

Operational Procedures of Dom Polski Society Coop Ltd and Dom Polski Arts Club Inc.

DRAFT edit passed for display on DP website by the DPBoard, meeting on 6 April 2017

Memento:

*“Jestem Polak, dla kraju rad bym coś dokazać,
...Jakże wasze myśli? Czy potrzeba, żebyśmy zaraz w pole wyszli?
Strzelców zebrać, rzecz łatwa; prochu mam dostatek;
W plebanii u księży jest kilka armatek;
... Szabel nam nie zabraknie; szlachta na koń wsiędzie,
Ja z synowcem na czele, i — jakoś to będzie!”*

(Adam Mickiewicz, „Pan Tadeusz”, Chpt.6)

These procedures have been initiated with the intention to simplify daily management by making it frictionless and more efficient in a situation of cooperation of an ever changing mix of volunteers, professionals and formally reporting Board Directors (or Committee Members) in a very financially competitive CBD location.

First guidelines were presented as a pro-forma first at the DPS meeting on 2/12/14 and continued throughout 2015 until the DP meeting on 17/11/2015 with related discussion between the DP Board and the visiting IRC members. Please note that these operational procedures are based on the current practice, ie practice related to the current [DP Rules_V4-27Nov2011](#) which follow the [State CoopAct1997_61_UN](#).

However, these were superseded in late May 2015 when the SA Parliament approved new Coops Act, complementary with Australia-wide legislation: [2015-45-un Coops ACT 2015 CNL](#).

SA Coops have been advised by the CBS (former OCBA) that during the transitional period in 2016, SA coops may operate under the existing own Rules related to the old Act 1997. However, if the current Rules specifically quote sections of the old Act which have changed or if the quoted section numbering has changed then the Rules should be updated or modified. This, to a small extent may relate to the operational procedures. In general, the new Act should make it a bit easier to operate for Coops like the DPS. In particular, reporting (incl. financial) for so called 'small coops' may be simplified and the required cancellation of inactive members should become easier to implement. Full information is available online: www.cbs.sa.gov.au.

(1). The meaning and role of Operational Procedures

Operational procedures show the way of implementing Dom Polski Rules and the Government Acts and are essential for smooth daily administration of Dom Polski. Note, that they are not meant to duplicate or reinterpret either the Rules or the Government legislation.

Clear, transparent and obligatory procedures shall reduce conflicts between different coexisting groups and individuals and shall save their energy from reinventing old practices passed by the word of mouth in order to focus on more meaningful goals.

These procedures have been discussed after the AGM 2014 and approved for future use by the Board of Directors of the DPS Coop Ltd, Managing Committee of the DPAC, Internal Revision Committee and passed to the external Auditor of Dom Polski.

How should the operational procedures be stored and presented?

These operational procedures are recorded with the Auditor as a part of DPB minutes (minutes are archived by the Auditor each FY).

An updated copy should be displayed in the “Shareholders Info” on the DP website after being approved at a DP Board meeting.

By depositing them with the Auditor and displaying, procedures shall also protect Dom Polski from any untoward attempts by partisan or lobby groups.

Should any future Board/Committee of Dom Polski wish to improve current procedures then they need to deposit their edits with the Auditor and gain acceptance of the Internal Revision Committee.

Should they be voted at the next AGM?

Procedures should be easily available at or between AGMs but they do not need to be voted on at AGMs since they do not introduce any new laws.

(2). Structure and organization of DPC incl. DPS and DPAC

What is the DPS Coop making or managing and how those goals are achieved?

Broadly, DPS assisted by DPAC are involved in promoting and maintaining Polish culture with the focus on its Australian heritage as described by DPS Rules and by the DPAC Constitution. These goals cannot be fulfilled without maintaining a suitable infrastructure and financial base which must be properly maintained and administered. The first effort of the DP management therefore is focusing on those fundamentals as they imply the success of anything else.

Key activities are controlled by DPS Board of Directors and/or DPAC Committee or by delegated coordinators or action groups within their delegation (portfolio).

Every director is responsible for the proper administration of Dom Polski Centre.

Each director is to actively seek appropriate volunteers to take up key positions in the DPC.

Each DPS shareholder is required to contribute to activities of DP (Ref. DP Rules Section 4: 'Active membership provisions').

