

Finance Report

IEEE AESS

Bob Rassa
Treasurer
October, 2019





When told the reason for daylight savings time the Old Indian said, "Only the government would believe that you could cut a foot off the top of a blanket, sew it to the bottom, and have a longer blanket."



DilbertCartoonist@gmail.com



Finance Goals & Objectives

Goal: Keep the Society financially healthy

Methodology:

- 1- Monitor all Society expenses**
- 2- Alert appropriate officer if trends indicate overspending or if inappropriate charges show up**
- 3- Ascertain that all expenses submitted for Treasurer approval are appropriate and meet IEEE expenditure rules**
- 4- Report financial health to Board**

Summary

The Society is still solvent

**we were budgeted to generate a surplus of
\$294.6k in 2018**

**But we actually generated a
surplus of \$802.2k in 2018**

These numbers are final and audited

Also they are w/o investment income

BUT With IEEE investment loss of \$198.8k, our surplus was \$602.4k

AES 2017 Results - Audited

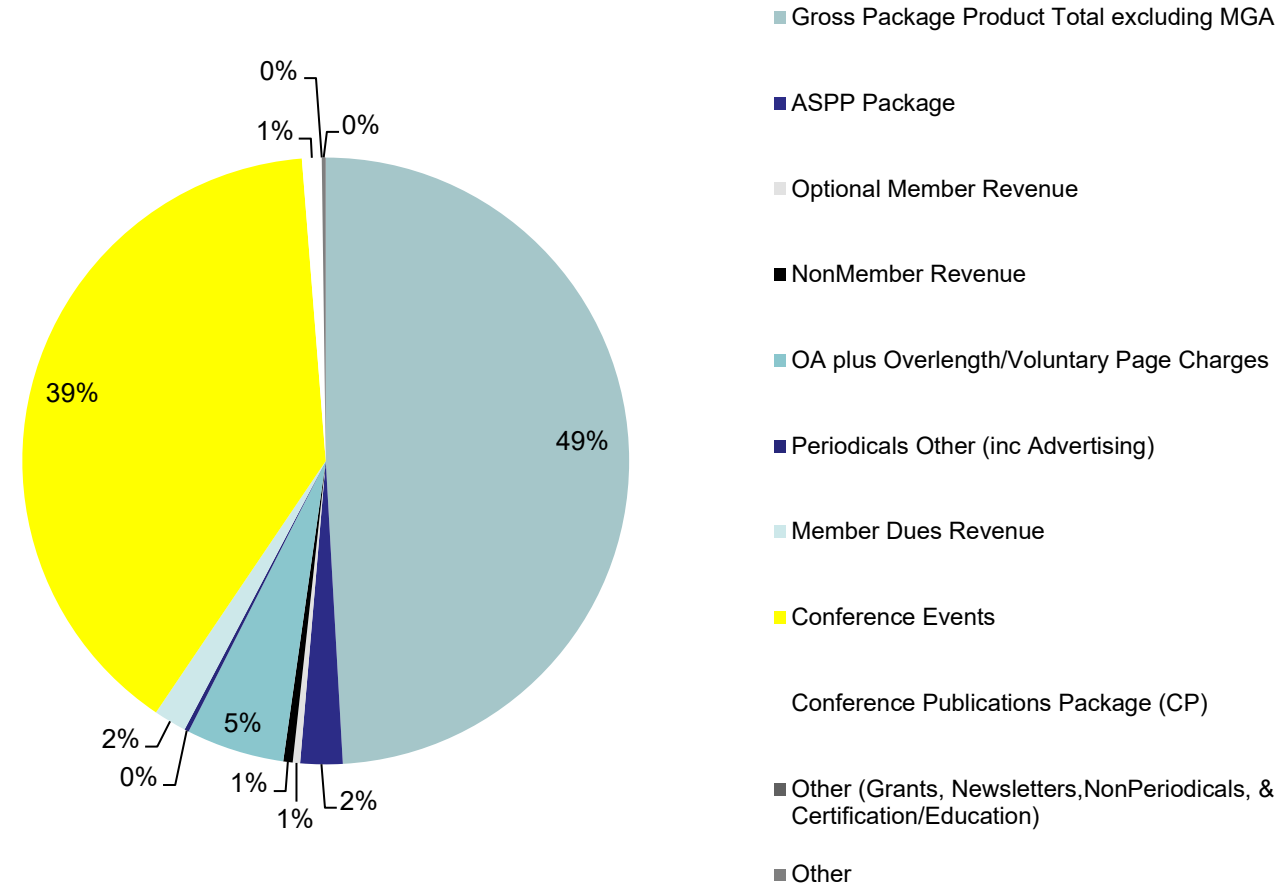
	INCOME	YTD	YTD	EXPENSE	YTD	YTD	NET	YTD	YTD	YTD
	BUDGET	BUDGET	ACTUAL	BUDGET	BUDGET	ACTUAL	BUDGET	BUDGET	ACTUAL	VARIANCE
INVESTMENT RETURNS	0.0	0.0	0.0	0.0	0.0	-867.3	0.0	0.0	867.3	867.3
PERIODICALS	763.4	763.4	836.4	722.2	722.2	672.3	41.1	41.1	164.1	123.0
NEWSLETTERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NON PERIODICAL SALES	0.0	0.0	0.0	8.1	8.1	11.7	-8.1	-8.1	-11.7	-3.6
MEETINGS/CONFERENCES	1,856.4	1,856.4	1,915.3	1,116.2	1,116.2	1,187.5	740.3	740.3	727.8	-12.4
GRANTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADMINISTRATION	0.0	0.0	0.0	335.0	335.0	300.7	-335.0	-335.0	-300.7	34.3
SOCIETIES PROJECTs	0.0	0.0	0.0	55.0	55.0	2.3	-55.0	-55.0	-2.3	52.7
COMMITTEE/OTHER	0.4	0.4	0.0	357.6	357.6	270.6	-357.2	-357.2	-270.6	86.6
SUBTOTAL	2,620.2	2,620.2	2,751.8	2,594.1	2,594.1	1,577.8	26.1	26.1	1,173.9	1,147.8
OU RESERVE SPENDING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	2,620.2	2,620.2	2,751.8	2,594.1	2,594.1	1,577.8	26.1	26.1	1,173.9	1,147.8

