

# AAACE Australian Section Inc.

## Statement of Purposes and Rules

Document No:	PO-RUL-001
Revision:	1
Revision Date:	24 June 2020
Author:	K Chew
File Name	PO-RUL-001 Statement of Purpose and Rules Rev 1.docx
File Location	OneDrive/01 Bylaws/01 Proposed

### **Revision History**

Revision	Description	Date	Author	Reviewed	Approved
0	Interim Rules Submitted at Incorporation	9 May 2019	P Downie		
1	Revised rules approved at 2020 AGM	5 August 2020	K Chew	P Harris	P Harris

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## PREAMBLE

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The persons who from time to time are members of the Section are an incorporated association by the name given in rule 1 of these Rules. Under section 46 of the (Victorian) Associations Incorporation Reform Act 2012, these rules are taken to constitute the terms of a contract between the Section and its members.

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### PART 1 - PRELIMINARY

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#### 1. Name

- 1.1. The name of the incorporated association is "AACE Australian Section Incorporated".
- 1.2. The organisation is a local section, chartered by AACE International Inc. (AACE) of 1265 Suncrest Towne Centre Dr, Morgantown, WV USA. <http://web.AACE.org>.
- 1.3. The geographical area served by this Section shall be Australia including its territories.

#### 2. Purpose

The purposes of the Section are:

##### 2.1. General Purpose

The Section is a not-for-profit association chartered by AACE, and is dedicated to the tenets of furthering the concepts of total cost management and cost engineering by the effective application of professional and technical expertise to plan and control resources, costs, profitability, and risk throughout the life cycle of any enterprise, program, facility, project, product, or service. This is accomplished through the application of cost engineering and cost management principles, proven methodologies, and the latest technology in support of the management process.

##### 2.2. Specific Purposes

Consistent with the purposes of AACE and these Rules, the purposes of the Section shall include the following:

- 2.2.1. To promote through education and scientific means, cost management and cost engineering for the public good.
- 2.2.2. To advance the science and art of cost management and cost engineering.
- 2.2.3. To provide forums and media through which experience with the principles and techniques of cost management and cost engineering may be reported, discussed, and published in furtherance of the public interest.
- 2.2.4. To promote standardisation of terminology in cost management and cost engineering, and so far as practical, develop standard methods.
- 2.2.5. To encourage the inclusion of cost engineering and cost management instruction in engineering curricula in furtherance of our primary objective.
- 2.2.6. To cooperate with other organizations having common or related objectives, in furtherance of the public interest.
- 2.2.7. To support members in Australia in their professional development.
- 2.2.8. To evaluate and issue specialty certification credentials to individuals having expertise in cost management and cost engineering.

#### 3. Financial year

The financial year of the Section is each period of 12 months ending 31 December.

## 4. Definitions

In these Rules:

**AACE** means AACE International Inc. of Morgantown, WV, USA;

**AACE Member** means a person who is a member of AACE;

**AACE annual membership fees** means the amount set by AACE as payable for the year for the class of membership applicable for the member or applicant for membership;

**AACE Constitution and Bylaws** means the rules for AACE International Inc.;

**AACE Website** means the website as listed in rule 1.2;

**Absolute majority**, of the Committee, means a majority of the Committee members currently holding office and entitled to vote at the time (as distinct from a majority of Committee members present at a Committee meeting);

**Act** means the Associations Incorporation Reform Act 2012 (Victoria) and includes any regulations made under that Act;

**AGM** means annual general meeting conducted under rule 24;

**Area Subcommittee** means subcommittee of the Section referred to in rule 5.6 ;

**ASIC** means the Australian Securities and Investment Commission;

**Ballot** means a system of voting;

**Chairperson** of a meeting including but not limited to a general meeting, Committee meeting, subcommittee meeting, means the person chairing the meeting as required under rule 40;

**Committee** means the Committee having management of the business of the Section;

**Committee meeting** means a meeting of the Committee held in accordance with these rules;

**Committee member** means a member of the Committee elected or appointed under Division 3 of Part 5;

**Financial year** means the 12 month period for financial reporting as specified in rule 3;

**General meeting** means a general meeting of the members of the Section convened in accordance with Part 4 and includes an annual general meeting or a special general meeting;

**Member** means a member of the Section;

**Member entitled to vote** means a member who under rule 12.2 is entitled to vote at a general meeting;

**Office Bearer** means a member holding positions on the Committee defined in rule 38;

**Ordinary Committee Member** means an elected member of the Committee of the Section other than an Office Bearer, see rule 38;

**Register** means the Register of Members kept in accordance with these Rules;

**Registrar** means the Registrar of Incorporated Associations; that is, the body corporate referred to in s.187 of the Act;

**Returning Officer** means the person appointed by the Committee to conduct elections of the Section;

**Rules** means these Rules of the Section;

**Section** means the AACE Australian Section Incorporated;

**Section fee** means the proportion of the AACE annual membership fee that is paid to the Section by AACE;

**Special resolution** means a resolution that requires not less than three-quarters of the members voting at a general meeting, whether in person or by proxy, to vote in favour of the resolution;

**Student member** shall be a student regularly enrolled in a college or university;

**Treasury** means the total cash funds of the Section.

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## **PART 2 - POWERS OF ASSOCIATION & NOT FOR PROFIT ASSOCIATION**

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### **5. Powers of Association**

