



*University of Alberta Students' Union*

## **AUDIT COMMITTEE**

**October 7, 2016  
5:30PM  
SUB 6-06**

### **AGENDA (AC-2016-08)**

**2016-08/1      INTRODUCTION**

**2016-08/1a      Call to Order**

**2016-08/1b      Approval of Agenda**

**2016-08/1c      Approval of Minutes**

**2016-08/1d      Chair's Business**

**2016-08/2      QUESTION/DISCUSSION PERIOD**

**2016-08/3      COMMITTEE BUSINESS**

**2016-08/3a      KPMG Audit Findings Presentation**

Please see AC 16-07.01

**2016-08/3b      NUA Audit Spring/Summer 2016**

**2016-08/3c      RSJ Audit Spring/Summer 2016**

**2016-08/4      INFORMATION ITEMS**

Upcoming SU audit presentation by KPMG on October 7

**2016-08/5      ADJOURNMENT**

**2016-08/5a      Next Meeting: October 21, 2016 in SUB 6-06 at 5:30 pm or sooner if needed.**



# The Students' Union, The University of Alberta

## Audit Findings Report

October 7, 2016

[kpmg.ca/audit](http://kpmg.ca/audit)



The contacts at KPMG in connection with this report are:

Lead Audit Engagement  
Partner

**John Stelter, CPA, CA**

Tel: 780.429.6511  
jstelter@kpmg.ca

Audit Manager

**Vanessa Paulencu, CPA, CA**

Tel: 780.429.6089  
vpaulencu@kpmg.ca

Audit Senior

**Brittany Keelan, CPA, CA**

Tel: 780.429.6523  
bkeelan@kpmg.ca

# Table of Contents

<b>Executive summary</b>	<b>3</b>
<b>Audit risks and results</b>	<b>5</b>
<b>Adjustments and differences</b>	<b>6</b>
<b>Other observations</b>	<b>7</b>
<b>Appendices</b>	<b>8</b>

# Executive summary

## Purpose of this report\*

The purpose of this Audit Findings Report is to assist you, as a member of the Audit Committee, in your review of the results of our audit of the consolidated financial statements of The Students' Union, The University of Alberta (the "SU") and the financial statements of the Students' Involvement Endowment Foundation ("SIEF") as at and for the year ended April 30, 2016

This Audit Findings Report builds on the Audit Plan we previously presented to the Audit Committee.

## Changes from the Audit Plan

There have been no significant changes regarding our audit from the Audit Planning Report previously presented to you.

## Audit risks and results

We discussed with you at the start of the audit a number of **areas of audit focus**.

These included a number of estimates matters and how these could affect your financial statements.

These areas of focus have been addressed in our audit.

See page 5.

## Adjustments and differences

Refer to the management representation letter for adjustments that were communicated to management and subsequently corrected in the financial statements. There were no differences identified that remain uncorrected.

This Audit Findings Report should not be used for any other purpose or by anyone other than the Audit Committee. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

# Executive summary

## Finalizing the audit

As of the date of this report, we have completed the audit of the consolidated financial statements of the SU and the financial statements of SIEF for the year ended April 30, 2016, with the exception of certain remaining procedures, which include amongst others:

- Updating our subsequent event procedures to the date of our audit reports;
- Completing our discussions with the audit committee; and
- Obtaining evidence of the Students' Council's approval of the financial statements.

We will update the Audit Committee, and not solely the Chair (as required by professional standards), on significant matters, *if any*, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

## Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

We have identified other observations with respect to the reconciliation of investments and posting of journal entries.

See page 7.

## Critical accounting estimates

Management describes their critical accounting estimates that are subject to uncertainty in Note 1(h) to the SU financial statements and Note 1(d) to the SIEF financial statements.

Overall, we are satisfied with the reasonability of critical accounting estimates.

## Independence

We are independent with respect to the SU and SIEF, within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation.

## Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

# Audit risks and results

Inherent risk of material misstatement is the susceptibility of a balance or assertion to misstatement which could be material, individually or when aggregated with other misstatements, assuming that there are no related controls.

We highlight our significant findings in respect of significant financial reporting risks as identified in our discussion with you in the Audit Plan, as well as any additional significant risks identified.

Areas of audit focus	Our significant findings from the audit
Completeness and accuracy of inventory and cash sales.	<p>We attended year-end inventory accounts for two locations and performed test counts of inventory as well as a full cash count.</p> <p>We performed an overall analysis of departmental revenue (other income).</p> <p>No errors were identified with respect to the completeness and accuracy of inventory and cash sales.</p>
Completeness of accounts payable and accrued liabilities	<p>We utilized our understanding of SU operations, our discussions with management, and our review of committee meeting minutes to ensure completeness of accruals has been achieved as at April 30, 2016.</p> <p>We completed a search for unrecorded liabilities (through review of unprocessed transactions and payments subsequent to year end) and work was performed over key accruals.</p> <p>No errors were identified with respect to the completeness of accounts payable and accrued liabilities.</p>
University of Alberta loan	<p>We confirmed the balance of the loan with the University of Alberta, and calculated accrued interest on the loan based on the agreement.</p> <p>No errors were noted with respect to the balance of the loan or the interest accrual.</p>
Investment income	<p>We obtained an investment confirmation and calculated unrealized and realized gains and losses, as well as investment income.</p> <p>Two errors were identified with respect to the income classification within SIEF, and subsequently corrected in the financial statements. Refer to the management representation letter for these audit misstatements.</p>

Professional requirements	Our significant findings from the audit
Potential for management override of controls.	<p>As this risk is not rebuttable, our audit methodology incorporated the required procedures in professional standards to address this risk. These procedures included testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.</p> <p>We noted no significant findings as a result of these procedures.</p>

# Adjustments and differences

Adjustments and differences identified during the audit have been categorized as Corrected "adjustments" or Uncorrected "differences." These include disclosure adjustments and differences.

Professional standards require that we request of management and the audit committee that all identified adjustments or differences be corrected. We have already made this request of management.

## Corrected adjustments

The management representation letter includes all adjustments identified as a result of the audit, communicated to management and subsequently corrected in the financial statements.

## Uncorrected differences

We did not identify differences that remain uncorrected.

# Other observations

During the course of our audit, we identified a number of observations that we believe may be of interest to the Audit Committee.

Our observations may include comments on risks, and the entity's approach to those risks, performance improvement observations, or other industry trends and developments.

These observations are based on, among other things, our understanding of the affairs and processes of the entity, as well as our understanding of many other companies in the same or other industries.

The following is a summary of our observations and insights as discussed with management:

Item	Observation
Reconciliation of Investments	<p>Consistent with the prior year, we noted that within the investment reconciliation, the change in market value on bonds was treated as interest and dividend income instead of unrealized gains and losses. Furthermore, it was noted that the classification of certain investments (i.e. Canadian equities vs. US equities) did not agree to the confirmation provided by the investment manager. This was subsequently corrected by management.</p> <p>We recommend that management implement a review at year-end, including a comparison of investment income and investment classification per the investment spreadsheets to the RBC investment statements.</p>
Posting of Journal Entries	<p>Consistent with the prior year, we noted journal entries may be posted by 5 different staff of the SU, each with access to the accounting records. The Finance Manager, Human Resources Manager, Accounting Supervisor, AP clerk, and AR clerk, all have access and authorization to post entries into the GL. Each entry is required to be reviewed by a different employee with access to the records.</p> <p>We recommend that the review of the journal entries be specified to 1 individual, with a more senior person reviewing any entries that individual posts.</p>



