

**Constitution and Rules
for the
New Zealand Organisation
for Quality Incorporated**

These Rules rescind and replace all previous

**20 June 2006
Amended 18 June 2015**

NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED

CONSTITUTION AND RULES

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CONSTITUTION AND RULES FOR THE NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED

1. NAME

- 1.1 The name of the Organisation shall be THE NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED hereinafter referred to as the Organisation.
- 1.2 The above name shall be used by all branches and interest groups (as defined in section 4.2) established by the Organisation. For example:
- a) THE NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED, NORTHERN BRANCH.
 - b) THE NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED, WELLINGTON BRANCH, SOFTWARE GROUP.
 - c) THE NEW ZEALAND ORGANISATION FOR QUALITY INCORPORATED, SOUTH CANTERBURY BRANCH, HEALTH SECTOR GROUP.

2. DEFINITIONS AND INTERPRETATION

- 2.1 Definitions of Quality Related Terminology
Definitions of Quality related terminology such as Quality, Quality Management and Quality Assurance will conform to the definition provided in ISO 9000:2000 or such ISO standards that may supersede it.
- 2.2 Remit
A recommendation, request or any other item remitted from a member or group of members for consideration by an Organisational General Meeting. This implies that, after discussion, the remit will be put to the vote of the Meeting.
- 2.3 In this document:
- words referring to the singular include the plural and the reverse;
 - reference to the masculine includes the feminine;
 - reference to a person includes any other entity or association recognised by law and the reverse;
 - a reference to a statute includes:
 - all regulations under that statute; and
 - all amendments to that statute; and
 - any statute substituting for it which incorporates any of its provisions.

3. PURPOSE

- 3.1 NZOQ is a voluntary not-for-profit organisation that promotes and supports ethical and sustainable practices and diversity in quality management, quality assurance, quality control and quality improvement (“**the Qualities**”).

3.2 NZOQ demonstrates leadership in improved business process through advocacy, education, promotion and support of the Qualities.

3.3 NZOQ promotes and represents high standards of professionalism through the provision of opportunities for learning and growth in respect of the Qualities.

4. **AIMS OBJECTIVES AND POWERS**

4.1 The aims objectives and powers of the Organisation including its Vision Statement and Mission Statement shall be as set out in Appendix One.

5. **STRUCTURE**

5.1 The Organisation is governed for the benefit of its members by the Governing Board, (“**the Board**”), which, subject to the provisions of Section 7, is the senior administrative body within the Organisation. The Board is composed of individuals, who shall be elected or appointed in accordance with this Constitution.

5.2 Subject to the provisions of 7.3.2, any group of members may form a local branch or interest group to engage in activities which further the Purpose of the Organisation. Such branches or interest groups do not form a part of the administrative structure, but are responsible to the Board and are subject to the rules of the Board.

6. **MEMBERSHIP**

6.1 The Organisation shall consist of full members, student members, retired members, corporate members and, at the discretion of the Board, honorary members.

6.2 At no time shall more than **5%** of the total membership consist of honorary members.

6.3 Member Rights.

6.3.1 Full members are individuals who wish to participate in and indicate a genuine interest in the Purpose of the Organisation. They are entitled to vote and to engage in all Organisation activities.

6.3.2 Student members are individuals who at the date of the Organisation Annual General Meeting are pursuing a full-time course of training in some discipline related to industry. Student members have the rights of full members.

6.3.3 Retired members are individuals who at the date of the Organisation Annual General Meeting have attained the age at which they become entitled to Government Superannuation, and are no longer engaged in full time employment. Retired members have the rights of full members.

6.3.4 Corporate members, with no voting power, shall be corporate bodies including companies, firms, partnerships, Government Departments, organisations, associations, institutions, councils of state, local bodies etc Corporate members have the right to appoint up to four voting nominees or delegates respectively, each of whom shall

have the same rights as full members. Corporate members are required to give one month's notice to the Board of a change in their voting status. In the event of the election of a voting nominee or delegate representing a Corporate member to any office, such election shall be personal to that nominee or delegate only and shall not apply to other nominees or delegates from the same Corporate member.