- 5.1. Subject to the Act, the Section has power to do all things incidental or conducive to achieve its purposes.
- 5.2. Without limiting rule 5.1 the Section may—
  - 5.2.1. acquire, hold and dispose of real or personal property;
  - 5.2.2. open and operate accounts with financial institutions;
  - 5.2.3. invest its money in any security in which trust monies may lawfully be invested;
  - 5.2.4. raise and borrow money on any terms and in any manner as it thinks fit;
  - 5.2.5. secure the repayment of money raised or borrowed, or the payment of a debt or liability;
  - 5.2.6. appoint agents to transact business on its behalf;
  - 5.2.7. enter into any other contract it considers necessary or desirable.
- 5.3. The Section may only exercise its powers and use its income and assets (including any surplus) for its purposes.
- 5.4. Office Bearers and Ordinary Committee Members shall have no power to make the Section liable for any debts amounting to more than half of the amount in the Treasury, in cash, and not subject to prior liabilities.
- 5.5. The Section including the Office Bearers and Ordinary Committee Members shall have no power to make AACE liable for any debts or activities taken on by the Section.
- 5.6. Area Subcommittees
  - 5.6.1. The Committee may constitute an area subcommittee in various localities within Australia, generally located in different Australian States or Territories or combinations of multiple States and Territories, either initiated by the Committee or on the petition of at least 10 members.

### **6. Not for profit organisation**

- 6.1. The Section must not distribute any surplus, income or assets directly or indirectly to its members.
- 6.2. Rule 6.1 does not prevent the Section from paying a member—
  - 6.2.1. reimbursement for expenses properly incurred by the member; or
  - 6.2.2. for goods or services provided by the member—
- 6.3. if this is done in good faith on terms no more favourable than if the member was not a member.

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## **PART 3 - MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES**

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### **Division 1 - Membership**

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#### **7. Minimum number of members**

- 7.1. The Section must have at least 10 members.

#### **8. Who is eligible to be a member**

- 8.1. Any person who supports the purposes of the Section, is an AACE member in good standing who has paid their AACE annual membership fee **and** has registered for the Region 8 Australian Section via the AACE Website is eligible for membership.

#### **9. Application for membership**

- 9.1. Any person who is eligible to be a member as stated in rule 8.1 is automatically considered a member of the Section.
- 9.2. Any person who is not eligible to be a member as stated in rule 8.1 must first apply for and be accepted as AACE member by AACE and register for the Region 8 Australian Section via the AACE Website.

#### **10. New membership**

- 10.1. New members are identified monthly by the Secretary through the AACE member reporting database available at the AACE website.
- 10.2. The Secretary must, as soon as practicable, enter the name and address of the new member, and the date of becoming a member, in the register of members.
- 10.3. A person becomes a member of the Section and, subject to rule 12.2, is entitled to exercise his or her rights of membership from the date on which the Secretary includes the member in the register.

#### **11. Annual Membership Fee**

- 11.1. The annual membership fee for the Section is included in the annual membership fee for AACE which is stated on the AACE website.
- 11.2. AACE will transfer a portion of the annual membership fees to the Section as the Section Fee in accordance with AACE reporting requirements (subject to achieving annually set performance targets).
- 11.3. The rights of a member (including the right to vote) who has not paid the AACE annual membership fee by the due date are suspended until the annual membership fee is paid and the member is reinstated by AACE.
- 11.4. Production of an AACE receipt for the payment of the AACE annual membership fee and evidence of registration to Region 8 Australian Section will constitute prima facie evidence that the membership fee has been paid.

#### **12. General rights of members**

- 12.1. A member of the Section who is entitled to vote has the right—
- 12.1.1. to receive notice of general meetings and of proposed special resolutions in the manner and time prescribed by these Rules; and
- 12.1.2. to submit items of business for consideration at a general meeting; and

- 12.1.3. to attend and be heard at general meetings; and
- 12.1.4. to vote at a general meeting; and
- 12.1.5. to have access to the minutes of general meetings and other documents of the Section as provided under rule 69; and
- 12.1.6. to inspect the register of members.
- 12.2. A member is entitled to vote if—
  - 12.2.1. if the member is a member other than student member;
  - 12.2.2. more than 10 business days have passed since he or she became a member of the Section; and
  - 12.2.3. the member's membership rights are not suspended for any reason.

### **13. Rights not transferable**

- 13.1. The rights of a member are not transferable and end when membership ceases.

### **14. Ceasing membership**

- 14.1. The membership of a person ceases on:
  - 14.1.1. resignation;
  - 14.1.2. failure to pay the annual membership fee by the expiration date;
  - 14.1.3. expulsion by AACE; or
  - 14.1.4. death.
- 14.2. If a person ceases to be a member of the Section, the Secretary must, as soon as practicable, enter the date the person ceased to be a member in the register of members.

### **15. Resigning as a member**

- 15.1. A member may resign by:
  - 15.1.1. removing their registration from Region 8 Australian Section; or
  - 15.1.2. submitting their resignation in writing to the Vice President – Administration of AACE.

### **16. Register of members**

- 16.1. The Secretary must maintain a register of members that includes—
  - 16.1.1. for each current member—
    - 16.1.1.1. the member's name;
    - 16.1.1.2. the email or postal address for notice as provided to AACE in their membership profile;
    - 16.1.1.3. the date of becoming a member;
    - 16.1.1.4. the membership type and specifically if the member is a student member;
    - 16.1.1.5. any other information determined by the Committee; and
  - 16.1.2. for each former member, the date of ceasing to be a member.
- 16.2. Any member may, at a reasonable time and free of charge, inspect the register of members.



