



**VP FINANCE REPORT**  
**2020-2021**  
**VP Finance & Services**

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October 27, 2021

# INTRODUCTION

The SFSS had a transformative year as the Student Union Building was completed by the end of the fiscal year. This has become one of the society's biggest assets and opened up a plethora of space and services for our students. Another big win was the first stipend raise in 13 years (now matching the minimum hourly wage), a project under the umbrella of Council Remuneration Proposal led by last year's VP Finance Corbett Gildersleve. This made us compliant with the new Societies Act. We also had a sizable decrease in the administrative footprint of the society. The pandemic resulted in a combination of fewer events and cheaper events, hence quite a bit of core funds were not spent, which increased the total assets under the Club and Student Union Fund in comparison to previous years. As such, the Society has continued to add to their unrestricted surplus which sits at just over \$3.2 million. We were expecting a deficit in the revenue due to low enrolment rates of students during the pandemic. But, there was no significant difference as the enrolment numbers at SFU were almost the same as previous years, which balanced the deficit caused by lesser student enrolment at FIC.

## OVERVIEW OF REVENUE AND EXPENSES

### SFSS Fees

All undergraduate students contribute funds to the SFSS in the form of the Student Activity Fee and the Health and Dental Plan. The UPass, while negotiated by the SFSS, is administered by SFU. The Student Activity Fee full-time threshold is set at 4 credits and above. This is in line with SFU's Student Services Fee threshold. These fees collected almost \$7.6 (current assets)/ \$14.5 (total current assets) million this year, with about a third of that going towards our General Fund, a third going towards the Health and Dental Plan, and the remaining being split among Build SFU Fund and some smaller funds. You can view the full activity fee breakdown below.

Fee Name	Full-Time	Part-Time
SFSS membership fee	\$42.74	\$21.38
SFSS Building Fund/Capital Levy	\$5.00	\$2.50
Build SFU Levy (May-December 2019)	\$60.00	\$30.00
Build SFU Levy (January 2020)	\$70.00	\$35.00
Accessibility Fund	\$0.75	\$0.38
First Nations Student Association	\$0.75	\$0.38
SFSS Food Bank Program	\$0.25	\$0.13

## Independent Student Societies

The SFSS collects fees for multiple independent student societies. These are “pass through” fees in that we do not withhold these fees as they have been approved by the membership through referendum. These fees are all refundable if you request it during each organization’s refund period, often within the first week or two of each term. Please review each organization’s website for further details.

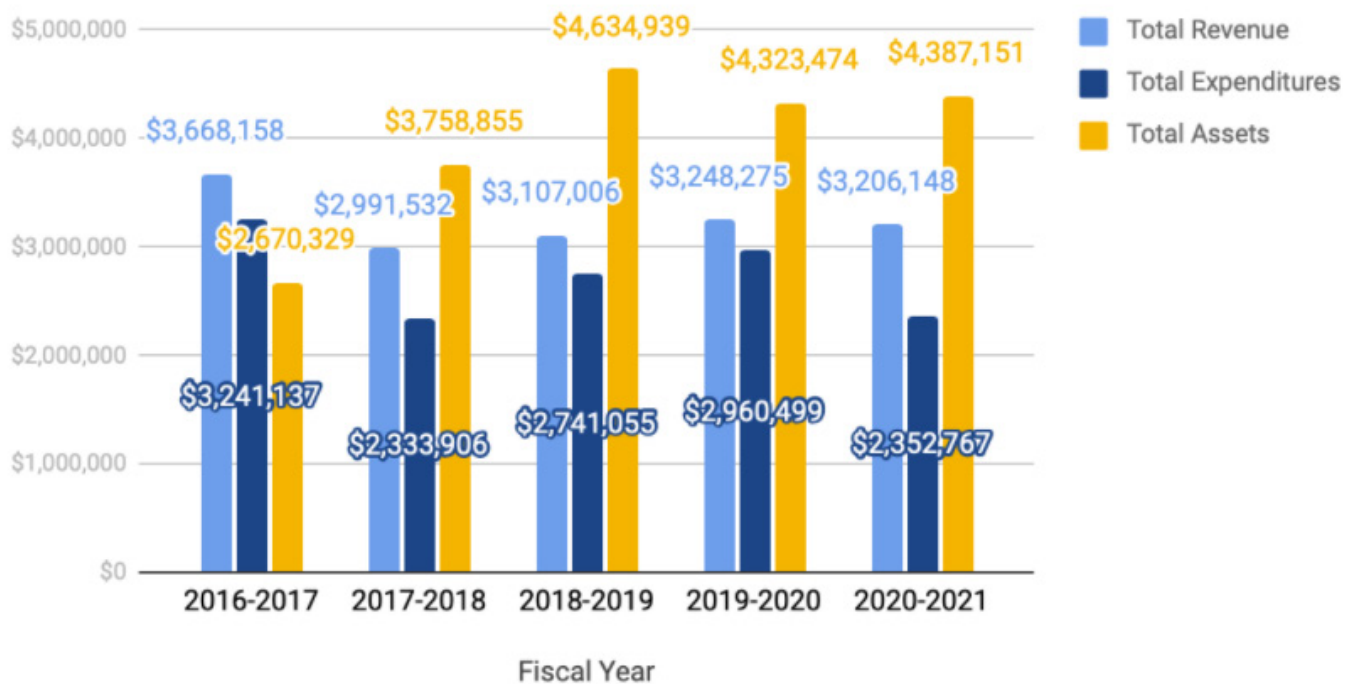
Organization	Full-Time	Part-Time
The Peak: Student Newspaper ( <a href="#">Peak</a> )	\$4.90	\$2.45
Simon Fraser Campus Community Radio Society ( <a href="#">CJSF</a> )	\$3.75	\$1.88
Simon Fraser Public Interest Research Group ( <a href="#">SFPIRG</a> )	\$3.00	\$1.50
World University Services of Canada Student Refugee Program ( <a href="#">WUSC</a> )	\$5.00	\$2.50
<a href="#">Embark Sustainability Society</a>	\$3.50	\$1.75
<b>Extended Health and Dental Plan Fees</b>		
For students beginning in:		Fall 2019
Extended Health Plan (Undergraduates) (part-time and full-time students)		\$86.18
Extended Dental Plan (Undergraduates) (part-time and full-time students)		\$168.18

