



Constitution

2017



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1. Name of Association

The name of the Association is Palmerston Association (Inc) and is the same Association as that incorporated under the name of the Drug Research and Rehabilitation Association (Inc) and formerly known as Palmerston Drug Research and Rehabilitation Association (Inc.)

2. Commencement

On the day on which approval is granted by the Commissioner under section 10 of the Act:

- (a) this Constitution comes into operation; and
- (b) the Constitution then in operation is consequently revoked.

3. Terms used

In these rules, unless the contrary intention appears:

Act means the *Associations Incorporation Act 2015* (the Act) and includes any delegated legislation made under that Act.

Association means the incorporated association to which this Constitution applies.

Board is the Board constituted under clause 10.

Chief Executive Officer (CEO) is the person holding the position of CEO and appointed by the Board to manage the overall operations and resources of the Association and act as the main point of communication between the board of directors and corporate operations.

Chief Financial Officer (CFO) is the senior executive responsible for managing the financial resources and reporting of the Association.

Commissioner means the person for the time being designated as the Commissioner under section 153 of the Act.

Dispute means any dispute that arises under or in relation to this Constitution between a Member and another Member (including any Board Member); or a Member and the Board.

Dispute Notice means a notice detailing the nature of the relevant Dispute and requiring that the provisions of clause 18 of this Constitution, "Disputes and Mediation", be complied with.

Financial Records include:

- (a) invoices, receipts, orders for payment of money, bills of exchange, cheques, promissory notes and vouchers; and
- (b) documents of prime entry; and
- (c) working papers and other documents needed to explain:
 - (i) the methods by which financial statements are prepared; and
 - (ii) adjustments to be made in preparing financial statements.

Financial Year of the Association means the period of 12 months commencing on 1 July of each year.

General Meeting of the Association means a meeting of the Association that all Members are entitled to receive notice of and to attend.

Immediate Past Consumer is defined as any person who has been engaged with Palmerston or any similar agency for their own or someone else's drug use within the past two years.

Member means a financial Member of Palmerston as admitted under clause 5.1;

Model Rules means the model rules prescribed under section 26 of the Act;

Officer means an officer of Palmerston as elected under clause 14;

Palmerston means the Association incorporated under the Act as the *Drug Research and Rehabilitation (Incorporated)* and continued in existence by this Constitution under the name provided for in clause 1.

Special General Meeting means a General Meeting of the Association other than the Annual General Meeting.

Special Resolution means a resolution passed by the Members at a General Meeting in accordance with section 51 of the Act.

4. Objects of Palmerston

- 4.1 Palmerston is established for the purpose of providing services to prevent or reduce the harm related to addictive behaviours for the individual, the extended family and the community.
- 4.2 Palmerston may cooperate with any person or body having similar objects or objects of a charitable nature consistent with the attainment of the provisions of these objectives.
- 4.3 The property and income of Palmerston shall be applied solely towards the promotion of the objects and purposes of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly to any Member except in good faith in the promotion of those objects or purposes.

5. Membership application

- 5.1 Any person over the age of 18 years who supports the objects or purposes of the Association is eligible to apply to become a Member of the Association excepting any current or immediate past consumer and any current employee of Palmerston.
- 5.2 A person who wants to become a Member must apply in writing to the Association.
- 5.3 The application must include a Member's nomination of the applicant for membership.
- 5.4 The application must be signed by the applicant and the Member nominating the applicant.

- 5.5 The Board must consider each application for membership of the Association and decide whether to accept or reject the application.
- 5.6 The Board must not accept an application unless the applicant is eligible under and has applied in accordance with this clause.
- 5.7 The Board shall notify the applicant of the Board's decision to accept or reject the application as soon as practicable after making the decision.
- 5.8 If the Board rejects the application, the Board is not required to give the applicant its reasons for doing so.

An applicant for membership of the Association becomes a Member when:

- (a) the Board accepts the application; and
- (b) the applicant pays any membership fees payable to the Association under clause 9.

6. When membership ceases

- 6.1 A person ceases to be a Member when any of the following takes place:
 - (a) a Member dies;
 - (b) the person resigns from the Association under clause 7;
 - (c) the person ceases to be a Member under clause 12.5.
- 6.2 For at least one year after a person ceases to be a Member, a record must be kept of:
 - (a) the date on which the person ceased to be a Member; and
 - (b) the reason why the person ceased to be a Member.

