

Interim Financial Report for 2013

Brian R Harrington
Treasurer: IEEE Region 8

Overview:

Whilst there have been financial and political difficulties in some parts of Region 8, the Region appears to be consolidating its financial position after an uncertain economic outlook experienced during the past few years.

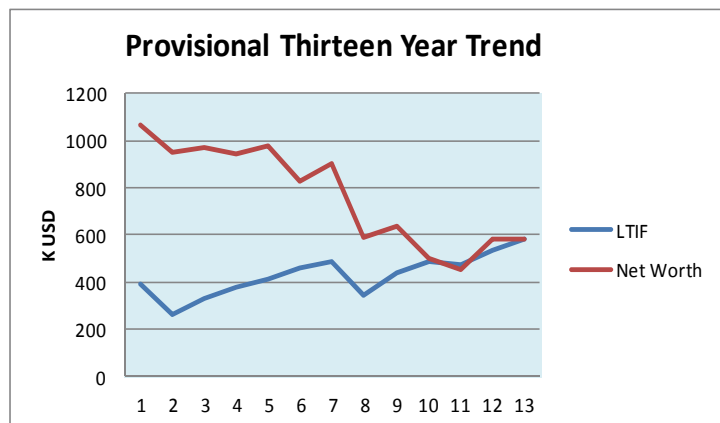
A full program of activity has been supported by the Region that includes the Region’s Jubilee Celebrations in Berlin in 2012 and the 100th Region 8 Committee meeting in Madrid earlier on this year.

The Region Vice Chairs have been able to offer a good level of Member, Technical, and Student activity.

Interim Figures:

Before payment of the expenses for the Region 8 meeting in Sarajevo the cash position of the Region as at the 30th September is:

2013	\$ 261,926
2012	\$ 178,015
2011	\$ 130,000



It can also be reported to the Region 8 Committee that Region 8 interests in

the Long Term Investment Fund that is managed for Region 8 by IEEE is also now showing signs of good progress. A breakdown of this investment is given for the Committee’s information:

For the period of 1st January, 2013 to the 31st August, 2013:

Unrealised Gain of Investments	\$ 40,865.51
Income that was re-invested	\$ 2,867.71
Market Value of Investment	\$ 579,732
Number of Shares Held	17,576
Per share value	\$ 32.984

Trends:

The graphic displayed above shows the trend in Investments and of the Region’s Net Worth over the past thirteen years.

In general the Investments (LTIF) have progressively increased in value; except for 2002 (the dot-com bubble) and 2008 (the stock market crash). The trend in the Net Assets of Region 8 similarly show the effects of these two world-wide financial incidents, but is also sensitive to currency

exchange rates. It should also be appreciated that the withholding of Region 8 funds by IEEE from August to December each year reduces the year end figure (Net Assets) by some \$ 300,000.

Audit:

The Region 8 Treasurer advises the Region 8 Committee that the financial accounts of the Region are subject to an Independent Review each year. This Review includes all reports made to the Committee by the Treasurer; Committee meeting Agenda Books; OpCom reports; and a download of the software system used for accounting and banking. The review of the 2012 accounts was completed successfully.

Reporting:

All Sections (all Geographic Units) are required to submit a financial report to MGA at year end. A Section's Chapters will be expected to submit separate financial reports if they have financial independence from the Section. Please review the instructions that you will receive from MGA.

The L31 Meetings report is maintained on-line and also the roster of the Officers reporting. The POBC / COI – Principles of Business Conduct and Conflict of Interest – declarations are required from the Section Treasurer and from the Section Chair.

The Region 8 Secretary and the Region 8 Director-Elect will be able to give advice on all of these reporting requirements if you are uncertain.

It is the Section Chair's task to ensure that the reports are completed and that they are delivered to MGA in a timely manner. There is a bonus if this reporting is complete and submitted by the deadline. **Failure to complete the reporting is likely to result in a loss of funding for the Section or Chapter in the year following.**

Budget Proposal for the Year 2014:

A copy of the budget proposed for Region 8 for year 2014 is as shown on Page 4 of this report. The main points of the budget compared to those of the last years are :

There are a number of uncertainties on income.

The support in 2014 to the Region from MGA is not known at this time.

The larger part of Region 8 income which is derived from Rebate is under some pressure. The year on figure on the income received from Rebate is expected to be less than that of the previous year; although other reports may indicate that membership is largely consistent overall or increasing slightly. It is considered that the mix of membership within the Region may be changing with student and life membership increasing; but that of full members tending to decrease.

The donation – or VCF – income has deteriorated still further. The indication is that in 2013 this will be of the order of \$3,000 against the steady \$15,000 that was expected each year before the IEEE issues of 2007, which damaged the Region 8 collection process.

The income expected from technical co-sponsorship is taken to be as for past years.

Under these circumstances the total budget spend for 2014 is being kept the same as for this year – 2013.

Region 8 Committee Expenses.

The budget for Budapest is based on the contract value and is as agreed with IEEE.

It is agreed with the Region 8 Director that the budget for Amsterdam should be increased.

This increase will be by virtual of an additional \$20,405 allocated from MGA for Region 8 travel support. While Sections' Congress is in Region 8 the desire is to include as many of our Region 8 members in the Congress event as is practical.

It is expected that all commitments relating to the 2011 and 2012 Jubilee celebrations will be cleared this year and so Region 8 News, for example, will revert to its normal budget.

Director Related Expenses.

