



FRAMEWORK FOR FINANCES

DOCUMENT TYPE:	REF. CODE:	ISSUE NO:	ISSUE DATE
GUIDANCE	BRD-FWK-008	002	21 May 2015

1. Introduction

This framework outlines the responsibilities and duties of the Member-institutes and gives practical rules for the ENFSI finances.

2. Financial year

The ENFSI financial year shall run from April 1 (calendar year T) till March 31 (calendar year T+1).

3. Income

The income for ENFSI shall be the Annual Fees from the Member-institutes, external funding and/or other resources.

4. Budget

The budget regarding the ongoing financial year will be presented by the ENFSI Board to the Membership for approval at the Annual Meeting.

5. Budget rules

- The Board shall present to the Membership an itemised estimate of revenues and expenditures for the ongoing financial year not later than three weeks prior to the Annual Meeting.
- In order to facilitate the work of ENFSI statutory bodies the above mentioned estimate shall include an itemised estimate of expenditures for funding travel costs of ENFSI statutory bodies (ENFSI Board, Standing Committees, Expert Working Groups). This estimate shall at least contain a maximum amount of funding per meeting and person, the maximum number of persons funded per meeting and the maximum number of meetings funded per year. If statutory bodies of ENFSI, i.e. the Expert Working Groups are using resources from their own ENFSI sub account for funding travel costs, they are requested not to exceed the maximum amount of funding per meeting and person.
- The Board shall present to the Membership an income and expenditure account regarding the past financial year and a balance sheet as at 1 April not later than three weeks prior to the Annual Meeting.
- The Board shall not exceed the approved total expenditures more than 15% without prior consent by the Membership.
- In the period between 1 April (calendar year T) and the approval of the (new) budget at the Annual Meeting (calendar year T), the Board shall not spend more than 10% of the total Annual budget of the previous financial year. This rule shall not apply for payments based on already signed, formal contracts.

- Commitment to expenditure will be considered to be the equivalent of actual expenditure.

6. Bookkeeping

The Board shall be responsible for a reliable, updated and transparent bookkeeping system.

7. Financial transactions

- All financial transactions shall be done by the ENFSI Secretariat under the authority of the Board.
- Payments over 5000 euro need the written approval by the ENFSI chairman; this approval should be recorded. This rule does not apply for payments based on already signed, formal contracts.

8. Bank account

The ENFSI Secretariat shall have a bank account.

9. Audit

- An annual audit shall be performed in order to assess the past financial year.
- The annual audit (including the reporting) shall be performed between 15 April and 1 May.
- The audit shall be performed by an audit team composed of two individuals recruited from two different ENFSI Member-institutes. These auditors shall be appointed by the Membership at the Business Meeting in the previous year.
- The scope of the audit shall be the bookkeeping system, the financial transactions and the overall financial situation.
- The results of the audit shall be laid down in a report.
- The audit report shall be forwarded to the Membership via the Secretariat not later than 10 days prior to the Annual Meeting.

10. Annual Fee

10.1 Structure

- The fee structure for Member-institutes is based on the World Bank classification of countries.
- Four economic categories are distinguished:
 - High Income Group
 - Upper Middle Income Group
 - Lower Middle Income Group
 - Low Income Group
- The classification does not affect the duties and rights of the Members.
- Member-institutes that join ENFSI prior to 1 October of the running ENFSI year pay the full fee. Member-institutes that join ENFSI on or after 1 October of the running ENFSI year pay 50% of the full fee.

10.2 Scope

- Honorary Members shall not pay any fee.

10.3 Amount

- The Membership shall decide on the amount of Annual Fee for Member-institutes specified for the defined categories regarding the year to come at the Annual Meeting.

10.4 Deadlines for payment

- The Annual Fee shall be paid before 1 October of each year.
- Member-institutes that have missed the 1 October payment deadline shall be sent a final reminder by 1 December.
- Member-institutes that have not fulfilled their financial requirements by 31 December, shall be suspended until the fees are fully paid.
- In case of a raise of the fee a member-institute may choose to pay the additional part of the fee after 1 October but prior to 1 March of the running ENFSI year.

