Board of Directors Meeting
Wednesday, December 10, 2014 – 5:30pm
Room 234, MUSC

AGENDA

1. Adoption of the Agenda

2. Adoption of the Open Session Minutes of November 11, 2014 (attached)

3. Presentation by the Corporation’s Auditor (attached)

4. Executive & Management Report (attached)
   a) Proposed revisions to Board Policy 008 (attached)
   b) Q3 Financial Statements (attached)
   c) 2014 Budget Reallocation (attached)
   d) 2015 Budget (attached)

5. Reports on External Committees
   a) Senate (Nov. 12, Dec. 10)
   b) Student Representative Assembly (Nov. 16 & 30)
   c) MUSC Board of Management (Dec. 10)

6. Closed Session:
   a) Adoption of the Closed Session Minutes of November 11, 2014 (attached)

7. Other Business

8. Adjournment
McMaster Association of Part-Time Students  
Board of Directors Meeting – Minutes  
Tuesday, November 11, 2014 at 7:00 p.m.  
Room 234, MUSC, McMaster University

PRESENT: Jackie Arlen (chair), Emily Cerantola, Cassandra Lo, Erick Merlos, David Moore (corporate secretary)

REGRETS: Caroline Hill-Smith

ABSENT: Marijana Govorcin

STAFF: Kyle Johansen (executive director)

GUEST: Teddy Saull (MSU President)

CONSTITUTION OF THE MEETING
The corporate secretary had issued notice in accordance with By-law 2, Section 2 (g & h). A quorum being present, the chair called the meeting to order.

ATTACHMENTS TO THE OFFICIAL COPY OF THE OPEN SESSION MINUTES
- Agenda
- Draft Open Session Minutes, 16 September 2014
- Profile – MSU President Teddy Saull
- Policy Report, 4 November 2014
  - Revisions to Board Policies 1 and 2
- Executive & Management Report, 4 November 2014
- Memo re financial reporting, 10 November 2014
  - Third Quarter Financial Report, October 2014
  - Director and Officer Expense Reimbursement Disclosure – Q3, 10 November 2014
  - Draft 2015 Budget
  - Announcement – Kim Pastrak, 20 October 2004
- Interim Director Candidate Statement – Kristin Belovari
- MAPS and university community committees, 4 November 2014
- Schedule for Annual Business of the Corporation 2015, 16 October 2014
- MUSC First Floor Feasibility Study, October 2014
- Media clippings:
  - "It’s time to get serious about improving Canada’s colleges and universities," *The Globe & Mail*, 10 October 2014
  - "University budget reform under pressure," *The Globe & Mail*, 11 October 2014

1. ADOPTION OF THE AGENDA

Motion: Moved by Lo, seconded by Merlos to adopt the agenda as circulated.  
Carried.
2. ADOPTION OF MINUTES

Motion: Moved by Lo, seconded by Cerantola to adopt the open session minutes of the meeting of September 16, 2014, as circulated. Carried.

3. GUEST – MSU PRESIDENT TEDDY SAULL

Arlen introduced Teddy Saull, the president of the McMaster Students Union.

Saull welcomed the opportunity to meet the members of the Board and share his thoughts about conversations he and others in the MSU have had at various points over the last few months with Arlen, Johansen, and Moore. He noted that he “jumped into the MSU,” becoming president without prior experience with the Students Union. This contributed to a fresh perspective in his early conversations with campus partners.

Saull said he wasn’t aware of the details of MAPS’ difficulties in recent years, but that his take-away from early conversations was that MAPS was having difficulty getting face time with senior University officials. He also noted MAPS withdrawal from OUSA earlier this year which he thought may have been a budget-driven decision. Board members clarified that it was not a question of cost, but rather that OUSA is not a good fit for part-time student organizations.

Saull noted that much of the work of the new board was devoted to recovery and rebuilding. Members added that with a sound organizational structure re-established in 2013, the emphasis has shifted in 2014 to advocacy and service delivery.

Saull characterized the MSU as having very strong relationships with the senior administration at McMaster and strong points of contact in provincial and national student advocacy groups. He felt there were opportunities for MAPS and the MSU to work together to do good things for students and that his early “big picture” thinking was that MAPS should be part of the MSU. He felt that assurances with respect to existing space, staffing, and a committee/council within the MSU’s structure to maintain the part-time student voice could address logistical considerations.

As conversations continued over the summer and into early fall, Saull noted that MAPS and the MSU have worked collaboratively to get at “low hanging fruit” on topics such as part-time student access to the MSU's health and dental plans.

A conversation with Moore in September helped fill in the organizational history that led to the establishment of a student government for part-time students and identifying the issues that would make an organizational merger problematic. The MAPS Board’s policy statement in September was reflective of the progress made over the previous 18 months in re-establishing the Association as an independent entity committed to advocacy and service delivery to respond to the distinctive needs of its constituency.

While MAPS appreciates the sincerity of Saull’s organizational overtures, history has demonstrated that the good will evident in one year will not necessarily be sustained in subsequent years. MAPS remains committed to working collaboratively with our partners to effect positive change for all students.

Merlos noted that he has been a part-time student for more than a decade and that he believes MAPS has achieved new highs for member awareness and engagement. That said, he welcomed the MSU’s renewed commitment to collaboration with campus partners.
Saull closed his remarks by underscoring his commitment to dialogue and having the MSU and MAPS working collaboratively to the benefit of all their members. He then left the meeting.

4. POLICY REPORT

Johansen presented the Policy Report (copy appended to the master copy of the minutes).

Board Policies – For Approval

The membership was given the required notice and that no comments were received.

Motion: Moved by Moore, seconded by Arlen to approve revisions to Board Policy 001 – Executive Limitation and Board Policy 002 – Delegation of Authority, as circulated.

Carried.

Monitoring Committee

Motion: Moved by Cerantola, seconded by Lo that the Board approve the proposed implementation of the Monitoring Committee, as presented.

Carried.

Elections Policy

Johansen noted that the Elections Policy will come to the Board in January for approval. This will be in time to put a policy in place before the 2015 board election cycle.

The Board noted that the by-law and policy overhauls in 2013 were much more prescriptive in response to the issues in MAPS’ governance from 2008 to 2012. A balance needs to be found to ensure the process for electing MAPS’ leadership is clear without being so administratively burdensome as to go beyond what is either required or reasonably practical.

5. EXECUTIVE & MANAGEMENT REPORT

Johansen presented the report (copy appended to the master copy of the minutes).

Further comments included:

- **Admin-Con meeting on Nov 4** – notes will be transcribed and emailed to the Board. The email will be appended to the minutes.

- **Course Access Report** – Underground Media + Design is preparing a design work-up (both print and on-line) for the course access report for use in public communications and advocacy work. This will be a component of the data compendium MAPS has assembled on who our members are and what they have told us they need.

- **MOSAIC implementation and student government fees** – In early August, Financial Services indicated there was an urgent need to get an agreement by the University, MAPS, and MSU to a MOSAIC-friendly new approach to fee collection (and related communication to students). Nothing further has been heard about it. Johansen will follow-up during his next meeting with MSU General Manager John McGowan (November 18).

- **Total ‘course fee’ receipt** – This will be pursued with the senior administration in the winter term. Moore suggested flagging the issue with University VP-Administration Roger Couldrey and seeking his advice as to how best to move forward to a resolution.