## **17. Grounds for taking disciplinary action**

- 17.1. The Section may take disciplinary action against a member in accordance with this Division if it is determined that the member—
- 17.1.1. has failed to comply with these Rules; or
  - 17.1.2. has failed to comply with the AACE Canon of Ethics; or
  - 17.1.3. has engaged in conduct prejudicial to the best interests of the Section or to AACE

## **18. Disciplinary process**

- 18.1. If the Committee is satisfied that there are sufficient grounds for taking disciplinary action against a member, the Committee must raise the disciplinary matter in writing with Vice President - Administration of AACE.
- 18.2. The detailed of the AACE disciplinary procedures is contained in the Constitution and Bylaws of AACE which is available at the AACE website.
- 18.3. The Section will abide by the rulings of AACE on the disciplinary matter.

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## **Division 3 - Grievance Procedure**

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## **19. Application**

- 19.1. The grievance procedure set out in this Division applies to disputes under these Rules between—
- 19.1.1. a member and another member; or
  - 19.1.2. a member and the Committee; or
  - 19.1.3. a member and the Section.
- 19.2. A member must not initiate a grievance procedure in relation to a matter that is the subject of a disciplinary procedure until the disciplinary procedure has been completed.

## **20. Parties must attempt to resolve the dispute**

- 20.1. The parties to a dispute must attempt to resolve the dispute between themselves within 14 days of the dispute coming to the attention of each party.

## **21. Appointment of mediator**

- 21.1. If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 20, the parties must within 10 days—
- 21.1.1. notify the Committee of the dispute; and
  - 21.1.2. agree to or request the appointment of a mediator; and
  - 21.1.3. attempt in good faith to settle the dispute by mediation.
- 21.2. The mediator must be—
- 21.2.1. a person chosen by agreement between the parties; or
  - 21.2.2. in the absence of agreement—
    - 21.2.2.1. if the dispute is between a member and another member—a person appointed by the Committee; or

- 21.2.2.2. if the dispute is between a member and the Committee or the Section—a person appointed or employed by the Dispute Settlement Centre of Victoria.
- 21.3. A mediator appointed by the Committee may be a member or former member of the Section but in any case must not be a person who—
- 21.3.1. has a personal interest in the dispute; or
- 21.3.2. is biased in favour of or against any party.

## **22. Mediation process**

- 22.1. The mediator to the dispute, in conducting the mediation, must—
- 22.1.1. give each party every opportunity to be heard; and
- 22.1.2. allow due consideration by all parties of any written statement submitted by any party; and
- 22.1.3. ensure that natural justice is accorded to the parties throughout the mediation process.
- 22.2. The mediator must not determine the dispute.

## **23. Failure to resolve dispute by mediation**

- 23.1. If the mediation process does not resolve the dispute, the parties may seek to resolve the dispute in accordance with the Act or otherwise at law.

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## **PART 4 - GENERAL MEETINGS OF THE SECTION**

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### **24. Annual general meetings**

- 24.1. The Committee must convene an annual general meeting of the Section to be held within 4 months after the end of each financial year.
- 24.2. Despite subrule 24.1, the Section may hold its first annual general meeting at any time within 18 months after its incorporation.
- 24.3. The Committee may determine the date, time and place or places for the annual general meeting. Where more than one place is determined, arrangements must be made for communications between different locations in accordance with the principles set out in rule 29.
- 24.4. The ordinary business of the annual general meeting is as follows—
- 24.4.1. to confirm the minutes of the previous annual general meeting and of any special general meeting held since then;
- 24.4.2. to receive and consider—
- 24.4.2.1. the annual report of the Committee on the activities of the Section during the preceding financial year; and
- 24.4.2.2. the financial statements of the Section for the preceding financial year submitted by the Committee in accordance with the Act; and
- 24.4.3. to declare the results of the election of the members of the Committee undertaken under rules 44 to 48.
- 24.5. The annual general meeting may also conduct any other business of which notice has been given in accordance with these rules.

## **25. Special general meetings**

- 25.1. Any general meeting of the Section, other than an annual general meeting, is a special general meeting.
- 25.2. The Committee may convene a special general meeting whenever it thinks fit.
- 25.3. No business other than that set out in the notice under rule 27 may be conducted at the meeting.
- 25.4. General business may be considered at the meeting if it is included as an item for consideration in the notice under rule 27 and the majority of members at the meeting agree.

## **26. Special general meeting held at request of members**

- 26.1. The Committee must convene a special general meeting if a request to do so is made in accordance with subrule 26.2 by at least 10% of the total number of members.
- 26.2. A request for a special general meeting must—
  - 26.2.1. be in writing; and
  - 26.2.2. state the business to be considered at the meeting and any resolutions to be proposed; and
  - 26.2.3. include the names and signatures of the members requesting the meeting; and
  - 26.2.4. be given to the Secretary.
- 26.3. If the Committee does not convene a special general meeting within one month after the date on which the request is made, the members making the request (or any amongst them) may convene the special general meeting.
- 26.4. A special general meeting convened by members under subrule 26.3—
  - 26.4.1. must be held within 3 months after the date on which the original request was made; and
  - 26.4.2. may only consider the business stated in that request.
- 26.5. The Section must reimburse all reasonable expenses incurred by the members convening a special general meeting under subrule 26.3.
- 26.6. If a ballot is required, the ballot must be conducted in accordance with rule 29

## **27. Notice of general meetings**

- 27.1. The Secretary (or, in the case of a special general meeting convened under rule 26.3, the members convening the meeting) must give to each member of the Section—
  - 27.1.1. at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
  - 27.1.2. at least 14 days' notice of a general meeting in any other case.
- 27.2. The notice must—
  - 27.2.1. specify the date, time and place of the meeting; and
  - 27.2.2. indicate the general nature of each item of business to be considered at the meeting; and
  - 27.2.3. If a special resolution is to be proposed—
    - 27.2.3.1. state in full the proposed resolution; and
    - 27.2.3.2. state the intention to propose the resolution as a special resolution; and

- 27.2.3.3. state the name and contact details of the returning officer for the meeting. and
- 27.2.4. comply with rule 28.5.

