

EMCC Finances Policy

1. Background

Over the years EMCC has grown into a more complex and financially mature organisation. In 2011, the Council set and signed-off on a new purpose, vision and strategic objectives for 2012-17 which included a commitment to Operational Excellence. Work on this Operational Excellence document still continues throughout 2012.

In line with the aim and ambition for Operational Excellence there is also a demand for a thorough and professional financial policy, combining pragmatic and transparent procedures for spending EMCC finances. The present document offers the guidelines for such a finance policy.

In [Appendix 1](#) a list of used terms in these guidelines is added for better understanding.

2. General principles for EMCC Financial Policy

The EMCC financial policy is governed by a number of general principles, such as:

2.1 Basis of activities and expenditure

- a. The EMCC financial policy outlined in this document refers to the relation between the EMCC organisation and its volunteers and not to the affiliated EMCC country organisations and their volunteers
- b. The basis for all activities (and for spending money) within and on behalf of EMCC is formed by:
 - The current Strategic Plan and subsequent operational plans
 - The EMCC budget for the current year as agreed by Council
 - The EMCC pricelist(s) for offerings or services as set by the Executive Board
 - The EMCC Statutes

2.2 Volunteer organisation and professional services

- a. EMCC is an organisation primarily using members working as volunteers for the benefit of the organisation. Necessary professional services from outside EMCC will be used for those services that cannot be obtained from members at the required quality level on a voluntary basis (see under b. below)
- b. Professional services from EMCC members can only be engaged if:
 - These services cannot be obtained from members on a voluntary basis
plus
 - These services are delivered at the same quality level but at a considerably lower price than would be obtainable from an external supplier;
or
 - There is agreement that the cost of these services will be paid by other parties.
- c. All professional services from members will be hired through a standard service contract ([see 5.2](#))
- d. Notwithstanding the above members active as assessors for the EMCC quality standards offerings are regarded as outsiders delivering professional services and are 'hired' through the uniform Assessor Agreement ([Appendix 2](#)).

2.3 Authorised persons

Only persons authorised under the present financial policy ([see 5.1](#)) can commit EMCC to purchase/pay for goods or services.

Anyone purchasing goods or services for and on behalf of EMCC without authorisation will be liable to pay for these services themselves. EMCC cannot be held responsible for any purchase/committing order given by a non-authorised person.

2.4 Budgets

The EMCC budget is divided into a number of separate '*financial departments*' or budgets, each with its own share of the total agreed budget. Responsible for authorising expenditure under a specific budget is the Executive Board member primary responsible for the field of the respective budget. An overview of the budgets and the responsible budget holders is attached ([Appendix 3](#)).

Expenses / purchases can only be authorised by the budget holder if they fit into the current budget and the Strategy Plan.

2.5 Authorisation for payment to oneself

No person engaged to work within or on behalf of EMCC, whether volunteer or paid professional, can authorise payment to him/herself. This authorisation must always come from a higher level. The only exception to this principle is the President whose authorisation may come from (in order of preference):

- General Secretary
- Treasurer
- Any other member of the Executive Board.

3. Pre-payment and Reimbursement of Expenses

Regarding (reimbursement of) expenses made on behalf of EMCC the following rules apply. At all times it should be remembered that EMCC operates on a minimal budget and that every effort should be made to keep expenses to a minimum and/or to use the least expensive option.

3.1 Declaration of expenses

EMCC members working as volunteers can declare expenses they have made to perform their volunteer activities to be paid back to them by EMCC.

Expenses have to be declared using the uniform EMCC '*expense claim form*' ([Appendix 4](#)). A model of this form can be downloaded from Box.net. Scanned copies of receipts and other proofs of payment must be attached to the declaration (except kilometres/miles driven by car) and submitted by email. The claimant should keep the originals (see 4.5).

3.2 Pre-agreement by budget holder

All expenses that are pre-paid by the member must be pre-agreed by the responsible budget holder. Without this pre-agreement the member runs the risk that the expenses will not be reimbursed by EMCC. Pre-agreement can be given *in principle* (when a meeting is arranged needing a volunteer to travel and/or stay overnight or in case of a regular set of meetings), or *specifically* (in case of a special assignment).