11. Working Groups

11.1 Basic assumptions

- It is recognised that Working Groups have financial needs with regard to their regular activities.
- The Working Groups shall organise their meetings and other activities in a cost neutral way as much as possible.
- Associate Members and Guests of the Expert Working Groups shall be charged with a surplus of at least 20% to each fee the Expert Working Group is raising. 20% surplus shall be allocated to the central ENFSI budget.
- The income and expenses shall be transparent for the members of the particular Working Groups as well as the ENFSI membership.
- The financial transactions shall take place under the responsibility of ENFSI as the Working Groups are an integral part of ENFSI.
- The financial transactions of the Working Groups shall be subject of control by the ENFSI Board.
- Each WG shall nominate a person responsible for WG's financial operations (Treasurer). The Secretariat will be informed about the nominated persons and their contact data.
- All the management of the collection and payment shall be carried out in an official bank account of ENFSI.
- All the information in relation with the economic aspect of WG regular activities shall be at disposal of the Board and Secretariat at any time.

11.2 Incomes of Working Groups

The incomes of the Working Groups could come from:

- Surplus from Working Group meetings.
- Surplus from proficiency tests and collaborative exercises
- Donations from the (general) ENFSI budget*
- Funding from the European Union or similar institutions.

** It is the Working Groups initiative to apply for these donations.*

11.3 Sponsors

- Sponsors may support particular Working Group meetings or events; it is not acceptable that sponsors support a Working Group itself.
- The Steering Committee of the Working Groups shall make sure that sponsors do not receive any disproportional privilege or influence in return.

11.4 Reporting on Working Group's finances

- Each Working Group shall present - not later than 1 February of each year - to the ENFSI Board an income and expenditure account regarding the past calendar year as well as a balance sheet as at 31 December of the past calendar year.
- Each Working Group shall present - not later than 1 February of each year - to the ENFSI Board an itemised estimate of revenues and expenditures for the ongoing calendar year.

- The ENFSI Board shall evaluate the financial reports not later than 1 March of each year. In case of incorrect financial acts, the Board has the right to interfere.
- The Working Group finances will be presented to the membership.

11.5 Working Groups bank account

- The Working Group bank accounts shall be sub-accounts of the ENFSI bank account.
- In exceptional cases the Board may grant permission for the Working Group accounts to be a sub account of an ENFSI member account.

12. **Amendments against previous version**

Date

Paragraph 3, deleted: “, Associate Members of the Expert Working Groups”

Paragraph 5, bullet point 2, added: “In order to facilitate the work of ENFSI statutory bodies the above mentioned estimate shall include an itemised estimate of expenditures for funding travel costs of ENFSI statutory bodies (ENFSI Board, Standing Committees, Expert Working Groups). This estimate shall at least contain a maximum amount of funding per meeting and person, the maximum number of persons funded per meeting and the maximum number of meetings funded per year. If statutory bodies of ENFSI, i.e. the Expert Working Groups are using resources from their own ENFSI sub account for funding travel costs, they are requested not to exceed the maximum amount of funding per meeting and person.”

Paragraph 10.1, bullet point 1, deleted: “as well as Associate Members of the Expert Working Groups in the various categories”

Paragraph 10.1, bullet point 3, deleted: “as well as Associate Members of the Expert Working Groups in the various categories”

Paragraph 10.3, bullet point 2, deleted: “The Annual Fee for an Associate Member of an Expert Working Group is 10% (per EWG, per institute) of the Annual Fee for Member-institutes.

The fee will be calculated on basis of the World Bank classification of the country where the Associate Member’s institute is located.”

Paragraph 10.4, bullet point 2, deleted: “as well as Associate Members of the Expert Working Groups”

Paragraph 10.4, bullet point 3, deleted: “as well as Associate Members of the Expert Working Groups”

Paragraph 10.4, bullet point 4, deleted: “as well as Associate Members of the Expert Working Groups”

Paragraph 11, bullet point 3, added: “Associate Members and Guests of the Expert Working Groups shall be charged with a surplus of at least 20% to each fee the Expert Working Group is raising. 20% surplus shall be allocated to the central ENFSI budget.”

Paragraph 11, bullet point 7, added: “(Treasurer)”

###