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## **CODE STATEMENT**

Upper Lachlan Shire Council recognises the important role of volunteers in the functioning of community committees. Council has two distinct types of Section 355 Committees, being:

- a) Operating Committees - responsible for exercising a function of Council, for example, managing a facility such as a community hall;
- b) Advisory Committees - responsible for providing advice and/or recommendations to Council in relation to its policies and practices.

This document outlines the applicable Code of Meeting Practice to be utilised by both of these types of Community Committees.

For many years Council's Section 355 Committees have continued to devotedly undertake numerous tasks associated with the management of Council's community facilities and in the case of the Advisory Committees provide Council with recommendations relating to development of policy and the provision of facilities and resources for the community.

Since the Local Government Act was revised in 1993, a considerable number of legislative changes in the running of committees have taken place. To reflect these changes and to ensure all the responsibilities and duties of the committees are fully explained Council produced a Code of Meeting Practice for Section 355 Committees.

The purpose of the Code of Meeting Practice for Section 355 Committees is to provide a guide and support the efforts of Council's volunteers by suggesting ways for committees to work effectively together and explain some common procedures, which will facilitate better coordination between Councillors, Council Staff and Committees.

Although the Code of Meeting Practice for Section 355 Committees has been designed to address broad areas of concern expressed by Committees, there will undoubtedly be times when the answers cannot be found.

Council staff members are always available to assist the Committees and or individual Committee Members.

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## **SECTION 1 – INTRODUCTION**

### **1.1 APPLICABILITY OF CODE OF PRACTICE**

This Code applies to all advisory committees and committees established to manage Council facilities, and supersedes all former Codes.

The provisions of this Code should be read in conjunction with individual Committees Terms of Reference and the Council Section 355 Committee Policy.

Where the provisions of the Code are inconsistent with the provisions of a Committee's Terms of Reference, the later shall prevail.

## **SECTION 2 – COUNCIL'S POWERS TO FORM COMMITTEES**

### **2.1 DELEGATION OF FUNCTIONS**

The Local Government Act, 1993, empowers Council to carry out some of its functions in a variety of ways. Council may use this power to establish a committee to which it appoints community members to manage a facility or provide advice on an aspect of Council's operations.

### **2.2 WHY DOES COUNCIL ESTABLISH SUCH COMMITTEES?**

In many cases committees comprising members of the local community are in the best position to operate facilities or provide advice because those members are attuned to the needs of that community and are therefore in the best position to translate those needs into actions.

### **2.3 HOW ARE THESE COMMITTEES ESTABLISHED?**

Committees are established under the provisions of Section 355, with delegations from Council under the provisions of Section 377 of the Local Government Act, 1993. Section 355 allows Council to exercise functions and Section 377 allows Council to delegate certain of those functions. The two Sections of the Act are reproduced in **Appendix 1a**.

## **SECTION 3 – SCOPE OF COMMITTEE ACTIVITIES**

### **3.1 RESPONSIBILITIES**

There are two types of Section 355 Committees:

- Those which operate a Council facility; and
- Those that provide advice to Council.

*(If you are a Committee that operates a Council facility, read on. If not, skip to 3.6)*

### **3.2 CARE, CONTROL AND MANAGEMENT**

For the Committee to achieve effective care, control and management there are certain responsibilities that need to be undertaken.

**Care** includes:

- Maintaining the facility and protecting the physical asset from damage, misuse and deterioration.
- Advising Council of any potential insurance risks that may arise in regard to buildings and users.
- Attaining sufficient funds to maintain the facility as a “going concern”.
- Ensuring sufficient and equitable access to the facility by the community.

**Control** includes:

- Holding regular meetings with recorded minutes.
- Monitoring and maintaining financial records.
- Submitting financial records for an annual audit.
- Recommending hiring fee structures for determination by Council.
- Administering and overseeing the use of the facility by other groups.
- Clearly defining the role of office bearers and committee members.
- Submitting office bearers’ names and an audited financial report to Council following the Annual General meeting.

**Management** includes:

- Ensuring all monies received will be used for the benefit of the facility in an equitable, honest and consistent manner.
- Ensuring that the organisation is not used for the financial gain of individual members.
- Being aware of, and involved in, appropriate community activities that are compatible with the goals of the facility.
- Developing and updating long term plans.
- Recommending policies and procedures that contribute toward the effective management of the facility.
- Being accountable to the community and the Council for the Committee's actions and initiatives in respect to the facility.

### **3.3 LIMITATION OF POWERS**

The Committee may not make decisions concerning the following:

- a) Fixing of charges or fees - with the exception that the Committee may fix charges or fees if delegated by Council in the appropriate Plan of Management for the individual facility.

- b) Borrowing of any monies without the express written consent of Council on each such occasion.
- c) The sale, lease or surrender of any land or other property vested in its care under the provisions of Local Government Act 1993, (as amended).
- d) The acceptance of tenders, which are required to be called by Council. (The committee may invite and accept quotations for minor works, goods and services covered within the scope of its authority or as agreed with Council).
- e) Appointment of persons or contractors to carry out works on the facility.
- f) The payment or making of any profit, gain or gift, to or by its members as well as allowance or travelling expenses incurred whilst attending committee meetings.

*(Travelling expenses incurred by members in the course of extraordinary duties, e.g. open hall, deliver key, respond to complaints and alarms, will be excluded from this condition).*

- g) The carrying out of any works on or to the facility including alterations, reconstructions or construction without the prior consent of Council and/or authorisation by Council Management. (Does not include minor maintenance works).
- h) Unreasonably withholding consent for the letting of the facility to any organisation that agrees to comply with and adhere to the rules adopted for use of the facility, providing an acceptable letting period is available.
- i) Vote monies for expenditure on the works, services or operations of Council.

The exercise by the Committee of its powers and functions will be subject to such limitations and conditions as may from time to time be imposed by law, specified by resolution of the Council or in writing by the General Manager to the Committee.

The Committee will observe any Rules and Regulations made by the Council, in relation to the facility.

If at any time the Committee is deemed to be functioning outside the limits of its powers as described herein, all powers may be revoked by written notice to the Committee signed by the General Manager.

### **3.4 FACILITY USAGE**

#### **3.4.1 Conditions of Use**

It is up to the committee to set conditions of use, e.g. noise level, age and hours restrictions. A copy of Conditions of Use should be signed by everyone booking the facility, acknowledging their responsibility for individual complaints/damage etc.

The Committee is required to:

- a) Submit to Council a draft set of rules for bookings and use of the facility and to ensure compliance with those rules in the form adopted by the Council.
- b) To collect and account for charges for the use of the facility in accordance with the schedule of fees and charges approved by Council.
- c) To maintain and keep a suitable bookings register in which to record dates and charges for activities and engagements, receipt numbers, names and addresses of the persons or organisations engaging the facility, and the purposes of such engagement.

#### **3.4.2 Setting Fees**

The Committee should review its fee structure annually to ensure that the fee level is adequate to cover costs but still accessible to low income earners. Any proposed changes in fee structure must be submitted to Council by 31 December for adoption the following June.

### **3.5 ACCOUNTABILITY**

The Committee is primarily accountable to the Council but also to the groups that use the facility it has been appointed to manage and to the community in general.

Some suggestions to ensure the committee is open and accountable are:

- a) ensure that meetings are well advertised and accessible with prepared reports available for distribution;
- b) present reports at committee meetings, e.g. president, treasurer, etc;
- c) let people (e.g. user groups) know the time and dates of meetings;
- d) display information on the way the facility is managed and who is on the committee;

- e) develop a simple system that allows comments, suggestions and feedback to be passed onto the committee from user groups and the community;
- f) make sure that the facility is accessible to anyone who may want to use it, e.g. people with different sorts of disabilities, people from non-English-speaking-background.

