SUMMARY MINUTES
FOURTH MEETING
STANDING COMMITTEE ON FINANCE AND ADMINISTRATION
(February 9, 1954 - 3:00 p.m.)
The Committee reviewed the regulations discussed at its third session, adopting tentatively Regulations 4.1, 4.2, 4.3, 4.4, 4.5, 5.1, 5.2 and 5.3. It then turned its attention to Regulation 3.7 which it accepted tentatively and which reads:

"The budget for the following financial year shall be adopted by the Commission after consideration of the report on the estimates by the Standing Committee on Finance and Administration."

A new Regulation 3.8 was accepted tentatively and reads:

"After adoption by the Commission, the budget shall be submitted to the Contracting Parties in the currency of the United States for their approval."

In agreeing to Regulation 3.8, the question of the rate of exchange affecting the conversion from Canadian dollars to United States dollars was raised, the Committee finally agreeing that it would do well to leave the matter flexible in the Regulations and recommend to the Commission that in converting the estimates for the first budget from Canadian to United States dollars, it consider the currencies to be at par.

A new Regulation 3.9 was accepted tentatively which reads:

"Supplementary estimates may be submitted by the Executive Director when and as he deems necessary. After consultation with the Chairman, the Executive Director shall submit such estimates, in a form consistent with the annual budget, and recommended assessments on the respective Contracting Parties to each national section for approval. Upon receipt by the Executive Director of each national section's approval thereof, the estimates and the assessments shall be deemed to have been adopted by the Commission and shall be submitted to the Contracting Parties for approval."
New Regulation 3.10 was adopted tentatively and reads:

"In the event that any Contracting Party or Parties do not approve any budget adopted by the Commission, the Secretary shall immediately notify each national section of the fact and, after consulting with the Chairman and the Executive Director, shall recommend to each national section such revisions of the budget as seem desirable and such revisions of the respective Contracting Parties' assessments as may be necessary. Upon receipt by the Secretary of each national section's acceptance of such recommendations, the revised budget and assessments shall be deemed to have been adopted by the Commission and shall be submitted to the Contracting Parties for approval."

The Committee then turned to Regulation 5.4 and after a brief discussion accepted the following wording:

"Contributions shall be payable by the Contracting Parties in United States currency in semi-annual installments. The first installment shall be considered due as of the first day of the financial year to which it relates. The second installment shall be considered due as of the first day of the second half of that financial year. As of the first day of the following financial year, the unpaid balance of such contributions shall be considered to be one year in arrears."

The Committee agreed then to delete Regulations 5.5 and 5.6 as they appear in Document 3 and accepted tentatively a new Regulation 5.5 which reads:

"The Executive Director shall submit to the regular annual meeting of the Commission a report on the collection of contributions."
Regulation 6.1 was accepted with some amendment and reads:

"There shall be established a General Fund for the purpose of accounting for the expenditures of the Commission. The contributions paid by Contracting Parties under Regulation 5.1, and miscellaneous income shall be credited to the General Fund."

The Committee agreed to delete Regulations 6.2, 6.3, 6.4 and 6.5 as they appear in Document 3.

Regulation 7.1 was amended and reads:

"Miscellaneous income shall be credited to the General Fund and shall consist of all income other than:

(a) Contributions to the annual and other budgets:

(b) Refunds of direct expenditures made during the financial year;

(c) Advances or deposits made for a specified purpose."

The Committee agreed tentatively to Regulation 8.1 which reads:

"The Executive Director shall deposit and maintain the funds of the Commission in an account in the name of the Commission in a bank selected by him."

Regulation 9.1 was agreed to as it appears in Document 3, and reads:

"The Executive Director shall:

(a) Establish detailed financial procedures in order to ensure effective financial administration and the exercise of economy;"
(b) Cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or goods have been received, and that payment has not previously been made;

(c) Designate the officers of the Secretariat who may receive monies, incur obligations and make payments on behalf of the Commission;

(d) Maintain an internal financial control which shall provide for an effective current examination and/or review of financial transactions in order to ensure:

(i) The regularity of the receipt, custody and disposal of all funds and other financial resources of the Commission;

(ii) The conformity of obligations and expenditures with the appropriations or other financial provision voted by the Commission;

(iii) The economic use of the resources of the Commission.

