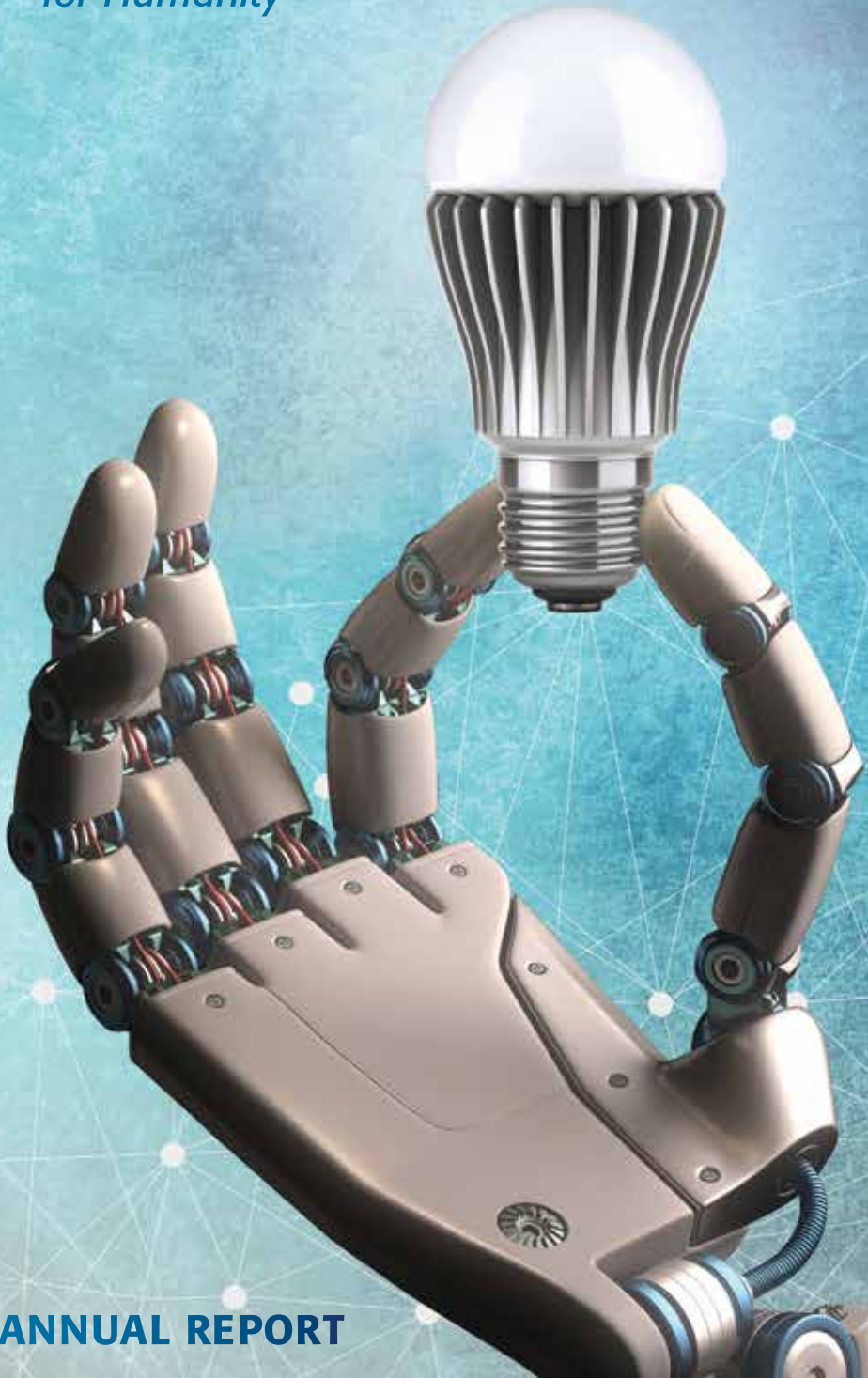




*Advancing Technology  
for Humanity*



**2014 ANNUAL REPORT**

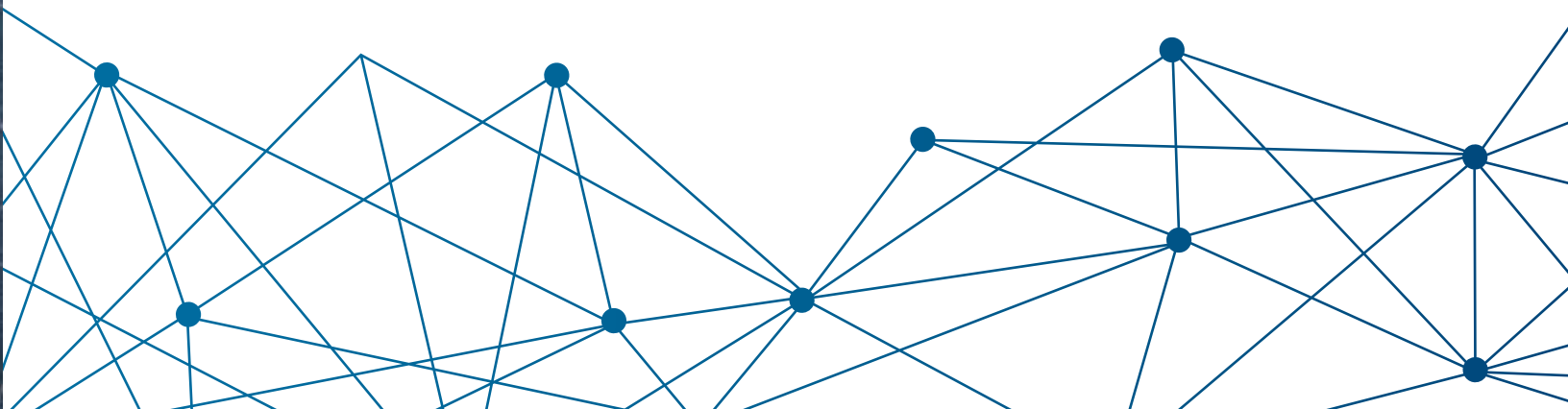
**CONNECTING TECHNOLOGY WITH IDEAS**





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(Left to right) IEEE Executive Director Jim Prendergast and IEEE President Roberto de Marca visited the renovated IEEE 3 Park Avenue office in New York City.

# MESSAGE FROM THE IEEE PRESIDENT AND THE EXECUTIVE DIRECTOR

In 2014, IEEE's global community charted a course forward that will see it evolve and grow in the coming decades of the 21st century. The concerted efforts of our members and volunteers in nations spanning the world continued IEEE's long-standing tradition of bringing technology and ideas together to benefit humanity.

That has always been what has driven engineers, scientists and technologists; that through their efforts, their work can change our world. It is seen firsthand in the work underway to increase engineering capacity

in Africa. It is present in the new partnerships we forged this past year with representatives from Jordan, from Egypt, and from the United Arab Emirates, which included the signing of a Memorandum of Understanding for future work with the Dubai Electricity and Water Authority. We find it in China and Japan, where IEEE spent much of 2014 increasing our engagement, working with industry leaders in the telecommunications and power industries, as well as leaders within the governmental and standards development communities.



As IEEE's external partnerships grew, we expanded internally as well, as our technical communities grew in scope and in number, attracting leading researchers from across the world to take part in their efforts. In addition, we implemented new ways to ensure the excellence of the IEEE member and volunteer experience, among them:

- Launching a strategic effort to identify services IEEE can provide to important technology entrepreneurs and founders within the IEEE community.
- Extensively developing our ties to industry in order to better meet the needs of the evolving workplace in the years ahead.
- Expanding and enhancing the IEEE footprint at such leading international technology events as South by Southwest® (SXSW) and the Consumer Electronics Show® (CES), thereby increasing the reach and impact of IEEE's ongoing efforts to advance technology to benefit humanity.
- Exceeding our anticipated goal to convert IEEE *Xplore*® articles to an interactive format; today, there are over 1.9 million interactive articles in our digital library.
- Further developing our presence as a leading voice within the public policy arena, providing input within the global Internet governance discussions at NetMundial and inaugurating an IEEE Internet Governance Summit in Brussels, as well as discussions with science and technology governmental leaders in the U.S., the Middle East, Brazil, Japan, Poland, Taiwan, and India.

- Convening nearly 300 IEEE Section delegates in Amsterdam, The Netherlands, to participate in the first IEEE Sections Congress held outside of North America under the theme of "Inspiring Our Leaders of Tomorrow."
- Making significant progress in the development of a suite of online collaboration tools for IEEE members, volunteers, authors, and researchers in a continued joint effort among three major IEEE boards.
- Enabling our members in India to pay their dues in their local currency, the Indian rupee.

For the more than 426,000 members of IEEE, 2014 was a year of endeavor and accomplishment. The efforts undertaken this year spanned the breadth and depth of all that is best in IEEE. Our global community found new ways in which to support emerging technologies and to inspire yet another generation of engineers, scientists, and technologists. Together, we continue to build a vision of the future for IEEE that is filled with promise.

Sincerely,



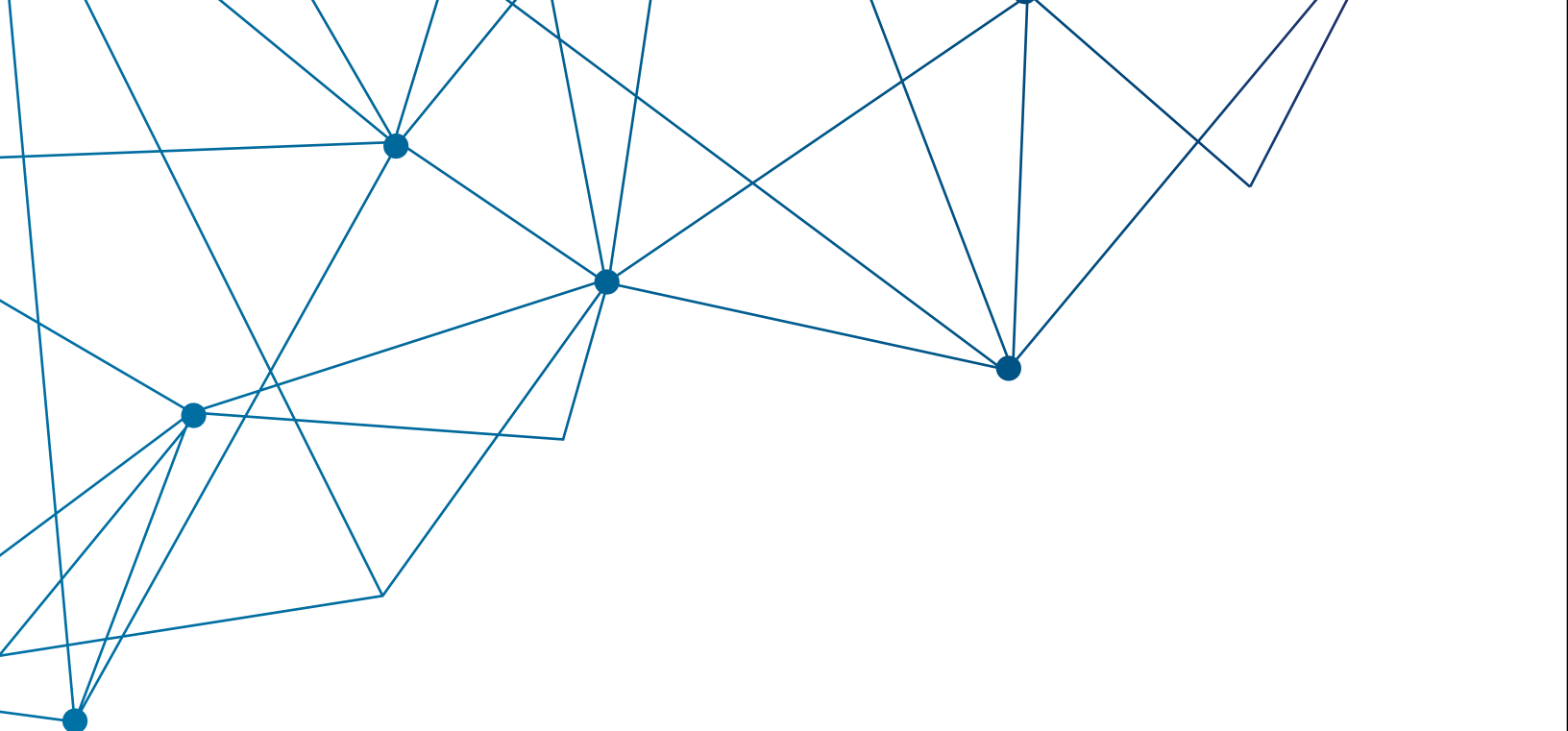
A handwritten signature in blue ink that reads "J. Roberto de Marca".

J. Roberto de Marca,  
2014 IEEE President  
and CEO



A handwritten signature in blue ink that reads "E. J. Prendergast".

E. James Prendergast,  
IEEE Executive Director  
and COO



# CONNECTING TECHNOLOGY WITH IDEAS

The key to the long-standing impact that IEEE has made in the world is our members' ability to connect technology with ideas to benefit humanity. That means taking innovations from concepts to applications to help people enjoy a better life.

Our industry-defining collaborations with leading corporations and government organizations produce technology contributions that change the world in which we live. We sustain an environment where current engineering leaders and the next generation of innovators can make their ideas reality in creating a better today—and a better tomorrow.

In 2014, IEEE efforts took many forms and operated in many places. But all of them relied on IEEE members and volunteers from around the globe working together and uniting under a shared mission of advancing technology to make the world a better place.