# Appendices

---

**Appendix 1: Required communications**

---

**Appendix 2: Management representation letters**

---

**Appendix 3: Audit Quality and Risk Management**

---

**Appendix 4: Background and professional standards**

---

# Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – The conclusion of our audit is set out in our draft auditors' report as attached.
- **Management representation letter** – In accordance with professional standards, copies of the management representation letters are provided to the Audit Committee. The management representation letters are attached in Appendix 2.
- **CPAB Big Four Firm Public Report (November 2015)** – Please refer to [http://www.cpab-csrc.ca/Documents/Annual%20Reports/CPAB\\_2015\\_Big%20Four\\_Report\\_EN\\_Final.pdf](http://www.cpab-csrc.ca/Documents/Annual%20Reports/CPAB_2015_Big%20Four_Report_EN_Final.pdf)

## Appendix 2: Management Representation Letters

KPMG LLP  
Commerce Place  
10125-102 Street  
Edmonton, Alberta T5J 3V8  
Canada

October 18, 2016

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as “financial statements”) of The Student Union, The University of Alberta (“the Entity”) as at and for the period ended April 30, 2016.

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**GENERAL:**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 13, 2016, for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework
  - b) providing you with all relevant information, such as all financial records and related data, including the names of all related parties and information regarding all relationships and transactions with related parties, and complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of student council and committees of the student council that may affect the financial statements, and access to such relevant information
  - c) such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

- d) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which management is aware.

**FRAUD & NON-COMPLIANCE WITH LAWS AND REGULATIONS:**

- 3) We have disclosed to you:
  - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud
  - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the Entity and involves: management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements
  - c) all information in relation to allegations of fraud, or suspected fraud, affecting the Entity's financial statements, communicated by employees, former employees, analysts, regulators, or others
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements

**SUBSEQUENT EVENTS:**

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

**RELATED PARTIES:**

- 5) We have disclosed to you the identity of the Entity's related parties and all the related party relationships and transactions/balances of which we are aware. All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

**ESTIMATES:**

- 6) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. [

**NON-SEC REGISTRANTS OR NON-REPORTING ISSUERS:**

- 7) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission (“SEC”) Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

THE STUDENT UNION, THE UNIVERSITY OF ALBERTA

---

By: Mr. Marc Dumouchel, General Manager

---

By: Mr. Peter Ta, Manager – Finance and Administration

cc: Audit Committee

## **Attachment I – Definitions**

### **MATERIALITY**

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

### **FRAUD & ERROR**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### **RELATED PARTIES**

In accordance with Canadian accounting standards for not-for-profit organizations, *related party* is defined as:

- when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Two not-for-profit organizations are related parties if one has an economic interest in the other. Related parties also include management and immediate family members

In accordance with Canadian accounting standards for not-for-profit organizations, *related party transaction* is defined as:

- a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

KPMG LLP  
Commerce Place  
10125-102 Street  
Edmonton, Alberta T5J 3V8  
Canada

October 18, 2016

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as “financial statements”) of Students’ Involvement Endowment Fund (“the Entity”) as at and for the period ended April 30, 2016.

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**GENERAL:**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 13, 2016, for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework
  - b) providing you with all relevant information, such as all financial records and related data, including the names of all related parties and information regarding all relationships and transactions with related parties, and complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of student council and committees of the student council that may affect the financial statements, and access to such relevant information
  - c) such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error
  - d) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.



**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which management is aware.

**FRAUD & NON-COMPLIANCE WITH LAWS AND REGULATIONS:**

- 3) We have disclosed to you:
  - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud
  - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the Entity and involves: management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements
  - c) all information in relation to allegations of fraud, or suspected fraud, affecting the Entity's financial statements, communicated by employees, former employees, analysts, regulators, or others
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements

**SUBSEQUENT EVENTS:**

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

**RELATED PARTIES:**

- 5) We have disclosed to you the identity of the Entity's related parties and all the related party relationships and transactions/balances of which we are aware. All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

**ESTIMATES:**

- 6) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. [

**NON-SEC REGISTRANTS OR NON-REPORTING ISSUERS:**

- 7) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission (“SEC”) Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

**MISSTATEMENTS:**

- 8) We approve the corrected misstatements identified by you during the audit described in **Attachment II**.

