

Treasurer's Handbook and
IEEE Canada Financial Policy
Version 3.2
April 1, 2006

1 Budget Process

1.1 Budget Timetable

Time	Activities
First week of August	Issue Budget Guidelines
Last week of August	Develop Preliminary Budget
Second week of September	Review Preliminary Budget at ExCom Strategic Planning Meeting and finalize
Third week of September	Circulate Proposed Budget to IEEE Canada Board
Fall Board Meeting	Present Budget, Incorporate Changes and get IEEE Canada Board Approval. Issue Second Quarter Financial Results
Mid November	Issue Reminder for Year-End close out
Mid December	First Attempt to Close Books
Mid January	Close Books, Trial Balance and Present Preliminary Results to ExCom
End of January	Select Audit Committee and, if required, get Steering Committee Approval Issue Expense Guidelines to IEEE Canada Board and others as required
Mid February	President and Treasurer Sign-Off on L50 If required, prepare books for IEEE Audit Department full audit
Mid April	Prepare First Quarter Results for Spring Meeting
First Week of May	Issue Financial Statements, Updated Budget and First Quarter Results Conduct Volunteer Audit
Mid July	Prepare Second Quarter Results for Fall Meeting

- 1.1.1 Budget guidelines are distributed to all IEEE Canada Board Members (Executive Committee, Committee Chairs and Section Chairs).
- 1.1.2 The IEEE Canada Executive Committee will participate in the budget review meeting. This meeting will be held via teleconference or via e-mail feedback. In either case the preliminary budget will be distributed to all members of the IEEE Canada Executive Committee.
- 1.1.3 The Treasurer will prepare and present the Budget to the September ExCom planning meeting. The ExCom will approve the budget for presentation at the Fall Meeting.
- 1.1.4 The Treasurer will present the Budget at the Fall Region Meeting for approval by the Region Committee.

1.2 Budget Preparation

- 1.2.1 Estimate the total operating for the following the year.
- 1.2.2 Estimate the total project expenses for the following year.
- 1.2.3 Prepare budget narratives to explain nature of operating and project expenses

2 Budget Principles

- 2.1 Region 7 will operate on a balanced budget, i.e. operating expenses will not exceed 90% of anticipated income.
- 2.2 Region 7 will maintain a minimum operating reserve of 50% of annual expenses. This reserve will be invested in a secure long term investment with IEEE Headquarters.
- 2.3 Operating budget will consist of meeting expenses, expenses associated with approved committee activities, IEEE Canada Publication expenses, IEEE Canada Office expenses, any capital expenditures and other approved ongoing Region 7 activities.
- 2.4 All Committee Chairs will outline their budget requirements, including capital expenses and present their requirements to the Treasurer in writing prior to the September ExCom meeting. The treasurer will prompt members of the IEEE Canada Board for their budget submissions.

- 2.5 Committee activities may drive need for project expenses. Project expenses are to be identified by committees in their August budget submissions to the treasurer.
- 2.6 Project expenses will consist of a one year capital to purchase equipment and/or services for IEEE Canada. An example of this would be the Optical Disk Project for 1997. Soft costs will not be designated project costs. Examples would be travel expenses associated with the project. In the case of Committee or Areas, these costs would be allocated to the approved budget.
- 2.7 Project expenses will be approved by the IEEE Canada Executive Committee during September review meeting. Multiyear projects must also be approved by the IEEE Canada Executive Committee.
- 2.8 Operating budgets will be funded from the current year's revenue (Regional Activities Board Allocation and the Regional Assessment).
- 2.9 Project expenses will be funded on the basis the overall operating budget does not exceed the 90% of revenue.
- 2.10 CCECE will maintain an annual operating reserve of \$15,000 to cover the annual seed money and possible conference deficits. Excess profits from CCECE will be made available for projects.
- 2.11 Section Congress will be funded from R7 funds invested with IEEE Canada banking institution. This fund will be drawn down in years Section Congress is held. In the off years this fund may need to be topped up with \$20,000 deposits to be included in operating budget.
- 2.12 Any variances to budgeted amounts must be brought back to ExCom for approval. To ensure expenses stay within their budgets, the Treasurer on a quarterly basis will issue a year to date vs. budget for monitoring purposes
- 2.13 R7 will operate on a "zero budget" principle. That is, the budget for the following year must stand alone and be justified for the current year's activities, not on a continuation of past expense.

