

Information

on the transfers in the 2020 Budget of the Agency for Support for BEREC ('the BEREC Office') carried out by the Directors in the period July - September 2020

1. Overview

Article 26 (1) of Decision MB/2019/13 on the financial regulation applicable to the BEREC Office in conformity with Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council on the Financial Regulation applicable to the general budget of the European Union (hereinafter referred to as the 'BEREC Office Financial Regulation') lays down that, the Director may transfer appropriations:

- (a) 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;
- (b) from one chapter to another and within each chapter without limit.

In the 3rd quarter of 2020 the BEREC Office Director executed 2 budgetary transfers in order to ensure the best use of the financial resources available to the BEREC Office, namely:

- Transfer No 1/2020 within/from Title 1 and within/to Title 2 of 2 July 2020;
- Transfer No 2/2020 within Title 1 and within Title 2 of 2 September 2020.

Transfers of appropriations above EUR 5,000.00 is accompanied by additional explanations below.

2. Overview of transfers

Title 1 transfers overview

Transfer 1/2020 of 2 July 2020		
1111	Contract staff and seconded national experts (SNE)	-25,000.00
1200	Recruitment expenses	-10,000.00
1300	Mission expenses, duty travel expenses and other ancillary expenditure	-180,858.79
1500	Training	-40,000.00
1600	External services	272,000.00
Transfer 2/2020 of 2 September 2020		
1120	Employer's social security contributions - temporary agents	-13,400.00
1200	Recruitment expenses	18,400.00
1300	Mission expenses, duty travel expenses and other ancillary expenditure	-10,000.00
1500	Training	-4,000.00
1600	External services	19,000.00
1700	Representation, receptions and events, and miscellaneous staff expenses	-10,000.00

- **Transfer 1/2020 of 2 July 2020** addressed the immediate impact of the COVID-19 pandemic and related travel restrictions. Delays in the recruitment process, cancellation of staff missions and training activities for the year and subsequent need to cover the vacant position with interim workers, were not planned in the initial budget and resulted in: lower consumption in budget line related to Contract Agent salaries, recruitment, missions and training expenses; higher than planned consumption in the budget line 1600 due to extension/new interim services contracts to continue to fill in the vacant posts and to cover the tuition fee for multilingual schooling for the children of the staff for the new academic year, while awaiting the solution of the Latvian state to partly finance/reimburse the costs.

- **Transfer 2/2020 of 2 September 2020** was further addressing the ongoing COVID-19 crisis and the subsequent changes in the daily operations of the BEREC Office due to the travel and other related restrictions. In Title 1 appropriations were reshuffled in order to increase the appropriation recruitment with a view to ensure sufficient financial resources for the use of on-line recruitment services under an inter-institutional framework contract and to ensure sufficient financial resources to temporarily fill in vacant posts or to ensure replacement of colleagues on long-term absence with interim workers. These activities were financed with the unused appropriations from staff missions, trainings and representations events, consumption of which is very low due to COVID-19 outbreak and overestimated expenditure appropriations for employer's social security.

Title 2 transfers overview

Transfer 1/2020 of 2 July 2020		
2000	Rental of buildings and associated costs	-20,500.00
2300	Legal and other operating services	17,500.00
2400	Non-operational media and public relations	-6,800.00
2500	Non-operational meetings	-6,341.21
Transfer 2/2020 of 2 September 2020		
2100	Data processing and telecommunications	40,000.00
2400	Non-operational media and public relations	-40,000.00

- **Transfer 1/2020 of 2 July 2020** increased in BL 2300 Legal and other operating expenditure to cover the update the future ABB and ABC models for compliance, the budget line showed slightly higher consumption than initially planned due to KPI review workshop that took place in May 2020 and the launched project for assessment of the efficiency and effectiveness of the control systems. Decrease of the BL 2000 Rent and associated expenditure—since the BL demonstrated lower consumption than initially planned due to decreased physical security hourly prices in January 2020 and delayed rent of the additional premises at the 3.5 floor that were scheduled for February 2020, but only materialised in June 2020. The above mentioned needs were covered with transfer out from BL 2400 Non-operational media and public relations and BL 2500 Non-

operational meetings, which show lower consumption than planned due to cancelled physical events/meetings due to COVID-19.

