**IEEE Region 8 Finance Committee**
**Operations Manual**
Approved by the R8 Committee, XX October 2022

## 1. Charter

To provide general oversight of the financial operations of the Region and to assist Region 8 Treasurer in financial management of the Region 8 and its funds.

## 2. Composition

The Committee consists of:
- Chair, Region 8 Treasurer
- Past-Director as ex-officio member
- Up to three (3) members
- Up to five (5) corresponding members

The members can include:
1. Assistant Treasurer – Transaction Records, to help the Treasurer in maintaining transaction records of Region 8 in the format required for R8 budget management and for NextGen reporting; to provide backup in financial operations of the Treasurer.
2. Assistant Treasurer - VCF and Reporting, to coordinate Voluntary Contribution Fund awards and to provide support to Region 8 GEO Units in Financial Reporting; liaison with Membership Development Committee.
3. R8FinCom member for Financial Oversight of the R8 Conference Portfolio; liaison with Conference Coordination Committee.

Two or more of these positions can be held concurrently by the same person.

## 3. Reporting

Reports to the Region 8 Committee through the Treasurer.

At every R8 Committee meeting, the report should include
    YTD status of execution of the budget
    forecast for the end of the year

In addition, the Treasurer provides periodic reporting on financial matters to the Region 8 Committee and the OpCom and for securing their approval on financial actions when necessary. A typical financial report consists of:
- Income budget lines: actual versus budget
- Expenses budget lines: actual versus budget
- Comments regarding the above
- Current financial position (bank account balances); comparison with previous periods

## 4. Meetings

The Committee shall meet at least once per year to create a budget proposal for the next year, either in person or via teleconference.

# 5. Activities

## 5.1 Financial records

The Region 8 Treasurer is responsible for maintaining financial records of the Region to the standards required by [IEEE Finance Operations Manual (FOM)](#) and IEEE Audit (see current Audit Request list in Appendix 1).  Assistant Treasurer – Transaction Records helps with that task by collating bank statement information into a Transaction Log spreadsheet file and tagging that information with R8 budget codes, R8 reference numbers, and IEEE NextGen codes.  The Transaction Log spreadsheet is then imported into a professional accounting software, enabling easy generation of budget reports, annual reports, audit records, and other accounting information. The above process is still under development.

## 5.2 Budget coding structure

The Region 8 budget consists of the Income group and nine main Expense budget groups, corresponding to the nine main lines of activities.

The Income group of codes start with 0.  For example, 0110 is the code for Income: Regional Assessment: Membership Dues Element.

The main Expense budget groups are shown in the table below.

| EXPENSES Nominal Code |
| --- |
| 1000 Committee general Total |
| 2000 Region 8 Director Total |
| 3000 Region 8 Director-Elect Total |
| 4000 Region 8 Past-Director Total |
| 5000 Vice Chair for Technical Activities Total |
| 6000 Vice Chair for Member Activities Total |
| 7000 Vice Chair for Student Activities Total |
| 8000 Region 8 Secretary Total |
| 9000 Region 8 Treasurer Total |
| 9100 Expenses from previous year Total |

Each group has several budget codes, corresponding to different activities within that group.  Each budget code is a four-digit number, where the first digit defines the main group it belongs to.

For example, all budget codes for the Member Activities group start with 6 and the budget code for Membership Development, which belongs to Member Activities, is 6020.  The Vice-Chair for Member Activities is responsible for managing all the budgets in her/his area of responsibilities.

With some exceptions, the fourth digit of the budget code is 0, which enables its reduction to the first three digits.  Thanks to that, the R8 budget structure is

implemented in the IEEE NextGen system including the Expense Claims System (Concur).  For example, in Concur, expenses related to Membership Development are coded as 9.06.602, where 9 denotes the codes specific to Region 8, 06 denotes 6<sup>th</sup> budget group (here Member Activities), and 602 are the first three digits of the specific budget line (here Membership Development).

