

Vice-President Finance Transition Report 2015

By Scott Mallon

This transition report is a comprehensive review of job requirements of the Vice-President Finance of the McMaster Students Union, drawn from bylaws and operating policies as well as past practices. Topics covered include duties of the role, reporting, committee responsibilities, the SRA, human resources, and ongoing projects.

Overview

Dear Mr. Vice President,

Congrats on the swanky new job! This year will be filled with ups and downs but by the end of it you will walk away from the hallowed halls of MUSC 201 a changed person.

The role of VP Finance is the most technically demanding and exhaustive positions on the Board of Directors. You will constantly making decisions on a daily basis that could have a large impact on the organization as a whole. Whether it is supporting a hundred thousand dollar renovation or approving a volunteer recognition dinner for fifty bucks there is going to be an impact on the performance and morale of the MSU as a whole. With that being said, make sure to not overthink everything you do. You are in the position for a reason, so trust your decision making abilities and run with it.

The other three Board members will be your rocks, best friends, worst enemies, etc but make sure to take time to get to know and appreciate all the staff and volunteers of the MSU. They are the ones that make your vision a reality. The full time staff have great stories and smiles so get to know them. Most of them also enjoy a cold beer or nice glass of wine.

This transition report is by no means exhaustive but I hope you can use it for whatever you need. If it is simply a document for you to learn what not to do that would be fine too as it will be the ramblings of an old, washed up university staffer now.

Always be you,

Scott Mallon

Vice President Finance and CFO, McMaster Students Union 2014-2015

The Basics of the Job

The Vice-President Finance of the MSU

That's your job title: you are the MSU VP Finance and the Chief Financial Officer of MSU Inc. (pretty bad ass). You have many specific duties, and I will get to those, but first I want to start with a general description of the professional role you will be assuming.

Vice-President Finance

5.1 The Vice-President (Finance) shall:

5.1.1 Be elected by the SRA from the membership of the MSU;

...

5.1.3 Hold office from May 1 to April 30;

...

5.1.7 Be a voting member of the SRA and the Executive Board, and an official observer of all other MSU committees;

5.1.8 Chair the Silhouette Board of Publication;

5.1.9 Under the direction of the SRA, maintain the books of account of the MSU;

...

5.1.16 Establish, with the aid of the Clubs Administrator, criteria for clubs grants based on the constitutional goals of the clubs and the MSU;

...

~MSU bylaw 5 – Officers

You are the face of the organization from a financial standpoint. This includes anything that is related to money - which surprisingly includes just about everything. At the SRA you will be expected to respond to the financial performance of all of our services, as well as spending that is very far from your control. This is why it is important to be engaged with all of our services and businesses, as it will reflect extremely poorly if you are not aware of why a certain service spent money the way that they did.

As VP-Finance I took a large role in the Human Resources side of the MSU. This included being the Board member liaising with the General Manager on all issues related to compensation and HR policy. This is a delicate, but important role. It is extremely important that we compensate our employees well, while also maintaining the proper balance that is needed in our organization. Getting to know the concerns of the full time staff is extremely important to the success of the MSU as a whole. Being on the full time issues committee was a great way for me to add my two cents to the long term plan for the MSU and the staff members appreciate seeing an engaged Board member at those meetings.

You will also be responsible to the university about how the MSU spends our money. We have not had any problems in the past, but I think that this is becoming increasingly relevant with the temperature and university climate towards student groups. Processes are put in place in the MSU to ensure that money is spent properly, and I suggest that you defend the processes

fervently to university administration. Don't let them push you around. Stand firm when necessary but realize that it is give and take and don't waste your time fighting useless battles.

Chief Financial Officer

3. *The Vice-President (Finance) shall:*

a) *Be the Chief Financial Officer;*

~ *MSU Constitution*

5.1 *The Vice-President (Finance) shall:*

...