Regulation 9.2 was accepted as it appears in Document 3 and reads:

"No obligations shall be incurred until allotments or other appropriate authorizations have been made in writing under the authority of the Executive Director."

Regulation 9.3 was accepted tentatively with one amendment and reads:

"The Executive Director may, after full investigation and with the approval of the Chairman, authorize the writing off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Auditors with the annual accounts."
Regulation 10.1 was accepted tentatively with one amendment and reads:

"The Executive Director shall maintain such accounting records as are necessary and shall submit to the Commission annual accounts showing for the financial year to which they relate:

(a) The income and expenditures;
(b) The status of appropriations, including:
   (i) The original budget appropriations;
   (ii) The appropriations as modified by any transfers;
   (iii) Credits, if any, other than the appropriations voted by the Commission;
   (iv) The amounts charged against those appropriations and/or other credits;
(c) The assets and liabilities of the Commission.

He shall also give such other information as may be appropriate to indicate the current financial position of the Commission."

Regulation 10.2 was accepted tentatively after some discussion and reads:

"The annual accounts and accounting records of the Commission shall be presented in the currency of the country in which the headquarters of the Commission is located."
Regulation 10.3 was accepted tentatively and reads:

"The annual accounts shall be submitted by the Executive Director to the Auditors not later than 90 days following the end of the fiscal year."

Regulation 11.1 was accepted tentatively and reads:

"The accounts of the Commission shall be audited annually by a competent firm of certified public accountants selected by the Commission."

Regulation 11.2 was accepted tentatively and reads:

"The Auditors, in addition to certifying the accounts, may make such observations as they deem necessary with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the financial consequences of administrative practices."

A new Regulation 11.3 was accepted tentatively and reads:

"The Auditors shall submit their report to the Commission not later than six months following the end of the financial year to which the accounts relate. The Standing Committee on Finance and Administration shall forward to the Commission its comments, if any, on the audit report."

Regulation 12.1 was accepted tentatively and reads:

"The Executive Director shall be bonded by a reputable bonding company in such an amount as may be determined by the Commission from time to time. The cost of the premium shall be paid by the Commission."
Regulation 13.1 was accepted tentatively and reads:

"The Commission may empower the Executive Director to delegate to other officers of the Secretariat such of his powers as it may deem desirable."

Regulation 14.1 was accepted tentatively and reads:

"These regulations shall be effective as of the date of their approval by the Commission and may be amended by the Commission from time to time."

Regulation 14.2 was the subject of some discussion but was agreed to tentatively and reads:

"In case of doubt as to the interpretation and application of any of the foregoing regulations, the Executive Director is authorized to rule thereon after consultation with the Chairman."

The Committee then turned to the subject of the time and place of the next annual meeting and was reminded by Mr. Bates that some thought had already been given to the subject, the Ad Hoc Committee on Organization having recommended that the next meeting be held at or reasonably near the headquarters of the Commission at a time to be determined. The Committee was inclined to support this recommendation, suggesting that either Victoria or Vancouver, British Columbia, would be desirable, but agreed that it would recommend to the Commission that it leave the precise selection of a location to the Canadian national section. After some discussion, it was agreed that the Committee would recommend to the Commission that the meeting be held during the last week of October, 1954.

The Committee turned finally to the selection of an Executive Director and, after some discussion, agreed that while it would be desirable to select a temporary Executive Director before the end of this meeting, it would be impossible to select a permanent Executive Director before the end of this meeting. The suggestion was heard that the selection of a permanent Executive Director would best be referred to a new Committee, but the discussion of this subject was ended without any conclusion being reached.

The Committee adjourned at 5:45 p.m. and tentatively agreed to meet again at 2:00 p.m., February 10.