3 Treasurer's Principles

- 3.1 Treasurer will maintain the financial records of the Region through the use of a commercially available accounting package such as Quickbooks or Simply Accounting

- 3.2 It is highly recommended that that the signing officers do not sign cheques made out to themselves. Although this is not an issue for amounts less than \$200, strict adherence to this policy will protect officers from any hint of impropriety.
- 3.3 Treasurer is to develop and maintain a list of region owned assets including date of purchase, purchase amounts and caretaker of the asset.

4 Expense Claim Principles

- 4.1 Expense claims for travel that were not approved by the ExCom will not be reimbursed. Where the ExCom has pre-authorized travel, the authorization for travel must be attached to expense claim.
- 4.2 The exception to 4.1 above is travel for invited attendees to the Spring and Fall regional meetings. If you are on the Region Committee, an official invitation will be mailed or e-mailed to you from the IEEE Canada Administrator.
- 4.3 As a volunteer for IEEE Canada, it is assumed you have the ability to travel worldwide. Any costs to obtain Passports or Visa's are not covered by IEEE Canada.
- 4.4 Supporting Documentation - All original receipts and documentation (such as e-mails for electronic reservations) must be submitted along with expense claim. Any claim without accompanying receipt will be returned to claimant unpaid.
- 4.5 Any Region 7 Board member traveling on approved IEEE Canada Board business and traveling by air must book the lowest class ticket available subject to Section 4.6 below. Upgrading to a higher class is done so at the member's expense.
- 4.6 Exemptions to 4.4 can be made with pre approval by the President.
- 4.7 Any Region 7 Board members traveling by air shall book their travel a minimum of three weeks in advance. Region 7 members not following this guide line will only be reimbursed \$300.00 or the ticket cost, which ever is less.
- 4.8 For Electronic Airline Tickets, boarding Cards must be submitted with the electronic ticket. Electronic bookings must clearly indicate the date the reservation was made.

- 4.9 The Region will not issue travel advances. In cases where credit card payments for pre-booked flights are required before travel, an expense claim for that amount with supporting documentation should be submitted.
- 4.10 Expenses for rental cars will only be reimbursed where it more cost effective to rent a car. Claimants are required to submit supporting documentation with their expense claim.
- 4.11 Region 7 members traveling on approved IEEE Canada board business utilizing a car rental must have prior approval of the Region Director or the Treasurer. In instances where airline travel is more economical than rental car, the member will only be reimbursed to a maximum of the airline cost.
- 4.12 Region 7 members traveling on approved IEEE Canada Board business utilizing travel agents do so at their expense.
- 4.13 Region 7 will reimburse members traveling on approved IEEE Canada Board business for flight cancellation insurance.
- 4.14 The region will not reimburse claimants for airline ticket change fees unless there is a valid reason for the change.
- 4.15 Other Region 7 Board members and companions are not considered Official Guests for expense claim purposes.
- 4.16 Region 7 Board members who have long distance telephone calls for IEEE Canada business must submit a log of those calls which includes date, time, person called and purpose of the call.
- 4.17 Region 7 Board members are permitted to make one daily long distance phone call to their place of residence while attending IEEE Canada Board meetings. Reasonable costs for long distance will be reimbursed by the treasurer.
- 4.18 Region 7 does not reimburse Board members for internet service fees. The region provides wireless internet access during Board meetings for the purpose of conducting Board business. Members are encouraged to use their spare time during Board meetings to check their personal or business e-mails.
- 4.19 All claimants are responsible for separating out the GST/HST on their expense form and any improperly completed expense claims be returned to the claimant unpaid.
- 4.20 If a Regional Committee Member elects to send a designate to attend the region meeting on their behalf, the member must send a note to the

Regional Director, Treasurer and the IEEE Canada Administrator informing them of this change. This will ensure that the voting privileges of the committee member are transferred to the alternate and that expenses are reimbursed.

