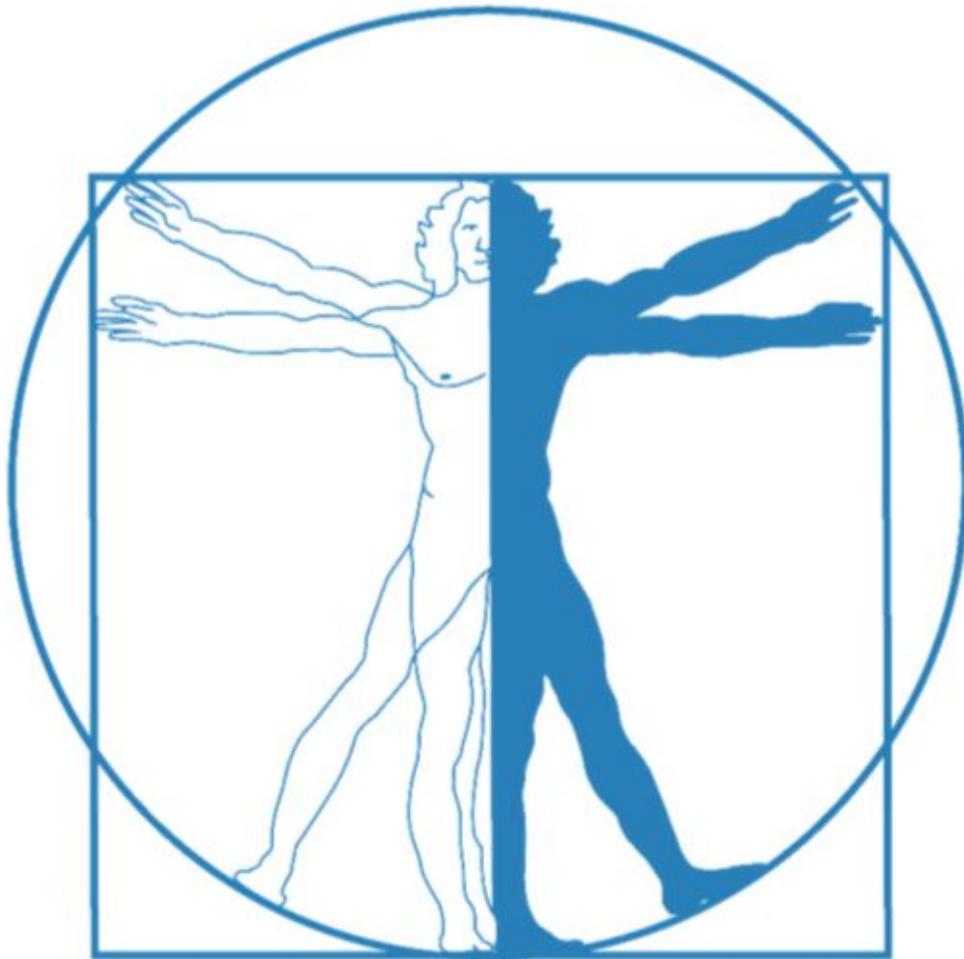


# UCMSA Universalis

## Audit Report

Spring 2018



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## Purpose of this document

This Audit Report reflects and reports on the spring semester 2018. It encompasses an overview of financial transactions which were not documented or budgeted correctly, a general review on policies of UCMSA Universalis, and recommendations to the association.

In this document the following points will be discussed: first, we start with the Financial Audit, in which we discuss irregularities and policy violations in the finances of the semester. Subcategories are expenses without documentation, no budget or otherwise unaccounted for, transactions in violation of the policy manual and budget overruns which led to the usage of the emergency budget. After that, the Non-financial Audit will include a few recommendations and small irregularities that we encountered. Following, are the recommendations for the website and policy manual. Finally, we present the concluding words.

# Financial Audit

## **Expenses without documentation, no budget or otherwise unaccounted for:**

*\* Indicates items which the IB is particularly concerned about*

On 02.02.2018; €10.02 was reimbursed for a Game Server, this was budgeted but not documented.

On 02.02.2018; €92.36 was reimbursed for champagne for the capstone hand in; this item was not budgeted for in the spring budget, and not documented.

\*On 08.02.2018; €15.00 was sent to NLO5 RABO 0129 2019 28, we have no further information about this transaction.

On 09.02.2018; €150.95 was spent on UCM merchandise, this was not documented, yet it is presumed that the costs were covered by the recipients however any documentation regarding this transaction is missing.