According to the DPS Rules, reading the shareholders "Bulletin" is the minimum condition to be regarded an active member, but DP does not have an obligation to be delivering it at everyone's doorstep: a 'Bulletin' may be a page on the DP website or may even be displayed at every lunch at DP (so that shareholders would need to attend it from time to time).

(3). Structure and operations of the DPS Board

What is the role of the Board/Committee?

The key responsibilities of both, DPS Board and DPAC Committee include:

- overseeing the performance of DPS/DPAC,
- appropriate management and administration of DPC,
- establishing/managing business continuity plan,
- maintaining and reviewing systems of risk management incl. safety standards and legal compliance,
- reviewing any remuneration for DP officers, volunteers and employees,
- managing transparent and approved capital expenditure and monitoring financial and other reporting,
- reporting to members on the direction, governance and performance of DPS/DPAC at least at the AGMs,
- reporting to the designated Government bodies such as OCBA and OLGC.

Individual actions must be consulted by those bodies guided by the Chairman/Chairperson. With the nominal number of 9 DPS Directors, the quorum to vote at meetings is 5 which is the minimum to be able to properly manage.

What is the role of the DPS executive officers: Chairperson, Secretary and Treasurer?

Chairperson should represent DPC and lead and supervise/oversee other officers/directors and prepare and regularly run meetings.

NB, the role of the Secretary may be more demanding than that of the Chairperson as it appears in the Coop Act 1997 while it is rather the opposite in the DPS Rules.

Note that the CBS approved Rules of an individual Coop come first before the Act in the case of any discrepancies.

Is the Chairperson deciding about all issues like a CEO or manager?

Do the Directors report to the Chairman or to the Board?

No, each Board member, incl. the Chairperson reports to the Board as a whole.

When does the Chairperson's vote count more than a directors' vote?

While voting, the Chair has the extra casting vote only when votes tie. This applies to the elected Chairperson (or the Director approved to act as Chairperson, in his absence) rather than to anyone who happens to chair a meeting.

Since the Chairperson and other executive officers are elected by the Board, could the Board 'recall' them?

Not directly. The Board may pass a 'no confidence' motion as a warning, giving the Chairperson/officer a chance to resign. Otherwise, by majority the Board may call for new elections as there is no fixed term defined for any of the elected executive officers (Chair, Treasurer, Secretary).

What to do when any director or a coordinator is not performing as agreed?

Coordinators may be recalled by the Board but not directors. Only if a director misses 3 Board meetings he/she can lose their position on the Board [Ref.].

(4). Organization of daily DP management, Coordinators and volunteers

What are recommended portfolios within DP and matters/duties to be managed by dedicated officers?

All Directors and Coordinators should focus on their specific portfolio, such as PR, inventory, staff roster, tenancies, maintenance etc.

Portfolios assigned to Board, Committee member or a designated shareholder/member (other than the required by law, ie **Chair, Treasurer and Secretary**) are, eg:

Infrastructure Manager (Property + Maintenance): responsible for the maintenance of the Dom Polski assets (fixtures, plants, equipment).

Property Manager: responsible for all non-fixed assets and for handling their use incl. liaison with tenants.

Bar Coordinator: to oversee all bar operations in compliance with the OLGC regulations, maintain bar stock, prepare stocktake and reports, hire bar staff and coordinate roster of bar volunteers/staff and schedule their training.

Kitchen Coordinator: responsible for running and maintaining DP kitchens, incl. kitchen volunteers or commercial users/staff and food supplies in accordance with the ACC regulations and Food Act 2001/3 (ref: www.adelaidecitycouncil.com).

Functions Coordinator (preferably registered as "Responsible Person") Maintains costing, manpower and coordination of the halls usage following bookings received by the office. Communicates with SAPOL and ACC as needed.

Cleaning Coordinator: checks which parts require cleaning and when and orders cleaning staff and organizes purchases of cleaning/hygiene products (note that these duties may be taken by directors/staff of charge of particular functions causing litter).

Other important duties:

Key Registry

Tenancy Agreements and regular invoicing of tenants

Office Roster

Monthly transport/cloth/wear data record and reimbursement of money.

Could any officer or director resign or take leave w/o a notice?

