



TO: University Affairs Board

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DATE: April 19, 2005 for April 26, 2005

AGENDA ITEM: 3(a)

ITEM IDENTIFICATION:

Student Societies: Report on Financial Statements and Internal Auditor's Opinion

JURISDICTIONAL INFORMATION:

The *Policy for Compulsory Non-Academic Incidental Fees* requires each student society that receives the proceeds of a compulsory non-academic incidental fee to submit, by December 31st each year, financial statements audited by a public accountant, or else obtain from the University's Internal Auditor an exemption as provided in the *Policy*.

Section B.2.b. of the *Policy* provides that fees are withheld from societies failing to meet the December 31st deadline until such time as the auditor's report is received by the University. Pursuant to the advice of the Internal Audit Department, fees are also withheld from societies if there is a denial of audit opinion, or if there is another element of the audited statements which requires special attention.

PREVIOUS ACTION TAKEN:

The report is presented annually to the Board.

HIGHLIGHTS:

The submission and review of annual financial statements of student societies is considered an important accountability mechanism.

See "Objective and Scope" and "Comparative Summary of Auditors' Opinions" for the highlights of the Internal Auditor's report. External auditors' comments on the 2003-04 financial statements are available for viewing by Board members through the Office of Student Affairs.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

There are no direct financial implications for the University's operating budget.

RECOMMENDATION:

The Report is presented for information.