



TO: University Affairs Board

SPONSOR: Jill Matus, Vice-Provost, Students

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DATE: April 12, 2012 for April 17, 2012

AGENDA ITEM: 3 (a)

ITEM IDENTIFICATION:

Compulsory Non-Academic Incidental Fees – Student Society Fees: Report on Financial Statements

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.

Beginning with this fiscal year, the review of audited statements is being conducted by the Office of the Vice-Provost, Students with, when necessary, advice from the Internal Audit Department. Previously, the Internal Audit Department conducted these reviews. The

Internal Audit Department continues to consider requests from small student societies to receive an exemption from the audit requirement. The Department also continues to review the financial statements for societies which have received an exemption.

External auditors' comments on the 2010-11 financial statements are available for viewing by Board members through the Office of Vice-Provost, Students.

As noted in the report, a number of societies have yet to submit financial statements for the previous fiscal year. In some cases, the organizations have provided an indication 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 respective student affairs and student life offices on each campus 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.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

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

RECOMMENDATION:

The report is presented for information.