

## **FINANCIAL OPERATING PROCEDURES (FOP) JUNE 2015 VERSION 3**

(FINANCIAL OPERATING PROCEDURES PACKAGE): The FOPP has been initiated at workshop during the GA of Barcelona (July 2004) and subsequent additions made at the EXCO meeting in Paris (November 2004)

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## **INTRODUCTION:**

“There must be a rational connection between the evidence presented and the conclusion reached by the decision maker.” – Administration Fairness Guidelines of the Ombudsman office in Canada – <http://www.ombudsman.ab.ca/guidelines/html>.

In the application of these guidelines, SERVAS officers will strive for both Fairness at the individual level and justice for SERVAS International collectively, emphasizing value for money and avoidance of risk. (EXCO meeting Paris Nov 2004)

### **Fairness, Justice, Common sense & Open Dialogue:**

The application of the present Financial Guidelines is an integral part of the duties and responsibilities of any SERVAS Officers involved in SERVAS International and the individual accepts the present Financial Guidelines or later version approved by the GA, without reservation. Consequently, SI officers using these Financial Guidelines should be driven by fairness, justice, common sense and open dialogue, since a decision could affect the rights, privileges or interests of an individual involved in SERVAS International.

Natural justice and administrative fairness are at the forefront of the SI Treasurer and other SI officers involved in finances. Sometimes people find it confusing to differentiate between these two terms. For example, if an individual is not informed of the present Financial Guideline, there is an error in process. Similarly, if an individual who is denied a reimbursement of his expenses is not informed of his or her right to appeal, the process is flawed. It is part of the role of the SI Treasurer to bring fairness to the scrutiny of all claims of reimbursement, considering all factors before taking a decision.

### **Right to Appeal for the Individual:**

In cases where an individual feels that he/she is receiving rude treatment from the SI Treasurer (Denial of reimbursement of expenses, not providing a response or delaying a response), the individual is entitled to a full and fair opportunity to present his/her case to the Audit committee and /or the Appeals committee in order to solve the issue.

Where there is an opportunity for a decision to be reviewed, the Appeals committee looks for a review process which is meaningful as well as an opportunity to present arguments or to be heard. An example of this situation could be the non-reimbursement of expenses related to SERVAS.

Decisions made by the Appeals committee are **“final and binding”** on all parties involved.

## **Acknowledgements for the Version 2.0**

The necessity to have a Financial control on all SERVAS transactions was conceived by Colette Marteau, member of the Audit committee 2001-2004 and hence the version 1.0. We would like to thank all the volunteers, SERVAS officers and key persons from all National Groups for reviewing, proposing and correcting the version 2.0 of Financial Operating Procedures of SERVAS International. Even if the compilation, preparation and review of the comments received were made by the Audit Committee 2001-2004, our gratitude should go in particular to the people who have spent countless hours during the workshop of the GA Barcelona 2004 reviewing in details the present version.

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## **1 .FINANCIAL DUTIES OF GENERAL ASSEMBLY**

1.1 The General Assembly shall:

- a) Review and vote on the audited accounts and the auditor's report and approve the accounts if acceptable by voting majority.
- b) Adopt a budget showing projected expenditures for the next three years up to the year of the next regular General Assembly.
- c) Decide upon fees, regulations and procedures of SERVAS International.
- d) Appoint an auditor, or empower the Executive Committee to pay for independent professional auditing. The auditor shall verify, annually, the accounts of the Treasurer and shall submit a report to the Executive Committee. These reports shall be submitted for adoption to the next General Assembly (Statutes SI Antigua 1998)

1.2 The General Assembly has the responsibility to provide each committee with a reasonable budget, thus helping a committee to perform its duties and responsibilities. (Workshop Barcelona)

1.3 A donation (for example one that is bigger than 10% of SI's own budget) needs another procedure to prevent donor control of SERVAS programs, projects and committees, Only General Assembly (GA) must decide whether it is appropriate to accept the money and what to do with the money. (Workshop Barcelona)

## **2. FINANCIAL DUTIES OF EXECUTIVE COMMITTEE (EXCO)**

2.0 The President, General Secretary and Treasurer shall be empowered to sign for financial matters and contracts on behalf of SI (Poland 2012)