- **Transfer 2/2020 of 2 September 2020** further addressed the COVID-19 related restrictions impact on the planned communication activities under the budget line for non-operational media and public relations, in particular, due to cancellation of multiple events or moving them to digital environment. These appropriations were re-assigned for ICT activities financed from Title 2, since the need to ensure stable and secure IT environment operating during the COVID-19 outbreak has led to higher consumption for ICT than estimated, since additional equipment (secondary devices for remote connection, cameras etc.) had to be purchased in order to ensure quality remote connection and work.

The table below presents the full overview of the transfer made as described above.

Overview of the transfers in the BEREC Office Budget July – September 2020

Title / Budget line	Budget item description	Approved Budget	10% ceiling	Transfer July 2020	Transfer September 2020	Budget with transfer
Budget 2020:		7,233,653				7,233,653
1	STAFF EXPENDITURE	3,357,221	335,722	16,141.21	0.00	3,373,362
1 1 0 0	TEMPORARY AGENTS' SALARIES	1,338,441.87	133,844.19			1,338,441.87
1 1 1 1	CONTRACT STAFF AND SNEs	1,099,329.00	109,932.90	-25,000.00		1,074,329.00
1 1 2 0	EMPLOYER'S SOCIAL SECURITY CONTRIBUTIONS	80,000.00	8,000.00		-13,400.00	66,600.00
1 2 0 0	RECRUITMENT EXPENSES	30,000.00	3,000.00	-10,000.00	18,400.00	38,400.00
1 3 0 0	MISSION EXPENSES, DUTY TRAVEL AND OTHER ANCILLARY EXPNDITURE	249,000.00	24,900.00	-180,858.79	-10,000.00	58,141.21
1 4 0 0	MEDICAL SERVICE	12,000.00	1,200.00			12,000.00
1 5 0 0	TRAINING	90,000.00	9,000.00	-40,000.00	-4,000.00	46,000.00
1 6 0 0	EXTERNAL SERVICES	438,250.00	43,825.00	272,000.00	19,000.00	729,250.00
1 7 0 0	REPRESENTATION, RECE	20,200.00	2,020.00		-10,000.00	10,200.00
2	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	1,070,440	107,044	-16,141.21	0.00	1,054,299
2 0 0 0	RENTAL OF BUILDINGS	232,565.00	23,256.50	-20,500.00		212,065.00
2 1 0 0	DATA PROCESSING AND TELECOMMUNICATIONS	423,224.87	42,322.49		40,000.00	463,224.87
2 2 0 0	MOVABLE PROPERTY AND ASSOCIATED COSTS	55,200.00	5,520.00			55,200.00
2 3 0 0	LEGAL AND OTHER OPERATIONAL EXPENDITURE	269,450.00	26,945.00	17,500.00		286,950.00

Title / Budget line	Budget item description	Approved Budget	10% ceiling	Transfer July 2020	Transfer September 2020	Budget with transfer
2 4 0 0	NON-OPERATIONAL MEDIA AND PUBLIC RELATIONS	68,000.00	6,800.00	-6,800.00	-40,000.00	21,200.00
2 5 0 0	NON-OPERATIONAL MEETINGS	22,000.00	2,200.00	-6,341.21		15,658.79
3	OPERATIONAL EXPENDITURE	2,805,992	280,599			2,805,992
3 0 0 1	BEREC PROGRAMME MANAGEMENT SUPPORT	920,200.00	92,020.00			920,200.00
3 1 0 1	OPERATION AND STRATEGIC SUPPORT TO BEREC	1,885,792.00	188,579.20			1,885,792.00

The current information is brought to the attention of the BEREC Office Advisory Group (BAG) and Management Board in compliance with the provisions of the Article 26 (1) according to which the Director has to inform the Management Board as soon as possible of all transfers made.

Riga, 27 November 2020.

E-signed

László IGNÉCZI

Director