

The reasons Canberra Editors voted NO to IPEd's proposal

Topic	Issue	Proposed solution															
Overall	<p>Response: On 1 July 2016, IPEd will be very different from the current IPEd–society structure in terms of governance, management and operations. It will be a new, multi-level democracy. Members will not only have votes in branch general meetings (GM), but importantly they will also vote on motions at IPEd national GMs, and those votes will decide the outcome.</p> <p>This democratic decision making structure will work most effectively if issues are first discussed at branch level. If one or more branches develop a case for change, their councillors will have the opportunity to take the matter to the Council. That could lead to consideration by other branches. After consideration of branch input at the Council, issues could be put to member votes if appropriate. If the Council did not agree to do that, the members of one or more branches would have the right to have the matter be put on the agenda at an IPEd GM.</p> <p>Changes to the constitution and by-laws can only be made after the Transition Date because these rules were an integral part of the Transition Plan which was approved by societies representing 82% of all society members.</p> <p>For a change to the constitution or the by-laws, a motion must be put at an IPEd GM and voted on by the individual society members. The notice of motion would be accompanied by information papers putting the case for the change. Opponents could also provide papers putting their position. Electronic voting will give all members an equal opportunity to vote.</p> <p>A change to the constitution requires that 75% or more of member votes cast are in favour of the motion. A change to a by-law requires that a simple majority of the votes cast be in favour.</p> <p>In summary, after the Transition Date, changes to the IPEd rules can be made, with the votes of individual members deciding the change.</p> <p>We hope that members will wait to see how the rules agreed in the Transition vote work in practice before considering changes.</p>																
Quorum for resolutions Constitution clause 10.1	25, but if there aren't enough people, the same resolution can be moved to a month later, when only 10 people would be required.	Set a higher quorum. 25 is inadequate for an organisation the size of IPEd. Remove the option for holding a second meeting with a smaller quorum. Include a requirement for representation from branches other than the one passing the resolution.															
<p>Response: This constitutional rule is about IPEd GM quorums. It involves a balance between reasonable participation of members in decisions, and creating unnecessary hurdles for making decisions. With proxy and electronic voting, it will be easy and convenient for all members to vote on motions at IPEd GMs, and so in practice the quorum should be exceeded by large numbers.</p> <p>All members have a vote at IPEd GMs, and resolutions will be voted on electronically as well as in person. Members of only one branch could not pass an IPEd resolution unless they outnumbered the members of all other branches who voted, which is extremely unlikely.</p> <p>A quorum of at least 20 is required by the current societies, (except Tasmania, where the quorum is 1/6th of members, and Queensland, where the quorum is twice the number of executive committee members + 1). Though IPEd will have more members, the IPEd quorum is similar to that of other large professional associations.</p> <p>Examples of other large associations' quorums are:</p> <table border="1" data-bbox="427 1559 1430 1827"> <thead> <tr> <th>Association name</th> <th>Number of members</th> <th>Quorum</th> </tr> </thead> <tbody> <tr> <td>Certified Public Accountants Australia</td> <td>thousands</td> <td>6</td> </tr> <tr> <td>Editors Association of Canada</td> <td>1500</td> <td>15 & at least 2X number of directors +1, whichever is greater</td> </tr> <tr> <td>SfEP</td> <td>2000</td> <td>3</td> </tr> <tr> <td>Pharmacy Society of Australia</td> <td>28,000</td> <td>20</td> </tr> </tbody> </table>			Association name	Number of members	Quorum	Certified Public Accountants Australia	thousands	6	Editors Association of Canada	1500	15 & at least 2X number of directors +1, whichever is greater	SfEP	2000	3	Pharmacy Society of Australia	28,000	20
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AGMs Constitution clause 9.2	No requirement to hold AGMs in different locations. For example, they could be held in Melbourne or Sydney, year in, year out, excluding the contributions and views of, and alienating, other branches.	Require the AGMs to be rotated, so any branch that has enough members for a quorum can host the AGM (see also above).