Yours very truly,

STUDENTS’ INVOLVEMENT ENDOWMENT FUND

---

By: Mr. Marc Dumouchel, General Manager

---

By: Mr. Peter Ta, Manager – Finance and Administration

cc: Audit Committee

## **Attachment I – Definitions**

### **MATERIALITY**

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

### **FRAUD & ERROR**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### **RELATED PARTIES**

In accordance with Canadian accounting standards for not-for-profit organizations, *related party* is defined as:

- when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Two not-for-profit organizations are related parties if one has an economic interest in the other. Related parties also include management and immediate family members

In accordance with Canadian accounting standards for not-for-profit organizations, *related party transaction* is defined as:

- a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

## Attachment II – Summary of Corrected Audit Misstatements Schedule

### 2016 Corrected Audit Misstatements

In dollars		Operations effect	Financial position		
Description	Accounts	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Fund Balances (Decrease) Increase
To correct realized gain based on investment confirmation	Interest and dividends	(7,808)	-	-	(7,808)
	Realized gain (loss) on disposal of investments	7,808	-	-	7,808
To correct unrealized gains based on investment confirmation	Unrealized gain (loss) on investments	(15,694)	-	-	(15,694)
	Interest and dividends	15,694	-	-	15,694
<b>Total corrected misstatements for the year ended April 30, 2016</b>		-	-	-	-

# Appendix 3: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit our [Audit Quality Resources page](#) for more information including access to our audit quality report, [Audit quality: Our hands-on process](#).

— Other controls include:

- Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits.
- Technical department and specialist resources provide real-time support to audit teams in the field.

- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.
- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.



- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
  - Assignment based on skills and experience;
  - Rotation of partners;
  - Performance evaluation;
  - Development and training; and
  - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

# Appendix 4: Background and professional standards

## Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

## Documents containing or referring to the audited financial statements

We are required by our professional standards to read only documents containing or referring to audited financial statements and our related auditors' report that are available through to the date of our auditors' report. The objective of reading these documents through to the date of our auditors' report is to identify material inconsistencies, if any, between the audited financial statements and the other information. We also have certain responsibilities, if on reading the other information for the purpose of identifying material inconsistencies, we become aware of an apparent material misstatement of fact.

We are also required by our professional standards when the financial statements are translated into another language to consider whether each version, available through to the date of our auditors' report, contains the same information and carries the same meaning.

[kpmg.ca/audit](http://kpmg.ca/audit)



KPMG LLP, an Audit, Tax and Advisory firm ([kpmg.ca](http://kpmg.ca)) and a Canadian limited liability partnership established under the laws of Ontario, is the Canadian member firm of KPMG International Cooperative ("KPMG International").

KPMG member firms around the world have 174,000 professionals, in 155 countries.

The independent member firms of the KPMG network are affiliated with KPMG International, a Swiss entity. Each KPMG firm is a legally distinct and separate entity, and describes itself as such.

© 2016 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

**AUDIT  
COMMITTEE****Thursday September 23, 2016****5:30 pm****SUB 6-06****ATTENDANCE**

NAME	PROXY	PRESENT
Nicole Hammond (Chair)		Y
Anthony Nguyen		Y
Brandon Prochnau		Y
Reed Larsen		Y
Saba Al Hammouri		Y
Sandy Brophy		Y
Umer Farooq		Y

**MINUTES (AC 2016-07)****2016-07/1      INTRODUCTION****2016-07/1a      Call to Order**

Meeting called to order at 5:40 pm.