No, unless there are clearly stated special grounds, eg medical, the minimum notice is 2 weeks which must be used to pass the business to a designated follower/s.

If an officer or director leaves his/her duties w/o such notice then it should be revealed in the minutes and summarised in the Financial Report tabled at the next AGM.

When any director/coordinator or officer leaves their post, how should the **business handover** be arranged?

Before handing over his duties to another officer, the outgoing officer should submit, a written certificate to that effect (with the copy included in the minutes).

What is the **conflict of interest** and how should these be avoided?

Conflict of interest appears, eg when:

- an assessor counting votes would also be a candidate voted for,
- a director would vote for own wife/daughter employment/wages,
- a director or coordinator would admit own family as paid staff or decide on their pay.

Therefore, it is recommended that immediate family members should not sit on the same Board/Committee and that members undertaking commercial activities, ie representing own interest before interest of Dom Polski may not take part in voting related to those matters.

Alternatively, such directors may take leave and ask another person to fill in his/her place on the Board for as long as needed.

Practical and legal issues:

Who is permitted to approve **hall hire contract** and under what conditions?

Who checks **contractual arrangements** before, during and after a function?

Who can supervise DP functions?

What is the role/responsibility of the 'approving Director' whose name is signed in the contract?

The office volunteer on duty receives deposit and allows h/h form be filled in as an application. This is then signed by the Coordinator and/or the Director in charge of that function who also takes over the negotiations. The Director in charge is responsible for supervision of the function in person or by a proxy (eg by a trained staff). Duties include keeping fire escape passages clear and providing relevant information (such as no open fire or excessive smoke permitted, children under 18 to be accompanied by patrons etc.).

Shall DP have a standing policy of avoiding youth parties, even w/o our bar open?

All DP staff must protect first interest and safety of DP and only after that shall please a customer. Generally, youth parties are not desired (due to increased risks and wear and tear) especially public events or concerts, those advertised on social media, 21st B'Days, School or FC reunions, Hoon Nights, School formals, Events after midnight (due to the ACC neighbourhood privacy requirements). Also not safe are family events with bar open and such concerts/events where the organizer is not local (ie not easily accessible under SA law) and only uses hired staff. If in doubt check if DP insurance would be able to cover damages by such operators/guests (underage, remote, drugged/intoxicated etc).

Who orders the cleaner and who looks after bond refund?

Director in charge of that function assisted by DP office or the Cleaning Coordinator if such is available.

Are DP tenants and groups entitled to use space for free, at a **discount** or w/o contract?

Refer to: Framework for DP User Groups (online).

Otherwise, returning customers tend to receive 10% discount on hall hire if within the same year and customers who hire space over more than one day in a row tend to receive discount, eg such as 20% or waiving the higher fee for the 1st hour on every day after the first.

What are **SAPOL** or **ACC** requirements when hall is hired?

Licensed SECURITY GUARDS must be hired by either Dom Polski or Hirer (general formula: 1 guard for every 99 expected guests/patrons).

Security Guards must, on the night on duty fill in the Security Register with function details, time in/out, their Security License – that record must be on display during the event and then stored with the contract on file for 3 years.

SAPOL must be notified in writing (eg by email) 4 weeks before sporting or martial arts events with the bar open on SAPOLLicensingEnforcementBranch@police.sa.gov.au &/or sapol.leb@police.sa.gov.au

Note: as these rules may change each year or if anything is unclear please check with SAPOL on 7322 3342, or City Police Station: 8172 5000.

ACC should be consulted re unusual events (loud or long) even without the bar open. Note that if the DP bar is open under the DPAC Club Liquor License then the DPS/DPAC and its officers and directors are legally responsible for order and safety. Therefore, often it is better/safer to lift the DP liquor license and allow the bar to operate under the limited liquor license obtained separately by the Hirer from OLGC. If DP bar is not open then crowd control may be expected – this relates to the ACC and insurance preferences.

How to proceed when customer wants to operate DP bar and/or DP kitchen?

What is the responsibility of DP then?

When do we need to arrange/notify our/their insurance?

The Hirer taking over DP bar with own limited liquor license is expected to offer DP payment in lieu of corkage (eg \$5 or more per guest).

