



**Special announcement to members: UPDATED 1 April 2019**

## **MAV Memorandum of Articles of Association to be replaced with proposed new Constitution at the 2019 AGM**

The MAV Council have been working on a proposed new Constitution for the Association. This process has been ongoing for the past 12 months. MAV engaged Mills Oakley who are experienced in developing constitutions for the not for profit (**NFP**) sector, to guide the Council through a very thorough process to ensure that the proposed new constitution is legally sound, and will cater for the needs of MAV and its members into the future.

This process is nearing final stages of preparation, and a proposed new constitution will be put to members to endorse by vote at the 2019 AGM.

To inform members about the Constitution we have put together some FAQs and information to compare the current Memorandum of Articles of Association, with the proposed new Constitution.

### **Why is a new constitution required?**

The current MAV constitution (Memorandum of Articles of Association) is over 30 years old and has had very minor amendments since its creation. Council decided it was preferable to start with a new template that was up-to-date and meets current regulatory requirements, rather than attempt to make further amendments to the existing document. A new constitution will ensure that MAV is positioned and enabled to run as a modern and progressive organisation, and meet its governance requirements more effectively and efficiently.

The constitution refers to the obligations of the Company (as a public company limited by guarantee) under the *Corporations Act 2001* (Cth).

In the event that MAV decided to apply for registration as a charity in the future, the new constitution also refers to the obligations of MAV under the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), and the *Australian Charities and Not-for-profits Commission Regulation 2013* (Cth), which includes the Governance Standards.

### **How is the proposed new constitution approved by members?**

The new constitution is adopted by the members by special resolution at the AGM. Members would essentially vote on the new constitution to be approved.

## **Do I have to vote?**

Individual Members, Institution Members, Student Members, and Honorary Life Members have the right to vote on the new constitution being adopted. Although you do not have to vote, MAV will ensure a quorum of members attends the AGM as usual, to undertake the vote on the special resolution.

## **When is the AGM where I can vote on the special resolution?**

Date: Tuesday, 21 May 2019, from 6pm

Venue: ACER, 19 Prospect Hill Road, Camberwell

## **What will happen at the next AGM if the new constitution is successfully approved?**

A special resolution will be voted on at the beginning of the meeting. If the constitution is adopted, the meeting will continue under the terms of the new constitution. This includes the election of Directors that will also take place at the AGM.

If the Constitution is not successfully adopted, the AGM will continue under the terms of the current Memorandum of Articles of Association.

## **Can I see the proposed new constitution before the AGM?**

The current draft of the Constitution is available here for your review.

<https://www.mav.vic.edu.au/about-us/mav-council/constitution.html>

If you have any feedback or questions on the draft they should be sent to Peter Saffin, CEO for review.

[psaffin@mav.vic.edu.au](mailto:psaffin@mav.vic.edu.au) or 0403 600 120

## **What effect will the proposed new constitution have on my day-to-day membership benefits?**

The implementation of the new constitution will not have any effect on your current membership benefits. Member benefits are agreed by the Council from time to time and these will not be changed by adopting the new constitution. The proposed new constitution is about improving the governance to ensure that the organisation is running efficiently and using its funds for appropriate purposes.

## What are the key differences between the old constitution and the proposed new one?

Of the differences between the current and the proposed new constitution, many are minor. The summary below outlines the key differences and changes that will come into effect under the proposed new constitution being adopted:

	<b>Current Memorandum of Articles of Association</b>	<b>Proposed New Constitution</b>	<b>Notes</b>
<b>Membership</b>	Membership was outlined, but overly wordy and complicated.	A more simplistic membership clause to provide clarity to members.	
<b>Number of directors</b>	May have six elected positions, up to 12 other elected directors and 2 co-opted directors. This is maximum of 20 directors.	Must be between nine and 14 directors. Made up of a mixture of elected directors, Immediate Past President, and up to a maximum of two co-opted directors. Under the proposed new constitution the Board can determine the mix of elected directors and co-opted directors.	Most boards typically have between three and nine directors. MAV has a larger Board to ensure a diverse representation of education sectors.
<b>Election of office bearer positions</b>	Office bearers are elected by members to the Board by vote at the AGM. Other elected directors are also voted into their positions by members. Office bearer positions include: <ul style="list-style-type: none"> <li>• President;</li> <li>• 2 Vice presidents;</li> <li>• Immediate Past President;</li> <li>• Treasurer; and</li> <li>• Secretary.</li> </ul>	The office bearers are elected by the Board at the first meeting of the Board after the adoption of the constitution. Office bearer positions include: <ul style="list-style-type: none"> <li>• President;</li> <li>• Vice President; and</li> <li>• The Board can appoint additional Office Bearer positions as the Board deems necessary from time to time. This will include at first the Chair of the Finance Committee.</li> </ul>	The elected Board will select the most appropriate people to fulfil these key roles for the association from amongst themselves. This is typically in line with how many NFP Boards elect their positions.
<b>Office Bearer terms:</b>	Office bearers are elected by the members for a 1 year term. Office bearers are eligible for re-election, but cannot hold office for more than 5 years .	Office bearers hold office for a term of 1 year (or a shorter period, if the office bearer has less than 1 year remaining in his or her term as a Director). Office bearers are eligible for reappointment for terms of 1 year each, provided that the office bearers do not hold office for more than 4 consecutive years.	

<b>Director terms</b>	Directors are elected for one-year terms, up to a maximum of five years, after which a one-year break is enforced before being eligible to be elected once again.	Directors are elected for two-year terms, up to a maximum of six years, after which a one-year break is enforced before being eligible to be elected once again. Terms are now set to alternate, with half of the positions becoming available each year.	Longer terms for Directors enables more stability for the association leadership. Alternating positions ensures that the entire Board is not replaced in a single year, reducing the risk of instability and loss of organisational knowledge.
<b>Immediate Past President (IPP)</b>	Previously the IPP would remain in the role for as long as the new President remained in their position.	IPP can only take up this role if they have been President for at least one year, and have not been removed from the role of President for any reason. They remain IPP for only one year before vacating the position.	The IPP role is to act as a support for the incoming President, and to ensure a level of consistency and handover of knowledge. It is considered that this role is only required for one year after a new President is elected.
<b>Company Secretary</b>	There is a Secretary on the board, but the CEO has been fulfilling the role of official Company Secretary.	The CEO is appointed as official Company Secretary, there is no Secretary elected on the board.	This avoids any confusion around role of Secretary.
<b>Voting process at AGM</b>	Previously included in the Memorandum of Articles of Association.	Now developed as a by-law, based on the voting process in the existing version.	The by-law is agreed by the Board and may be updated from time to time to ensure it remains current. Voting by proxy is still valid.
<b>Members voting electronically</b>	Not previously included in the Memorandum of Articles of Association.	The ability for members to vote by electronic voting.	The Board can decide whether electronic voting will be used at a members' meeting.
<b>Rights to vote</b>	The following members have the right to vote at General Meetings: -Individual Members -Institution Members -Student Members -Honorary Life Members -Associate Members. The following classes do not have voting rights: -Patron Members -Honorary members.	All members will continue to have the same rights to vote as per the existing Memorandum of Articles of Association as stated in the previous column.	We assure all members that their voting rights remain the same.