Agenda Item 8
Report of the FAI Secretary General
TOPICS

1. After the GC 2019
2. Statistics 2019
3. The Year 2020, Running Business and Projects
4. Situation in Secretariat
5. Outlook 2021

Agenda 8: Report FAI Secretary General
EB BRIEFING (JAN 2020, PRESIDENT MUSINGS)

“... the EB, immediately following the GC, set the following priorities:

1. To make the FAI leaner and more effective within the urgently necessary cost cutting, while at the same time not compromising the achievement of the FAI goals as a sporting organisation.

2. To set the focus within the FAI secretariat on the main issues of Competitions, Records and Awards and the necessary management, communication and promotion of airsports vis-à-vis the NACs, Air Sport Commissions and international affiliates of the FAI.

3. ...
Markus Haggeney ... achieving first two priorities as rapidly as possible...”

Agenda 8: Report FAI Secretary General
(1) POST GC 2019: ORGANISATIONAL IMPACT

Serious Budget reductions (approx. 35% of fixed cost)
- Immediate cost cutting
- Staff (FTE), Salaries, Work-schemes
- “survival mode” (even before pandemic)

Tasks and Responsibilities
- Re-focus on core FAI activities (President Musings)
- Staff work profiles
- Detailed Cost review: Insurance, Rent, Running Cost
(2) STATISTICS 2019: FIRST CATEGORY EVENTS

• 45 Events Category
  • World (24), Continental (13), Others (8)

• In 23 different countries
  • Europe (17), North America (2), Asia (1), South America (1), Africa (1) and Oceania (1)

• 77 FAI member countries participated
  • total of *3697* competitors
  • World (2094), Continental (982), Others (621)
(2) STATISTICS 2019: INTERNATIONAL RECORDS

- 344 International Records ratified (2018 = 284)
- 64.8% of them being World Records (2018 = 55%)

• 403 Attempts during 2019 (2018 = 310)
• 380 dossiers received (2018 = 333)
(2) STATISTICS 2019

- Origin / participants in FAI events
(3) RUNNING 2020: FINANCIAL AUDIT 2019

- Audit Financial Year 2019
  - August, delayed from April (because of Covid)
  - Cleaning 2013-2018 / Sorting deficiencies in past workflows
  - Addressing past auditors comments (provisions etc)

- Timeline
  - 14.08.2020 BDO (auditors): final report
  - 13/14.08.2020 EB meeting for review of findings
  - 09.09.2020 Audit shared with FAI stakeholders
  - 09.10.2020 FAI replied to auditor’s comments
  - 13.11.2020: FAI shared audit report/comments
  - FAI Management letter (replies)
  - 02.12.2020: Report at FAI General Conference
(3) SWITCH TO “ELECTRONIC”

- Executive Board
  - 1 f2f meeting (January)
  - 24 EB sessions (zoom)
  - 2 with CPG (zoom)
  - 1 with NAC Presidents (zoom)
  - Numerous bilateral zoom meeting

- Commission Meetings
  - All attended by FAI Secretary General
  - 2 f2f: ISC and CIVL, all other ASCs and TCs electronically

- Office
  - Since 11.03.2020 -> Home Office (covid), Daily Zoom Calls
  - August – November: team at office 1 day/week

Agenda 8: Report FAI Secretary General
(3) AIR SPORT ACTIVITIES

- **FAI Category 1 and Category 2 events**
  - Almost all World/Continental Ch. cancelled or postponed
  - 50% of Category 2 events cancelled
  - OA adjustments
  - Finalize YE 2020: SF payments (income vs pre-payment)

- **Air Sports in other multi-sport events**
  - Preparation work continued with the support of ASCs
  - Paramotors: Asian Beach Games, CHN 2020 -> 2021
  - Skydiving/Drones: The World Games, USA 2021 -> 2022
  - Drones: Asian Indoor & Martial Art Games, THA 2021
(3) PROJECT: NEW FAI FINANCE SYSTEM

• Online accounting firm „Run my Accounts“
  • 2 PoC: Online Accountant, Mandate Manager (Fiduciary)
  • Workflows supported via cloud/mails

• Functions
  • Payables, Receivables, Expense Claims, Payroll, Banking, Taxes incl VAT

