

## 1. CALL TO ORDER

Call to Order – 3:37 PM

## 2. TERRITORIAL ACKNOWLEDGMENT

We respectfully acknowledge that the SFSS is located on the traditional, unceded territories of the Coast Salish peoples, including the x<sup>w</sup>məθk<sup>w</sup>əyəm (Musqueam), Sk̓w̓x̓wú7mesh Úxwumixw (Squamish), Sel̓íl̓wítulh (Tsleil-Waututh), k<sup>w</sup>ik<sup>w</sup>əłəm (Kwikwetlem) and q̓icəy̓ (Katzie) Nations. Unceded means that these territories have never been handed over, sold, or given up by these nations, and we are currently situated on occupied territories.

## 3. ROLL CALL OF ATTENDANCE

### 3.1 Board Composition

|  |                                      |
|--|--------------------------------------|
| President ( <i>Chair</i> ) .....                                 | Giovanni HoSang                      |
| VP External Relations .....                                      | Jasdeep Gill ( <i>via phone</i> )    |
| VP Finance .....   | Tawanda Chitapi ( <i>via phone</i> ) |
| VP Student Services .....  | Christina Loutsik                    |
| VP Student Life .....  | Jessica Nguyen                       |
| VP University Relations .....                                    | Shina Kaur                           |
| At-Large Representative .....                                    | Maneet Aujla                         |
| At-Large Representative .....                                    | Rayhaan Khan                         |
| Faculty Representative (Applied Sciences) .....                  | Nick Chubb                           |
| Faculty Representative (Arts & Social Sciences) .....            | Jennifer Chou                        |
| Faculty Representative (Business) .....                          | Andrew Wong                          |
| Faculty Representative (Communications, Art, & Technology) ..... | Fiona Li                             |
| Faculty Representative (Education) .....                         | Emerly Liu                           |
| Faculty Representative (Environment) .....                       | Julian Loutsik                       |
| Faculty Representative (Health Sciences) .....                   | Osob Mohamed                         |
| Faculty Representative (Science) .....                           | Simran Uppal                         |

### 3.2 Society Staff

|  |                |
|--|----------------|
| Campaign, Research, and Policy Coordinator ..... | Sarah Edmunds  |
| Executive Director .....                         | Sylvia Ceacero |
| Administrative Assistant .....                   | Kristin Kokkov |
| Executive Assistant .....                        | Shaneika Blake |

### 3.3 Regrets

|                               |              |
|-------------------------------|--------------|
| At-Large Representative ..... | Maneet Aujla |
|-------------------------------|--------------|

### 3.4 Absent

|                               |              |
|-------------------------------|--------------|
| At-Large Representative ..... | Rayhaan Khan |
|-------------------------------|--------------|

Faculty Representative (Communications, Art, & Technology)..... Fiona Li  
Faculty Representative (Science)..... Simran Uppal

### 3.5 Guests

Office Sustainability Manager .....Kayla Blok  
Director of Communications (SFPIRG) .....Craig Pavelich  
The Peak Assistant News Editor.....Michelle Gomez  
The Peak News Editor .....Gurpreet Kambo  
Director of Administration (SFPIRG) .....Susan Chiv  
CIO .....Mark Roman  
Director CS.....Sandeep Sidhu  
Founder of SFU Aerospace.....Donya Divsalar  
Executive Director (EMBARK) .....Ali White  
Public Affairs Coordinator (CJSF) .....Jesse Wentzloff  
Station Manager (CJSF).....Magnus Thyvold  
Student.....Emilyn Sim  
Council Chair .....Gabe Liosis  
Student.....Balqees Jama  
Student.....Corbett Gildersleve  
Student.....Lauren Thomsen  
Student.....Eva Delgado  
Council Representative .....Quince Bielka  
Student.....Tessa Earnshaw  
Council Representative .....Jessica Stewart  
Council Representative .....Nicolas Bonilla  
Council Representative .....Zak Thompson  
Council Representative .....Yogesh Mundhra  
Council Representative .....Cora Fu  
Council Representative .....Ramsha Farooqui  
Council Representative .....Rollin Poe  
Council Representative .....Serena Bains

