IEEE

Advancing Technology for Humanity

2013 annual report

EMPOWERING THE EVOLUTION OF TECHNOLOGY

IEEE is immersed in innumerable aspects of our lives, making the world a little better every day.

TABLE OF CONTENTS

MESSAGE FROM THE IEEE PRESIDENT AND THE EXECUTIVE DIRECTOR

Lives were changed as a result of the strides made by IEEE's global community during 2013; there is no greater measure of success than that.

Our members, in IEEE Sections and Society Chapters the world over, spent each day of the past year advancing technology to benefit humanity. Their mutual efforts led to a year in which enhancements to our modern world felt like they were arriving almost weekly. It was an extraordinary year to be a technologist, and to be a part of the work of IEEE and its hundreds of thousands of volunteers and members throughout the world.

To view the IEEE community requires observing the entire planet; in more than 160 nations, on every inhabited continent, you will find a diverse community of IEEE members engaging in an even more varied range of technological pursuits. All of these people—young and old, women and men, students and educators, those working in industry, academia and government, from many cultural backgrounds and practices—share a unity of purpose and a mutual commitment to advancing technology for the benefit of humanity.

In the early months of 2013, IEEE's Board of Directors created a framework of Strategic Priorities that serve as living guidelines to the continued evolution of the enterprise in the years ahead.

These Strategic Priorities, however, are but the earliest example of important work undertaken during the year. Throughout 2013, we explored and implemented new ways to enrich the member, volunteer and public experience, among them:

- Rolling out a three-pronged open access program, which included the debut of our multidisciplinary mega-journal IEEE *Access*®, and the **publication of nearly 1,000 articles** in our open access program throughout 2013.
- Successfully launching a consultants' network that includes professionals in the United States, Canada, Colombia and India, and engaging in collaborative efforts to develop a global career services strategy.
- Establishing a task force with the Royal Society of Edinburgh to bring attention to the impact and legacy of James Clerk Maxwell, whose singular work became the basis for electromagnetic theory and practice.
- Enhancing IEEE *Xplore*®, the distribution platform for our digital library, with six new releases, and the **addition of more than 600,000 interactive HTML articles**, as part of our ongoing efforts to ensure that all journal, magazine, and conference articles dating back to 2001 are in this interactive format.
- Receiving recognition from the U.S. Food and Drug Administration for **12 new IEEE Standards supporting medical-device interoperability and cybersecurity**.
- Launching extensive efforts to increase engineering capacity in Africa and India by leveraging and applying the expertise of IEEE members to support workforce development.
- Developing a suite of online collaboration tools for IEEE members and volunteers in a joint effort among three major IEEE boards.
- Supporting the ongoing efforts of our technical communities, nurturing evolving technologies in Green Information and Communications Technology (ICT), Cloud Computing and Electric Vehicles.
- Recalling the Tsunami event of Fukushima in Sendai, Japan eighteen months after the event, witnessing the aftermath of the tidal wave, hearing the lessons learned by the ICT community, and reliving the stories of the Japanese people who drew tenacity, perseverance and hope from the phrase "**fukutsu no seishin**" (never give up).

IEEE's efforts in support of today's technologists and tomorrow's technologies continues to expand and evolve, offering new opportunities for those within our global community. We have employed our combined expertise and insights to forge a vision of what can lie ahead for IEEE and for our entire professional technical community. And, perhaps most importantly, we have continued to inspire students and young professionals throughout the world to pursue their passions for technology and the advancement of their communities and the world.

We are grateful to all those in the IEEE community who helped make 2013 the robust year that it has been. Your efforts helped to shape a future filled with promise, possibility and opportunity. We look forward to what the coming years hold for IEEE.

Sincerely,

Peter W. Staecker
2013 IEEE President and CEO

E. James Prendergast
IEEE Executive Director and COO

EMPOWERING THE EVOLUTION OF TECHNOLOGY

IEEE's impact is felt every day, everywhere, from Silicon Valley to sub-Saharan Africa.

Technology is the tool with the most potential for improving lives around the globe and IEEE is at the forefront of the effort to turn that potential into reality. IEEE members are dedicated to making the world a safer, healthier and more prosperous place for everyone.

Achieving that goal means empowering the evolution of technology by constantly pushing the limits of innovation because we can't solve the problems of today—much less tomorrow—with the solutions of yesterday. We must constantly be evolving.

One of the keys to this effort is collaboration. This is where IEEE is especially powerful, in establishing and energizing connections among engineers globally. At the same time, IEEE works to engage students and ensure that technology will continue to evolve in the years to come.

IEEE is immersed in innumerable aspects of our lives, making the world a little better every day.

ENGINEERING THE WORLD OF TOMORROW

IEEE Membership Remains High, More Students Join

Year-end IEEE membership clocked in at more than 430,000, a slight increase from last year. Student membership is a key driver to IEEE's growing community and student membership experienced impressive growth in 2013; with the number of student members increasing by 3.6 percent to 120,389. The top three countries for student membership are India with more than 35,000 members, the United States with nearly 33,000 members and China with 4,400 members.

Society Memberships Gain

IEEE societies enable members to connect to breakthrough information in their particular field of technology. IEEE society membership was robust in 2013, growing 1.4 percent to 353,496. Overall, 17 societies enjoyed a membership increase of more than 1 percent, while 14 societies saw a membership decrease of more than 1 percent.

430,000+ MEMBERSHIPS

TOP 5 COUNTRIES FOR MEMBERSHIP

203,257	49,521	18,053	14,384	13,250
UNITED STATES	INDIA	CANADA	JAPAN	CHINA

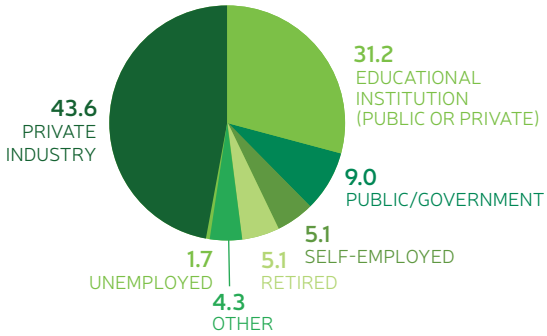
120,389 STUDENT MEMBERS

AN INCREASE OF 3.6% FROM PREVIOUS YEAR

TOP STUDENT MEMBERSHIP

35,231	32,886	4,402	4,334	2,415
INDIA	UNITED STATES	CHINA	CANADA	UNITED KINGDOM & REPUBLIC OF IRELAND

MEMBER WORKFORCE



IEEE SOCIETY MEMBERSHIPS

5036	IEEE Aerospace and Electronic Systems Society
8887	IEEE Antennas and Propagation Society
1823	IEEE Broadcast Technology Society
10427	IEEE Circuits and Systems Society
53971	IEEE Communications Society
2643	IEEE Components, Packaging, and Manufacturing Technology Society
7078	IEEE Computational Intelligence Society
64497	IEEE Computer Society
3516	IEEE Consumer Electronics Society
9924	IEEE Control Systems Society
2339	IEEE Dielectrics and Electrical Insulation Society
3703	IEEE Education Society
4113	IEEE Electromagnetic Compatibility Society
10512	IEEE Electron Devices Society
10542	IEEE Engineering in Medicine and Biology Society
3642	IEEE Geoscience and Remote Sensing Society
10937	IEEE Industry Applications Society
6281	IEEE Industrial Electronics Society
3343	IEEE Information Theory Society
4316	IEEE Instrumentation and Measurement Society
1489	IEEE Intelligent Transportation Systems Society
3312	IEEE Magnetics Society
11804	IEEE Microwave Theory and Techniques Society
3281	IEEE Nuclear and Plasma Sciences Society
1939	IEEE Oceanic Engineering Society
6210	IEEE Photonics Society
32373	IEEE Power & Energy Society
7962	IEEE Power Electronics Society
861	IEEE Product Safety Engineering Society
945	IEEE Professional Communication Society
1980	IEEE Reliability Society
12602	IEEE Robotics and Automation Society
17433	IEEE Signal Processing Society
1679	IEEE Society on Social Implications of Technology
10324	IEEE Solid-State Circuits Society
5159	IEEE Systems, Man, and Cybernetics Society
2130	IEEE Ultrasonics, Ferroelectrics, and Frequency Control Society
4483	IEEE Vehicular Technology Society

353,496 TOTAL SOCIETY MEMBERSHIPS*

* Nearly 50 percent of IEEE members belonged to one or more societies in 2013.

130 NEW ENTERPRISE CUSTOMERS

UP OVER 700 TOTAL

Volunteer Leadership Training Encourages Collaboration

One of IEEE's top goals in 2013 was simplifying and modernizing the volunteer experience so that members feel more connected to the organization. A key part of this initiative was the development of the Volunteer Leadership Training (VOLT) program, designed to keep volunteers engaged, energized and motivated to serve in leadership positions. VOLT encourages collaboration among members on a global scale via working groups where leadership topics are discussed.

The pilot program, launched in June, included 21 participants from eight IEEE regions. Participants were paired with a senior volunteer leader. VOLT featured a weekly hour-long live webinar to guide participants through the ins and outs of the IEEE organizational structure and explain the many resources available to volunteers. Feedback from participants showed that VOLT is clearly making a difference.

