



Management of Unfinancial Members

Australian Education Union ACT Branch Policy

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|---------------|------------|-------------|------------|
| Policy Number | POL059 | Version | 2.0 |
| Last Reviewed | 15/08/2018 | Next Review | 15/08/2021 |

INTRODUCTION

While the Union seeks to maximise membership and encourage previous members to re-join, it is important that debts incurred by members are honoured, and that the Union manages its membership in compliance with relevant legislation.

PURPOSE

The purpose of this policy is to identify the point at which a member becomes unfinancial, the mechanisms for prevention and the processes for the management of unfinancial members and overdue membership fees.

POLICY

A member of the Union becomes unfinancial when they have not paid any subscriptions, levies or fines within two months of the due date in accordance with *AEU Federal Rule 12 – Financial Members*.

As far as practicable the Union will seek to prevent members becoming unfinancial and provide mechanisms for unfinancial members to regain financial status, including payment plans and fee waivers.

The Union may take legal action to recover outstanding subscriptions, levies or fines in accordance with *AEU Federal Rule 12 – Financial Members* and *AEU Federal Rule 17 – Resignation from Membership and Termination of Eligibility*.

RESPONSIBILITIES

It is the responsibility of the Branch Secretary to ensure that employees and members are aware of this policy.

It is the responsibility of the Business Manager to oversee the systems for the prevention and management of unfinancial members in accordance with this policy.

PROCEDURES

1) Prevention of Unfinancial Members

- Preventing members from becoming unfinancial is a priority of the Union.
- The Business Manager will oversee administrative processes to prevent members from becoming unfinancial, including but not limited to:
 - Timely updating of reported changes to member information.
 - Monitoring credit card expiry dates and updating prior to expiry.
 - Timely follow up of defaulting payments.
 - Promoting the use of the fortnightly payroll deduction payment method.



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2) Unfinancial Member Repayment Plan

- A member with overdue membership fees who becomes unfinancial in accordance *AEU Federal Rule 12 – Financial Members*, will be required to make additional payments to restore their financial status.
- The Business Manager may approve a negotiated repayment plan for overdue fees with the objective of returning the member to financial status. The repayment plan must conclude within a maximum of one year from the date the membership fees first became overdue. A record of the payment agreement will be recorded on the membership database for the period that the agreement is in place.
- During the time that an unfinancial member is participating in an agreed repayment plan, and is meeting their repayment obligations, they will have access to all membership rights and services, with the exception of any activity governed by legislation that requires a member to have financial status.

3) Fee Waiver

- The Branch Secretary may approve a fee waiver for up to a maximum period of six months, for either fees already incurred or fees to be incurred in the future.
- Fee waivers in excess of six months must be presented to the Branch Executive in a de-identified written request.
- In accordance with *AEU Federal Rule 12 – Financial Members*, the Branch Executive may waive all or any portion of a member's fees based on exceptional personal circumstances or where the fee waiver is in the interest of the broader membership, and pursuant to the Branch Rules.

4) Management of Unfinancial Members

- The Business Manager will oversee the management of members who become unfinancial, ensuring that all reasonably practicable actions are taken to contact the member and return them to financial status.
- Where a unfinancial member is uncontactable for a period in excess of three months, despite all reasonably practicable attempts at contact having been made, the following action will be taken:
 - A letter will be sent to the last known address advising the members of their outstanding debt, and forthcoming submission to the Branch Executive for cancellation of their membership in accordance their *AEU Federal Rule 18 – Determination of Membership*.
 - If no contact is made by the member to arrange payment for a return to financial status, the member will be recommended for cancellation by the Branch Executive.
 - Where a membership is cancelled by Branch Executive, a registered letter shall be sent to the last known address advising the member of the cancellation of their membership in accordance with *AEU Federal Rule 18 – Determination of Membership*.
 - Copies of the correspondence sent to the member in relation to their membership cancellation will be recorded in the membership database.



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- Overdue fees will remain payable by the member for a period of twelve months from the date the membership fees were due. Legal proceeding to recover the overdue fees must be commenced within this twelve month period or the amount ceases to be payable in accordance with the *Fair Work (Registered Organisations) Act 2009*, Section 178 Recovery for arrears, and will be written off by the Business Manager. If the person seeks to re-join the Union within this twelve month period they will be required to pay the overdue fees at the time of re-joining.

5) Resignation of Member with Overdue Fees

- Where a member resigns from the Union due to ineligibility with overdue membership fees any amount owing shall be waived from the date of ineligibility in accordance with the *Fair Work (Registered Organisations) Act 2009*, Section 179 Liability for arrears.
- Where a member resigns from the Union with overdue membership fees, due to a reason other than ineligibility, the fees will remain payable by the member for a period of twelve months from the date the membership fees were due. Legal proceeding to recover the overdue fees must be commenced within this twelve month period or the amount ceases to be payable in accordance with the *Fair Work (Registered Organisations) Act 2009*, Section 178 Recovery for arrears, and will be written off by the Business Manager. If the person seeks to re-join the Union within this twelve month period they will be required to pay the overdue fees at the time of re-joining.

RESOURCES

Operational activities related to this policy are to be delivered within budgeted office resources.

Professional services required for the recovery of unpaid membership fees may require Branch Executive making a provision for such within the operating budget.