AES 2018 Results Final (audited)

	INCOME	YTD	YTD	EXPENSE	YTD	YTD	NET	YTD	YTD	YTD
	ANNUAL BUDGET	BUDGET	ACTUAL	ANNUAL BUDGET	BUDGET	ACTUAL	ANNUAL BUDGET	BUDGET	ACTUAL	VARIANCE
MEMBERSHIP	80.8	80.8	85.8	0.0	0.0	0.1	80.8	80.8	85.6	4.9
PERIODICALS	678.4	678.4	771.0	671.2	671.2	490.3	7.2	7.2	280.7	273.5
NON PERIODICAL (CTR 01600)	0.0	0.0	0.0	8.2	8.2	11.4	-8.2	-8.2	-11.4	-3.2
MEETINGS/CONFERENCES	2,061.7	2,061.7	2,358.1	1,240.2	1,240.2	1,350.7	821.5	821.5	1,007.5	185.9
ADMINISTRATION	0.0	0.0	0.0	353.2	353.2	303.4	-353.2	-353.2	-303.4	49.9
COMMITTEE/OTHER	0.4	0.4	0.0	253.8	253.8	256.8	-253.4	-253.4	-256.8	-3.4
GRANTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUB TOTAL EXCLUDING PROJECTS	2,821.3	2,821.3	3,215.0	2,526.7	2,526.7	2,412.7	294.6	294.6	802.2	507.6
SOCIETIES PROJECTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUB TOTAL INCLUDING PROJECTS	2,821.3	2,821.3	3,215.0	2,526.7	2,526.7	2,412.7	294.6	294.6	802.2	507.6
INVESTMENT RETURNS	0.0	0.0	0.0	0.0	0.0	198.3	0.0	0.0	-198.8	-198.8
TOTAL	2,821.3	2,821.3	3,215.0	2,526.7	2,526.7	2,611.0	294.6	294.6	602.4	307.8

AES Revenue Picture- 2018

FM14-18A S/C Revenue if restated based on estimated calculated share of Gross PP in lieu of net PP distribution



