

1. CALL TO ORDER

Call to Order – 12:04 PM

2. TERRITORIAL ACKNOWLEDGMENT

We acknowledge that this meeting is being conducted on the unceded territories of the Coast Salish peoples; which, to the current knowledge of the Society include the Squamish, Musqueam, Stó:lo, and Tsleil-Waututh people.

3. ROLL CALL OF ATTENDANCE

3.1 Committee Composition

VP Finance (<i>Chair</i>)	Matthew Chow
VP Student Life	Tawanda Masawi
VP University Relations	Jackson Freedman
VP External Relations	Jasdeep Gill
Board of Directors Representative	Kia Mirsalehi

3.2 Society Staff

Executive Director	Sylvia Ceacero
Build SFU General Manager	Marc Fontaine
Finance Coordinator	David Chin
Finance Coordinator	Kurt Belliveau

3.3 Absents

Board of Directors Representative	Kia Mirsalehi
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4. RATIFICATION OF REGRETS

4.1 MOTION FAC 2019-03-21:01

Jasdeep/Tawanda

Be it resolved to ratify the regrets from Jackson Freedman.

CARRIED

5. ADOPTION OF THE AGENDA

5.1 MOTION FAC 2019-03-21:02

Jasdeep/Tawanda

Be it resolved to adopt the agenda as presented.

CARRIED

6. MATTERS ARISING FROM THE MINUTES

6.1 MOTION FAC 2019-03-21:03

Tawanda/Jasdeep

Be it resolved to receive and file the following minutes:

- Finance and Audit Committee 2018-11-27.psf
- Finance and Audit Committee 2019-02-01.pdf

CARRIED

7. DISCUSSION ITEMS

7.1 Budget: Engagement Restructuring

- Planning to change who will manage the services section of the Board budget by placing all committee related budgets underneath each of their respective supporting coordinators
 - Other Board members are still able to use the budgets from other departments hence would not affect their ability to organize events
- Overall goal is to have Board members more focused on governance and staff members more focused on operations; can be comparable to politicians vs. bureaucrats in structure
 - This will potentially lead to increases in efficiency and would be delegating authority of the Society's finances
 - Authority will be allocated to the executive director to allocate to the coordinators

7.2 Budget Consultation Goals and Plan

- Consultation has been determined misleading considering the lack of decision making power students would have on changing the budget this year
- It is best to determine planning for consultations on the strategic plan before consulting on budget line items
- The committee will work alongside the incoming VP Finance on a budget information session for May/June of the next term
- The committee should provide role clarifications for how students will be involved in budget planning moving forward

8. ATTACHMENTS

- Engagement Budget Restructuring.pdf

9. ADJOURNMENT

MOTION FAC 2019-03-21:04

Tawanda/Jasdeep

Be it resolved to adjourn the meeting at 12:34 PM.

CARRIED

BRIEFING NOTE

ENGAGEMENT BUDGET RESTRUCTURING

ISSUE

The current budget structure for Board services (with special consideration being directed to budgets aligned with committees) leads to disjointedness in the oversight and assistance role that staff coordinators play. With no direct oversight over the engagement line items, coordinators are unable to make annual engagement plans or allocate resources according to their discretion.

BACKGROUND AND CURRENT STATUS

The current model of the Board budget splits administrative expenses and service expenses underneath the Department 20 – Board for the Board to use at their own discretion. Although there are no official ties from each line item under the service expenses, it's been commonly accepted that only the Events committee would use 816/20 or 817/20, while Advocacy committee would allocate funds from 820/20. Each of these committees is usually supported by a staff coordinator who, especially in recent years, have evolved to plan ongoing initiatives or events on an annual basis for the Society.

However, staff coordinators do not have discretion over the committee line items that they support, which usually requires Board approval or committee approval, depending on the authority set by the Board at the beginning of year. Thus, when it comes to monitoring and planning out the budget, staff coordinators do not act as a safeguard against irresponsible committees and has no role as an internal control mechanism against non-value adding activities.

The proposition of a new model of the Board budget would solve this issue by placing service line items under the direct authority of the staff coordinators and administrative functions of the Society. This model would see the following allocations to the existing 2019/2020 draft budget:

- 686/20 “Legal Aid Clinic” moved under Dept 31 Administrative
- 816/20 “Engagement - Special Projects” moved under Dept 47 Events
- 817/20 “Engagement - Burnaby Campus” moved under Dept 47 Events
- 818/20 “Licensing Fees” moved under Dept 31 Administrative
- 820/20 “Engagement - Advocacy” moved under Dept 18 CRP Office
- 821/20 “Engagement - Surrey Campus” moved under Dept 29 Surrey Campus
- 822/20 “Engagement - Vancouver Campus” moved under Dept 47 Events OR temporarily disabled until a functioning Vancouver campus plan is in place
- 898/20 “Bursary Contribution” moved under Dept 31 Administrative

KEY CONSIDERATIONS

- Little to no effect on Board committee discretions to allocate money for projects
- Gives much more allowance to coordinators to year plan events and projects much further in advance
- Gives more discretionary allocations for coordinators for last minute projects (does not require Board Approval)
- Gives better financial oversight for committee expenditures - dedicated person to manage the budget
- Possible internal control issue where coordinators run events that are not in line with the Board's mission/vision
- Consistency with OOC and WC's events budgets
- Display issue for public - shouldn't be a huge concern though, just need to adjust the reports

OPTIONS

1. Continue with the current model to keep Board service line items under the sole discretion of the Board.
2. Change to the new model of placing Board service line items under the discretion of supporting staff coordinators.

RECOMMENDATION

I would recommend option 2, since it does not affect the autonomy of the Board and leads to better financial oversight and long-term planning. Although there are possible issues with events being out of line with the Society, I believe management oversight will mitigate the risk of this happening.

NEXT STEPS

Amend the 2019/2020 budget to account for the reallocations in budget amounts.