IEEE Enterprise Sees Robust Growth

IEEE content continued to drive technological innovation around the globe in 2013. Many of the world's largest and most prestigious organizations purchased subscriptions to IEEE Enterprise, a comprehensive collection of high-quality content from IEEE magazines, journals, transactions and conference proceedings. All told, more than 130 new customers were added during the year and total customers exceeded 700 organizations.

IEEE BOARD OF DIRECTORS

Back Row: Jose M. F. Moura, Theodore W. Hissey, Marko Delimar, Jozef W. Modelski, Michael R. Lightner, David G. Green, Toshio Fukuda, Stephen Yurkovich, Michael R. Andrews

3rd Row: Ralph M. Ford, Gustavo A. Giannattasio, Peter A. Eckstein, James A. Jefferies, Douglas N. Zuckerman, Marc. T. Apter, Cor L. Claeys, Gianluca Setti

2nd Row: Robert E. Hebner, Martin J. Bastiaans, Bogdan M. Wilamowski, Parviz Famouri, James W. Moore, Cheryl A. Warren, Jerry L. Hudgins

Front Row: John T. Barr, Karen S. Pedersen, J. Roberto de Marca, Peter W. Staecker, Gordon W. Day, E. James Prendergast, Karen Bartleson, Eric Herz

Not Pictured: Roger U. Fujii, Keith B. Brown

IEEE MANAGEMENT COUNCIL

Back Row:
Eileen M. Lach, Chris Brantley, Douglas Gorham, Alexander Pasik

Middle Row:
Thomas R. Siegert, Matthew S. Loeb, Anthony Durniak, Konstantinos Karachalios, Patrick D. Mahoney

Front Row:
Cecelia Jankowski, Elizabeth "Betsy" Davis, E. James Prendergast, Mary Ward-Callan

IEEE President Peter Staecker (left) met with several local students including IEEE student member Peter Mbiria Maina (right) from a university in Kenya.

GLOBAL CONNECTIONS

The key to IEEE's success is collaboration—and collaboration knows no boundaries. IEEE members know this and they work together on world-changing innovations in many fields, from computing and sustainable energy to industry-setting standards. Our vision is global and our successes are clear. In 2013 alone, we crossed new frontiers and made inroads in engineering in Africa, improved technical training in India, achieved significant gains in China and made our mark in various regions across the globe.

Emerging in Africa

In 2013, IEEE President Peter Staecker led two delegations to the nations of Zambia, Kenya, Ethiopia, Ghana and Tanzania to develop a better understanding of how IEEE can contribute to building engineering capacity on the African continent. Over the past several years, local African IEEE leaders and other stakeholders from the academic, industrial, government and development sectors have invited IEEE to become more active in the region. To that end, IEEE increased the breadth of its ongoing programs, including a recently established partnership with UNESCO to develop joint projects on engineering education in Africa.

The two trips were instrumental in assisting IEEE leaders in the development of a roadmap for IEEE's emerging efforts in sub-Saharan Africa. In fact, there is an opportunity for IEEE to impact multiple aspects of the engineering ecosystem in the continent. The visits made it clear that Africa is important to IEEE, and that IEEE is excited to play a role in the shaping of new approaches to engineering education in the region and in developing a high-tech population critical to advancing Africa into the future.

Touching Lives Around the World

IEEE continues to transform the way we live, work and communicate globally. In 2013, the IEEE Standards Association expanded the influence and adoption of IEEE standards throughout the world and, by doing so, promoted open knowledge-sharing for the benefit of humanity.

IEEE's Personal Health Device Standards, including IEEE 11073, support communications across personal health devices like blood pressure monitors and glucose meters. The result is that patients from Africa to America can benefit from on-the-go mobile clinics and caregivers, enjoying a more active and independent life.

In fact, the U.S. Food and Drug Administration recognized 12 standards from the IEEE 11073 family that help healthcare product vendors create interoperable medical devices and systems for disease management, health and fitness, and independent living. These standards promise far-ranging benefits, such as reducing clinical decision-making from days to minutes, eliminating gaps and errors across the spectrum of healthcare delivery and helping expand the market for medical devices. The standards have the potential to save lives, improve the quality of life for people worldwide, and save money. A recent study identified more than US$30 billion in annual costs to the U.S. healthcare system due to a lack of medical-device interoperability.

2013 also marked the 40th anniversary of Ethernet and the 30th anniversary of IEEE's Standard for Ethernet (IEEE 802.3). This universal standard is the foundation for today's world of high-speed communications and it continues to touch a tremendous range of established and emerging technologies including data-center networks, personal computers, laptops, tablets, smartphones, cellular backhaul, power infrastructure, smart meters, personal medical devices, the internet of things and connected cars.

IEEE Gains Momentum in India

IEEE continued to be very active in India. There are now more student members in India than anywhere else in the world and the country continues to see some of the largest overall membership gains. In 2013, IEEE helped further develop India's blossoming technology industry by forging new educational alliances, improving the level of training for engineering instructors, and helping more engineering students find good jobs.

Better Training for Engineering Instructors: IEEE has partnered with IIT-Gandhinagar and the Gujarat Technological University to raise the level of university education in India through blended online/live training. To help India meet their growing demand for highly qualified professors of engineering, IEEE spearheaded a pilot program that provides faculty with instructor guides and best practices for teaching common engineering courses. The program is already having an impact, as more than 200 faculty members from 40 engineering colleges in the Indian state of Gujarat attended a live training session held in November 2013.

Helping Students Find Jobs: The IEEE Computer Society is helping more Indian software engineering students find employment thanks to a memorandum of understanding with Visvesvaraya Technological University and Gujarat Technological University. The partnership could positively impact the lives and careers of more than 300,000 students. The Computer Society also made considerable gains with its Software Engineering Body of Knowledge (SWEBOK®) certificate program in 2013. Three private universities and eight registered education providers agreed to integrate SWEBOK into their curriculum. Moreover, India's National Skills Development Council will provide job-oriented courses based on SWEBOK.

Beijing, China

Inroads in China

In September 2013, IEEE Standards Association (IEEE-SA) President-Elect Bruce Kraemer successfully hosted the first China Advisory Group meeting in Beijing. Representatives from eight Chinese technology companies met with the IEEE delegation and offered insight to elevate IEEE-SA's future strategy in China.

IEEE-SA has seen rapid membership growth and participation in China. China now accounts for more than 10 percent of IEEE-SA's corporate member base and ranks fifth in total IEEE Standards Association members, behind the United States, Canada, Japan and the United Kingdom.

OpenStand Principles in Action

The technology world depends on standards developed in an open and transparent manner. That's why IEEE continued to drive the OpenStand message to the world in 2013 by hosting 40 events, delivering keynote addresses and publishing articles. OpenStand is a global community that stands together to support an environment where developers, users and stakeholders in every technology market can have a voice in the way that global standards are developed and implemented.

In November 2013, IEEE-SA President Karen Bartleson met with global thought leaders to discuss the need for open standards at the Global Standards Symposium in Dubai. Bartleson reiterated IEEE's position as a proud advocate of the OpenStand principles and its goal of creating a global community of open innovation.

INNOVATION AND OUTREACH

IEEE is devoted to advancing technological innovation and excellence—and to increasing the impact of these innovations for the benefit of humanity. To that end, IEEE works continuously to engage with members of the technological community, to bring our ideas to the broader public and to provide diverse new options for our publishing community.

IEEE Open Gives Authors More Publishing Options

IEEE launched IEEE Open to promote the different open access publishing options offered by IEEE. These options facilitate free online access of research articles for technologists and the general public and help gain exposure for new concepts that can advance research and scientific applications.

The IEEE Open program offers three publishing forums:

- **Topical journals:** IEEE published four fully open access journals with topical focus areas.
- **Hybrid journals:** IEEE has more than 100 hybrid journals, covering an array of technology fields, which provide authors the choice to publish via the traditional method or to pay an article processing fee to publish as open access.
- **IEEE Access mega journal:** *IEEE Access* is the first fully open access mega journal in the IEEE publishing portfolio. It covers a range of disciplines and provides free online access to all articles. *IEEE Access* is designed to appeal equally to industry and academia, employing a quick, yet thorough, peer-review process that maintains high article quality.

IEEE Adopts Creative Commons Licenses

In addition to offering the IEEE Open Access Copyright Form, authors whose funding agencies require them to use a Creative Commons Attribution License are now able to as part of IEEE's open access process. The Creative Commons Attribution license enables authors to retain copyright while allowing users the opportunity to adapt and repurpose the content provided they give attribution to the original author.

CrossCheck Anti-Plagiarism Tool Surpasses 200,000 Manuscripts

In 2012, the Publication Services and Products Board approved a policy requiring all IEEE content to be screened for plagiarism. To do that, IEEE makes free access to the plagiarism detection tool CrossCheck available to all publication editors.

In early 2013, the tool was integrated into the workflow of our periodicals. Editors are automatically notified when a manuscript shows a high similarity to previously published work. Editors then investigate these papers and can prevent IEEE publication of any that are found to violate IEEE publication standards.

