
INTERNAL RULES of EHEDG

Bylaw No. 6

Financials – SOP 1

This document was adopted by the EHEDG Executive Committee on 3rd of June 2016

EHEDG Rules for Reimbursement of Travel Expenses

GENERAL

In case of no own funds for EHEDG meeting participation, an attendee can submit a request for financial support prior to travel (see 'Request for Financial Support of EHEDG Meeting Participation' form, Appendix 1).

Reimbursement is in Euro or as indicated on the 'Claim for Travel Expenses' form (Appendix 2).

All claims for refund of traveling and accommodation expenses incurred on occasion of EHEDG meetings have to be handed in to the EHEDG Secretariat two weeks after return at the latest.

Separate claims have to be handed in by the participant for all individual meetings attended by him/her.

Principally, meeting participants are not paid for their working time spent on EHEDG tasks. They are not refunded for any lost income in their regular work resulting from an EHEDG meeting participation nor are they paid a daily allowance by EHEDG.

1. TRAVELING

All travel costs are refunded on the principle of the most economical overall expenditure.

1.1 Travel by train and/or bus or long distance bus:

The shortest and most economical route by second-class rail or bus between the departure point and the place where the meeting is held must be used.

The cost of seat reservations and transport of necessary luggage, and supplements for fast trains and sleeper (instead of hotel) are eligible expenses.

1.2 Travel by air:

For traveling by air, low cost tickets have to be used. To benefit from the most economical fare, early booking is essential.

Return flight tickets for one-day traveling have to be avoided in case of more favorable flight fares available in combination with an overnight stay. Alternatively, back-to-back tickets should be bought or a more favorable means of transport has to be chosen if appropriate and available.

Where no price is indicated on the ticket, the invoice must be enclosed.

Air tickets exceeding EUR 500 require prior approval by the EHEDG Treasurer.

Local airport transfer should use the most economical means of transport (bus, train or subway vs. *i.e.* taxi).

Airport parking can be reimbursed if economical.

1.3 Travel by private or rented car:

If necessary, the use of a private car can be refunded with 0.30 EUR per km. If necessary, the use of a rental car is permitted.

1.4 Travel Documentation:

For the reimbursement of travel costs, originals or legible photocopies of air/train tickets must be provided with the claim form. They must clearly indicate the amount paid and the full routing.

Copies of all travel documents must be kept by the expert until the payment has been received.

Taxi fares per journey shall only be reimbursed where no reasonable public transport is available.

Costs of health, life and luggage insurance are not reimbursed.

Cancellation insurance will only be reimbursed for non-changeable low cost tickets or similar non-changeable fares.

2. ACCOMMODATION

Reimbursement for room and breakfast will be made on the basis of a reasonable rate and to a maximum of one night before and one after the meeting. If any more nights are requested, the reason for the extended stay (*e.g.* savings on air fare) has to be explained in advance to traveling.

3. MEALS / OTHER EXPENSES

Meals provided by meeting support will not be paid. If at own expense and upon prior request, meals can be reimbursed at a reasonable rate.

Other costs such as telephone calls, internet etc. cannot be reimbursed unless exceptionally agreed in advance provided that they are for the support of EHEDG activities.

APPENDIX 1



Request for Financial Support of EHEDG Meeting Participation

Participants are asked to hand in this application in due time in advance to a meeting (upon confirming their participation) for approval by the EHEDG Treasurer. Please fill in and return the form to the EHEDG Secretariat

To be completed by the participant:

Name(s): (max. 3 persons per organisation/company)	1.	
	2.	
	3.	
Organisation/Company:		
EHEDG Working Group:		
Chairman:		
Next meeting date:		
Estimate costs to be refunded: (according to EHEDG travel reimbursement rules)		

Date / Signature of Applicant: _____

To be completed by the EHEDG Secretariat:

Account:	
Cost Unit:	
Account Denomination:	

To be completed by the EHEDG Treasurer:

Cost assumption granted for:	next Working Group meeting only (application to be renewed for all future meetings)	<input type="checkbox"/>
	all upcoming Working Group meetings (permanent approval valid until finalization of work of the Working Group)	<input type="checkbox"/>
	Not approved (see remarks)	<input type="checkbox"/>
Remarks Treasurer / President:		

