

Vice-President Finance and Administration

Martin Pochurko

Department of Finance

Simon Fraser University

To Vice-President Martin Pochurko and the Department of Finance,

The Simon Fraser Student Society appreciates that the Department of Finance is providing us with the opportunity to provide input with regard to the changes in tuition and student fees proposed to take effect in 2020-21. While we have taken advantage of opportunities to give comments during the budget consultation process, many of the concerns we raised throughout that process remain unresolved. We hope that the Board of Governors can take our input into consideration when voting on the budget.

We would first like to comment on the process of providing feedback about the draft of the 2020-21 budget. We believe that the limited time provided to respond to the draft budget is not sufficient, and we would love to see the draft budget earlier. We recognize that the existing policy on Consultation with Students on Tuition Fees (B10.15) states that Societies' responses provided to the VPFA by the end of the first week of February shall be provided to the Board of Governors for their consideration, prior to making any decision related to fee changes. However, although we usually give our comments and expectations regarding fee increases throughout the consultation process and officially through meetings with the SFU administration, without the annual budget draft being officially presented to the SFSS it is difficult to give an informed analysis and response to those increases. Therefore, we believe that an appropriate timeline for the Societies to be sent the draft budget is at least two weeks in advance of a deadline to submit. We think that this is reasonable and an amendment to the consultation policy can be considered. We would also like to suggest that SFU better communicate to students, staff and faculty the details of how the budget is developed, amended, and approved each year, which could involve earlier access to the draft at the Board of Governors.

Our main concern regarding the detailed draft 2020-21 budget is the imposition of a 2% increase in domestic tuition and fees, as well as the 4% increase in tuition and fees for international students. We are concerned about the long term trends that these increases represent in terms of the burden on international and domestic students alike.

Students have become increasingly concerned about their financial ability to complete their studies, and they increasingly face crushing debt burdens. More students find money woes and part-time work obligations to be a major source of stress and distraction from their studies.

The BC government has announced needs-based grants which may help alleviate some of this burden, but we do wish to see action from the university's end on this matter. In particular, we would like to see work around a mechanism that will turn around the trend of these tuition and fee increases. Our concern about the impact that financial issues are having on students is why we are pleased to be engaging in a conversation with the SFU administration around a long-term strategic plan for student affordability which will focus on many cost drivers besides tuition and fees. However, in the short run, we also believe spending flexibility in some of the departments of the university could be taken into account.

For these tuition and fee increases, we usually hear from the administration that a portion of the domestic and international student fee hikes are allocated back into various student services, awards and scholarships. However, an analysis of past budgets shows there is a very large increase in other areas of spending that might very well be justified, but has created substantial pressure on student affordability through associated tuition increases.

Using data provided by the SFU Graduate Student Society based on historical SFU Budget and Financial Plan documents, we looked at budget trends. In Figure 1 below, the trend over the years 2011-12 to 2020-21 has international undergraduate student costs increasing substantially over the years, while student services and scholarships, bursaries, and awards are not following that same trend (all graphs are given in terms of funding per AFTE student). However, domestic undergraduate costs are increasing over the same period at roughly the same rate as those student supports. We conclude the international undergraduate students are contributing much more than the domestic students each year but do not see commensurate increases in their support, and think there are some questions to be asked around this.

