

IUPAC Finance Committee Meeting

Monday, 8 February 2016, 09:00 – 17:00 Hours

Offices of Reber Rechtsanwälte, Utoquai 55

CH-8034 Zürich, Switzerland

Minutes

Members Present: Prof. John Corish (Chair), Prof. Urs T. Ruegg, Dr. Georg F.L. Wießmeier, Mr. Colin Humphris (Treasurer), Dr. Lynn M. Soby (Executive Director)

Members Absent: Dr. Nobuyuki Kawashima

Remote Members: Dr. Pat N. Confalone (participated by phone)

Secretary: Dr. Lynn M. Soby

1. INTRODUCTORY REMARKS & FINALIZATION OF AGENDA

Prof. Corish welcomed those present at the meeting, and Dr. Pat Confalone who joined by phone at 11:00 am local time and thanked Reber Rechtsanwälte for the excellent arrangements and facilities. He welcomed the new members of the committee, Prof. Urs T. Ruegg, Dr. Georg F.L. Wießmeier and thanked them for serving on the committee. He thanked Dr. Soby, Executive Director and the Treasurer for their excellent work that they had done putting the Detailed Agenda and Agenda Book together for the meeting. All present joined in their appreciation of the work.

Prof. Corish made opening remarks for the committee that stressed the need for good transparency for the FC and explained the role of the Treasurer and Executive Director in management of the operations. In his view the Finance Committee's role was more as an Audit Committee given the change in having an actively managed investment portfolio and as advisors to the budget development. The Treasurer commented that the Finance Committee's time and attention regarding the 2014-2015 biennium results was very important and given the implementation of accrual accounting and processes, he wanted to insure there was enough time for the discussion. This was reinforced by the Executive Director.

Professor Corish recommended a change to the Agenda to include in the footer, a statement regarding financial information for 2015 reported in the Agenda or supporting documents were unaudited and subject to change. Future FC documents should include this statement.

2. FINANCE COMMITTEE MEMBERSHIP

Dr. Soby reported that the terms of service of the current members were as follows:

Prof. John Corish (Chair)	2016-2019 (First Term)
Dr. Georg F.L. Wießmeier	2016-2017 (First Term)
Prof. Urs T. Ruegg	2016-2019 (First Term)
Dr. Nobuyuki Kawashima	2016-2019 (Second Term)
Dr. Pat Confalone	2014-2017 (First Term)

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Professor Corish has begun his first term in 2016 as a member of the Finance Committee and to serve as its Chair.

Dr. Georg F.L. Wießmeier is serving his first term of two years starting in 2016 and is eligible to continue on the Committee until the end of 2017. Prof. Urs T. Ruegg is serving his first term of four years on the Committee starting in 2016; this term expires at the end of 2019.

Dr. Pat Confalone is serving his first term of four years on the Committee starting in 2014; this term expires at the end of 2017 and is eligible for a second term.

Dr. Nobuyuki Kawashima is serving his second term of four years starting 2016 and will expire at the end of 2019. His first term was 2012 through 2015.

3. FINANCE COMMITTEE TERMS OF REFERENCE

The Terms of Reference for the Finance Committee were reviewed by the members and with no suggested change.

4. MINUTES OF 2015 FINANCE COMMITTEE MEETING

A discussion regarding some items in the Finance Committee minutes as well as the current agenda reflected a number of key observations and questions, particularly from the new members on the committee. Prof. Ruegg expressed concerns about the National Adhering Organization payment and cash flow effects. Mr. Humphris reviewed procedures regarding the budget development for 2016-2017 and provided an overview of the Governance structure of IUPAC. Dr. Wießmeier expressed his interest in understanding the cash flow problems and issues related to the exchange rate and effect on the NAO payments. He also was interested in an in depth review of the project system and details. He saw a need for IUPAC to coach the NAO's regarding sources of money and exchange rate management.

The minutes of the 2015 Finance Committee were accepted without changes.