3.3 Types of expenses

If pre-paid by the member with pre-agreement of the budget holder, EMCC will reimburse the following types of expenses:

- Travel costs:
 - Flights

- Public Transport (bus, train, underground, taxi)
- Own Transport (car)
- Meeting costs (room hire, equipment etc)
- Accommodation costs
- Food & Beverages
- Miscellaneous costs:
 - Copying & Printing
 - Postage
 - Purchases
 - Telephone

4. Specific requirements for expenditure on behalf of EMCC

For payment by EMCC of each of the aforementioned expenses the following rules apply:

4.1 Travel costs

- a. The acceptable level of air travel costs is given by the combination of low pricing, minimum necessary quality and efficiency. Therefore volunteers are expected to act responsibly and to book flights or other travel as long in advance as possible and to choose flights as cheap as possible with flight schedules as efficient as possible.

The attached risk of cancellation (by EMCC) of meetings for which flights have already been booked is borne by EMCC (see under 'cancellation').

As a rule EMCC will only pay for flights in Economy class. Flights in Business class are not acceptable unless pre-authorised by the EMCC President, General Secretary or Treasurer.

- b. For other means of public transport (train, underground, bus, taxi) EMCC pays the standard fees. In case of a choice between different tariffs or arrangements the above-mentioned principle of the combination of low pricing, minimum necessary quality and efficiency is also applicable.
- c. Travel by car will only be paid for by EMCC if travelling by car adds to the required efficiency of travel. If more than one volunteer travel in the same car only the car owner is allowed to declare the expenses concerned. Payable is the acceptable travel cost rate per km/mile in the country of residence of the car owner.
- d. Parking costs will only be paid for by EMCC if in the country of residence of the car owner these costs are not regarded as being part of the acceptable travel rate per km/mile.

4.2 Meetings & accommodation

Meetings need preferably be arranged at such dates & times that which participants are able to travel to the meeting and home on the same day.

If this is not possible – or in the case of overnight meetings – accommodation can be arranged (preferably by the organiser as a collective arrangement) at the cost of EMCC's, according to the following rules:

- a. Expenses for accommodation in the night before a meeting will only be paid for by EMCC if it is not possible (or not reasonably acceptable) for the volunteer to leave home and be present at the start of the meeting on the same day.
- b. Expenses for accommodation in the night after a meeting will only be paid for by EMCC if it is not possible (or not reasonably acceptable) for the volunteer to reach home on the same day of the end of the meeting.

4.3 Food and beverages

- a. Food and beverages during meetings will be paid for by EMCC and should be pre-arranged by the meeting organiser.
- b. Food and beverages before or after meetings will only be paid for by EMCC if connected to the meeting and its participants. EMCC prefers the meeting organiser to pay for these costs and declare them afterwards.
- c. Food and beverages during travel time will be paid for by EMCC if travel occurs during mealtime. The member is expected to keep the meal simple and at reasonable cost, including max.1 drink.

4.4 Cancellation of meetings

- a. In case of cancellation by EMCC of a meeting for which transport and/or accommodation has already been booked, costs that have been pre-paid by the volunteer and cannot be retrieved will be reimbursed by EMCC as if the meeting had taken place as originally planned.
- b. The risk of the decision by the member not to attend an arranged meeting for which costs have already been made is borne by the member. Unless specific mitigating circumstances exist (to be judged solely by the Treasurer with one other Executive Board member) these costs will – regardless of the reason for not attending – not be reimbursed by EMCC.

4.5 Routing of expense claim forms

- a. All expense claim forms (with attachments, see 3.1) should be sent by mail to the EMCC budget holder for authorisation using one claim form per meeting/activity and stating in the accompanying message what the expenses have been made for and which budget holder the expenses has pre-agreed the claimed expenditure. The claimant's email address will be accepted as formal signature. The budget holder approves (or denies) the payment of expense by forwarding the emailed expense form and accompanying receipts to the EMCC bookkeeper (EMCC.GeneralSecretary@emccouncil.org)
- b. Expense claim forms (see Appendix 4) should be submitted by the end of the month after the month in which the meeting being claimed for took place. Claims received after this time may not be paid.
- c. Members are advised to keep a copy of the expense claim form and the originals of the attached documents of proof until the declaration has been paid by EMCC or as long as the claimant's local country's tax laws make this necessary.
- d. The verified expense claim will be paid to the member within one month of receipt of the authorisation. In the case of a very substantial amount the member cannot reasonably be expected to prepay an earlier reimbursement can be arranged.