### **3.6 CODE OF CONDUCT**

Council has adopted a Code of Conduct that is applicable to both elected Councillors and employed staff. This Code of Conduct sets out the principles to ensure the business of Council is carried out in an efficient, honest and impartial way.

It is essential that committees be aware of and abide by the adopted Code of Conduct.

### **3.7 RIGHT TO DISMISS /TERMINATE /DISOLVE COMMITTEE**

Council has the right to dismiss/terminate the Committee under the following circumstances:

- the function ends;
- the facility changes use;
- fraud;
- the Committee becomes dysfunctional;
- with the election of a new Council.

## **SECTION 4 – OPERATION OF COMMITTEE**

### **4.1 APPOINTMENT**

To hold office and be responsible for the management of the facility or the provision of advice, all committee members must be appointed by Council. All nominations for membership of the Committee are to be formally submitted in writing to Council for appointment.

### **4.2 COMMITTEE MEMBERSHIP**

Becoming a member of a Section 355 committee can at first seem very confusing and the responsibilities and roles somewhat overwhelming. It is important to provide any new members with the information they need to begin to understand the basics of the committee. This can be prepared in an 'orientation kit' and given to any new members. (See **Appendix 4a** for suggestions as to what items to include in an 'orientation kit').

### 4.3 VACATION OF OFFICE

The office of any member or office bearer of the Committee will become vacant in the following circumstances:

- a) upon the death of the member; or
- b) if the member becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit; or
- c) if the member becomes a mentally incapacitated person; or
- d) if the member resigns membership by notice in writing to the Committee; or
- e) if the member is absent for more than three consecutive meetings without leave of the Committee; or
- f) if the member ceases to be a member of the organisation which he/she represents, (representatives of organisations will be given preference) unless the committee otherwise resolves; or
- g) while serving a sentence (whether or not by way of periodic detention) for a felony or any other offence, except a sentence imposed for a failure to pay a fine.

### 4.4 REPRESENTATION ON COMMITTEE

In relation to committees, which are appointed to operate a Council facility, membership reflects the community organisations, which use the facility, and is open to representatives of user groups and interested community members. In relation to committees, which are appointed to provide advice to Council, representation reflects the particular aspect of Council's operations on which the advice is being provided.

Any alteration to representation is at the discretion of the Council.

### 4.5 COMMITTEE POSITIONS

Committees consist of office bearers (also known as the Executive) and other committee members. In the case of Committees operating Council facilities, the committee elects at its first meeting and thereafter at each Annual General Meeting, office bearers. Particulars of all appointments, e.g. committee position, name, address, contact number and the user group represented, **must be notified in writing to Council** as soon as possible after appointment is made.

Committee members need to have a certain degree of commitment to their role as committee members. One of the advantages of community committees is that the workload can be shared between the different committee members.

It is important each member understands this role and what the community expects.

#### **4.5.1 Office Bearers/Executive**

Office bearers do not have greater decision-making powers than other committee members. Whilst office bearers usually have defined roles, each committee member plays an important part in the functioning of the committee.

Traditional roles include:

- **Ex-Officio Chairperson**

The Mayor is to remain ex-officio Chairperson of each committee. In the capacity as Chairperson of a meeting the Mayor shall have an ordinary and a casting vote.

- **Chairperson**

The Chairperson is usually the spokesperson for the organisation and therefore needs to be certain that the organisation is running smoothly and achieving its aims and objectives.

- **Secretary**

The Secretary is often the key contact point for the organisation, that is, for correspondence, phone messages, etc. and is required to record the 'minutes' for each meeting.

- **Treasurer** (in the case of committees operating Council facilities)

The Treasurer is responsible for looking after the committee's financial business records and is required to present a report of all receipts, payments and other transactions to each committee meeting.

***Note: For a full description of the responsibilities for each position please refer to Appendices 4b-4e.***

#### **4.5.2 Committee Members**

Committee members have an important role to play both at meetings and in the general running of the committee. In respect of committees managing

Council facilities they are the link between the committee, user groups and the community, providing feedback on activities through the active participation in discussions, decision-making and/or delegated tasks. In respect of committees providing advice to Council, members represent particular groups within the community with their contribution aimed at representing the views of those groups.

#### **4.5.3 Ex-Officio**

Ex-officio members are on the committee by virtue of the office they hold, e.g. representing the Council, Government body, etc. and have full voting rights

#### **4.5.4 Staff**

Council staff who are appointed to fulfil an advisory role, can provide support and resources to assist committees. Unless specified they have no voting rights.

#### **4.5.5 Mayor**

The Mayor when he attends a meeting of a committee may assume the Chair. In the capacity as Chairperson of a meeting the Mayor shall have an ordinary and a casting vote.

### **4.6 MEETING PROCEDURES**

Meetings are generally conducted to standard guidelines that are detailed in the following section and include:

- a) that a quorum be present;
- b) that appropriate notice is given;
- c) that business on the agenda is properly conducted;
- d) that correspondence and minutes are recorded.

#### **4.6.1 A Quorum**

This refers to the minimum number of members who must be in attendance to transact business.

A quorum will consist of **half of the total number of elected members plus one**, i.e. if the number of members is 13, a quorum would be 7.

If a quorum is not present within half an hour after the appointed starting time, the meeting will be adjourned to a time fixed by the chairperson; or those present can hold an informal meeting to discuss matters. However, any decisions taken by the committee are not recognised until they have been ratified by a meeting where a quorum is present.

#### **4.6.2 Agenda**

The agenda is an organised list of headings of all the major items, in order, that will be discussed at the meeting. A copy of the agenda is distributed to all the committee members at the commencement of the meeting, or before if it is possible. Late matters can be added to the agenda at the opening of the meeting as the chairperson calls for discussion on the agenda. **Appendix 4f** details the standard format for an agenda.

Each item of business to be discussed at the meeting needs to be put on the agenda. Unfinished business and reports on actions taken since previous meetings are included in the agenda under 'Business Arising from Previous Minutes'. If any items on the agenda are not discussed due to limitations of time, they are carried over to the next meeting agenda.

#### **4.6.3 Conduct of Business**

Each item of business is discussed in the order in which it appears on the agenda. Allow adequate time for discussion on important issues. Ensure all relevant information on the matter under discussion is available at the meeting.

#### **4.6.4 Correspondence**

A list of correspondence received (**Inwards**) is presented at the Committee meeting by the Secretary. This action is to inform members of any new issues that may have arisen and to report on letters received in response to matters raised at previous meetings. A list of correspondence sent (**Outwards**) is provided to inform the members of any action taken on their behalf. All correspondence will be suitably filed together for future reference. For details outlining the standard format for correspondence, please refer to **Appendix 4g**.

#### **4.6.5 Minutes**

At each meeting the Secretary is responsible for recording and writing up the "minutes of meeting". These minutes are the official record of proceedings of the Committee's meeting and must be maintained. The minutes must be forwarded to Council within 10 working days after every meeting. For guidelines for recording minutes refer to **Appendix 4h**.

#### **4.7 MOTIONS & AMENDMENTS**

A motion is a statement of action about the issue under discussion. Motions are put forward or "moved" and "seconded" by members. After a motion is put before the meeting, the Chair may accept amendments to the motion. The motion and any amendments together with the movers and seconders must be recorded in the minutes. There is no need to record who voted for/against

unless requested. The standard format for motions and amendments is outlined in **Appendix 4i**.

#### **4.7.1 Special Motions**

In formal meetings all business is put forward as a motion. Many organisations have rules for the presentation of those motions which involve serious policy or executive decisions, e.g. constitutional/rule changes, winding up of the organisation, etc.

Such motions must be circulated to members in a specific form and with due notice before the meeting at which they are to be discussed. They must also be placed on the agenda. In moving a 'notice of motion' the "mover" states, (usually in General Business), his/her intention to move a particular motion at the next meeting.

