

# ROYAL MELBOURNE YACHT SQUADRON LIMITED



## GOVERNANCE MANUAL

### Notes on the role of this document:

- 1 This document sets out the principles of Governance that are to apply for all matters and activities of the Royal Melbourne Yacht Squadron.
- 2 There are Appendices to this document that cover:
  - a. Terms of Reference format for each committee or working group. Each Committee has to generate their own Terms of Reference
  - b. Delegation Document defining:
    - i. Ends Policies – expected performance outcomes in terms of benefits desired by members.
    - ii. Management Limitations Policies – constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
- 3 A review date of February 2015 is proposed for this document.

## Contents

1. Purpose of this manual.....	3
2. Description of the Squadron's governance structure.....	3
3. Roles and responsibilities: .....	3
4. Accountability .....	7
5. Operation of the General Committee .....	8
6. Squadron Employees .....	12
7. General Committee's Code of Conduct.....	13
8. Director's Code of Conduct.....	14
Revision History.....	16
9. Appendix 1 – Organisation Chart .....	17
10. Appendix 2 – Position Descriptions .....	19
11. Appendix 3 – Terms of Reference .....	19
12. Appendix 4 – Delegation Document .....	21

## **1. Purpose of this manual**

- 1.1. The purpose of this manual is to detail the manner in which the operations of Royal Melbourne Yacht Squadron ("the Squadron") are governed. The manual specifies the system by which the business operations of the Squadron are directed and controlled specifying the rights and responsibilities among the different participants in the Squadron, such as the members, the General Committee, the Flag Officers, and employees.
- 1.2. The purpose of this manual is to provide a consistent framework for the management of the Squadron. Compliance with this manual will facilitate consistency in the governance of the Squadron over time. Consistency in the governance of the Squadron will underpin stability in the management of the Squadron's operations facilitating efforts to achieve a consistently high level of performance.
- 1.3. This manual should be read in conjunction with the Constitution of the Squadron; where there is any inadvertent conflict between this manual and the Constitution, the latter takes precedence.

## **2. Description of the Squadron's governance structure**

A broad overview of the governance structure of the Squadron may be depicted as shown in the attached Organisation Chart in Appendix 1. Note that the detail will change in response to the needs that arise.

## **3. Roles and responsibilities:**

### **3.1. The General Committee**

- 3.1.1. The General Committee composition and the powers it exercises are set out in the Constitution. The General Committee is the sole entity in the Squadron to exercise the member representative role. This role cannot be delegated to either Flag Officers or sub-committees of the General Committee or staff. However, the sub-committees of the General Committee may assist the General Committee in exercising its member representative role by undertaking analysis and formulating recommendations for the General Committee to consider and, where appropriate, adopt.
- 3.1.2. In undertaking the member representative role, the General Committee will:
  - 3.1.2.1. Exercise its powers to control all business matters in connection with the management of the Squadron in accordance with the Constitution;
  - 3.1.2.2. Exercise its powers to make Rules in accordance with the Constitution;
  - 3.1.2.3. Establish policies for the operation of the Squadron;
  - 3.1.2.4. Ensure Disclosure - The General committee must ensure that timely and accurate disclosure is made to its Members on all material matters.

- 3.1.2.5. Ensure that it has a proper understanding of, and competence to deal with, the current and emerging issues of the Squadron. The General Committee may take independent professional advice, if necessary at the Squadron's expense;
  - 3.1.2.6. Articulate for members the strategic direction being pursued by the Squadron under the direction of the General Committee which must be consistent with the objectives of the Squadron;
  - 3.1.2.7. Maintain a conflict of interest register and record the conflict of interest declared and managed by the committee. This applies to Annual General, General Committee and Finance Meetings;
  - 3.1.2.8. Approve operating and capital expenditure budgets formulated by Sub-committees;
  - 3.1.2.9. Monitor operating performance against plans and budgets;
  - 3.1.2.10. Monitor compliance with regulatory obligations;
  - 3.1.2.11. Monitor compliance with the Squadron's Constitution and Rules;
  - 3.1.2.12. Monitor the implementation of an appropriate risk management plan; and,
  - 3.1.2.13. Report to members on the performance of the Squadron.
- 3.1.3. The General Committee will be responsible for:
- 3.1.3.1. Development and ratification of the Squadron's strategic plan and performance objectives;
  - 3.1.3.2. Reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance;
  - 3.1.3.3. Approving and monitoring financial and other reporting to members at large and other parties to whom such reports should be provided;
  - 3.1.3.4. Approving and monitoring the progress of major capital expenditure and divestitures and capital management;
  - 3.1.3.5. Ensuring that policies on key issues are in place and appropriate, particularly in areas that may give rise to liability for the Squadron;
  - 3.1.3.6. Monitoring senior management's performance and implementation of strategy, and ensuring that appropriate resources are available;
  - 3.1.3.7. The General Committee shall establish Sub-Committees and Working Parties as required; establish terms of reference and reporting procedures;
  - 3.1.3.8. Appointing and removing General Committee members to and from Sub-committees of the General Committee;

