

Minutes of the Consultative Budget Meeting 2015

held in Guangzhou, China, April 16 – 19, 2015

1. The task of the meeting: to draft a budget proposal to be considered by SIGA 2015 in the form of three budget scenarios for years 2016 – 2018 and additionally for year 2019 – 2021.

2. Participants: SI Treasurer invited a representative of the Budget Committee and a representative of Internal Audit Committee to attend the meeting. Jack R. Huang of Budget Committee and Miroslaw Wasilewski, SI Treasurer attended the meeting while LV Subramanian, convenor of the Audit Committee who was invited to the meeting, was not present because he had been refused the Chinese visa. Jack R. Huang and Servas China, who hosted the meeting, were responsible for organizational aspects of the meeting.

3. The proposed agenda of the Consultative SI Budget 2016 -2019 Meeting was as follows:

Day One, evening:

- a) review of all local arrangements
- b) organizational introduction to the meeting
- c) overall review of all related materials and structure of the work during the meeting

Day Two:

- a) review of financial reports 2012 - 2013 and current information on financial situation in 2013 - 2014 in the context of budget experience and assumptions
- b) review of all received contributions, comments and other inputs relevant to drafting a budget proposal for 2016 - 2019 and additionally for 2020 as a reserve material
- c) construction of final budget assumptions

Day Three:

- a) constructing the draft budget proposal in its base variant
- b) reviewing the base budget draft and constructing alternative variants: optimistic growth scenario and conservative stagnant scenario covering 2016 - 2019 and additionally for 2020 as a reserve material
- c) reviewing the consistency of the three budget scenarios and writing a final working budget report and proposal as a working material for General Assembly

Day Four, morning:

- a) additional budget scenarios reviews, if needed
- b) final editing of the working budget report and proposal as materials for General Assembly covering the period 2016 - 2019 and additionally 2020 as a reserve material

All the points of the agenda have been accomplished. **Additional summary meeting has been organized on Apr 23, 2015.**

4. Three budget scenarios summarizing the work of Consultative Budget Meeting 2015 (base budget assuming continuation of current financial situation, explosion budget assuming increase in available funds for spending and implosion budget assuming decrease in available funding) are attached to these minutes.

5. A report to SICOGA 2015 from the precedings of Consultative Budget Meeting 2015 together with the three scenarios mentioned above is also attached to these minutes.

6. Participants of the Consultative Budget Meeting 2015 and especially the SI Treasurer wish to present special thanks to all persons from Servas China involved in preparation of the meeting and its organization in Guangzhou: Jack R. Huang, Tiffany Zheng, Charles Yi, Yuchen Jiang, Jing Luo, Lawrence He and to others also contributing to the organization of the meeting.

7. Participants of the Consultative Budget Meeting 2015 and especially the SI Treasurer wish to present special thanks to all persons representing Servas community worldwide who contributed to the meeting. Special thanks go to all persons sending their comments by e-mails as well as answering inquiries received from participants of the Consultative Budget Meeting 2015 by e-mail or via skype, especially to Jonny Saganger, LV Subramanian, Penny Pattison, Bernard Andrieu, and Harald Seiffert.

8. Special thanks go to LV Subramanian who assisted the Consultative Budget Meeting 2015 as much as it was possible and who submitted valuable methodological contribution to the process of drafting budget proposal. Participants of the Consultative Budget Meeting 2015 decided to include his proposal in a special section of the final report to SICOGA 2015 with a suggestion to use the proposed methodological approach in the future work on budget construction and budget proposals.

9. Additional work on editorial review and presentation of the CBM 2015 materials has been done by M. Wasilewski in Warsaw and in Guangzhou by J. R. Huang after the end of the CBM 2015.

10. Summary of the day-to-day precedings of the Consultative Budget Meeting 2015 are presented below:

April 16, 2015: preliminary session

- a) review of tasks and agenda, time planning
- b) review of organizational and technical issues
- c) organization of work
- d) current info brief sent to SI EXCO, Budget Committee, Internal Audit Committee and others involved

Time schedule:

