



POLICY AND PROCEDURES

Financial Management Policy and Procedures

Policy Approval Date:	23 rd June 2014
Approved by:	HSUWA Committee of Management
Approval Resolution No:	27/2014
Policy Application Date:	1 st July 2014
Version No:	V1.0
Replaced Version No & Date:	Replaces “Operational Guidelines for HSU of WA Committee of Management, Finance & Executive and Secretary” adopted in April 2006.
Next Review Date:	June 2015
Relevant Rules of the HSUWA: (see Attachment A)	<ul style="list-style-type: none"> Rule 5 – Committee of Management Rule 12 – Duties of the Committee of Management Rule 13 – Duties of President Rule 14 – Duties of Vice-President Rule 15 – Duties of Secretary Rule 16 - Duties of Treasurer Rule 20 - Funds
Relevant Legislation: (see Attachment B)	Industrial Relations Act 1979, sections 63 and Division 5
Scope:	This policy and procedures, or parts of this policy and procedures have application to all members of the Committee of Management and all employees of the HSUWA
Purpose:	This policy and procedures is established to assist the Secretary, the Finance and Executive Committee and Committee of Management in overseeing all aspects of the financial management and operation of the Union including financial risk management strategies and financial policies and procedures.

Policy Statement

HSUWA employees and HSUWA officers are expected to uphold the integrity of the Union in the highest manner when undertaking their duties and in their undertakings with members, employers, outside organisations and suppliers.

- HSUWA employees and HSUWA officers must behave honestly and with integrity in the course of their employment or duties.
- HSUWA employees and HSUWA officers must disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with Union employment or duties.
- HSUWA employees and HSUWA officers must not make improper use of inside information or use their duties, status, power or authority in order to gain, or seek to gain, an improper benefit or advantage for themselves or for any other person.
- HSUWA officers must at all times observe section 74 – Finance Official’s duties of the WA Act.

Policy

1. Definitions

‘Secretary’ also includes a person appointed to act in that position by the Committee of Management.

‘Credit Card’ also means ‘Debit Card’

‘Business Manager’ means the person appointed to manage and operate the financial accounts of the HSUWA on a day to day basis and appointed as such by resolution of the HSUWA Committee of Management.

‘HSUWA’ means the Health Services Union of WA (Union of Workers) registered under the provisions of the WA Act [‘State Union’].

‘HSUWA officer’ means a member of the State Union’s Committee of Management.

‘Immediate Family’ means any child, stepchild, parent, stepparent, spouse (including defacto), sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, and any person (other than a tenant or employee) sharing the household of the HSUWA employee or HSUWA officer.

‘The WA Act’ means the *Industrial Relations Act 1979*.

2. HSUWA Supplied Credit Cards

- 2.1 HSUWA Credit Cards may be supplied to HSUWA employees and any HSUWA officers as expressly approved by resolution of the HSUWA committee of management.
- 2.2 All Credit Cards issued to HSUWA employees and HSUWA officers are to be used for bona fide union business and are to be used in accordance with these procedures. Credit Cards may be used for items that are part of the normal operating expenditure and other general administration expenditure as defined in clause 3. Credit Cards may only be used for items that are part of the extraordinary operating expenditure which have been expressly pre-approved by resolution of the HSUWA Finance & Executive Committee or HSUWA Committee of Management in accordance with clause 4.
- 2.3 Other than as provided for in Clause 5 of this policy, credit cards must not be used under any circumstances for personal expenditure not associated with bona fide union business.
- 2.4 No cash withdrawal facilities shall be available from HSUWA credit cards
- 2.5 HSUWA Credit Cards will only be issued to individuals and those individual card holders are responsible for all expenditures made on their card.
- 2.6 The collective limit on all credit cards held in the name of the HSUWA shall be as determined by the HSUWA Committee of Management.
- 2.7 The HSUWA Committee of Management shall determine by resolution the credit card limits held by HSUWA officers and employees.
- 2.8 Credit card expenditure on any item of expenditure which exceeds \$1,000 for card holders, other than the HSUWA Secretary, must have the prior approval of the HSUWA Secretary.
- 2.9 Receipts and tax invoices are to be kept for all credit card expenditure and the card holder must provide a signed monthly reconciliation indicating that all expenditure was authorised expenditure and in accordance with these policies and procedures.
- 2.10 The Business Manager is to ensure that all credit card expenditure by all HSUWA officers and HSUWA employees has associated receipts and tax invoices and those monthly reconciliations have sufficient detail supplied by the card holder, including by the HSUWA Secretary.
- 2.11 The HSUWA Secretary must sign each card holder's monthly reconciliation confirming that the expenditure was authorised and made on the items referred to

in sub-clause 2.2 and submit the reconciliation to the HSUWA Finance & Executive Committee.