# 426,000+ MEMBERSHIPS

## TOP 5 COUNTRIES FOR MEMBERSHIP

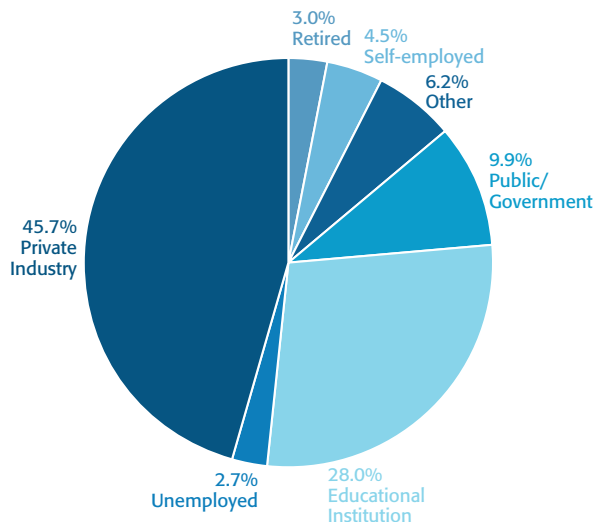


# 117,069 STUDENT MEMBERS

## TOP 5 COUNTRIES FOR STUDENT MEMBERSHIP



## MEMBER WORKFORCE



From the member product satisfaction survey, October 2014

## IEEE SOCIETY MEMBERSHIPS

- 5027 IEEE Aerospace and Electronic Systems Society
- 8748 IEEE Antennas and Propagation Society
- 1737 IEEE Broadcast Technology Society
- 10203 IEEE Circuits and Systems Society
- 49163 IEEE Communications Society
- 2624 IEEE Components, Packaging, and Manufacturing Technology Society
- 6997 IEEE Computational Intelligence Society
- 60162 IEEE Computer Society
- 3355 IEEE Consumer Electronics Society
- 9797 IEEE Control Systems Society
- 2311 IEEE Dielectrics and Electrical Insulation Society
- 3612 IEEE Education Society
- 4030 IEEE Electromagnetic Compatibility Society
- 10425 IEEE Electron Devices Society
- 10585 IEEE Engineering in Medicine and Biology Society
- 3657 IEEE Geoscience and Remote Sensing Society
- 6407 IEEE Industrial Electronics Society
- 12285 IEEE Industry Applications Society
- 3467 IEEE Information Theory Society
- 4233 IEEE Instrumentation and Measurement Society
- 1482 IEEE Intelligent Transportation Systems Society
- 3266 IEEE Magnetics Society
- 11572 IEEE Microwave Theory and Techniques Society
- 3183 IEEE Nuclear and Plasma Sciences Society
- 1934 IEEE Oceanic Engineering Society
- 5988 IEEE Photonics Society
- 33391 IEEE Power & Energy Society®
- 7856 IEEE Power Electronics Society
- 860 IEEE Product Safety Engineering Society
- 818 IEEE Professional Communication Society
- 1957 IEEE Reliability Society
- 12694 IEEE Robotics and Automation Society
- 17538 IEEE Signal Processing Society
- 1528 IEEE Society on Social Implications of Technology
- 10070 IEEE Solid-State Circuits Society
- 4870 IEEE Systems, Man, and Cybernetics Society
- 1741 IEEE Technology and Engineering Management Society
- 2258 IEEE Ultrasonics, Ferroelectrics, and Frequency Control Society
- 4458 IEEE Vehicular Technology Society

**346289 TOTAL SOCIETY MEMBERSHIPS**

\* 50 percent of IEEE members belonged to one or more societies in 2014.



(Left) IEEE President Roberto de Marca and (right) Saeed Mohammed Al Tayer, Managing Director and CEO of Dubai Electricity and Water Authority sign a Memorandum of Understanding supporting collaboration in the area of environmental sustainability.

# BUILDING GLOBAL AND INDUSTRY PARTNERSHIPS



IEEE is the world's largest professional organization with more than 426,000 members in over 160 countries. Each year, we invest efforts in growing further, because the broader our reach, the better we can fulfill our mission of advancing technology for the benefit of humanity.

### IEEE Strengthens Engineering Around the World

A fundamental tenet drives engineers, scientists, and technologists everywhere—the belief that, at its best, our work can change lives for the better; particularly in underserved areas of the world.

In 2014, IEEE was active in Africa and the Middle East, forging new partnerships with representatives from Jordan, Egypt, and the United Arab Emirates. We expanded our engagement in China and Japan, working with industry leaders in the telecommunications and power industries, as well as governmental and standards-development communities. We held a Japan Industry Promotion Workshop in Tokyo on 8-9 November where the organizing committee received ideas about growing membership from more than 50 attendees.

Further developing our presence as a leading voice in the public policy arena, we engaged with government leaders in the areas of science and technology in the U.S., the Middle East, Brazil, Japan, Poland, Taiwan, and India.


While visiting Jordan, IEEE President Roberto de Marca met with HRH Princess Sumaya bint El Hassan, President of Jordan's Royal Science Society; and Azzam Tala Sleit, the Minister of Information and Communications Technology (below).

### IEEE Holds Educational Events in Sub-Saharan Africa

In October, 58 volunteers from four Sub-Saharan countries (Kenya, Tanzania, Ethiopia, and Uganda) attended an IEEE training workshop in Nairobi, Kenya. The event, organized by Educational Activities, focused on working with local schools and the Kenya Ministry of Education to provide hands-on, application-based professional development for pre-university teachers. The Kenya Ministry of Education invited the Kenya Section to partner with its office to provide professional development for teachers across the country.

Additionally, a special training workshop was organized for local primary and secondary teachers in Nairobi, which was attended by 68 educators. IEEE also organized and hosted a full-day workshop titled, "Charting the Future of Engineering Education in Kenya." More than 100 attendees participated, including representatives from academia, government, and industry.





In March 2014, IEEE Executive Director Jim Prendergast participated in a celebration of the opening of a new office in Bangalore to accommodate expanding activities in India.



### **IEEE Expands Outreach in India**

The Indian Electrical and Electronics Manufacturers' Association (IEEMA) signed a Memorandum of Understanding (MoU) with IEEE in February, which will provide a platform for strong relations between the two organizations in the future.

The cooperation between IEEMA and IEEE will enhance sharing of knowledge and global experiences in key areas of the electrical and electronics engineering sectors. The MoU will help strengthen competencies and skills development among organizations, working professionals, and students. Furthermore, it will facilitate collaborative efforts by various stakeholders on emerging technologies, including joint programs for the benefit of the engineering community and society at large, thus boosting enrichment of the electrical and electronics sector.

### **First Volunteer "Train the Trainers" Workshop Held in China**

In 2014, IEEE Technical Activities launched a series of one-day workshops designed to provide participants with tools to increase and expand their roles within IEEE and train future volunteer leaders. The first volunteer Train the Trainers Workshop in China took place in July at the Chinese Academy of Science's Institute of Automation in Beijing. The workshop consisted of presentations encouraging participants to get involved in technical communities, publications, conferences, and educational activities. Other volunteer Train the Trainers workshops took place in Rio de Janeiro and São Paulo, Brazil.

### **IEEE in the Internet Governance Discussion**

With more than three billion users, the Internet is increasingly seen as a personal and business necessity. As a result, demand for a more global



dimension to Internet governance has increased. The IEEE Internet Initiative, established in January, solidified the importance that IEEE has placed on the Internet and its future.

In April, IEEE President Roberto de Marca joined world leaders from government, academia, the private sector, and technical communities who assembled in Brazil for NETmundial: Global Multistakeholder Meeting on the Future of Internet Governance. President de Marca urged conference attendees to increase openness, transparency, and inclusiveness in standardization to fuel the Internet's ongoing success. At NETmundial, IEEE was supported in its efforts by Vint Cerf, Chief Internet Evangelist for Google and IEEE Fellow. Cerf noted that IEEE published the first paper about the TCP/IP Internet protocol in 1974 and that IEEE standards, such as the IEEE 802.3™ standard for Ethernet and the IEEE 802.11™ Wireless Local

Area Network (WLAN) standard, are a fundamental part of the Internet's technical foundation.

Aligned with these efforts, IEEE held the IEEE Summit on Internet Governance, a forum for high-level discussions among influential technology policy specialists, prominent engineers, and scientists on critical issues within technology policy in December, in Brussels.

### **IEEE President Celebrates Achievements in South America**

On 29 October, the IEEE Uruguay Section celebrated the 25th anniversary of its founding with a gala dinner where section members, volunteers, as well as representatives from government, academia, and the corporate world recognized the accomplishments of the Uruguay Section. IEEE President Roberto de Marca was in attendance and shared with the audience his vision for the future of IEEE and the Uruguay Section (above).



## BUILDING STRONG LINKS WITH KEY INDUSTRY PLAYERS

IEEE is a far-reaching organization, composed of members from across the worlds of science and technology. Many of our members hail from the halls of academia, many others from the offices of technology companies large and small. We recognize the vital role these organizations play in helping us carry out our mission, so we're always working to build lively and mutually beneficial relationships with organizations from all corners of the tech world.

### IEEE Forges Strong Bond with Startup Community

In 2014, IEEE focused on ramping up its engagement with the entrepreneurial community. To that end, IEEE established an ad-hoc committee—composed of IEEE personnel, angel investors, and entrepreneurs—to investigate and recommend new and better ways to interact with technology startups. An event aligned with these efforts was the Technical Entrepreneurship Mini-Conference—the first annual gathering of entrepreneurs and technologists hosted by IEEE Young Professionals Toronto. The event served to

educate students and early-career professionals about how they can help grow Toronto's entrepreneurial ecosystem. Further efforts are now underway to host global entrepreneurship events in 2015 and 2016.

### IEEE Partners with Google® in Million-Dollar Challenge

The IEEE Power Electronics Society partnered with Google to launch the Little Box Challenge—an open competition to build a much smaller power inverter. The winner will receive a US\$1 million prize. Finalists will be named in October 2015 and a winner will be selected in January 2016.

Power inverters are devices that convert electricity from direct current to alternating current. The Little Box Challenge is designed to spur innovation that can drive a 10x or greater reduction in the size of power inverters. Such advancements can lead to higher efficiency, increased reliability, and lower energy costs. For example, a smaller inverter could help create low-cost microgrids in remote parts of the world or enable people to keep the lights on during a blackout via their electric car's battery.





### **IEEE Women in Engineering Conducts Inaugural International Leadership Conference**

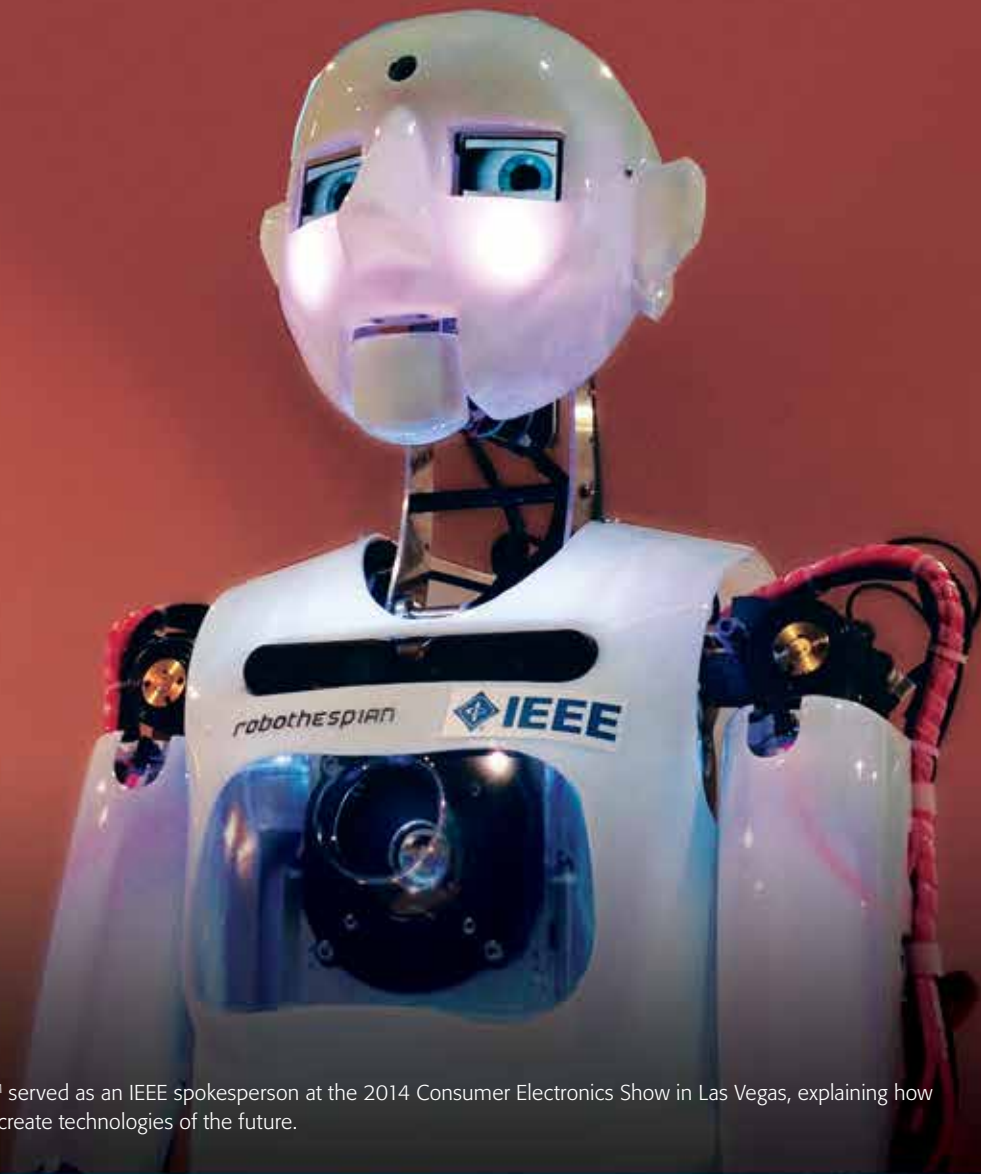
More than 350 women, including recent graduates to high-level executives, assembled in San Francisco, California in May for the inaugural IEEE Women in Engineering International Leadership Conference (above). Attendees also gathered at a pre-conference reception hosted by Square, a San Francisco company that designs credit card readers for smartphones and tablets.

The conference focused on empowerment, engagement, inspiration, and enjoyment. It included skills-building workshops, inspirational presentations on achieving career goals, and discussions on how to reduce stress, build confidence, and find work-life balance. In one conference session, attendees brainstormed on how to triple the number of women in leadership roles in science and engineering within the next three years.

### **IEEE Emphasizes Standards Collaboration**

IEEE intensified its industry outreach and partnerships globally in 2014. The year saw a continued focus on collaboration, development, and adoption of standards across the globe with industry, governments, and the public. In an ongoing effort to achieve global inclusiveness in the advancement of technology and to increase interoperability, the IEEE Standards Association (IEEE-SA) participated in 37 conferences throughout the year, including events in the U.S., Spain, Canada, The Netherlands, India, Brazil, Germany, Austria, Hungary, and Belgium.

IEEE-SA further expanded its global outreach by engaging with standards-development organizations, industry associations, international corporations, and academia worldwide. As part of these efforts, IEEE-SA hosted a forum in Beijing on international cybersecurity policy.



RoboThespian™ served as an IEEE spokesperson at the 2014 Consumer Electronics Show in Las Vegas, explaining how IEEE members create technologies of the future.

**ADVANCING TECHNOLOGY  
FOR HUMANITY**



IEEE is the world's largest professional organization dedicated to advancing technological innovation and excellence for the benefit of humanity. IEEE and its members inspire a global community through IEEE's publications, conferences, technology standards, and professional and educational activities.

### IEEE Helps Bring the Internet of Things to Life

The Internet of Things (IoT) will change our world in the years ahead. But to reach its potential, it must overcome a number of obstacles. It needs more intelligent sensors that can talk to each other and faster analysis tools to deal with the deluge of data. It needs open platforms and better privacy

*The IEEE Internet of Things initiative became IEEE's largest and fastest growing technical community.*

protections in addition to common standards. IEEE made significant progress on all of these fronts in 2014. In fact, last year the IEEE Internet of Things initiative became IEEE's largest and fastest-growing technical community. Membership at year-end stood at more than 6,400 people. Today there are over 80 IEEE standards that support IoT, with 45 currently in development.

The *IEEE Internet of Things Journal* launched in 2014 to offer space for discussion of the latest IoT advances. It is sponsored by the IEEE Sensors Council and the IEEE Communications, Computer, and Signal Processing Societies.