- 6.3.5 The Board may at its discretion bestow honorary membership upon any individual whom it deems has made an extraordinary contribution to the development of the quality movement in general, and/or the Organisation in particular. Honorary members have the rights of full members.
- 6.4 All applications for membership shall be submitted on the prescribed form to the National Secretary. The Board reserves the right to refuse the granting of membership subject to appeal by the prospective member.
- 6.5 A person or body becomes a member on approval of their application for membership and payment of the appropriate subscription and joining fee (if any). The monies due shall be paid to the National Treasurer on demand.
- 6.6 Non payment of fees. If, after the expiry of **four months** after despatch of accounts for payment of fees for that year, the same shall remain unpaid, the Board may, at its discretion, cause the name of the defaulter to be removed from the members' list and such defaulter shall thereupon cease to be a member of the Organisation. The Board shall have the power to reinstate any such member without entry fee after payment of outstanding subscriptions.
- 6.7 Members desiring to terminate their membership shall give written notice thereof to the National Secretary/Treasurer.
- 6.8 Any member deemed to be guilty of conduct prejudicial to the Purpose, objectives and aims of the Organisation and their advancement may be expelled by the Board at a Special Board Meeting called for that purpose at which the member and informants must be given the opportunity of being present with or without representation and of being heard.. A member who wishes to appeal against such decision may require the Board to call an Organisation Special General Meeting for that purpose only at which the decision of the Board may be quashed or confirmed by a simple majority decision. The accused member is to be informed in writing of the accusations made against him/her and of the details of the Board and Organisation Special Meetings not less than **twenty-eight days** prior to these meetings. At all such meetings the Rules of natural justice shall apply.

7. **CONTROL THROUGH THE GOVERNING BOARD**

- 7.1 Direction and control of the Organisation shall be vested in the members who shall be represented by a Governing Board of between **four** and **eight** Directors, comprising up to **four** Directors elected by the members of the Organisation and, at the discretion of the elected Directors, additional Directors appointed by the elected Directors, up to the maximum Board membership of **eight**. Both elected and appointed Directors shall enjoy full voting rights, subject to the provisions of 7.6. Any other persons co-opted by the Board, in accordance with 7.3, shall have no voting rights.

- 7.1.1 Subject to the provisions of 7.1.2 the normal term of office of a Director shall be **two years**. On expiry of his/her term of office any Director may offer themselves for re-election in accordance with 7.1.2, or for re-appointment in accordance with 7.1. A Director whose term of office has expired will remain in office until such time as a replacement has been elected in accordance with 7.1.2, or appointed in accordance with 7.1.
- 7.1.2 An election for new Directors shall be held by a postal ballot of members of the Organisation in the first calendar quarter of each year. The incumbent Board shall appoint an independent scrutineer for the ballot and shall set a deadline within the month of March for the return of voting papers. The incoming Directors shall take office within 2 weeks of the close of the ballot upon declaration by the independent scrutineer of the results of the election. The outgoing Directors shall remain in office until the incoming Directors take office.
- 7.2 The officers of the Board shall be elected by the Directors. At the request of any Director the election shall be by secret ballot. The officers shall comprise:
- 7.2.1 A President, who will normally chair meetings of the Board.
- 7.2.2 A Vice President, who will chair Board meetings in the President's absence. The Vice-President shall assume the duties of the President, where the latter is unavailable or unable to complete his/her term of office.
- 7.2.3 A Secretary/Treasurer. It shall be within the power of the Board to form two separate offices of Secretary and Treasurer should the Board consider that the workload warrants such action. Subject to other rules relating to contracts (Section 6.9) it shall be within the power of the Board to appoint a person or persons to the position of Secretary and/or Treasurer who is/are not members of the Organisation. Such contracts shall be under a renewable contract of employment reviewed annually and do not carry voting rights.
- 7.3 The Board shall meet periodically and its functions shall be to co-ordinate the Organisation's activities, establish policy, maintain financial control and deal with any other matters affecting the Organisation as a whole. The Board may delegate its authority in specific matters to individual Directors or groups of members of the Organisation or to its Secretary/Treasurer as it considers appropriate. It may co-opt any person to attend a particular meeting for a specific purpose. Its powers and duties are further indicated as follows:
- 7.3.1 To take steps to achieve the Purpose and aims and objectives of the Organisation at the National and at the International level.
- 7.3.2 To control the establishment or dissolution of branches of the Organisation, or interest groups, and to establish or adjust geographic boundaries.
- 7.3.3 To formulate policies and procedures for the operation of branches and interest groups, including reporting requirements.

