

IPHC Budget and Finance

Item 3.7

Efficiency and transparency of financial and administrative management

Items Covered

Financial Rules Elements

- Finance & Budget Authorities
- Budget Requirements
- Audit Requirements

Budget Process & Timeline

- Timing & Approval of Budgets

IPHC Accounting System

- Financial Reporting
- Departments & Sub-Departments
- Projects, Ports & Regions
- Income and Expenses

Banking & Investment

- Banking Details
- Investments and Investment Policy



IPHC Financial Rules

- Commissioner/Government oversight through Finance and Administration Committee
- Financial Regulations approved by Commissioners
- Fiscal Year – Oct. to Sept.
- All funds reported in USD
- Accounting Method - Modified Accrual
- Internal Controls
 - E.D. signs on behalf of Commission
 - Designates who may receive monies, contract and incur obligations among staff
 - Purchases in excess of \$50,000 and vessel contracts with approval of Chair/Vice-chair



Audit Information

Audit Details

- Annual audit by contracted 3rd party
- 3 yr. cycle for selection of auditor
- Audit report are submitted to Commissioners and Governments at Annual Meeting
- Annual Meeting - Audit must be approved (accepted) by Commissioners and auditor reappointed



Budget & Reporting

- Current and FY+1 fiscal year budgets and draft actuals for prior year shown at Interim Meeting
- Final actuals for prior year, current year budget (update), and FY+1 budget year approved at annual meeting
- Major deviations or projects need prior approval
- FY+2 notional budget submitted at Annual Meeting but not approved.



IPHC Accounting & Reporting

- Commission accounts restructured to meet Unified Chart of Accounts (UCOA) standards from the National Center for Charitable Statistics
- Matches format for US Federal reporting (Form 990)
- IRS Form 990 submitted annually
- Modified Accrual Method of Accounting as agreed to by the member countries

IPHC - Funds

Account Structure - **WW-XXXXX-YY-Z**

Undesignated Funds

- General (10) – All member contributions, investment interest, Grants and Contracts, Research Fish Sales
- Supplemental (20) – FISS Fish Sales, Other Income

Designated Funds

- Leave Liability (30) – Leave payments (annual, sick & comp) for employee separations
- Medical Annuity (40) – Retiree medical premiums
- Reserve (50) – Contingency account (\$1M cap)
- Scholarship (60) – IPHC Scholarship account



IPHC - Accounts

Account Structure - WW-**XXXXXX**-YY-Z

- Assets
- Liabilities
- Retained Earnings
- Income
- Expenses
 - Personnel
 - Programs
 - Administration
 - Supplies & Equipment



IPHC – Accounts (Personnel)

- Personnel
 - Personnel Related
 - Hiring, Separation
 - Vehicle Mileage, Gear Allowances
 - Salaries
 - Benefits
 - Taxes (Federal)
 - Personnel Related Fees
 - TPA Fees (DB, COBRA, HRA, etc)
 - Personnel related legal fees

IPHC – Accounts (Programs)

- Programs
 - Meetings & Conferences
 - IPHC Meetings (IM, AM, SRB, MSAB)
 - Councils & HAB
 - Trade Shows
 - Travel
 - General, ED, Port
 - Communications
 - Phone and Mail
 - Publications
 - IPHC (Annual Report, AM materials, regulations)
 - Resources (journals and subscriptions)



IPHC – Accounts (Administration)

- Administration
 - Contracts & Fees
 - Vendor Contracts (vessels, software, etc.)
 - Fees (bank, legal, audit)
 - Vessel Related (vessel revenue, run bonus, etc.)
 - Insurance (GL, bonding, vehicle, customs)
 - Facility Rentals & Utilities (office lease, utilities)
 - Lease & Maintenance (vehicles, equipment, maint.)
 - Training & Education (orientation, skill, management)



IPHC – Supplies & Equipment

- Supplies
 - Office & Field
 - Vessel Related
 - Bait, Ice, Gear
- Equipment
 - Office
 - Field
 - Scientific

Items are non-capital or capital (over \$5K each)

Project Accounting

- Catch Effort (Port Program)
 - Tracking 16 separate ports and areas (9-11 field staff)
- Field Research
 - Charter vessel projects unrelated to FISS program (4xx)
- FISS
 - FISS regions (200-254) and unassigned (299)
 - NMFS trawl surveys (604)
- Other Research
 - Lab & field projects (6xx)

