

Rule Book

Wellington Aboriginal Corporation Health Service ICN: 792

This rule book complies with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

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Introduction

The *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (the CATSI Act) says that every corporation must create and abide by a set of rules.

This rule book satisfies the minimum requirements for a constitution under the CATSI Act and includes some good governance ideas. It keeps some of the 'replaceable rules' under the CATSI Act, and replaces others. It doesn't include all of the set law under the CATSI Act.

Corporations adopting these rules should be aware that the laws in the CATSI Act still apply to them. They should also be aware that if their rules don't follow the CATSI Act, the CATSI Act will apply.

1. Name

The name of the corporation is Wellington Aboriginal Corporation Health Service.

2. Objectives

The corporation aims to:

- a)** Provide a culturally appropriate primary health care service for Aboriginal people and the wider community within the Wellington Shire.
- b)** Administer and operate an Aboriginal Medical Service within the legal framework, funding agreements and the capacity of WACHS.
- c)** Enhance the health status of the Aboriginal community in Wellington Shire, including Nanima Reserve.
- d)** Involve Aboriginal people in the planning and provision of primary health care services.
- e)** Provide professional development for Aboriginal Board and staff to support their roles and responsibilities within WACHS.
- f)** Support and assist Aboriginal people to better utilise existing holistic health care services.

3. Members

3.1 Who is eligible?

A member must be:

- Must be 18 years of age; and
- of Aboriginal or Torres Strait Islander descent, identify as Aboriginal or Torres Strait Islander descent, is accepted and acknowledged as Aboriginal or Torres Strait Islander descent by the Wellington Aboriginal community; and
- must be a permanent resident of postcode 2820 and 2818.

3.2 How to become a member

- a. A person applies in writing.
- b. A person is eligible under rule 3.1.
- c. The directors agree.
- d. The person's name and date they became a member is put on the register of members.
- e. Has paid a one off joining fee of \$1.00 with their application for membership form.

3.3 Members' rights

A member:

- can attend, speak and vote at general meetings;
- can be made a director;
- can put forward resolutions at general meetings;
- can ask the directors to call a general meeting;
- can look at the books and records of the corporation (if the directors have authorised them to do this, or if the members have passed a resolution which lets them do this).
- Can only vote at AGM or GM if they have paid their annual renewable fee of \$1.00 by due date.

3.4 Members' responsibilities

A member:

- must follow these rules;
- lets the corporation know if they change their address;
- treats other members with respect.
- Is required to pay a one-off joining fee of \$1.00
- Pay an annual renewal membership of \$1.00 to be eligible to vote at AGMs and GMs

3.5 Liability of members

Members do not have to pay corporation debts if the corporation is wound up.

3.6 How to stop being a voting member

A person stops being a member if:

- they resign in writing;
- they die;
- their membership is cancelled.
- If they fail to pay their annual renewal fee of \$1.00 by the due date each year.
- The person's name, and date they stopped being a financial member is put on the register of non-financial members

The person's name and date they stopped being a member is put on the register of former members.

3.7 Cancelling membership

If a member:

- can't be contacted for two years;
- misbehaves or;
- is not an Aboriginal or Torres Strait Islander person.
- Has not paid their annual renewal fee of \$1 by the due date

The member can only be removed by special resolution at a **general meeting**. The directors must then send that person a copy of the special resolution at their last known address, as soon as possible after it has been passed.

If a person is not eligible for membership for some other reason, the directors can cancel their membership by passing a resolution at a **directors meeting**. Before the meeting, directors need to give the member 14 days to object in writing. If the member objects, the directors can't cancel the membership. The member can only then be removed at a general meeting by resolution.

3.8 The register of members

The register must contain:

- members' and former members' names and addresses;
- the date when the names were put on the list;

- if a member is not an Aboriginal or Torres Strait Islander person (if your rule 3.1 allows non-Aboriginal and Torres Strait Islander members);
- for former members, the date when they stopped being a member.

It must be kept at the corporation's document access address.