- **Health Plan Provider Review** – In the absence of uptake from the MSU, the review has been deferred indefinitely.
• MAPS acting as an ‘off hours’ resource to MSU members – this is existing practice, but formalizing it would involve more information being provided to MAPS.
• Graduation Fee – no response has been received to MAPS’ inquiry about what the Graduation Fee has been used for since its creation in 2008. Moore will follow-up during his next conversation with Justin Gunter (Manager, University Affiliates & Associations).
• Graduation Gowns – Moore and Arlen will develop a formal request to a Senate committee to address the gown design issue identified in the summer.
• Linked-In – Gifty is establishing a Linked-In presence for MAPS. This will appeal more to the over-25 demographic than some other social media.
• The Link – Johansen noted the desirability of having a number of contributors in order to bring a ‘variety of voices’ to the information communicated. Moore undertook to provide information on:
  o Completion of the $505,000 pledge to support financial aid for CCE students
  o Award of an MBE by The Queen to a former MAPS president for service to higher education.
  o Winter term undergraduate elections to the University Senate.
• MAPS Handbook – 125 copies have been printed and are available for pick-up in the office. Copies will be sent later this month, together with a cover note from Arlen (foreshadowing things to come), to key campus partners. Moore will provide a suggested circulation list. The handbook is also posted on the web site.
• MAPS logo – Johansen will report back to the Board on options for updating the explanation of the MAPS logo (doing so in the context of the Association’s new tag-line and general approach to membership communications/engagement).
• CFMU Radio Show – MAPS has not heard from CFMU about the potential for a MAPS show slot on the station’s programming schedule. The matter is now considered closed.

Awards Committee Report

The Committee met on October 22 and selected two recipients for the Centennial Award for CCE students (Salman Ahmed Khan and Derek Pollock) and a recipient for the MAPS Instructor Award (Jim Turner). Normally only one Centennial Award is approved for each CCE and degree students, but in the absence of degree student nominees the committee agreed to make two CCE awards in 2014.

It was agreed that notification and promotion of the nomination/application period should begin earlier in future years. The terms of reference for the awards will be refined to be clear that it is the applicant’s responsibility to provide a complete transcript (SOLAR printouts, in contrast, are sometimes limited to only some recent academic sessions).

The Board reviewed the proposal to adjust award amounts (effective 2015) and agreed to:
• Increase the Centennial Award from $500 to $1,000;
• Increase the MAPS-CCE Awards of Excellence from $150 to $200; and
• Maintain the MAPS Instructor Award gift certificate at $100 (beginning in 2014, a trophy is also awarded)

Awards Dinner

Johansen advised that Kim Pastrak is continuing as “staff lead” for the awards dinner during evenings and weekends. All faculty deans are being invited to the dinner.
No response has been received from Chancellor Labarge to the invitation sent to her in July. Moore and Johansen to follow-up by email and, if necessary, Moore will speak directly with the chancellor at Convocation on November 21.

Asset Investment

The amount proposed was increased from $150,000 to $200,000.

Motion: Moved by Moore, seconded by Lo that the President, Vice President Finance and Executive Director be authorized to invest up to $200,000 into Scotiabank Guaranteed Investment Certificates under the following conditions:
1. Advice will be sought from our Scotiabank Banking Managers to determine appropriate investment vehicles.
2. Any investment vehicle chosen will yield a better return on investment than keeping the cash on deposit.
3. The investment will not be ‘locked in’ for longer than one or two years.
4. The Executive Director will provide quarterly performance reporting on all investments.
Carried.

Leasehold Improvement – Glass Doors

No response was received to the RFP. Five firms were then invited to submit a quote. McMaster Facilities will also be installing a switch to ensure there is capacity to initiate lock-down from inside the office, in order to meet McMaster University’s emergency procedures guide.

Motion: Moved by Moore, seconded by Arlen that the Board authorize up to $9,000 for the purchase and installation of new tempered glass doors for the office suite, and any additional costs for leasehold improvements necessary after the installation of the new doors.
Carried.

Display Signage

Motion: Moved by Cerantola, seconded by Arlen that the Board approve the purchase of display signage for the pillar located outside our offices and for the purchase of up to two pull-up banners for use at MAPS events, with the total cost not to exceed $3,000.
Carried.

Insurance Renewal

Motion: Moved by Arlen, seconded by Moore that the Vice President Finance and Executive Director be authorized to renew and issue payment for the Association’s Commercial and General Liability and Officers and Directors Insurance policies on the same coverage terms as 2014, subject to the Delegation of Authority Policy.
Carried.
**Capital Purchase – Laptop Computer**

**Motion:** Moved by Moore, seconded by Cerantola that the Board approve the purchase of a replacement laptop computer and docking station for the executive director, not to exceed $3,200, based on the quotation received from Lenovo Canada. 

**Carried.**

**Third Quarter Financial Report**

Draft Q3 financial statements were circulated for preliminary comment. Johansen noted that a posting error will be corrected and the audit/legal line, currently showing as $18,000, will not exceed $12,000 for the year. He added that finalized Q3 statements will be presented for approval at the December 10 meeting of the Board. Members requested that a column be added that presents the approved budget.

Concern was expressed about timeliness in financial reporting, given that Q3 ended six weeks ago. Johansen commented that a 4-6 week delay is to be expected given the length of time it takes to get the necessary information from the University. Moore suggested that financial statements be emailed to the Board and that unless concerns were raised within a week, the documents would be deemed approved and then posted on the Association’s web site.

The fall fee transfer has just been received from the University. Johansen undertook to send Moore a copy of the accompanying fee reconciliation statement from Financial Services.

The bookkeeper will be in the office more frequently in January/February as required to expedite audit-related work.

The terms of employment for coordinators included payroll source deductions, but the bookkeeper has recently advised that this may not be required by Canada Revenue Agency. Moore noted that the University has told the Inter-Residence Council that payroll deductions (income tax, CPP, EI, plus employer contributions) are required for the honoraria paid to Council members. He suggested clarification be sought in writing from CRA. Johansen will follow-up this month so a determination may be made in time for December payroll if required.

The Q3 Director and Officer Expense Reimbursement disclosure report was circulated for information.

**2015 Operating Budget**

A draft budget was presented for preliminary comment and a finalized draft will be brought to the December 10 Board meeting for approval. Comments included:

- Fee revenue is likely overstated. It was agreed to lower the amount to $280,000 and make a commensurate reduction in the Contingency line.
- “Cost Recovery Services” will be changed to “Other Revenue” and the components explained in the budget notes.
- There may be some cost creep for the Awards Dinner. Moore to check with Pastrak and report back to Johansen.
- A Capital Allocation line has been added for planning purposes, but Johansen assured the Board that expenditures would only be made after approval by the President/VP-Finance, executive committee, or Board as appropriate.
- The telephone expense year-to-date may reflect double counting or unaccrued carryovers from the previous year. Johansen to investigate.
Annual report on bursary endowments

Moore advised that University Advancement has undertaken to provide the 2013-2014 bursary reports for circulation prior to the January meeting of the Board. The Gord Raymond Bursary is being added to the list of funds for which an annual report is provided to MAPS.

Moore asked that the final $15,000 payment be made to the University in respect of the MAPS 30th Anniversary Bursaries. With the $505,000 pledge fully honoured, this major commitment to supporting financial aid for CCE students will be the focus of an article in The Link.

MAPS Lounge behavioural expectations

The Board noted that while persons seated in the lounge may occasionally nod off, the space is not to be used to lay down and sleep. Johansen is consulting Human Rights and Equity Services about the wording of expectations in relation to office behaviour in response to some recent difficulties reported by staff.

6. GOVERNANCE

Interim Appointment to Fill Board Vacancy

There are currently two vacancies on the Board of Directors. One arises from the 2013 AGM for a term ending in 2015, the other arises from Jeff Huber’s resignation for a term ending in 2016.

