

GLOBE European Union (GLOBE EU)

RULES OF PROCEDURE **(*Réglement d'ordre interieur*)**

Adopted by the GLOBE EU Board at Strasbourg on 16th November 2011

A. Policy on Public Communication

The present Rules of Procedure shall be publicly available on the GLOBE EU's website at all times.

All information relative to the adopted annual policy priorities and activity calendar of GLOBE EU shall be publicly available at all times on the GLOBE EU website, including the policy priorities and activity calendar developed in the framework of the GLOBE EU Bee Group.

Chair Conclusions and any other GLOBE EU event-related material shall be published in the appropriate sections of the GLOBE EU website.

B. GLOBE EU Finance Regulations

Article 1. Definitions

Disbursements – means payment in cash or kind.

Obligations – means commitments involving a liability against the resources of GLOBE EU.

Allotments – means amounts set aside within a budget for a specific purpose for which obligations may be incurred.

Appropriations – means amounts approved by the GLOBE EU Board for specific purposes for a financial period against which obligations may be incurred for those purposes up to the amount so approved.

Reserve Funds – means funds of GLOBE EU held in reserve for a particular purpose and under special conditions approved by the Board.

Unforeseen expenses – means expenses arising from, or incidental to, the carrying out of a programme in accordance with the decisions of the Board of GLOBE EU, for which expenses are not foreseen when the estimates were made.

Extraordinary expenses – means expenses for items and objects outside the scope of the budget estimates.

Article 2. The Financial Period

The financial year of GLOBE EU shall be the calendar year.

Article 3. The Budget

- 3.1. The budget estimates shall cover income and expenditure for each calendar year to which they relate and shall be presented in Euro. The budget shall be prepared by the Secretary in consultation with the President.
- 3.2. The budget estimates of expenditure shall be divided in accordance with the approved work programme of GLOBE EU. The estimates of income shall, to the extent possible, be broken down by source and programme.
- 3.3. The GLOBE EU Board shall determine the conditions under which unforeseen and extraordinary expenses may be incurred.
- 3.4. Wherever necessary, and taking into consideration the financial situation at any particular time, supplementary budget estimates may be submitted to the Board by the Secretary. Such estimates shall be prepared in a format consistent with the regular estimates.

Article 4. Appropriations

The appropriations made by the Board constitute the authorisation to the Secretary to incur obligations and make payments for the purposes for which the appropriations were made up to the amounts so appropriated.

Article 5. Funds

- 5.1 Reserve or special funds may be established with the approval of the GLOBE EU Board and administered in accordance with the financial regulations and rules unless otherwise provided by the Board.
- 5.2 The purpose of the Reserve Fund is to provide long-term protection for GLOBE EU by safeguarding it from unforeseen developments that could seriously affect its stability and effectiveness.
- 5.3 The Reserve Fund shall be maintained at a level determined by the GLOBE EU Board.



5.4 Appropriations may be made from the Reserve Fund only in extreme circumstances, as approved by the GLOBE EU President in writing in consideration of emergency conditions. The GLOBE EU Board shall seek to replenish the Reserve Fund to its previous level as a priority.

Article 6. Custody of Funds

The Board shall designate the bank or banks in which funds of GLOBE EU shall be kept.

Article 7. Signature and Certification of Documents and Contracts

Contracts, documents or any instruments in writing, requiring the signature of the GLOBE EU shall be signed by the President or the Vice President.

The GLOBE EU enters into contractual agreements each year with third parties. The signature policy applies to any type of agreement that obligates the GLOBE EU to provide payment, services, goods, facilities or other resources to a third party.

Pursuant to the rules of procedure, only the President and the VP - and the Secretary, when so decided by the Board - are authorised to sign all the contracts for the GLOBE EU.

Article 8. Internal Control

The Secretary shall:

- a) exercise economy and effective custody of the properties of GLOBE EU;
- b) cause all payments to be made on the basis of invoices and duly substantiated expenses claims forms;
- c) maintain an internal financial control which shall provide for an effective examination and/or review of financial transactions in order to ensure:
 - I. the regularity of the receipt, custody and disposal of all funds and other resources of GLOBE EU
 - II. the conformity of obligations and expenditures with the approved budget
 - III. the economic use of the resources of GLOBE EU

No obligations shall be incurred until authorisation has been given in writing by the GLOBE EU President.

Article 9. Reimbursement of Expenses

The general expenses of Board Members and the Secretary shall be reimbursed when authorized by the President and when a proper invoice is submitted. All requests for reimbursement must be submitted on official forms and approved by the President or the VP of the association.

It is the general policy to provide reimbursement for travel and maintenance expense for Secretary and the Board Members carrying on official business for the GLOBE EU on the basis of (a) the most direct and inexpensive method of travel; (b) funds available in the budget; (c) the completion of signed reimbursement requests approved by the designated authority;

The Secretary has to have approval for official missions from the President at least one month before the mission.

Article 10. The Accounts and Financial Statements

- 10.1. The Secretary shall maintain such accounts as are necessary and shall prepare final accounts and financial statements for each calendar year showing:
 - a) the income and expenditure of all funds
 - b) the status of appropriations including the original and revised budget appropriations
 - c) the assets and liabilities by the end of the calendar year;
 - d) the balances and transactions in Special or Reserve Funds
- 10.2. The accounts of GLOBE EU shall be presented in Euro.
- 10.3. Appropriate separate accounts shall be maintained for all Special Funds including the Reserve Fund.
- 10.4. The Final Accounts shall be submitted by the Secretary to the appointed auditor not later than 31st March following the end of the calendar year to which they relate, starting with the Final Accounts for the year 2012.

