



## COMMITTEE MEMBER INDUCTION MANUAL, AUGUST 2021

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## COMMITTEE MEMBER INDUCTION MANUAL, AUGUST 2021

# 1. About Motafrenz

### Our history

In 1990, two guys figured they couldn't be the only 'non-straight' at a motor racing meeting?

They were determined to test their theory. Advertising in the gay press was undertaken and an initial meeting convened.

Motafrenz Car Club Incorporated (hereafter referred to as Motafrenz) exists today as proof their theory was correct.

The Club has around 165 members who share a common interest in, and enthusiasm for, motor vehicles of all types. Members have a combined collection of almost 250 cars.

The Club welcomes anyone who has an interest in modern and/or classic cars. Motafrenz has always aimed to cater for a wide variety of people.

### Our mission (and how we do it)

**Our Mission:** Motafrenz was established to:

- Conduct motor vehicle orientated events for members of the GLBTIQ community;
- Organise social events for members of the Club;
- Communicate with other motoring clubs and/or associations with common interests and, where appropriate, co-operate and participate in joint events;
- Participate in events organised by the GLBTIQ community; and
- Promote the Club to motorists and the wider community.



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# 2. The Committee

### What

The Committee is the governing body of Motafrenz. The committee is responsible for strategy, finances and sustainability of the organisation.

### How

Our effective operation as a Committee relies on the following roles and structures being in place:

- President - leads meetings, public advocacy, and has a casting vote;
- Secretary - responsible for administration, reporting, record-keeping, legal compliance;
- Treasurer - responsible for financial updates, financial statements, reporting, budget oversight;
- Sub-Committees – from time to time the Committee may set up sub-committees. A Committee Member must Chair each sub-committee
- General Committee Members - responsible for active engagement and compliance with committee member duties and club events.

There are numerous technical, legal and procedural details in the Constitution that outline how the Committee is legally structured and required to make certain decisions. This is yet another reason that it is imperative to read and understand the Constitution.

### Who

The Committee comprises of up to 15 persons, pursuant to Clause 44 of our Constitution.

### When

The Committee meets on the second Wednesday of every month.

*You can view the schedule and other key dates in the club Google calendar as linked on our website.*

Committee Committee meetings: as required (at least 4 times per year).

Annual General Meeting: Annually (within five months after the end of financial year).

Strategic planning and team-building days: Annually (within 1 month of the AGM).

Terms for Committee Members: 1 year (from AGM to AGM, or from date of co-opting until the next AGM).

### Where

Our current Committee meeting location is The Retreat Hotel, Collingwood, or at a place advertised on the notice of meeting.

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### 3. Introduction to Governance

#### Legal structure

In terms of its legal structure, Motafrenz is an Incorporated Association (IA). All States and Territories have their own, slightly different, laws to set up and operate incorporated associations.

It is important that you are aware of the nuances and requirements of our legal structure and status.

