BUDGETING AND FINANCES IN IES CONFERENCES

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1. IES conferences finance tracking

- The IES Financial Advisor is responsible for guiding conference organizers and monitoring finances for IES Majority Sponsored (MS) conferences (including contracts and payments from the conference bank account). He or she will serve as Finance Co-Chair in designated IES conferences (IECON, ISIE, ICIT, and INDIN). The IES Financial Advisor is appointed from the pool of IES Conferences Committee (C-C) members.
- Bank account:
  - ✓ Use of IEEE Concentration Banking (CB) and of IEEE Meetings, Conferences, and Events (MCE) services is recommended, particularly for conferences held in USA and Canada (IEEE R1-7). MCE offers the possibility of providing an "Assistant Treasurer" for conferences. Advantage from this opportunity should be taken by conferences using IEEE Concentration Banking or MCE management services, and all others should explore it.
  - ✓ If CB is not used, a bank account must be open for exclusive use of the conference and in its name.
  - ✓ If using a bank account outside of the US, an annual report must be submitted to IEEE, no later than January 10th of each year for all payments made in the previous calendar year.
  - ✓ The conference bank account must be managed by the Finance Chair and accessible by the IES Financial Advisor or other IES C-C volunteer, who must have signature power on the account. When this is not possible because of local regulations, a specific agreement must be signed between local organizers and IES.
- All conferences must submit 1099[1] Schedule of Payments forms reporting payments made to US citizens or resident aliens (collectively referred to as US persons). Conferences held in the US must also submit 1042 Schedule of Payments forms reporting payments made to non-US persons:
  - ✓ No later than January 10th of each year for all payments made in the previous calendar year.
  - ✓ If no payments were made, an email must be sent to conference-finance@ieee.org stating "No payments were made in <*year*> tax year" and including conference record number and name.
  - ✓ Payments to be reported are those that can be classified as income (such as awards, grants, honoraria, prizes, or commission, hourly compensation, or lump sum payments).
  - ✓ Reimbursements must not be submitted when the conference has the receipts for these expenses.
  - ✓ Full name and complete contact information of the person(s) receiving the payment must be included. For US persons, US Social Security # must also be included.
  - ✓ When applicable, W-8 and W-9 forms for tax reporting must also be submitted to IEEE.
- Contracts with third parties (e.g., hotels or conference management companies) providing services to IES conferences for amounts over USD 5,000 (or its equivalent in other currency) must be submitted to IEEE

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[1] https://www.ieee.org/content/dam/ieee-org/ieee/web/org/conferences/1099_1042_forms2.xlsx

for review before signature. No contract must be signed regarding IES MS conferences without the favorable opinion of IEEE and the approval of the Finance Chair of the conference and IES President or IES VP for Conference / Workshop Activities (depending on the conference).

- If contracts are signed with third parties, signers on behalf of the third parties must not have any direct relation to the conference.
- For conferences held in Europe, IEEE must be notified of the official name of the entity filing the VAT on behalf of the conference as well as the VAT ID number.
- Contracts with conference venues should include clauses allowing the amount of meeting space (as well as room block and minimum food and beverage expense, if applicable) to be reviewed and renegotiated at different points in time (IEEE recommendation is 1 year and 2 months before the conference).
- If the conference venue is a hotel and a room block has been committed, the contract must include a clause for the hotel to submit weekly reports on room block from 4 months before the conference on.
- Tax regulations in the country where the conference is to be held must be reviewed by organizers, to ensure compliance and to reflect taxes correctly in the conference budget. Tax compliance information must be notified to IEEE.
- Budgets must be presented (using the IEEE template[2]) by conference organizers to IES C-C / AdCom at the three stages defined by IEEE:
  - ✓ Initial, with bidding materials (see Document #2).
  - ✓ Interim, between one and a half and one year before the conference, depending on the schedule of IES AdCom meetings.
  - ✓ Actual, after conference closing. Because of the long time it usually takes for conferences to be officially closed by IEEE, organizers are required to provide at least an accurate estimate of final figures at the first IES AdCom meeting held after the conference.