• Services
  • Invoice creation, FAI-Interfaces, Bank access
  • Menu/reports/accounts table in ENG

• Cost
  • Fixed per month + Variable per booking
  • Additional services charged by the hour
(3) PROJECT: NEW FAI FINANCE SYSTEM

- Connecting all FAI bank accounts
  - Read/Uploading. Payments release will remain FAI task
- Payables/Receivables since 01.01.2020
- Human Resources cloud-based
  - Payroll “Swiss Salary” / Work hours “EasyRapport”
- FAI AMS Integration
  - application management system/FAI calendar/650 Cat2)
  - AMS for Cat2 events / calendar entry / SF invoices
- VAT declaration
  - Operational ‘electronic interfaces’ to tax authorities (new)
- Cooperation with past Accounting Firm
  - Terminated. System (Abacus) remains for Q3 2020
## (3) PROJECT TIMELINE

<table>
<thead>
<tr>
<th>Timeline 2020</th>
<th>Q1 (Jan / Feb / Mar)</th>
<th>Q2 (Apr / May / Jun)</th>
<th>Q3 (July / Aug / Sep)</th>
<th>Q4 (Oct / Nov / Dec)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SmartFidu/Abacus</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ -</td>
<td>- - -</td>
<td>- - -</td>
</tr>
<tr>
<td>RMA (retroactive data entry from 01.01.2020 onwards)</td>
<td>- - -</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>Cost Centre structure (identify and agree to budgeting/reporting needs: EB and ASCs)</td>
<td>- - -</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>- - -</td>
</tr>
<tr>
<td>Reporting to EB ‘new format’</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>Budget process for 2021 (EB / ASC)</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td>Reporting to ASCs ‘new format’ (phased roll-out)</td>
<td>- ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>Start identifying best practice in FAI (jointly EB/ASC/office)</td>
<td>- - ✓</td>
<td>✓ ✓ ✓</td>
<td>✓ ✓ ✓</td>
<td>- ✓ ✓</td>
</tr>
</tbody>
</table>

(workflows ASC-office, sanction fees, ASC services and fees for LOC)
1. Application Management system [link]
2. AMS systems message
3. Accounting Run my Accounts) [link]
4. FAI calendar [link]
### (3) MAIN PERSPECTIVES ON FAI

<table>
<thead>
<tr>
<th>FAI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members</td>
</tr>
<tr>
<td>Matters</td>
</tr>
<tr>
<td>Commissions</td>
</tr>
<tr>
<td>(Sports)</td>
</tr>
<tr>
<td>Admin</td>
</tr>
<tr>
<td>(Overheads)</td>
</tr>
</tbody>
</table>

**Agenda 8: Report FAI Secretary General**
### (3) MAIN PERSPECTIVES ON FAI

#### Cost & Revenue

<table>
<thead>
<tr>
<th>Legal Accounts</th>
<th>Cost Centre</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUI obligations (as few as necessary)</td>
<td>Department (FAI’s internal structure) for - Decisions - Reports - Budgets</td>
<td>FAI activities: Cat1, Cat2, dedicated projects, single-year, multi-year, cross-commission, member specific, regional focus, FAI total</td>
</tr>
</tbody>
</table>

The level of detail for DEPRECIATION has to be decided

Agenda 8: Report FAI Secretary General
(3) SUMMARY

• Finance System
  • Abacus & SmartFidu terminated 07/2020
  • Run my Accounts 01/2020 (retrospectively)
  • Cost savings on yearly basis (2019 basis) minus 50%

• Integrated workflows
  • Banks connected electronically
  • Invoicing module
  • FAI calendar, Application management system (AMS)
  • VAT declarations electronically (replacing paper)

• In progress of implementation
  • Liquidity forecasting (interfaced/API) with RmA
  • Budgeting (interfaced/API) with RmA
(3) BUDGET PROCESS FOR FY 2021

- On top of identified reporting needs
- Cost centres
  - reflecting areas of responsibility
  - Supporting accountability
- Extensive discussions with Commissions
- Several update cycles (will continue from now on)