A call for nominations was issued to the membership in September for interim appointments, with a view to appointees serving until completion of the Winter Term 2015 general election. One expression of interest was received after the deadline (a copy of the candidate statement is attached to the master copy of the minutes). The Board has the authority under By-law 2, Section 8(a), to make an interim appointment to fill a vacancy.

Motion: Moved by Arlen, seconded by Lo that the Board of Directors appoint Kristin Belovari as a Director for a term ending with the election of directors in the Association’s regular elections in 2015.
Carried.

Election of Second Vice-President

Motion: Moved by Arlen, seconded by Cerantola to ratify Cassandra Lo as Second Vice-President for the balance of the 2014-2015 term of office.
Carried.

MAPS and university community committees

This item was deferred to the January 2015 meeting of the Board.

MAPS Committees

This item was deferred to the January 2015 meeting of the Board.

The Board received, for information, a timeline prepared by the corporate secretary (in consultation with the executive director and president) that set out the dates for notice, info session, voting, and reporting (copy appended to the master copy of the minutes).

7. REPORTS ON EXTERNAL COMMITTEES

Board of Governors (Sept. 26, Oct. 23)

On September 26, Dr. Patrick Deane was appointed to a second five-year term (ending June 30, 2020) as president and vice-chancellor of McMaster University.

Johansen will follow-up with the University Secretariat to get the document package for the September 26 meeting of the Board of Governors, including the Report of the Committee to Recommend a President.

Senate (Oct. 15, Nov. 12)

Malanie Dani has been appointed the part-time student on the Senate Committee on Student Affairs for 2014-2015. The composition of the search committee for a new CCE Director was approved.

By-elections were held in October for undergraduate student representative vacancies on Senate. The results were:
- Faculty of Engineering: Daniel Elbirt elected for a term ending June 30, 2016
- Faculty of Health Sciences: Jacob Bailey elected for a term ending June 30, 2015
- Faculty of Humanities: Varda Khan elected for a term ending June 30, 2015

In February/March 2015, elections will be held for undergraduate student representatives on Senate, for two-year terms beginning July 1, 2015, in each of the following Faculties: Business, Health Sciences, Humanities, Social Sciences. MAPS should use all its communications vehicles to promote the elections since part-time students are eligible to be candidates.

On Nov. 12, Senate will formally approve the graduand list for degrees to be conferred at Fall Convocations on Friday, November 21.

Student Representative Assembly (Sept. 28, Oct. 19, Nov. 2)

On September 28, the MSU’s audited financial statements for 2013-2014 were approved. An operating surplus for the year of $286,024 and net assets of more than $5 million were reported.

On October 19, two options were considered for timing of a full-week Fall Break (limited to two days in November in each 2013 and 2014).

MUSC Board of Management (Oct. 8)

Discussion topics at the last MUSC Board of Management included:
- Collective Bargaining – negotiations are in-progress for a first contract between the MUSC and LIUNA representing maintenance staff.
- First Floor Feasibility Study – received a report on options to make better use of the first floor of the MUSC. A copy is appended to the master copy of the minutes.
• Fire Alarm System – the University is considering upgrading the fire alarm system in Gilmour Hall which is linked to the system for the MUSC.

8. CLOSED SESSION

The Board moved into closed session by general consent.

RETURN TO OPEN SESSION

9. OTHER BUSINESS

Board meeting schedule

Given the request by the auditor to meet with the Board prior to the commencement of the 2014 audit process, and anticipated governance decisions (including draft audit review), it was agreed to maintain monthly meetings through March and then consider moving to b-monthly meetings. The corporate secretary will serve notice of meetings as follows:

• Wednesday, December 10, 2014 at 5:30 p.m.
• Tuesday, January 13, 2015 at 5:30 p.m.
• Tuesday, February 10, 2015 at 5:30 p.m.
• Tuesday, March 10, 2015 at 5:30 p.m.

10. ADJOURNMENT

Motion: Moved by Lo, seconded by Arlen to adjourn.

Carried.

10:20 p.m.

These minutes were duly approved by the Board at its meeting on ____________, 2014.

_______________________________  ______________________________
Jacqueline Arlen, President    David Moore, Secretary
Report to those charged with governance—Initial communication on audit planning

McMaster Association of Part-Time Students
For the year ended December 31, 2014
November 20, 2014

To the Board of Directors of McMaster Association of Part-Time Students,

We’re pleased to enclose our Report to those charged with governance – Initial communication on audit planning. The purpose of this document, and our upcoming meeting to discuss its content, is to initiate effective two way communication with you regarding our financial statement audit engagement of McMaster Association of Part-Time Students (hereinafter the “Association”) for the year ending December 31, 2014. This communication will assist the Board in understanding the terms of the audit engagement; our proposed audit strategy and the level of responsibility assumed by Grant Thornton LLP under Canadian auditing standards (CAS).

This communication has been prepared to comply with the requirements outlined in CAS 260 Communication with those Charged with Governance. The information in this document is intended solely for the information and use of the Board of Directors and management. It is not intended to be distributed or used by anyone other than these specified parties.

If you have any particular comments, concerns or additional expectations that may require us to undertake additional work over and above that which is currently contemplated, please do not hesitate to raise them at our next scheduled meeting.

Yours sincerely,
Grant Thornton LLP

Melanie Dugard, CPA, CA
Principal

[cc: Kyle Johansen, Executive Director]
Contents

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>McMaster Association of Part-Time Students – changes in standards</td>
<td>1</td>
</tr>
<tr>
<td>Achieving effective governance</td>
<td>2</td>
</tr>
<tr>
<td>Quality assurance, independence and communication</td>
<td>3</td>
</tr>
<tr>
<td>Our audit approach</td>
<td>4</td>
</tr>
<tr>
<td>Audit timetable</td>
<td>8</td>
</tr>
<tr>
<td>Appendix A – Accounting developments</td>
<td>9</td>
</tr>
</tbody>
</table>
McMaster Association of Part-Time Students – changes in standards

**Accounting standards**
Accounting standards issued by the Accounting Standards Board which may affect your Association for the current and future years include:

- 2014 Improvements to ASPE
- 2013 Improvements to ASPE
- Section 3463 *Reporting employee future benefits by not-for-profit organizations*

Further details of the changes to accounting standards are included in the Appendices. If you have any questions about these changes we invite you to raise them during our next meeting.
Achieving effective governance

There are several fundamental components of effective governance. The Board of Directors plays a key role in achieving strong governance, particularly with respect to financial reporting.