AES Conference Pubs Income

Package Net Distribution Percentages from Budget		2015 -2018 DISTRIBUTION AMOUNTS						
CONTENT/USAGE		ACTUAL \$		ACTUAL \$		TOTAL	% of Total Dist	
Year	CONTENT %	USAGE %	DIRECT REV	DIRECT EXP	CONTENT			USAGE
2015	1.08%	1.30%	\$16.9	(\$30.8)	\$118.6	\$264.8	\$369.6	1.22%
2016	1.23%	1.32%	\$13.8	(\$12.9)	\$139.6	\$278.1	\$418.6	1.31%
2017	1.30%	1.34%	\$15.7	(\$25.7)	\$150.5	\$287.9	\$428.4	1.31%
2018	1.20%	1.40%			\$141.2	\$290.0	\$434.4	1.40%

Additional Pubs Info

2017 Page Charges

	<u>Budget</u>	<u>Actual</u>
Voluntary Page Charges 2017:		\$9,140
Overlength Page Charges:	\$140,000	\$204,395
Bad Debt	\$30,130	\$37,599

2018 Page Charges

	<u>Budget</u>	<u>Actual</u>
Voluntary Page Charges:		\$1,100
Overlength Page Charges:	\$148,194	\$234,060
Bad Debt	\$21,438	\$12,700

Pubs Distribution Reduction

IEEE is reducing the publications distribution (ASPP*) over the next 5 years. (* All Society Periodicals Package)

Year	Base	Usage	Content
2018	10%	55%	35%
2019	8%	57%	35%
2020	6%	59%	35%
2021	4%	61%	35%
2022	2%	63%	35%
2023	0%	65%	35%

AES will lose almost \$50,000 in ASPP revenue when new algorithm is fully in place in 2023

			Old ASPP	New ASPP	Gain - Loss	% Gain-Loss
\$ - Base	\$ - Content	\$ - Usage	\$474,491	\$424,867	-\$49,624	-10%

This won't materially affect us all else being equal but we need to be aware of the loss of income. **BUT Open Access is a game changer**

Other Categories

Distinguished Lecture Program:

Budget	\$7,500	Actuals	\$3,918*
---------------	----------------	----------------	-----------------

* + small amounts submitted
January 2019 and will count against
2019 budget

Chapter Support:

Budget	\$13,448	Actuals	\$8,110
---------------	-----------------	----------------	----------------

AdCom Travel:

Budget	\$72,805	Actuals	\$78,736
---------------	-----------------	----------------	-----------------

AdCom Meeting Expenses

Budget	\$26,378	Actuals	\$11,612
---------------	-----------------	----------------	-----------------

Journal on Miniaturization for Space & Airborne Systems

	2018	2019	2020	2021
Pages Per Year		300	450	600
Articles per year		29	40	54
Issues per year, online		4	4	6
<u>Financials</u>				
Revenue	0	\$31,554	\$59,484	\$87,156
Expense				
Fixed Expense	\$5,750	\$37,528	\$45,216	\$53,329
Variable Expense				
Digital Print for ASPP		\$924	\$1,020	\$1,452
Voluntary Page Charges		\$450	\$675	\$900
Overlength Page Charges		\$87	\$120	\$162
Bad Debt Charges		\$1,490	\$2,236	\$2,981
Total Expenses	\$5,750	\$40,479	\$49,267	\$58,824
Net Surplus (Deficit)	-\$5,750	-\$8,925	\$10,217	\$28,332
AES Share (5%)	-\$288	-\$446	\$511	\$1,417

AES 2019 Budget

	2017	2018	2019	2019
	Actuals	Budget	Target	First Pass
00380 TRANS ON AEROSP & ELECT SYS	620.4	543.4	613.3	613.3
00381 AEROSPACE & ELECT. SYS. MAGAZINE	133.0	134.8	120.7	120.7
00382 AEROSPACE & ELECT. FEES	83.0	80.8	80.8	80.8
00383 AEROSPACE & ELECT DIGITAL LIBRARY	0.0	0.0	0.0	0.0
01499 PERIODICAL RELATED - OTHER	0.0	0.2	0.2	0.2
01600 NON PERIODICAL	0.0	0.0	0.0	0.0
01700 MEETINGS/CONFERENCES	1,905.1	2,061.8	2,039.1	1,774.1
01701 CONFERENCE RELATED - OTHER	10.3	(0.0)	10.3	10.3
01900 COMMITTEE & OTHER	0.0	0.4	0.4	0.4
TOTAL REVENUE	2,751.8	2,821.3	2,864.7	2,599.7
00380 TRANS ON AEROSP & ELECT SYS	313.1	384.2	525.1	525.1
00381 AEROSPACE & ELECT. SYS. MAG.	358.1	285.8	262.4	262.4
00382 AEROSPACE & ELECT. FEES	0.2	0.0	0.0	0.0
00383 AEROSPACE & ELECT DIGITAL LIBRARY	0.0	0.0	5.9	5.9
01499 PERIODICAL RELATED - OTHER	0.9	1.3	0.7	0.7
01600 NON PERIODICAL	11.7	8.2	8.2	8.2
01700 MEETINGS/CONFERENCES	1,167.1	1,231.7	1,210.9	1,095.2
01701 CONFERENCE - RELATED	20.4	8.5	18.8	18.8
01800 ADMINISTRATION	300.7	353.2	343.9	343.9
01900 COMMITTEE & OTHER	270.6	253.8	247.2	272.2
01930 INITIATIVES	2.3	0.0	0.0	27.5
TOTAL EXPENSE/RMBSVC	2,445.1	2,526.7	2,623.1	2,559.9
TOTAL FROM OPERATIONS	306.6	294.6	241.6	39.9

