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## **LYMEC**

### **Financial Protocol**

**As adopted by the Spring Congress 2023 in Budapest**

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## 1. Status, implementation and amendments

### 1.1. Status

This document, the "**Financial Protocol**" (hereby also referred to as 'Protocol'), details aspects of financial accountability for European Liberal Youth (LYMEC). This protocol serves to expand the financial regulations as stated in the Statutes.

The finances of LYMEC are first and foremost subject to the Statutes of LYMEC. Thus, should a statement in this Protocol be found to be contradictory to a statement in the Statutes, the statement in the Statutes shall apply. Furthermore, the statement in this Protocol should be considered null and void.

### 1.2. Implementation

The Financial Protocol entered into force by simple majority by LYMEC Congress in May 2023. It replaced the following document: "Financial protocol of 2022".

### 1.3. Amendments and withdrawal

The Financial Protocol can only be amended or withdrawn by a **simple majority of LYMEC Congress**.

A proposal to amend or withdraw the Financial Protocol must meet the following conditions:

1. the proposal must be received by the Secretariat at least four (4) weeks before Congress;
2. the proposal must be done either:
  - a. the Bureau;
  - b. a full member organisation;
  - c. an individual member.

**Exception:** spelling, grammar and references

The Bureau may correct errors in spelling, grammar or references to other documents in the Financial Protocol without approval of Congress. The Bureau must report any such corrections to the Congress by including such paragraphs in the financial report. (see 2. Budget and reporting). The Congress can reject the corrections by simple majority.

## **2. Budget and reporting**

### **2.1. Budget**

The annual budget must be approved by Autumn Congress, as stipulated in Article 29 of the Statutes. The Bureau has to send the proposed budget to Congress before the deadline stipulated in the Congress Rules.

After the adoption of the annual budget, the budget can only be amended either by the Congress or the Bureau. The annual budget can be amended should sums applied for in the Budget are reduced or increased by funding organisations due to changed circumstances or there are further opportunities to expanded funding and activities, in line with planned events and the detected needs of LYMEC during statutory events. The Bureau has to inform the internal auditors of the changed circumstances.

Overspending on any budget line must be reported by the Treasurer to the bureau as well as the internal auditors. The overspending must also be commented on and explained in writing by the Treasurer in the yearly financial report as well as in the Interim Financial Report. If overspending on one budget line is not compensated by underspending on another line, the Treasurer must propose a new budget at the first Congress after the overspending took place.

A proposal to amend the budget must meet the following conditions:

1. the proposal must be received by the Secretariat at least four (4) weeks before the Congress (if circumstances allow for changes to be presented in time for Congress), otherwise the Bureau will decide on the matter;
2. the proposal must be received by the internal auditors well ahead of changes taking force;
3. the proposal must be done by either:
  - a. the Bureau;
  - b. a full member organisation;
  - c. an individual member.

### **2.2. Reporting to congress**

As stipulated in Article 29 of the Statutes, the Treasurer must present an Annual Financial Report to the Spring Congress. In addition to the statutory obligation to present an Annual Financial Report, the Treasurer should also present an "Interim Financial Report" to Autumn Congress.

Before the Treasurer submits the Budget and/or the Financial Report to Congress, the Bureau must approve those documents.

The deadline for submitting the Interim Financial Report to Congress is the same as the deadline for sending the Annual Financial Report to Congress, as stipulated in the Congress Rules.

### **2.3. Annual Financial Report**

The Annual Financial Report must at least include the following information:

1. a written statement on the states of LYMEC finances in general;
2. a written statement on LYMEC fundraising activities and their results;
3. a profit and loss statement, including:
  - a. A comparison to the budgeted profit and loss statement;
  - b. A written statement explaining overspending or underspending on any budget line, if the overspending or underspending amounts to more than 5% of the budgeted amount;
4. a balance sheet as of 31 December of the financial year the Financial Report covers, compared to a balance sheet of 31 December of the previous financial year;
5. an overview of the membership fees that were invoiced, that were paid and that remain outstanding as of 31 December of the financial year the Financial Report covers;
6. a list of member organisations that are in debt towards LYMEC as of 31 December of the financial year the Financial Report covers, including a short note on the efforts the Bureau has taken to contact the organisation and settle the debt;
7. the total number of individual members and the amount of individual membership fees received;
8. a statement on extraordinary refund decisions as stated in Section 4. Operational Financial Decisions, should any such refunds have been granted.