## General Fund

The General Fund is the primary operating fund for the SFSS and pays for the majority of its programs, services, staff, student group funding, and other things. After the SFSS closed down it’s two main retail services (the Food and Beverage Services and the Copy Center), the vast majority of its revenue came from student fees (92.6% in 2019-2020). Over the last five years, the SFSS has seen regular operating surpluses as well as one-off revenue increases due to selling off of space back to SFU. This has caused a sizable unrestricted surplus to build up which needs to be determined.

## General Fund

### 5-Year History - Revenues, Expenditures, and Assets



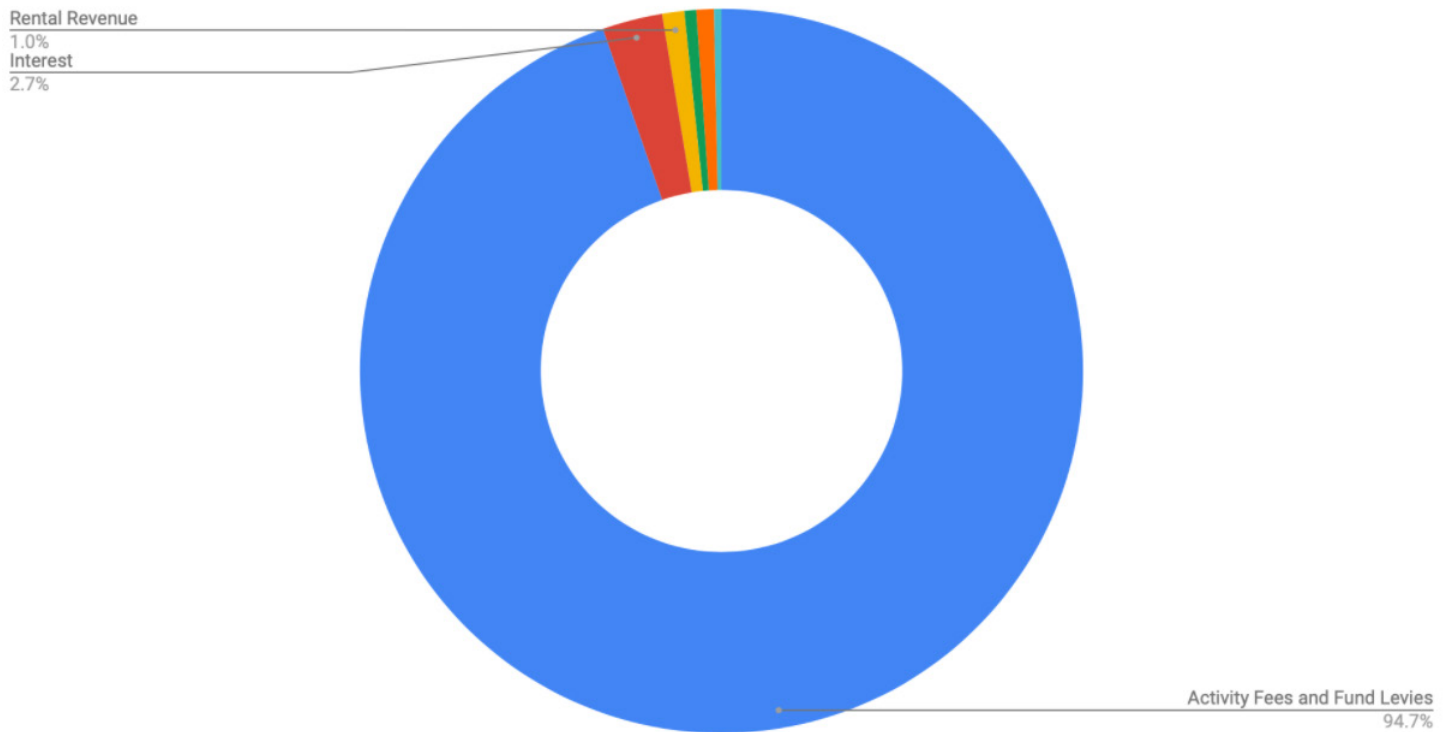
## Revenue

Revenue received was less than previous years. SFU's enrolment numbers stayed pretty steady throughout the year but international student enrolment in FIC was hit, hence the dip in revenue due to lower membership and activity fees collected from them.

A lot of services on the campus were shut down due to COVID-19 and hence the rental income received by the society was less than previous years (With the pandemic closing down much of the campus and the SUB, our rent and MBC food course revenue sharing was less. Office expenses were less due to staff working remotely for the year).

