

**McMaster Association of Part-Time Students  
Board of Directors Meeting – Minutes  
Monday, August 26, 2013 at 7:00 p.m.  
Room 220, MUSC, McMaster University**

**PRESENT** Andrew Smith (chair), Jeannie An, Jackie Arlen, Alamin Berhanu, Emily Cerantola, David Moore (corporate secretary)

**REGRETS** John Liauba, Michelle Macfarlane

**STAFF** Kyle Johansen (acting executive director)

**CONSTITUTION OF THE MEETING**

A quorum of directors being present, the chair called the meeting to order.

**ATTACHMENTS TO THE OFFICIAL COPY OF THE MINUTES**

- Draft Open Session Minutes, 10 August 2013
- Draft By-law revisions, 22 August 2013
- Comments from University Secretary Helen Ayre draft by-law revisions, 26 August 2013
- Response to comments from the University Secretary, 26 August 2013
- Executive Director's re-draft of by-laws, 26 August 2013
- Draft 2012 Audited Financial Statements, 13 August 2013
- Revised Draft 2012 Audited Financial Statements, 23 August 2013
- Trust Fund reconciliations for 2012 and the first seven months of 2013
- University Account reconciliations for 2012 and the first seven months of 2013
- Draft Electronic File Plan, 10 August 2013

**1. ADOPTION OF THE AGENDA**

The agenda was amended to add "(c) Board Policies" under the Executive Director's Report.

**Motion:** Moved by Arlen, seconded by An to approve the agenda as amended.  
**Carried.**

**2. ADOPTION OF MINUTES**

**Motion:** Moved by An, seconded by Cerantola to adopt the open session minutes of the meeting of August 10, 2013, as presented.  
**Carried.**

**3. EXECUTIVE DIRECTOR'S REPORT**

Johansen presented a verbal report:

- **Computer RFP** – the first MAPS RFP has been registered on MERX and nine vendors have already expressed interest.
- **Meeting with Financial Services** – he met with Nancy Gray (Director of Finance) and Shari McHugh (acting senior accountant), from the University's Financial Services department, to

have an informal discussion about the reforms underway in MAPS and to thank them for the trust/account information recently received.

- **Meeting with CCE** – he met briefly with Lisa Boniface and noted that MAPS will be seeking to engage its members so that they know what their association is doing and how they may actively participate in its governance.
- **McMaster Community Review Panel (MCRP)** – He has pursued the establishment of an MCRP to bring external finance and governance-related expertise to a review and external validation of MAPS' steps to meet the University's requirements.

Acceptances to serve have been received from former provost Arthur Heidebrecht, former dean of business Paul Bates, MSU general manager John McGowan, and St. Joseph's Healthcare CEO Kevin Smith. MBA program director Sue McCracken declined, but has suggested an alternate with similar skill sets who is involved with the McMaster University Retirees Association. Dean of Students Sean Van Koughnett initially declined but has now asked for the MCRP's terms of reference and may be reconsidering.

- **Office Copier** – The five-year lease is has concluded. He has written to Canon and spoken with Sandro Giordano at The Underground. Canon is of the view of that it is MAPS' responsibility to return the existing equipment. Sandro has identified a multi-purpose (print, copy, scan) black and white machine that would be better suited to MAPS' needs that can be procured as part of the broader volume deal Canon has with MSU.
- **MAPS Handbook** – The re-write of the text is close to being complete and will be vetted with the information assistants this week. The Board agreed to a print run of 500 copies, some of which will be available in the MAPS office and at CCE downtown. Copies will also be distributed to campus partners and academic advisors.
- **Open Houses in September** – Johansen will issue a Doodle Poll to canvas the Board for their availability in the second and third week of September for MAPS open houses (informal wine and cheese format).