Conference Publications Product Line Expanded

IEEE's eXpress Conference Publishing unit introduced four new products in 2013 to fit the needs of conference organizers with budget or time restrictions. The new products include:

- **A new ePub e-book** compatible with mobile devices.
- **PDF e-book:** A PDF in a book layout that collects all conference articles. It can be imported to a CD-ROM or USB or uploaded to the conference website and viewed online during the conference.
- **PDF eXpress Plus Support Service:** This service optimizes use of the free PDF eXpress Plus conversion tool and includes many benefits of eXpress Conference Publishing's premium service.
- **IEEE *Xplore*® Submission:** Developed for conferences that need assistance only with their IEEE *Xplore* submission, this assures that conference papers are compliant with requirements of both the Letter of Agreement and *Xplore*.

IEEE *Xplore* Digital Library Hits Record Highs

The IEEE *Xplore* Digital Library bolstered its record of reliability and popularity in 2013. In 2013, there were 98 million total visits, 98.4 million article downloads and 76.5 million searches on the site. At any one time, there can be over 4,000 users of IEEE *Xplore*.

IEEE *Xplore*® DIGITAL LIBRARY

98,000,000 TOTAL VISITS

98,400,000 ARTICLE DOWNLOADS

76,500,000 SEARCHES

IEEE Spectrum® Updates Web Presence, Now Available in Newsstand App

A redesigned version of the *IEEE Spectrum* website, optimized for multimedia and mobile content viewing, debuted in 2013 featuring a highly responsive interface and innovative modular design. The redesign introduced many new features to make it easier to browse and sort the latest content on the homepage, while new buttons allow viewers to quickly see previous searches. Average time on the site has almost doubled since the redesign.

IEEE Spectrum is also one of 12 magazines that can be viewed via the new mobile IEEE Newsstand App. Newsstand delivers electronic editions of IEEE magazines to iPad® users through the App Store®.

Technology Initiatives Push Forward

IEEE acts as a catalyst for new and emerging technologies and their innovative application. In 2013, IEEE made significant strides in helping to accelerate new and promising technologies that can change the world. A sampling includes:

IEEE SMARTGRID™

The term "smart grid" describes a next-generation electrical power system typified by increased use of communications and information technology in the generation, delivery and consumption of electrical energy.

Milestones and Initiatives:

- grew to more than 4,800 members
- continued to build the smart grid community through its worldwide events in North and Latin America

IEEE Smart Cities™

With the total urban population expected to double by 2050, the IEEE Smart Cities project utilizes IEEE's unbiased knowledge of technology to help address issues related to accelerating urbanization.

Milestones and Initiatives:

- collaborated with Ciudad Creativa Digital
- established a workshop in Guadalajara, Mexico, focused on physical and information infrastructure, public policy, implications to society, data analytics and visualization, smart city metrics, education, cybersecurity and big data

IEEE CLOUD COMPUTING™

The IEEE Cloud Computing Initiative is a comprehensive set of resources and activities that bring together expertise from across the global organization to help accelerate the development and use of cloud computing technologies.

Milestones and Initiatives:

- grew to 4,100 members
- collaborated and organized the Asian Pacific Cloud Congress, the Latin America Cloud Congress, the European Cloud Congress at CloudCom and the North America Cloud Congress at GLOBECOM
- launched IEEE Transactions on Cloud Computing and put the finishing touches on IEEE Cloud Computing Magazine, which will debut in 2014
- developed an e-learning library in collaboration with the IEEE Educational Activities Board

IEEE TRANSPORTATION ELECTRIFICATION™

The IEEE Transportation Electrification Initiative is a community of scientists, engineers, academics, practitioners and laypeople drawn together to make transportation electrification a reality.

Milestones and Initiatives:

- attracted over 2,900 people to its technical community
- placed speakers and panelists at the IEEE Innovative Smart Grid Technologies Conference, the SAE World Congress, the 2013 Electric Drive Transportation Association, the IEEE Transportation Electrification Conference and Expo, and others
- successfully launched several e-learning modules on battery technologies, drivetrains and power electronics in drivetrains
- launched distinguished lecture series at two universities

Cedarville Captures SOLAR SPLASH Crown

In 2013, the IEEE Power Electronics Society hosted another highly successful SOLAR SPLASH competition, the world championship of intercollegiate solar/electric boating. The five-day event features technical inspections of the student-built solar boats, as well as, five on-the-water events in which boats are judged on speed, maneuverability and endurance. Cedarville University in Ohio, U.S. captured the overall title, followed by Geneva College in Pennsylvania, U.S. in second place and the University of Northern Iowa, U.S. in third.

Supporting Women Engineers

IEEE Women in Engineering (WIE) partnered with Google® in January 2013 to produce a two-day event titled Enhancing the Sustainability of Women in Technology. Aimed at supporting women engineers, the innovative event attracted 200 attendees and included presentations on career development, outreach activities to students and opportunities in emerging areas like cloud and neural computing. Speakers included IEEE members, WIE members and Google employees.

The event was co-chaired by IEEE Senior Member Ramalatha Marimuthu and IEEE Fellow Karen Panetta, a professor of electrical engineering at Tufts University in Massachusetts, U.S. A big thrust of the event was exploring how women engineers can land their dream job and enjoy a fulfilling career.

IEEE Raises Its Profile with Mainstream Media and Global Organizations

IEEE continued to gain momentum in establishing its members as experts in global technology topics, issues and trends and expanded worldwide media coverage in the process. Coverage included top consumer, technology and online outlets including *Fox Business*, *Financial Times*, *Mashable.com*, *Women's Day*, *Guardian*, *Tech Radar*, *O Globo*, and even a mention on the U.S.-based game show, "Who Wants to Be a Millionaire." Additionally, an IEEE bumper sticker made an appearance on the popular television series, "The Big Bang Theory," as a result of a promotional outreach by IEEE employees.

IEEE thought leadership initiatives also received widespread media coverage, including 2014 IEEE President Roberto de Marca's presence at Futurecom in Brazil, where he was a keynote speaker. Futurecom is Latin America's largest and most prestigious event for telecom, IT and internet

IEEE Senior Member Ramalatha Marimuthu (left) and IEEE Fellow Karen Panetta (right), appear with Megan Smith, Vice President of New Business Development, Google (center).

companies. De Marca shared his thoughts and insights on the future of engineering via interviews in several local news outlets.

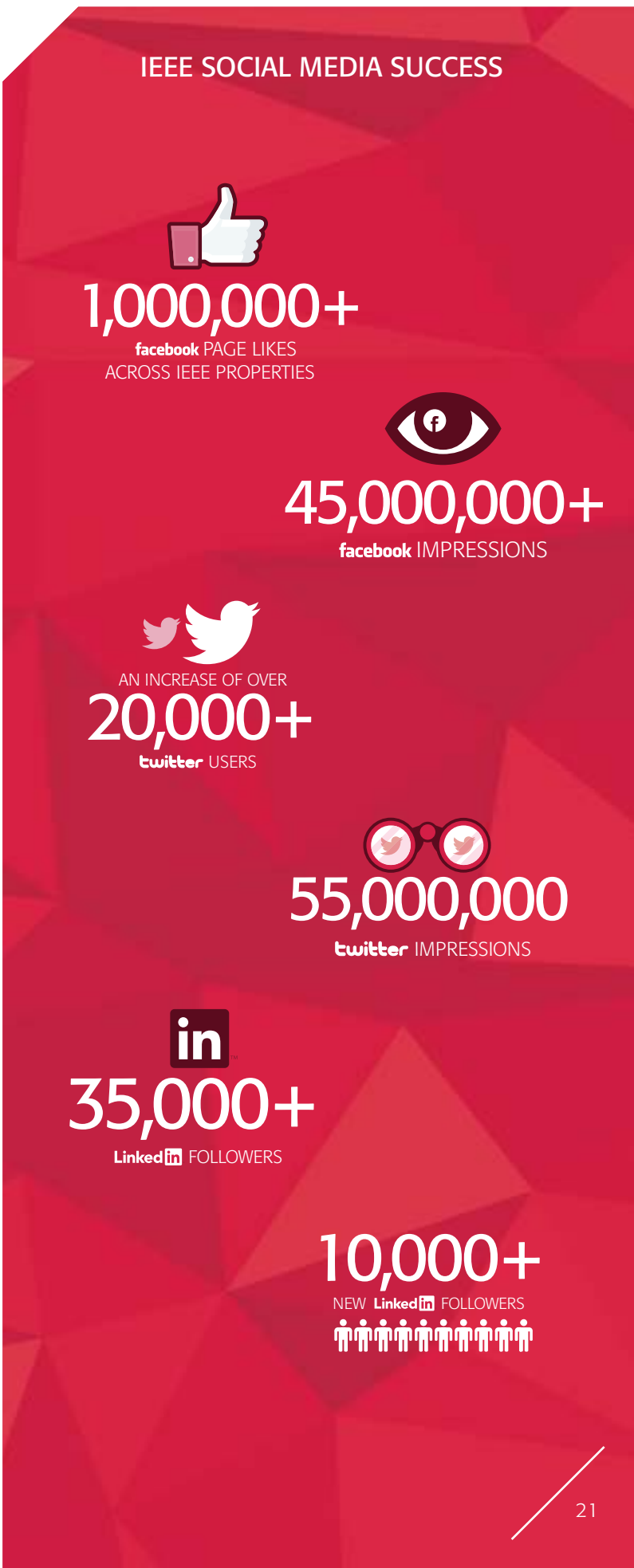
IEEE-USA also enjoyed robust media coverage of its initiatives and sponsored events with some key media outlets. National media exposure showcasing IEEE appeared in *The New York Times*, *Washington Post*, *Reuters*, the *Associated Press* and a TV segment on *Fox 5* in Washington, D.C.

