

**in070053**

# **FINANCE BOARD COMMITTEE (FBC)**

**Report to INCITS Executive Board**

**23 January 2007**

**D. R. Deutsch**

# FBC PARTICIPANTS

- **7 Voting FBC members**
  - Apple Computer – Dave Michael
  - Hewlett-Packard – Scott Jameson
  - IBM – Ron Silletti
  - IEEE – Robert Pritchard
  - Lexmark – Don Wright
  - Microsoft – Jim Hughes
  - Oracle and FBC Chairman - Don Deutsch
- **1 Advisory FBC Member**
  - Sony Electronics - Ed Barrett
- **3 Ex-Officio FBC Members**
  - ANSI - Lisa Rajchel
  - INCITS Secretariat - Pat Morris, Jennifer Garner
  - INCITS Executive Board Chairman - Karen Higginbottom

# October EB Direction for FBC

- Consider tiered membership allowing:
  - Smaller members to pay reduced fees
  - Strengthen outreach to academia
- Develop financial responsibility criteria and escrow requirements for non-INCITS funded international secretariats
- While considering 2008 budget input:
  - Incorporate approved TC/TG service fee structure
  - Accommodate viable technology infrastructure

# 15 December Teleconference

- Only activity since last report to October EB meeting
  - All representatives present except Rajchel and Barrett
- Addressed
  - Updated financial report
  - Timeline: planning/scheduling FBC work for year
  - History of JTC 1 Reserve Account
- Initiated work on:
  - 2008 INCITS budget
    - New service fee structure
    - Proposed expense budget
  - Criteria for non-INCITS funded international Secretariats
- Other items carried forward to future meetings
  - Financial implications and plans associated with funding a US-hosted JTC 1 Plenary
  - Financial policies section of the RD-1

# Financial Report

- in061422 posted to this agenda item
- Only change since October is addition of footnote explaining correction of starting reserve number
  - FBC requested that secretariat prepare a stand alone document describing the unbundling of reserves from 2006 budget to 2006 actuals
- Mr. Morris responded to FBC request for explanation of returns on JTC 1 and INCITS reserves:
  - JTC 1 Reserve Account realizes income only on reserves
  - INCITS Reserve Account realizes investment income on both its reserves and income taken in during the course of the year.
  - FBC requested explanation of ITI investment strategy in light of low anticipated return vis-à-vis other investment options

# 2007 FBC Timeline

- in061423 posted to this agenda item
- Better coordination of meetings:
  - ITI Board of Directors
  - INCITS Executive Board, and
  - FBC
- Key Milestones:
  - 2008 service fee proposal submitted from FBC to April EB meeting
  - 2008 budget recommendation submitted:
    - from FBC to September EB meeting
    - from EB to October ITI Board meeting

# History of JTC 1 Reserves

- in060759 posted to this agenda item
- June document from Mr. Jameson
  - reviewing history of JTC 1 Reserve Account
  - transfer of funds from ANSI to ITI
- FBC unanimously approved motion:
  - *FBC recommends to the INCITS Executive Board that that the PBC be instructed to incorporate a reference to document in060759 in the RD-1 as a history of the JTC 1 Reserve account.*

# Tiered TC Membership Structure

- EB directed FBC to consider tiered TC membership scale that would:
  - Allow smaller members to no pay the same fees as the larger organizational entities
  - Strengthen outreach to academia
- Following discussion, there was:
  - No support for reduced fees for smaller members
  - Some support for reduced fees for bona fide academic institutions (and possibly 501-C3's )
    - FBC will consider this in developing service fee recommendations for April EB meeting

# Criteria for Non-US Funded International Secretariats

- FBC asked by EB to develop specific criteria to demonstrate financial viability and escrow requirements that non-INCITS funded international Secretariats should meet.
- Following some discussion:
  - FBC noted that INCITS was not a signatory on the MoU's between ANSI and INCITS-recommended external secretariats
  - The item was carried forward for further discussion at future FBC meetings
  - Written contributions were solicited

# Future Meeting Agendas

- RD-1 Financial Policies Section
  - Almost complete BUT
    - Staff, FBC and PBC in revision tight loop
    - Editorial and substantive changes
  - May need additional direction from EB
- 2008 Budget Development
  - FBC direction from October EB meeting
    - Incorporate approved TC/TG service fee structure
    - Accommodate viable technology infrastructure
  - Secretariat compilation of cost data

# Future FBC Activities

- Meetings Scheduled
  - 16 February: 9:00-Noon PST, Telecon
    - Focus on EB direction for 2008 budget
    - Secretariat will provide cost data
  - 1 March: 9:00-Noon PST, Telecon
  - Additional meetings will be scheduled as necessary to meet timeline milestones (e.g., input on TC/TG service fee structure to April EB meeting)
- Still seeking new members
  - you don't know what you're missing!