IEEE sponsored a number of IoT conferences in 2014, including the IEEE World Forum on Internet of Things in Seoul, the IEEE International Conference on Intelligent Sensors, Sensor Networks, and Information Processing in Singapore, and the Internet of Things Conference in Cambridge, Mass.

### IEEE Nurtures Technical Communities

In 2014, IEEE launched two important new programs: the Cybersecurity Initiative and the Big Data Initiative.

The first step in the Cybersecurity Initiative was the creation of the IEEE Center for Secure Design, which shifts some of the focus of security from finding bugs to identifying common design flaws in the hope that software architects can learn from the mistakes of others. As the Initiative continues, it will be tackling various aspects of security, including computer security education and a building code for security-critical software. In August, the IEEE Center for Secure Design released an enlightening report titled, "Avoiding the Top 10 Software Security Design Flaws," based on real-world data collected and analyzed by experts at leading technology companies.

Meanwhile, the IEEE Big Data Initiative is working not only to advance technologies that support and make sense of the growing mountains of data, but also to ensure that information remains secure. At the first IEEE Big Data Initiative Workshop, some 50 technology leaders gathered to explore such themes as how to bring structure to otherwise "unstructured" data to gain wisdom from the large amount of data available, and to determine what role IEEE should play.



### IEEE Computer Society Takes on the Future in *IEEE CS 2022*

Predicting the future is an inexact science to say the least. Predicting the future in the computer industry is no different, given the ongoing and dramatic changes in computer technology and the always-evolving nature of innovation.

In spite of the challenges that come with the art of prediction, the IEEE Computer Society embraced the task in 2014 and issued *IEEE CS 2022*—a special report in which a team of nine technologists survey the landscape and identify 23 game-changing technologies that will have the biggest impact on our world by 2022.

The report focuses on 3D printing, big data and analytics, 3D integrated circuits, cloud computing, computational biology and bioinformatics, machine learning, and natural user interfaces, among many other topics.

### First Humanitarian Robotics and Automation Technology Challenge

Robotics and automation technologies have the potential to raise the quality of life for people around the globe. At the IEEE International Conference on Robotics and Automation held in Hong Kong, the IEEE Robotics and Automation Society asked academic and non-academic communities to solve important global problems in the Humanitarian Robotics and Automation Technology Challenge (HRATC). Fourteen teams from eight countries participated.

The inaugural HRATC was an opportunity for IEEE members to apply their skills to mitigating the danger posed by landmines to people in many parts of the world. According to the UN Mine Action Service, landmines kill 15,000-20,000 people every year (mostly children) and maim countless more. Demining efforts cost US\$300-\$1,000 per mine and for every 5,000 mines cleared one person is killed and two are injured. The first HRATC focused on promoting the development of new strategies for autonomous landmine detection using a mobile ground robot.



Team ORION of the University of Texas at Arlington (left) was the grand-prize winner. Second and third places went to Team Geeks of the Square Table from the University of Bremen in Germany, and Team USMiners from the University of Southern Mississippi, respectively.

### IEEE Rocks SXSW in Austin

Thousands convened at South by Southwest (SXSW) in Austin, Texas to discuss tech topics from wearable devices to smart cities to novel ways of using big data. IEEE maintained a high profile, organizing and participating in 17 different events. Highlights included a keynote by Adam Savage, executive producer and cohost of Discovery Channel's *Mythbusters* series, as well as featured presentations by inventor and humanitarian Dean Kamen, cybersecurity expert P.W. Singer, USC body-computing pioneer Leslie Saxon, and a host of other leading technologists.

IEEE's "Technology for Humanity" series showcased multiple innovation areas within which IEEE members are active and featured some of the world's leading technologists in their respective fields. Series topics explored the future of robotics, augmented reality, mobile health, the Internet of Things, wearable and embedded computing, privacy,

security, user experience, music, and the future of food. Women working in the field of technology enjoyed the IEEE and Women in Tech Meetup.

### 2014 Sections Congress in Amsterdam

IEEE Sections Congress (SC2014) was the first Sections Congress held outside of North America. Hosted by the IEEE Member and Geographic Activities Board, in partnership with Region 8, IEEE Sections Congress is a triennial gathering of IEEE grassroots leadership to network with other section leaders, attend training programs, and develop recommendations to guide the future of IEEE.

The SC2014 theme was "Inspiring Our Leaders of Tomorrow" and the three program tracks were "Enhance Member Satisfaction," "Improve Volunteer Experience," and "Reach Globally with a Local Touch." Over 40 exhibitors took part, along with almost 600 volunteers and staff and over 250 Primary Section delegates. Sections Congress resulted in a fully engaged experience for attendees, giving them the chance to share information, identify new areas of interest and value to their units, and gain practical awareness into the use of tools and services.

IEEE Women in Engineering and congress dignitaries convened at Sections Congress 2014 (above).





# 4,000,000

facebook PAGE LIKES  
ACROSS IEEE SOCIAL COMMUNITIES



# 65,000+

twitter USERS



# 57,000+

LinkedIn FOLLOWERS

## INCREASING AWARENESS

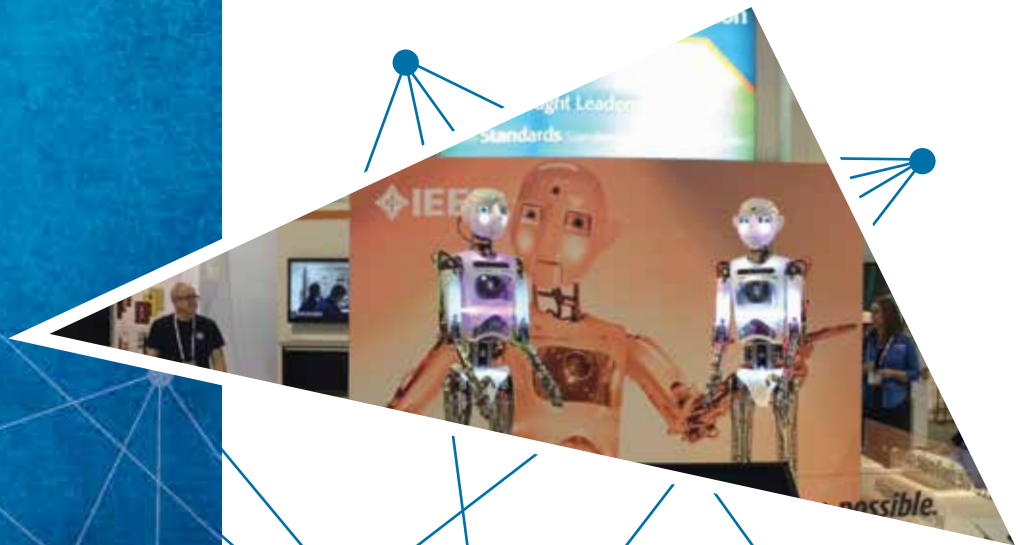
IEEE works continuously to engage with members of the technological community to bring our ideas to the broader public. To deliver on that mission, IEEE is constantly positioning itself as an international thought-leader and trusted source on prominent technology issues. This is accomplished through outreach to both traditional and digital media, participation at high-level events, and social media programs.

### RoboThespian Wows Attendees at CES 2014

RoboThespian, a life-size humanoid robot designed for human interaction in a public environment, played a starring role at CES, the global consumer electronics and consumer technology tradeshow that takes place every January in Las Vegas (below). Greeting the crowds at the IEEE booth, RoboThespian served as a perfect example of the ways IEEE members are creating technologies of the future. This included talking about what exciting advancements will be coming next, such as what a cellphone might look like in 20 years. The IEEE CES booth received widespread media coverage including CNN Tech, The Discovery Channel, the Weather Channel, and The Verge.

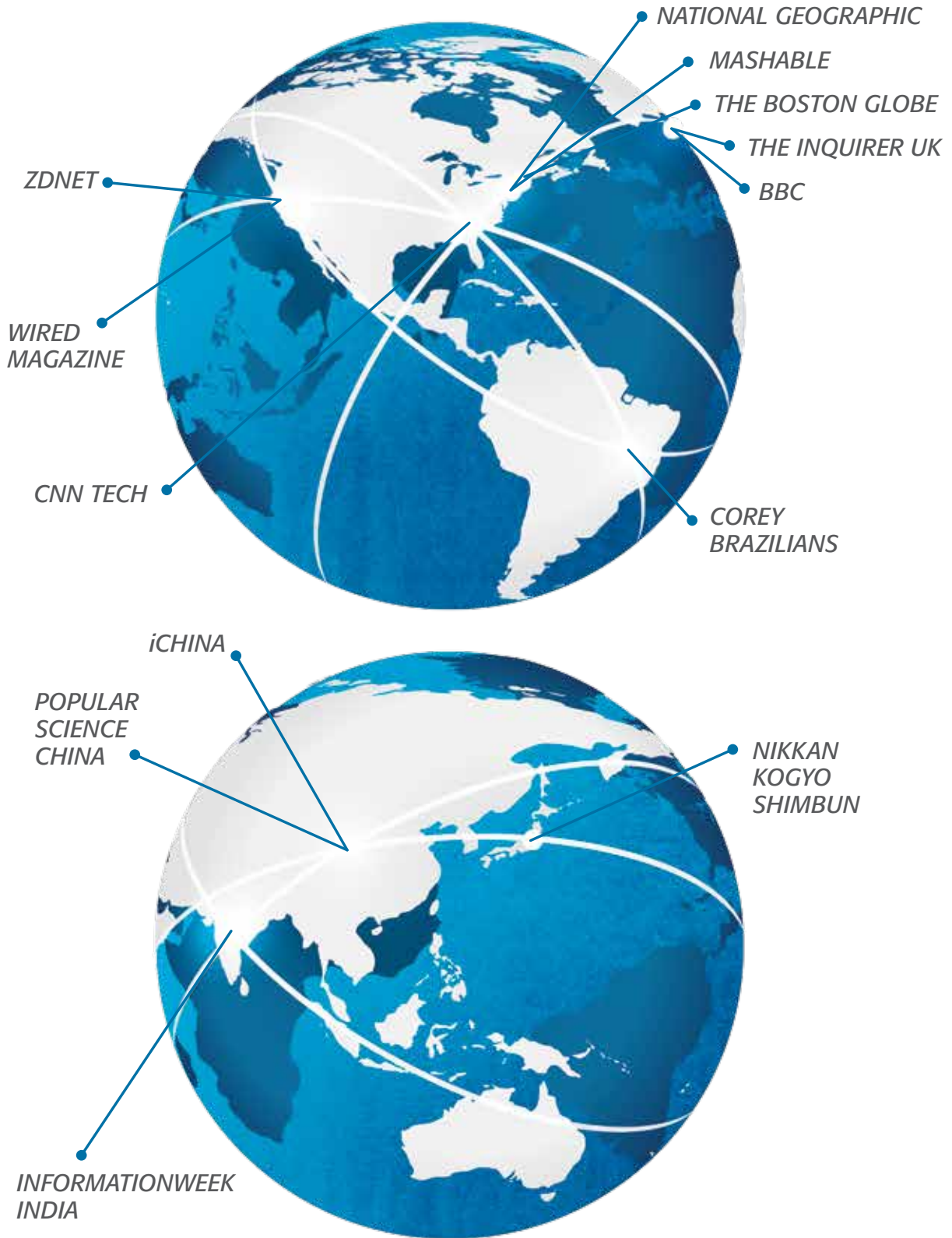
### IEEE Social Communities Continue to Soar

IEEE continues to expand its use of social media to communicate with the world, attract an audience, and engage with users across multiple digital platforms. In 2014, IEEE reached over four million likes across all IEEE Facebook communities, while the IEEE Twitter and LinkedIn presences reached 65,000 and 57,000, respectively.



### IEEE Clicks with Mainstream Media

IEEE saw a significant shift in the type and amount of global media coverage it received in 2014, including a growing number of top-tier publications reporting on IEEE content and relying on IEEE as the trusted source for commentary on technology trends. Key media coverage in 2014 included mentions in:







IEEE President-Elect Howard Michel (left) and IEEE President Roberto de Marca (right) pose with 2014 IEEE Medal of Honor Recipient B. Jayant Baliga.

# AWARDING EXCELLENCE



IEEE contributions were recognized by a broad range of institutions and associations around the world. As IEEE does every year, IEEE also recognized the 2014 accomplishments of our members with prestigious awards of our own.

### **B. Jayant Baliga Receives 2014 IEEE Medal of Honor**

IEEE Life Fellow B. Jayant Baliga was awarded the 2014 IEEE Medal of Honor for his many contributions to the field of power semiconductors. The medal, sponsored by the IEEE Foundation, recognizes Baliga for the invention, implementation, and commercialization of power semiconductor devices with widespread benefits to society. While working at General Electric® he created the insulated-gate bipolar transistor (IGBT), which today is found in household appliances, fluorescent lights, televisions, electric cars, solar inverters, and compact defibrillators—anywhere modestly high voltages need to be switched on and off quickly.

Billions of people around the world are benefitting from the power semiconductors Baliga pioneered. Energy-efficiency improvements derived from IGBTs are estimated to have saved consumers more than US\$15 trillion, while reducing carbon dioxide emissions by more than 78 trillion pounds.

### **IEEE Honors Wozniak with Hoover Medal**

IEEE President Roberto de Marca presented the 66th Hoover Medal to Apple® co-founder Steve Wozniak in Los Angeles in February (right). The medal is awarded to an engineer whose professional achievements and personal endeavors have advanced the well-being of humankind. The award is administered by a board representing five engineering organizations: the American Society of Mechanical Engineers, the American Society of Civil Engineers, the American Institute of Chemical Engineers, the American Institute of Mining, Metallurgical, and Petroleum Engineers, and IEEE.

### **IEEE Electrification Magazine Wins 2014 APEX Award for Publication Excellence**

*IEEE Electrification Magazine*, published by the IEEE Power & Energy Society® (PES), received an APEX Award for excellence in the “New Magazines, Journals and Tabloids” category. The APEX Awards are an annual competition for publishers, editors, writers, and designers who create print, web, electronic, and social media.

Established in 2013, IEEE PES's *IEEE Electrification Magazine* provides news, analysis, and insight on electric vehicles and other forms of transportation. Readers have access to comprehensive and in-depth technical analysis from engineers in the field of advanced electrification. The publication also provides perspectives on non-technical areas including business, environmental, and social concerns.



