

Financial Reporting Update Region 8 for 2015 & 2016

9-11 October 2015

Region 8 – Adam K. Jastrzebski

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Agenda

- ▶ 2014 Reporting Year Review
- ▶ 2015 Reporting Year Information
- ▶ Compliance Update
- ▶ MGA Finance Committee & Region Treasurer Topics
- ▶ Questions

2014 Financial Reporting Status

- ▶ Region 8 has 74 GEO Units. On 27th February, 2015:
 - Only 29 (39%) Units had approved financial reports.
 - 6 (8%) Units produced reports which were incorrect or incomplete (under discussion).
 - 39 (53%) Units have not submitted any report.

Very alarming situation! Why?

- ▶ The system has changed! Details of all transactions had to be entered into NetSuite accounting system, rather than just summaries like in the old L50 forms.

=> None trivial task for volunteer treasurers!

Financial Reporting Recovery

Actions taken

- Extensive help from the IEEE Finance staff.
- Direct involvement of Region 8 Assistant Treasurer and on occasions, Region's Director.
- Excel Templates, introduced as a pilot scheme for some sections only, offered to more sections.

Final Result

- Only 1 active Section in Region 8 did not report at all and 3 other sections reported unsatisfactorily.

2014 Update for 2015

- ▶ Globally, in 2014 - 96% of all units successfully submitted financial reports.
- ▶ In Region 8, 93% of sections submitted successfully.
- ▶ Enhancements recommended by MGA Fin Com & all Region Treasurers:
 - Upload Templates, approved in 2014, will be used in 2015 for all Local and Custody Accounts. Roll Out in October with Instructions.
 - Training & Documentation – webinars available weekly as in past years, starting in November.
 - Recorded NetSuite training and step by step guide / video will be sent to treasurers in Oct / Nov.

Financial Reporting for 2015 in 2016

- ▶ The MGA Board approved in June '15, the deadline for Financial Reporting of Geo Units to be moved from 31th to 15th March. The 10% Bonus Date of 19 February remains the same (the 3rd Friday in February).
- ▶ Initial notification distributed to Region and Section Treasurers. Additional communications will be sent monthly—October through December.
- ▶ Benefits: internal and external audits can be done more timely & Financial Statements issued earlier.
- ▶ We will send additional reminders to units that submitted after 15 March this year of the new deadline this year.

Compliance Update

- ▶ COI / POBC (conflict of interest / principals of business conduct form) – very important formality.
 - 87% of the 2,048 required have been received from 2014. In 2013 only 53% were received. The request now comes from Internal Audit. Requests were made on 10 Dec 2014 and in 2015, on 8 Jan, 3 Mar, 21 April, 21 May, 10 Aug.
- ▶ Annual Unit Audits Update:
 - All Regions and Sections with Revenue or Expenses greater than \$250k will be audited plus selections made by Internal Audit each year (frequently, sections with reporting issues).
 - Internal Audit will Follow up
 - 2013 – Egypt Section in process
 - 2014 – France Section pending response

Compliance Update (Continued)

- ▶ The IEEE FOM states IEEE Staff should be an account signer, if legally possible. In some countries, it is impossible to have a bank account signer from outside. In this case we need so called “waiver” statement.
- ▶ Non Compliant Bank Accounts (i.e. without IEEE Staff signer or a waiver) are reported to IEEE Audit Committee. They are effectively not fully legal according to IEEE rules.
 - Region 8 has 20 accounts with \$435k which are non compliant. 2 are over \$50k.
 - Region 8 sections are being asked to add Staff as a signer if possible OR submit a waiver as to why Staff cannot be on the accounts noted.

MGA Finance Committee & Region Treasurers Discussion Topics 2015

- MGA Forecast, Budget & Project Lists reviewed by Fin Com
- Above Budget Requests were prioritized by Fin Com.
- Treasurer Job Description, Helpful Hints & Step by Step Instructions requested & sent with Video Training. CLE, Treasurer Training site & Webinars are all updated and planned for Q4 2015 – Q1 2016.
- Financial Procedures Manual was requested. TBD
- Access to NetSuite, CBRS, etc., are distributed when Treasurer takes office. Cross training from Treasurer to Treasurer could be helpful.
- Region 8 Budgets Requested by MGA on Sept 18 conference call

Questions and Contacts

Questions:



Contacts:

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