5. Committing, Purchasing & Contracting on Behalf of EMCC

Under certain conditions members can be authorised to commit EMCC for purchases or entering into a contract on behalf of EMCC. The acceptable level of cost is given by the combination of low pricing, minimum necessary quality and efficiency. In addition to this the following rules apply:

5.1 Purchases of goods or one-time services

- a. Authorised to purchase goods or engage one-time-only services with a value up to € 500 on behalf of and at the cost of EMCC are:
 - The relevant budget holder, provided that the purchase fits into the current budget and the Strategy Plan
 - Other persons if under the terms of authorisation given by the relevant budget holder (and provided

- that the purchase fits into the current budget and the Strategy Plan)
 - The EMCC Treasurer
- b. Authorised to purchase goods or engage one-time-only services with a value of between € 500 and € 1.000 on behalf of and at the cost of EMCC are:
- The relevant budget holder, provided that the purchase fits into the current budget and the Strategy Plan
 - The EMCC Treasurer, in conjunction with any other member of the Executive Board
- c. The purchase of goods or the engaging of one-time-only services with a value of over € 1.000 requires the approval of the Executive Board and will only be done using a standard EMCC purchase order. A model for this purchase order will be developed, using the EMCC-UK model for terms & conditions for suppliers as an example.

5.2 Entering into service contracts

- a. Authorised to enter into a contract on behalf of and at the cost of EMCC for recurrent services with a yearly value up to € 500 are:
- The relevant budget holder, provided that the contract fits into the current budget and the Strategy Plan
 - Other persons if under the terms of authorisation given by the relevant budget holder (and provided that the purchase fits into the current budget and the Strategy Plan)
 - The EMCC Treasurer
- b. Authorised to enter into a contract on behalf of and at the cost of EMCC for recurrent services with a yearly value of between € 500 and € 1.000 are:
- The relevant budget holder, provided that the purchase fits into the current budget and the Strategy Plan
 - The EMCC Treasurer, in conjunction with any other member of the Executive Board
- c. For recurrent service contracts with a yearly value of over € 1,000 a contracting process is preferred requiring similar offers from various suppliers on the basis of specified terms of service.
- d. Entering into recurrent service contracts with a yearly value of over € 1,000 requires the approval of the Executive Board and will only be done using an EMCC standard legal service contract. A model for this standard contract will be developed, using the EMCC-UK model for standard EMCC terms & conditions for suppliers.
- e. One Contract Manager, who periodically evaluates the position and value of all contracts held by EMCC, shall oversee all existing services contracts. This Contract Manager is preferably either the EMCC Treasurer or the EMCC General Secretary.

5.3 Using the EMCC Credit Card or Debit Card

For practical reasons – such as avoiding unnecessary administrative work and reducing the need to prepay considerably amounts by Executive Board members – an EMCC ING Credit Card or Debit Card can be made available to an Executive Board member at his/her request. The use of this card is limited to EMCC business under these guidelines (especially flight/train/taxi arrangements).

All expenses made from cards need to be post-approved by the EMCC Treasurer. If the Treasurer is the Executive Board member using the card, the approval needs to be done by the President or the General Secretary.

6. Reception and processing of invoices

6.1 Invoices and expense claim forms

Section 4.5 outlines the routing of expense claim forms. The same procedure will apply to the routing of invoices. The essential difference between the two is that *expense claim forms* can only come from members. *Invoices* will mainly be received from external parties, such as (service) contract partners or suppliers of purchased goods.

Notwithstanding the above, invoices can also be received from members requiring payment for doing professional work, for instance as assessors (see 2.2 c). These are regarded as requests for payment for professional services delivered and not as expense claims, although they may come from members. Therefore for those situations regular invoices are required and the use of expense claim forms will not be accepted.

