



## ACEP-CAPE FINANCE COMMITTEE MEETING

### Meeting Minutes

Date: May 18, 2021

Time: 1:00 PM to 3:22 PM

Location: Microsoft Teams

Present: **Members:** Greg Phillips (President), Howard Delnick (Chair) André Picotte, Andreas Trau, Camille Awada, Charlene Lonmo

**Staff:** Jean Ouellette (Executive Director), Mark Courty (Payroll and Accounting Assistant), Stefanie Pantalone (Admin)

**Guest:** Erica Canale and Laurence Beaupré (Deloitte)

**Regrets:** Kelly Mansfield, Jamie Lafontaine

Topic	Follow-up items
1:00 PM Meeting quorum reached, and G. Phillips reads the harassment policy to the Finance Committee and assigned J. Ouellette as the policy officer.  J. Ouellette accepts the role for the meeting.	
<b>1. <u>Approval of Agenda</u></b> C. Lonmo moves to approve the agenda, seconded by G. Phillips.  In favour = 6 Against = 0 Abstention = 0 <b>Carried</b>	
<b>2. <u>Approval of Minutes from April 14, 2021 Meeting</u></b> A. Picotte moves to approve the minutes of April 14, 2021, seconded by C. Lonmo.  In favour = 6 Against = 0 Abstention = 0 <b>Carried</b>	
<b>3. <u>Review and Approval of Financial Package for Period Ending March 31, 2021</u></b> <b>a) Financial Statements</b> The Committee reviews the March 2021 Financial Statements.  H. Delnick mentioned that before the Director of Finance left there was communication as there were concerns with the financial	



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reporting, regarding credit cards and credit cards procedures, cheques over \$500, purchase policies and expenditures from the previous Executive Director. ***See section 5 a) and b)***

A. Trau wants to confirm that it costs \$10,000 to hold a NEC meeting and what are the expenditures? Currently no travel so the translation is the biggest cost.

G. Phillips clarifies that translation, recording secretary, tech support and NEC salaries are all included.

A. Trau asked if the fees affiliation are the expenditures for the Law Society?

G. Phillips clarifies that fees also include the CLC. When the budget was prepared, we were not a member yet.

J. Ouellette advises that he had discussions with the CLC regarding the per capita dues (per capita tax) 75 cents per member. As we are currently not able to accurately determine how many dues paying members we have for each month, the monthly per capita tax payment to the CLC will use the base figure of 18,500 paying members until such time as more accurate information is available.

H. Delnick suggested we budget using a base of 21,000 paying members.

Accounting will accrue a monthly expense to allow for the variance between 18,500 and 21,000 paying members.



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A. Trau suggested renaming the line item to CLC Membership.

A. Picotte moves to approve the Financial Statements of March 2021, seconded by A. Trau.

In favour = 6    Against = 0    Abstention = 0

**Carried**

**b) Expense Reports**

H. Delnick inquires about payments to the Law Society. Were they there before?

G. Phillips says they have always been there. Law Societies fees are part of the collective agreement for several LRO's. In the spirit of fairness and equality, CAPE also pays these fees for executives who are also members of the Law Societies.

M. Courty confirms these are annual fees.

Discussion regarding approval, payment and inquires related to legal fees, J. Ouellette requests that all inquires be addressed directly to him.

**c) Chart of Accounts**

A. Trau would like to see the account organized in parent/child relationships.

The Chart of Accounts account code are different from the budget line codes making it very difficult to draw the link between COA and financial statements.



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<p>H. Delnick mentioned that Omid said the COA cannot be changed. Omid had to manually cross-reference the documents.</p> <p>A. Trau suggested adding a column in the financials for the related COA account code.</p> <p>H. Delnick suggested that no changes be made until the budget has been prepared. This can be revisited at a future date.</p>	
<p><b>4. Follow-up Action Items from prior periods</b></p> <p><b>a) G Phillips to inquire about 3-year budget proposal.</b> See 4 b)</p> <p><b>b) Changing of Fiscal year</b> Various proposals were suggested during discussion without a solution.</p> <p>The topic will be carried forward for future discussion.</p> <p><b>c) Life cycle of Cape Assets</b> See 5 c)</p> <p><b>d) Cheques over \$500</b> Standing item to added to the agenda for every Finance Committee meeting.</p>	
<p><b>5. New Action Items</b></p> <p><b>a) Corporate Credit Card Expenditure Review &amp; Approval Processes</b> M. Courty advises that prior to processing a payment he seeks Management approval. That would include cheques over \$500 and credit cards expenses. Some credit cards expenditures are automatic monthly payments.</p>	



