

**AUDIT  
COMMITTEE**

**Tuesday, June 9, 2015**

**7.30pm**

**SUB 0-55**

**AGENDA (AC 2015-02)**

- |                   |  |
|-------------------|--|
| <b>2015-02/1</b>  | <b><u>INTRODUCTION</u></b>               |
| <b>2015-02/1a</b> | <b>Call to Order</b>                     |
| <b>2015-02/1b</b> | <b>Approval of Agenda</b>                |
| <b>2015-02/1c</b> | <b>Approval of Minutes</b>               |
| <b>2015-02/1d</b> | <b>Chair's Business</b>                  |
| <b>2015-02/2</b>  | <b><u>PRESENTATIONS</u></b>              |
| <b>2015-02/2a</b> | <b>Peter Ta: SU's Controller</b>         |
| <b>2015-02/3</b>  | <b><u>QUESTION/DISCUSSION PERIOD</u></b> |
| <b>2015-02/4</b>  | <b><u>COMMITTEE BUSINESS</u></b>         |
| <b>2015-02/5</b>  | <b><u>INFORMATION ITEMS</u></b>          |
| <b>2015-02/6</b>  | <b><u>ADJOURNMENT</u></b>                |
| <b>2015-02/6a</b> | <b>Next Meeting: TBD</b>                 |

# MINUTES

2014-2015

## *Audit Committee Meeting*

Wednesday May 12<sup>th</sup>, 2015

**Attendance**

Donald Ademaj  
Ahona Mostafiz  
Victoria DeJong for Ben Angus  
Umer Farooq  
Neesha Persad (proxy for Sam Cheng)  
Thomas Patrick  
Robyn Paches (Chair)

- 1. Call to Order** The meeting was called to order by Robyn at 7:36pm
- 2. Approval of Agenda** Thomas initiated motion to pass the agenda and Ahona seconded it. Agenda was approved with all in favor
- 3. Approval of Minutes** Umer initiated motion to approve the minutes and Victoria seconded it. Minutes were approved with all in favor.
- 4. Old Business**
- 5. New Business** Agenda tabled
- 6. Discussion Period** Robyn:  
Let's talk about Audit committee responsibility; credit card statement - if wrong it needs to be approved; not sure how many credit cards are there...;  
Profit and loss statements - see if anything is outstanding in financials; reviewing 3rd part SU audit, by KPMG, which happens in Sep / Oct;  
John brings it to us and we pass it on to SU; FA fees and reviewing FAs; we don't have dedicated fee units and it's all under fin; what do they use their fees for?;  
Every four months, summary sheets – reviewed, approved and asked questions; Cory went through these with me;

Now about cash flow...antifreeze, etc

Umer:

Credit card statements ... ;

Senior manager and general manager ... for a lot of time a lot of different people from budget areas;

Interesting because it tells where they spent money on; like plane tickets, hotel charges, etc.;

Describes about what happens if there are receipts and what if there are no receipts; special expenses, like 400\$ spent last month;

Audit committee is there for reviewing spending; Personal expenses in credit cards can be noticed; You can ask for big events like orientation and you can look and make sure if everything is all right;

Robyn:

P n L statements, if given in mid-October, it can be reviewed...

Umer:

Be careful about ....; budget line - need to be careful about what the money is being spent on; each items, can ask for those statements.

Credit card statements and p n l statements, both can be asked for.

...

Engineering has one, nursing has one,

Audit committee is a frightening comm. for FAs, .... Millions of dollars ....

With FAs discrepancies can be looked at, particularly what they last year and this year

Basically budget line is the money that you typically spend, that is discrepancy;

Couple of thousand of dollars is not much in a large scheme;

Some cases have surplus;

Different FAs and faculties; the way their finances spoke to us is ...everyone they would be in hotel , and ...make it quite expensive

....

FAs by definition is to serve and represent student ; serving student doesn't need money; need to look at where they spend and what are the discrepancies; what are their revenues; their operating history; it can misunderstanding of financial statements;

Last year we had Rebecca...; everything can be done in one long meeting;

... thorough but a long process; audit committee had a lot of power over FAs, like asking for receipts, etc. and they have present it; going down that road will create bad relations though...

In past, what happened was 20,000\$ were stole and audit committee did not have any power then; Became a criminal case; Audit found out what went wrong; spent money on strippers and that is the kind of thing they spend money on;

... Reason for that was two to three years ago ... What audit and bylaw requires is to have finances ok;

It can not be a boyfriend or girlfriend; in one case it was a girlfriend and it became an issue....; was an internal issue; financial issues because there was no fin reporting going on;

In another event the year before last....

We need to be careful ....; nursing students a lot of money goes to faculty ...., a bit weird, and the faculty use that to buy their memberships with the SU ..., and so the nursing student need the money in time; these are the little things going on;

Robyn:

Thanks, appreciate the history note; one question: u say we have the authority to ask receipt, is it all FAs

Umer:

Yes all

Robyn:

This year it is standardized.... A standardized form, unlike before... FAs can do their internal budgeting and accounting but they have to submit that to us

Umer:

Audit committee does still have the power to ... Is expensive

Audit is necessary to prevent frauds

I will be careful with audit...

Council, if there are issues not be taken to council, then don't taken

them

.... In choosing next years auditor, ...letters will come in your name...

Auditors have a lot of power because they can ask ,answers and gen managers for documents

Last years ... Just signed the documents, signed a 45000\$ contract, not a small thing

Umer:

That sums up quite well with discussion with Cory  
Would like to open the meeting to questions.

Ahona:

Restructuring going on....?

Umer:

Will be functioning FA, will be a committee that will analyze how they restructure

Robyn:

Happens if they restructure  
SU says that there won't be FAs; Barely legible fun Stmt. but ...

Umer:

I will find out more

Robyn:

one more thing, SU is a complex organization, is for and also not for profit, audit can do things and make recommendations, that's why KPMG van be consulted; 6 to 7 years, van know how to work and SU can benefit from the knowledge;

Umer:

I know that working if KPMG, consistency is a big issue;  
technically SU is not for profit, thee us profit motive  
Tools that can be used ... To FAs knowledge ....they want our portfolio

Robyn:

Last year our audit committee met KPMG about how they audited  
Asked Steve Peter ..., Vanesa is the person from KPMG ..  
Recommend u guts go there to see how it goes on;

Umer:

Summer is for preparation for taking on the onslaught  
Goal is to be prepared for credit card and p n l statement  
Learn as much as we can, we can review all credit card statement  
that is not a priority ad Cory says  
However, we can do that if don't have other pressing things  
We can meet once a month and get all credit card statements and  
some actual p n l statements  
Have it rosy by Jul / Aug  
We can set the summer goals now

Quickly pull up the agenda: next meeting Will be at 6 pm, May 26th  
(2015)

I am going to speak to Bo to push their meeting to 7.30

Umer initiated motion to amend the agenda for holding the next  
meeting at 6 pm, May 26<sup>th</sup> (2015), and Ahona seconded it. The  
motion was approved with all in favor.

**6a) Creation and  
regulation and  
oversight of DFUs**

**6b) Clarify the  
timeline for the  
creation of DFU**

**6c) Oversight  
requirements of SU  
representatives**

**7. Next meeting date** 6 pm, on May 26th (2015)

**8. Adjournment** Meeting adjourned at 8.30 pm