

# Board of Directors Meeting Minutes

September 5<sup>th</sup>, 2013 at 6:00 P.M.

Henry Angus Building, Room 339

*\* Note: presentations and/or proposed motions from parties other than the members of the Board of Directors should be requested to be included on the agenda at least five (5) days in advance of a meeting by contacting the Chair, Cole Leonoff, at [chairperson@cus.ca](mailto:chairperson@cus.ca) – materials received past this point may be considered for the subsequent meeting's agenda at the Chair's discretion.*



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## Attendance

Name	Position	Present ("X")	Late ("X")	Proxy
<b>Board of Directors</b>				
Enzo Woo	President	X		
Cole Leonoff	Commerce Student Senator (Chairperson)	X		
John Lee	Alma Mater Society Representative	-		Ben Chen
Lauren Telford	Alma Mater Society Representative	X		
Graeme Nixon	Fourth Year Representative	X		
Sean Fleming	Fourth Year Representative	X		
Maria Fung	Third Year Representative	X		
Tony Han	Third Year Representative (Vice-Chairperson)	-		Ni Keshmiri
Benjamin Gardiner	Second Year Representative	X		
Mark Sha	Second Year Representative	X		
<i>Vacant</i>	First Year Representative			
<i>Vacant</i>	First Year Representative			
<b>Executive Council</b>				
Niloufar Keshmiri	Vice-President, Academic Affairs	X		
Gillian Ong	Vice-President, Engagement	-		
Jasmine Yeh	Vice-President, External Affairs	-		
Jason Cheung	Vice-President, Finance	-		
Thea Simpson	Vice-President, Internal Affairs	X		
Benjamin Chen	Vice-President, Marketing and Communications	X		
<b>Other</b>				
Tom Tang	Ombudsperson	X		
Hannah Vandenberg	Administrative Director	X		

**Recording Secretary:** Hannah Vandenberg

**Guests:** Sam Dunner (student at Large), Scott H (first year student), Konrad K (first year student)

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## A. Call to Order

1. ***The meeting was called to order at 6:11***  
***Moved: Sean, Seconded: John***

***...the motion carries***

- I. Amendments to and Adoption of the Agenda

2. ***Be it resolved that the agenda be adopted as presented.***  
***Moved: Ben Chen, Seconded: Nil***  
***Objection: none***

***...the motion carries***

## B. Chair's Remarks [Allotted Time: 10 Minutes]

1. Printer in CUS office is for CUS use only; not for course use

## C. Other Business

- I. Committee Appointments

*Be it resolved that John Lee (Board of Directors or Executive Council member) be appointed to the Clubs Review Committee for a period commencing immediately and concluding upon turnover of the current Board of Directors.*

*Moved: Ben Chen, seconded: Thea*

3. ***Be it resolved that the appointment of the new committee member be postponed until the appointed member, John Lee, is present, so as to ensure he will be able to attend in the committee meetings***  
***Moved: Sean, Seconded: Ben G***  
***Objections: none***

***...the motion carries***

- II. Constitutional Changes Referendum

4. ***Be it resolved that the Board of Directors direct the President to call a referendum on the following question:***

***“Do you approve of the changes to the CUS Constitution as presented?”***

***Moved Nil, seconded Lauren***

***Objections: none***

***...the motion carries***

- Q (Enzo): Article D5 → was this the policy when Graeme was appointed?
  - No. The voting right is lost because it has been deemed inappropriate because they have not been elected by the student body. An unelected individual should not get the power to vote in such a situation (when his vote is being used to break a tie) because it has such a large impact.

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5. **Motion to amend the amended constitution:**  
**“Be it resolved that the phrase in 12.i ‘to maintain the integrity and benefits of the CUS as an organization’ be struck”**  
**Moved: Nil, Seconded: Sean**  
**For: Sean, Mark, Graeme, Nil, Lauren, Ben Chen, Maria**  
**Opposed: none**  
**Abstentions: Ben Gardiner**
- ...the motion carries**

- Enzo: Article 9 b → struck because it is not a regular occurrence?
  - Yes; service council has no power as an entity. There was a meeting last year, but it is highly irregular. The service council used to have some power of certain things, however, now that they do not it seems unimportant. Hopefully Service Council meetings will still occur, but as anyone who went to it last year can see, it was only a “meet-and-greet” type meeting.
- Mark: We discussed electing an equity officer of the office of the Ombudsperson, are we still considering this?
  - We will add it in somewhere
  - Question (Ben G): who would appoint him/her?
    - The Ombudsperson
      - Do they require our approval to hire said person?
        - If it did it wouldn’t be impartial
- Mark: 19B → why was it changed from “ombudsperson” to “elections committee chairperson”?
  - The AMS prefers that the elections committee chairperson handle such issues
- Nil: we might want to put reasonable parameters around appointing proxies for long periods of time

