

Minutes

3GPP Funding Committee June 19-20, 2000 Dusseldorf, Germany

Attendees : Phil Davidson ETSI Chair
 Keiji Yoshino TTC
 Yukio Yoshimura ARIB
 Yutaka Maeda ARIB
 Asok Chatterjee T1
 Myung G. Jang TTA
 Adrian Scrase MCC

2. Agenda : Document 3GPP FFG#1(00)01 Approved with addition of 4.5

3. Next meetings: Evening of Monday July 17, 2000 (especially to meet with CWTS), i.e. prior to OP meeting. Discuss CWTS' contributions for 2000, and perhaps 2001.

October 17-18, 2000, with T1P1

January 17-18 2001, Japan.

Terms of Ref: * To progress all funding, finance and audit matters referred to the Committee by the 3GPP OP and PCG
 * To act solely through the Op to facilitate their financial management of the 3GPP
 * Specifically to * offer guidance to MCC on expenditure issues
 carry out periodic auditing of expenditure
 provide audit reports to OP
 check funding requests from TSG and offer advice to PCG/OP

Invitation: There is an open invitation to visit MCC/Adrian Scrase whenever Committee members are in the area, to look into the records keeping etc. by MCC. Adrian will supply OPs with any level of detailed info. as requested by the OPs.

Working Methods: A good overview of finances will be provided at each meeting of the Committee, such as expenditure to-date, projections for the end of the year, etc. Between meetings Adrian will provide as much info. as requested by the Committee members. May be an once-a-month e-mail with the monthly actuals (? To be decided later during the meeting).

Financial Report: As described in 3GPP FFG#1(00)02

(year 2000)

We accept the numbers provided by Adrian. For 'Overhead' expenses (other than PC/Laptops), there is at present no mechanism for actually tracking the 'actual' costs. These are too deeply embedded in ETSI expenses. We need to do better. We are tracking closely salaries,

We need to have extra funding of 55 Keuro for PC/Laptop from Contingency fund for a year end figure of 100 kEuro.

New PCG request for funding for authentication algorithm: All Partners have agreed to the activity. During pre-meeting discussions all SDOs except ARIB and TTC supported taking the funding from Contingency fund.

RECOMMENDATION of FINANCE COMMITTEE: (1) It was agreed at the present meeting that work should start as soon as practicable, (2) money will be taken from Contingency, (3) the previously agreed upon principle of special funding mechanism involving ARIB/TTC for 'Specific Tasks' related expenses will be respected. [ARIB and TTC are considered as a single SDO for the purposes of 'Task Specific' expenses.]

Partner commitments and payments received: (1) TTA has paid 50% of their dues on June 13. The remaining 50% will be paid in August. (2) ARIB has sent 100% of their dues on June 14. (3) TTC's situation is not clear. (4) T1 will pay its full dues latest by the 1st week of July. (5) ETSI has actually spent more than its 'due' share already. (6) Nothing is known about CWTS situation as yet.

ACTION: The meeting report, and funding situation etc. will be put in the OP area of the 3GPP Web page.

CWTS wants to be a custodian of the ciphering algorithm. All other (4) SDOs [T1, ETSI, TTA, TTC/ARIB – TTC and ARIB are considered as a single SDO for this 'task specific' purpose] are custodians. The 344.7 Keuros for ciphering algorithm was paid by these 4 SDOs. CWTS wants to know as to how much it would cost if they were to sign the distribution agreement and become a custodian of this algorithm.

RECOMMENDATION: The Committee thinks that there may be revenues, and to be made by CWTS, through administrative charges levied on the recipients. And so CWTS should pay the same amount as other SDOs. So, the amount 344.7 Keuros should be divided into 5 parts, CWTS should pay that 1/5th amount. The extra payments already made by the 4 SDOs for this purpose should be carried forward towards the accounts of these SDOs for the next year.

Asset Register: The register of assets (the only assets that are uniquely 3GPP specific are the PCs and Laptops) will be maintained by Adrian, and presented to each meeting of the Committee – for visibility. The other assets like servers, furniture are co-owned by 3GPP with ETSI, and are difficult to track at this point in time.

Year 2001 Finances

Document 3GPP FFG#1(00)03

Overhead expenses for 2000 for 3GPP budget was about 14% of the staff salary. The proposal is to make overhead allocation to be 25% of the staff salary for 2001, in line with the actual historic cost figures of ETSI. This is a more realistic figure so far as ETSI practices are concerned. As of now there is only one item for 'specific task' expenditure : 312 kEuro for TTCN.

RECOMMENDATION: Financing of 3GPP should reflect the true costs. Accounts for 2001 must be auditable. Contingency should be 10% of costs.

ACTION: Adrian should bring in actual line by line numbers for overhead costs to explain as to why 25 is a realistic figure. All OPs are invited to share similar information (i.e. business norm for overhead as a percentage of staff salary) with Adrian over the next couple of weeks, if possible. This will help the discussions to further refine the 2001 budget at the OP meeting in Beijing. Furthermore, we need to track the actual salary/overhead ratio for 2000. Based on that actual figure, the actual contribution dues from the OPs for 2001 may have to be adjusted sometime during the year 2001.

Funding Mechanism

TTA will continue to provide one expert for 2001.

Probably ARIB expert will continue for 2001. To be confirmed.

Need to confirm the situation regarding expert from GSM Association.

RECOMMENDATION: The existing mechanism and principle for funding (i.e. the 50-50 split, 'specific task funding', etc.) should be retained for 2001.

RECOMMENDATION: CWTS should take the full responsibility of an OP's financial obligations starting with the year 2001.

RECOMMENDATION: GERAN should be 20% of the expenses, [after one expert from GSM Association, ½ an expert supporting 'New SMG 9', are taken out]. The remainder is the support expenses for the current 4 TSGs. The GERAN expenses will be supported by the participating OPs only.

As of now we know that ETSI and T1 will participate in GERAN, and ARIB and TTC have indicated that they will not. It is **HIGHLY RECOMMENDED** that CWTS and TTA indicate their interests regarding participation in GERAN as soon as possible so that the budgets for 2001 can be finalized.