#### By-Law Revisions

Smith noted that the by-law review process is one of the most important deliverables on the University's list of finance and governance reform requirements. While the Provost had suggested that a lawyer would not be required to undertake an overhaul of the by-laws, the Board viewed it as a daunting task. Smith noted the Board's gratitude for the substantive review of the by-laws undertaken by Moore, which was supported by informal professional advice from his personal network, and that this had laid the framework for the extensive revisions sent to the University in mid-June.

A copy of the by-law revisions shared with the University in June, the comments received this morning from University Secretary Helen Ayre, and comments from the Corporate Secretary informed a discussion of decision points with respects to the by-law review. Johansen also circulated a copy of his re-draft of the by-law, splitting it into four by-laws and incorporating some material from existing standing resolutions. Copies of all documents are appended to the master set of minutes.

The board agreed to concentrate on the decision points, and refer further refinement of actual text to the executive director, corporate secretary, president and legal review.

The comments received today from University Secretary Helen Ayre, in response to drafts sent on June 13, were very helpful in identifying areas where more precision in the language would be helpful. There were a few points where her suggestions merit more discussion and an explicit decision by the Board. In addition, Moore also brought forward a list of decision points.

**S.5 (a, v): *Buying into MAPS Membership*** – it has been suggested to permit non-MAPS members to buy concurrent MAPS membership. Only student association fees based on academic registration would be collected by the University. After discussion, the Board agreed that it would be more appropriate to have an administrative policy setting a cost for MAPS services for non-members, rather than providing for full [voting] membership.

**S.6: *Adjustments to Fees (CPI or greater than CPI)*** – The Board agreed with Helen Ayre's suggestion that "recommend" would be more appropriate than "authorize" since it is the University's Board of Governors that ultimately approves all fees. Consideration was given to having the by-law stipulate that annual CPI adjustments would be sought automatically (as is the case with most University student service and MSU ancillary fees), but the Board agreed that all adjustments to MAPS fees should be approved by the MAPS membership on each occasion before a fee adjustment request is referred to the University for consideration.

**S.7: *% of the membership needed to initiate a General Meeting*** – The Board agreed to set this as 3% of the MAPS membership of 150 members, whichever is higher.

**S.7(g & h): *Quorum requirement for a General Meeting*** – The current requirement is 10 members, at least five of whom must be present in person. The Board agreed to increase the quorum requirement to 25 members, and have a provision that if quorum was not met, the business from the meeting would be automatically referred to an electronic vote of the membership where quorum would be 3% of the members or 150, whichever is greater.

**S.8: *Use of proxies at a General Meeting*** – Helen Ayre has cautioned that administration of proxies can be difficult. The Board was not in favour of proxies in general, and agreed to eliminate proxies throughout the by-law (i.e. for general meetings, Board of Directors meetings, and committee meetings). New requirements under provincial legislation (approved but not yet proclaimed) may provide for alternate [electronic] methods for members to participate in governance that would be more appropriate.

**S.10: *% of the membership needed to initiate a Referendum*** – The Board agreed to set this as 3% of the MAPS membership of 150 members, whichever is higher, to be consistent with the requirement to initiate a General Meeting.

**S.10(e): *Quorum for a Referendum*** – The Board agreed to consider varying thresholds for different types of decisions (e.g. fees, gift commitments, governance). Johansen was directed to report back to the Board with options when the next draft is brought forward for consideration.

**S.11: *Term of Office for Directors and Officers*** – The Board considered the merits of one year terms (more frequent renewal) versus staggered two year terms (greater continuity). It was agreed that the staggered two-year terms introduced in 2012 would be maintained, and that one-year terms for executive officers would also be retained.

**S.11: *Term Limits for Directors*** – The current by-law does not have any term limits on service on the Board of Directors. It was agreed to set a limit of four consecutive two-year terms.

**S.11: External Directors** – The by-law provided for appointment of a limited number of external directors in 2008-09. The Board agreed that there are opportunities to engage specialized external expertise on committees and as advisors, but that it is appropriate to limit voting members on the Board to members of MAPS.