5.1.10 *Present financial statements for all MSU organizations as requested by the Executive Board and supply actual account balances or budget balances to the SRA, given five (5) business days notice and the availability of the information;*

5.1.11 *Prepare for approval and administer the preliminary and annual budgets and the budget review of the MSU;*

5.1.12 *Have the financial records of the clubs audited;*

5.1.13 *Be responsible for reviewing the work of the Accounting Department;*

5.1.14 *Update the Accounting Procedures Manual and ensure that it is being followed;*

5.1.15 *Act as the custodian of MSU funds, have the right to suspend budgets (except those of the President and Vice-Presidents) until the next SRA meeting, have the right to suspend signing authority (except those of the President and Vice Presidents) until the next Executive Board meeting for Part-Time Staff or the next Board of Directors meeting for Full-Time staff; such meetings are to be held within three (3) business days of suspension;*

~*MSU bylaw 5 – Officers*

This is the real financial side of the role. As a corporate officer you are duty-bound (and legally bound) to act in the best interest of the corporation.

A lot of the tasks outlined in bylaw 5 are done for you through the accounting office. If you want, you could cruise, and let the accounting department look after anything, but ultimately, it is you that is responsible for their work. Any spending that is made by any part of this organization will be reflective of you in your role, not matter how involved you were in the process. My advice to you is to be as diligent as possible, and try to thoroughly look over all documents that are going across your desk.

Corporate Treasurer

This terminology has largely fallen out of use, but it still appears on some legal documents and needs to be mentioned. Most corporations will have a structure that consists of a president, a vice-president or secretary, and a treasurer. The MSU is a bit of an exception, but you will still be considered the corporate treasurer for the MSU (and, incidentally, for CFMU). You are a paid employee in your capacity as MSU VP Finance; your role as corporate treasurer is *pro bono* but your tasks therein are a part of your job as VP Finance. This is mostly a technical distinction, but it's kind of a nice idea.

The Board

Love them. Hate them. Appreciate them. Work with them. The four of you do not have to agree on everything but you need to make sure you stay a team on all issues. Find a compromise and run with it. We were never all in favour of a 4 day fireworks extravaganza but we were able to get to a spot that turned into an unbelievable event. These people can also keep you sane. Vent in Board meetings. You cannot let things build up, especially between the four of you. If there is an issue, either professional or personal, work it out ASAP as every day you spend not working together is hurting the organization.

President

This person is head of the organization. The MSU structure is a bit strange in that the President is not “higher” than the VPs, but they are the elected official with the mandate given to them by the student body. I like to think that the students like the President’s vision and the VPs make that a reality.

I worked with Teddy a lot this year in keeping his ideas grounded. Mr. Dream Big was always throwing out crazy ideas and I always took the time to hear him out and then found ways to make his dream or some form of it happen. When you need to, work with the President and the accounting team to find alternatives. With all that being said, I am not sure you will have a similar situation this year as Ehima ran on an advocacy platform but you still need ways to fit your portfolio into his ideas. Always make sure that you and the Chief are on the same page.

Vice President Administration

If you do not have constant communication with them the MSU will turn to a huge pile of crap. You two will be in the office more than the other two could ever dream of so make sure that you hold down the fort. Talk about everything from PTMs to WW. Bounce ideas off of each other because you will often have a lot of overlap on your projects and you want to make sure that you are not being played for chumps. PTMs will sometimes try to get one of you to say yes to something that the other already shot down so make sure that you know what is going on. Always have a brief before every meeting to make sure you are on the same page and be sure to include other MSU staff that are in those meetings.

Vice President Education

Also known as VP Travel and Tourism, the VP Education spends a lot of time out of the office. With the amount of time that the VP Ed is gone, you do not develop the same professional relationship that you do with the VP-Admin or even the President. But you should make an effort to stay engaged with what they are up too, no matter how boring it may be. In addition, you should try to stay as engaged as possible on PSE issues. Having a board that is well versed in all issues across all portfolios will only make you appear stronger. If there is something specific that you are passionate about in their portfolio (i.e. transit) take a leadership role on it.