3.1.3.9. Ensuring that the business of the Squadron is conducted ethically and transparently and that all decisions taken give priority to the interests of Members.

3.1.4. The General Committee shall refer issues that fall within the portfolio of a Sub-Committee to the relevant Sub-Committee to analyse and develop recommendations for General Committee to consider.

3.1.5. In accordance with the Constitution, the General Committee may delegate to any person any of the powers and responsibilities conferred on it provided that:

- any delegation of a power to expend money shall be limited to a specified annual sum; and
- no delegation may be further delegated except to the extent that the General Committee authorises.

### **3.2. The Commodore**

The roles and responsibilities of the Commodore include:

3.2.1. Ensuring that the General Committee provides leadership and vision to the Squadron;

3.2.2. Formulating, in consultation with the General Manager, the agenda for General Committee meetings, ensuring adequate coverage of strategic, financial and major risk areas throughout the year;

3.2.3. Presiding over General Committee meetings and directing discussions to effectively use the time available to address the critical issues facing the Squadron;

3.2.4. Convening meetings, consistent with Clause 25.2 of the Constitution, when necessary, to address specific matters which are not able to be dealt with adequately in scheduled General Committee meetings;

3.2.5. Ensuring that the General Committee has the necessary information to undertake effective decision making and actions;

3.2.6. Ensuring General Committee minutes properly reflect decisions;

3.2.7. Ensuring the appropriate management and accountability and support of the General Manager;

3.2.8. Maintaining an overview of the Squadron's strategic planning process;

3.2.9. Maintaining an overview of the Squadron's governance processes, including those in relation to financial management;

- 3.2.10. Assessing General Committee members' overall workloads and ensuring that these workloads are reasonable, achievable and equitable. ;
- 3.2.11. Ensuring that, when a General Committee member takes office, they are fully briefed on the terms of their appointment and their duties and responsibilities;
- 3.2.12. Managing general meetings of members;
- 3.2.13. Ensuring regular and effective communication with members;
- 3.2.14. Representing the Squadron at local, regional, state and national levels and representing the views of the Squadron to the public.
- 3.2.15. Acting as chair of general meetings of members and meetings of the General Committee with all the commonly accepted powers of that position (e.g. ruling on issues arising during the course of the meeting; recognising members of General Committee wishing to bring business to the meeting and be heard at the meeting; etc);
- 3.2.16. Maintaining the integrity of processes of the General Committee including compliance with this Corporate Governance Manual and the Constitution; and,
- 3.2.17. The Commodore has no authority other than that granted to him/her by:
  - 3.2.17.1. The Constitution and the By-Laws of the Squadron; and,
  - 3.2.17.2. As granted to the position of Commodore by the General Committee acting in a manner consistent with the Constitution-

### **3.3. The Flag Officers**

The roles and responsibilities of the Flag Officers include:

- 3.3.1. assisting the Commodore in the exercise of his/her responsibilities;
- 3.3.2. ensuring that the Sub-committees are working in an effective manner and reporting in a timely fashion;
- 3.3.3. in the absence of the Commodore, presiding over General Committee meetings and Member meetings;
- 3.3.4. Representing the Squadron at local, regional, state and national levels and representing the views of the Squadron to the public.

