



Secretariat

INTERNATIONAL ELECTROTECHNICAL COMMISSION (IEC) SYSTEM FOR CERTIFICATION TO STANDARDS RELATING TO EQUIPMENT FOR USE IN EXPLOSIVE ATMOSPHERES (IECEx SYSTEM)

Circulated to: ExMC

Title: US Proposal - agenda item 19, Finance

Introduction

The attached proposal from the USNC/IECEx follows on from discussions at the 2014 ExMC meeting in The Hague (re ExMC/976A/RM item 20.3).

This proposal is presented for discussion and consideration during the 2015 ExMC Christchurch meeting.

Members are requested to consider the proposal ahead of the ExMC meeting.

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August 11, 2015

VIA E-MAIL TRANSMISSION

Mr. Chris Agius
Secretary IECEX
Level 33 Australia Square
264 George Street
Sydney NSW 2000
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Subject: Agenda Item 19, Finance, and sub agenda items 19.1 through 19.2

Dear Mr. Agius:

The USNC/IECEX thanks you, Mr. Heinz Berger, Mr. Thierry Houeix and the Central Office for the work done year over year in the management of the finances of the IECEX, the 2014 audited report (ExMC/1023/DV) and preparation of the IECEX 2017 + 2018 Forecasted Draft Budget Guide (ExMC/1024/CD), to be further discussed at the 2015 ExMC in Christchurch, New Zealand.

The timing of the IEC budgeting process is such that budgets must be approved by the ExMC by March of the calendar year to allow time for submittal and voting by CAB.

To improve clarity (transparency and oversight) from year to year, the USNC/IECEX would like to suggest that an additional year close-out report be issued with the future year budget to address variations in the closing year prior to the development of the budget circulated to ExMC for approval. We believe this would ease dialogue, provide additional information and create more efficient voting on the future year budget.

To assist the Treasurer and Secretariat in this effort, the USNC/IECEX proposes the creation of a new ExMC Financial Outlook Working Group, which will be tasked with preparation of these documents for future ExMC meetings in line with the following proposed Terms of Reference:

- Preparation of the budget, draft budget guide, outlook of the IECEX finances and evaluations of mid-term financial plans.
- Preparation of the year close-out budget variance report for end of year information.
- To prepare a plan and manage the IECEX budget to achieve general reserves of three times annual operating funds.
- To consider funding models to ensure sustainable viability of the IECEX System.

Agenda Item 19, Finance
Page 2

- To provide greater granularity to the budget line items.

The USNC/IECEEx suggests a call to the membership for new WG Members.

Please contact me if you have any questions related to these comments.

Respectfully,

Joel Solis, Secretary
USNC/IECEEx