

Comments and comparison between proposed and existing constitution (rules)

Due to the length of time and extent of legislative changes since the Society's existing constitution was approved, it is not practical to amend that document to arrive at the proposal. Instead, the proposed draft has been rewritten entirely. However, much remains the same or similar.

This document comments on and explains key differences between the proposed and existing constitutions. Note that the terms 'constitution' and 'rule' are interchangeable.

Proposed constitution number	Existing rule number	Description	Discussion
1	n/a	Definitions	<p>Definitions have been included to assist in the interpretation of the rules.</p> <p>Definitions for 'relative', 'remuneration' and 'senior employee' are relevant to rule 5.1.2 – reporting requirements for associations imposed in the <i>Incorporated Associations Act 1981</i> (Qld) in 2023.</p>
1.1.1.s	n/a	Written / in writing	Enables these terms to encompass printed, hard copy or electronic formats, wherever 'written' or 'writing' appears.
2.1	2	Purpose / Objects	<p>The purpose of the Society is the 'why' it exists. It does not have to be detailed exposition. It is better to include detail such as quantitative or qualitative information about mission or vision in a strategic plan rather than the constitution.</p> <p>From a legal perspective, the purpose or object of the Society is relevant to its not-for-profit and tax status. QFHS is currently registered by the Australian Charities Not-for-profit Commission (ACNC) under the subtype of 'another purpose aligned to the charitable purposes listed in the Charities Act.' This entitles the Society to registration as an income tax exempt institution. In addition, it is endorsed by the ATO as a deductible gift recipient (DGR) on the basis that it is a public museum. See ATO TR 2000/10. This enables a donor to claim a tax deduction for a donation to the Society for its purpose.</p> <p>If the Society wishes to remain registered as a charity it must have a charitable purpose. The draft of rule 2.1 has been crafted with that uppermost in mind. Similarly, if it wishes to remain endorsed as a</p>

			<p>deductible gift recipient it must qualify under one of the DGR categories.</p> <p>The draft rule states the purpose of the Society at a very high level without any qualifying detail.</p>
2.2	3	Powers	<p>Under the Act, the Society has all the powers of an individual to do anything an individual can do in furtherance of the purpose of the Society. It is unnecessary to set out detail of the powers.</p>
3	4, 5	Membership	<p>There is only one class of member, that is, ordinary membership. The members of the Society are those that have the right to vote at general meetings including AGMs.</p> <p>The decisions made by members include:</p> <ol style="list-style-type: none"> 1. Appointment and removal of management committee members 2. Changes to the constitution 3. Winding up the Society and distribution of surplus 4. Overruling (some) decisions of the management committee 5. Hearing appeals about termination of a membership <p>The proposal is that the management committee will be entitled to fix the criteria for eligibility for membership in the bylaws. The bylaws are easier to change from time to time and may be set aside by a majority vote of members.</p> <p>The management committee will also be able to set out categories or classifications based on the subscription fee payable, for example a family category.</p> <p>The rules provide for one vote per member irrespective of whether membership is of an individual, joint or life category. That is, both members of a joint membership are entitled to vote.</p> <p>Details of categories of membership are in the bylaws and not included in the rules.</p>
3.4	7	Admission to membership	<p>There is a slight change proposed here. The management committee may delegate to another person the right to accept an application for membership. This allows new members to access benefits, such as online access, sooner than after the next management committee meeting.</p> <p>However, the right to reject an application must go to the management committee for decision. There</p>

			is no right of appeal against rejection of a membership application.
3.5	n/a	Renewal	This rule provides that membership ceases every 12 months and must be renewed by payment of the subscription fee.
3.6	6	Fees	<p>It is proposed that the management committee set the subscription fee not the members at a general meeting.</p> <p>Under rule 7.1.1 the MC is elected by the membership to take on the administrative and management responsibility of the Society. It is required to manage the Society's funds and is best placed to determine the appropriate and necessary fees for the sustainability of the Society.</p>
4.3	9	Appeal against termination of membership	This includes a process to ensure natural justice for persons who are subject to termination of their membership, as required by recent amendments to the Act.
5.1	19	AGM	The major change to the existing provision about AGMs is due to the requirements imposed by 2023 amendments to the Act requiring the disclosure of remuneration and related party transactions.
5.2 – 5.8	20 - 23	Meetings of members (general meetings)	<p>Standard clauses for an association.</p> <p>Note the quorum for a members meeting is imposed by the Act, see rule 5.5.1.</p> <p>The number of members needed to call a general meeting is set to 3 times the number on the MC plus one, which would be 22 or 25, vs existing 2 times plus one, which is 21. The size of the MC is set to a maximum of eight.</p> <p>Note the President will not have a casting vote at these meetings.</p>
6	11	Management committee	<p>The management committee is proposed to be comprised of up to eight persons. Of those eight, three persons have titles (president, vice president and treasurer) and the other four or five do not. This ensures more committee members than 'executive' on the MC.</p> <p>They can be given titles without them being set out in the constitution, so for example, once they are elected they might be asked to undertake the role of assistant vice president.</p> <p>Each of the persons on the management committee are decision makers and have one vote.</p>

			<p>The number of management committee members is relevant to the quorum at general meetings, see rule 5.5.1.</p> <p>It is proposed that the secretary will be appointed by the management committee not the members. The secretary might be a person who is on the management committee but does not have to be.</p> <p>The role of the office bearers such as president etc could be set out in bylaws or policy.</p>
6.2	11	Term of office of management committee member	As now, terms are for 12 months. There is a limit of up to 3 successive terms for the offices of president, vice president and treasurer before they have to retire from that role, but they may nominate for other positions.
7.1	14	Functions of management committee	The management committee is the group of individuals who govern and manage the Society from year to year. This reflects the Act and the model rules.
7.2	n/a	Duties of management committee	The fiduciary duties on management committee members have been imposed by the Act and the ACNC legislation.
7.3	n/a	Disclosure of Significant interests	The duties of a management committee member have been imposed by the Act including disclosure of conflicts of interest and the ACNC legislation.
7.6	24	Bylaws and policy	These governance documents are the internal rules of the Society which are fixed by the management committee and hence easier to amend from time to time.
8	15	Management committee meetings	<p>Standard provisions. The major change is that under the proposed rules the President will not have a casting vote.</p> <p>The number of meetings per year is proposed to be at least nine times per year, a reduction from each calendar month. This allows flexibility, especially during the summer holiday season.</p>
9	n/a	Secretary	<p>This rule reflects the requirements of the Act.</p> <p>The secretary may be an existing management committee member but need not be. If they are not on the management committee, they have no right to vote at management committee meetings.</p>
10	27, 29	Finances	Standard rules. The management committee may wish to also adopt a policy aligned to the ACNC requirements for appropriate financial controls.
11	n/a	Grievance procedure	The Act requires that disputes between members arising from membership matters under the

			constitution be managed via a grievance process. A grievance process has been included at rule 11.
13	30	Winding up	This provision reflects the requirements of the ACNC and ATO for endorsement of the Society as a charity and DGR.

Compiled by the constitution review subcommittee based on advice from Mayes Law, the firm engaged by QFHS to develop the proposed constitution.