4.1. ITEMS FROM MEETINGS OF EXECUTIVE COMMITTEE AND BUREAU

There were no actions from these meetings related to the Finance Committee at this time.

5. FINANCIAL OPERATIONS BIENNIUM REVIEW

Mr. Humphris discussed the biennium review of the financial operations and the management and financial systems that were put in place during 2015 to allow IUPAC to report financials on an accrual accounting basis. He stated that we now have better capability to track income and expenses for the financial transactions and are in GAAP compliance, both from processes as well as methods.

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5.1. THE PROFIT AND LOSS STATEMENT FOR 2014-2015

The Profit and Loss statement for the full year was discussed stating that IUPAC exceeded revenue projections of \$1.280M by \$138K due to the booking of publication income from PAC. The Treasurer reviewed the noteworthy items that had not been included in the original budgets, such as accrual of earned vacation and that no provision was made in the 2015 budget for CI costs, which totaled \$98K. He stated that the year ended with a net loss of (\$128K) in relation to a \$30K projected net profit.

Professor Corish recommended that future reports be more transparent to the committee. He suggested having an Excel file with the option to view all items, especially given the new capabilities in the Secretariat. Also, that relevant data be marked “subject to audit”. It was noted that the exchange rate effect in 2015 of \$45K was greater than budgeted.

5.2 BALANCE SHEET FOR 2014-2015

The Treasurer and Executive Director reviewed the Balance Sheet statements of Financial Position for 2014 and 2015. Overall, the 2015 cash equivalent position had decreased from \$620,814 in January to \$160,213 on 31 December 2015. The committee discussed the key items reported on the Balance Sheet.

The critical situation regarding cash flow and operation of the union was discussed. Cash flow remains a difficulty in the management of the union, given the uncertainty of payments, payment timing and unpredictable and unforeseen expenses. A discussion ensued regarding ideas to incentivize earlier payments. Prof. Corish explained the challenges given that many of IUPAC’s NAOs receive their monies from National Academies and do not have certainty when their funds will be available.

A recommendation was made by Prof. Corish to include more information regarding sources and uses of funds for discussion with the committee in the future.

5.3 INCOME STATEMENT FOR 2015

5.3.1 NATIONAL ADHERING ORGANIZATIONS SUBSCRIPTIONS FOR 2015-2016

STATUS OF PAYMENTS: The status of payments of the NAO’s was reviewed by Dr. Soby. The withdrawal of Luxembourg and removal of Tunisia, Ethiopia, Colombia (Provisional) and Costa Rica (Provisional) were noted. The financial impact on the 2016 budget were discussed and it was noted that an overall loss

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for 2014-2015 was \$22,395. The status of 2015 National Subscription payments was discussed: the outstanding account receivable was \$85,864.

CASH FLOW ISSUES

The impact of NAO national subscription payments to operating cash flow was discussed and the 2016 receivables compared to 2015 in the time period between Septembers (invoice) to 15 January was 50% lower. (\$62K vs. \$122K). A review of inflows, outflows, net cumulative cash flow and major expenses was presented by Dr. Soby and Mr. Humphris.

5.3.2 OTHER SUBSCRIPTIONS AND INCOME

COMPANY ASSOCIATES: The Company Associate program was outlined for the Finance Committee by Mr. Humphris. The CA program invoice schedule for 2016, the progress of an active review of the program and the relative impact on income were discussed.

AFFILIATE MEMBERSHIP PROGRAM:

A review of the current Affiliate Member program was presented by Mr. Humphris and stated that the membership program and value proposition are under review and pending decisions on future of *Chemistry International*, a key benefit to the AMP individuals. The financial impact of the sponsored individuals and countries was discussed. The value proposition will be evaluated by the Membership Relations Committee in late 2016-early 2017.

5.3.3 FINANCIAL RESULTS FOR PAC AND CI IN 2014 and 2015

A review of the financial results for *Pure and Applied Chemistry* (PAC) and *Chemistry International* (CI) was presented. The issue of the capability to authenticate users through the new IUPAC website was discussed in order to have AMP members and volunteers gain access to DeGruyter's website.

