

FinFun FC JEFEurope - 26/08/2020
(online)



YOUNG
EUROPEAN
FEDERALISTS

Agenda:

JEF Online FC Meeting

26 August 2020, 19:00-20:00

All times are in Brussels time.

Wednesday 26 August 2020 Via ClickMeeting	
19:00 - 19:10	1. Official Opening and Introduction <i>19:00 Welcome address by President of JEF Europe, Leonie Martin.</i> 1.1 Explanation of voting procedures 1.2 Presentation of Code of Conduct 1.3 Presentation Gender Watch 1.4 Adoption of agenda and technicalities
19:10-19:50	2. Business of the FC 2.3 Vote on closing of the Accounts for 2019 2.4 Vote on amended budget for 2020 2.5 Vote on proposed budgets for 2021
19:50-20:00	3. Any other business & closing of the FC
20:00-21:00	JEF Europe 4 Years Strategy - Focus Group (Discussion)

Minutes:

19:00-19:10 1. Official Opening and Introduction

19:00 Welcome Address by President of JEF Europe

Leonie Martin:

- Thank you for attending this FC, being extraordinary not only because of the political and global situation of a pandemic, but it is also not a statutory meeting, but an FC fully focused on finances
- 2019 was the year with the biggest budget in JEF's history, which put a lot of responsibility on the Executive Board, Secretariat and sections
- **Finances** deserve a structured dialogue and should be well explained, this will be done by Milosh Ristovski (Secretary General) and Chris Powers (treasurer)

- Short excursion on politics: JEF spirit has been great also during the pandemic, great use of new methods and digital work, especially this summer's campaigns like Be A Federalist Ally and the recent campaign on Belarus connected to the collection of signatures (spread very quickly and JEF was very present)
 - **Multi-annual strategy** in this meeting there will also be space to brainstorm for a multi-annual strategy for JEF on how to "stay a generation ahead", where JEF can and should go and what JEF can achieve together.
 - *A Federalist Europe will not be paused.*
- End of speech**

1.1 Explanation of voting procedures

Milosh: There will be different types (to be explained right before the vote)

- **The Roll Call** is linked to status icons, (ClickMeeting "raise hand" "thumbs up")
- Make sure you click within the time limit (one minute)
- Make sure you have the correct abbreviation (EB, FC, ND)
- Keep in mind that there are people who have proxies (a person who could not attend the FC gave their vote to an attendee) and therefore will vote for another person too in a second round
- The secretariat will be cross-checking the quorum to guarantee that the FC can take decisions
- The chat and the questions there will be followed and answered
- **End**

1.2 Presentation of Code of Conduct

Gerhard:

- JEF's meetings are based on a culture of respect, dignity and equality, to keep them there are outlined rules, social norms and responsibilities (see questions on the slide - ask yourself if what you are experiencing at this event is consistent with JEF's values , if you feel no, don't do it, if you feel uncomfortable with something, contact others.
- Contact persons are Christelle and Milosh

1.3 Presentation Gender Watch

Christelle:

- To monitor the inclusion of all genders, as JEF did in the online FC and the FC in London, it's based on gender identity shared during registration and counts every person that speaks (not referring to technical questions)

1.4 Adoption of agenda and technicalities

Roll Call of attendees

Milosh:

- Each one who has voting power - National Delegate (one per sections), elected Federal Committee members and the Executive Board members
- Raise your hand (status icon) to show you are present at the meeting (no proxies!)
- Secretariat counts
- Clean status icons
- Read out **Proxies** - put thumbs up
- 4 proxies present that have been announced
- **Quorum is 29, 37 present**
- Every 10 minutes the SC will cross-check who is present and if quorum is reached
- **Federal Committee can officially start**

Adoption of agenda

- Christelle presents the agenda. No questions. Proceed to voting.
- Voting with survey. Open vote. Close vote.
- **Voted: 32 in favour, 6 not voted (one more person has joined with voting rights)**

Agenda is adopted.

