

simon fraser
student society

2017-2018

VP Finance Report

09/24/18

["We acknowledge that this meeting will be presented on the unceded territories of the Coast Salish peoples; which, to the current knowledge of the Society, include the Squamish, Musqueam, Stó:lō, and Tsleil-Waututh people."]

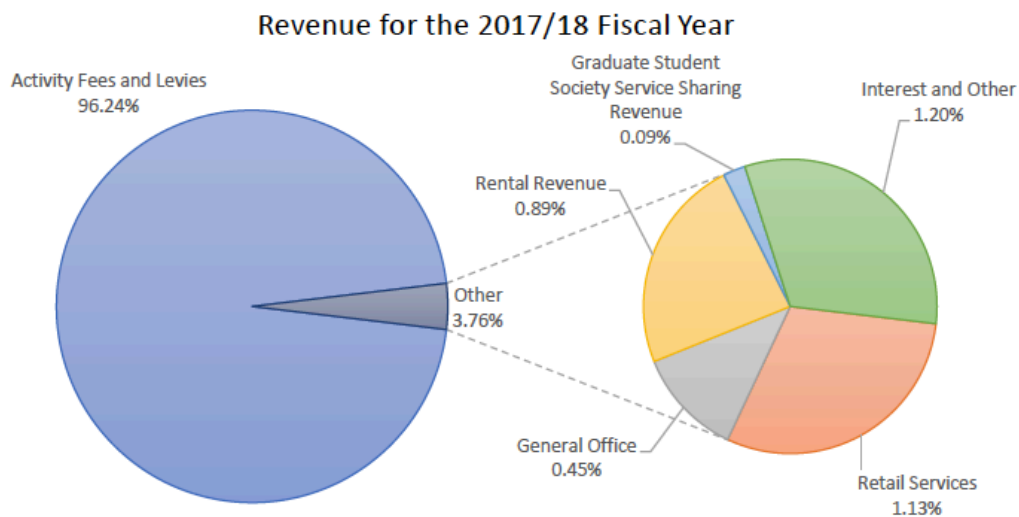
Introduction

The Simon Fraser Student Society (SFSS) is a not-for-profit organization that represents and advocates on behalf of the undergraduate students at Simon Fraser University (SFU). The SFSS is governed by a student-elected Board of Directors who oversee the long-term and strategic planning of the SFSS. Alongside the Board, the SFSS has professional staff that manage day to day operations and support initiatives set forth by the Board.

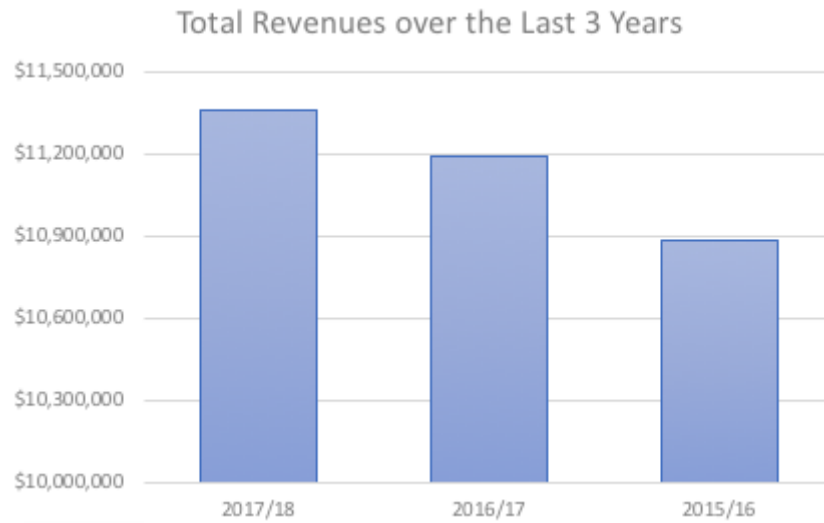
In accordance with the SFSS By-Laws, the purpose of this document is to provide a report regarding the financial affairs of the SFSS from May 1st, 2017 to April 30th, 2018. This report shall include an overview of revenue and expenses, as well as some key highlights.

Overview of Revenue

This section will provide a brief overview of the varying sources of revenue collected by the SFSS. The SFSS primarily collects revenues in the form of activity fees and levies approved by SFSS membership through referendum. On top of the \$10,931,768 collected through activity fees, \$427,081 is collectively generated from retail services, the Student Centre, rental revenue, the Graduate Student Society service sharing revenue, and interest and other revenues. The following graph illustrates the breakdown of revenues collected.