Student Services & Scholarship Funding Compared with Student Costs, 2011-21

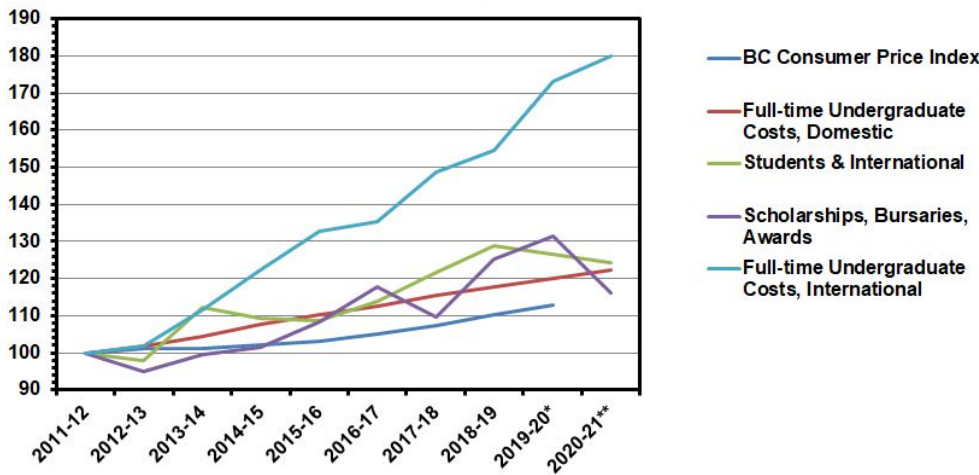


Figure 1

Below in Figure 2, we see a different trend regarding increases in tuition and fees and the spending going toward the Academic (excluding the student supports in Figure 1), External and Research & International portfolios. The funding allocated toward the Research & International portfolio has increased quite rapidly, while the funding devoted to both the Academic and External portfolios has also increased substantially more than domestic undergraduate costs while being hiked somewhat less than international fees. This shows that the revenue from international students enables SFU to be in a financial position to provide increased funds to many of its departments. The SFSS believes that carefully reconsidering the shifts in funding to these portfolios exemplified by this historical trend may provide the space to take the strain off of students, and will benefit the mission of SFU by providing affordable education for students, domestic and international alike. At the very least, this is a conversation we think should be continued throughout the university.

**Academic, External and Research & International Funding
Compared with Student Costs, 2011-21**

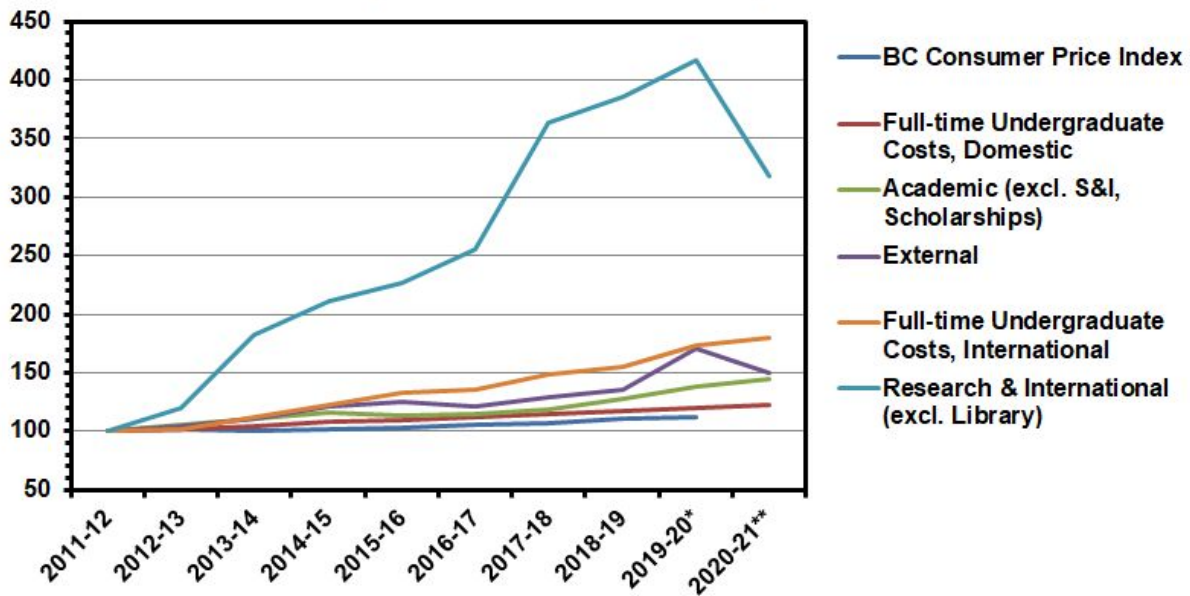


Figure 2

Annual Changes in Academic and External Funding Compared with Student Costs, 2012-20