## General Fund - SFSS Revenue Breakdown

2020-2021



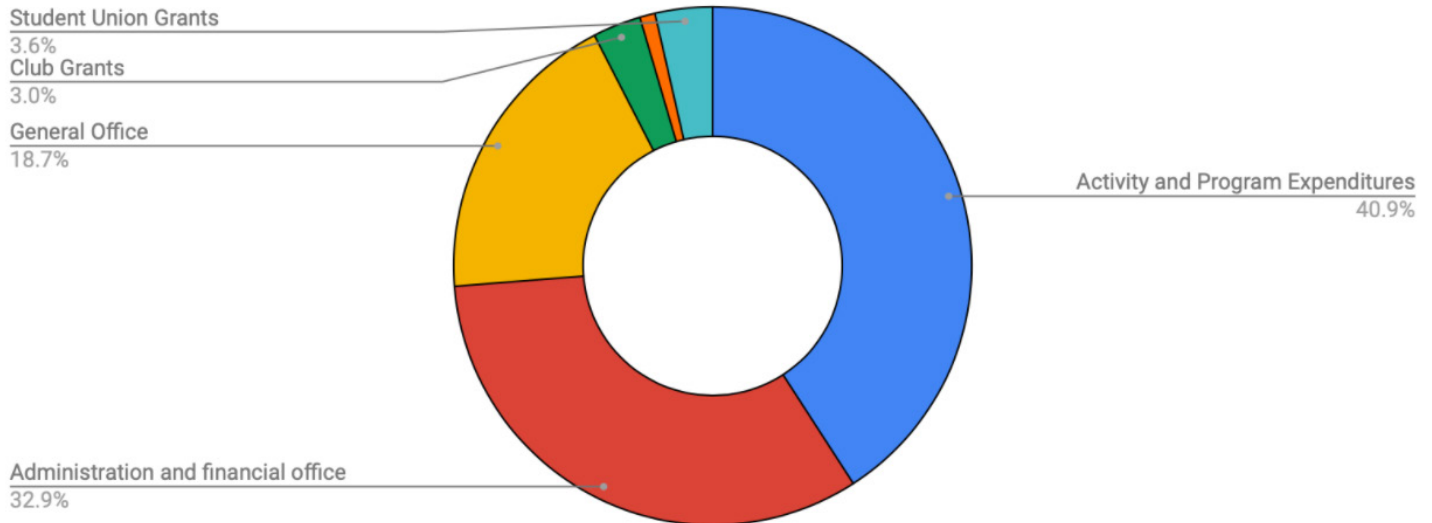
## Expenditure

There was a reduction in operating expenditures of around \$600,000. This was due to a mixture of administrative restructuring and reduced or cheaper online programming. Five of seven administrators were terminated during the summer term, and one administrator finished out their contract at the end of August. We then hired a temporary Transition Manager to help the Board transition to a different governance and administrative model. This new administrative model resulted in the hiring of two additional administrative support positions, the Operations Organizer and the Board Organizer. The Transition Manager's contract finished in January shortly after the Operations Organizer was hired.

The club and student union grant amounts were also down due to both less events and cheaper online events.

## General Fund- SFSS Expenditure Breakdown

2020-2021

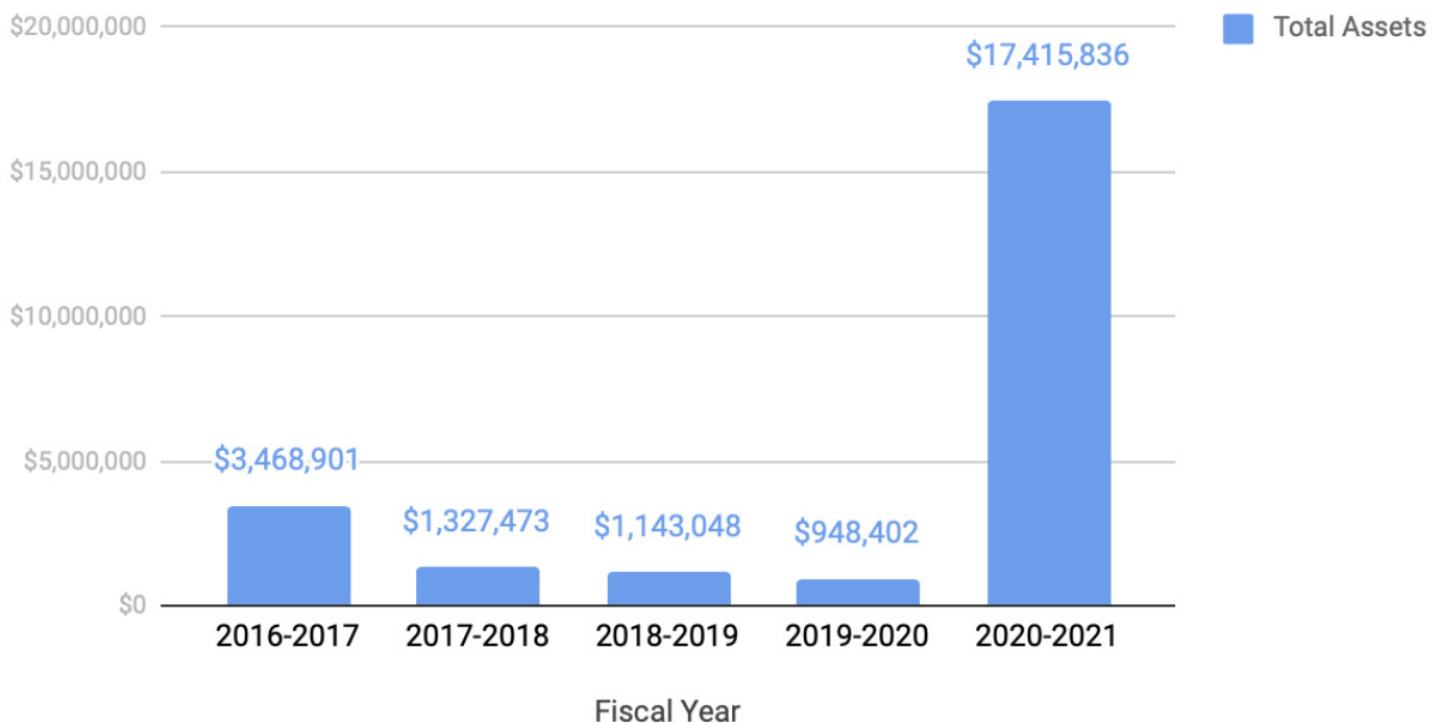


## Capital Asset Fund

The Capital Assets Fund tracks the value (and depreciation) of the SFSS's physical assets like equipment and buildings, as well as intangible assets like software and website costs. The fund saw a significant decrease in value in 2017-2018 due to the SFSS selling their Food and Beverage Services space (the Pub and coffee shop space) as well as their control over the MBC cafeteria. However, this year with the SUB reaching substantial completion in August and the SFSS occupying the building in October, the building now counts as a capital asset rather than a liability. Therefore the Capital Asset Fund now tracks over \$50,000,000 in assets (SUB building, furniture, equipment, etc.)