2. Business of the FC

2.0. JEF Finances

Chris: It is an important meeting, the most money we had to account for in history, secretariat and external audit went smoothly. General situation is good.

3 Vote on closing of the Accounts for 20192

Chris:

- For the voting there are three documents provided
- **Budget became more balanced**, the staff costs still remain very high but also on campaigns, meetings and other categories (which makes it different from a weaker NGO that would spend more focused on staff)
- Observation: every year that we invest in staff, we also invest more in campaigns and other activities
- **Diversity of funding**
- Income streams are changing
- Still $\frac{2}{3}$ dependency on European Commission funding (compared to other NGOs ok)
- Important other income sources: membership fees, merchandise, foundation, corporate
- Project funding higher than operational funding because of the EP Elections campaign based on the European Youth Together Grant from the previous mandate -> a lot of activities in 2019
- In 2020, less activities due to Corona
- This needs changes in financial management and decision making of the organisation
- Thanks to Milosh and secretariat for the financial management

Milosh:

- Thanks for support by EB and for EYT for Michal who lead the biggest project in JEF Europe's history in partnership with 12 sections of JEF, so succeeding is a job for everyone and EC saw it and granted us with Y-FED
- **JEF spent 14,635.7 € more** on EP elections project
- **Own resources fully positive** (31,007.56, gives us freedom and let's us enter in the next year that will be challenging and has to be discussed)

Questions:

Julius:

Question regarding funding corporate organisations: "What kind of foundation funding is JEF receiving and what kind of corporate partnerships have or will be established? Because I recently attended a seminar on organisation funding. To my knowledge there is nothing happening in this sector and it would be a good source for more money."

Chris: "At the moment things have been disrupted a bit but the Secretariat has been leading on this, it's essentially linked with the work of the Political Platforms and the resolutions that pass on the FC. So if we find a subject for example rule of law, the secretariat is proactively searching for corporate sources that might be able to help and then we have an on-going discussion with them, you know, how and in what way is it co-funding or giving in kind. Those kinds of findings were not present in the 2019 accounts, but they hopefully will be in the 2021 budget.

Julius: "So in the past there has been no partnership with a company. Classical kind of thing."

Chris: "As far as I know it has been the first in a while, but sometimes in a supporting role in previous projects, like flixbus who has supported us during the 2019 campaign."

Milosh: "And also if I can jump in that we have succeeded to rebuild on the partnership with flixbus and we think a lot of our JEFers have actually used this ticket that they were given which has been 75% off and this showed as a very good practise and we succeeded to get again 50% off for the coming events which are going to be organise, especially when part of the Y-FED project. We also have more planned, we have the letters ready, it is only that at the moment the situation does not allow us to go to private companies and ask for funding when we know that they struggle in actually surviving. So it's a very different reality that we are living at the moment.

Christelle: Question answered? Question by Gerhard and then Mark.

Gerhard: "Yes, Milosh can you please explain again is this now the part why we are having the exceptional FC and then you can repeat again what is the difference from last year, what has changed?"

Chris: This is obviously my first time closing accounts as a treasurer, so I have been looking through the process to see what we have to do by Belgian law and then some more that is still written in the statutes of JEF as well. The Belgian state made some changes this year in the light of the Coronavirus, specifically two:

One is that we can have a meeting like this online to actually pass and verify our accounts. The other is to extend the deadline. It is usually May/June but now it is September

In the past we have been late, now it is an opportunity to do it on time, we had the external audit, we just need your approval. What is important is that before the FC in the autumn we have to close our accounts for 2019 but also have to decide on how to manage our finances in 2020, how we managed projects, support them in getting a report that is more words and less numbers so that it makes sense for everybody and to review how we cope as JEF in the coming years, now at the moment when we are becoming larger and more professional financially, how our structures can adapt to do that.