### Roles in ensuring strong financial reporting

<table>
<thead>
<tr>
<th>Role of the Board of Directors</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Help set the tone for the organization by emphasizing honesty, ethical behaviour and fraud prevention</td>
<td></td>
</tr>
<tr>
<td>Oversee management, including ensuring that management establishes and maintains internal controls to provide reasonable assurance regarding reliability of financial reporting</td>
<td></td>
</tr>
<tr>
<td>Oversee the work of the external auditors including reviewing and discussing the audit plan</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Role of management</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare financial statements in accordance with Canadian accounting standards for not-for-profit organizations</td>
<td></td>
</tr>
<tr>
<td>Design, implement and maintain effective internal controls over financial reporting processes, including controls to prevent and detect fraud</td>
<td></td>
</tr>
<tr>
<td>Exercise sound judgment in selecting and applying accounting policies</td>
<td></td>
</tr>
<tr>
<td>Prevent, detect and correct errors, including those caused by fraud</td>
<td></td>
</tr>
<tr>
<td>Provide representations to external auditors</td>
<td></td>
</tr>
<tr>
<td>Assess quantitative and qualitative impact of misstatements discovered during the audit on fair presentation of the financial statements</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Role of Grant Thornton LLP</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide an audit opinion that the financial statements are in accordance with Canadian accounting standards for not-for-profit organizations</td>
<td></td>
</tr>
<tr>
<td>Conduct our audit in accordance with Canadian GAAS</td>
<td></td>
</tr>
<tr>
<td>Maintain independence and objectivity</td>
<td></td>
</tr>
<tr>
<td>Be a resource to management and to those charged with governance</td>
<td></td>
</tr>
<tr>
<td>Communicate matters of interest to those charged with governance</td>
<td></td>
</tr>
<tr>
<td>Establish an effective two-way communication with those charged with governance, to report matters of interest to them and obtain their comments on audit risk matters</td>
<td></td>
</tr>
</tbody>
</table>
Quality assurance, independence and communication

**Quality control**
Grant Thornton LLP has a robust quality control program that forms a core part of our client service. We combine internationally developed audit methodology, advanced technology, rigorous review procedures, mandatory professional development requirements, and the use of specialists to deliver high quality audit services to our clients. In addition to our internal processes, we are subject to inspection and oversight by standard setting and regulatory bodies. We are proud of our firm’s approach to quality control and would be pleased to discuss any aspect with you at your convenience.

**Independence**
We have a rigorous process where we continually monitor and maintain our independence. The process of maintaining our independence includes, but is not limited to

- Identification of threats to our independence and putting into place safeguards to mitigate those threats. For example, we evaluate the independence threat of any non-audit services provided to the Association; and
- Confirming the independence of our engagement team members.

We have identified no information regarding our independence that in our judgement should be brought to your attention.

**Communication with those charged with governance**
Effective and timely communication is key to quality service. In conducting our audit we will communicate as required with those charged with governance so that issues and concerns are addressed in a timely and productive manner. We also require your input and perspective on various risk assessment matters such as fraud risk, compliance with laws and regulations and we welcome your view on the Association’s system of internal controls.

We encourage you to contact us at any time if questions or concerns arise.
Our audit approach

An understanding of your Association and your business drives the Grant Thornton LLP audit approach. The audit methodology is risk based and specifically tailored to the Association as depicted below:

Our tailored audit approach results in procedures designed to respond to an identified risk. The greater the risk of material misstatement associated with the account, transaction or balance, the greater audit emphasis placed in terms of audit verification and analysis.

Throughout the execution of the audit approach, we will maintain our professional scepticism, recognizing the possibility that a material misstatement due to fraud could exist not withstanding our past experiences with the Association or our beliefs about management’s honesty and integrity.
Other communications
As a result of our audit process we will communicate in our “results report” information on the following matters:

- Misstatements, other than trivial errors;
- Fraud;
- Misstatements that may cause future financial statements to be materially misstated;
- Illegal or possibly illegal acts, other than those considered inconsequential; and
- Material weaknesses and significant deficiencies in internal control over financial reporting.

Internal control
Our audit includes gaining an understanding of the Association’s internal control over financial reporting. Our understanding will focus on processes associated with the identified risk areas (see below). We used this understanding to determine the nature, extent and timing of our audit procedures.

Internal control findings may also result in valuable internal control findings for your consideration. Note that the auditor’s objectives with regards to internal control are different from those of management and those charged with governance. For example, we primarily target controls that relate to financial reporting and not those that relate to the Association’s operations or compliance which may also be relevant to the Association's objectives. Therefore, management and those charged with governance cannot solely rely on our findings to discharge their responsibilities in this area.

Risk assessment
Our risk assessment process has identified the following areas where we will focus our attention:

<table>
<thead>
<tr>
<th>Risk area</th>
<th>Audit procedures</th>
</tr>
</thead>
</table>
| Payables understated or not recorded in the correct period (Expenses – completeness)] | - Trace the last payments for the current year and the first payments for the subsequent year and validate that they are recognized in the correct period.  
- Perform a search for unrecorded liabilities.  
- Analyze actual expenses as compared to budget  
- Perform testing of expenses. |
| Going Concern | The Association is facing certain economic challenges that may impact the ability to continue as a going concern. These challenges include: pressure on operating results and reduced availability of funds. In response, audit procedures may include but are not limited to the following:  
a) In the evaluation of management’s significant assumptions when determining the Association’s ability to continue as a going concern, assess if such assumptions reflect the current economic environment.  
b) Evaluate if management’s plans for mitigating challenges that may impact the Association’s ability to continue as a going concern can be effectively implemented in the current economic environment. |
Materiality

The purpose of our audit is to provide an opinion as to whether your financial statements are prepared, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations as of December 31, 2014. Therefore, materiality is a critical auditing concept and as such we apply it in all stages of the engagement.

The concept of materiality recognizes that the audit team cannot verify every balance, transaction or judgment made in the financial reporting process. During audit planning, we made a preliminary assessment of materiality for purposes of developing our audit strategy, including the determination of the extent of our audit procedures. During the completion stage, we consider not only the quantitative assessment of materiality, but also qualitative factors, in assessing the impact on the financial statements, our audit opinion and the matters reported to your attention.

Fraud risk factor considerations

We are responsible for planning and performing the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement caused by error or by fraud. Our responsibility includes:

- The identification and assessment of the risks of material misstatement of the financial statements due to fraud through procedures including discussions amongst the audit team and specific inquiries of management;
- To obtain sufficient appropriate audit evidence to respond to the fraud risks noted; and
- To respond appropriately to any fraud or suspected fraud identified during the audit.

With this regard, we are required to communicate with you on fraud-related matters, including:

- Obtaining an understanding of how you exercise oversight of management's processes for identifying and responding to the risks of fraud in the Association and the internal control that management has established to mitigate these risks.
- Inquire whether you have knowledge of any actual, suspected or alleged fraud affecting the Association.

The following provides a summary of some of the fraud related procedures we plan to perform during the audit:

- Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.
- Review accounting estimates for biases.
- Evaluate the business rationale (or the lack thereof) for significant transactions that are or appear to be outside the normal course of business.

Laws and regulations

During the course of our audit, we will perform specified audit procedures to help identify instances of non-compliance with laws and regulations that may have a material effect on the financial statements. An audit of financial statements is not designed to detect all instances of non-compliance with laws and
regulations and does not represent an audit of the Association’s compliance with applicable laws and regulations. In this respect, we would like know if you are aware of instances of the Association not being in compliance with laws and regulations.

**Client assistance and readiness**

Client assistance and readiness are integral to the successful meeting of our targeted report release date. To facilitate the communication process, we will provide management with a letter detailing expected assistance and the critical milestone dates.