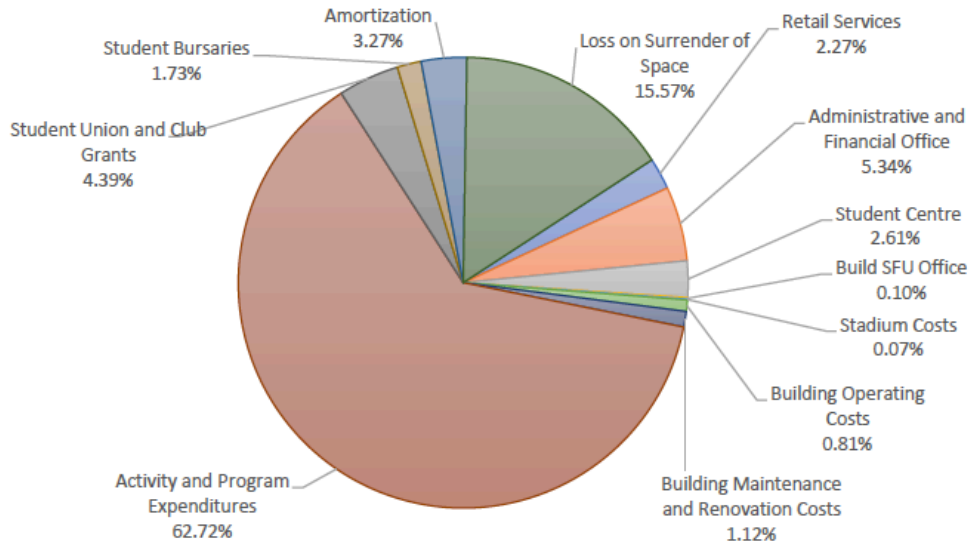
Compared to the 2016/17 fiscal year, revenue generated from other sources from activity fees and levies has fallen by 60.49% due to the closure of the SFSS’s food and beverage services. Additionally, the revenue received from activity fees and levies has increased as a result of the Build SFU levy, as explained by Note 2 and Note 18 in the financial statements. The following graph presents the revenues collected over the last three years.



Overview of Expenses

This section will provide a brief overview of the varying sources of expenses incurred by the SFSS. The SFSS incurs expenses through various services provided to the membership, which are expensed through departments and budgets. These departments and budgets include retail services, the administration and financial office, the Student Centre, the Build SFU office, stadium costs, building operating costs, building maintenance and renovation costs, activity and program expenditures, discretionary grants for student unions and clubs, student bursaries, and the amortization of capital assets. Additionally, unique to this fiscal year, the surrender of the food and beverage court space resulted in a net loss noted as loss on surrender of lease. The following graphs illustrate the breakdown of expenses incurred.

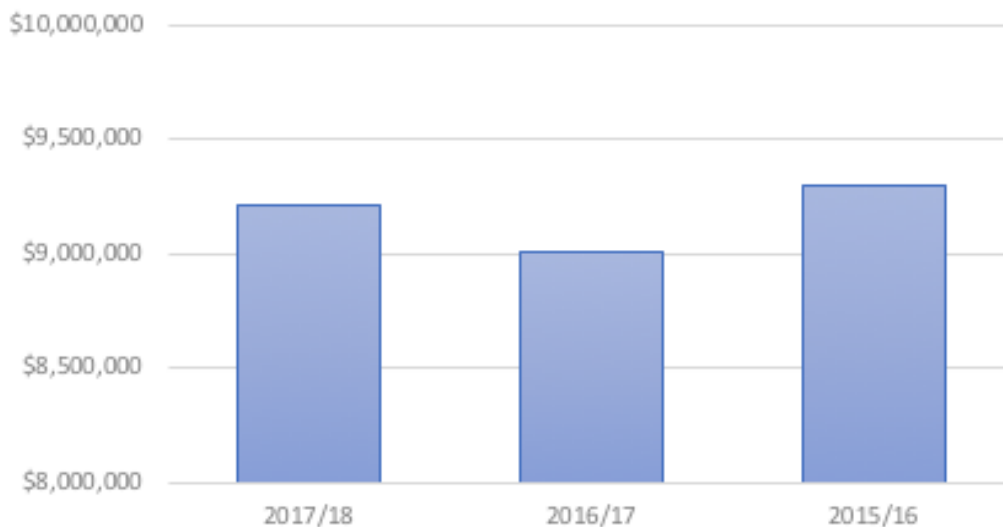
Expenses for 2017/18 Fiscal Year



In comparison with the 2016/17 fiscal year, total expenses incurred have increased by 2.21%. However, upon removal of costs incurred by food and beverage services and the loss on surrender of lease, expenses incurred from regular operations has decreased by 2.31% from the previous fiscal year. Significant changes in expense drivers include the administrative and financial office increasing by 18.47%, the general office increasing by 24.69%, and student bursaries increasing by 49.89%.