**S.12: Ability to meet without notice if all directors waive notice** – The Board agreed that there may be emergency situations where such a meeting would be appropriate, but noted that it would only take place with the consent of all directors. The addition of a material issue designation policy (requiring a notice period and public posting of significant decisions) would also serve to increase transparency and accountability.

**S.17 and 27(e): Use of Proxies at Board of Directors and Executive Committee Meetings** – The Board agreed to eliminate this provision. There are opportunities to have members participate by phone, Skype, and email without using proxies which are open to abuse.

**S.17: Ability of the Chair to Vote** – The Board agreed that the chair should be permitted to vote and that tie votes would fail.

**S.27(h): Term Limits for Officers** – The current by-law sets a limit of up to five terms in any single office, which could allow an individual to be an officer of MAPS for 25 years (assuming the maximum in each of five existing offices). The Board agreed to set term limits of a maximum of two consecutive terms in any one office.

**S.29: Executive Committee** – Helen Ayre suggested adding a non-officer Board member to the Executive Committee. The Board disagreed, noting that on a six-member board, that would mean all members would be on the Executive Committee (Pres, 2 VPs, Treasurer, Past-President, member at large). Following some discussion, the Board agreed to retain the current Board size (6 to 9 members) and proposed officer structure, but eliminate the Executive Committee entirely.

**Executive Director and Secretary** – The Board reaffirmed its previous decision to separate the roles of Executive Director and Corporate Secretary. This will involve changes in a number of sections of the by-law. Helen Ayre also supports this decision.

**S.38: Indemnities of Directors and Officers** – The University had flagged this as a concern during the review process in 2012, though it was never clear why. Johansen was directed to follow-up with Tawnya Smith who led the review.

**S.42: Scope of Material to be covered by mandatory web site posting** – Helen Ayre suggested the addition of a list of Directors and Officers. The Board agreed. An extensive list of governance and finance documentation to be publicly posted is being set in the by-law.

**Audit & Compliance Committee** – The Board agreed in principle to establishment of a new standing committee on audit and compliance. It would include the Executive Director and Treasurer as observers, but its voting members would be non-Board members of MAPS and others external to MAPS who would bring technical expertise to the work. The committee would have a dual reporting relationship to the Board and the membership (at the AGM) to act as a check on the Board.

**Officer descriptions** – Johansen advised that the Government of Ontario has templates which have been drawn on to provide detail in the by-laws relating to the responsibilities of officers.

## Administrative Policies

Johansen reported that he has been working on a number of Administrative Policies for consideration by the Board. They include:

- Executive Limitation
- Delegation of Authority
- Material Importance Designation
- Expense Reimbursement and Procurement
- Equity, Fairness and Engagement

Drafts will be circulated to the Board for consideration in advance of the next meeting.

## **4. PRESIDENT'S REPORT**

In lieu of duplicating discussion in a formal report, Smith offered updates and comments during the discussion of other agenda items.

The Board reaffirmed that the President is the chief spokesperson for MAPS and that his approval should be sought for official comments by MAPS. This authority is delegated from time to time and staff will provide [public domain] information in response to inquiries as appropriate.

## **5. TREASURER'S REPORT**

### ***2012 Audited Financial Statements***

The board referred to the draft audited financial statements (August 13) and the cover memo from the Treasurer, Executive Director, and Corporate Secretary. A revised draft (August 23) from the auditor was also previously circulated by email (copies appended to the master copy of the minutes).

Johansen advised that the auditor had read the cover memo on the audit (to the Board from the Treasurer, Executive Director, and Corporate Secretary), dated August 21. It was aligned to the August 13 draft of the statements. Mr. Mastroluisi offered a number of suggestions to align the memo with the August 23 revised draft of the statements:

- Memo date to change to August 23
- Salaries total for 2012 - \$206,117
- Salaries total for 2011 - \$354,023
- Professional Fees - \$110,975
- Amortization – second sentence changed to: “The carrying value is reduced on a straight line basis over their estimated useful life.”
- CCE Graduation Ceremony – Second sentence deleted (as the \$5,000 accrual is now included per MAPS' instructions)
- Second last paragraph on page 2 – “...the financial statements was not approved at...”
- Last paragraph on page 2 – Delete the last two sentences. The amount accrued (\$167,943) was not paid by cheque issued in 2012, but rather by a transfer in early 2013 by the University from the fees held in trust.