## 4. RATIFICATION OF REGRETS

### 4.1 MOTION BOD 2020-03-04:01

**Emerly/Andrew**

*Be it resolved to ratify regrets from Christina Loutsik and Maneet Aujla.*

**CARRIED AS AMENDED**

#### 4.1.1.MOTION BOD 2020-03-04:01-01

**Emerly/Christina**

*Be it resolved to remove regrets from Christina Loutsik.*

**CARRIED**

*\*Jennifer Chou and Giovanni HoSang came in at 3:41 PM\**

## 5. ADOPTION OF THE AGENDA

### 5.1 MOTION BOD 2020-03-04:02

Nick/Julien

*Be it resolved to adopt the agenda as amended.*

**CARRIED AS AMENDED**

#### 5.1.1. MOTION BOD 2020-03-04:02-01

Julian/Nick

*Be it resolved to add the following motions to the agenda:*

*8.4 Viable Student Union Building Space Allocation*

*8.5 Appointment of IEC Commissioners*

*8.7 Open Textbooks Now! Campaign*

*8.8 Munchie Mondays and Tuesday Treats*

*8.9 SFSS International Women's Month Video*

*Be it further resolved to move the New Business before the Presentations.*

**CARRIED**

## 6. APPROVAL OF THE MINUTES

### 6.1 Board Minutes – MOTION BOD 2020-03-04:03

Nick/Andrew

*Be it resolved to receive and file the following minutes:*

- BOARD 2020-02-26

**CARRIED**

### 6.2 Committee Minutes – MOTION BOD 2020-03-04:04

Christina/Giovanni

*Be it resolved to receive and file the following minutes:*

- AFAC 2019-10-23
- AFAC 2019-11-06
- AFAC 2019-11-20
- AFAC 2020-01-21
- AFAC 2020-02-11
- EVENTS 2020-01-29
- EVENTS 2020-02-12
- FAC 2019-11-06
- GOV 2019-11-06
- GOV 2019-11-20
- SCC 2019-10-07
- SCC 2019-10-21
- SCC 2019-11-04

- SCC 2019-11-18
- SCC 2019-11-25
- SCC 2020-01-29
- SCC 2020-02-12
- UAA 2020-01-13
- UAA 2020-02-10

**CARRIED**

## 7. REPORT FROM COUNCIL/BOARD LIAISON

- Council has voted to withdraw the referendum question.
- In addition, they the discussion item about the clarification of the fundraising.

## 8. NEW BUSINESS

### 8.1 SFU Satellite Design Team – MOTION BOD 2020-03-04:06

Nick/Julian

*Be it resolved to approve \$15,000 for the SFU Satellite Design Team's Satellite Project from an appropriate line item to be determined by the Executive Director and Finance Manager.*

**CARRIED unanimously**

- They have put years' worth of work into this project and this is a big chance to support a really active student group.

### 8.2 March Mayhem – MOTION BOD 2020-03-04:07

Nick/Julian

*Be it resolved to approve up to \$2,600 for March Mayhem from the Events Department.*

**CARRIED AS AMENDED unanimously**

#### 8.2.1. March Mayhem – MOTION BOD 2020-03-04:07

Nick/Emerly

*Be it resolved to amend the wording of the motion to say "up to \$2,600" instead of "\$2,200".*

**CARRIED unanimously**

- This will be a basketball event.
- The budget is made bigger in order to prevent any obstacles.
- Organizers are not expecting to spend all the money.
- Working with SAAC to showcase the athletes who are talented.

### 8.3 Finance Manager as a Signing Officer (Adding Signing Authority) – MOTION BOD 2020-03-04:08

Giovanni/Emerly

*Whereas the position of Finance Manager was established and filled in July 2019;*

*Whereas the Finance and Audit Committee has recommended that Rowena de la Torre, Finance Manager, be appointed as a Signing Officer;*

*Be it resolved that as per By-Law 6.11: Powers, Duties and Obligations of the Board of Directors, Rowena de la Torre, Finance Manager, be appointed as a Signing Officer effective March 4, 2020.*

**CARRIED unanimously**

#### **8.4 Viable Student Union Building Space Allocation – MOTION BOD 2020-03-04:11**

**Gio/Julian**

*Whereas the VP Finance and Executive Director presented configuration #3 and #3(a) to the Groups as mandated by the SFSS Board of Directors;*

*Whereas the SFSS agreed to provide space for the Groups in the Student Union Building based on configuration #3;*

*Be it resolved that the Executive Director enter into sublease agreements with the Groups.*

*Be it further resolved that the Groups' subleases align with the head-lease signed between SFSS and SFU for the Student Union Building.*

*Be it further resolved that SOCA, as a constituency group, be granted space as per configuration #3 with a Memorandum of Understanding.*

**CARRIED unanimously**

- It was explained that the motion came back to the Board table, because the previous motion was not straightforward enough.