## IEEE CELEBRATES 30 YEARS OF MILESTONES PROGRAM

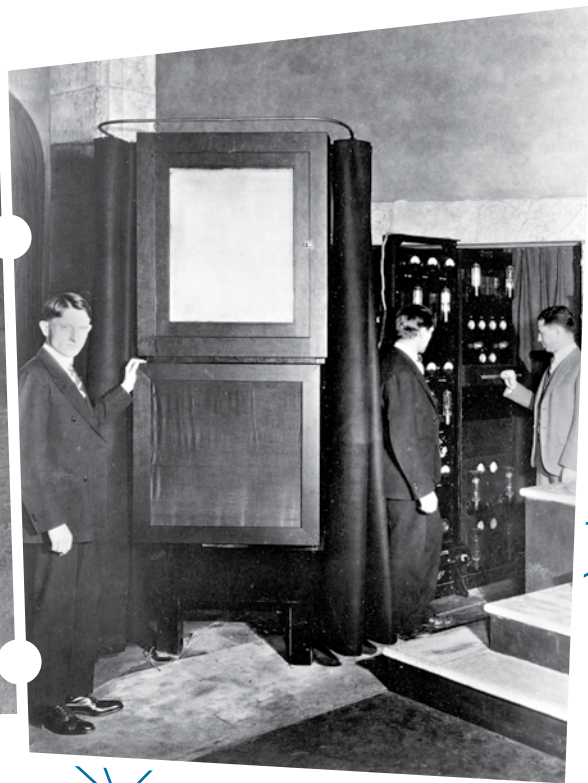
Each year, the IEEE Milestones in Electrical Engineering and Computing program recognizes exceptional technical achievements that occurred at least 25 years ago. In past years, they have acknowledged the work of leading inventors like Benjamin Franklin, Alexander Graham Bell, and Thomas Edison. 2014 marked the 30th anniversary of the IEEE Milestones program with 15 IEEE Milestones being dedicated, including the 150th Milestone overall.

Among the IEEE Milestones recognized in 2014 were:



### First Generation and Experimental Proof of Electromagnetic Waves, 1886-1888, Karlsruhe, Germany

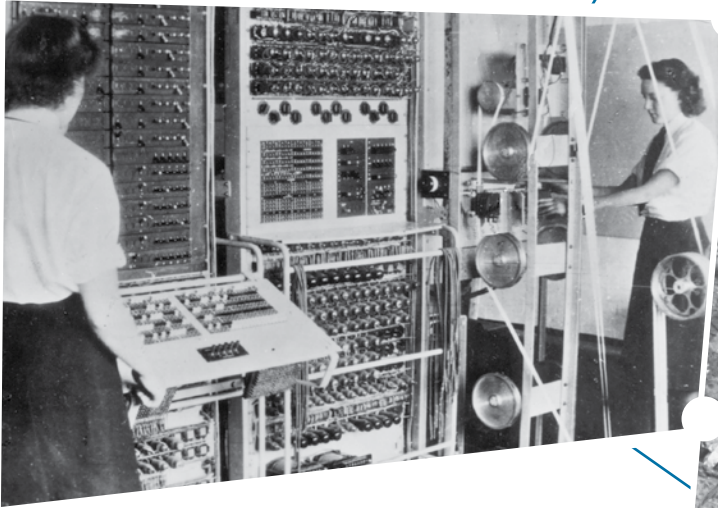
The landmark 150th IEEE Milestone honored the first generation and experimental proof of electromagnetic waves, conducted in 1886-1888 in Karlsruhe, Germany, when Heinrich Hertz verified James Clerk Maxwell's theory against the then-prevailing views of electromagnetic phenomena. This opened the door for Guglielmo Marconi to explore the new world of radio and wireless services.



### Bell Telephone Laboratories, Inc., 1925-1983, Murray Hill, New Jersey

Bell Labs transformed the way people communicate at work and home through the invention and development of many technical innovations that were necessary for modern telecommunication systems and other advanced technologies. From its founding in 1925, Bell Labs made numerous significant contributions to telecommunications and related fields that led to the information age and the digital era. Some of these contributions include: the first U.S. cellular wireless system, the first electronic speech synthesizer, the first binary digital computer, the first long-distance television transmission, wide area telephone 800 service, and the first U.S. commercial fiber-optic system.





### First Breaking of the Enigma Code by Polish Cipher Bureau, 1932-1939, Warsaw, Poland

The German Enigma cipher machine codes were first broken by Polish Cipher Bureau mathematicians Marian Rejewski, Jerzy Rozycki, and Henryk Zygalski. Working with engineers from the AVA Radio Manufacturing Company, they built the "bomba," the first cryptanalytic machine to break Enigma codes. Their work formed the foundation of British code-breaking efforts that, with American assistance, helped end World War II.



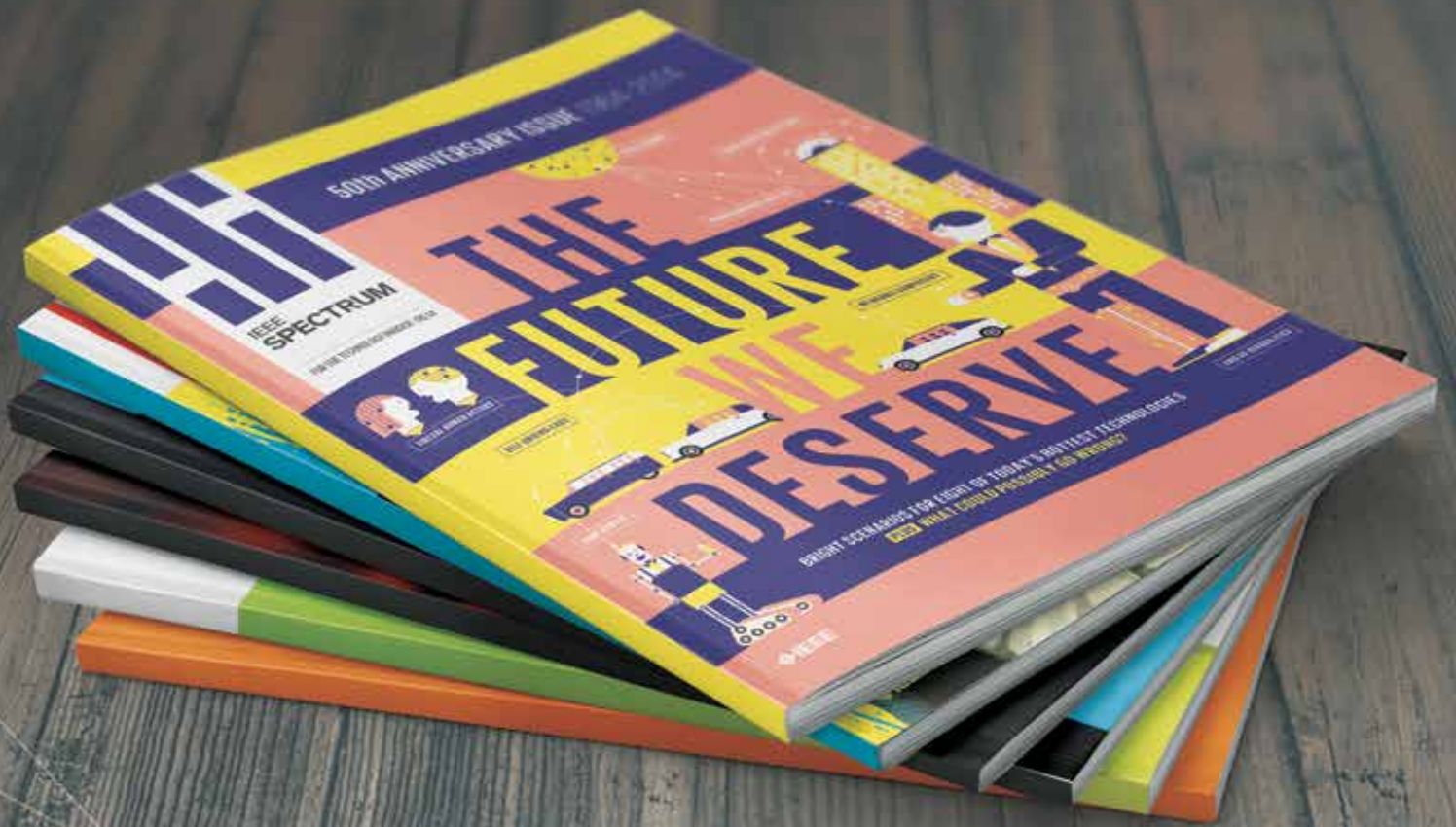
### First Transpacific Cable System, 1964, Tokyo, Japan

The first transpacific undersea coaxial telephone cable linking Japan, Hawaii, and the U.S. mainland was completed in 1964. U.S. President Lyndon B. Johnson and Japanese Prime Minister Hayato Ikeda inaugurated this communications link on 19 June 1964. This joint project involving American Telephone and Telegraph, Hawaiian Telephone Company, and Kokusai Den Shin Denwa improved global communication and contributed to deep-water submarine cable technologies. Photo courtesy of AT&T Archives and History Center (above).

### Other milestones recognized in 2014:

- Birth and Growth of Battery Industries in Japan, 1893
- Rheinfelden Hydroelectric Power Plant, 1898 – 2010
- First Blind Takeoff, Flight, and Landing, 1929, Garden City, New York
- Single-element Unidirectional Microphone, 1939
- The CP/M Microcomputer Operating System, 1974
- Line Spectrum Pair for high-compression speech coding, 1975
- Gapless Metal Oxide Surge Arrester for electric power systems, 1975
- First Digitally Processed Image from a Spaceborne Synthetic Aperture Radar, 1978
- 20-inch Diameter Photomultiplier Tubes, 1979 – 1987
- High-Temperature Superconductivity, 1987
- Thin-Film-Transistor Liquid-Crystal Display for TV, 1988





## EXPANSION AND OUTREACH

In 2014, IEEE continued to strengthen its publishing program in accordance with its strategic goal of becoming the resource of choice for information and services that technical professionals consider essential to their success. We made improvements in the development of new products and strategic initiatives, enhancements in production and delivery of existing products, and process improvement to improve financial results in publishing.

### IEEE Open Access Expands

Many authors today want to make their research freely available to all reader communities. To help authors gain maximum exposure for their groundbreaking research and application-oriented articles, IEEE offers three options for open access publishing: hybrid journals, the multidisciplinary open access mega journal *IEEE Access*<sup>®</sup>, and fully open access topical journals. The programs are designed to meet the varying needs of our authors throughout their careers.

*IEEE Access*, the open access megajournal spanning all IEEE fields of interest, continued to grow. It received the 2015 PROSE Award for “Best New Journal in STM” (Science Technology and Medicine) and one of its journal articles—“Millimeter Wave Mobile Communications for 5G Cellular: It Will Work!”—was named the 2015 IEEE Donald G. Fink Prize Paper Award recipient. The PROSE Awards annually recognize the very best in professional and scholarly publishing, while the Donald G. Fink Award recognizes the most outstanding survey, review, or tutorial paper to appear in IEEE publications.

Additionally, *IEEE Access* was accepted into the Directory of Open Access Journals (DOAJ) and was accepted for inclusion in Scopus, an online abstract and indexing service. In April 2014, the IEEE *Xplore* development team also introduced a feature that allows readers to comment on IEEE Access articles.

### IEEE Spectrum<sup>®</sup> Celebrates 50th Anniversary at New York City Event

2014 marked the 50th anniversary of *IEEE Spectrum* and the magazine celebrated this landmark throughout the year. In June, it published a special report that discussed the future we deserve, based on today’s eight most-promising technologies, including autonomous vehicles, wearable technology, and energy. The issue also described the state of the art today and likely near-term developments.

After the launch of this issue, nearly 100 VIPs, including donors to the IEEE Foundation, members of the media, IEEE leaders, and other invited guests, gathered at the Union League Club in New York to hear Dr. Catherine Mohr. A leader in the medical technology space, Dr. Mohr spoke about a “post-healthcare” world in which we’ll be able to anticipate and prevent disease, not only treat symptoms (below).





## Interactive Content Project Converts 1.9 Million IEEE *Xplore* Pieces of Content to XML/HTML

The Interactive Content Project converts IEEE publications (periodicals, conferences, magazines, and standards) from PDF format to XML so that the content is easily manipulated to facilitate development of value-added services and delivery of IEEE information to any device, anywhere. By the end of 2014, IEEE had about 1.9 million documents in XML/HTML, more than the original plan of 1,750,000.

Other key progress during 2014 included the completion of user-interface modifications for displaying interactive articles for magazines and standards, and the conversion to the new XML format of all legacy content in journals, conferences, and magazines.

## IEEE Ranks High in Journal Citations

The latest *Journal Citation Reports*®, published in June 2014 by Thomson Reuters, showed that IEEE publishes 19 of the top 20 journals ranked by Impact Factor®, and 9 of the top 10 according to the more rigorous “Article Influence Score.” Leading the pack is *Proceedings of the IEEE*, ranking high in the subject category of “Engineering, Electrical and Electronics,” coming in at number 1 according to the Five-Year Impact Factor. Considering all the metrics together, IEEE is performing extremely well and providing valuable information to its reader community.



## Nine New Journals Launch

IEEE expanded its influence with a host of new titles. Nine new IEEE publications debuted in 2014.

- **IEEE Cloud Computing magazine**, a quarterly, explores theories and applications related to the cloud.
- **IEEE Transactions on Computational Social Systems** focuses on topics like modeling, simulation, analysis, and understanding of social systems from a quantitative and computational perspective.
- **IEEE Transactions on Control of Network Systems** publishes research on the intersection of control systems and network science.
- IEEE has partnered with the Chinese Association of Automation to publish the quarterly **Journal of Automatica Sinica**, which covers topics related to control science and engineering.
- The **IEEE Internet of Things Journal**, published six times a year, tackles system architecture, networking protocols, services, and applications, as well the social implications of the IoT.
- Articles in the quarterly **IEEE Power Electronics Magazine** explore the effective use of electronic components, circuit design techniques, and analytical tools.
- **IEEE Transactions on Network Science and Engineering**, published twice a year, addresses the theory and applications of network science, and the interconnections among the elements in systems that form networks.
- **Life Sciences Letters**, a digital open-access journal, covers topics including personalized medicine, pharmaceutical engineering, synthetic biology, and systems biology.
- The monthly open-access **IEEE Journal on Exploratory Solid-State Computational Devices and Circuits** features multi-disciplinary research in solid-state materials and circuits beyond standard CMOS technology for novel energy-efficient computation.

The new journals are available in the IEEE *Xplore* digital library.



### Metro Area Workshops Spread Education

In 2014, IEEE conducted Metro Area Workshops in Paris and Bangalore. IEEE Smart Tech Metro Area Workshops provide participants with unique educational opportunities in topics on the cutting edge of technical innovation today. These one-day and two-day seminars focus on giving people a chance to learn firsthand from field experts. Each workshop is a springboard to a deeper understanding of technology and its myriad of applications and potential for innovation.

### IEEE-USA Supports STEM Solutions National Leadership Conference

IEEE-USA proudly participated as a supporting organization in the STEM Solutions National Leadership Conference, convened by *U.S. News & World Report*® 23-25 April in Washington, D.C. The three-day event brought leaders in education, policy, and workforce development together to discuss ways to advance the national STEM agenda for science, technology, engineering, and mathematics. The 2014 conference focused on how to develop the pipeline of talent needed to fill current and future jobs requiring STEM skills.

