



FINANCIAL ROUTINES OF CISV INTERNATIONAL

PART 1 CURRENCY & FINANCIAL YEAR

CISV International invoices and budgets only in British Pounds Sterling.

The CISV International financial year is the calendar year.

PART 2 REVENUES

Most funding for the work of the International Association of CISV (including the International Office [IO]) comes from participation fees paid by participants in CISV international Programmes and some from membership fees contributed by NAs and Chapters. These standard fees help to pay for the overall supervision, administration, management and support of all Programmes and NA/Chapters by the International Governing Board (“Board”), Committees, the IO and Regional Delivery Teams.

2.1) Standard Fees

FEE	PAID BY /FOR	DIRECTED TO
National Membership Fee	Paid by member associations, Categories A and B	Operations
Chapter Membership Fee	Paid by member associations, Categories A and B per chapter within the NA. (1 chapter NAs pay 1 National Membership Fee and 1 Chapter Membership Fee)	Operations
Programme Participation Fees	<i>See Info File C-10 for details.</i>	Operations

2.2) Specific Purpose Fees

FEE	PAID BY /FOR	DIRECTED TO
Programme Host Fees	Paid by all delegates for some CISV international Programmes (includes travel insurance). <i>See Info File C-10 for details.</i>	Fees are collected by the IO and distributed to the hosting NAs via invoice offset.
Global Conference Cost Sharing Fee	Paid by all NAs and Category D PAs based on the number of Chapters they have (fee charged once per Chapter plus once for every multi-Chapter NA)	Fund to redistribute some of the accommodation costs of the Global Conference among all Chapters. Collected by IO and paid to the Conference Host via invoice offset
Travel/Medical Insurance	Paid by those requesting it for events other than international programmes (e.g Regional Training Forums)	Operations. (designed to offset Premium/brokerage costs and recognize administrative)

2.3) Additional Income Sources

FEE	PAID BY /FOR	DIRECTED TO
Penalties	Charged to NAs/PAs for late refusal of Programme invitations or late change of date/cancellation of Programmes <i>See Info File C-11 for details.</i>	Operations or specific efforts as determined by the Board
Unrestricted Donations	From third parties (individuals, organizations, etc.)	Operations or specific efforts as determined by the Board
Restricted Grants or in-kind gifts	From third parties	Specific Operations or efforts as set out in the gift and applied accordingly

PART 3 INVOICING

3.1) Invoicing of Fees

The IO deals directly with National Associations and invoices are issued quarterly by IO to National Associations and are payable within 90 days from the date of invoice.

The majority of standard and other fees are invoiced in the March quarter of the programme year.

If participation information changes or penalties are charged, amendments will be made in subsequent invoice periods. Amendments are made based on notifications of cancellation received by the IO.

The NA will be charged according to the invitations it accepts (current fees can be found in Info File document C-10 International Fee Structure). It is up to the NA/PA to collect all relevant fees from their participants so that they have the necessary funds to pay international invoices on time.

3.2) Invoicing Programme Host Fees

The IO will credit NAs hosting all Camp-based Programmes with the participant host fees. (Fees can be found in Info File document C-10 International Fee Structure). This credit is based on standard delegation numbers and is offset against the amount owed by the NA for its participation in other activities. These standard offsets are given in the March quarter of the programme year, when participation fees are invoiced. Adjustments will be made in the final quarter as needed.

CISV International understands that host NAs need to be able plan and rely on having a certain number of people at the programmes they host. As a result, we have instituted a guarantee of host fees. Host NAs have to be able to budget for numbers of participants or delegations. When a participant cancels too close to the time of the Programme, it is important that the host NA not lose the host fee that they would have received for that participant or delegations. Therefore, when a cancellation (for reasons other than force majeure) is made within approximately 2 months of the Programme and no one else

accepts the invitation, 100% of the host fee amount will be given to the host NA. If the cancellation is before that date, the host fee amount will not be given to the host NA.

Rather than have to calculate 2 months prior for every Programme, there are set deadlines so that dates are clear for everyone. (The details of these deadlines can be found in Info File document C-11 Programme Cancellation and Penalty Fees.)

