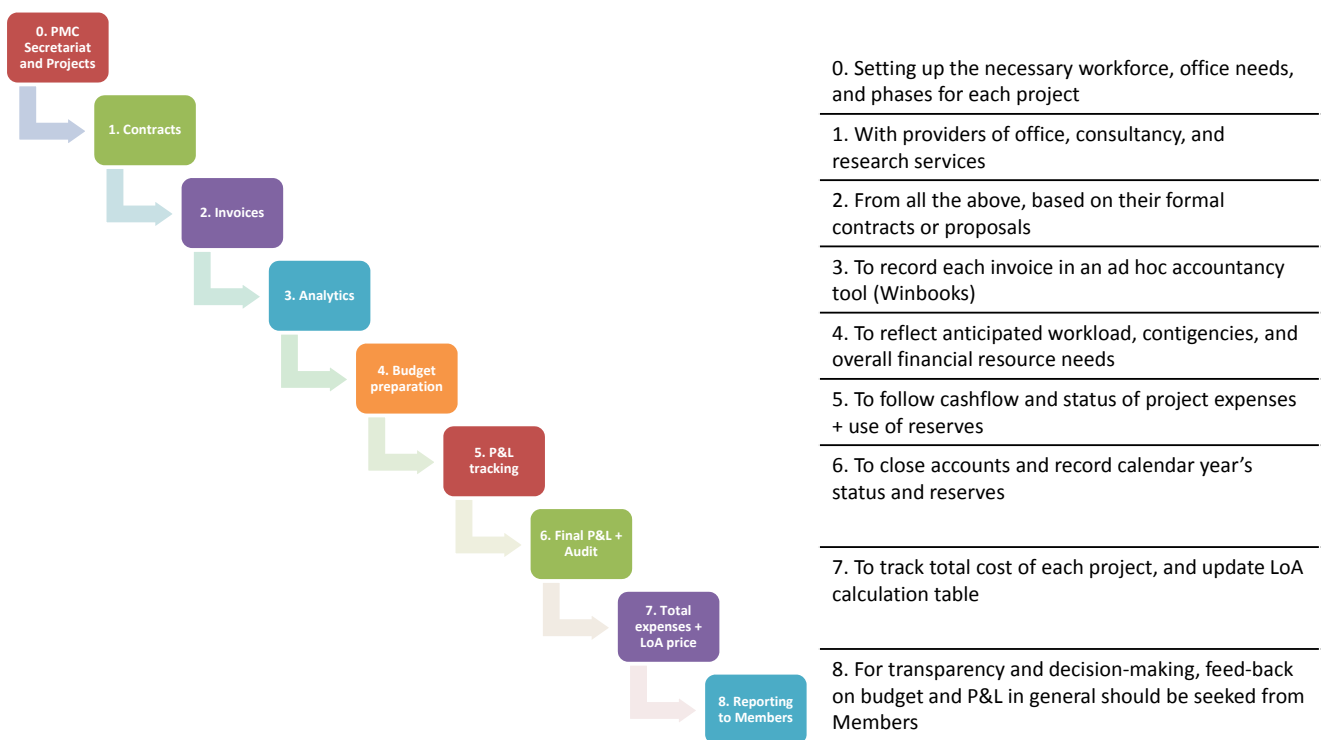


EPMF/PMC budget management

Internal guideline 2 Jul 2014

Elements of the budget management



0. Secretariat and Project

	Ag	Au	PM CN	PGM	Re	Ref	Hyd	RCF
Secretariat	Sec-Gen + Sc Mgr	Pjct Mgr	Pjct Mgr	Sc Mgr + Pjct Fcltor	Pjct Fcltor + Sec-Gen	Pjct Fcltor + Sec-Gen	Pjct Mgr + Sec-Gen	Pjct Mgr + Sec-Gen
Project phases	<ol style="list-style-type: none"> Literature search, data gap analysis, and recommendations (e.g. CLP update) In-depth data gap analysis, integrated testing strategy Experimental studies (enabling, main and supporting studies) Generation of Chemical Safety Reports Generation of IUCLID 5 Files and Registration Dossiers Post-registration work <ol style="list-style-type: none"> Phys-Chem ENV <ol style="list-style-type: none"> Hazard Exposure HH <ol style="list-style-type: none"> Hazard Exposure Admin/Other (including CSR, IUCLID 5, and meetings) 					<ol style="list-style-type: none"> Identification and speciation Experimental studies Effects, exposure assessment, and classification Generation of Registration Dossiers 		<ol style="list-style-type: none"> Scoping study AoA Exposure assessment SEA Authorisation Application

Any service provider supplying consultancy or research support to PMC should produce contracts or project proposals/quotes which follow the budget items of PMC.

