The very useful input from John Miller (IEEE Computer Society Director of Finance), Chuck Walrad, Angela Burgess (IEEE Computer Society Executive Director) and Sunny Hwang (IEEE Computer Society Director of Finance) is hereby acknowledged.
# Table of Contents

1 Revision History.................................................................................................................. 3
2 Purpose of the FinCom Handbook..................................................................................... 3
3 Members of the FinCom....................................................................................................... 4
4 Responsibilities of FinCom................................................................................................. 4
  4.1 Project Initiative Forms................................................................................................. 4
  4.2 PIF Project Codes........................................................................................................... 5
  4.3 CS FinCom vs. CS Staff Financial Responsibilities....................................................... 5
5 Interplay Between TAB and CS FinCom........................................................................... 5
  5.1 Budget/Financial Reporting Timing of Interactions...................................................... 5
  5.2 Various Sources of Information..................................................................................... 6
6 Budget Details.................................................................................................................... 8
7 Selective CS Budget Details.............................................................................................. 11
8 Commonly Used Acronyms............................................................................................... 13
1 Revision History

The IEEE Computer Society (CS) Finance Committee (FinCom) handbook is a living document, i.e., it will evolve and change over time, since the financial processes within the IEEE are evolving and changing all the time, and to reflect this, the FinCom handbook needs to be updated continuously.

<table>
<thead>
<tr>
<th>Version</th>
<th>Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft 1.0</td>
<td>02/05/2015</td>
<td>Initial draft version</td>
</tr>
<tr>
<td>Draft 1.1</td>
<td>03/03/2015</td>
<td>Incorporated comments from Chuck Walrad</td>
</tr>
<tr>
<td>Draft 1.2</td>
<td>05/27/2015</td>
<td>Added info from TA treasurer’s workshop</td>
</tr>
<tr>
<td>Draft 1.3</td>
<td>10/04/2015</td>
<td>Added details of CS budget spreadsheet line items</td>
</tr>
<tr>
<td>1.0</td>
<td>11/08/2015</td>
<td>First version</td>
</tr>
<tr>
<td>1.1</td>
<td>06/28/2016</td>
<td>Added several acronyms, added PIF project codes,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>updated various tabs in budget spreadsheet</td>
</tr>
</tbody>
</table>

2 Purpose of the FinCom Handbook

The purpose of the FinCom handbook is to capture CS and IEEE finance related processes, documents, etc., so that they become more transparent, their relationships are easier to understand and handoffs between current and incoming CS Treasurers are facilitated.

The FinCom handbook supplements section 15 of the CS’s Policies and Procedures Manual (PPM). Anything in this manual is superseded by the CS PPM and other CS/IEEE documents higher in precedence than the CS PPM.
3 Members of the FinCom

According to the CS PPM section 15, FinCom is a standing committee of the Board of Governors (BoG), charged with recommending financial policies and budgets to the BoG. Voting members of FinCom are

- CS Treasurer (Chair of FinCom)
- CS Vice Treasurer
- CS President
- CS President Elect
- CS Past President
- CS Secretary

The CS Executive Director and appropriate finance and accounting staff are ex officio, non-voting members of FinCom. The CS Vice Presidents (or their representatives) are ex officio, non-voting members of FinCom.

4 Responsibilities of FinCom

4.1 Project Initiative Forms

Project Initiative Forms (PIFs) are first evaluated by the Planning Committee (PlanCom) for how well they support the strategic plan. PIFs that support the goals of the strategic plan are prioritized and passed on to FinCom for approval. FinCom decides which of the prioritized PIFs can actually be funded.

There are two PIF cycles each year. The funding pool for the first cycle (Q1) is established in that year’s budget, as approved by the IEEE in the previous year. Total Q1 PIF approvals can be up to the funding pool; any approvals in excess of the funding pool require a budget amendment. The second PIF cycle (Q2; usually in June) determines how much money will be allocated in next year’s budget for PIFs. More details regarding the PIF process can be found in the IEEE CS Strategic Planning Handbook.
4.2 PIF Project Codes

Specific PIF project codes are used for approved PIF related expenses. The PIF project codes consist of the following five digits:

- A/B: A for first cycle, B for second cycle PIFs
- two-digit year the PIF was approved
- two-digit PIF sequence number (01 through 99)

Thus project code A1601 is for the first PIF in the first 2016 PIF cycle.

4.3 CS FinCom vs. CS Staff Financial Responsibilities

FinCom advises the BoG in carrying out its fiduciary responsibilities, especially with respect to its budgetary obligations. FinCom relies on CS staff to supply timely and accurate reports as requested, and to provide explanations and interpretations of IEEE policies and procedures.

5 Interplay Between TAB and CS FinCom

5.1 Budget/Financial Reporting Timing of Interactions

The budget for any given fiscal (calendar year, in this case) is determined in the preceding year.