In general there is no change – except – the proposal is to increase the Region 8 Director-Elect budget by \$6,000 to take account of our concerns regarding Region 8 vitality; as demonstrated by the failures in reporting that are being experienced. There is a real concern that Region 8 may be moving from a period of membership stagnation into a state of membership decline.

It is hoped that the allocation of the additional budget support will enable this concern to be tackled – together with membership development – using whatever innovative methods can be mustered. It is acknowledged that this is a multi-faceted problem that needs to be examined across all operations of Region 8. Hence the allocation to a Director's budget.

The Vice Chair Budgets.

In general there is no change from this year, except for Student activity.

The Student Branch Congress for 2014 is now set for Kraków, in Poland next year. The Region 8 Treasurer has noted an expense budget for this meeting of some Euro 138,800 (≈ \$ 187,700). The Congress proposal is to defray this cost over some 500 delegates.

Region 8 will support this cost to \$65,000 (that is \$25,000 from 2013 and \$40,000 from 2014); together with \$14,000 (that is \$4,000 from 2013 and \$10,000 from 2014) to give travel assistance to needy students where this is proven to be necessary; owing to Sections not being able or willing to give their support or local difficulties such as cultural unrest.

It would be desirable to also see the budget for expense recovery. Without a budget given for sponsorship and Region support; and how this would relate to the expenses some misleading conclusions could be drawn. It might enable a more affordable congress to be offered together with a reduction in the per-person cost. It is understood that the organising team are meeting in Sarajevo to progress the Congress plans. The Region 8 Treasurer is fully supportive of the Congress, but is sensitive to the risk associated with these figures.

B.R. HARRINGTON
Treasurer: Region 8
October, 2013

2014 Budget Proposal (\$K U.S.)

<i>Expense Caption</i>	<i>Income</i>	<i>Expense</i>	
		Project	Total
Income:			
Regional Assessment: Membership Dues Element	470.00		
Direct Support: MGA Allocation for Management of the Region	159.00		
Voluntary Contributions: Member Donations	10.00		
Interest Received: Bank Accounts	1.00		
Administration Fees for Conference Technical Co-Sponsorship	6.00		
Balancing Charge	5.50		
Expenses:			
R 8 Committee Meeting: Accommodation and Social (Budapest)		90.00	
R 8 Committee Meeting: Accommodation and Social (Amsterdam)		85.00	175.00
Regional Committee Travel: Budapest		50.00	
Regional Committee Travel: Amsterdam		40.00	90.00
Region 8 News: Editorial and Production		70.00	70.00
OPCOM		25.00	25.00
Region 8 Director:			
<input type="checkbox"/> Representing Region 8		12.00	
<input type="checkbox"/> Ad-hoc committees, appointments and incentives		10.00	
<input type="checkbox"/> Discretionary fund for activities and Section support		4.00	26.00
Region 8 Director-Elect:			
<input type="checkbox"/> Representing R8 at Section, Chapter, and Conference activity		10.00	
<input type="checkbox"/> Region 8 Vitality Project		6.00	
<input type="checkbox"/> Representing R8 in IEEE Meetings (Board of Directors)		5.00	21.00
Region 8 Past-Director:			
<input type="checkbox"/> N&A Committee Meetings		10.00	
<input type="checkbox"/> Award and Recognition Committee		5.00	
<input type="checkbox"/> Strategic Planning Process		4.00	19.00
Vice Chair for Technical Activities:			
<input type="checkbox"/> Technical Activity Sub-Committees Coordination		7.50	
<input type="checkbox"/> R8 Conference Promotion - Africon, Melecon, Eurocon....		18.00	
<input type="checkbox"/> Chapters (Chair, Coordination meetings with Society support)		16.00	
<input type="checkbox"/> Standards		3.00	
<input type="checkbox"/> Educational Activity		3.00	
<input type="checkbox"/> Industrial Relations Initiatives		3.00	
<input type="checkbox"/> Projects and Initiatives		3.00	53.50
Vice Chair for Member Activities:			
<input type="checkbox"/> Member Activity Sub-Committees Coordination		7.50	
<input type="checkbox"/> Membership Development		7.00	
<input type="checkbox"/> Professional Activities		12.50	
<input type="checkbox"/> Affinity groups - Including History and Life Members		3.50	
<input type="checkbox"/> GOLD		8.00	
<input type="checkbox"/> Projects and Initiatives		3.00	41.50
Vice Chair for Student Activities:			
<input type="checkbox"/> Student Activity Sub-Committee Coordination		7.50	
<input type="checkbox"/> Student Paper Contest (xxxxxxx)		12.50	
<input type="checkbox"/> Student Branch Congress (SBC 2014): Region 8 Contribution		40.00	
<input type="checkbox"/> Student Branch Congress (SBC 2014) Travel: Student Assistance		10.00	
<input type="checkbox"/> Student Branch Support and Coordination (SAC)		5.00	
<input type="checkbox"/> Regional Student Representative (RSR)		3.00	
<input type="checkbox"/> Projects and Initiatives		3.00	81.00
Region 8 Secretary:			
<input type="checkbox"/> Administrative Support to Region 8		5.00	
<input type="checkbox"/> Secretarial (Committee Registration and Agenda Books)		8.00	
<input type="checkbox"/> Electronic Communications Coordination / Information Management		2.50	15.50
Region 8 Treasurer:			
<input type="checkbox"/> Audit and Support Charges		6.00	
<input type="checkbox"/> General (Site Inspection for 2013/2014 Committee Meetings)		7.00	
<input type="checkbox"/> VCF Coordination and Awards		10.00	23.00
Total of Budget:	640.50	640.50	640.50