



INTERNATIONAL FEDERATION
OF LIBERAL YOUTH

IFLRY Financial Protocol

[Red: Proposed amendments / additions]

Article I. The Financial Protocol, the Federation and the Parties involved

1. This document is adopted by the General Assembly of the International Federation of Liberal Youth (IFLRY), and can only be amended by a General Assembly.
2. The Treasurer, the other members of the Bureau, and the **IFLRY Staff (including Executive Director, other employees and interns)** will follow the rules laid out in this protocol.
3. The Auditors of IFLRY are responsible for monitoring and evaluating the compliance with this protocol for the General Assemblies and the Executive Committees.
4. Where the Executive Director has responsibilities, he or she may choose to have certain activities executed by an Employee or an Intern working in the IFLRY office. All activities by an IFLRY Employee or Intern are executed under the responsibility of the Executive Director.

Article II. Treasurer, other members of the Bureau and Executive Director

1. The President and the Treasurer are responsible for approving and signing the fiscal documents submitted to government authorities.
2. The Treasurer is responsible for preparing the yearly full financial report, which should be presented and voted for adoption during the first statutory event of the following year. The duties of the treasurer also include supervising the Executive Director concerning financial administration, the general financial oversight and the financial planning. S/he presents a budget for the following financial year for adoption by the last statutory event of each year.
3. The Executive Director is responsible for the general administration and the bookkeeping. S/he is also responsible for proposing an annual agenda including financial deadlines in regards of tax, statutory and grant issues.
4. The Bureau shall discuss the actual state of finances at a bureau meeting at least quarterly taking notice of at least (a) a profit & loss statement; (b) a balance sheet; (c) a statement of claims & debts.
5. The Bureau is collectively responsible for handing in the required financial documents for the Congress and doing so in accordance with the deadlines stated in the Rules of Procedure. These documents have to be approved by the Bureau upon presentation by the Treasurer.
6. The Executive Director is authorized to make financial expenditures on behalf of IFLRY of up to € 500 without prior authorization if it concerns the daily business of the organization. No expenditure over € 500 shall be made without the approval of the Treasurer, except by the Treasurer him- or herself. No expenditure over € 1000 shall be made without the Bureau taking a vote in a bureau meeting or by circulation in writing.
7. The figures mentioned under 2.6 may be higher than the amounts mentioned if part of a budget or contract that has already been explicitly approved by the Bureau or a statutory event.
8. IFLRY shall only cover for tickets, accommodation or meals of Bureau Members concerning the participation in non-statutory events if the expenditures were previously approved by the Bureau by taking a vote in a bureau meeting or by circulation in writing.
9. The Executive Director is responsible for booking tickets and accommodation for statutory and non-statutory obligations of the Bureau Members upon their proposal, **and if the set deadline is respected**, with a focus on the minimisation of costs and administration effort. In case for some reason the bookings cannot be handled by the Executive Director or **if a Bureau member prefers to buy their own tickets, in agreement with the Treasurer, this will be acceptable**.
10. All Bureau Members are obliged to file personal expense claims at a maximum of **one** months after the Expense occurred. In case they fail to do so, they lose their right of refund.
11. The Executive Director delegates activities to other office employees, these may include payments and bookkeeping, whereas the Executive Director will have an oversight and final approval.



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Article III. Internal Auditors and internal auditors' meeting

1. The Auditors physically meet at least once a year, to check up on the state of finances and the bookkeeping as presented in the financial report.
2. The Auditors present one full report in accordance with rule 3.1 at the first statutory event of the year.
3. The full Auditors' report mentioned in 3.2 will be voted on by the General Assembly for adoption. The Bureau shall comment on its recommendations.
4. The Auditors are themselves responsible for their functioning and do only need to be held accountable by a statutory event.
5. The Bureau will give all and any information requested by the internal auditors, including, explicitly, all financial transactions, documents, receipts, and contracts present within the organisation.

Article IV. Budgeting and Spending

- 4.1 Overspending on any budget line must be reported by the Treasurer to the Bureau as well as the internal auditors.
- 4.2 Any overspending on a budget line will be commented on and explained in writing by the Treasurer in the yearly financial report.
- 4.3 If overspending on one line is not compensated by underspending on another line, the Treasurer will propose a budget amendment for adoption at the next statutory event or if not possible to the Bureau for adoption in a bureau meeting.

