



Finance Committee Minutes

Alma Mater Society of UBC Vancouver
Jul 6, 2021 at 4:00 PM PDT
@ <https://zoom.us/j/91667532872>

Attendance

Members Present:

Ben Morrison (SaL), Rita Jin (Staff), Lauren Benson, Eshana Bhangu, Cole Evans, Mary Gan, Max Holmes, Grace Lee, Saad Shoab

Members Absent:

Lucy Li (SaL), Keith Hester, Kamil Kanji

Guests Present:

Lauren Benson, Eshana Bhangu, Cole Evans, Mary Gan, Saad Shoab

I. Adoption of the Agenda

BIRT the agenda is adopted

Moved by Grace, Seconded by Max.

II. AMS Budget (Executives) (Guests: Saad Shoab, Lauren Benson, Cole Evans, Eshana Bhangu, Mary Gan)

 [AMS BUDGET edition 11.xlsx](#)

Mary:

I thought it'll be best for the executives to come into the meeting to make it clear about the proposed changes and to share the feedback from the executive discussions regarding the AMS Budget. Instead of me being the messenger, we can discuss openly so that we can get the AMS budget passed by the July 16th meeting (so that it can go to Council on the 21st). We might add another meeting in - depending how much time we need.

Mary:

Max, we've discussed the staff appreciation in executive meetings and it is set to be \$230 for each staff member.

There was one change in Finance because reduced staff count by 1.

Max:

Can that be reflected in the budget then? Does that go toward Block Party tickets? How many staff members under each executive.

Lauren, are there 10 people in the administrative team?

Lauren:

No, we don't have the SPF coordinators this year so there are actually 8 people.

Max:

That needs to be reflected in the budget.

Cole:

That line item might have been a combination of other items from previous years.

Mary:

I'll revise them on my side.

Max:

It looks like the VP AUA cut their lines & spending and the VP External detailed their spending. I don't know if any other executives did that. Lack of detailed justification if executives plan to stick with the current budget (which has been underspent in the past couple of years). There's a couple that are just text. What does that mean aside from the description of the line item. Elaborate on what this line is being spent on. I would be more confident that Saad will actually spend the money than the other executives. Or, be like the VP AUA, and make some actual cuts to the budget.

Saad:

Thanks Max. I think what's difficult with this process is that it's really estimated cost. I totally agree with the committee that it should be broken down but there needs to be a way or a description to the line item. They need to be able to come to Finance Committee. For example, for my flights, I based it off the current price. But when lobbying actually occurs, the flight cost might increase.

Cole:

Can you give an example of what issues you see Max?

Max:

Any red, or even orange, line item (more than \$1000) and it doesn't break down what it is being spend on – it is a problem. There is no expectation that executives will get this right, that's why we have procedures for amendments and re-forecast in January. This is a good exercise for people to be aware of where they plan to spend money in the future years. To be honest, I think the VP AUA might have been too many cuts. Ideally, there is

some balance there. Comes from a transparency and trust point of view for the Councillors. "How did you get to this number" etc. are questions we often get from Councillors. Budget Reforecast is in January or any Executive can come at any time and ask for a budget amendment. That's the process that's been followed in the past. The AES will probably be more than \$10k too.

Eshana:

I agree that I might have cut a bit too much on the budget because I have been spending money on surveys, advertisements for \$300, and other aspects where it is already rising above what I expected to spend. So, thank you for the note about the flexibility of the budgets.

Mary:

Max, can you elaborate on what you're expecting from the executives exactly.

Cole:

I believe this is getting lost in justification - I don't think anybody is looking for cuts. I think we're looking for if spending is justified.

Lauren:

Thank you for the feedback. I have questions regarding

Any suggestions how best to calculate/layout an expected cost. For example, our sustainability projects may need maintenance and repair that come up during the year - how do we leave some cushion for things?

Max:

Did they come out of admin budget, contingency, etc. in the past? This depends on what has been done in the past and what the executive prefers. Is it coming out of capital costs (fixing), contingency, or business operations? Keith can give a better answer for that.

In a deficit year, furniture and equipment can be cut. Cutting things where the money is usually not spent. Same with partnership building. Every year for the past four years the executives have come underbudget. I am honestly not worried about executives going overbudget this year.

Cole:

Technically the \$120 is counted as income but yes partnership building can go. The budget for the year is a target number and not a hard ceiling. It's not the end of the

world if there is some difference. If you need to spend a little more on some line items - it's more a big deal. If you're overspending by more than 30% (depends on what you're spending it on), then that's when it becomes an issue. For example, if you have emergency expenses, it should not be an issue. Maybe, we should make the process easier where if there is a budget change under \$5000, then Finance Committee can pass that. Contingency fund in the past was a more a fund for capital project, contract, or payout – not really for budget overspending.

Max:

We discussed this last time. When you were setting goals, the advice from the advisory board is that Keith needs goals on how the businesses are going to perform (including the next few years of how the businesses will perform). Finance Committee will not be drafting that up for you. So for the executives, if you're going to set businesses for Keith, including the businesses' impact will be crucial and have a larger impact than just the executive budgets. Clear performance metrics on the businesses would be great. For example, I think setting a total gross margin % goal, net contribution goal, and contribution per square foot goal for the next couple years would be especially helpful.

Mary:

Right now, we're getting feedback on Keith's goals. Executives can bring that metric aspect up to Keith. Lots of focus on student services and government but not a lot on businesses. At the end, businesses can impact the bottom line much more than student government cutting their line items.

Ben:

I agree with what Cole said earlier. Not necessarily cutting anything but making sure that everything is justified - making sure everything is legitimized.