The 1st pass budget (also known as “target budget”) comes from Technical Activities (TA) Finance to CS Finance. The Treasurer(s) work with the CS Executive Director and key staff, as well as with the Program Board VPs and Committee Chairs, to assure that funding for their budget areas is discussed and agreed within the CS. The results are then sent back (with modifications) to TA Finance; in parallel, TA Finance and/or the IEEE also make modifications to the budgets of the Operating Units (OUs). The modifications by TA Finance/IEEE and CS Finance are reflected in the preliminary second pass budget, which is again being sent from TA Finance to CS Finance. This entire cycle then repeats itself with the preliminary 2nd pass budget and the final 2nd pass budget.
The timeline is developed by IEEE Financial Planning and is sent to CS by TA Finance.

5.2 Various Sources of Information

There are numerous spreadsheets that contain financial information related to the budgeting process. The major ones are described below.

The "16th bdgt final 1st pass" spreadsheet comes from TA Finance to CS Finance. The timeline in section 5.1 shows this as being distributed on June 1st, but this date can change from year to year at the discretion of the IEEE. The spreadsheet’s number “16” is the assigned number for the CS as an OU within the IEEE and remains unchanged from year to year. This spreadsheet is also sometimes called the "target budget". The
spreadsheet has 85 tabs that are labeled with cost center numbers. Within each tab, “account numbers” for the various income and expense categories are used; the account number for a specific income/expense category is the same across the different cost centers, thus account numbers repeat themselves in many of the 85 tabs. As an example, the income category “S/C Package (Print & Electronic)” has the account number 3018500000 and appears in about 20 different tabs.

The “Fiscal yyyy\(^1\) BOD final budget (detail by account)” spreadsheet has 57 tabs labeled as “sheet x”. This spreadsheet is derived from the “16\(^{th}\) bdgt final 1\(^{st}\) pass” spreadsheet by using the Prophix software package. The tab “sheet 2” contains 150+ revenue and expense items that make up the entire CS budget.

The “Rolling operating income” spreadsheet captures the various detailed changes by IEEE/TAB and also the CS over time and can be viewed as the connector between various passes of the budget.

The “Fiscal yyyy 2\(^{nd}\) pass bridge summary” and the “yyyy - yyyy comparison (detail by accounts)” spreadsheets contain the year-over-year changes in the CS budget. The two spreadsheets differ in the way the data is presented and the change metrics (percentages vs. absolute figures).

The “CS fiscal yyyy - 3Q final” spreadsheet contains actual budget figures through 3Q, which are then trended as a forecast for the remainder of the year. This forecast is issued for 1Q, 2Q and 3Q each year (by April, July and October).

In addition to the above spreadsheets that are usually reissued on a yearly or regular basis, there are additional spreadsheets that are based on the same data, but present the data in different ways since they are meant for “special studies”.

---

\(^1\) yyyy stands for the current year.
6 Budget Details

Account numbers are coded by:

Entity - Business Unit - Cost Center - Account - Project Code

Example: 30 0163 01900 40710 ADCMX

All Societies/Councils are within Entity 30, each possessed their own Business Unit number. TAB Support is within Entity 10, Business Unit 2100.

Cost centers represent various areas including specific publications, conferences, committee and other. The most important cost centers in the budget are

- interest income (00100)
- periodicals/publications (00500 through 00525, plus 00527; numbering unique to each product)
- membership dues (00526)
- periodical related (01499)
- awards program (01550)
- non-periodical (01600)
- conferences (01700)
- administration (01800)
- committee expenses (01900)

Accounts represent

Revenue - 3XXXX
Expense - 4XXXX
Purchased Service (internal to IEEE) - 5XXXX
Reimbursed Service (internal to IEEE) - 6XXXX
As mentioned above, the “16th bdgt final 1st pass” spreadsheet contains 85 tabs. The details for each tab are as follows:

500, 501, 503, 509, 510, 515: Transactions
- S/C Package (Print & Electronic): member subscriptions
- NM IP Product Sales Corporate (Infrastructure): infrastructure charge
- Press Work-Print: reprint charges
- Manuscript Central: peer review system charge
- Editorial Reimbursed Expense: EIC budget
- Pursvc-xyz: production expenses by IEEE
- Pursvc-XPLOR: hosting fee for using Xplore
- Rmb xyz: reimbursed (means income)

502, 504, 505, 507, 508, 511, 513: Magazines (differences to Transactions above)
- excludes advertising revenue
- Salaries Reg F/T: salaries (Transactions do not have salaries listed; salaries are in sales and marketing tab)
- Staff Travel: staff travel to Editorial Board meetings
- Credit Card Charges: fees for subscriptions charged to credit cards
- Production Expense: lines 62 plus 64 total zero
- Electronic Conversion: QMAGS (electronic newsstand) charge
- Production Art: layout and design charges

516: Computer Society Library Subscription Plan (CSLSP) (non-member CSDL)
- Mtnc Software: platform charges, license fees, etc.
- 3rd Class Postage: promotional

518: Computer Society Digital Library (member CSDL)

1220: Certified Software Development Prof Program
- Software: learning management system (hosts online courses) fees
- Consultants/Contractors: payments to experts who write courses
1240: CS Press-Conference Publishing Services
- Single Copy Sales: proceedings reprint revenue
- Conference Publications: revenue from conferences which pay CPS
- Customer Handling Charges: revenue from shipping to conferences, etc.