Motions on notice take priority over General Business at the meeting.

### **4.8 COMMITTEE MEETINGS**

All committee meetings must be held in open session, i.e. open to members of the public to attend. Any person, other than a committee member, who attends a meeting has no voting rights and may not take part in the debate unless invited to do so by the committee.

The Committee shall decide the date and time of such meetings.

Often committee members ask why decisions have to be made in a meeting when it may seem simpler and much quicker for one member, say the Chairperson to make all the decisions and then tell people what jobs they are required to do. Most decisions need to be made in meetings because it is the entire committee that is responsible for the facility. The advantages/disadvantages of group meetings have been outlined in **Appendix 4j**.

#### **4.8.1 Notice of Meetings**

Meetings may be convened either by the Committee, its Chairperson, or by Council. Notice of all meetings must be given by the Secretary of the Committee and the following notice (excluding public holidays and weekends) must be given to committee members before each meeting:

- a) Ordinary/General Meetings - notified in the minutes which are prepared and distributed to members before the next meeting giving at least **7 full days** notice.
- b) Special/Extra-Ordinary Meetings – **3 full days** notice in writing or by telephone to all members.

- c) Annual General Meeting (in the case of committees operating Council facilities) – **14 full days** notice in writing to members plus notice of the Annual General Meeting must be placed in the Public Notices column of a local newspaper inviting interested members of the public to attend.

#### **4.8.2 Ordinary/General Meetings**

Ordinary/General Meetings are held at the time and place agreed to by the committee. These meetings are to discuss the everyday management and operations of the organisation. To be an official meeting there must be a quorum (the minimum number required) present. However if there is no quorum the members can nominate to conduct business with the provision that any decisions or agreements are ratified at an official meeting.

#### **4.8.3 Special/Extraordinary Meetings**

Special/extraordinary meetings are called when there is an issue that needs to be discussed and decided upon before the next general/ordinary meeting. All members must be notified in writing, stating the purpose, time and place of the meeting, giving **three working days** notice and a quorum must be present.

#### **4.8.4 Confidential Meetings**

Under certain circumstances confidential committee meetings can be held. Advice should be sought from Council before scheduling a confidential meeting.

Committee members do not have "parliamentary privilege" in respect of statements made during meetings. Members should take care to ensure they do not make statements that could lead to legal action being taken against themselves or the committee.

#### **4.8.5 Annual General Meetings (AGM)** **(IN THE CASE OF COMMITTEES OPERATING COUNCIL FACILITIES)**

An Annual General meeting (AGM) is to be held as soon as possible after the end of the financial year and the following business must be conducted:

- a) Confirmation of the minutes of the last Annual General Meeting.
- b) Presentation of the Annual Report on activities in the last year.
- c) Receipt of an audited financial statement of income and expenditure of the last year, giving a true and fair view of the activities.
- d) Election of Office Bearers, i.e. Chairperson, Secretary, etc. for coming year.

- e) Acceptance of nominations from user groups/community members.
- f) Consider recommendations "carried" by way of motion from the floor.

An example of an Agenda for the AGM is included as **Appendix 4k**. Prior to this meeting, the committee nominates an independent person to be returning officer to conduct the election of officers.

#### **4.9 ANNUAL REPORT** **(IN THE CASE OF COMMITTEES OPERATING COUNCIL FACILITIES)**

This report outlines the activities of the organisation and provides information on the services that were provided in the last year. This report is presented at the Annual General Meeting (AGM) before the current committee stands down. A copy must be submitted to Council.

#### **4.10 ELECTION OF COMMITTEE** **(IN THE CASE OF COMMITTEES OPERATING COUNCIL FACILITIES)**

At the AGM all members of the committee stand down and their positions are declared vacant. The Returning Officer takes the chair and calls for nominations for the positions of office bearers (also known as the Executive) and committee members.

##### **4.10.1 Procedures for election**

Nominations can be accepted in two ways:

- in writing, duly seconded, and signed by nominee, prior to the AGM; or
- verbally from the floor to the Returning Officer.

If two or more persons are nominated for a single position a vote must be taken. Persons nominated for election are entitled to vote for themselves. If a tied ballot occurs, the name of each candidate is written on a separate, identical piece of paper and a draw 'from the hat' by the Returning Officer (or an impartial observer), takes place. The first name drawn is the elected member.

A list of duly elected office bearers/executive and committee members must be recorded together with the names of nominators and seconders. Minutes of the AGM with the list of duly elected committee members must be sent to Council for approval.

## 4.11 VOTING

Voting allows members to express their agreement or disagreement. Voting can be conducted in one of three ways.

a) *Vote verbally*

The Chairperson asks people to say 'for' or 'against' and then decides which group is the largest.

b) *Vote by show of hands*

The Chairperson asks people in favour of a decision to raise their hands, firstly those in favour, counts hands and announces the total, and does the same for those against.

c) *Vote by secret ballot*

Members vote on paper and put into general pool, the secretary and a member not standing for any position, count the votes. (Requests by members for secret ballot cannot be denied).

For all motions, the committee needs to have an agreement concerning the way a vote will be decided, e.g. for the vote to be carried, you will need a simple majority (more than half); for changes to the Constitution, you will need two-thirds majority of those present.

## SECTION 5 – KEY ISSUES

*(If you are a committee, which operates a Council facility read on. If you are a Council advisory committee skip to 5.4)*

### 5.1 INSURANCE

#### 5.1.1 Property

This policy covers all Council buildings, property and those contents that belong to the Council or its Committees, against risks such as theft, fire and malicious damage. The policy covers the following areas:

a) **Buildings**

Coverage extends for fire as well as extraneous perils i.e. storm and tempest, rainwater, explosion, aircraft, riots and strikes, malicious damage, earthquake, water damage and impact.

**b) Theft**

Coverage extends for damage to buildings and contents contained therein and owned by Council, due to theft or any attempted threat.

**c) Glass**

Coverage of all internal or external glass (replacement).

**d) Contents**

Coverage for any contents owned by Council and/or the Committee and stored in the building. The Committee needs to note the following points:

- Equipment and other contents of users groups of each centre are not covered by Council's Insurance. (Refer Public Liability Insurance - Hall Hirers).
- Any losses or damage must be reported immediately to the Police and to Council. A written report must be completed when submitting any claim.
- The Committee should inform Council when it buys or is given any new items requiring insurance, which are valued over \$5,000. Items valued at less than this should simply be included in the yearly update.

**5.1.2 Public Liability Insurance**

All regular hirers of Council facilities (including incorporated bodies) are required to maintain their own public liability insurance cover and must provide the Committee with evidence of that cover, which indemnifies the Council against any claims.

All incorporated bodies using Council facilities are required to maintain their own public liability cover to at least the level required under the Articles of Incorporation. (That is, the amount set by the State Government as a requirement for incorporation of the particular body).

The Committee should keep a record of all the users of the facility.

### 5.1.3 Personal Accident Insurance

This cover applies to any member of a Section 355 Committee whilst engaged in an activity connected with or on behalf of the Council in their capacity as a Committee member.

### 5.1.4 Public Liability – Casual Hirer's Insurance

Council carries an insurance policy that covers casual hirers of Council facilities. For this purpose, a casual hirer is any person or group of people who hire a Council facility for non-commercial or non-profit making purposes, less than 12 times per calendar year.

The Committee should note that incorporated bodies, corporations, associations and sporting bodies are not covered by this policy and must carry their own public liability insurance.

The Committee should maintain a record of all casual hirers of the facility.

## 5.2 BUILDINGS

No structural work of any nature, or alteration of any building managed by the Committee, will be undertaken until the Council has first given all necessary statutory consents and approvals. The Council's Director of Environment & Planning is to be contacted in the first instance.