2.1 The Executive committee is responsible for the day to day running of SERVAS International between one General Assembly and the next. Its decisions and actions should be in the accordance with decisions made by the General Assembly. Its expenditure is limited to the budget adopted by the General Assembly. (Statutes SI Antigua 1998)

2.2 A 3-year detailed budget must be prepared for a three year period within six months of taking office, based on the three year budget plan adopted by General Assembly and have it reviewed by the audit committee. This budget is binding on EXCO and regularly monitored on the basis of income and expenditures. (Modifying Handbook Thailand 2001)

2.3 The EXCO has the responsibility to modify the budget further on an annual basis if necessary and have it reviewed by the audit committee. (Workshop Barcelona)

2.4 The EXCO has to publish the three year detailed budget in the EXCO letter or post it to the SERVAS Web. (Workshop Barcelona)

2.5 EXCO has to provide an overview of the yearly budget spent using the format of the three year budget and justify the reason for any adverse or favourable variance from the budget as the case may be. (Workshop Barcelona)

2.6 EXCO has to publish the annual financial statement in the EXCO letter or post it on the SERVAS Web after an internal and external auditing has taken place within eight months after the end of the financial year (Workshop Barcelona). EXCO will make public the plan to implement the suggestions made by the Internal and External Audit and also the date by which this will be implemented.

2.7 EXCO should ensure that a contract for liability insurance for the time of any conference or event has been signed (Workshop Barcelona)

2.8 EXCO should decide on which officers and national delegates will receive SI or other sponsorship funding for international conferences at least six months in advance. This information should be distributed to all National Secretaries and Area Coordinators at least three months in advance. (Workshop Barcelona) A consistent form for application to be funded shall be used, with instructions as to how to fill out the form. Funding shall be based In part on evidence of work performed by the applicant for SI or the individual Servas member country.

2.9 EXCO may consider doing online banking (Workshop Barcelona)

2.10 EXCO may consider allowing for credit card payment (Workshop Barcelona)

2.11 EXCO may consider having an ethical savings account (Workshop Barcelona)

2.12 EXCO and Audit Committee should share any publications about each other with each other before publication (Workshop Barcelona)

2.13 EXCO should collect recommendations to improve financial operating procedures package for GA approval. (EXCO meeting Paris Nov 2004)

2.14. When a SERVAS country wants to make a donation to enable another country to send a delegate to participate in a GA, it must inform EXCO of this intent to donate. A request concerning the recipient(s) can be made but it is for EXCO and the relevant Area Coordinator, to use criteria to decide to which country/countries the money will go. After that decision, the money will go directly to the recipient(s). It is highly recommended that donor countries should respect EXCO's decision. (Mar Del Plata 2009)

## **SPECIAL DUTIES OF THE SI TREASURER**

2.15 The SI Treasurer shall:

- a) Keep the financial accounts and records of SI and arrange for auditing:
- b) Send out memoranda or memo notes and collect money owed to SI.
- c) Submit an annual financial report to the Executive Committee: and
- d) Collect financial information from member groups. (Statutes SI Antigua 1998)

2.16 The SI Treasurer must refer to the chapter 4 “financial rules for everyone that receives budgeted funding from SI” and strictly observe these financial rules for his/her actions, including payment. (EXCO meeting Paris Nov 2004)

2.17 The SI Treasurer must send every year to each national group a form regarding the payment of stamps, a form regarding the financial reports for everyone who received budgeted funding from SI. (EXCO meeting Paris Nov 2004)

2.18 The SI Treasurer is responsible for overseeing the financial and fixed assets of the organisation and must take reasonable steps to prevent and detect fraud or other irregularities and inform EXCO and the Audit Committee as soon as possible. (Workshop Barcelona)

2.19 Bookkeeping and expenditure receipts must be checked by the audit committee and by an independent third party at least one once a year. A report on the audit must be produced in duplicate must state the extent and result of the audit (no complaints/Individual complaints). It must bear the date of the audit and signature of the person carrying out the audit, preferably a pro-bono professional auditor. One copy of the report will remain with the records of the auditor; the other copy of the audit report will go to the person(s) ordering the audit (Nat Sec EXCO Nat Assembly etc.) (Modifying Handbook Thailand 2001)

