

**IFATCA Administrative Manual (IAM) Overhaul – Article 3**

Presented by JF Lepage, Deputy President

**SUMMARY**

The IAM is most probably the most important document of our Federation. Yet, it has never benefited from a comprehensive overhaul since its creation in 1961. This working paper presents the proposed changes to Article 3 of the IAM.

**1. INTRODUCTION**

1.1. This working paper presents the proposed changes to Article 3 of the IAM, "FINANCE". It is to be noted that changes proposed here are, for the most part, editorials. The balance of the proposed changes is either modifications to align the text with current practice and modern times, or remove text that is no longer relevant, redundant, or inaccurate.

**2. DISCUSSION**

2.1. At present, Part 1, Article 3 is composed of eleven sub-sections. Part 2, Section 3 is composed of eight sub-sections. Sub-sections 1, 2 and 5 names do not match between the constitution and the bye laws; the name from the constitution was retained. It is to be noted that constitution sub-sections 7, 9 and 10 do not have any associated bye laws. Finally, "Indemnity" is sub-section 11 in the constitution, whereas it is sub-section 8 in the bye laws; those were moved to position 11 for consistency.

2.2. The current structure of Article 3 and Section 3 is as follows:

<b>ARTICLE 3</b>	<b>FINANCE</b>
1	GENERAL
2	REVENUE
3	ANNUAL SUBSCRIPTIONS
4	AFFILIATION FEE
5	DETERMINATION OF AMOUNTS AND CURRENCY
6	LIABILITIES
7	FINANCIAL AUTHORITY
8	ACCOUNTS
9	AUDITOR
10	ACCOUNTANT
11	INDEMNITY
1	BUDGET
	1.1. Budget
	1.2. Current Annual Budget
2	OWN FUNDS
	2.1. Reserve Fund
	2.2. Financial Circumstances Fund
	2.3. Equipment Fund
	2.4. Legal Contingency Fund
	2.5. Conference Attendance Fund
	2.6. Travel Assistance Fund
	2.7. ANC Representative Fund
	2.8. Regional Meeting Attendance Fund
	2.9. Training Fund
3	ANNUAL SUBSCRIPTIONS
	3.1. General
	3.2. Annual Subscriptions for the Year
	3.3. Membership Categories
	3.4. Special Regulations
4	AFFILIATION FEE
5	DETERMINATION OF AMOUNTS
	5.1. Travelling Allowances
	5.2. Honoraria, Equipment Allowance and Shift Payments
6	LIABILITIES
	6.1. General
	6.2. Officers Attending Conference
7	ACCOUNTS
	7.1. Principal Accounts of the Federation
	7.2. Reporting of Expenses

2.3. The proposed new structure of Article 3 is as follows:

<b>ARTICLE 3</b>	<b>FINANCE</b>
<b>1</b>	<b>General</b>
1.1.	Budget
<b>2</b>	<b>Revenue</b>
2.1.	Reserve Fund
2.2.	Financial Circumstances Fund
2.3.	Equipment Fund
2.4.	Legal Contingency Fund
2.5.	Conference Attendance Fund
2.6.	Travel Assistance Fund
2.7.	ANC Representative Fund
2.8.	Regional Meeting Attendance Fund
2.9.	Training Fund
<b>3</b>	<b>Annual Subscriptions</b>
3.1.	General
<b>4</b>	<b>Affiliation Fee</b>
<b>5</b>	<b>Determination of Amounts and Currency</b>
5.1.	Travelling Allowances
5.2.	Honoraria, Equipment Allowance and Shift Payments
<b>6</b>	<b>Liabilities</b>
6.1.	General
6.2.	Officers Attending Conference
<b>7</b>	<b>Financial Authority</b>
<b>8</b>	<b>Accounts</b>
7.1.	Principal Accounts of the Federation
7.2.	Reporting of Expenses
7.3.	Books and Records - Retention and Destruction
<b>9</b>	<b>Auditor</b>
<b>10</b>	<b>Accountant</b>
<b>11</b>	<b>Indemnity</b>

2.4. **Proposed Modification – Sub-section 1**

2.4.1. The budget itself shouldn't be part of the IAM, or at least not in the bye laws. While it is voted, it is part of the working paper produced every year on the topic and is widely available already, as are the financial statements and other financial documents that are not part of the IAM. Should the Directors not agree with removing it from the IAM, an alternative solution would be to put it in the new Appendix B, which will contain honoraria and others (see Article 5 for more details).