The Treasurer budget codes start with 9 and include all the accrual expenses from the previous year.  These accrual expenses are coded in the R8 budget system as 9xyz, where xyz corresponds to the reduced first three-digit of a standard R8 budget code.  For example, 9602 is the budget code for accrual expenses from the previous year for Membership Development.  In Concur, the corresponding code is 9.10.602, where 10 denotes the accrual budget group.

The above R8 budget coding system can be improved to be better aligned with the IEEE NextGen.  The details of an example of R8 budget (2021 budget) is shown in Appendix 2.

## 5.3 Budget cycle

The Region 8 Treasurer is responsible for the preparation of the proposed Region 8 annual budget, and for monitoring financial reports for adherence to the budget of Region 8.

The R8 budgets are prepared and approved according to the following cycle:
1. For the June R8 OpCom meeting, the R8 Finance Committee with the contribution from the main budget holders prepares the forecasts of the annual end-of-year expenses and of the next year income.  An outline of the proposed budget for the main budget lines for the next year is created.  If required, the update of the current year budget is also approved.
2. OpCom approves the proposal of Outline Budget for the next year and submits it to the Region 8 Committee for approval at the Fall meeting.
3. At the last R8 OpCom meeting of the year, the details of the next year budget are discussed.
4. December/early January – detailed budget proposals from the R8 committees are collected by the main budget holders and passed on to the R8 FinCom for comments and recommendations.
5. The Detailed R8 Budget for the new year is approved by OpCom at the first meeting of the year.
6. The Region 8 Treasurer is responsible for the preparation of the Region 8 annual budget, and for monitoring financial reports for adherence to the budget of Region 8.

## 5.4 Reimbursements

It is IEEE policy to provide for, or reimburse, reasonable, authorised travel expenses incurred in connection with the conduct of IEEE business.

The Treasurer is responsible for the reimbursement of authorised travel and other expenses of R8 volunteers, and for checking that the claims comply with

IEEE and R8 policies as described in the [IEEE Expense Reimbursement Guidelines](#).

One of the most important rules states that all persons travelling on IEEE business for whom IEEE pays or reimburses transportation expenses shall travel economically by booking economy class flights well in advance and shopping for low-cost business class train fares and low-cost rental car rates.

Description and details of all expenses must be provided. Receipts must be submitted for any single expenditure more than 25 USD or 20 EUR. Original, photocopied, or electronic receipts are acceptable.  However, credit card receipts alone are insufficient for reimbursement.

IEEE does not reimburse for the travel expenses of spouses/companions as an entitlement.  However, it is recognized that there are occasions where the demand on volunteer time in particular, requires travel with a spouse or a companion.  Since the purpose of the business trip is already deemed necessary and the only incremental costs are a double rather than a single hotel room and the participation of the spouse/companion in social events associated with the trip, Region 8 will cover those incremental costs for specific pre-approved trips and events, such as Region 8 Committee meetings.  However, airfare, train and bus expenses of spouses/companions and their individual meals are not covered.

Cases of doubt or disagreement may be referred to the Region 8 Director for a decision.

The reimbursements are currently conducted using [NextGen Expense Reimbursement system (Concur)](#).  The website contains training videos.

In exceptional cases, traditional spreadsheet expense report can be used, available on [Documents – IEEE Region 8 (ieeer8.org)](#).

## 5.5 Contracts with external suppliers

In the planning of Region 8 Committee Meetings and other major events involving the Committee or its committees, the Treasurer shall be responsible for ensuring that Hotel contracts and other substantial financial liabilities are handled in a manner compliant with IEEE requirements, and that reasonable economies are made.

It is a good practice to have the work/service well specified in an Agreement and/or Purchase Order (PO).  Usually, PO is preceded by the Quotation from the supplier.

