

# Bellarine Dog Activities Group

## Policy- Honorarium Payments

### Introduction

The By-Laws of Bellarine Dog Activities Group Inc. provide for the Club to pay an honorarium to volunteer Instructors and Office bearers, to assist with costs incurred in delivering services to the Club.

This provision was introduced and approved unanimously at the 2019 AGM, by inclusion in the By-Laws of the following clause:

#### **Excerpt from Bellarine Dog Activities Group By-laws, updated July 2019**

##### **16. Payment of Honorariums**

From time to time, the Committee may determine to pay an honorarium to Instructors and club officials as a part reimbursement of costs incurred in delivering services to the Club, and in accordance with ATO rulings. The amount of the honorarium will be determined by the Committee and total payments will not exceed what the Club can afford to pay through its revenue generating activities. All honorariums will be paid in accordance with the Club Honorarium policy

This document constitutes the policy named in the Payment of Honorariums By-Law. It sets out the eligibility criteria, payment determination and implementation procedure for payment of honorariums by the Club.

### Context

The Club instructors, elected committee members, and appointed positions are the backbone of the Club, and without them the Club would not exist. All of these roles have been performed in a voluntary capacity since the Club began in 1997. In providing services to the Club and its members, the volunteers freely give their time, and also incur costs. As the Club has grown over the years - currently at some 160 members - the workload and associated costs have increased.

For the sustainability of the Club, we need to continue to grow the pool of people willing to take on Instructor and office bearer roles. A key objective of introducing the option for honorarium payments is to remove some of the barriers to people contributing to the Club at this more taxing level.

Costs to provide services can be considerable and can be a significant barrier. In addition to time, costs may include items such as travel to and from the training venue, mobile phone use, computer and internet usage, printing of materials, purchasing of dog training equipment and supplies, and updating of training knowledge and skills.

At the AGM of 2019, Club members unanimously supported an increase in membership and term fees to (in part) provide for the payment of small honorariums to instructors and officials. The amount of the honorarium will be determined by the Committee and total payments will not exceed what the Club can afford to pay through its revenue generating activities.

### About honorarium payments

Guidelines around the payment of Honorariums are provided by the Australian Tax Office, which states:

“An honorarium is either:

- an honorary reward for voluntary services, or
- a fee for professional services voluntarily performed”

Honorariums may or may not be considered as assessable income, depending on the nature of the payment and the individual circumstances of each recipient. Further information can be found at <https://www.ato.gov.au/non-profit/your-workers/your-volunteers/paying-volunteers/honorariums/>

### BDAG Honorarium Payments

Payment of an honorarium under this BDAG policy is intended:

- to be an honorary award for voluntary services,
- to contribute to incurred or anticipated expenses,
- to be a token amount compared to the services provided or expenses incurred,
- not to be considered remuneration and not relied upon by the recipient for day to day living.

Recipients of honorariums are encouraged to seek professional advice as to whether the payment is deemed as assessable income for tax purposes.

## Payment determination and implementation

### Honorarium Amount

There is no obligation on the part of the Club to pay an honorarium at all. An honorarium may be paid at times and not paid at other times.

The honorarium payment amount will be capped by decision at each AGM, with consideration given to what the Club can afford.

Within the capped limit, actual payments will be determined by Committee at the beginning of each Club year. The sum of honorarium payments in any year will not exceed the net profit of the Club in the preceding 12 months. In the first year of implementation, the amount paid will be not exceed the anticipated net profit for that year.

Honorarium payments will be consistent within each group. For example, each Instructor will receive the same honorarium payment for the provision of similar services in the same term.

## Instructor payments

If by decision of the AGM and by subsequent decision of Committee it is determined that instructor honorariums will be paid in any year, the following process will apply.

- At the beginning of the year, the Committee will determine the amount of the honorarium to be paid for a class instructed in each term, within the cap set at the AGM.
- The honorarium amount to be paid will be consistent across classes and broadly across terms in the same year.
- Following the end of each term, the Committee will determine whether eligibility requirements for each practicing instructor have been met and will authorise the treasurer to make payment to those Instructors who meet the eligibility criteria.
- The Treasurer will transfer the honorarium to the account of the eligible instructor within four weeks of the authorisation.

## Eligibility

Eligibility for honorariums is described under two categories:

- Instructors
- Club office bearers

Please note definitions are provided at the end of the document

### Instructor eligibility

An honorarium may be paid to the lead Instructor of a class for each complete class they instruct at BDAG. A class is usually 8 X 45 minute lessons delivered over the course of one term. Normally, there is only one lead Instructor per class, however if the Head Trainer approves that 2 instructors can share delivery of a class by each leading different lessons, the honorarium may be split between them on request.

In order to be eligible to receive an honorarium payment the instructor must meet the following:

- Instructors must be qualified, practicing instructors
- The Instructor must instruct the class for the full allotted time on each of the nights of the Term in accordance with the agreed program. In the event that an instructor is absent for one or more lessons, they must arrange for another qualified and practicing instructor to take the lesson during their absence, and they must provide that instructor with a well-developed lesson plan. The responsibility for arranging relief instruction to cover an absence rests with the lead Instructor.

- Instructors must submit a simple and brief written assessment for each student within one week of the end of the term. The assessment will include: outline of progress made, highlight any particular areas for development, and recommendation for placement in a class for the subsequent term.

### Office bearer eligibility

For many years the role of BDAG Secretary has been awarded an annual \$500 honorarium, with the amount reviewed at each AGM. Recently the traditional role of secretary has been allocated to several committee members and accordingly, the allocation of the honorarium requires review.

In general, Office bearing Committee members take on the role in the knowledge that a reasonable amount of work is required to operate the club. Office bearers may be eligible for an honorarium payment where it is recognised that the workload is excessive for a volunteer role or the personal costs associated with providing service to the Club warrants partial reimbursement.

To make an assessment on eligibility for office bearers, the Committee will appoint a subcommittee which excludes office bearing positions under consideration for payment. The sub-committee will consist of a minimum of two people who will make a general assessment of honorariums to apply to office bearing positions. Membership may be co-opted with approval from the Committee.

Honorarium payment values for office bearers will be determined by Committee on a case by case basis, taking into account recommendations made by any relevant subcommittee

## Definitions

<b>Lesson</b>	one instructing event, usually of 45 min duration
<b>Class</b>	the consecutive series of lessons at a level or in a discipline over the course of one term - eg Foundation 1 in Term 1
<b>Term</b>	there are four BDAG terms per year, generally aligned to school terms
<b>Qualified instructor</b>	has fully completed and passed the BDAG instructor training program (theory, and practical plus one year internship), or has qualified in the Delta Certificate IV course, the Karen Pryor professional course, or an appropriate and commensurate qualification as approved by both Head Trainer and President.
<b>Practicing instructor</b>	has instructed - as the lead instructor - dog training classes at BDAG for a minimum of three out of four terms in the current or preceding year.