A number of questions were asked about the draft audit, for which the following information was provided:

- **Professional Fees** includes audit costs for two fiscal years (2011 and 2012), which was less than \$30,000. Consistent with the Board's commitment to competitive procurement, Johansen will be issuing an RFP for audit services for 2013.
- **Staff Travel** is almost exclusively in relation to the lease for the Toyota Sienna, vehicle insurance, maintenance, and gas.
- **University Administrative Fees** reflects the collection fee and \$425 per month to process payroll. Johansen has been given direction to issue an RFP for bookkeeping services.
- **Telephone** is much higher in 2012 because it includes the iPhones bought by the former executive director (and monthly charges).
- **OUSA** includes \$2,000 in membership fees (a small balance in relation to 2012-13 was paid in 2013 once final enrolment numbers were reported to OUSA) and costs of attending meetings (Steering Committee and General Assemblies).
- **Awards and Recognition** in 2011 includes the \$8,100 trip to Italy for Elaine Marion.

The auditor has included a note on the legal action taken by the former executive director. As the case is still very early in the process, the amount sought by the plaintiff has been noted but no other comment made on potential outcome.

**Motion:** Moved by Arlen, seconded by Smith to approve the revised draft audited financial statements for the year ended December 31, 2012.  
**Carried.**

### ***Trust Fund and University Account reconciliations***

Financial Services has provided reconciliations of the fees held in trust by the University since June 2012 (Trust Fund) and MAPS' charge account with the University (for payroll, office expenses, phone, etc.). Copies are appended to the master copy of the minutes.

It was noted that some of the line items labelled payments from the Trust to the University Account were actually transfers of fees by cheque to MAPS (\$46,000 in February 2012, \$100,000 in November 2012, and \$120,000 in February 2013).

Financial Services has undertaken to provide MAPS with monthly reports on disbursements from the funds held in trust.

## **6. SECRETARY'S REPORT**

Moore advised that:

- The draft electronic file plan was circulated with the agenda and a copy is appended to the master copy of the minutes. It remains a work in progress.
- CIBC Hall is available for November 29. The University advises that the number of part-time student award recipients could be double the number there were two years ago.
- The University has provided copies of all gift agreements between MAPS and McMaster, as well as copies of the two most recent donor reports for each of the endowed bursary funds.
- The Director of the Campus Store has provided a copy of the Bookstore Advisory Committee terms of reference and the minutes/supporting material for the meetings held in the last two years. Copies have been provided to Jeannie An who will be the part-time student representative on the Bookstore Board in 2013-2014.

## **7. CLOSED SESSION**

**Motion:** Moved by Smith, seconded by An to move in to closed session.  
**Carried.**

RETURN TO OPEN SESSION

## **8. OTHER BUSINESS**

None.

## **9. SUMMARY OF FOLLOW-UP ACTION**

**Action:** Johansen to:

- Post a Doodle Poll to canvas the Board for their availability in the second and third week of September for MAPS open houses.
- Post a Doodle Poll with options for Board meetings in September.
- Work with Moore and Smith on further refinement of by-law text and submit the result to legal review.
- Consult Tawnya Smith about the University's concerns re indemnification.
- Circulate draft administrative policies to the Board prior to the next meeting.

## **11. NEXT MEETING / ADJOURNMENT**

Johansen will post a Doodle Poll with options for meetings in September.

**Motion:** Moved by Cerantola, seconded by Arlen to adjourn.  
**Carried.**

9:50 p.m.

These minutes were duly approved by the Board at its meeting on October 3, 2013.



Andrew Smith, President



David Moore, Secretary