The following rules are followed for the items in the approved R8 Budget:
● Below $1k and for obvious cases, where the service is well defined by other means, the PO/Agreement is not necessary (for example, we purchase access to a generally available internet service on the usual customer terms).  The main budget holder authorises the payment and the Treasurer executes it.
● For the work/services above $1k and up to $3k a Quote and PO is desirable, but it can be dealt with internally.  The main budget holder passes the Quote to the Treasurer who issues the PO. After work is done, the main budget

holder approves the Invoice, the Treasurer double checks it and executes the payment.
- For the work/service above $3k and up to $5k, the process is as above, but the PO approved by IEEE Compliance and Legal is used.
- For the work/service above $5k and up to $25k a contract approved by IEEE Legal and Compliance and signed by R8 Director is needed. The Invoice payment follows the procedure as above.
- For the work/service above $25k a contract approved and signed by IEEE Legal and Compliance is needed. The Invoice payment follows the procedure as above.
- For any expense not in the budget, a prior approval of R8 Director or OpCom needs to be sought.

## 5.6 Annual financial reports

The Treasurer is responsible for providing the annual financial report and for provision of the documentation for annual audit, in compliance with IEEE requirements. The requirements for the annual financial reports can be found on [Financial Reporting - IEEE Member and Geographic Activities](#)

The current requirements for the annual audit as set by MGA are shown in Appendix 1.

The Assistant Treasurer - VCF and Reporting provides support to Region 8 Geographical Units with their financial reporting and the usage of IEEE financial systems.

## 5.7 Voluntary Contribution Fund

The Voluntary Contribution Fund (VCF) provides support for technical activities of members with low income (below $10,000 per year). The main focus of the fund is to support travel and subsistence costs of researchers presenting their research at conferences in Region 8, which they would not be able to do otherwise due to the lack of finance. The main sources of the fund are additional voluntary contributions declared by IEEE members during the annual renewal of their membership.

The rules for awarding VCF grants are described on the R8 website [Voluntary Contribution Fund – IEEE Region 8 (ieeer8.org)](#).

The Assistant Treasurer - VCF and Reporting is coordinating VCF grants.

## 6. Awards

None.

## 7. Contact

The Committee can be contacted through the Treasurer at [treasurer@ieeer8.org](mailto:treasurer@ieeer8.org). The VCF Coordinator can be contacted at [voluntary.contribution.fund.officer@ieeer8.org](mailto:voluntary.contribution.fund.officer@ieeer8.org)

**Appendix 1. MGA requirements for annual audit**

# IEEE GEOGRAPHIC UNIT
# AUDIT REQUEST LIST

**Geographic Organizational Unit Name:** _____
**For Year Ending December 31, 2021**
**Geographic Organizational Unit Director/Chair:**_____
**Geographic Organizational Unit Treasurer:**_____

___ Copies of Minutes for Geographic Organizational Unit Committee meetings

___ Copies of all monthly BANK statements for all non IEEE Checking, Savings and Investment Account(s) for the audit period

    **Note**: not required if using IEEE Banking or TM5 (Internal Audit has access)

___ Checking, Savings and Investment Account "reconciliations"

___ For all other GeoUnit bank account(s), please provide the following:

> ➢ Name of the signers/cardholders/online banking access for the account(s)

> ➢ Check registers/spreadsheet of disbursements/payments and deposits/revenues for the year – used by Auditor to "select' sample of disbursements and deposits for testing

___ Supporting documentation for disbursements,

> ➢ Receipts/invoices for ALL transactions > $2,000 USD.  (Additionally, transactions < $2,000 USD could be selected and requested of auditee)

> ➢ Expense reports submitted for travel reimbursement – **Note**: not required for IEEE Concur users (Internal Audit has access)

> ➢ Copies of signed contract valued $5,000 USD or more (if not already provided to IEEE for review)