IEEE expanded its involvement in the Clinton Global Initiative (CGI), making its official Commitment to Action during CGI's annual meeting. The Commitment was the development of a website called App-E-Feat where organizations can connect with engineers to develop mobile applications that further efforts to positively impact humanity around the world. App-E-Feat launched in February 2014 during Engineer's Week.

Social Media Engagement Leaps

On the web, IEEE's social media presence saw robust growth, helped by a number of successful engagement efforts, including Facebook® and Twitter® campaigns. Collectively, IEEE reached a key milestone of over 1,000,000 Facebook likes across IEEE properties, and more than 45 million impressions.

IEEE's Twitter following leapt to more than 35,000, an increase of over 20,000 users, and achieved 55 million potential impressions. On LinkedIn®, the number of IEEE followers exceeded 35,000.



During the 2013 International Consumer Electronics Show, a hologram of Thomas Edison welcomed thousands of IEEE booth visitors and media.

BUILDING RELATIONSHIPS

An organization is only as strong as its connection to its members. IEEE networks and conferences serve to enhance the relationship of members to IEEE—and to one another. This philosophy also extends to making connections across industry and other organizations, all with the goal of finding opportunities to expand its core values and mission.

Conferences Succeed Around the World

IEEE sponsors more than 1,300 conferences and meetings worldwide. IEEE is also highly involved in the technical program development of numerous events including trade events, training workshops, job fairs and other programs. Last year IEEE saw the debut of notable new conferences in emerging subject areas and notable new developments at existing conferences.

IEEE Makes a Media Splash at 2013 CES

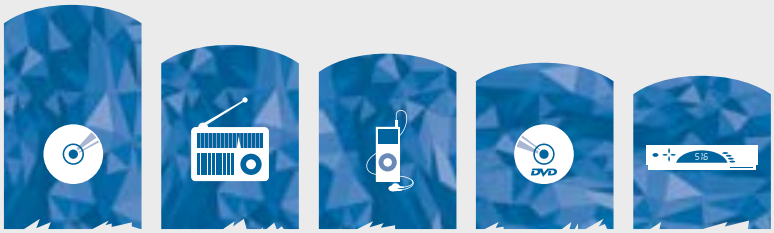
IEEE once again demonstrated a unified presence at the 2013 International Consumer Electronics Show (CES) with a selection of IEEE publications, societies and IEEE-SA participating in the global event attended by over 100,000 people. During the show, a hologram of Thomas Edison welcomed thousands of IEEE booth visitors and media, including *The Discovery Channe*l.

The Edison hologram encouraged CES attendees to visit the Gadget Graveyard at the IEEE Facebook page and nominate the gadget of today they thought would most likely be obsolete in the near future. Key findings revealed that CD-ROMs (75 percent), radios (58 percent), MP3 players (55 percent), DVDs (53 percent), and cable boxes (51 percent) will enter the Gadget Graveyard by the end of 2013.

The IEEE Standards Association demonstrated the importance of standards in enabling consumer connectivity through consensus building by showcasing several of its standards and standards projects under development in health-device communications, home networking, mobile video, smart-grid-into-home devices and electric vehicles.

IEEE GADGET GRAVEYARD

Gadgets most likely to enter by the end of 2013 voted on by CES attendees and Facebook® fans.



CD-ROM 75%

RADIOS 58%

MP3 PLAYERS 55%

DVD 53%

CABLE BOX 51%

Big Data 2013

The inaugural Rock Stars of Big Data conference, held at the Computer History Museum in Mountain View, California on 29 October, attracted more than 325 attendees, as well as nine "rock star" speakers from industry giants and nine sponsors. Featuring some of the top companies in software, healthcare, and entertainment, Rock Stars of Big Data empowered attendees to understand the potential for big data in their businesses, create a big data culture, make big data projects succeed and use big data analytics to make the right decisions.

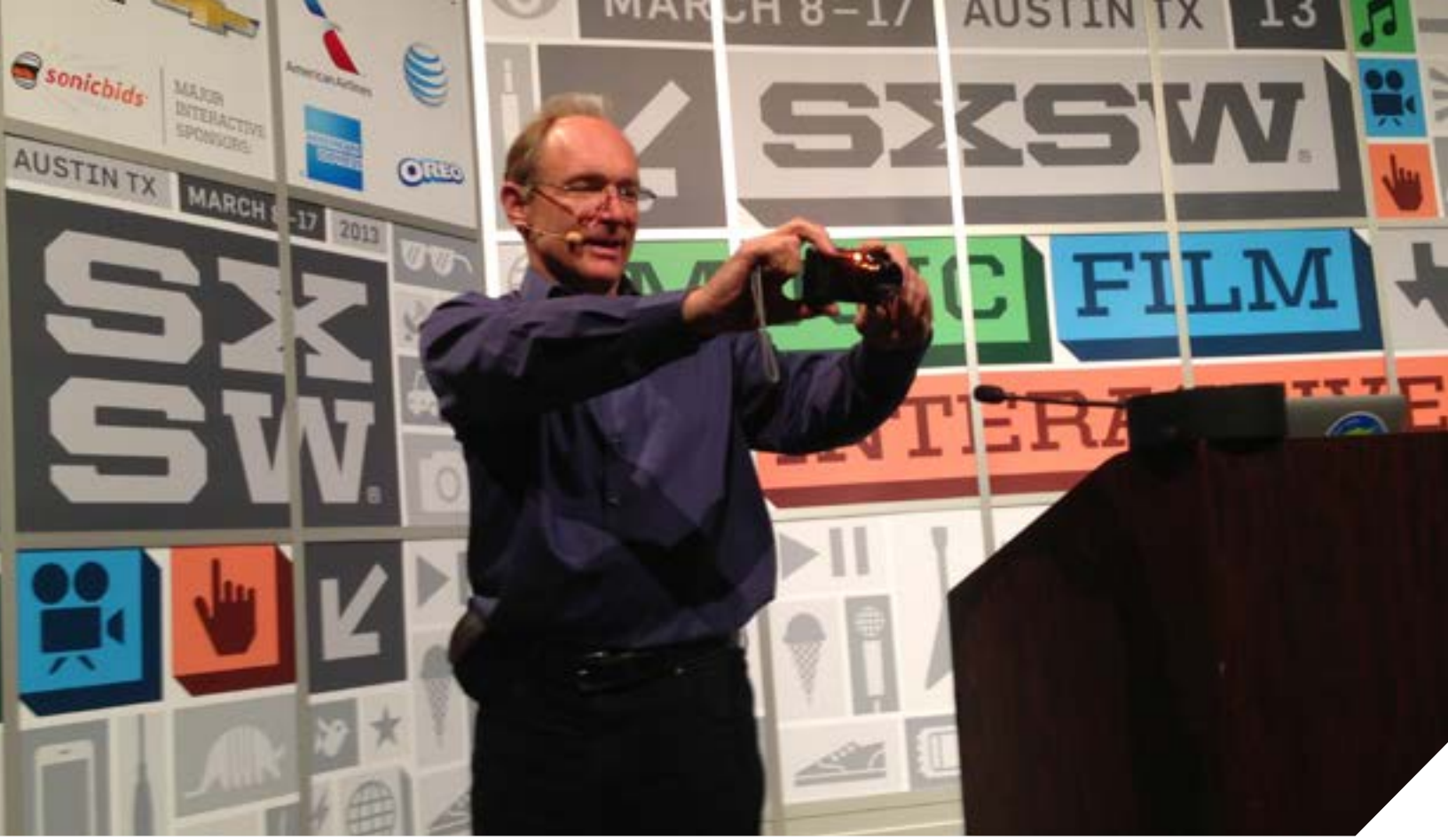
Similarly, the 2013 IEEE International Congress on Big Data provided the scientific community a dedicated forum for discussing state-of-the-art research, development and deployment efforts for the end-to-end management, storage, sharing, analysis and visualization of very large data sets. The four-day program took place 6-9 October in Santa Clara, California, and included approximately 50 presentations selected from over 300 paper submissions from more than 1,000 authors in 40 countries.

EWeek: National Engineers Week

The 2013 National Engineers Week (17-23 February) marked 20th anniversaries for two of its most popular activities, both launched by IEEE-USA: the Future City Competition and Discover Engineering Family Day. The Future City Competition attracted 33,000 students from 1,100 middle schools around the U.S. for a contest to create their own vision of a future metropolis. The 2013 challenge was to design an environmentally friendly system to manage pollution from storm water runoff.