1241: CS Press-Books
- Online Product Sales: My Computer
- Royalties: royalties for all intellectual property
- Salaries Reg F/T: marketing and sales

13xx: Program Boards
- Volunteer Travel in lines 24 - 27 of tab 1300: travel costs for DVT
- Scholarships & Fellowships in line 39 of tab 1300: Mervin scholarship
- Corp Membership in tab 1310: specific to Standards
- Non Staff Travel (PIF Funding) in tab 1320: PIF funding
- Professional Fees - Other in tab 1320: software licensure program

1499: Periodical Related - Other
- Computing Library: sold by IEEE via IEL
- Single Copy Sales: Computer Society sells through Digital Library
- NM IP Product Sales Corporate (Infrastructure): corporate overhead
- Market Research: includes PIF funding pool
- PurSvc in lines 151 - 178: co-sponsored publications

1550: Awards Program (awards ceremony)

1700: income and expenses of all ~150 CS financially sponsored conferences
- conference publications distribution: income from Xplore downloads and conference publication sales
- conference income: attendee registration fees, corporate conference support, etc.
- conference expense: hotel costs, registration system costs, etc.
- conference admin fees: administrative CS fees

1701: conference related income and expenses for all ~150 CS financially sponsored conferences
- salaries: for staff that directly supports conferences, e.g., meeting planners
- staff travel: meeting planner travel expenses
- conference admin fees: administrative CS fees (as income (negative expense))
1702: conference related grants

1703: technical committee expenses
- salaries: for staff to support TCs and T&C Board
- staff travel: TC and T&C Board staff support travel expenses
- volunteer travel: TC allocation spent on travel
- grants: TC allocation spent on grants
- web: TC allocation spent on web sites
- conference record: TC allocation spent on ICX records for sponsored conferences
- conference other: other TC allocation spending

1800: Administration (charges from IEEE and TAB)

1910: Executive Office (Computer Society overhead)

7 Selective CS Budget Details

The CS budget is complex and contains a number of not-so-obvious details, some of which are listed below.

The CS does not have reserves outside of IEEE/TAB. The CS reserve balance is included in IEEE’s reserves.

Investment income is not part of the CS budget, since one cannot plan on investment distributions, which fluctuate with financial markets. Investment income is taken into account at the end of the financial year.

There is a 30% tax on package products\(^2\) revenue, which is used to pay for a portion of direct infrastructure costs. These infrastructure charges are for the common business infrastructure services provided to the CS by the IEEE, such as IT, HR, and payroll.

The Technology and Conference Activities Board (T&C Board) budget is made up of Technical Community (TC) budget allocations (in the $500k range) and expenses for the concentrate__________

\(^2\)Package products are electronic products from Xplore.
T&C board itself (in the $30k range). Several years ago, all of the TC allocations were contained in one line item (miscellaneous) but then it was decided to spread the total amount among various budget categories. All of the line items below staff travel are used for TC allocations. The volunteer travel budget contains funds for T&C Board travel (about $30k) but the bulk of the funds are for TC budgets.

The bulk of budgets for Program Boards and other volunteer work are costs for volunteers to travel to required face-to-face meetings.

On the IEEE TA Operations web site [http://taops.ieee.org/operations/society-financial-statements.html](http://taops.ieee.org/operations/society-financial-statements.html) the CS’s budget can be found under “C-16”, or under “016”, or under “0163”. IEEE Finance Staff also sends out monthly income statements in spreadsheets named “IEEE CS Income Statement Detail FMxx yyyy”. The 58 tabs of these spreadsheets list the budgeted and actual incomes/expenses for various budget areas, and associated variances. “Sheet 2” of this spreadsheet contains a summary of the revenues, operating expenses and direct infrastructure costs, and the resulting net income.

3% Rule
A Society or Council can budget up to 3% of their reserve balance beyond an otherwise balanced budget provided
- the IEEE reserve levels meet the minimum criteria
- the S/C reserve to expense ratio meets the required level (typically 50%)
- the total for all of TAB is less than or equal to 1% of the aggregate of TAB/S/C reserves

50% Spending Rule
A Society or Council can spend up to 50% of S/C surplus in future year.