#### **8.5 Appointment of IEC Commissioners – MOTION BOD 2020-03-04:12**

**Nick/Giovanni**

*Be it resolved to appoint Harshil Bhimani and Riddhi Shah as the Electoral Commissioners for Spring 2020.*

**CARRIED 4 in favour, 5 abstention (Julian, Jennifer, Osob, Christina, Emerly)**

- This is the motion to fill the last positions of the IEC positions for the rest of the election.
- It was suggested that the current running candidates would not vote.

#### **8.6 Open Textbooks Now! Campaign – MOTION BOD 2020-03-04:13**

**Emerly/Shina**

*Be it resolved to approve \$606.90 for the SFSS Open Textbooks Now! Campaign from the Campaigns, Research and Policy budget.*

**CARRIED unanimously**

- This motion is on the Board, because it is open access week right now.
- The prices are in the briefing note.

#### **8.7 Munchie Mondays and Tuesday Treats – MOTION BOD 2020-03-04:09**

**Christina/Julian**

*Be it resolved to approve \$1200 for Munchie Mondays and Tuesday Treats from the Events budget.*

**CARRIED unanimously**

- This will be for 4 total events with 2 Munchie Mondays and 2 Tuesday Treats until the first week of exams as it has been an extremely popular event that has been positively received by students.
  - Staff at the Student Centre have informed the organizers that they get asked about this event all the time.
  - Therefore, this event will be brought back.
- Each event costs \$300 and provides students with:

- Increased awareness and engagement with the SFSS;
- Marketing and promotion avenue for upcoming events and SFSS social media channels;
- A wide variety of healthy and nutritious on-the-go snacks and food items.

*\*Giovanni HoSang left at 04:01 PM\**

**8.8 SFSS International Women's Month video – MOTION BOD 2020-03-04:13  
Emelry/Julain**

*Be it resolved to approve \$200.00 to the SFSS International Women's Month video from the Events budget.*

**CARRIED**

- Last year it was spent over \$700, this time it is cheaper because the team is smaller.

## 9. PRESENTATIONS

### 9.1 SFU Office of the CIO Presentation

- Mark Roman is the Chief Information Officer at the SFU.
- CIO is in charge of the Wi-Fi at the university campuses.
- The office is right now in the process of replacing the Wi-Fi.
  - The aim is to expand the coverage and to look for a better monitoring system.
  - Guest networking (guest ID) will be introduced as well.
- It was asked, how many of you have changed the passwords.
  - Some of the people were not able to change the passwords, because the system was overwhelmed.
- CIO explained the privacy breach background – it was a human error that happened last Thursday morning.
  - It was a complex human mistake that was discovered on Friday.
  - This computer related to the mistake was shut down.

*\*Julian Loutsik left at 4:10 PM\**

- The team worked the entire weekend to solve the issue.
  - The email was sent out on Monday.
  - It was insisted to change the email password.
  - The passwords that were copied were encrypted, so it's difficult for them to decrypt them.
    - 250000 email addresses were involved.
- CIO has also several plans about the SUB as well:
  - There are plans about the new technology in the SUB (videoconferencing for example) and how to make the transmission easy and simple.

*\*Emerly Liu left at 4:14 PM\**

- All the ideas will be collected and brought to the CIO team.

### 9.2 Sustainability Office

- Sustainability Office gave overview about the Re-Use project (refer to the attachment):
  - Take-out containers are replaced with reusable containers;

- Problem is that the majority of the Go-Green containers are not coming back – 50% of them are lost because people keep them.
- Chop-stick recycling was introduced;
- The use of plastic bags was eliminated at the bookstore;
- The re-usable water bottles were introduced on vending machine.
- The aim is to make these accessible to everyone.
  - There are concerns about accessibility – AFAC was met and student liaison was hired with the accessibility and constituency groups.
- The further plans are:
  - Put in place the pricing mechanism: 25 cents incentive to bring your own reusable container.
  - Remove plastic from vending machines.
- It was brought out that the SFSS Swag contains a lot of plastic.
  - It was encouraged to move away from harmful products and instead support local businesses, plant a tree or make products reusable.
- In the PEAK there was an update about the Reusable campaign.
  - It was brought out that there was a student who had an allergic reaction to the reusable straws.
    - The student was met with and a working plan was made.
    - The training will be done for all of the dining services so that the ones who need plastic straws, can get them.

