

MINUTES

MEETING: BOARD OF DIRECTORS

HELD ON: 20 May 2020

TIME: 8:37am to 9:21am

LOCATION: Online via Zoom

USU BOARD

Connor Wherrett, President (via audio-visual link)

Lachlan Finch, Vice President (via audio-visual link)

Maya Eswaran, Honorary Treasurer (via audio-visual link)

Decheng Sun, Honorary Secretary (via audio-visual link)

Caitlin Brown, Director (via audio-visual link)

Nick Forbutt, Director (via audio-visual link)

Ruolin Ma, Director (via audio-visual link)

Yinfeng Shen, Director (via audio-visual link)

Di Wang, Director (via audio-visual link from 8:47am)

Jane Drummond, Senate Appointed Director (via audio-visual link)

Marie Leech, Senate Appointed Director (via audio-visual link)

Liliana Tai, Immediate Past President (via audio link to 8:57am)

USU STAFF

Jess Reed, Acting Chief Executive Officer (via audio-visual link)

Rebecca Sahni, Director of Finance (via audio-visual link)

Tania Moroko, Director of Sales, Marketing and Membership (via audio-visual link)

Dane Luo, Board Secretary (via audio-visual link)

OBSERVERS

Clayton Eveleigh (via audio-visual link)

Mirae Mayenburg (via audio-visual link)

Elinor Stephenson (via audio-visual link)

MINUTES

Pursuant to article 11.2(c) of the *Constitution*, the President received a request for a Special Meeting signed by Lachlan Finch, Maya Eswaran, Decheng Sun, Ruolin Ma and Yinfeng Shen.

1. Opening
<p>The meeting opened at 8:37am.</p> <p>The President delivered the Acknowledgement of Country.</p>
1.1 Apologies and Leaves of Absence <p>Due to the global COVID-19 pandemic, the meeting was conducted online via audio-visual link. Liliana Tai requested an apology for early departure and Decheng Sun requested an apology for a partial absence.</p> <p>It is noted that Di Wang arrived late.</p> <p>Resolved B076/20 That the BOARD OF DIRECTORS agree to conduct this meeting via audio-visual link and accept the apologies of Liliana Tai and Decheng Sun. Mover: Nick Forbutt Secunder: Maya Eswaran 10 For / 0 Against / 0 Abstain</p>
1.2 Disclosure of Conflicts of Interest <p>No conflicts of interest were disclosed.</p>
2. Meeting Administration
2.1 Minutes of the Previous Meeting <p>The draft Minutes of the BOARD OF DIRECTORS held on 5 May 2020 was circulated.</p> <p>Resolved B077/20 That the Minutes of the BOARD OF DIRECTORS held on 5 May 2020 be approved as a true and correct record. Mover: Lachlan Finch Secunder: Nick Forbutt 10 For / 0 Against / 0 Abstain</p>
2.2 Business Arising from the Minutes Not Addressed Elsewhere <p>No business arising from the Minutes not addressed elsewhere.</p>
2.3 Open Question Time <p>No questions submitted.</p>

2.4 Motions on Notice

No Motions on Notice.

3. Matters for Decision

3.1 Report of the Auditor on Finances of the USU

The letter to the Chief Executive Officer, draft Financial Report, draft Financial Audit Completion Report and Summary of Control Recommendations were circulated and taken as read.

Clayton Eveleigh and **Mirae Mayenburg** from BDO East Coast Partnership – the Auditors of the USU – reported:

- There were no issues with revenue recognition after conducting an analytical review of the documents and considering the SSAF Agreement;
- There were no issues with management override of controls and the organisation was operating effectively;
- With respect to AASB 16 Leases, peppercorn leases are exempt for not-for-profit organisations and there is no material impact from the AASB 16 change for the USU;
- There is a material uncertainty that the USU can act as going concern. There is a high risk for similar businesses during COVID-19 to shutdown and recommendations have been made; and
- Misstatements were corrected and recommendations were made about deficiencies in internal control.

Di Wang entered the meeting at 8:47am.

Maya Eswaran added that staff should be congratulated for their work in 2019. Despite lower sales and SSAF revenue, the USU has benefited from good cost control and returns.

Jessica Reed noted that, in relation to going concern, the USU will be developing a plan to move with the University's draft timeline. As our physical operations are dependent on the University, we should have greater certainty and better understanding soon. Regular reports will be provided.

Liliana Tai left the meeting at 8:57am.

Connor Wherrett recommended that the next BOARD OF DIRECTORS consider changes to the Finance Committee. Pursuant to s 5.3 of the *Regulations*, there can be up to four external appointments and one University appointee. As we move into the recovery phase of COVID-19, these positions should be filled and the Committee should meet regularly.

The BOARD OF DIRECTORS requested for management comments on the recommendations, which will be circulated by the Board Secretary. It was noted that there was a large capital expenditure overspend. As the Financial Report needs to be approved by the BOARD OF DIRECTORS before presentation to the Annual General Meeting, a circular resolution will be submitted.

The BOARD OF DIRECTORS noted the draft documents and thanked Clayton Eveleigh and Mirae Mayenburg for attending the meeting.

3.2 Variation of Account Signatories

Rebecca Sahni clarified that we have a bank account with NAB for operations, Commonwealth Bank for clubs and societies, and management of term deposits at ANZ and BoQ through JP Morgan. BoQ and ANZ do not charge fees to the USU.