6. **Be it resolved that the constitutional changes be changed to include reasonable parameters around appointing proxies for long periods of time**  
**Moved: Nil, Seconded: Mark**  
**Objections: none**
- ...the motion carries**

### III. Position: Constitutional Changes Referendum

7. **Be it resolved that Board of Directors adopt a “yes” position on the Constitutional Changes Referendum question and direct the President and Vice-President, Marketing to coordinate a campaign with other members of the Board of Directors, Executive Council, and Service Council in favour of this question.**  
**Moved: Ben G, Seconded: Lauren**  
**Objections: none**
- ...the motion carries**

- Mark: Why can’t we spend money on this?
  - We shouldn’t spend student money; that would be inappropriate. You can’t use their money to try and convince them of something.

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- Lauren: People are allowed to get reimbursed for spending money for campaigning to advocate their position?
  - Yes first 10 people for each side

#### IV. Endowment Fund Referendum

### 8. ***Be it resolved that the Board of Directors direct the President to call a referendum on the following question:***

***"I authorize the Commerce Undergraduate Society's Board of Directors to approve a transfer of \$300,000 from its accumulated operating surplus to an endowment to be administered by the University of British Columbia's Investment Management Trust, with the annual returns from this investment to be used for projects and activities benefiting Bachelor of Commerce students."***

***Moved: Sean, Seconded: John Lee***

Recap:

- CUS has a surplus,
- It is sitting with the AMS, eroding from inflation
- Projecting to get an even greater surplus from student fees
- Want to put it in an investment vehicle
- Want to still benefit the students that paid into it
- Debated between investing with the AMS, funding a future commerce student center, putting it with UBC Investment management fund
- The latter is quantitatively and qualitatively the best option. It is also the safest option
- Would only put in \$300,000 of the \$400,000
- Interest is paid out every year

Maria proposes an amendment:

***"I authorize the Commerce Undergraduate Society's Board of Directors to approve a transfer of \$300,000 from its accumulated operating surplus to an endowment to be administered by the University of British Columbia's Investment Management Trust, with the annual returns from this investment to be used for projects and activities benefiting current and former Bachelor of Commerce students."***

***Moved: Maria, Seconded: Nil***

Discussion:

- Is this amendment going to change anything?
- It should benefit current and former
- Lauren: I don't think we should say current or former
- Maria: but it was the former students' money, it should be benefiting them the most
- Sam: But it's our money too. When I graduate I don't think I will care where it goes. I agree with Lauren, just keep it with 'current students'
- Enzo: while the former students did contribute most of this, our mission is to benefit the current students

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- Sean: This was originally presented to the AMS in February (in a different, weaker form), they thought it wasn't in the students best interest, so we're taking it directly to the students. If the referendum passes it will be very difficult for the AMS to object to it. Voting will occur at the same time as first year rep elections

*In favour: Maria, Mark, Nil*

*Opposed: Lauren, Ben, Enzo,*

*Abstain: Graeme, Sean*

*...the motion to the amend the original motion fails*

Back to the discussion of the original motion proposed:

- Sean: The surplus is getting bigger, and has been big enough for a number of years to start discussing doing something different with it, and no one has come up with a better idea than what we have now.
- Lowering future student fees would be explicitly benefiting future students
- Enzo: Can you reiterate what us putting \$300,000 into imant will do to CSEC (it won't happen in 5 years)
- Sean: We've never talked about putting the surplus towards a down payment so I don't think admin will expect that's what we're doing
- If we did use it for CSEC it would only lower the future student fee by 6 dollars per student, which is not a huge impact, and wouldn't change students' mind on whether they want the building or not.
- Mark: Engineers are the only faculty that has the endowment fund; can someone explain theirs?
  - Thiers was set up in a different model about 5 years ago, about \$90,000 dollars. Increased student fees to create an endowment, there was no original surplus. Then the money was used for clubs and events, etc. The format was roughly similar; the one difference was that the E was with the AMS. Ours won't be because IMANT has better returns and less risk. Ours does look better with the IMANT one.
- Sam: why can't we do the building project this year?
  - New Dean is much less supportive of the idea, they need to approve us and set us up with a meeting with the board of governors, without their say so it would be very difficult to go through with it. Minimum of 3 years before the project starts.
- Ben: If it is with IMANT is it completely locked away? We have no way of getting it back?
  - Theoretically the language allows it but I don't see it being an actual possibility
- Thea: Who controls the endowment for the EUS?
  - They have somebody in administration that helps them with this.
- John: I know it isn't the best use of the endowment, but lowering the student fees is a very good idea
  - This is our next item on the agenda
- Graeme: I'm uneasy about this. This is a permanent decision. The funds would be locked up. If someone in two year has a great idea that requires \$400,000 we can no longer support it. I just think it's a risk
- Sean: It's a weird amount of money. Too small to make real investments with, too big to use for projects
- Sean: The reason I recommend we put it in now not in the future: We are in a good place right now to do this, financially. Say we run a \$20,000 surplus this year, I'd prefer we have an account to put this in. I'd prefer not to keep blindly locking up money, but now we know what we're

