



PAYMENT PROCEDURES

1. INTRODUCTION

This document has the goal to express the expenditure and payment policies applicable to the whole ITU. Based on what it has being approved by Congress, reflected in the ITU Constitution and by the Executive Board of the ITU.

This policy is based in the principles of control, transparency and good governance.

2. ITU CONSTITUTION

ITU Constitution approved in London 2012, established the following in this regard:

- a) Article 14.6: in relation to Congress powers: Adopts the budget for the following year and votes on the acceptance of the financial statements of the previous fiscal year after the approval of the Audit Constitution.
- b) Article 15.5 Powers of the Table Officers in this regard:
 - (i) Decide routine matters in between Executive Board meetings.
 - (ii) Decide matters referred to it by Congress.
 - (iii) Assist the President and the Secretary General in daily matters
 - (iv) Approve amendments of to the budget for the current year. These changes may not increase or reduce the budget by more than 20% of the budget approved by Congress
- c) Article 16.1 Roles and duties of President, as the highest Officer of ITU:
 - (i) Organise and is responsible for the ITU offices and of the all ITU management
 - (ii) Ensures the implementation of all decisions taken by the Congress, Table Officers and Executive Board.
 - (iii) Negotiates or oversees the negotiation of all major contracts on behalf of the ITU in consultation with the appropriate members of the Executive Board and/or any other relevant persons.
 - (iv) Supervises the activities of the Secretary General and Vice-Presidents.
- d) Article 16.2, regarding the Vice President with financial roles, has the following roles and responsibilities:
 - (i) Assists and advises the President and Secretary General in the development of ITU's financial affairs.
 - (ii) Assists the President and Secretary General in investing the funds of ITU, having consulted various financial experts.

- (iii) Submits a report to Congress regarding the financial affairs of ITU.
- (iv) Assists the President and the Secretary General in the preparation of the annual budget.
- e) Article 16.3, regarding roles and duties of the Secretary General:
 - (i) Assists in the Administration of ITU's finances, with the collaboration of the Vice-President responsible for financial affairs.
- f) Article 18.5: In regard to the Executive Board:
 - (i) Delegates the President and Secretary General to handle routine business.
 - (ii) Approve Amendments of the budget for the current year. These changes may not increase or reduce the budget by more than 20% of the budget approved by Congress.

3. EXPENDITURE PROCEDURE

Approval of Budget.

- a) ITU President asked the Secretary General and Financial Vice-President for the preparation of the ITU Budget for the following year.
- b) Secretary General and Financial Vice-President review the budget and proposed changes to it, 15 days prior to Congress.
- c) Director General and Senior Manager for Finance adapt the budget according to the indications from Secretary General and Financial Vice-President and sent it back to them.
- d) Secretary General and Financial Vice-President submit the budget to the President.
- e) President review the Budget and proposed changes before it is ready for presentation to the Executive Board.
- f) Executive Board discuss the Budget presented and could propose changes to it, before they approve it.
- g) Budget proposal will be circulated to all ITU Members 30 days prior to Congress.
- h) Budget is presented to Congress for approval.

Change of Budget.

- a) Change over 20% of the Budget.
Only Congress could approve a modification over 20% of the expenses of the budget.
- b) Change below 20% of Budget
 - Any department will present to Director General a request for increase on the budget. Director General and Senior Manager for Finance will discuss with the Head of the Department.
 - Director General will made a proposal to Secretary General and Financial Vice-President.
 - Secretary General and Vice-President with Financial roles will present this proposal to the Executive Board.
 - Executive Board to discuss and approve or not the proposed changed to the budget.

4. PAYMENT PROCEDURE

GENERAL RULES

- a) The Head of each Department could propose only expenses included in the Budget to pay.
- b) For an expense approved by the EB at least two proposal of services companies should be presented.
- c) For travel expenses including flight, accommodation and meals, a different staff to the one who will approve should do the booking. Head of Department approves the amount of the payment.
- d) Payments below 300 USD could be approved by the staff responsible of the petit cashes or the holder of credit cards, if this expenses are within the budget.
- e) Payments over 300 USD request the approval of two authorised persons.
- f) Payments over 25,000 USD required the approval of the Secretary General and Financial Vice-President, with the exemption of the Prize money amounts that will follow point f).

PAYMENTS OF DEVELOPMENT FUNDS TO ITU CONTINENTAL CONFEDERATIONS

- a) Payments to any Continental Confederations should be done according to the agreement signed between each Continental Confederation and ITU, these agreements will follow the budget approved by the ITU.
- b) Once the agreement is signed, ITU, at the beginning of the year, will transfer one quarter of the total amount to the Continental Confederation, to the account the Continental Confederation will provide.
- c) Further payments will be done according to the justifications provided by the Continental Confederation, in accordance to the projects included in the agreements. This will require the approval of:
 - a. ITU Senior Manager of development,
 - b. ITU Senior Manager of Finance
- d) ITU could do direct payments to providers of the Continental Confederations upon request of the Continental Confederation. In this case the procedure established in letter c) of this paragraph will be applied.
- e) Exceptional advance payments could be done with the approval of the Financial Vice President and the Director General, upon request of the Continental Confederation and a report from the ITU Senior Manager for Development is required.

PETTY CASH

- f) In every ITU office will be a petit cash.
- g) A staff Member allocated to that office will be responsible for the Petit Cash.
- h) Every payment from the petit cash required a receipt or ticket.
- i) Payments over 300 USD required the approval of the Director General.
- j) Every month the petit cash records should be closed, conceal and send to the Senior Manager of Finance.
- k) The petit cash flow will not exceed 1,000 USD per office.
- l) During the month of January, the responsible for the Petit Cash will present the conciliation of the previous year. The Senior Manager should approve any discrepancy for Finance if it is not over 200 USD. If it is over 200 USD should require the approval of the Director General with a maximum of 300 USD. Discrepancies over 400 USD will not be accepted.

BANK PAYMENTS

- a) For all ITU bank accounts any payment will required the signature of two persons from the above:
 - a. President
 - b. Secretary General
 - c. Director General
 - d. Senior Manager for Finance
 - e. Director of Sport
 - f. Senior Manager for results
 - g. Antidoping Director
- b) All staff with payment responsibilities they understand the responsibility they have.
- c) The Actual distribution of payment responsibilities are:
 - a. In Lausanne: President, Director General and Sport Director.
 - b. In Vancouver: Secretary General, Director General, Senior Manager for Finance and Antidoping Director.
 - c. In Madrid: President and Senior Manager for results

EXPENSES REPORTS

- a) Executive Board Expenses, including the President. To be approved by Secretary General and Financial Vice- President.
- b) Staff members, by each Head of department.
- c) ITU staff Directors and other Head of Departments by the Director General.
- d) Directors General by the Secretary General.
- e) Secretary General by the 1st Vice-president and the Financial Vice-president.