- 7.3.4 To ensure that the views of branches and interest groups are adequately represented to the Board.
- 7.3.5 To recommend for adoption by the Organisation Annual General Meeting, the annual subscriptions to be paid by members.
- 7.3.6 To authorise expenditure to achieve the Purpose and aims and objectives of the Organisation including the legitimate expenses incurred by Directors and co-opted individuals in attending Board meetings and in performing other duties on behalf of the Board.
- 7.3.7 To take any steps considered necessary, such as the provision of insurance cover, to protect the Organisation, Directors and office bearers against public liability and other risks.
- 7.3.8 To maintain a current list of members including names, addresses, affiliations and current financial status and forward relevant details regularly to branch and interest group committees.
- 7.4 For Board meetings a quorum shall consist of not less than **three** Directors.
- 7.5 The address of the Board of the Organisation shall be at such place as from time to time may be decided upon by the Board. It shall be registered in accordance with the requirements of the Incorporated Societies Act 1908.
- 7.6 Decisions of the Board shall be determined by a simple majority unless otherwise specified. In the event of equal voting, the Chairperson shall have an additional casting vote.
- 7.7 Copies of minutes of Board meetings (other than matters confidential to a member) shall be made available to members for examination on request.
- 7.8 Amendments to the Constitution.
- 7.8.1 Amendments to the Constitution of the Organisation shall be confirmed only at the Organisation Annual General Meeting or at an Organisation Special General Meeting called for that purpose.
- 7.8.2 Proposed amendments involving additions, alterations or the rescission of parts of the Constitution shall require the supporting signatures of at least **ten** financial full members of the Organisation. They shall be forwarded to the National Secretary not less than **two calendar months** prior to the Organisation's Annual or Special General Meeting. The proposed amendments shall be distributed to members in writing together with postal and proxy voting forms not less than **one month** prior to the meeting.
- 7.8.3 Amendments shall require confirmation by not less than **two-thirds** of financial full members either attending the meeting or voting by postal or proxy ballot.

- 7.8.4 No addition to, or alteration of the personal benefit clause or the winding up clause shall be approved without the approval of the Inland Revenue Department.
- 7.9 The Board is authorised to enter into any contract which will further the Purpose and aims and objectives of the Organisation.
- 7.9.1 The Board shall not commit the Organisation to expenditure in excess of income other than specified in 7.9.2.
- 7.9.2 The Board may borrow money through the raising of loans or debentures provided this is first authorised by a simple majority decision of an Annual or Special General Meeting of the Organisation.
- 7.10 The office of any member or office bearer of the Board shall, ipso facto be vacated:
- a) If the member ceases to be a member of the Organisation on the expiry of their membership.
 - b) If, by notice in writing to the Board, the member, or office bearer resigns his/her office.
 - c) If a member or office bearer of the Board is at any time removed from office through disability, neglect of duty or conduct prejudicial to the Purpose and aims and objectives of the Organisation. Such removal shall be forwarded in writing to the Board member concerned after confirmation at a meeting by a two-thirds majority of all voting members of the Board. At any such meeting the member or office bearer must be given the opportunity of being present with or without representation and of being heard. At any such meeting the rules of natural Justice shall apply.
- 7.11 A vacancy in membership of the **elected** Board shall be filled by election of a replacement by the membership of the Organisation, in accordance with procedures under Section 7.1. The Board need not hold a special by-election for this purpose, but may appoint the highest polling unsuccessful candidate from the previous election. The person elected to fill the vacancy shall not hold office for more than the original term of office.
- 7.12 If any elected Director is prevented from attending a Board meeting through illness or other sufficient cause he/she may appoint in writing another Director as his/her proxy.
- 7.13 Directors and officers of the Board may be paid reasonable accommodation, travelling and out of pocket expenses to attend Board meetings and in carrying out Board business.
- 7.14 In considering all matters relating to the Organisation or its members unless otherwise mentioned herein, the Board's decision shall be final provided that it is not in conflict with the provisions of the Incorporated Societies Act 1908.
- 7.15 The Board shall call an Organisation Annual General Meeting in the **second calendar quarter** of each year.

7.15.1 Notice in writing of the date, time and place of the meeting together with an agenda, details of remits, details of proposed changes to the Constitution and if necessary postal and proxy voting forms shall be sent to each member not less than one calendar month prior to the date of the meeting.

7.15.2 The normal rules of meeting shall apply. Unless otherwise specified, decisions shall be by simple majority, the Chairperson having a casting vote and shall be binding on the Organisation.