Date / Signature of Treasurer: _____

Date / Signature of President: _____

NOTE:

Working Group participants who verifiably do not receive any financial support from their company and participants from universities and institutes without own travelling funds may hereby apply for a reimbursement of their travelling and accommodation expenses to allow them participation in the meetings of above mentioned EHEDG Working Group. The expert should hand in his request for travel expense allowance to the EHEDG Secretariat in due time in advance to a meeting for approval by the EHEDG Treasurer. If approved, the participant is asked to forward to the Secretariat his detailed travel expense report (travel claim form) together with the relevant receipts not later than two weeks after the meeting for reimbursement to the account mentioned. All requests have to be submitted individually in advance to a meeting and approval is given on a case-to-case basis unless otherwise agreed with EHEDG. All requests for travel expense allowance should remain within reasonable limits according to the EHEDG travel reimbursement rules. The Working Group chairman will receive a copy of the completed and approved form.

APPENDIX 2

 CLAIM FOR TRAVEL EXPENSES Please hand in this form not later than 2 weeks after return from a meeting.
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To:
EHEDG Stichting
Dr. Catzlaan 19
1261 CE Blaricum
The Netherlands

In case of questions please contact
 the EHEDG Secretariat:
 Phone: +49 69 6603 1217
 Email: secretariat@ehedg.org

Name of meeting participant:			
Organisation / Company:			
Address, Country:			
Email, Phone:			
EHEDG Subgroup Meeting:			Date:
Other EHEDG Meeting (which):			Date:
Currency:	EUR <input type="checkbox"/>	Other (which):	Exchange Rate:
Bank Details:			
Account Number:			
Name of account holder:			
Bank name:			
Address of Bank, Country:			
SWIFT Code:			
IBAN:			

Please indicate total costs below			
Travel Costs:	All receipts to be attached		Approved by EHEDG
	EUR	Other	
Air fare:			Yes <input type="checkbox"/> No <input type="checkbox"/>
Train:			Yes <input type="checkbox"/> No <input type="checkbox"/>
Bus/Public Transport:			Yes <input type="checkbox"/> No <input type="checkbox"/>
(Rent) Car:			Yes <input type="checkbox"/> No <input type="checkbox"/>
Other:			Yes <input type="checkbox"/> No <input type="checkbox"/>
SUBTOTAL:	0.00	0.00	Yes <input type="checkbox"/> No <input type="checkbox"/>
Accommodation Costs:	All receipts to be attached		Approved by EHEDG
	EUR	Other	
Hotel / B&B / Private:			Yes <input type="checkbox"/> No <input type="checkbox"/>
SUBTOTAL:	0.00	0.00	Yes <input type="checkbox"/> No <input type="checkbox"/>
Other Expenses (specify):	All receipts to be attached		Approved by EHEDG
	EUR	Other	
			Yes <input type="checkbox"/> No <input type="checkbox"/>
SUBTOTAL:	0.00	0.00	Yes <input type="checkbox"/> No <input type="checkbox"/>
TOTAL:	0.00	0.00	Yes <input type="checkbox"/> No <input type="checkbox"/>

Date / Signature of Applicant: _____

Date / Signature by EHEDG: _____

EHEDG Account:		Date of release:	To be completed by accountant
Cost Unit:			
Posting Text:			

