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**Date:** Wed, 12 Jul 2006 12:32:49 -0700

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**From:** president@kusa.ca

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**To:** "Lisa Coan" <lisacomnet5@yahoo.com>, treasurer@kusa.ca, vpexternal@kusa.ca, vpinternal@kusa.ca, vpevents@kusa.ca, aaron.takhar@kusa.ca

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**CC:** ombuds@kusa.ca

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**Subject:** Re: Request for Information and Documentation

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Lisa,

I also regret that you were not present at the June 15, 2006 Annual General Meeting. I'm glad you have taken the time to review our 2005 audited statement and are showing a strong interest in your student association. Unfortunately though I am unable to fulfill your request to submit all the answers to your questions by July 14, 2006. But I assure you that you will be placed in a priority sequence because currently the KSA Executive is working with many clubs and students to put together some projects. As far as your request to have these questions posted in our Board meeting agenda we deem it to be inappropriate. However, you are welcome to attend the meeting and ask these questions. If you have anymore comments or concerns feel free to contact me.

In Solidarity,

Danish Butt  
President  
Canadian Federation of Students-Local 26

Reception:604-599-2126  
Direct Line: 604-599-3478  
Facsimile:604-599-2429  
Email:[president@kusa.ca](mailto:president@kusa.ca)

Visit our website: [www.kusa.ca](http://www.kusa.ca)

-----Original message-----

From: Lisa Coan [lisacomnet5@yahoo.com](mailto:lisacomnet5@yahoo.com)  
Date: Sun, 09 Jul 2006 20:41:15 -0700  
To: [treasurer@kusa.ca](mailto:treasurer@kusa.ca), [president@kusa.ca](mailto:president@kusa.ca), [vpexternal@kusa.ca](mailto:vpexternal@kusa.ca),  
[vpinternal@kusa.ca](mailto:vpinternal@kusa.ca), [vpevents@kusa.ca](mailto:vpevents@kusa.ca), [aaron.takhar@kusa.ca](mailto:aaron.takhar@kusa.ca)  
Subject: Request for Information and Documentation

> Attn: Joey Atwal, Treasurer  
> Danish Butt, President  
> Bikram Gill, VP Events and Student Life  
> Jaivin Khatri, VP Internal  
> Aaron Takhar, Executive Advisor  
> KSA Board of Directors  
>  
>

> Dear Danish,

> I regret that I was unable to attend the June 15, 2006 Kwantlen Student Association Annual General Meeting. Since then, I have had the opportunity to review the financial statements for the KSA's 2005 fiscal

year, ending December 31, 2005.

>

> As both a Kwantlen University College Student and as a currently elected student representative on the Kwantlen University College Board of Governors, I have some serious concerns that I would like you to address.

>

> Specifically, I would like you to address the following questions, with your response being e-mailed to me at my private and confidential e-mail address, [lisacomnet5@yahoo.com](mailto:lisacomnet5@yahoo.com) by no later than 7:00 pm on Friday, July 14, 2006:

>

>

> Why was the audited report for the 2005 fiscal year dated on May 26, 2006? The audited report for the 2004 fiscal year was dated as being completed by March 7, 2005. Why was there such a huge delay?

>

>

> Do you have any comment(s) on the quality of record keeping in the auditor's management letter?

>

>

> As per the balance sheet, the operating fund balance has gone from surplus to significant deficit during the year resulting in a cash shortfall in the operating fund, requiring \$224,000 being borrowed from the Capital Fund long-term investments. This represents 18% of the long-term pool of funds, which proportionately diminishes the KSA's external investment income. Please answer the following questions based on this circumstance:

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>

> Why is there a deficit?

>

>

>

> Why were the details of this deficit not disclosed in the notes to the Financial Statements or in the report of the Treasurer?

>

>

>

> I have a few questions about the mortgage and promissory note receivable. It would appear that the KSA has not only risked the funds by investing such a large portion in a single instrument, but the KSA has chosen an instrument which is inherently of a higher risk and therefore seemingly inappropriate given the circumstances presented. Please answer the following questions:

>

>

> Why was \$620,000 of long term investments (representing approximately 49% of the investments) invested in a mortgage receivable and promissory note receivable?

>

>

>

> Why were both secured by a SECOND charge on a borrower's property, both bearing a very low 5% rate of return, and both including an exceptionally long repayment term?

>

>

>  
> When was this investment approved, and by whom?  
>  
>  
>  
> Does this show up in the auditor's management letter?  
>  
>  
>  
> Who is the borrower?  
>  
>  
>  
> What is the Fair Market Value for the properties in question?  
>  
>  
>  
> How saleable are the properties provided as security?  
>  
>  
>  
> Accounts Payable appear to be up 24% over the last year. Is the  
KSA staying current with suppliers or is the KSA at risk here due to  
unpaid accounts?  
>  
>  
> The Statement of Operations Operating Fund went from slightly less  
than breakeven last year to a significant deficit this year (\$323,000).  
The KSA entered the year arguably knowing they had to cut expenses and  
instead increased wages by \$168,000 (38%). Based on this circumstance,  
please answer the following questions:  
>  
>  
> Why were additional staff hired and / or what pay adjustments  
occurred during the year?  
>  
>  
>  
> Does this show up in the auditor's management letter?  
>  
>  
>  
> Finally, why was there such a substantial increase in  
professional fees during the year? What necessitated this increase? Why were  
there no notes in the financial statements or in the Society Reports to  
the Membership regarding the specific use of these professional fees?  
>  
>  
>  
> In a year of cash-flow pressures, why:  
>  
>  
>  
> Was \$27,000 spent on Café-Lounge equipment?  
>  
>  
>  
> Did the Café-Lounge double its loss during the year, from  
approximately \$16,000 in 2004 to more than \$30,000 in 2005?  
>

>  
>

> Was more than \$51,000 spent on other furniture and / or  
equipment? What was purchased?

