



AMS Finance Committee Minutes

Alma Mater Society of UBC Vancouver
Oct 18, 2021 at 12:00 PM PDT
@ <https://us06web.zoom.us/j/91667532872>

Attendance

Members Present:

Francesca Kohn (SaL), Rita Jin (Staff), Mary Gan, Keith Hester, Kamil Kanji, Mitchell Prost

Members Absent:

Cole Evans, Aryan Mishra

I. Adoption of the Agenda

BIRT the agenda is adopted as presented

Moved by Mitchell, Seconded by Kamil.

II. Approval of Minutes

BIRT the minutes from the October 14th, 2021 AMS Finance Committee meeting is approved

 [AMS Finance Committee Minutes.pdf](#)

Moved by Mitchell, Seconded by Kamil.

III. Espresso Machine Replacement

BIRT \$9,137 is approved from the SUB Repairs and Renewal Fund to purchase an Appia Life Compact Espresso Machine and a Eureka 120/60 Grinder for Blue Chip Café

 [Espresso Machine Replacement 2.pptx](#)

Keith:

Blue Chip Café generates \$1.5 million dollars per year for the society. We recently opened a Blue Chip Express next door. That place \$1,300 a day (3,400 transaction

We observed that people in the nest, to skip the line, they would order the speciality coffee from Blue Chip Express (faster than lining up). This is an extra work load on the Blue Chip regular. Hence, we are looking into getting an Espresso Machine for the Blue Chip Express - a compact espresso machine and coffee grinder. This would increase the coffee sales (with a total 3 coffee machines).

Mary:

Would Blue Chip Express offer all the drinks offered with the new machine?

Keith:

Blue Chip Express would be able to make all the drinks that Blue Chip Regular can!

Mary:

This seems like Blue Chip would just be expanding into the storefront (e.g. another cash register) instead of having an Express system.

Keith:

Originally, the express system was originally meant to be used as a grab and go. But we noticed that people tend to order speciality drinks as well which puts a strain on the Blue Chip Regular. Thus, this would be kind of like a Blue Chip expansion. Right now, we see 30-40 people lining up - so having more options at Blue Chip express will hopefully decrease that line.

Mary:

Will Blue Chip express also lead to a longer line if they offer everything that Blue Chip Regular offers?

Keith:

That is that risk - that's why initially we didn't include the speciality options.

Mitchell:

If there is more demand at the counters in the nest (Regular), will the machine also be used to help those orders?

Keith:

Yes, our system can transfer the orders back and forth between the two storefronts.

Mary:

Oh, that is good since there is a long time and students don't have that much time in between classes.

Keith:

Yes, this should make it better.

BIRT \$9,137 is approved from the SUB Repairs and Renewal Fund to purchase an Appia Life Compact Espresso Machine and a Eureka 120/60 Grinder for Blue Chip Café.

IV. Enterprise Resource Planning System Replacement

BIRT Finance Committee recommends to AMS Council the approval of \$150,000 from the Capital Projects Fund for an ERP system replacement

 [ERP Replacement.pdf](#)

Keith:

We have been using Microsoft Dynamics in the past 20 years - upgrading. Right now, it is GP (Great Plains) resource package. Now, it can't be upgraded any further. We need to look into a cloud-based solution. Since we are such a unique society - we do so many things - so many softwares out there aren't able to fit and/or we need to pay a lot for customization. So now, we are looking at Microsoft Business Essentials which is the next step up from GP. It's a totally cloud-based solution. We're all excited about this because when we made the transition to online a year ago, we still had to do a lot of manual work - which made reimbursements slow. But with this, reimbursements can be submitted and approved much faster (with digital application platforms). In the past, we've kept the systems separate but with Business Essential, we plan to incorporate them together. One thing that comes with the program is the Continia Expense Management System. We did a lot of consultation and looked at a few different programs - taking feedback from other public universities. Those options all came with very large price tags and needed major customizations so managing all of that in one system is quite challenging. Amy and I went to the evaluation process. Before I was Management Director, I used to be Director of Finance so I am aware of how these stuffs work too. Making the switch, currently we pay ~\$24,000 a year in maintenance costs for the system and we need to do an upgrade every 3 years. This new system would cost ~\$16,000 a year and we won't have to do upgrades anymore (the package comes with free monthly upgrades). Cloud-based program will also increase security, decrease hardware costs, and increase speed of reimbursements for our stakeholders. The bad news is that to replace the whole system would require \$150,000. One time implementation is ~\$145,000 to move GP from server-based to the cloud. Annual licensing on top of that is \$5,000. Total maintenance is ~\$16,000 a year but that will be budgeted for (not from the Capital Projects Fund).

Mary:

How will this look like for the accounting staff?

Keith:

It will be based. They won't require remote access anymore since they can access it from anywhere. To some extent, it looks similar to Dynamics. Clubs would be able to see their balances from SharePoint.

Mary:

Will this still provide trial balances? Or is it SharePoint only.

Keith:

Trial balances are still available.

Mary:

Will paper options be outdated? Will we be moving 100% to online?

Keith:

I'm thinking we can move 100% online but there is still the chance of people lacking accessibility to phones/devices so paper options would still exist.

Kamil:

At what point will the whole transition be completed?

