Treasurer’s Report

Aaron Wagner

ITSoC BoG meeting
ISIT 2020
IEEE Accounting in One Slide

Reserves [$5.1M → $5.8M during 2019]

2019

- General funds
- Surplus: 50%
- Special projects
- Reserve: $5.1M → $5.8M
- Special projects
- Reserve: 3%

2020

- General funds
- Surplus: 50%
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- Reserve: $5.1M → $5.8M
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50%
2019 General Funds
The 2019 budget as a Doob martingale:
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  - $S_{2019} = \text{surplus}$
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- \( \mathbb{E}[S_{2019}|\mathcal{F}_{\text{ITA 2019}}] = \mathbb{E}[S_{2019}] = $46K \) [budgeted surplus]
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  - $E[S_{2019} | \mathcal{F}_{\text{ISIT } 2019}] = $80K
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- $E[S_{2019}|\mathcal{F}_{\text{2019 Fall Meeting}}] = $125K
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- $E[S_{2019}|\mathcal{F}_{\text{ITA 2020}}] = $453K (!)
2019 General Funds

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- $E[S_{2019}|\mathcal{F}_{\text{ITA 2019}}] = E[S_{2019}] = 46\text{k} \ [\text{budgeted surplus}]$
- $E[S_{2019}|\mathcal{F}_{\text{ISIT 2019}}] = 80\text{k}$
- $E[S_{2019}|\mathcal{F}_{\text{2019 Fall Meeting}}] = 125\text{k}$
- $E[S_{2019}|\mathcal{F}_{\text{ITA 2020}}] = 453\text{k} \ (!)$
- $E[S_{2019}|\mathcal{F}_{\text{Apr. 5, 2020}}] = S_{2019} = 573\text{k} \ (!!)$
2019 General Funds
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Transactions Trends (as of Vail)

![Graph showing trends in revenue, costs, and profit over years from 2008 to 2019.](image-url)
Transactions Trends (current)

Year

000 USD

revenue

costs

profit

$120K (3% rule) + $145K (50% rule) = $265K

- Special sessions at ISIT 2019 (Aaron): $55K
- Recording events at ISIT 2019 (Aaron/Emina): $41K
- Web server upgrade phase II (Brian): $40K + $24K (overbudget)
- REACH initiative (Vince): $37.5K
- One additional Youtube videos (Matthieu): $15K
- Student travel grants for regions 8 (but not EU), 9, and 10 (Aaron/Vijay/Daniela): $20K
- External speakers at ITA 2019 (Aaron/Alon): $10K
- D&I event at ISIT 2019 (Elza): $5K
- ISIT one-day registrations (Aaron): $4K (becomes operational)
- Publicity for “Small Bits” book (Christina): $13K

Total allocated: $264.5K. Spent $175K.
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- $E[S_{2020}|F_{ITA\ 2020}] = E[S_{2020}] = \$243K$ [budgeted]
2020 General Funds

- \( E[S_{2020}|\mathcal{F}_{\text{ITA 2020}}] = E[S_{2020}] = $243K \) [budgeted]
- \( E[S_{2020}|\mathcal{F}_{\text{Today}}] = $232K \)
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- Notes:
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- Membership fees expected to be 10% lower than 2019*
2020 Special Projects

- Total allowed: $89K (3% rule) and ~$287K (50%) rule = $379K

- Approved by officers or BoG:
  - East Asian School (Stark): $20K [incorrectly stated as $30K in Paris]
  - “Hot-topic Workshops” (Henry and Emina) $25K
  - Travel grants for students outside Europe and North Amer. (Aaron/Vijay/Daniela): $25K
  - “Reaching out to K3-K8” (Christina) $20K
  - Web server upgrade (Brian): $14K
  - Childcare at ISIT 2020 (Aaron): $6K
  - D&I event at ISIT 2020 (Elza): $6K
  - ISIT one-day registrations (Aaron): $5K (yields operational $$$!!)
  - Ancillary Professional Development Workshops (Emina) $5K
  - Conjecture Prizes (Parastoo) ~$1K in expectation

- Your idea here!

  Sum total: $127K

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... and start thinking about 2021 special projects!
On the Padovani Fund

- Roberto Padovani generously donated $110K over 5 years.
- We are permitted to spend $10K/year on Schools.
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- Should we think of this as a short-term gift to effect a immediate impact or a self-sustaining endowment?
On the Padovani Fund
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On the one hand, the IEEE Foundation says:

“... Established in 2009 in concert with Information Theory Society and Roberto Padovani and is intended to be used until depleted [emphasis added] in accordance with signed gift agreements.

Initially, the Fund supported a travel grant for the Padovani Lecturer at the IT-S North America Summer School of Information Theory. Thanks to continued donations received from 2010 to 2013 - it was agreed between the IEEE Foundation, IT-S and the donor to expand the purpose of the Fund starting in 2014 to provide up to US$10,000 per year in support of the ITS North American Summer School of Information Theory to increase student-teacher activities. Use of the Fund includes:

- Student-Teacher social events (e.g., pizza/BBQ event, local outing/tour)
- Student travel support in the form of travel grants, and lodging stipends
- Dissemination (e.g., video-taping of lectures for distribution on IEEE Information Theory Society website and participating school websites)
- Travel support for distinguished lecturers to attend and participate at ITS North American Summer School of Information Theory
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- On the other hand, our bylaws implicitly treat it as a self-sustaining endowment.
On the Padovani Fund
### On the Padovani Fund

- Complicating matters, in practice:

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- Net | +5K | -20K | -3K | +3K | -14K | +10K | -19K |

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- It’s somewhere in the middle....
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- I suggest either raising or lowering the payout (in conjunction with IEEE Foundation).
- In the meantime, I will work to draw it down in accordance with the existing rules.
What is a New Initiative?

From IEEE’s Financial Operations Manual

Language common to 3% and 50% rule: This funding would be intended for OU new initiative activities (activities with a limited expected life of one to three years). Items normally carried within the budget (including items that have been considered operational, such as staffing, existing publications, members services, governance activities, awards, etc.) shall not be funded under this rule.

For the 3% rule: Any multi-year initiative which requires funding in future years will need to re-qualify annually.

For the 50% rule: Any activities funded under this rule shall be completed during the current year unless provided for in the following year’s approved budget.