INTERNAL RULES of EHEDG

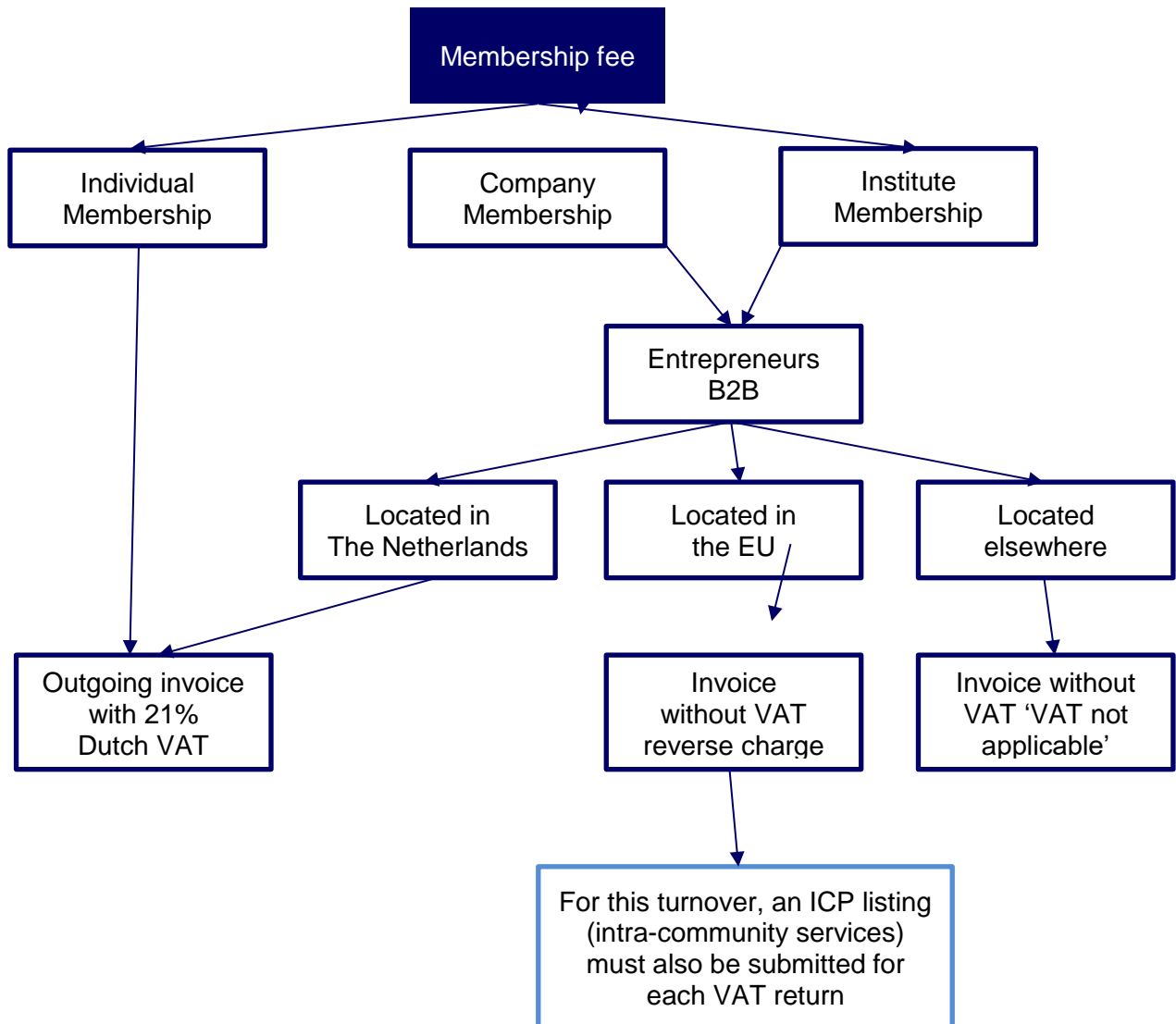
Bylaw No. 6

Financials – SOP 2

This document was adopted by the EHEDG Executive Committee on 7 March 2019

Procedures VAT EHEDG Foundation

- The “Stichting EHEDG” was founded on 18 January 1999 and is located in Blaricum in the Netherlands.
- On 12 July 2018, the Tax Authorities formally confirmed that the EHEDG Foundation is an entrepreneur for the turnover tax in the Netherlands and is also established in the Netherlands.
- The sales tax returns (VAT) must now be submitted electronically to the tax authorities once per quarter. An ICP listing must also be submitted electronically every quarter in which all outgoing invoices have been processed to entrepreneurs (members with a VAT ID number) established in the EU (not being the Netherlands).
- The administration has been outsourced to VDMA in Frankfurt, Germany, on the basis of a service agreement.
- EHEDG only provides services to third parties and no goods for turnover tax (the delivery of brochures / books is also outsourced and EHEDG receives an annual commission).
- All revenues and costs are recorded by VDMA in the administration with a VAT code. At the end of each quarter, VDMA prepares and provides a P & L of that quarter and a VAT statement per VAT code of the same quarter. This VAT set-up ("Summen je Steuerschlüssel") is hereafter referred to as "VAT-key". The P & L and the VAT key must in principle be connected to each other on a quarterly basis. For a declaration of the codes in the VAT key, reference is made to appendix 1.
- At the end of each quarter, the P & L and VAT key will be sent on time to the treasurer of EHEDG (Mr. P. M. Steenaard) who is responsible for submitting the Dutch sales tax declaration. Also included is an Excel file in which all intra-community services are specified per VAT number. The processing of the information, preparation of the declaration and electronic submission of the declaration was outsourced to TW4You (T.A.N. Wijnhof).
- The declarations and the (possible payment) must be received by the tax authorities before the end of each month following the quarter in question!
- According to the VAT rules, the service provision to private individuals (B2C) is performed at the place where the service provider is established. So all invoices to individual members (without VAT number) are charged with Dutch VAT irrespective of the country where the individual is living. For service provision to entrepreneurs (entrepreneurs for VAT with VAT ID - B2B) the service is taxed in the country where the customer is located. Then it does matter whether the customer is located in the Netherlands, the EU or elsewhere in the world. See the diagram below.



An exception to the main rule for B2B applies for providing access to events, seminars etc. These cultural, artistic, scientific, educational and similar activities are taxed at the place where the activities actually take place. This situation is not applicable for EHEDG (for the time being).

