



EUROPEAN  
ORGANIZATION  
OF REGIONAL  
AUDIT INSTITUTIONS

**STATUTES**

**OF THE EUROPEAN ORGANIZATION  
OF REGIONAL EXTERNAL PUBLIC FINANCE AUDIT INSTITUTIONS**

**as modified on 9 October 2001**



# **Chapter I Objectives and Principles**

## **Article 1 – Objectives –**

The European Organization of Regional External Public Finance Audit Institutions (EURORAI) shall have the following objectives:

1. To foster and promote cooperation among audit bodies in the various sectors in which they carry out their activities.
2. To promote exchanges of knowledge and experience in public finance auditing.
3. To keep its members informed about the legislation, organization, and operation of the various public sector audit bodies.
4. To promote studies relating to the audit of public finances.
5. To foster exchange programmes and training courses for the officials of the institutions which are members of EURORAI.
6. To establish a proper definition of the terminology used in each country in order to facilitate the harmonization of public finance auditing methods.

## **Article 2 – Principles –**

EURORAI shall be governed by the following principles:

1. All regional external public finance audit institutions which are members of EURORAI shall be regarded as equal.
2. The institutions shall be free to decide whether to be members or to withdraw.
3. The legal status of each body shall be respected.

## **Chapter II Composition**

### **Article 3 – Members –**

1. Any regional external public finance audit institution from any European state may become a member of EURORAI.
2. The admission of an audit institution is subject to its acceptance of the present Statutes and to the approval of the Management Committee. The General Assembly shall confirm the admission of a new member at its next ordinary session.
3. Withdrawal from EURORAI shall be effected by written notification to the Management Committee.
4. The Management Committee may admit other public finance audit institutions as associated members with no right to vote and determine the conditions of said admission. The General Assembly shall confirm at its next ordinary session the admission of these associated members.
5. The Management Committee may admit as observers other institutions and associations which deal with public sector audit, establish the conditions for an admission of this nature, and conclude those agreements which are considered necessary in this respect. The General Assembly shall be informed and shall give its confirmation on the matter at its next ordinary session.

## **Chapter III Organization**

### **Article 4 – Organs –**

EURORAI shall have the following organs:

- a. the General Assembly
- b. the Management Committee
- c. the General Secretariat

## **Chapter IV The General Assembly**

### **Article 5 – Composition –**

The General Assembly shall be composed of the presidents or chairmen of the regional external audit institutions which are members of EURORAI, or their representatives.

In order to be validly constituted, an absolute majority of the members must be represented.

### **Article 6 – Meetings –**

1. An ordinary session of the General Assembly shall take place at least once every three years when convened by the Management Committee.
2. An extraordinary session of the General Assembly in accordance with the Statutes shall take place when convened by the Management Committee or at the request of at least half of the members of EURORAI.
3. The General Assembly shall be chaired by the president or chairman of EURORAI.
4. The minutes of the General Assembly shall be adopted by the Management Committee at its next session.

### **Article 7 – Voting and Voting Rights –**

1. Without prejudice to the provisions of article 8.B.1, the General Assembly shall adopt resolutions by a majority vote of those members with right to vote present at the meeting.
2. Each member shall have one vote.
3. The right to vote shall be lost if payment of the subscription remains unpaid.

### **Article 8 – Powers –**

The General Assembly shall be the supreme body of EURORAI.

**A.** The **ordinary General Assembly** shall have authority to:

1. Establish the policy that will enable EURORAI to reach its objectives.
2. Deliberate on the activity reports of the other sections of EURORAI.
3. Deliberate on the proposals made by one or more members of EURORAI or by the Management Committee.

4. a. Adopt a budget for EURORAI for the period between two ordinary sessions of the General Assembly.
- b. Fix the amount of the subscription fees to be satisfied by the members and associated members in accordance with article 14.
- c. Approve the accounts of EURORAI.
5. Set up technical committees and study groups and determine their functions established at long term.
6. Elect the other four members of the Management Committee.
7. Choose the venue for the next General Assembly.
- B. The extraordinary General Assembly has authority to:**
  1. Amend the statutes by proposals made either by the Management Committee or by one third of the members of EURORAI with right to vote; the adoption of a resolution requires the majority of two-thirds of the members present at the meeting with a right to vote.
  2. Elaborate rules and regulations for the General Assembly.
  3. Decide the dissolution, merger or absorption of the Association pursuant to the provisions of Article 19.
  4. Adopt, on a proposal from the Management Committee, the payment of any exceptional fees considered necessary. Exceptional fees shall not exceed twenty per cent of the ordinary fees.
  5. Discuss any other matters which justify the calling of an extraordinary General Assembly.

## Chapter V The Management Committee

### Article 9 – Composition –

1. The Management Committee shall be made up of seven members to be determined as follows:
  - a. Three members by right, who shall be ratified by the General Assembly:
    - the president or chairman of the external public finance audit institution of the region where the last ordinary session of the General Assembly was held; he shall be both president of EURORAI and chairman of the Management Committee;
    - the president or chairman of the regional external public finance audit institution where the next ordinary session of the General Assembly is to be held; he shall be the vice-chairman of the Management Committee;
    - the secretary general of EURORAI.
  - b. Four members from amongst the presidents and chairmen of the other regional external public finance audit institutions members of EURORAI elected by the General Assembly for a period of three years.

So as to guarantee a balanced representation of all member states, the election of these four members should be effected in such a way that the main types of public sector audit applied by the member institutions and the number of member institutions within a member state are taken into account.

If there are more candidates than posts, the voting at the election shall be done in secret.

If, at the end of the first round of voting, any of the four leading candidates has not obtained an absolute majority of the votes cast by those members represented at the General Assembly, a second round of voting shall take place, after which the four candidates who have obtained the largest numbers of votes shall be declared elected.