This will facilitate the budget preparation, invoice approval, and overall budget tracking.

1. Contracts

	Office	Consultancy	Testing houses
Part of	Generic costs	Generic cost and project-specific costs	Project-specific costs
With (non-exhaustive)	Alga Clean ARCHE Arkadin AXA Belgacom Bluenox BNP leasing Canon EGCOne Eurométaux IMOA/Bergeson & Campbell Jérémie Godu Pirenne, Callens Proximus Red River Sodexo UCM	ARCHE BIBRA Dr David Boyd Dr David Kirkland EBRC Hugo Waeterschoot Michel Vanderstraeten RPA RSA WCA	AECOM Aqura BAM Brixham BSL Canmet Charles River CIMM CiToxLab Covance CSIRO ECTX Fraunhofer Institut Harlan Laus LPT Nautilus SafePharm
Structure	As per provider	As per PMC budget, or as per ad hoc task for consultant	As per Testing Schedule and payment terms
Timescale	On-going, renewable	On-going, renewable, or limited	Limited for the time of the research work
Signed by	Sec-Gen, (Vice-)President	Sec-Gen, Project Manager	Sec-Gen, Project Manager

2. Invoices

	Office	Consultancy	Testing houses
Frequency	Various, from monthly to yearly	Either: 1) Once - upon completion of task; 2) Regular – upon: • Accumulated worked hours to be invoiced, or • Completion of milestones of a given sub-project	As per testing schedule
Structure	As per provider	As per PMC Project phases	As per testing programme/schedule, with reference to: - Contract - Study name or number - Substance tested
To be approved by	Sec-Gen	Project Manager, and Sec-Gen	Project Manager, and Sec-Gen
To be paid by	Office Manager		
To be paid when	Once per week		

Instructions for invoice approval:

1. Off Mgr checks that invoice fulfils Belgian regulations (e.g. includes VAT number of EPMF)
2. Mgr in charge of project checks that invoice follows the structure requested by PMC or testing schedule and payment terms, and that all items are reasonably charged and justified, and allocated to a specific project and phase
3. Mgr in charge checks that none of the items are over-charged or close to exceeding the time predicted for a given task or phase by the consultant or test house
4. If there is a sentiment of over-charging or budget prediction exceedance, the Mgr in charge must clarify the situation with the consultant or test house, and seek opinion from the Board or Mgmt Cttee before approving the invoice for payment
5. If the invoice is approved by the Mgr in charge, it can be approved by the Sec-Gen, and paid by the Off Mgr. In the absence of the Sec-Gen, the (Vice-)President, (Co-)Chairman and/or Treasurer must approve the invoice before payment (via e.g. weekly overview of invoices to be paid)

3. Analytics

From	Office	Consultancy	Testing houses
To be recorded how	Split across EPMF and PMC Generic costs as per allocation key	Per project and phase	In Phase III (mainly) of the relevant project
Commentary or reference	<i>Ad hoc</i>	Consultant, contract date or « <i>ad hoc task requested in mail dd or conf call/mtg dd</i> », time not yet spent	Test house, study number, substance

Instructions for invoice allocation in EPMF Accountancy:

- Invoice is allocated by Off Mgr as per instructions of the Mgr in charge of the Project
- Invoices covering more than one phase or test are allocated once for each phase or test
- Off Mgr uses relevant allocation fields in Winbooks to record details of the invoice, in order to allow an easy tracking of expenses incurred per project, phase, task, substance, consultancy and/or test house, as the case may be
- An extract of the invoices paid and allocated into Winbooks every month is sent to the (Vice-)President, (Co-)Chairman, and Treasurer, together with a travel tracking excel file, for information/overview

4. Budget preparation

	Generic	Ag	Au	PM CN	PGM	Re	Ref	Hyd	RCF	
In charge	Sec-Gen	Sec-Gen + Sc Mgr	Pjct Mgr	Pjct Mgr	Sc Mgr + Pjct Fcltor	Pjct Fcltor + Sec-Gen	Pjct Fcltor + Sec-Gen	Pjct Mgr + Sec-Gen	Pjct Mgr + Sec-Gen	
Permanent budget items	<ul style="list-style-type: none"> Staff Existing contracts Inflation 	<ul style="list-style-type: none"> Literature search ATP to CLP review IUCLID 5 Hosting Dossier update 						No	No	
Place-holders	No	If justified and approved by WG						Yes, for 'first-time' tasks		
Contingency	No, covered by inflation	5% on each budget item 20% on testing costs (for monitoring)						5% on each budget item		
Structure	As per EPMF Budget P&L format	As per project phases + proper detailed documentation in Assumptions paper								
Minimum reserve to be retained in-house (in addition to already committed monies)	Portion for proper liquidation of EPMF/PMC if necessary: Employees, office, and legal costs	7,5% of Dossier prep. cost	5% of Dossier prep. cost		7,5% of Dossier prep. cost	5% of Dossier prep. cost	7,5% of Dossier prep. cost	Minimum place-holder for <i>ad hoc</i> collective work, e.g.: 10 hours expert consultant's time		