- The Individual members without VAT number must be registered separately in the administration because 21% VAT has to be paid. That was also agreed with the Tax Authorities on 12 July 2018 during the investigation.
- The VAT must also be stated on the invoice and processed in the VAT declaration accordingly. All other sales / services are split into three categories: turnover in the Netherlands, turnover within the EU and turnover outside the EU.
- The cost invoices (incoming) are in principle divided into the same three categories. In addition, there are also costs that are not charged with VAT. See appendix I 'VAT-key' for this distribution.
- The cost invoices of suppliers / service providers from within the EU (not being the Netherlands) must also be included in the sales tax declaration under point 4b. This in order to be able to connect internationally with the ICP listing between the EU member states.
- At year-end, a connection will have to be made in totals between the submitted quarterly returns, the VAT administration from the accounting software, see "VAT-key" ("Summen je Steuerschlüssel") and the general ledger. This will be done by VDMA in Frankfurt, Germany. This is a control calculation that the Tax Authorities always request for and it is also a good internal control.

A connection is sought between the submitted declarations and the financial administration (general ledger and balance sheet and profit and loss account drawn up therefrom).

First of all the so-called "Summen je Steuerschlüssel" for the whole of the annual year had to been made in order to be able to connect the specifications per quarter (and with that also the VAT quarterly returns). It is possible that separate adjustments had been made later in the various quarters.

Then it is necessary to connect these annual totals with the relevant general ledger accounts and subsequently with the balance sheet and profit and loss account.

The various VAT amounts are of course also booked on the separate general ledger accounts and ultimately this should be in balance and in line with the filed returns and paid VAT.

The VAT codes as used in the financial administration (see appendix I) are included quarterly in the tax return form in the following manner:

VAT-key ("Summen je Steuerschlüssel") Code	BTW-aangifte Code
MNL21%; Services Netherlands	1.a. Amount for which VAT is calculated and VAT amount
03; Intra-community Services	3.b. Amount of services in other EU-countries
VNLRCVEU; Reverse Charge	4.b. Amount of foreign incoming invoices with reverse charge third countries within EU VAT amount (set X). This amount is deductible again, see 5.b.
VNLerm; Domestic incoming invoices Netherlands, deductible VAT 6%	VAT amount
VNLvoll; Domestic incoming invoices Netherlands, deductible VAT 21%	VAT amount
VAT amount from code VNLRCVEU (see 4.b. set X)	VAT amount

	Total amount in point 5.b.

