



European Training Foundation

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Turin, 14 September 1999

Dear Member,

WRITTEN PROCEDURE: 1999 AMENDING BUDGET

On behalf of the Chairman, I am writing to seek the Governing Board's approval to make a number of transfers within the 1999 budget.

Details of the proposals are set out in the attached annex. In order to ensure that the proposed transfers can be effected as soon as possible and so as to be able to launch the necessary activities (where appropriate) within the financial year, I am seeking the Board's approval by written procedure. Members are asked to let me have their written approval by fax or by letter to arrive within 10 working days of receipt of the present letter. If by then, a member has not contacted me, it will be assumed that the member concerned has given his or her approval.

Yours sincerely,

Peter de Rooij
Director

Enc.





European Training Foundation

To Members of the Governing Board

1999 AMENDING BUDGET

1. Introduction

In the course of the financial year it has become clear that a number of transfers within the 1999 budget are necessary. Article 21 (3) of the financial regulation of the Foundation states that the Director may make proposals to the Governing Board for transfers of appropriations from one chapter to another.

2. Scope of Transfers

The transfers amount to € 387,000. The proposed transfers concern:

- Shifts in administrative expenditure in Titles 1 and 2
- Enhancement of operational activities in Title 3 (Chapter 31)

2.1 Administrative expenditure (Titles 1 and 2)

It is necessary to make a number of transfers mainly within Title 1 and Title 2 in order to cover expenditure in Chapter 11 (personnel costs). Whereas the Foundation's establishment plan allows for 130 temporary agents, the 1999 budget was calculated on the basis of only 123 staff in order to ensure that sufficient funds were available for operational activities. However, it has become apparent that such tight budget planning leaves little margin for manoeuvre for unforeseen circumstances. Some of the estimates made at the beginning of the year were based upon wrong assumptions, which have to be corrected now. Moreover, the estimates made for salaries and for a number of allowances were too tightly calculated. In particular, the number of staff leaving the Foundation was higher than anticipated leading to increased expenditure on removal allowances which are particularly difficult to calculate. This in turn led to increased activity in the area of recruitment (to replace staff who had resigned) with resulting increases in expenditure elsewhere in chapter 11 (for example, installation allowances, reimbursement of costs of travel to interview etc.).

To sum up, it is proposed to transfer € 274,000 to Chapter 11 in Title 1 with the funds coming almost entirely from within Title 1 or Title 2. Only € 9,500 of this amount is being taken from Title 3 (Chapter 30). It should be stressed that this increase in personnel costs does not entail an increase in the number of staff employed in the Foundation and that the policy to budget only for 123 posts, (rather than the 130 contained in the establishment plan) remains unchanged. The overall amount of administrative costs remains stable and the balance between operational and administrative costs is being maintained.



2.2 Operational activities (Title 3)

Title 3 is made up of two chapters, 30 and 31. Whilst Chapter 30 concerns associated activities such as publications, translations, meetings, the Advisory Forum and National Observatories, Chapter 31 contains the core operational activities as set out in the work programme. The amending budget foresees a number of savings within Chapter 30 in order to enable the Foundation to increase its operations in a number of areas considered to be a priority in Chapter 31 or to enhance existing projects as indicated below. This entails a transfer of € 113,000 to Chapter 31.

Regional development project

Given the adoption of the new Phare guidelines in June and in view of the Foundation's role in the preparation for ESF-type measures at regional level, it appears crucial to support the involvement of the National Observatories network in the preparatory measures. Following the pilot projects initiated in 1998 by the Foundation in the Czech Republic, Hungary, Poland and Slovenia with the support of the National Observatories, the project aims to enable all ten national observatories in the candidate countries to develop their ability to undertake better labour market analysis at regional level and at preparing them for the evaluation processes linked to the ESF-type operations. This project, therefore, represents a reinforcement of the existing regional project foreseen in Annex 3 of the 1999 work programme with an additional € 18,000 being transferred from chapter 30.

Extension of study on assessing management training needs

Following the successful implementation of this study which was financed by the Foundation from the 1997 work programme and discussed at an international conference in 1998 in co-operation with CEEMAN, a number of countries (Hungary, Ukraine in particular) have expressed interest in applying the methodology to their own situation. The funds will be used to finance an expert meeting to examine the possible extension of the study and to finance research work by the expert team concerned. This entails a transfer of € 40,000 from chapter 30.