3.3) Invoicing Global Conference Fees

CISV International charges a participation fee that is calculated to cover the accommodation and running costs of the event. All participants are required to pay that fee.

International may work with a partner NA to host to Conference, and the NA may assist with banking and local costs. However those arrangements should be agreed between the parties at the time.

CISV International has agreed a form of cost sharing whereby an annual fee is levied against all Category A, B and D Chapters. Multi-Chapter NAs are also levied the annual fee. This annual fee is collected by IO and IO invoices each National Association in the March invoice. The funds collected from the Global Conference fee are set aside for redistribution in accordance with the cost sharing arrangement (see Cost-Sharing Policy).

3.4) Steps for payment/questioning an invoice

The following table details the process to be followed

Step 1	International Office sends a detailed quarterly statement and any invoices/credit notes.
Step 2	Within 60 days of date of invoice, the National/Promotional Association must advise of any disputed item. If no comments from the NA/PA are received by the International Office within 60 days of date of invoice, it is assumed that the NA/PA accepts the invoice.
Step 3	Undisputed items must be paid within 90 days of date of invoice.
Step 4	With reference to step 2, if the NA/PA responds, the IO must reply back to the NA/PA within 30 days of receipt of correspondence by IO, otherwise it will be deemed that the NA/PA response is correct.
Step 5	If no agreement can be found, the matter will be referred to the Resources and Infrastructure Committee for decision.
Step 6	If the NA/PA disagrees with that decision, it may appeal to the Governing Board for a final decision.

3.5) Penalties for Late Payment

Note that non-payment can be the subject of a complaint and possible sanction in-line with the R-11 Policy and Procedure for Enforcement of Rules.

- If an NA has not paid its programme fees within the programme year, it will not receive any further programme invitations until it has paid the previous year's programme fees or come to an acceptable payment arrangement with CISV International. This will be applied as follows in order to mesh with programme administration. If, by 15 January, an NA is not up-to-date with its payments (i.e. up to and including the

September quarter invoice from the previous calendar year has been paid, minus any disputed amount, or a suitable agreement has been reached), then that NA will not receive any programme invitations for the current programme year. Any invitations accepted in Round One will only be confirmed if the NA is up-to-date with its payments. If the NA is not up-to-date, these invitations will be offered to other NAs.

- Where an invoice amount (minus any amount disputed in accordance with section 1.3 above) is not paid within 360 days of the date of the invoice, a motion will be made to move the NA down a category or suspend their membership.

PART 4 BUDGET PROCESS

The Resources and Infrastructure Committee, with the help of Staff, is responsible for drafting an annual and longer term budget forecasts and presenting them along with recommendations to the Governing Board for approval. The budget will reflect organizational priorities and the input of budget holders. To the extent possible, the budget will include a three-year rolling budget (with gradually less detail and more forecasting for the years that are farther away).

This process will occur in July/August so that the budget can be approved no later than Sept/October prior to the year in question.

Every effort must be made to approve at least the international fees (payable by NAs) by the end of September each year so that NAs can plan for their fees.

The budget is set in principle with money allocated for specific purposes and estimated values assigned to actions.

The annual budget is developed by the Resources and Infrastructure Committee and presented to the Board for approval.

4.1) Delegated Authority

In general, Resources and Infrastructure Committee is responsible for monitoring budget and approving any change of value that does not exceed 20% of the body’s budget or amount up to £10,000 (the greater of the two).

Any change of value that exceeds the greater of 20% (of the body’s budget) or £10,000 of the Resources and Infrastructure Committee’s budget, would be referred to the Governing Board.

4.2) Who are the Budget Holders?