#### 4. Accountability

- 4.1. The General Committee needs to ensure that it acquits its duties in line with relevant legislation and guidelines such as but not limited to the Corporations Law, the accounting guidelines and ASIC guidelines requirements and regulations.
- 4.2. All directors should ensure that they are aware of their director's liabilities and legal responsibilities.
- 4.3. All directors should ensure that they are aware of and comply with the director's Code of Conduct in Section 8.
- 4.4. All directors should ensure that they are aware of, and act in accordance, with the Squadron Constitution,
- 4.5. The General Committee is accountable for its performance to members.
- 4.6. The General Committee shall ensure that appropriate processes have been established to identify and manage risk.
- 4.7. At least four times a year, the General Committee shall report to members on:
  - 4.7.1. The strategic objectives being pursued by the General Committee and progress towards achieving those strategic objectives;
  - 4.7.2. The operations of the Squadron and the delivery of outcomes desired by members;
  - 4.7.3. The financial performance and the financial position of the Squadron ensuring that the financial reports distributed to members are audited; and,
  - 4.7.4. The Squadron's approach to identifying and managing risk.
- 4.8. Performance review
  - 4.8.1. The Commodore, Flag Officers and Committee members may be subject to an annual performance review by their peers.

## 5. Operation of the General Committee

5.1. This area of the Governance Manual mandates the key parameters for the operating dynamics of the General Committee. It outlines the minimum set of activities expected from the General Committee in meeting its accountabilities.

5.2. Meetings of General Committee:

5.2.1. In the meeting immediately following the Annual General Meeting, the Commodore (after consulting with Flag Officers prior to the meeting) will make a recommendation to the General Committee as to the composition of Sub-Committees. General Committee will then determine the composition of the Sub-Committees.

5.2.2. The Annual Operating Budget and the Annual Routine Capital Expenditure Budget are to be considered by the General Committee before the end of February in the year preceding the budget year. The budgets will be brought to the General Committee meeting as a recommendation from the Finance Committee. The Annual Operating Budget and Routine Capital Expenditure Budget approved by General Committee establish the financial goals that the General Manager will seek to achieve.

5.2.3. In the meeting following the meeting at which the Annual Operating Budget and the Annual Routine Capital Expenditure Budget are approved, the General Committee shall agree End Policies and Management Limitation Policies to apply for the following year. These policies may be reviewed during the year.

5.3. General Committee meetings will consider recommendations from:

5.3.1. The Sub-Committees on matters that fall within the accountabilities of each Sub-Committee;

5.3.2. The General Manager on operational issues that either fall outside of the Management Limitations Policies established for executive management or are matters that the General Manager wishes to be considered by General Committee; and,

5.3.3. Members of General Committee who may raise issues for consideration by General Committee in that part of the meeting set aside for "Other Business."

5.4. Recommendations to General Committee shall be supported by a briefing paper setting out:

5.4.1. What is proposed;

5.4.2. Why the recommendation should be adopted including how it fits with the strategic direction and objectives of the Squadron;

5.4.3. Any risks associated with the proposal, how the risks will be managed, and the assessed residual risk after application of appropriate controls; and,

5.4.4. If expenditure is involved, a cost-benefit analysis including commentary on any implications for financial performance and achievement of the budget.



5.5. A formal agenda is critical for meetings of the General Committee because it establishes the requisite discipline in preparation for and discussion at the meetings. An agenda will be prepared by the Commodore in consultation with the General Manager and circulated, together with any reports, minutes and papers to be considered at the meeting, at least five days before the meeting. The agenda for General Committee meetings will generally follow the format below:

5.5.1. Attendance and apologies

5.5.2. Minutes of the previous meeting

5.5.3. Matters arising from the previous minutes

5.5.4. Agree agenda timing and declaration of any conflicts

5.5.5. Project and Special Business

5.5.6. General Manager's report including any recommendations for consideration by General Committee

5.5.7. Finance Committee's report including any recommendations for consideration by General Committee

5.5.8. Flag Officers reports including other Sub-Committee's report including any recommendations for consideration by General Committee

5.5.9. Other business including acceptance of New Members and Members changes of category. Any recommendations for consideration by General Committee.

5.5.10. Other business including any recommendations for consideration by General Committee

5.5.11. Preview of any issues of significance to be considered at the next meeting of General Committee

5.5.12. Papers requiring a decision at the meeting must be circulated at least five days before the meeting. If a paper requiring a decision is circulated less than five days before the meeting, it cannot be considered at the meeting except with the unanimous approval of the General Committee members present at the meeting. Members of General Committee are encouraged to circulate any comments on the proposal in writing prior to the meeting at which the required decision is expected to be made rather than making oral comments at the meeting.

