

**FINANCE  
COMMITTEE**

**Monday, January 11, 2016**

**5.00pm**

**SUB 6-06**

**AGENDA (FC 2015-10)**

**2015-10/1      INTRODUCTION**

**2015-10/1a      Call to Order**

**2015-10/1b      Approval of Agenda**

**2015-10/1c      Approval of Minutes**

**2015-10/1d      Chair's Business**

**2015-10/2      QUESTION/DISCUSSION PERIOD**

**2015-10/2a      Bill 12 Consultation.**

**2015-10/3      COMMITTEE BUSINESS**

**2015-10/3a**      BONDARCHUK MOVES TO have Finance Committee recommend to Students' Council the following increases to the Students' Union Membership Fee above the mandated CPI adjustment to partially offset the cost of increases to Alberta's minimum wage:

- On May 1, 2016, increase full-time Fall/Winter Term fees by \$3.00 per term, part-time Fall/Winter Term fees by \$1.50 per term, and Spring and Summer term fees by \$1.50.

- On May 1, 2017, increase full-time Fall/Winter Term fees by \$3.25 per term, part-time Fall/Winter Term fees by \$1.63 per term, and Spring and Summer term fees by \$1.63.

- On May 1, 2018, increase full-time Fall/Winter Term fees by \$3.50 per term, part-time Fall/Winter Term fees by \$1.75 per term, and Spring and Summer term fees by \$1.75.

**2015-10/3b** BONDARCHUK MOVES TO have Finance Committee recommend the 2016-17 Budget Principles to Students' Council.

Please see FC 15-10.01

**2015-10/4** **INFORMATION ITEMS**

**2015-10/5** **ADJOURNMENT**

**2015-10/5a** **Next Meeting:** Monday, February 1, 2016 @ 5pm in SUB 6-06.



January 11, 2016

**To:** Finance Committee

**Re:** Proposed Budget Principles 2016-17

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**Budget Principles 2016-17**

This is intended to serve as an outline of the fiscal priorities of the University of Alberta Students' Union for the fiscal year beginning May 1, 2016 and ending April 30, 2017. This document is legislated under Students' Council Standing Orders, and is mandated as a responsibility of the Vice-President (Operations and Finance) under Bylaw 1100.

**Preamble**

The Students' Union is guided by our Strategic Plan. Our mission is to serve, represent, and engage students. The four pillars that support our mission are:

- Services and businesses
- Events and programs
- Building space
- Advocacy

Our guiding values are:

- Do what's right, not what's easy
- Inspire change for the world
- Act with unbridled compassion
- Always keep moving
- Plan for tomorrow

Our critical success factors and goals are:

- Supporting students
  - o Student opportunities
  - o Governance support
  - o Inclusivity
  - o Mental health
  - o Social needs
  - o Just treatment
- Increase our relevance to, and connection with, our members
  - o Focus on social media
  - o Mobile-friendly communication
  - o Alumni connection
- Collaboration
  - o Credibility and stability
  - o Unique systems and expertise
  - o Active collaboration
  - o Research leadership
- Build organizational capacity
  - o Non-student revenue
  - o Business improvements
  - o Capital asset maintenance
  - o Staff restructure
  - o Advocacy resources
  - o Human capital
  - o Sustainability



The Students' Union consists of the following departments and units:

- **Students' Council**
  - o Speaker of Students' Council, Council Administration Committee
- **Executive Committee**
  - o VP Academic, VP External, VP Operations and Finance, VP Student Life, President
- **Discover Governance**
- **Elections Office**
- **Research and Political Affairs**
  - o Council of Alberta University Students, Canadian Alliance of Student Associations
- **Services: Operations**
  - o InfoLink, Student Group Services, Jobkin, Renting Spaces, InfoLink registries
- **Services: Leadership and Recognition**
  - o SU Awards, Alberta Student Leadership Summit (in conjunction with the University of Alberta), Student Group Granting, Co-Curricular Record, Emerging Leaders Program
- **Services: Involvement**
  - o Safewalk, Sustain SU, Peer Support Centre, Orientation
- **Businesses**
  - o SUBmart and SUBtitles, SUBprint, Canada Post Outlet, Room at the Top, Dewey's, L'Express, L'Express Catering, The Daily Grind, The Undergrind
- **Entertainment: Programming**
  - o Week of Welcome, Antifreeze, Campus Cup, other programming as needed
- **Entertainment: Venues**
  - o Myer Horowitz Theatre, Dinwoodie Lounge, SUBstage
- **Marketing and Communications**
  - o Student Handbook, Design Studio, Sponsorship, SUTV
- **Facilities and Operations**
  - o Facilities and Maintenance, Room Rentals, SUB Tenant Leasing
- **Administration**
  - o Administrative Support, Accounting, Human Resources