Calendar for budget preparation:

- Feb:** Off Mgr reminds Mgr in charge to produce draft budget for next calendar year
- Mar:** Mgr presents draft budget + use of available reserves for next calendar year to WG for approval
- Apr:** Off Mgr integrates all project-specific budgets into draft master EPMF Budget for discussion/approval by Board and Mgmt Cttee
- May:** Final master EPMF Budget + use of available reserves approved by Board and Mgmt Cttee is circulated to Assemblies for final approval
- Jun:** Final approval of master EPMF Budget + use of available reserves as per one of options below, by each Assembly at their Plenary Meetings, following presentation by each Mgr in charge
 - Retain in-house
 - Reimburse to allow payment holiday
 - Reimburse to allow reduction of amounts to be invoiced

5. P&L tracking

	Generic	Ag	Au	PM CN	PGM	Re	Ref	Hyd	RCF
Task and phase-specific	N/A	Sc Mgr	Pjct Mgr	Pjct Mgr	Sc Mgr	Pjct Fcltor	Pjct Fcltor	Pjct Mgr	Pjct Mgr
As per annual budget	Off Mgr + Accountant (A) + Treasurer (T)	Above + WG Chair	Above + WG Chair	Above + WG Chair	Above + WG Chair	Above + WG Chair	Above + WG Chair	Above + WG Chair	Above + WG Chair
From P&L/Reserves viewpoint	Accountant + Treasurer + (Vice-)President	Sc Mgr + A + T + (C)C	Pjct Mgr + A + T + (C)C	Pjct Mgr + A + T + (C)C	Sc Mgr + A + T + (C)C	Pjct Fcltor + A + T + (C)C	Pjct Fcltor + A + T + (C)C	Pjct Mgr + A + T + (C)C	Pjct Mgr + A + T + (C)C

Schedule for budget tracking:

- Invoice reception** – Off Mgr submits invoice to relevant Mgr for approval
- Invoice sign-off** – Relevant Mgr approves invoice, indicates applicable 'accounting info' on invoice, and recommends payment, Sec-Gen checks and authorises payment
- Invoice payment** – Off Mgr pays invoice
- Invoice recording in Winbooks** – Off Mgr records invoice in Winbooks, including applicable 'accounting info'
- Specific invoice tracking** – Relevant Mgr keeps track of expense levels compared to original contract or project proposal, and overall project budget status
- Monthly invoice tracking** – Off Mgr circulates extracts of invoices paid every month to (V)P, (C)C, and T (for detailed review of expenses)
- P&L tracking** – Off Mgr circulates P&L tracker every three months to (V)P, (C)C, and T (for global review of budget status)

6. P&L and Audit

From	P&L	Audit	Approval of final accounts	Publication of final accounts
What?	Final Profit & Loss Statement for the calendar year subject to audit and approval is produced	The annual accounts are audited It results in a Statutory	Final accounts are approved by the Board/Mgmt Cttee and respective Assemblies	As per Belgian Law, EPMF accounts need to be published in the Belgian Gazette (Moniteur Belge)
Deliverable	Excel file: <ul style="list-style-type: none"> P&L Status of reserves: <ul style="list-style-type: none"> Allocated, not available Surplus available Summary of accounts 	Report containing the conclusions from the auditor	<ul style="list-style-type: none"> Excel file with P&L <i>et al.</i> Auditor's report Final accounts Financial Minutes 	Publication in the Moniteur Belge
Who?	Sec-Gen, Accountant, T, and Financial Controller With support from Off Mgr	Callens, Pirene With support from Sec-Gen, Accountant and Off Mgr	<ol style="list-style-type: none"> Board and Mgmt Cttee EPMF and PMC Members 	Accountant
When?	In March	In March	<ol style="list-style-type: none"> In May In Jun 	ASAP after Jun

Order of reviews and decisions for closure and publication of accounts:

- Final P&L, reserves, and summary of accounts finalised by the Accountant are sent to Treasurer and Financial Controller for comment/review
- Once reviewed, the final accounts are sent to the auditors for review/audit
- Once audited, the final P&L, reserves, summary of accounts, final accounts, and auditor's report are sent to the Board and Mgmt Cttee for review/pre-approval
- Once pre-approved, the final P&L, reserves, summary of accounts, final accounts, and auditor's report are sent to the EPMF and PMC Assemblies for review/approval