7. Resignation

- 7.1 A Member may resign from membership of the Association by giving written notice of the resignation to the CEO.
- 7.2 The resignation takes effect:
 - (a) when the CEO receives the notice; or
 - (b) if a later time is stated in the notice, at that later time.
- 7.3 A person who has resigned from membership of the Association remains liable for any fees that are owed to the Association (the *owed amount*) at the time of resignation.

8. Register of Members

- 8.1 The Board shall ensure that the requirements of section 53 of the Act are complied with by keeping and maintaining in an up to date condition a register of Members with their postal, residential or email addresses and the date on which each Member becomes a Member, and upon the request of a Member, shall make the register available for the

inspection of the Member, free of charge. The Member may make a copy of or take an extract from the register but has no right to remove the register for that purpose.

9. Membership fees

- 9.1 The annual membership fee shall be fixed by each Annual General Meeting of Members or, by direction of any such meeting, by the Board. The Board may elect to waive such fees for individual Members.
- 9.2 No levy or fee additional to the annual membership fee, however described, shall be imposed on Members except by resolution of an Annual General Meeting.

10. Board powers and composition

- 10.1 The Board Members are the persons who, as the Board, have the power to manage the affairs of the Association.
- 10.2 Subject to any direction of a General Meeting, the Board has the powers conferred on an incorporated association by section 14 of the Act.
- 10.3 The Board may employ persons on such terms and conditions, including suspension, termination and dismissal, as it shall determine whether generally or in a particular case subject to the provisions of any applicable written law.
- 10.4 The Board may delegate, in writing, to one or more committees (consisting of such Member or such persons as the Board thinks fit) the exercise of such functions of the Board as are specified in the delegation other than:
- (a) the power of delegation; and
 - (b) a function which is a duty imposed on the Board by the Act or any other law.
- 10.5 Any delegation under clause 10.4 may be subject to such conditions and limitations as to the exercise of the function or as to time and circumstances as are specified in the written delegation and the Board may continue to exercise any function delegated.
- 10.6 The Board Members must take all reasonable steps to ensure that the Association complies with the Act.
- 10.7 At any time, the membership of the Board shall be not less than seven and no more than 12.

11. Nomination of Board Members

- 11.1 Nominations of candidates for election as Board Members of Palmerston must be:
- (a) made in writing and signed by the candidate; and
 - (b) delivered to the CEO at least 15 days before the Annual General Meeting.
- 11.2 To be eligible for election to the Board, a person must be a Member and not less than 18 years of age.

12. Election of Board Members

- 12.1 If insufficient nominations are received to fill vacancies on the Board, the candidates nominated are deemed to be elected and further nominations may be received at the Annual General Meeting.
- 12.2 If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are deemed to be elected.
- 12.3 If the number of nominations exceeds the number of vacancies to be filled, a ballot must be held.
- 12.4 Where for any reason a casual vacancy occurs in the Board's membership, the Board may appoint a person who is otherwise eligible to be elected to the Board to fill the vacancy but no person so appointed shall hold office for a term longer than that of the Member causing the vacancy unless elected by an intervening Annual General Meeting.
- 12.5 A Board Member ceases to hold office if that person:
- (a) dies or is permanently incapacitated by mental or physical ill-health;
 - (b) fails, without tendering an apology, to attend three (3) consecutive notified meetings of the Board;
 - (c) is the subject of a resolution passed by a General Meeting of Members terminating his or her appointment as a Board Member; or
 - (d) becomes ineligible to accept an appointment or act as a Board Member under section 39 of the Act.

13. Board term

- 13.1 Subject to clauses 13.2, 13.3, and 13.4, a Board Member who has held office for 12 consecutive years is ineligible for election to any further consecutive term without the prior express approval of the Board on each occasion;
- 13.2 In determining whether a Board Member's term will be further extended beyond 12 years, the Board as a whole will consider the skills mix of the Board at the time;
- 13.3 In the event that a term is extended beyond 12 years, the continued appointment of the Member to the Board must be reconsidered within three years from the extension beyond 12 years.
- 13.4 Notwithstanding the above, the Chairperson will ensure that at all times Board Members maintain a commitment to the values and mission and as responsible persons comprehensively fulfil the duties of Board membership;
- 13.5 Clause 13.1 applies from the commencement of that clause (25 January 2011).