### Fiscal Considerations

Budget principles shall outline the basic direction for creation of the budget. The following adjustments lie outside of budget principles and, while they should be considered in the submission, are at the sole discretion of Students' Council and/or any other legislative body outlined in Bylaw:

- Alberta Consumer Price Index (ACPI) calculations for 2016-17
- Total membership revenue based on enrolment estimates from the Office of the Registrar
- Changes to the Post-Secondary Learning Act by the Government of Alberta
- Students' Union Membership Fee increases (beyond inflation) and decreases
- Students' Union Dedicated Fee increases (beyond inflation), decreases, creation, and/or elimination



## Principles

1. In the event that a section of this document conflicts with any other section, the Finance Committee shall identify such a conflict and propose any necessary changes in the presentation of the final budget.
2. Total operating and capital expenditures will not exceed the amount of total operating and fee revenues. The only exception to this would be council-approved capital purchases that do not cause a deficit on an accrual basis.
3. Capital budgeting shall be apportioned at the discretion of the Financial Controller and Vice President (Operations and Finance) after the operating budget has been created. Using the set amount of capital funds allocated, decisions for use of capital funds shall be made by the Core Manager responsible for each unit. **(new)**
4. The Students' Union shall not budget for a deficit in its operating and capital budget. Growth in a department shall be offset by a variety of strengthened revenue streams in that department, where possible.
5. All departments must work within the mandate of the Students' Union; activities or operations deemed to be beyond its scope shall be eliminated. The 2015-2018 Strategic Plan shall be used as a guide to assess relevance and value prior to such decisions.
6. External entities such as dedicated fee units and operating grants shall be managed as per existing Students' Union Bylaws and applicable contracts.
7. Unless otherwise noted, operating and fixed costs increase at a rate relative to the previous fiscal year no higher than inflation for the province of Alberta; activity of the Students' Union will continue in a manner consistent with the precedent set in previous fiscal years.
8. The Students' Union shall implement all necessary financial restraints and audits as required by the Post Secondary Learning Act and its own Bylaws and Standing Orders.
9. Staff costs shall change as specified in the CUPE (Canadian Union of Public Employees) collective agreement. Managerial and other union-exempt staff who are not term staff are entitled to a merit increase in accordance with their respective employment agreements and appraisal outcomes. **(new)**
10. Operating and dedicated fees shall increase in accordance with the Students' Union Bylaw 3000, as set out in the 1992 referendum approving increases based on the Alberta Consumer Price Index. Based on estimates, ACPI for 2016-17 will be approximately 1.29%.
11. In addition to ACPI increases, the Students' Union's Membership Fee shall increase by no more than an additional 10%, subject to approval by Students' Council, in direct response to the Alberta government's long-term plan to increase minimum wage. **(new)**