*\*Jessica Nguyen and Shina Kaur left the meeting at 4:25 PM\**

## 10. JOINT SESSION OF BOARD AND COUNCIL

### 10.1 Presentation by Peter Guo – 4:30 PM

- Peter Guo, Mark Jordan, and Busola Fagbebe
- The Board and Executive Director wanted to understand what the audit is before deciding anything.
  - The presentation gives information about different options (refer to the attachment).
- There are 3 options:
  - Financial statement audit:
    - Looks at the statements in the records within a fiscal year if they are right or not.
      - If the statement is off somewhat, but it is close enough, then it is fine.
      - This record shows what SFSS owns at the end of the year and whether it is close enough to what we expect it to own.
      - The scope is limited.
    - The outcome is to give reasonable assurance, not absolute.
    - This type of audit might not achieve the objective of auditing the Fall Kickoff 2019.
    - This does not tell the root cause of the deficit.
    - The audit gives reasonable insurance, but not a guarantee that there are no problems.

- Internal audit:
  - Looks at controls and risks and makes sure that there are appropriate authorizations in place.
    - What are the risks?
      - For example, unauthorised purchases.
    - What do the people do?
    - What are the organizational structures?
    - What are the purchasing policies and policies of spending money?
      - For example, the review of purchase orders before they go out.
      - Separation purchase initiation from purchase approval.
  - Internal audit is not limited in scope and breadth.
  - The outcomes:
    - What is working and what is not;
    - What is the oversight and governance structure;
    - What is the behavioural pattern;
  - The scope would be set by the SFSS and is based on what SFSS is trying to achieve.
- Forensic audit:
  - Looks at everything.
  - It starts from the point where there is evidence or strong allocations that there has been wrongdoing.
  - The auditor cannot disclosed anything to anyone before the lawyer decides what to make public.
  - The outcome is not providing recommendations – this is not the aim of the forensic audit.
    - Forensic audit provides evidence for going to court.
  - Financial statement audit is looking at numbers as total for the organisation, but forensic audit looks at specific numbers of Fall Kickoff.
  - Wrongdoing is subjective – forensic audit gives numbers and facts and lawyers decide what is wrong.
    - Misconduct, corruption, fraud, breach of conduct etc.
  - Violation of policy is wrongdoing, but this is not criminal.
  - The strongest way of getting facts is forensic audit, but this has so many additional connotations.
- In summary the internal audit is much wider than the financial audit.
  - Financial audit looks at Fall Kickoff 2019 only if the auditor thinks that it is important to look at it.
  - Internal audit looks at policies, bylaws, governance structure, the processes, and procedures:
    - How the goods were bought for the Fall Kickoff – were those legitimate authorised purchases; did you get what you bought; did you get the services and did you pay for them.
    - Furthermore, the transactions and tickets sale are going to be looked at:
      - The lockbox and the online sales – how they were secured.



- All the caps and root causes would be brought out and advice would be given to the future Board.
- It the evidence about wrongdoing emerge, then the forensic audit will be set out.
- Forensic audit has negative impact to reputation and media would be involved.
  - The layperson's understanding of forensic audit is negative.
  - It is not know how long this reputational impact would last.
- A Board member asked, if there are students who think that there is something going on and the Board does not choose forensic audit, wouldn't it look shady?
  - The Presenter said that the financial audit would look shady, but also advised to acknowledge that the issue needs to be addressed:
    - That the over expenditure is not smart action and we are trying to understand why it happened and we are going to hire an independent audit form who is going to review the governance and transactions, and they will identify risks and give recommendations for preventing this from happening again.
    - However, it was also pointed out that Forensic audit is an easy way to get attention during the election.
  - There is an option of doing nothing, but this could lead to repeating the same mistakes.
- Time frames for the three audit options: the first two can all be done fairly quickly, but the forensic audit would take a long time.