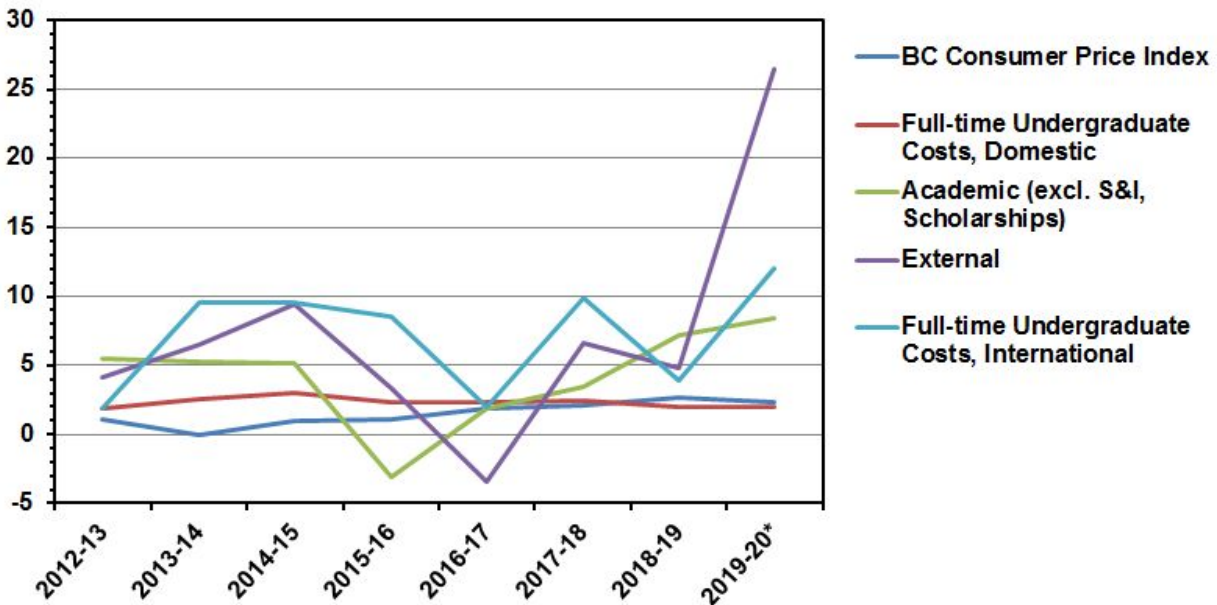


Figure 3

Figure 3 above shows percentage hikes in fees and department funding, and year over year we see again that international undergraduate students pay much higher increases to fund large hikes in the Academic and External (and also Research & International, not shown) budgets.

We have now constantly called for a tuition freeze due to the massive impact that these continuous increases have had on the student body, and we continue to call on the university to take this input and to work with the student societies in together lobbying the government for additional funding from the provincial and federal governments.

However, regardless of government action (or inaction), the SFSS is optimistic that the student societies and SFU administration can work together on affordability issues, and over the course of the next few years, make a real difference in lowering financial barriers to education for students. This will involve far more subjects than tuition and fees alone, but we believe those should not be left out of the conversation. Our examination of the historical record brings up some questions about priorities that we hope are not neglected.



Giovanni HoSang

President
Board of Directors

president@sfss.ca
Tel 604-862-3795

Maggie Benston Centre 2220
Simon Fraser University
8888 University Drive
Burnaby, BC V5A 1S6
Unceded Coast Salish Territories
sfss.ca

Recommendations:

- 1) A commitment to keep student fees at current levels for the next two years, or at least eliminate the difference in fee hikes between domestic and international students
- 2) A commitment to submit a draft budget at the Board of Governors meeting prior to the meeting that the vote takes place
- 3) Change the consultation policy for the draft budget to be sent to the student societies prior to their budget feedback submission deadline, allowing for at least two weeks in advance of the student societies submission deadline

Thank you for giving us the opportunity to submit our feedback to this process once again and we hope that the Department of Finance and Board of Governors can take our input into consideration.

Sincerely,

Giovanni HoSang

President, Simon Fraser Student Society