

Explanatory Note

Transfers by Administrative Manager in BEREC Office Budget 2013 in February-May 2013

I. Introduction to transfers by Administrative Manager

Article 23 from Decision MC (10) 44 of the Management Committee on the financial regulation applicable to the BEREC Office in conformity with the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) № 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Union (hereinafter referred to as "the BEREC Office Financial Regulation") specifies that:

- The Administrative Manager may make transfers from one chapter to another and from one article to another without limit and from one title to another up to a maximum of 10 % of the appropriations for the financial year shown on the line from which the transfer is made.
- Transfers carried out shall be accompanied by appropriate and detailed supporting documents showing the implementation of appropriations and estimates of requirements up to the end of the financial year, both for the headings to be credited and for those from which the appropriations are drawn.
- The Administrative Manager shall inform the Management Committee as soon as possible of all transfers made.

All transfers have been made within titles 1. "Staff", 2. "Buildings, equipment and miscellaneous operating expenditure" and 3. "Operational expenditure" and have been made within the responsibility limits of the Administrative Manager. No transfers between the titles were made in the given period.

II. Revenues

No changes on revenue side. All the transfers were made within section 2000, European Community subsidy for titles 1, 2 and 3.

III. Expenditure

1. Transfers within title 1

Legal base: Art. 23(1) of the BEREC Office Financial Regulation – transfers from one chapter to another and from one article to another without limit.

A. Releases of resources

Chapter 11 “Staff in active employment”/ Article 110 “Staff in active employment”/ Item A-1100 “Basic salaries”

Amount released: EUR - 101 000,- on 24/05/2013

Explanation: Actual expenditure on salaries of BEREC Office staff in 2013 (period January to April) have been below the forecast for the first four months and is expected to remain so for the total annual forecast of EUR1 049 785,-. Despite the fact that some increase of basic salary due to advancements to the next step of 7 staff members has to be foreseen, a part of the surplus remaining on the budget line could be released.

Chapter 12 “Miscellaneous expenditure on staff recruitment and transfer”/ Article 120 “Recruitment expenses”/ Item A-1200 “Travel expenses”

Amount released: EUR - 1 500,- on 19/03/2013

Explanation: Actual expenditure on travel expenses for the candidates is below the forecast.

Total released: EUR -102 500,-

B. Increases on budget lines

Chapter 12 “Miscellaneous expenditure on staff recruitment and transfer”/ Article 120 “Recruitment expenses”/ Item A-1201 “Miscellaneous expenditure on staff recruitment”

Amount increased: EUR 1 500,- on 19/03/2013

Explanation: Recruitment from EPSO CAST list of 3 Contract agents is needed in 2013.

Chapter 16 “External services”/ Article 160/ Item A-1600 “External services”

Amount increased: EUR 101 000,- on 24/05/2013

Explanation: 2 contracts with Deloitte consultancy for providing support in implementation of activity-based budgeting and in creation of the BEREC Office financial manual have to be signed.

TOTAL increased: EUR 102 500,-

2. Transfers within title 2

Legal base: Art. 23(1) of the BEREC Office Financial Regulation – transfers from one chapter to another and from one article to another without limit.

A. Releases of resources

Chapter 23 “Current Administrative expenditure”/ Article 233 “Legal expenses”/ Item A-2331 “Damages”

Amount released: EUR - 8 000,- on 22/02/2013

Explanation: The amount of possible legal damages was planned with conservative surplus.

Total released: EUR 8 000,-

B. Increases on budget lines

Chapter 23 “Current Administrative expenditure”/ Article 233 “Legal expenses”/Item A-2330 “Legal expenses”

Amount increased: EUR 8 000,- on 22/02/2013

Explanation: It was necessary to renew the contract with the company providing legal support, it is forecasted that most of the resources available under the framework agreement will be used during the period 3/2013 up to 3/2014.

TOTAL increased: EUR 8 000,-

3. Transfers within title 3

Legal base: Art. 23(1) of the BEREC Office Financial Regulation – transfers from one chapter to another and from one article to another without limit.

A. Releases of resources

Chapter 30 “Support to implementation of BEREC WP 2013”/ Article 300 “Support to implementation of BEREC WP 2013”/ Item B-3001 “Support to the BEREC Expert Working Groups”

Amount released: EUR -100 000,- on 21/03/2013

Explanation: With expert reimbursements planned throughout financial year 2013 it is possible to temporarily release some resources. The budget for expert reimbursements is planned to be increased by transferring the year 2011 surpluses from titles 1 and 2 to title 3. This transfer is in progress. The proposal has been adopted by the MC and is pending Commission authorisation.