> ➢ Evidence of approvals

___ Supporting documentation for deposits

___ Copies of sponsored and co-sponsored conference financial reports

___W-8 and W-9 for all individuals and unincorporated businesses receiving payments from the geographic unit for rents, services (including parts & materials), prizes, awards, and any other income payments.  For additional tax reporting information and forms.

    https://www.ieee.org/about/volunteers/tax-administration/related-info.html

___ Approval documentation for all awards, grants, prizes or scholarship payments in excess of $2,000 USD

**Appendix 2. Example R8 budget**

## IEEE Region 8 — BUDGET 2020 ACTUAL & BUDGET 2021 PROPOSAL
### Treasurer — Adam Jastrzebski
### BUDGET PROPOSALS 2021 — 03/03/2021

| Category | Sub Category | Nominal Code | Actual ($) 2020 | Budget ($) 2020 | BUDGET ($) 2021 | Existing Activity ($) | New Activity ($) | Priority | Description/Comments |
|---|---|---|---|---|---|---|---|---|---|
| Income | Income | 0100 - Income: Balance/savings carried forward from previous year | $192,525 | $192,525 | 390,860 | 90,860 | 300,000 | | Prepayment to Marriott Warsaw and estimate for 2020 Accruals are included in the Existing Income. |
| | | 0110 - Income: Regional Assessment: Membership Dues Element | $495,396 | $515,376 | 445,856 | 445,856 | | | |
| | | 0120 - Income: Rebate: MGA Allocation for Management of the Region | $176,909 | $177,000 | 159,218 | 159,218 | | | |
| | | 0130 - Income: Interest received: Bank accounts | $4,358 | $4,600 | 3,660 | 3,660 | | | |
| | | 0140 - Income: From Conference Co-sponsorship | $1,506 | $1,200 | 5,000 | 5,000 | | | Africon 2021 |
| | | 0190 - Income: Other | $1,417 | $0 | - | | | | |
| | | 0210 - Income: Voluntary Contributions: Member Donations <1105> | $2,572 | $10,000 | 2,491 | 2,491 | | | |
| | | 0230 - Income: Support from Organisations <1205>+<1300> | $6,413 | $20,000 | - | - | | | |
| | | 0240 - Income: Support for Projects | $24,400 | $15,500 | - | - | | | |
| | | **Budget Income Total** | **905,496** | **936,201** | **1,007,085** | **707,085** | **300,000** | | **76%** |
| Expenses | 1000 Committee general | 1010 - R8 Committee Meeting Summer: Accommodation & Social | ($80,860) | ($100,000) | (110,000) | (110,000) | | | Full hybrid meeting,120 people, early Summer ? |
| | | 1020 - R8 Committee Meeting Summer: Travel | ($10,115) | ($90,000) | (90,000) | (90,000) | | | Full hybrid meeting,120 people, early Summer ? |
| | | 1030 - R8 Committee Meeting Fall: Accommodation & Social | ($753) | ($110,000) | (100,000) | (100,000) | | | Reduced meeting, 100 people |
| | | 1040 - R8 Committee Meeting Fall: Travel | ($811) | ($80,000) | (80,000) | (80,000) | | | Reduced meeting, 100 people |
| | | 1050 - OpCom Meetings: R8 | ($11,667) | ($24,000) | (24,000) | (24,000) | | | 2 OpCom meetings |
| | | 1060 - R8 News: Mailing and Production | - | ($13,000) | (13,000) | (13,000) | | | |
| | | 1080 - Student & Young Professional Congress: R8 Support | ($2,304) | ($60,000) | (30,000) | (30,000) | | | Savings for R8SYP 2022 |
| | | 1090 - VCF Awards | | ($7,300) | (7,300) | (7,300) | | | |