7.15.3 The business of the Organisation Annual General Meeting shall include:

- a) Apologies.
- b) Minutes of the previous A.G.M.
- c) Correspondence.
- d) Presentation and adoption of the audited accounts.
- e) Presentation of the budget for the current financial year.
- f) Approval of overdraft facility, if any.
- g) Outgoing President's report.
- h) Branch and interest group reports.
- i) Confirmation of membership subscriptions.
- j) Appointment of an auditor.
- k) Discussion of remits.
- l) Confirmation or rejection of any proposed amendments to the Constitution and Rules in accordance with the votes of members present, postal and proxy. (Section 6.8).
- m) Results of the elections and appointments of new Directors and Board officers.
- n) Recommendation of venue for the next Annual General Meeting.
- o) General business.

7.16 The new Board shall meet prior to the Organisation Annual General Meeting and this meeting shall be known as the Board Annual Meeting. The business of the Board Annual Meeting shall include:

- a) Appointment of additional Directors, in accordance with the provisions of 7.1.
- b) The election of a President and a Vice President.

- b) The election or appointment of a Secretary/Treasurer or a Secretary and a Treasurer.
 - c) The fixing of dates for regular Board meetings for the ensuing year.
 - d) The approval of bank signatories.
 - e) The allocation of specific and general portfolio responsibilities for members of the Board. In the event of any dispute as to such allocations the same shall be made by the President.
- 7.17 The President may at any time call a special meeting of the Board and the President shall call a special meeting when required to do so in writing by any **three** Directors.
- 7.18 The Organisation seal shall be fixed to any instrument only by the Authority of a resolution passed at a Board Meeting. The seal shall be affixed in the presence of the President or Vice President and one other Board Member.
- 7.19 A Special General Meeting of Members may be called in writing sent to the Board by registered mail and signed by not less than **twenty-five** or **33%** of the financial members, whichever is the smaller. Unless withdrawn by all the petitioning members, the meeting shall be held not later than **three months** following receipt of letter of petition by the Board.
- 7.20 The Organisation Annual General Meeting and Special General Meetings of members of the Organisation require a quorum of not less than **twenty** or **33%** of the members, whichever is the smaller, including proxies.
8. **FINANCIAL AND GENERAL**
- 8.1 The Organisation shall not be conducted or carried on for the purpose of earning a profit. Its income and property shall be applied solely towards the promotion of the Purpose and aims and objectives of the Organisation.
- 8.2 The financial year for the Organisation shall end on the **31st December**.
- 8.3 The Board shall require each branch and interest group to submit not more than **two months** following the end of the financial year, for the Board's approval, a statement of its financial position.
- 8.4 The amounts of the annual subscriptions for the various classes of members for the next financial year shall be decided on at the Annual General Meeting of the Organisation.
- 8.5 In addition to the annual subscription, the Organisation may charge members a joining fee. The amount of this fee will be decided at the Organisation A.G.M.
- 8.6 Annual subscriptions become due for payment at the beginning of the financial year and shall be payable to the National Treasurer.

- 8.7 The Board may waive part or all of a member's fees.
- 8.8 The expenditure limit above which payments must be made by cheque and the value above which payments require the approval of the Board, or in the case of branches and interest groups of the branch or interest group committee, shall from time to time be reviewed by the Board and communicated to all branches and interest groups. The Secretary or Treasurer of each branch or interest group and for the Board shall cause proper books of account to be kept with respect to all sums expended or received. Accounts shall also be kept of assets and liabilities. Treasurers shall submit to each Board and branch or interest group committee meeting a statement of the current financial position and a list of accounts for payment.
- 8.9 Each member of the Board, every office bearer and every officer or servant of the Organisation shall be indemnified by the Organisation against all costs, losses and expenses incurred in the exercise in good faith, of his/her office.
- 8.10 On the winding up, dissolution or secession of a branch or a interest group, any assets shall revert to the Board.
- 8.11 In accordance with the provisions of Section 24 of the Incorporated Societies Act 1908, any assets remaining after the winding up or dissolution of the Organisation after the satisfaction of all debts and liabilities shall be transferred or given to some other body or bodies having a purpose wholly or in part similar to the Purpose of the Organisation and shall not be distributed to members of the Organisation. Such body or bodies shall be determined by the Organisation at or prior to dissolution and in default thereof by any Court of competent jurisdiction. Such body or bodies shall have a current Inland Revenue Department tax exemption.