## 11. GUEST 30 MIN Q&A

- No questions

## 12. ATTACHMENTS

- OER BN.pdf
- Re-use for good.pdf
- MNP Presentation to SFSS Board 04Mar2020.pdf

## 13. ADJOURNMENT

**13.1 MOTION BOD 2020-03-04:14**

**(No Quorum)**

*Be it resolved to adjourn the meeting at 06:03 PM.*

**CARRIED**

## Open Textbooks Now!

The SFSS University and Academic Affairs Committee has been working on a number of projects related to open educational resources, including a letter writing campaign, a video release, and collaborating with the SFU OER Working groups for different events.

Open Education Week is a global event that seeks to raise awareness of free and open sharing in education and the benefits they bring to teachers and learners. The BCFS has offered to collaborate with the SFSS on an Open Textbooks Now! Campaign to supplement the other events going on this month. We have received a number of online resources from the BCFS, and will be printing them in-house to save costs.

We will be tabling in the MBC and hosting trivia games, providing information to students, and encouraging students and faculty members to sign pledge cards that we can use as data for further OER campaigns.

## Budget

|                               |                        |                   |                 |
|-------------------------------|------------------------|-------------------|-----------------|
| <b>Posters</b>                | 50 poster x 2 designs  | \$0.50/poster     | \$25            |
| <b>Buttons</b>                | 75 buttons x 3 designs | \$0.25/button     | \$18.75         |
| <b>Pledge cards (student)</b> | 300 cards              | ~\$0.50/card      | \$150           |
| <b>Pledge cards (faculty)</b> | 50 cards               | ~\$0.50/card      | \$28            |
| <b>Rave cards</b>             | 300 cards              | ~\$0.50/card      | \$150           |
| <b>Candy prizes</b>           | 4 boxes                | \$8.50/box        | \$34            |
| <b>Gift Cards</b>             | 10 gift cards          | \$10/gift card    | \$100           |
|                               |                        |                   | \$505.75        |
|                               |                        |                   |                 |
|                               |                        | Contingency (20%) | \$101.15        |
|                               |                        | <b>Total</b>      | <b>\$606.90</b> |

## Motion

Be it resolved to approve \$606.90 for the SFSS Open Textbooks Now! Campaign from the Campaigns, Research and Policy budget.

**RE-USE FOR GOOD**

# Taking action on single-use plastics and products

SFSS | March 4, 2020

Kayla Blok, Campus Sustainability

Mark McLaughlin, Ancillary Services



# WHAT WE'VE DONE



**RE-USE FOR GOOD**



# WHAT WE'VE DONE



**RE-USE FOR GOOD**





**RE-USE FOR GOOD**

# PHASE TWO

Starting May 1:



Pay a Quarter

Save a Quarter

**RE-USE FOR GOOD**

By December 2020:





# SFSS Leadership



+.25  
-.25

RE-USE FOR GOOD



# SWAG - BAD



**RE-USE FOR GOOD**

# SWAG - GOOD

**Make a donation... to Terry Fox Fund**

**Contribute to SFSS Food Bank Program**

**Buy useful items from local social and/or Indigenous enterprises**

**Plant a tree at SFU**





**RE-USE FOR GOOD**

Questions?

[sfu.ca/reuseforgood](https://sfu.ca/reuseforgood)

# Review of the Fall Kickoff: What are the options?



**simon fraser**  
**student society**

Presented to:

Date:

March 4, 2020

# Agenda

1. Introductions
2. Background Information
3. Today's Meeting Objectives
4. Available Audit Options
5. Summary
6. Q&A



# Introductions



**Peter Guo**  
Partner, BC Leader  
Enterprise Risk Services &  
Advanced Education Services



**Mark Jordan**  
Senior Manager  
Forensic & Litigation Support



**Busola Fagbebe**  
Manager  
Enterprise Risk Services

# Background Information

- SFSS, through the Board's Events Committee, organizes the annual Fall kick off. An annual subsidy is provided by the previous Board through the approval of the budget in April 2019.
- With a projected larger deficit than anticipated, the Board was urged to cancel the event. Strong endorsement by the Board resulted in the event going ahead.
- To cover the rising costs, an emergency Board meeting was held in August 2019 to increase the SFSS' annual contribution from \$15,000 to \$60,000. The motion passed.
- Later in 2019, a student raised concerns with the event's outcomes and presented to the Board and Council to urge the Board to conduct a forensic audit of the 2019 Fall KickOff.
- The Board debated the potential and decided against a forensic audit as there was no evidence of wrongdoing.
- In order for the Board to be further informed, the Board's Executive was then invited to meet with MNP to discuss the matter.
- The Board's Executive then recommended to the Board that MNP be invited to do this presentation today.