### **2.4. Interim Financial Report**

The Interim Financial Report does not have a pre-determined reporting date. The reporting date, for example 31 July, will be determined by the Treasurer in preparation of the interim internal audit.

The Interim Financial Report must at least include the following information:

1. a written statement on the states of LYMEC finances in general;
2. a written statement on LYMEC fundraising activities and their results;
3. a profit and loss statement from 1 January (start of the financial year) up to the reporting date, including a comparison to the budgeted profit and loss statement;
4. a balance sheet as of the reporting date of the financial year the Interim Financial Report covers, compared to a balance sheet of 31 December of the previous financial year;
5. an overview of the membership fees that were invoiced, that were paid and that remain outstanding as of the reporting date of the financial year the Interim Financial Report covers;

6. a list of member organisations that are in debt towards LYMEC as of the reporting date of the financial year the Interim Financial Report covers, including a short note on the efforts the Bureau has taken to contact the organisation and settle the debt; and
7. a statement on extraordinary refund decisions as stated in Section 4. Operational financial decisions, should any such refunds have been granted.

## **2.5. Reporting to the Bureau**

At least 24 hours before Bureau meetings, the Treasurer must provide the Bureau with a short financial report. The report must at least include the following information:

1. a brief written statement on extraordinary transactions since the previous report;
2. a profit and loss statement from 1 January up to the reporting date, including a comparison to the budgeted profit and loss statement;
3. a balance sheet as of the reporting date, compared to a balance sheet of 31 December (only ahead of Congress);
4. a fundraising and partnership report to the reporting date.

The internal auditors receive a copy of the quarterly financial report that was presented during the latest Bureau meeting. The Treasurer, on behalf of the Bureau, must send the copy to the internal auditors within one (1) week.

## **2.6. Reporting to the internal auditors**

The Treasurer is responsible for providing internal auditors login data to view the accounts on the bookkeeping system. By providing the login details, the internal auditors can access and assess the finances of LYMEC at any time.

The internal auditors can submit a question about any transaction in the bookkeeping system at all times. The Bureau must respond to the question within one (1) week or postpone the discussion to the next audit. The Bureau may decline to answer the question in case the transaction took place more than twelve (12) months ago.

The Bureau has to comment on the recommendations given in the internal audit report to the Congress (preferably by the Treasurer). The Bureau also has to submit all and any information requested by the internal auditors, including, explicitly, all financial transactions, documents, receipts, and contracts present within the organisation.

## **2.7. Membership fees**

As stipulated in Article 10 of Statutes, the yearly membership fees to be paid by full member organisations and associate member organisations are decided by the Autumn Congress by a two-thirds ( $\frac{2}{3}$ ) majority of those present and voting.

The principles of issuing membership fees to new associate member organisations and to organisations which change their membership status from associate members to full member organisations are detailed in Annex 1 of the Financial Protocol.



### **3. Bookkeeping**

The day-to-day bookkeeping is primarily managed by the Secretary General (hereby also referred to as 'SG').

#### **3.1. Bookkeeping type**

LYMEC uses the accrual method of bookkeeping, meaning:

1. revenues are reported on the profit and loss statement when they are earned (not when they are received);
2. expenses are reported on the profit and loss statement when they are incurred (not when they are paid).

#### **3.2. Day-to-day bookkeeping**

Taking into account LYMEC uses the accrual method for bookkeeping, there are two main day-to-day bookkeeping tasks:

1. booking invoices and bills (receipts) in the bookkeeping system;
2. linking payments to invoices and bills in the bookkeeping system (also referred to as reconciliation).