Total released: EUR -100 000,-

B. Increases on budget lines

Chapter 31 "Horizontal activities (other support not directly related to BEREC WP"/ Article 310 "Horizontal activities (other support not directly related to BEREC WP"/ Item B-3101 "Other support activities to BEREC"

Amount increased: EUR 95 000,- on 21/03/2013

Explanation: There is a need for increase as the activities, which previously were paid from another budget line (A-2500), such as BEREC CNs and Plenaries, providing assistance and executive support to the BEREC Chair and Vice-Chairs, public debriefings and participation of BEREC on international events, are directly linked to the operational activity of BEREC. Therefore these expenditures should be financed from the budget dedicated to operational activities under Title 3.

Chapter 31 "Horizontal activities (other support not directly related to BEREC WP"/ Article 310 "Horizontal activities (other support not directly related to BEREC WP"/ Item B-3102 "Provision of advice and other ad-hoc services to BEREC and other parties"

Amount increased: EUR 5 000,- on 21/03/2013

Explanation: Higher costs for translation and proof-reading of BEREC documents to improve the document quality.

TOTAL increased: EUR 100 000,-

Annex: Overview of Transfers in BEREC Office Budget 2013 in February-May 2013

Expenditure

Budget Line	Budget Item Description	Budget 2013 approved by Budg. Authority	Transfers Jan 2013 ¹	Transfers Feb-May 2013 ²	Budget with transfer
	Budget	3,768,696			3,768,696
1	STAFF	2,518,705			2,518,705
1 1	STAFF IN ACTIVE EMPLOYMENT	1,988,705			1,887,705
1 1 0	Staff in active employment	1,349,785			1,248,785
1 1 0 0	Basic salaries	1,049,785		-101,000	948,785
1 1 0 1	Family allowances	130,000			130,000
1 1 0 2	Expatriation and foreign-residence allowances	170,000			170,000
1 1 1	Contract staff and other staff	556,920			556,920
1 1 1 0	Contract staff	211,120			211,120
1 1 1 1	Seconded national experts	345,800			345,800
1 1 2	Employer's social security contributions	48,000			48,000
1 1 2 0	Insurance against sickness	30,000			30,000
1 1 2 1	Insurance against accidents and occupational disease	6,000			6,000
1 1 2 2	Insurance against unemployment	12,000			12,000

¹ Budgetary transfers initiated by BEREC Office Administrative Manager based on Article 23(1) of the Decision MC (10) 44 of the Management Committee on the financial regulation applicable to the BEREC Office, which authorises the Administrative Manager to make transfers from one chapter to another and from one article to another without limit and from one title to another up to a maximum of 10 % of the appropriations for the financial year shown on the line from which the transfer is made.

² Budgetary transfers initiated by BEREC Office Administrative Manager based on Article 23(1) of the Decision MC (10) 44 of the Management Committee on the financial regulation applicable to the BEREC Office, which authorises the Administrative Manager to make transfers from one chapter to another and from one article to another without limit and from one title to another up to a maximum of 10 % of the appropriations for the financial year shown on the line from which the transfer is made.

1 1 2 3	Constitution or maintenance of pension rights	Budget Item Description	Budget 2013 approved by Budg. Authority	Transfers Jan 2013	Transfers Feb-May 2013	Budget with transfer
1 1 3	Miscellaneous allowances and grants		34,000			34,000
1 1 3 0	Childbirth and death allowances and grants		1,000			1,000
1 1 3 1	Travel expenses for annual leave		33,000			33,000
1 1 3 9	Other allowances					
1 1 9	Salary weightings		0			0
1 1 9 0	Salary weightings					
1 1 9 1	Adjustments to remunerations					
1 2	MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER		190,000			190,000
1 2 0	Recruitment expenses		33,000			33,000
1 2 0 0	Travel expenses		30,000		-1,500	28,500
1 2 0 1	Miscellaneous expenditure on staff recruitment		3,000		1,500	4,500
1 2 1	Expenses on entering/leaving		157,000			157,000
1 2 1 0	Travel expenses on entering/leaving		47,000			47,000
1 2 1 1	Installation, resettlement and transfer allowances		30,000			30,000
1 2 1 2	Removal expenses		30,000			30,000
1 2 1 3	Daily subsistence allowances		50,000			50,000
1 3	MISSIONS AND DUTY TRAVEL		200,000			200,000
1 3 0 0	Mission expenses, duty travel expenses and other ancillary expenditure		200,000			200,000
1 4	SOCIOMEDICAL SERVICES		30,000			30,000
1 4 0	Medical service		30,000			30,000
1 4 0 0	Medical service		30,000			30,000
1 5	TRAININGS		60,000			60,000
1 5 0	Training		60,000			60,000
1 5 0 0	Training		60,000			60,000

