



**R S L N S W**

# RSL NSW SUB-BRANCH STANDARD OPERATING PROCEDURES

ISSUED DECEMBER 2018

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## **SUB-BRANCH STANDARD OPERATING PROCEDURES (SOPs)**

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These SOPs set out the procedures which govern the operations of a Model A sub-Branch and a Model B sub-Branch and supplement the sub-Branch provisions in the RSL NSW Constitution.

Defined terms used in this document have the same meaning as in the RSL NSW Constitution.

### **1. Model A sub-Branches**

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#### **Governance**

- 1.1 A Model A sub-Branch:
- (a) is and will operate as a separate and independent legal entity and will be governed, controlled and managed by a board of directors;
  - (b) must adopt and abide by the Model A sub-Branch Constitution (to be lodged by the Model A sub-Branch with the ACNC) which provides, among other things that a model A sub-Branch:
    - (i) must remain at all times a not-for-profit corporation and a charity registered with the ACNC;
    - (ii) will be governed by a board of not fewer than 3 and not more than 5 directors to be appointed by the sub-Branch in accordance with the Model A sub-Branch Constitution, each of which must be, and remain, a Service Member and meet additional eligibility requirements set out in the Model A sub-Branch Constitution (which are similar to the eligibility requirements for Directors of the (RSL NSW) Board);
    - (iii) will have two classes of members being:
      - (A) Corporate Members one of which will be RSL NSW and the other, a person or entity nominated by the Model A sub-Branch (**Corporate Members**);
      - (B) RSL NSW Members being RSL NSW Members attached to the sub-Branch;
  - (c) must at all times remain registered with the ACNC.
- 1.2 The directors of the Model A sub-Branch are responsible for ensuring that the Model A sub-Branch complies with:
- (a) all legal, regulatory, financial and accounting responsibilities and obligations including but not limited to all obligations under the Corporations Act, the ACNC Act and the Charitable Fundraising Act; and
  - (b) the RSL NSW Constitution.

#### **RSL NSW Members**

- 1.3 All RSL NSW Members of a Model A sub-Branch will from the Conversion Date be recognised as being attached to and registered as a “*Member of RSL NSW attached to the [name of sub-Branch of which previously a Member] sub-Branch Limited.*”
- 1.4 All new RSL NSW Members, at the time of making a membership application, can apply to be attached to a particular Model A sub-Branch and, if accepted as a member of RSL NSW and

approved by the Model A sub-Branch, will be recognised as being attached to, and registered as a “*Member of RSL NSW attached to the [sub-Branch nominated by the applicant] sub-Branch Limited.*”

- 1.5 For the avoidance of doubt, an RSL NSW Member is distinct from a Corporate Member of a Model A sub-Branch and will be distinguished in the Model A Constitution accordingly.

### **Rights and Functions**

- 1.6 Subject to it complying with the provisions of the RSL NSW Constitution, a Model A sub-Branch is entitled to operate under the RSL NSW name, logo and style and represent that it is a subsidiary entity and sub-Branch of RSL NSW and to have the benefit of RSL NSW Administrative Services (described in clause 1.15).
- 1.7 Without limiting the above, a Model A sub-Branch may, under the RSL NSW name, logo and style:
- (a) organise, attend and represent the sub-Branch at commemorative events and functions;
  - (b) organise, support, attend and represent the sub-Branch at community events;
  - (c) coordinate, arrange and provide support and welfare services to serving and ex-serving Defence members and their families;
  - (d) coordinate and organise social meetings and gatherings of RSL NSW Members;
  - (e) in consultation with ANZAC House, engage, support and coordinate volunteers including but not limited to Auxiliary Members to assist in carrying out the functions of the sub-Branch including but not limited to fundraising, community and commemorative events and functions;
  - (f) make representations to, and collaborate with RSL NSW on veteran policy and defence policy;
  - (g) propose resolutions for consideration and presentation to the RSL NSW annual general meeting;
  - (h) exercise any powers of a sub-Branch in accordance with the RSL NSW Constitution;
  - (i) conduct and participate in fundraising activities in accordance with the RSL NSW Constitution and these SOPs;
  - (j) make grant applications in accordance with the RSL NSW Constitution and these SOPs; and
  - (k) undertake other functions and activities in pursuance of the Charitable Purpose.

### **Duties and Obligations**

- 1.8 A Model A sub-Branch must provide all support, cooperation and assistance to RSL NSW as may from time to time be requested by the Board, or its delegate to facilitate:
- (a) the carrying out of administrative and governance functions including but not limited to the conduct by RSL NSW of elections for Elected Directors;
  - (b) the compliance by RSL NSW with all legal, regulatory, financial and audit compliance requirements;

- (c) the preparation and completion of RSL NSW's financial accounts, audits and statements.