While the loss on lease surrender of \$1,433,618 may seem alarming, as per Note 20, the net proceeds and loss related to the surrender of long-term assets from the food and beverage service does not factor in the entitlement of 35% of the respective tenants' annual minimum rents for 10 years. Thus, the actual experienced gain or loss will vastly differ, since the revenues from this entitlement will not bear fruit until following fiscal years.

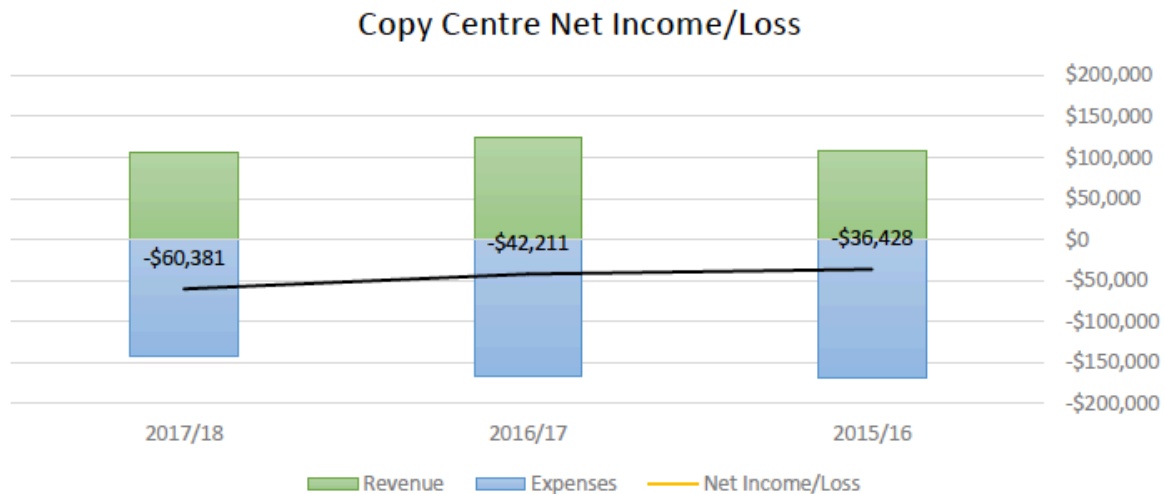
Total Expenses over the Last 3 Years



Key Highlights

Copy Centre

The SFSS operates a Copy Centre that provides a variety of printing services, including, but not limited to, binding, photocopying, banner creation, and printing, at competitive prices. The following is a comparison of the revenue collected and expenses incurred for the Copy Centre across the last 3 years.

