



TO: University Affairs Board

FROM: Jim Delaney, Director, Office of the Vice-Provost, Students

DATE: April 12, 2012

SUBJECT: University of Toronto Student Societies – Summary of 2010/2011 Auditors’ Opinions

This report has previously been prepared by the Internal Audit Department, but is now prepared by the Office of the Vice-Provost, Students. The Internal Audit Department continues to perform the duties specified in the *Policy on Compulsory Non-Academic Incidental Fees* and the *Handbook for Student Societies* (published by the Office of the Vice-Provost, Students) concerning the granting of audit exemptions.

Student societies within the University of Toronto vary widely in size, range of interest and level of activity. However, the recognized student societies have at least three things in common:

- they represent and are responsible to given “constituencies;”
- membership is automatic based on registration in a particular academic division (or residency in a particular residence); and
- the University collects compulsory non-academic incidental fees from each student eligible to be a member.

Forty student societies and one affiliate fit the above criteria. Pursuant to the *Policy for Compulsory Non-Academic Incidental Fees*, these societies are required to:

- maintain adequate and proper accounting records; and
- submit financial statements audited or reviewed by an independent auditor, licensed under the *Public Accountancy Act*, to the Office of the Vice Provost, Students by December 31st of each year.

Student societies may apply for an exemption from the audit requirement if the following conditions are met:

- incidental fees collected on behalf of the student society amount to less than \$30,000 in the fiscal year, and “other revenues” amount to less than \$7,500;
- the request for exemption is made prior to the midpoint of the fiscal year concerned and is supported by at least two-thirds of the full membership of the Council or Board of Directors of the society; and

- the Internal Audit Department is satisfied that the society is maintaining proper books of account and supporting documentation.

Societies seeking audit exemptions are required to submit their unaudited financial statements and books of accounts and supporting documentation to the Internal Audit Department for review by December 31st of each year.

Regulations and policies relating to student societies are outlined in the *Handbook for Student Societies*, published by the Office of the Vice Provost, Students.

OBJECTIVE AND SCOPE

This report summarizes the student societies’ auditors’ opinions, noting societies that have been granted an exemption from the audit requirement, as well as societies that have not submitted audited statements or requested an exemption.

The report covers the student societies’ fiscal years which ended in 2011. Twenty-eight societies have submitted their financial statements to the Office of the Vice Provost, Students or have been granted an exemption from the audit requirement by the Internal Audit Department. As of March 9, 2012, 13 societies (32%) had not submitted their 2010/2011 audited financial statements or had incomplete audit exemption documentation. Incidental fees are not released to the societies until audited financial statements are submitted, or an exemption granted.

SUMMARY OF SIGNIFICANT NOTES TO SELECTED FINANCIAL STATEMENTS

The following summarizes the significant note(s) to the audited financial statements received and reported on by Internal Audit:

CIUT

CIUT’s auditor reported that some funds may have been misappropriated by a former employee during the fiscal year.

SCSU

SCSU’s auditor reported that a significant sum of money is owed to the organized by an ancillary operation, which has been fully allowed for by SCSU.

COMPARATIVE SUMMARY OF AUDITORS’ OPINIONS

The following summarizes the external auditors’ opinions and exemptions granted or denied in 2010/2011 and 2009/2010:

	<u>2010/2011</u> (41 societies)	<u>2009/2010</u> (40 societies)
1. Unqualified audit opinions	10	20
2. Qualified audit opinions	20	16
3. Audit exemptions granted	2	1
4. Audited financial statements outstanding at the time of this report	6	3
5. Audit exemptions pending at the time of this report	<u>3</u>	N/A
	<u>41</u>	<u>40</u>

As noted in the 2009-10 Internal Audit report, 13 societies (33%) did not submit their financial statements by the date of that report. Financial statements have since been received or exemptions granted for ten of the societies.

The Graduate House Council have not submitted their 2009-10 statements as of the date of this report (Exemption denial issued); the New College Residence Council have not submitted their 2009-10 statements as of the date of this report (Exemption denial issued). The Office of the Vice-Provost, Students is working with other offices and the societies in order to obtain financial reporting for 2009-10. In recognition of the submission of statements for the 2010-11 fiscal year, and in order to facilitate the operations of these societies, fees revenue has been released to the organizations. However, further payments of fees are subject to receipt of reports for 2009-10.

Association of Erindale Part-time Undergraduate Students (EPUS)

On April 22, 2009, the University Affairs Board was advised that EPUS had failed to submit audited financial statements for the fiscal years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08. In addition, the administration was advised that EPUS had not been active in 2008-09 and that the society had not elected officers for that fiscal year. As a result, the administration suspended collection of the EPUS membership fee.