2.20 The SI Treasurer should obtain quotes for the services of at least two external auditors before selecting one of them and the chosen auditor may be appointed for up to three years without obtaining a new quote. (Workshop Barcelona)

2.21 Full book keeping documentation must be available to the Audit Committee at any time if necessary. (Workshop Barcelona)

2.22 The Treasurer must follow generally accepted accounting principles. It is important to observe accrual accounting practices. (Workshop Barcelona)

2.23 It is suggested that the Financial Accounting Year be changed from January-December to April-March to facilitate accounting of the stamp dues received within the year. This changeover will result in an accounting of 15 months from January to March of the ensuing year and thereafter April-March accounting year pattern will follow. (As per External Auditor recommendation)

2.24 It is suggested that the Reporting Currency for the Financial Statements be changed from Swiss Francs to Euros as most of the payments and receipts are in Euros. This will necessitate the existing Stamp Tariff in Swiss Francs to be converted to Euros. (As per External Auditor recommendation)

2.27 The annual financial statement (=annual report) should contain: (Workshop Barcelona)

- a) Balance Sheet
- b) Surplus (Profit) and Deficit (Loss) statement.
- c) Monitoring Budget:
  - 1) Detailed Income breakdown: SERVAS Country fees, Donations/fundraising, SI Conferences etc.
  - 2) Detailed Expenses breakdown: SERVAS Officers, SI Conferences, special projects etc.
  - 3) Comparison of monitored spend budget to the planned budget using the three year budget plan form.
  - 4) A breakdown of the advances as well as expenses for reimbursement for each officer
  - 5) Number of Stamps received by country (paid and unpaid) and their overall distribution and return of stamps.
  - 6) International Conference income and expenses breakdown when applicable.
  - 7) DFC income and expense statement.

- d) Explanatory Notes to the accounts, wherever applicable.
- e) Reports from the Internal and External Audits.

2.28 The Financial Statements shall provide a true and fair view of the assets and the financial status and income of the association. Recording of assets would include an itemized list of hardware inventory (Workshop Barcelona)

2.29 The SI Treasurer will send the Financial Statements in the form for a sufficiently documented financial report to all SERVAS Officers for documenting their income and expenses related to their activities on an annual basis. The SI Treasurer and/or the SI General Secretary have the responsibility to provide all activity and financial reports of SERVAS Officers to the Audit Committee. (Workshop Barcelona)

2.30 The SI Treasurer shall prepare a detailed financial report of the International Conference for examination by the Audit Committee and possible recommendations on cost efficiencies for future conferences (Money Committee Recommendations Thailand 2001)

2.31 The SI Budget allocation for SERVAS International conference should be split over three years written as a provision for the first two years (Workshop Barcelona)

2.32 The SI Treasurer has the responsibility to provide documentation concerning the balance of the DFC accounts to the DFC (Workshop Barcelona)

2.33 An expense reimbursement should be transferred as soon as possible after the approval. (Workshop Barcelona)

2.34 When the SI Treasurer has doubts about the request for reimbursement, a consultation is required – for a constructive analysis – with the claimant or payee in order to reconstitute the circumstances. Such a consultation may include the provision of advice from one or other of SERVAS International's committees, who may provide additional guidance to the SI Treasurer regarding the case( attestation of joint expenses, common cost an value of claimed expense) (EXCO Meeting Paris Nov 2004)

2.35 The SI Treasurer should develop cases, simples practices and studies, if necessary with to the collaboration of the committees (audit committee, appeal committee, etc.) for educational purpose. (EXCO Meeting Paris Nov 2004)

2.36 The SI treasurer shall be responsible for requesting any left-over SI funds held by an officer at the end of the officer's mandate (see 4.3) and of payment of non-depreciated value of held assets along with the support of the EXCO and Audit Committee.(See 4.9).