Mr. Humphris discussed that IUPAC and De Gruyter are working on a new business model for 2017 onwards with an eye toward a zero cost basis, a new digital first model and a re-envisioning of CI as a seasonal print magazine. The PAC financial statements were reviewed along with the 2016 forecast of net revenue and noted that De Gruyter put in place a sales strategy to recoup a significant amount due to the loss of Swets (a large subscription service) to give the current improved forecast.

Further discussion was regarding the new database developed with DeGruyter "IUPAC Standards On-Line" as an added value, subscription bearing tool to facilitate advanced searches of the PAC back catalogue. Mr. Humphris stated

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that the income from this agreement will yield a royalty of 12.5% for IUPAC and will be launched in early 2016. The 2016-2017 budgets reflected the expected income of \$19,300 increasing to \$29,000 in 2017 from this new royalty stream.

5.3.4 PORTFOLIO INTEREST AND DIVIDEND INCOME

The Executive Director reported that during December 2015, income of \$125,000 was drawn from the returns of the investment portfolio to assist with cash flow management. IUPAC has used interest and dividend income from investments in the past and this is normal operating procedure. A line of credit was also opened with BB&T in order to provide cash if outflows exceed inflows. The variable rate of the line of credit is the prime rate +0.5% and credit of \$100,000. The request of \$25,000 from this credit facility on 29 January 2016 was used to cover expected cash flow needs up to 15 February 2016.

Mr. Humphris asked the committee to carefully consider the issue of continuing spending at the current rate (deficit). Professor Corish remarked on the efficient use of funds and how to identify cost savings. He reminded the Executive Director that the Administration needs to spend on or less than allocated budget.

5.4 EXPENDITURES 2015

5.4.1 DIVISIONS AND COMMITTEES

The Executive Director discussed the Financial and Project and Commitment Report (effective date of 31 December 2015). The total expenses of the Divisions were underspent by ~3.4% (\$15,100). The Standing Committees were underspent by 23.3% (\$58,600) while the remaining expense items were under budget by 14.1% (\$64,800). Overall, the actuals versus budget for 2014-2015 were underspent a total of ~12% (\$138,500). The two main items responsible for this total underspend were:

1. Busan General Assembly was under budget by \$49,217
2. The Bureau was under budget by \$47,900 as a result of holding a Virtual Bureau meeting in May 2015.

5.4.2 BUSAN, KOREA GENERAL ASSEMBLY

The Executive Director discussed the details of the underspending of the General Assembly, in Busan, Korea. The Actual expenses to date were \$275,782.92, which translated to \$49,217 underspent. By far, the largest expenses were transportation, \$162,903.87 and subsistence, \$105,936.12.

A number of reasons why the Busan General Assembly was under budget were noted:

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1. Previously, no Claim Forms were requested, whereas since Busan claims are based on receipted expenses, not a per diem. The claim forms were carefully reviewed against allowable expenses.
2. Supported Delegate claims were properly assessed at max \$2,000 and \$700 for support.
3. Planning effectively for the room needs and holding firm on no additional requests.
4. The organizing committee and the city of Busan were generous in their support for many items such as combined Opening and Closing Ceremonies; the Bureau dinner became the Busan City dinner and was paid for by the Mayor of Busan; Bureau members received free Congress registration, which entitled them to lunch throughout the week.

5.4.3 THE SECRETARIAT

The Finance Committee reviewed and discussed the Secretariat's P&L Statement and further discussed the items below:

5.4.3.1 SPECIAL ITEMS OF EXPENSES (INVESTMENTS) OCCURRED IN 2015

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The Secretariat moved from the old location in 31 January 2015 and into “semi-permanent” space 13 March 2015. The moving expenses (\$4,006) incurred were for both moves of mostly possessions and moving over 7,000 books into lower cost warehouse space to reduce the footprint in the new office space. These two moves involved additional IT resource (labor and materials) for installing and removing all IT cabling in the temporary space and installation in the permanent space (\$~7,000).