AES 2019 Conference Budget

AES submittal

Conference Name	Code	Share	Total Conference Budget			AES Share		
2019 Aerospace Conference	19AAC	100.0%	818,139	642,667	175,472.00	818,139.00	642,667.00	175,472.00
2019 Radar Conference	19RAD	50.0%	407,560	339,576	67,984.00	203,780.00	169,788.00	33,992.00
2019 Metrology for Aerospace - MetroAeroSpace	1932W	100.0%	46,000	40,250		46,000.00	40,250.00	5,750.00
2019 AUTOTESTCON	19AUT	50.0%	479,335	367,585	111,750.00	239,668.00	183,793.00	55,875.00
2019 IEEE AIAA 35th Digital Avionics Systems Confe	19DAV	25.0%	250,000	235,000	15,000.00	62,500.00	58,750.00	3,750.00
Totals						1,370,087*	1,095,248	274,839

*Plus 415k Conference Publications Distribution

Status - current select expenses - Transactions

Through Sept 30, 2019

	<u>Budget \$k</u>	<u>Actual \$k</u>
Overlength Page Charges	153,295	179,900
Open Access	30,247	19,449
Editor Fees	7,737	9,506
Editor reimbursed expenses	9,467	2,273
Composition	7,200	6,474

Bottom Line: reasonably favorable to budget

Status - current select expenses - Magazine

Through Sept 30, 2019

	<u>Budget \$k</u>	<u>Actual \$k</u>
Non-member subs - print	4,196	6,021
Non-member subs – electronic	659	1,245
Editor fees	50,443	17,805
Editor fees – administrative	23,567	7,488
Editor reimbursed expenses	2,565	7,488
Composition	39,525	1,664
Text paper	25,145	-4,871
Printing	35,110	101,985
Mailing	70,826	-1,166
Purchased composition	0	22,643

Numbers are slightly confusing since budget based on Allen Press and actuals are based on IEEE Press. Also, we owe AP \$2,127 for residual efforts for Jan-Feb-Mar 2019

Bottom Line – we are saving a lot of money using IEEE Press!

Status - current select expenses - AdCom

Through Sept 30, 2019

	<u>Budget \$k</u>	<u>Actual \$k</u>
AdCom Meeting Accommodations	11,480	17,810
Volunteer Travel	42,827	43,777
Secretarial Support	45,741	41,609

