

Annual General Meeting

February 7, 2018

The Hub

SAMRU Panel & Scheduled Speakers:

Noel Bahliby (SAMRU Speaker, Student Governing Board)

Shifrah Gadamsetti (SAMRU President, Representation Executive Council)

Marcy Fogal (SAMRU Executive Director)

Brian Walters (SAMRU Director of Finance)

Shauna Hunter (SAMRU Chief Returning Officer)

AGM Chair

Travis McIntosh

The meeting began without quorum

1.0 Reports

1.1 Speaker (Student Governing Board, Speaker Noel Bahliby)

- Overview of student governing board – decision-making body of the SAMRU
- Highlights of the last year: governance retreat focused on board building, successful audit this year without a management letter, current board consists of 10 governors, the board is currently recruiting governors to bring the board up to 14 governors.

1.2 President (Representation Executive Council, President Gadamsetti)

President Gadamsetti reported the following on behalf of the Representation Executive Council:

- Recommended members review student governing board meeting minutes on the SAMRU website
- Overview of representation roles – external lobbying initiatives with provincial group CAUS, and federal group CASA: tuition and fees, advocating on behalf of international students and fees, representation on the MRU's board of governors, tax credits, mental health advocacy. Internal initiatives: municipal election mayoral forum and Get Out The Vote campaign, open educational resources campaign, mandatory non-instructional fees, mental health supports related to academic policies, clubs space on campus advocacy, sexual violence and awareness, I Believe You campaign, various events such as U-fest, Yule Ball, and winter carnival.
- U-fest update: will no longer be hosted in the Fall semester and currently exploring ways to hold a large event for students at the end of the winter semester.

- Currently reviewing impacts on cannabis legalization and how it relates to the campus community.

1.3 Executive Director (SAMRU Administration & Management, Marcy Fogal)

Executive Director Marcy Fogal reported the following:

- *This year marks SAMRU's 50th anniversary of incorporation.*
- *SAMRU's mission is that we "represent and serve" you "to help you succeed". SAMRU's mission has always focussed on improving the lives of our members, present and past.*
- *I will share some highlights with you today, but as always please review the annual report and audit for more information.*
- *In order to do that job, and do it well, we have to figure out what issues you are facing, what challenges or barriers are getting in your way, and then see what we can do to help out.*
- *One of the many ways we get that information is to survey you every year*
- *FYI - this year's survey will be coming out in early March, and there are prizes to be won for participating.*
- *We heard that students feel more stress and experience more challenges than we have ever noted before.*
- *In particular:*
 - *Students are increasingly concerned about their finances, and worry about paying for basic needs such as rent, food and utilities.*
 - *Student debt is the number one issue.*
 - *Mental health is the second issue, particularly how to lead a healthy lifestyle and to manage stress.*
 - *Academic work, both completing a program's requirements to graduate and also achieving a desired GPA,*
 - *Connected - Career path, finding related work after graduation or getting into grad school.*
 - *Finally - Socializing, opportunities to make friends and building healthy relationships,*

SAMRU works hard to help students with their major concerns.

- *Shifrah - commented on all the hard work of the representatives to help address these issues.*
- *And Noel has spoken on behalf of the Board.*
- *Now, it's my turn to talk about some work we have done on the operations side.*
- *Every year, we evaluate our complement of services:*
 - *what's working - or not,*
 - *what's valued by students - or not.*

- *We maintain and expand our services every year based on this combination of feedback, and looking for new ways to help relieve some of the pressures students reported.*
- *Our clubs are key contributors that help out with several student pressures.*
- *Supporting clubs gives students a way to choose their own adventure.*
- *Clubs are a great place to make friends.*
- *Some clubs are specifically designed to help people with career development.*

- *Over the last couple of years, we have been closely examining the clubs' experience.*
- *We have found more ways for clubs to fundraise, through partnerships on the Crowchild Classic or Student Nights at the Hub.*
- *Wisdom Council, a regular meeting between clubs and SAMRU leaders, get feedback directly about clubs' experiences.*
- *We use this feedback to create better solutions to clubs' challenges.*
- *This year marks 3 new club records: highest amount of funding given to clubs, highest number of clubs ratifying, and most club events held.*