Important Information

In my mind, the most valuable thing that can be passed on to you in the transition report is identifying ongoing issues that require the attention of the Vice-President Finance. These are issues that you may have addressed in your platform, or other issues that have flown under the radar and must be addressed. I have spoken anecdotally to you about most of these issues, but I would like to take the time to formally bring them to light, and hopefully keep them on your radar for this year. These include broad issues with MSU services that I wanted to bring to your attention, or specific projects that will need to be completed.

TwelvEighty

This was my favourite thing to monitor all year. 1280 will give you violent mood swings but it is a blast. The team there is so dedicated to success and are genuinely excited to make money that they will never see. Make sure you feed that fire. The renovations could really help turn 1280 back into the campus **bar**. Not the restaurant where lunch is packed everyday but the bar where people have drinks in the evening and hang out. This is the key to 1280 success. Food sales are unreal and are near capacity and club nights are making a comeback but if 1280 is to break even they need evening traffic. Do what you can and empower the staff to make it happen.

Union Market

Hooria is a star. Robyn was too. The store is finished and ready to grow. The walk in fridge will help. Continue to push to grow the store. It is our most reliable so feel free to take some risks.

Underground

Design. Design. Design. Push Sandro and Lesley to get more and more jobs. We have the best designers on campus and that is where the money is now. As printing of your typical assignments dies push the media side more and more. LFP, pull-up banners, advertising, etc. That is where the money is.

CFMU

CFMU is a fun radio station run by very hard working employees. It is a community hub that is very well respected. The only challenge is how to grow the station on campus. Push the staff to do that. It is not the radio station that can be left on all day in public spaces but rather you need to find a way to get the people who will listen to the shows to tune in. Good luck, it will be hard.

Child Care Centre

From Jeff but still relevant: *I believe that there are creative opportunities available to the MSU to partner with the University or other stakeholders to deliver Child Care to McMaster students in a more efficient way than we are doing it right now. Currently, all of the undergrads at McMaster subsidize who uses the Child Care Centre, and that just is not right. We need to think outside the box about how we can deliver this service in a sustainable way that meets the needs of McMaster students. We could also even consider having a discussion about whether Child Care is a service that the MSU should even offer. At the end of the day, having a child is a choice, and we should probably ask ourselves if students should subsidize individual choices made by their peers or members of the McMaster community.*

Compass

The renovations will help draw more people in. Compass is not supposed to make money. It is a zero cost. Keep it around that area. Help Debbie in any way you can. She comes up with a lot of secondary sources of revenue since GO went to presto. Learn them all from her and then work with her to grow the desk.

Services

Services are an extremely important part of the MSU, and as VP-Finance you will interact closely with them. I would like to bring a few things to your attention.

Consistency Across Services

Services tend to develop a culture where it becomes negative to the service. They are not able to grow because of ingrained thoughts passed on by previous managers. Do what you can to change these as they inhibit the potential of the services. Some key areas are surrounding large expenditures on volunteer recognition, free food, executive perks, clothing, or excessively large one off events. Check receipts and discipline where necessary.

Evolution of Services (Or Lack Of)

Make sure it actually happens. SHEC, CLAY, PSL, Shine, Farmstand, MacGreen, Breadbin, etc etc etc. Where will they go? Work with PTMs and ask some tough questions at EB. It is necessary to ensure we are staying with student need.

A Voice of Reason

Often I think the VP-Finance plays a balancing act on the board, as they can provide the financial and corporate perspective to some of the ideas floated by other board members. This is true as well when discussing how services are evolving, or the creation of new services. Remember that it is your role to ensure that student money is

being spent **properly** and **efficiently**. If there is a clear duplication, you need to represent the needs of students and provide leadership from a financial perspective. You can say no. Make sure you do. It will work out better. You don't always have to be the good guy but more importantly the voice of reason.

Outdoor Rink

Figure out liability and you will have a rink. Don't and no one will care after a week.

Corporate Issues

There are several corporate issues that impact the MSU's ability to function effectively as an organization. I thought I would take some time to walk you through them.

