

 MPI
CONNECT.
REBUILD. RECOVER.
2020 CHAPTER BUSINESS SUMMIT
JUNE 25-26 • VIRTUAL

FINANCIAL BREAKOUT

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CHAPTER LEADERS RESOURCE PAGE



- Go to mpiweb.org to log in
- Click the drop-down menu by your name
- Select “Chapter Leader Resources”
- Run Membership and Chapter Metrics (Dashboard) Reports
 - *Only the Chapter Administrator or one designated leader enter dashboard data*
- Role-Specific content list below
 - Select the library
 - Download the resources you need
- Access role training all year
 - <https://academy.mpiweb.org/mpi/lessons/92>

The screenshot shows the MPI Chapter Leader Resources dashboard. At the top, there are navigation links for TS, ABOUT, and RESOURCES, along with a 'Watch MPI-TV' button, a search bar, and a user profile for KRISTIN TWOMBLY. A dropdown menu is open, showing options: NEWS FEED, CHAPTER LEADER RESOURCES, ACCOUNT SETTINGS, and SIGN OUT. The main content area is titled 'Welcome Kristin!' and features a grid of icons for various resources: Clock Hours, My Academy, Member Directory, Community, Jobs, Ask MPI, Chapter Metrics, and Membership Reports. Below this grid is a section titled 'Chapter Leader Resources' which contains two featured articles. The first article, 'ADMINISTRATION Messages from MPI Global', includes updates, calls, videos, and emails. The second article, 'ADMINISTRATION Office of The President', includes governance and leadership documentation. At the bottom, there are partial views of two more articles: one featuring a woman speaking into a microphone and another featuring a group of people smiling.



SHARED SERVICES: THE
RELATIONSHIP BETWEEN
GLOBAL AND THE CHAPTERS

SHARED SERVICES



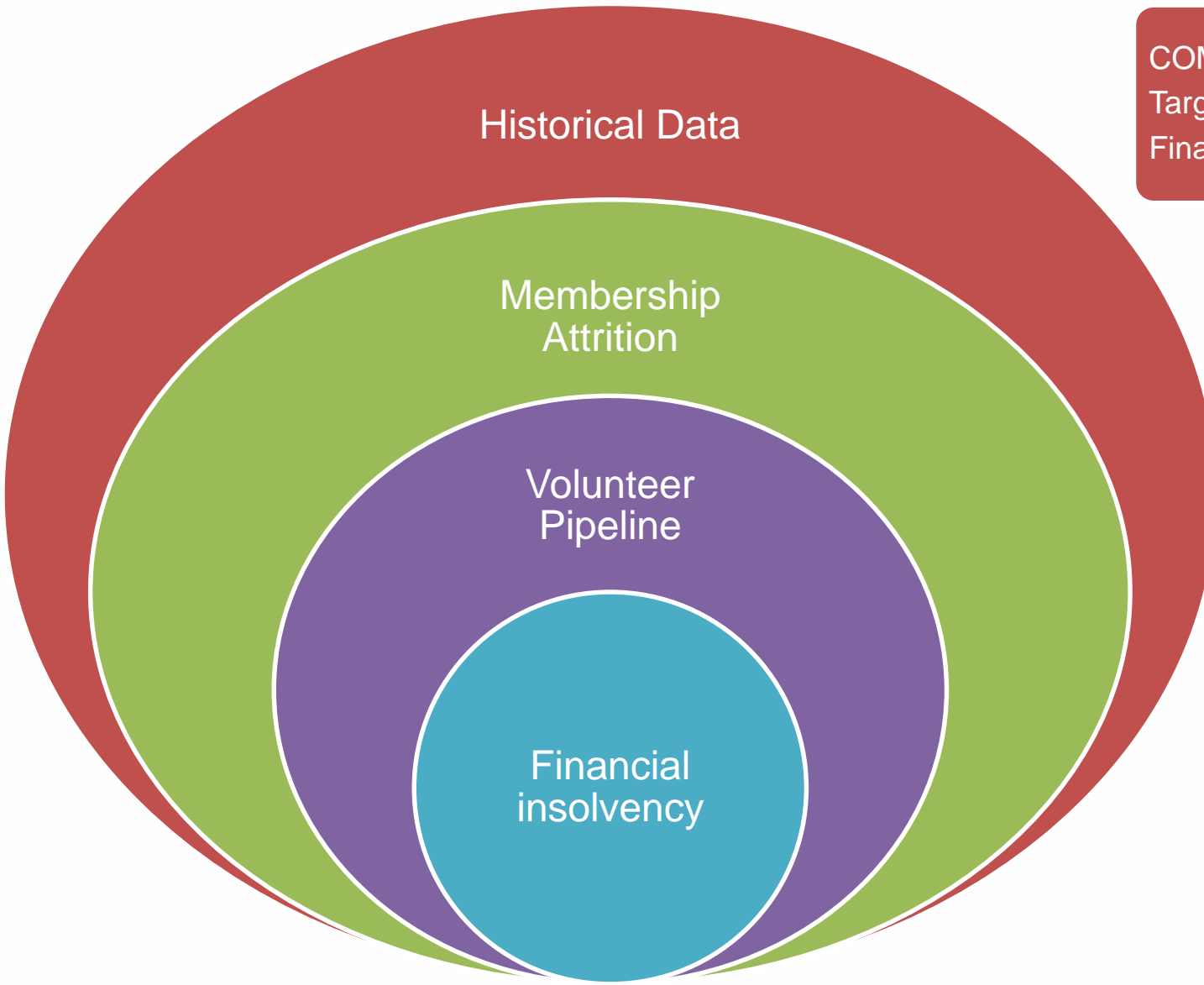
Shared Services include website, financial platform, and insurance and in some case registration platform.