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<p>H. Delnick expressed major concern that some expenditures do not have supporting documentation.</p> <p>M. Courty offered and explanation of the expenditure approval process.</p> <p>H. Delnick wants to know how did we process payments to credit card companies without supporting documents?</p> <p>G. Phillips says we need to tighten up some of that oversight on the credit card purchases.</p> <p>J. Ouellette to review the process and provide recommendations for process revision.</p> <p><b>b) Purchase Order Process Review</b></p> <p>M. Courty says for the purchase policy, it is more the procurement coordinator. Further discussion and review required.</p> <p><b>c) Disposal of Association Assets</b></p> <p>H. Delnick asked where do we stand as we do not have a fixed asset policy in writing?</p> <p>As we have Deloitte aiding us, let us have them take a look and if we have things to write off, lets get rid of them and start from square one.</p> <p>M. Courty says he was not involved in any of that discussion, but he made a note to talk to Deloitte about it and see what their recommendations are.</p>	
<p><b>6. Budget Planning</b></p> <p>H. Delnick asks J. Ouellette to discuss the level of membership we currently have.</p> <p>J. Ouellette says one of the tasks was to ascertain how many individuals are in our bargaining units.</p>	



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<p>Verification shows that we have slightly over 21,000 members on the lists provided by the employer.</p> <p>Five positions would have to be staffed.</p> <p>M. Courty invited Erica Canale and Laurence Beaupré from Deloitte to discuss budget planning.</p> <p>J. Ouellette outlined the critical work mandate:</p> <ul style="list-style-type: none"> <li>- Budget preparation</li> <li>- Audit working paper preparation</li> <li>- review staff pension fund records</li> </ul> <p>The schedule for budget finalized is middle of June so it can be submitted to the NEC for approval at the June meeting.</p> <p>Agreed to use 20,000 members for budgeting.</p> <p>Internal staffing at CAPE is under review for budgeting purposes. Management discussions indicate that we are understaffed. Some of the staffing issues requiring attention are:</p> <ul style="list-style-type: none"> <li>• A minimum of one and possibly 3 additional LRO's.</li> <li>• A part-time HR position.</li> <li>• Admin Assistance, a need to stabilize this team.</li> <li>• Contract with InSite – 3 months notice must be given before moving to new system. We have about 6 months data entry work to complete. Proposal to hire 2 data entry clerks for 3 months. Staffing is also required to perform dues reconciliation.</li> <li>• Full-time Education Officer.</li> <li>• Senior Communications Specialist.</li> <li>• Part-time Translator/Proof-Reader (Claude Poirier to prepare a report for the NEC).</li> <li>• Junior LRO</li> <li>• Junior Legal Counsel (6-month contract).</li> <li>• Director of Finance</li> </ul>	
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A. Trau, have we costed out these positions? Not yet.

A. Trau, have we looked at the Org Chart with all these new positions?

G. Phillips, Jean is working to get the HR Sub-Committee formed so that staffing matters can be reviewed.

The members of the Finance Committee recommend that this matter be submitted directly to the NEC at its next meeting on May 28, 2021.

In favour = 6    Against = 0    Abstention = 0  
**Carried**

A. Trau, have we followed up with Cumberland for the request to increase the equity portion? What is the proper way for budgeting investments revenues?

G. Phillips confirmed that the equity portion of the CAPE portfolio has been increased.

G. Phillips, Erica and Laurence need to know about the contingency and defence funds for budgeting purposes.

A. Trau says we need to decide with Deloitte the changing of the fiscal year and moving the budget forward one year so that we are not voting on a budget that's already 6 months old.

A. Trau suggests we want to propose a two-year budget cycle.

H. Delnick advises that Deloitte has their mandate. We need a one-year budget for the new fiscal year completed by June the 15<sup>th</sup>, without any changes to the fiscal year.



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<b>7. <u>Roundtable</u></b> No topic or concern was presented.	
<b>8. <u>Confirmation of next meeting and adjournment</u></b> Meeting was adjourned at 3:22pm.  C. Lonmo moves to approve, G. Phillips seconds.  S. Pantalone will coordinate with H. Delnick to send out a doodle poll to the Finance Committee regarding the next meeting in June 2021.	