The day-to-day bookkeeping is managed by the SG under the supervision of the Treasurer. The SG can transfer the assigned task to an employee of LYMEC. Such transfer or assignment of tasks must first be approved by the Bureau. All activities carried out by a LYMEC employee are executed under the responsibility of the SG. In instances, where the SG delegates the activities to a LYMEC employee, the tasks may not include carrying out payments, but may include making other bookkeeping-related transactions.

Upon an agreement between the Treasurer and the SG, the Treasurer may also carry out day-to-day bookkeeping, should there be such need.

#### **3.3. The signing of bills and statements**

In general, the daily financial management is carried out by the LYMEC Secretariat (namely the SG). The Treasurer is to receive reports on financial management at least on a weekly basis. The Treasurer is required to approve all bank statements and credit card statements together with the SG.

The purpose of the approval is to confirm that:

1. the approving person has seen the documents which form the basis of the transactions, and;
2. they agree with the listed transactions.

Should there be any reason why one of them does not approve either of the above listed statements, this must be reported to the Bureau as well as to the internal auditors.

The approvals on the statements (or any other such documents) do not have to be given in a physical format. The approvals should be carried out in a format which can later be reproduced and verified (for example, by email).

### **3.4. Accounts, cards, cash and banking**

The SG, Treasurer and President jointly hold access rights to LYMEC bank accounts (online banking service). LYMEC debit and credit cards are issued in the name of the SG, Treasurer and President. They all hold the right to carry out card payments, taking note of their applicable spending limits as set out in this Protocol under Section 4.1. Spending Regulations.

The cards can also be used by Bureau Members or the LYMEC Secretariat for bookings and certain remote payments, given that the Treasurer has given explicit permission to do so. The SG or the Treasurer can also use their cards for cash withdrawals, when necessary, or for specific on-the-spot payments.

The SG and the Treasurer are jointly responsible for any missing cash from the LYMEC cash box.

### **3.5. Current and Fixed Assets**

In order to determine whether an asset should be added as a Fixed Asset to the balance sheet, the net purchase price must be taken into account. If the net purchase price of an asset is less than one thousand (1000) euros, the asset should be added under running costs, under a related cost line.

In extraordinary cases, assets with net purchase price less than one thousand (1000) euros can be added under Fixed Assets upon the determination of the Treasurer and silent approval of the Bureau.

## **4. Operational financial decisions**

The Bureau is in charge of making operational financial decisions. As such, the Bureau is collectively responsible for the state of finances of LYMEC. The Bureau must follow the regulations as set out in this Protocol.

### **4.1. Spending regulations**

In general, only the SG, Treasurer and the President are allowed to use debit and credit cards issued under LYMEC. Should there be such a need, cards can also be used by other Bureau Members and LYMEC employees, given there is approval from the Bureau.

The SG is authorised to decide on the approval of expenditures of up to five hundred (500) euros, which is extraordinary to the budget or by the Bureau determined spending.

Any expenditure, or sum of expenditures that are reasonably related, exceeding the amount of five hundred (500) euros needs explicit approval of the Treasurer. The approval has to be issued in a format which can later be reproduced.

Any expenditure, or sum of expenditures that are reasonably related, exceeding the amount of thousand (1000) euros needs silent approval of the Bureau.

### **4.2. Periodical expenditure**

Any contract that binds LYMEC to periodical expenditure, needs silent approval of the Bureau.

### **4.3. Event budgets**

The Treasurer is responsible for drafting budgets for individual LYMEC events. Event budgets need silent approval of the Bureau.

The following is an example of expenses covered by LYMEC for events:

- Location for meeting
- Accommodation for the duration of the event
- Meals and coffee breaks during the event
- Office supplies
- Informational material
- Speakers' expenses and gifts for speakers and organisers
- Some form of social gathering, when needed

### **4.3.1. Travel refunds for participants**

For certain events, a refund can be given to participants. The amount of this refund is pre-determined for each event and can differ between separate events. Generally, a percentage of the total travel expenses can be refunded, with a pre-determined maximum amount. The total amount for refunds and maximum refund per participant needs silent approval from the Bureau.