Share Services are currently a fixed rate for every chapter, regardless of size.

Typically are debited from the rebates before rebates are paid to the Chapter.

As long as Membership Rebates are frozen, payments are frozen as well. The anticipated restart is August.

CHAPTER RELIEF SOLUTIONS



COM consultation & business plan
Targeted mentorship program
Financial relief

L1

Downgrade to Club
Regional satellite activation

L2

Hub & spoke chapter
consolidation

L3

Hub & spoke chapter
consolidation

Chapter dissolution

L4

GLOBAL CHAPTER RESERVE POLICY

SECTION 3. RESERVE FUND.

- 3.1. **TERMS:** The term “Reserves” for financial purposes will be defined as **funds set aside to be used in emergency cases or in the event of an investment by the Chapter to further its mission.**
- 3.2 **RESERVE TARGET:** **Chapter will maintain a minimum reserve of 6-8 months operating funds. Operating funds will be defined as annual fixed expenses, plus 20%.** This timeframe is to be a minimum as it is recognized that external events in the industry, significant downturn in the economy or stock market could make a longer commitment necessary.
- 3.3. Chapter will maintain adequate reserves for the following purposes:
 - 1) **Unpredictable expenses** which could substantially impact MPI’s operations or revenue streams. While such occurrences are rare, reserves can provide the resources necessary to keep the organization functioning should one occur.

GLOBAL CHAPTER RESERVE POLICY



- 3.3. Chapter will maintain adequate reserves for the following purposes:
 - 2) **Identification of a valuable investment opportunity for long term growth.** While most such opportunities are managed through budgeted expenditures, the right opportunity with a significant and dependable return on investment can warrant a decision on the part of the board to access the organization's reserves. These investments would require an acceptable ROI back to the organization and would be sustainable long term without the initial deemed reserve support.
- 3.4. **ACCESS TO RESERVES.** The access of the 'reserve' shall first be referred to the VP Finance for consideration. Final approval by a majority vote of the Board of Directors is required.

As with any decisions of high importance, please consult your COM for assistance and guidance.

