



Minutes

MAIN CAMPUS RESIDENTS' COUNCIL Finance and Audit Committee

DATE: February 2nd, 2011
LOCATION: Douglas Library

Present: Dan Osborne, George Boland, Yan Li, Lynda Huang, Matthew Kan,

I Preliminary Business

The meeting convened at 9:30 with Dan Osborne in the chair.

1. Approval of the Agenda and Minutes. (Motion1)

Moved by: Dan Osborne Seconded by: Yan Li

That the **Finance and Audit Committee** approves the agenda and minutes.
CARRIED.

The agenda was approved. The motion passed with all members voting in favour.

II Updates

III Motions

1. To approve the Finance and Audit Committee Meeting Agenda for Dec. 6, 2010 and Sep. 20, 2010 and November 12, 2010 Minutes.

Moved by: Dan Osborne Seconded by: Yan Li

That the **Finance and Audit Committee** approved the Agenda and the Minutes

CARRIED.

2. Request to use Restricted Operating Fund in the amount of \$1950 to pay for MCRC Case Competition expenses .

Moved by: Maria Nasr

Yan Li speaks on Maria's behalf: MCRC is looking to diversify revenue so we are looking for business ideas through the business plan competition. Students will compete in teams, there will be prizes for the top three winning teams, MCRC exec will serve as judges. \$1750 will be used towards prizes and \$200 allocated to advertising on the Commerce Portal, NSC, and in the Journal. We have more money in the restricted operating fund which could be used to generate additional revenue for MCRC through ideas that students in the competition come up with

Lynda: Do the students submit the plan or present it?

Yan: It could be done in stages, also depends on number of applicants.

Lynda: You're marketing it to Goodes and the commerce faculty, but it's open to other faculties. Should we not market to other faculties as well?

Yan: Yes, we are using the advertisements in the journal for that purpose.

Lynda: Are you still allowed to use the ideas of those who are not in the top three winners?

Yan: Yes, from my experience with competitions this is allowed.

Dan: How many participants are we expecting? If it's a large prize and if we don't have many participants then it might not be worth it.

Yan: We did research on prizes in other competitions and typically for a business plan competition top prizes can range from the \$750-\$5000 so I think the prizes are fair. And the idea of giving three prizes gives people more chance of winning. Also I think the high prize would attract more participants.

Lynda: Is there a standard template we might provide in case students from other faculties don't know how to write a business plan? Other faculties might see this marketed toward commerce students and those students might be discouraged.

Yan: I think people will research on the internet to find templates, and besides, to win a prize they're expected to put in effort.

Lynda: If there's a standard plan given to everyone it might be easier.

Yan: We've actually divided it into 5 sections that must be included in the business plan. If they need a template there's plenty on the internet.

Boland: It's not a bad idea to have an expectation for what you're looking for but you don't need to give an exact template.

That the **Finance and Audit Committee** approve the use of Restricted Operating Fund to pay for the MCRC Case Competition

Moved by Maria Nasr, seconded by Dan Osborne

CARRIED

VI Discussion Period

1. Review December YTD financial statements

Yan describes and explains the Revenues and Expenses for YTD December 21st, 2010

Revenue and expenses from New York Trip are allocated to the houses.
Selling tickets had to be done through the main office since not enough were being sold through the houses. We opened spots to people off campus for a higher price.
CPR training offered to staff for getting CPR certificate, which is required to be a Don, so MCRC staff like to get the certificate and we subsidize the training.
STOP security plates were sold, we expensed them last year so this is a pure profit
Fines: This is the amount of fines we collected in the fall but we want it to increase.
Recognition of Revenue for Membership Dues

Boland: why is the total of the expenses and revenues slightly different on the sub sheet compared with the income statement?

Yan: The discrepancy came from exporting the excel file from the accounting system, that file didn't allow formulas, so I used formulas but it didn't save the formulas and I forgot to add the formula back to the end. I think the different houses all match. I'll correct it after the meeting.

Most house fees are between \$300-\$900 and the houses are running their final events this semester. The general pattern is that people tend to run more events in the fall due to higher student interest. House clothing sold in fall term as well as dances and events.

Sponsorship represents the \$1100 from CMA.

Expenses:

Telephone: Long distance, higher than expected

Office Equip: Fixing chairs, new camera for yearbook which comes out of Queen's discretionary fund

Orientation: Still waiting on invoice, if there are any adjustments then we will adjust later on.

New York Trip: expenses are low because the expenses are credited to the houses. This expense is incurred by MCRC main office. We made a bit of money on the MCRC trip approximately \$800?

Staff Salaries: recognized half

Insurance: recognized as prepaid insurance, we now have 3 different kinds of insurance including new insurance to cover rentals, to rent our equipment to other clubs on campus. Only \$160 for the whole year. We are going to be incurring less insurance than budgeted

Other Rev: accrued expense set up last year, equipment as broken and expense was made but it turned out to be less than anticipated

We have an overall loss. Queen's subsidy amount of \$52,000 is coming soon which will cover the loss. By the end of the year it should be zero or positive.

Short term A/R paid using a cheque for Watts Hall and it resulted in a NSF cheque

Short-Term Liabilities: AMS for StuCons, QES orientation dance.

Pending Charitable Donations: From last year

2. Review Budget Updates

Very similar to that of beginning of year.

Fixed revenues: house income, student fees, fines, queen's subsidy, service income. We are expecting to make more money on services. We are attempting to sell rez books in March. Orientation doesn't take into account the fact that we just invoiced Jean Royce.

We were expending \$800 for MCRC New York Trip, and we didn't spend as much on office expenses and equipment this year. I expect we'll use more for the office going forward from the Queen's Discretionary fund.

We're having a Casino Night and dance on March 26th and we weren't anticipating paying anything for it but we might use some of the society's budget to subsidize to allow for more students to come.

Lynda: For the service income, you said we're going to service the rez book. Are we pre-ordering or printing a lot and trying to sell them.

Yan: I don't think we're doing the pre-order so we do incur some risk, so I can ask Maria and I'll get back to you at the next meeting. We definitely are expecting subsidies for the rez book this year

3. Alexis Meyerman's payroll

Yan: This has been put forward by Ben Juteau. Alexis was the house president and MCRC president a few years ago. She didn't have a social insurance number so she didn't get paid and now she has a new SIN and MCRC would like to recognize her contribution and will pay her the salary back. Ben and I have worked out the accounting; the auditor is okay with it, so we'll include it as part of the January pay.

Lynda: She was the house president and MCRC president at the same time?

Yan: She was house president for half a year and MCRC president for a year and a half

Lynda: So is she getting double paid

Yan: The salary reflects that yes.

Boland: Presumably the person is owed the money and it's up to MCRC to pay the money. It's a strange situation in terms of a delay that long. I'm surprised to see it coming back. Do you have to put the wheels in motion with Queen's Payroll to pay her?

Yan: Ben already has

Boland: So this will impact the budget, it's an unusual item

Yan: Well we paid it as part of a liability. It's just a difference on the balance sheet.

Boland: You're right it won't impact the budget. It'll impact your cash flow.

Yan: We have excess cash; we've been doing well with our cash flow.

Ben Osborne adjourns the meeting at 10:20 AM.