The committee does **not have the authority to change locks or keying systems** without contacting Council's Director of Environment & Planning.

Building maintenance will be Council's responsibility.

The Committee:

- a) Will be generally responsible to ensure that the asset is maintained to the satisfaction of Council and the Director of Environment & Planning. The facility and all associated equipment should be maintained in a proper and safe manner.
- b) Permit authorised Council officers to enter the premises or property at any reasonable hour for the purposes of carrying out inspections.
- c) Comply with the requirements of relevant Acts of Parliament and ancillary regulations, rules and by-laws and the requirements of relevant public authorities, including Council, and to meet all associated costs.

An annual inspection will be undertaken by Council's Director of Environment & Planning (or their representative).

## 5.3 PURCHASING

Under the Local Government Act, 1993 Council can assist committees by purchasing goods to be used in association with the Committee approved function.

As a general rule, Committees can save money by purchasing through Council when buying expensive items (i.e. Items greater than \$2,000), however Committees can obtain quotes from a range of sources. It is generally cheaper and more convenient for Committees to purchase smaller less expensive items direct.

### 5.3.1 Guidelines for purchasing goods through Council

- a) Work out the requirements and how much can be spent. Check out local retail outlets to assess exactly what is needed.
- b) Contact the relevant Council Officer (refer to Terms of Reference) to determine if the item is available on Government Contract and at what price.
- c) If the Committee wishes to place an order, it should submit a request to the relevant Council Officer to purchase goods/services on its behalf. The request needs to be signed by two office bearers of the Committee.
- d) To be eligible for reimbursement of GST all goods purchased must be for use by the Committee and ordered by Council on the official Order Form.
- e) Upon receipt of the goods at Council's Store, the Committee will be contacted to make arrangements for the delivery of goods. It is preferable that they are collected by the Committee, but if this creates difficulties, delivery can be arranged.
- f) **Payment of purchases will be arranged through Council.** Council will issue an Invoice for the goods to the Committee once the purchase takes place. Payment is made on this invoice **direct to Council**. Remember - no payments are to be directed to the supplier.

#### Important points to remember:

- All purchases in excess of \$500.00 must be noted in the assets register that is kept by the Committee.
- It is a condition of all purchases that all goods and services purchased through Council **are not for resale** to groups or individuals.

- In the event that the Committee is dissolved, all funds and other assets held by the Committee will, after payment of all expenses and liabilities, be handed to Council.
- Prices paid for items purchased through Council on Government contract should not be divulged to anyone outside of Council or your Committee. This specifically includes other suppliers, as confidentiality is the prime requisite of such purchases.
- If purchasing items for building any sort of structure (e.g. a pergola or sand pit) ensure that these comply with Council and other statutory regulations. It also may be necessary to obtain a building permit. If you are unclear about this please contact the Senior Health and Building Surveyor to discuss the matter.

#### **5.4 FINANCIAL RECORDS (IN THE CASE OF COMMITTEES OPERATING COUNCIL FACILITIES AND WHEN COUNCIL DOES NOT HOLD THE FINANCIAL RECORDS OF THE COMMITTEE)**

When the financial records are not maintained by Council, the Committee will **provide Council with an audited statement of financial affairs once yearly by 15 August, following the end of the financial year.** The annual financial statement shall accompany the Annual Report and represents an accurate account of the financial activities of the organisation, providing details of Income and Expenditure with a Balance Sheet for the subject year. The financial year is from 1st July to 30 June.

The audit statement is to be prepared by the Treasurer of each Committee.

The Financial Statement includes the following records that the committee must maintain and keep up to date:

- cash book;
- receipt book;
- bank deposit book;
- petty cash book;
- register of furniture, fittings and equipment;
- booking register;
- bank statements at end-of-year and ledger printouts where appropriate.

All Committees are also required to prepare estimates of income and expenditure for the next twelve (12) month period (July to June) and submit such estimates to Council by 31 December of the year preceding the year for which the estimates have been made. Such estimates will contain:

- a) an estimate of income from various sources for following year.

- b) a recommendation on the fees and charges to be made in the following year.

All Committees are required to keep complete and accurate records of all transactions by the Income Tax Assessment Act, and for:

**a) Legal Reasons**

Community Committees are given authority to operate by Council and are subject to the same rules and regulations. These rules are set out in the Local Government Act and the Local Government Regulations and Accounting Standards and Code that must be adhered to. Council must ensure that these documents are maintained and that access is available to community committees at all times.

**b) Public Accountability**

Community Committees are exactly what their name implies - they are there for the benefit of the community, and are made up of members of the community. Any funds they raise, receive or spend are subject to public scrutiny, the same as Council's funds. The term "public accountability" indicates a responsibility to ensure that Committee funds are used in the manner for which they were intended, and that a clear and full disclosure of the Committee's financial activities is available.

Committees can easily meet these requirements without any inconvenience. Council staff are always available to provide advice and guidance if needed.

**5.4.1 Basic Internal Control Techniques are:**

- a) That at least two people are required to sign all cheques. No cheques are to be pre-signed.
- b) Proper division of duties, i.e. no one person having too much control over funds.
- c) Books are written up regularly.
- d) Blank cheques never to be signed in advance.
- e) Cash Book balanced and reconciled to the bank statement regularly.
- f) Receipts are banked promptly, without deductions i.e. if receipts for the day total \$100.00 and a bill for \$25.00 arises during the day, do not simply bank \$75.00 - bank \$100.00 and write a cheque for \$25.00.

The basic idea of internal control is to ensure that no one person has complete control over the finances of an organisation, e.g. one person signing cheques as well as preparing the documentation supporting the cheque being signed, writing receipts for money coming in, being responsible for banking the money and writing up the books.

## 5.4.2 Accounting

The following conditions are required to be adopted by Committee:

- a) A cheque account will be opened at any branch of a recognised Bank, Credit Union or Building Society. Such accounts will be in the name of the Committee.
- b) All monies received by the Committee will be banked at least once each week.
- c) The Committee is authorised to draw on its account for such sums as it may require in the performance of its delegated function but under no circumstances will the account be overdrawn.
- d) A suitable cash book, receipt book, bank deposit book, petty cash and register of furniture and fittings in addition to the letting register referred to above will be maintained and kept up to date. All such records will be submitted to Council by 15 August of each year.
- e) Receipts, in the name of the Committee, will be issued for all charges and other monies received and duplicates of all receipts will be retained for audit.
- f) Payment will be made by crossed cheque and in every case evidence of the need for the payment will be obtained and attached to payment records.
- g) Petty cash, maintained on the imprest systems amount to \$100.00, may be kept to meet sundry expenses not exceeding \$50.00 for any one payment. (For anything more than \$50 a cheque should be drawn). Reimbursements of petty cash are to be effected by drawing a cheque in favour of petty cash. The amount of petty cash held at any one time, must not, under any circumstances, exceed \$100.00.
- h) Two signatories are to be required for all cheques or other financial documents. Usually, this would be the chairperson, secretary or treasurer.
- i) Apart from the minor disbursements from petty cash, which must be approved before the account is reimbursed, all expenditure must be authorised and approved by the Committee and such authority and approval will be recorded in the minutes setting out in detail the amount and purpose for such expenditure and to whom the amount it to be paid.
- j) All records and books will be made available for inspection whenever required by Council's auditor or any authorised officer of Council.

