

### REGULAR MEETING MINUTES

#### Special Teleconference

May 31, 2012

8:33 am -9:22 am

President's meeting room, Waap Sginiis, Terrace Campus

**Attendance:** R. Witherly, Chair  
T. Euverman (in person)  
D. van Dyk  
B. Setso  
A. Carlick (in person)  
L. Payjack-Mohler (Recording Secretary)

H. Pond  
G. Randhawa  
S. Foote (in person)  
G. Wesley

**Regrets:** S. Pauls  
N. Collison

E. Kruithof

#### Staff members in attendance:

D. Henning, President & CEO  
C. Sousa, VP, Finance & Administration  
D. O'leary, VP, Institutional Advancement  
R. Hidber, Controller

**Guest:** Rory Reinbolt, Auditor, McAlpine & Co.

The meeting was **called to order** at 8:33 am.

**Adoption of Agenda:** by consensus.

#### Auditors Report

The audited financial statements for 2011/2012 were presented and reviewed; R. Reinbolt answered questions. Extended an apology for not meeting the deadline of the last meeting; it was not due to effort

#### Highlights:

- Government's reporting dates and aligning Board meetings with these dates was discussed

**Question:** Under the impression that the Ministry required the approved financials statements in May?

**Answer:** Other auditors around the province are meeting now or a little later with the Boards. For the Board meeting date it would be best to move it allow time for the auditor to meet and discuss with the finance and management staff.

9:01 am A. Carlick joined the meeting.

The meeting time lines have been reviewed in the past.

**ACTION:** For future years, schedule the review of the audited statements at the June meeting date.

**Highlights:**

- No significant issues
- May 31 closing audit communication letter also known as the management letter
- Post audit letter for management is in process
- Financial statements are consistent with prior years format
- Next year will be the first year of the amortization expenses:
  - it is fully funded so it will not affect the income statements
  - financial statements will look different next year

**Question:** Tuition fees unpaid, what is this?

**Answer:** Individual student receivables and sponsor receivables are captured in this line.

**Question:** Pension, unfunded \$28 million. Is this for one college?

**Answer:** No, this is combined for the BC colleges that contribute to the plan; actuary is completed every 3 years.

**Question:** Is there any legal requirement to have the funds to be 100% accessible?

**Answer:** The details would be in the particular plan, not certain of the particular rules.

**Question:** Is it fair to say we are right on path with the statements?

**Answer:** Yes.

**Question:** Accrual amounts include the severance amounts?

**Answer:** Yes.

**Highlights:**

- The Colleague system financial section was discussed
- Finance department is looking into a new model which will allow a quicker turnaround
- Future accounting changes include:
  - college format moving from Not for Profit to Public Sector accounting
  - effective April 1, 2012, next fiscal year
  - significant undertaking
  - financial statements will look different from last year

**Recommendations:**

- Formalize the process and conduct formal meetings, rather than just verbal meetings, with department managers to increase accountability.
- Good to align this change with the internal accounting reporting changes.
- Sound fiscal management for all department areas, transitioning to a different Colleague system to be more flexible and produce reports quickly.
- Also encouraging budget managers to review variance reports and cultivate the role and importance of the budget manager role.
- Managers will work with the Finance Department; this will also provide the language and data for the President's Monitoring Reports to the Board.

There were no significant issues encountered during the audit.

9:14 am B. Setso joined the meeting via teleconference.

**The presentation concluded at 9:16 am.**

On the motion made by D. van Dyk and seconded by T. Euverman that:

**“The Audited financial statements for fiscal year 2011/2012 be approved as presented.”  
CARRIED UNANIMOUSLY**

Thank you to R. Reinbolt for the presentation.

**Question:** Most of the follow up is operational. Would it be good to have a follow up with the Executive Committee to discuss the recommendations such as: new programs and reporting changes?

**Answer:** Yes, Finance & Audit Committee would be in the discussion. It is important to have the audit letter reviewed and discussed.

**ACTION:** The next Finance & Audit Committee meeting will include the discussion of the closing audit letter and recommendation; this will be brought forward to Board to advise the review and discussion has been conducted.

The Finance department did well, very well. R. Reinbolt, thank you, for the presentation and for your work. It was noted the diligence of the Finance Department to address the budget deficit, the department is ever transitioning.

**Adjournment:**

D. van Dyk moved that **the meeting be adjourned at 9:22 am.**

**Next meeting:**

At the end of June a teleconference Board meeting will be held for housekeeping matters.