>  
>  
>

> Who authorized the above purchases?

>  
>  
>

> The lobbying fund expenditures more than doubled to \$56,000.  
Presumably the auditors are satisfied that these expenses have been  
appropriately charged to this fund. But specifically, what activities comprise  
them? What type of "Lobbying" had occurred in 2005 that is consistent  
with the referendum restrictions that are in place on the fund?

>  
>

> Please provide the specifics of the bursaries awarded during 2005,  
which amounted to \$14,000.

>

> Finally, please provide me with the following documents, via e-mail  
to me at my private and confidential e-mail address,  
[lisacomnet5@yahoo.com](mailto:lisacomnet5@yahoo.com) by no later than 7:00 pm on Friday, July 14,  
2006:

>  
>

> An unedited electronic copy of the entire financial statements (in  
MS Word, Excel or Adobe PDF), including the Management Letter;

>  
>

> Electronic copy of all recommendations and all other  
correspondence to date surrounding the audit (in MS Word or Adobe PDF);

>  
>

> Electronic Copy (in MS Word or Adobe PDF) of all executive board  
meeting agendas and minutes from executive board meetings as held from  
January 1, 2005 thru to June 15, 2006;

>  
>

> Electronic Copy (in MS Word or Adobe PDF) of all Board of  
Directors / Council meeting agendas and minutes of the KSA's Board of Directors  
/ Council as held from January 1, 2005 thru to June 15, 2006. This  
should include the following meetings:

>

> April 29, 2005 i.

> May 13, 2005 ii.

> May 27, 2005 iii.

> June 10, 2005 iv.

> June 15, 2005 v.

> June 24, 2005 vi.

> July 8, 2005 vii.

> viii.  
 July 22, 2005  
 > ix.  
 August 5, 2005  
 > x.  
 August 19, 2005  
 > xi.  
 September 30, 2005  
 > xii.  
 Mid-October 2005  
 > xiii.  
 October 28, 2005  
 > xiv.  
 November 4, 2005  
 > xv.  
 November 18, 2005  
 > xvi.  
 December 2, 2005  
 > xvii.  
 December 16, 2005  
 > xviii.  
 January 6, 2006  
 > xix.  
 2ND January 2006 meeting (if any)  
 > xx.  
 February 2, 2006  
 > xxi.  
 February 10, 2006  
 > xxii.  
 February 24, 2006  
 > xxiii.  
 March 17, 2006  
 > xxiv.  
 April 4, 2006  
 > xxv.  
 April 13, 2006  
 > xxvi.  
 April 28, 2006  
 > xxvii. May  
 12, 2006  
 > xxviii. June  
 2, 2006  
 >  
 >  
 > Electronic Copy (in MS Word or Adobe PDF) of the March 23, 2005  
 KSA Annual General Meeting including an electronic copy of the membership  
 sign-in list;  
 >  
 >  
 > Electronic Copy (in MS Word or Adobe PDF) of the September 29,  
 2005 KSA Special General Meeting including an electronic copy of the  
 membership sign-in list;  
 >  
 >  
 > Electronic Copy (in MS Word or Adobe PDF) of any other relevant  
 document(s) that support any and all of the above inquiries.  
 >  
 > Unfortunately, I am currently on vacation and will not be returning  
 this month and I also have limited access to my e-mail.

>  
> I do believe that my request for having this information delivered  
> to me falls within the scope of what could be defined as "reasonable  
> notice" under Section (37) of the Society Act. I do not believe that this  
> request should require any further elaboration or explanation, however,  
> if you do have any further questions, please feel free to respond back  
> to me via e-mail.  
>  
> But should I be unable to respond to any questions that you may  
> have, I would ask that you do your best to provide the above information  
> and supporting documents to me by no later than 7:00 pm on Friday, July  
> 14, 2006 as specified.  
>  
> Thanks,  
>  
> Lisa Coan  
>  
>  
> Lisa Coan, Student Board of Governors Representative  
> Kwantlen University College  
>  
> [lisacomnet5@yahoo.com](mailto:lisacomnet5@yahoo.com)  
>  
> -----  
> Do you Yahoo!?  
> Next-gen email? Have it all with the all-new Yahoo! Mail Beta.  
>

Danish Butt  
President  
Canadian Federation of Students-Local 26

Reception:604-599-2126  
Direct Line: 604-599-3478  
Facsimile:604-599-2429  
Email:[president@kusa.ca](mailto:president@kusa.ca)

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