- 2.12 The Business Manager and HSUWA Secretary must immediately investigate any doubt or discrepancy with respect to any unauthorised expenditure and report such investigation, finding and action to the HSUWA Finance & Executive Committee.
- 2.13 The HSUWA Finance & Executive Committee must review and sign off on the HSUWA Secretary's monthly reconciliation confirming that the expenditure was made on the items referred to in sub-clause 2.2 and must immediately investigate any doubt or discrepancy with respect to any unauthorised expenditure and report such investigation, finding and action to the HSUWA Committee of Management.

3. Normal Operating Expenses

(General administration and reasonable incidental expenditure)

- 3.1 The HSUWA Secretary is authorised to make and/or commit to normal operating expenditures. There may be other expenditure, other than those defined in sub-clauses 3.2 and 3.3, that is expenditure on the general administration of the union or for purposes reasonably incidental to the general administration of the union ("other general administration expenditure"). The HSUWA Secretary is authorised to make and/or commit to other general administration expenditure consistent with the approved budget, and a specific policy or program direction issued by the HSUWA Committee of Management.
- 3.2 "Normal Operating Expenditure" includes but is not limited to the following items of expenditure:

Affiliation Fees (other than for UnionsWA and HSU Capitation Fees), Air Fares, Accommodation, Audit Fees, Cleaning and Housekeeping products, Computer Support, Computer and associate Hardware, Computer Software, Meeting Expenses, National Union Capitation Fees, Newspapers, Office Equipment Maintenance, Petrol, Parking, Petty Cash, Postage, Printing, Taxes, Rubbish Removal, Rent, Internet and Telephones, Equipment Rental, Stationery , Subscriptions, Staff Training, Conference Attendance, Employee Expense Claims, Utilities, Taxi, Airport Parking, Vehicle Lease, Insurance Premiums, Storage Rental.

The limit of expenditure on any of the above items without the approval of the HSUWA Committee of Management is \$10,000.

The Finance & Executive Committee may approve expenditure over \$10,000 and up to \$30,000 and any such decision must be recorded in the Committee's Minutes.

3.3 UnionsWA Affiliation, HSU Capitation Fees, Superannuation, Wages, Australian Taxation Office

Expenditure on the above items is as incurred. The wages paid to any HSUWA Officer and HSUWA employees are to be in accordance with the resolution of the HSUWA Committee of Management setting those wages.

3.4 Legal Expenses

Legal expenses are not normal operating expenses and require approval by resolution of the HSUWA Finance & Executive Committee or Committee of Management. Where possible the engagement of legal advice/representation should be approved by the HSUWA Finance & Executive Committee or Committee of Management prior to engagement. It is recognised however that prior approval is not always possible. Where it is necessary to engage legal advice/representation without prior approval then it must be a joint decision of the HSUWA Secretary and HSUWA President and must be considered for approval at the meeting of the HSUWA Finance & Executive Committee or Committee of Management following the engagement.

3.5 The HSUWA Secretary must scrutinise any expenditure incurred by, or on behalf of, the union. Where the HSUWA Secretary decides to approve expenditure on the basis that it is normal operating expenditure as defined above, or other general administration expenditure as defined above, the HSUWA Secretary must note his or her approval on the documentation relating to the expenditure and sign and date his or her approval. In relation to cheques and electronic funds transfers, the noting of the approval, signing and dating of the approval is to be in accordance with sub-clauses 9.2 and 10.2 of this policy.

**4. Extraordinary Operating Expenses
(Not general administration and reasonable incidental expenditure)**

4.1 This clause applies to expenditure that is not expenditure on the general administration of the union or for purposes reasonably incidental to the general administration of the union (“extraordinary expenditure”).

4.2 Unless otherwise provided for in this policy, all extraordinary expenditure requires the approval the HSUWA Finance & Executive Committee or Committee of Management. Extraordinary expenditure over \$10,000 and up to \$30,000 requires prior approval by the HSUWA Finance & Executive Committee or Committee of Management. Extraordinary expenditure over \$30,000 requires prior approval by the HSUWA Committee of Management. The approval of extraordinary expenditure by the HSUWA Finance & Executive Committee must be reported to the next meeting of the HSUWA Committee of Management. The approval of extraordinary expenditure by the HSUWA Finance & Executive Committee or Committee of Management must be minuted.

- 4.3 The Secretary is authorised to make expenditure up to \$10,000 on items or services of an extraordinary nature. Where such expenditures occur, they must be reported to the Finance & Executive Committee at its next meeting.

