



INTERNATIONAL COMMITTEE FOR  
NON-DESTRUCTIVE TESTING

*The World Organisation for NDT*

**OPERATING PROCEDURE:**

**OP2 Rev 3**

**SUBJECT: FINANCIAL MANAGEMENT**

Issue/Draft	Date	Details	Status/Approval
Rev. 3	14 June 2018	Version agreed to correspond to v4 of the Constitution following Organisation Review 2015-2017	Approved by postal ballot 31 October 2017 and implemented 14 June 2018

**1. Definition**

ICNDT is a not-for-profit association registered and with a bank account in Vienna, Austria.

**2. Responsibility**

Members share responsibilities for costs and financing of activities as follows:

- (i) Individual member societies (or their nominees) are responsible for their own costs incurred in participation in ICNDT activities and meetings, including registration fees for the conferences, travel, hotels etc.
- (ii) ICNDT Officers (or their own Societies) are responsible for their own costs.
- (iii) The costs of the ICNDT Secretariat are carried by the NDT Society that offers to provide the Secretariat and is duly elected, or by other member societies which volunteer support.
- (iv) The complete financial responsibility for the World Conference including any surplus or loss incurred rests with the host country. However, the host is obliged to provide facilities for meetings of ICNDT and its bodies during the World Conference.
- (v) ICNDT may receive donations from Member Societies, external bodies or from the host of the World Conference. In addition, it may collect fees from members (see clause 5 below) and from participants in its activities (including but not limited to the MRA, PCBA and EQB).

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The ICNDT is registered as a legalised Association with its seat in Vienna, Austria.  
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- (vi) Regional Groups receive support from ICNDT. They are obliged to provide facilities for meetings of ICNDT and its bodies when agreed during their own Regional Conferences.

### **3. Uses of ICNDT funds**

The Treasurer, in conjunction with the Executive Committee, will prepare an income and expenditure budget including proposed fees and proposed support to Regions. This will be presented to the Annual Meeting of ICNDT for approval.

Permissible expenditure includes:

- (i) support to assist running the Secretariat, including:
  - a) clerical expenses;
  - b) meeting rooms;
  - c) travel and accommodation
  - d) professional support;
- (ii) the provision of funding to young NDT professionals in membership of national NDT societies for travel and attendance at WCNDT conferences;
- (iii) assistance towards the formation of new national NDT societies and Regions;
- (iv) projects in accordance with the ICNDT Strategic Plan;
- (v) support to each of the recognised Regions of ICNDT, which will comprise the agreed percentage of the total fees collected from the Region (initially 60% but subject to review in subsequent years by the ICNDT Annual Meeting) plus any additional Regional contributions received.

### **4. Operation**

- (i) ICNDT funds will be held in a bank account in Austria;
- (ii) Payments from the bank account shall be executed by the Treasurer, following prior approval by two of: the Chairman, Past Chairman, General Secretary;
- (iii) Accounts shall be maintained by the Treasurer;
- (iv) An annual financial report, approved by the elected Auditors, shall be presented to the Annual Meeting of ICNDT.

### **5. Membership fees**

#### **5.1 Background**

It was agreed in principle by the ICNDT General Assembly in Munich 2016 to adopt a new fee structure based on the ability of societies to pay more/less than the previous flat fees.

Consideration of the fee structure has taken into account the following:

- (i) All members are established as not-for-profit entities;
- (ii) NDT societies – whether measured by membership (number of individuals, number of certificate holders or number of corporate members) or financial turnover (perhaps 1000 Euro up to tens of millions of Euro) – vary hugely in size;
- (iii) Some operate only locally in their own country whilst others operate around the globe;
- (iv) The larger Member societies are quite wealthy and all survived the economic downturn. Most of these Societies have already indicated that they are willing to pay the fees proposed;
- (v) In contrast, the smaller societies struggle for viability but their membership of ICNDT is particularly important;
- (vi) The fees should remain relatively modest in comparison with the value provided by ICNDT and its Regions to support:
  - Members, both in well established NDT societies and those that are small;
  - Individuals working in the profession around the world;
  - NDT globally;
  - The public good.

## 5.2 Fees

Annual fees are based on the size of the Member society.

Members (Full and Associate) are categorised as A, B, C, D or E and pay the corresponding fee. A single fee will be levied covering ICNDT membership and membership of Regional Group(s).

Associate Members will pay 75% of the appropriate fee for their category.

The annual fees cover membership of ICNDT and Regional Group(s) from 1 January to 31 December each year.

Fees agreed for the first year of the new fee structure are as follows:

Category	Size of the Society	Gross Annual Income (€)	Fee (€)
A	Extra large	GAI >1,500,000	4000
B	Large	1,500,000 < GAI >750,000	2400
C	Medium	750,000 < GAI >300,000	800
D	Small	300,000 < GAI >20,000	400
E	Extra small	GAI < 20,000	100

Fees for subsequent years and the proposed split into ICNDT and regional components will be presented for approval at the ICNDT Annual Meeting.

### **5.3 Responsibility for collection of membership fees**

Fees may be collected by ICNDT or, if it chooses to do so, by the Regional Group. When a Regional Group chooses to collect fees itself, it will be responsible for this and will be responsible for paying the appropriate share to ICNDT by the due deadline, below.

### **5.4 Process for determination and collection of fees**

- 1) IEC proposes fees for year x+1 and the division of fee between ICNDT and the Regions. This is voted on at the ICNDT AGM in Jan/Feb of year x;
- 2) During year x before 31 August, each Regional Group separately decides whether to accept the ICNDT recommendation of its Regional component or to increase or decrease this;
- 3) By the end of Sept in year x:
  - a) Each Member (Full and Associate) will requested by ICNDT to confirm its category for the following year, taking account of its sustainable Gross Annual Income and its own degree of regional and international engagement. (Gross Annual Income takes account of all NDT-related activities of the member organisation including its divisions and subsidiaries);
  - b) Members that wish to participate in more than one Regional Group will confirm this to ICNDT and will then be due to pay additional Regional components;
  - c) Regional Groups will be asked if they wish to take responsibility for the invoicing and collection of the fees or use the services of ICNDT. This would be free of charge in both cases;
- 4) The appropriate total due for each member for year x+1 will be tabulated by the ICNDT Secretariat by 30 Nov in year x, along with the payments due to be transferred to each Regional Group/ICNDT. These figures will be used by the ICNDT and Region's Treasurers in budgeting income and expenditure for year x+1;
- 5) Invoices will be issued by ICNDT or the Regional Group by the end of January in year x+1. Payment will be due in three months, i.e. by 30 April. Transfer payments between Regional Groups and ICNDT will be due by 31 May.

### **5.5 New members**

New members must pay their fee within 3 (three) months of the date of the acceptance of their application to join ICNDT. Membership is subject to the payment of the appropriate fee.

New members pay a *pro rata* amount for membership in the first year, dependent on the date of the acceptance of the application. For example, a member accepted for membership in June, for membership commencing 1 July, will pay  $6/12 = 50\%$  of the annual fee.

## **5.6 Failure to pay**

If any fee is not paid after three written reminders (e.g. by e-mail), at intervals of not less than 1 month, the member automatically loses the privileges of membership (including the vote at ICNDT meetings, membership of Working Groups and Committees, access to concession rates for the WCNDT and Regional Conferences. Furthermore, the ICNDT General Secretary and Regional Group are authorised to exclude the member from membership.