**2016-07/1b      Approval of Agenda**



FAROOQ/AL HAMMOURI moved to approve the agenda for September 23, 2016 as tabled  
7/0/0 CARRIED

**2016-07/1c      Approval of Minutes**

NGUYEN/LARSEN moved to approve the minutes, as tabled.  
7/0/0, CARRIED

**2016-07/1d      Chair's Business**

**2016-07/2      QUESTION/DISCUSSION PERIOD**

**2016-07/3      COMMITTEE BUSINESS**

**2016-07/3a      VP Student Life to provide context behind Residence Associations being added to Audit Committee's responsibilities**

GHOSSEIN

Residence Associations being added to Audit Committee, and some sort of action need to be taken us to ensure that fees are collected in some way  
I want to go to the board for follow up

Fees are applicable for full associations, ECB, Residents Saint Jean, I-house and HUB

Residents Associations want these fees to be collected

That means we will be legally liable for these fees in the same way as FAs  
FAs have to go through the same process, and we are now working with Residents Associations

DG and Residents Association are written together, and all their policies are like SU Bylaws

There is different process for each association, and we will be lucky if they look the same; If they change they have to have timeline for referenda  
We want make sure that they all comply with each other, and it is probably a copy and paste from the FA timeline

It can also be for a collective of them; This year it will be less structured because they have no money and budget, and they don't know if their fees are collected because we don't know

We have working since 4 months on this but progress is slow  
Once the process is figured out I want their checks to be ready to go and delay will be avoided; delay comes from the administration but not from us;

It will be tricky because they are budgeting in the assumption that people often have; This year is very important for Resident Association's budget, anything that you get will pass; Fees are going to be collected next year but they are confused about year;

In the years to come, Leister Hall might come back, but don't know if there is any agreement with GSA. It is still not too much but identical to what we already have.

HAMMOND

Are they only having projected expenses and not actual expenses?

GHOSSEIN

There are actual expenses

It is like last year's budget, there is noticeable difference between the projected for this year and last's.

FAROOQ

Is there any review process beforehand? Was any of their Budgets reviewed beforehand?

GHOSSEIN

One problems was that budget was micromanaged by Resident Services because they thought of themselves as liable for the money to be spent by Resident Associations. They just were just the body that collected that money , they were acting like the audit committee.

Complications arise with the SU being liable for the because of things like there are many exchange students and faculty of extensions students who are not part of SU, so how will we collect the fees from them? Residents Association was running with assumption that fees are applicable to everybody.

GHOSSEIN

In the actual bylaw it had the term "Student Representative Association" but in the schedule, it didn't so I worked with Rebecca to change that.

I did not look at the schedule but can do that beginning of the year

There are still many complications with that thing, that no one had to think about because it is the first time we are doing? but it is going well, but is slower;

LARSEN

What's happening with the rest of them?

GHOSSEIN

GSA hasn't played a big enough role in advocacy and so can not collect graduate student fees; Needs combined motion to go the Board of Governor. We can have agreement to transfer the liability to graduate students so that we can at least assess the fees to graduate students. They don't have audit committee and don't have any faculty representatives so they have to use our infrastructure and that is you guys. So how we deal with releasing the money or not?

LARSEN

In the past five years, how was membership fees dealt with; if they haven't run a referendum in the last four years, they would have to do that right away?

GHOSSEIN

Every association deals with fees in their own way, it appeared to be in each FA bylaws. We are going to have see when was the last time they ran the last referendum.

LARSEN

We do four or five referendum at the same time it would bring in certain amount of legitimacy

GHOSSEIN

This is the first year we are doing it and so we have to figure out

LARSEN

Our standing orders are out of date

GHOSSEIN

We have had a conversation and alternatives were proposed; and there no deals; the idea was that we would create some sort of fees that all students would pay;

I would want the administration or Deputy Provost chair that responsibility because that delay is not our fault; I am not going ask them to gift the association's money; we could ask for a grant or some special loan; it would not happen before the winter semester because they are reviewing their budget, and they would replace us as a priority; We would have to find a pool of money;

