



VVAA VICTORIAN BRANCH

"UNDER OUR OWN CONTROL"

A GUIDE TO THE ORDERLY CLOSURE OF THE VVAA VICTORIAN BRANCH

Version 9 – 3 October 2023

BACKGROUND

1. The Victorian Branch of the Vietnam Veterans Association of Australia (the Branch) is a veteran special interest group, established for the express purpose of meeting the needs of Victorian-based Vietnam veterans and their families. Decisions have been made by the membership that the Branch will not change its membership criteria or means of operation during the lifetime of the Branch. As such, it has been accepted that the Branch has a finite life and that the Branch will close at some time in the future.
2. The Victorian Branch will conduct an orderly closure based on a number of key factors, action trigger points, and an agreed process to be followed at all levels.

AIM

3. The aim of this guide is to outline key issues that will underpin a Branch Closure Plan, provide a methodology to assist Sub-Branches and the Branch Executive to develop closure plans, and provide guidance for the eventual closure of the Branch.

DISCUSSION

Key Factors Identified and Agreed During Sub-Branch President Workshops

4. Sub-Branch Presidents have met to discuss and debate the future of the Branch, including examining possible alternative structures for the way ahead, and the relative merits of a range of scenarios for a planned closure of the Branch. The following agreed key factors are the planks of the Branch closure plan:
 - 4.1 **A formal closure plan will be developed at each level, containing guidelines for the orderly and agreed contraction of the Branch, leading to an eventual closure of the Branch.**
 - 4.2 **The Branch will remain a part of the National VVAA entity until such time as the National entity is no longer viable, or until the Branch decides that to remain part of the National entity is not in the best interests of the Branch.**
 - 4.3 **The Branch will not amalgamate with any other organization other than with another VVAA entity, and then only if deemed advantageous for the Branch to do so.**
 - 4.4 **Membership criteria will not change.**
 - 4.5 **The maintenance of an effective state-wide welfare support structure.**
 - 4.6 **Assets and memorabilia disposal plans are to be included in the closure plan.**
5. Discussion on these key factors is attached at Annex A to this paper.

ASSUMPTIONS

6. Assumptions when planning:
- 6.1 The Branch will retain a Branch Executive in some form to provide administrative support and guidance during Branch contraction and closure activities. The Branch Executive will be the last entity to close.
 - 6.2 The existing Branch constitution, administrative instructions and this plan will be amended as necessary to make allowance for changing circumstances.
 - 6.3 Sub-Branches will retain their individual identities and titles unless they decide to amalgamate with another Sub-Branch and remain part of the Branch until the State Executive initiates a final Branch closure. Existing Government rules and regulations relating to the disposal of patriotic funds and other assets will remain in force unless alternative dispersal or disposal arrangements are allowed.
 - 6.4 The Branch will be positively supported by the Victorian Veterans Council and Consumer Affairs Victoria when conducting closure activities and resolving patriotic welfare fund distributions.

THE PLAN OUTLINE

7. The Plan embraces the identified key factors and provides broad-based guidance to all levels of the Branch in relation to planning for and managing change. To be effective, each plan must reflect the will and preferences of ALL members. Each plan must be:
- 7.1 Agreed by the membership at each appropriate level,
 - 7.2 Easy to understand and implement,
 - 7.3 Based on rules and regulations current at the time,
 - 7.4 Flexible enough to be adapted for changing circumstances.
 - 7.5 Confirmed by consultation with the State Executive at the earliest opportunity to avoid any unintended consequences that may arise.

Bottom Up - Sub-Branch Closure Plans

- 8.1 The contraction of the Branch will commence when Sub-Branches decide to close, amalgamate, change their functioning and/or identity or leave the Branch in accordance with member wishes. Consequences of a Sub-Branch decision to change identity or leave the Branch may include but are not necessarily restricted to:
 - 8.1.1 Loss of the authority to use the title "Vietnam Veterans Association of Australia"
 - 8.1.2 Loss of authority to use the Vietnam Veterans Association of Australia Badge.