Some highlights in financial supports are:

- *we continued with the emergency student loan program and added a new bursary program.*
- *Free breakfast continues to be a popular morning stop.*
- *Students who want to learn more about managing their money can attend the financial literacy workshops we host every year through the Peer Support Centre.*
- *Our scholarship program is entering its 58th year.*
- *FYI: there's still time to apply for a SAMRU award. The deadline is February 28th.*
- *We also partnered with the Canada Revenue Agency to provide a tax clinic last year that helped students complete their taxes at no charge. This service will be available to you for the whole month of March. Visit our web site at samru.ca, and please spread the word.*
- *Even in our businesses, the Hub, we try to give students' excellent value for their food and beverage money. We can do this because we focus on breaking-even rather than making a profit.*
- *Student mental health is another area where we offer ongoing resources.*
- *The Season of Caring campaign is well known and helps reduce stresses of the midwinter season.*
- *Our Stress Less events provide students with food and fun during stressful exams. (I personally love the "puppies")*
- *And, we regularly assess the health benefits we offer full-time students – based on both student and medical feedback.*
- *We are also working to help students gain valuable experience in career-related areas.*
- *We have created several planning and implementation committees, groups of students who come together to help develop and deliver interesting and relevant programs for their peers.*

- *We have more part-time career-related jobs, and hope to expand the number of students we can employ in this way.*
- *Last year we started a new leadership development program called the Pinnacle Leadership Challenge. The pilot was so successful that we continued it again this year.*
- *Other powerful leadership experiences include serving on SAMRU's governing board or on the representation executive council.*

The CRO, Shauna Hunter, confirmed that quorum had been met with at least 101 members in attendance. The meeting was called to order.

2.0 Approval of Agenda

Motion: To approve the February 7, 2018 Annual General Meeting agenda.

Andrew Yule/Rachel Timmermans
Carried

3.0 Approval of Minutes

Motion: To approve the February 8, 2017 Annual General Meeting minutes.

Aaron Horne/Shayla Breen
Carried

4.0 Presentation of Audited Financial Statements

Brian Walters (SAMRU Director of Finance) gave the following overview on the fiscal year of 2016-17 financial statements:

These statements are simply a collection of information about the Association's finances that have been organized in a specific way.

Some of the information is shown as a snapshot on a specific date, which is June 30, 2017. This type of information is similar to seeing your bank balances on a certain day.

Other information is shown as the sum of all related transactions over a certain period of time, which for the Students' Association is the one year period from July 1st to June 30th, also known the fiscal year.

This "sum of all related transactions over a certain period" would be similar to checking out the spend report for your credit card statement, which would show not only how much you spent in total throughout the month but also a summary of

how much you spent on in certain categories, like food or transportation or entertainment.

The financial statements are prepared by the management of the organization, but how the statements are organized and what information is included in each of the categories is not up to the management.

Instead the Association has to follow very strict rules so people who read the SA's financial statements are able to compare them to the statements of other similar organizations.

The SAMRU is a not-for-profit organization and a registered charity so the specific rules it has to follow are the Canadian Accounting Standards for Not-For-Profit Organizations.

Now I'd like to talk about financial management for minute. At the SA financial management is very very important. In most cases we are dealing with other people's money – your money collected through membership fees, donated money that can only be spent on certain things, or money contributed through sponsorships. But regardless of the source, in all cases we need to be straightforward and transparent with how we handle the association's finances so we can demonstrate to our stakeholders and the various regulatory bodies that we are dealing with all of these different sources of money appropriately. Being a registered charity, the SAMRU is held to a higher standard than other organizations. Its required to not only keep meticulous records but also to report annually to the Canada Revenue Agency about its activities, finances and changes to the organizational structure. Also important is that management protects the sustainability of the organization. We owe it to our members to ensure that what we're doing today is not going to cause problems down the road which could potentially devalue the organization for future members. So, because financial management is so important, steps have been taken to set up a good solid structure for decision making.