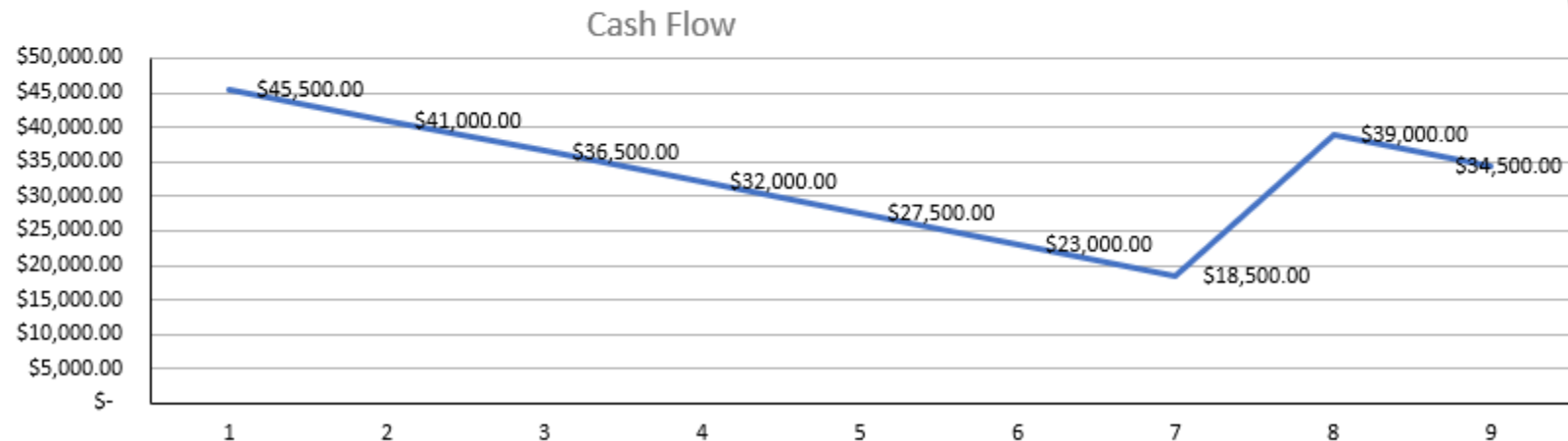


Budgeting
For Uncertainty

CASH FLOW TOOL – SAMPLE ANALYSIS



Chapter Cash Flow Analysis									
Operating Cash from Last Statement 3/31/20	\$ 50,000.00								
Reserves from Last Statement	\$ 100,000.00								
Forecast/Actual	April	May	June	July	August	September	October	November	December
Operating Revenue	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Operating Expenses	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Profit/Loss	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)	\$ (4,500.00)
Cash Flow	\$ 45,500.00	\$ 41,000.00	\$ 36,500.00	\$ 32,000.00	\$ 27,500.00	\$ 23,000.00	\$ 18,500.00	\$ 39,000.00	\$ 34,500.00
Change in Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -
New Reserves	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 75,000.00	\$ 75,000.00



- This tool is based on bank actuals
- Estimate – the tool can guide conversations on reserves
- Plan for worst case scenario through December
- Schedule biweekly meetings on status
- Be flexible and adaptable



Generating
Revenue

- It IS possible to generate revenue right now
- Every dollar counts
- It's time to get creative
 - Virtual events
 - Sponsorships
 - Advertising
 - Other methods

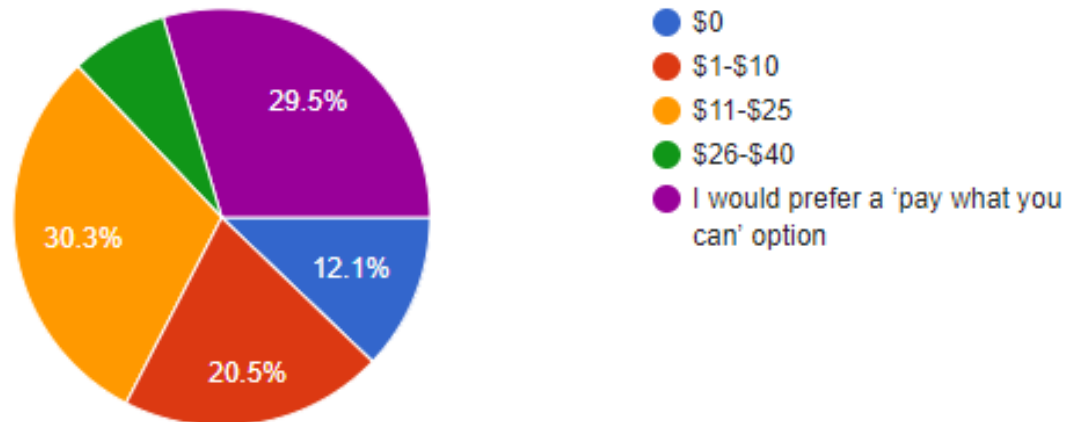
MONETIZING VIRTUAL EVENTS



- People are willing to pay a nominal fee for our events
- Options to come for free, pay a small fee, host another person, donate to scholarship fund
- Note what registration costs help to cover

How much are you willing to pay for a virtual educational event in our current environment?