  In addition, it is recommended to submit a pre-conference budget forecast to IES VP Conference / Workshop Activities (depending on the conference) and to IEEE one month before the conference.
- IEEE recommends conference budgets to achieve at least a 20% net / expense ratio. Since this is a recommendation, IES does not enforce it in budgets. However, a budget must be close to it to be approved. Organizers are allowed some flexibility in this regard if the budget seems reasonable.
- Audits must be conducted for IEEE conferences (those with at least 50% financial share from IEEE Organization Units)[3]. Audit costs have to be included in the budget.
- All conference income and expenses must be promptly executed targeting conference bank account closing and submission of surplus to IEEE within 6 months after the conference is finished.

2. Income in IES conferences

a) Registration fees in IES MS conferences.
  - Online payment is the standard procedure to pay registration fees in IES MS conferences. IEEE MCE registration services should be used whenever possible. If other registration system is used, it must be Payment Card Industry compliant, as required by IEEE.
  - As a general rule, fees must be kept as low as possible while ensuring a reasonable surplus (having the 20% net / expense recommendation as reference) and good arrangements and services for attendees.
  - Since registration fees have an obvious direct impact on the financial viability of the conference, they may be firmly defined once paper acceptance / rejection decisions have been made. This means that at this point they could be slightly modified with regard to those stated in the budgets, unless they had already been made public. Once public, registration fees must not be modified. In any case, consistency with fees applied in previous editions of the conference should be maintained, but accommodating

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[2] Available at https://www.ieee.org/content/dam/ieee-org/ieee/web/org/conferences/financial_reporting_tool.xls
[3] For information: http://www.ieee.org/conferences_events/conferences/organizers/finance_audits.html

them to the particularities of the different locations regarding costs for specific functions or to unexpectedly low or high number of submitted / accepted papers.

- Early registrations (before a given deadline, typically one month before the conference) in all categories listed below must be applied a discount in the range 10-15%.
- Full registration. There are 5 categories of full registration in IES MS conferences: IES member, IEEE (non-IES) member, non-member, attendee from a low-income country[4], and complimentary full registration. They provide access to all conference technical and social activities.
  - ✓ A full registration must be associated to each accepted paper for it to be included in the conference proceedings. Registrations associated with accepted papers must be paid by the final paper submission deadline.
  - ✓ A full registration can be associated to up to two papers. Each additional paper (after the second) associated to the same full registration is charged an additional fee equal to 60% full registration. This is intended to promote participation of additional people instead of having a single author presenting several papers.
  - ✓ Non-member fee is the regular one, whereas all 4 others are discount ones.
  - ✓ The fee for IEEE members is equal to the regular fee minus the approximate cost of IEEE membership. Proof of membership status must be requested and checked with IEEE.
  - ✓ The fee for IES members is equal to the IEEE member fee minus at least the cost of IES membership. Proof of membership status must be requested and checked with IEEE.
  - ✓ The fee for attendees from low-income countries is equal to the student registration fee (see below).
  - ✓ Complimentary full registration can be offered to individuals providing specific services to the conference, such as keynote speakers (but not to tutorial speakers) (see Section #3). One complimentary full registration must be offered to successful Special Sessions with at least 5 accepted papers not authored by any of their organizers.
- Reduced fees are applied to some specific types of attendees. Authors of accepted papers must be clearly informed of the fact that reduced fees do not allow a paper associated to them to be registered. Reduced fees include:
  - ✓ Student fees, subject to the submission of proof of student status. Since IES wants to promote participation from students, it is recommended that the early registration fee for students is adjusted to cover the associated expenses (i.e., IES is not expecting to generate surplus out of student registrations). Student registration must give access to all social functions (including Welcome Reception and Conference Banquet). This fee does not allow papers to be registered associated to it.
  - ✓ SF (see Document #6) fees. In conferences where a SF is organized, a fee must be offered for people just willing to participate in it, and not in any other conference activity. Like for student fees, SF fees are not expected to generate surplus but just to cover expenses. This fee does not allow papers to be registered associated to it, except those to be presented at the SF. Student fee must allow participation in SF.
  - ✓ IEEE Life Members fees are offered a reduced fee not higher than that for students (the recommendation is for both to be the same) and giving access to the same services. Proof of membership status must be requested and checked with IEEE. This fee does not allow papers to be registered associated to it.
  - ✓ One-day fees may be available for people just willing to attend the conference activities held one specific day (e.g., tutorials, panels, or industry sessions). These fees must be at least 10% higher than the result of dividing a full registration fee by the number of days of the conference. They must give access to all conference functions for that day, except Welcome Reception and Conference