9 **INTERIM BOARD**

- 9.1 From the date of confirmation of this amended Constitution the existing National Council and Officers shall be deemed to be the Governing Board and Officers of the Organisation until the election of the Board and Officers in accordance with Clause 7.1, Clause 7.1.2 and Clause 7.2.
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APPENDIX I
to the
Constitution and Rules
for the
New Zealand Organisation
for Quality Incorporated

Vision, Mission, Aims and Objectives and Powers

A. VISION STATEMENT

NZOQ will be recognised as the pre-eminent organisation which promotes and supports the maximisation of world-class business processes and performance (in New Zealand).

B. MISSION STATEMENT

NZOQ's mission is to promote and support the maximisation of capability in world-class business processes and performance for businesses and individuals alike.

C. AIMS AND OBJECTIVES

The aims and objectives of the Organisation shall be to promote the appreciation and application of quality and business process improvement and, without limiting the generality of these words, shall be as follows:

- i) To promote nationally, the principles and practices of quality management, quality assurance, quality control, quality improvement and business process improvement.
- ii) To collaborate and advise, or affiliate with, other organisations concerned with business process improvement, quality and quality management, promotion and training as part of their normal functions, and to assist in the co-ordination of all such activities with each other and with those of the Organisation.
- iii) To assist and encourage persons engaged in or otherwise concerned with the design, manufacture, processing, servicing or sale of goods and services produced in New Zealand with the objective of improving the quality of design, manufacture, processing or servicing of any such goods and services.
- iv) To promote the provision of education and training in quality at all levels through educational establishments in New Zealand, or through the Organisation.
- v) To secure the support and aid of the New Zealand Government and its agencies, in the promotion and appreciation of quality management and business process improvement throughout New Zealand industry.

- vi) To maintain contact or association with similar organisations overseas and to act in conjunction or affiliation with and to appoint representatives to any such organisations with a purpose similar to the Purpose of the Organisation.
- vii) To participate in measures or activities designed to promote quality management and business process improvement, and to improve product and service quality and reliability in New Zealand.
- viii) To collect, hold and disseminate or to assist in the collection, holding or dissemination of information relating to quality and business process improvement, including the publication of reports, pamphlets, books, journals and other media.
- ix) To promote research in respect of the techniques and uses of business process improvement, quality management, quality control, reliability and assurance.
- x) To represent, prepare submissions and negotiate on behalf of the Organisation and its members, where considered desirable by the Board, with Government or other regulatory bodies in the preparation of legislation, standards and similar matters relating to quality and business process improvement.
- xi) To provide individuals with professional recognition of their competence.
- xii) To support affiliated Branches and Special Interest Groups
- xiii) To do such other things as may appear to be incidental or conducive to the attainment of the Purpose of the Organisation and the above objectives.

In order to achieve the preceding aims and objectives and the purpose of the Organisation, the Organisation has the full capacity to carry on or undertake any business or activity, to do any act, or to enter into any transaction and has the rights powers and privileges of a natural person.

D. POWERS

- i) To purchase or otherwise acquire the use of or deal with any real or personal property (including intangible property) for the benefit of the Organisation.
- ii) To borrow or lend money, whether on a secured or unsecured basis, for the purpose of any of the aims and objectives of the Organisation.
- iii) To give guarantees.
- iv) To obtain any licences or permits that may be required for the benefit of the Organisation.
- v) To invest the money not immediately required for the Organisation's purpose and aims and objectives.
- vi) To insure the property of members and employees of the Organisation.

- vii) To do anything else to further or attain the purpose, aims and objectives and powers of the Organisation.

AMENDMENT HISTORY

to the
Constitution and Rules
for the
New Zealand Organisation
for Quality Incorporated

Amendment 1. 18th June 2015 – Changes to the number of directors and the number required for a quorum. Motion passed at the June 2015 AGM in Auckland.

7.1. (Previous constitution wording)

Direction and control of the Organisation shall be vested in the members who shall be represented by a Governing Board of between six (6) and ten (10) Directors, comprising up to six Directors elected by the members of the Organisation and, at the discretion of the elected Directors, additional Directors appointed by the elected Directors, up to the maximum Board membership of ten.

7.1. New wording underlined:

Direction and control of the Organisation shall be vested in the members who shall be represented by a Governing Board of between four (4) and eight (8) Directors, comprising up to four (4) Directors elected by the members of the Organisation and, at the discretion of the elected Directors, additional Directors appointed by the elected Directors, up to the maximum Board membership of eight (8).

7.4. (Previous constitution wording)

For Board meetings a quorum shall consist of no fewer than four (4) Directors.

7.4. New wording underlined:

For Board meetings a quorum shall consist of no fewer than three (3) Directors.