FY2019 Budget

IPHC Income and Expenses

Consolidated General & Supplemental

FY2019 Budget

1 Oct. 2018 to 30 Sept. 2019

Income

Contributions

United States \$ 4,400,000
Canada \$ 920,720

Fish Sales Income

FISS Program \$ 5,575,086
Other Research \$ 43,428

Other Income

Grants & Contracts \$ 598,488
Interest Income \$ 16,125
Misc. Income \$ -

Expenses

Core IPHC Activities

Administration \$ 1,974,859
Scientific \$ 3,695,611
Catch Sampling \$ 603,313

Survey Expenses

FISS Program \$ 5,813,748

Research Activities

Field Research \$ -
Other Research \$ 557,049

Transfer to Restricted Accounts \$ -

Total FY2019 Income \$ 11,553,847

Total FY2019 Expenses \$ 12,644,580

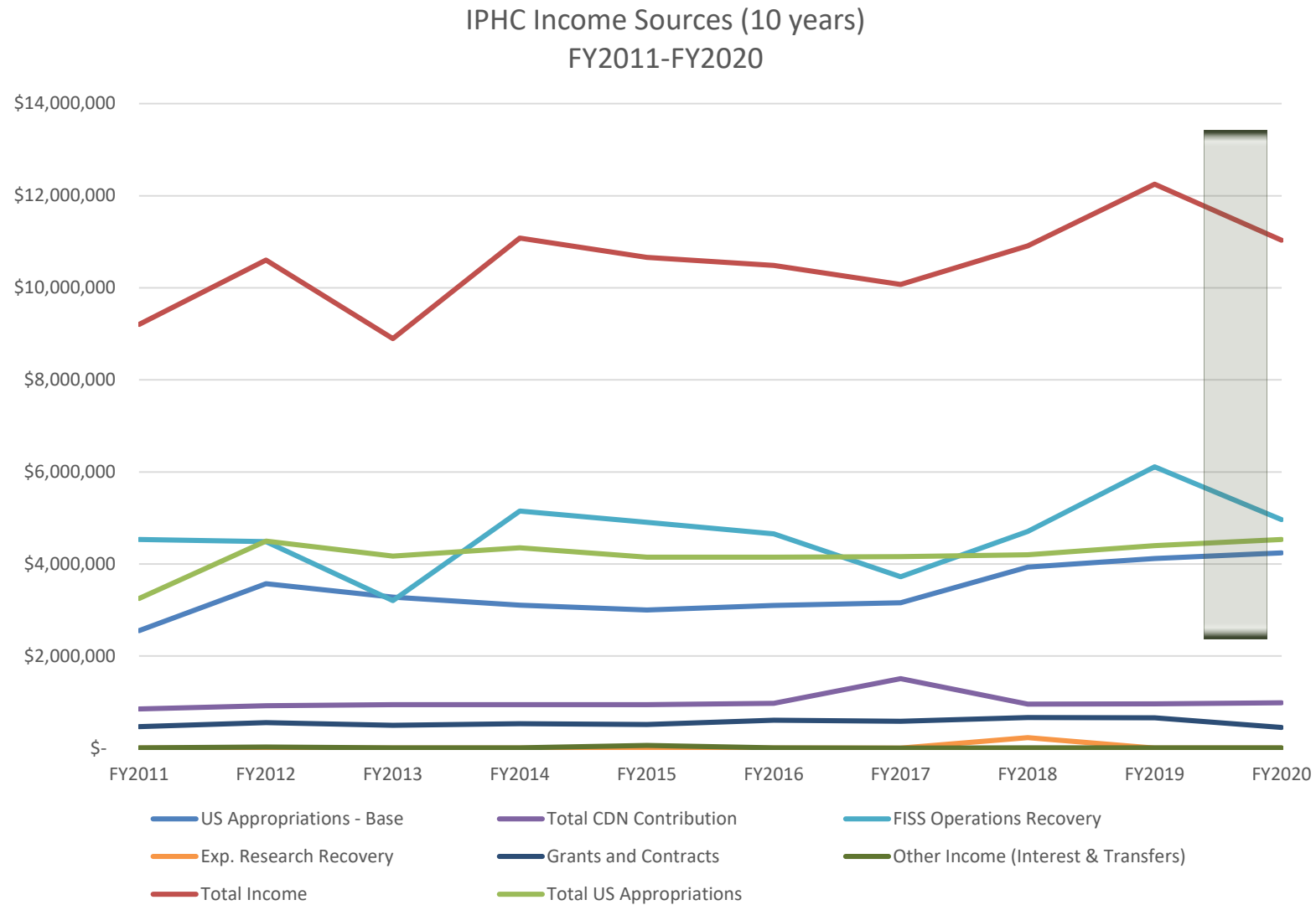
Total General & Supplemental FY2019 \$ (1,090,733)

