

**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**
- 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



The contacts at KPMG in connection with this report are:

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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-crc.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.

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ESTIMATES:

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- 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

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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.

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- 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
Total corrected misstatements for the year ended April 30, 2016		-	-	-	-

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.

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**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 5:33 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

2016-07/1d HAMMOND
Fall Schedule is Fridays at 5:30PM on Council weeks. Might be subjected to change.

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

HAMMOND

VP Ghossein has volunteered to come and explain why we will now be auditing for Residence Associations.

Ghossein

This year is going to be the first year where Residence Associations are going through the Audit Committee. After the decision by Resident Services to not collect Residence Association fees anymore, we have to take some sort of action to ensure that these fees would be collected in some way. Our perception of what that solution would look like was to go to the board, we were expecting actual follow up to follow that board motion. However, we got the fees for four residence associations which are the ECB, Residents Saint Jean, I-House and HUB Residents Associations fees that need to be collected

That means we will now legally liable for these fees in the same way we are for FA's monies.

Resident Associations now have to go through the same process as FA's. Me, DG and the Resident Associations are all working together to ensure that all their bylaws and policies comply with each other and SU Bylaws. There is different process for each association, and we will be lucky if they look the same. If they chose to change fees, they all had different timelines for referenda.

We want make sure that they all comply with each other, and probably change them to be similar to the Fa timelines.

This year's work is going feel less structured, and most likely will look more sketchy than an established FA. We have simply given them a template to fill in their budget but they don't know if their fees are going to be collected since we don't know if their fees will be collected as we have been working with administration for 4 months on this but progress is slow. And depending on this conclusion, their budget will fluctuate.

Once the process is figured out, I want their checks to be ready to go and delay will be avoided so that delay comes from the administration but not from us. Which is why it would be great if you could review Residence Association budgets as soon as you get them.

They are working on them but it is a very tricky situation for them because they are budgeting on the assumption that they have half of their memberships.

This year's work is very important because if you flag anything that we should be paying attention to in Resident Association budgets, we have to communicate between myself, the chair and DG so that next year's process is very clear and as established as FA. We do have insurance that the fees will be collected next year, they are just confused on how to do it this year. In the years to come, when Lister Hall Association might come back but they might be added. It is still not too much work but it's identical to what we're doing for FA's but you are the only people who can do this.

HAMMOND

Are they only having projected expenses and not actual expenses?

GHOSSEIN

There are actual expenses but you want to see their projected.

HAMMOND

Have they spent any money?

GHOSSEIN

Some of them have. Example, the ESB Association are putting on a Block party and have spent around \$5000 on it. The associations have expected to have money.

HAMMOND

There are still budget lines to pull from with receipts and such.

GHOSSEIN

Yes, I don't know how many because the other associations have not done much till now. There is noticeable difference between the projected for this year and what was spent last year since they are not sure what kind of money they will have this year.

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 where that's not the case, they are just were just the body that collected that money , they were acting like the audit committee. That was the process for reviewing these fees. Good thing is Resident Services are very clearly not liable for that money anymore since now we are, and we're doing the financial review.

Flip side is that they are a whole bunch of complications that arise with this. After talking with Resident Associations, they mentioned concerns. Such as in HUB and ESB, there are many exchange students and faculty of extensions students who are not members of SU, so how will we collect the fees from them? There has to be a transfer of liability for the exchange students and faculty of extensions to us, but I don't know how to do that.

Councillor discuss the liability of these students and how to solve it.

LARSEN

Are these fees counted as dedicated fees?

GHOSSEIN

No, since they fall would under 8200 in bylaws. In the actual bylaw it had the term "Student Representative Association" but in the schedule, it didn't and Resident Associations weren't in the schedule but 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 it. It is going well, but is slower than we thought.

LARSEN

What's happening with the rest of the associations?

GHOSSEIN

GSA hasn't played a big enough role in Residence advocacy and we cannot actively collect graduate student fees. Next year, work with them to combine motions when we go the Board of Governors. For this year, we are trying to talk with them about having an agreement to transfer that liability 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 would have to use our infrastructure and that is you guys. So, how we deal with releasing the money or not? They would have to have a rep on here or create their own committee.

LARSEN

In the past five years, have all four had a vote on their membership fees?

GHOSSEIN

Each followed their own bylaws, and they weren't all consistent.

LARSEN

To be grandfathered into ours, TBD on a expiration date isn't going to work. If they haven't run a referendum in the last four years, they would have to do one right away.

GHOSSEIN

We are going to have see when was the last time they ran the last referendum, and then put on the expiry date on that.