Body	Budget Holder	Who they report to directly	Who can authorize an overspend of more than 2% of the overall budget amount of the body (see section 4.1)	Who can authorize regular spending?
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Governing Board	Chair	Governing Board	Governing Board	Chair/Vice Chair/Secretary General
Committee	Chair	Governing Board	Resources and Infrastructure Committee	Chair or Senior Manager
IJB Team	IJR's	Governing Board	Resources and Infrastructure Committee	IJR's (each to approve the other's)
International Office	Secretary General (some delegation by specific area but the SG is ultimately responsible)	Governing Board	Resources and Infrastructure Committee	Secretary General, some delegation to senior staff within their areas
Regional Delivery Team	Senior Manager (some delegation to the Regional Coordinator, but the Manager is ultimately responsible)	Secretary General	Resources and Infrastructure Committee	Senior Manager approves spending by ReCos. Must work with ReCo, and may delegate to ReCos to authorize spending by other Team members.

4.3) General Responsibilities of Budget Holders

Each budget holder is asked to submit a proposed budget for their area during the budget development process and the Committee may ask for further information. Once the budget has been approved, each budget-holder must monitor the use of budget in their area, stay within his/her budget and ensure that funds are used in line with the principles set out in the budget.

4.4) Underspending

If approved plans cost less to implement than anticipated or if certain plans are cancelled then any unused budget remains within operating funds/reserves. In the case of project funding that is not entirely spent in one calendar year, funding can be transferred from one budget year to the next with the approval of the Resources and Infrastructure Committee (outside of the operating income and expenditure for that year).

4.5) Reallocating budget

Reallocation of funds within a body's budget is at the discretion of the budget-holder as long as the change is in line with approved objectives for the area.

Within the budget of a body, the budget holder will be required to provide detailed planning to arrive at an approved budget/plan. However, it is essential that the budget

holder also have some flexibility to make reasonable changes to a plan and the planned expenditure, without making a formal request.

Budget holders are expected to notify the Resources and Infrastructure Committee of any change of purpose that exceeds 20% of the body's budget.

4.6) Overspending

A budget holder is permitted to overspend on a budget item without a formal request for approval as long as the budget-holder's overall budget amount is not increased by more than 2%.

4.7) New budget line requests in the course of the year

It may be that in the course of the year, a budget-holder believes that a new action should be undertaken and funded. Requests for new budget items can be made at any time to the Resources and Infrastructure Committee. Any new budget lines approved will be communicated to the Governing Board.

4.8) Spending and Reimbursement

All travel must be arranged in line with CISV International's **Travel Policy and Procedures**. See Travel Policy and Procedures for details of booking and costs incurred.

In the case of expenses not covered by CISV International's Travel Policy, budget-holders will generally pay for expenses themselves and will then request reimbursement from CISV International. When it is not possible for individuals to fund these expenses until reimbursement an advance can be requested.

Reimbursement requests must be made using an Expense Request Form (ERF) which are available online www.cisv.org. The original ERF (plus receipts) is sent to the International Office for examination of receipts and budget control.

When an ERF is received by the IO:

- It is checked by IO staff and additional information is requested where necessary
- If figures/receipts are correct, the ERF is sent by IO for approval to the person/body authorized to approve such expenditures (above)
- Once the appropriate person signs the ERF for approval, they send it back to the IO.
- IO then arranges payment by 1 of 2 methods

Offset Credit -- In order to avoid unnecessary bank charges and to assist in cash flow, wherever possible, payment will be arranged by offset. The IO sends an Offset Credit Note (OCN) for the amount payable to the Treasurer of the individual's NA (with a copy to the person). It is then up to the Treasurer to pay the individual the amount credited;
or

Direct payment to the individual, where the person's NA is not able to pay them

4.9) Approval of extraordinary expenses for the Governing Board Chair

If a situation arises where an expenditure is requested for the Governing Board Chair, the approval of two other members of the Governing Board or one other Governing Board member and the Secretary General is required for the request to be granted.

PART 5 FINANCIAL REPORTING AND AUDIT

- Monthly management accounts are provided to the Resources and Infrastructure Committee by the Fiscal Officer.
- Quarterly management accounts are provided to the Board by the Resources and Infrastructure Committee.
- The accounts will be audited annually and shared with the Members. There will also be an annual financial report provided to the Members by the Resources and Infrastructure Committee.