Workshop on apprenticeship schemes, Syria, November 1999

Following consultations with the EC Delegation and the Syrian authorities, the Foundation has been asked to organise a workshop in support of their efforts to reform the vocational education and training system. The workshop will concentrate on key aspects of the implementation of apprenticeship systems and should allow the Syrian participants to increase their awareness of the subject and prepare further the ground for reform. This involves an additional € 30,000.

Workshop on policy advice in Malta, November 1999

The renewal of Malta's application for membership of the European Union last spring has made it necessary to incorporate into the vocational education and training reforms a number of aspects that will be examined during the screening process. As a result, the Maltese authorities have asked the Foundation to organise a workshop to examine the policy implications arising from a number of technical aspects linked to the reform of the system. The workshop will focus on best practice from different countries. It is proposed to transfer € 15,000 from chapter 30 for this purpose.

Evaluation

With the creation of the new Planning, Monitoring and Evaluation Unit, the Foundation is stepping up its efforts on evaluating its activities. In addition to the € 40,000 foreseen in the policy advice budgetline in chapter 31, it is proposed to transfer an additional € 10,000 from chapter 30 to this line to enable the Foundation to recruit external expertise in order to make a substantial start in 1999.

2.3 Overview of proposed transfers

A table with the transfers summarised per chapter can be seen below:

Item	Subject	Original budget	Amendment	Amending budget
Chapter 11	Personnel	8,999,021	+274,000	9,273,021
Chapter 14	Socio-medical infrastructure	215,000	-52,000	163,000
Chapter 15	Exchange of officers and experts	252,000	-80,000	172,000
Chapter 17	Reception and entertainment expenses	17,000	-5,000	12,000
Chapter 20	Investments in real estate, rentals and accessory charges	421,500	-11,500	410,000
Chapter 21	Data processing	420,000	-6,000	414,000
Chapter 22	Movable property and accessory charges	129,350	-38,000	91,350
Chapter 23	Current administration costs	144,129	-32,000	112,129
Chapter 24	Post and telecommunications	335,000	-20,000	315,000
Chapter 25	Meetings and calling thereof	103,000	-20,000	83,000
Chapter 30	Operational expenses (publications, meetings etc.)	2,034,000	-122,500	1,911,500
Chapter 31	Priority actions	2,640,000	+113,000	2,753,000

The detailed changes per budget posts can be seen in the full Amending Budget (Annex 1).



3. Proposal for decision

In accordance with Article 21 (3) of the Foundation's Financial Regulation and in the light of the above, the Governing Board is requested to authorise the Foundation to carry out the proposed transfers. The overall amount of the 1999 budget remains unchanged at € 16.2 million. The amending budget is attached (Annex 1).