2.5. **Proposed Modifications – Sub-section 2**

- 2.5.1. The reserve funds are constituted and used according to what is proposed every year in the budget and voted by the Directors. Affiliation fees may or may not end up in the reserve depending on circumstances. It is proposed to remove the last part of the Constitution paragraph:

2.1. The revenue of the Federation shall be derived principally from annual subscriptions to be paid by Member Associations, Industry Partners and Associate Professional Members, as well as income derived from subscriptions and advertising in the journal. If additional revenue is required in excess of the annual subscriptions, charges may be levied from the Member Associations. Charges may also be levied for special services rendered by the Federation, to regain expenses incurred. An affiliation fee will be levied on prospective Member Associations and Associate Professional Members, upon acceptance of their affiliation, ~~which shall constitute their contribution to the Reserve Fund.~~

- 2.5.2. Similarly, in the bye laws, paragraph 2.1.2 should be amended accordingly:

2.1.2. This fund is fed through ~~affiliation fees levied upon new Member Associations and Associate Professional Members, as well as through~~ annual credit balances directed accordingly.

- 2.5.3. In paragraph 2.2.1, there are two occurrences of “Associations” which should, for consistency and clarity, be amended to “Member Associations”:

2.2.1. This fund is established to assist **Member** Associations, including those suspended for failure to pay their subscriptions or other debt, in meeting their financial obligations to the Federation, when financial circumstances apply, either wholly or in part, so as to allow affiliation, or alleviate the suspension or expulsion of **Member** Associations.

- 2.5.4. In the second paragraph of the note under 2.4.3, “nations” should be replaced by “States”, which is more representative of what is being said, and more in line with general UN and ICAO terminology:

The use of the Fund shall normally be confined to Member Associations and Associate Professional Members from Category 2 and Category 3 ~~nations~~ **States** who are involved as defendants or witnesses in any legal action relating to their employment as air traffic controllers. If necessary, priority may have to be given to Category 3 ~~nations~~ **States**.

- 2.5.5. Regarding paragraph 2.6.1, the last sentence: “*Normally, assistance from the fund will be limited to a total of three trips per year, to a maximum of the balance of the fund*” could be clarified. Is it per person? Per position? Per MA? For the entire Federation? It is proposed to add it to the work programme of CAC for next year for investigation.

- 2.5.6. In 2.7 (the title) and 2.7.1, the title of the Liaison Officer to the ICAO ANC is presented incorrectly, and the paragraph should be amended as follows:

## 2.7 Liaison Officer to the ICAO ANC Representative Fund

2.7.1. This fund is established for the purpose of enabling the IFATCA Executive Board to offset expenses for the IFATCA Liaison Officer to the ICAO ANC Representative when the operating budget will not fully support these mission critical expenditures.

2.5.7. With respect to paragraph 2.9.3, the bye law is technically incorrect. The costs are tracked through a budget (and a budget line), while the fund is either provisioned or depleted depending on the needs. For example, the budget may elect to spend 10K\$ on training for a given year, without touching the fund (or while using some or all of it). Training expenses will always be recorded using the associated budget line. The fund may or may not be used if the expenses exceed the budgeted amount, they are two different things. It is proposed to delete this specific paragraph, or should the Directors not be comfortable with this proposal, to refer it to CAC for study in next year's work programme.

## 2.6. Proposed Modifications – Sub-section 3

2.6.1. In paragraph 3.1.4 of the bye laws, "country" should be replaced with "Member Association":

3.1.4. Three categories of subscription rate have been adopted based upon the World Bank World Developments Reports. However, any ~~country~~ Member Association may voluntarily upgrade to a higher category.