- Result will be presented under agenda item 17
(3) COMMUNICATION

WEBSITE
+70 in 2020

MEMBERS INFO
5 in 2020

NEWSLETTER
7 in 2020

MAILING LISTS

PRESS RELEASES
13 in 2020

SOCIAL MEDIA
Facebook
Twitter
Instagram
Linkedin
Youtube

Agenda 8: Report FAI Secretary General
FAI.ORG/ABOUT -> REPLACES “ANNUAL REPORT”
FAI.ORG/COMMISSIONS -> FAST-TRACK COMMISSIONS

AIR SPORT COMMISSIONS
- General Air Sports (CASL)
- Aerobatics (CIVA)
- Aeromodelling (CIAM)
- Amateur-Built and Experimental Aircraft (CIACA)
- Astronautic Records (ICARE)
- Ballooning (CIA)
- General Aviation (GAC)
- Gliding (IGC)
- Hang Gliding and Paragliding (CIVL)
- Microlight and Paramotor (CIMA)
- Rotorcraft (ICR)
- Skydiving (ISC)

TECHNICAL COMMISSIONS
- Education (Educ)
- Environmental (EnvC)
- Medico-Psychological (CIMP)

Agenda 8: Report FAI Secretary General
(4) SECRETARIAT (DECEMBER 2019)

Secretary General
Susanne Schödel

Finances
Paola Lopez
Finance Manager and Controller

Sports & Events
Markus Haggengen
Sports and Events Director
Christine Rousson
Competition Manager
Annick Hauser
Assistant Sports Manager

Communication
Faustina Carrera
Communication Manager

Administration & Members
Ségalène Rouillon
Head of Administration
Members and Services Manager

IT
Vesa-Matti Leinikki
IT Manager

Team
SALLY O'BRIEN
Team Assistant

External resources
Sports & Events
Gregorz Pyzalka
Events Manager

Agenda 8: Report FAI Secretary General
(4) SECRETARIAT

February 2020

Staffing nominal = 6.2 FTE

Agenda 8: Report FAI Secretary General
**(4) SECRETARIAT**

Since April 2020

**Staffing**

„covid-scenario“ = 3.6 FTE

Canton (the state) subsidizes 80% of the reduction

FAI continues to pay 100% of the social charges

Staff continues to receive 100% of their nominal salary

Liquidity effect est. 2020 = 125,000 CHF

Monthly statistics to be provided and application

---

Agenda 8: Report FAI Secretary General
(4) SECRETARIAT

January 2021

Staffing
nominal = 5.4 FTE
(5) OUTLOOK 2021

• Assumptions presented in “2021 Budget proposal” (agenda item 17)
  - 2021 Budget narrative
  - 2021 Budget figures

• Continue activities which began in 2020
  - Support stabilizing the FAI
  - Fully operational new accounting system
  - Focus on Liquidity Management
  - Regular budget updates
  - Faster reporting / early closing of the year 2020
  - See improvement from 2020 projects unfold
(5) 2021 FOCUS OVERHEAD/OFFICE

- Continuing to improve the financial system and related tools, interfaces, automated workflows, outsourced activities
- Introducing the electronic handling of documents (organizer agreements)
- Reviewing the structure and number of bank accounts needed to run the FAI
- Cooperate with Commission Secretaries: invoices, payment approvals and related reporting
(5) 2021 FOCUS SERVICES FOR FAI ACTIVITIES

- Addressing the diverse schemes in place for sanction fees, performances bonds and deposits
- Reviewing ASC services for organizers and the pricing structure (event directors, officials, technical expertise)
- Reviewing the different ways of ordering, handling and invoicing FAI Medals and Diploma
- Reviewing the records handling-processes
- Identifying harmonized workflows with Commissions, and involving National Record Officers
(5) 2021 FOCUS SECRETARIAT/ASC SUPPORT

- Electronic or face-to-face plenary meetings: tools, cloud space, document handling, invitation processes
- Handling expense claims and reducing the diversity of processes amongst Commissions
- Regular financial reports and related timelines
- Implications of activities handled in CHF and EUR
- Guidelines for the creation and dissolution of special reserves (provisions) to meet the request of the auditor
- Paperless office (expense claims, bidding processes, sanctioning processes, handling of Organizer Agreements, records handling)