

QUEENSCLIFFE MARITIME MUSEUM INC

2020 AGM REVIEW SUB-COMMITTEE

Report to Committee of Management September 2021

Committee- June Negri (President), Carolyn McKinnon (Secretary),

John Burgess (Treasurer -resigned June 2021)

Purpose of Sub-Committee

The sub-committee was formed following the 2020 AGM held in January 2021. The purpose of the sub-committee was to review issues relating to the conduct and procedures of the 2020 AGM, issues raised by members at the AGM regarding the issuing of proxies and conflict of interest, and to review the Queenscliffe Maritime Museum's Statement of Purposes and Statement of Rules.

The sub-committee was to also examine issues raised in correspondence that was received after the AGM from the former Secretary, as well as several members and a nominee whose proxies were not accepted as valid at the AGM.

Submission from members

To canvas a broader cross-section of issues from members, members were invited via a Members' Bulletin dated 5 March 2021 to make written submissions on the issues that arose at the 2020 AGM and on the Rules and Statement of Purposes.

2 written submissions were received.

Independent advice

The President sought independent advice from Harwood Andrews Lawyers in Geelong on the issue of a perceived conflict of interest regarding an employee who is a member holding proxy votes to vote for Committee, and the issue of proxy votes more generally.

This advice was provided by Paul Gray (Partner, Harwood Andrews) pro bono in discussion with the President and included:

- Reference to the Australian Charities and Not-for Profits Commission (ACNC) and their website for information on defining types of Conflict of Interest;
- establishing a Conflict-of Interest Policy, using the ACNC pro-forma for a Conflict-of-Interest Policy;
- maintaining a Register of Interests for the museum and at meetings;
- format for a proxy

Other information

The sub-committee also referred to the Model Rules for Incorporated Associations from Consumer Affairs Victoria and the Associations Incorporation Reform Act 2012 Version No.18 for information on rules and conflict of interest.

The following issues were reviewed:

1. Procedures for an AGM
2. Rules relating to improved notification to members of the nominees for election to the Committee
3. Rules relating to chairing an election of Committee
4. Rules relating to the use of technology in meetings and for voting
5. Rules relating to voting by family members
6. Rules relating to dealing with proxies
7. Rules relating to access to the Membership Register
8. Understanding conflict of interest and the rights and responsibilities of Committee, employees, volunteers, and members
9. Rules relating to Committee tenure and limited terms

The sub-committee propose the following recommendations and Rule changes (in bold) to the Committee for consideration, with the reasoning behind the recommendation outlined. The proposed wording of the rule changes is in the Statement of Purposes and Statement of Rules that is a separate attachment and needs to be referred to in conjunction with this summary.

1. AGM Procedures

1.1 that the Notice of AGM and the Museum's proxy form be available for download on the QMM website (procedure change only)

The 2020 AGM Notice of Meeting and the proxy form were mailed to all members as not all members have access to email. Under this recommendation if a proxy form is mislaid or damaged it can be downloaded from the website or if someone is absent from their mailing address, or do not receive emails, the information is publicly available to members regardless of their physical address.

1.2 that nominations be received for Committee positions 14 days (not 7) prior to the AGM to allow time to notify members of the nominees.

See proposed Rules 16.3 Election of Committee 16.3.1.2

Some members expressed concern following the 2019 and 2020 AGM's that they did not know who the nominees were before the AGM as the nominee statements were posted at the Museum just prior to the meeting, and that they were not able to find out on the day prior. This meant that they could not direct their proxy on the way to vote and did not have sufficient time to read or find out about the nominees before the meeting. See 1.5 below also.

1.3 The sub-committee proposes that no further nominations for Committee can be received at the AGM. Remove that phrase from existing Rule 16.3.2

The existing Rule 16.3.2 allows for further nominations at the meeting if there are insufficient nominations to fill the available positions.

1.4 that nominees provide a short candidate's statement for distribution to the members

See proposed Rule 16.3 Election of Committee 16.3.1.3

This procedure was adopted for the 2019 and 2020 AGM's. To address the issues raised in 1.2 above about members knowing who the nominees were before the AGM this Rule is added and, with the proposed Rule in 1.5 below, to ensure this process is followed in any election for Committee.

1.5 that members be notified 5 days in advance of the AGM meeting of the nominees for the Committee. See proposed Rule 16.3 Election of Committee 16.3.1.4

1.6 that the election of the Committee at the AGM shall be conducted by a Chairperson who is not a Committee Member decided by the Committee prior to the AGM.

See proposed Rule 16.3 Election of Committee 16.3.5 and 16.3.5.1

This has been a procedure followed in past AGM's. This now makes it a Rule.

2. Use of Technology in meetings

With increased use of on-line technology to communicate and the disruption to face-to-face meetings due to Covid restrictions, the capacity to attend and vote at meetings on-line is recommended in a proposed new rule taken from the Model Rules for Victoria (CAV), and to provide a valid Proxy via electronic means.

See proposed Rule 10 General Meetings, 10.3-10.3.2, and Rule 15 Proxy, 15.3

3. Family Membership

The issue arose at the 2019 AGM of how many votes in a Family Membership. The sub-committee proposes that each adult recorded in the Register of Members under a Family Membership be entitled to vote at meetings of the Association.