### IEEE-USA Promotes Engineering Profession at EWeek

IEEE-USA was the lead society sponsor for National Engineers Week 2014, an annual celebration of engineers and the contributions of the profession to society. Among the highlights:

IEEE launched App-E-Feat during EWeek, a mobile app development initiative that challenges

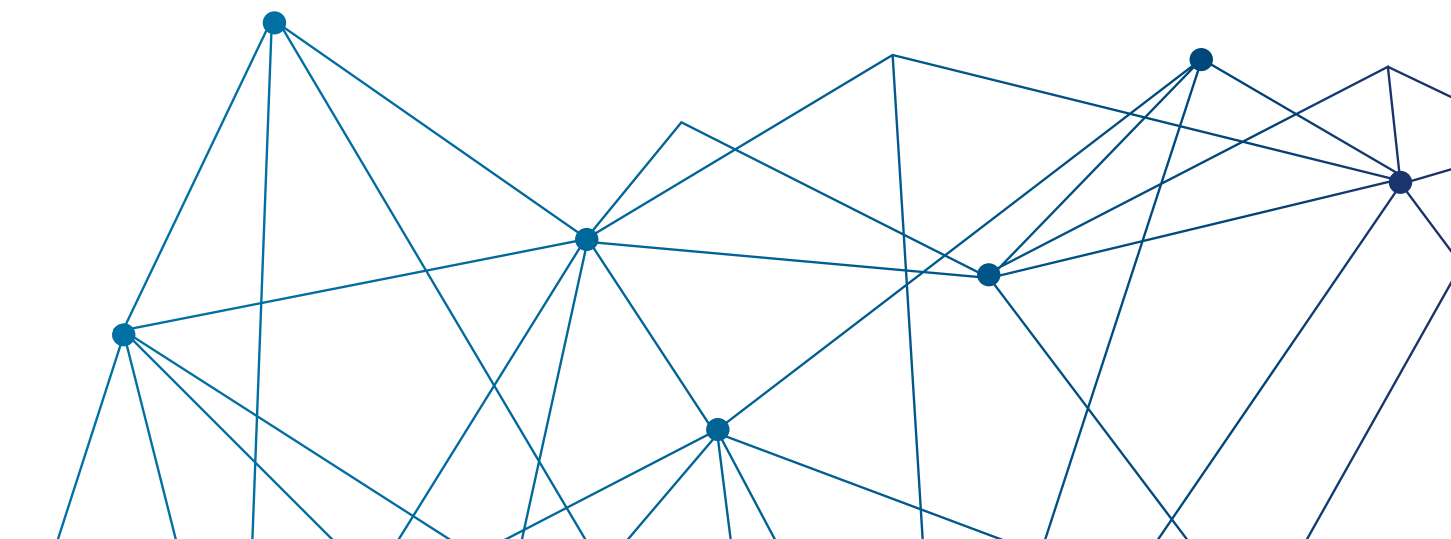
students and engineers to propose or design mobile applications to help solve local and global problems. App-E-Feat, which is part of IEEE's Clinton Global Initiative (CGI) Commitment to Action, was inspired by former U.S. President Clinton's 2013 comments addressing the impact of mobile apps in aiding causes around the world.

### Other EWeek initiatives included:

- Over 9,200 visitors participated in the 2014 Discover Engineering Family Day at the National Building Museum, an EWeek event sponsored by IEEE-USA and DuPont.
- The Future City Competition, introduced to EWeek by IEEE-USA in 1993, welcomed more than 40,000 participants from across the U.S. The national finals were held in Washington D.C., with St. John Lutheran School of Rochester, Michigan, taking top honors. Future City finalists are invited to participate in the White House Science Fair.

### IEEE Advises State Department

IEEE President-elect Howard Michel and IEEE-USA President Gary Blank participated in a meeting at the U.S. State Department to discuss the role of the Science and Technology Adviser to the Secretary (STAS) and the primary considerations for selection of the next STAS. The Office of the STAS provides scientific and technical advice and resources to bureaus and offices at the U.S. Department of State, building upon the Secretary of State's emphasis on utilizing smart power, economic statecraft, and whole-of-society approaches.





IEEE student branch officers involved in the IEEE University Partnership Program participate in the annual Leaders' Summit.

# STUDENT AND EDUCATIONAL ENGAGEMENT



Students are our future. IEEE works every day to maintain and enhance the connection to student members worldwide because they are the ones who will create the great technologies of tomorrow.

### Young Members of IEEE Get Upgrades

IEEE works hard to maintain strong ties with up-and-coming technologists by always adjusting to their changing wants and needs. For example, in 2014 we updated the Graduates of the Last Decade (GOLD), with a new name: IEEE Young Professionals.

Established in 1998, the program helps bring recent graduates together to network, develop professional skills, and find jobs. To further engage its international community of enthusiastic and innovative members, IEEE Young Professionals expanded its webinar series in 2014. New webinars included “Leadership Excellence” and “The Importance of Mentoring Relationships.”

Meanwhile, the Student Professional Awareness Committee (SPAC) embarked on a total makeover of its programs to celebrate its 35th anniversary. SPAC launched its new program, called SPAX (pronounced “spah-x”), which is designed to allow students and student branches more flexibility in designing activities to engage, explore, and experience real-life career and professional development. Designed with student input, the new approach will enable IEEE to reach more students, create better and longer-lasting experiences, and encourage students to remain engaged with IEEE long after they graduate.

### IEEE Student Members Learn Leadership Skills at Event in Krakow, Poland

In August, students and young professionals from universities in Europe, Africa, and the Middle East gathered together for the IEEE Region 8 Student and Young Professional Congress. During the four-day event, the 400 attendees enjoyed networking opportunities, received exposure to industry representatives, and attended a series of workshops and a poster session where 115 student branches, IEEE societies, and industrial firms presented over 150 posters. Workshops were also held where small groups collaborated on concepts for an IEEE mobile application. The overall goal was to engage students and young professionals and get them excited about being more active in IEEE.



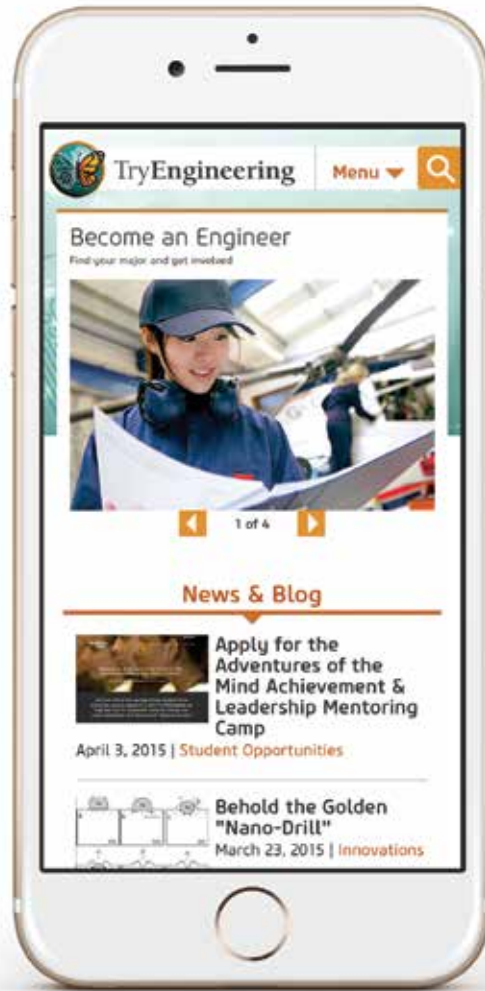
### IEEE to Offer Learning Worldwide via edX

EdX is a nonprofit online initiative created by founding partners Harvard and MIT. It offers online classes and massive open online courses from the world's best universities, colleges, and organizations, including MITX, HarvardX, BerkeleyX, UTX, and others. In 2014, IEEE became a member of edX, agreeing to bring our expertise to a global audience via free massive open online courses and other continuing professional education courses at edx.org.

### TryEngineering Launches Mobile Site

TryEngineering.org is a portal for students, parents, teachers, and school counselors that provides information about engineering, computing, technology, and related careers. It includes lesson plans, games, career descriptions, profiles of professionals, and a global database of accredited engineering and computing programs.

The site averages over 93,000 unique visitors per month and that number rose significantly with the September 2014 launch of the TryEngineering mobile site. In October, the site received more than 195,000 visitors, with about 40,000 of them accessing the site from a mobile phone.



Steve Welch, Educational Activities, and Anant Agarwal, edX CEO, confirm the new partnership.



# IEEE BOARD OF DIRECTORS

**Back Row, L to R:** J. Derald Morgan, Theodore T. Hissey, Karen Pedersen, Ralph M. Ford, Jerry L. Hudgins, Marko Delimar, John Barr, Martin J. Bastiaans, Saurabh Sinha, Susan K. Land, Gary Blank

**Middle Row, L to R:** Michael R. Andrews, Gianluca Setti, Karen Bartleson, Bogdan M. Wilamowski, Toshio Fukuda, Jozef W. Modelski, Wanda Reder, Norberto Lereñdegui, Jacek Zurada, Roger U. Fujii, Stephen Yurkovich

**Front Row, L to R:** E. James Prendergast, Mary Ellen Randall, Amir Aghdam, Marina Ruggieri, Howard E. Michel, J. Roberto de Marca, Peter W. Staecker, Parviz Famouri, Ellen Yoffa, Harvey Freeman

**Not Pictured:** Director Emeritus Eric Herz, Vincent P. Socci

# IEEE MANAGEMENT COUNCIL

**Back Row, L to R:** Shannon Johnston, Patrick D. Mahoney, Eileen M. Lach, E. James Prendergast, Cecelia Jankowski, Douglas Gorham, Konstantinos Karachalios

**Front Row, L to R:** Thomas R. Siegert (seated), Elena A. Gerstmann, Anthony Durniak, Mary Ward-Callan, Chris Brantley, and Donna Hourican (seated)





# MESSAGE FROM THE TREASURER

I am pleased to present the audited financial reports of IEEE. These reports indicate that the overall financial health of the organization continues to be strong.

The IEEE Statement of Activities reflects total revenues for 2014 of \$437.5 million, an increase of \$24.8 million, or 6.0% from 2013. Some of the key contributors that drove the increase in revenues are:

1. Continued strength of the IEEE/IET Electronic Library (IEL) Package (including backfile).
2. Additional conference revenue driven in part by the IEEE Power & Energy Society's Transmission and Distribution Conference which is held on even years.
3. Society publication revenues including over-length page charges, open access charges and advertising revenues.

In 2014, IEEE had total operating expenses of \$444.8 million. This represents an increase from 2013 of \$19.7 million, or 4.6%. This increase is reflected both directly and indirectly in the many projects and initiatives that IEEE has undertaken, including:

1. Initiation and undertaking of the Interactive Content Project (ICP), which allows converting over 10 years of content in *Xplore* from static PDF pages into interactive XML and HTML web pages. ICP provides customers a more user friendly electronic library that is searchable by keywords and hyperlinks.
2. Conference expense increased as a result of year over year growth in the total number of events held, including the IEEE Power & Energy Society's Transmission and Distribution Conference.
3. Increasing efforts in Africa and Middle East for the purpose of furthering engineering activity.

The above resulted in an operating loss of \$7.3 million for 2014, which was slightly better than expectations due primarily to better performing conferences and the sale of electronic products. Additionally, a \$9.8 million non-operating loss was recorded related to the pension plans. Both of these losses were offset by Investment gains of \$21.4 million resulting in an increase in net assets of \$4.4 million for 2014.

The IEEE Statement of Financial Position reflects total assets of \$567.7 million and \$557.8 million at 31 December 2014 and 2013, respectively. The increase of \$9.9 million was primarily attributable to investments. IEEE total liabilities were \$234.7 million and \$229.2 million at 31 December 2014 and 2013, respectively. The increase of \$5.5 million was primarily due to accrued pension expense offset by a decrease in deferred revenue. Overall, IEEE Net Assets increased \$4.4 million to \$333.0 million from the 2013 year-end balance of \$328.7 million.

Grant Thornton LLP, the independent auditors for IEEE, met with the IEEE Audit Committee to discuss the scope and results of the financial statement audit, the review on the adequacy of IEEE's internal accounting controls, and the quality of IEEE's financial reporting prior to issuing the opinion on the financial statements. IEEE received an unmodified opinion from Grant Thornton LLP in the Report of Independent Auditors.

IEEE is tax exempt under Section 501(c)(3) of the Internal Revenue Code. The IEEE Foundation is a separately incorporated related organization of IEEE; accordingly, its audited financial statements are not included in the accompanying documents.

I submit these financial statements with confidence that IEEE continues to be a financially sound organization.



A handwritten signature in black ink that reads "John T. Bawa". The signature is written in a cursive, slightly slanted style.

2014 IEEE Treasurer



# REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of **The Institute of Electrical and Electronics Engineers, Incorporated:**

We have audited the accompanying consolidated financial statements of The Institute of Electrical and Electronics Engineers, Incorporated (the "Institute"), which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

## **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Institute of Electrical and Electronics Engineers, Incorporated as of December 31, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Iselin, New Jersey  
May 13, 2015

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2014 and 2013

<b>ASSETS</b>	<b>2014</b>	<b>2013</b>
CURRENT ASSETS		
Cash and cash equivalents	\$ 12,225,500	\$ 13,244,300
Accounts receivable, less allowance for doubtful accounts of \$2,383,400 in 2014 and \$432,400 in 2013	31,339,700	27,806,300
Prepaid expenses and other assets	15,351,400	15,090,400
Investments, at fair value	452,102,100	442,190,100
Investments - other	2,262,800	2,598,300
<b>Total current assets</b>	<b>513,281,500</b>	<b>500,929,400</b>
NONCURRENT ASSETS		
Long-term investments, at fair value	191,400	191,400
Land, buildings, and equipment, net	54,259,800	56,696,900
<b>Total assets</b>	<b>\$ 567,732,700</b>	<b>\$ 557,817,700</b>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 49,120,100	\$ 51,525,500
Capital lease obligations	1,004,400	1,360,800
Accrued pension and other employee benefits	447,000	572,900
Amounts held on behalf of IEEE Foundation, Incorporated	40,634,500	38,208,200
Deferred revenue	113,585,100	119,408,400
<b>Total current liabilities</b>	<b>204,791,100</b>	<b>211,075,800</b>
NONCURRENT LIABILITIES		
Capital lease obligations, net of current portion	640,800	1,563,600
Accrued pension and other employee benefits, net of current portion	29,258,700	16,521,000
<b>Total liabilities</b>	<b>234,690,600</b>	<b>229,160,400</b>
Commitments and contingencies		
<b>NET ASSETS</b>		
Unrestricted	331,179,200	326,934,600
Temporarily restricted	1,671,500	1,531,300
Permanently restricted	191,400	191,400
<b>Total net assets</b>	<b>333,042,100</b>	<b>328,657,300</b>
<b>Total liabilities and net assets</b>	<b>\$ 567,732,700</b>	<b>\$ 557,817,700</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES</b>				
Memberships and public imperatives	\$ 68,006,700	\$ 472,600	\$ -	\$ 68,479,300
Periodicals	163,636,200	61,000	-	163,697,200
Conferences	168,315,900	-	-	168,315,900
Standards	36,948,300	-	-	36,948,300
Other income	80,400	-	-	80,400
Net assets released from restrictions	416,200	(416,200)	-	-
<b>Total revenues</b>	<b>437,403,700</b>	<b>117,400</b>	<b>-</b>	<b>437,521,100</b>
<b>EXPENSES</b>				
Program services:				
Memberships and public imperatives	114,816,600	-	-	114,816,600
Periodicals	148,206,600	-	-	148,206,600
Conferences	140,670,100	-	-	140,670,100
Standards	33,062,100	-	-	33,062,100
<b>Total program services</b>	<b>436,755,400</b>	<b>-</b>	<b>-</b>	<b>436,755,400</b>
Supporting services:				
General and administrative	8,028,100	-	-	8,028,100
<b>Total expenses</b>	<b>444,783,500</b>	<b>-</b>	<b>-</b>	<b>444,783,500</b>
Changes in net assets before nonoperating activities	(7,379,800)	117,400	-	(7,262,400)
<b>NONOPERATING ACTIVITIES</b>				
Investment income, net	21,387,000	22,800	-	21,409,800
Pension and related benefits activity other than net periodic benefit cost	(9,762,600)	-	-	(9,762,600)
<hr/>				
Changes in net assets	4,244,600	140,200	-	4,384,800
Net assets, beginning of year	326,934,600	1,531,300	191,400	328,657,300
<b>Net assets, end of year</b>	<b>\$ 331,179,200</b>	<b>\$ 1,671,500</b>	<b>\$ 191,400</b>	<b>\$ 333,042,100</b>

The accompanying notes are an integral part of this consolidated financial statement.



## CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES</b>				
Memberships and public imperatives	\$ 67,350,700	\$ 226,000	\$ -	\$ 67,576,700
Periodicals	157,616,700	-	-	157,616,700
Conferences	153,908,700	-	-	153,908,700
Standards	32,155,700	11,600	-	32,167,300
Other income	1,460,300	-	-	1,460,300
Net assets released from restrictions	590,600	(590,600)	-	-
<b>Total revenues</b>	<b>413,082,700</b>	<b>(353,000)</b>	<b>-</b>	<b>412,729,700</b>
<b>EXPENSES</b>				
Program services:				
Memberships and public imperatives	113,298,300	-	-	113,298,300
Periodicals	145,226,600	-	-	145,226,600
Conferences	130,536,800	-	-	130,536,800
Standards	29,156,200	-	-	29,156,200
<b>Total program services</b>	<b>418,217,900</b>	<b>-</b>	<b>-</b>	<b>418,217,900</b>
Supporting services:				
General and administrative	6,896,800	-	-	6,896,800
<b>Total expenses</b>	<b>425,114,700</b>	<b>-</b>	<b>-</b>	<b>425,114,700</b>
Changes in net assets before nonoperating activities	(12,032,000)	(353,000)	-	(12,385,000)
<b>NONOPERATING ACTIVITIES</b>				
Investment income, net	54,882,400	125,100	-	55,007,500
Pension and related benefits activity other than net periodic benefit cost	12,450,500	-	-	12,450,500
<hr/>				
Changes in net assets	55,300,900	(227,900)	-	55,073,000
Net assets, beginning of year	271,633,700	1,759,200	191,400	273,584,300
<b>Net assets, end of year</b>	<b>\$ 326,934,600</b>	<b>\$ 1,531,300</b>	<b>\$ 191,400</b>	<b>\$ 328,657,300</b>

The accompanying notes are an integral part of this consolidated financial statement.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2014 and 2013

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 4,384,800	\$ 55,073,000
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	15,244,100	14,780,900
Loss on disposal of equipment	-	9,000
Unrealized gains on investments	(4,453,300)	(38,292,600)
Gains on sale of investments	(11,084,500)	(11,500,500)
Bad debt expense	3,084,200	1,978,600
<i>Changes in assets and liabilities:</i>		
Accounts receivable	(6,617,600)	(4,987,100)
Prepaid expenses and other assets	(261,000)	(3,564,600)
Accounts payable and accrued expenses	736,000	5,779,300
Accrued pension and other employee benefits	12,611,800	(4,650,300)
Amounts held on behalf of IEEE Foundation, Incorporated	2,426,300	8,285,000
Deferred revenue	(5,823,300)	21,729,900
<b>Net cash provided by operating activities</b>	<b>10,247,500</b>	<b>44,640,600</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales of investments	252,993,600	276,769,100
Purchases of investments	(247,032,300)	(309,737,700)
Purchase of land, buildings and equipment	(13,237,900)	(8,749,500)
<b>Net cash used in investing activities</b>	<b>(7,276,600)</b>	<b>(41,718,100)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Change in cash overdraft	(2,637,200)	1,131,700
Payment of capital lease obligations	(1,352,500)	(1,544,400)
<b>Net cash used in financing activities</b>	<b>(3,989,700)</b>	<b>(412,700)</b>
Net (decrease) increase in cash and cash equivalents	(1,018,800)	2,509,800
Cash and cash equivalents, beginning of year	13,244,300	10,734,500
<b>Cash and cash equivalents, end of year</b>	<b>\$ 12,225,500</b>	<b>\$ 13,244,300</b>
<b>SUPPLEMENTAL DATA</b>		
Interest paid	\$ 314,900	\$ 488,600
Purchases of fixed assets included in accounts payable and accrued expenses	\$ 542,800	\$ 1,047,000
Acquisition of equipment through capital lease obligations	\$ 73,300	\$ 419,200

The accompanying notes are an integral part of these consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

### NOTE 1. THE INSTITUTE OF ELECTRICAL AND ELECTRONICS ENGINEERS, INCORPORATED

The objectives of The Institute of Electrical and Electronics Engineers, Incorporated (the "Institute", or "IEEE") are (a) scientific and educational, directed toward the advancement of the theory and practice of electrical engineering, electronics engineering, computer engineering, computer sciences, and the allied branches of engineering and related arts and sciences and (b) professional, directed toward the benefit of the engineering community and the general public.

Implementation of the Institute's objectives is performed through regions, sections, chapters, societies, and councils and their financial results are incorporated in the Institute's accompanying consolidated financial statements. These units were formed to serve the technical interests of members and to coordinate these with the local activities of the sections and the broader activities of the Institute. The societies and councils promote the technical interests of their members through symposia, conferences, various publications, and the development of standards.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

The Institute's consolidated financial statements are presented in conformity with U.S. generally accepted accounting principles and have been prepared on the accrual basis of accounting. The consolidated financial statements include the accounts of IEEE, Inc., Global IEEE Institute for Engineers, IEEE Global LLC, IEEE International LLC, IEEE Europe-GmbH, IEEE Latin America SA, IEEE Broadcast Technology Convention LLC, IEEE Worldwide Limited and IEEE Asia-Pacific Limited.

#### Net Asset Classifications

The Institute's net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Institute and changes therein are classified and reported as follows:

*Unrestricted* – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by actions of the Board of Directors. Unrestricted net assets can be utilized to carry out any of the purposes of the Institute.

*Temporarily restricted* – represent amounts restricted by donors for specific activities of the Institute or to be used at some future date. The Institute records contributions as temporarily restricted if they are received with donor stipulations that limit their use either through purpose or time restrictions. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the consolidated statement of activities as net assets released from restrictions. However, when restrictions on donor-restricted contributions and investment returns are met in the same accounting period, such amounts are reported as part of unrestricted net assets.

*Permanently restricted* – include funds wherein donors have stipulated that the principal contributed be invested and maintained in perpetuity. Income earned from these investments is available for expenditure according to restrictions imposed by donors and consideration of the appropriation criteria by the Institute pursuant to the New York Prudent Management of Institutional Funds Act ("NYPMIFA").

#### Cash and Cash Equivalents

Cash and cash equivalents are defined as cash balances held in bank accounts and short-term investments held by the Institute for operating use with original maturities of three months or less from the date of purchase.

#### Investments

Investments in publicly traded debt and equity securities are recorded at fair value determined on the basis of quoted market prices as of the reporting date. Investments in commingled funds that are not readily marketable are reported at fair value as determined by the respective investment manager as of the reporting date. Such valuations involve assumptions and methods that are reviewed by the Institute and which have been concluded to be reasonable and appropriate. Because such investments are not readily marketable, their estimated fair value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Such difference could be material. However, the risk to the Institute is limited to the amount of the Institute's investment in each of the respective funds with respect to its ownership interests.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are determined on an average cost basis and are recorded on the consolidated statement of activities in the period in which the securities are sold. Dividends and interest are recognized as earned.

#### Investments - Other

Investments – other consist of certificates of deposit held for investment with original maturities greater than three months that are not debt securities and are carried at amortized cost.

#### Fair Value Measurements

The Financial Accounting Standards Board ("FASB") Topic 820, under the FASB Accounting Standards Codification ("ASC") defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:



**Level 1** - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

**Level 2** - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed. Also included in Level 2 are investments measured using a net asset value ("NAV") per share, or its equivalent, that may be redeemed at NAV at the date of the statement of financial position or in the near term, which the Institute has determined to be within 90 days.

**Level 3** - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that can never be redeemed at NAV or for which redemption at NAV is uncertain due to lock-up periods or other investment restrictions.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by an entity. The Institute considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Institute's perceived risk of that instrument.

### Revenue Recognition

Revenue from membership dues and periodicals is recognized on a straight-line basis over the period to which it pertains. Amounts received in advance are included in deferred revenue.

Conference revenues and expense are reported in the year in which the respective conference occurs. Amounts received in advance from attendees or costs paid in advance by the Institute for conferences occurring in the following year are deferred.

Standards revenue primarily includes revenue from periodicals, publications, and standards working groups. Standards periodicals and publications are recognized on a straight-line basis over the

period to which they pertain. Working groups work to create and write the standards and strive for broad representation of global participation.

Contributions, including unconditional promises to give, are reported as revenues in the period received. Conditional contributions are recorded as revenue when the conditions on which they depend have been substantially met.

### Public Imperatives

Public imperatives represent outreach and public awareness efforts to inform the public and members about technology and the engineering profession. Public imperatives revenues consist of IEEE-USA assessments (included in the annual membership renewal), History Center, and certain educational, society and IEEE Foundation, Incorporated related activities. Public imperatives expenses consist of IEEE-USA, History Center, grants, educational activities, initiatives, honors ceremony, presentations, corporate awards and some society expenses. Net public imperatives activity for the years ended December 31, 2014 and 2013 are presented below.

Public Imperatives	2014	2013
Revenues	\$ 6,676,400	\$ 6,410,600
Expenses	20,977,800	17,894,200
Public Imperatives, net	\$ (14,301,400)	\$ (11,483,600)

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Institute reviews a customer's credit history before extending credit. The Institute maintains allowances for doubtful accounts against certain billed receivables based upon the latest information available regarding whether receivables are ultimately collectible. Assessing the collectability of customer receivables requires management's judgment. The Institute determines its allowance for doubtful accounts by specifically analyzing individual accounts receivable, historical bad debts, customer creditworthiness, current economic conditions, and accounts receivable aging trends. Valuation reserves are periodically re-evaluated and adjusted as more information about the ultimate collectability of accounts receivable becomes available. Upon determination that a receivable is uncollectible, the respective receivable balance and any associated reserve are written-off. Any payments subsequently received on such receivables are recorded as income in the period received.

### Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost, including interest expense capitalized during the period of construction of an asset, or period of development until the time that it is ready for intended use, as in the case of internal-use software. Additions and improvements costing more than \$1,500 and with useful lives greater than three years are capitalized. Maintenance and repairs are expensed as incurred.

Assets acquired under capital lease agreements are depreciated over the term of the respective lease agreement. Leasehold improvements are amortized over their useful lives or lease period whichever is shorter.

Depreciation and amortization is provided on a straight-line basis over the following estimated useful lives:

	<b>Years</b>
Buildings	20 - 40
Building improvements	10 - 15
Furniture, equipment and vehicles	5 - 10
Computers	3

### **Impairment of Long-Lived Assets**

Long-lived assets, such as land, buildings, and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the carrying amount of the long-lived asset (or asset group) exceeds its fair value and the carrying amount is not recoverable, an impairment loss is recognized. An impairment loss is measured as the amount by which the long-lived asset (or asset group) exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

### **Accounts Payable and Accrued Expenses**

Cash overdrafts are included in accounts payable and accrued expenses. At December 31, 2014 and 2013, cash overdrafts amounted to \$0 and \$2,637,200, respectively.

### **Concentration of Market and Credit Risks**

Cash, cash equivalents and investments are exposed to interest rate, market, and credit risks. The Institute maintains its cash and cash equivalents in various bank deposit accounts that may exceed federally insured limits at times. To minimize risk, the Institute's cash accounts are placed with high-credit quality financial institutions, and the Institute's investment portfolio is diversified with several investment managers in a variety of asset classes. The Institute regularly evaluates its depository arrangements and investments, including performance thereof.

### **Operating Measure**

The Institute classifies its consolidated statement of activities into operating and nonoperating activities. Operating activities include all income and expenses related to carrying out the Institute's mission. Non-operating activities include interest and dividends, realized and unrealized gains (losses) on investments, pension and other employee benefit related activity other than net periodic benefit cost and other activities considered to be of a more unusual or nonrecurring nature, if any.

### **Income Taxes and Tax Status**

The Institute follows the provisions of FASB Interpretation No. 48 ("FIN 48") *Accounting for Uncertainties in Income Taxes* – an interpretation of FASB Statement No. 109, now incorporated in Accounting Standards Codification ("ASC") 740, Income Taxes. ASC 740-10 clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This section provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Institute is qualified under Section 501(c)(3) of the Internal Revenue Code ("Code") as an organization exempt from federal income tax and applicable state income tax and is classified as a publicly supported charitable organization under Section 509(a)(1) of the Code. Nevertheless, the Institute may be subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The tax years ended December 31, 2011, 2012, 2013 and 2014 are still open to audit for both federal and state purposes. As of December 31, 2014, management has determined that there are no significant uncertain tax positions that would require recognition or disclosure in the accompanying consolidated financial statements.

### **Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Reclassifications**

Certain reclassifications have been made to the 2013 consolidated financial statements in order to conform to the 2014 presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as reflected in the 2013 consolidated financial statements.

### **Subsequent Events**

The Institute evaluated its December 31, 2014 consolidated financial statements for subsequent events through May 13, 2015, the date the consolidated financial statements were available to be issued.

