**Rules, By-Laws and Statement of Purpose**

It is common for terms Constitution, Rules of Incorporation, and By-Laws to be confused. This aims to give a snapshot.

**Constitution**

* Your organisation's Constitution is like its heart and soul. It includes your Statement of Purpose, your adopted Rules of Incorporation and your structure.
* It is arguably the most important document you have and guides you to safe and legal practices under the Victorian Associations Incorporation Reform Act 2012 or otherwise.
* Once you make a single change to the Model Rules – the document becomes called your Constitution because they are no longer the Model exactly.

**The Rules**

* Every incorporated group must have Rules of Incorporation which define how the organisation operates and guides the committee
* These Rules of Incorporation are a contract with members and are guided by Consumer Affairs - this is how things will be done and are a legally binding document
* The Rules of Incorporation define the rights of members and the responsibility of the Association in meeting these rights
* There are Model Rules that Associations can adopt for ease. These meet the basic legal requirements
* The Model Rules in Victoria have changed and supersede previous iterations - even if your rules don't align
* Associations should adopt the new Model Rules or aligned their rules when changes are made
* An Association can make alterations to the Rules but need to apply to Consumer Affairs - a lodgment fee applies
* Changes lodged with Consumer Affairs will be approved or not dependent on whether legislative requirements are met.
* To change your rules, the process starts with a Special Resolution and then follows a process - [Click Here](http://www.consumer.vic.gov.au/clubs-and-not-for-profits/incorporated-associations/running-an-incorporated-association/membership-meetings-and-special-resolutions) for more details.

**By-Laws**

* By-laws are not law excepting that they must not contradict the Rules of Incorporation
* By-laws sit OUTSIDE the Constitution/ Rules, however the connection is that it should be included in the Rules of Incorporation that the Association Committee can change the by-laws
* It is important to keep by-laws, codes… out of the constitution or rules of incorporation because they change more often and you don’t want to have to pay the fee every time an amendment is made. They don’t constitute the law and are not part of the contract.
* Changing of by-laws does not require a Consumer Affairs application or approval unless it requires a change to the Association Rules to administer the change
* By-laws are generally more operational and internal to the sport in nature
* They define the rules internal to the sport or competition and some are laid down by the state body or the association/league
* The sorts of things defined in an association's by-laws are e.g.: how often Delegate Meetings are held, how teams register,  age requirements for players, any competition details that relate to all clubs, dress codes, clearance processes etc.