Such Hirer must apply for limited liquor license to OLGC (at a fee, approx. \$80) at least 4 weeks before the date. Contact/info: applications@agd.sa.gov.au www.cbs.sa.gov.au

It is important that DPAC fills in OLGC form to suspend own liquor license for that period.

Then, the holder of the license is legally responsible for properly conducting their function incl. hiring of the security themselves.

When DP areas are used/hired for commercial purposes and public services then they must operate with own insurance. Then, it is important that DP insurance is recorded as an **'interested party'** on their insurance. This requires filling in forms available from DP insurance agent, Mr Victor Dabrowski (mob. 0408899370, Securitex 82449999) well before the activity starts.

(5a). Managing business - meetings and minutes

All important actions should be recorded in DPS minutes in English and executed following approved DP Procedures to avoid potential problems and to reduce risks.

How often should the Board meet? Are joint DPS and DPAC Board/Committee meetings useful and recommended?

DPS Rules ask for not less than once in 3 months while DPAC Rules ask for monthly meetings. Joint meetings are fine and in the situation of limited manpower appear to be a pragmatic solution.

Should all matters be brought to the Board meetings and discussed at all times?

Absolutely not as there would not be enough time to cover everything - *action groups* and *working parties* involving people outside the Board should be used. Those groups still need to report to the Board which may or may not approve their decisions.

Should all motions be voted on, even those that do not have a seconder?

When is time for a discussion, before or after the motion is formulated?!

A motion to be voted on or to stand must have a seconder. Unsupported motions are lost as they are unlikely to pass with only one vote 'for'.

Discussion is before the vote and it helps to formulate/modify the motion and to make sure that the meaning is unambiguous.

How is **voting conducted by email**?

-what if some Directors have no access to email?

Similarly, ie there must be seconder and exact wording and a proper time for a discussion, eg 1 full day. Record of that vote must be included in relevant/following minutes.

May votes be taken via **sms's**, how discussed?

No, because sms's are too volatile.

And by telephone?

Only in an emergency, if Board's practice says so (eg when a director is sick while the meeting takes place, or when making rapid decision). Record of that vote must be included in relevant/following minutes.

What should be done with minutes, once they are accepted:

..converted to pdf/html ..kept as paper printouts but signed ..by whom ..emailed to Accountant/IRC?

Since minutes are managed as electronic record, signing them and then storing is impractical. The same can be achieved by sending approved minutes (by Secretary) in a non-executable pdf format to the IRC with a copy to the Chairperson. At the end of the FY the IRC should then email the whole FY related set to the Auditor for archiving.

(5b). Managing business - Financial procedures & records

NOTE: - these financial procedures are a draft version and will be updated soon.

What are the **basic categories** of financial forms/books/records/receipts etc, which of them should be electronic version and which stored as a hard copy?

- Expenditure folder (creditors invoices incl. reimbursements)
- Online Banking (NAB electronic pages),
Monthly Bank Statement (NAB h/c printouts),
- Cash Receipt Book
- Register Book for Banking (h/c)
- Bank Deposit Books (NAB h/c: blue credit, pink details)
- Tenants Invoices (electronic and h/c)
- BAS sheets
- Tenants Invoices Paid Book (from July 2017)

Note: each defined record is separate for DPS & DPAC

Can accounts and pay records related to the DPS and DPAC be **mixed together** in same folders?

No

How should the money be organized in DP bank accounts?

Moneys are receipted and expended under specific accounts of DPS and the Dom Polski Arts Club (DPAC). DPC maintains its banking through the National Australia Bank (NAB) due to its proximity.

These account types are (separately for DPS and DPAC):

Trading account (no interest, cheque book, instant access)

Cash Max account (medium interest, access via internet transfer to own accounts)

Term deposit account (higher interest but locked/inaccessible during the term),

VISA card account (this is not a credit card although a small credit of \$200 is granted by NAB)

NOTE: there is NO overdraft account.

What is the **role of the external Accountant and the IRC** and what documents (incl. document format) they need to access?

The external Accountant's role is to check and prepare documentation for the IRC, ATO incl. quarterly BAS and for the Auditor appointed by DPS. Detailed list of h/c documentation will be

reduced soon due to progress in electronic bookkeeping.

What is the **petty cash** for and how to manage it?