The move to a significantly smaller office space required the purchase of new furnishings for the space. The furniture costs are being depreciated (\$12,407) as appropriate and the capital investment is \$25,000.

A second significant additional expense within the Secretariat’s budget was the Phase 0 and Phase 1 of the new IUPAC.org Website. Phase 0 was the development of a demonstration site to “launch” to the IUPAC members, Council and others. Phase 1 is for the development of the actual site, to be launched in mid-February. The estimated costs of \$39,700 did not include a demonstration site for showing at Busan. The expense to date for the Phase 1 development was approximately \$40,000.

During the 4th Quarter of 2014 until end of July 2015, a QuickBooks expert consultant was engaged for reconstructing the financial system. This work required a complete change to accrual accounting from cash methods. Upon the hiring of a Financial Controller, Jay Lucido in July, the consultant’s work was completed. This expense was approved at the November 2014 Executive Committee meeting.

The hiring service fee associated with the Financial Controller costs was \$13,200.

5.4.3.2 General Expenses

Having an improved financial accounting system, processes and financial control over expenses, 2015 was the initial year of tracking expenses versus estimated budget figures (in the 2014-2015 budget). This year allowed more accurate forecasts of the financial needs for 2016 and 2017. The approved budget for 2016-2017 was developed from a bottom up financial calculation based on best estimates during January-February 2015. Overall, the general expenses, after exceptional items above are summarized below.

Expense	Actual	Budget	Variance
Fixed Costs-Salaries & Benefits	\$518,115	\$472,098	(\$46,017)
Fixed Costs - Insurance & Taxes	\$44,517	\$45,997	\$1,480

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General & Administrative Expo	\$103,682	\$74,017	(\$29,665)
Contracted Services	\$75,525	\$26,250	(\$49,275)
Accounting Fees - CPA	\$14,375	\$5,900	(\$8,475)
Audit Fees	\$22,973	\$20,350	(\$2,623)
QuickBooks Consultant Fees	\$24,976		(\$24,976)
Robert Half and Associate Fees	\$13,200		(\$13,200)
Facilities and Equipment			
Depreciation Expense	\$12,407	\$10,000	(\$2,407)
Other Expenses	\$5,641	\$8,600	\$2,959
Travel and Meetings	\$1,804	\$15,715	\$13,911
2015 January - February Bottom up Budget	\$761,691	\$652,677	(\$109,014)
From 2014 - 2015 Budget	\$565,000		

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5.4.3.3 2016-2017 Budget Projection

The Secretariat budgets approved by Council for 2016 and 2017 are \$690,700 and \$709,400 respectively. There is no increase in staffing levels in the budgets but they do include staff increases of ~3.0% for performance-based raises and increased employer contributions to health insurance. It does not include additional funds for Phase 2 of the IUPAC Website.

5.4.3.4 Anticipated Cost Savings in 2016

During 2015, the lease costs were lowered by decreasing the footprint, gaining 2 months of “free” space and an inclusive lease for electric costs and other costs that we had been paying. It is expected that the IT services will be significantly reduced and a reduction in IT equipment costs is expected as staff computers were upgraded during the year.

The most significant expected cost savings in 2016 will result from having an internal financial controller who will work directly with the Audit firm for both the Audit and preparation of the federal tax 990 filing. In 2016, improving the banking costs and fees with the providers and use of other technologies will be explored. The Secretariat budget has little room for reductions on the Fixed Costs and better tracking and management of the Variable Costs may lead to some minor savings (phone and IT equipment).

A slight cost increase in the lease is expected due to the square footage increase to 2,525 from the current 2,194 sf due to the office relocation (per the contract) to another space on the current campus. The 2016 secretarial budget with the new building lease contract was reviewed with the Finance Committee.

