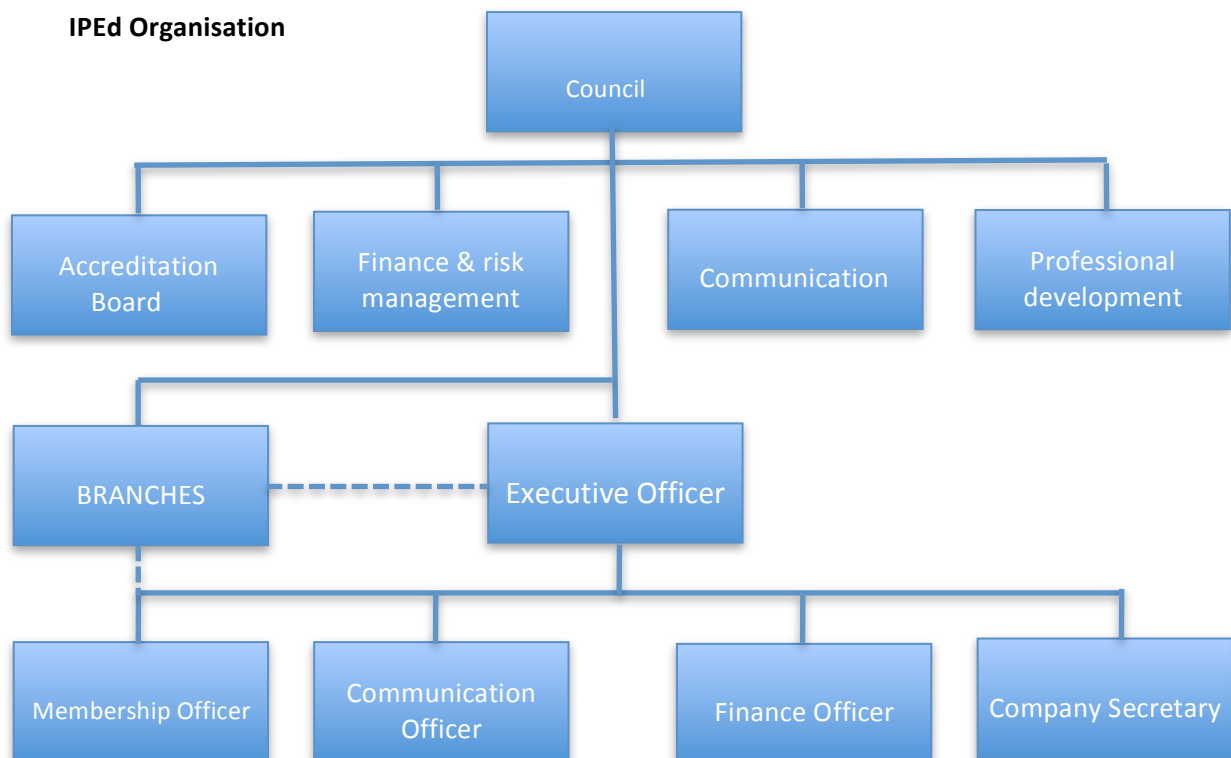
5. The document '14_02-Legal advice on a DMM constitution' defines options and advice concerning the formation of the initial council or board, and the initial branch committees. It also recommends rules defining the number of councillors, and the ongoing rules for the election of officeholders and general councillors. WP4 should recommend which option to implement.
6. The transition rules shall provide that, if the overall result of the votes by the members of all societies satisfy the conditions defined in the MOU section 4.1 b for implementation of the restructured national organisation, any society that did **not** accept the restructuring proposal ceases to be a member of IPEd as of the date on which its member voted on the proposal.

Organisation

The national body's structure comprises:

- the national council or board of directors
- the branches and branch committees, elected by branch members
- the members of the national body, organised in branches
- the national staff officers.

IPEd Organisation



Management
Support & reporting



National council or board of directors

A decision is required on the title of this body – council or board – and its members – councillor or director? Council and councillor will be used in this document.