### **3. FINANCIAL DUTIES OF AUDIT COMMITTEE**

3.1 The General Assembly shall: 1) elect an auditor, or empower the Executive Committee to pay for independent professional auditing. The auditor shall verify annually the accounts of the Treasurer and shall submit a report to the Executive Committee. These reports shall be submitted for adoption to the next General Assembly (Statutes Si Antigua 1998)

3.2 The duties of the Audit Committee include internal auditing of SERVAS International expenses, supervision, analysis, interpretation and advice to EXCO, as well as on-going monitoring of actual to budget interim financial statements (Modifying Money committee Recommendations 2001)

3.3 That the duties of the Audit Committee include:

- 1- Review existing guidelines on accounting principles including fundraising policies and procedures.
- 2- Annual Review of each SERVAS Officer's financial reports collected by the SI Treasurer which should include the subject of money spent and/or received.
- 3- Collaborate with the SI Treasurer on financial matters related to SERVAS International.
- 4- Review the SI book keeping documentation whenever necessary. Ensure safe custody of the SI Assets with the respective custodians, duly approved by the EXCO.
- 5- Review SERVAS Annual Financial Statements issued by the SI Treasurer for endorsement by the audit committee.
- 6- Ensure that the SERVAS Annual Financial Statements have been audited and approved by an external auditing company or external professional auditor.
- 7- Review the modified three year budget plan and verification of its adherence to the guidelines agreed at the General Assembly on an annual basis.
- 8- Identify cost reduction opportunities of SI Budget for any kind of activities (ex EXCO meetings, International Conferences Area Conferences etc.) are needed
- 9- Provide EXCO assistance with financial projects as requested.
- 10- Communicate the audit committee findings through a regular letter and present the final audit report at the General Assembly (Workshop Barcelona)

3.4 An internal audit should be conducted yearly if necessary (Workshop Barcelona)

3.5 EXCO and Audit Committee should share any publications about each other with each other before publication. (Workshop Barcelona)



#### **4. FINANCIAL RULES APPLICABLE FOR EVERYONE THAT RECEIVES BUDGETED FUNDING FROM SI**

4.1 EXCO officers, Area Coordinators and any other officer that receive budgeted funding from SERVAS International shall submit annual activity and financial reports for publication in EXCO's letter and/or on the SERVAS key member website. (Modifying Money Committee Recommendations 2001)

4.2 All money collected in the name of SERVAS must be used for SERVAS purposes only. No one is allowed to collect money in the name of SERVAS for personal use. It is strongly recommended that a statement of Income and Expenses should be submitted by a treasurer or designated person to the country's members at least annually and/or on request. A statement to this effect shall be included in the SERVAS Handbook (Poland GA 2012)

#### **BEING IN OFFICE RULES**

4.3 Accounting guidelines and SERVAS procedures should always be respected and followed by SERVAS officers and non-compliance by any other officer should be addressed by the appeals committee. (Workshop Barcelona)

4.4 No SERVAS officers should be allowed to hold any amount of SI Funds beyond the term of their mandate. When SERVAS officers stop holding position at SI, the SI money left over should be immediately transferred back to the SI account. (Workshop Barcelona)

4.5 Payment of advances will be made within two months upon submission of an approved plan. (Workshop Barcelona)

4.6 SERVAS Officers should not repeatedly ask the SI Treasurer for advances of budget inconsistent with these guidelines or policies. In those cases the SI Treasurer can turn to EXCO or the audit committee for advice. (Workshop Barcelona)

#### **SERVAS ASSETS AND EQUIPMENT**

4.7 Any hardware or software purchased by SI is considered as SI assets. (EXCO Meeting Paris Nov 2004)

4.8 A realistic equipment budget must be allocated to each SERVAS officer, including expenses for IT. (Workshop Barcelona)

4.9 The IT committee should advise on technical aspects of the equipment to be purchased while the Audit committee works with EXCO regarding purchase or leasing and depreciation of the equipment required by the SERVAS officers (Workshop Barcelona)

4.10 SI Assets should be sent to a SERVAS officer who needs it for further use during his/her mandate (Workshop Barcelona) (EXCO Meeting Paris Nov 2004). At the end of an officer's term of office, the officer shall pay to SI the non-depreciated portion of the value of any asset held by the officer and then keep the asset. Otherwise the officer shall return the asset at his/her own expense to the next person to hold that office.

