



MOTION REGARDING SSMU CLUB FUND FEE REFERENDUM QUESTION 2020-02-27

Submitted for: 2020-02-27

Submitted to: SSMU Legislative Council **Document no.:** LEG-PUB-MOT-2020-02-27-004

Moved by: Billy Kawasaki
Vice-President (Student Life) **Current Status:** FOR APPROVAL
 APPROVED
 POSTPONED
 COMMITTED
 NOT APPROVED

Seconded by: Victoria Flaherty
Clubs Representative

Issue

The Students' Society of McGill University (SSMU) has reaffirmed its commitment to Clubs and Services as its highest priority¹. Due to the health code, a Food Handling and Sales permit is required to hold fundraisers that involve the sale of food. This proves to be a substantial burden to fundraising efforts done by clubs and services where margins are already low. By subsidizing the cost of the permit, the SSMU will be able to prevent the increase in price of food sales, namely those which aim to serve samosas.

Another key priority for clubs is the implementation of an online interface for communication across clubs, including documentation, institutional knowledge, registration, and event sharing hereinafter “the clubs portal”.

Background and Rationale

Following a sanction from the City of Montreal regarding a samosa sale held at an on-campus location, the SSMU was obliged to create a proper workflow for processing food sales by student groups. This includes samosa sales and bake sales of food that is not pre-packaged. In order to conform with legal requirements, a \$25 food handling and sale permit is required per sale per day. This poses a substantial barrier to raising funds as well as keeping prices low.

¹ [Policy on Clubs and Services as SSMU's Highest Priority 2019-04-04](#)



The SSMU has noted a need for an organization management and workflow platform to handle the organizational needs of the society's over 300 clubs and 15 services. Exploration on this matter has been on-going for at least the last five years.

The Vice-President (Student Life), working with the Vice-President (Finance), and Building and Operations departments of the SSMU, has examined various interface options and identified the group Eventus as best suited to meet the needs of a bilingual and multi-category array of clubs and services in designing a clubs portal. The terms and conditions as well as the contract have already been finalized and are awaiting funding.

Alignment with Mission

Clubs are a substantial part of the society's operations and increasing support for their operations is aligned with the Clubs and Services as its Highest Priority Policy. The proposed \$0.82 fee increase will allow student groups to fundraise more effectively. The club portal will aid in their organizational management.

Consultations Completed

Consultation was conducted with both club representatives as well as members of the club committee. Expertise in selection for the club portal was provided by the IT department and Operations and the Building Director. The appropriate increase was calculated by the Vice-President (Finance).

Risk Factors and Resource Implications

Subsidizing the Food Handling and Sale permit (and related equipment) and the financing of the club portal will require an on-going source of funds. The current cost of a Food Handling and Sales permit is \$25 per sale and the yearly subscription fee for the club portal is \$20,000

Sustainability Considerations

With the implementation of the club portal, event guides, documentation and information can be accessed electronically, reducing the amount of printable materials needed.



Impact of Decision and Next Steps

Should the proposed fee increase pass, food sales, as well as serving kits, will be free of charge for the student groups and will be paid through the club fund. The implementation of the club portal is expected to be swift as a detailed implementation plan has already been produced and various stakeholders are aware of their responsibility. The back-end work flows and processes will be completed by mid-summer and the portal should be ready for launch to the broader public by the Fall 2020 semester.

Motion or Resolution for Approval

BE IT RESOLVED, THAT the SSMU Legislative Council approves the following question for the Winter 2020 Referendum period:

Do you agree to an increase of the opt-outable SSMU Club Fund Fee from \$2.75 to \$3.57, per semester, for all full and part-time SSMU members, to start in Fall 2020 and to be charged until Winter 2025 (inclusive), with the understanding that a majority 'no' vote would result in the continuation of current fee until Winter 2021?

Be it resolved that the SSMU Legislative Council adopts the actionable aspects of this question and that any grammatical or legal changes necessary do not need the re-approval of the Legislative Council.

Be it further resolved the appendix A be included on the ballot

Results of the Vote

In favour	(14)
Opposed	(6)
Abstain	(3)



Appendix A

1. Food Handling and Sales Permit

The current fee for a [Food Handling and Sales Permit](#) is \$25. The SSMU has also assembled a [Service Kit](#) which includes Gloves, Hairnets, Signage, and Surface Cleaner (sanitizer) at a cost of \$5. Should this fee pass, these would be free of charge for student groups.

Example 1 (Without Club Fund Fee Increase) - Club Expense for Samosa Sale including Permit Fee and Service Kit

3 samosa sales per semester (200 samosas per sale)
Expenses for Samosas: \$100
Expenses for Food Handling and Sales Permit and Service Kit: \$30
Sales (based of 1 for \$1, 3 for \$2): ~\$153
Total Revenue per sale: \$23
Revenue per semester: \$69

Example 2 (With the Club Fund Fee Increase) - Club Expenses for Samosa Sale with Permit Fee and Service Kit subsidized with proposed fee increase

3 samosa sales per semester (200 samosas per sale)
Expenses for Samosas: \$100
Sales (based of 1 for \$1 and 3 for \$2): \$153
Total Revenue: \$53
Revenue per semester: \$159

Example 3 (Without the Club Fund Fee Increase) - Increased Price of Samosa Sales with Permit Fee and Service Kit cost

(200 samosas)
Expenses for Samosas: \$100
Expenses for Food Handling and Sales Permit and Service Kit: \$30



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Located on Haudenosaunee and Anishinaabe, traditional territories

Revenue **without** Sales Permit Fee and Service Kit cost (at 1 for \$1 and 3 for \$2): \$59

Revenue **with** Sales Permit Fee and Service Kit cost (at 1 for \$1 and 3 for \$2): \$23

Potential Price Increase to Make up for Lost Revenue: 1 for \$1.20 and 3 for \$2.50 (revenue: ~\$59)

Equation used: Revenue = 2(33a + 66b) - \$130

where a = cost of 1 samosa when buying 1 and b = cost of 1 samosa when buying 3

Assuming that 33 samosas will be bought for 1 for \$1 and 66 samosas will be bought for 3 for \$2 per box of 100 samosas

2. Club Portal:

A full presentation on the Club Portal can be found [here](#).

The support and pricing structure for the project is as follows:

Annual License Fee (Setup included) - \$20,000 CAD

- Dedicated Product Consultant
- Dedicated Account Executive
- Platform Customizations
- Year-Round Support
- Annual Platform License

In order to justify a \$20,000 annual support fee, SSMU agrees to the following project terms:

- **Collaborative Case Study**
A case study with staff testimonials from this project
- **80/20 payment schedule**
(80% invoiced upon project initiation, 20% invoiced upon implementation)
- **3-year agreement terms**
(Each year is only renewable given that all the specifications are properly met for the SSMU team. SSMU has the right to cancel terms if specifications are not met)