Article 11. External Verification and Audit

- 11.1. The external accounts verification or audit shall be conducted in conformity with International Standards of Accounting and Auditing and subject to any special directions of the Board of GLOBE EU. The external accounts verification shall be conducted by a member of the Belgian *Institut des experts comptables et des conseils fiscaux* (IEC) nominated by the GLOBE EU Board.

- 11.2. The auditor may make observations with respect to the efficiency of the financial procedures, the accounting system and the general administration of GLOBE EU.
- 11.3. The auditor shall be completely independent and solely responsible for the verification or audit.
- 11.4. The auditor shall issue a report on the verification or audit of the Final Accounts. The report shall be transmitted, together with the verified or audited Financial Statements, to the Board of GLOBE EU and the Bee Members, no later than 31st May following the end of the calendar year to which they relate.

Article 12. General Provisions

These Regulations shall be effective as from the date of their approval by the GLOBE EU Board, and may be supplemented or amended by the GLOBE EU Board in consultation with the Secretary. They shall be published electronically on GLOBE EU's website as of the date of their approval.

C. Finance Rules

Rule 1. Authority and Applicability

The Secretary is responsible to the Board of GLOBE EU for the implementation of the Finance Rules.

The Finance Rules are applicable as from 1st January 2012.

Rule 2. The Budget

The budget estimates for the ensuing year both for expenditures and income shall be prepared on a gross basis.

Rule 3. Appropriations

The Appropriations authorised by the Board of GLOBE EU constitute an authority to incur obligations and make payments for the purpose for which the appropriations were authorised and up to the amount so appropriated.

Rule 4. Management of Funds

- 4.1. The Secretary is responsible to the Board for the receipt, disbursement and general management of all Funds of GLOBE EU.
- 4.2. Funds of GLOBE EU shall be deposited in bank accounts in the name of GLOBE EU.
- 4.3. The Secretary will administer all bank accounts operated by GLOBE EU, including those opened for special purposes. A separate account in the books of account shall be kept for each bank account in which all receipts and payments shall be recorded in chronological order. Also the President shall be entitled follow and manage the accounts.

Rule 5. Internal Control

The Secretary is responsible to the Board for establishing and maintaining adequate internal control of the financial transactions and other operations of GLOBE EU as may be determined by the Board.

Rule 6. Obligations

6. 1. The Secretary will be authorised to incur obligations, provided that he/she can document that:
 - a) funds are available
 - b) the regulations, rules and procedures of GLOBE EU are being observed

c) the financial situation of GLOBE EU will not be prejudiced the purpose of the proposed expenditure is in the best interest of the organisation

- 6.2. No obligations shall be incurred without prior certification by the accountant that funds are available.
- 6.3. Proposals to incur obligations involving expenditure exceeding 30,000 € or corresponding amount in other currencies must be made in writing for the approval of the President and the purpose of the proposed expenditure must be specified.

Rule 7. Accounts, Financial Reports and Financial Statements

7.1. *Accounts*

- a) The Secretary is responsible to the Board for establishing and maintaining all official accounts of GLOBE EU. Also the President is entitled to follow and manage the accounts.
- b) Receipts shall be credited to the income of the calendar year in which the remittance is received unless in the case of core contributions where the receipt is related to a commitment made in respect of the previous calendar year and received before the books for that year have been closed; or in the case of funds received in advance for projects, income is recorded when the corresponding expenditure takes place.
- c) Expenditure shall be recorded in the accounts of the calendar year in which the expenditure is made.
- d) The accounts shall comprise the general accounts and the budget accounts from which the periodical financial reports shall be prepared.
- e) All accounts shall be supported by documentation to be retained as an integral part of the official accounts of GLOBE EU.
- f) Accounting and other financial records and all supported documents shall be retained for such period as disposed by Belgian law.

7.2. *Final Accounts and Financial Statements*

The accounts shall record classified income and expenditure, cash at banks, receivables and other assets, payables and other liabilities, the Special Funds and such other special accounts as may be established. Financial Statements for the year drawn from the Final Accounts shall be presented to the external accountant / auditor who shall append his/her audit report thereto for onward transmission to the Board and the General Assembly for approval.

7.3. ***Budget Accounts***

The budget accounts shall show:

- a) the original and revised appropriations authorised by the Board;
- b) approved transfers and supplementary provisions;
- c) unobligated balances of appropriations;
- d) expenditures

7.4. ***Financial Reports***

The Secretary shall furnish to the Board:

- a) periodic statements of budgetary status showing expenditure against the appropriations by sections;
- b) as early as possible each year, a summary statement of income and expenditure as at 31st December of the year immediately preceding, as well as a statement of special funds; a statement of cash losses which have been incurred during the year indicated how these have been dealt with in the accounts.
- c) financial reports showing budgetary status and forward predictions shall be presented to the Board during the year and, for the year immediately preceding, together with the audited financial statements.

Rule 8. Delegation of Authority

- 8.1. The authority of the Board to incur obligations and make payments for the purpose of the appropriations made by the Board and the General Assembly is delegated on the Secretary, and for the purpose of implementing approved activities.
- 8.2. The maximum amount delegated shall be 800 €. The Secretary will need written authorisation for any expenditure above this amount.

Rule 9. General Provisions

These finance rules shall be published electronically on GLOBE EU's website as of the date of their approval.