Max:

Regarding the budget tracking Mary mentioned, there is a material impact when people underspend. Although we don't have services here in this meeting, services are usually \$100,000 underbudget. The executives less so but also close to the amount underspent. When they add up, underspending makes it difficult to implement salary increases and to provide other large changes that will benefit the society. So during the budget re-forecasts, look at where you're underspending and overspending. Executives can also come to Finance Committee to propose a new idea/project that will use up the underspent money as well.

Mary:

As we start preparing for the end of the budget meetings, does anyone have any feedback as we start finalizing the budget?

Max:

Most of it is about monitoring the money and not just the budget itself. If the message to be send to services is that it is not necessarily good to be underspending. I would want to address the underspending in student services more than the student government budgets.

Ben:

I had a question about a couple line items. For the telephone and fax expenses. Is fax actually used? If it is just the telephone, we can cut the fax from the line.

Mary:

With the executives, telephone and fax costs are charged. Sometimes that line goes overbudget.

Saad:

Mostly telephone costs. For example, I sometimes use the telephone for calls across provinces which cost a lot more.

Eshana:

The line would just be a generalization. It's not separate money allocated specifically for fax - it includes the main telephone costs with it too.

Ben:

If it is just the telephone and no one is using the fax anyways, I suggest we take away the fax from the line item so it's more accurate.

Max:

I believe we have one fax and almost no one uses it. Most of the expenditure is just telephone charges.

Mary:

We can change the line name to telecommunications.

Max:

We didn't address the advertising & promotions line. Why do executives have largely different advertising & promotions line amounts? Why don't we combine it under the Communications team?

Mary:

It would be more clear to see what each portfolio is spending on the advertising & promotions line because then we can see more accurate costs.

We already have the account codes for it so let's continue with the separation of these costs. It's better to break it down by portfolio.

Max:

Some portfolio don't have it though. Consistency is what I'm trying to get at.

Mary:

For reference,

Transit advertising on Busses and Skytrain interiors. 4 weeks from Sept- Oct and 4 weeks Jan – Feb: \$11,000

- General AMS advocacy and services advertising

AMS Campaign Street Teams. 6 part-time student staff. Sept 7-24. Connect with other students and providing information on the AMS, campaigns and services: \$2000

Photoshoot: AMS Nest, student life and services, possibly SASC Early fall. \$2000

Video support: Explainer videos, executive/advocacy video, campaign specific video: \$2000

Prizing for social media giveaways: \$1000

Ubysey's Guide to UBC display advertising three full page ads for Services, SASC and AMS: \$2000

For example, for Finance, we don't have lobbying or promotions for Gallery pieces so we don't have much of an advertising & promotions costs. Whereas for administration, there is an advertising & promotion line in the art gallery line. I think that makes sense to me.

Saad:

Just generally, for Communication, that's general AMS advertising. E.g. the transit advertising. That would go under the Communications advertising & promotion line. For

more specifics, we would be using the portfolio advertising & promotion lines. It's just how the practice has been and how we've been transitioned for it.

Max:

President, VP AUA, VP External, VP Finance all don't have an advertising and promotion line item. AUA and External have projects/campaigns but it not clear those are advertising and promotion expenses for example.

Eshana:

For the return back survey, I do need a budget line for it. For example, I am already spending money on advertising and facebook promotions to really promote the survey because I need responses for it.

Mary:

I believe Saad and Eshana put their advertising & promotions in the project line. If everyone is onboard, we can take out the advertising & promotion costs into its own line in the portfolio.

Grace:

In the 257 line item under the student services tab, why isn't this a part of the volunteer appreciation line?

Mary:

I think it might be best to have Mitchell or Lorris speak on behalf of it. It might be therapy services for their staff.

Grace:

They can offer a donation. Depends on an event.

Mary:

We can bring services into the next meeting and we can bring up the issues with the student services budget then.

Saad:

With regards to splitting the line items for executives into two, I don't know what advertising & promotions will look like for the campaigns. So many variables - what the push is, the current climate, the timing, etc. I would say keeping the two together would be a lot better for the VP External team.

Max:

Could we have services do the same for the staff appreciation too?

Eshana:

I agree that having flexibility for the advertising & promotions would be helpful (i.e. the return to campus survey marketing costs that arise today).

Mary:

I believe the advertising & promotions was condensed by Lucia. We can add it back into the budget if everyone would prefer that instead.

Max:

Did we already pay for all the consulting costs last year.

Mary:

Yes, that was already paid for last year.

Max:

Sometimes, there is double counting expenditures into two line items (e.g. prizes and miscellaneous costs). Let's avoid that.

Mary:

Any other feedback?

Max:

I have no more executive feedback.

Regarding the council budget - the council appreciation has increased. I think it's good that people are getting benefits for their work but I think we might be going overboard. I believe it should be discussed by HR committee and others before funding it in the budget.

Cole:

Mary, could you revise the council appreciation.

Mary:

Okay, so council appreciation back to \$2000.

Cole:

Yes.

Eshana:

Will we be seeing members of the Finance Committee in-person at the Council meeting coming up?

Lauren:

Thanks for the feedback everyone!

III. AMS Budget (Finance Committee)

Cole:

You can cut line 74 and line 76 if you plan on continuing as Finance Committee chair in the fall.

Mary:

Are we not having an indigenous chair this year?

Cole:

The whole committee is currently vacant. Even if we hire later, we won't need that line item regardless.

IV. Approval of Minutes

BIRT the June 29th, 2021 and July 2nd, 2021 Finance Committee meeting minutes are approved

 [June-29th-2021-Finance-Committee-Minutes.pdf](#)

 [Finance Committee Minutes July 2nd, 2021.pdf](#)

Moved by Cole, Seconded by Ben.