Milosh: What also changed for this year and I think this was pointed out especially in the speech by Leonie in the beginning, we are talking about the biggest financial year. From my understanding on how the Belgian law works and what I discussed with our accountant, there are different ways how we can validate the accounts. It is not that we were not doing things properly in the previous years, we were validating them but there are different ways (external, internal) you just need to make sure that they are verified externally in order to close the financial year that is 2019. That deadline in Belgium is the 30th of June and this is something that we are really trying to work on, it is just that this year is a year which is very different for us, we went through three audits and we really wanted to use this opportunity to close the summer, to close the accounts, definitely not the most important one, that is in my opinion the discussion on the budget of 2021, but really just get the validation from your side. And show the good job the EB and SC have done so far.

Mark: Basically as internal audit we haven't had the chance so far, the entire thing came on very short notice for us, we were informed three weeks ago about the procedure intended by the board and it is something we were not actually happy to be pushed so quickly in the middle of the summer when some people are on the holiday, nothing is planable, all of us work 100% so 3 weeks was just not enough and we find it very unfortunate that the EB and SC have chosen a way to rush through it even though we can understand the reason behind and basically ask the FC to close the accounts without any of us internal accounts having had the chance to check and deliver to the FC what is we are supposed to do as an internal audit. So for us we are not too fond of this situation and in the past years we have always closed the accounts in October, yes, we were late, but this has worked in the previous years, why can it not work this year? If the EB decided to pass the way it has chosen we would have liked to be informed a month earlier this is the situation from our side and which is why you haven't got a report from us internal auditors. I hope that explains the situation.

Milosh: Thank you very much and also for the email you send us, I do believe that there is no way to say yes you have time, we knew that there was short time, we immediately understood that you did not have time to finish it and we know that this is really important and this is what we discussed in the email and we would like you to include this in the report because both, Emma and Chris are both working on how we can give a suggestion to the EB on how we can work on this in the future, so that next year the financial time plan is also going to fit with the political one, now in the moment and the stability that we have more people in the secretariat that we will come to the solution that we can do everything probably following our statutes and the law of the country and I look forward to our discussions in September and the report that we will discuss during the autumn FC.

Christelle: Yes, we can discuss how to avoid the situation which has clearly been unfortunate as a former auditor

Gerhard: Just to make it clear: it will be on the agenda of the October FC. So we have the external auditor account that shows that everything is legal, what is missing is the internal audit which is based on our statutes and reflects on if it is in line with our politics. There will be the chance to comment on the political aspect of the 2019 accounts. So when we vote on it now we confirm everything has been legal but we still can discuss it in October on a political dimension.

Milosh: What is more important for me is that the feedback we get from that report is included in the discussion for 2021. We really need a properly checked report by the auditors for that because we are going to be voting on different scenarios so this is why we need to check, we really want to work with the auditors to close this up and include the feedback in 2021 work.

Gerhard: This also means we have to figure out how we will not end up in the same situation next year. And that we will have to vote better in an earlier time than September and August for closing 2020.

Christelle: Does anyone else have a question? We also take jokes :) Now we are going to move to the voting.

Voting on the closing of accounts

Milosh: SC will check on the numbers and quorum. Raising the hands is not needed. Just cross-checking.

Same number of votes: **33 direct votes and all 4 proxies confirmed. 37 votes**

Results:

proxies: 2 in favour, two abstained

20 votes in favour 2 against 2 abstain

2019 Accounts have been closed.

4 Vote on amended budget for 2020

Presentation

Chris: So we had to adjust because of Corona.

- We saved money because no FC, no extra money because also income done, e.g. no participation fees for events
- JEF has not suffered much, but there is also not a chest of money as it is reduced a bit
- More costs in the digital area but JEF was going in this direction anyway so no big changes
- Nature of expenses in general has not changed, not bigger than 10% of change between categories
- Most sections work with Erasmus+ grants and know that we need to adjust to Corona, JEF Europe is in the same situation
- Constant contact with European Commission
- Might move education activities to 2021
- Only big change was removing the participation fees

- Statutory events still cost money (staff and digital equipment, platforms), but less because there is no travel and accommodation

Questions:

Christelle: So statutory is almost zero?