5.5.13. Where the General Committee is required to vote on a recommendation, the Motion details are to be documented in the minutes of the meeting noting the Proposer, Secunder and whether the Motion was carried or not. A register summarising all non-routine motions voted on is to be kept within the General Committee Minute Book. A motion may be voted on via email and the hard copy of the voting included in the next minutes.

- 5.5.14. The General Manager is to keep a hard copy file of all documents tabled, Agenda and Minutes of each General Committee meeting held.
- 5.6. The following matters must be considered by a General Committee member in self-assessing his/her performance:
  - 5.6.1. The extent to which the Committee member is prepared and informed for meetings and their meeting attendance record.
  - 5.6.2. The member's willingness to devote time and effort to understanding issues.
  - 5.6.3. The quality and value of their contributions at meetings.
  - 5.6.4. Their contribution to the development of strategy.
  - 5.6.5. The extent to which they have brought their knowledge and experience to bear in the consideration of strategy.
  - 5.6.6. The extent to which they have probed to test information and assumptions and where necessary, their resolution in maintaining their own views and resisting pressure from others.
  - 5.6.7. Their effectiveness in pursuing areas of concern.
  - 5.6.8. Their relationships with fellow Committee members and senior management.
  - 5.6.9. The respect which they are given by fellow Committee members.
  - 5.6.10. Their effectiveness in presenting their views and preparedness to have regard for the views of others.
- 5.7. The General Manager is accountable to the General Committee who will manage and support the General Manager in achieving his/her KPIs in accordance with his/her position description and contract of employment.
- 5.8. The General Committee shall establish the following Sub-committees:
  - 5.8.1. Finance
  - 5.8.2. Sailing including sail training and development
  - 5.8.3. Occupational Health and Safety
  - 5.8.4. Yard & Marina Operations
  - 5.8.5. Club Facilities
  - 5.8.6. Membership including Events
  - 5.8.7. Additional Working Parties and special purpose sub-committees may be established by the General Committee as required.

#### 5.9. Structure and administration of Sub-committees:

- 5.9.1. It is important that the Sub-committees be of a size and composition that is conducive to making decisions and/or recommendations expediently.
- 5.9.2. Sub-committees may have access to employees and Squadron contractors through the General Manager.
- 5.9.3. The existence of a Sub-committee does not diminish the responsibilities of the General Committee.
- 5.9.4. The members of Sub-committees may meet or convene by telephone or other electronic means, as necessary;
- 5.9.5. Minutes of Sub-committee meetings must be recorded, endorsed as an accurate record and tabled at the next meeting of the General Committee.
- 5.9.6. Recommendations to the General Committee are to be brought to the General Committee either in or as an appendix to the Minutes of the meeting of the relevant Sub-committee.
- 5.9.7. Each recommendation shall be supported by a summary detailing:
  - 5.9.7.1. the recommendation;
  - 5.9.7.2. why the recommendation should be adopted including how it fits with the strategic direction and objectives of the Squadron; and
  - 5.9.7.3. commentary on any implications for financial performance and achievement of the budget.

## **6. Squadron Employees**

### **6.1. Roles and Responsibilities of the General Manager**

- 6.1.1. The General Manager will report to the Commodore or their delegate.
- 6.1.2. The General Manager will be employed by GC and function under a Position Description, approved by the General Committee that clearly outlines the duties, responsibilities and KPIs of the role.
- 6.1.3. The General Manager will report monthly to the General Committee on the performance of all contracts, operational issues requiring General Committee attention, and any significant risks to the Club or its operation.
- 6.1.4. An annual performance review of the General Manager will be conducted by the Commodore, or their delegate and reported to the General Committee.
- 6.1.5. Any performance management issues or concerns raised by General Committee members will be brought to the attention of the Commodore who is responsible for the performance management of the General Manager.

### **6.2. Appointment and Termination of General Manager and Assistant Manager.**

- 6.2.1. Selection sub-committee to comprise of all flag officers and the treasurer.
- 6.2.2. Basis of selection must address, as a minimum, expertise, skill, experience, vision, maturity and presentation.
- 6.2.3. Termination procedures for all staff must follow current state guidelines including written warnings, etc.

