



IEEE AES Society Strategic Planning

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Officers Meeting, Orlando FL
January 30, 2015

AES Treasury Strategic Plan

- **Mission Statement**
 - Separate the maximum amount of people from the maximum amount of money
 - Seriously- we need to manage our money effectively
 - Don't spend money because we can-
 - Spend money because it will benefit AES and our members
- **Strategic Vision**
 - Maximize our income
 - Control our expenses
 - Spend money wisely-
 - Invest in areas of benefit to AES and our members
 - But live within our means
 - Look for ways to reduce unnecessary expenses

Financial Info

- **2013 AES financial results**
 - Loss of **\$108.9k** (w/o market fluctuation)
 - Gain of **\$110.8** (with market fluctuation)
 - **60% of Societies had a loss in 2013**
 - COMSOC: \$1,400k
 - EMB: \$625k
 - MTT: \$600k
 - NPS: \$375k
 - Computer: \$350k
- **2014 AES financial results (preliminary)**
 - Loss of **\$4.3k** (w/o market fluctuation)
 - **BUT the budget showed a loss of \$12.8k (original budget on file) OR \$37.8k (per 2014 year-end results)**

Financial Info - 2

- **Conference surplus down \$101.9k from budget**
 - Lots of issues here, attributed to downturn in government attendance at some conferences and perhaps inefficient conference management at others
 - **Conference net revenue history:**

2007	2008	2009	2010	2011	2012	2013	2014
ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS
573.4	855.5	708.4	873.4	720.2	861.6	664.4	552.5

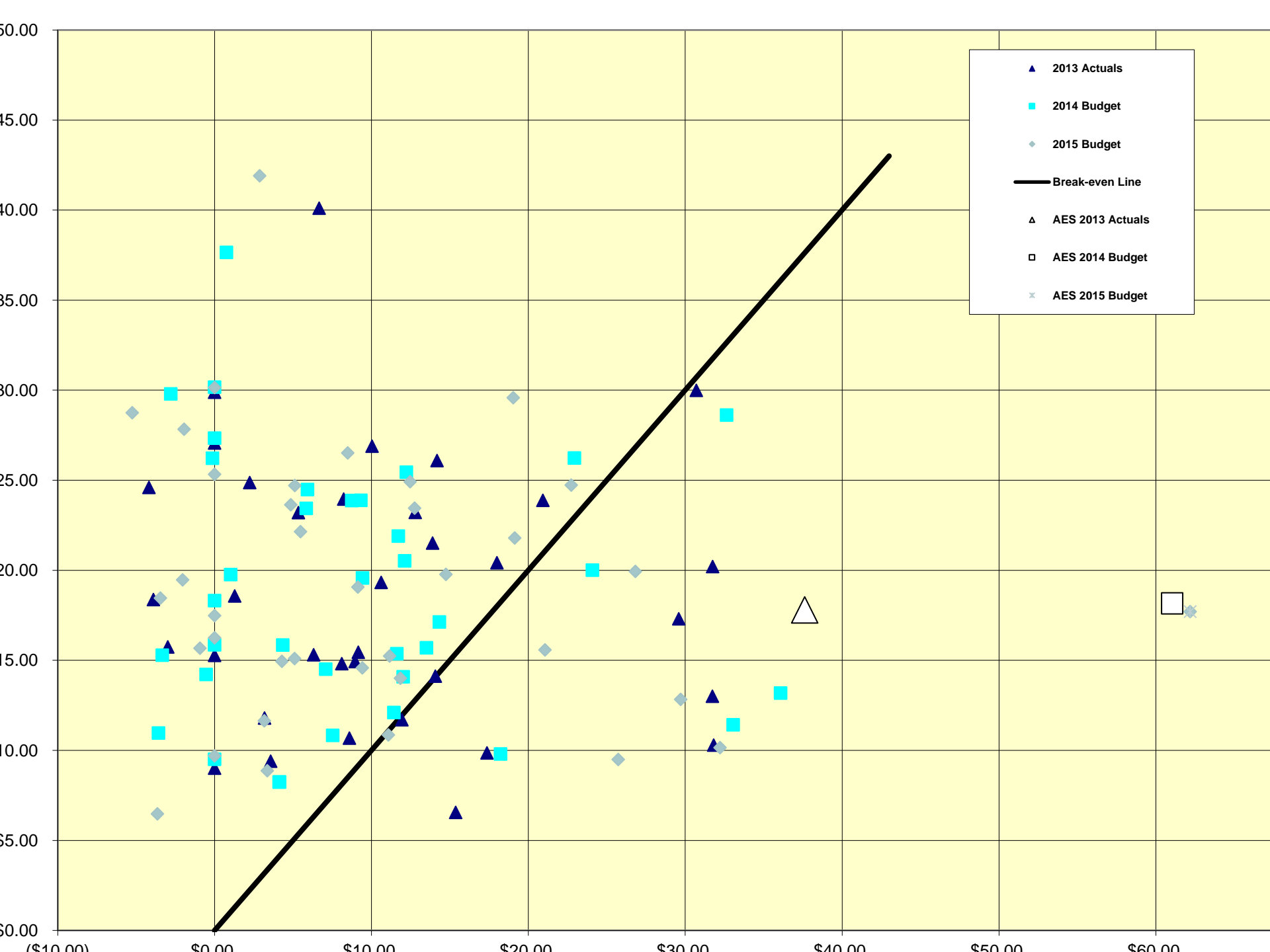
- **Publications income normally runs at a loss but for 2014 the loss was \$47.1k less than budgeted**
- **IEEE infrastructure charges were \$11.6k less than budgeted (and we have zero control over this)**