Budget Line	Budget Item Description	Budget 2013 approved by Budge. Authority	Transfers Jan 2013	Transfers Feb-May 2013	Budget with transfer
16	EXTERNAL SER VICES	30,000			131,000
1600	External services	30,000		101,000	131,000
17	REPRESENTATION AND MISCELLANEOUS STAFF COSTS	20,000			20,000
1700	Representation, receptions and events, and miscellaneous staff expenses	20,000			20,000
2	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	647,000			647,000
20	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	115,000			111,200
200	Buildings and associated costs	115,000			111,200
2000	Rent	20,000			20,000
2001	Insurance	500			500
2002	Water, gas, electricity and heating	16,500			16,500
2003	Cleaning	0			0
2004	Fitting-out and maintenance of premises	5,000			5,000
2005	Security and surveillance of buildings	16,000			16,000
2009	Other expenditure relating to the acquisition, construction or maintenance of a building	57,000	-3,800		53,200
21	INFORMATION TECHNOLOGY PURCHASES	230,000			230,000
210	Information technology purchases	230,000			230,000
2100	Computer equipment	25,000			25,000
2101	Software	140,000			140,000
2102	Other external data processing services	65,000			65,000
22	MOVABLE PROPERTY AND ASSOCIATED COSTS	55,000			55,000
220	Technical installations and electronic office equipment	20,000			20,000
2200	Technical installations and electronic office equipment	20,000			20,000
221	Furniture	30,000			30,000
2210	Furniture	30,000			30,000
229	Other movable property and associated costs	5,000			5,000
2290	Books, newspapers and documentation	5,000			5,000

Budget Line	Budget Item Description	Budget 2013 approved by Budg. Authority	Transfers Jan 2013	Transfers Feb-May 2013	Budget with transfer
2 2 9 1	Cars, transport vehicles, and maintenance and repairs	0			0
2 2 9 9	Other movable property, and maintenance and repairs	0			0
2 3	CURRENT ADMINISTRATIVE EXPENDITURE	92,000			92,000
2 3 0	Stationery and office supplies	15,000			15,000
2 3 0 0	Stationery and office supplies	15,000			15,000
2 3 2	Financial charges	200			200
2 3 2 0	Bank charges	200			200
2 3 2 1	Exchange rate losses	0			0
2 3 2 9	Other financial charges	0			0
2 3 3	Legal expenses	76,800			76,800
2 3 3 0	Legal expenses	12,000		8,000	20,000
2 3 3 1	Damages	64,800		-8,000	56,800
2 3 5	Other operating expenses	0			0
2 3 5 0	Miscellaneous insurances	0			0
2 3 5 9	Other operating expenses	0			0
2 4	POSTAGE AND TELECOMM.	55,000			58,800
2 4 0 0	Postage and delivery charges	1,200	3,800		5,000
2 4 1 0	Telecommunication charges	53,800			53,800
2 5	EXPENDITURE ON FORMAL AND OTHER MEETINGS	100,000			100,000
2 5 0 0	Meetings in general	100,000			100,000
3	OPERATIONAL EXPENDITURE	602,991			602,991
3 0	Support to implementation of BEREC WP 2013	482,991			382,991
3 0 0	Support to implementation of BEREC WP 2013	482,991			382,991
3 0 0 1	Support to the BEREC Expert Working Groups	397,991		-100,000	297,991
3 0 0 2	Activities under Articles 7 and 7a Framework Directive	35,000			35,000
3 0 0 3	Collection exchange and transmission of information	50,000			50,000

Budget Line	Budget Item Description	Budget 2013 approved by Budg. Authority	Transfers Jan 2013	Transfers Feb-May 2013	Budget with transfer
3 1	Horizontal activities (other support not directly related to BEREC WP)	120,000			220,000
3 1 0	Horizontal activities (other support not directly related to BEREC WP)	120,000			220,000
3 1 0 1	Other support activities to BEREC	65,000		95,000	160,000
3 1 0 2	Provision of advice and other ad-hoc services to BEREC and other parties	55,000		5,000	60,000

Ando Rehemaa

3 June 2013