## **7. General Committee's Code of Conduct**

### **7.1. The General Committee:**

- 7.1.1. shall conduct itself with ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum;
- 7.1.2. recognises that its primary duty is to represent the entire membership of the Squadron whilst recognising that occasions may arise when it is appropriate to advocate the particular needs of members in a specific area;
- 7.1.3. recognises that the strength and effectiveness of the General Committee is in acting as a General Committee and not as a group of individuals.

### **7.2. Members of General Committee**

#### **7.2.1. will publicly support:**

- 7.2.1.1. the strategic direction of the Squadron;
- 7.2.1.2. all decisions of General Committee; and,
- 7.2.1.3. those implementing decisions and policies of General Committee;

- 7.2.2. shall ensure that there is an atmosphere in which controversial or confronting issues can be presented fairly and in a manner in which the dignity of each individual is maintained; and,

### **7.3. The General Committee members must declare and record any perceived or actual conflict of interest relating to financial or operational issues connected with the Squadron. The management of that conflict will be by the General Committee.**

### **7.4. All General Committee business is confidential unless determined otherwise.**

## 8. Director's Code of Conduct

- 8.1. The director or committee member should act honestly, in good faith and in the best interests of the Squadron as a whole.
- 8.2. The director or committee member has a duty to use care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- 8.3. The director or committee member should use the powers of office for a proper purpose, in the best interests of the Squadron as a whole.
- 8.4. The director or committee member should recognise that the primary responsibility is to the Squadron as a whole but may, where appropriate, have regard for the interest of other stakeholders of the Squadron.
- 8.5. The director or committee member should not make improper use of information acquired as a director.
- 8.6. The director or committee member should not take improper advantage of the position of director.
- 8.7. The director or committee member should properly manage any conflict with the interests of the Squadron.
- 8.8. The director or committee member has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the board of directors.
- 8.9. Confidential information received by the director or committee member in the course of the exercise of directorial duties remains the property of the Squadron from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that Squadron, or the person from whom the information is provided, or is required by law.
- 8.10. The director or committee member should not engage in conduct likely to bring discredit upon the Squadron.
- 8.11. The director or committee member has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code.
- 8.12. Conflict of Interest
  - 8.12.1. A director or committee member who:
    - 8.12.2. (a) Is in any way (directly or indirectly) interested in a financial arrangement with the Squadron; or
    - 8.12.3. (b) Holds an office or has an interest whereby duties or interests might be created that could conflict with the director's duties or interests as a director of the Squadron, must:
      1. Declare the nature, character and extent of the interest to the General Committee or sub-committee; and

2. Unless the General Committee determines otherwise, not be present during any deliberation of the General Committee in relation to the matter or take part in any discussion of the General Committee in relation to the matter.
- 8.12.4. All disclosures of interests are to be minuted. The Minutes must also record both when the director took leave of the meeting and when the director returned to the meeting. Directors are to indicate to the Chairman any potential conflict of interest situation as soon as it arises.
- 8.12.5. Directors and Committee members should refer to Section 191 of the Corporations Act for full details of their obligations in relation to matters of conflict of interest.

