

## EXPLANATORY NOTES

# ROTARY CLUB OF CALOUNDRA

## Proposed Constitutional Documents

The following explanatory notes are provided in relation to the proposed constitutional documents for the Club.

The content of the documents is based on documents settled by Rotary District 9600 and the Rotary Club of Caloundra with Club and District Support, RI South Pacific and Philippines Regional Office; and is consistent with the requirements and policy guidance of RI.

The Club is an Incorporated Association under the *Associations Incorporation Act 1981* (IA02685) and the holder of a sanction under the Collections Act 1966 (CP1998). There are different obligations under each of these legislative measures to report changes to the Club's constitutional documents. There are also difference in the requirements for auditing of the Club's accounts (including financial statement), moneys and property. The content of the documents is consistent with the requirements of the legislation under which the Club operates.

The existing constitutional documents appear to date back to 28 September 1998 and/or 4 December 1998 and by any account are quite out of date. Rotary's Council on Legislation has made many changes since then. It is impractical to annotate all the changes in the documents.

For ease of process it is intended to rescind the existing constitutional documents and replace them with the new documents. The new constitutional documents will take effect once the Club has been notified of their registration by the Office of Fair Trading under the *Associations Incorporation Act 1981*.

The following is a brief summary of the key changes to the Club's constitutional documents.

- Standard Rotary Club Constitution (SRCC) amended to include the name of the Club and the new description of the location of the Club, and certain other articles to better reflect the provisions of Queensland legislation
- By-laws completely redrafted to provide for greater flexibility in Club membership, attendance and termination for non-attendance, and the process for the establishment and operation of a satellite club.
  - **Kinds of Membership – see following table.** The annual dues for the new kinds of membership are yet to be determined by the Board.
  - **Election of Members** – the method of electing members to the Club has been streamlined.
  - **Attendance** – the attendance requirements have been simplified. In summary – a member is expected to attend or make-up two (2) regular meetings per month, and participate in the implementation of at least one (1) service activity/event each three months. The provisions relating to the counting of attendance at a regular meeting have been simplified. The provisions relating to make ups remain as set out in the SRCC.
  - **Excused Absences** – there is a new provision that makes it clear that a member must apply to the Board in writing, in advance, for leave, where they wish to take advantage of the excused absence provisions
  - **“Rule of 85”** – the provision in the SRCC for members whose age and years of membership exceed 85 years to be excused attendance is repealed (The new attendance requirements make it easier for long standing members to meet their attendance obligations in a flexible manner).
  - **Termination – Non Attendance** – the required attendance is ten (10) regular meetings of the Club and one (1) service activity in each half year period. A member (other than an Honorary Member), who fails to attend as required can be asked to show cause, and failing good and sufficient reasons may have their membership terminated. Unless granted leave, a member who fails to attend or make up six (6) consecutive meetings shall be deemed to have requested the termination of their membership. In these matters **the Board of the Club has discretion to act otherwise.**
  - **Satellite Club** - Detailed provisions that allow the Club to vote on the establishment of a satellite club based on a report demonstrating its need and viability; membership of the Board by the chair of a satellite club; fiduciary, reporting, and winding up arrangements that protect the interests of the Club until such time as a satellite club is admitted to membership of RI. It is important to note that while a satellite club has a degree of autonomy to shape its operations; its members are, until the satellite club is admitted to membership of RI, members of the Rotary Club of Caloundra which therefore carries ultimate fiduciary responsibility for the activities of the satellite club.

## Kinds of Membership

Kind	How Reported to RI		Eligibility to Vote	Eligibility to be a Board Member	Pay RI Dues	Pay District Dues	Pay Club Dues	Pay for Rotary Magazine	Limit on Numbers	Number of Reps	Current Annual Dues
	Active	Honorary									
Active Member	Y		Y RI and Club matters	Y	Y	Y	Y	Y	None	X	\$300
Corporate Member	Y Each representative		Y RI and Club matters	Y	Y	Y	Y	Y	30% of # of active members	4x directors or senior executives	TBD
Honorary Member		Y	X	X	X	X	X	X	20% of # of active members	X	NIL
Associate Member		Y	Y Club matters only	X Only if they become an active member	X	X	Y	Y	40% of # active members	X	TBD
Family Member		Y	Y Club matters only	X Only if they become an active member	X	X	Y	X	3 in total of spouse; child; or grandchild of an active member	X	TBD

**Notes:** (1) When calculating %s numbers are rolled down or up to the nearest whole number.

(2) For Family Membership, where spouse, child or grandchild live at the same address, only 1x Rotary magazine required; otherwise children and grandchildren living elsewhere will be required to pay for a copy of the Rotary magazine.