## **28. Proxies**

- 28.1. A member may appoint another member as his or her proxy to vote and speak on his or her behalf at a general meeting.
- 28.2. The appointment of a proxy must be in writing and signed by the member making the appointment. This requirement will be deemed satisfied if the appointment document has been signed, scanned and sent via email from the member's registered email address.
- 28.3. The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf, otherwise the proxy may vote on behalf of the member in any matter as he or she sees fit.
- 28.4. If the Committee has approved a form for the appointment of a proxy, the member may still use any other form that clearly identifies the person appointed as the member's proxy and that has been signed by the member.
- 28.5. Notice of a general meeting given to a member under rule 27 must—
- 28.5.1. state that the member may appoint another member as a proxy for the meeting; and
- 28.5.2. include a copy of any form that the Committee has approved for the appointment of a proxy.
- 28.6. A form appointing a proxy must be provided to the returning officer for the meeting at least 5 days before the commencement of the meeting.
- 28.7. A form appointing a proxy sent by post or electronically is of no effect unless it is received by the Section no later than 24 hours before the commencement of the meeting.

## **29. Use of technology**

- 29.1. A member not physically present at a general meeting may be permitted to participate in the meeting by the use of technology that allows that member and the members present at the meeting to clearly and simultaneously communicate with each other.
- 29.2. For the purposes of this Part of these Rules, a member participating in a general meeting as permitted under subrule 29.1 is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

## **30. Quorum at general meetings**

- 30.1. No business may be conducted at a general meeting unless a quorum of members is present.
- 30.2. The quorum for a general meeting is the presence (physically, by proxy or as allowed under rule 29) of 10% of the members entitled to vote.
- 30.3. If a quorum is not present within 30 minutes after the notified commencement time of a general meeting—
- 30.3.1. in the case of a special general meeting convened by, or at the request of, members under rule 26—the meeting must be dissolved;
- 30.3.2. in any other case—
- 30.3.2.1. the meeting must be adjourned to a date not more than 21 days after the adjournment; and

- 30.3.2.2. notice of the date, time and place to which the meeting is adjourned must be given at the meeting and confirmed by written notice given to all members as soon as practicable after the meeting.
- 30.4. If a quorum is not present within 30 minutes after the time to which a general meeting has been adjourned under subrule 30.3.2, the members present at the meeting (if not fewer than 3) may proceed with the business of the meeting as if a quorum were present.

## **31. Adjournment of general meeting**

- 31.1. The Chairperson of a general meeting at which a quorum is present may, with the consent of a majority of members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- 31.2. Without limiting subrule 31.1, a meeting may be adjourned—
- 31.2.1. if there is insufficient time to deal with the business at hand; or
- 31.2.2. to give the members more time to consider an item of business.
- 31.3. If a ballot under rule 48 is required, the permission of members for an adjournment will not be required if the adjournment is necessary only for the conduct of the ballot.
- 31.4. No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- 31.5. Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 27.

## **32. Voting at general meeting**

- 32.1. On any question arising at a general meeting—
- 32.1.1. subject to subrule 32.3, each member who is entitled to vote has one vote; and
- 32.1.2. members may vote personally or by proxy; and
- 32.1.3. except in the case of a special resolution, the question must be decided on a majority of votes.
- 32.2. If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- 32.3. If the question is whether or not to confirm the minutes of a previous meeting, only members who were present at that meeting may vote.
- 32.4. If a vote is to be taken, it must be conducted in accordance with rule 48.

## **33. Special resolutions**

- 33.1. A special resolution is passed if not less than three quarters of the members voting at a general meeting (whether in person or by proxy) vote in favour of the resolution.
- 33.2. In addition to certain matters specified in the Act, a special resolution is required—
- 33.2.1. to remove a Committee member from office; or
- 33.2.2. to alter these Rules, including changing the name or any of the purposes of the Association.

## **34. Determining whether resolution carried**

- 34.1. Subject to subrule 34.2, the Chairperson of a general meeting may, on the basis of a ballot carried out in accordance with rule 48 declare that a resolution has been—

- 34.1.1. carried; or
- 34.1.2. carried unanimously; or
- 34.1.3. carried by a particular majority; or
- 34.1.4. lost—
- 34.2. and an entry to that effect in the minutes of the meeting is conclusive proof of that fact.

## **35. Minutes of general meeting**

- 35.1. The Committee must ensure that minutes are taken and kept of each general meeting.
- 35.2. The minutes must record the business considered at the meeting, any resolution on which a vote had been taken and the result of the vote as reported to the meeting.
- 35.3. In addition, the minutes of each annual general meeting must include—
  - 35.3.1. the names of the members attending the meeting and whether physically or by remote means; and
  - 35.3.2. proxy forms given to the Chairperson of the meeting under rule 28.6; and
  - 35.3.3. the financial statements submitted to the members in accordance with rule 24.4.2.2; and
  - 35.3.4. the certificate signed by two Committee members certifying that the financial statements give a true and fair view of the financial position and performance of the Section; and
  - 35.3.5. any audited accounts and auditor's report or report of a review accompanying the financial statements that are required under the Act.

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## **PART 5 - COMMITTEE**

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### **Division 1 – Power of Committee**

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## **36. Role and powers**

- 36.1. The business of the Section must be managed by or under the direction of a Committee.
- 36.2. The Committee may exercise all the powers of the Section except those powers that these Rules or the Act require to be exercised by general meetings of the members of the Section.
- 36.3. The Committee may—
  - 36.3.1. appoint and remove staff;
  - 36.3.2. establish subcommittees consisting of members with terms of reference and subcommittee procedures it considers appropriate.