Feature	Brief description
<b>Relevant laws</b>	<ul style="list-style-type: none"> <li>• <i>Associations Incorporation Reform Act 2012 (Vic)</i> (<b>Associations Act</b>)</li> <li>• <i>Associations Incorporation Reform Regulations 2012 (Vic)</i></li> </ul>
<b>Where can an IA operate?</b>	A group incorporated under the Associations Act can operate in Victoria. A Victorian association that conducts business outside Victoria must also register with ASIC as a 'Registrable Australian Body' under the <i>Corporations Act 2001 (Cth)</i> , or incorporate separately in each state and territory that it operates in.
<b>Government regulator</b>	The Registrar of Incorporated Associations at Consumer Affairs Victoria ( <b>CAV</b> ). If you are a 'Registrable Australian Body' you must also report to ASIC. However, if you are registered as a charity with the ACNC, you must report to the ACNC instead of CAV.
<b>Name Requirements</b>	An incorporated association must have the word 'Incorporated' or 'Inc.' at the end of its name.
<b>How common?</b>	In Victoria, in 2020, there were more than 38,000 incorporated associations.
<b>Description</b>	The incorporated association legal structure provides a simple and inexpensive means of incorporating not-for-profit groups and representing important facets of our community. All States and Territories have their own, slightly different, laws to set up incorporated associations, and most (including Victoria) have a set of model rules that can be used by an incorporated association as its own internal rules. Not-for-profit Law has also prepared a set of Simple Rules to help Victorian incorporated associations draft their own rules. An incorporated association is a legally separate body that has most of the same powers, benefits and responsibilities as a person. There are similarities with the laws for a organisation, (for example, the legal duties of the members of the governing body of an incorporated association are virtually the same as those of organisation directors).
<b>Suitability</b>	For most locally focused not-for-profit community and industry groups, sporting clubs, social or hobby-based activities and cause-related groups wanting to operate in Victoria, an Incorporated Association is an appropriate structure. It can be less complex to set up than a CLG. This structure is not suitable for groups with less than five members (as this is a minimum requirement), or for a parent organisation that wants to set up a wholly owned subsidiary (ie. with the parent organisation as the sole member). Businesses that aim to make a profit also can't be incorporated associations. Incorporated Associations that want to operate outside Victoria will need to register as a 'Registrable Australian Body' with ASIC or incorporate in each other relevant state or territory, so a different structure such as a CLG may be more suitable for them.

In addition, the Committee is governed by its Constitution. Our constitution changed in mid-2019. It is imperative that you have read and understood the Constitution for your own benefit and the benefit of the organisation. The Constitution is available in the Attachment section at the end of this document.

#### Reporting obligations

**CAV – Consumer Affairs Victoria** - governs our operations as an Association

- ▶ Annual Report - within 5 months of the end of reporting period (June 30)
- ▶ Financial Statement - within 6 months of the end of reporting period (June 30)
- ▶ Advise of changes to constitution or purpose - within 21 days



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### Financial obligations and responsibilities

#### Financial reporting obligations

Every Committee member has a special legal duty called a “fiduciary duty” to ensure the financial soundness of Motafrenz. This extends to reading through any financial information provided by the Treasurer, and to ensuring any questions or concerns you may have you ask and have answered. While the Treasurer has the key responsibility to ensure good policy and procedures are in place and being followed, it is the collective role of the Committee to ensure the financial soundness of Motafrenz.

To assist you in your ability to meet your obligations you will be provided with a monthly financial report created by the Treasurer. This will include the following documents:

- Balance sheet;
- Profit & Loss;

Annually, you will be presented with a 12-month budget, prepared by the Treasurer. This will be followed-up by a quarterly refresh of the budget to ensure any financial implications of any changes in the operations of Motafrenz.

It is important that you review the reports provided and ask any questions to clarify anything which is not clear or you do not understand. On the Committee, no question is a bad question!

#### Financial operations

The day-to-day accounts are managed by the Treasurer They are responsible for processing the payments and receipts and consult with the Committee where there are issues. This ensures operational efficiency and ensures all external compliance and regulations are adhered to.

#### Insurance

The organisation provides all Committee members with, and pay the premiums for, indemnity and insurance cover while acting in their capacities as Committee members. This insurance does not cover actions by a Committee member performed contrary to the provisions of the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-for-profits Commission Act* (Cth), or other relevant legislation.

We hold insurance - these are reviewed annually: **Jardine Lloyd Thompson**

- ▶ \$20,000,000M Public Liability & Product Liability
- ▶ ~Cost p/a: \$750

### Committee Members’ duties

All people who sit in a governance position in a not-for-profit organisation have certain legal duties. These apply regardless of whether somebody is volunteering their time for an organisation or if they receive some sort of payment or honoraria. These legal duties also apply to all organisations regardless of their size, purpose or activities.