On 09.02.2018; €638.64 was sent to the Fruitful Office, this is the contractor which provides the fruit baskets, this was not a budgeted item.

\*On 09.03.2018; €35.00 was spent at Complex, this was during the Break the Ice party, yet there is no documentation indicating that this was not a personal expenditure, furthermore it was not a budgeted item.

On 09.03.2018; €619.17 was sent to Thomann GmbH for music equipment, this was a budgeted item, however the documentation for it is missing.

\*On 15.03.2018; €40.97 was spent on a fish for the board room, this was not documented. It has been indicated by board members that this was supposed to be spent out of the bonding money, refer to the audit on policy manual adherence.

On 17.18.03.2018; a total of €191.00 was spent in and around Ghent during the EXCO trip there. Other expenses of this trip were documented however these expenses were not.

On 04.04.2018; €229.91 was sent to the Fruitful Office, this is the contractor which provides the fruit baskets, this was not a budgeted item.

\*On 04.04.2018; €150 was spent on the DJ for the "Break the Ice Party" this was not a directly budgeted item, and was not documented.

\*On 09.04.2018; €22.54 was spent at Jan Linders for an unknown purpose, this was not documented.

On 16.04.2018; €458.77 was spent on UCM merchandise, this was not documented, yet it is presumed that the costs were covered by the recipients however all documentation regarding this transaction is lacking.

On 12.05.2018; €43.00 was spent on travel reimbursements for UCSRN, this was not documented.

\*On 18.06.2018; €20.87 was spent on amazon.de; this was not a budgeted item, nor was it documented, upon further investigation the IB could find no further evidence of the transaction in any UCMSA system, nor did anyone the IB spoke to have knowledge of what the money was spent on.

\*On 26.06.2018; €13.52 was spent at Jumbo, this was not documented or directly budgeted, it is believed that this money was spent on the Cocktail evening.

\*On 02.07.2018; €19.75 was spent at Jumbo, this was not documented or directly budgeted, it is believed that this money was spent on the Gin and Tonic event.

On 11.07.2018; €70.00 was spent on new board photographs, this was not a budgeted item for the semester in question as the photographs pertained to the Fall 2018 semester.

On 11.07.2018; a total of €114.06 was spent on travel reimbursements for UCSRN, this was not documented.

On 24.07.2018; €124.20 was donated towards the charity which Theater Committee had selected as the beneficiary of their spring play, while this is not problematic in itself, the transaction was not properly documented, nor do we have evidence of the ticket sales from the play.

**Sum of transaction with problems      €3,059.73**

**Sum of transaction marked with \*      €317.65**

### **Transactions possibly in violation of the policy manual:**

- On multiple occasions, the board ordered itself food for its meetings and labeled this as “bonding”. According to Art. 4.5 of the Financial Guidelines adopted by UCMSA Universalis, no food for meetings should be reimbursed unless the board decides otherwise. Thus, this is not a direct violation of the policy manual itself, but another procedure should be implemented - in this way, the board is free to override this

guideline at any given time for itself. The bonding money is not a personal slush fund for the board. We would especially like to point out the following payments:

- €52.50 for Pizza on 20.02.2018
- €63.50 for SooThai on 28.02.2018
- €101.00 for Sushi on 15.05.2018
- For 40.97€, a fish was bought on 15.03.2018 as a pet for the board room. This is not an expense in any consideration of social, economic, or environmental considerations as stipulated by the financial procedures of the policy manual in article 4.1.3.

## **Budget Overruns and Use of the Emergency Budget:**

### *Party Committee – The Summer Gala*

In the budget plan, total expenditure for the Summer Gala was expected to be €2380, subtracted from this was an anticipated €1800 in ticket sales (180 tickets at €10) leaving a Universalis contribution of €580. Total expenditure for the event was €3176.90, the financial report maintains that Universalis spent €2126.90, implying that €1050 were sold in tickets (or 105 tickets). In total the budget overrun was €1546.90. The IB has no outside documentation of how many tickets were sold to the event. There were multiple factors which contributed to this overrun.

First, the budget had planned €450 for a DJ, a contract for the DJ was signed by the Board which resulted in costs of €742.99.

Second, €2312.48 was spent on the venue itself, including all items which were contracted from outside UCM. This was significantly more than anticipated, contributing factors included;

- 1- The over anticipation of ticket sales, tickets undersold expectation by 75, not only did this result in €750 loss for the association. The location of the event in Belgium, and the lack of advertising heavily contributed to these losses.
- 2- Universalis was also billed by the location for their underperformance in drink sales, the exact amount of this fine is unclear.
- 3- €450 was spent on the venue itself; €130 on flowers from a contractor; €175 for the food truck; €497.75 for security; €823.95 for other venue expenses; these do not add up to the sum total of what was spent at the venue.

