

Call to Order – 1:36 pm, August 11, 2015 | Executive Conference Room

1. Territorial Acknowledgement

The Executive Committee acknowledged that the meeting was being conducted on the traditional and unceded territories of the Coast Salish peoples, which included the Squamish, Musqueam, Stó:lo, and Tsleil-Waututh people to the current knowledge of the Society.

2. Roll Call of Attendance

Committee Composition

President..... Enoch Weng

Vice President External Relations Kathleen Yang

Vice President Student Services Darwin Binesh

Vice President Student Life Deepak Sharma

Vice President University Relations Brady Yano

Society Staff

Executive Director..... Martin Wyant

Minute Taker..... Dion Chong

Guests

Society Auditor—Tompkins, Wozny, Miller & Co. Gary Wozny

Regrets

Vice President Finance..... Barbara Szymczyk (*illness*)

3. Adoption of Agenda

MOTION EXEC 2015-08-11:01

Sharma, Amended Sharma

Be it resolved to adopt the agenda as presented.

Discussion added: Committee Meetings for September

CARRIED AS AMENDED

4. Matters Arising from the Minutes

MOTION EXEC 2015-08-11:02

Sharma

Be it resolved to approve the minutes of 2015-07-14

CARRIED

5. Ratification of Regrets

MOTION EXEC 2015-08-11:03

Yano

Be it resolved to ratify the regrets of:

Vice President Finance..... Barbara Szymczyk (*illness*)

CARRIED

6. Guest Speakers

a. Auditors Presentation

**Simon Fraser Student Society
Executive Committee Meeting**

August 11, 2015– Simon Fraser University, Burnaby Campus
Traditional and Unceded Coast Salish Territories

The first detailed review has been conducted with the Executive Director, the Vice President Finance, and Financial Coordinator Zhang.

The auditor reviewed the draft financial statements for the Simon Fraser Student Society with the Executive Director. Explanations were provided for the various line items enumerated within the document.

- Cash held in trust was a new item within the financial statements, which resulted from the partial surrender of lease for the MBC space. These are held by the university on behalf of the SFSS, and these monies must be used for the Build SFU project. The University has informed the auditors that they were in agreement with the figures. The agreement with the university has a number of conditions, and therefore the auditors have opted to treat the agreement as a liability rather than revenue.
- The non-alignment of the health plan payments with the SFSS fiscal year results in the odd figures.
- It was expected that some amount of the Accessibility Fund would be used towards the Build SFU project.

The Executive Committee was reminded that the Society was bound to repay the \$3.5 million if the Build project is not pursued, and if not repaid by the deadline the SFSS would have a substantial interest cost. However, the University was interested in supporting the Build project. If the Build project does not proceed, there were a substantial number of startup expenditures which would have to be written off by the SFSS.

Interfund loans issue:

- Three resolutions were passed over the previous fiscal year to reduce the debt owed between different internal funds through an interfund transfer of equity.
- It was believed that Build SFU was a subset of the larger idea of space expansion.
- As the records of the resolutions were limited to the minutes of the time, it is necessary for the current Board to review the purpose/spirit of the motion to correct some identified deficiencies and clarify purpose. It was recommended by the auditor that the matter be clarified as a transfer of equity.
 - Some written narrative of the purpose of the motions proposed by the auditors would be necessary for the Board level.

Following the discussion above, the auditor continued reviewing the financial statements.

- The Build SFU General Manager wages are capitalized within the project costs, while other costs relating to the department and its staff are not.
- First Nations Student Fund had a loss in funds as a result of contributions to an endowment within the University.
- Within Notes to Financial Statements, the change to Food and Beverage Services paying for its own operating costs was noted.
- The SFSS continues to be the agent that disseminates the funding for the various student organizations.
- The financial statement discloses the full amounts allocated for Board of Directors stipends
- Very few third party receivables.

- The current arrangement with the SFSS financial institution (Vancity) was deemed to be a positive one. Care was advised in transition if the Build project financing was to proceed.
- Concert had largely the same cost, although there was more net cost of the concert. The Financial Coordinators and the Committees were recognized for their work in establishing a system of accountability.
 - In the future, it was raised that the more complex the revenue streams are (such as additional tiers), the less certainty the organization can have regarding the completeness of the documentation. The auditor in particular recognized the work of Financial Coordinator Kwong.
- Stipend costs were not as a result of rate increases but rather as a result of years where there was not a full contingent.
- Resource Office costs increased as a result of an additional staff hired (who was later transferred into another department) as well as increased services.
- Deficit in FBS resulted from both reduced business as well as the allocation of operation costs to the department as opposed to be subsumed within the general Student Society op costs.

The Surrender of Lease agreement was identified as a confusing document, as it is expressed to be a gratuitous document yet has some conditions attached. This may or may not be construed as a taxable amount.

The major area of concern was that the Food and Beverage Services was penalized steeply once over the past year for serving alcohol to a minor. It is likely that future fines would be even more substantial, or may result in the revocation of liquor license.

It was recommended that the SFSS finalize the investment policy in the future, considering the token investment made by the previous Vice President Finance towards green energy.

In the previous year, the major issue of internal controls related to concerts, and thus there were no major concerns for the current year beyond what has already been laid out.

Question was raised around the potential ability to continue collecting the Build SFU levy until such time that the debt to the University relating to the surrender of lease is repaid should the Build project fail to proceed. This would have to be discussed with another specialist in the future.

The complicating factor for the SFSS was in the role of the Vice President Finance and the Executive Committee on finance. In the future, a discussion would have to occur. Further, the change that occurred in the previous year for the provision of stipends without hourly reporting weakened the argument around the strength of internal controls on stipends. It is urgent that board work reports are detailed and specific. This conversation would have to occur in the future to mitigate political risk.

7. Discussions

b. Committee Meetings for the Month of September

It was expressed that meetings over the month of September should not occur unless absolutely necessary, such as approval of funding for an initiative. It was expressed that current practice was not to have meetings unless absolutely necessary anyways, except for committees like the

Granting Committee which have to continue meeting consistently. The chairs would be requested to express this sentiment with their members.

8. Executive Officer and Staff Updates

9. Announcements

10. In Camera Session

MOTION EXEC 2015-08-11:04

Sharma

Be it resolved to move the meeting in camera with management

CARRIED

11. Attachments

FS (draft#3) & attachments 2015- SFSS.pdf [REDACTED FOR BOARD/MANAGEMENT ONLY]

12. Adjournment

DC /CUPE 3338