12. Resources shall be made available for recurring projects of the Executive Committee, provided they can show need for such resources and consistency of such projects. **(new)**
13. Resources shall be made available to promote and enhance visibility and constituency engagement for members of Students' Council. **(new)**
14. The Students' Union shall allocate resources to provide sufficient staffing to support student governance objectives.
15. The Students' Union shall allocate additional resources toward professional advice and services as they relate to advocacy.
16. Resources shall be made available for increased administration of student groups, should the Students' Union need to increase capacity in Student Group Services. **(new)**
17. The Students' Union business units shall not budget for a deficit prior to cost apportionment allocations. All reasonable attempts to maximize the profitability of these business units, consistent with the mandate of the Students' Union as a service provider, shall be made.
18. In line with Operating Policy 5.12, non-academic materials offered for sale shall have price increases approved by the Core Manager responsible for that unit when necessary to balance annual expected revenue with expected costs. Where costs have increased in academic material areas, there shall be a marginal increase to compensate. **(new)**
19. New lease space shall be available in the Students' Union Building and may need to be funded accordingly.
20. The Students' Union shall allocate additional resources toward customer experience improvements in its licenced establishments.
21. The Students' Union shall allocate additional resources toward front-facing visual and operational improvements for its businesses and venues. **(new)**
22. Steps shall be taken towards the creation of a client services program for the purpose of creating efficiency and value for the booking of conferences and other multi-step events in the Students' Union Building. **(new)**
23. Where possible, all entertainment units shall plan to recover all costs. Admission sales, sponsorship, and donations are acceptable sources of revenue.
24. Resources shall be allocated towards improving the audio and visual components of the Students' Union's venues. **(new)**



25. The Students' Union shall make resources available towards a renovation to the Myer Horowitz Theatre. (new)
26. Costs associated with Marketing and Communications, Facilities and Operations, and Administration shall be apportioned to all departments of the Students' Union based on usage.

### **Removed Principles (2015-16)**

1. When possible, precedence in capital budgeting shall be given to expenditures contemplated in the 5-Year Capital Plan.
2. Capital expenditures shall be incurred based upon the following criteria: (a) replacement due to wear and tear; (b) to ensure continued operations of a particular unit; (c) to enhance the security or functionality of a particular unit; and/or (d) to strengthen the viability of a particular unit.
3. The services units of the Students' Union shall undergo a staffing restructuring.
4. The services total budget will be within 5% of last year's budget.
5. An average margin increase to non-academic materials not resulting from decreasing costs shall not exceed 10%.
6. For the purpose of the budget principles discussion, programming that takes place in a Students' Union venue or event that is not specifically mentioned in the above list shall be considered as separate from the entertainment and programming units.
7. The Students' Union shall allocate additional resources toward the Students' Union Building Renovation project.
8. The Students' Union will investigate the expansion of the administrative offices and may allocate funding to the initiative.
9. Ombuds is removed as a service of the Students' Union.

**FINANCE  
COMMITTEE**

**Tuesday December 8, 2015**

**4:00 pm**

**SUB 0-55**

**ATTENDANCE**

NAME	PROXY	PRESENT
Cody Bondarchuk (Chair)		Y
Levi Flaman		Y
Alex Kwan		Y
Charles Lewis		Y
Robyn Paches		N
Kevin Wang		Y (4.32pm.)
Jane Yu		N
Vivian Kwan		Y
Brett Stephen		Y

**MINUTES (FC 2015-09)**

**2015-09/1                    INTRODUCTION**

**2015-09/1a                **Call to Order****

Meeting called to Order at 4:21 pm.

**2015-09/1b                **Approval of Agenda****

***FLAMAN/LEWIS MOVE TO approve the agenda as presented.***

***Vote 5/0/0***

***CARRIED***

**2015-09/1c                **Approval of Minutes****

***A. KWAN amended the minutes to say "do we owe them money", not "do we them owe money" under item 3a.***



***FLAMAN/A. KWAN MOVE TO approve minutes as amended.***

***Vote 4/0/1***

***CARRIED***

**2015-09/1d**

**Chair's Business**

**2015-09/2**

**QUESTION/DISCUSSION PERIOD**

**2015-09/3**

**COMMITTEE BUSINESS**

**2015-09/3a**

SU Awards Report.

***BONDARCHUK/A. KWAN MOVE TO sponsor a presentation from Michaela Mann on the SU Awards Report.***

***Vote 5/0/0***

***CARRIED***

Michaela Mann circulated a report and went over overview of the program.