4. Meetings

4.1 AGM timing

AGMs must be held before the end of November each year.

4.2 AGM business

AGMs are for:

- confirming the minutes of the previous general meeting;
- presenting reports: general, financial, directors';
- electing directors;
- choosing an auditor (if required) and agreeing on the fee;
- checking the register of members;
- asking questions about how the corporation is managed.

4.3 General meetings

A director can call a general meeting.

Members can ask directors to call a general meeting.

The directors must call the general meeting within 21 days.

Number of members in corporation needed to ask for a general meeting:

2 to 10 members	= 1 member
11 to 20 members	= 3 members
21 to 50 members	= 5 members
51 members or more	= 10% of members

4.4 General meeting business

General meetings are for:

- confirming the minutes of the previous general meeting;
- everything in the notice of the meeting.

4.5 Notice for general meetings

At least 21 days notice must be given.

Notice must be given to members, directors, officers, the contact person and the auditor, if the corporation has one.

The notice must set out:

- the place, date and time for the meeting;
- the business of the meeting;
- if a special resolution is being proposed, and what it is;
- if a member can appoint a proxy.

Notices can be given to members personally (or in a manner which accords with Aboriginal or Torres Strait Islander custom), sent to their address, sent by fax or sent by email.

4.6 Members' resolutions

Members can propose a notice of a resolution and then give it to the corporation.

Number of members in corporation needed to propose a resolution:

2 to 10 members	= 1 member
11 to 20 members	= 3 members
21 to 50 members	= 5 members
51 members or more	= 10% of members

The notice must set out the resolution in writing and must be signed by the members proposing it.

The corporation must give notice of the resolution to all people entitled to it (see rule 4.5).

The corporation must consider the resolution at the next meeting which is being held at least 28 days after the notice has been sent out.

4.7 Quorum at general meetings

A quorum shall be 3 members (if membership is 11-20) 5 members (if membership is 21-50) or 10% of the total membership if membership is over 51 members.

The quorum must be present during the whole meeting. If there's no quorum after one hour, the meeting is adjourned until the next week at the same time. If there's still no quorum, the meeting is cancelled.

4.8 Chairing general meetings

The chairperson will chair general meetings. If they are not available, the directors can elect an alternate director to chair the meeting. If the directors do not elect a chair then this will be open to the members to elect an alternate chair.

4.9 Using technology

General meetings can be held at more than one place using any technology that gives members a way of taking part.

4.10 Voting

Each member has one vote. The chair has one vote (if he or she is a member) plus a casting vote.

A resolution can be decided by majority on a show of hands, unless a poll is demanded. (A poll is a formal vote, not by show of hands—for example, by writing on a voting paper or placing marbles in labelled jars).

The chair declares the results of the vote, on a show of hands, or when a poll is demanded.

4.11 Demanding a poll

Any member entitled to vote on the resolution or the chair can demand a poll. A poll can be held before or after a show of hands vote.

4.12 Proxies

Proxy voting is not permitted.

5. Directors

5.1 Number of directors

The number of directors of the corporation is decided at the general meeting. The minimum number is 5 directors and the maximum is 12 directors (including office bearers).

5.2 Eligibility of directors

A director must be:

- at least 18 years old;
- a member of the corporation;
- an Aboriginal and Torres Strait Islander person.

5.3 Majority of director requirements

A majority of directors of the corporation must:

- be individuals who are Aboriginal or Torres Strait Islander persons usually residing in Australia;
- members of the corporation;
- not be employees of the corporation.

5.4 How to become a director

The corporation can appoint a director by resolution passed at a general meeting.

Directors must give the corporation their consent in writing to be a director.

5.5 Directors' terms of appointment and rotation

Directors are appointed at the AGM on a two year rotation term.

To implement the two year rotation system:

- 3 members stand down in 2009 AGM (odd year)
- 4 members will stand down in the following year (even year)
- This rotational cycle is to be repeated each year.
- Directors who stand down are eligible to be re-elected.