**Deliverables**

We are committed to executing our audit in a most effective, efficient and timely manner. We will provide the following deliverables to those charged with governance:

- Initial communication on audit planning;
- Audit report on the financial statements of the Association;
- Communication of audit results; and
- Management letter that provides our observations and recommendations regarding internal controls based on matters identified during the course of our audit.
## Audit timetable

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 10, 2014</td>
<td>Meeting with those charged with governance and presentation of Report to those charged with governance – Initial Communication on Audit Planning</td>
</tr>
<tr>
<td>January 13-16, 2015</td>
<td>Interim visit</td>
</tr>
<tr>
<td>February 17-20, 2015</td>
<td>Year-end visit</td>
</tr>
<tr>
<td>March 6, 2015</td>
<td>Preliminary clearance to be provided on draft [consolidated] financial statements</td>
</tr>
<tr>
<td>March 10, 2015</td>
<td>Meeting with those charged with governance and presentation of Report to those charged with governance – Communication of Audit Results</td>
</tr>
</tbody>
</table>
### Appendix A – Accounting developments

#### Accounting – Standards issued by CPA Canada

<table>
<thead>
<tr>
<th>Preface to the CPA Canada Handbook – Accounting</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>The CPA Canada Handbook (the CPA Handbook) is structured to accommodate the different standards that apply to the different categories of organizations.</td>
<td></td>
</tr>
<tr>
<td>• Preface to the CPA Canada Handbook – Accounting</td>
<td></td>
</tr>
<tr>
<td>• Part I – International Financial Reporting Standards (IFRS)</td>
<td></td>
</tr>
<tr>
<td>• Part II – Accounting Standards for Private Enterprises (ASPE)</td>
<td></td>
</tr>
<tr>
<td>• Part III – Accounting Standards for Not-for-Profit Organizations (ASNPO)</td>
<td></td>
</tr>
<tr>
<td>• Part IV – Accounting Standards for Pension Plans</td>
<td></td>
</tr>
<tr>
<td>• Part V – Pre-Changeover Accounting Standards</td>
<td></td>
</tr>
</tbody>
</table>

Not-for-profit organizations (NFPOs) who report under Part III of the CPA Handbook are also required to follow the standards in Part II of the CPA Handbook for those areas that are not addressed in Part III of the CPA Handbook.

#### 2014 Improvements to ASPE

The Accounting Standards Board (AcSB) makes annual changes to standards through an annual improvements process which include changes consisting of relatively limited amendments to clarify guidance or wording within the standards, or to correct for relatively minor unintended consequences, conflicts or oversights.

Section 3856 Financial Instruments was amended in the 2014 process as follows:

- The section was clarified for situations where a hedge of an anticipated transaction matures after the anticipated transaction occurs. The amendment specifies that when a reporting period ends between the date the hedged transaction occurs and the date the hedging item matures, the hedging item must be remeasured at the balance sheet date using the spot rate in effect at that date, with any gain or loss included in net income.
- The disclosure of impairment of current trade receivables was amended to only require the disclosure of the amount of any allowance for impairment.

The 2014 Annual Improvements Project also proposed changes to Section 3462 *Employee Future Benefits* to clarify that the option to use a funding valuation to measure the defined benefit obligation for unfunded defined benefit plans can only be applied by entities that have at least one funded defined benefit plan. However, in light of concerns raised by some stakeholders and the Private Enterprise Advisory Committee, the AcSB required the relevant paragraphs be redrafted to further clarify certain aspects. The AcSB plans to revisit the proposed amendment at a future date.

**Section 3463 Reporting employee future benefits by not-for-profit organizations**

Section 3463 *Reporting Employee Future Benefits by Not-for-Profit Organizations* requires NFPOs to follow the requirements in Section 3462 *Employee Future Benefits* in Part II of the CPA Handbook, with the exception of the recognition and presentation of remeasurements and other items (e.g., actuarial gains and losses, past service costs, settlements, curtailments) related to defined benefit plans. Section 3462 *Employee future benefits* replaces Section 3641 of the same title. Significant changes between Section 3462 and 3641 include:

- Fiscal years beginning on or after January 1, 2015. Early adoption is permitted.
- Fiscal years beginning on or after January 1, 2014. Earlier application is permitted, but only for all of a NFPO’s benefit plans.
Accounting – Standards issued by CPA Canada

3462 and Section 3461 include:

- **Recognition**
  
  The deferral and amortization approach is eliminated. Consequently, the defined benefit liability or asset (previously referred to as the accrued benefit liability or asset) presented on the statement of financial position will be equal to the defined benefit obligation less the fair value of the plan assets, adjusted for any valuation allowance in the case of a net asset.

- **Defined benefit obligation**
  
  In measuring the defined benefit obligation, NFPOs will have a choice between using an actuarial valuation for funding purposes (excluding actuarial valuations for solvency, wind-up or similar purposes) or a separate valuation prepared for accounting purposes. This choice must be applied to all such plans. A NFPO may prepare an actuarial valuation for an unfunded plan on a basis consistent with a funding valuation. The NFPO would apply the same accounting policy choice to that unfunded plan as to its funded plans. (Note: the Accounting Standards Board has proposed that entities will only be able to use this accounting policy choice for unfunded plans if they have at least one funded defined benefit plan. This amendment is expected to be approved later in 2014.)

- **Measurement date**
  
  The measurement of plan assets is required to be as at the date of the statement of financial position, with no other dates permitted. An actuarial valuation must be prepared at least once every three years. In years between valuations, the NFPO must use a roll-forward technique to estimate the obligation. Similarly, a roll-forward technique is used when an actuarial valuation is performed during the year in order to measure the defined benefit obligation at the year end date.

- **Disclosures**
  
  Additional disclosures as a result of the new standard are required.

For NFPOs with defined benefit plans, Section 3463 will require the following for remeasurements and other items:

- recognition directly in net assets in the statement of financial position, rather than in the statement of operations, with no reclassification from net assets to the statement of operations in a subsequent period;
- presentation as a separately identified item in the statement of changes in net assets.

### 2013 Improvements to ASPE

The Accounting Standards Board (AcSB) makes annual changes to standards through an annual improvements process which include changes consisting of relatively limited amendments to clarify guidance or wording within the standards, or to correct for relatively minor unintended consequences, conflicts or oversights.

The following standards were amended in the 2013 process:

- **Section 3856 Financial Instruments**
  
  The first amendment to Section 3856 clarifies that a financial instrument redeemable only by economic compulsion rather than a contractual obligation to redeem the financial instrument is not classified as a financial liability. The second amendment to Section 3856 corrects an oversight relating to hedge accounting when an anticipated transaction is hedged by a foreign exchange forward contract that settles by an exchange of currencies before the anticipated purchase transaction is recognized. In cases where the foreign currency is held continuously between the date the contract is settled and the date the purchase transaction is recognized, any gain or loss on the foreign currency is temporarily recorded in equity until the purchase transaction is recognized. The amended guidance results in the offsetting of the revenue, expenses, gains or losses on the anticipated transaction with those from the foreign exchange forward contract, thereby achieving the intention of hedge accounting.

Fiscal years beginning on or after January 1, 2014. Earlier application is permitted. Earlier application to hedging relationships in effect on or after January 1, 2013 is permitted for the amendment related to hedge accounting.
Policy Report (December 1, 2014)

Operational Policy 008 – Fiscal and Operating Plans

Having now completed a full year working with this policy, some minor adjustments to dates are recommended to reflect current reporting turn-around times. If approved, the policy would generally accept a four to six week reporting delay on financial statements for the first through third quarters. Fourth quarter results would not change as the Association anticipated completing the audit of its financial statements within four weeks of the fiscal year end.

As this policy is designated as materially important, a 30 day notice period to the membership is required prior to implementing the changes.

Executive and Management Report (December 1, 2014)

Representation

- **MSU:**
  - The MSU and its insurance carrier have confirmed that a January opt-in period for part-time students is possible. MSU is looking into if the premium can be prorated for 8 months or if the purchase will need to be for 12 months, but claims be retroactively allowed from September. The MSU noted that the dental premium may not change as the same amount of expense can be incurred in the shorter claims period.