Keith:

Around 3 months. If everything goes smoothly, I'm looking at next February to have this done.

Mitchell:

Will this new software allow treasurers to view updated account balances?

Keith:

We will be updating SharePoint at the same time. Right now, SharePoint information is 2 weeks old or more. After this, they should be able to see updates much sooner.

Kamil:

Do we have an evaluation plan for these? E.g. a year to evaluate if the program works well for the AMS?

Keith:

That's a good question. I've been pushing for post-implementation reviews. There is no formal process for that as of now. I think it is something Finance Committee can discuss.

Mitchell:

In reference to the \$145,000 for implementation, is that in part of a professional to come into the finance office and to help discuss/implement it with accounting or is it just a one-time cost to implement the software?

Keith:

It will be both. Probably ~\$130,000 is payment for licensing and migration by them. We will hire a consultant to come in which will be ~\$20,000 on that.

Kamil:

To jump off that, is there a support service to help with this implementation/issues with the software?

Keith:

Yes, we have access to a 24/7 support system. We do get that.

Mary:

Are we basically migrating the entire AMS system to the new one? Since we are already using some parts of this new software, will it be a very extensive process to move everything onto it? E.g. with Certify, it took a long time because AMS has a very intricate system. Has things already been done with migration or are we starting from Scratch?

Keith:

One of the prerequisite to use this is to have been using Office 365 so that's a big part of the implementation. Encore has been working with us for the past 20 years or so, so it will be more streamline for them to help us with this migration. We didn't have that for Certify.

Kamil:

Will a lot of the front end change with the software?

Mary:

A new software would require new transitions - for treasurer. If we move to a new software, there will probably be new procedures so we will need to update the treasurer canvas course.

Mitchell:

In reference to Slide 5, does Microsoft Business Central include the Office 365 Suite costs?

Keith:

No, it doesn't. However, because we are classified as a non-profit educational institution, we get free licensing for Office 365 suite.

Mitchell:

Yeah, I was going to ask where that cost would come in but that's really good.

Mary:

Any other questions? Francesca, from a treasurer perspective, any thoughts?

Francesca:

I think it's really good to streamline the reimbursement process because that seems to be an issue many treasurers are struggling with. Transitioning may also be an issue so we want to have a more involved process in orienting the treasurers.

Keith:

Yeah, the timing is not ideal because we wanted to do this earlier rather than in the middle of the year.

Mary:

Yeah, reimbursements are taking longer than usual due to staff turnover and processing. Hopefully, with this new system, reimbursements can be processed more efficiently.

Kamil:

Francesca, could you elaborate on what you mean by getting treasurers more involved?

Francesca:

I don't have a particular idea on this actually. I think treasurers just may be confused about where to get information on this new information.

BIRT Finance Committee recommends to AMS Council the approval of \$150,000 from the Capital Projects Fund for an ERP system replacement.

V. Simply Voting Cost Recovery (DISCUSSION)

Keith:

When we originally Simply Voting in 2014, we actually bought the rights to use the system and put it on the UBC server. Similar to other systems, it can't be upgraded anymore and need to be updated to cloud-base. This would require an annual license fee (~\$5,700 per year). The question is should we be recovering some of that from the constituencies or services using the Simply Voting software?

Mary:

Are you thinking of a per usage charge?

Keith:

We could charge them \$500 a year per constituency that use the voting software.

Mary:

How many years have we had Simply Voting for?

Keith:

7 years.

Mary:

And before, we never had charged people for the software?

Keith:

This is first time we've been incurred with this charge.

Mary:

Are there cheaper voting softwares? \$5000 sound like a lot.

Keith:

That I don't know.

Mary:

I think that is something we can look into because \$5000 every single year is quite a bit of money. It would also be difficult to take money from constituencies (although they are using the services). That might be something to consider on a public image perspective.

Francesca:

Definitely, I think it's hard to justify that especially as people are coming out of financial hardship from the pandemic. It would be hard to justify from a student-at-large perspective.

Mitchell:

I think students are already paying for voting, it would just be under a different category.

Kamil:

I think that's fair but I really think, from a public interest perspective, to charge constituencies for more money would make AMS look like a financially investive tyrant. Any way to minimize that would be ideal. So if we can find an alternative, let's try.

Mary:

Yeah, let's try to find an alternative. \$5000 per year is quite a lot of money - we don't even hold that many elections per year. Even then, they are pretty brief.

Kamil:

Can we pull out of a fund to cover that operative cost?

Keith:

No, that comes out of our operating. Capital already has a MOU for the next three years.

Kamil:

When was this?

Keith:

I think last month.

Kamil:

So would we be able to transition if we wanted to?

Mary:

I'd assume it's like a contract and we would have to use Simply Voting for the next 3 years.

Kamil:

What would happen if we break the contract?

Mitchell:

Aren't MOUs not legally binding?

Keith:

The issue is Council has ratified it.

Kamil:

Could Council un-ratify it?

Keith:

We could ask Council.

Mary:

Keith, let's talk offline about this - to see if there are any ways to get it out of the funds.

Keith:

The way it is currently settled, we can't do that.

Mary:

Okay, any other thoughts for now? No action to be taken right now.

Keith:

We can refer this to Operations Committee.

Mary:

Any other thoughts?

N/A