5. Union Funds on Personal Expenditure

As a general rule the use of union funds must not be used for personal expenditure not associated with bona fide union business.

However it is recognised that there may be situations or occasions where it is difficult to reasonably separate business and personal expenditure on the same invoice.

An example is where accommodation on a trip away from home may be a mixture of work related and personal related expenses and appear on one invoice. The same may apply with items such as airport parking where a trip has a component of business and personal associated with it.

Where these circumstances arise, the following will apply:

- The HSUWA officer or HSUWA employee must reimburse the Union in full as soon as the amount of personal expenditure is known and, unless it is unreasonable to do so, before the Union incurs any actual expenses (eg before a credit card payment or invoice is paid).
- The personal expenditure must be reported to the next meeting of the HSUWA Finance & Executive Committee by the Secretary detailing the actual personal expenditure, the reasons for the expenditure the date of repayment and the full details noted in the minutes of the meeting.

6. Opening and closing of accounts in the Name of the HSUWA

6.1 Financial institution accounts in the name of the HSUWA may only be opened or closed by resolution of the HSUWA Committee of Management.

6.2 As of this version of the Financial Management Policy and Procedures, the only authorised accounts in the name of the HSUWA are:

- Commonwealth Bank Cheque Account Bearing Interest (Savings and Investment Account)
- Commonwealth Bank Society Cheque Account (Operating Account)
- ME Bank Business Direct Savings Account
- ME Bank 6 Month Fixed Term Deposit Account

- 6.3 As of this version of the Financial Management Policy and Procedures, the only authorised credit or debit card accounts in the name of the union are to be issued by the Commonwealth Bank.

7. Financial Institution Accounts in the Name of the HSUWA

- 7.1 The Members Equity Business Direct Savings Account must be set up in such a way that funds may only be transferred to the Commonwealth Bank Savings and Investment Account.
- 7.2 Funds can only be transferred to and from the Members Equity Business Direct Savings Account to the Commonwealth Bank Savings and Investment Account by way of a written transfer request signed by three of the signatories to the account. Copies of such correspondence must be filed with any transfer documentation.
- 7.3 Other than by authorised Direct Debit Transactions (DDT's) made in accordance with Clause 11 of this policy, funds can only be transferred from the Commonwealth Bank Savings and Investment Account by way of a written transfer request signed by three of the signatories to the account. Copies of such correspondence must be filed with any transfer documentation.
- 7.4 Other than by authorised Electronic Funds Transfers (EFT's) made in accordance with Clause 10 of this policy payments from the Commonwealth Bank Operating Account can only be made by cheque or withdrawal signed by three of the signatories to the account.
- 7.5 The Authorised User of all accounts shall be the HSUWA Secretary.
- 7.6 The signatories to the financial institution accounts shall be as follows:
- Savings and Investment Account – in accordance with Rule 20, the President, Vice President, Treasurer Secretary and the Assistant Secretary when acting as Secretary.
 - Operating Account – the President, Vice President, Treasurer, Secretary, Assistant Secretary and any other HSUWA Employee appointed by resolution of the Committee of Management.
 - ME Accounts – the President, Secretary and any other officer appointed by resolution of the HSUWA Committee of Management.
- 7.7 Monthly statements for the Commonwealth Bank Savings & Investment Account, Commonwealth Bank Operating Account and Members Equity Business Savings Direct Account must be presented to meetings of the Finance & Executive Committee.

8. Operation of CommBiz

- 8.1 Only persons authorised by resolution of the HSUWA Committee of Management may operate the Commonwealth Bank Accounts via CommBiz. Access to accounts shall reflect the authorities outlined in Clause 7 of this policy.
- 8.2 The issue of CommBiz tokens and replacement tokens require the approval of the Finance & Executive Committee.
- 8.3 CommBiz EFT Passwords and token pin numbers are assigned to authorised individuals and those individuals are not to disclose their password to any other person.
- 8.4 CommBiz tokens are the property of the Union and must be returned to the Secretary or Business Manager when the need for having a token no longer applies.

9. Signing of Cheques – Commonwealth Bank Operating Account

- 9.1 Cheques will be signed by any three of the signatories to the account (see Clause 7.6 of this policy)
- 9.2 Cheques will only be prepared by the Business Manager with the prior written approval of the HSUWA Secretary.
- 9.3 Under no circumstances are blank cheques to be pre signed.