1.9 A Model B sub-Branch must provide ANZAC House with all Documents and information requested by ANZAC House within 21 days of a request for such Documents and information.

### **Compulsory Compliance Training**

1.10 In addition to the director training which each Model A sub-Branch director must undertake to meet director eligibility requirements in the Model A sub-Branch Constitution, a sub-Branch must undertake any compulsory legal and regulatory compliance training which RSL NSW may prescribe and provide from time to time.

### **Financial Management, accounting and Audit**

1.11 A Model A sub-Branch is responsible for ensuring that it maintains and prepares annual financial statements and takes all steps to comply with its legal and regulatory obligations in doing so including but not limited to complying with Australian Accounting Standard Board (AASB), ACNC and Corporations Act requirements.

1.12 Financial statements must be audited annually, by an auditor appointed jointly by the Corporate Members of the Model A sub-Branch in accordance with the provisions of the Model A Constitution for this purpose.

### **RSL NSW Administrative Services Fee**

1.13 In consideration of a Model A sub-Branch continuing to operate as an RSL NSW sub-Branch, and in return for the provision and benefit of the RSL NSW Administrative Services each Model A sub-Branch must pay an annual Administrative Services Fee. RSL NSW will issue a tax invoice to a sub-Branch each year and the sub-Branch must pay the Administrative Services Fee within 60 days of receipt of the invoice.

1.14 The Administrative Services Fee will be an amount not less than 5% of the sub-Branch's annual gross income and will only be greater than 5% if approved by an ordinary resolution of Delegates at the annual general meeting of RSL NSW.

1.15 The Administrative Services Fee is payable by a Model A sub-Branch as a contribution towards costs of the development, maintenance, preservation and expansion of the RSL brand for the benefit of RSL NSW, each sub-Branch, and the League as a whole, but will also contribute to costs of and incidental to:

- (a) all RSL NSW administrative functions;
- (b) advertising, promotional, marketing and public relations services;
- (c) coordinating, governing and maintaining the operations of the League within New South Wales;
- (d) the provision of ongoing compulsory compliance training services referred to above;
- (e) production and distribution of publications and communications within the League;
- (f) maintaining, monitoring and managing disputes, grievances and complaints and whistle-blower allegations;
- (g) undertaking and research and advocacy for the benefit of the League; and
- (h) fostering, promoting and pursuing the Charitable Purpose.

## **RSL NSW Charitable Purpose Contribution**

- 1.16 A Model A sub-Branch must make the Charitable Purpose Contribution as determined by the Board from time to time. RSL NSW will issue a tax invoice to a sub-Branch each year and the sub-Branch must pay the Charitable Purpose Contribution within 60 days of receipt of the invoice.

## **Fundraising and Grants**

- 1.17 Subject to the matters set out below, a Model A sub-Branch may undertake fundraising activities:
- (a) as an authorised fundraising agent or collector of RSL NSW or related RSL NSW entity for major RSL NSW appeals such the Poppy and ANZAC appeals in accordance with a written authority or agreement being issued to the sub-Branch; and/or
  - (b) under a separate Charitable Fundraising Authority obtained by the Model A sub-Branch in accordance with that authority.
- 1.18 A Model A sub-Branch must notify RSL NSW that it intends to conduct a fundraising appeal prior to doing so and must provide any information regarding the proposed fundraising appeal if requested by RSL NSW.
- 1.19 A sub-Branch must only conduct or participate in the Poppy Appeal and the ANZAC Appeal with the prior written approval of RSL NSW and in accordance with any terms and conditions prescribed by either RSL NSW or any regulatory body.
- 1.20 A Model A sub-Branch is entitled, where the grant conditions permit, to apply in its own right, for a funding grant for any purpose which complies with the Charitable Purpose.

## **Property, Cash and Investments**

- 1.21 All real property, assets and investments transferred to and held by a Model A sub-Branch from the Conversion Date are owned, controlled and managed by the Model A sub-Branch and are the responsibility of the Model A sub-Branch.
- 1.22 A Model A sub-Branch acknowledges and agrees that, in addition to its obligations under the RSL NSW Constitution, it must deal with its property, assets and investments subject to, and in accordance with its obligations:
- (a) as a charity in accordance with its charitable objects; and
  - (b) under the Model A sub-Branch Constitution.