7. Total expenses and LoA prices

	Total expenses	Cost per substance and intermediate (PMC Members)	LoA price (Non-Members)
What?	Calculation of total expenses per project, for information	Calculation of cumulative cost per substance and intermediate in each tonnage band and project, to be used: <ul style="list-style-type: none"> As benchmark for PMC Members, and As decision-making information, for potential PMC Members wishing to compare PMC membership financial obligations with LoA financial obligations 	Calculation of cumulative cost per substance and intermediate in each tonnage band and project by replacing the predicted budget for a given year with the actual expenses for that year, in the LoA calculation excel file
Who?	Mgr in charge of project, with support of Off Mgr + Accountant	Off Mgr Mgmt Cttee for information	Sec-Gen + Off Mgr Mgmt Cttee for pre-approval PMC Assembly for approval
When?	Upon closure and approval of annual accounts, ASAP after Jun each year		By Jun of every year

Instructions for total expenses and cost/substance/tonnage band/project tracking:

- Mgr in charge of Project checks that total expenses are within reasonable boundaries, and allocates portions of these total expenses to significant portions of work (e.g. consultancy, testing, complementary research, etc.)
- Members check internally that cost per substance and intermediate per tonnage band and project are within reasonable boundaries when compared to other consortia (avoid direct comparison and consider differences in scope and context)
- When reviewing the LoA, ideally a communication from the Sec-Gen should go to:
 - Existing LoA purchasers, to explain outcome of review and decision of PMC Assembly to charge or reimburse retroactively if not, in case of a change in price
 - Potential LoA purchasers in SIEF, to inform about latest applicable LoA price per tonnage band for each substance of SIEF

8. Reporting to Members

From	Preparation role	Comment/Review role	Approval role
Contracts office services	Service supplier	Sec-Gen, Off Mgr Chair of Legal WG for legal terms	Sec-Gen, Board, and/or Mgmt Cttee, as relevant
Contracts consultants and testing houses	Service supplier	Sec-Gen, Mgr in charge of project Chair of Legal WG for legal terms	Sec-Gen, Mgr in charge of project, Chair of WG, and Mgmt Cttee where relevant
Invoices	Service supplier	Off Mgr, Mgr in charge of project	Sec-Gen, Mgr in charge of project, and (Chair of) WG and Mgmt Cttee where relevant
Analytics/Winbooks extracts	Off Mgr, supervised by Accountant	(Vice-)President, (Co-)Chairman, and Treasurer	(Vice-)President, (Co-)Chairman, and Treasurer
Budget	Sec-Gen, Off Mgr, Mgr in charge of project, supported by Accountant	EPMF Board PMC Mgmt Cttee Treasurer Each WG	EPMF Assembly PMC Assembly
P&L tracker	Sec-Gen, Off Mgr, Mgr in charge of project, supported by Accountant	(Vice-)President, (Co-)Chairman, and Treasurer	N/A
P&L and Audit	Sec-Gen, Off Mgr, and Accountant	EPMF Board PMC Mgmt Cttee Treasurer Each Assembly	EPMF Assembly PMC Assembly
Total expenses	Sec-Gen, Off Mgr, Mgr in charge of project, supported by Accountant	EPMF Board PMC Mgmt Cttee Treasurer Each Assembly	N/A
LoA prices	Sec-Gen	PMC Mgmt Cttee Relevant WG	PMC Assembly

Useful links:

- Project deliverables:
 - H:\3 - PMC\1 - PROJECTS
- Weekly invoice tracker:
 - H:\1 - SECRETARIAT\FINANCE\INVOICES TRACKER
- Monthly extracts of invoices paid:
 - H:\1 - SECRETARIAT\FINANCE\WINBOOKS (EXPORT)
- Monthly travel tracker:
 - H:\1 - SECRETARIAT\ADMINISTRATION\Logistics\Travel tracking
- P&L Tracker per year:
 - H:\1 - SECRETARIAT\FINANCE\P&L + Invoices
- Final P&L per year:
 - H:\1 - SECRETARIAT\FINANCE\P&L + Invoices
- Financial audit report per year:
 - H:\1 - SECRETARIAT\FINANCE\P&L + Invoices
- Budget and assumptions paper:
 - H:\1 - SECRETARIAT\FINANCE\P&L + Invoices
- Total expenses and cost per substance and intermediate per tonnage band and project:
 - H:\1 - SECRETARIAT\FINANCE\P&L + Invoices\Cost per subst & interm
- LoA price:
 - H:\1 - SECRETARIAT\ADMINISTRATION\Admin PMC only\Data-sharing\PMC LoA\Cost calculation
- THIS SLIDASET:
 - H:\1 - SECRETARIAT\FINANCE