6.2 Travel expenses for professional work or work as volunteer

To be perfectly clear: travel expenses relating to paid work must be claimed via an invoice. Travel expenses for work involved done as a volunteer must be claimed on an expense form.

6.3 Routing of invoices

- a. Unless otherwise agreed invoices must be emailed to EMCC bookkeeping:
emcc.general.secretary@emccouncil.org (by the EMCC budget holder who is approving the invoice).
- b. For formal reasons all invoices should be addressed to EMCC's registered address in Brussels (as printed at the bottom of this page) and not the administrative address in the UK.
- c. Unless otherwise agreed invoices should be submitted within one month after the month in which the invoiced goods or services have been delivered. Invoices received after this time may not be paid.
- d. Invoices should be dated in the month that the work was carried out/completed.
- e. EMCC bookkeeping verifies that the budget holder has pre-agreed (or agrees) to payment of the invoice by EMCC. Once the (pre-)agreement has been verified the invoice will be paid within one month of verification of the (pre-) agreement.

6.4 Routing of invoices from EMCC assessors

Invoices from EMCC assessors for work carried out for EMCC (and not an affiliated EMCC country organisation) are to be sent by mail to the EMCC Accreditation Manager: emcc.accreditation@emccouncil.org. The EMCC Accreditation Manager verifies that the assessor has performed the assessor work invoiced. Once this is verified the invoice will be forwarded to EMCC bookkeeping for payment within one month.

7. Decision and Validity

This policy has been approved by the Executive Board on November 3rd 2012 and is valid from: January 1st 2013 onwards until further notice.

8. Appendix 1

Terminology: Definitions and Terms used in This Document

In this document the following terms are used having the following meaning:

- **Assessor agreement**
The document in which the terms of agreement are stated between EMCC and a member working as assessor for the EMCC quality standards offerings run by EMCC
- **Authorisation**
The process through agreement is obtained from the person or persons having the power to sanction expenditure, purchases or entering into contracts
- **Bookkeeper**
The person, under supervision from the Treasurer, responsible for booking of income and expenditure, invoicing and doing payments on behalf of EMCC
- **Budget holder**
The Executive Board member responsible for and authorised to sanction spending of budget in a specific financial department
- **Cancellation**
The decision taken by the responsible person from EMCC that an arranged meeting will not take place
- **Contract**
A written and signed document specifying all terms under which a service is engaged
- **Council**
The central deciding body of EMCC as defined in the EMCC statutes, consisting of the delegates from the Affiliated Country organisations (working members)
- **EMCC**
The EMCC organisation as defined in the EMCC statutes (not to be confused with the affiliated EMCC country organisations)
- **Executive Board**
The central operating body of EMCC as defined in the EMCC statutes, consisting of the President, General Secretary and Treasurer of EMCC plus the Vice-Presidents
- **Expenses**
Payments of goods, travel cost, accommodation or food & beverage on behalf of EMCC, pre-paid by a member to be reimbursed by EMCC
- **Expense Claim Form**
The standard form through which all expenses made by members on behalf of EMCC will be claimed for reimbursement
- **Invoice**
A document claiming payment for the performance of agreed services or purchases
- **Offer**
A proposal outlining terms for delivering goods or services
- **Purchase**
The acquisition of an object, goods or a one-time service by payment of an agreed price
- **Purchase Order**
A written and signed document specifying the terms under which specific an object, goods or a one-time service are acquired
- **Professional**
*A person undertaking a set of tasks that need expert and specialised knowledge and experience and – if so agreed – completing them for a fee.
Also: description of quality level of performance of specialised tasks*
- **Services**
Activities performed by a person, persons or an organisation on behalf of and in the interest of a person or an organisation
- **Volunteer**
The person engaged to participate in EMCC activities as mentioned in the 2012 EMCC Volunteer Policy

9. Appendix 2

EMCC Assessor Agreement (March 2010)

EMCC EQA/EIA ASSESSOR AGREEMENT

General Terms and Conditions

This statement sets out the terms on which the European Mentoring and Coaching Council (EMCC) UK (also referred to in this statement as "the Organisation") agrees to use you as an external Assessor from time to time.

