



REPORT OF THE VICE-PRESIDENT (FINANCE & OPERATIONS) TO COUNCIL 17 SEPTEMBER 2015

1. FINANCE

July Budget Revision

- When I began my term, one of the first major projects I was tasked with was revising the SSMU Operating Budget. Usually, this is not done until October, but I needed to correct some errors made in the preparation of the April budget, and I felt the need to correct them immediately. The budget took up a fairly significant amount of time in June and July. It is important to note that this budget revision was primarily to correct errors, and a more comprehensive budget revision is still to follow in October.
- See the memo sent out to media and councillors.

Frosh Finances

- We did several things differently this year in an attempt to increase financial transparency on the SSMU's part, and in an attempt to avoid the deficits that have plagued the past few years. We decided to present the Frosh Budget to the Integrated Orientation Committee (IOC) earlier this month, and I have committed to sending actuals to the IOC members and to faculty VP Finances post-event. In order to ensure adherence to the budget, Lola and I were meeting several times a week and touching base every day regarding registration updates, payments, and changes to the budget. We are also reconciling our internal Frosh budget with the accounting ledger every few days, to ensure nothing takes us by surprise. Lastly, we have committed to invoicing the faculties faster – which I am hoping will alleviate some of the past frustrations that faculties have had with the SSMU planning Frosh.
- Have already debriefed with some faculty VP Finances. We discussed ideas to be more proactive next year and to increase communication.
- Wrapping up the finances is still taking up a significant amount of my time each day. We are busy reconciling all the different payment systems and our ledgers. Hopefully I will have some actuals by next Council. We are continuing to invoice the faculties as we go, and so far, registration numbers look fairly optimistic (currently \$~2K above projected revenues).



Clubs and Services

- Working with the VP (Clubs & Services) on a Financial Guide for Services.
- Working with the VP (Clubs & Services) to revise the financial reports that we generate for Services.
- The VP (Clubs & Services) and I have set up meetings with all the Services to set their budgets for the October Revision.
- I am now working with the VP (Clubs & Services) to prepare the groups whose fees are expiring this year.

2015 Audit

- The audit took up a fair amount of my time earlier in the summer. I worked a lot with the SSMU Comptroller, Accounting Department, and other Executives to prepare for the upcoming audit. This primarily involved settling some outstanding debts and receivables, as well as reviewing the transactions related to some of the larger events from last year in order to ensure that we had accurately recorded transactions.
- I also spent a while working on the CERF/SLF issue re: club bank balances (see the financial statements and BOD motion).
- Finalizing the financial statements also took a lot of time last week and this week. We finally finished earlier today!

Budget

- CERF Budget
 - Working on developing a short-term budget for this year's CERF expenditures.
- October Revision
 - Finance Committee: I have gathered archives of old minutes and documents from the Finance Committee and I am looking into the reasons that the VP (Finance & Operations) from 2013-2014 dissolved it. Additionally, I am bringing a motion to strike an ad-hoc Finance Committee today, which I hope will assist me with the Executive and Programming budgets.
 - Will be starting on the operations budgets (e.g. General Admin., Security, Gerts, Nest, Building) soon. I am already more familiar with these budgets than usual because I spent so much time on the July Revision.

Investment Portfolio

- **2014-2015:** The investment portfolio did well last year, with \$167.5K in investment revenue, and the entire portfolio around \$~3.5M at year-end (see financial statements).
 - This is 1M over the \$2.5M required in the by-laws.
- **Summer:** Because the audit took longer than expected (only wrapped up today), I have not yet been able to prepare my analysis of the investment portfolio performance over the summer. I will report to Council on this at a later date.



2. OPERATIONS

Gerts

- Gerts was relatively little work as it was closed for the summer, and the SRC took priority.
- I worked with the Assistant Manager to improve the way that we handle events at Gerts for this year.
- We purchased some new tables and chairs, and we replaced the broken and outdated AV equipment with new screens.
- Opening went well. We have been training lots of new staff, and business has been good so far.
- I have received positive feedback regarding the new renovations.

Student Run Café

- Lots of time spent this summer working on menus, prices, and branding for the SRC.
- First few weeks went well. Sales have been good.
- Operations Management Committee will likely focus on refining the mandate of the SRC and on consulting students regarding the café.

MiniCourses

- Registration is good so far, but we still have a lot of spaces open.
- The preliminary budget was looking good, on track to make its \$21K profit.

3. COMMITTEES

Funding

- **Applications:** I am currently working with the VP (Clubs & Services) to improve the way that we process funding applications. We are hoping to move to Wufoo and automate several processes through there. This is a huge project, but if we are successful, it will allow us to review applications much more quickly and to disperse funds in a timelier manner, with less errors.
- **Appeals:** The VP (Clubs & Services) and I are working to make the appeal process for Funding and other committees fairer. We are looking into the logistics involved in the creation of an “Appeals Committee”

FERC

- Have been meeting with the FERC Commissioner, who is returning this year, to discuss why the Purchasing Database has failed to be implemented so many years in a row. One of the issues we identified was the need for more committee members, hence the interim provisions brought today.
- We are going to work hard to stay on track with the Purchasing Database project this year. Expect regular updates.



4. OTHER

Internal Regulations of the Finance & Operations Portfolio

- I have been working with the By-Law Review Commissioners to rewrite the Finance and Operations Portfolio By-Laws (now called the Internal Regulations of the Finance & Operations Portfolio). The newest draft is looking very good. Primarily, we are correcting errors and ambiguities and removing regulations that do not belong in the Internal Regulations (e.g. day-to-day accounting procedures). These will be brought to Council for approval later this Fall.

Other Improvements to Finance and Operations Portfolio Procedures

- I have also been dedicating a fair bit of time to attempting to improve other procedures (e.g. how we account for inter-department events, our purchase order procedures, signing authority and limits, catering procedures) in order to improve our efficiency and the readability/understandability of our financial data.

“Where is my Money Going?” Brochure

- In June, I worked on the SSMU “Where is my Money Going?” brochure that goes out to students in August with their first e-bill. I worked a lot with the VP (Clubs & Services) and McGill Student Accounts to improve the descriptions of the many fees that students are paying, and I feel that we have improved the transparency and accuracy of the brochure.

Investment Portfolio Structure Research Project

- I commissioned a small research project regarding the current structure of our investment portfolio. This project will examine the structure and management of the SSMU investment portfolio and analyze how our portfolio serves the Society in terms of financial performance, level of student involvement, and adherence to the Society’s values, policies, and priorities. We will be working to gather data regarding the investment portfolios of similar societies, in order to compare the structure of other societies’ investments to the way that SSMU handles its long-term investments. In particular, I am very interested in comparing the structure of the SSMU’s investments to that of societies that take a more hands-on approach and have students more directly involved in the management of assets.

Respectfully submitted,

Zacheriah Houston
Vice-President (Finance & Operations)