8.1.3 Loss of eligibility to operate a Welfare Patriotic fund

8.1.4 Increased regulatory reporting requirements previously done at the Branch level, depending on what identity the Sub-Branch decides to adopt.

8.1.5 Loss of various charity benefits and exemptions afforded as part of the Branch.

8.1.6 Loss of access to Branch information of benefit to Vietnam Veterans.

9. As contraction accelerates there will be significant changes to the structure and composition of the Branch. The closure of a Sub-Branch will commence as a result of a specific factor or factors, referred to in this paper as triggers (see para 12 and Annex B) which impact on the ability of the Sub-Branch to continue to function.-To meet this eventuality, a Sub-Branch closure plan is needed.

Top Down - State Executive Closure Plan

10 The State Executive plan will ensure a viable Branch support structure is in place and maintained during contraction and closure, disposal of Branch Executive assets, closure of the Executive, and the formal closure of the Branch entity in accordance with the Branch Constitution and existing Government regulations and legislation. The State Executive will not take any actions of a significant nature that might alter the composition, profile or makeup of the Branch or take decisions in relation to disposal of assets without recourse to the membership. The State Executive outline plan is at Annex D.

Triggers

11 Triggers are events or circumstances - not necessarily restricted to the following - which cause Sub-Branches to contemplate their future:

11.1 Loss of membership to a level where a Sub-Branch fails to meet minimum membership criteria,

11.2 Inability to raise a committee of management,

11.3 Loss of ability to attract members or loss of interest by members to engage in Sub-Branch activities,

11.4 Lack of Sub-Branch funds,

11.5 Loss of a meeting place,

11.6 A call from members to vary or cease activities.

11.7 Contraction of the Branch to a state where the viability of remaining a Sub-Branch is brought into question.

11.8 "Action on Triggers- A Guide" is attached at Annex B.

Commencing to Plan

12 Foremost in any Sub-Branch consideration is that the membership retains the absolute right to decide the fate of their Sub-Branch within the constitutional and legislative constraints that might exist from time to time. All Sub-Branch plans must

be developed with the full knowledge of the members, and key decisions relating to or forming part of the plan must have membership approval before being enacted.

- 13** Notwithstanding the Sub-Branch membership right to decide the future of a Sub-Branch, it is recommended that Sub-Branch executives consult with the State Executive during the planning process to ensure that regulatory requirements are being followed and that they and their members are fully aware of any consequences that might arise from a particular course of action.

- 14** Irrespective of whether closure is being contemplated or not, there is planning that can be done now in anticipation of an eventual change of circumstances. Sub-Branches are encouraged to review their current circumstances and commence developing their own closure plans now. Examples of planning that can now be commenced include:
 - 14.1** Developing a plan for the proper accounting and disposal of memorabilia,
 - 14.2** Considering the use of and disposition of patriotic welfare funds,
 - 14.3** Planning for the delivery of welfare services during change,
 - 14.4** Planning for the consolidation and preservation of important Sub-Branch records, in particular the retention of financial records for the requisite time.
 - 14.5** Commencing to plan now may well highlight specific issues that need to be addressed.
 - 14.6** Putting a DRAFT plan in place now will ease the workload later on, provide the framework for future Sub-Branch committees to work with and provide the membership with confidence that their rights and needs are being taken into account.

- 15** A list of factors for consideration and inclusion when developing a plan is attached at Annex C.

Disposal of Assets - Considerations

- 16** Sub-Branch memberships may have particular wishes for how Sub-Branch assets are to be disposed of and these wishes should be clearly stated in the closure plan. However, when arriving at decisions, the members should keep in mind the State Constitution and relevant Government legislation as they apply to the disposal of assets, particularly welfare patriotic funds. Sub-Branch committees should ensure that they are familiar with the regulations governing the use of welfare patriotic funds and should note that no patriotic funds may be transferred to any other entity or otherwise disposed of without approval in principle by the State Branch Welfare Patriotic Funds Trustee and final approval of Consumer Affairs Victoria. Transfer of funds proposals should be discussed with the State Executive in the first instance in order to gain an indication as to whether the proposal will be allowed. The State Executive will assist where possible in negotiating with Consumer Affairs Victoria to meet Sub-Branch desires for the transfer of financial assets. Sub-Branches are encouraged to look favourably at approving financial transfers to the National Vietnam Veteran Museum. A guide to the management of Welfare Patriotic Funds is attached at Annex E.