## **37. Delegation**

- 37.1. The Committee may delegate to a member of the Committee, a subcommittee or staff, any of its powers and functions other than—
  - 37.1.1. this power of delegation; or
  - 37.1.2. a duty imposed on the Committee by the Act or any other law.
- 37.2. The delegation must be in writing and may be subject to the conditions and limitations the Committee considers appropriate.
- 37.3. The Committee may, in writing, revoke a delegation wholly or in part.

## **38. Composition of the Committee**

- 38.1. The Committee consists of:
  - 38.1.1. Office Bearers including
    - 38.1.1.1. a President;
    - 38.1.1.2. a Vice-President;
    - 38.1.1.3. a Secretary;
    - 38.1.1.4. a Treasurer; and
  - 38.1.2. Ordinary Committee members

## **39. General Duties**

- 39.1. As soon as practicable after being elected or appointed to the Committee, each Committee member must become familiar with these Rules and the Act.
- 39.2. The Committee is collectively responsible for ensuring that the Section complies with the Act and that individual members of the Committee comply with these Rules.
- 39.3. Committee members must exercise their powers and discharge their duties with reasonable care and diligence.
- 39.4. Committee members must exercise their powers and discharge their duties—
  - 39.4.1. in good faith in the best interests of the Section; and
  - 39.4.2. for a proper purpose.
- 39.5. Committee members and former Committee members must not gain an advantage for themselves or any other person or cause detriment to the Section by making improper use of—
  - 39.5.1. their position; or
  - 39.5.2. information acquired by virtue of holding their position.
- 39.6. In addition to any duties imposed by these Rules, a Committee member must perform any other duties imposed from time to time by resolution at a general meeting.

## **40. President and Vice-President**

- 40.1. Subject to subrule 40.2, the President or, in the President's absence, the Vice-President is the Chairperson for any general meetings and for any Committee meetings.
- 40.2. If the President and the Vice-President are both absent, or are unable to preside, the Chairperson of the meeting must be—
  - 40.2.1. in the case of a general meeting—a member elected by the other members present; or
  - 40.2.2. in the case of a Committee meeting—a Committee member elected by the other Committee members present.

## **41. Secretary**

- 41.1. The Secretary must perform any duty or function required under the Act to be performed by the secretary of an incorporated association.

41.2. The Secretary must—

- 41.2.1. maintain the register of members in accordance with rule 16; and
  - 41.2.2. keep the minutes of the Committee meetings and general meetings of the Section and hold a copy of the minutes of any committees established by the Committee.
  - 41.2.3. keep custody of all books, documents and securities of the Section in accordance with rule 69 except for the financial records referred to in rule 42; and
  - 41.2.4. subject to the Act and these Rules, provide members with access to the register of members, the minutes of general meetings and other books and documents; and
  - 41.2.5. perform any other duty or function imposed on the Secretary by these Rules.
- 41.3. The Secretary must give to the Registrar notice of his or her appointment within 14 days after the appointment.

## **42. Treasurer**

42.1. The Treasurer must—

- 42.1.1. receive all moneys paid to or received by the Section and issue receipts for those moneys in the name of the Section; and
- 42.1.2. ensure that all moneys received are paid into the account of the Section within 5 working days after receipt; and
- 42.1.3. make any payments authorised the Committee or a general meeting of the Section from the Section's funds; and
- 42.1.4. ensure that all the financial rules contained in rule 63 are adhered to;
- 42.1.5. ensure that the financial records of the Section are kept in accordance with the Act;
- 42.1.6. coordinate the preparation of the financial statements of the Section and their certification by the Committee prior to their submission to the annual general meeting of the Section. The certification by the Committee shall be dependent upon the satisfaction of any audit requirements of both the Act and of AACE; and
- 42.1.7. ensure that at least one other Committee member has access to the accounts and financial records of the Section.

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### **Division 3 – Election of Committee members and tenure of office**

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## **43. Who is eligible to be a Committee member**

- 43.1. A member is eligible to be elected or appointed as a Committee member if the member—
- 43.1.1. is 18 years or over; and
  - 43.1.2. is entitled to vote at a general meeting as specified in rule 12.2.

## **44. Positions to be declared vacant**

44.1. This rule applies to—

- 44.1.1. the first annual general meeting of the Section after its incorporation; or
- 44.1.2. any subsequent annual general meeting of the Section, after the annual report and financial statements of the Section have been received.



- 44.2. The Chairperson of the meeting must declare all positions on the Committee vacant and declare the results of the elections for those positions in accordance with rules 45 to 48.

## **45. Nominations**

- 45.1. Nominations for Committee positions must be determined through one of the following processes:
- 45.1.1. Members nominated by the Committee, or
- 45.1.2. An eligible member of the Section may—
- 45.1.2.1. nominate himself or herself; or
- 45.1.2.2. with the member's consent, be nominated by another member,
- 45.1.3. but in either case must be accompanied by written support of that nomination signed by each of 3 other members of the Section and submitted to the returning officer at least 20 days prior to the date announced for the commencement of the ballot.

## **46. Election of Office Bearers**

- 46.1. In the period before the annual general meeting, separate elections must be held for each of the following positions that become vacant under the provisions of rule 44 -
- 46.1.1. President;
- 46.1.2. Vice-President;
- 46.1.3. Secretary;
- 46.1.4. Treasurer.
- 46.2. If only one member is nominated for the position, the Returning Officer must declare the member elected to the position.
- 46.3. If more than one member is nominated, a ballot must be held in accordance with rule 48.
- 46.4. After the declaration of the results of the elections at the annual general meeting, the new President takes over as Chairperson of the meeting and other members of the Committee take over their positions.

