Types of Headaches

- Migraine
- Hypertension
- Stress
- Club Audits
Introduction
> Print ("Hello World");

What's an Audit?
"Why do I need to?"

Audit Guidelines
"When & What to submit"

General Rules & Tips
"It's dangerous to go alone! Take this."
Who are we?

Jun Wang
VP Finance
The person you email about Banking / Other Finances
finance@ssmu.ca

Richie Youm
Club Auditor
Email about AUDIT
ryoum@ssmu.ca

Sophia Esterle
VP Student Life
The person you email about… everything else
studentlife@ssmu.ca

Me!
WHAT'S AN AUDIT?
What Is An Audit?

Club audit is an evaluation of your club’s finances

Accuracy
Are the information given accurate?

Compliance
Are you in line with the rules and regulations?

Completeness
Did you provide all relevant information in full?

All clubs are required to submit their audit form every semester.

Club audit represents you and your club’s credibility, competency and reliability.

Your audit result is also used by the Funding Committee to determine your eligibility for funding.
AUDIT GUIDELINES
Audit Timeline

Bank transition is over, woohoo!

2018

Fall Audit
May 1st – Nov 7th
Due December 21st
11:59 PM

2019

Winter Audit
Nov 8th – Apr 30th
Due May 7th
11:59 PM

Going Forward

Fall: May 1st – Dec 31st
Winter: Jan 1st – Apr 30th

Those that did not submit fall audit on time are to report
May 1st 2018 – Apr 30th 2019

NO late submission will be accepted!
What To Submit

This is your checklist!

01 Transaction List
Financial transaction records

02 Supporting Documents
Reference to the transactions; sources

03 Disclosures
Explanation, clarification and all relevant information

You Need All Three To Pass!
1. Transaction List

- It will be available on the audit form, which will be sent through email.

- Transaction list will detail your revenues & expenses chronologically.

- Every line item on the list must be supported by an approved piece of documentation:
  - Photos of cheques, cheque copies / stubs do not count!
  - You will need a thorough record of any financial transactions:
    - Ex) Cash, cheque, ACH, credit card, deposits
    - Receipts, invoices, etc.

- You need to include outstanding payables & receivables:
  - Money you’re yet to pay / receive
  - List it as ‘payable’/’receivable’ under “Cheque # or Cash”
# Transaction List Form

<table>
<thead>
<tr>
<th>Revenue/Expense</th>
<th>From/To</th>
<th>Description</th>
<th>Account Number</th>
<th>Amount</th>
<th>Date</th>
<th>Cheque# or &quot;cash&quot;</th>
<th>Reference #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please select</td>
<td></td>
<td>Please select</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Documentation

- You need to PDF merge all documentation related to revenues & expenses
  - Must be scanned clearly; illegible scans will result in a penalty

- Each item should have reference numbers and be in order

- Should the files be too large to upload, you may email them to me
  - Email: ryoum@ssmu.ca
  - Note: You still need to complete the form. Feel free to upload a blank file for receipts section if this is the case

- Documentation for revenues must include:
  - Bank deposit slip / proof of event (if available)

- If your club was sanctioned previously, make sure to provide elaborative documentations (ex- did event really happen? Paid to right person?)
3. Disclosures

• You must disclose all information that pertains to:
  • Related party transactions
  • Operating / Accounting errors (losses, uncertainty/inaccuracy)
  • Signs of fraud / unfaithfulness of executives
  • Any relevant qualitative & quantitative information

• As VP Finances of SSMU clubs, you’re accountable for providing all such information in full, without errors

• Failure to comply will result in a disciplinary action

• If your club has been sanctioned previously, make sure to provide elaborative explanation of your activities, operation & improvements as well
Audit Criteria

Accuracy /5
- Accurate Information
  - Legitimate records
  - Matching documentation
  - Correct disclosures

Compliance /5
- Regulatory Compliance
  - SSMU & Audit rules
  - Auditor requests
  - Proper procedures

Completeness /5
- Complete Information
  - Complete records
  - Complete documents
  - Complete disclosures
Audit Scores

<table>
<thead>
<tr>
<th>Weighted Avg. Score</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 - 5</td>
<td>Pass</td>
</tr>
<tr>
<td>1 - 3</td>
<td>Fail</td>
</tr>
</tbody>
</table>

Notice that we no longer have a warnings category!
Audit Interview

• Your club may be selected to an interview with the club auditor, either by random or needs

• This is for us to gain greater level of audit assurance

• Non-compliance to auditor requests & meetings, or any form of threats towards any SSMU personnel will result in an immediate sanction

• The auditor may assess the adequacy of the club’s system based on topics such as:
  - Internal control
  - Operating compliance
  - Unusual transactions

Please bring:
• Ongoing transaction lists / budget form
• Cash box with all cash inside
• Any notes of your financial procedures
Fall Audit Result

(Figures are approximate)

- **50%**: Pass / Non-selected
  Received a passing score due to satisfactory audits / non-selected for audit

- **10%**: Warning
  Received a warning score, considered a temporary pass

- **40%**: Fail
  Received a failing score, due to unsatisfactory audit
Fall Audit Results

Oh Boy, Oh Boy!