10. Electronic Funds Transfers

- 10.1 Bank procedures for Electronic Funds Transfers (EFTs) must be set up in such a way that it is not possible for one individual to begin and complete an EFT transaction.
- 10.2 Except as provided for in clause 12, EFTs will only be prepared by the Business Manager with the prior written approval of the HSUWA Secretary.
- 10.3 Once an EFT is authorised by the HSUWA Secretary, it may then be uploaded for payment on CommBiz ready for authorisation.
- 10.4 All EFT's must be authorised on CommBiz by three of the persons authorised pursuant to Clause 8.1 of this policy.
- 10.5 EFT reports will be examined by the HSUWA Secretary and initialled to confirm that they are the same as the transaction that was approved.

11. Direct Debit Transactions (Expenditure)

- 11.1 Direct Debit Transactions (DDT’s) may only be established by resolution of the HSUWA Finance & Executive Committee approving the establishment of a direct debit facility.
- 11.2 All DDT’s must be authorised by the HSUWA Secretary in the month the expenditure occurs.
- 11.3 All DDT’s will be examined by the HSUWA Secretary following the transaction and the transaction advice initialled confirming that the transaction was the same as the invoiced amount.

12. Approval of Wage Runs

- 12.1 The Business Manager has a standing authorisation to prepare and upload for payment authorisation EFT payments for wages based on prior instructions regarding the classification and salary for each individual officer and employee as authorised by the HSUWA Committee of Management.
- 12.2 All EFT payroll transactions must be authorised on CommBiz by three of the persons authorised pursuant to Clause 8.1 of this policy.
- 12.3 Following the payment of wages by EFT, the HSUWA Secretary will examine and sign the Payroll Summary and Payroll Advice printouts, and the EFT receipt, as correct.

13. Purchasing Goods and Services

- 13.1 Nothing in this Clause serves to limit the application of Clauses 3 or 4 of this Policy.
- 13.2 The engagement of Barristers and Legal Services (see sub-clause 3.4) has a standing exemption from the application of this Clause.
- 13.3 The following applies for the purchase of good and services:

Where the amount to be expended is estimated to be	Minimum quotation/tender requirement unless exemption granted
\$6,000 or less	Market should be tested from time to time to ensure value for money
Between \$6,000 and \$15,000	At least two written quotes or reasons for not obtaining the required minimum number of quotes must be recorded on file. HSUWA Finance & Executive Committee or Committee of Management makes the final decision.

Between \$15,000 and \$50,000	At least three written quotes or reasons for not obtaining the required minimum number of quotes must be recorded on file. HSUWA Finance & Executive Committee or Committee of Management makes the final decision.
More than \$50,000	Open tendering must be undertaken and overseen by the HSUWA Finance & Executive Committee unless otherwise determined by the Committee of Management. HSUWA Committee of Management makes the final decision.

13.4 Exemptions from obtaining quotations may only be made by resolution of the HSUWA Finance & Executive Committee or Committee of Management and the reasons for an exemption must be documented in the minutes. Exemptions from open tender can only be made by the HSUWA Committee of Management.

13.5 Purchases from Regular or Preferred Suppliers

While the use of regular or preferred suppliers is an appropriate means of purchasing smaller valued goods and services (eg stationary supplier, provision of telecommunications and IT services, provision of insurances, etc) it is important to recognise and manage any risks to good procurement practice which could arise from a tendency to give certain suppliers repeat business.

The period of any contract or arrangement will depend upon a number of factors however as a guideline such contracts and arrangements should be market tested at least every three (3) years

13.6 The HSUWA Secretary must disclosure in writing to the HSUWA Finance & Executive Committee the identity of service providers where such identity is material to a fair understanding of the union’s finances or where a question of probity or transparency arises or is likely to arise.

14. Dining and Entertainment Expenses

14.1 It is recognised that from time to time it may be appropriate for HSUWA officers and employees to incur dining or entertainment expenses associated with conducting the business of the union. The authorisation of the expenses shall be accordance with clauses 2, 8, 9 or 14 depending on the nature of the payment.

14.2 Union Business Meals

“Union Business meals” are meals taken with stake holders, during which a specific union business discussion takes place.

The HSUWA will pay or will reimburse HSUWA officers and employees for the reasonable cost of union business meals when they are directly related to or associated with the active conduct of union business. The amount expended on

union business meals must be reasonable, publicly defensible and not open to perceptions of excessiveness.

Business meal expenses require an itemised receipt and credit card receipt regardless of the amount and are to be acquitted in accordance with this policy.

14.3 Union Entertainment

“Union Entertainment expenses” are activities that include entertainment associated with Committee of Management meetings, meeting with groups of members or stake holder activities. Such expenses incurred by HSUWA officers or employees are paid for or reimbursed only if they are directly related to the active conduct of union business, or are necessary to accomplish the union’s business.

Union business must be transacted immediately before, during, or immediately after the activity.