Beginning in the summer of 2011, part-time students at UTM began the process of re-establishing and re-constituting EPUS. Ultimately, the organization provided documentation to the office of the Dean of Student Affairs at UTM and the Office of the Vice-Provost, Students which detailed the society’s unsuccessful attempts to generate financial reporting for the missing years, its plans for this academic year, and the society’s commitment to comply with the *Policy for Compulsory Non-Academic Incidental Fees*. The Dean of Student Affairs and I are satisfied that the society has been

diligent in attempts to find the missing records and re-establish itself. Therefore, the administration reinstated the EPUS society fee beginning in the summer 2012 session.

University College Residence Council (UCRC)

The UCRC failed to submit their 2008-09 and 2009-10 statements. Significant attempts were made by the current executive of the Council to compile the necessary financial records from these two years for the purpose of preparing financial statements. However, the information they were able to locate was insufficient. The president and treasurer of the UCRC met with the Office of the Vice-Provost, Students to review the methods that they have developed to monitor their financial records and I am satisfied that the society has been diligent both in attempts to find the missing records and in the implementation of a new financial accountability system. The residence office at University College is providing some assistance in this regard.

2010/2011 STUDENT SOCIETY AUDIT TRACKING

UTSC Student Societies	Total Student Fee Revenue for Fiscal Year	2010-2011 Audit Submitted	2009-2010 Audit Submitted
Scarborough Campus Students’ Union	\$2,599,098.16	✓	✓
Scarborough Campus Community Radio	\$66,709.83	✓	✓
Scarborough Campus Students’ Press	\$65,036.99	✓	✓
Scarborough College Athletic Association	\$65,037.00	✓	✓
Scarborough College Student Village Council	\$20,865.00	✓	✓

UTM Student Societies	Total Student Fee Revenue for Fiscal Year	2010-2011 Audit Submitted	2009-2010 Audit Submitted
UTM Athletic Council	\$108,402.17	✓	✓
UTM Residence Council	\$24,780.00	✓	✓
The Medium	\$79,242.19	✓	✓
UTM Student Union	\$481,651.93	✓	✓
VIBE – Radio Erindale	\$46,909.00		✓

St. George Campus Student Societies	Total Student Fee Revenue for Fiscal Year	2010-11 Audit Submitted	2009-10 Audit Submitted
Arts & Science Students' Union	\$376,087.50	✓	✓
89 Chestnut Residence Council	\$18,835.35	✓	✓
Dental Student Society	\$9,570.00	✓	✓
Engineering Athletic Association	\$38,072.25		✓
Engineering Society	\$1,035,937.09	✓	✓
Masters' of Information Student Council (formerly FISSC)	\$9,975.01	Exemption Granted	✓
Graduate Architecture, Landscape and Design Student Union	\$26,995.00	✓	✓
Graduate Business Council	\$62,700.00		✓
Graduate House Council	\$16,070.48	Exemption Granted	Exemption Denied
Innis College Student Society	\$86,480.21	✓	✓
Innis Residence Council	\$12,760.00	✓	✓
Students' Law Society	\$51,390.00	✓	✓
Medical Radiation Sciences Society (MRSS)	\$9,287.50	✓	✓
U of T Medical Society	\$53,827.53	✓	✓
Faculty of Music Undergraduate Association	\$7,312.50		✓
New College Residence Council	\$16,030.00	Exemption Pending	Exemption Denied

Student Societies – Summary of 2010-11 Auditor’s Opinions

St. George Student Societies (Continued)	Total Student Fee Revenue for Fiscal Year	2010-11 Audit Submitted	2009-10 Audit Submitted
New College Student Council	\$254,178.00	✓	✓
Faculty of Nursing Undergraduate Society	\$12,823.25	✓	✓
Occupational & Physical Therapy Graduate Students Council	\$3,330.00		✓
Physical Education & Health Undergraduate Association	\$23,607.50	✓	✓
Student Teachers Union	\$27,287.00	✓	✓
Undergraduate Pharmaceutical Society	\$68,112.00	✓	✓
University College Literary & Athletic Society	\$115,433.12	✓	✓
University College Residence Council	\$10,995.00	Exemption Pending	Exemption Denied
Woodsworth College Student Association	\$135,948.75		✓
Woodsworth College Residence Council	\$7,200.00	Exemption Pending	Exemption Granted

Multi-Campus Student Societies	Total Student Fee Revenue for Fiscal Year	2010-11 Audit Submitted	2009-10 Audit Submitted
Association of Part-time Undergraduate Students (APUS)	\$1,187,279.29	✓	✓
Graduate Students Union (GSU)	\$5,753,459.34	✓	✓
Students' Administrative Council (UTSU)	\$12,993,709.26	✓	✓
Varsity Publications (<i>The Varsity</i>)	\$149,101.23	✓	✓
UofT Community Radio (CIUT)	\$287,262.28	✓	✓