	<p>Response: The principle of fairness to all branches is a central concern for IPEd, as it can't work properly as a national organisation without it. While the constitution does not specify the rotation of the IPEd AGM, it is certainly the intention. In years when a national conference is held, the AGM could be held at the conference. In other years, the rotation by branch would still be natural.</p> <p>CSE's proposed solution implies that the venue would be chosen according to whether a branch could, on its own, satisfy the quorum requirement. That is not relevant. The IPEd AGM and GM quorum counts members present, members participating electronically (by webinar), and proxy votes made electronically. This ensures that all IPEd members can participate.</p>	
Remove an IPEd councillor Constitution clause 12.2	A member can seek to remove a councillor if they give 6 weeks' notice of a motion to do so. Since at least 3 weeks is needed for a meeting (and it could be just on the 3 weeks), anything could happen in the gap.	Resolve the difference to avoid any possibility of IPEd calling a different meeting within the 6-week period. Suggest amending to require a motion to remove a Councillor be considered at the next general meeting, within the requirements of section 9 of the constitution.
	<p>Response: The six-week notice period (rather than three weeks) is necessary to give the councillor in question time to consider and prepare representation for the GM.</p> <p>A members' motion to be included on a GM agenda cannot be avoided by the calling of a 'different meeting'. If the notice of the motion is given six weeks before the meeting date, then it must be heard at that meeting.</p>	
Ability to seek legal advice Branch by-law 5a(iv)	Cannot seek legal advice on any IPEd matter without the approval of the IPEd Council (note that all activities will be IPEd matters)	Remove this requirement, or amend to require a special resolution to do so. This means a quorum would be needed before such advice could be sought.
	<p>Response: The purpose of this rule is to ensure that IPEd acts as a unified body with unified policies and positions, not a loose collection of branches. A request by a branch for IPEd to seek legal advice on an issue could be brought to the Council for agreement. If the Council voted to not proceed, a branch would have the right, if approved by the branch members, to require that a motion to seek the advice be put on the agenda at an IPEd GM. If the motion was carried at that IPEd GM, IPEd would seek that advice. That is inherent in the governance rules.</p> <p>All regulatory and oversight bodies strongly recommend that an association's governance procedures be used to settled issues, only escalating those that haven't been resolved. Those procedures include discussion and voting on motions at branch GMs, branch councillors raising matters at council for council decision and votes if necessary, and branches or groups of members putting issues on an IPEd GM agenda for discussion and voting.</p> <p>We consider it likely that those governance processes would resolve almost any issue to the satisfaction of the great majority of members.</p>	
Disciplining of members Constitution clause 8.6d	See also Code of Ethics No possibility of rehabilitation: someone who is evicted from IPEd will never be readmitted	Remove this requirement: it is at the least 'a little harsh' and some have called it 'draconian'. Anyone should have the right to reapply for membership: potential scenarios for possible readmission include genuine rehabilitation, or evidence of a miscarriage of justice in the initial expulsion.
	<p>Response: The process allows for membership decision and appeal, and expulsion is unlikely to be done lightly. However, the process for deciding constitutional change (branch, council, GM) is always available.</p>	

Topic	Issue	Proposed solution
Financial control by IPEd Constitution clause 23b and c; Branch by-law 15; Accounting and banking principles	Branches can't keep a bank account for their own funds Branches can't access their own financial information other than what IPEd tells them. See also, the comment about financial responsibility	This needs serious discussion. It's hard to see in the Constitution and by-laws exactly what the former societies (and now branches) can spend their own money on. Suggest treating new branches (with no cash reserves) and societies (with significant cash reserves) differently under transitional arrangements.
	<p>Response: Assuming that 'own funds' refers to branch reserved funds, these will be kept in individual savings accounts for each branch that has such funds, with transactions and balances reported to the branches regularly. See also the item 'Motion to transfer members and funds' later.</p> <p>Branch reserved funds can be used for any purpose that is legal for IPEd, so purely as examples: awards, prizes, scholarships, conference fee subsidies, conference sponsorship.</p> <p>For Branch operating income and expenses, branches will have regular reports on their budget position. The information in the accounting system will not be up-to-date on a daily basis, but If a branch has a particular need for 'off-schedule' reports, or the budget position on a particular expense item, it could request an update. Branches may, of course, also keep their own record of expenditure if they wish, but the whole idea is to relieve them of the extra work involved in doing so.</p>	
Fees Constitution clause 7.7	Membership fee increases by up to 15% pa without membership approval	Suggest require all fee increases to be passed by resolution at an AGM. Any rise in membership fees must be justified to, and approved by members. Total transparency in fiscal matters should be the rule.
	<p>Response: A balance is needed between giving the Council enough discretion that it needs to fulfil its legal obligations to properly manage the association's finances and achieve its aims, and giving the membership a say on fee levels.</p> <p>This is a matter about which there are differences of opinion, and after the Transition date branch members could raise it for review if they wish.</p>	
Financial responsibility Transition Plan explained, Section C, indicative budget 2016–17 (surplus of \$4870)	IPEd is forecasting a deficit of \$30,000 this year	Require a balanced budget at the least. A deficit is not a good start for a new national body, especially as the societies have run surpluses most years. Noting that IPEd has a fairly substantial reserve, we nonetheless believe that careful and balanced budgeting will be critical for ongoing success of the new model.