A number of other people may also have the same legal duties as the Committee of the organisation, even if they are not Committee members. These can include:

- people who are in a position of influence within an organisation, including Life Members;
- people who participate in making key decisions that affect the operations of the organisation;
- people whose instructions or wishes the other Committee members are accustomed to act on (excluding people who are asked to provide professional advice); or people who have the capacity to significantly affect the organisation’s financial standing.

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As a member of the Committee, the organisation's members have entrusted you with custodianship of the organisation; as such you have a fiduciary duty to act in the best interests of the organisation and are accountable for the decisions that the Committee makes. These notions of trust and accountability have over time been formed into legal duties.

These legal duties come from two main sources of law: common law (i.e. caselaw or judgments written by judges), and legislation (i.e. Acts and other forms of law written by Parliament or other lawmaking bodies). Many common law duties have been incorporated into legislation. However, common law continues to apply despite whichever piece of legislation an organisation is incorporated under.

For the most part, these legal duties are easy to meet and do not require effort beyond undertaking your role as a Committee member in good faith. However, such duties are legally binding, and if not met you could be held legally responsible for actions taken by the organisation, and penalties can apply.

These duties often overlap, and a number of different duties can apply in one situation. For example, deliberately concealing a conflict of interest would also be considered a failure to act in good faith and for proper purpose. All Committee members and office bearers are bound by these four main duties.

To appreciate how these duties operate in context, it's critical that you read and understand the Constitution attached to this manual.

The duties are:

### ***Duty to act in good faith and for a proper purpose***

This legal duty is a two-part duty that includes the duty to act honestly and fairly in the best interests of the organisation, and the duty to act for a proper purpose (that is, the purpose of your organisation as stated in the Constitution) and within the powers given to the Committee.

### ***Duty to act with reasonable care, diligence and skill***

This duty requires you to take your role as a Committee member seriously; make use of any skills and experience you have for the benefit of the organisation; give sufficient time, thought and energy to any tasks you have undertaken and to decisions you are required to make; and monitor the affairs, activities, strategic direction and financial position of the organisation. In relation to the financial affairs of your organisation this duty requires you to understand your organisation's current financial position at all times; and prevent your organisation from continuing to incur debts if you know or suspect that your organisation cannot meet its current debts when they fall due (commonly known as the 'duty to avoid insolvent trading').

### ***Duty not to misuse information or position***

As a current or former Committee member, you must not make improper use of your position or information you obtain through your position to either gain an advantage for yourself or any other person or organisation or cause detriment to the NFP organisation you are on the Committee of.

### ***Duty to disclose and manage conflicts of interest***

A conflict of interest situation arises when a person, who has a duty to act in the best interests of another, is presented with the opportunity or potential to 'use' that position in some way for their own personal benefit (or for the benefit of relatives or another organisation). Conflict of interest situations often arise in NFP community organisations and are not prohibited - the legal duty relates to the process Committee members must follow in conflict of interest situations. As a Committee member you must disclose and manage conflicts of interest effectively.

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In addition, Committee Members must also comply with the duties described in governance standard 5 of the regulations made under the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) which are set out at Clause 47 of the Constitution as follows. They materially overlap with the common law duties above:

1. to exercise their powers and discharge their duties with the degree of care and diligence that a reasonable individual would exercise if they were a Committee Member of the organisation;
2. to act in good faith in the best interests of the organisation and to further the charitable purpose(s) of the organisation set out in clause 6 of the Constitution;
3. not to misuse their position as a Committee Member;
4. not to misuse information they gain in their role as a Committee Member;
5. to disclose any perceived or actual material conflicts of interest in the manner set out in clause 48 of the Constitution;
6. to ensure that the financial affairs of the organisation are managed responsibly, and
7. not to allow the organisation to operate while it is insolvent.

If you ever have any queries about how to best exercise your duties or whether you are concerned about your ability to uphold any of the duties, speak with the President immediately.