5.6 How to become an office bearer (chairperson, vice-chairperson and treasurer)

At the first director's meeting after each AGM, the directors elect the office bearers of the corporation from the directors.

There shall be a chairperson, secretary and treasurer who shall be the office bearers.

5.7 Specialist Non-Member directors

1. Specialist non-member directors may be selected because they have skills in financial management, corporate governance, accounting, law or a field relating to the corporation's activities.
2. Eligibility for appointment as a specialist director is based on expertise in a specific field.
3. Candidates must hold a postgraduate professional qualification and have extensive experience in their area of expertise.
4. Before being appointed as an independent or specialist non-member director, the person must give the corporation their written consent to become a director.
5. Independent or specialist non-member directors are appointed for the term specified by the directors in their appointment.
6. The directors may appoint independent or specialist non-member directors by passing a resolution in a directors' meeting.
7. Independent or specialist non-member directors can be appointed for a term of two years and they can be reappointed.
8. Specialist non-member directors will not have voting rights at AGMs or GMs.

5.8 How to fill vacancies

Directors can fill casual director vacancies, including office bearers.

Directors can appoint someone as a director to make up a quorum. Their appointment must be confirmed by resolution at the next general meeting or they stop being a director.

5.9 How to stop being a director

1. A director dies.
2. A director resigns, in writing.
3. A director's appointment expires.
4. A director is removed as a director by the members or the other directors.
5. A director is disqualified from managing a corporation.

5.10 How to remove a director

By the members:

- A notice for a resolution to remove a director must be given to the corporation at least 21 days before the meeting.
- The corporation must give the director concerned a copy of the notice as soon as possible.
- The director can give the corporation a written statement and speak at the meeting. The statement must be given to everyone entitled to notice of the meeting (see rule 4.5).

By other directors:

- Directors can only remove a director if the director fails to attend three or more consecutive directors meetings without a reasonable excuse.
- Directors must give the director a notice in writing and they must give the director 14 days to object in writing.
- If the director objects, they cannot remove the director. The director can only then be removed at a general meeting by resolution.

5.11 Directors' and officers' duties

The duties are:

- a duty of care and diligence;
- a duty of good faith;
- a duty to disclose a conflict of interest (material personal interest);
- a duty not to improperly use position or information;
- a duty to not trade while insolvent.

5.12 Conflict of interest (material personal interest)

A director who has a material personal interest in a corporation matter must tell the other directors.

This notice must give details of what the interest is and how it relates to the corporation. It must be given at a directors' meeting as soon as possible, and it must be recorded in the minutes of the meeting.

5.13 Payment

Directors are not paid, unless they are employees of the corporation, or unless they have a contract to provide goods or services (so long as the director has exercised any duty to disclose a conflict of interest).

The corporation may pay the directors' travelling and other expenses for attending meetings or to do with other corporation business.

5.14 Delegation

Directors can delegate, by passing a resolution, any of their powers to:

- another director
- a committee of directors
- an employee of the corporation.

5.15 Related party benefit

If a corporation wants to give a financial benefit to a director or related party (such as a spouse of a director) it must get the approval of the members by following the procedure in part 6.6 of the CATSI Act.

5.16 Directors' meetings

Directors must meet at least every three months.

The directors will usually decide at a meeting when and where the next meeting will be.

A director can call a meeting by giving reasonable notice to all the other directors.

5.17 Quorum for directors' meetings

A majority of the directors must be present at all times during the meeting.

5.18 Chairing directors' meetings

The directors can elect a director to chair their meetings.

They must decide how long that director will be the chair.

5.19 Using technology

Directors' meetings can be held at more than one place using any technology, as long as they all agree to it.

5.20 Resolutions at directors' meetings

A resolution of directors must be passed by a majority of the votes.

The chair has a vote, plus a casting vote.

Resolutions can be passed without a directors' meeting if all directors sign a statement saying that they are in favour of it.

6. Contact person

The contact person must be at least 18 years old.

The directors appoint a contact person.

The directors decide the contact person's pay and terms and conditions of employment, if any.

The contact person must pass on any correspondence received to at least one of the directors within 14 days.