	<p>Response: The IPEd FY 2017 budget does not forecast a deficit. In FY 2016, IPEd is using some of its accumulated surpluses for the costs of establishing IPEd DM and its systems. Some of that surplus was raised through the 2014–15 transition levy to cover such setup costs. This is an appropriate investment in a strong IPEd. Much of the setup cost is capital expenditure, which will be depreciated over the first 3–4 years of IPEd DM operation.</p>	
Motion to transfer members and funds Constitution clause X6	The formula for transfer of funds is not defined. All that is stated is that societies may retain some of their reserve funds, with no indication of how issues such as allocation of interest on funds are resolved.	Provide the formula for transfer of funds so people can cast an informed vote.
	<p>Response: The hope is that each society with a sizable surplus, after providing IPEd with funds for members' unexpired subscriptions, will be reasonably generous in apportioning their surplus between a straight contribution to IPEd, and funds reserved for purposes to be decided by the successor branch. For example, 50% contribution to IPEd and 50% controlled by the branch for the benefit of branch members or for the broad IPEd membership. There is no set formula — each branch will make its own decision.</p> <p>See 'Financial control by IPEd' above. As clause X6 says, each branch's reserved funds will be kept in a bank account identified as reserved for the branch's control. Although not previously fully detailed, these 'restricted' funds accounts will be savings accounts. Interest earned will be added to that account. When a branch approves a reserved funds expenditure, the amount will be transferred to the IPEd operating account and the funds will be paid from that account.</p> <p>Branch reserved bank accounts will be reported in the IPEd balance sheet, and the branch will receive reports of all interest and expenditure. Only the branch committee may approve expenditure from these accounts.</p>	

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Term of the branch committee Branch by-law 11; Constitution clauses 12.1, 14.3	Unlimited re-election, other than the president, who can hold that office for only 3 consecutive years. Response: There are differences of opinion between societies regarding branch committee member terms. Limited terms were originally proposed for all branch officers, but some, particularly smaller, societies found this too restrictive. The branch by-law covers branch committee terms, so a change could be made by passing an ordinary resolution at an IPEd GM. The constitution covers the terms of Councillors and Alternates, who are nominated for two-year terms, with a maximum of three consecutive terms, and a two-year gap before being eligible again for appointment 'unless a suitable replacement cannot be found'. A change to this would require a special resolution at an IPEd GM. The Accreditation Board is an IPEd standing committee, and no maximum term for delegates is specified in the constitution. The AB doesn't have set terms as board members need to have as much experience of working on the exam as possible in order to be effective. Changing members every three years would therefore be a problem, as the exam tends to be held only every couple of years and no one would have experience of the full cycle of more than one.	Limit terms in any single office for the four mandatory offices (IPEd Councillor, an Alternate [sic] Councillor, an Accreditation Board Delegate, President). Three-year limits for all.
Removing a branch committee Branch by-law 13	IPEd can remove a branch committee The branch committee can remove one of its own members The general members have no power to remove a branch committee (for example, if it failed to act appropriately), other than by voting them out at the next AGM	Extend members' rights. Specify the ability for the general membership to remove a member of their Branch committee, OR the entire committee, by special resolution (at least 3 weeks' notice)
Branch authority, power or responsibility Branch by-law 5a(v)	"A Branch will not have authority, power or responsibility ... [to do] (v) any other matters determined by the Council from time to time."	Remove this clause to remove the capacity of IPEd council to arbitrarily determine the authority, power or responsibility of a Branch without first going to a vote – it should require a change in the Constitution and, if relevant, the by-laws.
Committee workload Principles of governance and operation, Staged implementation	No reduction other than for the membership secretary and the treasurer during audit. The workload of running the day-to-day affairs of the branch—organising meetings, training, website, newsletter, maintaining local recruitment, managing the branch budget—will not decrease. Some work will increase due to the need to meet IPEd's requirements.	Seek a better balance between the workload and branch/members' rights. Response: Branches will no longer be involved in managing membership records, or in treasury tasks. Their only financial task will be to develop budgets for branch activities, and approve branch expenses. There will be no branch involvement in audits, since all financial records, invoices and expense claims will be processed and stored by the national office. The treasury function, membership and event registration functions are the heaviest workloads in most societies. In order to continue their society's local activities, branches will run their meeting and PD programs to suit their membership. These tasks are lightened by the event management system. Once IPEd DM is established, additional support will be able to be provided for PD, newsletter and the websites.