### Meeting Your Committee Duties

Though the list of obligations above can seem daunting, the high standard of conduct required of Committee Members is important for ensuring an adequate level of oversight of the organisation. ASIC (the regulator in charge of enforcing Committee Members' duties) gives the following **non-exhaustive** list of ways that will make it unlikely for you to breach your duties:

- You are honest and careful in dealing with the organisation and on its behalf with others;
- You understand your legal obligations and make compliance with them part of your business;
- You keep informed about your organisation's financial position and performance, ensuring your organisation can pay its debts on time and keeps proper financial records;
- You give the interests of the organisation, its "shareholders" (members) and its creditors top priority, which includes acting in the organisation's best interests (even if this may not be in your own interests); and
- You use information you get through your position properly and in the best interests of the organisation
- You get professional advice or more information if you are in doubt.

### Code of Conduct

Each Committee member is required to adhere to the following Code of Conduct. Failure to comply with the Code of Conduct may result in performance management, or in cases of serious failures to comply, termination of that Committee member's term at the discretion of the Committee.

1. **Commitment - I took up this position to work for something larger than myself. I will carry out this work honestly and in fairness to everybody involved, placing the interests of others before my own. Each Committee member will:**
  - a. pursue as their highest priority the fulfilment of the mission of the organisation
  - b. after that, promote the interests of the organisation itself
  - c. after that, consider the interests of the organisation's stakeholders, its clients, its consumers, its employees, and the society and the environment in which it operates.
2. **Compliance - I will work within the law, and within the rules, and I will see that my organisation does too. Each Committee Member will:**
  - a. ensure to the best of their ability and within the bounds of their authority that the organisation is observing sound financial practices and managing potential risks effectively, and is at all times in its dealings with other parties capable of meeting its legal and financial obligations
  - b. ensure to the best of their ability that the organisation is complying with all applicable federal, state and local legislation and regulation
  - c. observe the provisions of the organisation's constitution, its bylaws, its standing orders and policies

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- d. I understand that any documents I produce or work I perform remains the intellectual property of Motafrenz.
3. **Conflicts - In my dealings with the organisation I shall be honest and open, and shall not take any advantage of my position on the Committee. Each Committee member will not:**
  - a. place their own interests, or the interests of any other person or body, before the interests of the organisation, or so act as to give the appearance of any such conflict
  - b. enter into any financial relationship with the organisation without the approval of the Committee, in whose deliberations on that issue the Committee Member/Committee member shall have taken no part
  - c. through their own conduct bring the organisation into disrepute.
4. **Confidentiality - I shall keep secret any secrets that have been entrusted to me, and I shall freely tell anyone anything they are entitled to know. Each Committee member will:**
  - a. preserve, where appropriate, the confidentiality of the organisation's business
  - b. protect the privacy of the organisation's employees, clients and customers
  - c. recognise their accountability to the organisation's members, and provide all information on the organisation's performance necessary to give meaning to that accountability.
5. **Conscientiousness - I shall do the job fully and without reservations. Each Committee member will:**
  - a. exercise their independent judgement on the issues before them
  - b. provide themselves with the information from within and without the organisation necessary to support the exercise of their judgements
  - c. invest the time and effort required to fulfil the requirements of the position by reading the materials, participating fully in meetings, and carrying out any duties assigned by the organisation.
6. **Communication - I shall know what the organisation does, and why, and I shall tell the world about it. Each Committee member will:**
  - a. educate themselves continuously to maintain the information base, the skills base, and the qualifications needed to oversee the affairs of the organisation effectively
  - b. communicate the significance of the organisation's mission, its strategy, and its culture to members, employees, stakeholders and the public
  - c. share with the Institute where appropriate and with their colleagues in the field the insights and practices they have developed in the course of their work.
7. **Community - I will treat the people involved with the organisation respectfully, fairly and without prejudice. Each Committee member will:**
  - a. observe and promote the human rights of all persons touched by the work of the organisation
  - b. oppose prejudice, address disadvantage, and promote diversity in all aspects of the governance and the management of the organisation
  - c. treat colleagues, clients and the community with courtesy and respect.