Discover Engineering Family Day 2013 drew over 9,000 parents, teachers and students to enjoy dozens of hands-on activities as well as presentations by engineers, meetings with STEM celebrities and giveaways provided by local engineering chapters and national organizations to help promote technological literacy and foster an interest in engineering among children.

Spring Shen (left) and Bob Ross (right) prepare to greet 2013 CES attendees.



Tim Berners-Lee, inventor of the World Wide Web, discusses ways to get involved on the cutting edge of web and technology development at South by Southwest.

IEEE Shines at National Events

The IEEE Standards Association raised its profile at two national conferences in 2013. In March, at the HIMSS 2013 Annual Conference and Exhibition in New Orleans, Louisiana, IEEE-SA highlighted the importance of enabling personal health device communications by demonstrating medical devices powered by the IEEE 11073 family of standards, including blood-pressure monitors, glucose meters, weight scales and more. The potential benefits of these advancements include reducing clinical decision-making from days to minutes, reducing gaps and errors across the spectrum of healthcare delivery and helping to expand the potential market for the medical devices themselves.

A new generation of technologists, engineers and entrepreneurs took center stage at the South by Southwest (SXSW) Interactive Festival in Austin, Texas, in March 2013, with the IEEE-SA sharing the spotlight. IEEE-SA worked in conjunction with the World Wide Web Consortium (W3C) to present the Open Future Series, which featured Web inventor and W3C Director Tim Berners-Lee. The series included a myriad of panel sessions to expand the conversation on emerging and evolving technologies. Among the topics panelists discussed were the internet of things, cloud computing, augmented reality, social robotics, mobile development and self-hacking.

Enthusiastic IEEE Women in Engineering student members at Ajman University of Science and Technology in the United Arab Emirates were winners of the 2013 IEEE Day photo contest.

STUDENT ENGAGEMENT

Today's students are tomorrow's innovators. They are the future of our professions and of IEEE. In 2013, IEEE student membership experienced remarkable growth, with the number of student members increasing 3.6 percent to 120,389. At IEEE, we are proud to develop the technology giants of tomorrow, today.

Change the World Competition Recognizes Young Leaders

The IEEE Presidents' Change the World Competition honors students who identify a real-world problem and apply engineering, science, computing and leadership skills to solve it. The contest inspires students by giving them an opportunity to see their ingenuity and enthusiasm for engineering and technology recognized by prestigious IEEE members around the globe.

The 2013 Grand Prize went to the Low-Cost Spirometer team of Andrew Brimer and Abigail Cohen of Washington University in St. Louis, Missouri, who received a check for US$10,000. The team developed a pocket-size spirometer for the diagnosis and monitoring of asthma, chronic obstructive pulmonary disease and cystic fibrosis. Even in developed countries, spirometers historically have been reserved for pulmonologists and hospitals due to their high cost and painstaking maintenance. The Low-Cost Spirometer team found a way to drastically reduce costs while maintaining accuracy. This will bring spirometry to developing countries as a diagnostic tool and equip patients in the developed world with an accurate method for proactive disease management.

Programming Competition Pushes Boundaries

The IEEEXtreme® Programming Competition 7.0 took engineering to new limits. The competition brought together 2,346 online teams of one to three students from 60 countries to address the serious challenge of solving 22 software-design problems in 24 hours.

One new problem was submitted approximately every hour. While there were no time constraints to solve any one problem, each team had 24 hours to get through as many as it could. The 2013 winners were Jonathan Durand Espinoza, Gian Franco Zevallos Gutierrez and Miguel Tasayco Martinez of Universidad Nacional de Ingeniería in Lima, Peru. Each received a paid trip to an IEEE conference of his choice.

IEEE Day Puts Achievements in Focus

IEEE Day is an occasion for engineers worldwide to celebrate the anniversary of the first time IEEE members gathered to share their technical ideas in 1884. The theme of IEEE Day 2013 was "Leveraging Technology for a Better Tomorrow."

A highlight of the day was the Photo Contest, which is open to all IEEE members around the world. The aim is to motivate members to initiate, organize and coordinate events demonstrating the year's theme, then submit pictures of the events. The winner of the 2013 contest was a team of students and WIE members at Ajman University of Science and Technology in United Arab Emirates. The team organized an activity with autistic children at Sharjah Humanitarian City, which included a workshop where the children were introduced to new gadgets and software, taught to use computers and iPads, and paint tech logos together. The goal: **to bridge the gap between the privileged and challenged, and empower the children to understand and use technology.**

2013 IEEE President-Elect (left) and 2013 IEEE President Peter Staecker (right) presented Andrew Brimer and Abigail Cohen (center) with first prize in the IEEE Presidents' Change the World Competition.

IEEE President Peter Staecker (right) presented Dr. Irwin Mark Jacobs (left) with the 2013 IEEE Medal of Honor.

AWARDING EXCELLENCE

IEEE contributions in 2013 were singled out for distinction by a broad range of institutions and associations. And, as every year, IEEE recognized the 2013 accomplishments of our members with numerous awards of our own.

Dr. Irwin Jacobs Receives 2013 IEEE Medal of Honor

Dr. Irwin Mark Jacobs, a pioneering engineer and business leader who has driven revolutionary innovations in digital and wireless communications systems, was presented with IEEE's most prestigious award, the IEEE Medal of Honor, at a ceremony at Qualcomm's headquarters on 6 June in San Diego, California. Dr. Jacobs co-founded Qualcomm in 1985 and grew it from a small technology firm to a Fortune 500 company. He also helped lead groundbreaking innovations like the code division multiple access (CDMA) technology that greatly improved cellular communications efficiency compared to analog systems. The ceremony was broadcast live on IEEE.tv.

IEEE Welcomes 297 New Fellows

The IEEE Board of Directors elevated 297 IEEE Senior Members to the grade of Fellow, effective 1 January. The grade of Fellow is conferred by the board on individuals with an extraordinary record of accomplishment in any of the IEEE fields of interest and is reserved for only a select few. The total number named each year does not exceed one tenth of a percent of the total voting membership. IEEE Fellow is the highest grade of membership and is recognized by the technical community as a prestigious honor and an important career accomplishment.

IEEE Technical Field Awards Recognize Excellence

The IEEE Technical Field Awards recognize contributions or leadership in the IEEE fields of interest and are presented throughout the year at various IEEE conferences and events. The 2013 awards acknowledged achievements in 31 different categories.

IEEE Captures Social Media Prize

2013 BULLDOG DIGITAL/SOCIAL PR AWARDS

IEEE was recognized with a Bulldog Digital Social Award for Excellence in Online Communications in the Digitally/Socially Engaged Brand of the Year category. IEEE received the Gold Award for "best overall use of current technology and social media marketing techniques to attract an audience, engage them, and build and maintain a community across multiple digital platforms and networks."

The Bulldog Awards recognize the most outstanding achievements in corporate communications and publicity using online and social media tools and techniques. Judges included a panel of journalists from *CNN*, *Washington Post* and *The New York Times*.

IEEE Spectrum Wins Prestigious Grand Neal Award

IEEE Spectrum won its third Grand Neal Award from the Association of Business Information and Media Companies in March 2013, distinguishing itself as the only publication in the last 20 years to win three Grand Neals. Known as the "Pulitzer Prize® of the business press," the Neal Award was established in 1955 to recognize editorial excellence.

The winning entry, "A Shocking Truth," covered the failure of publicly installed defibrillators. The entry was selected from a pool of 640 submissions and also took home the Neal Award for Best Single Article. In addition, *IEEE Spectrum* won the Neal Award for Best Use of Mobile for its innovative Robots for iPad® app. The app features more than 100 real-world robots, with photos, video and interactive animations.

IEEE MILESTONES

Each year the IEEE Milestones in Electrical Engineering and Computing program recognizes exceptional technical achievements that occurred at least 25 years ago. In 2013, four IEEE Milestones were dedicated, including one honoring the first formal technical conference on electrical engineering held in the United States. More than 100 IEEE Milestones have been dedicated to date, recognizing the work of leading inventors like Benjamin Franklin, Alexander Graham Bell and Thomas Edison. All of the milestones are described in detail on the IEEE Global History Network site, IEEEGHN.org.

1884: Philadelphia, USA

First Technical Meeting of the American Institute of Electrical Engineers

As part of the landmark International Electrical Exhibition organized by the Franklin Institute, the American Institute of Electrical Engineers, a predecessor of IEEE, held its first conference on 7-8 October 1884, in Philadelphia. The meeting was the first formal technical conference on electrical engineering held in the United States.

1895: Šibenik, Croatia

Krka-Šibenik Electric Power System

Krka-Šibenik was one of the first multiphase alternating-current power systems in the world. In 1895, electricity generated at this location was transmitted to the city of Šibenik, where six power transformers supplied a large number of street lamps. This early system of power generation, transmission and distribution remained in operation until World War I.

1947: London, England

Invention of Holography

In 1947, Dennis Gabor conceived the idea of wavefront reconstruction for improving the performance of the electron microscope. This became the basis for the invention of optical holography for three-dimensional imaging. However, implementation required coherent light sources and had to await the emergence of the laser some years later. Gabor was awarded the Nobel Prize for his invention in 1971.