Corporate Structure

The General Manager position has not grown with the MSU. There needs to be a review of the structure to limit the amount of direct reports that John receives. If you continue on like it is now and John leaves our success could leave with him. Whether it is a business manager or assistant GM or restructuring of other roles, there needs to be something.

University Issues

University-MSU Business Overlap

A number of MSU Businesses overlap with University Businesses:

- Union Market with La Piazza
- TwelvEighty with Paradise Catering
- Underground with Media Printing Services

Chris Roberts is an angel. He legitimately wants to work with you to make campus food services better. He also loves competition. It is an awesome dynamic to have so keep it going. It pushes our services to better and theirs to be cheaper so regardless students are winning. Underground and MPS/Campus Store battle is nuts. Stand firm. Make a concession here and there and know that we are better than they are in every way. Dee will tell you that the prices are lies at Underground because we don't pay rent or utilities. That is true. But we also put up \$20M for the building so we'll call it even.

Risk Management

As we are all aware, the University is taking steps to tighten up risk management. Do not let this become risk adverse. It is so painful to work with the university in this regard because they are scared to do anything. Concerts, bedracers, ice rink, etc. Make sure you keep all that you can. There is inherent risks with any event that is run but as long as you do everything to mitigate them then you are doing just fine. Also make sure it doesn't fringe on the whole student

autonomy thing. You will have to fight for faculty societies too because they don't have the ear or respect of university admin.

Financial Autonomy

Coming out of the Redsuit investigation, the university announced more oversight of the Redsuits finances. This is a trend that is worrisome, and something that as VP-Finance, you need to ensure does not happen to the MSU. You need to keep tirelessly defending the role and autonomy of student unions, and be willing to fight loudly and publicly if it is encroached upon. Also it is better for you to crack the whip on the FS before the university does. They will often rather listen to your direction. They should all be using a bookkeeper after this year. Have fun with the roll out of the reporting policy.

MSU Staff

This section contains confidential information and is included in a separate, confidential report.

University Relationships

This section contains confidential information and is included in a separate, confidential report.

Tools are from Jeff. I highlighted anything of importance.

Error! Hyperlink reference not valid.

On average, you will put more into this job than the 35 hours you get paid for if you are doing your job well. Fortunately, you have a lot of tools to help get work done.

Microsoft Office

The MSU network has the latest version of the Microsoft Office suite. I'm impressed enough with the software that I think it deserves notice: for example, you can publish your reports as .pdf files, make fancy powerpoint presentations, draft budgets in excel, email word documents directly through Outlook, or create nifty transition reports with cover pages and tables of contents that link to the appropriate sections (as long as the network lets you follow the links). If you talk to Pauline Taggart you may qualify for one of 60 home use licenses that the MSU owns (or used to own... I never looked into this), and since you may end up doing a lot of MSU-related work from outside the office it might be something you want to look into. On a side note, sometimes the MSU dumps old IT equipment and you may be able to pick some stuff up for free.

As an aside, the computer-based work you do will go much faster if you can learn the hotkeys and ways to maximize your efficiency. I spent three summer work terms working on excel, so I quickly transitioned onto the platform. I am not sure of your computer literacy, but if you take the time to learn how to use the program, you will only be more efficient. The same goes for Great Plains. I had no experience on Great Plains, but taking time to learn its intricacies will only make you better at your job.

Emails

You have the vpfinance@msu.mcmaster.ca account now. It comes complete with years of emails from previous VPs. I personally am not very organized, so I did not spend much time organizing my email (except for big projects like the budget) but if organization is your thing, you will benefit from setting up a lot of folders. I know this has worked well for certain people, and you may as well try it out.

You can check the email pretty easily from the office or the committee room computers. To check it from any computer not part of the MSU network, type in msumail.mcmaster.ca into a browser and then log in. There are differences between browser access and network access. I'm not a huge fan of the browser interface, it is kind of confusing for attaching files and whatnot, and there are a few features that you can't access remotely, but I am sure you will use it occasionally.