**NOTE 3. INVESTMENTS**

As of December 31, 2014 and 2013, the Institute's investments, at fair value, by level within the fair value hierarchy, consist of the following:

	2014			Total
	Level 1	Level 2	Level 3	
<i>Common stock:</i>				
Consumer	\$ 34,179,300	\$ -	\$ -	\$ 34,179,300
Technology	36,741,000	-	-	36,741,000
Financial services	34,290,500	-	-	34,290,500
Healthcare	30,830,800	-	-	30,830,800
Industrials	22,186,000	-	-	22,186,000
Energy	12,976,700	-	-	12,976,700
Other	7,901,500	-	-	7,901,500
<b>Total common stocks</b>	<b>179,105,800</b>	<b>-</b>	<b>-</b>	<b>179,105,800</b>
<i>Mutual funds:</i>				
Growth funds	28,033,700	-	-	28,033,700
Fixed income funds	113,976,700	-	-	113,976,700
Money market funds	54,179,100	-	-	54,179,100
Other funds	22,785,600	-	-	22,785,600
<b>Total mutual funds</b>	<b>218,975,100</b>	<b>-</b>	<b>-</b>	<b>218,975,100</b>
U.S. Government securities	17,272,700	-	-	17,272,700
Commingled funds	-	33,331,900	-	33,331,900
	<b>415,353,600</b>	<b>33,331,900</b>	<b>-</b>	<b>448,685,500</b>
Cash held for investment	3,800,900	-	-	3,800,900
Add: receivables for securities sold and accrued interest	1,034,000	-	-	1,034,000
Less: liabilities for securities purchased and accrued fees	(1,226,900)	-	-	(1,226,900)
<b>Total investments, at fair value</b>	<b>\$ 418,961,600</b>	<b>\$ 33,331,900</b>	<b>\$ -</b>	<b>\$ 452,293,500</b>



	<b>2013</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<i>Common stock:</i>				
Consumer	\$ 33,293,700	\$ -	\$ -	\$ 33,293,700
Technology	30,750,300	-	-	30,750,300
Financial services	28,733,600	-	-	28,733,600
Healthcare	24,985,700	-	-	24,985,700
Industrials	19,864,900	-	-	19,864,900
Energy	12,575,900	-	-	12,575,900
Other	11,455,400	-	-	11,455,400
<b>Total common stocks</b>	<b>161,659,500</b>	<b>-</b>	<b>-</b>	<b>161,659,500</b>
<i>Mutual funds:</i>				
Growth funds	28,554,800	-	-	28,554,800
Fixed income funds	106,205,400	-	-	106,205,400
Money market funds	67,379,800	-	-	67,379,800
Other funds	23,389,700	-	-	23,389,700
<b>Total mutual funds</b>	<b>225,529,700</b>	<b>-</b>	<b>-</b>	<b>225,529,700</b>
U.S. Government securities	17,131,300	-	-	17,131,300
Commingled funds	-	32,845,500	-	32,845,500
	<b>404,320,500</b>	<b>32,845,500</b>	<b>-</b>	<b>437,166,000</b>
Cash held for investment	5,077,600	-	-	5,077,600
Add: receivables for securities sold and accrued interest	768,400	-	-	768,400
Less: liabilities for securities purchased and accrued fees	(630,500)	-	-	(630,500)
<b>Total investments, at fair value</b>	<b>\$ 409,536,000</b>	<b>\$ 32,845,500</b>	<b>\$ -</b>	<b>\$ 442,381,500</b>

The Institute's policy is to recognize transfers in and transfers out of levels at the end of the reporting period.

The categorization of the investments within the fair value hierarchy presented above is based solely on the pricing transparency of the respective instrument and does not necessarily correspond to the Institute's perceived risk associated with the investment security.

Since commingled funds may not be readily marketable, the estimated fair value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed, and the differences could be material. The values

assigned to these holdings do not necessarily represent amounts which might ultimately be realized upon sale or other disposition since such amounts depend on future circumstances and cannot reasonably be determined until the actual liquidation occurs. The Institute uses, as a practical expedient for fair value, a NAV per share or its equivalent for purposes of valuing certain investments which: (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company, as defined by ASC Topic 740.

The following table lists such investments by major category as of December 31, 2014 and 2013:

2014							
Type	Strategy	NAV In Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Commingled funds	One fund seeks to achieve total return in excess of Morgan Stanley Capital International All Country World ex USA Index through investing in a diversified portfolio of international equities; One fund seeks to outperform the Russell 2000 Index over a 1 to 3 year period.	\$ 33,331,900	2	To be determined by the respective fund manager.	N/A	One fund permits redemption upon last business day of each calendar month; One fund has daily redemption upon notice.	N/A
2013							
Type	Strategy	NAV In Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Commingled funds	One fund seeks to achieve total return in excess of Morgan Stanley Capital International All Country World ex USA Index through investing in a diversified portfolio of international equities; One fund seeks to outperform the Russell 2000 Index over a 1 to 3 year period.	\$ 32,845,500	2	To be determined by the respective fund manager.	N/A	One fund permits redemption upon last business day of each calendar month; One fund has daily redemption upon notice.	N/A

The Institute's certificates of deposits of \$2,262,800 and \$2,598,300 as of December 31, 2014 and 2013, respectively, are classified as investments – other on the accompanying consolidated statements of financial position. These investments do not qualify as securities, as defined by relevant guidance, and as such, fair value disclosures are not provided.

Investment income, net, for the years ended December 31, 2014 and 2013, including investment returns related to amounts held on behalf of IEEE Foundation, Incorporated, that have not been reflected in the accompanying consolidated financial statements, consists of the following:

TOTAL INVESTMENTS	2014	2013
Interest and dividends, net	\$ 6,423,200	\$ 5,680,800
Net realized and unrealized gains on investments	17,009,600	54,185,300
<b>Total investment income, net</b>	<b>\$ 23,432,800</b>	<b>\$ 59,866,100</b>
IEEE FOUNDATION		
Interest and dividends, net	\$ 551,200	\$ 466,400
Net realized and unrealized gains on investments	1,471,800	4,392,200
<b>IEEE Foundation investment income, net</b>	<b>\$ 2,023,000</b>	<b>\$ 4,858,600</b>
IEEE		
Interest and dividends, net	\$ 5,872,000	\$ 5,214,400
Net realized and unrealized gains on investments	15,537,800	49,793,100
<b>IEEE investment income, net</b>	<b>\$ 21,409,800</b>	<b>\$ 55,007,500</b>

Investment expenses, which are netted with interest and dividends, amounted to \$1,235,200 and \$1,200,000 in 2014 and 2013, respectively.

#### NOTE 4. LAND, BUILDINGS, AND EQUIPMENT, NET

Land, buildings, and equipment, carried at cost, net of the related accumulated depreciation and amortization at December 31, 2014 and 2013 consist of the following:

	2014			2013		
	Cost	Accumulated Depreciation and Amortization	Net	Cost	Accumulated Depreciation and Amortization	Net
Buildings	\$ 17,956,600	\$ 12,867,700	\$ 5,088,900	\$ 17,956,600	\$ 12,412,800	\$ 5,543,800
Furniture, equipment, vehicles and computers	107,519,900	74,105,500	33,414,400	105,589,700	66,603,800	38,985,900
Building improvements	16,523,700	6,548,000	9,975,700	12,763,400	5,555,000	7,208,400
	<b>142,000,200</b>	<b>93,521,200</b>	<b>48,479,000</b>	<b>136,309,700</b>	<b>84,571,600</b>	<b>51,738,100</b>
Land	873,000	-	873,000	873,000	-	873,000
Building improvements in progress	330,400	-	330,400	2,533,900	-	2,533,900
Information systems upgrade in process	4,577,400	-	4,577,400	1,551,900	-	1,551,900
<b>Total</b>	<b>\$ 147,781,000</b>	<b>\$ 93,521,200</b>	<b>\$ 54,259,800</b>	<b>\$ 141,268,500</b>	<b>\$ 84,571,600</b>	<b>\$ 56,696,900</b>

Depreciation and amortization expense amounted to \$15,244,100 and \$14,780,900 for the years ended December 31, 2014 and 2013, respectively.

Furniture and equipment include assets acquired under capital leases of \$7,225,900 and \$7,152,600 as of December 31, 2014 and 2013, respectively. Accumulated amortization of assets recorded under capital leases amounted to \$5,584,700 and \$4,232,400 at December 31, 2014 and 2013, respectively.

#### NOTE 5. DEBT OBLIGATIONS

The Institute maintains a credit facility to borrow up to an aggregate amount of \$50,000,000. The credit facility consists of \$20,000,000 with Wells Fargo Bank, N.A. (formerly "Wachovia Bank"), \$15,000,000 with JPMorgan Chase Bank, N.A. (previously "The Bank of New York"), and \$15,000,000 with HSBC Bank, N.A. USA (collectively, the "Lenders"), under an amended and restated revolving credit agreement dated September 27, 2011 that expires on September 1, 2015 (the "Agreement"). The Institute is charged commitment fees, which amounted to \$142,100 in 2014 and \$273,900 in 2013, on the unused portion of the credit facility. The credit facility was not utilized in 2014 and 2013; the Institute had no outstanding borrowings under the credit facility in either year.

The Institute is required to maintain certain financial ratios under the Agreement with the Lenders. At December 31, 2014, the Institute was

in compliance with all financial ratios.

Interest expense, net of amounts capitalized of \$136,700 in 2014 and \$138,300 in 2013, amounted to \$178,200 in 2014 and \$350,300 in 2013. This is mainly related to leases of servers and laptops.

#### NOTE 6. CAPITAL LEASE OBLIGATIONS

The approximate annual rental payments due under capital lease obligations are as follows:

Year	Amount
2015	\$ 1,126,400
2016	509,200
2017	169,500
2018	46,900
Total minimum lease payments	1,852,000
Less: Amount representing interest	(206,800)
<b>Present value of minimum lease payments</b>	<b>\$ 1,645,200</b>



## NOTE 7. PENSION AND OTHER POST-RETIREMENT BENEFITS

The Institute sponsors two qualified pension plans and one nonqualified pension plan and other post-retirement benefit plans for its employees. In November 2006, the Board of Directors approved the freezing of the qualified employee benefit plans as of June 30, 2007 and the implementation of a defined contribution plan effective July 1, 2007.

The following tables provide a reconciliation of the changes in the plans' benefit obligations and fair value of assets over the two-year period ended December 31, 2014, and a statement of the funded status as of December 31, 2014 and 2013:

	Pension Benefits		Other Benefits	
	2014	2013	2014	2013
<i>Reconciliation of benefit obligation:</i>				
<b>Obligation at January 1</b>	\$ 75,213,200	\$ 90,856,500	\$ 5,073,800	\$ 5,707,600
Service cost	255,000	255,000	208,600	248,500
Interest cost	3,339,100	3,278,200	231,100	204,300
Actuarial loss (gain)	18,972,000	(13,093,200)	1,272,900	(973,000)
Benefit payments	(3,301,000)	(1,696,700)	(139,000)	(113,600)
Settlements	-	(4,386,600)	-	-
<b>Obligation at December 31</b>	\$ 94,478,300	\$ 75,213,200	\$ 6,647,400	\$ 5,073,800
<i>Reconciliation of fair value of plan assets:</i>				
<b>Fair value of plan assets at January 1</b>	\$ 66,839,100	\$ 75,077,900	\$ -	\$ -
Actual return on plan assets	11,722,000	(2,182,300)	-	-
Employer contributions	21,900	26,800	139,000	113,600
Benefit payments	(3,301,000)	(1,696,700)	(139,000)	(113,600)
Settlements	-	(4,386,600)	-	-
<b>Fair value of plan assets at December 31</b>	\$ 75,282,000	\$ 66,839,100	\$ -	\$ -
Funded status at December 31	\$ (19,196,300)	\$ (8,374,100)	\$ (6,647,400)	\$ (5,073,800)
Accumulated benefit obligation	\$ 94,478,300	\$ 75,213,200	\$ 6,647,400	\$ 5,073,800

At December 31, 2014 and 2013, the funded status of the plans is reported on the consolidated statements of financial position as follows:

	Pension Benefits		Other Benefits	
	2014	2013	2014	2013
Current liabilities	\$ (20,700)	\$ (26,600)	\$ (234,500)	\$ (228,800)
Noncurrent liabilities	(19,175,600)	(8,347,500)	(6,412,900)	(4,845,000)
<b>Net Amount Recognized</b>	\$ (19,196,300)	\$ (8,374,100)	\$ (6,647,400)	\$ (5,073,800)

Cumulative amounts recognized in changes in unrestricted net assets and not yet recognized in net periodic benefit cost as of December 31, 2014 and 2013 consist of:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Net loss	\$ 28,671,000	\$ 20,115,200	\$ 2,086,600	\$ 834,000
Prior service cost	-	-	-	45,800
<b>Total</b>	<b>\$ 28,671,000</b>	<b>\$ 20,115,200</b>	<b>\$ 2,086,600</b>	<b>\$ 879,800</b>

The following table provides the components of net periodic benefit cost for the plans for 2014 and 2013:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Service cost	\$ 255,000	\$ 255,000	\$ 208,600	\$ 248,500
Interest cost	3,339,100	3,278,200	231,100	204,300
Expected return on plan assets	(2,547,500)	(2,861,700)	-	-
Amortization of transition obligation	-	-	45,800	45,800
Amortization of net loss	1,241,700	2,121,700	20,400	86,200
Settlement loss	-	1,174,600	-	-
<b>Net periodic benefit cost</b>	<b>\$ 2,288,300</b>	<b>\$ 3,967,800</b>	<b>\$ 505,900</b>	<b>\$ 584,800</b>

Amounts recognized in changes in unrestricted net assets for the years ended December 31, 2014 and 2013 consist of:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Net loss (gain)	\$ 9,797,500	\$ (8,049,200)	\$ 1,273,000	\$ (973,000)
Amortization of net loss	(1,241,700)	(3,296,300)	(20,400)	(86,200)
Amortization of transition obligation	-	-	(45,800)	(45,800)
<b>Pension related benefits activity other than periodic benefit cost</b>	<b>\$ 8,555,800</b>	<b>\$ (11,345,500)</b>	<b>\$ 1,206,800</b>	<b>\$ (1,105,000)</b>

The estimated amount of unrestricted net assets to be recognized as a component of net periodic benefit cost in the next fiscal year is as follows:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
Net loss	\$	2,065,700	\$	105,300

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the fair value of plan assets are amortized over the average remaining service period of active participants.

The assumptions used in the measurement of the Institute's benefit obligation are shown in the following table:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Weighted-average assumptions as of December 31</b>				
Discount rate	3.74%	4.61%	3.84%	4.72%
Rate of compensation increase	N/A	N/A	N/A	N/A

The assumptions used in the measurement of the net periodic benefit cost are shown in the following table:

	<b>Pension Benefits</b>		<b>Other Benefits</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Weighted-average assumptions as of December 31</b>				
Discount rate	4.61%	3.75%	4.72%	3.75%
Expected return on plan assets	4.00%	4.00%	N/A	N/A
Rate of compensation increase	N/A	N/A	N/A	N/A

The health care plan benefits are a flat dollar reimbursement to the retirees toward health care premiums. An increase in the reimbursement amount is not assumed.



## Contributions

There are no required contributions due to the qualified pension plans during 2014 under the Internal Revenue Service's ("IRS") minimum funding regulations.

IEEE expects to contribute approximately \$21,000 to its nonqualified pension plan and approximately \$234,000 to its other post-retirement benefit plans during 2015.

## Expected Benefit Payments

	Pension Benefits	Other Benefits
2015	\$ 6,512,100	\$ 234,500
2016	3,471,700	234,500
2017	3,997,600	242,400
2018	3,693,500	250,200
2019	4,490,800	264,300
2020 to 2024	27,716,300	1,570,200

## Plan Assets

IEEE determines its assumptions for the expected rate of return on plan assets for its retirement plans based on ranges of anticipated rates of return for each asset class. A weighted range of nominal rates is then determined based on target allocations for each asset class. IEEE considers the expected rate of return to be a longer-term assessment of return expectations and does not anticipate changing this assumption annually unless economic conditions change significantly. The expected rate of return for each plan is based upon its expected asset allocation. Market performance over a period of earlier years is evaluated covering a wide range of economic conditions to determine whether there are reliable reasons for projecting forward any past trends.

