



AUDIT COMMITTEE MINUTES

2012 – 2013 #

Date: April 4th 2013

Time: 5.07 pm

In Attendance:

CORY HODGSON (Chair)

GLENN GENSLER

KELSEY MILLS

RAPHAEL MLYNARSKI

VICTORIA PHAM (Left at 6.08 pm)

JOSH LE (Arrived at 5.30 pm. Left at 5.39 pm)

Excused Absence:

Others in Attendance:

SACHITHA KUSALADHARMA

**1. CALL TO
ORDER:**

The meeting was called to order by HODGSON at 5.07 pm.

**2. APPROVAL OF
AGENDA**

The agenda for *April 4, 2013* approved as friendly.
Vote 5/0/0
CARRIED

**3. APPROVAL OF
MINUTES**

Tabled minutes for *March 14, 2013* approved as friendly.
Vote 5/0/0
CARRIED

4. NEW BUSINESS

Financial Reporting Forms

HODGSON: Question 3 and 15 were the main changes which happened. The discussion about comparing last year's budget with the actual was something that a lot of people missed. They had not understood that. Hopefully, it's clearer now.

A lot of people skipped over sections of the reporting forms. Maybe it's worth putting a caveat stating that the Audit Committee will not accept incomplete forms.

MILLS: For some who don't have the incentive to even file this, filling it up correctly would be hard.

HODGSON: In the past, we have sent a strongly worded letter to FAs who don't submit their financial reports. However, this year, we can hold them up to a higher standard.

Probation would not be the best thing to do right away.

Are people okay with adding a new line saying that the Audit Committee will not accept incomplete forms?

MILLS: Also add that "if there are concerns, please contact the chair of the Audit Committee or Amanda."

HODGSON: It already says that questions about this should go to the Student Government Advisor (SGA).

ESS Audit

HODGSON: They VP-Finance said that the best choice would be to combine this year's and next year's FAMF and get two audits done at the same time. Dustin says that it's irresponsible if they don't get it done this year. The compromise is to begin the process of the audits for both years by May.

Furthermore, they are not happy with the change in standards from this year to the next year. It's pretty clear from bylaw on where we make our decisions from.

MILLS: It's good to have a neutral 3rd party to have a look at it. Maybe not to get a full audit done. Maybe we can have a faculty advisor of the ESS have a look at it because we are in this time crunch. Putting it onto the next committee by us is no different than them putting it to their next year's members.

HODGSON: I'll bring this up with Dustin and Amanda, and I'll update you guys on this.

BSA financial package

HODGSON: They have a disclaimer of opinion on the audit. It's not a big deal.

It's not clear whether FAs are supposed to be paying GST. Right now, they are under a GST exemption.

LE: They are charging GST on tickets and stuff.

HODGSON: They don't want to dig deeper into the issue. I will mention this to Dustin. It's something for the SU to pursue as a question.

They have sent their high level operational budget.

HODGSON moved to approve BSA's 2011/2012 financial statements.

The motion was seconded by MILLS.

Vote 5/0/0
CARRIED

LSA financial package

HODGSON: The initial problem was that they collected a Faculty Membership Fee (FMF). It's basically tuition under SU's jurisdiction. It goes directly to the faculty, and the FA doesn't touch it. We encourage FAs to get rid of this though. However, the organization has decided that the FMF is the best way to implement this fee.

MLYNARSKI: How does "career services" fall under LSA?

MILLS: It's like CAPS, but law specific.

MLYNARSKI: If a person who works for a firm, but he audits statements under his personal capacity, would we say that it has been audited by the firm or the particular individual?

HODGSON: It would be audited by the individual.

MLYNARSKI: The way they have worded this, it could lead someone to think that this was audited by a firm.

HODGSON: In bylaw, it says that, for associations collecting an FMF, they should include evidence of seeking alternatives for that fee. We have the power to say that they should be working against that fee.

MILLS: The FMF goes directly to the faculty, and not the LSA.

HODGSON: The LSA didn't know they were paying this money.

The higher audit standards apply to FAMFs and not FMFs. So, we can't hold them to the higher audit standards because LSA only collects an FMF.

MILLS: I want to know what "career services" actually does, to determine whether all this money is justified.

By their minutes, it seems like "career services" hire people to deal with job fairs, interviews etc. It is okay, but \$400,000 for central administration is high.

HODGSON: I don't know how much about the FMF our responsibility is. Also, I can't find a budget.

Let's postpone this, and discuss about this in a future meeting.

Review of credit card statements

MLYNARSKI: Nigel says he asked for a record of the payment. But there isn't a receipt.

HODGSON: They haven't given him one.

The committee found no transactions of concern in the reviewed credit card statements.

5. REPORTS *None*

6. CLOSED SESSION *NIL*

7. NEXT MEETING *Not decided.*

8. ADJOURNMENT HODGSON moved to adjourn the meeting.
The motion was seconded by MLYNARSKI.
Vote 4/0/0
CARRIED

Meeting adjourned at 6.29 pm.