

**MINUTES - WADA FINANCE AND ADMINISTRATION COMMITTEE  
MEETING HELD IN LAUSANNE ON 22 AUGUST 2007**

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**PRESENT:** Craig Reddie, Chairman  
Patrick Chamunda  
Robert De Vries  
Michael Gottlieb  
Tomas Johansson  
Willi Kaltschmitt

**OBSERVER:** Jon Kunzli - IOC

**ALSO IN  
ATTENDANCE:** David Howman  
Olivier Niggli  
Maria Pisani

**APOLOGIES:** Valéry Genniges  
Abdul Ghani Tabbalat

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**1. 2006 AUDITED ACCOUNTS AND INTERNAL MEMORANDUM**

The accounts were presented to the members and the internal memorandum was discussed. A question on salary increases was raised. It was explained to the group that the amount is a result of a combination of factors.

- 2% inflation, 3% merit (discretionary)
- Exchange rate impact (the climbing rate of the Canadian dollar)
- New employees and Maternity leave.

It was noted that the internal memorandum only highlighted one minor issue in relation to the way WADA performs its accounting duties and the Committee commends WADA management for this excellent result.

**2. 2007 QUARTERLY ACCOUNTS**

The quarterly accounts were studied by the Committee. It was clarified that under the heading Indemnities, only amounts that are given to volunteers are recorded and that WADA staff do not receive indemnities when traveling. The various items of the budget were studied and no particular issues raised.

**3. 2007 REVISED BUDGET**

The 2007 Revised Budget was presented to the Finance Committee. It was noted that the 2007 Income budget was increased by a little more than 800,000, due mainly to the increase in Interest Income that is expected. A number of other changes were made in the proposed figures. Those figures are reflected in the 2007 Revised Budget Table.

#### **4. GOVERNMENT CONTRIBUTIONS 2006/2007**

The Committee was happy with the collection rate and in particular, with the timing of payments. It was clearly highlighted that efforts need to be made to resolve the issue with a few remaining countries which are not paying and where substantial contributions would tremendously help the WADA budget. In particular, this concerns the countries of Mexico and Venezuela.

#### **5. 2008 DRAFT BUDGET**

The 2008 Draft Budget was reviewed by the Committee and a number of changes were suggested. The 2008 expenditure budget was decreased by approximately USD 280,000. All changes are reflected in the 2008 Draft Budget.

There was an agreement among the Committee members that WADA's activities should not be reduced. Governments, however, raised the question as to whether some efficiency could be gained in the way WADA is operating. WADA Director General indicated that WADA was already operating in a very strict and efficient manner. Recent staff hired was mainly for replacement purposes only and, while the initial plan in 2003 was forecasting 75 to 80 employees, a threshold of 55 had been maintained over the past few years, including the regional offices.

It was also highlighted that the 2008 draft budget had been drastically reduced by management compared to what it should be if all activities WADA is required to perform is carried out at 100%. In particular, some more discretionary activities had been identified by management and reduced to maintain the budget within an affordable rate of increase. This refers to reductions in IO and Outreach missions, more efficient planning by the Education department by combining seminars with RADO activities. Efficiency is also gained by grouping meetings so that more than one meeting could take place at the same time, thus limiting the travel costs of many Committee members.

At present, WADA faces some high priority activities and objectives for the coming years. They include the compliance program, which WADA is obliged to run for all 570 signatories of the Code. This encompasses both the sporting movement and the governmental side in that the national anti-doping agencies are subject to the compliance report in the same way that the sporting movement is. The first report is due in 2008, and requires careful review of the questionnaire that has been sent to all signatories, comparison of the answers with actuality in terms of the information we already have within WADA, and, finally, the provision of a report which, may state that a signatory is not compliant, and may then have to withstand a legal challenge within the Court of Arbitration for Sport. WADA staff is being restructured to give to this Project detailed attention in the coming months. Other major advances in the fight against doping include resources required to fund the Athlete Passport project, forensic science initiatives, the advancing of the use of governmental agencies in inquiry and investigation work, the necessary liaison to ensure evidence gathered can be used before sport tribunals and the advance of the ADAMS program. It is necessary for WADA to ensure that ADAMS will be implemented by all signatories and laboratories to carry out the responsibilities entrusted us by the Code in running a clearing house. Furthermore, WADA will continue its research efforts with a fund kept at about the same level and will maintain current programs which are deemed vital for the activity of the Agency, such as our education program, our regional anti-doping organization program (RADO), outreach, the accreditation and re-accreditation of 34 laboratories, the preparation of the annual prohibited list, the conducting of all appeals which we elect to initiate to maintain harmonization and consistency, other legal work as required of WADA including defending actions taken against the Agency. Our communication program will include publication of information and materials, the development of a relationship with UNESCO and other governmental agencies. WADA will increase its cooperation with state agencies and organizations such as UNESCO. All of the foregoing to be carried out with a budget amount which is essentially the same as in 2007, or even a little lower. Given the increasing value of the Canadian dollar, and the impact of inflation which, of itself, erode any increase in the amount sought by way of annual dues. With a staff ceiling remaining in place over three years, we have approximately 82,000 staffing hours to put into the activities

required, a portion of which is dedicated to continuing to resource our various working committees and to ensure that those who serve on these committees benefit from appropriate support and expertise.

After discussing these explanations, the Committee found that WADA operates in a responsible and efficient manner.

The question of the creation of a reserve for litigation and for operations was raised. The Committee agreed that a reserve of 1.5 million USD should be created for litigation in order to face unforeseen cases which could require resources above the annual WADA litigation budget. The Committee felt, however, that it was not necessary to create a reserve for operations, as governments and the IOC have demonstrated their willingness to continue regular funding of WADA.

The Committee, however, highlighted the fact that WADA should always keep cash in bank in the amount of approximately 3 million over and above its reserve in capital to ensure operations can continue for a few months in the event incoming contributions were delayed.

## **6. 2008-2012 FORECAST BUDGET**

It was agreed by the Committee that the forecast of a 5.5% increase for 2009, based on the presented figures was acceptable. It also unanimously agreed by the Committee that the increase for the years 2010-2012 should be reviewed in 2009, based on both the financial constraints and WADA's activities. The Committee is satisfied to keep the contribution increase at 4% for 2008, and that the difference between the expense and income budgets will be covered by WADA's cash reserves.

In 2009, it is forecast that an increase of 5.5% will be required in order to limit the depletion of WADA's cash reserve. However, the situation could be improved if the rate of collection of contributions increases.

## **7. INVESTMENT OVERVIEW**

An overview of WADA's investments was presented to the Committee. No comments were raised.

## **8. WORKING GROUP ON COSTS**

The Committee took note of the Working Group on Costs' report and acknowledged with satisfaction that in the Code Revision process, the comments on TUE had been taken on board and that it was planned to suppress Abbreviated TUEs which were identified as a major cost for all anti-doping organizations.

## **9. OTHER BUSINESS**

No further business was discussed.

## **10. FUTURE MEETING DATE**

The meeting date for 2008 was not decided upon by the Committee. However, it was agreed that due to the Beijing Olympic Games, the meeting would take place in July. Suggested dates will be circulated to the Committee for consideration and agreement.