Union Entertainment expenses require an itemised receipt regardless of the amount and are to be acquitted in accordance with this policy.

The amount expended, and the nature of the expenditure, on union entertainment must be reasonable, publicly defensible and not open to perceptions of excessiveness.

15. Expense Claims

- 15.1 All claims for authorised expense reimbursement must be made in writing and be supported by receipts and tax invoices for all such expenditure.
- 15.2 The Business Manager will ensure that such claims have the associated receipts and tax invoices attached and contain sufficient information to establish the exact nature and purpose of the expenditure or claim.
- 15.3 Prior to expenditure claim payments being made, the Secretary must approve such payments by signing the claim form.
- 15.4 Expense reimbursement claims made by the Secretary must be approved by the Finance & Executive Committee prior to payment being made.
- 15.5 A copy of all claim forms will be provided to each meeting of the Finance & Executive Committee.

16. Monthly Accounts

The Secretary is to arrange for monthly accounts and reports to be prepared by the Business Manager. These reports are to be reviewed by the Secretary and the Finance & Executive Committee at each of its meetings.

The monthly accounts and reports to be presented to the Finance & Executive Committee must include:

- Profit & Loss (Budget) Report
- Balance Sheet
- Treasurers Report (includes payments and transfers)
- General Ledger [Summary] (Cash Balance Report)
- Bank Reconciliations Report
- Monthly Bank Statements
- Monthly Credit Card Statements
- Monthly Expense Claims

17. Donations and Sponsorship

All loans, donations and sponsorships, regardless of their value, must be approved by resolution of the Committee of Management prior to the expenditure or commitment to the expenditure.

18. Annual Operating Budget

The Finance & Executive Committee, in consultation with the Secretary, shall be responsible for developing a budget for the Union which should be submitted to the Committee of Management for adoption by September each year. Once approved, expenditure consistent with the budget constitutes “Normal Operating Expenses” and, unless provided for in the rules or in this policy, the Secretary may expend or approve expenditure in line with the budget allocations.

19. Keeping of Financial Records

- 19.1 It is the responsibility of the Secretary to ensure that all records regarding financial transactions, including records evidencing authorisation of those transactions and including MYOB data files, are retained for at least 7 years.
- 19.2 The Secretary will ensure that all records of financial transactions, including records evidencing authorisation of those transactions in accordance with the Financial Management Policy and Procedures, be kept and where necessary electronically archived and backed up each month.

- 19.3 The Secretary will ensure that the Auditor is provided with a copy of the completed MYOB data file and other financial records sufficient for the Auditor to be able to compile a General Purpose Financial Report. This information must be supplied within four weeks of the end of the financial year or such other timeframe as requested by the Auditor.

20. Compliance and Review of this Policy

- 20.1 A substantial or repeated breach of this policy by an HSUWA officer or HSUWA employee covered by the scope of this policy will be deemed to be misconduct and may be subject to disciplinary action.
- 20.2 By June each year, the Finance & Executive Committee will undertake a review of the operation of this Policy and Procedures to ensure that it is adequately regulating the financial governance of the Union and that the policy is being fully complied with. A written report on the findings of the review is to be provided to the Committee of Management.
- 20.3 The Finance & Executive Committee and the Committee of Management will each have a standing 'Governance Issues' agenda item for each meeting to provide a regular forum for the discussion of union governance issues.
- 20.4 The Secretary will ensure that all relevant policies and procedures are made available to HSUWA officers and HSUWA employees and that appropriate training (including an induction process) is offered to ensure they understand the union's financial policies and procedures and their own responsibilities.

END

ATTACHMENT A

EXTRACTS FROM THE RULES OF THE HEALTH SERVICES UNION OF WA (UNION OF WORKERS)

5 - COMMITTEE OF MANAGEMENT

(1) The Governing body of the Union shall be a Committee of Management consisting of a President, a Vice-President, a Secretary, a Treasurer and nine Committee Members.

(2) (a) The members of such Committee, with the exception of the Secretary or any other paid officer of the Union, shall be elected by secret postal ballot, as hereinafter provided, and shall hold office for thirty-six months, following the Returning Officer's Report at the Annual Meeting.

One third of the Committee of Management shall retire each year and may offer themselves for re-election. Initially, the order of retirement shall be arranged by agreement, or if necessary by the drawing of lots to be conducted by the Secretary. Thereafter, the Committee members shall hold office for three years, retiring in strict rotation.

(b) The Committee shall have the power to appoint a Secretary or any other paid officer of the Union from applications received after a suitable advertisement has appeared twice in a daily paper. Such position to be held indefinitely. The Committee shall have power to terminate the appointment of any paid officer at any time it thinks fit.