Petty Cash folder is used but only to refund individuals but it is rarely used nowadays due to online or cheque reimbursements. Max limit is \$50.

How to organize **payment of casual workers** (incl. TFN declaration, award rates, workcover, Group Certificates, ABN registered people)?

TFN declarations must be filled and signed at DPS office before the work starts.

Group Certificates are issued by DPS office stating the total sum earned during the FY by each individual, within 1 month after the end of the FY.

Casual workers with an ABN number, eg cleaners, traders etc provide own tax invoice to receive DP payment.

How to raise and organize **invoices**?

How to make sure that bills and invoices have been paid?

DPS invoices should bear the DPS/DPAC ABN number and state details of the payment for. In the case of rent it should show the rent agreed on, the rental period and the last CPI adjustment.

Copies of rental invoices are filed and payments recorded indicating dates received to be reconciled quarterly.

How should the **CPI** be established in tenants invoices?

CPI to be used is in the category of business rent.

What is meant by '**banking**' and how often it should be done?

Banking: is monies received by DPS or DPAC then receipted and deposited by DPS office with NAB branch weekly or immediately after large payment is received eg for hall hire, catering, bar sales, office rent, share fees etc.

What should be included in the **BAS report**?

BAS reporting comprises income and expenditure including GST for tax and GST purposes.

Basic information is provided by the DPS to the DPS Accountant who prepares all bookkeeping for DPS and formal lodgement to the ATO, quarterly and annually.

Could Directors and Coordinators decide about routine or **small purchases** and to what level?

Large expenditure (over \$700) is decided at the DP meetings while smaller items may be purchased by a decision of two Directors with the notice to the Treasurer.

How many Directors must **approve financial operations** incl. cheques?

Both cheque and online payments must be signed/accepted by two members, approved by the DPS Board

How many **quotes** must be obtained on big expenses other than standard?

Generally two quotes are required for large items unless the Board decides otherwise. For small expenditure, two Directors follow their own judgement to obtain the best price.

Can some money be taken to pay for purchases, wage etc expenses from received cash revenue?

No, that is illegal.

How should the **Board/Committee be informed** about the status of the DP finances?

At the meetings at least all account balances must be shown and included in the minutes.

A proper Profit&Loss statement should be provided by the Accountant records for presentation at Board meetings.

Volunteers and their reimbursements:

How is volunteers' transport and cloth wear/cleaning cost reimbursed?

What information should be in the 'Attendance' folder for volunteers and under what conditions may they receive **transport/telephone/cloth wear reimbursement**?

All DP volunteers receive reimbursement for the cost of transport from or to DP to the level defined by the DPB.

Level of the reimbursement for the cost of petrol/transport and for cloth wear and tear and cleaning is regulated by the DPS Board.

Reimbursement is for using own transport to attend to DP business incl. shopping. Also the latter requires that the volunteer arrives at DP and signs in. Volunteers are supposed to remain in DP for at least 4 hours (except in emergencies such as: repairs, closing doors or when doing agreed deliveries for DP).

Volunteers who perform dirty work (eg cleaning, maintenance) shall receive additional component to cover cleaning or using protection clothes.

They must provide date, time in/out and work performed and witness/supervisor signature in the Attendance Folder. Volunteers are insured at the cost to DP, receive reimbursements, certificate for Centerlink and may receive concessions (free meal/drinks incl. volunteers' day, free space on DP website etc);

Note: volunteers of various DP user groups are not eligible for reimbursement and are not covered by DP insurances. Paid staff in any FY should leave their TFN or ABN on DP books and may not operate as registered volunteers even if they perform some honorary work.

Taking part in meetings, writing minutes, preparing agenda are honorary activities of the Board or the Committee – are such activities reimbursed or not?

These are honorary activities which are not reimbursed in any way. Traditionally, for attending meetings they also do not record for transport reimbursement. However when performing other work they are treated as volunteers.

Can paid commercial or DP casual staff who perform sometimes minor work for DP for free be regarded p/t volunteers?

No, a volunteer is person registered within the full FY.

If such a person switches from one category to another, then he/she cannot reverse back within the same FY.

(5c). Managing business - office records, procedures and insurance

What are the important **record categories** (other than financial) and where should they be stored in the office/PC? Which should be widely available and which under password?