1. This agreement is between EMCC and:

.....insert name here

2. This agreement shall commence oninsert date here and shall continue unless terminated by one party giving to the other not less than four week's notice, in writing, to that effect.
3. You agree to provide professional assessment services to people and clients that EMCC designates.
4. You will provide these services at times determined by EMCC in liaison with EMCC managers and their clients, which you agree to.
5. You are an external assessor working as an independent contractor and not an employee of EMCC for tax or for any other purposes.
6. In return for your provision of assessment services, EMCC shall pay an agreed sum plus those authorised expenses incurred as a result of your services unless otherwise agreed.
7. All payments to you shall be made against your invoice, which shall be presented to EMCC within 30 days of completing any assessment service. Payment will be made to you within 30 days from receipt of the invoice.
8. If at any time the body responsible for taxation determine that EMCC should deduct any type of Tax contributions from future payments to you, the Organisation reserve the right to re negotiate the sum of payment due to you under this agreement.
9. Without limitation EMCC may, by notice in writing, immediately terminate this agreement if you shall be, in the sole judgement of EMCC, in breach of any of the terms of this agreement, or be guilty of misconduct or negligence in respect of your obligations under this agreement or the Confidentiality Agreement entered into herein with EMCC.
10. Where provision of an assessment service has been agreed between yourself and EMCC, cancellation of the assessment will result in the following:

Cancellation by client

Where fees have been paid by the client, any work you have completed will be paid in full.

Cancellation by you

If you are unable to provide the services agreed you must contact EMCC with sufficient time to organise a replacement assessor and no payment will be made to you.

11. The payments referred to in sections 6, 7 and 8 shall be plus any Tax (e.g. VAT) if applicable.

12. During the period of this agreement you will:

- Enter into the Confidentiality Agreement herein with EMCC, which shall continue as appropriate after the termination of this agreement.
- Inform EMCC if you enter into any other contract or agreement for the provision of your services, which is in contravention or competes with this agreement.

13. Other than in the event of any prior client relationship you may have with an EMCC client, which you are required to disclose, you may not enter into a direct service contract, which competes with services offered by EMCC with any client of EMCC or within 6 months of completion of the last project you worked on with said client. Any additional work generated with the client will be assigned directly through EMCC.

14. You agree to uphold the professional standing of EMCC and to abide by their Code of Ethics, which you have been issued with.

15. Any changes to the details of this agreement will be communicated to you personally and in writing within one week of the change.

Specific Terms and Conditions - EMCC EQA/EIA Assessor

Purpose of the role:

- To establish if all criteria have been met for level of application for EQA or EIA.

General responsibilities of the role are to:

- Assess EQA/EIA application in line with guidelines provided by EMCC.
- Commit to work with EMCC for a minimum period of one year following your classification as an approved assessor.
- If at anytime you decide to leave the Assessor training programme up to the first year following becoming an approved assessor, EMCC may decide to recover associated costs directly from you.
- Maintain membership of the EMCC as part of your assessor role.
- Apply for and complete the EIA accreditation in parallel with your assessor training, if you do not already hold an EIA
- Attend initial assessor training (EMCC provide this training free of charge and will reimburse appropriate travel expenses).
- Attend regular assessor training sessions - these are likely to be held every 4 months (EMCC provide these free of charge and will reimburse appropriate travel expenses).
- Work within agreed and published time frames to complete assessments.
- Liaise with EQA/EIA Manager as required.
- Support/facilitate EIA workshops as needed.
- Support new assessors as a mentor, as you work on current EIA/EQA applications.

Confidentiality Agreement

EMCC require you enter into this Confidentiality Agreement in connection with the provision of assessment services, which may involve information, which EMCC regards as confidential and or sensitive.

In order to proceed, you agree that you will regard and preserve as confidential all information related to the business and activities of EMCC and their clients/members.

You agree not to, whether during your agreement period or at any time after the termination date, except in the proper course of your duties or as required by law, use or divulge to any person, the identity of an organisation or individual assessed, organisation confidential information, correspondence, documents, processes or dealings concerning the organisation, business or finances of the organisation or of any client / member of the organisation which has come to your knowledge in the course of your services. This restriction will only cease to apply to information or knowledge, which is in the public domain.