13.00 – 18.00

April 17, 2015: all day working session

- a) a review of budget presentation spreadsheet
- b) review of motions proposed for SICOGA 2015 with their budget consequences
- c) consultations with Penny Pattison on motion proposals
- d) SOLSYS budget materials - review for inclusion in SI Budget
- e) review of Ann Greenhough's proposal on budget structure; rearrangement of the presentation structure of the budget; CBM 2015 decision to stress funding of the SI development needs and activities
- f) review of future GA funding and current provisions
- g) review of proposals from committees: SI news publication costs: USD 300 a year = CHF 290; ICT: split ICT expenses EUR 3000 = CHF 3100 for web hosting and related, decision on adding a separate section on SOLSYS funding
- h) constructing of the base budget spreadsheet
- i) skype consultations with LVS on detailed items and assumptions for the proposed three scenarios
- j) spreadsheet accomplished, sent to LVS for further consultation
- k) current info brief nr 1 sent to SI EXCO, Budget Committee, Internal Audit Committee and others involved

Time schedule:

9.00 – 13.00 working session

13.00 lunch

14:00 – 18:00 working session

Apr. 18, 2015: all day working session

a) review of remarks received from LVS

b) updates to the base Excel spreadsheet resulting from above

c) scenario budget construction

d) base budget constructed, reviewed and clarified with Penny; missing information on SOLSYS after 2018 requested from Jonny and Bernard

e) expansion scenario discussed, constructed and reviewed

f) implosion scenario discussed, constructed and reviewed

g) consultation with LVS failed because of disruptions in internet connection

h) proof-reading of the scenarios: search for inconsistencies and editorial or presentation problems

i) current info brief nr 2 sent to SI EXCO, Budget Committee, Internal Audit Committee and others involved

Time schedule:

9.00 – 13.00 working session

13.00 lunch

14:00 – 18:00 working session

Apr 19, 2015: all day working session

a) review of mails and comments from Bernard, Jonny, LVS and Jaime

b) editorial review of the budget tables continued; editorial improvements to be made

c) CBM decision on Jaime's EUR 25000 proposal: this proposal to be presented in a note to budget scenarios

d) CBM decision to seek additional info and clarification for IT investment programme after the CBM 2015 meeting is ended because of lack of IT inputs for years 2019-2021

e) continuation of work on budget scenarios, on summary and introductory material to the budget scenario proposals as well on presentation and consistency of the materials

f) decision to organize an additional CBM 2015 meeting within next days to deal with the above and with any additional contributions and comments, if received

g) Jack R. Huang will make an editorial and presentation review the scenario materials for the additional CBM 2015 session

h) current info brief nr 3 sent to SI EXCO, Budget Committee, Internal Audit Committee and others involved

Time schedule:

9.00 – 13.00 working session

13.00 lunch

14:00 – 18:00 working session

Apr. 23, 2015 CBM 2015 Additional session

This additional meeting has been organized thanks to a technical possibility to have it organized still in Guangzhou, with the purpose of reviewing relevant new mails, inputs and comments as well as the final outcome of the meeting, together with the review of the editorial improvements in the budget sheets, to avoid long process of mail exchange or skype conferences. Final CBM 2015 decisions have been made and confirmed.

a) LVS suggestion for splitting the budget sheets into two parts will be met, as agreed by CBM 2015 on Apr 19 and as additionally requested by LVS in his mail to Jonny summarizing LVS's approach and arguments

b) review of the editorial improvements: the budget will be split in to two parts and the split will be reviewed and approved by e-mail process after the end of the formal part of CBM 2015

c) final minutes and introduction material to the budget will be reviewed and approved by e-mail process

d) no new information on Jaime's project for EUR 25000 has been delivered to CBM 2015 between Apr 15 and 23; this project will not be included in the budget; an extensive note on his proposal will be attached to the spreadsheets and a possibility to enter this project into the "capital" (investment) section of the budget when Jaime's proposal is presented to EXCO and SICOGA 2015 in detail and when it is approved

e) no new information on SOLSYLS project for years after 2018 has been delivered to CBM 2015 between Apr 15 and 23; in view of this the same method as in case of Jaime's proposal will be applied: an extensive note on SOLSYS proposal in 2019 – 2021 will be attached to the spreadsheets and a possibility to enter this project into the "capital" (investment) section of the budget when detailed proposals are presented to EXCO and SICOGA 2015 in detail and when it is approved

f) LVS's tables on budget methodology will be included in the final minutes as CBM 2015 proposal for use in the future budget process; CBM 2015 is of great methodological value to SI and we strongly suggest to use the proposed approach to the new SI Treasurer and to SI EXCO; CBM 2015 appreciates LVS' contribution in this respect.

g) if additional consultation within CBM 2015 are needed they will be made by e-mail process and can include a skype teleconference.

h) current info brief nr 4 sent to SI EXCO, Budget Committee, Internal Audit Committee and others involved

Time schedule:

15.00 – 18.00 working session

11. ADDITIONAL ACTIVITIES promoting Servas movement in China:

a) meetings and dinner with members of Servas China

b) meeting with students participating in English Language Oral Competition at Sun Yat-Sen University

c) meeting with high school students at Zhixin High School.