APPENDIX 1

Firma: 407 407-EHEDG STF Eigenwährung EUR		
Summen je Steuerschlüssel		
Steuerschlüssel		
03 - innergemeinschaftl. Dienstl. (=MNLIGD)	ohne Umsatzsteuer	Ausgangsrechnungen an Mitglieder mit UST-ID; Firmen-Adresse ist innerhalb der EU / Reverse Charge
intra-community services	without sales tax	Outgoing invoices to members with VAT number; Company-Address is within the EU / Reverse Charge
05 - Dienstleistung Drittland	ohne Umsatzsteuer	Ausgangsrechnungen an Mitglieder mit Firmen-Adresse in Drittländer
third country services	without sales tax	Outgoing invoices to members with company addresses in third countries
MNL 21% - Dienstleistung NL	mit 21% Umsatzsteuer	Ausgangsrechnungen an Mitglieder mit Adresse in den Niederlanden und (private) membership ohne UST-ID egal an welche Adresse
services Netherlands	with 21% sales tax	Outgoing invoices to members with company address in the Netherlands and (private) membership without VAT number no matter to which address
V01	ohne Vorsteuerabzug	ausländische Eingangsrechnungen ohne Reverse Charge Drittländer und EU
	without deduction of tax	incoming invoices without reverse charge from third countries and EU
		<input type="text" value="-----"/> <input type="text"/>
V02	ohne Vorsteuerabzug	inländische Eingangsrechnungen Niederlande, Voraussetzungen für den Vorsteuerabzug liegen nicht vor
	without deduction of tax	domestic incoming invoices Netherlands, conditions for deduction of input tax are not available
VNLerm	mit Vorsteuerabzug (Umbuchung Aufwand)	inländische Eingangsrechnungen Niederlande, Voraussetzungen für den Vorsteuerabzug vorliegen vor, 6%
	with deduction of tax (reposting expenditure)	Domestic incoming invoices Netherlands, conditions for deduction are available, 6%
VNLRCVEU Reverse Charge	Reverse Charge	ausländische Eingangsrechnungen mit Reverse Charge EU
	reverse charge	Foreign incoming invoices with Reverse Charge EU
VNLRCVNONEU	Reverse Charge	ausländische Eingangsrechnungen mit Reverse Charge Drittländer
	reverse charge (reposting expenditure)	Foreign incoming invoices with Reverse Charge third countries
VNLvoll	mit Vorsteuerabzug (Umbuchung Aufwand)	inländische Eingangsrechnungen Niederlande, Voraussetzungen für den Vorsteuerabzug liegen vor, 21%
	with deduction of tax (reposting expenditure)	Domestic incoming invoices Netherlands, conditions for deduction are available, 21%

INTERNAL RULES of EHEDG

Bylaw No. 6

<h3>Financials – SOP 3</h3>

This document was adopted by the EHEDG Executive Committee on 9 November 2020

Authorization Rules as of 1 January 2021

1. Introduction

The rules for authorization of financial transactions within EHEDG are one of the most important elements of the internal control process i.e. monitoring processes within agreed budget limits of the Foundation. They shall reflect the organizational and financial structure of EHEDG.

The objectives of the rules are a) to secure the assets of EHEDG and b) to secure that the financial resources are managed in accordance with the statutes and intentions of the Foundation.

Well-defined roles and responsibilities are fundamental to clarity in the daily operation, the protection of the Employees and the effectiveness of the Foundation.

The main principle of the EHEDG authorization rules is that one person alone cannot manage a financial transaction from start to end. A transaction made by one Employee or elected representative must be controlled by another individual.

A decision to procure goods and services is the basis for all financial transactions and is the starting point of a chain of events that eventually leads to a payment based on a commercial order or a written contract. The decision shall always precisely describe which goods and services will be procured.

The same principle applies to recruitment decisions, as well as hiring and firing of staff. The process starts with a decision to recruit an individual with a specific competence and skill set.

Investments decided for specific projects shall always be governed by a special project related authorization procedure.

2. Roles & responsibilities

Authorization in accordance with Dutch foundation law

To sign documents and agreements on behalf of the Foundation results in a legal commitment by the Foundation towards a third party.

The Foundation Board represents the Foundation and major approvals shall be made by two (2) Foundation Board members jointly.

The Operations Director approves alone running operational transactions of up to 5,000 € per transaction and jointly with one (1) of the Foundation Board members up to 10,000 € per transaction. Transactions above 10,000 € require approval by two (2) Foundation Board members jointly.