- 4.21 All expense claims for travel, committees, publications and IEEE Canada Office must be submitted within 30 days of the expense occurring.
- 4.22 All Expense claims for the current business must be submitted by December 1. For example, any expense claims for 2004 must be to the treasurer by December 1, 2004.
- 4.23 Expense Claims submitted after the December 1 are subject to approval by the ExCom before disbursement of funds by the Treasurer.
- 4.24 Expenses Claims submitted for non budgeted items are subject to approval by the ExCom before disbursement of funds by the Treasurer.

5 Executive Expenses

- 5.1 The IEEE Canada Executive consists of the President, President-Elect, Past President, Secretary and Treasurer.
- 5.2 Secretarial and/or other administrative services are provided to the Executive by the IEEE Canada Administrator. Additional secretarial and/or administrative expenses for a member of the Executive require advance permission and approval of the ExCom before being incurred.
- 5.3 The Executive are responsible for monitoring their spending envelopes. The Executive shall notify the ExCom when their spending envelopes have reached 80% of their spending envelope and, if applicable, request additional funds. If any member of the Executive exceed their spending envelope without prior approval of the ExCom, IEEE Canada shall not be required to reimburse or liable for the over expenditures by the Executive member.
- 5.4 The Treasurer shall report to the ExCom at its regularly scheduled conference calls the spending of the Executive. However, it is the sole responsibility of the Executive member to notify the ExCom they have reached the 80% level of their envelope and request additional funds. Additionally, the Treasurer shall prepare a separate report for the IEEE Canada Board on the Executive's budgeted expenses including any increase approved by the ExCom.

- 5.5 IEEE Canada has established an approved budget for the Executive with spending envelopes identified for each member of the Executive.

5.5.1 President

- 5.5.1.1 The President's envelope is primarily intended to cover visits to IEEE Sections in Canada, other meetings including meetings of the Engineering Institute of Canada and other incidental expenses including but not limited to entertainment, mail, telephone, fax and computer supplies. The President's budget allows for air travel at the equivalent of Air Canada Latitude fare. All other air fare for the Executive shall be at the equivalent of Air Canada Tango Plus. Expenses for the President to attend IEEE Board Series and other Board activities are covered by and paid for IEEE and are not covered by IEEE Canada.
- 5.5.1.2 IEEE supplements the President's budget for travel to Sections within Canada and additional expenses incurred for travel to other Regions outside of Region 7. This supplement covers a partial portion of one visit per year to a Region outside of Region 7. However, the President shall notify the ExCom in advance that such expenses will occur. Additional costs for such visits shall come from the President's envelope. This supplement is included in the President's envelope.
- 5.5.1.3 The President is IEEE Canada's official representative to the IEEE Board and to the Engineering Institute of Canada. At the request of the President a member of the Executive or a member of the ExCom if a member of the Executive is unavailable may travel to an IEEE Board meeting, Engineering Institute of Canada meeting or an IEEE Canada Section or other meeting within Canada to represent the President. When requested to do so, the Executive or ExCom member shall have the same travel privileges as the President and the expenses incurred shall come from the President's budget. The President shall notify the ExCom at its next meeting that such request will be or has been made.
- 5.5.1.4 IEEE will supply the President with an IEEE computer complete with all necessary hardware and software. IEEE Canada will not reimburse the President for any computer hardware and/or software expenses.
- 5.5.1.5 Travel by the President-Elect and/or the Past President to other Regions or IEEE Board meetings shall only occur on the recommendation of the President and with the prior consent and approval of the ExCom.

5.5.2 President Elect

- 5.5.2.1 The President-Elect's budget is intended to cover 50% of the costs of the President-Elect attending IEEE Board Series plus incidental expenses

identified above for the President. Computer hardware and/or software expenses are not covered.