This structure begins with the Alberta Post-Secondary Learning Act which requires that the affairs of the Students' Association must be managed by a council elected from its members; at the SAMRU that council is the Student Governing Board and they are the absolute decision-making authority for the organization. The Student Governing Board is elected from and by the membership to run the organization. Be careful though not to confuse the Student Governing Board with the Representation Executive Council or REC They are the elected too, but those positions – the REC President, VP Academic, VP External and VP Student Life are paid positions that report to the Student Governing Board. The role of the REC is to represent the organization under the direction of the Student Governing Board on things like lobbying the government

or attending Mount Royal's committee meetings or working on special projects related to student issues, whereas the role of the Student Governing Board is the all-encompassing responsibility for the business and affairs of the Association. Since the Student Governing Board holds so much power and responsibility they need to delegate the decision making authority for the day-to-day operations so they can focus on high level issues, like strategy, vision, mission and purpose, and so they hire an Executive Director, who in turn hires a management team and other staff. The Executive Director reports to the Board much in the same way as the REC does, but instead of representation the Executive Director is responsible for operations.

Back to the topic of finances, the Board is able to control the financial management of the Association by approving an annual operating budget and detailed finance policies which the Executive Director and Association staff have follow. The Executive Director takes these policies and then works with the management team to develop procedures in-line with the Board's policies – procedures are the day to day “how-to” guidelines.

If a situation arises that's not specifically covered by the finance policies or procedures, the SA's finance department staff will use their professional judgement to determine the proper course of action and then after-the-fact can make recommendations for improving the policies and procedures. Currently the finance department employs 2 full time professional accountants and 1 full time book keeper who together have more than 40 years combined experience working for this organization, so any use professional judgement is backed with plenty of expertise.

At the end of the fiscal year, management prepares the financial statements to show the SA's position at June 30 and the summary of transactions that have occurred throughout the year. The Board, as the ultimate authority for the organization, has to review these statements and approve them. But the Board members are not financial experts, and they are removed from the day to day operations, so they need to find a way confirm that the information in the statements is correct and complete and that the statements conform with the specific accounting standards as required by law. This is where the auditors come in. In order to provide the Board, the SAMRU membership and any other stakeholders with an enhanced level of confidence in the Students' Association's financial statements, an outside, independent auditor is hired to render an opinion on whether the organization's financial statements are presented fairly and in accordance with the Canadian Accounting Standards for Not-For-Profit Organizations. To form this opinion external auditors carefully plan and execute the audit in accordance with strict auditing rules, called Canadian Generally Accepted Auditing Standards. These rules require the auditors to comply with detailed ethical standards, which include maintaining independence and professional competence, and, to plan and perform the audit to obtain a

reasonable assurance that the financial statements are free from material misstatement. Performing an audit involves using specific procedures to gather evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgement, and also an assessment of the risks of material misstatement, whether due to fraud or error. An audit also includes evaluating the appropriateness of the accounting policies management has used, and assessing the reasonableness of any accounting estimates that are made, as well as evaluating the overall presentation of the financial statements. Each year at the AGM the membership votes to appoint an auditor who is then engaged to perform the upcoming year's audit. This year the audit was conducted by the firm of PricewaterhouseCoopers, which is the second biggest professional services firm in the world. Based on their findings, PwC has issued the unqualified opinion that the statements present fairly, in all material respects, the financial position of the Association as at June 30, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations. Joining us today is Angela Loo who is a Senior Manager in the Audit and Assurance Group at PricewaterhouseCoopers {Rebecca Jones, who is a Senior Associate from the Audit and Assurance Group of PricewaterhouseCoopers}. As the representative for PwC she is available to answer any questions you may have regarding the audit. And so with that I present to you the 2017 audited financial statements, prepared by management, audited by PricewaterhouseCoopers, and approved by your Student Governing Board.