- k) The Committee will be entitled to spend all monies raised in the management of the facilities under their control, provided that all such monies together with the Committee on their operations, will be expended strictly in accordance with any conditions imposed by the Council and only upon the facility of the Council for which the Committee has been constituted.
- l) Upon dissolution of the organisation, all funds and other assets held by it, will, after payment of all expenses and liabilities, be handed to Council.
- m) All monies and other assets coming into the hands of the Committee or any member of the Committee in their capacity as such will be the property of the Council and will be deemed to be held by the Committee on behalf of Council. The Committee may not hold land and buildings in its name, all such property will be held in the name of Upper Lachlan Shire Council.
- n) Any surplus funds from time to time held by the Committee may be invested in the Committee's name only in those forms of investment authorised by the Local Government Act. Namely, a deposit or bill of exchange with financial institutions as detailed in the Trustees Act from time to time. (refer to Council's Finance and Administration Department).
- o) No monies are to be disbursed as a donation to any member of the public, except in accordance with Council's Grants Program or as provided by the Committee's Terms of Reference.

## 5.5 LEGAL ISSUES

From a legal perspective it is important for the Committee to be aware that it is, in fact, acting on Council's behalf. Legally, the Committee is 'Council' and any action which the Committee undertakes is Council's responsibility. In this regard committees must operate within the parameters set by relevant legislation and Council's policies.

Committees sometimes believe they are responsible in their own right and that their actions are independent of Council. This is not the situation. Council delegates its authority to the Committee to act on Council's behalf and Council can withdraw this delegation if it deemed it to be necessary.

### 5.5.1 Committee Records

Most of the records of the Committee, e.g. minutes of meetings, financial reports, etc, should be kept for at least seven years. After this time they should be given to the Council to be archived.

The Committee needs to be aware of the importance of minutes, because of their legal status and their liability to subpoena in court cases.

The Chairperson is required to sign the minutes of a meeting as the true record of proceedings of the meeting. The minutes must record all motions and amendments put to the meeting, and the results. There is no need to record what members said at the meeting, but there may be occasions when it is appropriate to record the thrust of the debate.

The Chairperson and the Secretary are responsible for the form of the minutes for proper confirmation, and must check that there have been no unauthorised alterations to those minutes. The Chairperson signs the minutes after they have been confirmed by the appropriate meeting, (usually the next Committee meeting). The signing must not take place until the motion for confirmation has been completed. The motion to confirm the minutes can only be moved and seconded by a person in attendance at that meeting to which the minutes relate.

### **5.5.2 Pecuniary Interest**

Chapter 14 of the Local Government Act 1993 includes a framework for the handling of alleged breaches of the pecuniary interest provisions of the Act. Full details are included as **Appendix 5a**.

The Act is about openness, accountability and transparency in decision-making by Councils. A Pecuniary Interest is one of financial benefit.

It is the responsibility of members of the Committees (who are not Councillors or designated persons)

- To disclose to the meeting any pecuniary interest in a matter before the meeting;
- Not to participate in the discussion of the matter before the Committee in which the member has a pecuniary interest;
- Not to vote on the matter before the Committee meeting in which the member has a pecuniary interest.

A pecuniary interest does not exist where the interest is so remote or insignificant that it could reasonably be regarded as unlikely to influence any decision. The obligation to disclose is a strict duty, and the person's motives for participation are irrelevant if an interest is said to exist.

### **5.5.3 Declaration of Interests**

To protect individual members as well as the whole organisation, all Committee members should declare their interests in advance. If a potential conflict arises, it should be declared as soon as possible. Where some financial, political or personal benefit is potentially involved, Committee members should do one of the following:

- a) State their involvement in another organisation or business etc, and the committee should be aware of this.

- b) State their involvement and ask that they not take part in discussion or decisions about the issues where there could be conflict.
- c) State their other involvements and ask that the group determine whether they stay involved, or how they can participate without compromise.
- d) State their involvement and that they believe they should resign from the committee because of this conflict.

#### **5.5.4 Conflict of Interest**

A conflict of interest can arise when a member of the Committee has other involvements or interests that make it difficult for them to always remain impartial when involved in discussions and decision-makings. These can include:

- business or professional activities;
- employment or accountability to other people or organisations;
- membership of other community organisations or service providers;
- ownership of property or other assets.

The conflict may lead to:

- financial benefit e.g. sale of goods or privileged knowledge;
- political benefit e.g. gaining or losing electoral support;
- personal benefit e.g. career advancement or increased standing in the community.

### **5.6 HEALTH & SAFETY ISSUES**

#### **5.6.1 Health**

Council has adopted the following policy related to smoking in the workplace:

##### **Smoke Free Work Environment**

Smoking is prohibited in all Council buildings, structures and vehicles; this includes:

- All enclosed areas in general use.
- All lobbies, foyers and corridors.
- All offices, depots and workshops.
- Common rooms, tea rooms and staff rooms.
- All vehicles, plant etc.
- Amenities buildings and toilets.
- Both the Crookwell and Gunning swimming pool buildings and enclosures.
- All playgrounds and sports grounds.
- All al fresco dining areas on Council lands.

In addition, smoking is banned near air intakes, external doors in regular use and windows regularly opened.

The Committee should ensure that this policy is adhered to.

### **5.6.2 Work Health & Safety**

Where a Committee organises a working bee or any event using volunteers, a list containing the names of those persons must be provided to Council to ensure that they are covered under Council's Volunteers Insurance Policy.

### **5.6.3 Risk Assessment**

Where a Committee proposes to undertake any work or activity it must contact the relevant Council Officer to determine if a risk assessment is required.

## **SECTION 6 - RELEVANT LEGISLATION AND COUNCIL POLICIES**

The following legislation and Council policies that are relevant to this Policy include:

- Local Government Act, 1993;
- Local Government (General) Regulations 2005;
- Local Government Amendment (Community Land Management) Act 1998;
- Privacy and Personal Information Protection Act 1998;
- State Records Act 1998;
- Environmental Planning and Assessment (EPA) Act 1979;
- Public Interest Disclosures Act 1994;
- Independent Commission Against Corruption Act 1998;
- Anti Discrimination Act 1977;
- Government Information (Public Access) Act 2009;
- Code of Conduct Policy and Procedure;
- Code of Business Practice;
- Statement of Ethical Principles;
- Code of Meeting Practice;
- Payment of Expenses and Provision of Facilities Policy;
- Government Information (Public Access) Policy;
- Purchasing and Acquisition of Good Policy and Procedures;
- Complaints Management Policy;
- Harassment Policy;
- Fraud and Corruption Prevention Policy;
- Interaction between Councillors and Staff Policy;
- Privacy Policy;
- Public Interest Disclosures Policy;
- Section 355 Committee Policy;
- Service Delivery Policy;
- Volunteers Policy;

- NSW Ombudsman - Good Conduct and Administrative Practice (Guidelines for State and Local Government) June 2006 and;
- ICAC publication “No Excuse for Misuse, preventing the misuse of council resources”.
- Any other relevant legislation and guidelines as applicable.

**VARIATION:**

Council reserves the right to vary or revoke this policy.

## **Appendices**

### **SECTION 1**

- 1A LEGISLATION RELATING TO DELEGATIONS

### **SECTION 4**

- 4A ITEMS FOR AN ORIENTATION KIT FOR COMMITTEES
- 4B RESPONSIBILITIES OF CHAIRPERSON
- 4C RESPONSIBILITIES OF SECRETARY
- 4D RESPONSIBILITIES OF TREASURER
- 4E RESPONSIBILITIES OF COMMITTEE MEMBERS
- 4F STANDARD FORMAT - AGENDA FOR ORDINARY MEETING
- 4G STANDARD FORMAT - CORRESPONDENCE
- 4H STANDARD FORMAT - TAKING GOOD MINUTES
- 4I PROCEDURE FOR MOTIONS/AMENDMENTS
- 4J ADVANTAGES OF REGULAR OF MEETINGS
- 4K STANDARD FORMAT - AGENDA FOR ANNUAL GENERAL MEETING

### **SECTION 5**

- 5A LEGISLATION RE PECUNIARY INTEREST

## GLOSSARY OF TERMS

### Appendix 1A

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#### 1A Legislation Relating to the Delegations of Community Committees

##### *Extract from Local Government Act 1993:*

##### *Part 1 – General*

##### *(s355) How does Council exercise its functions?*

- 355 A function of a Council may, subject to this Chapter, be exercised -
- a) by the Council by means of the Councillors or employees, by its agents or contractors, by financial provision, by the provision of goods, equipment, services, amenities or facilities or by any other means; or
  - b) by a committee of the Council; or
  - c) partly or jointly by the Council and another person or persons; or
  - d) jointly by the Council and another Council or Councils (including by means of a Voluntary Regional Organisation of Councils of which the Councils concerned are members); or
  - e) by a delegate of the Council (which may, for example, be a Voluntary Regional Organisation of Councils of which the Council is a member).

