



MOTION REGARDING POLICY AGAINST ANCILLARY FEE INCREASES

Whereas, *frais institutionnels obligatoires* (FIOs), or ancillary fees, are mandatory fees charged to students and dedicated toward a particular unit or program, and may cover costs such as technology improvements, student life, support services, and sports or recreational activities;

Whereas, aside from automatic adjustments for inflation, the creation or modification of a FIO requires approval from students via referendum;

Whereas, current FIOs paid by SSMU Members include the following fees:¹

- Student Services;
- Athletics and Recreation;
- Athletics Facilities Improvement;
- Access McGill;
- World University Services Canada (WUSC) Refugee Program

Whereas, the Quebec *regles budgetaires* state that student associations have the right to receive documentation from the institution detailing all FIO amounts collected and the correlated expenses by July 1 of each year, or otherwise the Ministry of Education may withhold the University's operating grant or request an independent audit;²

¹ "Where is my Money Going? 2015-2016 Student Fees Explained." Students' Society of McGill University (2016). <http://ssmu.mcgill.ca/wp-content/uploads/2016/02/WMG-Brochure-2015-2016.pdf#page=4>
Current fee amounts can be found on the Student Accounts website: <http://www.mcgill.ca/student-accounts/tuition-fees/non-tuition-charges/society-services-and-administrative-fees>

² "Règles budgétaires et calcul des subventions de fonctionnement aux universités du Québec: Année universitaire 2015-2016," le ministère de l'Éducation, de l'Enseignement supérieur et de la Recherche (July 2015).
http://www.education.gouv.qc.ca/fileadmin/contenu/documents_soutien/Ens_Sup/Universite/Calculs_subventions/Regles_budgetaires_universites_2015-2016.pdf



Whereas, the SSMU only receives annual FIO schedules with any approved increases and the total amounts for these charges;

Whereas, the Rapport final du Chantier sur la politique de financement des universités (“Tremblay-Roy Report”) stated that FIOs should not be used to replace financing for already budgeted services, nor should they be abused as a means of increasing students’ financial contributions;³

Whereas, the University administration currently charges student fee-funded units for resources such as legal, accounting, and maintenance services, which are provided through the central operating budget;⁴
Whereas these “overhead charges” are currently deducted from the budgets of Student Services, Athletics and Recreation, and Student Housing and Hospitality Services;⁵

Whereas, there is no government regulation of these overhead charges;

Whereas, Access to Information requests filed by the SSMU indicate that the funds from these overhead charges are intentionally redistributed from fee-funded (“1B budget”) units to operating grant-funded (“1A budget”) units;⁶

Whereas, overhead charges on Student Services alone have increased from \$30 679 in 2010 to \$651 385 in 2017 (an increase of 2123%);⁷

³ “Rapport final du Chantier sur la politique de financement des universités,” le ministère de l’Enseignement supérieur, de la Recherche et de la Science (June 2014).

http://www.polymtl.ca/dg/doc/Rapport_final_Chantier_financement_uni.pdf#page=146

⁴ “Skimming your student fees,” The McGill Daily (September 1, 2016).

<http://www.mcgilldaily.com/2016/09/skimming-your-student-fees/>

⁵ “McGill Athletics forecasts \$413 116 deficit,” The McGill Daily March 14, 2013).

<http://www.mcgilldaily.com/2013/03/mcgill-athletics-forecasts-413116-deficit/>

⁶ Access to Information Request 530, McGill University (February 13, 2017). <http://ssmu.mcgill.ca/ua/wp-content/uploads/2017/02/Access-to-Information-Request-Overhead-Redistribution.pdf>

⁷ “Student Services Budget,” McGill University (2016). <https://www.mcgill.ca/studentservices/about/budget>



Whereas, during this same period, the university has eliminated most funding transfers from the central operating budget to Student Services, including cuts to supplementary support for orientation activities and maintenance of the Brown Building;⁸

Whereas, these increases to overhead charges and cuts to funding transfers together represent almost \$2.5 million in total revenue lost from Student Services since 2010;⁹

Whereas, despite ongoing student advocacy efforts, increases to overhead charges on Student Services have not stopped for almost a decade;¹⁰

Whereas, the University has admitted that the only formula behind determining overhead charges is the resource constraints of the institution at a given time;¹¹

Whereas, recent Athletics and Recreation budget numbers indicate that it is within the university's financial capacity not only to reduce overhead charges, but to increase funding transfers from the central operating budget to fee-funded units;¹²

Whereas, according to Article 6.3 of the Internal Regulations of Finance-06 (Fees), "the Legislative Council and the Board of Directors reserve the right to reject a proposed Ancillary Fee question outright;"¹³

Be It Resolved, That the SSMU will not consider referenda questions for new FIOs, or increases to existing FIOs, until McGill University:

⁸ Ibid.

⁹ "Skimming your student fees," The McGill Daily (September 1, 2016).

<http://www.mcgilldaily.com/2016/09/skimming-your-student-fees/>

¹⁰ Ibid.

¹¹ "Question and Regarding Overhead Charges Applied to Student Services," McGill University Senate (May 11, 2016).

https://www.mcgill.ca/senate/files/senate/question_and_response_re_overhead_charges.pdf

¹² Budget Comparisons 2014-2018, McGill University Athletics and Recreation (February 2017).

<http://ssmu.mcgill.ca/ua/wp-content/uploads/2017/02/2017-02-08-Budget-Comparisons.pdf>

¹³ Article 6.3, "Internal Regulations of Finance-06 (Fees)," Students' Society of McGill University (2016).

<http://ssmu.mcgill.ca/wp-content/uploads/2008/10/Internal-Regulations-of-Finances-2016-04-07.pdf#page=23>



- Implements a moratorium on increases to overhead charges on fee-funded units including Student Services, Athletics and Recreation, and Student Housing and Hospitality Services;
- Develops a transparent overhead formula for the above units, in consultation with the relevant student societies, including a capped percentage deduction of no more than 1.5% annually;
- Provides yearly financial information to the Executive Committee regarding the distribution of all FIOs by SSMU Members, including the global budgets of all units receiving FIO revenues;
- Requires that the yearly budgets of the above units each be approved by a university committee with at least parity student representation.

Be It Resolved, That the Executive Committee communicate this position to the McGill University Fee Advisory Committee and the Office of Student Life and Learning;

Be It Resolved, That the Executive Committee report to the Legislative Council at least once per semester regarding whether or not these conditions have been sufficiently met.

Be It Resolved, That this policy remain in force until February 20, 2022.

Moved by:

Erin Sobat, Vice-President (University Affairs)

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Jasmine Segal, Social Work Representative

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