14. Officers

- 14.1 The Officers of Palmerston are the Chairperson, Vice Chairperson and the Treasurer, all of whom shall be elected by and be Board Members.

- 14.2 No person shall be entitled to hold more than one of the positions simultaneously listed at clause 14.1.
- 14.3 The Officers shall be elected at the first Board meeting following an Annual General Meeting and shall hold office until the first Board meeting held after the next succeeding Annual General Meeting, and shall be eligible for re election, subject to clause 13.
- 14.4 A casual vacancy among the Officers shall be filled at the Board meeting following the declaration of that vacancy, in accordance with clause 12.4.
- 14.5 Where the Board is required by the Act or by this Constitution to do any act or cause any act to be done, then:
- (a) there will be a presumption that the duty of complying with that requirement rests with the Officers;
 - (b) in the absence of any relevant prohibition against delegation, the Officers may delegate the performance of any function or duty or the exercise of any power to an employee of Palmerston in order that the requirement may be met; and
 - (c) any delegation made by the Officers to an employee of Palmerston will not affect the liability or responsibility of the Officers to meet that requirement.
- 14.6 The Board may delegate to the Chairperson, on terms and conditions as it may think fit, any or all of its powers but not this power of delegation. The Chairperson shall report to the Board the occasions on which the Chairperson exercised any power so delegated.

15. Board Quorum and Procedure

- 15.1 The quorum at any meeting of the Board shall be a number greater than 50% of the appointed Board membership.
- 15.2 Any question before the Board shall be decided by a majority of those Board Members present, and in the event of an equality of votes the question is resolved in the negative.
- 15.3 Board meetings shall be convened at least seven (7) times per annum. Board Members shall be advised not later than four (4) days before the date on which the Board is to meet. Notice of meetings shall include an agenda of matters to be considered at the meeting.
- 15.4 For each meeting the Board shall record:
- (a) the names of Board Members attending;
 - (b) each resolution;
 - (c) such relevant information as to document the general and financial status of the organisation at that time;
 - (d) additional information as the Board may direct in a particular case.

16. Use of technology to be present at Board meetings

- 16.1 The presence of a Board Member at a Board meeting need not be by attendance in person but may be by being simultaneously in contact by telephone or other means of instantaneous communication.
- 16.2 A Member who participates in a Board meeting as allowed under clause 16.1 is taken to be present at the meeting and, if the Member votes at the meeting, the Member is taken to have voted in person.

17. Payment to Board Members

- 17.1 A Board Member is entitled to be paid out of the funds of the Association for out-of-pocket expenses for travel and accommodation properly incurred in attending a meeting of the Association or otherwise in connection with the Association's business, only if authorised by a resolution of the Association.

18. Disputes and Mediation

- 18.1 The dispute procedure set out in this rule applies to any dispute.
- 18.2 Upon becoming aware of a dispute, any party to the Dispute, or any Board Member, may issue a written dispute notice provided that the Dispute Notice must be issued to all parties to the Dispute.
- 18.3 Within 14 days of the date of the Dispute Notice, the parties to the Dispute must meet and discuss the matter in dispute, and must negotiate in good faith using best endeavours to resolve the Dispute.
- 18.4 If the parties are unable to resolve the Dispute at the meeting referred to in the preceding paragraph, or if a party fails to attend that meeting, then the parties must within 10 days, attend mediation in accordance with this clause.
- 18.5 The mediation must be conducted by a mediator who is:
- (a) a person chosen by agreement between the parties; or
 - (b) in the absence of agreement in the case of:
 - (i) a dispute between a Member and another Member, an independent and neutral person appointed by the Board; and
 - (ii) a dispute between a Member and the Board, an independent and neutral person who is a mediator appointed by LEADR.
- 18.6 A Member can be appointed as the mediator of a dispute provided the mediator Member is not a party to the Dispute and none of the parties to the Dispute objects.
- 18.7 The parties to the Dispute must, in good faith and using best endeavours, attempt to settle the Dispute by mediation.