Mirosław Wasilewski,

SI Treasurer

Jack R. Huang

Budget Committee of SI

Appendix attached.

Appendix

Additional materials and copies of crucial e-mail contributions:

A. On Apr 20, 2015 LV Subramanian presented the following e-mail summarizing his points:

Dnia 20 kwietnia 2015 9:22 L V Subramanian <subramanianlv@gmail.com> napisal(a):

Dear Jonny,

I could successfully chat with the CBM group in China on the first day namely 17th but unfortunately the skype signals in India were a bit low and I could not chat. However I put forth my points to Mirek and Jack by way of email and also suggested that our Budget be bifurcated into two sections (A) Operational Budget and (B) Non-Operational Budget (mainly relating to project or Capital Asset Project) .

If this is so then it would be easier for us to understand the funding for both operational and non-operational activities. The Non-operational would include Capital Projects which if implemented would benefit SI for more than one year like the Dolphin which was capitalised and written off during the life class of the program. Now SOL is being developed and all costs relating to SOL are being accumulated and this would be capitalized once the program beings operational after proper beta testing.

I have also forwarded the Budget Format sheet in which all the expenses of the various committees could be incorporated and these committees would be make known of their budget figures within which they have to operate.

The mail of Jaime;s suggest earmarking the amount of Euros 25000 which does not state in which year this amount would be required and what is the project about. It says communication Is this related to something similar to Skype or other communication methods which are in use ? If this is so, then my question is it justifiable for SI to allocate Euros 25000 on developing a new communication system when our present systems are working fine ? It would be suggestive to add on or refine the existing system with some improvements which may make the communication more effective and faster. I also agree with you that all capital proposals to be presented at GA should be passed through EXCO and it should have their approval before it can be put to motion.

Regards and best wishes
Lvs

B. On Mar 27, 2015 LV Subramanian presented the following e-mail summarizing his methodological points on the budget construction methodology:

Dnia 27 marca 2015 7:27 L V Subramanian <subramanianlv@gmail.com> napisal(a):

Dear Mirek / Jack,

I am enclosing the write up and the Budget Consolidation in Excel Sheet for our meeting.

Regards and best wishes
lvs

Enclosure 1

BUDGET FORMULATION PROCESS FOR SERVAS INTERNATIONAL

1. EXCO to outline the job profiles of the various committees.
2. EXCO to check out the suitability of the individuals who have shown willingness to be a part of the committee as to their interest and suitable qualifications thereof as required for the position.
3. The Committees have to select a Convenor who will be the spokesman/woman for the group so that he/she will be responsible for charting out the planned activities and also estimate the relevant expenses they may have to be incurred for carrying on the planned activities.
4. The Committees present their expenses to the EXCO and EXCO has the power and the discretion to question the activities and expenses. EXCO can modify the activities and expenses and that becomes the planned activities for the expenses are budgeted.
5. EXCO then presents the Budget proposal to the GA and gets this approved for spending for the next three years.

WHAT IS BUDGET?

Budget is a plan of activities to be undertaken by the Convenor who is responsible for certain activities. The Convenor to complete his task needs the following resources:

1. Men: the team committed team members who are allocated their jobs and the convenor supervises their work. On completion the completed activity will figure in the annual report to the EXCO.

2. Material: what are the materials that may be needed by the committee and its members to complete the activity whether it be consumables or capital in nature. These have to figure in the budget format of the committee.

3. Money: what are the expenses that are likely to be incurred and how much to budget them and when these would be required. These will find the place in the expense budget format.

4. Time: It would be important for the committee to establish time periods within which to complete the activity. The convenor needs to monitor the progress and get updates from the committed members.

Enclosure 2

Servas Budget format – EXCEL spreadsheet:

see separate attachment; file name: Servas Budget Format - attachment to CBM minutes.xls.