Peter de Rooij

Peter de Rooij

Director

September 1999





ANNEX 1

PROPOSAL FOR AMENDING BUDGET



EUROPEAN TRAINING FOUNDATION
1999 BUDGET
ESTIMATE OF EXPENDITURE

Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
TITLE 1 EXPENSES FOR PERSONNEL LINKED TO THE FOUNDATION					
	Chap. 11	<i>Personnel in activity</i>			
110	1100	<i>Agents included in the workforce</i>			
	1101	Basic salary (1)	5 830 824	360 803	6 191 627
	1102	Family allowance	447 655	5 074	452 729
	1103	Transfer and expatriation allowance	852 633	5 130	857 763
		Secretarial allowance	34 233	(581)	33 652
110			<i>Total item</i>	7 165 345	370 426
111	1110	<i>Other agents</i>			
	1112	Auxiliary agents	155 000	(13 000)	142 000
111		Local agents	350 000	(25 000)	325 000
			<i>Total item</i>	505 000	(38 000)
113		<i>Employer's social security contribution</i>			
	1130	Health risk	202 366	8 046	210 112
	1131	Accident and health risk	47 830	3 954	51 784
	1132	Unemployment risk	47 615	(2 320)	45 295
	1133	Pension	pm	pm	pm
113			<i>Total item</i>	297 811	9 680
114		<i>Sundry allowances</i>			
	1140	Birth and death allowance	1 100	(341)	759
	1141	Annual leave travelling expenses	156 000	105	156 105
	1142	Accommodation and transport	pm		
	1143	Standard acting allowance	pm		
	1144	Standard traveling allowance	pm		
	1145	Accounting allowance	pm		
	1147	Call on duty	12 000	(5 432)	6 568
114			<i>Total item</i>	169 100	(5 668)
115	1150	<i>Overtime</i>			
115		Overtime (2)	-	-	-
			<i>Total item</i>	-	-
117		<i>Services rendered</i>			
	1170	Freelance interpreters and conf. personnel	pm		
	1172	Cost of organizing traineeships with the Foundation	50 000	(3 000)	47 000
	1175	Other translation services	pm		
	1177	Other services rendered	194 000	(40 000)	154 000
117			<i>Total item</i>	244 000	(43 000)
118		<i>Recruitment and transformation costs</i>			
	1180	Sundry recruitment expenses	50 000		50 000
	1181	Travelling expenses (1)	12 000	(771)	11 229
	1182	Installation allowance (1)	140 000	300	140 300
	1183	Moving expenses (1) (2)	130 000	(137)	129 863
	1184	Temporary daily allowance (1)	64 000	(849)	63 151
118			<i>Total item</i>	396 000	(1 457)
119	1190	<i>Weightings (Correction coefficients)</i>			
119		Weightings (Correction coefficients)	221 765	(17 981)	203 784
			<i>Total item</i>	221 765	(17 981)
	Chap. 11		<i>Total chapter</i>	8 999 021	274 000
	Chap.13	<i>Missions and travel</i>			
130	1300	<i>Mission and travel expenses</i>			
130		Mission and travel expenses	490 000	-	490 000
			<i>Total item</i>	490 000	-
	Chap.13		<i>Total chapter</i>	490 000	-

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Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
	Chap. 14	Socio-medical infrastructure			
140	1400	<i>Extraordinary aid</i>			
140		Extraordinary aid	pm		
			<i>Total item</i>		
142	1420	<i>Restaurants, meals and canteens</i>			
142		Restaurants, meals and canteens	pm		
			<i>Total item</i>		
143	1430	<i>Health service</i>			
143		Health service	45 000 45 000	(15 000) (15 000)	30 000 30 000
			<i>Total item</i>		
144	1440	<i>Internal training</i>			
144		Internal training	170 000 170 000	(37 000) (37 000)	133 000 133 000
			<i>Total item</i>		
149	1490	<i>Other interventions</i>			
49		Other interventions	pm		
			<i>Total item</i>		
	Chap. 14		Total chapter	215 000	(52 000)
	Chap. 15	Exchange of officers and experts			
152	1520	<i>Mobility of personnel between Foundation and public and private sectors</i>			
152		National experts seconded	252 000 252 000	(80 000) (80 000)	172 000 172 000
			<i>Total item</i>		
	Chap. 15		Total chapter	252 000	(80 000)
	Chap. 17	Reception and entertainment expenses			
170	1700	<i>Reception and entertainment expenses</i>			
170		Reception and entertainment expenses	17 000 17 000	(5 000) (5 000)	12 000 12 000
			<i>Total item</i>		
	Chap. 17		Total chapter	17 000	(5 000)
	Chap. 19	Pensions and pension subsidies			
190	1900	<i>Pensions and pension subsidies</i>			
190		Pensions and pension subsidies	pm		
			<i>Total item</i>		
	Chap. 19		Total chapter	-	-
	TITLE 1		TOTAL TITLE 1	9 973 021	137 000
					10 110 021