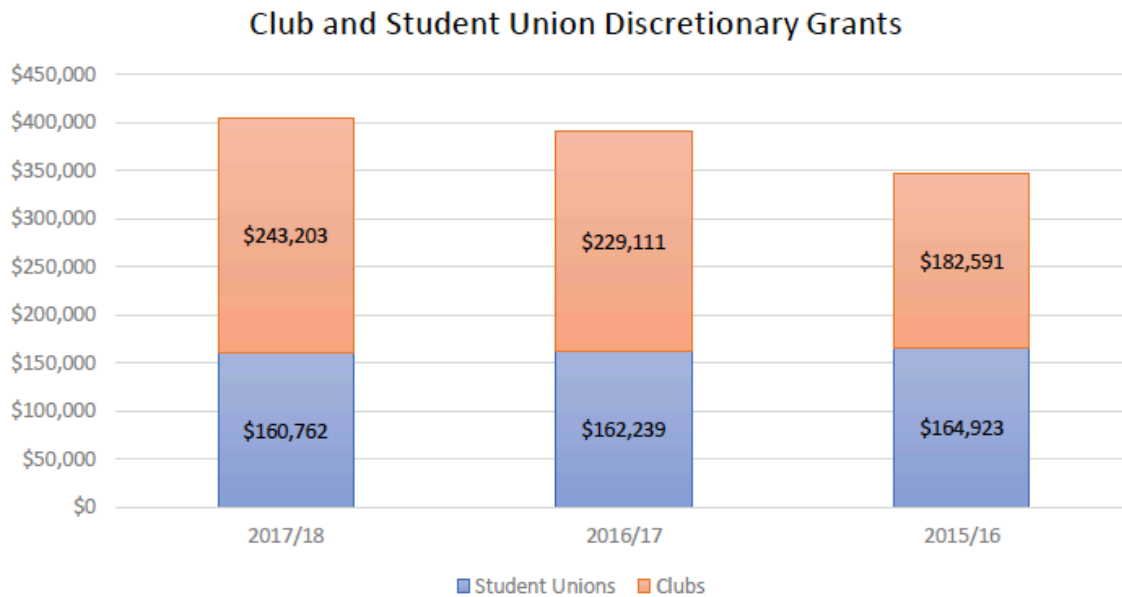


Build SFU

With reference to Note 14 (h) and Note 18, Build SFU consists of two projects, the Student Union Building and the Stadium project. The construction of the Student Union Building, which is projected to cost \$55,000,000, is nearing substantial completion and is expected to be open in April 2019. The SFSS has also entered into an agreement with SFU regarding the Stadium project. Through this agreement, the SFSS has pledged to contribute \$10,000,000, funded through the Build SFU levy. The Stadium project is expected to be completed in August 2020.

Clubs and Student Unions

Discretionary grants supplied were \$243,203 for clubs and \$160,762 for student unions, which represent a 6.15% increase in grants supplied for clubs and 0.91% decrease in grants supplied for student unions. The following graph is a comparison of funds granted over the last three years.



Keep.me SAFE Mental Health Student Pilot Program

With reference to Note 14 (j), the SFSS has pledged to commit \$75,000 towards the Keep.me SAFE Mental Health Student Pilot Program, otherwise known as My SSP, in partnership with SFU. As a free, mobile, health and counselling service, all undergraduate and graduate students will have access to immediate and/or ongoing confidential support globally by phone or through the downloadable application.

Fraser International College Service Delivery

With reference to Note 22, on April 7, 2018, the SFSS entered into an agreement with the Fraser Internal College (FIC) to provide FIC students access to all SFSS services, excluding the Health and Dental Plan and U-Pass Program, for a fee of \$108.74 per FIC student per semester. This new agreement is projected to generate additional revenue amounting to \$789,920, which would increase revenue allocated towards operations by 12.88%. However, given this increase in demand for service delivery, administrative staffing and club and student union granting need to be sufficiently scaled to handle the needs of the FIC students. The following table is a projection of the revenue streams provided by the FIC service delivery agreement based on an estimation of FIC students per semester.

	Fall (2,900)	Winter (2,800)	Summer (2,300)	Total
Regular Membership Fee	\$123,946	\$119,672	\$98,302	\$341,920
SFSS Building Fee	14,500	14,000	11,500	40,000
Food Bank Fee	725	700	575	2,000
Accessibility Fund	2,175	2,100	1,725	6,000
Build SFU Fee	145,000	140,000	115,000	400,000
Total	\$286,346	\$276,472	\$227,102	\$789,920

Conclusion

As a student-led and student-centric organization, the Simon Fraser Student Society represents and advocates on behalf of the undergraduate students of Simon Fraser University. The SFSS exists to improve the health and wellbeing, academic conditions, social experience, and financial condition of our members. As such, proper accountability remains integral to ensuring student funds are used appropriately through student services, advocacy campaigns, club and student union grants, and more. The SFSS, while student-led, is also supported by professional staff who assist in day-to-day operations and provide continuity to the Society.

The SFSS continually strives to provide its membership better services to contribute to student life on SFU, but the trade-off of short-term and long-term value is often difficult in the face of fiscal responsibility. As student representatives on the Board of Directors, we intuitively desire to create immediate gains in student value, yet we also recognize that our obligation is not limited to our own term, but to provide elongated student value for years to come. Fiscal responsibility means a focus on the direction and vision of the Society, which requires a fine balance between investing in initiatives that won't see fruit till years later and managing the existing needs of the membership today.

At the end of the day, the Board of Directors who manage the SFSS are only just a group of students. Even through our best intentions, we lack the knowledge and experience to make the best decisions or avoid mistakes. However, it is important to note that the SFSS being student-led, while being a double-edged sword, is core to the essence of the organization. Who better than undergraduate students themselves can speak on their needs and issues? It is in this function that students have a voice to speak, a forum to express their needs, and a vehicle for change to emerge from. Thus, despite the shortcomings of the Board, I believe that no one other than students themselves can represent student needs best.

Thank you for reading through this report. If you have any questions regarding the content of the report, please feel free to email me at vpfinance@sfss.ca.

Best,



Matthew Chow
SFSS Vice President Finance 2018/19