## **47. Election of Ordinary Committee Members**

- 47.1. The Committee will decide on the number of Ordinary Committee Members it wishes to hold office for the next year.
- 47.2. A single election may be held to fill all of those positions.
- 47.3. If the number of members nominated for the position of ordinary board member is less than or equal to the number to be elected, the Chairperson of the meeting must declare each of those members to be elected to the position.
- 47.4. If the number of members nominated exceeds the number to be elected, a ballot must be held in accordance with rule 48.

## **48. Ballot**

- 48.1. If a ballot is required for the election of a Committee position, the Committee must appoint a member to act as returning officer to conduct the ballot.
- 48.2. The returning officer appointed by the Committee must not be a member nominated for any position.

- 48.3. Before the ballot is taken, each candidate may supply, to the Secretary, a short written statement in support of his or her election and such statements must be supplied to each member with the other documents distributed as part of the secret ballot process.
- 48.4. The ballot for Office Bearers and Ordinary Committee Members must be conducted:
- 48.4.1. after the Committee's report including the previous financial year statements have been provided to members; and
- 48.4.2. sufficiently in advance of the date for the annual general meeting to enable the returning officer to report the result of the election to the members at the meeting.
- 48.5. The election must be by secret ballot.
- 48.6. The ballot may be conducted via an electronic voting process of demonstrable integrity through a reputable independent third party service provider or be conducted via postal voting.
- 48.7. The returning officer must audit the conduct of the ballot to ensure it has been conducted in accordance with these rules and certify that to the Committee and the annual general meeting.
- 48.8. A member may appoint another member as his or her proxy for a ballot, and the returning officer must make appropriate arrangements for such proxies to be effective during the conduct of the ballot.
- 48.9. If the ballot is for a single position, the voter must select the name of the person for whom they wish to vote.
- 48.10. If the ballot is for more than one position—
- 48.10.1. the voter must select the name of each candidate for whom they wish to vote; and
- 48.10.2. the voter must not select the names of more candidates than the number to be elected.
- 48.11. Ballot votes that do not comply with subrule 48.10.2 are not to be counted.
- 48.12. Each valid ballot vote on which the name of a candidate has been selected counts as one vote for that candidate.
- 48.13. If the returning officer is unable to declare the result of an election under subrule 48.15 because 2 or more candidates received the same number of votes, the returning officer must, with the method agreed between those candidates, decide by lot which of them is to be elected.
- 48.14. A candidate may only be elected for one Committee position. If a candidate is elected to more than one position the returning officer must:
- 48.14.1. declare that person elected to the position based on the following order of selection as listed in rule 38.1: and
- 48.14.2. declare that the candidate was eliminated from the election of the other positions.
- 48.15. The returning officer must declare, at the annual general meeting, the candidate or, in the case of an election for more than one position, the candidates who received the most votes and the result of any decision by lot.
- 48.16. The returning officer must declare in an attachment to the minutes for the annual general meeting that are to be distributed to the members, the candidate or, in the case of an election for more than one position, the candidates who received the most votes and the result of any decision by lot and the Secretary must also include a copy of the Certificate(s) issued under subrule 48.7.

## **49. Term of office**

- 49.1. Subject to subrule 49.3 and rule 50, a Committee member holds office until the positions of the Committee are declared vacant at the next annual general meeting.

- 49.2. A Committee member may be re-elected.
- 49.3. A general meeting of the Section may—
- 49.3.1. by special resolution remove a Committee member from office; and
- 49.3.2. elect an eligible member of the Section to fill the vacant position in accordance with this Division.
- 49.4. A member who is the subject of a proposed special resolution under subrule 49.3.1 may make representations in writing to the Secretary or President of the Section (not exceeding a reasonable length) and may request that the representations be provided to the members of the Section in advance of any vote being taken on the matter.
- 49.5. The Secretary or President must provide a copy of any representations to each member of the Section at least 7 days in advance of any vote being taken on the matter.

## **50. Vacation of office**

- 50.1. A Committee member may resign from the Committee by written notice addressed to the Committee.
- 50.2. An Office Bearer may resign from that position by written notice addressed to the Committee and remain on the Committee as an Ordinary Committee member provided that this does not result in more Ordinary Committee members than that decided by the Committee under rule 47.1.
- 50.3. A person ceases to be a Committee member if he or she—
- 50.3.1. ceases to be a member of the Section; or
- 50.3.2. fails to attend 3 consecutive Committee meetings (other than special or urgent Committee meetings) without leave of absence under rule 61; or
- 50.3.3. is removed from office by special resolution, with or without cause, by a two-thirds vote of all members, or
- 50.3.4. is removed from office by operation of rule 51.3, or
- 50.3.5. in the case of the Secretary, ceases to reside in Australia, or
- 50.3.6. resigns in accordance with subrule 50.1; or
- 50.3.7. becomes insolvent; or
- 50.3.8. becomes a represented person under the Guardianship and Administration Act 2019 (Victoria) or equivalent act in other Australian State or Territory; or
- 50.3.9. otherwise ceases to be a Committee member by operation of section 78 of the Act.

## **51. Filling casual vacancies**

- 51.1. The Committee may appoint an eligible member of the Section to fill a position on the Committee that—
- 51.1.1. has become vacant under rule 50; or
- 51.1.2. was not filled by election at the last annual general meeting.
- 51.2. If the position of Secretary becomes vacant, the Committee must appoint a member to the position within 14 days after the vacancy arises.
- 51.3. A Committee member appointed under rule 51.1 may be removed from the Committee by resolution at a Committee Meeting by approval of two thirds of the Committee.