#### **EXPENDITURE RULES**

4.11 Income and Expenditure must always be documented in written form stating exact amount, date and reason for payment linked with SERVAS activities (Modifying Handbook Thailand 2001) (Workshop Barcelona)

4.12 All Expenditures must be verified by receipt from the payment recipient (amount date and name of recipient) to the SI Treasurer. The Audit Committee might request submission of receipts. (Handbook Thailand 2001)

4.13 When receipts are not provided, the officer must provide evidence of actually having incurred the expenditure. Each instance must be considered separately and circumstances must be extreme to permit reimbursement without receipts. (Workshop Barcelona)

4.14 Advances shall be reimbursed in the spender's currency at the rate of exchange as of the date of the payment of the advance. Expenses shall be reimbursed in the spender's currency at the rate of exchange as of the date of payment of the reimbursement. Currency and bank charges can be included. (Handbook Thailand 2001) (Workshop Barcelona)

4.15 Claims for reimbursement must be sent to the SI Treasurer by 31 Jan in the following year. Claims received after 31 Dec in the following year will not be considered for reimbursement. It is the responsibility of SERVAS officers to request reimbursements within the deadline. (Workshop Barcelona)

4.16 Advance payments for travel or any other major expenses budgeted are possible. EXCO has to approve them; timely receipts must be subsequently submitted. If receipts are not submitted, the advance is considered as not required and the money must be returned to the SI account. (Workshop Barcelona) (Modifying Handbook Thailand 2001)

4.17 When an officer receives an advance but does not produce adequate receipts within the deadline, no further advances will be sent until the treasurer receives receipts for the first (Workshop Barcelona). Since it is presumed he has not used the money for the purpose sent, he is expected to return the advance so received to the treasurer.

4.18 Reimbursements of plane travel tickets should be done only if the applicants provide the following two documents: the receipt of payment made to the travel agency or the airline company and the passenger receipt or a copy of it. (Workshop Barcelona)

4.19 Personal expenses are not reimbursed by SI (Workshop Barcelona)

4.20 The SI Treasurer should send money directly to the SERVAS officer responsible for the expenses and not to an intermediary unless there are extenuating circumstances. In cases where SI Treasurer sends money to a delegate via a third party, the SI Treasurer needs to ensure that the transaction through the third party is clearly documented. (Workshop Barcelona)

4.21 All business relations between SI and vendors or service providers shall be based on a written agreement approved by EXCO or by a committee authorized by EXCO to approve such agreements, if the value of the goods or services to be procured exceeds CHF 500 (GA Poland 2012). A singular service/supply contract covering for the annual or longer period should be made instead of shorter period contracts to ensure the stipulation of the amount of CHF 500.

### **CONFERENCE FUNDING RULES**

4.22 The budget for a regional area conference should be used on the following:

- 1- Funding only area conferences.
- 2- Funding the attendance of the interested national secretaries.
- 3- Funding the organisation of the event (Workshop Barcelona)

4.23 The AC travel budget is reserved for ACs to travel within the area if necessary in order to develop their area or any other requirements for the management of their area (Workshop Barcelona)

4.24 Candidates who finance themselves to an international conference cannot be reimbursed from EXCO funds after they have been elected. (Handbook Thailand 2001)

4.25 The funding of SERVAS officers to the General Assembly is dependent on the submission of the annually published activity reports documenting their continuing involvement within the two previous years. (Workshop Barcelona)

4.26 The criteria for travel funding of delegates to the international conference and area conferences should be based on the most recent version of the criteria adopted by EXCO which are (Workshop Barcelona):

- 1- Compilation (enabling publication) of a reasonably accurately updated host list within last two years.
- 2- NS has not held office for more than six consecutive years (unless conditions dictate an exception)
- 3- Evidence of efforts to maintain SERVAS activity (hosting, travelling, keeping members informed, other as appropriate)
- 4- Evidence of efforts to cover costs in relation to the capacity of the members (not zero, not excessive)
- 5- On-going communication with AC and EXCO as necessary.
- 6- Submission of financial report in a format provided by the SI Treasurer.
- 7- SERVAS International is only considering financial travel expenses and conference fees for delegates and only when applications are made through Area coordinators.