6. OPERATIONAL MANAGEMENT PROCESSES

6.1. SECRETARIAT CAPABILITIES AND CURRENT STATUS

THE CLAIM FORM PROCESS

Dr. Soby stated that the processing of IUPAC’s Claim forms is a labor-intensive workflow and has increased since a receipted reimbursement policy was put in place. The General Assembly in Busan was the first GA where receipts were required. While the claim forms were optimized to enable a better tracking process, it remains a process that needs focused improvements, both from the Secretariat as well as the claimants and manages to balance cash flow issues. A formal Travel Policy draft for future improvements as well as identifying other process improvements in the Secretariat will be done throughout 2016 (Executive Director and Treasurer). The breakdown of the claims handled in 2105 is below:

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Type	Number
General	156
Allocated	50
Administrative	24
General Assembly	134
Other Organizations	5
Total	369

STATUS OF WEBSITE AND OTHER INFORMATION SYSTEMS

INFORMATION SYSTEMS

Information technology platforms, hardware and software were upgraded during 2014 and 2015. Briefly, compatibility and access has been upgraded in the secretarial office and the remote office at Boston University. The operating systems on 6 key Virtual Machines (offsite at Tranquil hosting) have been updated as they were approaching “end of life” with little available support. This includes www.iupac.org, which was of major concern.

NEW IUPAC.ORG UPDATE

A review of the new website development efforts were discussed in detail during the meeting along with a demonstration of the front-end development and back-end systems. The current soft launch is planned for first quarter 2016 and preferred date of launch as about 20 February 2016.

6.2. 2015 AUDIT PROCESSES

There were no material issues discussed regarding the 2015 Audit process and expectations of reduction of costs and timing.

The Treasurer and Executive Director suggest a review of potential audit firms schooled in the non-profit area of expertise in order to propose a possible change in auditors. This would need Council approval at the General Assembly in São Paulo, Brazil in July 2017 and would be for 2017 and 2018.

7. BUDGET FOR 2016-2017

7.1. COUNCIL APPROVED BUDGET

The 2016/2017 budget process and National Subscription methods were reviewed by Professor Corish, who explained the rationale behind the proposal of an interim model for Council approval. The projected expenditures were determined with the

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benefit of the information on real costs incurred during 2014 and utilizing the new and very much improved financial instruments implemented during the last year in the Secretariat. They were therefore more realistic than heretofore. However, more careful considerations clearly showed that the outcome predicted by this model was rendered unfit for purpose by the changes in exchange rates that had occurred during the years 2014 and 2015..

And so an alternate budget – which was termed the ‘Proposed Interim Budget’, was drawn up and recommended to Council for adoption after it had been carefully considered by the Officers and approved by the Bureau. The expenditure figures in this budget were identical with those in the current model budget, since these were believed to represent accurate and realistic estimates of the costs that would be incurred during the biennium. However, the basis upon which the income from NAO subscriptions were determined had to be changed. This was essential because the effects of the changes in the CEFIC data used in the current model to determine the percentage allocation to each NAO and, more potently, the effects of changes in the exchange rates revealed the second serious difficulty with the current model. Large variations between the subscriptions calculated for 2015 and those calculated for 2016 and 2017 were evident for a number of the NAOs and it was clear that a significant number of members would have faced very substantial increases in their subscriptions.

The principal tenet of the proposed interim model was that all NAOs share the load as equally as is possible and this was realized by requesting the same relative increase from all the NAOs based on the currency in which they had chosen to pay. The model, therefore, maintains the same proportional allocations of the total sum as were used in the 2014/2015 biennium and the proposal was for a 5% increase for each of the years 2016 and 2017 on the subscriptions paid in 2015. The anticipated incomes in US dollars for each of the years at these levels are be expected to show deficits but were nonetheless proposed as a reasonable compromise under the very difficult circumstances. The deficits should be manageable within the overall size of the investment portfolio, which, if necessary, could be utilized to fund operations. It will be essential to also seek to increase the income from other sources to reduce expenditure wherever this is possible to reduce the deficits predicted.