Topic	Issue	Proposed solution
General meetings Accounting and banking principles, Branch budgets	Must be cash neutral Effectively requires prepayment and therefore booking ahead.	Suggested options: <ul style="list-style-type: none"> • A small allowance to cover venue hire (which is currently free in Canberra but likely to cost in future) and basic catering (\$5/head). To be substantiated by records from the night • A cash float (so people can pay by cash and catering can be covered by cash) • Amend this requirement so it's possible for people to attend without booking ahead online. Canberra people aren't that organised, especially during Senate Estimates, budget, and annual report periods. Note: Meetings are one of the important financial benefits for CSE members (especially associates and non-freelance full members). A main function of our meetings is to network over a drink and a light pre-dinner supper.
<p>Response: The Principles of Governance and Operations do offer flexibility in how payments for events can be made, and do not stipulate that meetings must break even. About payment by cash, they state: 'Payments for some branch events could be accepted in cash provided that the internal controls required by the auditors are implemented; those controls include a verified and signed attendee list, the issue of receipts with an audit copy, and reconciliation of cash receipts to the banked funds.' Payments can also be made later online, by EFT or BPay, or by cheque.</p> <p>AGMs and SGMs are free to members. Member information, networking and social events (with or without speakers or panels) are expected to cover most costs from attendee fees, on the principle that members attending such events get extra benefits that those who don't attend do not receive.</p> <p>Branches can always run 'off the books' social meetings where members pay their own costs.</p> <p>As a substantial company, IPEd is able to have accounts with regular suppliers, such as the owners of meeting and training course venues, caterers, and stationery suppliers like Officeworks. Officeworks has business accounts, with online purchase and delivery on account, and account cards for in-store purchases. Some societies already have accounts with such suppliers, and operate in that way, so any branch can.</p> <p>Where the suppliers are national, or for any supplier, IPEd can handle the arrangements for the suppliers to bill the branch. The branch would then forward the approved bills to the national office for payments.</p> <p>Cash floats are cumbersome for accounting and audit. Some societies handle necessary cash purchases by a committee member using a personal credit card. An expense claim can then be made by email, and reimbursed within a week. It is possible that a branch credit card could be issued, but it would be in one officers' name, usable only by them, and there would have to be prompt and detailed reporting of purchases to the national office. The user effort would be similar to that for using their personal credit card.</p> <p>The most practical and convenient procedures will be arranged with branches.</p> <p>For 'on the books' events, where IPEd pays expenses, use of the online registration and payment system greatly decreases the accounting effort, as the system automatically keeps accounting records which are fed to the accounting system. We believe that once members use this system they will appreciate how quick and convenient it is.</p>		

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Chair of meetings Constitution clause 10.2	Unable to remove a chair from a meeting	Remove this requirement from the constitution. There should be the capacity to remove the chair by a vote at any meeting. Otherwise, how does a meeting remove a biased or rogue chair from a meeting if there can be no vote of no confidence in the chair at a meeting? Why wouldn't a vote on a motion to remove the chair be enough to decide the matter? This is a basic democratic right of members participating in governance processes.
	<p>Response: The Council, through the chair, is responsible for running GMs. The need to remove a chair seems unlikely. Chairs have quite limited powers, and even the powers that they have can be subject to member requests and motions, e.g. to hold a vote by show of hands or a ballot. The chair's main function is to see that the meeting follows the agenda, that votes are taken where needed, and to act on member requests. They do generally have a casting vote if the member vote is tied, but in many cases they refrain from using it so that the matter can be discussed more, later. Incidentally, CSE itself doesn't have such a provision for removing a chair.</p> <p>The rule suggested is, as far as we are aware, not used in any association or company constitution.</p>	
Newsletter/website Principles of governance and operation, Staged implementation; Transition plan explained B1	Not included in current arrangements and no definite plan	A national organisation needs, from the outset, an agreed and formal arrangement for regular communication with its members. The idea that this would not be the case is untenable.
	<p>Response: The amount of work to prepare an integrated IPEd website, with branch sections, would be too much on top of the main implementation tasks. From the start, national communication to all members will be provided by emails and newsletters. As soon as IPEd DM is running smoothly, the website plans can be developed and implemented in a phased manner.</p>	