Dear GSA Council Colleagues,

13 October 2017

The attached double column proposals before you for consideration relate to recommended changes to GSA Bylaw and Policy on the Legal Defence Fund (LDF) and Budget Principles, Practices, and Procedures (with corresponding recommended revisions to the terms of reference of the GSA Budget and Finance Committee (GSA BFC)). These proposals were developed on the recommendation of the GSA’s Financial Team and have been previously reviewed and discussed by the GSA BFC and the GSA Board (GSAB), as noted in the attached Outline of Issue associated with this item.

- The recommended changes contained within this proposal are a part of the GSA’s ongoing effort to review all sections of GSA Bylaw and Policy to ensure they are up-to-date and align with established GSA practice. The recommended changes, not including various editorial updates, can be summarized as follows:

  - Amending references to the generation and review of “quarterly reports on revenues and expenses” to “regular reports on revenues and expenses,” with “regular” defined as at least three times per year. While the GSA will continue its adherence to standard accounting practices in terms of the GSA BFC, the GSAB, and GSA Council regularly reviewing its financial position, quarterly financial reports currently don’t span exact quarters, per se. In practice, reports on expenses and revenue have gone forward to GSA Council in July (along with the audit), November, and February (along with the budget). These proposed changes will thus align GSA Bylaw and Policy with current practice.

  - Amending the section addressing the size of the Financial Stabilization Fund, removing references to the reallocation of these funds, and adding references to the other restricted funds of the GSA. These proposed changes reflect current practice, which itself adheres to best practices with respect to financial management, wherein, instead of establishing a specific amount for the Financial Stabilization Fund, the GSA’s Auditor makes an annual recommendation on the amount that should be included in this fund. They also more accurately reflect the purpose of the Financial Stabilization Fund and the circumstances under which it can be accessed.

  - Updating bylaw and policy on the LDF to align with the structure of that on the GSA Health and Dental Plan Reserve Fund.

  - Clarifying the circumstances in which the LDF may be utilized, as well as the means by which it may be accessed.

I look forward to presenting these changes to you at the October meeting of GSA Council and welcome any questions you may have. My thanks as well to the members of the GSA Financial Team and the GSA BFC for their attention to these proposed changes.

Sincerely,

Babak Soltannia
GSA President and Chair of the GSA Budget and Finance Committee and the GSA Board