- **Admin-Con met on November 4th**
  - The MSU raised the question of having a gender equity coordinator and provide appropriate gender equity support services at McMaster. There was general agreement between the MSU and university that a holistic program, aligned with the current review of mental health service provision, would be of benefit on campus. Temporary space would be needed to provide the services. It was agreed at Admin-Con that a January 2015 implementation would be attempted and MSU and Student Affairs will collaborate to make this happen.
  - A discussion regarding improving utilization of ‘dead’ space across campus determined that there may be low cost opportunities to improve under-utilization of space across campus. An informal committee of MSU and facility services will conduct a walk through of the campus buildings to identify areas where minor changes could benefit students (creating study and meeting places). MUSC planning along similar lines was also raised and the university asked to be kept informed of any developments within student centre.
  - MSU advised it was in final discussions with Facility Services regarding the setting up of a skating rink on campus for this winter.
  - MSU advised that it is working with OUSA and other partners to lobby the ministry for increased funding to support improvements accessible learning, and student services; including mental health services. There was some agreement that, pending the efforts with Training Colleges and Universities (TCU), a request might also be made to Health and Long-Term Care.
The AVP Faculty is working with the Associate Deans to implement a full week fall break for next year. The recommendation will likely go to Senate in January 2015.

A business case for the Living Learning Centre is being developed in the early new year in anticipation of a positive funding announcement from TCU.

The university advised that 19 proposals have been received by TCU regarding the expansion of 60,000 undergraduate seats in Ontario. It is understood that the proposals are being sorted into three initial buckets: “perhaps”, “maybe”, and “no way”.

The university reported a positive and productive meeting with the Hamilton Police Chief. Mary Williams also noted the positive and engaged approach of McMaster’s designated local policing officer.

The MSU confirmed it will be re-running its referendum on changes to the Health and Dental Plan concurrent with the MSU presidential elections in 2015.

MAPS confirms that the Course Access Report data collection was done and that the preliminary report was being reviewed. A full copy of the report will be shared with all campus partners.

Recognition

- **Relations with CCE**: MAPS received very favourable comments regarding our participation in the CCE graduation ceremony. The new trophies were not available in time for presentation at the CCE but will be awarded at our Awards Dinner.

- **Awards Dinner**: A verbal report on the Awards Dinner will be made at the meeting.

Communications

- **Social Media**: Gifty has started working on our Twitter account and is taking over responsibility for Facebook. He is also working on creating a LinkedIn page for the Association, which we can use as a blogging platform as well as work to engage alumni as well as current members.

- **Newsletter**: The newsletter for November was finalized and sent out in the third week of November. Underground Media is working on a design template we can use going forward.

- **MAPS Handbook**: Handbooks were distributed to key university partners in the third week of November.

Member support

- **Mentorship program**: The mentorship program participation deadline was extended to December 31st. Orientation will occur in January.
Research

- **Course Accessibility Survey**: The Student Course Accessibility Survey is now with Underground for web and print design. A draft version in its presentation format will be walked into the Board meeting.

- **Demographic Information**: Demographic information has been received by CCE and is currently being reviewed.

Operations

- **Staffing Changes**: After an interview with the President and Executive Director, Gifty Warval was offered the third IA position. Gifty has started his training and will likely begin regular office hours in January.

- **2014 Audit Preparation**: Grant Thornton is presenting their pre-audit plan at the Board’s December meeting. An outline from the Auditors was included in the board agenda. The Auditors have been made fully aware of our timelines and are confident they can meet them.

  - Additional staff hours are budgeted for the first quarter to ensure that the audit is completed on time.

- **Asset Investment**: The executive director met with Scotiabank on November 28th to discuss GIC investments. The bank has provided the Association with variable rates for one year, one year cashable, and 3 and 6 month locked in rates. The lowest rate is 1.25% (one year cashable) and the highest is 1.39% (one year locked in).

- **Replacement of Suite Entry Doors**: GlassPro has confirmed the installation date for the new doors between January 12th and 21st 2015. It was determined that, in order for the doors to be properly installed and look professional, we will need to purchase chrome cladding for the door frame. This eliminates any need for additional fitting out or millwork. The cost of the cladding is $1,500. This brings the total cost for the new door purchase and installation, along with the installation of an internal cut off switch for the electric door opener, to $9,155.30. A motion for an increase in the allocation is requested.

- **ED Laptop**: The ED laptop has been replaced through the Campus Store at a total cost of 2,616. The old laptop is now operating the tv in the Lounge.

- **Q3 Statements**: The Third Quarter Statements have been recirculated for the Board’s review, with the approved July Budget figures included, as requested. There are a few issues with the statements that are due to a combination of historically incorrect bookkeeping practices that were not identified during the 2013 audit. The issues are identified in the revised statements and will be brought to the attention of the Auditors when we commence the 2014 audit.

- **Draft 2015 Budget**: A revised draft budget has been attached for the Board’s review and approval. The budget has been revamped to reflect the approved budget in July 2014, with minor modifications for known changes in costs. Some minor increases in some areas have been made to allow for any variations in year-over-year costs.

- **Insurance Renewal**: Our insurance policies have been renewed at a premium of $6,100; which is lower than anticipated.

- **Fraudulent Credit Card Use**: Between November 21st and 25th, 99 fraudulent transactions were processed on the Executive Director’s Scotiabank Visa Card to Apple/iTunes in the amount of
$976.95. The fraudulent charges were discovered the morning of November 28th, when a charge for Tassimo Coffee Discs at Metro was declined. Scotiabank was contacted immediately. The charges will be reversed from the card. The card has been cancelled and a new one issued.

**MOTIONS – Board of Directors Meeting December 10, 2014**

**Moved and seconded** that the Board approve, in principle, the revised Fiscal and Operating Plan Policy, and direct the executive director to give the appropriate notice to the membership, pursuant to the Association’s by-laws and policies.

**Moved and seconded** that the Board increase the allocation for the purchase and installation of new entrance doors from $9,000 to $9,300.

**Moved and seconded** that the Board approve the 2015 draft budget.
Plain Language Summary

A. **ANNUAL ORGANIZATIONAL AND SPENDING PLAN REQUIRED**

The Association will follow an annual planning cycle that sets, as its first priorities, the ends set by the Board of Directors (based on engagement with the Membership); which management will then employ to develop an operating plan and budget for Board approval. Metrics from the plan and budget will be selected as monitoring indicators to allow the Board to ensure appropriate oversight and accountability and ensure that programming and expenditures meet approved ends.

B. **BOARD TO SET STRATEGIC ENDS FOR ASSOCIATION**

The Board, normally before the end of September each year, will review and revise the ends for the Association based on identified mission, vision and values, and the identified needs of the Membership. In the event that the Board is unable to complete this task, the last approved ends for the organization will be used to develop the operational plan and annual budget.

C. **EXECUTIVE DIRECTOR TO DEVELOP OPERATING PLAN FOR ASSOCIATION**

The Executive Director will develop an Operating Plan designed to meet or advance the ends identified by the Board. The plan will speak to services, human, financial and other resources to be invested by the Association in order to meet or advance the ends. The Operating Plan will, to the extent possible, align spending of the annual budget to activities in the plan, which in turn shall be aligned with corporate ends.
D. **Annual Operating Budget Derived from Operating Plan**

The Operating Plan and annual budget will be developed concurrently to ensure that resources are allocated to operating plan components. The budget will provide for operating costs of the lounge, office and staffing, current programs, and new or expanded programs, all of which will be components of the operating plan. The plan will be developed for a two year period, revised annually, and align with the corporate fiscal year.

E. **Report by Exception**

In addition to quarterly budget and operational reports, the Executive Director will report variances to the Board as they are identified. The Executive Director is responsible for minimizing any risk resulting from a variance, and must obtain Board approval to proceed with the variance in place or take appropriate remedial action.