## Capital Assets Fund

5-Year History - Assets



## Build SFU Fund

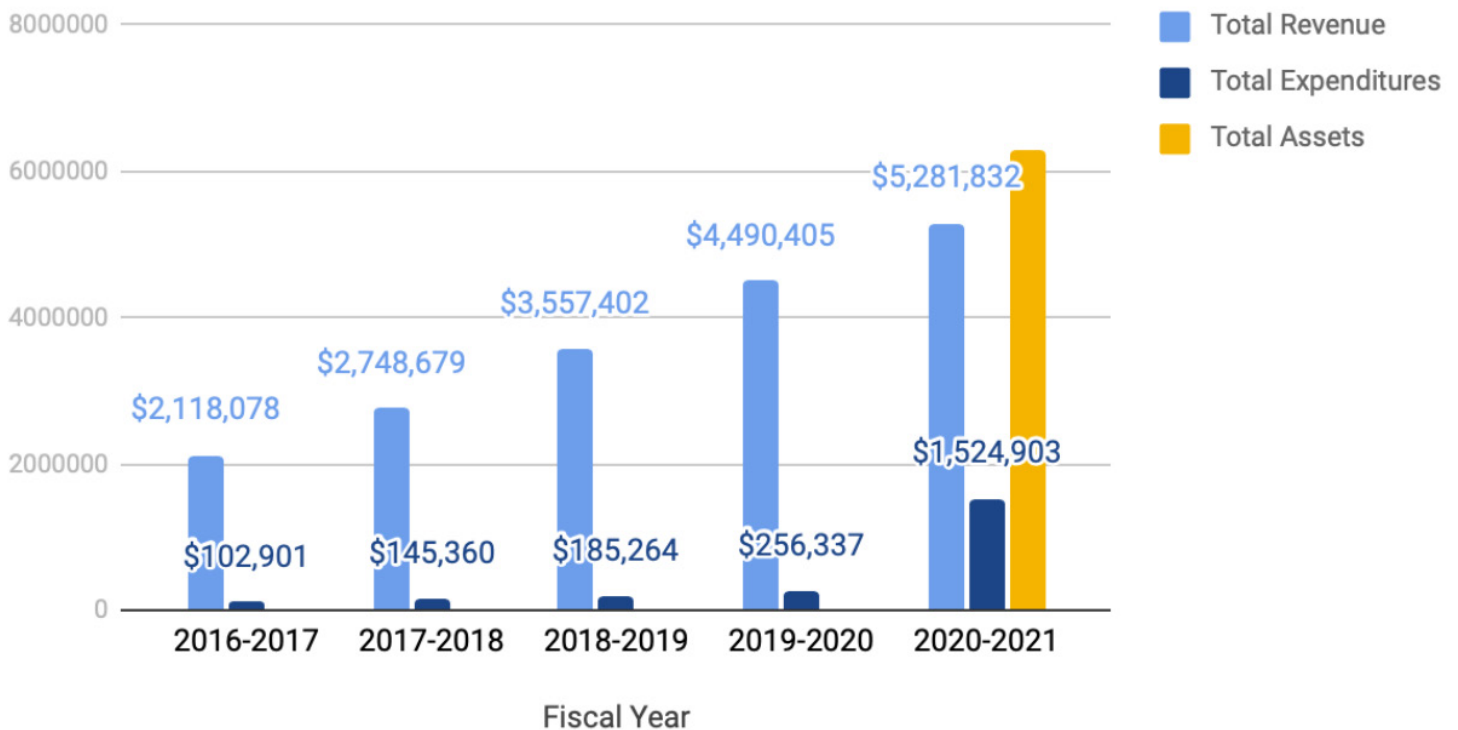
The Build SFU Fund tracks the ongoing costs of the SUB and Stadium project including the construction costs, office operating costs, and other such expenditures.

The SUB is now an asset as the building is complete, this also includes the furniture housed in the SUB.

(This chart is still a work in progress and I have been trying to break down these numbers to make them more clear and easy).

## Build SFU Fund

5-Year History - Revenue (Levy) and Expenditures (Dept.)



## Space Expansion Fund

Historically, this fund was used to pay for the maintenance and renovations of leased SFSS space which for many years included the MBC cafeteria, MBC 0000-level study space, and the MBC offices. But, as the SFSS does not hold these spaces anymore, these funds shall be used for SFSS Surrey Campus spaces and any spaces on other SFU campuses that are useful for students. The fund use will also be evaluated in 2021-2022 year.