Prof. Corish reiterated that the Proposed Interim Budget was adopted by a very large majority at the Council Meeting at Busan. It was intended that this proposed interim model will operate for the 2016/2017 biennium only when its use will overcome the difficulties evident in the application of the current model which clearly failed in the current financial circumstances. It will also provide an opportunity to reconsider the basis upon which the national subscriptions are calculated and a proposal from the President to set up a Task Force that was accepted by the Council to begin immediately to develop a new model for the calculation of National subscriptions to be adopted at the General Assembly in 2017..

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7.2. NATIONAL SUBSCRIPTION TASK GROUP

Dr. Soby and Mr. Humphris reviewed the status of the National Subscription task force efforts with the committee along with the 2016 planned activities to develop a new model for calculating the National Subscriptions. The Task Force has held one web meeting.

The broad approach of scaling each country's subscription to the national size and impact of its chemical activities was considered reasonable, provided the measure or proxy relates to the value that IUPAC provides; i.e. the value that is perceived by those responsible for paying. In this regard the measure used from 1980s to 2015 based on the national size of the chemical industry has now been demonstrably flawed given the rapid pace of recent industrial globalization and the lack of a direct link to the governments, national academies or chemical societies who are paying the subscriptions. New approaches based on the numbers of chemists active in each country may be more appropriate as a measure of the impact of the chemical community on national wealth, for instance, those publishing in the peer reviewed literature and those patenting. They are directly dependent on IUPAC nomenclature and standards in their work. Data exists for this.

The Task Force also discussed the difficulties IUPAC encounters with payments in national currencies and the timing of payments. In 2015 it is expected that the currency exchange loss will be \$75k against total budgeted subscriptions of \$929k. Payment is due on January 1st but may occur at any time through the year creating major cash flow problems for the administration of the Union. Options will be considered to incentivize early payments and for hedging the currency risk.

The approach agreed will be to engage the member countries in a broad dialogue on these matters by letter, survey and in focal groups. It is felt that it is important to increase member country understanding of the currency and cash flow difficulties whilst soliciting their views on:

- Suitable payment mechanisms and incentives (timing and currency).
- The values they perceive arising from IUPAC membership.
- Suitable surrogates for the size of the chemistry endeavor in their country.

Prof. Corish stated the NSTF should not pay for data and insure that the data sources are sustainable for future calculations. Dr. Confalone commented that the subscription should be tied to the value proposition of the NAO. Dr. Wießmeier commented that GDP could be used and also to consider who else benefits from the work of IUPAC (i.e. patent attorneys, publication companies, industry).

8. INVESTMENT PORTFOLIO

CH/LS

8.1 PORTFOLIO PERFORMANCE FOR 2015

The Investment Portfolio was transferred in November 2104 to BB&T following

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a decision of the Executive Committee on advice from the Finance Committee. The return since inception through 15 January was 2.73% relative to a benchmark of -0.7%. A brief discussion regarding the performance and note from the investment manager indicated that the Finance Committee was pleased with the early performance.

8.2 IUPAC INVESTMENT POLICY STATEMENT

The current IUPAC Investment policy statement was reviewed. No changes were suggested at this time.

8.3 IUPAC FUND POLICY STATEMENT

In light of the deficit, budgets and questions arising regarding the requirements, the Chair requested the Finance Committee to review this policy and discuss changes needed. No changes were suggested at this time.

8.4 REPORTING AND REVIEW OF PORTFOLIO

The Finance Committee agreed to hold quarterly reviews with the investment group (BB&T/Scott& Stringfellow) during 2016.

8.5 USE OF FUNDS

The Finance Committee reviewed recommendations based on rate of return of the 2015 investment portfolio performance. A percentage of 3.25% was recommended for the Special Funds rate in 2016. This percentage is applied to the funds in the 4th quarter of 2016.