In order to be eligible for a refund, the conditions in the overall event guidelines apply. Should a participant wish to apply for a travel refund, a reasoned request must be submitted. The request has to be submitted before the deadline, taking note of instructions and guidelines set in the call or directly communicated by the Secretariat.

### **4.3.2. Ineligible costs**

In general, the following expenses are not covered by LYMEC:

1. Alcoholic drinks
  - Expect for specific celebrations as determined before the event and cleared by the Treasurer. For costs related to the consumption of alcoholic drinks, as covered by LYMEC, a principle of 'two drinks per participant' applies. LYMEC is not to cover costs for spirits or any pure alcohol (including cocktails).
2. Taxis
  - Expect in cases where the use of a taxi is cheaper than public transport; it is used for transport of goods or whereby the use of public transport is impossible or unreasonably time-consuming.

All use of taxis must be cleared with the Treasurer. Should the cost incur during late evenings, during the night or early mornings, the Treasurer must be informed of the cost at the earliest possible convenience.

### **4.4. Participation fees**

The Bureau can decide to charge participation fees to cover for organisational costs of Congresses and other events. Members of the Bureau are excluded from paying the participation fee. The Bureau may exclude other officials from paying the participation fee.

The Bureau decides on the amount that is charged for participation and/or accommodation. The Bureau can decide to offer several arrangements, e.g. for hotel accommodation or meals.

In individual cases, the Treasurer may decide to reduce a participation fee of a Congress by up to 50%. The decision must have silent approval from the Bureau. The individual who wishes to apply for a reduced fee, must motivate their request while registering for Congress. Should the Treasurer and/or the Bureau decline the individual's request, the

individual can cancel their Congress registration within seventy-two (72) hours after being informed of the refusal. In this case, the individual is not charged a cancellation fee.

#### **4.5. Cancellation fees**

A participant of a LYMEC event can cancel participation free-of-charge if the cancellation is received by the Secretariat at least three (3) weeks prior to the event.

If a participant cancels participation within three (3) weeks before the starting date of the event, the participant will be charged a cancellation fee of:

- 50 euros, if participation is cancelled between two (2) and three (3) weeks prior to the start of the event;
- 75 euros, if participation is cancelled between two (2) weeks and forty-eight (48) hours prior to the start of the event.

Cancellation within 48 hours prior to the event is considered a no-show.

A cancellation fee may also be applied to events for which no participation fees were charged. If a participation fee was charged for the event, the cancellation fee is applied instead of the participation fee.

All rules governing the issuance of cancellation fees are to be detailed in official communication related to the event. In extraordinary individual cases, the Bureau may remit cancellation fees upon a proposal from the Treasurer and the SG. In general, cancellation fees may be remitted should there be force majeure or other significant personal circumstances present.

#### **4.6. No-show fees**

If a participant of an event cancels within forty-eight (48) hours prior to the event or does not show up at the event, the participant will be charged a no-show fee.

If a participation fee was charged for the event, a no-show fee of 50 euros will be charged on top of the participation fee.

If no participation fees were charged for the event, a no-show fee of 100 euros will be charged.

All rules governing the issuance of cancellation fees are to be detailed in official communication related to the event. In extraordinary individual cases, the Bureau may remit no-show fees upon a proposal from the Treasurer and the SG. In general, no-show fees may be remitted should there be force majeure or other significant personal circumstances present.

## **5. Internal and external auditors**

The internal auditors and substitute internal auditors are elected by the Congress every two years, as stated in the Statutes. The external auditor is a professional accountant (or as determined by Belgian legislation), which is appointed by Congress every three years. (as per Article 29 of the Statutes).