| | | 1100 - Banking and card charges | | ($21,000) | (15,000) | (15,000) | | | |
| | | 1101 - Bank charges (trans chgs on NW a/c) | ($1,516) | - | - | | | | |
| | | 1102 - Bank charges (trans chgs on CB a/cs) | ($141) | - | - | | | | |
| | | 1103 - Card charges dues | ($13,985) | - | - | | | | |
| | | 1130 - Section Congress | - | ($65,000) | (22,000) | | (22,000) | | Savings for SC 2023 (about $22k per year)? |
| | | 1137 - Intermediary | $2,058 | - | - | | | | |
| | | 1140 - Reserve fund /Strategic Projects | ($3,861) | ($33,265) | (100,000) | (30,000) | (70,000) | | Remaining budget for R8 Entrepreneurship Initiative is in 6090. |
| | | **1000 Committee general Total** | **($123,955)** | **($603,565)** | **(591,300)** | **(499,300)** | **(92,000)** | | **83%** |
| | 2000 Region 8 Director | 2010 - Representing Region 8 | ($2,688) | ($10,000) | (8,000) | (8,000) | - | | |
| | | 2020 - Vitality Project : R8 | - | ($3,000) | (2,500) | (2,500) | | | |
| | | 2030 - Ad-hoc committees, appointments and incentives | - | ($15,000) | (60,000) | (12,000) | (48,000) | | |
| | | 2040 - Discretionary fund for activities and section support | - | ($7,000) | (5,000) | (5,000) | - | | |
| | | **2000 Region 8 Director Total** | **($2,688)** | **($35,000)** | **(75,500)** | **(27,500)** | **(48,000)** | | **79%** |
| | 3000 Region 8 Director-Elect | 3010 - Representing R8 at Section, Chapter & Conference activity | ($189) | ($5,000) | (4,000) | (4,000) | | | |
| | | 3020 - Representing R8 in IEEE Meetings (Board of Directors) | ($573) | ($5,000) | (4,000) | (4,000) | | | |
| | | **3000 Region 8 Director-Elect Total** | **($762)** | **($10,000)** | **(8,000)** | **(8,000)** | **-** | | **80%** |
| | 4000 Region 8 Past-Director | 4010 - Nomination & Appointments Committee | ($736) | ($3,000) | (2,500) | (2,500) | | | |
| | | 4020 - Award & Recognition Committee | ($560) | ($3,000) | (2,500) | (2,500) | | | |
| | | 4030 - Section Development | - | ($4,000) | (3,000) | (3,000) | | | |
| | | **4000 Region 8 Past-Director Total** | **($1,296)** | **($10,000)** | **(8,000)** | **(8,000)** | **-** | | **80%** |
| | 5000 Vice Chair for Technical Activities | 5010 - Technical Activity Sub-Committees Coordination | - | ($5,000) | (6,550) | (3,150) | (3,400) | | |
| | | 5020 - Conference Committee: R8 | - | ($5,000) | (17,000) | (5,000) | (12,000) | | |
| | | 5030 - Chapters Coordination | ($1,141) | ($10,000) | (12,000) | (7,000) | (5,000) | | |
| | | 5040 - Professional & Educational Activities | ($1,525) | ($13,500) | (42,500) | (12,500) | (30,000) | | |
| | | 5050 - Standards Coordinator | ($567) | ($5,000) | (6,500) | (5,000) | (1,500) | | |
| | | 5060 - Action for Industry | ($2,008) | ($13,000) | (15,300) | (10,000) | (5,300) | | |
| | | 5080 - FCS Conference Seed Funds | ($4,929) | ($21,000) | (17,000) | | (17,000) | | |
| | | **5000 Vice Chair for Technical Activities Total** | **($10,170)** | **($72,500)** | **(116,850)** | **(42,650)** | **(74,200)** | | **59%** |
| | 6000 Vice Chair for Member Activities | 6010 - Member Activity Sub-Committees Coordination | - | ($8,000) | (7,500) | (6,500) | (1,000) | | |