51.4. The Committee may continue to act despite any vacancy in its membership.

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#### Division 4 – Meetings of Committee

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### 52. Meetings of Committee

- 52.1. Committee must meet at least 4 times in each year at the dates, times and places determined by the Committee.
- 52.2. The date, time and place of the first Committee meeting must be determined by the members of the Committee as soon as practicable after the annual general meeting of the Section at which the election of the members of the Committee was confirmed.
- 52.3. Area Subcommittee Chairpersons (or their delegate within the Subcommittee) may attend Committee meetings.
- 52.4. Additional or Special Committee meetings may be convened by the President or by any 4 members of the Committee.

### 53. Notice of meetings

- 53.1. Notice of each Committee meeting must be given to each Committee member, and Area Subcommittee Chairpersons, no later than 7 days before the date of the meeting.
- 53.2. Notice may be given of more than one Committee meeting at the same time.
- 53.3. The notice must state the date, time and place of the meeting.
- 53.4. If a special Committee meeting is convened, the notice must include the general nature of the business to be conducted.
- 53.5. The only business that may be conducted at the Committee meeting is the business for which the meeting is convened.
- 53.6. The Treasurer must present a draft financial report for the previous fiscal year to the Committee at the first scheduled Committee meeting in each new fiscal year.

### 54. Urgent meetings

- 54.1. In cases of urgency, a meeting can be held without notice being given in accordance with rule 53 provided that as much notice as practicable is given to each Committee member by the quickest means practicable.
- 54.2. Any resolution made at the meeting must be passed by an absolute majority of the Committee.
- 54.3. The only business that may be conducted at an urgent meeting is the business for which the meeting is convened.

### 55. Procedure and order of business

- 55.1. The procedure to be followed at a meeting of the Committee or subcommittee must be determined from time to time by the Committee or subcommittee as applicable.
- 55.2. The order of business may be determined by the members present at the meeting.

### 56. Use of technology

- 56.1. A Committee member who is not physically present at a Committee meeting may participate in the meeting by the use of technology that allows that member and the Committee members present at the meeting to clearly and simultaneously communicate with each other.

- 56.2. For the purposes of this Part, a Committee member participating in a meeting as permitted under subrule 56.1 is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

## **57. Quorum**

- 57.1. No business may be conducted at a Committee meeting unless a quorum is present.
- 57.2. The quorum for a Committee meeting is the presence (in person or as allowed under rule 56) of a minimum of five Committee members including a minimum of two Office Bearers and a minimum of two Ordinary Committee Members.
- 57.3. If a quorum is not present within 30 minutes after the notified commencement time of a Committee meeting—
- 57.3.1. in the case of a special meeting—the meeting lapses;
- 57.3.2. in any other case—the meeting must be adjourned to a date no later than 14 days after the adjournment and notice of the time, date and place to which the meeting is adjourned must be given in accordance with rule 53.

## **58. Motions and Voting at Committee Meetings**

- 58.1. Any Committee member can raise a motion at a Committee Meeting. The motion must be seconded by another Committee member and then the Committee must discuss and consider the motion and vote accordingly.
- 58.2. On any motion arising at a Committee meeting, each Committee member present at the meeting has one vote.
- 58.3. A motion is carried if a majority of Committee members present at the meeting vote in favour of the motion.
- 58.4. Subrule 58.3 does not apply to any motion or question which is required by these Rules to be passed by an absolute majority or two-third majority of the Committee.
- 58.5. If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- 58.6. Voting by proxy is not permitted.

## **59. Conflict of interest**

- 59.1. A Committee member who has a material personal interest in a matter being considered at a Committee meeting must disclose the nature and extent of that interest to the Committee.
- 59.2. The member—
- 59.2.1. must not be present while the matter is being considered at the meeting; and
- 59.2.2. must not vote on the matter.
- 59.3. This rule does not apply to a material personal interest—
- 59.3.1. that exists only because the member belongs to a class of persons for whose benefit the Section is established; or
- 59.3.2. that the member has in common with all, or a substantial proportion of, the members of the Section.

## **60. Minutes of meeting**

- 60.1. The Committee must ensure that minutes are taken and kept of each Committee meeting.
- 60.2. The minutes must record the following—
  - 60.2.1. the names of the members in attendance at the meeting;
  - 60.2.2. the business considered at the meeting;
  - 60.2.3. any resolution on which a vote is taken and the result of the vote;
  - 60.2.4. any material personal interest disclosed under rule 59.

## **61. Leave of absence**

- 61.1. The Committee may grant a Committee member leave of absence from Committee meetings for an initial period not exceeding 3 months.
- 61.2. The Committee must not grant leave of absence retrospectively unless it is satisfied that it was not feasible for the committee member to seek the leave in advance.

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## **PART 6 - FINANCIAL MATTERS**

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### **62. Source of funds**

- 62.1. The funds of the Section may be derived from Section fees paid directly by AACE to the Section, donations, sponsorship, advertising, fees to attend events, fund-raising activities, grants, interest and any other sources approved by the Committee.