Most records must be in the 2nd office and on 2nd PC except of: printouts of approved minutes, volunteers attendance folder, Incoming/Outgoing Mail, Register of volunteers, Insurance Material, Asbestos Register, Post Register, Tablecloth/ALSCO book, Hall Hire folders, Office Diary, Lunches/catering Book, Bar and casual Wages Register and Folder with forms (incl. hall hire and leaflets)

Should all records be duplicated, ie paper and electronic (why use 'paperless' office if printouts/scans are made anyway)?

Records originating on PC should be stored there but whenever they are signed they are stored as printouts.

Should all relevant **templates** be listed/prescribed in the procedures?

Yes – refer to the appendix (not available online).

Insurance - **DPC assets are to be insured against the following areas of risk and all associated costs are to be borne by the associated DPC entity:**

- a. **Fire, Burglary and Theft.** Fire, burglary and theft policies cover losses of such items as trading stock, including cash, plant, equipment and mementos. The policy should contain a special clause to cover malicious damage and where applicable insurance against storm and tempest,

- b. **Public Liability Insurance.** Public liability insurance is insurance against injury to visitors at social functions. The Board or committee are to take out insurance to cover legal liability for injury to members of the public or damage to property sustained on the premises due to the negligence of the insured or their employees, or defects in the works and ways of equipment. Such a policy also covers liability for foodstuffs and beverages distributed or sold and liability in respect of participants in sporting events,
- c. **Workers Compensation Insurance.** When a DPC employs casual workers compensation insurance is to be taken out to indemnify DPC for liability under State or Commonwealth Acts, and
- d. **Special Cases.** In the event that property may be used outside its normal DPC location it is advisable to cover such items with an all risk insurance policy.

(5d). Managing business - Membership issues, share records and procedures, AGMs

Individual Membership:

How should **members' activity** be monitored?

How to consider 'subscribing to the **Bulletin**' stated in DP Rules?

Members may be required to join any of the DP user groups, be volunteers or officers or simply be active in DP webpages in the designated area.

Monitoring this would require arranging a password, eg the name+folio number combination and recording it being used – a programming task worth ~\$2000.

I am a local shareholder – is this enough if I just wait for whatever happens with DP because I'd get my money anyway?

All DPS shareholders are required to be active in the Coop.

Shares of inactive members may be cancelled following certain steps and within limited timeframe described in the legislation.

When a member may be regarded **inactive**?

What if his/her **address is unknown** to the Board?

How to classify members who permanently live **interstate or overseas**?

What to do when a member dies but DP has not received their death certificate?

All DPS shareholders are required to be active in the Coop.

Shares of inactive members may be cancelled following certain steps and within limited timeframe described in the current legislation.

Formally the transfer must be initiated within 3 months after the death.

I am old and I'd like to transfer my shares to my only family – how?.

Actually I may give them to 'X' living with his beautiful 'Y' in 'Z'. Is this ok?

No – DPB must give permission for transfer.

What are conditions needed to have **membership transfer** approved by the DPS Board?

Do they still need to pay \$10 transfer fee?

Transfer of shares requires filling in transfer form and approval of the DPS Board.

Note: the fee has been waived by the Board in Nov 2015

I would like to **sell** my DPS shares. Can I just find a **buyer** and register with DPS?

What is the current rating?!

Any such sale is informal if not illegal and the shares are not redeemable and not listed.

Corporate Membership:

What to do when a corporate member (group) has **no more live members** or if its members have stopped activity over a long period?

Record this and indicate shares cancellation '*in progress*' (reversible if the group is reinstated).

(6). DPAC and Dom Polski user groups

Are user groups who meet regularly at DP regarded regular tenants or hall/space hire customers or else?

Refer to the framework of DP user groups.

User groups pay wear and tear fee for each visit but if they occupy any fixed space continuously then they pay an equivalent of rent or hall hire.

Are DPAC groups under the same conditions?

Yes but they receive DP support in grant applications and have discount at the bar.

(7). Role and terms of reference for the IRC (Internal Audit Committee)

NOTE: the IRC terms of reference are currently discussed by a dedicated Working Party and would be voted for as part of changes to the DP Rules at the next AGM