As stated in **Transition provisions 5** above, we have legal advice on the options for the number of councillors and the appointment of officeholders and general councillors. The number of directors depends on the options below. The options for appointing councillors are:

1. Branch members elect their councillor, and then the elected councillors elect officeholders (chair, deputy chair, etc.) from their number; either the branch or the national office could run the election of councillors.
2. Branch committees appoint their councillor, and then the elected councillors elect the officeholders (chair, deputy chair, etc.).
3. Council officeholders (including the chair, deputy chair etc.) are elected by a national vote of members, and general councillors who represent the branches are either elected by branch members or appointed by branch committees.

The minimum number of councillors would be as in IPEd currently, which is option 1 or option 2 above, that is seven councillors (if all societies vote to participate in the formation of the new organisation) who allocate offices among themselves. Option 3 would result in a number of councillors equal to the numbers of elected officeholders plus the number of general councillors. For example, if the officers were chair, deputy chair, honorary treasurer and general councillors for seven branches, the minimum number of councillors would be 10.

If we want to ability to appoint independent, unelected directors (for a particular expertise or purpose), provisions defining the appointment process and the powers of such directors would need to be defined in the constitution.

The council could also recruit volunteers from branches to work on sub-committees, e.g. professional development, membership, conferences or communication.

The national council is responsible for:

1. the governance and management of the institute
2. strategy, in consultation with the executive officer
3. approval of operational plans
4. policies, rules, the code of ethics and disciplinary processes
5. approval of new members and rescinding of membership.

The existing standing committees continue, and the Accreditation Board will have delegates appointed by the branches, and a Council representative.

The council delegates operational management of the institute to the executive officer (EO), who may further delegate some authorities. The council should not normally be involved in operational management within agreed plans and strategies, which is the responsibility of the EO. Council meetings, held perhaps six times per year, will use teleconference and possibly webinar and internal website (intranet) facilities. The EO will attend all council meetings to report to

the council, but will not have a vote on council decisions. Other staff officers may be required to attend when appropriate.

Branches

Initially, branches will be created in place of each of the predecessor societies. Branches will be defined entities within the constitution. The members of each society will be automatically adopted as members of the national institute, and attached to their successor branch. It will be necessary to define the details of:

1. assignment of equivalent membership grades, with the equivalent institute grade assigned automatically
2. determining the initial term of the transferred memberships
3. the process for determining the amount of society funds needed to cover the unexpired membership terms of transferred members.

Members transferred from the societies will be attached to the branch that replaces their society. Members are able to transfer to other branches on request.

The constitution should allow for the creation of additional branches, as determined by the council. It should also provide for the termination or merger of branches.

Each branch will have an elected committee. The number of committee members should be kept reasonably low, e.g. five, with allocated responsibilities. The branch policies and procedures need to define the processes for the election and operation of branch committees, including the initial committee.

Each committee will be responsible for:

1. running the branch activity programs – networking, training, communication (using the national email, newsletter and website facilities)
2. setting up and publishing event programs, using the event management system and website
3. preparing branch budgets covering committee expenses and activity income and expense. See ‘Banking and accounting’ below.

It needs to be decided whether branch committees will have any role in the approval of new members; usually, this role would be restricted to encouraging new member applications.

Options for the election of councillors to represent the branches are covered under ‘National council or board of directors’ above.

National and branch general meetings

With a national direct membership structure, all members are eligible to attend national general meetings, which could be held in conjunction with conferences.

Branch general meetings will be arranged by branch committees.

National staff

National staff are contracted to provide defined services. Initially, the staff roles will be:

1. Executive Officer (EO), whose responsibilities include managing the institute's activities, a major role in advocacy and representation, national-branch relationships, and developing strategy in consultation with the council
2. Membership Officer (MO), responsible for maintaining membership and event records, subscription management, coordinating new member approvals, and providing membership and event information to the branches and the council
3. Communications Officer (CO), responsible for external communication, promotion and media liaison, and member communications through newsletters, email streams, social media and the website; news will be submitted by branches and national staff; editorial tasks may be contracted to institute members
4. Finance Officer (FO), responsible for banking, accounting, supplier payments and expense reimbursements, financial reporting to the EO, council and branch committees, and audit liaison
5. Company Secretary (CS), responsible for regulatory compliance and other duties defined in the constitution and policies.