- 18.8 The role of the mediator shall be to assist the parties to negotiate between themselves a mutually acceptable resolution of the Dispute, by:
- (a) helping the parties to identify and define the issues in dispute;
 - (b) helping the parties to develop a procedure which is aimed at achieving resolution of the Dispute quickly, fairly and cost-effectively;
 - (c) making suggestions for the settlement of the Dispute and providing an opinion on what he or she considers a reasonable resolution of the Dispute; and
 - (d) acting as the facilitator of direct negotiations between the parties.
- 18.9 The mediator cannot determine the Dispute that is the subject of the mediation.
- 18.10 The mediation must be confidential and without prejudice.
- 18.11 All parties to the mediation will bear their own costs of the mediation.
- 18.12 If, following the mediation process, the Dispute is not resolved, the parties may seek to resolve the Dispute in accordance with the Act or otherwise at law. No legal proceedings (judicial, arbitral or otherwise) of any nature relating to a dispute can be commenced until either the provisions of this clause have been complied with, or there is a reasonable basis for a party to the Dispute to claim that the other party has not acted in good faith in respect of the provisions of this clause.
- 18.13 This clause is subject to the provisions of any legislation that may be applicable to or govern the mediation, and in the event of any inconsistency, the provisions of the legislation will prevail.
- 18.14 If a dispute cannot be resolved under the procedures set out in this clause, any party to the dispute may apply to the State Administrative Tribunal to determine the dispute in accordance with the Act or otherwise at law.

19. Annual General Meeting

- 19.1 An Annual General Meeting shall be convened within six (6) months of the end of the immediately preceding financial year at a time to be determined by the Board.
- 19.2 The ordinary business of the Annual General Meeting is to:
- (a) confirm the minutes of the previous Annual General Meeting and of any Special General Meeting held since then if the minutes of that meeting have not yet been confirmed;
 - (b) receive and consider:
 - (i) the annual report on the Association's activities during the preceding financial year; and
 - (ii) as a tier 3 association, the financial report of the Association for the preceding financial year ;
 - (iii) a copy of the report of the auditor's report on the financial statements.
 - (c) appoint or remove an auditor of the Association in accordance with the Act;

- (d) confirm or vary the entrance fees, subscriptions and other amounts (if any) to be paid by Members.
 - (e) Approve the Members who have nominated for appointment to the Board.
- 19.3 Any other business of which notice has been given in accordance with these rules may be conducted at the Annual General Meeting.

20. General Meeting

- 20.1 A General Meeting must be convened by the Board within 28 days from the day it receives a request for a General Meeting from at least 20% of members of Palmerston. The request shall specify the reason for requiring a Special General Meeting.
- 20.2 A resolution of a General Meeting is one that is passed by a simple majority of members present and voting (including proxies, if any) or, in the case of a special resolution, one that is passed by a majority prescribed by section 51 (1) of the Act, that is by votes of not less than three quarters of the Members present.
- 20.3 Until a General Meeting otherwise determines, the rules of debate are to be those usually applied in the conduct of a General Meeting and the decision of the Chair shall be final.
- 20.4 The quorum for the conduct of business at a General Meeting is not less than five (5) Members.
- 20.5 The Chairperson shall chair a General Meeting and in the absence of the Chairperson a General Meeting shall be chaired by a Vice Chairperson. In the absence of the Chairperson and the Vice Chairperson, the Members shall elect a Chairperson from among their own number.
- 20.6 The quorum for the conduct of business at a General Meeting is not less than five (5) members.

21. Notice of General Meetings

- 21.1 The Board must give to each member at least 21 days' notice of a General Meeting if a special resolution is to be proposed or 14 days' notice of a General Meeting in any other case.
- 21.2 The notice shall contain a date, time and place and a statement of the business to be considered at that meeting and a copy of any notice of motion required to be given by resolution of a General Meeting.
- 21.3 If the General Meeting is the Annual General Meeting, the notice must include the names of the Members who have nominated for election to the Board in accordance with clause 11.1.
- 21.4 If a special resolution is proposed the notice will:
- (a) set out the wording of the proposed resolution as required by section 51(4) of the Act; and
 - (b) state that the resolution is intended to be proposed as a special resolution.

22. Life Members

- 22.1 Palmerston in General Meetings may, on the recommendation of the Board, confer life membership of Palmerston on any person who has given longstanding and valuable commitment or service.
- 22.2 A Life Member shall not be required to pay annual subscription or levy to Palmerston.
- 22.3 A Life Member shall not be entitled to vote at meetings of Palmerston or be eligible to be elected as a Board Member.