### **5.1. Date of internal audits**

The internal auditors meet at least once a year at the headquarters of LYMEC in order to conduct an internal audit. Should the internal auditors wish to do so, the interim internal audit may be conducted online. The internal audit for the year before is conducted ahead of the Spring Congress and preferably takes place in January, February or March. The interim internal audit is conducted ahead of the Autumn Congress and preferably takes place in July, August or September.

The date of each internal audit is proposed by the SG, Treasurer or the Bureau to both of the internal auditors. If one of the internal auditors is unavailable on the proposed date, the Treasurer may request a substitute internal auditor to conduct the internal audit.

If a date for the audit has been set, but one of the internal auditors is no longer available and/or cannot connect online to the physical audit process, the internal audit must be postponed unless one of the substitute auditors can replace the internal auditor who is unavailable.

### **5.2. Extraordinary internal audit**

Both the Bureau and the internal auditors can demand an extraordinary internal audit.

If the Bureau demands an extraordinary internal audit, the date of the audit will be proposed by the SG, Treasurer or the Bureau.

If the internal auditors unanimously agree upon the demand for an extraordinary internal audit, the Treasurer or the Bureau must reply within one week. The Bureau must propose a date that is no later than six (6) weeks after the day the auditors made the demand for an extraordinary internal audit.

### **5.3. The internal audit**

During an internal audit, the internal auditors shall scrutinise and discuss the finances and organisational management of LYMEC. The internal auditors shall also inspect whether this Financial Protocol has been adequately followed. The bureau must submit all information requested by the auditors.

Information requested includes, but is not limited to: all financial transactions, documents, receipts, and contracts present within the organisation. Internal auditors are encouraged to (but not obliged to) also draft a 2-year audit plan detailing aspects of the organisation they are interested in auditing. The Bureau and the SG are also encouraged to submit organisational topics to the internal auditors which could be additionally audited.

After every internal audit, the internal auditors file a report to Congress on their findings and recommendations. The Treasurer must respond to the recommendations of the internal auditors during the Congress.

#### **5.4. Accountability of the internal auditors**

The internal auditors are responsible for their own functioning. They are not accountable to the Bureau. The internal auditors are only accountable to the Congress.

#### **5.5. The external auditor**

The external auditor is appointed by the Congress for three years. The Bureau proposes an external auditor at least eight weeks before Congress. The annual financial report shall be sent to the external auditor before 1 March of the following year.

The external audit shall take place every year on a date or dates on which both the SG and Treasurer are present at the LYMEC headquarters. If either the position of the SG or the Treasurer is vacant on the date of the external audit, the Bureau shall appoint a replacement.

The report of the external auditor will be shared with the Bureau and the internal auditors.

## **6. Travel and other expenses of Bureau, auditors and other officials**

### **6.1. Secretariat proposal**

In principle, the SG and/or Treasurer book flights, trains, hotels etc for LYMEC Bureau members, internal auditors, staff and other LYMEC officials who travel for LYMEC officials who travel for LYMEC purposes. Other LYMEC officials include, but are not limited to, Congress chairs and trainers for events.

The Secretariat proposes the best travel or hotel option to the official who attends a meeting or event for LYMEC purposes. The best travel or hotel option is not solely determined by the price, but also by logistics (e.g. short connection times at airports). The proposal from the Secretariat can also include accommodation for an overnight layover during the proposed travel.

### **6.2. Official's response**

The official must respond to the travel proposal within seventy-two (72) hours either by:

1. Approving the proposal; or by
2. Proposing a different travel option. If the proposal of the official is less than ten per cent (10%) more expensive than the original proposal, the Secretariat shall book the travel. If the proposal of the official is more than ten per cent (10%) more expensive than the original proposal, the official must pay the difference. The Secretariat will book the flight and send an invoice to the official.

If the official has approved the proposed travel option within seventy-two (72) hours, but the price of the travel option has increased by more than ten per cent (10%), the Secretariat may propose a different option to the official.

