

Overview

At the October meeting of the Region 8 Committee it is incumbent on the Region 8 Treasurer to present to the Committee a budget for the year following. This also forms a basis for the Treasurer's report to the Committee at the meeting, and is for inclusion in the meeting agenda book.

Normally, there is little change from year-to-year, except those required by changes in officer responsibility, new ideas that are in the process of being adopted, and of course the general financial health of the Region.

For the year 2016 it is proposed to increase the annual budget for the Region to USD 677,500 from the present USD 620,500. There are a number of small and detail changes to individual budgets based on the experience of expenditures during this year. Also, a new initiative and some changes in officer responsibility that if adopted will be put in place during the coming year.

The new budget is proposed against the modest use of Regional funds by the present Officers of the Region and the continuing careful use of funds by Region 8 Committee members and appointed representatives when attending Region 8 organised meetings. The Treasurer extends his thanks for the continuing careful use of Regional funds.

The Region is currently (September, 2015) holding USD 484,387:00 in cash against the expenses due for this meeting and the advance payments that are required to secure our Region 8 Committee meeting in March, 2016. The performance of the IEEE Region 8 Long Term Investment Fund during 2015 is proving to be erratic with a current market value of USD 658,124:00 against a year-start figure of USD 671,778:00 and a year high of USD 694,000:00.

A full report on expenditures will be given to the Region 8 Committee at the March, 2016 meeting.

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 is conducted to International accounting standards by an Independent and qualified professional in the United Kingdom of 30 years experience. The review includes all reports made to this Committee by the Treasurer, Committee meeting Agenda books, OpCom reports, and a download of the software systems used by the Treasurer for accounting and banking. The close down meeting for the year 2014 Region 8 financials was held on Friday 19th June, 2015 at the Auditor's offices, and the Auditor's report then circulated to MGA Finance and to Region 8 OpCom.

The Budget-2016 Discussion

- The Affinity Group budget for Member Activity is increased to \$6,000 to support the increased activity in this area, including for Region 8 Life Members and History activity such as Milestone events.
- Education Activity has increased markedly and the budget for Educational Activity is increased to \$7,500.
- It is noted that the budget allocated to "Region 8 Vitality Project" and "Ad-hoc Committees" has not been used during 2015. However, an allocation for this is being made in 2016.
- Region 8 is reserving \$35,000 against the Student and Young Professional Congress to take place in Passau in 2016. This will include such support for Student and Young Professional travel that may arise.

Since this congress spans both Student Activity (Students) and Member Activity (Young Professionals) this budget is taken into the general Regional expense area.

- The “Strategic Planning Process” is now under the care of the Director-Elect. The budget increase to \$5,000 confirms the importance to Region 8 of this activity.
- A new activity of “Region 8 Development Fund” of \$30,000 has been introduced. The assets of Region 8 at this time are \$1,201,854:25, although this is before the payments that are due for this meeting in Ljubljana and sizeable advance payments for Monte Carlo are made, but after all payments have now been made for Limassol. The figure also of course includes the Long Term Investment Fund. MGA will of course be pleased to take a share of these assets under the IEEE “Reserve Allocation” policy. However, it is the Region’s responsibility to use these funds for the benefit of the membership.

It is proposed to return some of the accrued Region 8 assets to Sections and Chapters on a competitive basis. It is considered that this may stimulate an increased interest in Region activity and be in the long term interests of Region 8 vitality and membership development. The process of managing this is being formalised.

- The Past Director loses out since the “Strategic Planning Process” is now with the Director-Elect. However, it is considered that applications received for a slice of the “Region 8 Development Fund” should be adjudicated by an independent body and co-ordinated with the strategic planning process and with performance in areas such as vitality and rebate. The allocations that are recommended to be agreed in finality by the Region 8 Committee. Therefore, a budget of \$4,000 is offered to the Past Director for the oversee of this.
- There is a concern on the income side in as much that a loss in Region 8 membership numbers has resulted in a loss of income to Region 8 of some \$13,809:72 in the past 12 months. Rather than cut the budget accordingly the Treasurer trusts that the additional funds as allocated and new initiatives will assist in starting to restore the position. It could be that there will be a control-systems type overshoot experienced before the numbers start to re-build, which may take a little time. It is also not a Region 8 problem, but an Institute wide problem that points to the policies at the centre.
- The budget for a Region 8 Committee meeting in Monte Carlo in 2016 acknowledges that an advance on the payments to be made to the Fairmont hotel will be due this year in 2015. The cash-flow has to be considered over a two or three year period.
- The bank interest as stated is for the Region 8 Concentration Banking account in the U.S. Since our expenditure has been fairly modest this year the interest earned is higher. However, a prudent view is taken for 2016.

The Forward View

The process of formal audit together with the internal controls within the Region ensures that expenditures are in general maintained within expectations. However, the process of maintaining our income, which largely depends upon membership numbers and on Section and Chapter activity, is more complex.

The general decline in Institute membership, apart perhaps from the newer locations of Region 10, points to maybe the effect of the policies arising from the centre. It is logical that a decreasing income to the Region will ultimately have an effect on our ability to support good activity for our members and for our Region 8 Committee.

Brian R Harrington
October, 2015

2016 Budget Proposal (\$K U.S.)

Expense Caption	Income	Expense	
		Project	Total
Income:			
Regional Assessment: Membership Dues Element	500.00		
Direct Support: MGA Allocation for Management of the Region	172.80		
Voluntary Contributions: Member Donations	10.00		
Interest Received: Bank Accounts	1.00		
Administration Fees for Conference Technical Co-Sponsorship	6.00		
To Reserve Account	12.30		
Expenses:			
R8 Committee Meeting: Accommodation and Social (Monte Carlo)		90.00	
R 8 Committee Meeting: Accommodation and Social (To Be Decided)		80.00	170.00
Regional Committee Travel: Monte Carlo		60.00	
Regional Committee Travel: Estimate for Second Committee Meeting		40.00	100.00
<input type="checkbox"/> Region 8 News: Mailing and Production		70.00	70.00
<input type="checkbox"/> Region 8 Development Fund		30.00	30.00
<input type="checkbox"/> Student and Young Professional Congress: Region 8 Support		35.00	35.00
OPCOM		30.00	30.00
Region 8 Director:			
<input type="checkbox"/> Representing Region 8		12.00	
<input type="checkbox"/> Region 8 Vitality Project		5.00	
<input type="checkbox"/> Ad-hoc committees, appointments and incentives		6.00	
<input type="checkbox"/> Discretionary fund for activities and Section support		7.00	30.00
Region 8 Director-Elect:			
<input type="checkbox"/> Representing R8 at Section, Chapter, and Conference activity		10.00	
<input type="checkbox"/> Representing R8 in IEEE Meetings (Board of Directors)		7.00	
<input type="checkbox"/> Strategic Planning Process		5.00	22.00
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"/> Section Development		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		7.50	
<input type="checkbox"/> Industrial Relations Initiatives		3.00	
<input type="checkbox"/> Projects and Initiatives		3.00	58.00
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"/> Women in Engineering, Life Members and History		6.00	
<input type="checkbox"/> Young Professionals		8.00	
<input type="checkbox"/> Projects and Initiatives		3.00	44.00
Vice Chair for Student Activities:			
<input type="checkbox"/> Student Activity Sub-Committee Coordination		7.50	
<input type="checkbox"/> Student Paper Contest		12.50	
<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	31.00
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:	677.50	677.50	677.50