

**NOTICE OF MOTION
TO AMEND THE CONSTITUTION OF THE ASSOCIATION**

April 2022

The objects of Orienteering ACT Inc. (OACT, the Association) are:

- to promote interest in the sport of orienteering in the Australian Capital Territory and surrounding areas
- to conduct events for those interested in orienteering
- to educate, train, coach and encourage people in the sport of orienteering, and
- to do all such things and acts conducive to the furtherance of the objects and interests of the Association.

As an integrity measure—for example to guard against gambling, diversion, money-laundering or other corrupt conduct, the Model Rules under the *Associations Incorporation Act 1991* recommend that incorporated associations have express provisions linking the source and management of their funds to their objects (see extracts from the Act **attached**).

Without specifying the source or destination for OACT funds, our constitution currently provides:

56. All moneys of the Association shall be paid into an account of the Association as the Board may from time to time direct.

57. All withdrawals from an account of the Association shall be authorised by two of the bank signatories authorised by the Board.

It also relevantly provides:

44. The duties of the Treasurer shall include the keeping of proper books of account of all monies received and disbursed and carrying out such duties as the Board may from time to time direct.

Income: OACT receives most of its funds from event entries (usually in cash or electronically; and either direct from entrants or via a payment service such as PayPal, or sometimes passed on by other orienteering associations in connection with entries to events organised with or by them), government grants, sponsorships and donations, or from payments for goods (e.g. hire or purchase of SI sticks and compasses) or services (e.g. schools/community orienteering coaching).

Increasingly, individuals and other entities do not request receipts for payments, but we should be ready to provide them when requested.

Expenditure: Almost all financial transactions of the association are now made by electronic funds transfer, for example to pay invoices or reimburse members' properly evidenced expenditure on behalf of/for the benefit of the association. The treasurer is authorised by the Board to operate OACT's accounts to make these

payments, in some cases following a resolution of the Board to commit to an expense.

OACT is no longer in the habit of issuing cheques or other negotiable instruments of any kind, though technically it could do so. The Association has few employees. While it is conceivable that there could be occasions when it would be convenient if the executive officer and/or the office manager had the ability to sign an Association cheque, no payment is ever likely to be so urgent that two Board members could not be found to do so.

While the source and use of our funds may seem obvious, the Board considers it is nevertheless prudent to entrench sound principles in our governing instrument. In the circumstances it is proposed to amend the constitution to adopt financial management measures adapted from those in the Model Rules.

MOTION

That the Constitution of Orienteering ACT Inc. be amended by deleting clauses 56 and 57 and inserting the following clauses:

56. The funds of the Association must be derived from event entry fees, annual subscriptions of members, grants, sponsorship, donations, payment for goods and services and, subject to any resolution passed by the Association in general meeting and subject to s.114 of the Act, any other sources that the Board decides. As soon as practicable after receiving any funds, the Association must:
 - (a) deposit the funds without deduction to the credit of a bank account of the Association, and
 - (b) if a receipt is requested—issue an appropriate receipt.
57. Subject to any resolution passed by the Association in general meeting, the funds of the Association must be used for the objects of the Association in the way that the Board decides. All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed by any two members of the Board.

ASSOCIATIONS INCORPORATION ACT 1991

Model Rules

31 Funds—source

- (1) The funds of the association must be derived from entrance fees and annual subscriptions of members, donations and, subject to any resolution passed by the association in general meeting and subject to the Act, section 114, any other sources that the committee decides.
- (2) All money received by the association must be deposited as soon as practicable and without deduction to the credit of the association's bank account.
- (3) The association must, as soon as practicable after receiving any money, issue an appropriate receipt.

32 Funds—management

- (1) Subject to any resolution passed by the association in general meeting, the funds of the association must be used for the objects of the association in the way that the committee decides.
- (2) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed by any 2 members of the committee or employees of the association, being members of the committee or employees authorised to do so by the committee.

114 Investment with associations

- (1) An incorporated association must not, without the written approval of the registrar-general, invite a person other than a member or applicant for membership of the association to invest money with the association nor receive money from such a person for investment with the association.

Maximum penalty: 50 penalty units.

- (2) If an incorporated association receives money from a person in contravention of subsection (1)—
 - (a) the transaction is taken to be void; and
 - (b) the money, any interest on the money paid or payable to the association, and any profit derived from use of the money by the association, is recoverable by the person from the association as a debt due to the person.
- (3) An incorporated association may, subject to the rules, invite a member or applicant for membership of the association to deposit money with or lend money to the association, and may receive money from a member or applicant for membership.

- (4) The registrar-general may grant an incorporated association approval to invite a person referred to in subsection (1) to invest money with the association and approval to receive money from such a person for investment, and may make the grant subject to any conditions the registrar-general thinks fit.
- (5) An association that does not comply with a condition specified in a grant of approval given to the association under subsection (4) commits an offence.

Maximum penalty: 50 penalty units.