If the official approves the travel option after seventy-two (72) hours, the following applied:

1. If the price of the proposed travel option has not increased by more than ten per cent (10%), the Secretariat will book the proposed travel option.
2. If the price of the proposed travel has increased by more than ten per cent (10%), the official can propose a different option (as stated above) or the official must pay the difference, unless the Bureau decides otherwise.

### **6.3. Expense claims**

Any LYMEC official who has made expenses for LYMEC purposes can submit an expense claim.

The Treasurer shall design a Refund Form which members of the Bureau, the internal auditors and other LYMEC officials use to submit their expense claims.



The Treasurer can also provide the claimant with login details to the LYMEC bookkeeping system in order to submit an electronic expense claim.

Expense claims will only be considered for approval if fully received by the SG or Treasurer within:

1. eight weeks after the final date of the event to which the expense is related to, or;
2. eight weeks after the date of the expense, if the expense is not attached to a separate event.

Expense claims will only be considered as “fully received”, if:

1. the refund form has been submitted fully and correctly;
2. relevant electronic receipts and/or tickets have been received by e-mail or uploaded with the electronic expense claim;
3. relevant, original paper receipts and/or tickets have been received by the Secretariat.

### **6.3.1. Approval of expense claims**

Expense claims shall be considered for approval by the SG or Treasurer within four weeks, unless one of them is the claimant.

If the expense claim was submitted by the SG, the Treasurer shall consider the expense claim for approval. If the expense claim was submitted by the Treasurer, the SG shall consider the expense claim for approval.

### 6.3.2. Valid and invalid travel expense claims

The following table shows which travel expenses can and cannot be claimed and what proof the claimant should send to the Secretariat. In all cases, the claimant must show that the travel was done for LYMEC purposes and that the travel was the best travel option.

Means of travel	Amount eligible	Proof needed
Train (second or lower class)	Full amount	1. Original ticket
Train (first class)	Amount up to the price of a second class ticket	1. Original ticket 2. Proof of the price of a second class ticket
Car	1. 0.30€ per kilometre 2. Parking costs related to the travel	1. Calculation from Google Maps or comparable website showing the distance travelled 2. Parking receipts
Airplane (economy class)	Full amount	1. Booking confirmation 2. Boarding passes
Metro, bus, tram and ferry	Full amount	1. Original ticket
Taxi	Full amount (only if public transport was not a reasonable option)	1. Original receipt

The following travel expenses are examples of expenses that cannot be claimed:

1. Airline luggage fee expenses, unless the claimant can show that it was necessary for LYMEC purposes to store luggage in the aircraft hold;
2. Hotel rooms, unless the expenses were approved by the SG or the Treasurer before booking;
3. Business class flight tickets.

### 6.3.3. Telecommunications expense claims for members of the Bureau

When needed, members of the Bureau can submit an expense claim for telecommunication expenses. LYMEC can only cover telecommunication expenses should they be related to Bureau Members having to buy additional or extraordinary internet, phone or other telecommunication packages, which is not covered by their standard personal offer. All such requests must be approved by the Treasurer or by the rest of the Bureau beforehand.

#### **6.3.4. Telecommunications expense claim for the Secretary General**

Every month, the SG can submit an expense claim for telecommunications expenses. The SG can claim a reimbursement of maximum twenty-five (25) euros per month, if:

1. the SG is in the office on the first day of the month for the month that the claim is made;
2. the SG has sent an electronic copy of the phone bill to the Treasurer.

#### **6.3.5. Other expense claims**

The bureau can decide to allow other expense claims in individual cases. These extraordinary expense claims must be reported to the internal auditors within one (1) week. These expense claims can, for example, include insurance or health-related expense claims from officials. Expense claims granted to LYMEC employees as part of their employment bonus scheme shall not be considered as extraordinary expense claims.

## **7. Bad debt management**

LYMEC sends invoices to both individuals and organisations. At times, the debt is never settled. This is called 'bad debt'. Guidelines and rules governing LYMEC debt management are detailed in this chapter.

