

Minutes of the AMS Advisory Board Committee

March 8th, 2021

Attendance

Present: Cole Evans (President), Lucia Liang (Vice-President Finance), Georgia Yee (AMS VP Academic and University Affairs), Keith Hester (AMS Managing Director), Ron Gorodetsky (Professional), Jerry Jim (Professional), Alessia Rodriguez (Student)

Regrets: Sylvester Mensah Jr. (AMS VP Administration), Louis Retief (Student), Samantha So (Professional)

Recording Secretary: Haiger Ye (Assistant to the President)

1. Call to Order

The meeting was called to order at 6:10 pm.

2. Territorial Acknowledgement

3. Approval of the Agenda

Moved: Kalith

Seconded:

Georgia

“BE IT RESOLVED THAT the agenda be adopted as presented.”

4. Reforecasted Budget

Lucia:

- Major budget changes include student staff salary increase, effects of delayed hiring, reduced Events budget
- Other changes include more revenue from Services, Food Bank donations, legal expenses
- Goal of the reforecasted budget was to inform Council of changes and have additional spending approved.

Discussion

Jerry: Besides athletics and recreation fees, was there any push back for AMS fees with so many students not on campus?

- Lucia: Pushback mostly from UPASS, athletics and recreation fee and sub renewal fee. We consulted with fee receiving groups and most groups wanted fees to stay the same. Some fees have larger reserves and we discussed not collecting them next year, but after consultation with executives we agreed to keep the fees so we could support clubs next year when we return to in-person.

Jerry: Once COVID subsidies will the AMS implement one-time extraordinary expenses to recover from COVID?

- Lucia: Most costs will be overhead costs, hiring people back and PPE. We found some funding solutions and we've built reserves so it won't come out of the general budget.
- Keith: No additional expenditure after COVID, we put that up when we got into COVID.

Jerry: In a number of the tabs there is a comparison tab, what is this comparing?

- Lucia: Comparison is with last terms budget, not necessarily the previous budget, but hoping to change this for future budgets.

Jerry: Is there going to be a revision 5 to the budget?

- Lucia: We combined version 4 and 5. The deficit will fall into this budget and be in the \$200-300k range. Everything is budgeted to the max right now. Revenue might change because I just received notice of finalized enrollment numbers, which is higher than we expected, so we'll need to add this to the budget. There is a range for the finalized range and depending on whether everyone spends their budget or brings in more revenue than projected, the final budget might change.

5. Future Budget Layout Discussion

Lucia:

- We are mandated by code to compare budgets from the past 3 years. People say the budget is hard to follow, can be presented in a way that isn't an excel spreadsheet.
- New format is based on the university's budget. Instead of a letter from the President, we can have a message from the AMS President or VP Finance to set the tone for the year.
- Budget will include a executive summary, AMS budget process, COVID-19 impact assessment, fiscal operating budget
- Preliminary budget for 2021/2022 has been drafted. Added section for fee breakdown, preliminary operating budget, consolidated budget and section on how funds are transferred.
- Mandated by code to include budget for the past 3 years, but having more than 3 columns is hard to read.
- The university has a section for assets and liabilities, we don't release this information but if we wanted to calculate we could outsource the job but it would cost a lot, not sure if calculating these numbers is relevant.
- In the future, a detailed excel sheet would be presented at Council along with the budget report.

Discussion

Ron: I like the idea of consolidating, but when it comes to recording expenses does it matter if sub accounts are there? It might be enough to map expenses back to a single account but eliminating sub accounts also reduces accountability of managers and staff.

- Lucia: We could keep the sub accounts but make it more unified. For example, instead of each event having a separate line in budget, we could put it all into an events sub account.

Jerry: Could be good to include a column for a special year such as COVID for appropriate comparison.

- Lucia: Good point, this year and next year will be difficult to compare with normal years. We will explain this in text in the budget.

Jerry: Is there a reason assets and liabilities are hard to calculate?

- Keith: Can't forecast assets and liabilities a year out so it's difficult to calculate and not part of our budgeting process.
- Lucia: Most of our liabilities are how much we owe to our buildings and clubs. The amount we owe clubs is very small so it doesn't change the budget much.

Jerry: I think the risk section is good, do you plan to include specific things you can mitigate and how?

- Lucia: Haven't thought that deep into this yet, Keith is working on this, we would have a section on how to reduce risk of what we have done in the past to mitigate risk and maybe key milestones.

Jerry: Who is the typical audience for the budget?

- Lucia: Approved documents are open to the student body. Detailed excel sheet goes through the finance committee to Council. It's been recommended that the spreadsheet also be available to students.
- Jerry: A lot of information to consume for student body. Also sharing very private information with a lot of people (ex. salary).
- Lucia: When we present our businesses budget, I'm concerned competitors can check our wages.
- Ron: As university becomes more commercialized, there are going to be similar services that will hire away your employees.

Alessia: Summarizing is important for transparency. Include key points on and highlight with text to help those who might not be able to interpret the table understand what is happening in the budget.

- Lucia: That's what we are hoping to achieve with this layout, the table doesn't get the transparency piece across because there's so much information.

Lucia: Does anyone have feedback on how we can consolidate the operational budget?