(3) The Committee of Management shall have the general management and control of the affairs of the Union, subject to any direction given to it by a majority of the members present at any general meeting.

(4) It may expend the funds of the Union in accordance with these rules, and may do all the things necessary to give effect to those rules, and to protect and further the interests of members of the Union.

(5) The President, Vice-President, Secretary and Treasurer shall act as an Executive and shall be empowered to investigate such matters as is deemed necessary.

(6) The Committee of Management may act notwithstanding a casual vacancy in its membership and no act, proceeding or decision shall be invalid or void by reason only of the existence of a casual vacancy.

12 - DUTIES OF THE COMMITTEE OF MANAGEMENT

(1) (a) The Committee of Management shall meet at least quarterly and at any such meeting a majority of the Committee shall form a quorum, but if a quorum be not present the meeting shall lapse. It shall conduct all business of the Union and its decision on all matters shall be final, subject to the following paragraph:

(b) Upon a petition signed by not less than sixty financial members of the Union being presented to the Committee of Management requesting a referendum of the whole of the members of the Union to be taken on any question the Committee of Management shall cause a Special Meeting of all members to be called prior to such referendum being taken.

If a majority of members at that Special Meeting determine that a referendum should so be taken, the Committee of Management shall cause the referendum to be taken and shall give effect to the result of any majority decision.

If, however, a majority of members at that Special Meeting determine that the request for a referendum is frivolous, each member who signed the petition shall be jointly and severally

responsible for the costs associated with calling the Special Meeting provided that each member shall not be liable to pay more than twenty dollars.

(2) The Committee of Management shall investigate all disputes reported to it in writing and be empowered to call a Special Meeting of the Union when it deems it necessary.

(3) Any officer of the Union may be removed by a majority vote at a Special Meeting of the Union summoned for this purpose, or for failure to attend three consecutive meetings without leave of absence.

13 - DUTIES OF PRESIDENT

The duties of the President shall be to preside at all Special General, and Annual General Meetings of the Union, and at all Committee Meetings. He shall preserve order, and give an impartial report upon all votes, and he shall not vote on any motion but shall be empowered to give a casting vote on any motion where the voting is even. He shall be empowered to call Special Meetings of the Committee of Management when he thinks it expedient in the interests of the Union.

14 - DUTIES OF VICE-PRESIDENT

The duties of the Vice-President shall be to assist the President and in the absence of the latter at any meeting of the Union or Committee, to occupy the chair and to conduct the business. He shall perform (pro tem) all functions indicated for the President, if the latter, through illness or other cause, is unable to do so.

15 - DUTIES OF SECRETARY

The Secretary shall be appointed by the Committee of Management as provided for in Rule 5 and shall hold office indefinitely. The salary of the Secretary shall be as decided by the Committee of Management from time to time.

In particular, the Secretary shall:

(1) Convene and attend all meetings of the Union or of the Committee, and shall keep a correct report of all business transacted thereat.

(2) Keep the following records:

(a) A register of Union members, showing the name and postal address of each member;

(b) A list of the names, postal addresses and occupations of the persons holding offices in the Union;

(c) An account, in proper form, of the receipts, payments, funds and effects of the Union;

(d) Such other records as may from time to time be prescribed under the provisions of the Industrial Arbitration Act, 1912-1966.

(3) Once in every year cause the accounts of the Union to be properly audited by a duly qualified accountant and he shall within one calendar month after the completion of the yearly audit of the accounts of the Union delivered to the Registrar a duly audited balance sheet of the assets and liabilities of the Union made up to the date of closing the accounts and also a duly audited statement of the income and expenditure of the Union during the year subject of such audit.

(4) File with the Registrar once in each year at such time as may be prescribed a copy of the records required to be kept under sub-paragraph (2) of this rule and shall by Statutory Declaration certify such copy to be a correct statement of the information contained therein.

(5) File with the Registrar notification of changes in the holding of offices.

(6) At all times during which a person is a member of the Union keep a record of the receipt or other documents acknowledging or certifying that such person is a member of the Union or has paid any dues or other monies payable in respect of his membership or in respect of the renewal of his membership and such receipt or other document shall show the member's name and usual postal address.

16 - DUTIES OF TREASURER

It shall be the duty of the Treasurer to pay all accounts certified by the Secretary and having the Union seal thereon, and he shall produce for the inspection of the Auditor all books, papers and entries in his possession whenever required to do so.

The Treasurer shall ensure that all money is paid into the Bank to the credit of the Union's account within 48 hours of the receipt of same.