2.6.2. In paragraph 3.1.7, it is mentioned that inflation will be applied to Industry Partners annual subscriptions, which contradicts current practice. It is proposed to amend as follows:

3.1.7. The annual subscription rate for Member Associations in Category 1, ~~and~~ Category 2 ~~and Industry Partners~~ shall be determined by applying each year an inflation factor to the relevant subscription rate; and for Member Associations in Category 3 by applying the inflation factor every second year for invoices produced in even numbered years. This inflation factor shall be derived from the most recent full-year average rate of inflation for Industrial Countries as published in the International Monetary Fund's International Financial Statistics. Regardless of the actual average rate of inflation, the inflation factor to be applied shall not exceed 5.0%.

2.6.3. With respect to the whole 3.2, it contains the annual subscriptions for the current year. Those should be moved to new Appendix C.

2.6.4. Section 3.3 presents the membership categories; however these categories are already listed in the Member Associations table (see Article 2, Section 7). The Office confirmed the correct list is the one in Article 2. To avoid duplication and inconsistencies, this second list should be deleted.

2.6.5. Regarding 3.4 on special regulations, the paragraph says there are no applicable special regulations; it is therefore proposed for deletion.

**2.7. Proposed Modification – Sub-section 5**

2.7.1. The whole sub-section 5 contains bye laws on travelling allowances, honoraria, equipment allowance, and shift payments. These bye laws have nothing to do with determination of amounts, and should be moved to Article 5, sub-section 4, which is precisely about that.

**2.8. Proposed Modifications – Sub-section 6**

2.8.1. In bye law paragraph 6.1.2, “EVPF” should be spelled out:

6.1.2. Any anticipated expenses in excess of the amounts detailed in the Guidelines for IFATCA Officers and Representatives document (Blue Book) required prior approval from ~~EVPF~~ **Executive Vice-President Finance** as detailed in the Guidelines.

2.8.2. In paragraph 6.2.1 a), “Chair and Secretaries” should be replaced with “Chairs and Co-chairs”:

a) ~~Chairs~~ and ~~Secretaries~~ **Co-chairs** of Conference Committees A, B and C;

**2.9. Proposed Modifications – Sub-section 7**

2.9.1. Sub-section 7 of the Article do not have bye laws. It is proposed to add the terms “No Bye Laws to this item have been specified so far.”.

**2.10. Proposed Modifications – Sub-section 8**

2.10.1. Paragraph 8.1.1 of the bye laws is identical to paragraph 8.1 of the constitution. It should be deleted.

2.10.2. Paragraph 8.3.1 of the bye laws is identical to paragraph 8.3 of the constitution. It should be deleted.

**2.11. Proposed Modifications – Sub-section 9**

2.11.1. Sub-section 9 of the Article do not have bye laws. It is proposed to add the terms “No Bye Laws to this item have been specified so far.”.

**2.12. Proposed Modification – Sub-section 10**

2.12.1. In the constitution paragraph 10.1, EVP-F appears twice and should be spelled out:

10.1. The Executive Board shall hire a certified public accountant who will be responsible for the day-to-day financial recordkeeping of the Federation. The accountant will report and work directly with the ~~EVP-F~~ **Executive Vice-President Finance** along with working closely with the Office Manager. The ~~EVPF~~ **Executive Vice-President Finance**, and as delegated to the Accountant and Office Manager will be responsible for reimbursing the Federation’s Officers and Representatives for their expenses. These duties may include but are not restricted to actions such as entering financial information into IFATCA’s files, writing cheques, making bank transfers and depositing funds for the Federation.

2.12.2. Sub-section 10 of the Article do not have bye laws. It is proposed to add the terms “No Bye Laws to this item have been specified so far.”.

**3. CONCLUSION**

3.1. This working paper presented the proposed changes to the Constitution and Bye Laws related to Article 3 and invites the Directors of IFATCA to welcome these changes favourably.

**4. RECOMMENDATIONS**

4.1. It is recommended that the IFATCA Administrative Manual (IAM) be amended as per the discussion above.

**5. REFERENCES**

5.1. International Federation of Air Traffic Controllers' Associations. (2025). *IFATCA Administrative Manual (IAM)* (Version 70) Montréal, Canada: IFATCA.

--END--