| | | 6020 - Membership Development | - | ($15,000) | (10,700) | (8,200) | (2,500) | | |
| | | 6030 - Publications & Communications | ($2,326) | ($4,000) | (3,000) | - | (3,000) | | |
| | | 6040 - Women in Engineering | ($500) | ($11,500) | (10,200) | (8,700) | (1,500) | | |
| | | 6050 - Life Members | - | ($2,000) | (1,900) | - | (1,900) | | |
| | | 6060 - History Activities | - | ($3,000) | (5,000) | (1,500) | (3,500) | | |
| | | 6070 - Young Professionals | ($1,347) | ($12,000) | (14,300) | (12,300) | (2,000) | | |
| | | 6080 - Humanitarian Activities | ($1,089) | ($3,700) | (12,200) | (3,300) | (8,900) | | |
| | | 6090 - Projects & Initiatives - Entrepreneurship Project | ($4,727) | ($30,500) | (22,773) | (22,773) | | | |
| | | **6000 Vice Chair for Member Activities Total** | **($9,990)** | **($89,700)** | **(87,573)** | **(63,273)** | **(24,300)** | | **71%** |
| | 7000 Vice Chair for Student Activities | 7010 - Student Awards | | ($600) | (3,450) | (600) | (2,850) | | |
| | | 7020 - Student & Young Professional Coordination (SAC) | ($3,874) | ($19,000) | (23,500) | (13,500) | (10,000) | | |
| | | 7030 - Student Paper Contest | ($1,781) | ($8,500) | (6,000) | (6,000) | - | | |
| | | 7040 - Student Activities & Branch Support Coordination (SAC) | - | ($6,000) | (27,849) | - | (27,849) | | |
| | | 7050 - Regional Student Representative (RSR) | - | ($3,000) | (3,000) | (3,000) | - | | |
| | | **7000 Vice Chair for Student Activities Total** | **($5,655)** | **($37,100)** | **(63,799)** | **(23,100)** | **(40,699)** | | **62%** |
| | 8000 Region 8 Secretary | 8010 - Administrative Support to R8 | - | ($1,000) | (2,000) | (2,000) | - | | |
| | | 8020 - Secretarial (Committee Registration and Agenda Books) | - | ($5,000) | (3,200) | (1,000) | (2,200) | | |
| | | 8030 - Electronic Communications Coordination / Information mgmt | ($2,244) | ($500) | (3,000) | (1,500) | (1,500) | | |
| | | **8000 Region 8 Secretary Total** | **($2,244)** | **($6,500)** | **(8,200)** | **(4,500)** | **(3,700)** | | **69%** |
| | 9000 Region 8 Treasurer | 9010 - Audit & Accounting | ($2,352) | ($10,000) | (6,000) | (6,000) | - | | |
| | | 9020 - Office & Software Charges | ($4,547) | ($5,000) | (4,560) | (4,560) | - | | |
| | | 9030 - VCF Coordination | - | ($1,000) | (1,000) | - | (1,000) | | |
| | | 9040 - Treasurer support to Region 8 | - | ($2,000) | (18,000) | (2,000) | (16,000) | | |
| | | 9090 - Expenses: R8 Treasurer: Other | $174 | - | - | - | | | |
| | | **9000 Region 8 Treasurer Total** | **($6,725)** | **($18,000)** | **(29,560)** | **(12,560)** | **(17,000)** | | **70%** |
| | | **9100 Expenses from previous year budget Total** | **($31,780)** | **($53,837)** | **(10,000)** | **(10,000)** | **-** | | **19%** |
| | | **Budget Expenses Total** | **($195,264)** | **($936,202)** | **(998,782)** | **(698,883)** | **(299,899)** | | **75%** |
| | | **Balance: Income-Expenses** | **$710,232** | | **$8,303** | **$8,202** | **$101** | | |
| | | Accruals from 2020 (estimate) | $10,000 | | | | | | |
| | | Actual surplus towards New Activities in Budget 2021 | $299,899 | | | | | | |
| | | Calculated surplus towards Budget 2022 | $400,333 | | | | | | |