No member state may have more than one member within the Management Committee, whereupon the Secretary General is not considered as national subject to this respect.

2.
  - a. The Secretary General can delegate to a member of the regional external public finance audit institution he represents the execution of his duties in the Management Committee.
  - b. With the reservation of article 11, representatives shall be elected for all other members of the Management Committee, who shall substitute them in the exercise of their duties. Only the members of an external public finance audit institution of the member state to which the holder member belongs shall be elected representatives.

- c. The representatives shall be appointed in the capacity of substitutes on final basis in the event of a Management Committee member retiring definitely during the term of the Management Committee with the exception of the president, who is replaced by his successor in the presidency of the institution which organized the last congress or by the vice-chairman of EURORAI according to the decision of the Management Committee.
3. The term of the Management Committee shall take effect once each ordinary session of the General Assembly has concluded.
4. The Management Committee shall take valid decisions in the presence of at least four of its members.
5. The Management Committee shall meet at least once every year.
6. The decisions of the Management Committee shall be taken by majority vote. Each member of the Management Committee shall have one vote. If the votes are equal, the chairman of the Management Committee shall have the casting vote.

#### **Article 10 – Powers and Duties –**

The Management Committee shall:

1. Ensure compliance with the statutes of EURORAI.
2. Adopt the necessary decisions to ensure the correct functioning of EURORAI within the guidelines laid down by the General Assembly.
3. Approve a draft budget for submission to the General Assembly for its final approval.
4. Give the General Secretariat the necessary directives for the preparation of financial statements and their presentation for audit.
5. Present a report of the activities of EURORAI at each ordinary session of the General Assembly.
6. To set up technical committees and study groups, to determine their functions established for the period between two ordinary assemblies, and to report to the General Assembly on the matter.
7. Carry out all tasks assigned to it by the General Assembly.

#### **Article 11 – The President –**

The president shall represent EURORAI externally. He can be represented by a member of the Management Committee.

## **Chapter VI The General Secretariat**

### **Article 12 – Offices and Organization –**

The external public finance audit institution of the region where the headquarters of EURORAI are located shall be responsible for the running of the General Secretariat; the Secretariat shall be managed by the secretary general of EURORAI.

### **Article 13 – Powers and Duties –**

The General Secretariat shall:

1. Prepare the meetings of the Management Committee.
2. Carry out the decisions adopted by the General Assembly and the Management Committee.
3. Prepare the draft budget of EURORAI and submit it to the Management Committee.
4. Collect the membership fees and administer the accounts and coffers of the Association in accordance with the adopted budget.
5. Submit financial statements and a yearly financial report to the Management Committee.
6. Implement the budget and keep EURORAI's account books.
7. Carry out the tasks assigned to it by the General Assembly or the Management Committee.

## **Chapter VII Financial Regulations**

### **Article 14 – Financial Regulations –**

1. The expenses incurred by EURORAI shall be covered by:
  - a. Subscriptions from members and associated members as mentioned in Article 8; the subscription fees shall be due at the latest on 30<sup>th</sup> June of each calendar year.
  - b. Grants, donations and other funds provided by regional, national or international entities or individuals.
  - c. Proceeds from the sale of publications and from other activities engaged in by EURORAI.
  - d. Any other sources approved by the Management Committee.
2. The external public finance audit institution of the region where the headquarters of EURORAI are located shall provide the necessary staff and premises for the General Secretariat and bear all related costs.
3. The budget of EURORAI shall include translation expenses.
4. The General Assembly shall appoint two auditors from amongst the members of EURORAI.

## **Chapter VIII Final provisions**

### **Article 15 – Headquarters and Legal Status of the Association –**

1. The headquarters of the Organization shall be the offices of the Sindicatura de Comptes of the Generalitat Valenciana in Valencia.
2. EURORAI shall be governed by the legislation of the member state where EURORAI's headquarters are located and by the present statutes and their implemental provisions.

### **Article 16 – Implementing Provisions of Article 3 of the Law 191/1964 dated 24<sup>th</sup> December, which rules the Spanish Associations –**

With the object to fulfil the provisions of the third article of the Law 191/1964 dated 24<sup>th</sup> December, which rules the Spanish associations, the following is to establish:

1. The territorial operating ambit of the Association is Europe.
2. The annual budget limit is valued at 75,000 euros.
3. The Association lacks foundation capital.
4. The members shall have the powers and duties which are specified in these statutes.

### **Article 17 – Loss of membership –**

The Management Committee, when non-payment of fees for two years or more, may cancel the membership in EURORAI of those institutions debtors or suspend their rights while they are in this situation.

### **Article 18 – Official languages –**

1. The official languages of EURORAI shall be English, French, German, and Spanish.
2. The Management Committee shall decide the working languages to be used in commissions, seminars, and working groups as well as the languages chosen for the publications and the internal correspondence of the Organization.

### **Article 19 – Dissolution of EURORAI –**

The decision to dissolve the Association shall require the agreement of two-thirds of the members of EURORAI with right to vote and shall be adopted by an extraordinary General Assembly. Dissolution shall be governed by the legislation of the member state where EURORAI has its headquarters.

## **Chapter IX The Congress**

### **Article 20 – The Congress –**

1. The Management Committee shall convene a congress together with an ordinary General Assembly at least once every three years. The Congress shall discuss a subject matter related to the objectives of EURORAI.
2. The organization and costs of the Congress shall be covered by EURORAI and the external public finance audit institution from the region where the event takes place as agreed by the Management Committee together with the host institution. The General Secretariat of EURORAI may cooperate with the host institution in the preparation of the Congress.