Resolved

B078/20

That the BOARD OF DIRECTORS, pursuant to article 14.4 of the Constitution, approves to add Jess Reed and remove Alexis Roitman as “Account Signatories” for (1) bank accounts - NAB, CBA, ANZ and BoQ; (2) ATO; and (3) JP Morgan.

Mover: Nick Forbutt

Seconder: Decheng Sun

11 For / 0 Against / 0 Abstain

3.3 Other Matters for Decision

Connor Wherrett presented a condolence motion for Sam Langford. It was incredibly tragic to hear the news. Sam Langford made an extraordinary contribution.

The text of the motion provides:

The USU is so deeply saddened by the loss over the weekend of Sam Langford. Sam made an outstanding contribution to University life.

Sam studied Arts, and in their time here they proved themselves to be a fierce debater, writer, and member of our community. They represented the USU at the Australian Debating Championship from 2014-16. They also edited the final edition of BULL, the USU’s former print magazine, in 2015.

At the University of Sydney - Sam’s passion for journalism grew. They edited Honi Soit, before later working at Junkee and SBS.

The USU extends our deepest sympathy to Sam’s family, friends, and all members of the University community who were touched by their warmth.

Resolved

B079/20

That:

1. On our USU Facebook page, we post a tribute to Sam Langford; and
2. As soon as possible, the BOARD OF DIRECTORS will confer a posthumous USU Fellowship onto Sam Langford.

Mover: Connor Wherrett

Seconder: Maya Eswaran

11 For / 0 Against / 0 Abstain

4. Matters for Discussion

4.1 Other Matters for Discussion

There are no other matters for discussion.

5. Matters for Noting

5.1 Minutes of the Work Health and Safety Committee

No minutes were presented for noting.

5.2 Minutes of the Debates Committee

The Minutes of the Debates Committee held on 12 May 2020 were noted.

5.3 Other Matters for Noting

A statement regarding the composition of the BOARD OF DIRECTORS was circulated and taken as read (see appendix).

It was noted that the USU membership team discovered that Zizheng Bai was not a member of the USU from 1 January 2020 and, pursuant to article 7.5(a) of the *Constitution*, ceased to be a Director. The *Constitution* is worded so that this is an automatic outcome and there is no vote or confirmation.

Yinfeng Shen said that this situation can be handled much better. The wellbeing of Zizheng should have been considered and we should be more compassionate. This does damage to the USU's reputation and image.

Lachlan Finch, Decheng Sun and **Connor Wherrett** clarified that this was not a decision of the Executive. It was a strictly legal issue and involved applying the wording of the *Constitution*. We have a duty to uphold the *Constitution* so that the USU community has faith in the organisation that we will always uphold the rules. We are always committed to the wellbeing of staff members. The office of Director should be respected and is a privilege that is bestowed upon us by students. It would be disrespectful if the basic processes of membership were not followed.

The statement was noted.

The BOARD OF DIRECTORS thanked and congratulated Jessica Reed. There is great faith in the Heads of Department and management to manage the USU.

6. Close of Meeting

6.1 Matters for Disclosure

No matters for disclosure.

6.2 Next Meeting

The next meeting of the BOARD OF DIRECTORS is scheduled for Friday 29 May 2020 from 1:00pm to 3:00pm online via Zoom.

The meeting closed at 9:21am.

APPENDIX

SYDNEY, Tuesday 19 May 2020: The Board of Directors of the University of Sydney Union (USU) wishes to provide an update on its composition, and on the USU Annual Elections taking place this week.

On 15 May 2020, it came to the USU President's attention via the USU membership team – that Zizheng Bai is not a member of the USU.

The USU President put this to Zizheng Bai, offering him an opportunity to prove some basis of eligibility to USU membership.

Zizheng Bai provided a response. The USU received and considered external legal advice. We are fully confident that Zizheng Bai is not a member of the USU.

Article 7.5(a) of the USU *Constitution* provides that:

- (a) A Director shall cease to hold that office if:
 - (i) that Director ceases to be a member of the USU;

Therefore, in accordance with art 7.5(a)(i) of the *Constitution*, Zhizeng Bai ceased to be a Director of the USU as of 1 January 2020.

We would like to take an opportunity to thank Zizheng for his contribution to the USU. During his time on the USU, Zizheng served as the *Disability Portfolio Holder*, launching 'Beyond the View' - a Verge Art Exhibition in Manning House in 2019. In addition as a postgraduate student, Zizheng represented these students on the Board. We thank him greatly for his service.

In accordance with art 10.2(d)(ii) of the *Constitution*, the vacancy shall be filled in the following manner:

- (ii) if the tenure attaching the vacancy is of six months or more, it shall be filled from the candidates for election at either the previous Annual Election or the subsequent Annual Election, whichever is the most proximate to the date at which the vacancy arises, by the next highest polling candidate at the relevant Annual Election who is willing and able to fill the vacancy

Therefore, the highest polling unelected candidate in the 2020 Annual Elections will fill Zizheng Bai's vacancy if they are 'willing and able' to fill the vacancy. The term will begin from the Declaration of Final Results and end on 30 June 2021.

It is noteworthy that the quota for counting votes by proportional representation using the single transferable vote will not change as a result of this vacancy.