

Tuesday June 06, 2017

5:30 pm

SUB 0-55

ATTENDANCE

NAME	PROXY	PRESENT
Sandy Brophy (Chair)		Y
Connor Palindat		0.5
James Thibaudeau		N
Darren Choi		Y
Monica Lillo		N
Nick Sorensen		Y
Will Swain		N

MINUTES (AC 2017-02)

2017-02/1 INTRODUCTION

2017-02/1a **Call to Order**

Meeting called to order at 5:37 pm.

2017-02/1b **Approval of Agenda**

CHOI/SORENSEN MOVE to approve the agenda for June 06, 2017 as tabled.

Vote 4/0/0
CARRIED

2017-02/1c **Approval of Minutes**

PALINDAT/CHOI MOVE to amend the minutes such that the inclusion of the Speaker among members present is removed.

Vote 4/0/0
CARRIED

SORENSEN/PALINDAT moved to approve the minutes as amended.

Vote 4/0/0
CARRIED

2017-02/1d **Chair's Business**

2017-02/2 **QUESTION/DISCUSSION PERIOD**

2017-02/3 **COMMITTEE BUSINESS**

2017-02/3a **Presentation by Vice-president Robyn Paches**

BROPHY/PALINDAT MOVE to allow Vice President PACHES' presentation, detailing how to perform an audit.

Vote 4/0/0
CARRIED

PACHES:

During my time as a Business councillor, I chaired the Audit Committee for a full year. As the Vice-president Operations and Finance, I chaired the Finance Committee last year, and gave a similar presentation to the Audit Committee at the onset. In my honest opinion, the Audit Committee is one of the best committees. There's a bit of stigma surrounding this committee because it's involved with numbers and such. But, that stigma is unfounded. The Audit Committee is responsible for ensuring that the Students' Union (SU) is accountable by keeping an eye on the businesses and employee expenses. Moreover, the committee ensures that the annual SU audit goes smoothly and that student dollars are spent in a responsible manner. In essence, the committee is very important. Out of all the committees, the Audit Committee can directly call in an executive or a staff

member. If you see any suspicious expense on a visa statement, you can call that staff member to explain the expense. No other committee has that power. However, with this power, you have to be responsible. You have to exercise due diligence. Because Students' Council and its standing committees are the highest governing body in the SU, getting called here is a big deal for a staff member.

The first responsibility is reviewing visa statements. You will have access to all SU credit cards. The executives and core management all hold credit cards. You will be able to check whether they are accurate and make sense. You'll be particularly looking for things that don't make sense with respect to the person's role. You are always allowed to ask for context. Keep an eye out for the expense of alcohol on visa statements. The receipts should be itemized. There are special circumstances where alcohol is allowed to be expensed. You're also looking for frivolous spending.

The next responsibility is reviewing profit and loss statements. These are the statements that we compile monthly about the profits/loss of different units within the SU. We break our organization into different units, and each unit is like a department. Some departments are pure revenue while others are pure expense. For example, I am my own department. All you'd see is loss because this department basically only pays my salary. These units include the SU businesses as well. You can gain insights on how different departments interplay with each other. The SU as a whole doesn't aim to profit at the end. However, some of our departments do while others don't. Depending on what you would like to see, you will have to request about a month in advance so that the required profit and loss statement is compiled for you. You only request what you're curious about.

BROPHY:

If you are curious about an SU department, let me know. I will send the necessary request.

CHOI:

For what purposes are we requesting these profit and loss statements?

PACHES:

One is curiosity. If you are curious as to why a department is performing well or not performing well, you can look into the numbers. If there's anything you see which can be improved, you can talk to Councillor Brophy, and he'll relay your message. These profit and loss statements are mainly an oversight mechanism. You will provide another set of eyes, and provide an independent opinion.

Both profit and loss statements and visa statements are non-actionable items. The organization will function if you don't look at them. It's not a mechanism for approval. As long as you don't flag anything, they will move

forward.