Total as % of Income -9.4%

Unrestricted Funds Balance \$ 1,741,478

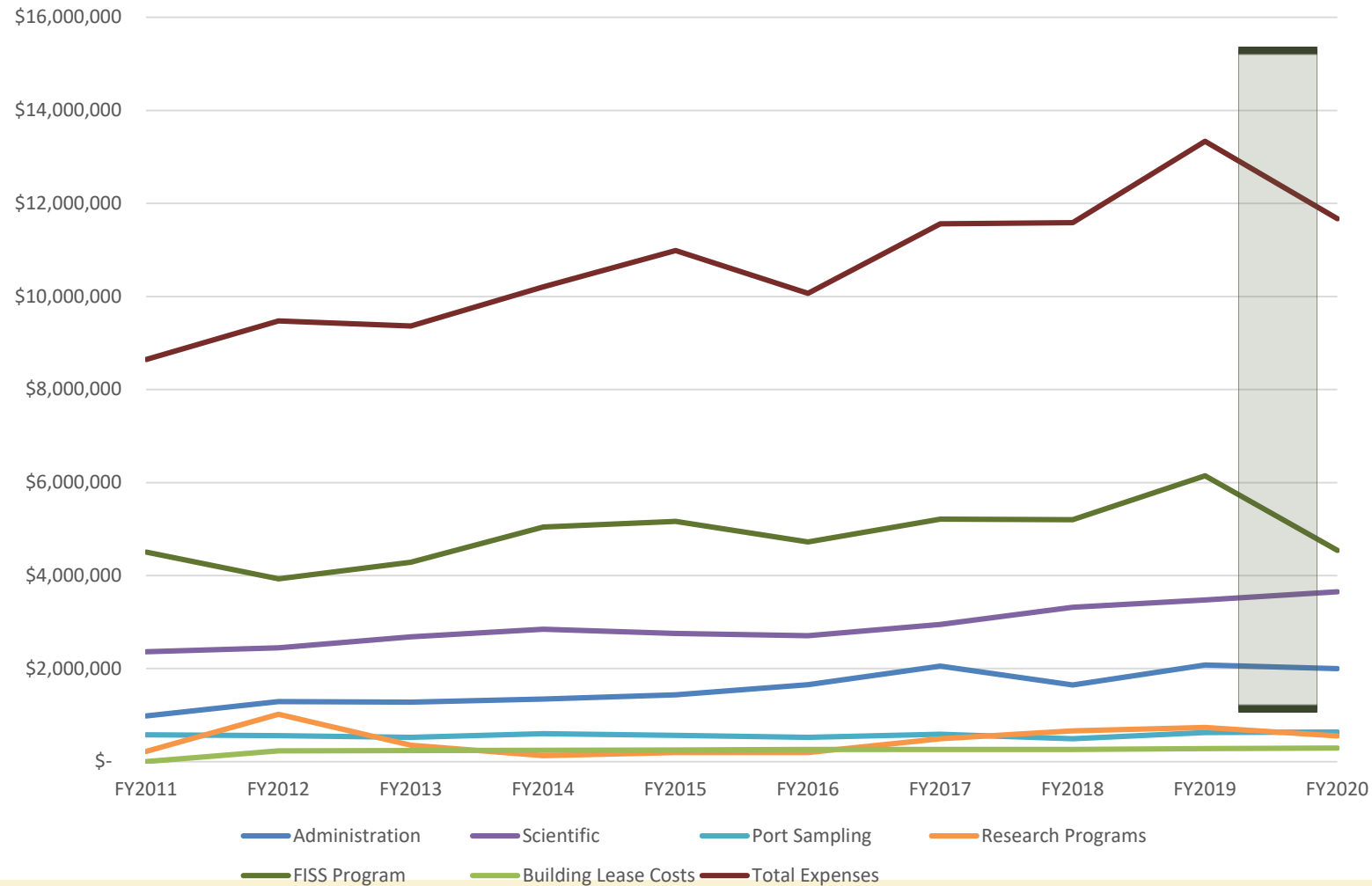


IPHC Income FY2011 – FY2020



FY2011 – FY2020 Expense Trends

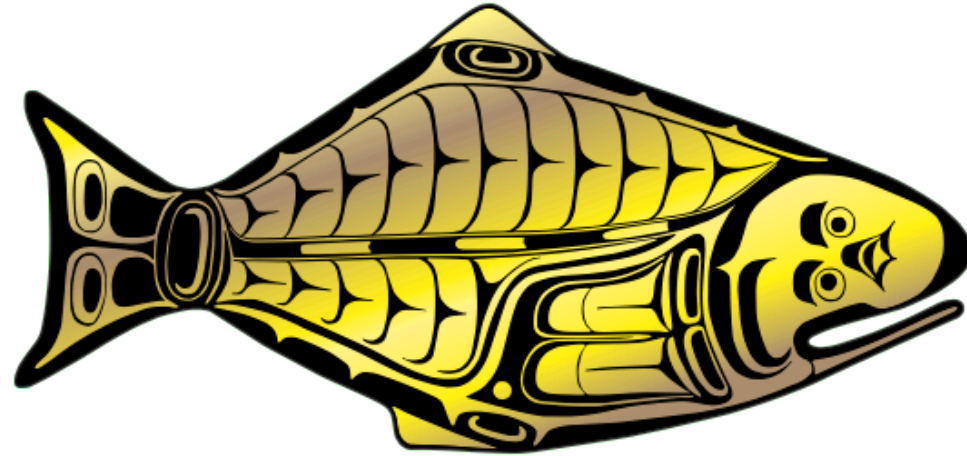
IPHC Expense Types (10 years)
FY2011-FY2020



Banks & Investments

- IPHC funds maintained with Wells Fargo, Key Bank, Morgan Stanley
- Investments limited to US Government securities
 - T-bills, CDs, USG Agency Issues, Money Market, Mutual Funds (USG backed only)
 - Exception is Scholarship account
- Investments Objectives
 - Preservation of Capital
 - Liquidity

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