The contact person must give the corporation their consent in writing to become a contact person.

7. Records

The corporation must keep the:

- minutes of meetings (in writing or as an audio or video recording);
- rule book (constitution);
- register of members and former members;
- names and addresses of directors, officers and the contact person;
- financial records.

They must be kept at the corporation's document access address.

8. Finances

All money of the corporation must be deposited into the corporation's bank account.

The corporation must give receipts for all money it receives.

All cheques, withdrawal forms and other banking documents must be signed by at least one directors and the CEO

All accounts must be approved for payment at a directors' meeting.

9. Application of funds

Directors can use the money and property of the corporation, not subject to any special trust or conditions by funders, to carry out its objectives.

Directors cannot give the money and property to members of the corporation. Subject to the CATSI Act and the corporation's rules, no portion of the funds or property of the corporation may be paid or distributed to any member of the corporation.

This rule does not prevent: (a) the payment in good faith of reasonable wages to a member who is an employee of the corporation (having regard to the circumstances of the corporation and the qualifications, role and responsibilities as an employee); or (b) reasonable payment in good faith to a member for a contract for goods and services provided by that member (having regard to the market costs for obtaining similar goods or services in the area where they are to be provided).

10. Winding up

The winding up of the corporation shall be in accordance with the CATSI Act.

If upon the winding up of the Corporation there remains, after satisfaction of all debts and liabilities, any property or monies, that property or monies shall not be paid to or distributed amongst members of the Corporation.

The WACHS directors will determine how the property or monies will be distributed and to whom.

Any surplus assets remaining after the payment of the Corporation's liabilities shall be transferred to: another organisation in Australia which is a public benevolent institution for the purposes of any Commonwealth taxation Act. Local Aboriginal organisations are to be given first preference for the distribution of surplus assets if they meet all set criteria and requirements.

11. Dispute resolution

If a dispute arises, the parties must first try to resolve it themselves.

If the dispute is not resolved within 10 business days, any party may give a dispute notice to the other parties.

The dispute notice must be in writing and must say what the dispute is about. It must be given to the corporation.

If the dispute is about the CATSI Act or the corporation's rules, the directors or any of the dispute parties must ask the Registrar for an opinion.

The directors must help the parties resolve the dispute within 20 business days after the corporation receives the notice.

If the directors cannot resolve the dispute, it must be put to the members to resolve at a general meeting.

12. Gift Deductible Recipient and Gift Fund

(a) Where the Association has been endorsed by the Australian Taxation Office as a Deductible Gift Recipient (DGR), prior to any receipt of a tax deductible donation, gift of money or property, the Association shall establish and maintain a separate gift fund consistent with the provisions within subsections 30-125 (4) to (7) of *the Income Tax Assessment Act 1997* (ITAA 1997) or as amended from time to time.

(b) The gift fund shall be maintained:

- for the principle purpose of the incorporated Association;
- as the sole account into which such gifts; and
- used exclusively for crediting such gifts; and
- shall only be used, or its funds disseminated, consistent with the public benevolent institutional purposes outlined in the Aims and Objectives within the Rules of the incorporated Association.

(c) The name of the gift fund shall be the *Wellington Aboriginal Corporation Health Service Gift Deductible Fund* and the governance of the fund shall be consistent with relevant provisions within the *Income Tax Assessment Act 1997*, as amended from time to time and relevant section within the Rules of the Association.

- (d) At the first occurrence of either the winding up of the Gift Fund, or the revocation of endorsement of the Association as a DGR, any surplus assets of the Gift Fund, remaining after the payment of the liabilities attributable to it, shall be transferred to another organisation in Australia which is a public benevolent institution for the purposes of any Commonwealth Taxation Act and to which income tax deductible gifts can be made and, where possible, to Aboriginal health specific organisations, public benevolent institutions to which income tax deductible gifts (DGR) that are, incorporated Aboriginal Community Controlled Health Services within the State of New South Wales or to the Aboriginal Health & Medical Research Council of New South Wales.