See proposed Rule 4 Membership 4.1.2.1

4. Rules relating to Proxies

Confusion arose at the 2020 AGM about what form of Proxy was acceptable. Was the form sent with the Notice of AGM allowable as it differed from the form in the Rules, was a proxy listing the President or Chairman or other office bearer acceptable, and was the form sent with the notice the only form a member could use?

The practice of a hand-written proxy, or a proxy that is given to the position of Chairman or to another office bearer, are common forms of proxy accepted across organisations. The sub-committee proposes that the form that is Appendix 1 to The Rules (the QMM's Proxy Form) is one form that can be used for a proxy and it must be distributed with a notice of meeting, but that a written proxy containing that required information can also be accepted, as can a Proxy that is given to the Chairman, President, or other office bearer of Committee.

See proposed rules 15 Proxies, 15.1 to 15.4

5. Rules relating to the Register of Members

Following a lot of discussion around the 2020 AGM about the interpreting of 'inspecting' or copying of the Register of Members the sub-committee proposes a new rule that a copy of the Members Register can be provided following a request in writing to the Secretary and subject to the relevant sections of the Association Incorporation Act regarding a member's right to request confidentiality and that the use of the list comply with regulations under the Act.

Under Section 58 of the Associations Incorporation Reform Act 2012, information from the Members' Register can be given if (1) the information is directly related to the management or purposes of the association (eg. notice of meeting or distribution of a newsletter) and (2) that it is not prohibited by the Rules of the Association. QMM's Rules for the 2020 AGM did

not prohibit a copy of the members details being given. However, information obtained from the Register about another person cannot be used to contact or send materials to the other person or know that it will be used in that way and penalties apply. There are also provisions under the Act for Members to make a request of the Secretary for their details to be confidential.

In response to this issue, the Sub-committee proposes that a copy of information from the Members' Register can be given with notice in writing to the Secretary in the following Rule changes.

See proposed rule Section 5, Register of Members 5.2 and 5.2.1

6. Understanding Conflict-of-Interest and the rights and responsibilities of Committee, employees, volunteers, and members

The Associations Incorporation Reform Act 2012 details conflict-of-interest and the responsibilities of the Committee Members in disclosing interests and voting or abstaining from issues.

See Section: Part 6 Management, Division 2 Meetings of the Committee – 80 Disclosure of material personal interest

In trying to better understand Conflict-of-Interest and how these issues may be dealt with regarding an employee, members, or volunteers we considered the legal advice. Following information received from Paul Gray, Harwood Andrews Lawyers, the sub-committee proposes:

1. That the Committee adopt a Conflict-of-Interest Policy for Queenscliffe Maritime Museum based on a proforma from the ACNC and that it be available to all Committee, members, staff, and volunteers. As circulated.
2. That the Secretary maintain a Register of Interests, and where any conflict-of-interest issue arises in a meeting the details and actions be entered in the Register.
3. That the Rules for Voting include a clause on conflict-of-interest.

See proposed Rule 14 Voting, 14.7

7. Employee and Membership

At the 2020 AGM, in the discussion for a motion to defer the AGM, the issue of an employee of the Museum who is also a member of the organisation voting and holding proxy votes for the election of the Committee was raised as a conflict-of-interest in that the Committee are also the employer of the Member.

There have been three main views represented in this discussion by the sub-committee and the submissions received:

- (1) What is the definition of Conflict-of-Interest and when does it apply;
- (2) that the administration co-ordinator is a Member of the organisation and therefore should have voting rights like any Member;
- (3) That any employee, including the administration co-ordinator, is an employee of the Committee of Management and therefore should not vote for the members of the Committee, who are their employer.

This was a key issue raised in independent legal advice between June Negri and Paul Gray.

The idea of an Associate Membership for an employee, with membership benefits but no voting right, was canvassed but this was not favoured in the legal advice.

The former Committee of Management required that the Committee Member resign from the Committee when employed as the Administration Co-ordinator, and this was reiterated in 2020 in Committee to avoid conflict of interest arising in decision making at Committee level.

The sub-committee proposes that an employee should not hold membership of the Association for the period of their employment, and that employment contracts should include a clause to this effect.

8. Committee

(1) A proposal in a written submission was received that the tenure of Committee members be restricted to 3 terms of two years, and that a period of two years must elapse before returning to the Committee.

In support of this proposal is the notion of continuing to renew the Committee with new ideas and people by limiting tenure on Committee.

Discussion raised the issues that recruiting volunteers generally and to Committee is difficult in a town with a lot of voluntary organisations; that some members are recruited for specialist skills and knowledge; that a recent President and Committee members have served longer terms in multiple offices, making valuable contributions to the organisation; and that there is a lot of learning for Committee Members to understand the Collection and the organisation.

The sub-committee prefers to not make this a rule, but instead that the Committee pursue a process of training and succession planning for new committee members.

(2) That there is a need for Committee induction to be improved and undertaken within the month following an AGM

The sub-committee proposes that the Committee develops an induction handbook and ways to improve the process in time for the next AGM.

End report.

Following circulation of this report to all Committee Members, the AGM Sub-Committee will draft proposed motions about the Rule and policy changes outlined above, for distribution with the agenda for the 20 September Committee of Management meeting with those motions to be considered at that meeting.

Please contact June Negri or Carolyn McKinnon if you have feedback prior to that meeting or we can clarify anything.

June Negri (President)

Carolyn McKinnon (Secretary)
10 September 2021