P:\BOD_PRIV

This is your shared folder on the MSU network, which only the Board has access to. It's got a lot of useful files that can give you a sense of the history of the organization as well as providing templates for your reports and other documents. You can only access these files from a computer on the MSU network. You will see most of my files in the 2014-15 folder. You will find this helpful for digging up documentation for projects that are outstanding. I think I did a pretty good job of saving most of my stuff to the network. **Put a shortcut to your folder on the desktop!!!**

Website

You probably won't need to spend much time on the website, but you may want to update your profile page and all the finance-related pages. It doesn't take much to keep this up-to-date, so you should update it whenever new information becomes available. You can also lean on the Communications Officer and Wooder to come up with creative ideas of ways that you should update and communicate what you are up to in your role.

Expense Account

Some lines of the MSU budget are devoted to your use. **Use your expense account to thank staff and recognize excellence.** In general the Executive spreadsheet outlines what to spend money on, so I won't go into too much detail. If you decide to purchase something, you will need to fill out a purchase order (PO) form. These are pretty self-explanatory, but if you have questions just ask around (easiest is Maggie, Marn or Kevin) for the details. It doesn't really happen often; mostly you'll be signing them.

Error! Hyperlink reference not valid.

Outlook is our mail server. There is an additional program installed called Xobni to help you with filing your emails (mentioned this earlier. Feel free to ask around if you can't figure out how to use anything relating to email). This program automatically categorizes emails by sender and provides a reduced list of links and attachments that they have sent you. I used this in lieu of a topical folder system because most of my (and your) projects are with particular people rather than on particular subjects.

I recommend synching Outlook to your mobile device so you can check emails at home. You'll be in the office most of the time but it's helpful to be able to keep up to date on things when you're away.

Great Plains

Great Plains is our accounting software. While you don't need more than a cursory knowledge of how to operate this software the more you know about it the more you will be able to do with finances. You should know how to approve purchase orders and send them via email (I've left written instructions along with screenshots in your transition materials) as well as track down documents that are archived in the system. You should be able to locate a document by PO number, vendor ID number, department code/budget line, and date, because sometimes you'll have only one of these pieces of information available. Any questions about Great Plains can be directed to Maggie.

FRx

FRx is one element of our accounting software. It is quite useful for publishing reports and financial statements but is cumbersome and difficult to navigate. A software update should be coming out in the next year that might help with this. I recommend becoming familiar with how to design budget templates so that you can adjust the format as you'd like. If you're going to change anything talk to Maggie first, since any changes that you make to the formatting will likely affect the entire system. There are also some fields that you should not adjust because doing so will cause some pretty severe meltdowns in the software and you may lose data permanently. TL;dr: don't mess with FRx.

Error! Hyperlink reference not valid.

Your extension is 24109. Spend a while learning how to transfer calls, access your voicemail, and change your voicemail message. You also have a long-distance access code which will come in handy. Knowing how to use your phone will make you look competent, whereas not knowing how to use it will make you look like a fool. Try to avoid that. This information is all available on the McMaster website through UTS.

Error! Hyperlink reference not valid.

Your mailbox is on the top row in the cupboard by the front desk. Check it daily as it will often have time-sensitive information in it. You will receive cheques and POs in your office and on your computer but financial statements from our bank accounts and club applications will be put in your mailbox.

Full Time Staff

Easily your most important tool. If you do not support them and help them grow and generally get to know them as people you will accomplish nothing. If you do everything on your platform this year but don't know the names of the full timers then you have failed. In my eyes the only way you could fail in this role is through disregarding them. It will take time but simply popping in to say hello will go along way.

Conclusion

Teddy left me this quote on day 1 last year:

“If you judge a fish by its ability to climb a tree, it will live its whole life believing that it is stupid.”

You will do things the same. You will do things differently. At the end of the day you will do it right. Enjoy the time you have here as you will never have anything like it again. Find your rocks and hold on tight.

I am only a short walk away if you ever need anything.

All my very best,

Scott