## 4. Resources and training

In order to meet your Committee Members' duties, serve Motafrenz's best interests, and continue to grow and develop during your time on the Committee, we are committed to enabling all Committee Members to access training, support and resources. The following is a (growing) list of resources to help you on your Committee journey:

- [OurCommunity free membership and newsletter](#) - advice, connections, training and easy-to-use tech tools for people and organisations working to build stronger communities.
- [Institute of Community Committee Members membership and newsletter](#) - explore their site for practical training and resources to develop your Committee Member skills.
- [JusticeConnect NFP Law newsletter and website](#)
- [Moores NFP Law newsletter and website](#)
- [SwitchCommittee counselling and mental health support](#)



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### 5. Appointment agreement

*Please complete this page to confirm your acceptance of nomination to the Committee, and confirm you have read and understood this induction. Please note your term officially begins at the AGM or the date you are co-opted to the Committee. Feel free to email [secretary@motafrenz.org.au](mailto:secretary@motafrenz.org.au) with any queries.*

By signing below, I confirm that I:

- Accept this nomination and wish to become a Committee member of the Motafrenz Car Club Incorporated (as defined in the Constitution);
- Acknowledge that if I do not, or cannot perform my duties as outlined in the Committee Portfolio Descriptions, the Committee may by simple majority reassign my portfolio;
- Support the purpose of the Motafrenz;
- Agree to comply with and be bound by the Constitution;
- Agree to comply with and be bound by the signed version of the 'Committee Member Induction Manual' and any subsequent versions of this document;
- Agree to comply with and be bound by the 'Committee Member Position Description';
- Have set up my Motafrenz email account and set up my access to Google Drive (contact [webmaster@motafrenz.org.au](mailto:webmaster@motafrenz.org.au) if you need help);
- Commit to serving for a one year term on the Committee;
- Consent to the below information being disclosed to the CAV/ACNC as required by law, and for any other lawful purpose required by Motafrenz;
- Will return this signed page to [secretary@motafrenz.org.au](mailto:secretary@motafrenz.org.au).

Full Legal Name: \_\_\_\_\_

Residential Address: \_\_\_\_\_  
\_\_\_\_\_

Date of Birth: \_\_\_\_\_

Mobile Number: \_\_\_\_\_

Email Address (personal): \_\_\_\_\_

.....  
[Print Name]

.....  
[Signature]

.....  
[Date]



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# Attachment A – Committee Portfolio Descriptions extract

[Click for the full version of all position descriptions](#)

### Roles and Responsibilities

All Committee Member are expected to contribute to the running of the Club and committee in the ways noted below:

- Prepare for and regularly attend Committee Meetings – which includes, at a minimum, reading the meeting agenda and any associated reports or documents;
- Submit a portfolio report to the Secretary no later than 48 hours prior to a Committee Meeting, and to the Publication Editor at least 30 days prior to an Annual General Meeting;
- Have access to the Internet and productivity suite of programs;
- Participate in the organisation of Motafrenz events, including at Midsumma;
- Regularly attend events, especially those with a GLBTIQ+ focus;
- Regularly contribute, or source material for use in, the Club's magazine "Cruise Control"; and
- Support the activities and endeavours of all members of the Club and Committee.

# Attachment B – Constitution

[Click for Constitution of Motafrenz Car Club Incorporated](#)

# Attachment C – Associations Incorporated Reform Act 2012

[Click for the Associations Incorporated Reforms Act 2012](#)

# Attachment D – Privacy Policy

[Click for the Privacy Policy](#)

# Attachment E – Volunteer Agreement - 2021

[Click for the Volunteer Agreement - 2021](#)

# Attachment F – Code of Conduct - 2018

[Click for the Code of Conduct - 2018](#)

# Attachment G – Life Member Policy - 2021

[Click for the Life Member - 2021](#)

# Attachment H – Member of the Year Policy - 2021

[Click for the Member of the Year Policy - 2021](#)