- 17** Most Sub-Branches have significant memorabilia holdings. Memorabilia in the possession of Sub-Branches may have been donated, purchased or may be on loan. Sub-Branch memorabilia asset registers should show all major memorabilia items held, including any caveats that apply to the ownership, return of items, or disposal. In arriving at memorabilia disposal decisions, the Sub-Branch must ensure in the first instance that any items marked by special caveat for return or specific disposal are handled in accordance with the directions included in the memorabilia assets register.
- 18** Sub-Branches are encouraged to offer any unrestricted memorabilia to the National Vietnam Veterans Museum in the first instance. This does not preclude memorabilia items being offered to RSL Sub-Branches and the like, however priority to having the items housed and displayed at the NVVM should be uppermost in Sub-Branch memorabilia asset disposal plans, and the membership should be encouraged to support such action. The State Executive will not accept Sub-Branch memorabilia unless prior agreement has been reached. Memorabilia is not to be disposed of by sale.

KEY FACTORS

- 1. A formal closure plan will be developed that is based on the orderly and agreed contraction of the Branch, leading to an eventual closure of the Branch.**
 - 1.1 Amalgamating with other non-Vietnam entities or “folding into” another organization such as the RSL is not the preferred path as the Branch ultimately contracts this action is seen as an attempt to keep some diluted form of the Branch in existence. Further, it is agreed that despite the best efforts of next of kin and other interested parties to keep the Branch alive, the preferred option is to adopt our own formal closure plan that will guide the Branch through the processes needed to achieve an orderly and agreed closure at some point in time. This will leave all levels of the Branch with the best opportunity to decide how it will close, how it will dispose of assets, and when it will close as well as ensuring that the history, achievements and legacies of the Branch are passed to the National Vietnam Veterans Museum.
 - 1.2 At some point in time, the Branch will have contracted to a point where it is no longer viable. At this point, the formal closure of the Branch entity will be triggered by the Branch Executive.
 - 2. The Branch will remain a part of the National VVAA entity until such time as the National entity is no longer viable, or until such time as the Branch decides that to remain part of the National entity is not in the best interests of the Branch.**
 - 2.1 Remaining within the existing VVAA organization is seen as being more advantageous in terms of being able to continue to project a unified voice on behalf of the members, and to continue to present the VVAA as a National ESO for as long as possible.
 - 2.2 The State Branch reserves the right to leave the National VVAA entity when it is considered that to remain part of the National entity is not in the best interests of the Branch. Such a decision will not be taken until all alternatives have been exhausted, and until the decision to leave the National entity has been put to a vote of the Branch members at a Special General Meeting.
 - 3. The Branch may change its name, but will not amalgamate with any other organization other than another VVAA entity, and then only if deemed advantageous for the Branch to do so.**
 - 3.1 In the event that the Branch decides to leave the National entity, the Branch membership will be consulted in relation to any need to change the name of the Branch in order to more accurately reflect the new status of the Branch.
 - 3.2 The terms “**Victoria**” and **Vietnam Veteran**” will be retained as part of the name should a future name change be contemplated. In retaining these terms we keep faith with the founders of Branch and continue to reflect the unique nature of the organization. Retaining the terms will help to overcome potential
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alienation of Vietnam veteran members, retain public understanding of the aims of the Branch and retain a focus on why the organization exists.