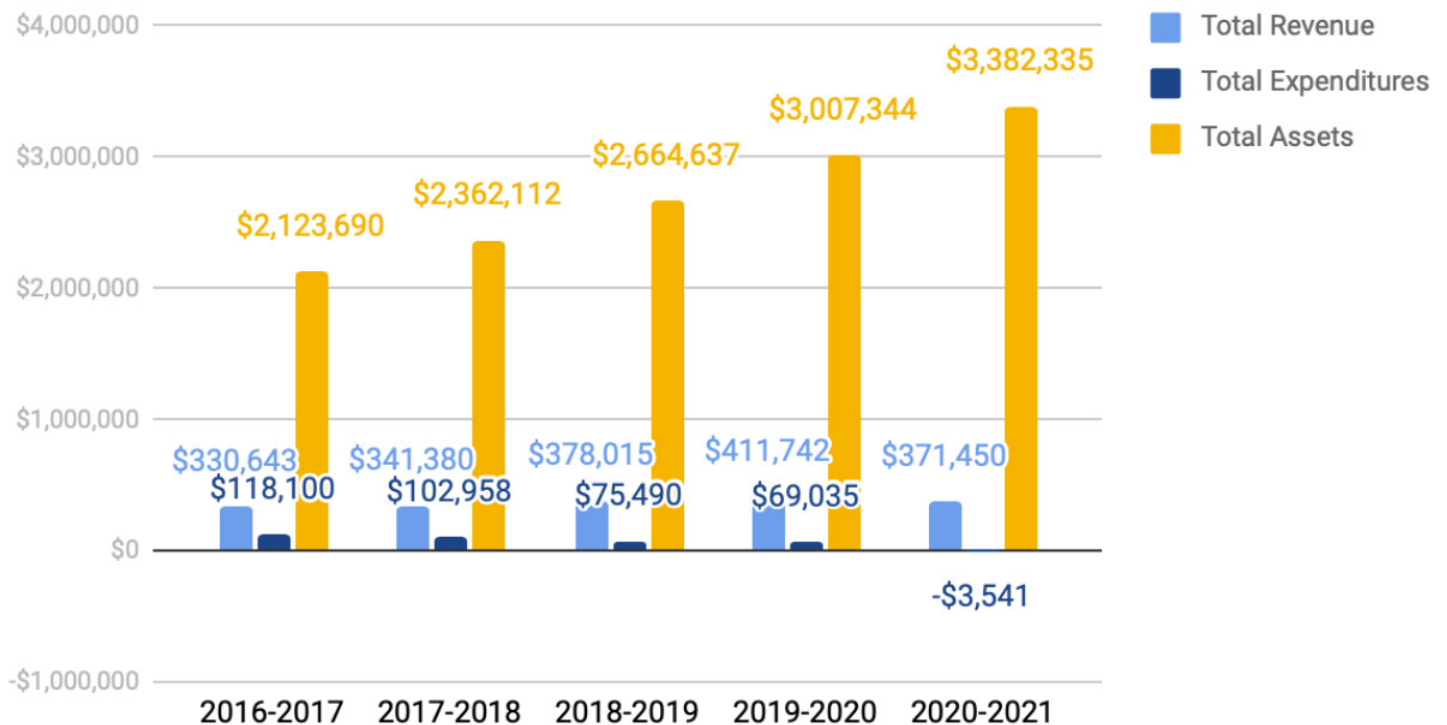
Students used to contribute \$20/term (full-time) or \$10/term (part-time) to this fund, but starting in 2011-2012, the fund has seen a few reallocations to the general fund to pay for increased programming. It now collects \$5.00/term (full-time), \$2.50/term (part-time) which, including interest, generated over \$354,874 in revenue in 2020-2021. The fund itself has seen a sizable surplus and future Councils need to discuss how the fund should be used in the future, be it to save up for another building (Surrey or Vancouver), or another project.

A considerable amount of the funds (2.3 million dollars) from here were allocated to investments for the organisation.

Note: The net result of paying out expenses (we were initially over charged for building maintenance) and recovering back that money, therefore shown as negative on the figure.

## Space Expansion Fund

### 5-Year History - Revenues, Expenditures, and Assets



## Undergraduate Health Plan Fund

Students contribute around \$5,047,000 a year to this fund to pay for extended health and dental benefits. These plans help reduce or eliminate costs for physical and mental health care, vision, dental, and prescriptions. The 2019-2020 Board (Emerly Liu) started the process and 2020-2021 Board finalised to support the costs of psychoeducational assessments to help reduce the financial burden of being assessed for potential learning disabilities. It now covers 80% of the costs (upto \$3000 each policy year).

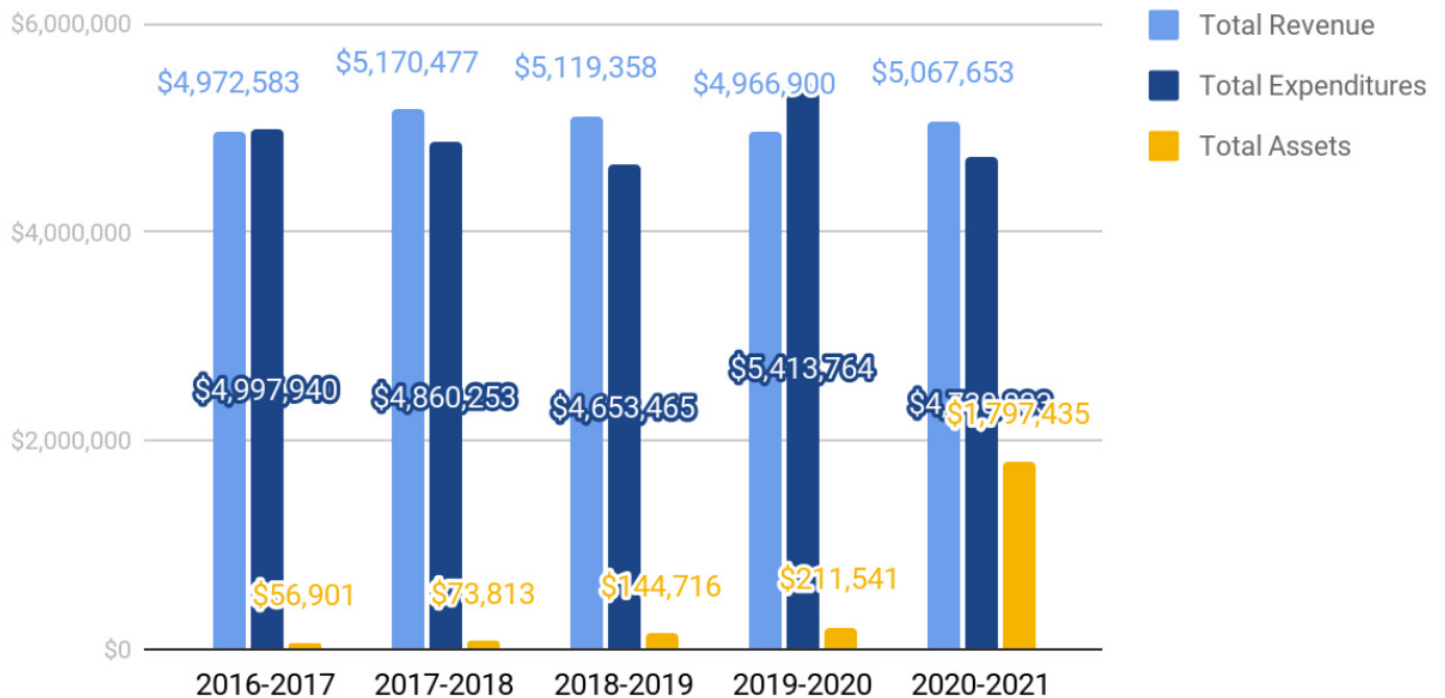
Surplus funds are saved in a Health Plan reserve fund in case there is an unexpected increase in plan costs. Due to increased usage of the plan and service costs, there was an almost \$700,000 deficit that was owed to our insurance provider in the years 2020-2021. Due to the pandemic, we now have a surplus of \$673,000 (which is paid by Pacific Blues Cross into SFSS Claims fluctuation Reserve) for the current fiscal year. This was due to a reduction in the dental plan usage which is more expensive than other components of the plan (dentists were closed for the majority of 2020).