##### *Part 3 - Delegation of Functions*

##### *(s377) General power of the Council to delegate*

- 377 A Council may, by resolution, delegate to the General Manager or any other person or body (not including another employee of the Council) any of the functions of the Council, other than the following:
- a) the appointment of a General Manager,
  - b) the making of a rate,
  - c) a determination under section 549 as to the levying of a rate,
  - d) the making of a charge,
  - e) the fixing of a fee,
  - f) the borrowing of money,
  - g) the voting of money for expenditure on its works, services or operations
  - h) the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment),
  - i) the acceptance of tenders which are required under this Act to be invited by Council;
  - j) the adoption of an operational plan under section 405,

- k) the adoption of a financial statement included in an annual financial report,
- l) a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6,
- m) the fixing of an amount or rate for the carrying out by the Council of work on private land,
- n) the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the Council for the carrying out of any such work,
- o) the review of a determination made by the Council, and not by a delegate of the Council, of an application for approval or an application that may be reviewed under section 82A of the Environmental Planning and Assessment Act 1979,
- p) the power of the Council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194,
- q) a decision under section 356 to contribute money or otherwise grant financial assistance to persons,
- r) a decision under section 234 to grant leave of absence to the holder of a civic office,
- s) the making of an application, or the giving of a notice, to the Governor or Minister,
- t) this power of delegation,
- u) any function under this or any other Act that is expressly required to be exercised by resolution of the Council.

If you need clarification of any of the matters above please contact Council direct.

## **Appendix 4A**

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### **4A Information to Include in an Orientation Kit for Committee Members**

What information to include?

Think back to when you first joined the committee.

What information was of use to you?

What did they tell you? What did they not tell you?

#### **Some ideas to consider**

- Give some time to new committee members to explain how the committee operates, its role and function.
- Let them know about committee meetings, when and where the meetings are, how long they run for, and how the committee makes decisions.
- Show them any policies and procedures that have been established.
- Explain the jargon terms that are now familiar to you.
- Provide new or potential members with copies of relevant information including:
  - ü Annual Report;
  - ü recent minutes;
  - ü other policies the group has developed;
  - ü a copy of the Code of Practice;
  - ü names and contact numbers of other members.
- Let people know if there is any training about committees available.
- Allow new members time to adjust to being a committee member.

## Appendix 4B

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### 4B Responsibilities of the Chairperson

The Chairperson generally has the following specific duties that make up the major part of their responsibility:

a) Before a meeting

- Prepares the agenda (in consultation with the Secretary or members or can delegate this role to the Secretary), setting out the items of business to be considered.
- Ensures meeting is properly convened in accordance with the organisation's rules i.e. proper notice of a meeting is given and a quorum is present.

b) During the meeting

- Chairs all meetings, opens meeting, welcomes and introduces members and guests, subject to the right of the Mayor at his/her discretion to take the chair at any meeting he/she attends.
- Keeps individuals and the meeting focused on the topics being discussed and encourages all members to participate, ensuring adequate opportunity is given to members who wish to speak.
- Ensures correct meeting procedures are followed and control of the meeting is maintained, keeping track of time (or delegates someone to do this).
- Makes sure members are aware of decisions being made and that the minute taker has recorded decisions of the meeting.
- Acts impartially and uses discretionary powers in the best interests of members and in accordance with the agreed standing orders i.e. method of conducting meetings, and ensures all statutory regulations and organisation's rules are observed.
- Ensures that the meeting proceeds as per agreed timeframes.
- Closes meeting after business at hand has been properly concluded.

The Chairperson needs to be aware of certain issues and procedures and the importance of establishing and maintaining a working relationship with Council, particularly in regards to Government funding, the Council budget, Council and community involvement and requirements.

The Chairperson is responsible for providing assistance to all members of the management committee and ensuring that they fulfil their respective roles.

The Chairperson is the 'spokesperson' for the organisation and is the one to communicate with government departments and other relevant bodies.

## **Appendix 4C**

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### **4C Responsibilities of the Secretary**

The organisation's secretary usually carries a great deal of responsibility.

a) Before a meeting

- draws up the agenda, (in consultation with the Chairperson);
- makes copies of the agenda if required.

b) During the meeting

- takes minutes;
- reads minutes of previous meeting if necessary;
- provides a list of correspondence in order and summarises any important points;
- records any motions and/or decisions of the meeting including, mover and seconder.

c) After the meeting

- types the minutes and distributes to committee members as soon as possible;
- ensures that accurate minutes are kept in the Minute Book;
- writes any letters as decided (this can be a shared role with another committee member);
- Maintains matters in progress register.

d) Outside of meetings

- keeps a register of correspondence that has come in and gone out and file copies of all letters written;
- in between meetings informs other committee members of any correspondence requiring urgent attention.

## Appendix 4D

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### 4D Responsibilities and Guidelines for the Treasurer

To establish an effective financial system, Committees will need to maintain the following books and forms:

- 1 Cheque Book,
- 2 Petty Cash Book and vouchers,
- 3 Expenditure documentation,
- 4 Receipt Books,
- 5 Cash Book,
- 6 Bank Deposit Book,
- 7 Assets register (a list of equipment purchased by the committee).

#### 1) Cheque Book

The Cheque book should normally be held by the treasurer and must only be drawn upon with the joint signatures of two of the executive.

All payments on behalf of the Committee for amounts in excess of \$50.00 will be made by cheque that will be crossed and marked "Not negotiable".

All cheques drawn will have some form of supporting documentation.

All cheques drawn will be authorised by the Community Committee.

All payment must be entered in the Cash Book under the appropriate cost heading.

#### 2) Petty Cash

Petty Cash is used for minor cash purchases where a cheque payment is impractical.

The petty cash float will be a maximum of \$100.00 and any one purchase to a maximum of \$50.00.

Members claim petty cash when they have purchased something on behalf of the committee, e.g. milk, postage. This money is reimbursed from the petty cash float. Claims for petty cash are made through a petty cash voucher that must be accompanied by the item's receipt.

The Petty Cash float (to enable postage, purchases of stationary etc) is normally held and maintained by the secretary or another nominated committee member, (except the Treasurer). Details of payments and re-imburements are recorded in a petty cash book using the 'Imprest System'.

#### The 'Imprest System':

- a) begin with a float of \$100.00.
- b) make payments out of this float.
- c) wait until float is substantially reduced (under \$20.00).
- d) total up value of vouchers (this should be the difference between cash in hand and the \$100.00 float).
- e) claim for re-imburement for the amount of the vouchers, (this will bring the float back up to \$100.00).

Only one person should be responsible for petty cash and access to the float is to be restricted. The petty cash book should be checked (audited) regularly by the Treasurer who includes summary details in the organisation's cash payment book and financial report.

### 3) Expenditure Documentation

All payments should have supporting documentation, preferably an Invoice. These should be kept in payment order and noted with the cheque number and date of payment for easy reference and to prevent double payment. Where documentation is not available, a notation should be provided detailing the payment and explaining why documentation is not provided.