- 3.3 By amalgamating with another organization other than one with Vietnam veteran roots and the same sets of values and intent, the Branch runs the risk of losing its identity and focus on Vietnam Veteran issues, diluting its link to the Vietnam War and becoming more of a broad based organization.
- 3.4 The Branch reserves the right to join with or subsume another VVAA State Branch should it be in the best interests of the Branch. There may come a time when the contraction of the National entity reaches a point where other State Branches are no longer viable in their own right or are seeking to leave the National entity, but wish to retain a Vietnam Veteran focus. In such circumstances it may be advantageous for the Branch to join with or to subsume other State Branch entities, provided doing so does not impact adversely on Branch activities or Branch closure plans in place or being developed. Decisions to amalgamate with or subsume another State Branch will only occur after approval of the Branch membership at an Extraordinary General Meeting.

4. Membership criteria will not be changed

- 4.1 Ordinary membership will continue to be restricted to Vietnam Veterans, their dependents, and others deemed eligible for membership in accordance with the provisions of the Branch Constitution. This will ensure that the Vietnam Veteran influence and culture is not diluted by the introduction of other classes of membership as Vietnam Veteran numbers decline.
- 4.2 Whilst other Veterans are welcome to join the Branch as an affiliate member, they should be encouraged to join their own associations in the first instance. Significant differences exist between Vietnam Veterans and other Veteran groups in relation to military experiences, interests, social habits, family dynamics, age, and sense of association. These differences point to a basic incompatibility, which may not be in the best interests of preserving the identity and heritage of the Branch should others be allowed to join the Branch in significant numbers.

5. The maintenance of a viable State-wide welfare support structure will be a key driver in all phases of the closure plan

- 5.1 The maintenance of viable State-wide welfare services is critical and will take on added importance during the potentially unsettling and turbulent periods of contraction and ultimate closure. As a consequence, all levels of the Branch will need to ensure that sufficient assets and welfare-trained staff are available to continue this service to the members. As the Branch contracts, the ability to raise welfare funds or to attract welfare-related grants will likely diminish, as will the ability to retain trained welfare staff.
- 5.2 Welfare support will become the key activity of the Branch, possibly the only activity, as Sub-Branches close and the Branch contracts. Activities aimed specifically at remaining in contact with members, particularly those who have lost their Sub-Branch to closure will be critical to ensuring the health and

wellbeing of the members. Social isolation and loss of identity will be particular issues that will need to be addressed.

6. Assets and memorabilia disposal plans are to be included in the closure plan.

- 6.1 Plans for the orderly transfer of financial assets and disposal of memorabilia will be developed. It is accepted that Welfare funds obtained through State Branch authorized activities and other Vietnam Veteran welfare related fundraisers will be retained within the Branch or Sub-Branch entity. Welfare funds are not to be dispersed to other ESO's or organizations without proper approvals.
- 6.2 The Plan will detail how Welfare funds are to be passed on as Sub-Branches close. The process should be flexible enough to allow Sub-Branch dispersions and donations to flow to an approved source at any time during the closure procedure, and Sub-Branches retain the right to disperse funds in accordance with member wishes and in accordance with regulations in place at the time. As an example, a Sub-Branch may wish to designate that some or all of its assets be sent directly to the National Vietnam Veterans Museum prior to winding up, as an alternative to passing the assets to the State entity at closure. This can be achieved by an authorized transfer of funds supported by the State Trustee and approved by Consumer Affairs Victoria. Similarly, the Plan should allow for agreed asset sharing in the case of Sub-Branch amalgamations. At closure, Sub-Branch financial records are to be passed to the State Executive for retention for the requisite period.
- 6.3 The Branch Executive will have the authority to make decisions relating to how and when assets passed to it are used. When the closure of the Branch occurs, all remaining assets are to be passed to the National Vietnam Veterans Museum.
- 6.4 Sub-Branches will retain the right to disperse memorabilia in accordance with their wishes and in accordance with any caveats on memorabilia. Sub-Branches are expected to dispose of their memorabilia unless it has been agreed that the memorabilia is to be handed to the State Branch or retained within an amalgamated entity. It is expected that the National Vietnam Veterans Museum will be given the opportunity to obtain Sub-Branch owned memorabilia in preference to the memorabilia being dispersed to other organizations.