# Today's Meeting Objectives

- To identify the audit objective(s) and various audit options available to SFSS
- Describe the purpose and outcome of each option, including pros and cons, costs, effort required, impacts, reputational effects
- Clarify any questions/concerns about the available options.





## **Available Options**

- 1. Financial Statement Audit**
- 2. Internal Audit**
- 3. Forensic Audit**

# Options – *Financial Statement Audit*

## *Purpose*

- Provide an opinion on whether financial statements show the true and fair view of an entity's financial performance and financial position.
- Provides confirmation that financial statements are materially correct

**Financial statement audit is limited in scope and breadth.  
It is retrospective in nature.**

# Options – *Financial Statement Audit*

## *Outcome*

| Description  | What this means   |
|--|---|
| Reasonable assurance that the financial statements present a true and fair view in all material respects and are consistent with applicable standards.   | The numbers are what they are based on accounting and financial reporting standards.                          |
| A limited selection of controls relevant to financial reporting may be (are) tested for design effectiveness and proper implementation.  | Test controls over financial accounting and reporting. This might not test controls relevant to Fall Kickoff. |
| Does not test operating effectiveness of controls, inefficiencies in current policies, processes and operational controls, effectiveness of SFSS governance and decision-making or behavioural challenges. | Does not seek root cause or reasons for deficit.  |

# Options – *Financial Statement Audit*

## Extracts from SFSS' 2019 Auditor's Report

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at April 30, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

# Options – *Internal Audit*

## *Purpose*

- Ensures proper controls (organizational structures, financial, operational and IT), as well as relevant governance and risk management policies and processes are in place and working effectively.
- Considers whether risks an entity is exposed to are properly mitigated. Where findings indicates otherwise, appropriate recommendations are provided so weaknesses can be quickly identified and remediated.
- Internal audit is from multiple perspectives – governance, financial, operational, organizational, ethical conduct, etc. Hence audit findings are more commercially based.

**Internal audit is not limited in scope and breadth. It can be both retrospective and prospective in nature. It can cover multiple points of focus, timeframes, transactions, etc.**

# Options – *Internal Audit*

## Outcome

### Description

Assessment of the potential risk an entity is exposed to as a result of the nature of its governance, org structure, decision-making, conduct, financial impacts, operations, HR, IT, etc.

Ensures appropriate controls are in place to ensure that risks are properly mitigated; controls are properly designed and implemented and are operating effectively.

Ensures a governance structure is in place that provides a framework for effective decision-making and ethical oversight.

### What this means

Where are the risks? What exists? What's working or not, and why?

Risks are reduced and structures are in place to meet organizational, financial and operational objectives.

Board and management make effective decisions that limit the risk of adverse impacts and publicity. Structures are in place to meet organizational objectives.

# Options – *Forensic Audit*

## *Purpose*

- Investigation into an organization's financial records.
- A forensic audit and an internal audit both adopt a similar approach to understanding risk, controls and governance, however the outcome is different.
  - Detailed testing can also be different.
- For use by an organization and its legal counsel to determine whether an individual or organization should be pursued legally or criminally.