In Summer 2021, the council approved to switch from retention accounting to a fully insured model.



# Undergraduate Student Health Plan

## 5-Year History - Revenues, Expenditures, and Assets



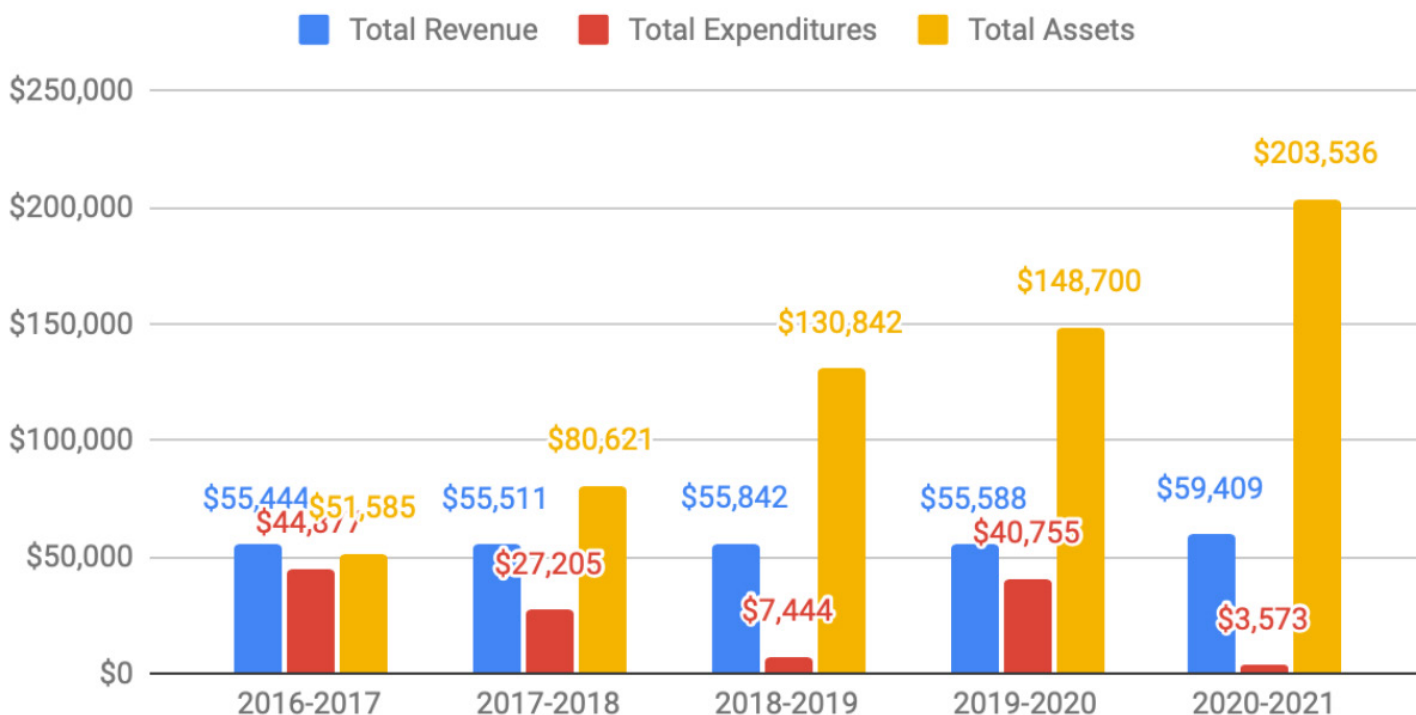
## First Nations Students Fund

This fund supports the activities and programming of the First Nations Student Association, which supports indigenous students at SFU. They have reduced program spending over the last few years to save up funds for when they move into the SUB. The FNSA board contributed \$40,000 in spring 2020 to support indigenous students with unexpected expenses due to the COVID-19 pandemic.

The First Nations Student Association did not have access to space over the last year to run major events (and the events were inexpensive as the majority of them were online due to COVID-19). This allowed them to save funds and hence the surplus.