---

**Example of how Operating Plan should reflect ends through to costs.**

<table>
<thead>
<tr>
<th>End</th>
<th>Projects supporting End</th>
<th>Metrics demonstrating advancement towards end</th>
<th>Human, material, and financial investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement</td>
<td>Electronic voting</td>
<td>% of members voting compared to prior year</td>
<td>Cost of system</td>
</tr>
<tr>
<td>AGM</td>
<td>Attendance at AGM over prior year</td>
<td>Time to administer</td>
<td>Print materials, advertisements</td>
</tr>
</tbody>
</table>

---

F. **Management Reporting**

The Executive Director will provide management reports to the board shortly after the completion of each fiscal quarter on the following schedule:

- **Quarter 1:** Financial – Budget to Actual Spending and Operational – Plan Update
- **Quarter 2:** Semi Annual Update on Operational Plan and Budget
- **Quarter 3:** Financial – Budget to Actual Spending and Operational – Plan Update
- **Quarter 4:** Year-end (Unaudited) Report on Budget and Operational Plan

The reports will provide the Board with sufficient information regarding the progress of each program. The Q4 Report will list projects, total costs, performance achieved, and an overall evaluation of the association’s advancement towards the corporate ends. Information from all reports will support the development of policies, programs and ongoing plans for any continuing ends, so that that the association learns and evolves with each iteration.
G. REPORTS PUBLICLY AVAILABLE
All Board-approved plans and reports referred to in this policy will be posted on the Association’s website.

H. DESIGNATION OF THIS POLICY
This policy is designated as materially important. To change it, the Board must provide the membership with notice of intent to change the policy. For more information, see Policy 003.

APPROVED BY THE BOARD.

November 12, 2013

Andrew Smith, President

David Moore, Secretary
### McMaster Association of Part-time Students

#### 2014 Financial Results

**Statement of Operations (Unaudited) Draft - Revised**

<table>
<thead>
<tr>
<th></th>
<th>Q1 (Jan-Mar)</th>
<th>Q2 (Apr-Jun)</th>
<th>Q3 (Jul-Sep)</th>
<th>Q4 (Oct-Dec)</th>
<th>Cumulative (Reported Periods)</th>
<th>Budget Approved Jul-14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership fees</td>
<td>109,811</td>
<td>1,089</td>
<td>148,696</td>
<td>259,596</td>
<td>267,000</td>
<td></td>
</tr>
<tr>
<td>Other revenue</td>
<td>2,210</td>
<td>1,000</td>
<td></td>
<td>3,210</td>
<td>1,600</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$109,811</td>
<td>$3,298</td>
<td>$149,696</td>
<td>$262,806</td>
<td>$268,600</td>
<td></td>
</tr>
</tbody>
</table>

**Expenses**

<table>
<thead>
<tr>
<th>Expense</th>
<th>Q1 (Jan-Mar)</th>
<th>Q2 (Apr-Jun)</th>
<th>Q3 (Jul-Sep)</th>
<th>Q4 (Oct-Dec)</th>
<th>Cumulative (Reported Periods)</th>
<th>Budget Approved Jul-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Benefits</td>
<td>8,777</td>
<td>27,394</td>
<td>27,248</td>
<td>63,418</td>
<td>143,500</td>
<td></td>
</tr>
<tr>
<td>Consulting Fees</td>
<td>5,750</td>
<td>-</td>
<td></td>
<td>5,750</td>
<td>7,500</td>
<td></td>
</tr>
<tr>
<td>Professional Fees</td>
<td>13,920</td>
<td>2,250</td>
<td>2,250</td>
<td>18,420</td>
<td>12,500</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,132</td>
<td>3,132</td>
<td>3,132</td>
<td>9,395</td>
<td>11,940</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
<td></td>
<td>131</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>Board Travel (Meetings)</td>
<td>1,702</td>
<td>1,154</td>
<td>474</td>
<td>3,330</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>Board Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Student Awards &amp; Dinner</td>
<td>120</td>
<td></td>
<td></td>
<td></td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Office and General</td>
<td>2,537</td>
<td>1,794</td>
<td>2,014</td>
<td>6,345</td>
<td>6,324</td>
<td></td>
</tr>
<tr>
<td>University Admin Fee</td>
<td>2,000</td>
<td></td>
<td>271</td>
<td></td>
<td>2,271</td>
<td></td>
</tr>
<tr>
<td>Pub Rel’ns/Sponsorship/Education</td>
<td>475</td>
<td>726</td>
<td>4,121</td>
<td></td>
<td>5,322</td>
<td>10,000</td>
</tr>
<tr>
<td>CCE Graduation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td>Poll and Referenda</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,137</td>
<td>5,886</td>
</tr>
<tr>
<td>OUSA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>592</td>
<td>600</td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,852</td>
<td>2,000</td>
</tr>
<tr>
<td>Computer Software</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>500</td>
</tr>
<tr>
<td>Meetings</td>
<td>160</td>
<td>746</td>
<td>194</td>
<td>1,099</td>
<td>1,100</td>
<td></td>
</tr>
<tr>
<td>Seminars</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Handbook</td>
<td></td>
<td></td>
<td>1,137</td>
<td></td>
<td>1,137</td>
<td>6,000</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance</td>
<td></td>
<td></td>
<td></td>
<td>31</td>
<td>31</td>
<td>800</td>
</tr>
<tr>
<td>Research &amp; Advocacy</td>
<td></td>
<td></td>
<td></td>
<td>5,000</td>
<td>5,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8,580</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$39,628</td>
<td>$39,257</td>
<td>$46,465</td>
<td>$125,350</td>
<td>$265,880</td>
<td></td>
</tr>
</tbody>
</table>

**Excess/(Deficit) of Revenues over Expenses:**

<table>
<thead>
<tr>
<th></th>
<th>Q1 (Jan-Mar)</th>
<th>Q2 (Apr-Jun)</th>
<th>Q3 (Jul-Sep)</th>
<th>Q4 (Oct-Dec)</th>
<th>Cumulative (Reported Periods)</th>
<th>Budget Approved Jul-14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$70,183</td>
<td>$35,959</td>
<td>103,231</td>
<td>$137,456</td>
<td>$2,720</td>
<td></td>
</tr>
</tbody>
</table>

**Notes**

1. Includes interest and investment income ($375), misc income (fee reversals, printing and the sale of $200 in assets)
2. Audit fees were not accrued for 2013, as a result, both 2013 and 2014 fees show in 2014
3. The insurance premium for Nov 2014- Nov 2015 will be approximately $6,100
4. $5K for PR and $5K for Education - Board approved purchase of USB cards plus Silhouette Advertising
5. Course Access Report
## Statement of Financial Position (Unaudited) *Draft* - Revised

### Assets

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>196,770</td>
<td>62,341</td>
<td>223,427</td>
<td></td>
</tr>
<tr>
<td>Owed from McMaster University</td>
<td>226,049</td>
<td>152,986</td>
<td>157,264</td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td></td>
<td>2,209</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>2,709</td>
<td>2,709</td>
<td>2,273</td>
<td>Note 6</td>
</tr>
<tr>
<td><strong>Total Current Assets:</strong></td>
<td>$ 425,528</td>
<td>$ 220,246</td>
<td>$ 382,964</td>
<td></td>
</tr>
</tbody>
</table>