Direct/indirect corporate overhead charges
Direct corporate overhead includes controllers, payroll, tax management, internal audit, human resources, finance and administration, financial planning and analysis, strategic sourcing.
Indirect corporate overhead includes corporate activities and communications, facilities/mail services/warehouse/shipping, fellows activities/other, executive administration, legal and corporate compliance, business finance solutions, financial service (w/o member discounts), IEEE global operations, information technology, IEEE business platform.
# 8 Commonly Used Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASPP</td>
<td>All-Society Periodicals Package</td>
</tr>
<tr>
<td>BFS</td>
<td>Business Finance Solutions</td>
</tr>
<tr>
<td>BoG</td>
<td>Board of Governors</td>
</tr>
<tr>
<td>C&amp;PE</td>
<td>Certification and Professional Education</td>
</tr>
<tr>
<td>CP</td>
<td>Conference Publishing</td>
</tr>
<tr>
<td>CS</td>
<td>Computer Society</td>
</tr>
<tr>
<td>CSAB</td>
<td>Computer Science Accreditation Board</td>
</tr>
<tr>
<td>CSDL</td>
<td>Computer Society Digital Library</td>
</tr>
<tr>
<td>CSLSP</td>
<td>Computer Society Library Subscription Plan</td>
</tr>
<tr>
<td>CPS</td>
<td>Computer Society Publishing Services</td>
</tr>
<tr>
<td>DVP</td>
<td>Distinguished Visitors Program</td>
</tr>
<tr>
<td>F&amp;A</td>
<td>Finance and Administrative</td>
</tr>
<tr>
<td>FD</td>
<td>Future Directions</td>
</tr>
<tr>
<td>FinCom</td>
<td>Finance Committee</td>
</tr>
<tr>
<td>FMmm-yy</td>
<td>Fiscal Month</td>
</tr>
<tr>
<td>FOM</td>
<td>Financial Operation Manual</td>
</tr>
<tr>
<td>IBP</td>
<td>IEEE Business Platform</td>
</tr>
<tr>
<td>IEL</td>
<td>IEEE/IET Electronic Library</td>
</tr>
<tr>
<td>IET</td>
<td>Institution of Engineering and Technology</td>
</tr>
<tr>
<td>J1C2</td>
<td>Journal First, Conference Second</td>
</tr>
<tr>
<td>LoO</td>
<td>Line of Operation</td>
</tr>
<tr>
<td>MDL</td>
<td>Member Digital Library</td>
</tr>
<tr>
<td>M&amp;PI</td>
<td>Membership and Public Imperative</td>
</tr>
<tr>
<td>NI</td>
<td>Net Income</td>
</tr>
<tr>
<td>NIC</td>
<td>New Initiative Committee</td>
</tr>
<tr>
<td>OH</td>
<td>Overhead</td>
</tr>
<tr>
<td>OU</td>
<td>Operating Unit</td>
</tr>
<tr>
<td>PEB</td>
<td>Professional and Educational Activities Board</td>
</tr>
<tr>
<td>PI</td>
<td>Public Imperatives</td>
</tr>
<tr>
<td>PIF</td>
<td>Project Initiative Form</td>
</tr>
<tr>
<td>PlanCom</td>
<td>Planning Committee</td>
</tr>
<tr>
<td>PPM</td>
<td>Policies and Procedures Manual</td>
</tr>
<tr>
<td>RS</td>
<td>Rock Stars</td>
</tr>
<tr>
<td>SA</td>
<td>Standards Association</td>
</tr>
<tr>
<td>S/C</td>
<td>Societies/Councils</td>
</tr>
<tr>
<td>SGA</td>
<td>Selling, General and Administrative</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>SRU</td>
<td>Society Roll Up</td>
</tr>
<tr>
<td>STEM</td>
<td>Science, Technology, Engineering, and Math Education</td>
</tr>
<tr>
<td>SWEBOK</td>
<td>Software Engineering Body Of Knowledge</td>
</tr>
<tr>
<td>T2P2</td>
<td>Technical Training Partner Program</td>
</tr>
<tr>
<td>T&amp;C</td>
<td>Technology and Conference Activities</td>
</tr>
<tr>
<td>TA</td>
<td>Technical Activities</td>
</tr>
<tr>
<td>TAB</td>
<td>Technical Activities Board</td>
</tr>
<tr>
<td>TC</td>
<td>Technical Community</td>
</tr>
<tr>
<td>TWRU</td>
<td>TAB Wide Roll Up</td>
</tr>
<tr>
<td>yyyyA</td>
<td>Year yyyy Actuals</td>
</tr>
<tr>
<td>yyyyB</td>
<td>Year yyyy Budgeted</td>
</tr>
</tbody>
</table>