Third, it would appear that there were communication errors between the Social Board and Party Committee in the organization of the event, this resulted in the event being planned in a manner which should have been known would be counterproductive to success. Furthermore, contracts were signed in which the obligations of Universalis were not entirely clear, these were then enforced against us.

In addition to these financial losses sustained by Universalis, the Association also suffered the loss and damage of some A/V equipment.

### *Graduation Party Damage*

€210.54 was spent from the emergency budget for damage done at the February Graduation party. While these are costs for which Universalis is liable, it should be mentioned that the organization of this party was done outside of any committee, and that the incursion of these costs highlights the need to Universalis to get liability insurance.

### *Other Overruns & Unbudgeted expenditures*

These are by no means the only items which went over budget, or for which outlays were made which were un-budgeted; however, they are the most egregious, and the remainder of the expenditures are justifiable within reason. It would serve no purpose to expound on them here. Policy changes must be made to ensure that such mistakes do not occur in the future, and that all expenditures are in fact for budgeted items, approved by the GA.

## Non-Financial Audit:

We noticed that often, when someone did groceries for committee activities, plastic bags were bought. Article 4.1.3 of the Policy Manual states "...[t]hese interests shall take social, economic and environmental considerations into account". In the Boardroom, you can always find reusable bags, please make use of them.

A lot of recyclable bottles are bought, and the so called 'statiegeld' forms a part of Universalis' expenses. It is currently not clear, whether this amount is returning to Universalis when the bottles are returned, therefore we recommend the Social Board to pay attention to the return of all bottles bought for Universalis' activities, and not only of the regular beverage orders.

On several occasions, bottled water was purchased for events by committees. In terms of environmental considerations, these purchases should be prevented. Maastricht's tap water is of high quality and can be used instead.

We see a need to restructure the statutes and the policy manual in a transparent and understandable manner; at the moment several inconsistencies and internal contradictions prevail. The IB will assist the various initiatives within Universalis to bring statute changes about.

# Recommendations

## Website & Digital Matters

It is very good to see that all board positions are updated and tagged with current names on the website and Wikipedia. Also, old information on student representation on other parts of the website has been updated. Committee boards may feel encouraged to update their respective pages, especially in order to increase transparency on how to join committees or who the respective contact persons are.

Something that could still be improved is e.g.

- A forwarding of the URL [ucmstudents.nl](http://ucmstudents.nl) to [ucmsauniversalis.com](http://ucmsauniversalis.com)
- A forwarding of the URL [ucmuniversalis.com](http://ucmuniversalis.com) to [ucmsauniversalis.com](http://ucmsauniversalis.com)
- Updating the website link to “ucmsauniversalis.com” on UCMSA Universalis’ Wikipedia page & LinkedIn company account
- Updating the Gallery Section or renaming it to “Gallery Archive”
- Setting the homepage /landing page to the actual home instead of the calendar
- The structure, that the Social Board is a subcategory of the category “UCMSA” whilst the AC and the IB are not could be confusing, especially for freshmen and prospective students.
- Keeping track of WordPress-Websites of Committees (such as from Journalism or The Bell) and updating them regularly

## Statutes and Policy Manual

The IB would strongly recommend that the GA consider a multitude of issues with the Statutes and Policy Manual of the association. They present contradictions and confusing organization which make it difficult to know how the Association is supposed to be run, and prevent the practice of good governance. In addition, the financial and electoral regulations do not reflect best democratic practices which the community aspires to. Such changes must be made in reflection of the mission statement of Universalis

The purpose of the association is to organize study focused and recreational activities by and for students of University College Maastricht, and the provision of targeted services by and for students of University College Maastricht, as well as the representation of student interests towards the management of University College Maastricht.

## Concluding words

In general, both the book-keeping and the diversity of activities offered by Universalis is improving more and more. We are very happy to see a flourishing association with a lot of involved members and very low friction and few conflicts. The work all of you put in, especially the Social Board and the Academic Council, is amazing. Also, it is noticeable that the level of legal compliance and transparency within the association increase more and more, which is a trend we very welcome. We would like to thank all the members of Universalis for all their hard work, and look forward to enjoying this next semester with all of you.

All in all, the IB **recommends** approving the Social Board's financial report from Spring 2018.

Yours sincerely,

The Independent Body of Fall 2018.