### 4) Receipt Books

All receipt books must bear the Committee's name (a stamp will do), have a fixed duplicate copy and be numbered. A receipt must be issued for every payment received and monies should be banked regularly. The receipt of cash is an area where strict control is required. The safest method is to have only a limited number of approved people who have the responsibility for receiving funds, issuing receipts and banking monies.

Keep a record of receipt books detailing the number and location (i.e. in use or not). Record receipt number in the Cash Book and on the Deposit form retained by you. Never give change for a cheque payment.

Avoid altering amounts on receipts. If it is necessary to alter a receipt, cross through the incorrect entry and insert the correct amount. Initial all alterations. It is more acceptable to cancel a receipt and retain both the original and duplicate in the book, than to alter a receipt.

### 5) Cash Book

This book is sometimes called the Journal or Ledger. The Cashbook is the organisation's record of what money is received and spent, the

transactions (both incoming and outgoing) that have occurred, and how much cash is on hand at any one time.

A twelve (12) or eighteen (18) column cashbook gives most committees enough room for details. It is essential to have receipts and payment on separate pages or in some cases, separate section of the cashbook. Across the page the columns are headed to allow the date, receipt or cheque number, cost or income allocation and totals.

Have appropriate and sufficient cost or income headings for frequent transactions, try not to have too many items under sundries or miscellaneous - it makes things difficult when preparing end of year figures.

Update the Cash Book on a regular basis so its does not become a big job. The totals down the page should always equal the totals across the page - do this each time you fill or rule off a page. Check that the totals carried forward onto the next page are correct.

Bank fees, interests, etc. wherever possible should be written in the Cash Book in the month they were raised or when bank statements are received. This assists with reconciling the cashbook to the Bank statements.

Show all cheques written during the month in the cashbook whether they have been presented or not. Show all income received during the month whether banked or not.

Reconciliation – Check off the amounts received and cheques written out in the cashbook against the bank statement figures. From this, you can compile a list of outstanding deposits or unpresented cheques and it also verifies that an incorrect figure does not appear in either record. Tick or cross entries only once - there is no need for multiple marks against each entry. Simply compare the cashbook entry against the bank statement and if they agree, mark each once only. If the bank reconciliation does not agree, find the discrepancy. It will be either a mistake in the cashbook or on the statement.

#### 6) Bank Deposit Book

This book is supplied by the bank you have nominated and it is where all income is recorded for deposit into the organisation's account.

### **Keeping the books**

The Committee is required to keep complete and accurate records.

The following guidelines and procedures have been prepared to give members of the Committee a greater understanding of the tasks they have undertaken.

## **Steps Required to Keep Complete and Accurate Records**

- 1) Open a cheque account in the Committee's name
- 2) Make as many payments as you can by cheque. Avoid paying cash.
- 3) Record details on the cheque butt.
- 4) Bank all cash receipts promptly into the cheque account.
- 5) Record all details on the receipt book butt.
- 6) Keep a petty cash tin with a maximum \$100 float. Record details of expenses from petty cash. Reimburse with a cheque from the business account.
- 7) Write up the cashbook regularly - at least monthly.
- 8) Reconcile the bank account regularly - generally monthly or each time a bank statement is received and at the end of the financial year.
- 9) Keep a wages book (if applicable).
- 10) Retain supporting documentation or evidence for all cheques drawn.

## **Writing up the Cash book**

Upper Lachlan Shire Council will establish a set of essential books for issue to the Committee upon establishment. Cashbooks are available in various sizes from stationers and office supplies such as Newsagents or other stationers.

### 1) Cash Payments

- Enter appropriate headings in the book, ensuring the first column is "Bank" and the last one "Sundries".
- Enter cheques in cheque number order.
- Ensure every cheque is recorded in the book.
- Record cancelled cheques, but at no value.

### 2) Cash Receipts

- The same procedures as for cash payments.
- All amounts received must be receipted.

### 3) Reconciliation

- Bank reconciliations need to be performed regularly because:

- i) they keep track of cheques that are outstanding and possibly lost;
  - ii) they ensure that a complete record is kept of all transactions;
  - iii) they enable your accountant to prepare a balance sheet and accounts for your committee, and can therefore save you considerable money in professional fees.
- Take the monthly bank statement and write all items such as bank fees, direct debits, etc, into the cashbook.
  - Total up the columns, ensure they add the same across as well as down.
  - Tick off all items appearing in the cashbook against the bank statements, noting any that are outstanding.
  - Finally, to complete reconciliation:
    - Ø Take - total Cash Book balance (brought forward from previous financial year)
    - Ø Plus - Income received to date in current financial year,
    - Ø Less - payments to date in the current financial year,
    - Ø This should equal - the balance on the bank statement; - (less any unpresented cheques) - (plus any unbanked deposits).

#### 4) Retention of Records

The Income Tax Assessment Act requires records to be retained for seven years. If your books and records are required to be audited, it is important to retain all invoices and other supporting documentation.

## **Appendix 4E**

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### **4E Responsibilities of Committee Members**

Committee members' role is important and ensures the democratic process is followed. Members' responsibilities are:

- a) attend most committee meetings;
- b) participate in meetings - this involves:
  - being on time;
  - sticking to the agenda;
  - contributing to the discussion where appropriate;
  - being objective, listening to others' views;
  - volunteering to do some of the necessary tasks required.
- c) support the office bearers in carrying out their jobs;
- d) assist in organising the Annual General Meeting;
- e) attend and participate in any planning days that may be held;
- f) make sure the facility is being maintained and run smoothly.

## Appendix 4F

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### 4F Standard Format - Ordinary Meeting Agenda

- i) **Open meeting**  
Action: The Chairperson welcomes members and visitors, declares the meeting open, ensures everyone has an agenda, and asks for any extra items suggested by members.
- ii) **Attendance and Apologies**  
Action: The Secretary records those present and any apologies. An attendance list or book may be circulated.
- iii) **Confirmation of minutes of the previous meeting**  
Action: Two (2) committee members in attendance at the last meeting are asked to confirm that the record of minutes is a true and correct one. Any amendments or changes need to be recorded and included in this meeting's minutes.
- iv) **Business arising from previous minutes**  
Action: Deal with any matters that have arisen or were to be completed since the last meeting.
- v) **Correspondence**  
Action: Includes both Inward and Outwards correspondence. A member, usually the Secretary, reads out in full or in summary any letters received or sent since the last meeting. Any business arising from these letters is dealt with as it is read, and recorded in the minutes.
- vi) **Treasurer's Report**  
Action: The Treasurer gives a report on the financial position of the group, including income and expenditure since the last meeting and gives an overview of future budget estimates.
- vii) **Other Reports**  
Action: Reports from other office bearers.
- viii) **General Business**  
Action: Items for general discussion that are not elsewhere included on the agenda are discussed. As far as practicable, details of these items should be provided to the Secretary before the meeting. Also remind members of any coming events.  
  
***Note:** General Business often contains the important discussions and decisions. Efficient meetings work through the early business quickly to leave sufficient time for general business. Specific items that arise in items (i) to (vi) can be deferred to General Business if appropriate.*
- ix) **Close Meeting**  
Action: Establish the date and time of next meeting. Chairperson thanks members and visitors for attending and declares the meeting finished or closed.

## Appendix 4G

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### 4G Standard Format for Correspondence

- 1) Keep a copy of all correspondence sent out on behalf of committee.
- 2) Set up a correspondence book to record all correspondence of the committee.

This should include:

- a section for **Inwards** correspondence/mail;
  - a section for **Outwards** correspondence/mail;
  - a space to record the date of receipt or despatch of mail;
  - a numbering systems for both Inwards and Outwards to enable any correspondence to be easily located if the need should occur;
  - a space to identify whose responsibility it is to act on, e.g. Secretary.
- 3) Enter all correspondence in the relevant section of the book ensuring date and number are recorded.
  - 4) Place letter received since the last meeting in a folder marked, Correspondence Inwards, for the meeting.
  - 5) Record any action required and which committee member is responsible for this action.
  - 6) Establish and maintain a filing system for all mail, both In and Out.
  - 7) Correspondence can be filed numerically or by subject.
  - 8) Related items of correspondence can be placed together.