### **7.1. Invoice reminders**

After sending an invoice, the Treasurer is responsible for reminding the debtor of their financial obligations. The Treasurer will remind the debtor at least three times in the first six months after the original invoice due date. Taking into account member organisations which are in debt for their Member Organisation fees towards LYMEC are unable to vote during Congresses, the Treasurer and the SG are to remind such member organisations of their debt and the subsequent consequences.

### **7.2. Allowance for doubtful accounts**

If an invoice has been unpaid for more than six months, the amount of the invoice shall be added to the "allowance for doubtful accounts". The purpose of this measure is to cover the risk of LYMEC not receiving the funds to settle the debt. The allocation of the debt to the allowance account does not clear the debtor of their financial obligations. The amount owed continues to be visible on the balance sheet and the list of Aged Receivables and the Treasurer will continue to try to collect the amount outstanding.

### **7.3. Debt write off**

If the invoice is still unpaid after three (3) years, the invoice shall be written off through the allowance for doubtful accounts. The debt write off needs the approval of the Congress. The amount will no longer be visible on the balance sheet nor under Aged Receivables.

The Bureau has the right to propose to write off an invoice earlier, if:

1. The invoice in total is lower than one hundred (100) euros, or;
2. There is no contact with the debtor and the invoice is unlikely to be settled.

The write-off must always occur through the allowance for doubtful accounts so that the internal auditors can scrutinise the write offs.

### **7.4. Debt reduction**

The payment plan (as mentioned in Article 18 of the Statutes) may also involve debt reduction. Debt reduction must be approved by the Congress.

### **7.5. Suspension of member organisations**

If an invoice regarding the membership fee of a member organisation is unpaid for at least two (2) consecutive years, the Congress can suspend the organisation. Suspension means:

1. the organisation will not be invoiced the following year's membership fee;
2. representatives of the organisation cannot participate in LYMEC events other than the Congress;
3. The Bureau will do its utmost best to restore relations with the organisation and encourage the organisation to either pay the outstanding amount or to request a payment arrangement (as stipulated in Article 18 of the Statutes).

#### **7.6. Disaffiliation of member organisations**

The Bureau will propose to disaffiliate a suspended member organisation at the Congress following suspension, unless the suspended organisation has:

1. requested a payment plan, or;
2. has paid off their debts.

The Congress can either approve the disaffiliation or postpone the decision to the next Congress. The next Congress can only approve of the disaffiliation, unless the suspended organisation has:

1. requested a payment plan, or;
2. paid off their debts.

## **Annex 1. Issuance of membership fees for new associate Member organisations and member organisations that change membership status**

New Member Organisations joining LYMEC at the Spring Congress will pay a full year's fee for Associate Member Organisations minus the fee for months of the year before the Spring Congress.

Below are examples of the billing process for a Membership fee of 205 euros Associate Members:

When the Associate Member is accepted during the Spring Congress taking place in April, it means for an Associate Member a fee of 205 euros minus three months ( $(205 \text{ euros}/12) \times 9 \text{ months} = 153,75 \text{ euros}$ ).

When the Associate Member is accepted during the Autumn Congress, taking place in November, this would mean 205 euros minus nine months ( $(175 \text{ euros}/12) \times 3 \text{ months} = 51,25 \text{ euros}$ ).

Organisations that change membership status from Associate Member Organisation to Full Member Organisation would not be obliged to pay the fee for the Full Organisations during the initial year of Full Membership if changing status during the Autumn Congress.

However, if the changing of status takes place during the Spring Congress, the organisation would be obliged to pay an additional 25 euros (making up the base fee for Full Member Organisations) plus 0,06 euros per own member (as are obligated Full Member Organisations).

Organisations applying for a membership fee reduction for the present year (for example, during the Spring Congress), are asked to pay the sum they are asked the membership fee to be reduced to before the opening of congress in order to have speaking and voting rights at the Congress.

Should the reduction be approved by the Congress, no further membership fees are to be paid that year. In case the reduction is not approved by Congress, the member organisation will pay the outstanding sum of the total membership fee after the congress or before the next congress or end of the financial year.