Timeline – applications opened in May and closed in July 2015 and were adjudicated over August and September. Award recipients were contacted September 30<sup>th</sup> with the Awards Night Presentation on November 19, 2015. There were 190 applications submitted, on par with last year. There were 63 students that received awards and 5 student groups, which totalled about \$68,500 (to be confirmed with accounting). Generally pleased with how the change in timeline went and quality of applications.

Recommendations made by Michaela:

- 1) Hooper Munroe Academic Award – award given to top two females and males in terms of GPA. Recommendation is that this award be given to the top four highest academics with no more than two awards given to one gender. (Specific gender not ascribed). The same person cannot receive this award twice. Gender is tracked with awards.
- 2) Name change from Royal Bank Financial Group Involvement Award to RBC Royal Bank Involvement Award.
- 3) SU or Students' Union used consistently across awards.
- 4) Financial Need – certain awards are only available if at least an award is given to financial need – if nobody applies who fits the criteria, it is closed and not given out.

Something to revise is to consider if we can work with this to prevent awards from being closed.

- 5) Student Group Awards – typically been separated from SU Award applications. Recommended that SG and SU awards become integrated more closely so it is a consistent process with the same grouping and timeline.
- 6) Change the Social Justice Activism Award to the Louise Veillard Social Justice Activism Award. Louise worked for the SU for a long time in Ecos, which is now Sustain SU. Her work impacted how the SU understands sustainability. She was also extremely involved in other areas of social justice including Indigenous Rights, LGBTQ community, mental health and was well known for being compassionate. She took her life in 2014 after struggling with depression. She is closely tied with what this particular award aims to promote.
- 7) Award made after Evan Tran in Student Leadership in the mental health area in the future.

DUMOUCHEL and BONDARCHUK:

Establish baseline for named awards. Need a rather substantive case for why the award will be named after an individual. Political impact could be a concern.

Quick update for next year:

- Google forms will be used.

New targets:

- Get higher number of applications this year, which means adjudication process will be looked at closely.
- Emphasize specific awards – some awards aren't applied for as much, but advertisement can boost applications.

Overall, awards and awards night went well this year.

A. KWAN: Consideration – black out names of applicants so that adjudicators are not biased.

**2015-09/3b**

Minimum Wage Increase Discussion.

***BONDARCHUK/LEWIS MOVE TO sponsor a presentation from Marc Dumouchel on Minimum Wage Increase.***

***Vote 6/0/0***

***CARRIED***

***BONDARCHUK/A. KWAN MOVE TO move in-camera at 4:51pm.  
Vote 6/0/0  
CARRIED***

***LEWIS/V. KWAN MOVE TO move ex-camera at 5:37pm.  
Vote 6/0/0  
CARRIED***

**2015-09/3c**

Budget Principles Discussion.

BONDARCHUK: Will circulate his Budget Principles in January. Budget Principles are often very similar every year, so hopefully the feel will be changed so that the broader values of what we are looking for in a budget. We do have to include certain things as per Standing Orders, but perhaps we can do it in a more creative way and make the language more convincing.

FLAMAN: Are the four points on the first page where it says capital expenditure will be incurred on the following criteria: are they prioritized in any way or are they equal?

BONDARCHUK: The main one is timeline, what we look at is how imminent and necessary is the request. We get a full capital request from every department and we get a full list and the dollar amount requested and a dollar amount of how much we can spend, from which is chosen what we will spend money on. If someone has been asking for something for four years for example, it will more likely be approved. Whatever is imminent or needed will be looked at first. For example, if the cost of the Slurpee machine is \$28,000 we look at the expected life span of it. Contingency, we have less than half of it left because RATT and Dewey's had an Ice Machine and Fire Safety Code issues. PA is just above half remaining I believe.

A large printer in SUBprint would cost \$400,000. We then amortise it, meaning we expect it to last 20 years and slot it in the budget for \$20,000/year. This is better for our books. It is amortized to make our budgets cleaner and more accurate.

FLAMAN: Is every current piece of equipment we have amortised separately or all on one line?

BONDARCHUK: In the budget it is all one line. Some of SUBmart's machines have exceeded amortization and are

still doing fine which is nice.