## Appendix 4H

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### 4H Format for Good Minutes

- 1) Keep them short, clear and concise, and consistent.
- 2) Set them out - not too cramped, use headings, and underlining so the subjects, decisions and actions to be taken (and by whom) stand out and are easy to read. Use the Agenda as a basis for the format of minutes.
- 3) Don't try to record every statement made at the meeting. The minutes are a record of the decisions made - each decision or resolution must be accurately recorded.
- 4) A copy of the minutes without error or additions (unless initialled and signed by the Secretary and Chairperson, after adoption at the meeting) should be pasted into the specially supplied Minutes Book as a permanent record of meetings. It is the **Chairperson's responsibility** to see the minutes are unaltered after adoption and are signed as an accurate record.
- 5) You can record the names of the mover and seconders of each motion or amendment. Record the numbers for and against if specifically requested by those present.
- 6) List correspondence, business arising and items for general business by number. Organise all your papers in this order and try and see that the agenda follows this order. Shuffling reams of paper, lost items and trying to take minutes while finding the next item is a hassle. Decisions can also be noted on the business papers and then transferred to the minutes later.
- 7) If minute taking is a shared or revolving duty, allow each person to perfect their skills by taking minutes for at least 3-4 consecutive meetings.
- 8) Draft minutes can be reviewed with the Chairperson, or if done by a Minutes Secretary, with the Secretary. Two heads are better than one to remember events.
- 9) Remember, minutes should communicate and assist evaluation. They ensure accountability and are a permanent record of the group's activities.
- 10) Send them out as soon as possible after the meeting, so that follow-up action is more easily taken.
- 11) Include a record of the place, date and time of the next meeting.

## Appendix 4I

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### 4I Procedure for Motions

A motion needs to be lawful, productive, relevant, appropriate, easily understood and be positive in its intent, e.g. "*I move that the facility be an alcohol free zone*". If the motion does not meet these requirements, it can be rejected by the Chairperson. Reasons must be given for this decision.

Any motion must be "**seconded**" before it can be accepted by the chairperson and opened for debate. There is no legal requirement to record mover and seconder, however, it can be done at the Committee's discretion. If there is no seconder, the matter lapses. Once a motion has been moved and seconded, the order of debate is:

- Mover (raised original motion);
- Secunder (allows debate on the motion);
- Speaker against the motion;
- Speaker for the motion;
- Speaker against the motion;
- Speaker for the motion.

The debate continues in this manner until there are no further speakers. A member of the committee may speak no more than once to each motion or amendment at the meeting. The mover may then speak again, but in doing so closes the debate. Once the mover has closed the debate the chairperson must put the motion to a vote.

### Amendments

Amendments may be made after the motion. The amendment must:

- be clear and be part of the motion being considered;
- have a seconder;
- not exceed the power of the meeting;
- not be a direct negative of the motion;
- be put to the vote before the motion.

## **Appendix 4J**

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### **4J Advantages of Regular Meetings**

Meetings are used to:

- exchange information and ideas;
- make decisions;
- provide support and resources;
- carry out particular tasks;
- raise any issues and needs;
- meet and socialise with other people.

#### **Regular meetings ensure that:**

- 1) Everyone in the group can take part and have a vote.
- 2) More ideas, different ideas - result in better decisions.
- 3) Tasks associated with the decision can be allocated there and then.
- 4) Members, both present and absent, will feel more committed to a decision if it was made by the group at a meeting.
- 5) Decisions carry more weight with outsiders if the process is democratic.
- 6) Deciding or doing things as a group can generate enthusiasm and make the group more cohesive.
- 7) Any disagreement can be aired and sorted out at the meeting.
- 8) By taking part in the meetings, individuals become better informed and develop skills.
- 9) An opportunity for members to get-together, chat, etc.

## **Appendix 4K**

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### **4K Standard Format - Annual General Meeting Agenda**

1) Commence/Open Meeting

Chairperson presides over the following items:

- a) Welcome;
  - b) Apologies;
  - c) Minutes of previous AGM;
  - d) Reading Reports i.e. Chairperson, Secretary, Treasurer, etc.
- 2) All positions are declared vacant and the Returning Officer takes the chair and presides over the following items:
- a) Election of Office Bearers;
  - b) Acceptance of nominations from user groups and community members;
  - c) Recommending Annual Fees.
- 3) Returning Officer then hands the chair over to the newly elected Chairperson who is responsible for:
- a) Thanking the Returning Officer;
  - b) Welcoming New committee;
  - c) Consider recommendations "carried" by way of motion from the floor;
  - d) Getting agreement on meeting dates for coming year.
- 4) Closure of meeting.

## **Appendix 5A**

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### **5A Legislation Regarding Pecuniary Interest**

Sections 441-448 of the Local Government Act 1993 specifies: those who are required to make disclosures of interest. These are:

- Councillors
- "designated persons":
  - Ø General Manager;
  - Ø other senior staff;
  - Ø other members of staff and delegates of the Council who are designated by the Council to make such disclosures because of the type of Council functions they exercise;
  - Ø members of certain Community Committees who are designated by the Council because of the type of Council functions exercised by the committee.

#### Statutory Duties imposed by Part 2 of Chapter 14

Members of Committees (who are not Councillors or designated persons)

- To disclose to the meeting any pecuniary interest in a matter before the meeting (s.451(1));
- Not to participate in the discussion of the matter before the committee in which the member has a pecuniary interest (s.451(2));
- Not to vote on the matter before the Committee meeting in which the member has a pecuniary interest (s.451(3)).

## GLOSSARY OF TERMS

Agenda	matters to be brought before a committee
Amendment	the alteration of a motion or constitution
Audit/ed	an official examination and verification of accounts/records
Ballot	a ticket or paper used in voting
Budget	an itemised allotment of funds for a given period
Casting Vote	the deciding vote of the presiding officer when the vote is tied
Chairperson	the presiding officer of a meeting
Characteristic	distinguishing feature or quality
Classification	the act of arranging in classes
Clarify	to make clear
Cohesion	the act of uniting or sticking together
Committee	a group of people elected from a group to act on their behalf
Community	people who reside in a specific locality
Co-ordinate	to combine in harmonious relation or action
Conclude/d	to bring to an end/having been brought to an end
Constitution	the system of fundamental principles by which a group is governed
Delegate	to act for or represent
Democratic	equity for all
Discrepancy	difference, inconsistency
Dissolution	the undoing or breaking up of a committee/group
Document	a legal or official paper
Documentation	the use of documentary evidence
Expenditure	that which is expended: expenses
Guidelines	a statement which defines a policy
Impartial	unbiased, just
Liaison	the contact between two parties to ensure correct action
Licence	a certificate of such permission, an official permit
Management	the skill required to take care or charge of a function/facility
Manual	a book giving information or instructions
Negotiation	to bring about by discussion and settlement of terms
Nominations	the state of being named or put forward
Not negotiable	denial/with or without endorsement
Organisation	a body of persons organised for some end or work
Orientation	being introduced and instructed about the organisation
Pecuniary	of or pertaining to giving or getting money
Philosophy	principles for guidance in practical affairs
Policy	a document embodying a contract
Qualifications	an academic accomplishment upon completion of study
Quorum	the number of members required to be present at a meeting
Revoked	to take back or withdraw
Statutory	prescribed or authorised by law
Strategies	to develop and plan actions that will improve situation
Summarise	to compile or express in concise or brief form
Transact	to carry through negotiations
Viability	is it practical or workable
Vice versa	the order being changed