1985: Tokyo, Japan

Toshiba T1100 Laptop PC

The Toshiba T1100, an IBM PC-compatible laptop computer that shipped in 1985 made an invaluable contribution to the development of the laptop PC and portable personal computers. With the T1100, Toshiba demonstrated the emergence and importance of true portability for PCs running packaged software. The T1100 was a true pioneer in the development of laptop PCs, winning acceptance not only from PC experts but the business community as well.

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 2013 of US$412.7 million, an increase of US$7.4 million, or 1.8% from 2012. Some of the key contributors that drove the increase in revenues are:

1. IEEE/IET Electronic Library (IEL)
2. IEEE All-Society Periodicals Package (ASPP)
3. IEEE Journals Archive revenue primarily due to 2013 being the first full year of this product offering

In 2013, IEEE had total operating expenses of US$425.1 million. This represents an increase from 2012 of US$16.7 million, or 4.1%. This increase is reflected both directly and indirectly in the many projects and initiatives that IEEE has undertaken, including:

1. Supporting the ongoing efforts of our technical communities, nurturing evolving technologies and cloud computing
2. Improving IEEE *Xplore*® with an additional 600,000+ interactive HTML articles
3. Increasing efforts in Africa and India for the purpose of furthering engineering capacity

This resulted in an operating loss of US$12.4 million for 2013, which was in line with expectations. Included in the operating loss is a US$4.6 million charge for the net periodic benefit cost related to the IEEE Amended and Restated Employees Retirement Plans.

The IEEE Statement of Financial Position reflects total assets of US$557.8 million and US$470.5 million at 31 December 2013 and 2012, respectively. The increase of US$87.3 million was primarily attributable to the investment gains of US$55.0M and other net increases in working capital assets. IEEE total liabilities were US$229.2 million and US$197.0 million at 31 December 2013 and 2012, respectively. The increase of US$32.2 million was primarily due to deferred revenue (subscriptions, dues, and assessments) and amounts held on behalf of the IEEE Foundation. Overall, IEEE Net Assets increased US$55.1 million to US$328.7 million from the 2012 year-end balance of US$273.6 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 unqualified 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.

John T. Barr
2013 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, 2013 and 2012, 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 entity'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 entity'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, 2013 and 2012, 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.

Edison, New Jersey
May 28, 2014

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2013 and 2012

ASSETS	**2013**	**2012**
CURRENT ASSETS		
Cash and cash equivalents	$ 13,244,300	$ 10,734,500
Accounts receivable, less allowance for doubtful accounts of $432,400 in 2013 and $207,100 in 2012	27,806,300	24,797,800
Prepaid expenses and other assets	15,090,400	11,525,800
Investments, at fair value	442,190,100	359,440,400
Investments - other	2,598,300	2,586,300
Total current assets	500,929,400	409,084,800
NONCURRENT ASSETS		
Long-term investments, at fair value	191,400	191,400
Land, buildings, and equipment, net	56,696,900	61,271,100
Total assets	**$ 557,817,700**	**$ 470,547,300**
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 51,525,500	$ 43,567,500
Capital lease obligations	1,360,800	1,490,500
Accrued pension and other employee benefits	572,900	489,200
Amounts held on behalf of IEEE Foundation, Incorporated	38,208,200	29,923,200
Deferred revenue	119,408,400	97,678,500
Total current liabilities	211,075,800	173,148,900
NONCURRENT LIABILITIES		
Capital lease obligations, net of current portion	1,563,600	2,559,100
Accrued pension and other employee benefits, net of current portion	16,521,000	21,255,000
Total liabilities	229,160,400	196,963,000
Commitments and contingencies		
NET ASSETS		
Unrestricted	326,934,600	271,633,700
Temporarily restricted	1,531,300	1,759,200
Permanently restricted	191,400	191,400
Total net assets	328,657,300	273,584,300
Total liabilities and net assets	**$ 557,817,700**	**$ 470,547,300**

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

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
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)	-	-
Total revenues	**413,082,700**	**(353,000)**	**-**	**412,729,700**
EXPENSES				
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
Total program services	418,217,900	-	-	418,217,900
Supporting services:				
General and administrative	6,896,800	-	-	6,896,800
Total expenses	425,114,700	-	-	425,114,700
Changes in net assets before nonoperating activities	(12,032,000)	(353,000)	-	(12,385,000)
NONOPERATING ACTIVITIES				
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
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
Net assets, end of year	$ 326,934,600	$ 1,531,300	$ 191,400	$ 328,657,300

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

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
Memberships and public imperatives	$ 67,047,900	$ 254,000	$ -	$ 67,301,900
Periodicals	151,184,300	-	-	151,184,300
Conferences	153,428,000	-	-	153,428,000
Standards	29,674,600	88,200	-	29,762,800
Other income	3,665,400	-	-	3,665,400
Net assets released from restrictions	1,224,200	(1,224,200)	-	-
Total revenues	**406,224,400**	**(882,000)**	**-**	**405,342,400**
EXPENSES				
Program services:				
Memberships and public imperatives	104,009,000	-	-	104,009,000
Periodicals	139,363,300	-	-	139,363,300
Conferences	126,728,000	-	-	126,728,000
Standards	28,795,900	-	-	28,795,900
Total program services	**398,896,200**	**-**	**-**	**398,896,200**
Supporting services:				
General and administrative	9,469,200	-	-	9,469,200
Total expenses	**408,365,400**	**-**	**-**	**408,365,400**
Changes in net assets before nonoperating activities	(2,141,000)	(882,000)	-	(3,023,000)
NONOPERATING ACTIVITIES				
Investment income, net	33,775,000	35,800	-	33,810,800
Pension and related benefits activity other than net periodic benefit cost	(2,749,500)	-	-	(2,749,500)
Changes in net assets	28,884,500	(846,200)	-	28,038,300
Net assets, beginning of year	242,749,200	2,605,400	191,400	245,546,000
Net assets, end of year	**$ 271,633,700**	**$ 1,759,200**	**$ 191,400**	**$ 273,584,300**

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2013 and 2012

	2013	2012
OPERATING ACTIVITIES		
Changes in net assets	$ 55,073,000	$ 28,038,300
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	14,780,900	14,721,900
Loss on disposal of equipment	9,000	133,600
Unrealized gains on investments	(38,292,600)	(32,063,900)
(Gains) losses on sale of investments	(11,500,500)	4,080,700
Changes in assets and liabilities:		
Accounts receivable	(3,008,500)	(12,735,900)
Prepaid expenses and other assets	(3,564,600)	(1,714,000)
Accounts payable and accrued expenses	5,779,300	1,398,200
Accrued pension and other employee benefits	(4,650,300)	2,786,800
Amounts held on behalf of IEEE Foundation, Incorporated	8,285,000	2,963,600
Deferred revenue	21,729,900	5,009,200
Net cash provided by operating activities	**44,640,600**	**12,618,500**
INVESTING ACTIVITIES		
Proceeds from sales of investments	276,769,100	324,722,300
Purchases of investments	(309,737,700)	(322,297,000)
Purchase of land, buildings and equipment	(8,749,500)	(14,205,100)
Net cash used in investing activities	**(41,718,100)**	**(11,779,800)**
FINANCING ACTIVITIES		
Change in cash overdraft	1,131,700	(1,318,900)
Payment of capital lease obligations	(1,544,400)	(1,759,900)
Net cash used in financing activities	**(412,700)**	**(3,078,800)**
Net increase (decrease) in cash and cash equivalents	2,509,800	(2,240,100)
Cash and cash equivalents, beginning of year	10,734,500	12,974,600
Cash and cash equivalents, end of year	**$ 13,244,300**	**$ 10,734,500**
SUPPLEMENTAL DATA		
Interest paid	$ 488,600	$ 489,000
Purchases of fixed assets included in accrued expenses	$ 1,047,000	$ -
Acquisition of equipment through capital lease obligations	$ 419,200	$ 1,098,500

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

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 advancement of the standing of the members of the profession it serves.

Implementation of the Institute's objectives is performed primarily through regions, sections, societies, and councils and their financial results are incorporated in the Institute's accompanying consolidated financial statements. These units were formed to serve the specialized 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, and various publications.

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 Private Limited, 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 return 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 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 development groups. Standards periodicals and publications are recognized on a straight-line basis over the period to which it pertains. Standards development groups are recognized similar to conferences.

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, 2013 and 2012 are presented below.

Public Imperatives	2013	2012
Revenues	$ 6,410,600	$ 6,468,500
Expenses	17,894,200	17,329,300
Public Imperatives, net	$ (11,483,600)	$ (10,860,800)

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 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, 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:

	Years
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, 2013 and 2012, cash overdrafts amounted to $2,637,200 and $1,505,500, 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 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 ending December 31, 2010, 2011, 2012 and 2013 are still open to audit for both federal and state purposes. As of December 31, 2013, 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 2012 consolidated financial statements in order to conform to the 2013 presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as reflected in the 2012 consolidated financial statements.

Subsequent Events

The Institute evaluated its December 31, 2013 consolidated financial statements for subsequent events through May 28, 2014, the date the consolidated financial statements were available to be issued.