EUROPEAN TRAINING FOUNDATION
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Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
TITLE 2 BUILDING, EQUIPMENT AND GENERAL OPERATING EXPENSES					
	Chap. 20	<i>Investments in real estate, rentals and accessory charges</i>			
200		<i>Rentals</i>			
	2000	Rentals (4)			
	2001	Guarantees			
	2002	Contributions			
200			<i>Total item</i>	30 635	30 635
			pm		
			pm		
			<i>Total item</i>	30 635	30 635
201		<i>Insurance</i>			
	2010	Insurance			
201			<i>Total item</i>	7 500	(1 500)
			7 500	(1 500)	6 000
202		<i>Water, gas, electricity</i>			
	2020	Water, gas, electricity			
202			<i>Total item</i>	143 000	143 000
			143 000		
203		<i>Cleaning and maintenance (4) (5)</i>			
	2030	Cleaning and maintenance (4) (5)			
203			<i>Total item</i>	135 365	25 000
			135 365	25 000	160
204		<i>Furnishing of premises (5)</i>			
	2040	Furnishing of premises (5)			
204			<i>Total item</i>	36 000	(35 000)
			36 000	(35 000)	1 000
205		<i>Security and surveillance</i>			
	2050	Security and surveillance			
205			<i>Total item</i>	18 000	18 000
			18 000		
209		<i>Other expenses</i>			
	2090	Other expenses			
209			<i>Total item</i>	51 000	51 000
			51 000		
	Chap. 20		<i>Total chapter</i>	421 500	(11 500)
			421 500	(11 500)	410 000
	Chap. 21	<i>Data processing</i>			
210		<i>Equipment, data processing equipment and operating costs</i>			
	2100	Equipment			
	2101	Software development and purchase			
210			<i>Total item</i>	120 000	120 000
			160 000		
	2102	Other expenses			
			<i>Total item</i>	140 000	(6 000)
			420 000	(6 000)	134 000
			420 000	(6 000)	414 000
	Chap. 21		<i>Total chapter</i>	420 000	(6 000)
			420 000	(6 000)	414 000
	Chap. 22	<i>Movable property and accessory charges</i>			
220		<i>Technical installations and office equipment</i>			
	2200	Purchase			
	2202	Rentals			
	2203	Maintenance, utilization and repairs			
	2204	Office equipment			
220			<i>Total item</i>	5 250	(1 000)
			57 100		
			42 000	(33 000)	9 000
			1 000		
			105 350	(34 000)	71 350
221		<i>Furniture</i>			
	2210	Purchase			
	2212	Rentals			
	2213	Maintenance, utilization and repairs			
221			<i>Total item</i>	7 500	(1 000)
			pm		
			1 000		
			8 500	(1 000)	6 500
223		<i>Transport</i>			
	2230	Purchase			
	2232	Rentals			
	2233	Maintenance, utilization and repairs			
223			<i>Total item</i>	pm	pm
			3 000		
			3 000		
			3 000		

EUROPEAN TRAINING FOUNDATION
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Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
225	2250	<i>Documentation and library</i>			
	2251	Library stocks, purchase of books	pm 5 500		pm 5 500
	2252	Special library material	7 000	(3 000)	4 000
	2254	Subscriptions to newspapers and magazines			
		Binding expenses and conservation of works	pm 12 500	(3 000)	pm 9 500
225			<i>Total item</i>		
	Chap. 22		Total chapter	129 350	(38 000)
	Chap. 23	Current administration costs			
230	2300	<i>Stationery and office supplies</i>			
230		Stationery and office supplies	70 000		70 000
			<i>Total item</i>	70 000	70 000
232	2320	<i>Financial charges</i>			
	2321	Banking charges	5 000		5 000
	2322	Exchange rate losses	pm	pm	pm
		Other financial charges	pm 5 000	pm	pm
32			<i>Total item</i>	5 000	5 000
33	2330	<i>Legal expenses</i>			
233		Legal expenses	10 000		10 000
			<i>Total item</i>	10 000	10 000
234	2340	<i>Damages and interest</i>			
234		Damages and interest	pm	pm	pm
			<i>Total item</i>	-	-
235	2350	<i>Other operating expenses</i>			
	2351	Sundry insurance expenses	22 000	(8 000)	14 000
	2352	Working clothes and uniforms	pm	pm	pm
	2354	Sundry charges for internal meetings	5 000		5 000
	2355	Transfers of services	5 000	(5 000)	-
		Petty expenses	7 129		7 129
235			<i>Total item</i>	39 129	(13 000)
236	2360	<i>Publications</i>			
236		Publications	20 000	(19 000)	1 000
			<i>Total item</i>	20 000	1 000
	Chap. 23		Total chapter	144 129	(32 000)
	Chap. 24	Post and telecommunications			
240	2400	<i>Correspondence and courier expenses</i>			
		Correspondence and courier expenses	120 000	(20 000)	100 000
			<i>Total item</i>	120 000	(20 000)
241	2410	<i>Telecommunications</i>			
	2411	Subscriptions and fees	210 000		210 000
		Equipment	5 000		5 000
241			<i>Total item</i>	215 000	
	Chap. 24		Total chapter	335 000	(20 000)
	Chap. 25	Meetings and calling thereof			
250	2500	<i>Meetings and calling thereof</i>			
250		Meetings expenses in general	103 000	(20 000)	83 000
			<i>Total item</i>	103 000	(20 000)
	Chap. 25		Total chapter	103 000	(20 000)
	TITLE 2		TOTAL TITLE 2	1 552 979	(127 500)
					1 425 479