Article V. Financial Reporting

- 5.1 The Treasurer reports to every statutory event. In case not more than one statutory event is taking place during a financial year the treasurer submits an additional report to the Member Organizations six months after the last statutory event.
- 5.2 The Treasurer will send financial reports to all bureau members as well as the internal auditors on at least a quarterly basis, including at least (a) a profit & loss statement; (b) a balance statement; (c) a statement of claims & debts.
- 5.3 If they request so, the Treasurer will give other financial information to the internal auditors, including all financial transactions, receipts, credit card statements and bank statements in the organisation.
- 5.4 A balance statement also includes a balance from the previous year ending for comparison. A profit & loss statement also includes both the results for the previous financial year, as well as the budget as a comparison.

Article VI. Financial Control

- 6.1 Exceptions aside, the daily financial management is in the hands of the IFLRY Office. They report on this to the Treasurer on at least a weekly basis.
- 6.2 The Treasurer and Executive Director sign all bank statements and credit card statements to confirm that they have seen these documents and confirm that they agree with the transactions on them. If there is any reason why one of them won't sign one of these statements, this is reported to all other bureau members as well as the internal auditors.
- 6.3 All financial transactions shall be book-kept at a maximum of 90 days after they occur. All payables and receivables should be marked in the bookkeeping as soon as they occur.
- 6.4 The Auditors shall be granted access to the online bookkeeping system enabling them to scrutinize financial handling at any times.

Article VII. Accounts, cards, cash and banking

- 7.1 The IFLRY Treasurer and President shall jointly hold the rights to the IFLRY bank accounts. **The Bureau can extend this right to the Executive Director.**
- 7.2 IFLRY has a Visa Debit Card linked to a bank account, which can be used for printing bank statements, making specific on-the-spot payments or withdrawing money.
- 7.3 Regular use of the Visa Debit Card for on-the-spot payments or withdrawals is meant for the IFLRY Executive Director or the Treasurer.



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- 7.6 The IFLRY Treasurer and Office shall have access to the KBC and Lloyd's online banking service.
- 7.7 IFLRY has a permanent cash account. All cash transactions must be accompanied by signed statements of payment or receipt. The Cash account should be limited to a maximum of € 1000 at any time. Surplus cash should be paid into one of the bank-accounts.

Article VIII. Membership - Fee, Suspension & Disaffiliation

- 8.1 Member Organisations are obliged to pay an annual membership fee, as agreed at the preceding statutory meeting through 'Membership Fee Guidelines'.
- 8.2 Member organisations can ask the statutory meeting for financial support over past MO fees through the Solidarity Fund or request a reduced membership fee for the past or ongoing year. The application process has to be explained in the 'Membership Fee Guidelines'.
- 8.3 If a Member Organisation fails to fulfill their financial obligations - this includes either paying the full fee as described above, or paying an approved reduced fee (as per the Membership Fee Statutes) for 2 years or more, they will be up for suspension at the next General Assembly. Accordingly, their debt will turn into bad debt.
- 8.4 If an MO has been suspended due to reasons mentioned in 8.3, and after one year there are still no signs the member organisation will return to good standing, the bureau will propose disaffiliation at the next General Assembly. If approved, the MO is disaffiliated and all debt will be written off.

Article IX. Expiration of receivables, bad debts and writing-off

- 9.1 Invoices have to be sent for all accounts payable, and reminders have to be sent in due time.
- 9.2 If accounts payable / invoices have not been fulfilled after 2 years of creation, they will be written to 'bad debts'
- 9.3 If accounts payable / invoices have not been fulfilled after 3 years of creation, or bad debts are not fulfilled after 1 year of movement to bad debts, they are written off completely.
- 9.4 The Bureau and/or General Assembly can decide to make exceptions to the things mentioned in this article on a case to case basis.

Article X. Other Documents, Interpretation and Amendments

- 10.1 Additional rules concerning expenses claims and refunds by Bureau members and other IFLRY functionaries may be covered in specific Bureau Refund Guidelines.
- 10.2 Additional rules concerning expense claims and refunds of participants in IFLRY events may be covered in specific Participants Refund Guidelines.
- 10.3 The interpretation of this Financial Protocol shall be subject to the ruling of the General Assembly. Where the Statutes, the Rules of Procedure or the Financial Protocol cannot be applied, the General Assembly decides. In cases of contradictions between the Financial Protocol and the Statutes of the federation, the latter takes precedence.
- 10.4 The Financial Rules of Procedure may be amended by the General Assembly by two-thirds (2/3) majority of those present and voting. Notice of amendments to the Financial Protocol must be given to all member organisations at least six (6) weeks in advance. Secondary amendments may be submitted up to commencement of debate on the relevant amendments.
- 10.5 All changes to the Financial Protocol take effect immediately after the end of the General Assembly where they were adopted.