This is largely abstract until I have it in front of you; feel free to ask me questions. I am a fan of doing things right the first time and can go back to the drawing board if we need to but would prefer to avoid that by being proactive.

FLAMAN: Is the Canada post upstairs owned and operated by us or is it a tenant?

BONDARCHUK: It is like a Starbucks franchise, you can buy Canada Post outlets. So all the people working behind the Canada Post are our employees.

FLAMAN: The Students' Union shall prepare for the addition of a food and beverage outlet as part of the Students' Union building project? Was that the Undergrind?

BONDARCHUK: Yes that was the Undergrind.

K. WANG: In terms of the changes section, like you said, the principals are often the same year after year, my question is what can we reasonably put in there?

BONDARCHUK: Technically anything you want. I create the budget and Finance approves it. You can suggest putting in additional things, but I'll come to you with a list and then you'll debate it. I will still have a changes section for quick reference. I have to talk to department heads that are currently working on their budget proposals to me.

Things are generally good with our budget; I don't see this as a radical year. There are some areas in the service that are underfunded. There is a bit of a trend where services don't receive expected funding each year because things get put off till the next year, which is becoming a detriment to the services, because they don't get a CPI increase to their budgets. I want to point out the most problematic areas and inject them with money.

FLAMAN: How many faculties actually print their own handbooks?

BONDARCHUK: About 4 of the 18.

FLAMAN: For the few that do, would it be worthwhile to talk with them and make a better handbook.

BONDARCHUK: We will always offer the handbook to come out under every faculty but FA's are free to print their own. It is the FA's call.

There will also be some significant changes as we phase into a digital version of it, which won't be this upcoming year but down the line.

K. WANG: Haven't previous Council's looked at an app?

BONDARCHUK: Yes, we would only want one though and not 8 different apps floating around. For this year the handbooks should be fine.

FLAMAN: What is the Centre for Student Development?

BONDARCHUK: The Centre for Student Development used to do Orientation Awards, the Co-Curricular record and After-U, they became SOAR, the Student Orientation and Recognition. They are essentially Orientation.

FLAMAN: I've heard rumours that the Co-Curricular is going to go away?

BONDARCHUK: Not from what I've seen. There has been a downturn in the use of it, but we are not going to toss the entire infrastructure out. It may change, but I don't have information on how much yet.

K. WANG: Who manages/deals with handbooks?

BONDARCHUK: Our senior manager of marketing and communications.

**2015-09/4**

**INFORMATION ITEMS**

**2015-09/5**

**ADJOURNMENT**

**2015-09/5a**

**Next Meeting:** Monday, January 11, 2016 @ 5pm in SUB 6-06.

**2015-09/5b**

***A. KWAN/WANG MOVE TO adjourn at 6:01pm.  
Vote 6/0/0  
CARRIED***

**SUMMARY OF MOTIONS**

<b>MOTION</b>	<b>VOTES</b>
<i>FLAMAN/LEWIS MOVE TO approve the agenda as presented.</i>	<i>Vote 5/0/0 CARRIED</i>
<i>A. KWAN amended the minutes to say “do we owe them money”, not “do we them owe money” under item 3a.</i>	<i>CARRIED</i>
<i>FLAMAN/A. KWAN MOVE TO approve minutes as amended.</i>	<i>Vote 4/0/1 CARRIED</i>
<i>BONDARCHUK/A. KWAN MOVE TO sponsor a presentation from Michaela Mann on the SU Awards Report.</i>	<i>Vote 5/0/0 CARRIED</i>
<i>BONDARCHUK/LEWIS MOVE TO sponsor a presentation from Marc Dumouchel on Minimum Wage Increase.</i>	<i>Vote 6/0/0 CARRIED</i>
<i>BONDARCHUK/A. KWAN MOVE TO move in-camera at 4:51pm.</i>	<i>Vote 6/0/0 CARRIED</i>
<i>LEWIS/V. KWAN MOVE TO move ex-camera at 5:37pm.</i>	<i>Vote 6/0/0 CARRIED</i>
<i>A. KWAN/WANG MOVE TO adjourn at 6:01pm</i>	<i>Vote 6/0/0 CARRIED</i>