

7 October 2022

# Draft Notice of Special Resolution

To be proposed at the 56<sup>th</sup> Annual General Meeting of the Australian Conservation Foundation Incorporated (ABN 22 007 498 482) on Friday 25 November 2022.

Notice is hereby given that at the 56<sup>th</sup> AGM of the Australian Conservation Foundation Incorporated (ACF), the ACF Board intends to propose the following motion as a **Special Resolution**:

**THAT rule 37.1 of the Constitution of the Australian Conservation Foundation Incorporated<sup>1</sup> be amended to allow a payment to be made to the ACF President. The amended rule would state (addition in italics) “The Board must elect a Board member to the role of President of ACF and Chair of the Board. *The Board may resolve that ACF make reasonable payment to the President for their services as President*”.**

## Information about the Special Resolution

### The case for a payment to the President

The ACF Board is currently undertaking a recruitment process for an ACF President. It has become clear that some highly qualified candidates are not in the financial position to undertake this role and only candidates that are retired or financially secure can consider the role.

The President role requires two to three days a month of time, sometimes more, during weekdays when candidates may otherwise be working in paid positions. This workload may be suitable as voluntary service for candidates who meet ACF’s selection criteria and have retired from full time works and/or have established independent wealth. However, it disadvantages individuals of working age or who are financially dependent on working full-time.

A small payment to the President, set by the Board, would make the role more inclusive and attractive to more qualified candidates.

### Payment amount and processes

The Board proposes a maximum amount of \$30,000 per annum to be paid to a suitably qualified President. In determining this amount, the Board assessed the

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<sup>1</sup> [ACF Constitution](#)

workload and responsibilities of the President role as well as consulted with non-profit recruitment professionals and assessed payments by other non-profits to Presidents or board members.

If members support the Constitutional amendment, the Board would then:

- develop an ACF policy that sets the payment limit and services required of the President and publish this policy on ACF's website;
- determine a suitable payment for the President (up to \$30,000 per annum) upon their appointment. This would be a decision of the Board, included in the Board minutes and would exclude the President from being involved in the decision-making in accordance with ACF's Managing Conflicts of Interests policy;
- publish any payment in the audited annual Financial Report provide to members.

### **Legal and ethical requirements**

The Board sought legal advice from the respected law firm, Arnold Bloch Leibler, which advised that there is nothing in the ACF Constitution, the Associations Incorporation Act 1991 (ACT) or any other legislative requirements governing ACF that precludes ACF from making a payment to the President.

Further, the Australian Charities and Not-for-profits Commission does allow charities to pay Board members, as long as payments to Board members are in furtherance of the charity's charitable purpose, permissible under the charity's rules, and properly authorised within the charity. In fact, the ACNC recognises that payment could help attract diverse candidates to boards<sup>2</sup>.

Despite there being no legal impediment to payment, ACF's commitment to transparent and democratic governance has compelled the Board to seek the support of the ACF members for a payment to the President through an explicit rule in the ACF Constitution.

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<sup>2</sup>[Remunerating charity board members | ACNC](#)