You also agree that all information relating to individuals being assessed by the EMCC and gained by you through work for the EMCC is proprietary to the individual from which it originates and is not to be profited from commercially by yourself or through your action by any other person or body.

For the avoidance of doubt and without prejudice to the generality of the preceding paragraph, the following are examples of matters, which must be kept confidential:

Marketing strategies and plans

- Material which is not in the public domain
- Client/member contact lists
- Information and applications which have been supplied in confidence by clients / members
- Information and details about the employment of yourself or any other personnel within the Organisation
- Financial schedules including costs and profit information.

The above list is not meant to be exhaustive.

Protective Covenant

During the course of your agreement you are likely to gain knowledge of the Organisation's clients /members and make personal contacts with them. To protect the client/member base of the Organisation if you contract to do work other than for EMCC, you will not:

- Either directly or indirectly, solicit or endeavour to solicit away from the Organisation any existing client/member of the Organisation
- Use without written permission from the Organisation any materials developed specifically for use by the Organisation and/or for clients/members.
- At any time do or say anything likely or calculated to lead any person, firm or company, to withdraw from or cease to continue their relationship with EMCC.

Summary

This document forms the terms of the agreement between yourself and EMCC.

I understand and accept the terms of the agreement outlined above:

Your signature Date.....

Your Name

Signature 

Date 16 February 2010

Irena Sobolewska
General Secretary
For, and on behalf of, EMCC

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10. Appendix 3

The EMCC budget divided in departments with budget holders

In 2011 we broke the EMCC into various separate budgets for different departments. Our aim is to have a budget holder primary responsible for each of the budgeted departments. Budget holder will be the member of the Executive Board that – due to his/her portfolio – can be responsible for the budgeted department to oversee and manage.

The EMCC Treasurer remains responsible for the over all EMCC budget and all financial procedures.

Below is the list of the various budgets with the responsible Executive Board members / budget holders:

BUDGET NR.	SECTION NAME	DEPARTMENT NAME	BUDGET HOLDER	NR.
101	Organisation	Council	General Secretary	2
102	Organisation	Executive Board	General Secretary	2
103	Organisation	Membership	General Secretary	2
104	Organisation	President	President	1
200	Products	Assessors	VP Standards	4
201	Products	EIA	VP Standards	4
203	Products	EQA	VP Standards	4
205	Products	ESTQA	VP Standards	4
208	Products	e-Journal (IJMC)	VP Research	6
209	Products	Publications	General Secretary	2
300	Conferences	Annual Conference	General Secretary	2
301	Conferences	Research Conference	General Secretary	2
302	Conferences	e-Conference	General Secretary	2
400	Communication	Website Development	General Secretary	2
401	Communication	Website Maintenance	General Secretary	2
402	Communication	Website Management	General Secretary	2
403	Communication	Marketing	VP Marketing	5
404	Communication	Newsletter (general)	General Secretary	2
500	Products	Standards	VP Standards	4
501		Regulatory	VP Regulatory Affairs	7
502		Research	VP Research	6
600	Organisation	Miscellaneous	General Secretary	2
Over all		EMCC	Treasurer	3
Balance		Reserves	Treasurer	3

Budget information procedures to be followed:

1. In 1st week of each month the treasurer receives the P&L accounts overview of the EMCC budget and all departments for the current year up to preceding month (to discuss with bookkeeping)
2. At the beginning of each 2nd month after the end of each quarter all budget holders receive an overview of the expenditure in their budget(s) and of the total EMCC P&L for the current year up to that quarter
3. If necessary a budget holder can ask the bookkeeper (Irena) for up-to-date information on spending and/or income from her/his department
4. Each September all budget holders need to make their proposals / requests for their next years budget using the budget overview; the treasurer will use these as input for his budget proposal for next year
5. According to the EMCC terms for employment of services invoices and expense claims need to be received within a month after the month the invoice or declaration applies to; as a consequence of this policy the EMCC accounts will be closed at the end of February; invoices or expense claims received after March 1st will not be part of the accounts for the preceding year
6. The accounts for each year are presented for approval at the June Council of each year.

11. Appendix 4

EMCC expense claim form