**Forensic audit is not limited in scope and breadth.  
It is retrospective in nature.**

# Options – *Forensic Audit*

## *Outcome*

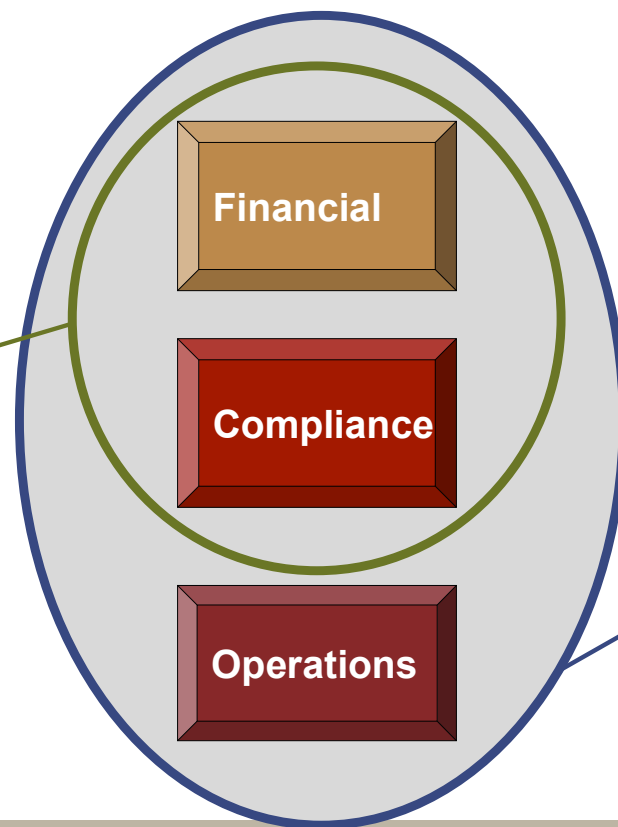
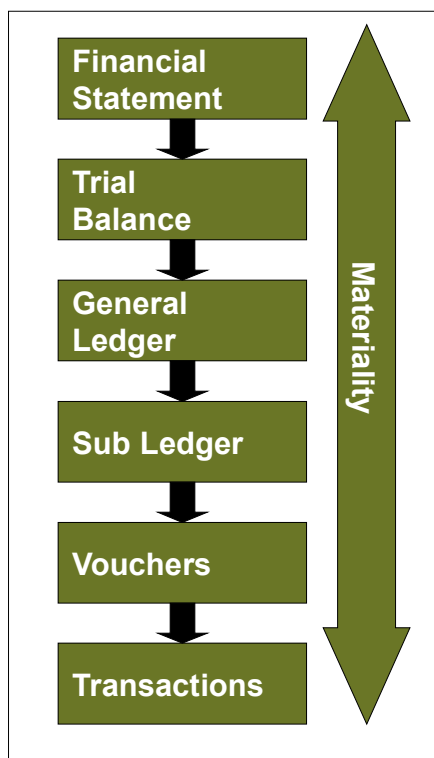
| Description   | What this means  |
|---|--|
| Report evaluating an organization's financial records.                                  | Used in evidence in legal proceedings.   |
| Identifies controls in place and governance framework. Identifies failings of the same. | Does not necessarily provide recommendations to improve controls.  |
| Work is conducted and results reported through lawyer (privilege).                      | Even though a forensic auditor/investigator does the audit, the lawyer is the gatekeeper for the work and results. |