ACTION ON TRIGGER POINTS - A GUIDE

1. Should a Sub-Branch arrive at a situation where the future of the Sub-Branch in its current state, is considered to be in serious doubt, and/or the Sub-Branch has identified trigger points, it may be time to activate a closure plan. Before arriving at a decision to activate a closure plan, the Sub-Branch Executive will need to have kept members informed of the situation, ensure the State Executive is aware of its intentions to close the Sub-Branch, undertake all reasonable actions to attempt to keep the Sub-Branch viable, and explore what closure options are available to it. This may include but is not restricted to:

- 1.1 Seek input from the membership.
- 1.2 Attempt to recruit members to fill committee vacancies.
- 1.3 Attempt to contact and recover lost members.
- 1.4 Attempt to attract new members.
- 1.5 Attempt to invigorate Sub-Branch activities, including scheduling social and fund raising activities and the like.
- 1.6 Enter into discussions with other Sub-Branches to explore opportunities for amalgamation if appropriate.
- 1.7 Seek advice and assistance from other Sub-Branches and the State Executive.
- 1.8 If after exhausting all avenues to keep the Sub-Branch viable and activating a closure plan appears as the only option, the following initial actions are required:

1.8.1 Call a Special General Meeting of the Sub-Branch.

The Special General Meeting is to address the viability of the Sub Branch, seek membership opinion on closure, and if closure is chosen, agree on the form of the closure. Members unable to attend are to be given the opportunity to return a proxy postal vote prior to the meeting. Subject to a minimum of 50% of the financial members of the Sub-Branch voting in person at the Special General Meeting or returning a proxy vote agreeing to close the Sub-Branch, the decision to proceed with a closure plan is to be the subject of a member's resolution passed at the meeting.

Once the members have decided to close the Sub-Branch, and a resolution to that effect has been passed, a closure plan is to be developed that includes all factors relevant to the Sub-Branch (see Annex C) in order to meet the closure outcome as decided by the members. The Sub-Branch Executive or a particular Sub-Committee formed for the purpose is responsible for developing the plan, in consultation with the Sub-Branch members.

1.8.2 Advise State Executive of the Special General Meeting details and invite State Executive attendance.

FACTORS FOR CONSIDERATION

1. In no order of importance, and not restricted to the following, these factors should be considered and included where appropriate when formulating a closure plan:
 - 1.1 The trigger or trigger points that commenced the closure action,
 - 1.2 The preferred outcome of the closure plan as decided by the members,
 - 1.3 Timeframe to complete the closure plan from time of commencement,
 - 1.4 Process for membership to authorize closure action (future meetings),
 - 1.5 Process for keeping members advised of progress,
 - 1.6 Roles and tasks of Sub-Branch Executive,
 - 1.7 Welfare plan,
 - 1.8 Disposal of Sub-Branch memorabilia and other assets,
 - 1.9 Dispersal of Sub-Branch finances,
 - 1.10 Discharge of Sub-Branch liabilities, and closure of Sub-Branch incorporated entity where appropriate (The Branch Executive will assist with this),
 - 1.11 Archives, retention of necessary Sub-Branch documents, particularly financial records,
 - 1.12 Individual member right of choice regarding future membership, and assistance to achieve choice,
 - 1.13 Liaison with State Executive or other Sub-Branches, and
 - 1.14 The closure plan may involve a range of alternatives, including but not restricted to:
 - 1.14.1 Closure,
 - 1.14.2 Amalgamate with another Sub-Branch (may involve transfer of assets),
 - 1.14.3 Transfer memberships to another Sub-Branch, (may or may not involve transfer of assets),
 - 1.14.4 Remain as a social entity only (disposal of financial assets), or,
 - 1.14.5 Change identity, leave the Branch