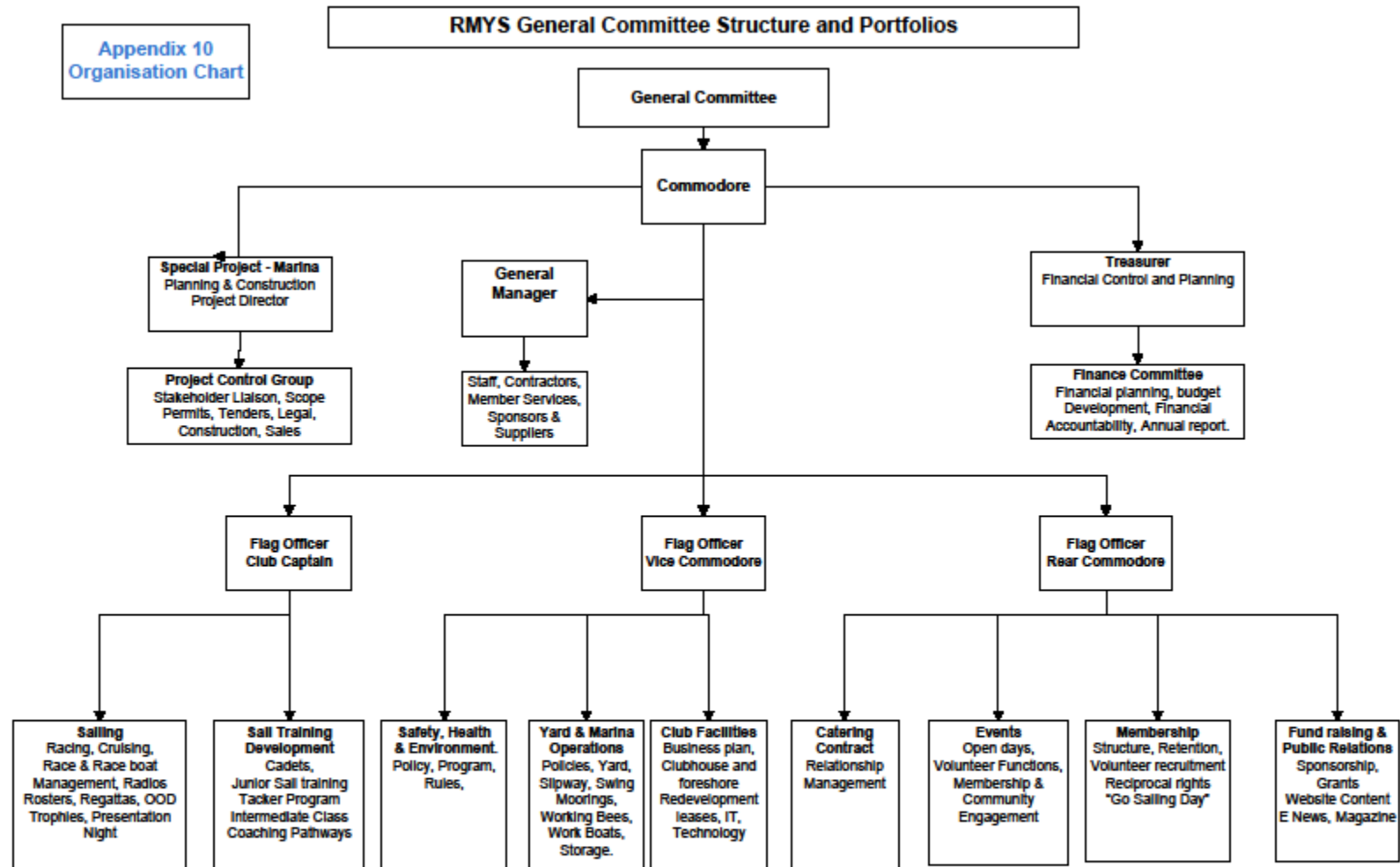
## Revision History

Rev No.	Date	Comments
0	2007	Approved by RPYC
1	2013	Amended to suit basis for drafting RMYs Manual
2	2013	Amended to include Ian Lodewyckx and includes JD comments
3	2013	Amended to include LG changes
4	2013	Amended to include ILM, CM and DC views on 31 10 13
5	2013	Incorporation of revs in 4 as agreed on 31/10 with outstanding items in italics.
6	2013	Up to section 5 for approval; Section 6 onwards yet to be reviewed. Org Chart included.
7	2013	Further changes made and noted in areas up to Section 6 Section 6 onwards reviewed – ILM CM DC. ILM to rewrite Sections 8, 9, 10. And review Job Descriptions for GM and AGM. CM to compare with Constitution.
8	2013	Rev 7 additions and deletions completed. ILM and CM work yet to be included.
8c	2013	Rev 8c Includes ILM and CM work, index updated
9	2013	Final for JD approval.
9JD	2103	JD review
10	2013	Final for submission to GC.
10a	2013	Includes responses from GC et. al.
10b	2013	Comments from CM on proposals from others
10c	2103	Collation of IM and CM decisions on proposals to give final document for approval
11	2013	Feed back from GC added – Circulated to GC for final review.
11b	2013	Feed Back from MS reviewed and resolved.
12	2103	Clauses 4.8 and 12.2 amended at March GC and incorporated - document approved.



## 9. **Appendix 1 – Organisation Chart**

**Appendix 10  
Organisation Chart**



Org Chart GC - Gov Doc Jan 2014.vsd

## 10. Appendix 2 – Position Descriptions

Position Descriptions including appropriate KPI's will be collated and reviewed by GC before a staff position is advertised. These documents already exist and will be used in the assessment of the candidates and in the periodic performance review of the staff.