# First Nations Student Fund

## 5-Year History- Revenue, Expenditure and Assets



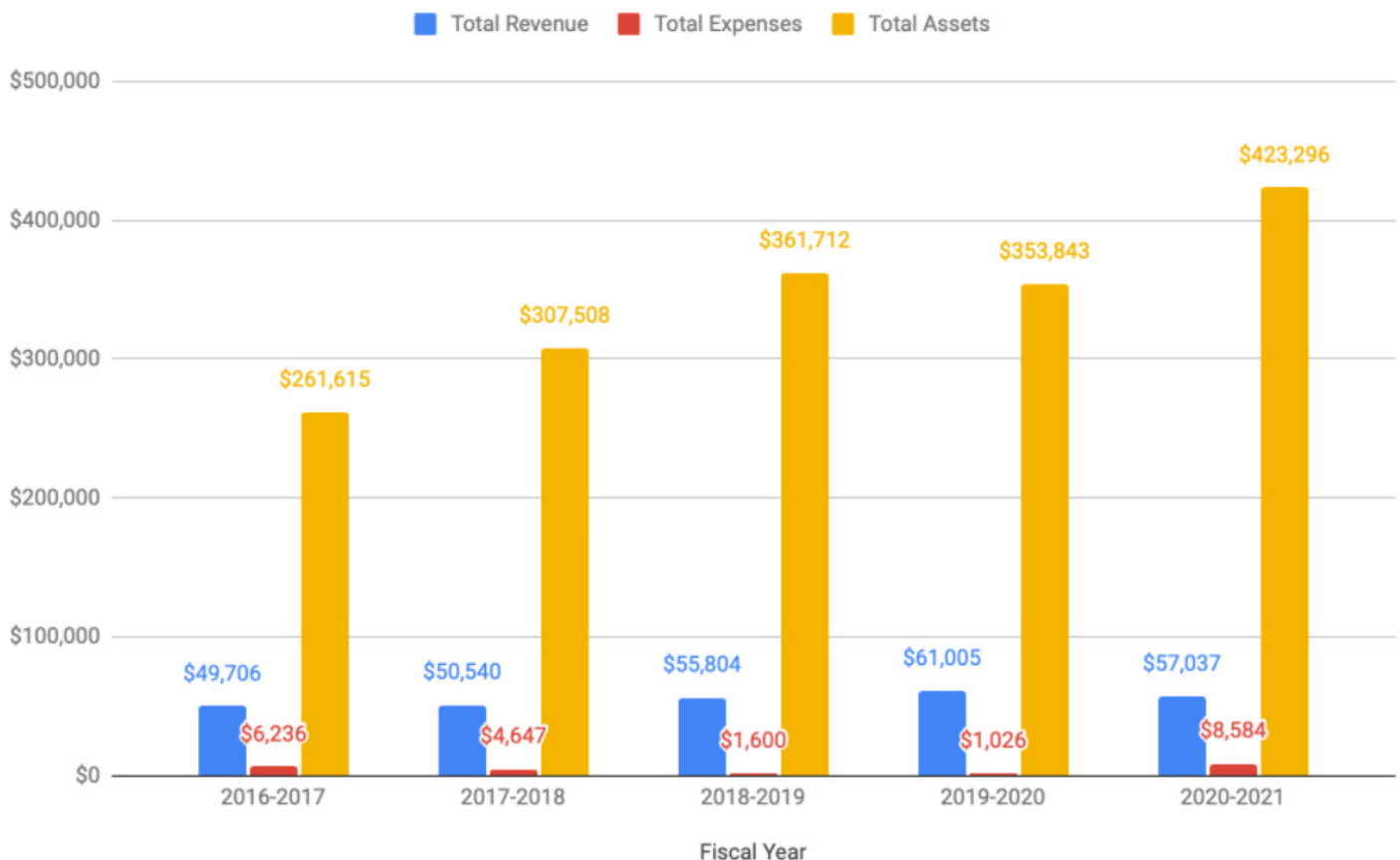
## Accessibility Fund

Students contribute to the Accessibility Fund to help reduce barriers for students to attend events and activities in SFSS and at SFU. Students can access the fund by applying for an accessibility grant which is reviewed and approved by the Accessibility Advisory Committee. Past grants have gone to pay for ASL interpreters and purchase technological aids. Additionally, the Fund has been used by the SFSS to improve accessibility in the SUB with the purchase of a second elevator in 2016 (\$220,000) and emergency lighting in 2019 (\$67,848). Historically, the Fund has been underutilized, with some years only just a few thousand dollars spent.

In 2020, this fund was used by the Accessibility Committee to support DNA to pay for their events where transcription and captioning services were required as a lot of them were online. A part of last year's surplus has also been put into investments. The 2021-2022 Accessibility Committee is looking at additional ways to use the Fund to reduce barriers for students including an accessibility bursary.

## Accessibility Fund

5- Year Total Revenue, Total Expenses and Total Assets



## KEY HIGHLIGHTS

### Investments

#### Build SFU

With the SUB complete, the Build SFU fund has seen a significant change from tracking the construction costs of the SUB to paying for the operations and maintenance of the SUB. As the Build SFU Levy maxes out at \$90/term (full-time), \$45/term (part-time) in spring 2022, this will generate around \$5,000,000 a year in revenue, which will be used to pay down the bank loan, contribute to the SFU Stadium, and pay for the operating and maintenance costs for the SUB. It will take approximately 18 years to pay off the loan.

The SUB assets are now being tracked in the Capital Asset Fund.

#### Club, Student Union, and Bursary Funding

Current year: In the last fiscal year, the pandemic put all the in-person events on a halt. No large scale events were held and clubs/ student unions hosted online events during the year. This significantly decreased the funding used by these groups.