Operational budget responsibility

The Foundation Board approves the annual budget for operations and investments and approves any changes to the budget made during the financial year.

The budget execution responsibility always lies with the Operations Director and/or defined project managers, within the approved budgets for operations and investments respectively, and they have the right to make binding decision within their respective area and within the approved budgets.

Personnel related

- At least two (2) Foundation Board members shall approve decisions regarding recruitment, remuneration, hiring and firing of the Operations Director.
- On proposals by the Operations Director, at least two (2) Foundation Board members shall approve on other Employee and consultant decisions.
- Salary payments to and own expenses of Operations Director shall be approved by one (1) Foundation Board member, normally the Treasurer
- Salary payments to and expenses of other Employees shall be approved by the Operations Director or one (1) Foundation Board Member, normally the Treasurer

Investments, divestments, and banking transactions

- Investment decisions (that will be activated on the balance sheet) are always made by at least two (2) members of the Foundation Board.
- Divestment decisions (for assets on the balance sheet) are always made by at least two (2) members of the Foundation Board.
- Decisions to open and/or close bank accounts are always made by at least two (2) members of the Foundation Board.
- Daily bank payments are always double checked by the Operations Director and one (1) of the Foundation Board members.
- Daily credit card payments are limited to 10,000 € and 5,000 €, for the cards issued respectively by the ING Bank and the Deutsche Bank.

3. Approval of operational expenses

- Individual operational expenses above 10,000 € are always decided by at least two (2) Foundation Board members and decisions shall always be documented.
- Individual operational expenses between 5,000 and 10,000 € are decided by one (1) Foundation Board member and the Operations Director.
- Individual operational expenses below 5,000 € and within the approved budget are decided by the Operations Director.

4. Approval procedure

Individuals cannot approve their own expenses, these shall always be approved as follows:

- Expenses and investment in defined projects shall be approved on a case by case basis by the project steering group (within the approved budget).
- The Treasurer approves expenses of the members of the Foundation Board, Advisory Board, ExCo members and Operations Director excluding him/herself.
- A Foundation Board member other than the Treasurer approves expenses of the Treasurer.
- The Operations Director approves expenses of the Employees, Working Groups and Regional Sections.

The approving person must assure that:

- The procurement is part of the activities of the Foundation.
- The procurement is made in accordance with established procedures.
- The delivery of the goods and services are consistent with what was ordered.
- The documentation of the transaction is correct.
- Relevant laws, agreements and policies are adhered to.

APPENDIX 1

EHEDG AUTHORIZATION RULES IN SUMMARY

Areas	Approvals
Recruitments, remunerations, hiring and firing of Operations Director	Two (2) Foundation Board members
Proposals regarding recruitments, remunerations, hiring and firing of office staff and/or consultants (by OD)	Two (2) Foundation Board members
Salary payments to and own expenses of Operations Director	One (1) Foundation Board member, normally the Treasurer
Salary payments to and expenses of other Employees	Operations Director or one (1) Foundation Board Member, normally the Treasurer
All investments (that will be activated on the balance sheet)	Two (2) Foundation Board members
Divestments of assets (on the balance sheet)	Two (2) Foundation Board members
Opening and closing of bank accounts	Two (2) Foundation Board members
Daily bank payments (Limit at ING Bank; not applicable)	After verification and confirmation by Operations Director
Daily credit card payments limit	At ING Bank 10.000 €
Daily bank payments (Limit at Deutsche Bank; not applicable)	After verification and confirmation by Operations Director
Daily credit card payments limit	At Deutsche Bank 5.000 €
Operational expenses above 10,000 €	Two (2) Foundation Board members
Operational expenses between 5,000 and 10,000 €	One (1) Foundation Board member jointly with the Operations Director
Operational expenses up to 5,000 €	Operations Director
Expenses and investment in defined projects	Case by case approval by the project steering group (within the approved budget)
Own expenses of Foundation Board, Advisory Board, ExCo members and Operations Director	The Treasurer or if related to the Treasurer the President or Vice President
Own expenses of Employees, Working Group and Regional Section members	Operations Director