These documents are held by the General Manager's office for the following positions:

1. General Manager
2. Assistant General Manager
3. Operations Manager
  - i. Yard Hand
4. Membership Liaison Officer
5. Etc.

## 11. Appendix 3 – Terms of Reference

**Sub-Committees and Working Groups** - Each Sub-Committee and Working Group must complete a Terms of Reference document in the following format to be periodically reviewed and approved by GC or created and approved by GC at the start of a new project.

11.1. Terms of Reference are required for:

11.1.1. Finance Committee

11.1.2. Sailing Committee

11.1.3. SH &E Committee

11.1.4. Membership

11.1.5. Events

11.1.6. Special Projects

11.1.7. Working Groups

11.2. Goals of the sub-committee including:

11.2.1. RMYS Governance compliance (this covers a lot)

11.2.2. Best interests of RMYS members

11.2.3. Diligent planning and reporting to GC on relevant matters

11.2.4. Effective committee structure and membership

11.3. Responsibilities:

11.3.1. Generation of short and long term planning documents.

11.3.2. Budgets, budgeting and expenditure.

11.3.3. Execution of plans.

11.3.4. Response to issues and complaints arising.

11.3.5. Risk management – review, mitigation, response.

11.3.6. Keeping GC fully informed.

11.3.7. Keeping Squadron members informed of the work of the committee.

11.4. Composition

11.4.1. One GC member

11.4.2. General Manager or a Flag Officer as appropriate

11.4.3. Contractor if relevant – e.g. f&d Manager, RMSTA Manager.

11.4.4. Club members skilled/interested in the work of the committee – 3?

11.5. Meeting

11.5.1. Monthly.

11.5.2. Minutes to be taken and made available to the next GC meeting.

11.5.3. Quorum – 4

## 12. Appendix 4 – Delegation Document

### 12.1. **Ends Policies** – “The expected performance outcomes in terms of benefits desired by members.”

12.1.1. Although the Business Plan for RMYS will be revised from time to time, the desired outcomes for each phase of the Plan constitute the expected performance outcomes that GC is seeking from the RMYS management team.

12.1.2. The task of the General Manager and staff is to focus their energies to achieve these expected performance outcomes.

12.1.3. The goals sought by the various committees as defined in their Terms of Reference and the KPI's in staff Job Descriptions shall be listed and referred to when any assessment or review is being made.

12.1.4. The assessment or review frequency must be nominated in the goals or KPI's that have been drawn up.

12.1.5. Where the assessment or review indicates a significant deficiency then investigation and corrective action must be taken and a report circulated to GC.

12.1.6. Where appropriate, assessments should be circulated to the Squadron members for review and comment.

### 12.2. **Management Limitations Policies** – “Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.”

12.2.1. RMYS Governance Policy must always apply.

12.2.2. Incurring expenditure

Unapproved expenditure limit for:

General Manager	- \$5,000
Assistant General Manager	- \$500
Operations Manager	- \$500
Office staff	- \$200

All expenses must be supported by detailed tax invoice/receipts.

All such expenditure must be specifically approved by the General Manager.

12.2.3. Requirement for quotations

12.2.3.1. All requests for quotation must be related to a written specification issued by RMYS.

12.2.3.2. All quotations must be in writing on company letter head before they can be considered or accepted.

12.2.3.3. For purchases above \$5,000, three separate competing quotations must be received unless otherwise approved by the Commodore.

12.2.3.4. A note must be attached to the quotations outlining the reason for the ultimate choice.

12.2.3.5. Purchases shall not be segmented to avoid the quotation requirements.

#### 12.2.4. Requirements for payment substantiation:

12.2.4.1. All Invoices are to be formal tax invoices or tax receipts.

12.2.4.2. All invoices are to be linked to an RMYS Order for purchases above \$100.

#### 12.2.5. Commercial arrangements

12.2.5.1. Staff or members cannot enter into a commercial arrangement with other entities on behalf of the Squadron without due process. This includes such things as charities, fund raisers, advertising, endorsement, sponsorship, use of Squadron facilities, etc.

12.2.5.2. Any such arrangements must be approved in terms of the RMYS Governance Policy, and by the General Manager or GC as appropriate.

.....oOo.....