Hope that was a wake-up call for you!

Leading causes of high failure were:
- Late submission
- Incompliance with audit rules

I Recommend...

PLAN AHEAD
Start early! Ensure you have everything you need. All you have to do then would be just uploading them.

DOUBLE CHECK YOUR SUBMISSION
Make sure you have included everything you need, as this will be the very final form you’ll be audited on.

ASK, DON’T ASSUME!
If you’re unsure about something, email me your concerns. Please note, however, that I won’t be as responsive near the audit deadline.

LOOK BACK AT THE SLIDES!
What you’re doing wrong is often painfully obvious when you check the guidelines...
General Rules

- Deposit cash ASAP after events.
- Cash box should only contain maximum $100, only to make a change.
  - Less than $100 is highly encouraged
- NO cash payment/reimbursement is allowed
  - Ex) If you’re paying for samosa, pay with your OWN money and reimburse using ACH/cheque!
- Do not store any club funds in your personal bank account
- Keep your financial information confidential
- Reimburse ONLY after receiving proper receipts
- Keep a record of any financial transactions in full detail
- Be transparent and conservative when deciding which item to reimburse
- Reimburse execs using ACH. Cheques is an alternative, but more expensive option
- Remember, disclosure is a must, but it does not liberate you from consequences!
  - Failure to disclose is a serious matter on its own
General Rules

• If you received a **pass** in the Fall audit,
  – This does not guarantee you that your club will be in good standing in the Winter audit
  – Many either:
    • Only had few transactions to report, or
    • Were not selected for Fall audit

• If you received a **warning** in the Fall audit,
  – You received considerations for unforeseen events in Fall semester
  – However, the same type of behavior will result in a definite fail in the Winter audit

• If you received a **fail** in the Fall audit,
  – Many either:
    • Did not submit audit forms on time
    • Was below the threshold for the ‘Warning’ criteria

Fall audit results are now **final** and we no longer accept any request for revisions.
## Sanctions

<table>
<thead>
<tr>
<th>Issue</th>
<th>Sanction</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>No / outdated Student Group Info Form</td>
<td>Suspension of room bookings,</td>
<td>Until the submission of the form</td>
</tr>
<tr>
<td></td>
<td>No change of signing officers,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No new account,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Suspension of funding</td>
<td></td>
</tr>
<tr>
<td>First unsatisfactory audit</td>
<td>Suspension of bank account</td>
<td>90 days</td>
</tr>
<tr>
<td>Consecutive unsatisfactory audit</td>
<td>Termination of bank account</td>
<td>1 year, status revision</td>
</tr>
<tr>
<td>Misuse of funds</td>
<td>Termination of bank account</td>
<td>1 year, status revision</td>
</tr>
</tbody>
</table>
## Sanctions

<table>
<thead>
<tr>
<th>Issue</th>
<th>Sanction</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First absence at workshop</strong></td>
<td>No Room Bookings</td>
<td>90 days</td>
</tr>
<tr>
<td><strong>Second absence at workshop</strong></td>
<td>Suspension of room bookings, Suspension of account, Suspension of funding</td>
<td>90 days</td>
</tr>
<tr>
<td><strong>Third absence at workshop</strong></td>
<td>Termination of all services</td>
<td>1 year, status revision</td>
</tr>
<tr>
<td>1 instance of overdraft in the financial year</td>
<td>Suspension of bank account</td>
<td>90 days</td>
</tr>
<tr>
<td>2 instances of overdraft in the financial year</td>
<td>Termination of bank account</td>
<td>1 year</td>
</tr>
<tr>
<td>Non-payment</td>
<td>Suspension of bank account</td>
<td>90 days</td>
</tr>
<tr>
<td>Multiple sanctions</td>
<td>Status revision</td>
<td></td>
</tr>
</tbody>
</table>

**Be aware:** Despite being a Financial Audit, should other areas of Clubs non-compliance come to light, these will be noted and could result in sanctions!
• All club resources can be found at: https://ssmu.ca/student-life/clubs-resources/
  (find “Financial Management” section for audit)
  - clubs signing officers are highly encouraged to familiarize themselves with these Club Rules.

• If your club was sanctioned and does not have a bank account access, you must operate under extreme caution for your finances.
  - Your audit will be assessed on a much stricter ground
  - Ensure you have elaborate documentation and proof of events.
  - Stay away from transactions that could risk any transparency

• If you’re aware of wrongdoings of other clubs or have a suspicion of fraudulent activities, please do not hesitate to send an email to me. Your identity will be kept anonymous and confidential.
Thank you!

Richie Youm
Club Auditor
ryoum@ssmu.ca