

From: fincom@dte.coop
To: ocmail@dte.org.au
Subject: Fwd: Breach of DTE Rule 53(1)(b) and 56(1)
Date: Thu, 12 Nov 2020 13:55:02 +1100
User-Agent: Horde Application Framework 5

Hi John,
Could you please include this email as correspondence inwards at tonight OC meeting.

Cheers Suzie H on behalf of Fincom

Please find below email received by Fincom from the DTE Secretary. We believe this to be a matter for the OC as per rule 47(xii) "The Organising Committee will develop and follow financial and reporting procedures as agreed to by the Board and the Cooperatives Auditor"

Kind Regards
Suzie H on behalf of Fincom Team

----- Forwarded message from Cooperative Secretary <secretary@dte.coop> -----
Date: Wed, 30 Sep 2020 03:00:51 +0000
From: Cooperative Secretary <secretary@dte.coop>
Subject: Breach of DTE Rule 53(1)(b) and 56(1)
To: DTE Directors <directors@dte.coop>
Cc: fincom@dte.coop

Directors

As secretary I am obliged to inform you that I have become aware of a material breach of DTE Rules 53(1)(b):

"all money received by the Co-operative is to be paid into an account specifically setup for that purpose only, as soon as possible after it is received."

The only DTE bank account nominated to receive funds is the CSB DTE Investment account (BSB 633000 / Account [REDACTED].872).

This account is used to receive income from interest, membership applications, member levies, fines and fees, revenue from ticket sales and market stalls, revenue from sale of water rights, asset disposals and cash donations.

Here are a series of transactions totalling \$610 from DTE bank account (BSB 633000 / Account [REDACTED].617) representing donations received:

[cid:image003.jpg@01D694FE.EF4419B0]

Use of these funds constitute misappropriation as cooperative members have not authorised the appropriation of this money, nor has the Board or Committee of the Board approved the disbursement and consumption of these funds.

To fix this situation, \$610 should be transferred from this bank account into the DTE Investment Account, and a separate budget application of \$610 for fuel should be applied for against the current

OC appropriation. Members should also be informed to avoid a repeat of this situation.

Furthermore, if this was a private fundraising for the account controller, then the funds should have been deposited into their personal bank account, not the bank account of an audited public organisation.

DTE bank accounts cannot be used as a clearing house of funds intended for third parties, especially for members as it would breach DTE Rule 56(1):

"The funds and property of the Co-operative shall be applied solely towards the carrying out and promotion of its primary activity (Appendix 2 Part 2) and no part shall be paid, loaned or transferred directly or indirectly by way of discount, rebate or otherwise by way of profit to members of the Co-operative, individuals or other organisations. Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant or to any member of the Co-operative in return for any services actually rendered to the Co-operative nor prevent the payment for out of pocket expenses as agreed by the Board or a Committee of the Board."

This issue would also have been relevant to a recent proposal by the facilitator of Aboriginal Heritage to receive an external grant into a DTE bank account for personal use. I understand this proposal has been subsequently withdrawn.

While these initiatives are well intended we must recognise that in their current form, they contravene DTE rules.

Members procuring external grants and donations on behalf of the cooperative can be encouraged, however, automatic consumption of these funds without proper appropriation and Board/Committee approval is against the rules.

Regards,

Troy

----- End forwarded message -----

From: Cooperative Secretary <secretary@dte.coop>
To: DTE Directors <directors@dte.coop>
CC: "fincom@dte.coop" <fincom@dte.coop>
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Regards,

Troy

[image003.jpg image/jpeg (47728 bytes)]

Andrew Wilkinson

633 000 / 617



\$581.59

Available balance

\$581.59

Current balance



Transfer



Pay Anyone



Pay Bill

Activity

Upcoming

Details

Statements

Print

Download

Filter

Normal

Compact

JUNE 22, 2020



M J MATTHEWS
Donation

+\$10.00



M J MATTHEWS
Donation

+\$200.00



M J MATTHEWS
Donation

+\$250.00



JUNE 17, 2020



M J MATTHEWS
Donation for fuel

+\$100.00



M J MATTHEWS
Donation for fuel

+\$50.00



No more activity