

# International Engineering Alliance

## The Use of IEA Discretionary Funds

### 1. Background

The IEA may acquire from application fees and other sources, revenue which is not allocated to specific activities. Such discretionary funds are placed in a separate account by the Secretariat. The amount of money available is not large (currently NZD 16,881).

At present there are no guidelines or procedures for the expenditure of these funds.

### 2. Purpose of this Paper

A draft suggested policy developed by the governing group for the expenditure of these funds is attached.

### 3. Recommendation

**That the IEA members agree on the policy for expenditure of IEA discretionary funds**

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# **International Engineering Alliance**

## **Policy for Expenditure of Discretionary Funds**

### **1. Background**

The IEA may acquire from application fees and other sources, revenue which is not allocated to specific activities. Such discretionary funds are placed in a separate account by the Secretariat and may be spent as authorised by the Governing Group from time to time. These funds are likely to be limited and thus care needs to be exercised in their use.

### **2. Purpose of the Policy**

The purpose of this policy is to establish the criteria and procedures for the expenditure of discretionary funds held by the IEA.

### **3. Principles**

The principles to be used in deciding whether to authorise the expenditure of the discretionary funds shall include:

1. The purpose or event for which the funds are to be used shall, if possible, benefit all the accords and agreements (e.g. appearance at events which promote the IEA message to a significantly wide and influential audience)
2. If the funds are to be used by a specific accord or agreement the purpose shall be such that the results are likely to have a fundamental effect on other accords or agreements (e.g. working party activity with another major international group)
3. The event or purpose could influence a wide range of people or organisations to positively benefit the IEA members ( e.g. large scale events)
4. That in spite of every effort funds are not available from other sources i.e. discretionary funds should only be used after other avenues of funding have explored and are not available or insufficient.

### **4. Application**

Application to expend any of the funds should be made initially to the Secretariat and should as a minimum contain:

- An explanation of the purpose of the expenditure
- An assessment of the likely positive effect for the IEA
- A total proposed budget showing all anticipated costs and all proposed sources of funding, including external funding if available.
- When the funds are proposed to be expended

### **5. Authorisation**

Expenditure of the funds shall be authorised by the Chair and Deputy Chair of the IEA Governing Group. If either of those has to stand down in this matter e.g. for a conflict of interest, they shall be replaced by a nominated chair of the accords or agreements.

Where possible the views of the chairs of other agreements shall be sought before the decision is made.

Costs will be reimbursed on an actual and reasonable basis (see Section 7).

The purposes and use of funds must comply with the IEA principles, rules and any in country legislation.

## 6. Scope of Expenditure

There is no limit on the purposes for which the funds may be used but because the funds are limited the following rules should apply where possible:

- Travel funded by the IEA should be economy class. See Note 1
- Accommodation funded by the IEA should be modest e.g. 3 star. See Note 1
- Every effort should be made to limit costs to the IEA
- Funds may be used for travel insurance and similar purposes but may not be used for medical treatment, personal repatriation or legal expenses.

Notes

1. This does not prevent upgrading class of travel or accommodation using personal air points or similar privileges

## 7. Accountability and Payment

After the expenditure has been incurred a full accountability shall be provided via the secretariat to the IEA Chair (or nominee) who will, if the expenditure is approved, authorise payment of the funds up to a maximum of the authorised budget.

## 8. Reporting Back

The user of the funds shall report back to the members of the IEA, via the Governing Group, on the results of the purpose for which the funds were expended.