23. Financial matters

- 23.1 The Association shall have an account in the name of the Association with a financial institution from which all expenditure of the Association is made and into which all funds received by the Association are deposited.
- 23.2 Subject to any restrictions imposed at a General Meeting, the Board may approve expenditure on behalf of the Association.
- 23.3 The Board may authorise the treasurer, CEO or CFO to expend funds on behalf of the Association up to a specified amount without requiring approval from the Board, subject to the Delegation of Authority schedule.
- 23.4 All payment of the Association's expenses must be authorised by two (2) authorised bank signatories (refer clause 25.1).

24. Auditor

- 24.1 Each Annual General Meeting shall appoint an auditor who shall be a qualified practising accountant. Where a casual vacancy occurs, the Board shall appoint an auditor pending the next Annual General Meeting.
- 24.2 The Board must present for consideration at the Annual General Meeting the financial report, audited in accordance with Part 5, Divisions 5,6, and 7 of the Act and a copy of the auditors' report.
- 24.3 The Board shall ensure that the auditors are appointed and removed in accordance with the Act and the conduct of the audit is in accordance with Part 5, Divisions 5,6, and 7 of the Act.

25. Funds

- 25.1 The Board shall make a policy providing for the receipt, custody, control and banking of funds received by Palmerston and their disbursement. This will include the authorised signatories.
- 25.2 Until the policies mandated by this article are made, the rules in force when this Constitution comes into operation continue to apply.

26. Custody of Books and Securities

- 26.1 Subject to clause 26.2 the books and any securities of the Association must be kept in the Chairperson's custody or delegated to an authorised employee or officer.
- 26.2 The financial records and, as applicable, the financial statements or financial reports of the Association must be kept in the treasurer's custody or delegated to an authorised employee or officer.
- 26.3 26.1 and 26.2 have effect except as other decided by the Board.
- 26.4 The books of the Association must be retained for at least seven (7) years.

27. Amendment of Constitution

- 27.1 Subject to Part 3, Division 2 of the Act, this Constitution and the name of Palmerston shall not be altered except by special resolution of a Special General Meeting as defined in section 51 of the Act.

28. Inspection of records and documents

- 28.1 A Member who wants to inspect:
 - (a) The register of Members under section 54(1) of the Act; or
 - (b) The record of the names and addresses of Board Members, and other persons authorised to act on behalf of the Association, under section 58(3) of the Act; or
 - (c) Any other record or document of the association.

must contact the secretary to make the necessary arrangements for the inspection.
- 28.2 The inspection must be free of charge.
- 28.3 If the Member wants to inspect a document that records the minutes of a Board meeting, the right to inspect that document is subject to any decision the Board has made about minutes of Board meetings generally, or the minutes of a specific Board meeting, being available for inspection by Members.
- 28.4 The Member may make a copy of or take an extract from a record or document referred to in 28.1(c) but does not have a right to remove the record or document for that purpose.

29. Executing documents and Common Seal

- 29.1 The Association may execute a document without using a common seal if the document is signed by :
 - (a) two Board Members, or
 - (b) one Board Member and a person authorised by the Board.

- 29.2 If the Association has a common seal:
- (a) the name of the Association must appear in legible characters on the common seal; and
 - (b) a document may only be sealed with the common seal by the authority of the Board and in the presence of:
 - (i) two (2) Board Members; or
 - (ii) one Board Member and a person authorised by the Board; and
 - (iii) each of them is to sign the document to attest that the document was sealed in their presence.
- 29.3 The secretary must make a written record of each use of the common seal.
- 29.4 The common seal must be kept in the custody of the secretary or officer authorised by the Board.

30. Distribution of surplus property on cancellation of incorporation or winding up of the Association

- 30.1 In the event of Palmerston being dissolved and subject to meeting the requirements of applicable legislation, the amount that remains after such dissolution and the satisfaction of all debts and liabilities shall be transferred to another organisation with similar purposes which is not carried on for profit or gain of individual Members. Its surplus property must be distributed as determined by special resolution and in accordance with section 24(1) of the Act.

31. Matters not expressly provided for in the Constitution

- 31.1 Any matter not expressly provided for in this Constitution but which is the subject of a provision in the Model Rules shall have effect to the extent that it is consistent with the Constitution.

Constitution

Adopted on 25 May 1994
Amended 11 October 2002
Amended 20 October 2006
Amended 25 January 2011
Amended 16 October 2012
Amended 28 October 2014
Amended 31 May 2016
Amended 24 October 2017