### **63. Management of funds**

- 63.1. The Section must maintain an account or accounts with a financial institution from which all expenditure of the Section is made and into which all of the Section's revenue is deposited.
- 63.2. Subject to any restrictions imposed by a general meeting of the Section, the Committee may approve expenditure on behalf of the Section.
- 63.3. The Committee may authorise the Treasurer to expend funds on behalf of the Section (including by electronic funds transfer) up to a specified limit without requiring approval from the Committee for each item on which the funds are expended.
- 63.4. All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed by 2 Committee members.
- 63.5. All forms of electronic funds transfer out of the Section's accounts maintained under subrule 63.1 must be authorised by 2 Committee members with the exception of transactions under rule 63.8.
- 63.6. All funds of the Section must be deposited into the financial account of the Section no later than 5 working days after receipt.
- 63.7. With the approval of the Committee, the Treasurer may maintain a cash float provided that all money paid from or paid into the float is accurately recorded at the time of the transaction.
- 63.8. The Treasurer may maintain and operate a debit card service with a financial institution, with a running balance and spending limit as specified by the Committee, and limited to minor transactions approved by the Committee that are not practicable to be paid via normal electronic funds transfer as per rule 63.5.

## **64. Financial records**

- 64.1. The Section must keep financial records that—
- 64.1.1. correctly record and explain its transactions, financial position and performance; and
  - 64.1.2. enable financial statements to be prepared as required by the Act.
- 64.2. The Section must retain the financial records for 7 years after the transactions covered by the records are completed.
- 64.3. The Treasurer must keep in his or her custody, or under his or her control—
- 64.3.1. the financial records for the current financial year; and
  - 64.3.2. any other financial records as authorised by the Committee.

## **65. Financial statements**

- 65.1. For each financial year, the Committee must ensure that the requirements under the Act relating to the financial statements of the Section are met.
- 65.2. Without limiting subrule 65.1, those requirements include—
- 65.2.1. the preparation of the financial statements;
  - 65.2.2. if required, the review or auditing of the financial statements;
  - 65.2.3. the certification of the financial statements by the Committee;
  - 65.2.4. the submission of the financial statements to the annual general meeting of the Section;
  - 65.2.5. the lodgement with the Registrar of the financial statements and accompanying reports, certificates, statements and fee.

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## **PART 7 - GENERAL MATTERS**

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### **66. Registered Australian Body**

- 66.1. In order to operate across all States and Territories in Australia as an incorporated association, the Section is registered with ASIC as a Registered Australian Body.

### **67. Registered address and office**

- 67.1. The registered address of the Section as notified to government bodies is—
- 67.1.1. the address determined from time to time by resolution of the Committee; or
  - 67.1.2. if the Committee has not determined an address to be the registered address—the postal address of the Secretary.
- 67.2. The registered office of the Section as notified to ASIC may be the same or different from the registered address and is required to be open and accessible each business day
- 67.2.1. from at least 10:00 am till 12:00 pm and from at least 2:00 pm till 4:00 pm (“standard hours”); or
  - 67.2.2. at least 3 hours between 9:00 am and 5:00 pm, as chosen by the Section and advised to ASIC; those hours need not be consecutive.

### **68. Notice requirements**

- 68.1. Any notice required to be given to a member or a Committee member under these Rules may be given—

- 68.1.1. by handing the notice to the member personally; or
- 68.1.2. by sending it by post to the member at the address recorded for the member on the register of members; or
- 68.1.3. by email.
- 68.2. Subrule 68.1 does not apply to notice given under rule 54.
- 68.3. Any notice required to be given to the Section or the Committee may be given—
  - 68.3.1. by handing the notice to a member of the Committee; or
  - 68.3.2. by sending the notice by post to the registered address; or
  - 68.3.3. by leaving the notice at the registered address; or
  - 68.3.4. if the Committee determines that it is appropriate in the circumstances by email to the email address of the Section or the Secretary;

## 69. Custody and inspection of books and records

- 69.1. Members may on request inspect free of charge—
  - 69.1.1. the register of members;
  - 69.1.2. the minutes of general meetings;
  - 69.1.3. subject to subrule 69.2, the financial records, books, securities and any other relevant document of the Section, including minutes of Committee meetings.
- 69.2. The Committee may refuse to permit a member to inspect records of the Section that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interests of the Section.
- 69.3. The Committee must on request make copies of these rules available to members and applicants for membership free of charge.
- 69.4. Subject to subrule 69.2, a member may make a copy of any of the other records of the Section referred to in this rule and the Section may charge a reasonable fee for provision of a copy of such a record.
- 69.5. For purposes of this rule—

**relevant documents** means the records and other documents, however compiled, recorded or stored, that relate to the incorporation and management of the Section and includes the following—

  - 69.5.1. its membership records;
  - 69.5.2. its financial statements;
  - 69.5.3. its financial records;
  - 69.5.4. records and documents relating to transactions, dealings, business or property of the Section.

## 70. Winding up and cancellation

- 70.1. The Section may be wound up voluntarily by special resolution.
- 70.2. In the event of the winding up or the cancellation of the incorporation of the Section, the surplus assets of the Section must not be distributed to any members or former members of the Section.



- 70.3. Subject to the Act and any court order made under section 133 of the Act, the surplus assets must be given to a body that has similar purposes to the Section and which is not carried on for the profit or gain of its individual members. For the purposes of this clause, the parent organization AACE International, Inc. would qualify as such an organisation while it remains a non-profit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of the USA or corresponding section of any future US federal tax code.
- 70.4. The body to which the surplus assets are to be given must be decided by special resolution.

## **71. Alteration of Rules**

- 71.1. These Rules may only be altered by special resolution of a general meeting of the Section.
- 71.2. Proposals to amend the Rules may be submitted by members in which case they must be signed by at least five (5) members of the Section and must be submitted in writing to the Committee.
- 71.2.1. The Committee shall consider these proposals and notify the proposers of the Committee's opinion within sixty (60) days.
- 71.2.2. If accepted by the Committee the proposed changes will put forward as a special resolution at the next scheduled general meeting of the Section in accordance with subrule 71.1
- 71.3. An alteration of the Rules does not take effect unless or until it has been approved by the Registrar.