FINANCIAL YEAR IN REVIEW

- *The overall the financial performance of the Students Association in fiscal 2017 was for the most part predictable.*
- *From 2010 through 2015 the SAMRU experienced year over year decreases to the general membership fees it collected due to deliberate enrolment decreases put in place by MRU, however over the last 2 years that trend has reversed and enrolment has been increasing.*

This boost to enrolment has helped to offset the ever rising costs of delivering high quality services and allowed the SA to meet many of its balanced budget targets while continuing to spend carefully and closely monitor expenditures.

- *Throughout the year management tracks the financial performance of the SA and using historical information, industry benchmarks, and internal performance indicators is able to make well-informed decisions and implement any corrective measures that it deems necessary.*

- *The SAMRU also continues to pay down its debt from financing the Wyckham House Expansion and Re-development project, and continues to contribute to its Scholarship fund and build its Capital Replacement fund at a steady rate.*
- *SAMRU investments continue to grow under the advisement of Scotia Private Client Services and within the SAMRU's Investment Policy. This ensures that the Association's portfolio is well-diversified, risk averse and professionally managed.*
- *Overall I am confident that the Students' Association's financial position at year end is healthy and well-protected, reflecting the SAMRU's ongoing stability, sustainability and strength.*

Questions:

- *\$178,000 discrepancy in AR balance? Answer: Decrease to accounts receivables yearend balance is H&D opt out 36k v 193k estimate. Historically the SAMRU General operating AR is always 100% collectable with no need for an allowance for doubtful accounts.*

Motion: To accept the 2016-17 Audited Financial Statements as presented.

Mercy Maina/Erik Overland

Carried

5.0 Appointment of Auditors

Motion: Be it resolved by ordinary resolution of the Annual General Meeting of the Students' Association of Mount Royal University that the firm of Price Waterhouse Coopers be approved as auditors for the Students' Association of Mount Royal University for the fiscal year of 2017-18.

Andrew Yule/Mercy Maina

Carried

6.0 Governance Update

President Gadamsetti:

- Statement from the Student Governing Board included for information
- Summary of statement – the board included in agenda in order to be transparent to the membership and where the board is in relation to the exploration.

- Overview of the structure of the Student Governing Board.
- Ongoing conversation around Representation Executive Council voting rights on the board.
- The original submission to the board was withdrawn and the board has struck a work group to explore the content of the submission. The findings of the work group will be presented to the board at the March, 2018 board meeting held in Council Chambers.

Question:

Andrew Yule: will the REC report to the student governing board if they still have a vote? Do the VPs have a vote on the MRU board of governor? Answer (Speaker): Currently only the President has a vote on the board. The work group is currently exploring all of these questions – the REC would still report to the board but would not participate in any areas related to their personnel. President Gadamsetti stated that her personnel is brought to the Accountability Committee, where the REC does not have a vote. The President is the only SAMRU representative on the MRU Board of Governors, as outlined in the post-secondary learning act.

- Statement (Alex Wright): concerns related to stability of SAMRU policies if REC VPs have a vote on the board and dynamic of power between board members. It was stated that the board will be exploring all of these concerns. The association has lots of policy and guidelines that they are required to follow in order to ensure internal controls and checks and balances. No single board member can make a decision on the board, it is a collective decision-making body. It was noted that this is an exploratory phase at this point and any feedback is welcome.

- Question: Do other institutions have their VPs as voting members on the boards? Answer: Most other schools do. SAMRU is a registered charity and has to follow specific rules, so they are an exception.

- Question: Aalayna Spence: Why are there no coordinators in the Pride centre and some other centres? Answer: Looking at putting in a new coordinator in the Pride Centre – it will need to be approved by the board, but there needs to be more structure and support for this centre.

- Question: If the board decides to change the structure, does the membership need to approve the decisions? Answer: The board can approve bylaws to be in effect until they are approved by the membership. If the membership does not approve the bylaws, the board goes back to the previous set of bylaws. The association can also call a special general meeting if required to approve bylaws.

7.0 Adjournment

Motion: To adjourn the meeting.

Rachel Timmermans/Erik Overland

Carried