4.27 The Criteria for travel funding must be disclosed on the application form. (Workshop Barcelona)

## **5. NATIONAL GROUPS:**

5.1 Area Coordinators get 10 free stamps in order to facilitate travellers originating from countries where there are no national secretaries or main contact. (Workshop Barcelona)

### **DUTIES OF THE NATIONAL GROUP TOWARDS SI**

5.2 Primary Responsibility: The obligations of a member group to SERVAS International consist of and are limited to, paying fees and of following the regulation and procedures as decided by the General Assembly according to Section IV.3f of the Statutes. (Statutes SI Antigua 1998)

### **FINANCIAL CONTRIBUTION TO SI**

5.3 Each National Groups must declare every year its management of SI stamps using the form sent by the SI Treasurer when possible. The minimum information to be declared includes: the number of stamps used, the number of stamps not used and the fee to be paid to SERVAS International. Moreover the stamps not used must be returned to SI (EXCO meeting Paris Nov2004)

5.4 The declaration of SI stamps and the return of stamps not used for the previous years must be made before the deadline March 1<sup>st</sup> of the next year. Unless there is exceptional circumstances to be explained to the SI Treasurer (EXCO meeting Paris Nov 2004)

5.5 In cases where the NS of the SERVAS member countries have not paid up the stamp fees, the Treasurer may deduct the due amount from the sum payable to the NS who is eligible for the fund support from SI for attending GA.

5.6 SERVAS in your country may have so few travellers that there is not enough income to finance your expenditure. If this is so, you may ask for financial help from SI. Deadline: usually none but as long beforehand as possible (Handbook)

5.7 Any countries requesting SI funding must be surveyed, and their Host List must be at least 70% reliable and fit into the standard format defined by SI HL Coordinator. (To be part of the SI Financial Operating Procedures.) (GA Poland 2012)

5.8 Paying for Host Lists: The system in use now is that each country pays for the list it makes (Some countries with few hosts give their lists to the international host list coordinator who makes and distributes the lists for them). In countries where the number of travellers going out is close to the number coming in, this works quite well. In some countries however there are many more travellers coming to the country than leaving the country. This often makes it difficult to pay for production of lists. SERVAS has tried for many years to find a fair and easy way to deal with this problem, but has not yet found a fair and easy answer. If this is a problem for your country, the possible suggestions are:

- a) You can try to start a bilateral agreement with another country which will produce and perhaps distribute your lists for you or will make copies of a list which you produce.
- b) You can ask your hosts to pay for membership
- c) You can ask SEVAS International for financial support (in the annual report)
- d) You can invent a fair and easy way of paying for lists and suggested to SI (Handbook)

### **RELATIONS OF THE NATIONAL GROUP TOWARDS ANOTHER NATIONAL GROUP**

5.9 Bilateral Agreement:

**Aims:** Working together – redistribution of resources

**How it works:** A national group with a surplus of certain resources (time, technology, SERVAS experience, expertise) makes these available to another national group which lacks the same resource(s) . The other national group may have other resources to offer In return.

**How to “get connected”:** If you have a surplus: if there is a country in which there are special reasons to have connection with, you may offer your resources direct. Otherwise let SI (General Secretary) know what you have to offer. If you have a shortage: if there is a country which there are special reasons to have connection with you may request resources directly. Otherwise let SI (General Secretary) know what you lack. (Handbook)

**DUTIES OF THE NATIONAL GROUP TOWARDS THE SERVAS TRAVELLERS:**

5.10 Traveller Fee: SERVAS travellers must pay a fee to SERVAS In the country in which they get the Letter of Introduction since each National Group is expected to pay the normal stamp fees to SERVAS International

5.11 Deposit: National Groups are encouraged to ask SERVAS Travellers to pay a deposit on the lists which they borrow. The deposit will be returned totally or partially when the list are returned if the travel reports are provided to the national groups. (Handbook)