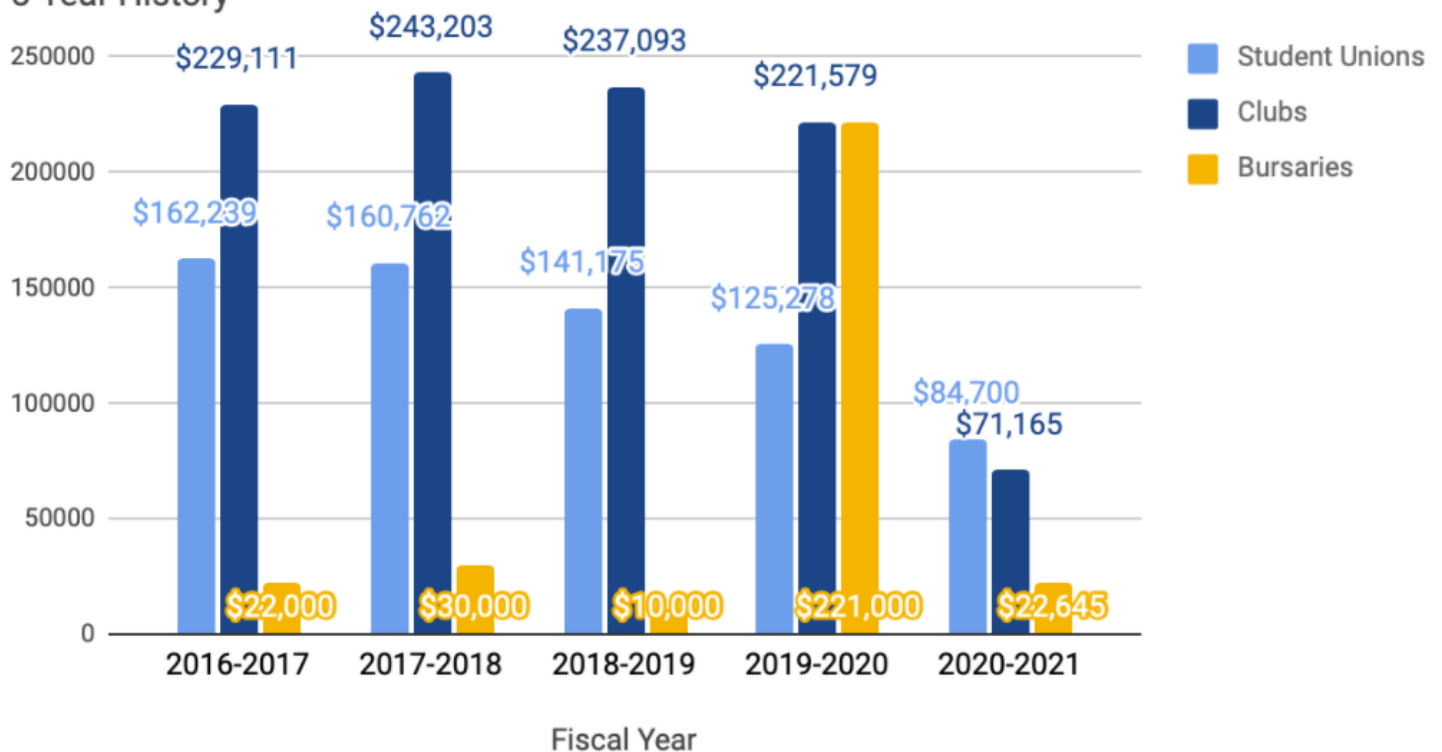
The Board of 2020-2021 put aside \$400,000. They wanted to have their own system for dispersing bursaries (unlike 2019-2020 where they liaised with SFU to provide funding for bursaries through their system). This was a crucial step to make sure that bursaries could be made available for part time students (SFU provides bursaries to students taking 9 or more credits). This is slated to be complete in Fall, 2022.

**Background:** Funding for these groups has been relatively consistent over the last five years, however, in 2019-2020 the SFSS budgeted over \$300,000 for club funding (petty cash and grants) but only just over \$220,000 was actually spent. This could be due to a combination of less active clubs, smaller grant requests, and/or smaller grants being approved.

Bursary spending has ranged from \$10,000-\$30,000 a year for the last five years. However, due to the COVID-19 pandemic, the 2019-2020 Board approved contributing \$150,000 to SFU's emergency fund to support students purchasing new technology with the switch to remote learning, or to pay for flights home.

## General Fund - Student Union, Club, and Bursary Funding

### 5-Year History



## FIC

This was the second year where FIC students paid service fees to the SFSS for the whole fiscal year. In 2019-2020, this had generated around \$700,000 in revenue split between Build SFU, Space Expansion Fund, and our General Fund. The fees to the general fund have gone towards paying for additional Members Services and Administrative staff. The service agreement was negotiated in December 2020 and signed for a 5 year extension.

The pandemic hit the number of international students enrolling at FIC in 2020-2021. Lesser enrollment impacted the revenue sourced from them.

# CONCERNS

## Health and Dental Plan

Big swings of deficits and surpluses have been an issue with the Health and Dental Plan. While we wish to lobby for more coverage and services, we need to make sure that the fee costs are well negotiated to get a decent fee for our students. To deal with these fluctuations, we have recently switched from a retention accounting model to a fully insured model. Further decisions will be made in Spring, 2022.

## SUB Staffing and Operating Costs

The building was closed for the whole fiscal year, and the council has been working with SFU on the final operating costs past April 2021. This means that there could be a considerable difference in numbers being used and the numbers that were projected (projected costs for a building not being used vs actual costs for a building that will be used by students)

Another concern is to hire new staff members to make sure that the building has enough staff to cater to the needs of students while keeping in mind that we do not overburden the budget by hiring more people than required. This will be more clear once we have an idea of how many students use the building (finding popular days and times by figuring out the student traffic in the building).

## Collective Bargaining

The collective Bargaining started in Jan 2021 and was not completed by 30th April, 2021 when the last board's term ended. Hence, this year's council will have to finish it. The new agreement will impact the annual operating budget going forward.