132 responses



- **Members – option to pay low fee**
- **Members – option not to pay**
- **Nonmembers – pay low fee**
- **All – option to donate to scholarship fund**

VIRTUAL EVENT SPONSORSHIP



- “Sponsors” for virtual events
- Generate good will with your trusted and long time partners
- Plant the seed with other vendors/attendees
- Sell sponsorships for a nominal cost

Get Empowered: Your Professional
LinkedIn Makeover

July 7, 2020
11:00 AM-12:00 PM



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ADVERTISING RIGHT NOW



- Talk about advertising
- Talk about your value
- Be flexible
- Get creative with who you approach
 - Virtual event companies
 - Technology companies
 - Recruiting/PD companies
 - Companies who do business with people!



- Host raffles & silent auctions
 - Securing items for donation
 - Make your silent auction public
 - Winning Cause, Bidding for Good
- Leverage unique partnerships
 - Selling as part of your events
- Monetize focus groups as VIP access
- What are you doing?

QUESTIONS?



Join us tomorrow in the
Finance & Sponsorship
Solution Room!



Appendix

REFERENCE: CASH V. ACCRUAL TIPS



- **Do you know which system your Chapter uses?**
 - Check the upper left hand of your financial report. It will state which accounting method is being used.
- **What's the difference between them?**
 - **Cash:** Revenue is reported on the income statement only when cash is received. Expenses are only recorded when cash is paid out.
 - **Accrual:** Revenue is accounted for when it is earned/spent (i.e. in the month of the event the revenue was earned for.) Expenses can be recorded despite no cash being paid out yet for those expenses.

Consult with your COM and Admin regarding the best method for your Chapter.

- **Japan – J-GAAP** (Japan's Generally Accepted Accounting Standards issued by the Financial Service Agency (FSA) and Accounting Standards Board of Japan (ASBJ))
- **United States** – Generally Accepted Accounting Principles (**GAAP**) adopted by the Security and Exchange Commission. Although the US intends to move to the IFRS, that movement has been slow and incomplete.

REFERENCE: COUNTRIES USING IFRS



Accounting Systems Around the Globe Countries Using International Financial Reporting Standards (IFRS)

Afghanistan
Armenia
Bangladesh
Bermuda
Brunei Darussalam
Cayman Islands
Comoros
Côte d'Ivoire
Egypt
European Union
Georgia
Hong Kong SAR
Iraq
Jordan
Lesotho
Macedonia
Malta
Montserrat
Nicaragua
Palestine
Poland
Russia
Singapore
Sri Lanka
Switzerland
Timor-Leste
United Arab Emirates
Vietnam

Albania
Australia
Barbados
Bhutan
Bulgaria
Central African
Republic
Democratic
Republic of Congo
Fiji
Germany
Hungary
Ireland
Kazakhstan
Liberia
Madagascar
Mauritius
Myanmar
Niger
Panama
Portugal
Rwanda
Slovakia
St. Kitts & Nevis
Syria
Togo
United Kingdom
Yemen

Angola
Austria
Belarus
Bolivia
Burkina Faso
Chad
Costa Rica
Denmark
El Salvador
Finland
Ghana
Iceland
Israel
Kenya
Liechtenstein
Malawi
Mexico
Namibia
Nigeria
Papua New
Guinea
Saudi Arabia
Slovenia
St. Lucia
Chinese Tapei
Trinidad /Tobago
United States
Zambia

Anguilla
Azerbaijan
Belgium
Bosnia/Herzegovina
Cambodia
Chile
Croatia
Dominica
Equatorial Guinea
France
Guinea-Bissau
India
Italy
Kosovo
Lithuania
Malaysia
Moldova
Nepal
Norway
Paraguay
Qatar
Senegal
South Africa
St. Vincent &
the Grenadines
Turkey
Uruguay
Zimbabwe

Antigua & Barbuda
Bahamas
Belize
Botswana
Cameroon
China
Cyprus
Dominican Republic
Estonia
Gabon
Guyana
Indonesia
Jamaica
Kuwait
Luxembourg
Maldives
Mongolia
Netherlands
Oman
Peru
Republic of Congo
Serbia
South Korea
Suriname
Tanzania
Uganda
Uzbekistan

Argentina
Bahrain
Benin
Brazil
Canada*
Colombia
Czech Republic
Ecuador
Eswatini
Gambia
Hondur
Iran
Japan*
Latvia
Macao SAR
Mali
Montenegro
New Zealand
Pakistan
Philippines
Romania
Sierra Leone
Spain
Sweden
Thailand
Ukraine
Venezuela

Source:
<https://www.ifrs.org/use-around-the-world/use-of-ifrs-standards-by-jurisdiction/>

* Canada also allowed to
use GAAP