EUROPEAN TRAINING FOUNDATION
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Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
TITLE 3 EXPENSES RELATING TO PERFORMANCE OF SPECIFIC MISSIONS					
	Chap. 30	Operational expenses			
300	3000	<i>Operational documentation</i> Documentation (3)	55 000	(10 000)	45 000
300			<i>Total item</i>	55 000	(10 000)
301	3010	<i>Publicising of information</i> General publications (3)	182 000	(50 000)	132 000
301			<i>Total item</i>	182 000	(50 000)
304	3040	<i>Translation costs</i> Translation costs	420 000		420 000
304			<i>Total item</i>	420 000	
305	3050	<i>Meetings of the Advisory Forum</i> Meetings of the Advisory Forum	417 000	(10 000)	407 000
305			<i>Total item</i>	417 000	(10 000)
306	3060	<i>Consultants</i> Consultants	<i>Total item</i>	-	-
306			<i>Total item</i>	-	-
307	3070	<i>Seminars and study meetings</i> Seminars and study meetings	<i>Total item</i>	-	-
307			<i>Total item</i>	-	-
308	3080	<i>Expenses related to programme management and accession meetings</i> Expenses related to programme management and accession meetings	100 000	(16 000)	84 000
308			<i>Total item</i>	100 000	(16 000)
309	3090	<i>National Observatory network</i> National Observatory network	860 000	(36 500)	823 500
309			<i>Total item</i>	860 000	(36 500)
	Chap. 30		Total chapter	2 034 000	(122 500)
	Chap. 31	Priority actions			
310	3100	<i>Work programme activities - Phare and Tacis</i> Work programme activities - Phare and Tacis	2 430 000	68 000	2 498 000
313			<i>Total item</i>	2 430 000	68 000
311	3110	<i>Work programme activities - MEDA</i> Work programme activities - MEDA	210 000	45 000	255 000
311			<i>Total item</i>	210 000	45 000
	Chap 31		Total chapter	2 640 000	113 000
	TITLE 3		TOTAL TITLE 3	4 674 000	(9 500)
					4 664 500

**EUROPEAN TRAINING FOUNDATION
1999 BUDGET
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Item	Post	Title	1999 Budget (*)	1999 Amendment	1999 Amending budget
TITLE 9 EXPENSES NOT SPECIFICALLY PROVIDED FOR					
	Chap.99	Expenses not specifically provided for			
990		<i>Reserve</i>			
990	9900	Reserve			
990			<i>Total item</i>	-	-
	Chap. 99		<i>Total chapter</i>	-	-
	TITLE 9		TOTAL TITLE 9	-	-
			GRAND TOTAL	16 200 000	16 200 000
TITLE 4 EARMARKED EXPENDITURE					
	Chap. 41	Co-operation with other international institutions			
	Chap 41		<i>Total chapter</i>		
	Chap. 42	Co-operation with other european agencies			
420		<i>SI2 support service</i>			
420	4200	Funds relating to the participation of other European agencies into the SI2 support service	355 000		355 000
420			<i>Total item</i>	355 000	355 000
	Chap. 43	Co-operation with national institutions			
430		<i>Co-operation with italian institutions</i>			
430	4300	Expenses relating to the organisation of seminar for the Piedmont region	25 823		25 823
430			<i>Total item</i>	25 823	25 823
	TITLE 4		TOTAL TITLE 4	380 823	380 823

(*) including transfers within Chapters made in the course of the current year

(1) transfer of EUR 122 000 to 1181 (EUR 3 000), 1182 (EUR 65 000), 1183 (EUR 40 000), 1184 (EUR 14 000)

(2) EUR 10 000 have been transferred in 7/99 from 1150 to 1183

(3) EUR 5 000 have been transferred in 8/99 from 3010 to 3000

(4) EUR 1 365 have been transferred in 9/99 from 2000 to 2030

(5) EUR 4 000 have been transferred in 9/99 from 2040 to 2030