Chris: Yes and it should be reduced by 1000 in each column, we originally budgeted 10 000.

Gerhard: Because of the new office and the rent and subletting will there be any issue because of the issues of UEF in the budget.

Chris: Not really, rent is still being paid, not much left of 2020, future problems might arise in 2021, but at the moment no reason to be concerned.

Christelle: Any other questions? Then we proceed with the voting.

Voting on amended budget for 2020

(with two separate questions - 1 all, 2 only proxies)

Proxies: 3 in favour, 1 abstained.

All: 30 in favour, 4 abstain, 1 against

5 Vote on proposed budgets for 2021 Preview

Presentation

Chris:

- Autumn winter will be a time of bit transmission because we made different grant application and are waiting for feedback
- Showing you the **worst case scenario** if we are left with nothing.
- Meaning far less capacity at the moment,

Bad would be if expenditure would be higher (13 000 euro) than total income

- JEF has reserves so it can keep going, in the worst case JEF has to reduce capacity but everything is fine, but we think in October we can come with a more positive budget.
- Voting should be a formality, it's for asking questions and we hope to never use this scenario.

Questions:

Christelle: Questions?

Sebastian (asking written question): So is the budget 13 000 or 30 000€?

Chris: The income would be 30 000 and the 13 000 would be part of the reserves we would have to dip in if it comes to the worst case. The total budget is more than 13 000 even in the worst case.

Milosh: I read that the additional questions is that this is much less than the staff costs, this is a correct observation, but we also are very open with our staff members, we have presented these opportunities, they are very aware that their contracts might end if there is no additional funding from the EC. And again, this money we can use is for them to have a proper end of their contracts and to follow Belgian law. So again, this is not supposed to cover a full year of staff costs, but for a proper ending of contracts.

There will be 1 to 3 months where we will have to cover the staff costs with this money, we will apply again for the admin funding but there will be 3, 4 months with us not knowing if we get it. But if we don't get it, this is not going to be a loss of the organisation.

Christelle: Any other questions? Proceed to voting.

Voting on proposed budget for 2021

31 votes in favour, 1 against, 2 votes abstain.

Proposed budget has been approved.

Any other business & closing of the FC

Christelle: The autumn FC will be online again, calling for ideas, activities and how the task forces can work. Please write to the presidium.

Any other business? Or can we close the FC?

Questions:

Gerhard: Question to the EB or SC - what's the statutes that we voted on in Paris, from which moment will they be valid, at which step of handing them in to the Belgian institutions are we.

Milosh: This is on our agenda and we hope that by the autumn FC we can present more, we are discussing with the Belgian authorities if we can have the congress in Belgium in order to change the statutes we need to have this in Belgium, on top of that we have already started cross-checking on how to do all the additional changes and close it all in one round.

Christelle: Also please share any feedback on online FC. Online FC and voting closed, now please proceed to the focus groups.

Leonie: Thank you for organising and moderating.

- Resolutions and political guidelines at FCs are important
- And now what has to be discussed is the annual strategy, the past 4-years strategy has been in Cologne and now we discuss how to do a multi-annual strategy
- Including everyone, not only EB, participative approach
- Those docs are crucial for grant applications, especially for the admin grant
- 4 focus groups; National delegates, FC members, Secretariat, Executive Board
- No full preparation needed, just sharing ideas and thinking together
- Based on all FG, the EB will present it and with amendments we will pass it on the autumn FC

Milosh: Do not stress, it is not a voting, it is just a first step to gather ideas. We will merge all ideas of all groups, the links for the FG are posted. Leave this room and join the FG, fully engaged, turn on cameras and be active.

Christelle: Gender watch note; 31.5% women, 69.5% men. The attendees are about 50/50.

Federal Committee closed.