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

FAROOQ

In the event, which is increasing likely, that they don't give out the fees this year, are we going to loan out to the resident associations this year?

GHOSSEIN

We have had a conversation and alternatives were proposed, none of which as all not ideal. The most least ideal of all was that we would create some sort of fees that all students would pay would pay for, and go to all groups.

This would anger many students and I don't want to be in that position of asking people to do that.

I would want the administration whether that's is the Dean of Students or Deputy Provost to chair that responsibility because that delay is not our fault at all. Obviously, I am not going ask them to give the association's money since they are not going to but we could ask for some sort of special grant or loan from them but it would not happen before the winter semester since they are still reviewing their budgets right now, and there is stuff they are trying to find money for, for their own goals. They would not place us as a priority but we would have to find a pool of money to loan that money out.

I am still fine right now with the timeline for Residents Associations because they would not have gotten the money until now or early October, so we have a couple of weeks in which this has to be figured out.

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

2016-07/3b

Review Visa Statements

The committee reviewed through the stack of visa statements, and discussed purchases made. Discussion arose about cost of parking, and ways the cost can be decreased.

2016-07/3c

NSSA Audit Spring/Summer 2016

HAMMOND

Councillor Al Hammouri has pulled their line for Student Orientation, and their receipts have checked out.

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

2016-07/3D

MSA Audit Spring/Summer 2016

NGUYEN

Received their Spring/Summer Budget, and decided to pull a line from their Office Administration not including Office Supplies and after

reviewing everything, everything seemed in place except the cost of cab and taxi fees.

HAMMOND

Interesting that those costs are under Administration

Councillors discuss why they would be paying these costs and how they are organized.

HAMMOND

This is a red flag for me since I don't understand why they would be paying for it. After talking to Rebecca, we have two options. We can table it, and wait for them to respond to us. Or we can conditionally approve it, and depending on what their response is, I can forward it to you and if we all think it's okay, it can just be put through.

BROPHY

I think the conditional approving it is the best option.

HAMMOND

Are we good with conditionally approving it, and discussing more on WhatsApp?

FAROOQ

Can we have an online motions okay, could we do those instead?

HAMMOND

Rebecca said we can conditionally approve as long as they get back with us with an acceptable response. Before we had the signed auditor statement for Augustana, Rebecca said that if we don't get it in time, we could conditionally approve as long upon receipt of the signed auditor statement. I think I would push for that because I am concerned about them waiting for another two weeks, alternative is an emergency meeting.

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

7/0/0, CARRIED

2016-07/3d

ASA Audit Spring/Summer 2016

HAMMOND

ASA Audit Spring/Summer 2016 was audited by professional auditor. There was no need to pull a line from their budget since it was professionally done. It is interesting to look at because it's cool to know how much Augustana collects in student fees.

HAMMOND/AL HAMMOURI moved to approve the ASA FAMF Fee 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 to organize. Currently, what we have 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;

Does anyone of have any budgets they would like to see such as Dewey's?

Councillors discuss future budgets they would like to see.

PROCHNAU

What FA's are we still waiting from?

HAMMOND

Discusses who we are waiting on. If you haven't heard back, you can have Rebecca email them.

Alberta Pharmacies Student Association:

We requested a line, and they haven't heard back from us.

Augustana, 2e have finished.

The Association, haven't heard from them.

Business Student Association, we have requested a line.

Education is done.

Engineering is done.

ALES, we haven't received nothing.

ISSS, we haven't received nothing.

Law, we haven't received nothing.

Medical, we talked today

MSA was done today.
 Nursing, we requested
 Native, we approved today
 OASIS, we did the old one and haven't gone to their spring/summer
 PHYSED, haven't heard anything.
 RES, we haven't heard anything.
 We are like 35 % done
 It can go to the end of October, and we can wait.

2016-07/4 **INFORMATION ITEMS**

2016-07/4a Upcoming SU audit presentation by KPMG is on October 7

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

MOTION	VOTES
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 MOVE to approve the NSSA Audit for the Spring/Summer Semester 2016	7/0/0, CARRIED
HAMMOND/BROPHY MOVE to conditionally approve the MSA Audit on the condition that Audit Committee	7/0/0, CARRIED

reviews the new information requested and finds it satisfactory.	
HAMMOND/AL HAMMOURI moved to approve the ASA FAMF Fee Spring/Summer 2016	7/0/0, CARRIED
HAMMOND/FAROOQ moved to adjourn the meeting.	7/0/0, CARRIED