Bottom Line – discretionary expenses are under control

Summary 2020 Budget – AES Input

	2018	2019	2020	2020
	Actuals	Budget	Target	FirsPass
00380 TRANS ON AEROSP & ELECT SYS	631.6	614.5	587.8	587.8
00381 AEROSPACE & ELECT. SYS. MAGAZINE	139.5	122.8	114.4	114.4
00382 AEROSPACE & ELECT. FEES	85.8	80.8	78.3	78.3
00383 AEROSPACE & ELECT DIGITAL LIBRARY	0.0	0.0	0.0	0.0
01499 PERIODICAL RELATED - OTHER	0.0	0.2	0.2	0.2
01600 NON PERIODICAL	0.0	0.0	0.0	0.0
01700 MEETINGS/CONFERENCES	2,320.1	1,776.0	2,142.2	1,965.9
01701 CONFERENCE RELATED - OTHER	38.0	10.3	10.5	10.5
01900 COMMITTEE & OTHER	0.0	0.4	0.0	0.0
TOTAL REVENUE	3,215.0	2,605.0	2,933.4	2,757.1
00380 TRANS ON AEROSP & ELECT SYS	186.3	327.3	301.6	301.6
00381 AEROSPACE & ELECT. SYS. MAG.	306.5	344.0	149.7	149.7
00382 AEROSPACE & ELECT. FEES	0.1	0.0	0.0	0.0
00383 AEROSPACE & ELECT DIGITAL LIBRARY	0.0	5.9	6.0	6.0
01499 PERIODICAL RELATED - OTHER	(2.4)	(3.5)	(5.0)	(5.0)
01600 NON PERIODICAL	11.4	8.2	8.2	8.2
01700 MEETINGS/CONFERENCES	1,325.6	1,095.2	1,254.1	1,216.0
01701 CONFERENCE - RELATED	25.0	18.8	19.1	19.1
01800 ADMINISTRATION	303.4	348.0	345.7	345.7
01900 COMMITTEE & OTHER	256.8	276.3	271.9	355.6
TOTAL EXPENSE/RMBSVC (excl Projects)	2,412.7	2,420.2	2,351.3	2,396.9
TOTAL FROM OPERATIONS (excluding Projects)	802.2	184.7	564.1	360.2

1900 (discretionary) additions

	<u>IEEE suggestion</u>	<u>AES input</u>
Secretarial Services (including expenses)	75.0k	90.0k
Volunteer travel	90.8k	127.0k
DL travel	0	7.5k
Student Support	15.0k	20.0k
Treasurer travel	0.0k	5.0k
President's Discretionary	0.0k	5.0k

Note that the DL, Treasurer and President's travel may also be in the \$127k number, thereby inflating (incorrectly) the 1900 account increase. This will be confirmed once the final 2020 budgets are received, in late November, after TAB and Board approval

In addition, the Chapter Support AdHoc Committee is recommending to TAB that all Societies and Councils start to budget additional Chapter support beyond the \$50 per meeting; I recommend a maximum of \$15k for our 50+ Chapters to start. The President can approve all individual requests

One more super cool item

- **An AES volunteer has generously donated \$25,000 to AES.**
- **The donor remains anonymous at this point, but I have the check at home.**
- **We are working to see how we can create an endowment, award, or something special to do with this outstanding donation.**
- **The donor also allows that this is not a 1-time donation; more will be forthcoming.**
- **I think that AES should be exceptionally proud that we have such a generous and thoughtful donor**
- **The name of the donor will be revealed shortly.**

Initiatives

- Initiatives are activities that a Society or Council wishes to implement on a 1-time basis that would benefit IEEE and/or the Society, and IEEE encourages such.
- Since the initial 2017 budget was looking good we inserted two:
 - 1- Funding for a possible “Chapter Summit” in conjunction with Sections Congress in August 2017, Sydney Australia in the amount of \$45k
 - *We subsequently abandoned that as too expensive and not cost effective*
 - *Agreed on a “local” Chapter Summit at an AES conference instead*
 - 2- Initial funding for two Scholarships, in the amount of \$10k.

We voted to implement since AES hasn’t been as prominent in our educational thrusts as many Societies.

Budget for it has been approved by IEEE

Two annual scholarships in Electrical (UG) and Systems (G) Engineering, \$5,000 for undergraduate and \$5,000 for graduate