5.5.3 Past President

5.5.3.1 The Past President's budget is intended to cover incidental expenses as identified above for the President. Computer hardware and/or software are not covered.

5.5.4 Secretary

5.5.4.1 The Secretary's budget is intended to cover incidental expenses identified above for the President. Computer hardware and/or software are not covered.

5.5.5 Treasurer

5.5.5.1 The Treasurer's budget is intended to cover incidental expenses identified above for the President. In addition, an annual allowance, paid monthly, for computer hardware and software is provided to the Treasurer.

6 Audit Principles

6.1 *IEEE Canada will have an audit performed by the auditors at IEEE Headquarters every time the Region Treasurer changes or every three years.*

6.2 *As a minimum, the cheque register for IEEE operational account must be presented on a quarterly basis to the IEEE Canada Board.*

6.3 Audit Committee

6.3.1 Audit Committee will consist of a Chair and three IEEE members, one from each Area within IEEE Canada.

6.3.2 IEEE Canada Treasurer will put forth names for Audit Committee members

6.3.3 IEEE Canada Steering Committee will approve appointments to Audit Committee

6.3.4 Audit Committee members will serve for a three year term. On a rotating basis, one member of the Audit Committee from the three Areas will be

replaced. This ensures that at a minimum of two members has experience on the audit committee in the years the chair of the Audit Committee changes.

6.3.5 Audit Committee members shall have no involvement with the day-to-day financial management of IEEE Canada.

6.3.6 As a minimum, the audit committee shall review sufficient records to ensure completeness, deposits, expense claims and cheque register. Review to ensure bookkeeping principles followed, accounts reconciled to bank statements, is IEEE Canada getting value for money and appropriateness of expenses.

7 Investment Principles

7.1 The Treasurer shall invest IEEE Canada funds in an approved IEEE investment.

7.2 The Treasurer shall report quarterly to the ExCom funds in the IEEE Investment Account including deposits, withdrawals and capital gains/losses.

7.3 The Treasurer shall include the most recent ExCom investment report to the Region Committee.

7.4 Investment Committee

7.4.1 Investment Committee will consist of a Chair and three IEEE members, one from each Area within IEEE Canada.

7.4.2 IEEE Canada Treasurer will put forth names for Investment Committee members

7.4.3 IEEE Canada Steering Committee will approve appointments to Investment Committee

7.4.4 Investment Committee members will serve for a three year term. On a rotating basis, one member of the Investment Committee from the three Areas will be replaced. This ensures that at a minimum of two members has experience on the audit committee in the years the chair of the Investment Committee changes.

7.4.5 Investment Committee's mandate will be defined and completed October 2005

8 Treasurer's Operating Activities

8.1 Bank Contact Information

8.2 Signature Cards

- 8.2.1 In mid December before taking office or once the regional director has finalized appointment of the treasurer, which ever is later, the incoming treasurer should begin working.
- 8.2.2 Send the forms via courier to the President, President Elect and Secretary. Each of the individuals will have to provide photo id and date of birth.
- 8.2.3 Current forms are provided for example in Appendix A.

8.3 Submitted Expenses

- 8.3.1 Any expense claims submitted to the Treasurer for IEEE Canada Business must be paid within 30 days or the net terms of the invoice, which ever is less.

8.4 Wires Transfer

- 8.4.1 Regional Assessments are put into a holding account at head quarters. This holding account is a non-interest bearing account. Regional Assessments are currently the regions biggest source of income and this money needs to be moved into Region 7 chequing account via Wires Transfers for operational expenses.
- 8.4.2 The current form is attached in Appendix B

8.5 Deposits

- 8.5.1 The Treasurer shall maintain a bank account in a Canadian Chartered Bank.
- 8.5.2 The Treasurer shall maintain funds in the IEEE Concentration Banking Account.
- 8.5.3 The Treasurer shall have discretion in the amounts kept in each bank account. However, the Treasurer shall notify the ExCom of transfers in and out in excess of \$10,000 Canadian.