## 2. Model B sub-Branches

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### Governance

- 2.1 A Model B sub-Branch is a division of RSL NSW that will be operated and managed by a sub-Branch management committee comprising:
- (a) a President;
  - (b) one or two Vice Presidents, and
  - (c) a secretary/treasurer,
- or as otherwise comprised in consultation with and with the approval of the Board.
- 2.2 The founding management committee will be the sub-Branch President, Vice President(s), Treasurer and Secretary of the sub-Branch at the Conversion Date who will continue until the time they cease to hold office for any of the reasons set out in the RSL NSW Constitution.
- 2.3 At the end of the term of a founding management member or if they cease to hold office for reason set out in the RSL NSW Constitution, the management committee member will be replaced by a Member selected and appointed by the sub-Branch Members attached to the sub-Branch using the applicable process set out in the Election Procedures.

### RSL NSW Members

- 2.4 All Members of a Model B sub-Branch will from the Conversion Date be recognised as being attached to and registered as a "*Member of RSL NSW attached to the [name of sub-Branch of which previously a Member] sub-Branch.*"
- 2.5 All new RSL NSW Members, at the time of making a membership application, can apply to be attached to a particular Model B sub-Branch and, on acceptance of the membership application by RSL NSW and with the approval of the Model B sub-Branch, will become a Member of RSL NSW attached to the sub-Branch nominated by the applicant.

### Rights and Functions

- 2.6 Subject to it complying with the provisions of the RSL NSW Constitution, a Model B sub-Branch is entitled to operate under the RSL NSW name, logo and style and represent that it is a division and a sub-Branch of RSL NSW.
- 2.7 Without limiting the above, the management committee may, using the RSL NSW name, logo and style do the following:
- (a) in consultation with RSL NSW, engage, support and coordinate volunteers including but not limited to Auxiliary Members to assist in carrying out the functions of the sub-Branch including but not limited to fundraising, community and commemorative events and functions;
  - (b) organise, attend and represent the sub-Branch at commemorative events and functions;
  - (c) organise, support, attend and represent the sub-Branch at community events;
  - (d) coordinate, arrange and provide support and welfare services to serving and ex-serving Defence members and their families;
  - (e) coordinate and organise social meetings and gatherings of RSL NSW Members;

- (f) make representations to, and in collaboration with, RSL NSW on veteran policy and defence policy;
- (g) propose resolutions for consideration and presentation to the RSL NSW annual general meeting.
- (h) exercise any powers of a sub-Branch under the RSL NSW Constitution;
- (i) arrange for the sub-Branch to conduct and participate in fundraising activities under, and in accordance with the terms of the RSL NSW Charitable Fundraising Authority provided that it must do so with the prior approval of RSL NSW;
- (j) request that RSL NSW make grant applications on behalf of the Model B sub-Branch .

### **Duties and Obligations**

- 2.8 A Model B sub-Branch must provide all support, cooperation and assistance to ANZAC House as may from time to time be requested by the Board, or its delegate to facilitate:
- (a) the carrying out of administrative and governance functions including but not limited to the conduct by RSL NSW of elections for Elected Directors;
  - (b) the compliance by RSL NSW with all legal, regulatory, financial and audit compliance requirements;
  - (c) the preparation and completion of RSL NSW's financial accounts, audits and statements.
- 2.9 A Model B sub-Branch must provide ANZAC House with all Documents and information requested by ANZAC House within 21 days of a request for Documents and information.

### **Compulsory Compliance Training**

- 2.10 The management committee must undertake any compulsory legal and regulatory compliance training which RSL NSW may prescribe and provide from time to time.

### **Financial Management, Accounting and Funding**

- 2.11 On or before 30 April each year, a Model B sub-Branch must submit an annual expenses budget to ANZAC House in a format to be approved by the finance committee of RSL NSW. The annual budget must include the sub-Branch's forecast operating expenses and capital expenses for the following financial year.
- 2.12 The annual budget will be reviewed by ANZAC House which will consult with the sub-Branch in relation to the budgeted amounts where further clarification or explanation is required.
- 2.13 ANZAC House may approve sub-Branch annual expenses budgets up to a specific amount to be determined and varied from time to time by the Board. The finance committee has authority to approve sub-Branch annual budgets over and above this specified amount.
- 2.14 On or before 30 June each year a Model B sub-Branch will be notified that its annual budget has been approved as submitted, or as modified in consultation with the Model B sub-Branch (**Budget**).
- 2.15 On approval of the Budget, funds equalling the approved total amount will be made available by ANZAC House to be accessed by nominated members of the management committee (as least two and no more than 5 members of the committee must be nominated and given access) from an account established by ANZAC House and will be available for use by the sub-Branch in accordance with the approved budget.