The next responsibility is the SU audit. The Post-Secondary Learning Act stipulates that all not-for-profit student representative associations must have an audit annually. As such, we get a third-party audit completed every year. For the past 8 years, we have had KPMG to do our audit, and the Audit Committee is responsible to handle this. We have been with KPMG for quite a while, and it has gone pretty well. However, it's up to the committee to select a suitable company if they don't want to go with the same company in the future. The auditing company will first present their plans for the audit. After this, you can either choose to hire them or not. If you choose to hire them, they'll go forward and conduct the audit. During this process, they'll work closely with our staff. Afterwards, they'll present the findings to the committee. The controller would come to the meeting to answer any questions. If the committee is satisfied, you'll approve the audit to be presented to Council.

Most of the workload with the audit committee deals with approving Faculty Association (FA) membership fees. This is an actionable item. Most of the FAs administer a FAMF (Faculty Association Membership Fee). It's a small fee in the tuition of the relevant faculty's students. Different FAs use this money for different purposes. It's totally up to them. Augustana and the Engineering Students' Society (ESS) get a full professional audit done.

BROPHY:

Augustana is administered separately. They have a much larger budget as they are off campus and have to provide certain services that the SU provides here.

PACHES:

Yes, they don't have the same access to SU operated services. The Audit Committee monitors the use of FAMFs, and monitors the use in previous years as context. Because we are collecting the money on behalf of these organizations, it's our responsibility to ensure that the money is spent in a proper manner. Previously, FAs had a full audit. However, that was taxing on them and also unnecessary. Therefore, we have moved onto a new process. The FA sends their budget to Discover Governance, and it is posted in the Google Drive. The budget includes the projected amounts and the actuals up to that date. For each semester, you'll decide which councillor is assigned to a particular FA. The councillor will take a look at that FA's budget and select a certain line to audit. Preferably, this line would be one with some expenses. They have to provide receipts and backup documentation for all the expenses in that line. You can choose whatever line you want. However, it's recommended to select a line with discrepancies between the budgeted and actual amounts. After receiving the budget, you have 14 days to request a line. After that. It's out of the

committee's hands. It's up to you as to how your involvement is. Some councillors take a hands-off approach while others send reminders. They don't get their money unless you approve it. It's a good idea to keep a tracking sheet of the different FAs with their approval status. Once you get the documents, you can approve, ask for more information, or deny. I recommend asking for more information before denying. If you are good to go, email Rebecca of Discover Governance and Councillor Brophy that you are able to approve the budget. If something's fishy, email Rebecca, and she'll look into it. We usually make it easy for the FAs and councillors by having a single point of contact – Rebecca Taylor of Discover Governance.

SORENSEN:

How many lines do you have to choose?

PACHES:

You are required to choose one, but you can choose as many as you like. The more you choose the more receipts they need to provide, and the more reviewing you have to do.

SORENSEN:

What kind of documentation do I have to provide?

PACHES:

You do not have to provide anything. The FA must provide you with all the receipts and relevant documents pertaining to the line you choose.

BROPHY:

We usually tend to have very short meetings.

PACHES:

I'd recommend reviewing visa statements within the committee for confidentiality. Profit and loss statements can be taken out, but I recommend being confidential with those. The auditing work regarding the FA can be done in your own time. The committee is mainly for the final approval.

To wrap up, I enjoy this committee. However, as an executive, I can't sit on it. Hopefully everyone has a good year in this committee.

2017-02/5 **ADJOURNMENT**

2017-02/5a **Next Meeting:** Wednesday June 20, 2017 at 5:30 pm.

2017-02/5b Meeting adjourned at 6:05 pm.

SUMMARY OF MOTIONS

MOTION	VOTES
<i>CHOI/SORENSEN moved to approve the agenda for June 06, 2017 as tabled.</i>	<i>CARRIED 4/0/0</i>
<i>PALINDAT/CHOI moved to amend the minutes such that the inclusion of the Speaker among members present is removed.</i>	<i>CARRIED 4/0/0</i>
<i>SORENSEN/PALINDAT moved to approve the minutes as amended.</i>	<i>CARRIED 4/0/0</i>
<i>BROPHY/PALINDAT moved to allow Vice President PACHES presentation, detailing how to perform an audit.</i>	<i>CARRIED 4/0/0</i>