ATTACHMENT B

EXTRACTS FROM THE WA INDUSTRIAL RTELATIONS ACT 1979.

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63. Records, organisations' duties as to etc.

- (1) An organisation shall keep the following records —
 - (a) a register of its members showing the name and residential address of each member and details of the financial status of each member in respect of his membership; and
 - (b) a list of the names, residential addresses, and occupations of the persons holding offices in the organisation; and
 - (c) accounting records that are in accordance with generally accepted accounting principles and truly record and explain the financial transactions and financial position of the organisation; and
 - (d) such other records as are prescribed.
- (2) An organisation shall file with the Registrar once in each year, at such time as is prescribed, a copy of the records required to be kept under subsection (1)(b) and a record of the number of members in the organisation, certified by statutory declaration by the Secretary or other prescribed officer of the organisation to be a correct statement of the information contained therein.
- (3) An organisation shall file with the Registrar in such manner and within such time as is prescribed notification of changes in the holding of offices.

[(4), (5) deleted]

- (6) All documents filed with the Registrar pursuant to this section and section 65 shall be made available for inspection at the office of the Registrar as prescribed.
- (7) The register of members of an organisation shall be made available by the organisation for inspection by such persons as are authorised by the Registrar, at such times as are appointed by him, at the office of the organisation.

Division 5 — Duties of officers of organisations

[Heading inserted by No. 79 of 1995 s. 8(1); amended by No. 3 of 1997 s. 4; No. 20 of 2002 s. 192(1).]

74. Finance official's duties

- (1) In this section and in section 77 —
finance official means an officer of an organisation who is entitled to participate directly in the financial management of the organisation.

- (2) A finance official is to act honestly at all times in the performance of the functions of the finance official's office or employment.
- (3) A finance official is to exercise a reasonable degree of care and diligence at all times in the performance of the functions of the finance official's office or employment.
- (4) The degree of care and diligence required by subsection (3) is the degree of care and diligence that a reasonable person in the finance official's position would reasonably be expected to exercise.
- (5) Each finance official of an organisation is to ensure that the organisation keeps and maintains accounting records as required by section 63(1)(c).
- (6) A person who is or has been a finance official of an organisation is not to make use of information acquired by virtue of the person's position as a finance official to obtain or seek to obtain directly or indirectly, a pecuniary advantage for the person or for any other person or to cause or seek to cause detriment, loss or damage to the organisation.
- (7) Subsection (6) does not apply to acts done —
 - (a) in and for the purposes of the performance of the functions of a finance official's office or employment; or
 - (b) with the consent of the committee of management of the organisation.
- (8) Details of any matter about which consent is given under subsection (7)(b) are to be disclosed by the committee of management to the members of the organisation in accordance with the rules of the organisation.
- (9) A finance official of an organisation is not to make use of the finance official's position as a finance official to obtain or seek to obtain, directly or indirectly, a pecuniary advantage for the official or for any other person or to cause or seek to cause detriment, loss or damage to the organisation.
- (10) Subsection (9) does not apply to acts done in and for the purposes of the performance of the functions of a finance official's office or employment.
- (11) A finance official of an organisation is to provide the committee of management of the organisation with returns of the finance official's pecuniary interests at such times and in such form as are prescribed by the rules of the organisation.
- (12) A finance official of an organisation who has a material personal interest in a matter involving the organisation is to disclose the nature of the interest to the committee of management of the organisation as soon as is practicable after the relevant facts come to the finance official's knowledge.
- (13) Subject to section 79, this section is in addition to, and not in derogation of, any rule of law relating to the duties or liabilities of a finance official and does not prevent the institution of civil proceedings in respect of a breach of such a duty or in respect of such a liability.

[Section 74 inserted by No. 79 of 1995 s. 8(1); amended by No. 3 of 1997 s. 5; No. 20 of 2002 s. 192(2).]

75. Auditor to report on compliance with s. 74 duties

- (1) In reporting on the accounting records of an organisation under section 65 the auditor is to express an opinion as to whether any person has contravened or failed to comply with section 74.
- (2) If the auditor finds that the accounting records are not in a form that enables an informed opinion to be expressed as required by subsection (1), the auditor is to report that finding.

[Section 75 inserted by No. 79 of 1995 s. 8(1).]

76. Organisation's rules not to conflict with s. 74 or 75

Within 6 months of the coming into operation of section 8 of the *Industrial Relations Legislation Amendment and Repeal Act 1995*¹ the Registrar shall review the rules of each organisation of employees and shall, by application pursuant to section 66, bring before the President the rules of any organisation of employees if, in the opinion of the Registrar, any of those rules is contrary to or inconsistent with section 74 or 75.