IEEE's pension and post-retirement plan asset allocation at the end of 2014 and 2013, and the target allocation for 2014 and 2013 by asset category based on asset fair values are as follows:

Asset Category	2014 Target Asset Allocation	Pension Assets at December 31		Post-Retirement Assets at December 31	
		2014	2013	2014	2013
Equity securities	10%	11%	12%	N/A	N/A
Debt securities	90%	86%	87%	N/A	N/A
Cash and cash equivalents	0%	3%	1%	N/A	N/A
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>

Third-party investment professionals manage IEEE's pension plan assets, rebalancing assets as the Institute deems appropriate. IEEE's investment strategy with respect to its pension plan assets is to maintain a diversified investment portfolio across several asset classes targeting an annual rate of return of 4% in both 2014 and 2013. To develop the expected long-term rate of return on assets assumption, the Institute considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio.

IEEE's pension and post-retirement funds' investment strategies are to invest in a prudent manner for the exclusive purpose of providing benefits to participants. The investment strategies are targeted to produce a total return that, when combined with IEEE's contributions to the funds, will maintain the funds' ability to meet all required benefit obligations. Risk is controlled through diversification of asset types and investments in debt securities, domestic and international equities, and cash and cash equivalents.

The Institute's investment objectives for the pension plans are to minimize the volatility of the pension assets relative to pension liabilities and to offset the required contributions. The current target asset allocations are 10% equity securities and 90% debt securities. The investment guidelines further allow the managers to keep up to 5% in cash and cash equivalents.

Investment strategies and policies for the pension plans reflect a balance of risk-reducing and return-seeking considerations. The objective of minimizing the volatility of assets relative to liabilities is addressed primarily through asset - liability matching. At December 31, 2014 and 2013, approximately 90% of the plan assets were invested in corporate, municipal, and foreign bonds and U.S. government securities. These debt securities match the long-dated nature of the pension liabilities. At December 31, 2014 and 2013, approximately 5% of the plan assets were held in common stock and 5% in equity mutual funds. These equity investments should provide asset growth to offset required contributions. The Institute's policy is to reconsider the plan asset allocation investments regularly to ensure actual allocations are in line with target allocations.

All plan assets are externally managed. Investment managers are not permitted to invest outside of the asset classes or strategy for which they have been appointed. The Institute uses investment guidelines to ensure investment managers invest solely within the investment strategy for which they have been retained.

The following tables prioritize the inputs used to measure and report the fair value of the Institute's pension plan assets at December 31, 2014 and 2013:

	<b>2014</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash and cash equivalents	\$ -	\$ 1,879,100	\$ -	\$ 1,879,100
Common stock:				
Consumer	822,700	-	-	822,700
Technology	939,000	-	-	939,000
Industrials	600,000	-	-	600,000
Healthcare	755,200	-	-	755,200
Financial services	534,200	-	-	534,200
Energy	270,300	-	-	270,300
Other	252,300	-	-	252,300
<b>Total common stocks</b>	<b>4,173,700</b>	<b>-</b>	<b>-</b>	<b>4,173,700</b>
Equity mutual funds	4,289,600	-	-	4,289,600
Corporate bonds	-	43,087,400	-	43,087,400
U.S. Government securities	13,824,500	1,010,600	-	14,835,100
Municipal bonds	-	4,353,800	-	4,353,800
Foreign bonds	-	1,909,800	-	1,909,800
	22,287,800	52,240,700	-	74,528,500
Add: receivables for securities sold and accrued interest	866,800	-	-	866,800
Less: liabilities for securities purchased and accrued fees	(113,300)	-	-	(113,300)
<b>Total pension plan investments</b>	<b>\$ 23,041,300</b>	<b>\$ 52,240,700</b>	<b>\$ -</b>	<b>\$ 75,282,000</b>

	<b>2013</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash and cash equivalents	\$ -	\$ 648,900	\$ -	\$ 648,900
Common stock:				
Consumer	844,200	-	-	844,200
Technology	841,300	-	-	841,300
Industrials	525,300	-	-	525,300
Healthcare	518,800	-	-	518,800
Financial services	410,000	-	-	410,000
Energy	314,800	-	-	314,800
Other	298,600	-	-	298,600
<b>Total common stocks</b>	<b>3,753,000</b>	<b>-</b>	<b>-</b>	<b>3,753,000</b>
Equity mutual funds	3,890,600	-	-	3,890,600
Corporate bonds	-	38,210,100	-	38,210,100
U.S. Government securities	11,515,000	2,957,500	-	14,472,500
Municipal bonds	-	3,885,600	-	3,885,600
Foreign bonds	-	1,465,500	-	1,465,500
	19,158,600	47,167,600	-	66,326,200
Add: receivables for securities sold and accrued interest	751,200	-	-	751,200
Less: liabilities for securities purchased and accrued fees	(238,300)	-	-	(238,300)
<b>Total pension plan investments</b>	<b>\$ 19,671,500</b>	<b>\$ 47,167,600</b>	<b>\$ -</b>	<b>\$ 66,839,100</b>

The Institute's policy is to recognize transfers in and transfers out of levels at the end of the reporting period.

The Institute uses, as a practical expedient for fair value, an NAV per share or its equivalent for purposes of valuing certain investments which: (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company, as defined by ASC Topic 740. The following table lists such investments by major category as of December 31, 2014 and 2013:

2014							
Type	Strategy	NAV in Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Collective trust fund	Seeks a high level of current income as is possible consistent with the preservation of capital and maintenance of liquidity.	\$ 1,879,100	1	Subject to the determination of the respective fund manager	\$ -	Daily redemption upon notice	N/A

2013							
Type	Strategy	NAV in Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Collective trust fund	Seeks a high level of current income as is possible consistent with the preservation of capital and maintenance of liquidity.	\$ 648,900	1	Subject to the determination of the respective fund manager	\$ -	Daily redemption upon notice	N/A

The Institute also has a defined contribution 401(k) Savings and Investment Plan (the "Plan") for eligible employees, who are eligible to participate after the start of the next pay period following 30 days of employment. Under the Plan, employees may generally contribute between 2% to 16% of their salary; however, not in excess of IRS limitations. The Institute provides a 100% matching contribution up to 4% of each employee's salary. The Institute contributed \$4,260,600 and \$4,134,000 on behalf of eligible employees to the Plan in 2014 and 2013, respectively. Amounts payable at December 31, 2014 and 2013 totaled \$126,600 and \$108,000, respectively, and are included in the current portion of accrued pension and other benefits in the accompanying statements of financial position.

The Institute has established a Defined Contribution Retirement Plan under which it makes contributions to accounts established for each employee according to a predetermined schedule of contributions. The employee's retirement benefit is the value of the account. All contributions under the Defined Contribution Retirement Plan are made by the Institute and are not funded through salary deductions (employee contributions). Vesting occurs at the completion of each year of service at a rate of 25% per year until 100% after four years. The Institute contributed \$8,155,400 and \$7,652,300 in 2014 and 2013, respectively. Amounts payable at December 31, 2014 and 2013 totaled \$65,200 and \$209,500, respectively, and are included in the current portion of accrued pension and other benefits in the accompanying statements of financial position.

Effective September 1, 2002, the Institute implemented a 457(b) plan for those highly compensated employees who have reached the IRS maximum 401(k) contribution for the year. These employees have the option of continuing their contributions up to the maximum dollar amount under section 457(e) (15) of the Internal Revenue Code of 1986, as amended. All other criteria for eligibility follow the same guidelines as the 401(k) plan. The amounts of \$3,670,200 and \$3,328,500 pertaining to obligations due under the 457(b) plan are accrued and included in accrued pension and other employee benefits at December 31, 2014 and 2013, respectively, and the related 457(b) plan assets are included in investments on the accompanying consolidated statements of financial position.



## NOTE 8. NET ASSETS AND ENDOWMENT FUNDS

Temporarily restricted net assets are available for the following purposes at December 31, 2014 and 2013:

	<b>2014</b>	<b>2013</b>
Grant funds held for specific purposes	\$ 943,700	\$ 817,600
Funds held for awards, medals and other specific purposes	727,800	713,700
	\$ 1,671,500	\$ 1,531,300

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes for the years ended December 31, 2014 and 2013 as follows:

	<b>2014</b>	<b>2013</b>
Grant funds released for specific purposes	\$ 407,500	\$ 587,600
Funds released for awards, medals and other specific purposes	8,700	3,000
	\$ 416,200	\$ 590,600

Permanently restricted net assets at December 31, 2014 and 2013 consist of assets that have been restricted by donors to be invested in perpetuity to provide a permanent source of income. The Institute's donor-restricted endowment consists of eleven (11) individual funds established principally for awards.

On September 17, 2010, the State of New York passed the New York State Prudent Management of Institutional Funds Act ("NYPMIFA"), its version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). All not-for-profit organizations formed in New York must apply this law. The Institute classifies as permanently restricted net assets, unless otherwise stipulated by the donor: (a) the original value of gifts donated to its permanent endowment, (b) the original value of subsequent gifts to its permanent endowment and (c) accumulations to its permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the funds.

The remaining portion of the donor-restricted endowment fund not classified in permanently restricted net assets is classified as temporarily restricted net assets until such amounts are appropriated for expenditure by the Institute in a manner consistent with the uses, benefits, purposes and duration for which the endowment is established and the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Institute considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the purpose, duration, and preservation of the endowment fund; expected total return on endowment investments; general economic conditions; the possible effects of inflation and deflation; other resources of the Institute; and, the investment policy of the Institute.

The Institute has adopted investment management and spending policies for its endowment assets which totaled \$525,700 and \$514,500 as of December 31, 2014 and 2013, respectively. This supports the objective of providing a sustainable and increasing level of endowment income distribution to support the Institute's activities while seeking to maintain the purchasing power of the endowment assets. The Institute's primary investment objective is to maximize total return within reasonable and prudent levels of risk while maintaining sufficient liquidity to meet disbursement needs and ensure preservation of capital.

To satisfy its long-term rate-of-return objectives, the Institute relies on a total return strategy, the objective of which is to achieve a return consisting of a combination of current income and capital appreciation, without regard to an emphasis on either, recognizing that changes in market conditions and interest rates will result in varying strategies in an attempt to optimize results. The endowment portfolio is diversified among various investment classes and strategies to help reduce risk.

The following tables summarize the Institute's total return on endowment investments and the changes in endowment net assets for the years ended December 31, 2014 and 2013:

	<b>2014</b>			
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor restricted endowment funds	\$ -	\$ 334,300	\$ 191,400	\$ 525,700
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
<b>Endowment assets, beginning of year</b>	<b>\$ -</b>	<b>\$ 323,100</b>	<b>\$ 191,400</b>	<b>\$ 514,500</b>
Dividends and interest	-	6,500	-	6,500
Net realized and unrealized appreciation in fair value of endowment assets	-	13,100	-	13,100
New gifts and pledges	-	-	-	-
Endowment return used for operations	-	(8,400)	-	(8,400)
<b>Endowment assets, end of year</b>	<b>\$ -</b>	<b>\$ 334,300</b>	<b>\$ 191,400</b>	<b>\$ 525,700</b>

	<b>2013</b>			
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor restricted endowment funds	\$ -	\$ 323,100	\$ 191,400	\$ 514,500
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
<b>Endowment assets, beginning of year</b>	<b>\$ -</b>	<b>\$ 277,500</b>	<b>\$ 191,400</b>	<b>\$ 468,900</b>
Dividends and interest	-	6,000	-	6,000
Net realized and unrealized appreciation in fair value of endowment assets	-	42,300	-	42,300
New gifts and pledges	-	-	-	-
Endowment return used for operations	-	(2,700)	-	(2,700)
<b>Endowment assets, end of year</b>	<b>\$ -</b>	<b>\$ 323,100</b>	<b>\$ 191,400</b>	<b>\$ 514,500</b>

## NOTE 9. COMMITMENTS AND CONTINGENCIES

### Operating Leases

At December 31, 2014, minimum rental commitments due under noncancelable operating leases for office space and computer equipment are as follows:

Year	Amount
2015	\$ 2,574,600
2016	2,315,200
2017	2,092,400
2018	2,085,100
2019	1,237,200
Thereafter	6,777,100
	<hr/>
	\$ 17,081,600

The leases for the office space are subject to escalation. Total rent expense for noncancelable operating leases amounted to \$4,018,100 and \$5,087,700 in 2014 and 2013, respectively.

### Letters of Credit

At December 31, 2014, the Institute had irrevocable standby letters of credit with Wells Fargo Bank, N.A., in the amounts of \$583,000 and \$45,100, which serve as security deposits as required by the terms of its lease agreements with Three Park Avenue Building Company, LP and 191 II MSP L Street, LLC, respectively.

As of December 31, 2014, the Institute had issued standby letters of credit in relation to certain dealers agreements totaling \$102,900 with HSBC Bank USA, N.A. The Institute is charged 2% of the face amount, upon issuance, of the standby letters of credit.

### Litigation

The Institute, in the normal course of its operations, is a party to various legal proceedings and complaints, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of

such matters, management of the Institute is not aware of any claims or contingencies, which are not covered by insurance that would have a material adverse effect on the Institute's consolidated financial position, changes in net assets or cash flows.

## NOTE 10. RELATED-PARTY TRANSACTIONS

### IEEE Foundation, Incorporated

The Institute has transactions with IEEE Foundation, Incorporated (the "Foundation"), a related organization, which performs activities in support of the scientific and educational functions and programs of the Institute. The Institute made cash contributions of \$445,000 and \$531,000 in 2014 and 2013, respectively, to the Foundation. The Institute contributed \$766,000 and \$750,000 to the Foundation's IEEE-Eta Kappa Nu Restricted Fund during 2014 and 2013, respectively.

The Foundation has no staff and thus, receives certain accounting and administrative services from IEEE. The Foundation reimbursed IEEE for the cost of such services, which amounted to \$685,900 and \$561,000 during 2014 and 2013, respectively. The Institute provided fundraising administrative services (contributed services) during 2014 and 2013 that were not reimbursed by the Foundation, that were valued at \$899,000 and \$764,600 during 2014 and 2013, respectively.

The Institute held on deposit \$40,634,500 and \$38,208,200 from the Foundation at December 31, 2014 and 2013, respectively, and is separately reported on the accompanying consolidated statements of financial position. The Institute invests these amounts on behalf of the Foundation. Receivables due from the Foundation include grants receivable of \$420,300 and \$113,500 at December 31, 2014 and 2013, respectively, and other receivables of \$239,400 and \$98,800 at December 31, 2014 and 2013, respectively, and are included in accounts receivable on the accompanying consolidated statements of financial position. Amounts due to the Foundation of \$370,600 and \$145,200 at December 31, 2014 and 2013, respectively, are included in accounts payable and accrued expenses on the accompanying consolidated statements of financial position.



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