



AIACE

International association of former staff of the European Union

FINANCIAL REGULATION

adopted on 11 March 2013
pursuant to Article 38 of the Articles of Association of AIACE

THE BOARD OF MANAGEMENT HEREBY LAYS DOWN THAT:

Article 1 – *Financial year*

The financial year shall start on 1 January and end on 31 December of each year.

Article 2 – *Resources*

The resources of the central bodies of AIACE shall consist of:

- an annual contribution paid by the national branches before the end of the financial year in question, on behalf of each of their members. These payments shall be made in two instalments, the first in April and the balance before the end of the financial year in question. The April payment shall correspond to 50% of the annual contribution that was paid in the preceding year and the balance shall be based on the number of members on 31 October of the financial year in question. The amount of the contribution for each member shall be set by the Board of Management and confirmed or amended each year;
- subsidies and gifts granted to AIACE;
- any other resources permitted by law.

Each national branch shall decide on the subscription to be paid annually by the members affiliated to that branch.

Article 3 - *Expenditure*

AIACE expenditure shall include:

- the operating costs of the central bodies, including staff costs, travel, accommodation and subsistence costs for participants at meetings of the Bureau,, the Board of Management, working parties, ad hoc groups as well as for persons duly authorised by AIACE to attend other meetings or participate in other activities;
- contribution to expenditure relating to the organisation of General Assemblies and Annual Congresses incurred by a national branch and authorised by the Board of Management;

- expenditure incurred by the central bodies and the national branches on behalf of the institutions of the European Union for welfare support for pensioners of the EU;
- all other expenditure for the benefit of the Association.

Article 4 - Accounting

The accounts will be held on a computer, using accounting software that complies with European standards. The Treasurer General shall keep the accounts in euros on the basis of a system of accounts specific to AIACE's management needs.

Article 5 - Budget

The Treasurer General shall draw up a draft budget that must balance and that shall include - in summary form - all financial commitments planned for the current financial year. National branches must submit to the Treasurer General a forecast of their planned expenditure for welfare support activities for the financial year in question and at least one year in advance in order to facilitate the preparation of the draft budget.

The Treasurer General shall submit the draft budget to the President of AIACE before 15 January each year. The President shall submit the draft to the Board of Management for approval at its first meeting during the financial year in question. The President or the Treasurer General shall submit the draft budget for adoption by the General Assembly.

Between 1 January and the adoption of the budget, expenditure in each category shall be carried out within the limit of half the expenditure of the previous financial year (except for expenditure on welfare support, which shall not exceed the total amount of expenditure in that category during the previous financial year). This interim procedure shall be confirmed after the General Assembly has adopted the budget.

Debt financing shall be prohibited unless specifically authorised by the General Assembly.

It is hereby recommended that the total amount of reserves be kept at a level corresponding to at least 50% of the total annual budget.

Article 6 - Procedure for revenue and expenditure

The draft budget, once approved by the President, and the budgets subsequently approved by the Board of Management and the General Assembly, authorises the Treasurer General to collect revenue and other income and to carry out expenditure.

- Any revenue or expenditure shall be substantiated by supporting documentation (bill, declaration, receipt) indicating the nature of the revenue or expenditure. Each supporting document relating to expenditure shall be signed by the person who carried out this expenditure.
- The supporting documents relating to revenue or expenditure shall be numbered according to their chronological accounting entry in the computerised system. Each

accounting transaction entered in the general ledger or the accounting balance shall show the number given in the accounting entry.

- Revenue and expenditure shall go through a bank account set up in the name of the Association. Each payment authorisation shall be signed by the Treasurer General as well as by a person mandated by the AIACE President. The President may delegate authority to the Treasurer to sign payment authorisations on his/her own. In the event of the Treasurer being prevented from attending to his duties, a person mandated by the President shall represent him/her.

As far as possible, the Treasurer General shall be responsible for ensuring that all revenue due to AIACE is collected and for the management of funds in accordance with the principles of prudence and sound financial management. He/she shall also be responsible for ensuring that the same principles apply to expenditure that they are in line with the budget and that everything is based on supporting documentary evidence.

National branches shall report on their use of funds for welfare support activities in accordance with the guidelines laid down by the Treasurer General in order that the efficient and effective use of these funds can be verified.

Before each meeting of the Board of Management, the Treasurer General shall submit a statement of revenue and expenditure to the AIACE President. The President or the Treasurer General shall communicate the statement to the Board.

Article 7 - Accounts

Before 1 March of each year the Treasurer General shall draw up a draft balance sheet and a draft revenue and expenditure account as at 31 December of the previous year. He/she shall communicate them to the AIACE President and submit them to the auditors for supervision.

The auditors shall inspect the accounting documentation made available by the Treasurer General and submit their report to the President on 15 March of each year at the latest.

The auditors shall declare whether the accounts accurately reflect the transactions carried out by AIACE International during the financial year in question as well as its financial position at the account closing date and whether the Treasurer General has carried out his/her duties, as described in Article 6 above, with due diligence.

The Treasurer General shall submit the balance sheet and the final revenue and expenditure account as well as the auditors' report to the first annual meeting of the Board.