NOTE 3: INVESTMENTS

As of December 31, 2013 and 2012, the Institute's investments, at fair value, by level within the fair value hierarchy, consist of the following:

	2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 5,077,600	$ -	$ -	$ 5,077,600
Common stock:				
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
Total common stocks	**161,659,500**	**-**	**-**	**161,659,500**
Mutual funds:				
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
Total mutual funds	**225,529,700**	**-**	**-**	**225,529,700**
U.S. Government securities	17,131,300	-	-	17,131,300
Commingled funds	-	32,845,500	-	32,845,500
	409,398,100	**32,845,500**	**-**	**442,243,600**
Add: receivables for securities sold and accrued interest	768,400	-	-	768,400
Less: liabilities for securities purchased and accrued fees	(630,500)	-	-	(630,500)
Total investments, at fair value	**$ 409,536,000**	**$ 32,845,500**	**$ -**	**$ 442,381,500**

	2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 2,423,200	$ -	$ -	$ 2,423,200
Common stock:				
Consumer	28,235,700	-	-	28,235,700
Technology	26,095,000	-	-	26,095,000
Financial services	23,635,500	-	-	23,635,500
Healthcare	19,057,300	-	-	19,057,300
Industrials	13,895,700	-	-	13,895,700
Energy	10,784,600	-	-	10,784,600
Telecom	7,137,200	-	-	7,137,200
Other	6,199,900	-	-	6,199,900
Total common stocks	**135,040,900**	**-**	**-**	**135,040,900**
Mutual funds:				
Growth funds	23,129,200	-	-	23,129,200
Fixed income funds	90,257,300	-	-	90,257,300
Money market funds	49,825,900	-	-	49,825,900
Other funds	16,687,700	-	-	16,687,700
Total mutual funds	**179,900,100**	**-**	**-**	**179,900,100**
U.S. Government securities	14,754,900	-	-	14,754,900
Commingled funds	-	27,695,800	-	27,695,800
	332,119,100	**27,695,800**	**-**	**359,814,900**
Add: receivables for securities sold and accrued interest	1,300,400	-	-	1,300,400
Less: liabilities for securities purchased and accrued fees	(1,483,500)	-	-	(1,483,500)
Total investments, at fair value	**$ 331,936,000**	**$ 27,695,800**	**$ -**	**$ 359,631,800**

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 NAV to determine the fair value of all the underlying 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, 2013 and 2012:

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

2012

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.	$27,695,800	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 $2,598,300 and $2,586,300 as of December 31, 2013 and 2012, respectively, are classified as investments – other on the accompanying consolidated statements of financial position. These investments do not qualify as securities as defined by the relevant guidance, and as such, fair value disclosures are not provided.

Investment income, net, for the years ended December 31, 2013 and 2012, including investment return 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		**2013**		**2012**
Interest and dividends, net	$	5,680,800	$	6,351,800
Net realized and unrealized gains on investments		54,185,300		30,419,300
Total investment income, net	**$**	**59,866,100**	**$**	**36,771,100**
IEEE Foundation				
Interest and dividends, net	$	466,400	$	524,200
Net realized and unrealized gains on investments		4,392,200		2,436,100
IEEE Foundation investment income, net	**$**	**4,858,600**	**$**	**2,960,300**
IEEE				
Interest and dividends, net	$	5,214,400	$	5,827,600
Net realized and unrealized gains on investments		49,793,100		27,983,200
IEEE investment income, net	**$**	**55,007,500**	**$**	**33,810,800**

Investment expenses, which are netted with interest and dividends, amounted to $1,200,000 and $947,600 in 2013 and 2012, 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, 2013 and 2012 consist of the following:

	2013			2012		
	Cost	Accumulated Depreciation and Amortization	Net	Cost	Accumulated Depreciation and Amortization	Net
Buildings	$ 17,956,600	$ 12,412,800	$ 5,543,800	$ 17,956,600	$ 11,957,800	$ 5,998,800
Furniture, equipment, vehicles and computers	105,589,700	66,603,800	38,985,900	99,212,600	56,727,000	42,485,600
Building improvements	12,763,400	5,555,000	7,208,400	12,310,300	4,707,500	7,602,800
	136,309,700	**84,571,600**	**51,738,100**	**129,479,500**	**73,392,300**	**56,087,200**
Land	873,000	-	873,000	873,000	-	873,000
Building improvements in progress	2,533,900	-	2,533,900	99,900	-	99,900
Information systems upgrade in process	1,551,900	-	1,551,900	4,211,000	-	4,211,000
Total	**$ 141,268,500**	**$ 84,571,600**	**$ 56,696,900**	**$ 134,663,400**	**$ 73,392,300**	**$ 61,271,100**

Depreciation and amortization expense amounted to $14,780,900 and $14,721,900 for the years ended December 31, 2013 and 2012, respectively.

Furniture and equipment include assets acquired under capital leases of $7,152,600 and $7,709,700 as of December 31, 2013 and 2012, respectively. Accumulated amortization of assets recorded under capital leases amounted to $4,232,400 and $3,660,400 at December 31, 2013 and 2012, 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 $273,900 in 2013 and $206,100 in 2012, on the unused portion of the credit facility. The credit facility was not utilized in 2013 and 2012; 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, 2013, the Institute was in compliance with all financial ratios.

Interest expense, net of amounts capitalized of $138,300 in 2013 and $217,500 in 2012, amounted to $350,300 in 2013 and $271,500 in 2012. This is mainly related to leases of servers and laptops.

NOTE 6: OBLIGATIONS UNDER CAPITAL LEASES

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

Year	Amount
2014	$1,520,100
2015	1,100,000
2016	483,500
2017	166,800
2018	46,900
Total minimum lease payments	3,317,300
Less: Amount representing interest	(392,900)
Present value of minimum lease payments	$2,924,400

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, 2013, and a statement of the funded status as of December 31 of both years:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Reconciliation of benefit obligation:				
Obligation at January 1st	**$ 90,856,500**	**$ 81,811,200**	**$ 5,707,600**	**$ 4,807,600**
Service cost	255,000	255,000	248,500	230,400
Interest cost	3,278,200	3,335,300	204,300	202,400
Actuarial (gain) loss	(13,093,200)	10,922,400	(973,000)	557,500
Benefit payments	(1,696,700)	(2,052,100)	(113,600)	(90,300)
Settlements	(4,386,600)	(3,415,300)	-	-
Obligation at December 31st	**$ 75,213,200**	**$ 90,856,500**	**$ 5,073,800**	**$ 5,707,600**
Reconciliation of fair value of plan assets:				
Fair value of plan assets at January 1st	**$ 75,077,900**	**$ 67,919,300**	**$ -**	**$ -**
Actual return on plan assets	(2,182,300)	8,111,300	-	-
Employer contributions	26,800	4,514,700	113,600	90,300
Benefit payments	(1,696,700)	(2,052,100)	(113,600)	(90,300)
Settlements	(4,386,600)	(3,415,300)	-	-
Fair value of plan assets at December 31st	**$ 66,839,100**	**$ 75,077,900**	**$ -**	**$ -**
Funded status at December 31st	$ (8,374,100)	$ (15,778,600)	$ (5,073,800)	$ (5,707,600)
Accumulated benefit obligation	$ 75,213,200	$ 90,856,500	$ 5,073,800	$ 5,707,600

At December 31, 2013 and 2012, the funded status of the plans is reported on the consolidated statements of financial position as follows:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Current liabilities	$ (26,600)	$ (17,700)	$ (228,800)	$ (213,500)
Noncurrent liabilities	(8,347,500)	(15,760,900)	(4,845,000)	(5,494,100)
Net amount recognized	**$ (8,374,100)**	**$ (15,778,600)**	**$ (5,073,800)**	**$ (5,707,600)**

Cumulative amounts recognized in changes in unrestricted net assets and not yet recognized in net periodic benefit cost as of December 31, 2013 and 2012 consist of:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Net loss	$ 20,115,200	$ 31,460,700	$ 834,000	$ 1,893,300
Prior service cost	-	-	45,800	-
Net transition obligation	-	-	-	91,500
Total	**$ 20,115,200**	**$ 31,460,700**	**$ 879,800**	**$ 1,984,800**

The following table provides the components of net periodic benefit cost for the plans for 2013 and 2012:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Service cost	$ 255,000	$ 255,000	$ 248,500	$ 230,400
Interest cost	3,278,200	3,335,300	204,200	202,300
Expected return on plan assets	(2,861,700)	(2,721,100)	-	-
Amortization of transition obligation	-	-	45,800	45,800
Amortization of prior service cost	-	-	-	22,900
Amortization of net loss	2,121,700	2,019,900	86,200	70,300
Settlement loss	1,174,600	1,181,400	-	-
Net periodic benefit cost	**$ 3,967,800**	**$ 4,070,500**	**$ 584,700**	**$ 571,700**

Amounts recognized in changes in unrestricted net assets for the years ended December 31, 2013 and 2012 consist of:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Net loss	$ (8,049,200)	$ 5,532,200	$ (973,000)	$ 557,600
Amortization of net loss	(3,296,300)	(3,201,300)	(86,200)	(70,300)
Amortization of transition obligation	-	-	(45,800)	(45,800)
Amortization of prior service cost	-	-	-	(22,900)
Pension related benefits activity other than periodic benefit cost	**$ (11,345,500)**	**$ 2,330,900**	**$ (1,105,000)**	**$ 418,600**

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:

	Pension Benefits	Other Benefits
Transition obligation	$ -	$ 45,800
Net loss	1,330,100	23,600
Total	$ 1,330,100	$ 69,400

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:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Weighted-average assumptions as of December 31st				
Discount rate	4.61%	3.75%	4.72%	3.75%
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:

	Pension Benefits		Other Benefits	
	2013	**2012**	**2013**	**2012**
Weighted-average assumptions as of December 31st				
Discount rate	3.75%	4.25%	3.75%	4.25%
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 $27,000 to its nonqualified pension plan and approximately $229,000 to its other post-retirement benefit plans during 2014.