- 2.16 The funds will be accessible through a card or cards supplied by ANZAC House and issued by a financial institution, in the name of the nominated management committee members, provided that its use will be subject to financial institution terms and conditions, account limits and thresholds.
- 2.17 The management committee must submit tax receipts substantiating all expenditure using the electronic expense management system implemented by ANZAC House, or with the prior approval of ANZAC House, by forwarding paper receipts to ANZAC House.
- 2.18 All sub-Branch expenditure must be in accordance with the Budget and in accordance with expenditure guidelines and policies issued by RSL NSW from time to time.
- 2.19 Any expenditure which is not in accordance with the Budget without prior approval from the Board must be acquitted and explained before any approval can be obtained for that sub-Branch's budget in the following financial year.
- 2.20 Expenditure not made in accordance with the requirements of the RSL NSW Constitution and not in accordance with the Charitable Purpose will be a breach of the RSL NSW Constitution.
- 2.21 A Model B sub-Branch may make an application to the Board for additional funds over and above the Budget and each application will be considered by the Board.
- 2.22 Sub-Branch budget approvals and consideration of applications for expenditure over and above budget approvals by Model B sub-Branches will not necessarily be limited to or capped at the amount of the sub-Branch funds contribution plus its growth. Provided an application for funds is for a purpose considered by the Board to meet the Charitable Purpose and to be beneficial to RSL NSW, funds may be advanced in excess of the Model B sub-Branch notional proportion of the consolidated pool of funds.
- 2.23 A Model B sub-Branch will *not* be required to prepare its own annual financial accounts or statements, or to appoint an auditor or undertake an audit.

### **Property, Cash and Investments**

- 2.24 Subject to clause 2.28 below, all property held legally or beneficially for the sub-Branch immediately prior to the date of the Option Notice and transferred into the name of RSL NSW at the Conversion Date will be managed, maintained and dealt with by RSL NSW in consultation with the sub-Branch.
- 2.25 RSL NSW will be responsible for the management, maintenance and insurance of all such property and for ensuring all statutory and regulatory property compliance matters are managed and met.
- 2.26 In circumstances where RSL NSW is advised of particular special terms and conditions imposed on the title or ownership of property owned by the sub-Branch or any encumbrance existing on the title immediately prior to the Conversion Date, RSL NSW will consult with the sub-Branch and any interested third party to ensure that any valid and legally binding conditions, obligations and encumbrances are recognised and preserved following transfer provided that the conditions are consistent with and in support of the Charitable Purpose.
- 2.27 RSL NSW will consult with the sub-Branch before granting a lease, renewal of lease, or licence of the property or before encumbering the property by way of mortgage, easement or covenant or before entering into any agreement to sell or dispose of the property.
- 2.28 All cash and investment funds transferred to RSL NSW by the sub-Branch at the Conversion Date will be centrally managed, maintained, invested and dealt with by RSL NSW as part of the consolidated pool of cash assets and investment funds managed and controlled by RSL

NSW. RSL NSW shall have the discretion and power to invest and apply these consolidated funds.

- 2.29 RSL NSW will provide periodic reports and online ledger access to a Model B sub-Branch, to allow a Model B sub-Branch to monitor the growth of the contribution amount made by the sub-Branch and the pro rata investment return earned on that amount.

### **Memorabilia**

- 2.30 All sub-Branch memorabilia owned or in the possession of a Model B sub-Branch at the Conversion Date shall remain in the possession and control of the Model B sub-Branch and will be the responsibility of the Model B sub-Branch.

### **Fundraising and Grants**

- 2.31 Any fundraising by a Model B sub-Branch will be undertaken under a NSW Charitable Fundraising Authority issued to RSL NSW. A sub-Branch must comply with all directions of RSL NSW in relation to any fundraising appeal and must comply with the *Charitable Fundraising Act*, the *Charitable Fundraising Regulation* and all conditions attached to an RSL NSW Charitable Fundraising Authority from time to time, and with any RSL NSW Fundraising Policy .
- 2.32 If a sub-Branch wishes to apply for the benefit of a grant, it may request RSL NSW to apply for any grant by providing RSL NSW with the relevant application form completed by the sub-Branch management committee to the extent possible for consideration, approval, signing and submission by RSL NSW. Any grant funds received will be received by RSL NSW and made available to the sub-Branch for the specific use nominated in the grant application.