

COM/CITEL RES. 155 (XIII-03)¹

ASSOCIATE FEES OF ASSOCIATE MEMBERS

The XIII Meeting of the Permanent Executive Committee of CITEL, COM/CITEL,

CONSIDERING:

- a) That article 87 of the CITEL Regulations sets forth that associate members shall share in the costs of operation of the PCC in which they participate through the payment of an annual fee and that the CITEL Assembly established a minimum fee of US\$ 2,500;
- b) That COM/CITEL counts on such fees to prepare its budget and to schedule PCC activities;
- c) That article 87 establishes deadlines for payment of the annual fee and stipulates that associate members that do not meet their obligations on those deadlines shall have their membership privileges suspended and shall become passive associate members until their accounts are paid up to date;
- d) That article 87 sets forth that passive as well as active associate members shall be liable for their annual fee until they renounce membership and that, as a consequence, fees in arrears of passive associate members who have not renounced membership continue to increase and significantly;
- e) That despite diligent efforts by the Secretariat of CITEL to collect fees due by passive associate members, experience has shown that collecting fees that have been in arrears for more than three years is a remote possibility;
- f) That the existence of fees past due for more than three years and that are recognized in the CITEL financial statements as collectible, distorts and complicates the budgeting process; and
- g) That article 87 does not provide for a method to credit payment of fees past due but it is the practice in the OAS to credit fee incomes against the pending balance of the earliest fiscal year,

RESOLVES:

- 1. To add the text in italics below to Section 6 of article 87:
 - 6. Any associate member may renounce membership to any PCC by written notification of such intention addressed to the Executive Secretary. Such renunciation will become effective 90 days from the date of notification. In such a case, membership fees will be prorated on a yearly basis. *Passive associate member that is more than two years in arrears in the payment of membership fees shall be deemed to have implicitly renounced membership effective immediately.*
- 2. To add the following new Sections 8 and 9 to article 87:
 - 8. The Executive Secretary shall make all reasonable efforts to collect past due membership fees and shall report on those efforts annually to COM/CITEL. Membership fees past due for more

¹ COM/CITEL/doc.771/03 rev.1

than three years shall be considered uncollectible and shall be treated accordingly on CITEL's financial statements.

9. Fee incomes shall be credited against the outstanding balance of the earliest fiscal year, as is the practice in the OAS.
3. To enforce these modifications to article 87 immediately ad referendum of its ratification by the CITEL Assembly at the next regular meeting, in accordance with paragraph 2 of article 100 of the CITEL Regulations.
4. To instruct the Executive Secretary to take into account the following Schedule as a guideline for the application of article 87.

MEMBERSHIP FEE PAYMENT SCHEDULE

Year # 1

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| <i>January 1</i> | <i>Payment of Year 1 is due.</i> |
| <i>March 2</i> | <i>Expiration of Period of Grace, unless the associate member informs the Executive Secretary on the reasons for the delay in payment and the Executive Secretary extends the deadline for payment up until June 30. Members who do not inform on the reasons for the delay shall be deemed passive associate members. Those who have been granted the extension shall remain active members.</i> |
| <i>July 1</i> | <i>Members who have been granted the extension and do not pay before the due date shall be deemed passive associate members.</i> |

Year # 2 (For passive associate members who did not pay the fee for Year #1)

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| <i>January 1</i> | <i>Payment of Year 2 is due</i> |
| <i>March 2</i> | <i>Expiration of Period of Grace for year 2, unless the passive associate member informs the Executive Secretary on the reasons for the delay in payment and the Executive Secretary extends the deadline for payment up until June 30. Passive associate members who do not inform in a satisfactory manner on the reasons for delayed payment and, therefore have not been granted the extension shall now be 2 years in arrears. Those who pay their fees in full for Years 1 and 2 shall be deemed again as active associate members. Those who have been granted the extension for Year 2 shall remain passive associate members one year in arrears.</i> |
| <i>July 1</i> | <i>Passive associate members who have been granted the extension and have not paid the fees for Years 1 and 2 in full before the due date shall be two years in arrears. Those who pay their annual fees in full for Years 1 and 2 shall be deemed as active associate members.</i> |

Year # 3 (For passive associate members who did not pay fees for Years 1 and 2)

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| <i>January 1</i> | <i>Payment of Year 3 is due</i> |
| <i>March 2</i> | <i>Expiration of Period of Grace for year 3, unless the associate member informs the Executive Secretary on the reasons for the delay in payment of Year 3 and the Executive Secretary extends the deadline for payment up until June 30. Members who do not inform in a satisfactory manner on the reasons for delayed payment of fees for Year 3 and have therefore not been granted the extension shall now be more than two years in arrears and their resignation will become effective as from March 2. Those who have been granted the extension for Year 3 shall remain passive associate members.</i> |
| <i>July 1</i> | <i>Passive associate members who have been granted the extension for Year 3 and have not paid in full the annual fees for the 3 years before this date shall be more than two years in arrears and their resignation will become effective as from July 1.</i> |