[Section 76 inserted by No. 79 of 1995 s. 8(1).]

77. Duty under s. 74, enforcing

- (1) If a person who is or has been a finance official of an organisation (the **respondent**) contravenes or fails to comply with section 74 —
 - (a) the organisation; or
 - (b) an officer of the organisation; or
 - (c) a member of the organisation; or
 - (d) the Registrar or a deputy registrar; or
 - (e) an industrial inspector,

may apply in the prescribed manner to an industrial magistrate's court for the enforcement of section 74.

- (2) On the hearing of an application under subsection (1) the industrial magistrate's court may, if the contravention or failure to comply is proved, do any one or more of the following —
 - (a) by order, issue a caution to the respondent;
 - (b) subject to subsection (3) and section 79(5)(a), by order impose a penalty on the respondent of such amount as the industrial magistrate's court considers just, but not exceeding \$5 000;
 - (c) order the respondent to pay compensation to the organisation in respect of any loss or damage suffered by the organisation as a result of the contravention or failure to comply;
 - (d) order the restitution or forfeiture of any pecuniary advantage obtained by any person as a result of the contravention or failure to comply;
 - (e) order the respondent to do any specified thing or to cease any specified activity.

- (3) Only one penalty can be imposed on the respondent under subsection (2)(b) in respect of contraventions or failures to comply arising out of one course of conduct.
- (4) The industrial magistrate's court may, by order, dismiss an application under subsection (1).
- (5) Subject to subsection (6) an order under subsection (2) or (4) may be made with or without costs.
- (6) Costs shall not be given against the Registrar, a deputy registrar or an industrial inspector in relation to proceedings under this section.
- (7) Where the industrial magistrate's court orders money to be paid under this section by way of a penalty, compensation, restitution, forfeiture or costs the industrial magistrate's court shall state in the order the name of the person liable to pay the money and the name of the person to whom the money is to be paid.

[Section 77 inserted by No. 79 of 1995 s. 8(1); amended by No. 3 of 1997 s. 6.]

78. Failure to comply with s. 77(2)(e) order

A person who fails to comply with an order under section 77(2)(e) is guilty of an offence and liable to a penalty of \$5 000 and a daily penalty of \$500.

[Section 78 inserted by No. 3 of 1997 s. 7.]

79. Proceedings under s. 77, effect on or of other proceedings

- (1) Subject to subsection (3), where an application is made to an industrial magistrate's court under section 77, the matter to which the application relates (whether as shown in the application or as emerging in the course of the determination of the application) is not justiciable by another court in civil proceedings unless —
 - (a) that matter was before that other court at the time when the application was made to the industrial magistrate's court; or
 - (b) the application to the industrial magistrate's court is withdrawn or not pursued.
- (2) Where a matter that an industrial magistrate's court has jurisdiction to determine under section 77 is before another court in civil proceedings, that other court may order that the matter be transferred to and determined by the industrial magistrate's court.
- (3) Where a matter that a court has jurisdiction to determine in civil proceedings is before an industrial magistrate's court, the industrial magistrate's court may order that the matter be transferred to and determined by that other court.
- (4) In making an order for compensation, restitution or forfeiture under section 77(2)(c) or (d) an industrial magistrate's court is to have regard to any amount that the respondent has been ordered to pay in civil proceedings relating to the same matter in another court.
- (5) If criminal proceedings are instituted under any other enactment in respect of conduct that also constitutes a contravention of or failure to comply with section 74 —

- (a) an industrial magistrate's court is not to impose a penalty under section 77(2)(b) in proceedings under section 77 in respect of the matter; but
- (b) the outcome of the criminal proceedings is not to be taken into consideration in the determination of proceedings under section 77 in respect of the matter.

[Section 79 inserted by No. 3 of 1997 s. 7.]

80. Disqualification from office for breach of s. 74 duty

- (1) If an order is made against an officer of an organisation under section 77(2)(b), (c), (d) or (e), the industrial magistrate's court may, on the application of the Registrar, order —
 - (a) that the officer's office becomes vacant when the order is made; and
 - (b) that, from the time when the order is made, the officer is disqualified from holding or acting in any office in the organisation during such period of not more than 3 years as is specified in the order.
- (2) The industrial magistrate's court may include in an order under subsection (1) any provision that it considers necessary to ensure the operation of the order and to provide for the election or appointment of a person to replace the officer whose office becomes vacant under the order.
- (3) A person who performs or attempts to perform the functions of an office in the organisation while disqualified by an order under subsection (1) from holding or acting in the office commits an offence punishable by the Supreme Court as for a contempt.

[Section 80 inserted by No. 3 of 1997 s. 7.]