

2009 NRDCS' FINANCIAL CONTROLLERS' CONFERENCE

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The NRDCs' Financial Controllers' Conference is a yearly event, taking place in accordance with a specific and approved schedule, aiming at gathering the Financial Controllers of all the GRFs (L) and to present the analysis of the assigned tasks, as a basis for a series of discussions in solidarity.

At the consolidated NATO Rapid Deployable Corps Senior Resources Committee Common Session hosted by NRDC-ITA on 24-27 November 2008, it was agreed to hold the 2009 Financial Controllers' Conference in Istanbul/Turkey. As a result, NRDC-T has asked HQs ARRC, GE/NL Corps, NRDC-ITA, NRDC-SP, RRC-FR, NDC-GR, MNC-NE and EUROCORPS to send the respective Financial Controller and appropriate representatives to participate in the scheduled Conference (Istanbul/Turkey 08 - 11 June 2009), with the aim of discussing all the issue related aspects, in order to find solutions, particularly on the following subjects:

a. Appropriate Accounting Software to be used by the HQs GRF (L): When dealing with financial issues the appropriate Accounting Software is of high importance. The

aim of the analysis was to find the more appropriate system, which is able to:

- present a clear vision of all the accounts;
- develop the functions in accordance with the specific procedures;
- elaborate all the financial statements, as required.
- be deployed in case of exercise.

b. Capital Equipment: purchase or hire for the exercise: The multinational budget structure doesn't include any allocation of funds for investments; hence it is impossible to buy material or other specific properties. The Framework Nation is responsible for providing the Corps with all the necessary material and equipment, but in case of exercises very often particular and urgent assets are required. In these cases only the recourse to the market gives the opportunity to find the necessary material. Obviously costs depend on the quantity, period of time and distances between the location of the Contractors and the area of the exercises.

In case the Corps conducts two or three exercises a year, and the same kind of material is

Photo Caption: ACOS G8/Financial Controller and Chiefs Section A&C, Fiscal and P&C, while analyzing the assigned tasks to be presented and discussed at the Financial Controllers' Conference in Istanbul/Turkey.

required, it is supposed that renting is more expansive than buying material or equipment.

c. Objective Based Budgeting (OBB): implementation at NATO forces structure: By applying the OBB approach, the budget structure reflects the nature of the expenses as well as identifies the category of costs and permits performance measurement. In times of resources constrains, the control of each identifiable output and priority is more than essential. The OBB is a good planning tool based on commercial practices, therefore it is expected a significant change in our way of working and presenting budget to the Senior Resources Committee.

For those reasons it was agreed that the issue requires a deep analysis in order to see if the implementation of OBB at NATO forces structure is feasible.

d. Application of the Cost Share Formula for the year when the post is flagged/unflagged: The Participant Nations will fund between them the total operating costs of the Corps according to their share of the peacetime allocation of Officers.

There is a need for a clear wording in the common Financial Administrative Procedures (FAPs) for GRF HQs, in order to have a common understanding about the commitment of the Nations, in particular for the year when the post is flagged/unflagged, or an entry or total/partial withdraw of personnel happens.

e. Cash Call Procedures and Cash Returns to Nations: On the basis of the approved multinational budget, FINCONs are allowed to ask concerned Nations to send the amount due in accordance with the Cost Share Formula. Discussions focused on:

- Which G8 Section has to be in charge for running the Cash Call procedures;
- How many Cash Calls per year to be launched;
- When to launch the Cash Calls;
- What information is necessary to be sent to the Nations;
- Which is the percentage for each Cash Call;
- Cash Call sending chain;
- Cash Returns to the Nation.

f. G8 MEL/MIL: It was noted that during the preparation of any kind of exercises a list of specific MEL/MIL could help also G8 people in developing appropriate and specific training.



The aim is to have an updated document to be shared among the authorized responsible persons.

g. G8 interpretation of Framework Nation Responsibilities, as detailed within the Memorandum of Understanding (MoU): In accordance with the MoU, the Framework Nation will provide and bear the costs of specific services and functions to the Corps, in accordance with the Framework Nation's scale of supply and existing NATO standards where applicable. The issue requires clarification since only expenditure which is not funded by the Framework Nation, by individual Participants or from NATO and which is agreed by the Participants will be shared by the Participant Nations in accordance with the Shared Formula.

As already foreseen, the outcome of the Financial Controllers' Conference will be presented for the approval of the Senior Resources Committee (Common Session), due to be hosted by RRC-FR (LILLE 23-26 November 2009).

In conclusion, the annual Financial Controllers' Conference is a special forum where the concerned persons have the opportunity to meet each other and present the analysis of the assigned tasks. Coordinated solutions to common problems are one of the best ways for providing the Corps with the appropriate answer in terms of efficiency and flexibility. ■