9. FUNDRAISING STRATEGIES AND NEW SOURCES OF REVENUE

The Treasurer led a discussion pertaining to new sources of revenues and asked for comments and ideas from the committee. Traditionally, the annual income of the Union used to support its operations has come from three principal sources:

- National Subscription payments from National Adhering Organizations (NAOs);
- Income from publication of *Pure and Applied Chemistry* (PAC) and *Chemistry International* (CI);
- Income from the investment portfolio.

Following a realization that the income streams from both, the publications and the investment portfolio were steadily declining due to the changing types of publishing and the ongoing impact of the 2008 financial crisis, corrective actions had been taken.

Both PAC and CI are now published in partnership with De Gruyter in an effort to share costs and increase subscriptions through De Gruyter's marketing ability. We have seen stabilization above the net revenues for these publications.

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The ongoing costs of CI has led to a fundamental review of the magazine, its content and preparation, production and delivery format (paper versus digital), and the opportunities now available through the new IUPAC website. The objective for CI is to be cost neutral in 2017.

The second action taken was a move to active portfolio management through BB&T to seek to maximize returns whilst managing the investment risk. Traditionally, IUPAC only invested in the bond markets. If annual income fails to match expenditures, it becomes necessary to utilize funds from the portfolio. Unfortunately, this had been the case during past biennia.

In preparing the budget for 2016/17, the Executive Committee was acutely aware that the Union was in a period of transition in need of upgrading its administrative capabilities. It therefore recommended the approved budgets and shortfalls. Clearly, this position is not sustainable and the Union needs to consider carefully, both the efficiency of its operations and possible future new sources of income. It is important to recognize that the administrative cost is highly leveraged as is the work is in support of many hundreds of volunteers. The project costs effectively enable work of much greater value – the volunteers come free but carry a significant administrative effort.

The Union must therefore identify new opportunities and sources of income. Any new sources must also be evaluated for their possible impacts on the tax status of the Union in both Switzerland and the US, together with the independence and scientific integrity of the Union.

The first approach underway is the review of the national subscription formula and the engagement with the NAOs that this will entail to ensure the Union is delivering maximal value to its members. Simultaneously, other membership categories will be reviewed to maximize both benefits and income. The Finance Committee was invited to consider recommendations for new sources of funds.

A number of IUPAC projects already receive external funding for awards, e.g. PhosAgro and Solvay and in direct support of activities such as CRDF support to trainees on the Safety Training program. Pursuit of such opportunities will continue and a good example will be under consideration during 2016. The Finance Committee was invited to evaluate the implications of this for IUPAC's independence and scientific integrity.

A number of ideas were discussed: External funding by companies for projects; offering of fellowships; contacting key industry associations. There were also comments made to perform a Market Needs assessment to systematically analyze and develop a single selling point and IUPAC brand identity. Mr. Humphris noted that the membership Relations Committee is surveying members and volunteers

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to assess and develop an IUPAC value proposition for each of the stakeholder groups.

10. DATE AND LOCATION OF NEXT MEETING

Some discussion has occurred regarding a requirement to meet in Switzerland once a year, going back to 1950 files relative to the filing in Switzerland. The current agreement with REBER Law firm was put in place in 2000. From email contact (Christoph Buxtorf to John Jost), there appears a long history of having a board meeting in the country where IUPAC is governed.

Another consideration of the location of the meeting is the membership locations and travel costs relative to the FC Budget. From a logistics point of view, the Secretariat is well established with Reber and the hotel, both of which are very accustomed to the Finance Committee members and the requirements.

The date of the Finance Committee meeting has historically occurred in early February of each year. In 2017, the Finance Committee will be asked to review and approve the 2018-2019 budget and National Subscriptions. In the even years of the biennium, the committee may consider a later date to review the biennium results after the Audit is completed, which is planned for early March this year.

The date of the next meeting was set at 6 February 2017 at the offices of Reber Rechtsanwälte in Zürich, Switzerland.

The meeting was adjourned by Professor Corish, Chairman.