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doing and it's a good time to lock up this amount of money. There isn't a lot of risk right now with doing this

- Sam: Have you looked into something like PMF?
  - We talked specifically to them, but they're on a separate fund and can't really deal with us. We're more long-term than they are.
- Sam: Why can't we just wait to get faculty support for the building project?
  - Faculty support won't be there for 5 years anyway.

**Objections to the motion: Graeme, Maria**

**In favour: 8**

**Opposed: Graeme, Maria**

**...the motion carries**

-Referendum Agenda Item has been called

## V. Position: Endowment Fund Referendum

9. **Be it resolved that Board of Directors adopt a "yes" position on the Endowment Fund Referendum question and direct the President and Vice-President, Marketing to coordinate a campaign with other members of the Board of Directors, Executive Council, and Service Council in favour of this question.**  
**Moved: John, Seconded: Lauren**

**Discussion: none**

**Objections: none**

**...The motion carries unanimously**

## VI. Student Fee Referendum

10. **Be it resolved that the Board of Directors direct the President to call a referendum on the following question:**

**"I approve of a reduction in the undergraduate student society (CUS) fee for Bachelor of Commerce students from \$266 to \$245 beginning in the 2014 - 2015 academic year and the indexing of the student fee to the B.C. Consumer Price Index beginning in the 2015 - 2016 year."**

**Moved: Sean, Seconded: Nil**

Student Fee Decrease presentation (Sean)

- \$21 student fee decrease, from 266 to 245
- Current:
  - Fee:\$266
  - Students: 3,200
  - Fee Revenue: \$851,200
  - Revenue-BCC: \$659,200
- Proposed:

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- Fee: \$245
- Students: 3,250
- Fee Revenue: \$796,250
- Revenue-BCC: \$601,250
- Difference: \$57,950
- Where it is coming from and why it is ok to decrease and still run projects:
  - Safety buffer- \$20,000- less needed thanks to new control systems
  - Reducing contribution to Special projects- \$15,000- moving back in line with historical level
  - Endowment returns- \$10,500- returns from proposed endowment
  - New savings- \$12,450
- We should do this?
  - By running a surplus students aren't receiving their maximum value. They would get more value by having to pay less students fees
  - We aren't currently limited in the things we are funding anyway
  - We want to ensure students are getting value for what they're paying
  - By lowering the amount of money we have, we will still be able to run everything we really want to, but we will get rid of all the surplus and unnecessary spending, and therefore increase their value

## Discussion:

- Graeme: I am against this. Individual vs. collective gain. \$21 is not much gain compared to what the CUS could gain by keeping the fee as it is. I don't think the 21 is big enough to really make much difference. I think by bringing it to referendum it just draws attention to that fact that our fees are so much higher than other faculties'. This might not be what we want. We shouldn't raise this if the difference is only going to be 21 dollars. It just seems really arbitrary. You're only saving \$2.50 a month. I would rather not cut it. Besides, over 5 years we're essentially back up to the same amount we're at now because of inflation.
- Maria: We need to have control in place with our budgeting. We're getting more students and revenues, but we have had a lot of years where there are unforeseen costs; also this year we have cut the funding on a lot of services. I think we need cost controls. We can think of other better ways to bring value to our students
- Thea: IN FAVOUR! For \$21 or more! I think students should be enraged about the amount that our student fees are. They need to be aware of how ridiculous it is. Right now we almost have too many services and too many events. Students aren't getting the value because there is just too much going on. When we have the money we just fund everything. If we didn't we would only fund what was really bringing value. If we don't need their \$21 to bring value to them, we shouldn't be bringing it in. I think the pressure that would come from less money in the CUS would be good so we're sure we're providing value
- Enzo: This is sort of a trial run, it's good that the nominal amount rises back up in four years, it will be good to see how these changes affect the society
- Nil: \$21 makes no difference. We could cut the whole \$266; it still wouldn't make much difference to students; that's the price of one textbook. I think we have to spend all the money we have, but we shouldn't be spending it just for the sake of spending of it. We

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shouldn't be putting so much money and effort into events when most of the time it's hard to get students to go to these events. I'm in favour of this fee decrease. We need constraints in the next few years to control what we're spending our money on.