**Other and Long-Term Assets**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and equipment</td>
<td>45,866</td>
<td>43,051</td>
<td>40,376</td>
<td></td>
</tr>
<tr>
<td>Credit Union Shares</td>
<td>1,260</td>
<td>1,260</td>
<td>1,260</td>
<td>Note 7</td>
</tr>
<tr>
<td><strong>Total Other and Long-Term Assets:</strong></td>
<td>$ 47,126</td>
<td>$ 44,310</td>
<td>41,636</td>
<td></td>
</tr>
</tbody>
</table>

**Total Assets**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 472,654</td>
<td>$ 264,556</td>
<td>424,600</td>
<td></td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>3,195</td>
<td>5,439</td>
<td>12,409</td>
<td></td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>99,000</td>
<td>24,617</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>$ 102,195</td>
<td>$ 30,056</td>
<td>21,409</td>
<td></td>
</tr>
</tbody>
</table>

**Net Assets**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets</strong></td>
<td>$ 370,459</td>
<td>$ 234,500</td>
<td>403,191</td>
<td></td>
</tr>
</tbody>
</table>

**Total**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>$ 472,654</td>
<td>$ 264,556</td>
<td>424,600</td>
<td></td>
</tr>
</tbody>
</table>

### Notes

5. Prepaid expense should have been amortized and is overstated
6. Held in PACE Savings Account
MOTION: Moved by Arlen, seconded by Moore, that the Board approve an increase in the Awards Dinner budget line of up to $4,300, to be offset by underspending elsewhere in the budget, to fund a sole-sourced keynote speaker for the 2014 MAPS Awards Dinner.

VOTE:

<table>
<thead>
<tr>
<th>Board member</th>
<th>In Favour</th>
<th>Opposed</th>
<th>Abstaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARLEN</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BELOVARI</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CERANTOLA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOVORCIN</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HILL-SMITH</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LO</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MERLOS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOORE</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

How this works: For time-sensitive matters when convening a Board meeting is difficult or not possible, a motion voted on by e-mail is a fast way to conduct business. Once you have reviewed this motion, you may either vote on it immediately, or you may contact Jackie Arlen or Dave Moore to obtain more information. Voting on this motion will close when one of the following occurs:

1. all members have voted
2. motion passes or fails
3. After 11:59 pm, Wednesday, November 26, 2014

To vote, respond directly to Jackie with your vote, with a copy to Dave. The decision will be read into the minutes of the next meeting and a copy of this form appended to the master copy of the minutes.
<table>
<thead>
<tr>
<th>REVENUE</th>
<th>2013 Audited</th>
<th>2014 Budget Rev Jul 2014</th>
<th>2015 Revised Budget</th>
<th>%-age of Revenue</th>
<th>Budget Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCE Winter/Fall</td>
<td>$367,956</td>
<td>$110,000</td>
<td>$110,000</td>
<td>41%</td>
<td>No change over 2014</td>
</tr>
<tr>
<td>CCE and Undergrad Summer</td>
<td>$55,000</td>
<td>$55,000</td>
<td>$55,000</td>
<td>20%</td>
<td>No change over 2014</td>
</tr>
<tr>
<td>Undergraduate Winter/Fall</td>
<td>$102,000</td>
<td>$102,000</td>
<td>$102,000</td>
<td>38%</td>
<td>No change over 2014</td>
</tr>
<tr>
<td>Interest &amp; Investments</td>
<td>$19,100</td>
<td>$3,390</td>
<td>$4,100</td>
<td>1%</td>
<td>Avg funds on deposit of $300K at effective rate of 1.13%</td>
</tr>
<tr>
<td>Cost recovery on services</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>0.04%</td>
<td>No change over 2014</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>$367,975</td>
<td>$268,600</td>
<td>$270,490</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part-time staff</td>
<td>incl 40,000</td>
<td>incl 40,000</td>
<td>15% Projection based on wages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time staff</td>
<td>incl 75,000</td>
<td>incl 85,000</td>
<td>28% Per contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Coordinators</td>
<td>incl 10,000</td>
<td>incl 10,000</td>
<td>10% Per July Board approval</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td>incl 1,500</td>
<td>incl 1,500</td>
<td>0.4% Estimate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPP / EI / WSIB</td>
<td>incl 16,000</td>
<td>incl 17,000</td>
<td>6% Projection based on wages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment</td>
<td></td>
<td>1,500</td>
<td>0.6% For periodic staff recruitment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Staff Expenses</td>
<td>$46,223</td>
<td>$143,500</td>
<td>$154,000</td>
<td>53%</td>
<td></td>
</tr>
</tbody>
</table>

| Professional Services       |              |                          |                     |                 |              |
| Consulting                  | $37,301      | $7,500                   | 3% Contingent estimate |
| Audit and Legal             | $22,425      | $12,500                  | 5% Audit of $9K; Legal at $3,500 |
| Total Professional Services | $59,726      | $20,000                  | $20,000             | 7%              |              |

| Membership Engagement       |              |                          |                     |                 |              |
| On-line meeting             | $1,886       | $1,000                   | 0.7% Pay per use 2 times per year |
| SimplyVoting                | $3,887       | $4,000                   | 1% Full-year purchase |
| Awards & Awards Dinner      | $11,755      | $18,500                  | 4% Includes amount for keynote speaker & increased awards |
| CCE Graduation              | $5,000       | $5,000                   | 2% No change in commitment |
| Education Services          | $343         | $5,000                   | 2% Estimate (no programming in place) |
| Total membership engagement | $20,985      | $27,886                  | $33,500             | 10%             |              |

| Office & Administration     |              |                          |                     |                 |              |
| University Admin. Fees      | $7,439       | $2,670                   | 1% 1% calculated on collected fees |
| Contingency                 | $8,580       | $4,000                   | 3%                   |
| Insurance                   | $12,113      | $6,200                   | 3% 2014-15 Premium actual amount recorded |
| Office & General            | $8,179       | $8,000                   | 2% $670 per month |
| Board Travel                | $11,926      | $4,000                   | 1% Board travel reimbursement |
| Telephone                   | $1,843       | $2,500                   | 1% Reflects 2013 Actuals + estimate for teleconference line |
| Amortization                | $13,121      | $10,500                  | 4% Placeholder amount - to be confirmed with auditors |
| Meetings                    | $849         | $1,140                   | 0.4% 12 Meetings at $120 per meeting |
| Bank Service Charges        | $204         | $670                     | 0.1% No charge for 2015 |
| Software & Computer Supplies| $890         | $500                     | 0.2% Contingency amount |
| Postage                     | $120         | $300                     | 0.04% Anticipated increase in mailings |
| Total Office & Administration| $56,360      | $40,110                  | $20,300             | 17%             |              |

| Development                 |              |                          |                     |                 |              |
| Public Relations / Sponsorship| $7,059     | $8,000                   | 2% Based on 2014 actuals |
| Research and Advocacy Initiatives | $15,000 | $10,000                  | 6% Based on work conducted in 2014 |
| Board Development           | $1,000       | $1,000                   | 0% Estimate         |
| OUSA                        | $2,749       | $592                     | 0%                   |
| Total Development           | $9,808       | $21,592                  | $19,000             | 8%              |              |

| Publications                |              |                          |                     |                 |              |
| Handbook                    |              | $2,500                   | 2% Electronic format with minimal print run |
| The Link                    |              | $800                     | 0% Contingent amount for layout design, as required |
| Total Publications          | $ -          | $6,800                   | $3,300              | 3%              |              |

| Total Expenses              | $193,102     | $265,892                 | $269,910            |                 |              |

| Current Operating Surplus / Operating Deficiency | $174,873 | $2,708 | $580 | 1.01% |