- Ron: When you report to us, it seems you instinctively categorize into executives, services and businesses. It makes sense to communicate it that way in the budget.
- Lucia: Should salaries be separated into government, businesses, services as well or consolidate all of them together

- Jerry: Not overly opinionated as long as the readability is good. Probably don't want to replicate the current budget fully because then there will be too much content again.

Jerry: Are there specific metrics that businesses use for reporting?

- Keith: We track businesses through regular reporting, so that would be necessary to replicate. The only thing of interest for students is how businesses are operating overall.
- Jerry: It's typical in conglomerates and businesses to consolidate into one budget.
- Lucia: In the future I would ideally like our audit report to get into actuals. When we have to pull data out of our budget, it's prone to error. It would be ideal if the audit reports could do this instead.
- Jerry: Seems like there would be improved efficiency, accuracy and audit costs.

Georgia: Maybe have a public vs. private version of the document? Is that in line with our transparency and privacy policy? Could we have closed vs. open sessions for discussing the budget and have a less consolidated version in private sessions?

- Lucia: Do you know whether the university's budget goes in-depth?
- Georgia: They do go in-depth and go even further in their closed sessions.
- Ron: Be prepared to call a closed session during Council to get into details of the budget. People who are elected to oversee the society should be able to dive as deep as they need to.
- Lucia: For the first version of the budget, I will submit all the details so they have more info than needed, then they can decide what to keep. Thanks everyone for the feedback.

6. Future of the Advisory Board

Cole:

- Want to have an open conversation on what has worked well and what hasn't. Hoping to compile recommendations for Council and make changes so the Advisory Board can operate effectively.
- From my perspective, the board has been helpful for informal advice. Board members ask execs a lot of questions we wouldn't have the experience or expertise to ask ourselves.
- Could improve on the role of advisory board in relation to Council, maybe by having more regular recommendations or reports?
- We have a hard time making an agenda, the goal is to have discussions that board members can contribute to without institutionalized knowledge. Instead of only talking about the advisory board as a whole or financial discussions, we could have more holistic conversations about HR, services, etc.

Discussion

Jerry: Board members can help when big issues come up such as COVID. We come from diverse backgrounds and can see situations from different lenses. Good to have more proactive discussions like the one we just had with Lucia on budget and have members of the board provide perspective.

- Cole: For sure. The AMS is very fast paced, and problems are dealt with in between advisory board meetings. Could meeting more frequently but for less time potentially be a solution?

Ron: I'm not opposed to more frequent meetings, but another approach that could work for us is for execs to send out newsletters with limited scope. Content can be decisions that are happening on an on-going basis and the board can give a different perspective. Wouldn't require more frequent meetings but more frequent engagement.

- Cole: Execs are reporting to committees, so I'm not sure if reporting to an additional board would work.
- Ron: Report can be updating the board with challenges and tell us what you are currently struggling with. This can be sent in an email blast. Incoming execs can also email us and ask about our specialties.
- Jerry: Reports don't have to be new content. Consolidate reports that execs are already working on and adjust it to fit the context of the advisory board.
- Ron: Pull relevant topics to include in email updates and add in clear asks/questions.
- Alessia: I'm also open to have more communication, we can be used even better/more than having these meetings. Setting up quick calls or sending personal emails would be useful. Also, polling advisory board on their expertise so execs will know who to reach out to in each situation.

Keith: Would be useful to get the advisory board to help with creating a strategic plan.

- Ron: For sure, year to year consistency is something the AMS is struggling with.

Ron: A tool I have employed at work is whenever there is a decision that needs to be made, send out a survey with 3 questions: 1) What decision you're looking to make, 2) rate it from -10 to 10, 3) provide some context for your rating. Then connect with someone if their reasoning sticks out to you.

- Alessia: That's a great tool for feedback. How much background info would we need for some of these decisions?
- Cole: That's really helpful, will take a look at these suggestions and compile it into better practices.

Alessia: Besides Cole, what did everyone else find useful about the advisory board?

- Georgia: Execs like Kalith and I don't work closely with internal finance. It would help if we had an initial interview to see what other areas the board members could help us with.
- Kalith: Advisory board has the potential to be a great tool for execs. In my opinion, quarterly meetings are too spread out and limits us to finance related conversations that don't affect Georgia and I on a day to day basis. I like the idea of a survey, it would be extremely beneficial for my successors. There's a lot of other information we could potentially get out of the board, such as seeking advice on advocacy issues.

- Lucia: I found it useful to present a preliminary topic where we weren't sure about a decision, bring in some identified cons and get feedback from the board. Wasn't as useful when something was presented without clear asks.
- Ron: My company utilizes our board by having a member of the board chair meetings. The chair meets with us weekly to provide recommendations on board members that could help with our problems. Not sure how this would look in practice but it would take the burden of chairing off Cole.

Cole:

- In the AMS it takes a couple of years for the system to get used to the advisory board. It needs to become traditional that this resource is ingrained in people's minds.
- We see this with new structures introduced to AMS, this is the first year this has been revived, it will take a few years but i am optimistic.
- Thanks everyone for advice, will formulate this into a report for council and will send it to everyone for comments and feedback.

7. Adjournment

There being no further business, the meeting was adjourned at 7:47 PM.