I am fine right now with the timeline for Residents Association because they would not have gotten the money until early October, so we have a couple of weeks before that;

(All thank GHOSSEIN, and she exited the meeting room)

**2016-07/3b**

**Review Visa Statements**

More than one councillor spoke while reviewing the statements  
Committee look into the stack of Visa statements;  
Some charges were from Air Canada, parking passes, car rental, etc.;  
Some statements were identical;  
Discussion arose about cost of parking  
Visa Statements were reviewed;

**2016-07/3c**

**NSSA Audit Spring/Summer 2016**

Motion

AL HAMMOURI/NGUYEN moved to approve the NSSA Audit for the  
Spring/Summer semester 2016  
7/0/0 CARRIED

**2016-07/3d**

**MSA Audit Spring/Summer 2016**

NGUYEN

Talked about Medical student association; It was under administration.  
There are two options, we can table them; we can forward it to you guy.; if  
you can get those back to me before October 7, we will be okay.

LARSEN

There are two pieces but we want to know

HAMMOND

Asked if the committee can conditionally approve it?

Before we sign the auditor statement for Augustana, we can approve it as  
Rebecca says.

I think I would push for that as we can wait for two weeks, alternative is an  
emergency meeting.

Motion

HAMMOND/BROPHY moved to conditionally approve the MSA Audit on  
the condition that Audit Committee reviews the new information and finds  
it satisfactory

7/0/0, CARRIED

**2016-07/3e**

**ASA Audit Spring/Summer 2016**

HAMMOND

ASA Audit Spring/Summer 2016 was audited by professional auditor; It is interesting to look at because it has things like Augustana student fees

HAMMOND/AL HAMMOURI moved to approve the ASA Audit Spring/Summer 2016

7/0/0, CARRIED,

**2016-07/3e**

**Review Week of Welcome Profit and Loss Statements**

HAMMOND

Week of Welcome budget is not available as it takes about a month; it is only the budgeted amounts; Councillor Farooq suggested that we review it because it a large expense; We can take a look into it now and it is attached to the agenda and kind of long and empty;  
(Councillors take a look into the statements)  
I will present it again when I get more information;

**2016-07/4**

**INFORMATION ITEMS**

Upcoming SU audit presentation by KPMG is on October 7

HAMMOND

Reviewing who else is left, we can email and have Rebecca remind them; it is not really our problem;

Alberta pharmacies student association, they haven't heard back from us;  
Augustana done

Buss. Stud. Association is done

Engineering is done

ALES nothing

Law nothing

Medical, we talked today

Nursing, we requested

Native, we approved today

OASIS, we did the old one and haven't gone to their spring/summer  
 We are like 35 % done  
 It can go to the end of October, and we can wait

**2016-07/5                    ADJOURNMENT**

HAMMOND/FAROOQ moved to adjourn the meeting.  
 7/0/0, CARRIED

**2016-07/5a                    **Next Meeting:** Friday, October 7, 2016 at 6:00 pm.**

**2016-07/5b                    Meeting adjourned at 6:25 pm.**

**SUMMARY OF MOTIONS**

<b>MOTION</b>	<b>VOTES</b>
FAROOQ/AL HAMMOURI moved to approve the agenda for September 23, 2016 as tabled	7/0/0, CARRIED
NGUYEN/LARSEN moved to approve the minutes, as tabled.	7/0/0, CARRIED
AL HAMMOURI/NGUYEN moved to approve the NSSA Audit for the Spring/Summer semester 2016	7/0/0, CARRIED
HAMMOND/BROPHY moved to conditionally approve the MSA Audit on the condition that Audit Committee reviews the new information and finds it satisfactory	7/0/0, CARRIED
HAMMOND/AL HAMMOURI moved to approve the ASA Audit Spring/Summer 2016	7/0/0, CARRIED
HAMMOND/FAROOQ moved to adjourn the meeting.	7/0/0, CARRIED

--	--