STATE EXECUTIVE CLOSURE PLAN OUTLINE

1. The State Executive has the responsibility to formally close down the State Branch. The State Executive will continue to function until the Branch is no longer a viable entity. Executive membership may change to meet Branch needs from time to time.
2. Executive tasks may change to meet the needs of the Branch. The following key functions will continue as long as the Branch remains a viable entity and the need for the function exists:
 - 2.1 Membership Management and Support Services.
 - 2.2 Financial Management.
 - 2.3 State Welfare Function.
 - 2.4 Representational Activities, as long as the National Body remains a viable entity and the State Branch retains membership.
 - 2.5 Ceremonial and Commemorations Management.
 - 2.6 Maintenance of Branch Website.
 - 2.7 Conduct of Branch Business including Branch Meetings.
3. There is a requirement to maintain an accurate membership data base to meet National reporting requirements, member welfare and for membership capitations to continue to be paid in order for the Executive to function. These requirements will exist as long as the Branch is a viable entity and retains National body membership. Cessation of capitation payments will be decided by the membership.
4. The Executive will continue to manage Branch finances, coordinate Branch annual returns and assist Sub-Branchees to manage their financial responsibilities including divestment of welfare funds during closure proceedings. The Executive will also retain responsibility for managing aggregated funds from closed Sub-Branchees as required and for the proper accounting and reporting of Executive funds to Branch meetings and for reporting the disbursement of all residual Welfare funds to Consumer Affairs Victoria and requesting the closure of Welfare Patriotic Funds.
5. The Executive will continue to deliver State Welfare functions and represent the Branch at National Body meetings until the need ceases. Ceremonial and commemorative activities will lessen as the Branch contracts with the majority of activities likely to be conducted at the Sub-Branch level. The Executive will continue to facilitate small commemorations at the Melbourne Shrine of Remembrance for as long as there is a need.

6. keep members abreast of developments. Administrative tasks required to assist Sub-Branches will continue to be delivered as usual, with an expected reduction as Sub-Branches close and needs change.
7. The Executive is responsible for ensuring that all important Branch memorabilia held at the State Office is offered to the National Vietnam Veterans Museum. The Executive is also responsible for notifying relevant Government departments and Ex-Service organizations of the closure of the Branch.

MANAGEMENT OF WELFARE PATRIOTIC FUNDS – A GUIDE

1. The ***Victorians Veterans Act 2005*** prescribes what a Welfare Patriotic Fund is and provides the controlling legislation for the use of Welfare Patriotic Funds. Consumer Affairs Victoria manages the opening, closure, and proper operation of Welfare Patriotic Funds. The Vietnam Veterans Association of Australia Victorian Branch Incorporated (the Trustee) through the Branch Treasurer, is the Trustee for the Branch and Sub-Branch Welfare Patriotic Funds and is responsible to Consumer Affairs Victoria for the proper operation of all Branch and Sub-Branch Welfare Patriotic Funds.
2. No transfers of Welfare Patriotic Funds may occur without VVAA Vic. Branch Inc. agreement and Consumer Affairs Victoria approval.
3. Sub-Branch Welfare Patriotic Funds are to be managed as follows:
 - 3.1 Sub-Branches are not to contact Consumer Affairs directly, this is the responsibility of the Branch Trustee (the Treasurer)
 - 3.2 The Branch Trustee is to be kept informed of plans relating to the potential disbursement of Welfare Patriotic Funds. Early advice as to whether potential disbursements may or may not be approved by Consumer Affairs Victoria will assist with plans.
 - 3.3 When the Sub-Branch has an agreed Welfare Patriotic Fund disbursement plan, provide formal advice of same by minute to the Branch Trustee for action.
 - 3.4 The Trustee will provide the Sub-Branch with a copy of the Consumer Affairs Victoria document ***Application to transfer assets from a patriotic fund to the trustee of another patriotic fund*** that is to be completed and signed by Sub-Branch authorized signatories and returned to the Branch Trustee.
 - 3.5 The Trustee will submit the application to Consumer Affairs Victoria and seek approval on behalf of the Sub-Branch to proceed with the disbursements. The Branch Trustee will advise the Sub-Branch when approval to proceed or otherwise is received.