



Established 1957

Dubbo Athletics Club Inc.

Honorarium Policy

Approved by Committee 2 December 2019

1. Background

The Australian Charities and Not for Profits Commission (ACNC) states the following in relation to honoraria:

Charities may want to provide gifts or honorariums to individuals – including current or outgoing Responsible Persons, members, staff or volunteers – as a gesture of gratitude and appreciation for their services.

The decision to provide gifts or honorariums comes with some important considerations and charities should approach it with care and diligence.

As each charity is different, operating in different environments with different aims and challenges, the considerations in deciding to provide gifts or honorariums will differ.

Each charity's Responsible Persons need to properly consider the issues and concerns with providing gifts or honorariums in the context of their own charity and understand the implications of their decision.

Having considered a range of issues and concerns, the Dubbo Athletics Club Inc. (DAC) has reached a stage where honoraria **may be deemed appropriate in very limited circumstances**. While DAC is not obligated to reward volunteers (committee members, officials, coaches, event helpers, etc) with any form of payment for services, it may choose to do so in circumstances which are deemed both suitable and viable.

The ACNC defines an honorarium as:

An honorary payment made to someone without obligation in recognition of their professional service.

This definition has been adopted by DAC and applies to this policy.

2. Policy

1. The DAC committee shall specifically recommend rates of honoraria to the AGM, as noted in Schedule A. Such amounts must be included in the annual budget of DAC developed and approved consistent with the Constitution.
2. Only office bearers and coaches shall be eligible for honoraria, with amounts as per Schedule A.
3. Any amounts set in Schedule A must be financially sustainable and honoraria will only be paid when DAC has the demonstrated ability to do so.
4. An office bearer and/or coach elect to not receive any honorarium or elect to receive it in part or in full.
5. Honoraria can be paid on a pro-rata basis if the office bearer and/or coach has served for 6 months or more.
6. Honoraria shall be paid in a lump sum each April for service relating to the prior 12 months.
7. Honoraria cannot be paid by DAC to any third party.
8. Prior to any payment, the DAC Committee **may** carry out a performance appraisal of the office bearer and/or coach. In such cases, the office bearer and/or coach must completely abstain from any involvement in that respective appraisal. In such circumstances the DAC Committee has the right to reduce honorarium payments as listed in 'Schedule A', based on the performance of each individual, and the effective carrying out of duties, as outlined in their respective position descriptions.

9. Honoraria are not cumulative, so can only be paid for a single role. In such cases, the higher amount stated in Schedule A shall be used in relation to the consideration of any payment.

2.1. Taxation and Legal Implications

It is important to note that there may be taxation implications from the payment of an honorarium and the individual receiving any such funding must make appropriate enquiries in relation to tax and legal issues.

The ATO (November 2019) states:

Is an honorarium assessable income?

Whether an honorarium is assessable income of the volunteer depends on the nature of the payment and the volunteer's circumstances. Specifically:

- *honorary rewards for voluntary services are not assessable income and related expenses are not deductible*
- *fees received for professional services voluntarily provided are assessable income of the volunteer. In this situation, they may be entitled to a deduction for expenses incurred in performing these professional services.*

2.2. Out of pocket expenses or other payments

Consistent with the DAC constitution, out of pocket expenses and other legitimate payments **may** be paid to individuals. Any such payments should not impact on the consideration of any honorarium.

3. Communication

This policy will be placed on the DAC website and noted in appropriate Club information.

4. Review

This policy will be reviewed by the DAC Executive from time to time, with recommended changes submitted to the DAC Committee.

Amendments to Schedule A must be approved at a General Meeting or AGM.

5. Approval

Approved by DAC Committee on 2 December 2019.

DAC Honorarium Policy

Schedule A

November 2019

Role	Rate	Notes
President	\$500	
Vice President	\$250	
Secretary	\$250	
Registrar	\$250	
Treasurer	\$250	
Head Coach	\$500	
Assistant Coach	\$250	
Canteen Manager	\$250	
Total budget currently approved	\$2,500	