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[4] Those on the World Bank list of Low Income Economies.

Banquet, which must be charged separately. <u>This fee does not allow papers to be registered associated to it.</u>

- ✓ Budget permitting, complimentary registration fees are encouraged for Industry Forum / Industry Summit speakers.
- ✓ Under specific, well-justified circumstances, conference organizers may offer additional fee benefits to selected individuals, subject to endorsement of the conference Treasurer and approval from IES President or IES VP for Conference / Workshop Activities (depending on the conference).

- Fees for additional items. These include Welcome Reception or Conference Banquet tickets for accompanying persons or 1-day registrants, third and successive papers associated to the same full registration (to be charged 60% extra each, as stated above), or extra page charges (see Document #6) for overlength papers (10% of full registration fee is charged per extra page).

b) External partners. Organizers must proactively look for support to some conference activities from industry, government, or any other external source. Support can be in the form of direct payment to the conference account or by providing services to the conference free of charge (e.g., local authorities may host the Welcome Reception, or provide complimentary access to the local transportation system for conference attendees). Industrial partners may be offered specific benefits to participate in the exhibition, if one is held within the conference.

c) Exhibitors. IES intends to promote increasing participation from industry in its conferences in several ways. One of the most important ones is the organization of industrial exhibitions in conjunction with IES MS conferences. Organizers must proactively look for companies willing to take part in an exhibition. The support from companies willing to participate in a co-located exhibition is given a significant weight in the approval of bids (see Document #2). Organizers are suggested to also look for potential online exhibitors (e.g., publishing companies sometimes rent a booth in the conference, and sometimes may rent space on the conference's web to offer their books).

d) Loans. IES can provide conference organizers with advance loans, to cover conference-related expenses, such as advance payments to conference centers, incurred before other sources of income (e.g., registration) are available. The loan must be later reimbursed to the Society, so it does not have any impact in the final financial results. However, if an advance loan is required, it must be included in the conference budget in two different places: the "Budget Checklist", and the "Budget Worksheet" (in the second place, it has to be listed both as revenue and as expense). IES approval of a conference budget including a loan implies approval of the loan itself. In the case of conferences with several financial sponsors, the required loan must be provided by all sponsors according to their share.

3. <u>About certain expenses and fees in IES MS conferences</u>

- Economy class tickets and accommodation during the conference, as well as a complimentary registration, may be offered to keynote speakers. Budget permitting, they should also be offered a token of appreciation. Keynote speakers may receive a reasonable stipend, but this <u>is not</u> the normal or required practice. Keynote speakers expenses must be explicitly included in the conference budget, and the budgeted amount cannot be exceeded without previous approval by either IES Conferences Committee or IES President.
- Tutorial lecturers should be offered a stipend in the range USD 500-1,000 (in year 2017 equivalent USD) per tutorial (not per speaker), depending on whether the tutorial is half- or full-day. They must not receive any other compensation related to the tutorial they are lecturing. Considering potential increases in cost of living over the years, the amount of the stipend may be increased in the future.
- The fee for exhibitors must <u>at least</u> cover the cost of setting up the booth and of one full registration that should be offered per exhibitor.

- Travel expenses of committee members charged to the conference budget must be kept to the strictly necessary minimum. Justification must be provided if such expenses are included in the budget.
- The cost of setting up rooms for dialogue sessions (see Document #6) must be properly estimated. To get the most flexibility from the combination of oral and dialogue sessions, the feasibility and cost (if any) of changing the arrangement of rooms between the two formats must be analyzed.