At least initially, it is possible that staff contractors will combine some of these roles, e.g. Membership and Communications, Finance and Company Secretary. This will depend on workload and contractor abilities. Position descriptions will be required.

The national office will be virtual, with staff communication by teleconferences, phone, email and internal website facilities (intranet).

Operating procedures

Banking and accounting

All operating income and expense will flow through a single set of national bank accounts (transaction, savings, other deposits, credit cards if appropriate). The bank accounts will have multiple appointed national signatories, according to the banking policy. Each transaction will require authorisation by two signatories.

At the time of transferring society members and funds to IPEd, it will be necessary to calculate the amounts needed by IPEd to cover the expenses of the successor branches for the remainder of the initial financial year. The basis for these calculations will need to be defined. After those amounts are calculated, societies may have surplus accumulated funds, and each society that has such a surplus will have the option to have some or all of its accumulated surplus set aside as branch reserve funds for purposes determined by the successor branch. Such branch reserve funds will be kept in bank accounts in the name of the IPEd branches. Each transaction on a branch reserve account will require prior approval by resolution of the branch committee. The constitution and/or banking policy of the institute will require that the national council and staff

accept all transactions on branch reserve accounts that are approved by the branch committee and that are in accordance with the institute's constitution.

The FO will manage day-to-day operation of the IPEd bank accounts.

Purchases and expenses

Each branch committee will prepare an operating budget covering branch activities for each financial year. At the time of the initial transfer of members and funds from each predecessor society to the national institute, the society will provide an initial branch budget for the remainder of that financial year, covering committee expense and branch activity income and expense.

Branch committees may commit budgeted purchases and expenses, up to limits as defined in the *Delegated financial authority* policy. Transactions in excess of those limits will require council approval, unless the funding is to be provided from the branch's reserve account.

Branch procedures will require that two designated branch committee members approve purchases and expenses, and the approved purchase invoice or expense claim is then forwarded by email to the national FO for payment.

Events

Branch events (networking dinners, training) will be advertised on the institute website, and set up in the event management system. Branch committees will have access to the event management system to enter event details and fees, and to download event attendee lists and reports.

The event management system, through the website, will allow member and public self-service access to event registration. Payment for event registrations will be available online via debit and credit cards. Event registrants will receive automatic event registration confirmations, invoices or receipts by email. Payment via EFT will also be available.

Financial reporting

Accounting will allow for the tracking of income and expense for each branch, for national council and administration, and for IPEd as a whole. Financial reports will be provided for each branch (covering its activities and committee), and for the national body as a whole.

Membership

Two broad categories or classes of membership need to be defined in the constitution: Member and Associate member (names of these categories to be determined by the Membership team). The constitution will define the general rights of these two categories. Criteria for the Member and Associate member categories should be defined in the membership policy, not the constitution (for ease of change).

Each category would have grades, which will be determined by the Membership team of WP4. Criteria for gaining and maintaining each grade should be defined in the membership policy.

Initial transfer of society members to the national institute should be governed by agreed rules for assigning the appropriate membership grade. It is recommended that the institute grade equivalent to their society membership grade is assigned automatically.

The institute website will allow self-service for online membership application and payment, subject to review of any required documentation and final approval by the national council.

The definition of initial membership terms needs to be agreed, with transitional rules. It is strongly recommended that the national institute use joining anniversary date as the starting date for new memberships. This is the most efficient from a systems and operations point of view. For transferred members, the start date of their current membership (e.g. 1 January for calendar year terms) can be automatically assigned in the institute membership system.

The recommended membership system, MEMNET, provides for identifying members by branch, and for allowing access by national and branch officers, with tailored access privileges by user type and branch. This will allow branch committees to target members of their branch for reporting and communication.

That membership system also allows for automatic emailing of reminder notices or invoices to members in advance of their membership renewal date.

Freelance register

The recommended membership system, MEMNET, has a directory function that meets the requirements for a comprehensive freelance register. It allows online searching by various attributes and categories, including branch.