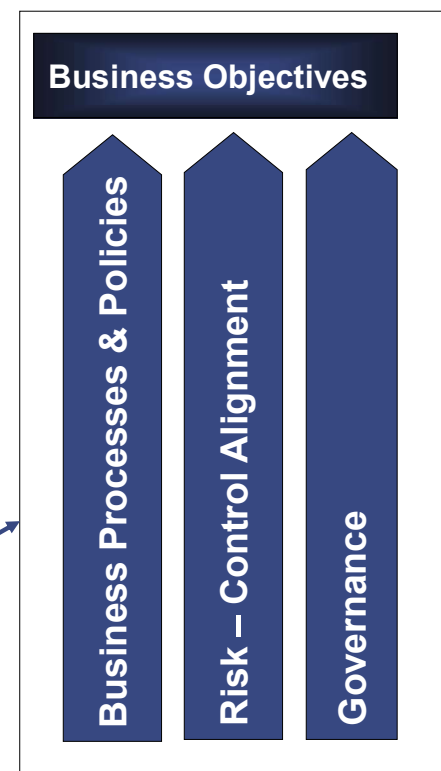
## Summary

# Financial Audit vs. Internal Audit

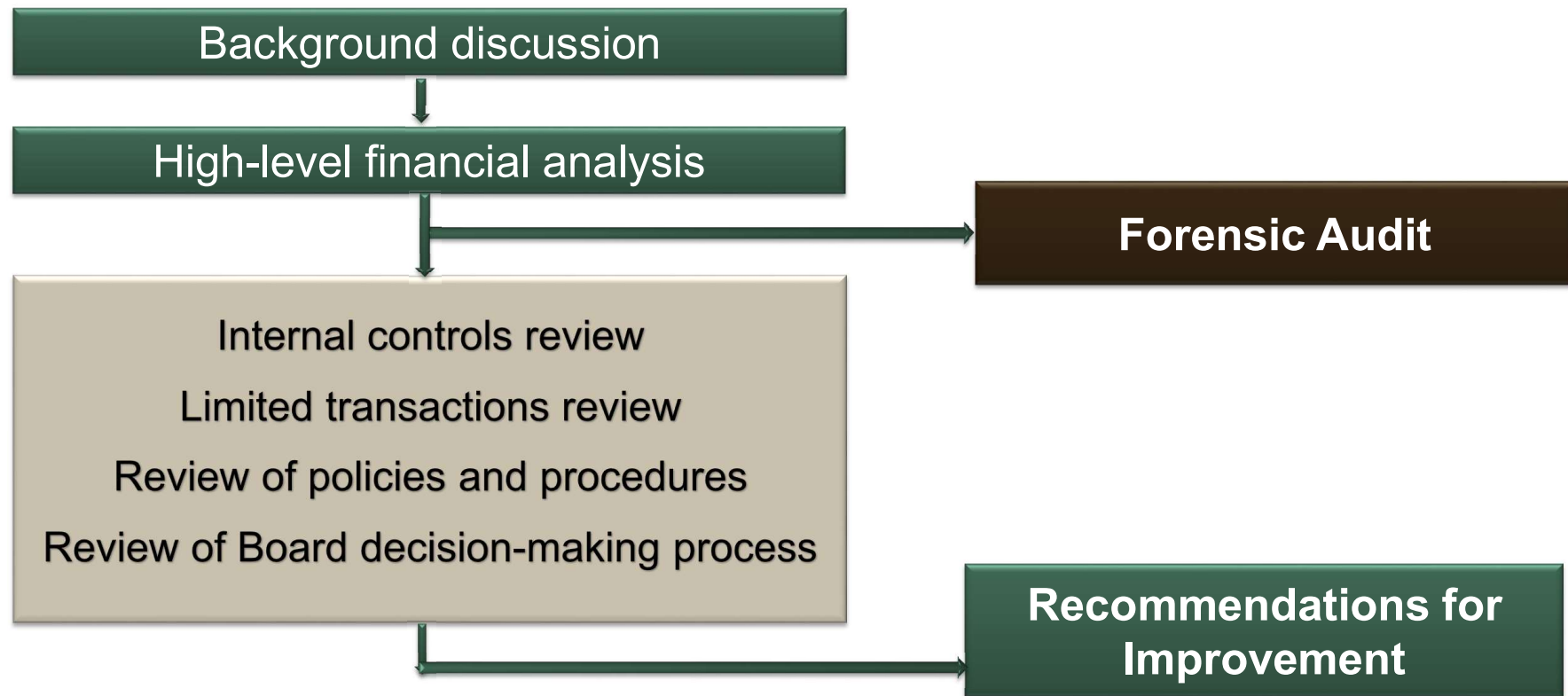
## Financial Audit



## Internal Audit



# Internal Audit & Forensic Audit – Paths and Outcomes

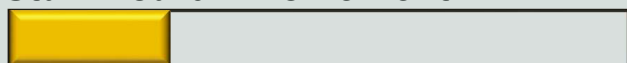


## Financial Audit

**Areas:** Financial reporting and relevant controls (limited)

**Outcome:** True and fair view in all material respect.

**Staff/Board involvement:**



**Estimated costs:**

# of team members – 3  
Estimated cost – \$30,000



**Retrospective**

## Internal Audit

**Areas:** Internal controls, financial, operational, risks, policies, code of conduct/ethics, procedures and governance

**Outcome:** Recommendation on risk mitigating controls, process and policies improvements

**Staff/Board involvement:**



**Estimated costs:**

# of team members – 4  
Estimated cost – \$35,000



**Retro/Prospective**

## Forensic Audit

**Areas:** Internal controls, operational risks and financial investigation.

**Outcome:** Expert findings used in legal proceedings.

**Staff/Board involvement:**



**Estimated costs:**

# of team members – 4 + lawyers  
Estimated cost – \$40,000  
Legal fees and retainer – \$30,000



**Retrospective**

## Financial Audit

*Reputational Impact:*



*Reputational Longevity:*



*Media Impact:*



## Internal Audit

*Reputational Impact:*



*Reputational Longevity :*



*Media Impact:*



## Forensic Audit

*Reputational Impact:*



*Reputational Longevity :*



*Media Impact:*





Questions?

# Thank You