Financial obfuscation

- **AES 1900 account is our discretionary spending**
 - BoG travel, BoG meeting expenses, executive assistant costs, DL support, student activities support, TAB meeting expense allocations, Council member dues, Awards expenses (plaques, travel), web maintenance, President's fund.
- **1900 budget for 2014 was \$214.8k (“final” budget) OR \$239.4k (budget per IEEE reported 2014 preliminary results)**
- **Actuals were \$163.8k**
 - BoG meetings expenses were down
 - DL spending was down (lots of free ones!)
 - Treasurer-authorized expenses totaled \$93,808
- **I try to monitor expenses to make sure they are valid**

Dues and Fees

- **It costs us more to “service” a member than our membership dues pay for**
 - Suggest we examine member dues
- **It costs us more to produce Transactions and Magazine than we charge for subscription fees**
 - Dale Blair working on recommendations
- **There is rationale for subsidizing some elements, but this should be done with careful and due consideration**



Cost of Membership

<u>Aerospace & Electronic Systems Cost of Membership</u>	2013 Actuals		2015 Budget	
	Total \$	Per Member	Budget \$	Member
Active Members		4,570		4,532
Permanent and Life Members		706		688
<u>Member Incremental Cost</u>	-	-		
Newsletter	\$0.0	\$0.00	\$0.0	\$0.00
Bundled Publication Budget (incl NM & ASPP copies)	\$150,545.6	\$37.62	\$248,053.6	\$62.18
Free Extras	\$0.0	\$0.00	\$0.0	\$0.00
Subtotal Incremental Cost	\$150,545.6	\$37.6	\$248,053.6	\$62.2
<u>Offsetting Advertising</u>				
Newsletter	\$0.0	\$0.00	\$0.0	\$0.00
Bundled Publication Budget	\$0.0	\$0.00	\$0.0	\$0.00
Subtotal Offsetting Advertising	\$0.0	\$0.0	\$0.0	\$0.0
Incremental cost with Off Advertising	\$150,545.63	\$37.6	\$248,053.6	\$62.2
<u>Member Fixed Cost</u>				
Newsletter	\$0.0	\$0.00	\$0.0	\$0.00
Bundled Publication Budget	\$155,268.3	\$38.80	\$121,480.1	\$30.45
Xplore	\$7,461.4	\$1.63	\$6,300.0	\$1.39
Direct Membership Allocation	\$130,099.8	\$28.29	\$25,872.9	\$5.66
Subtotal Member Fixed Cost	\$292,829.5	\$68.72	\$153,653.0	\$37.50
<u>Overhead Fixed Cost</u>				
Admin Net (w/o Mbr Infrastructure)	\$99,918.8	\$21.86	\$94,421.5	\$20.83
Committee/Other Net	\$84,850.3	\$18.57	\$90,329.7	\$19.93
Subtotal Overhead Fixed Cost	\$184,769.1	\$40.4	\$184,751.2	\$40.8
Total Cost of Membership (cover entire budget)	\$628,144.2	\$146.8	\$586,457.8	\$140.5
Full Paying Dues		\$25.00		\$25.00
Effective Dues with Perm/Life Mbrs		\$17.80		\$17.70

Expense Reporting

- **New expense report form for 2015; I will send out.**
- **IEEE rules require**
 - **advance booking airfares, non-refundable**
 - **Hotel accommodations only for duration of meeting, beginning the night prior to meeting start, and allowing for night of last day of meeting if reasonable travel back home not possible**
 - **No business class travel unless**
 - **Specifically budgeted and approved by IEEE in advance**
 - **Specifically approved by IEEE prior to initiating travel**
 - **Receipts for all expenses exceeding \$25.00**
- **IEEE also does not pay for attending a conference**
 - **If a member is a rep to a conference or activity, travel reimbursement can be paid for attending the conference Board meeting only**