The approval of the revenue and expenditure account and of the balance sheet by the General Assembly shall constitute discharge of the Treasurer General for the financial year concerned.

Article 8 – General Assembly and Congress

The management body of a national branch or any other body entrusted with organisation of a general assembly or Congress shall submit a budget estimate of revenue and expenditure for such events to the AIACE Board of Management.

The Board of Management may grant the organising branch a financial contribution as an advance to be reimbursed at a later stage. This advance will be cleared once balance sheet and

the corresponding supporting documentation has been submitted, and no more than three months after the Congress has taken place.

In the event that the statement of expenditure and revenue attached to the report by the organising branch shows a deficit, the Board may decide to cover this deficit in whole or in part out of AIACE International funds.

Article 9 – Travel, accommodation and subsistence costs

The travel, accommodation and subsistence costs for participants in meetings of the Bureau, Board of Management, working parties, ad hoc groups as well as of persons duly authorised by AIACE to attend other meetings or participate in other activities shall be reimbursed in accordance with the conditions and procedures set in the Annex to this regulation.

Article 10 – Date of entry into force

The financial provisions of this financial regulation and its annex on the reimbursement of travel, accommodation and subsistence costs shall enter into force on 1 April 2013. All previous provisions are revoked.

Article 11 Responsibility for implementation

The President is responsible for implementation of this regulation and its annex.

Done at Brussels, 11 March 2013
For the Board of Management
Richard Hay

International President

ANNEX TO THE FINANCIAL REGULATION

Provisions for the refund of travel, accommodation and subsistence costs

1- The following are payable to cover the travel, accommodation and subsistence costs of participants whose principal place of residence is situated more than 50 km from the place of the meeting attending meetings of the Bureau, the Board of Management, working parties, ad hoc groups of AIACE as well as of persons duly authorised by AIACE to attend other meetings or participate in other activities:

- reimbursement of travel costs between the principal place of residence and the place of the meeting;
- reimbursement of hotel costs where an overnight stay is necessary;
- a daily subsistence allowance.

A daily subsistence allowance is payable to participants in such meetings and activities if their principal residence is situated less than 50 km from the place of the meeting.

2- Participants in meetings shall ensure that they benefit as much as possible from discounts and special fares available from transport companies.

Transport costs shall be reimbursed in accordance with the following provisions:

a) air travel: the most economical fare available, taking into account time constraints due to the length of the journey, available flights and meeting schedules, plus applicable airport taxes. Transfers to and from airports shall be reimbursed on the basis of public transport costs, where available, or on taxi fares where necessary;

b) rail travel: standard, tourist or second class fare, plus, where necessary, a supplement for express trains. If the journey implies night travel, the supplement for a sleeper shall be refunded. First-class fares can be refunded in special circumstances, for example if available lower class fares would clearly create difficult traveling conditions;

c) private vehicle: the refund shall be calculated on the basis of the rail fare in standard, tourist or second class. Reimbursements may be allowed on the basis of first class rail fares in special circumstances, for example where the length of the journey implies an overnight stay which would not be otherwise refunded or if consequential associated costs are clearly higher than the normally applicable lower fares. Reimbursements shall be calculated per person, even where other persons participating in the meeting have travelled in the same car.

The Treasurer General shall have the right to refuse full reimbursement if he/she considers that the amounts claimed are unreasonable.

3- Participants in meetings whose principal residence is situated more than 50 km from the place of the meeting shall be entitled to the reimbursement of hotel costs and to a daily allowance for each meeting day, irrespective of the duration of the meeting. This allowance shall be reduced for each meal provided in the place of mission and increased if an overnight stay is required without incurring hotel costs.

4- Participants in meetings, whose principal residence is situated less than 50 km from the place of the meeting, are entitled to a daily allowance for their participation in each meeting day, irrespective of the duration of the meeting. This allowance shall be reduced for each meal provided in the place of meeting.

5- The amounts of the allowances referred to in items 3 and 4 above shall be set by the Board.

6- Each trip covered by these provisions is subject to a separate declaration, accompanied by supporting documents which show the means of transport and the tickets used, the number of meeting days, the number of overnight stays at the place of the meeting, the hotel costs (where applicable) and the number of meals provided at the place of mission.

TABLE OF RATES ADOPTED IN ACCORDANCE WITH CERTAIN PROVISIONS OF THE FINANCIAL REGULATION

Article 2- Annual contribution paid by national branches for each of their members *euros*
18

Appendix to Article 9 on travel, accommodation and subsistence costs:

Paragraph 3:

Entitlement of those whose principal residence is situated more than 50 km from the place of the meeting:

<i>Maximum refund for a hotel room per night</i>	130
<i>Subsistence allowance to cover additional meal costs, etc.</i>	60
<i>Reduction of the subsistence allowance per meal provided</i>	20
<i>Increase of the subsistence allowance if an overnight stay is required without incurring hotel costs</i>	40

Paragraph 4:

Entitlement of those whose principal residence is situated less than 50 km from the place of the meeting:

<i>Daily subsistence allowance</i>	30
<i>Reduction of the subsistence allowance per meal provided (maximum 1)</i>	20