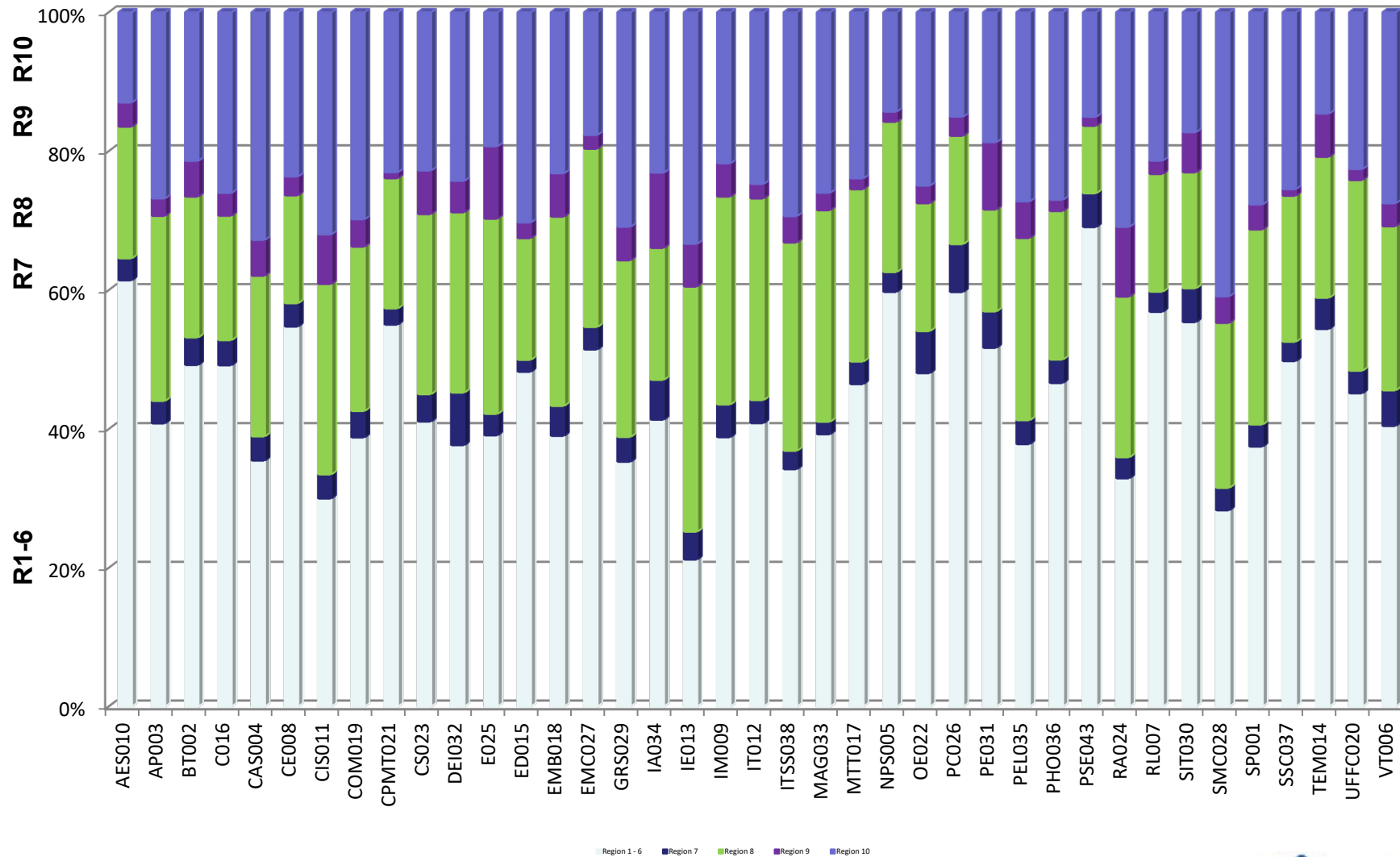
Forms submitted to IEEE and approved for implementation 2018.

Scholarship Committee of 3 established.

AES Membership Statistics 2018

Category	March 2017		July 2017		December 2017		December 2018	
		Total		Total		Total		
Life Fellow	112		111		118		106	
Fellow	110	222	112	223	105	223	114	220
Life Senior	234		235		256		249	
Senior	645	879	681	916	730	986	759	1008
Life Member	415		416		441		432	
Member	2192	2,607	2431	2,847	2,640	3,081	2690	3122
Affiliate Member		41		46	53	53		73
Total Higher Grade		3,749		4,032		4,343		4423
Grad Student	208		210		231		207	
Student	179		225		285		288	
Affiliate Student	17		20		25		23	
Total Student		404		455		541		518
Grand Total		4,153		4,487		4,884		4941

IEEE Society Membership by Region



AES Membership by Region

Region	Number	%
1-6	2899	59%
7	156	3%
8	962	19%
9	167	3%
10	757	15%

New IEEE Expense Report Rule

The IEEE Board has declared that all expense reports must be submitted with 60 days of completion of travel, or they will not be reimbursed.

- *FYI this is not enforceable, but AES Board members are asked to try to submit within 60 days.*

NO LONGER SUBMIT TO: bobrassa1@gmail.com

IEEE is no longer using the excel spreadsheet-
We have started to use the online CONCUR program.
Details will be sent to all Board members.

<https://www.concursolutions.com/home.asp>

<https://corporate.ieee.org/resources/travel,-medical-and-insurance/ieee-expense-report>

Payment now occurs within 7 to 10 days based on submittals from the February officer's and April Board meeting