- Tom: Even if we don't do the fee decrease, we'll have to change our fee with inflation
  - We won't have to, but I think we should just to protect our purchasing power. I don't think we could just pass the 'changing to index their fee to inflation' right now, without the fee decrease right now as well. This fee decrease makes it a little easier to pass
- John: Part of the plan is that we're taking money out of special projects, how long is that going to be sustainable for?
  - We wouldn't be taking money out of it, we'd be budgeting less for it. We have \$200,000 for this, after we'd still have \$159,000, which is more than we've ever had in it by about 10 grand, so I'm still comfortable doing this right now. If we feel in the future that we need to allocate more, we can discuss that then
- Ben: we agreed that we want to have a leaner budget; if we're going to be wasting \$21 dollars, I'd rather have it back in the hands of students. We shouldn't be wasting money just because it's there. I don't think it's a big enough cut to really negatively affect our services
- Tom: we say \$21 isn't a lot but people wait outside the sub for hours to get 3 dollars per term from opting out of the student fee
- Sean: We should be cutting it now, because we have good financial control right now.
- Even when our services went way over budget and we had to pay for it, we were still able to contribute a huge sum of money to the surplus
- Want to raise attention to the huge fee: that is a risk, but students should know how much they're paying for their fee. If they want to revolt then it's an indication that they're not getting the value they want.
- To answer the question "What's the point its only 21?": It may not make much difference, but it provides the cost pressure that we're looking to introduce
- If we're cutting services that we should be providing are we harming our organization?
  - We're spending money on things that marginally add less and less value to students. We're not limited by money but by the calendar and time. There are too many events. We've reached the limit. This relatively minor cut (~5%) shouldn't hinder our ability to provide for our students

Mark moves to call the question; seconded by Sean

Objections: none

***In favour: Sean, Lauren, Ben, Mark, Enzo, John***

***Opposed: Maria, Graeme***

***...the motion carries***

## VII. Position: Student Fee Referendum

11.

***Be it resolved that Board of Directors adopt a "yes" position on the Student Fee Referendum question and direct the President and Vice-President, Marketing to coordinate a campaign with other members of the Board of Directors, Executive Council, and Service Council in favour of this question.***

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## ***Move Sean, Seconded John***

### Discussion:

- Graeme: We’re in good times right now but it’s not always the case going forward. You never know which student will have a great idea to use this money for
- Mark: at the same time, it’s not like someone who has a great idea can’t get funding for it
- Graeme: University is just a good idea to explore and it seems like we’re pre-emptively hindering this. We should be fostering their creativity, not stripping away the resources that would allow us to support them
- Sean: Even given the fee decrease we’ll have \$6,000 in fees to fund these good ideas. While it could happen that some people have great ideas that need funding, it also may not happen. No big conference in the past 5 years has seen a big response. This is why I think we’ve reached the limit. The past things we’ve tried to do (expanding and starting new initiatives) have failed to attract extra attention. I don’t think it’s fair to say someone may come and think of something great. If it does happen and it’s so great then they should shift our funding away from the older weaker ones
- Nil: We do have a substantial special projects funding, so if they do come and have a great idea, we can give money to it. Keep in mind we can’t fund over \$50,000 per project.
- Maria: not against lowering fee and indexing it to inflation. Now is not the best time. If we want to decrease it we should make sure our budget is as efficient as possible. We should investigate how we spend money as an organization and see if everything we spend money on is necessary before we make these cuts
- Sean: We did go thorough and check how much value things were adding, got \$70,000 freed up that was previously unnecessary. Some will go to the BCC. We have looked at it thoroughly and determined that it is feasible. Do it now? Opportunity → this board is uniquely willing to use less money. Want to do it now because I don’t know what the future boards will want to do. This board is more willing.
- Thea: We didn’t eliminate too much, we just made it more efficient. No one that got a budget cut this year is too upset about it; they all think they can still work with their new budgets.

***In favour: 7***

***Opposed: Graeme, Maria***

***...the motion carries***

### VIII. Postponed clubs review committee appointment

Does John accept the nomination? No

Other nominations: none

Vacancy will continue

## **D. Next Meeting**

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*There next regularly scheduled meeting of the Board of Directors shall be September 12<sup>th</sup> 2013.*

## E. Adjournment

12.

*There being no further business, be it resolved that the meeting be adjourned at 8:45*

*Moved: Mark, Seconded: John*

*...the motion carries*