Expected Benefit Payments

	Pension Benefits	Other Benefits
2014	$ 3,567,000	$ 228,800
2015	3,507,700	231,300
2016	3,582,300	233,700
2017	3,830,700	240,600
2018	3,946,000	247,800
2019 to 2023	25,097,900	1,416,900

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 number 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 2013 and 2012, and the target allocation for 2013 and 2012 by asset category based on asset fair values are as follows:

		Pension Assets at December 31		Post-Retirement Assets at December 31	
Asset Category	2013 Target Asset Allocation	2013	2012	2013	2012
Equity securities	10%	12%	12%	N/A	N/A
Debt securities	90%	87%	88%	N/A	N/A
Cash and cash equivalents	-	1%	-	N/A	N/A
Total	**100%**	**100%**	**100%**	**N/A**	**N/A**

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 assets is to maintain a diversified investment portfolio across several asset classes targeting an annual rate of return of 4.00% in both 2013 and 2012. 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.

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, 2013 and 2012, 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, 2013 and 2012, 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 table prioritizes the inputs used to measure and report the fair value of the Institute's pension plan assets at December 31, 2013:

	2013			
	Level 1	**Level 2**	**Level 3**	**Total**
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
Total common stocks	**3,753,000**	**-**	**-**	**3,753,000**
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
	19,807,500	46,518,700	-	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)
Total pension plan investments	**$ 20,320,400**	**$ 46,518,700**	**$ -**	**$ 66,839,100**

The following table prioritizes the inputs used to measure and report the fair value of the Institute's pension plan assets at December 31, 2012:

	2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 472,200	$ -	$ -	$ 472,200
Common stock:				
Consumer	873,700	-	-	873,700
Technology	896,900	-	-	896,900
Healthcare	457,400	-	-	457,400
Industrials	456,500	-	-	456,500
Financial services	394,600	-	-	394,600
Energy	380,000	-	-	380,000
Telecommunications	247,800	-	-	247,800
Other	214,200	-	-	214,200
Total common stocks	**3,921,100**	**-**	**-**	**3,921,100**
Equity mutual funds	4,547,500	-	-	4,547,500
Corporate bonds	-	41,377,400	-	41,377,400
U.S. Government securities	16,481,700	2,379,300	-	18,861,000
Municipal bonds	-	3,481,800	-	3,481,800
Foreign bonds	-	1,623,600	-	1,623,600
	25,422,500	48,862,100	-	74,284,600
Add: receivables for securities sold and accrued interest	894,800	-	-	894,800
Less: liabilities for securities purchased and accrued fees	(101,500)	-	-	(101,500)
Total pension plan investments	**$ 26,215,800**	**$ 48,862,100**	**$ -**	**$ 75,077,900**

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 from 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 $4,134,000 and $3,861,200 to the Plan in 2013 and 2012, respectively. Amounts payable at December 31, 2013 and 2012 were $108,000 and $89,300, 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 contribution). 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 $7,652,261 and $7,151,522 in 2013 and 2012, respectively. Amounts payable at December 31, 2013 and 2012 were $209,500 and $168,700, 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 amount of $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, 2013, and the related 457(b) plan assets are included in investments on the accompanying 2013 consolidated statement of financial position.

NOTE 8: NET ASSETS AND ENDOWMENT FUNDS

Temporarily restricted net assets are available for the following purposes at December 31, 2013 and 2012:

		2013		2012
Grant funds held for specific purposes	$	817,600	$	1,167,600
Funds held for awards, medals and other specific purposes		713,700		591,600
	$	1,531,300	$	1,759,200

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes for the years ended December 31, 2013 and 2012 as follows:

		2013		2012
Grant funds released for specific purposes	$	587,600	$	1,221,600
Funds released for awards, medals and other specific purposes		3,000		2,600
	$	590,600	$	1,224,200

Permanently restricted net assets at December 31, 2013 and 2012 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 endowment assets of $514,500 and $468,900 as of December 31, 2013 and 2012, 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, 2013 and 2012:

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted endowment funds	$ -	$ 323,100	$ 191,400	$ 514,500

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year	**$ -**	**$ 277,500**	**$ 191,400**	**$ 468,900**
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)
Endowment assets, end of year	**$ -**	**$ 323,100**	**$ 191,400**	**$ 514,500**

	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted endowment funds	$ -	$ 277,500	$ 191,400	$ 468,900

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year	**$ -**	**$ 248,900**	**$ 191,400**	**$ 440,300**
Dividends and interest	-	6,700	-	6,700
Net realized and unrealized appreciation in fair value of endowment assets	-	24,200	-	24,200
New gifts and pledges	-	-	-	-
Endowment return used for operations	-	(2,300)	-	(2,300)
Endowment assets, end of year	$ -	$ 277,500	$ 191,400	$ 468,900

NOTE 9: COMMITMENTS AND CONTINGENCIES

Operating Leases

At December 31, 2013, minimum rental commitments due under noncancelable operating leases for office space and computer equipment are as follows:

Year	Amount
2014	$ 2,709,900
2015	2,447,100
2016	2,187,000
2017	2,044,500
2018	2,085,100
Thereafter	8,014,300
	$ 19,487,900

The leases for the office space are subject to escalation. Total rent expense for noncancelable operating leases amounted to $5,087,700 and $3,646,700 in 2013 and 2012, respectively.

Letters of Credit

At December 31, 2013, the Institute had irrevocable standby letters of credit with Wells Fargo Bank, N.A., in the amount 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, 2013, the Institute had issued standby letters of credit totaling $103,900 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 $531,000 and $561,000 in 2013 and 2012, respectively, to the Foundation. The Institute contributed $750,000 to the IEEE-Eta Kappa Nu Restricted Fund during 2013 and $250,000 to the IEEE Power Engineering Society Scholarship Program during 2012.

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 $561,000 and $512,000 during 2013 and 2012, respectively. The Institute provided fundraising administrative services (contributed services) during 2013 and 2012 that were not reimbursed by the Foundation, that were valued at $764,600 and $649,400 during 2013 and 2012, respectively.

The Institute held on deposit $38,208,200 and $29,923,200 from the Foundation at December 31, 2013 and 2012, 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 $113,500 and $58,500 at December 31, 2013 and 2012, respectively, and other receivables of $98,800 and $222,200 at December 31, 2013 and 2012, respectively, and are included in accounts receivable on the accompanying consolidated statements of financial position. Amounts due to the Foundation of $145,200 and $169,100 at December 31, 2013 and 2012, respectively, are included in accounts payable and accrued expenses on the accompanying consolidated statements of financial position.

IEEE and Related Subsidiary Company Locations

Corporate Headquarters
3 Park Avenue, 17th Floor
New York, NY 10016-5997 USA
Phone: +1 212 419 7900

Operations Centers
445 and 501 Hoes Lane
Piscataway, NJ 08854-4141 USA
Phone: +1 732 981 0060

10662 Los Vaqueros Circle
P.O. Box 3014
Los Alamitos, CA 90720-1314 USA
Phone: +1 714 821 8380

2001 L Street, N.W. Suite 700
Washington, DC 20036-49710 USA
Phone: +1 202 785 0017

Global IEEE Institute for Engineers Private Limited, India
26/1, Fifth Floor, WTC - Brigade Gateway Campus
Dr. Rajkumar Road, Malleswaram West
Bangalore – 560 055, Karnataka, India
Phone: +91 80 4944 4333

IEEE Asia-Pacific Limited, Singapore
1 Fusionopolis Walk, #04-07
South Tower
Solaris, Singapore 138628
Phone: +65 6778 2873

IEEE, Inc. Representative Office, China
Room 1503, South Tower
Raycom Info Tech Park C
Haidian District
Beijing, China 100190
Phone: +86 10 8286 2250

IEEE Russia Branch
105 Oktyabryskaya Street, Fl. 79
Moscow, Russia 127521

IEEE, Inc. Tax Registration, Belgium
22-24 Rue du Luxembourg
1050 Brussels, Belgium
Phone: +32 2 213 13 96

IEEE Tax Registration, Japan
E-1904 Aoyama-Twin Tower
1-1-1 Minami-aoyama, Minato-kuTokyo 107-62, Japan
Phone: +81 3 3408 3118