



TO: University Affairs Board

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AGENDA ITEM: 3 (a)

**ITEM IDENTIFICATION:**

Compulsory Non-Academic Incidental Fees – Student Society Fees: 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 31<sup>st</sup> 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 31<sup>st</sup> 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” in the attached report from the Internal Auditor’s department. External auditors’ comments on the 2005-06 financial statements are available for viewing by Board members through the Office of Student Affairs.

The following student societies are required to submit audited financial statements or seek an exemption from the audit requirement for the 2005-06 fiscal year:

Society Name	2005-06 Fee Revenue
89 Chestnut Residence Council	\$ 17,415.00
Arts & Science Students' Union	\$ 273,187.75
Association of Part-time Undergraduate Students (APUS)	\$ 1,007,052.12
CIUT-FM, University of Toronto Community Radio	\$ 190,010.00
Dental Student Society	\$ 9,750.00
Engineering Athletic Society	\$ 35,840.25
Engineering Society	\$ 794,331.10
Erindale Part-time Undergraduate Students Association	\$ 10,360.80
Graduate Architecture Landscape and Design Student Union	\$ 22,793.75
Graduate Business Council	\$ 29,140.00
Graduate House Council	\$ 15,430.25
Graduate Students' Union (GSU)	\$ 2,409,665.79
Innis College Student Society	\$ 77,835.07
Innis College Residence	\$ 12,780.00
Students' Law Society	\$ 48,317.50
Medical Society	\$ 46,714.92
The Medium	\$ 63,920.68
UTM Athletic Council	\$ 85,335.17
UTM Student Union	\$ 224,877.55
UTM Residence Council	\$ 15,780.00
Faculty of Music Undergraduate Association	\$ 6,697.50
New College Residence Council	\$ 17,430.00
New College Student Council	\$ 244,077.00
Faculty of Nursing Student Council	\$ 11,881.00
Occupational Therapy & Physical Therapy Graduate Students Council	\$ 3,225.00
Physical Education & Health Undergraduate Association	\$ 18,252.50
Scarborough Campus Students' Union (SCSU)	\$ 2,046,415.55
Scarborough Campus Community Radio	\$ 34,621.00
Scarborough Campus Students' Press ( <i>The Underground</i> )	\$ 60,589.75
Scarborough College Athletic Association	\$ 60,586.75
Scarborough Student Village Council	\$ 18,350.00
Students' Administrative Council (SAC)	\$ 8,872,110.51
Student Teachers Union	\$ 77,340.00
Undergraduate Pharmaceutical Society	\$ 48,123.55
University College Literary & Athletic Society	\$ 118,404.52
University College Residence Council	\$ 11,025.00
Varsity Publications ( <i>The Varsity</i> )	\$ 66,754.29
VIBE Radio Erindale	\$ 38,710.00
Woodsworth College Residence Council	\$ 7,130.00
Woodsworth College Student Association	\$ 143,025.00

Fee revenues include portions designated for special projects and other organizations. Fee revenues for SAC, APUS, GSU and SCSU, include portions designated for health and dental plans.

As noted in the report, a number of societies have yet to submit financial statements for the previous fiscal year, and in several cases, for more than one year. In some cases, the organizations have provided Student Affairs with an expectation of when the statements will be submitted. In other cases, the societies require assistance in understanding the expectations set out under the *Policy for Compulsory Non-Academic Incidental Fees*. The Office of Student Affairs will continue to attempt to work with these groups in order to ensure that the requirements of the *Policy* are met. Fees are withheld from societies until the relevant financial reporting requirements are satisfied.

Four organizations have yet to submit financial statements for three or more fiscal years:

**Erindale Part-Time Undergraduate Students Association (EPUS)** – Years outstanding: 2002-03, 2003-04, 2004-05 and 2005-06. EPUS has advised Student Affairs that it has engaged the assistance of the Association of Part-time Undergraduate Students (APUS) in preparing the outstanding financial reports.

**Graduate Architecture, Landscape & Design Student Union (GALDSU)** – Years outstanding: 2003-04, 2004-05, 2005-06. GALDSU has been working with the Internal Audit Department towards meeting the financial reporting requirements.

**Medical Society** – Years outstanding: 2002-03, 2003-04, 2004-05, 2005-06. The Medical Society has advised Student Affairs that they are actively working with their auditors in order to bring financial reporting up-to-date. Student Affairs anticipates receiving a letter from the society's auditor outlining a timeline for completion of the financial reports.

**Physical & Occupational Therapy Graduate Students' Council** – Years outstanding: 2002-03, 2003-04, 2004-05, 2005-06. Representatives of the society are working with Student Affairs staff in order to understand the University's expectations and provide adequate reporting from the missing years.

#### **FINANCIAL AND/OR PLANNING IMPLICATIONS:**

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

#### **RECOMMENDATION:**

The report is presented for information.