5.12 Stamp Fee: A fee is paid to SERVAS International for each adult traveller leaving the country. The amount to be paid is clearly shown on the form paying for stamps (See page 4.1)( Handbook)

**DUTIES OF THE NATIONAL GROUP TOWARDS THE SERVAS HOSTS:**

5.13. Host Contribution: National Groups may consider asking SERVAS Hosts to pay a host/membership fee if they wish (Handbook)

## **6. DEVELOPMENT FUND COMMITTEE (DFC)**

### **Bilateral agreements**

6.1 Aims: Working together: redistribution of resources. How it works: A National Group with a surplus of certain resources (time, technology, SERVAS experience, expertise, money) makes these financial resources available to DFC, which has the duty to distribute these funds to another national group which lacks the same resource(s). (Handbook) DFC Procedures should be followed.

### **Donations to SI earmarked for DFC**

6.2 The SI Treasurer acknowledges every single donation with SI official receipt, both to the donor and the DFC within four weeks after a donation was received. This helps Donors/DFC /SI Treasurer keep proper records. (Workshop Barcelona)

6.3 The SI Treasurer sends a regular update with regard to the accumulated status of DFC finances every six months to the DFC. (Workshop Barcelona)

6.4 The SI Treasurer will obtain guidance from the DFC regarding appropriate donors. In the event of doubt and/or controversy, DFC and EXCO will decide if the respective donations should be returned. (Workshop Barcelona)

### **DFC Fund Disbursements**

6.5 The DFC must notify the SI Treasurer in writing once an approval has been granted for funding. (Workshop Barcelona)

6.6 The SI Treasurer disburses funds approved by DFC within four weeks from the date a claim is submitted and informs the recipient as well as the DFC in writing about when funds have been transferred. (Workshop Barcelona)

6.7 Recipient of DFC grants must submit financial and activity records of funded events to DFC /SI Treasurer within four weeks of said event taking place. (Workshop Barcelona)

## **7. DONATIONS AND FUND RAISING:**

7.1 Donations from any person or organisation outside of SERVAS must go to the SI account and not to Individual officers so they can be transparently recorded in the books. (Workshop Barcelona)

7.2 If a Donor solicits donations on behalf of SERVAS there needs to be transparency about the reason for the donation and the identity of the Donor. The solicitation has to be treated as a SERVAS external account and has to follow the same accounting guidelines that apply within SERVAS. An audited donation financial report has to be included in the SERVAS International Financial Statement noting Donations in the name of SERVAS. (Workshop Barcelona)

7.3 We only receive donations from persons or organisations that:

- a) Comply with SERVAS Statutes and accept the policies from our handbook and
- b) Who act in accordance with applicable laws.(Workshop Barcelona)

7.4 SERVAS National Groups should try to become non-profit tax deductible organisations with the objective that National Groups are enabled to receive donations on behalf of SERVAS International and write receipts for donations (Workshop Barcelona)

7.5 A donation (for example i.e. bigger than 10% of SI's own budget) needs another procedure to prevent donor control of SERVAS programs projects and committees. Only General Assembly (GA) can decide whether it is appropriate to accept the money and what to do with the money. (Workshop Barcelona)

7.6 If the Peace Secretary is planning to use Donations for UN representatives to visit UN conferences and to represent the voice of SERVAS, there needs to be a clear mandate about what the position of SERVAS is as well as a report of activities and the documented funding. (Workshop Barcelona)

## **8. FINANCIAL FORMS:**

8.1 The following forms are submitted to SI by the member countries as required under FOP:

- Annual National Group Report (National Secretaries)
- Payment for Stamps (National Treasurers)
- Financial Reports (SERVAS Officers)
- Financial Statement (SI Treasurer)
- Educational Manual on Finances for Anyone.

**9. BANKING OPERATIONS:**

9.1 A total of three signatories (president, general secretary and treasurer) shall be authorised but all payments need to be signed by two signatories the treasurer and one of the president or general secretary of SI.

9.2 It is suggested the change of Bank Signatory formalities by the newly constituted EXCO be done at the end of GA so as to save time efforts and money in getting the documentation completed.



**10. Personal Notes:** Blank