



# Report of the Vice-President (Finance)

*Winter 2022 General Assembly*

# Summary

1. What does the Finance Portfolio do day-to-day?
  - a. Clubs
  - b. Services
  - c. General Finance/Accounting/Audit
  - d. Funding
  - e. Health Insurance Plan
2. 2021-2022 projects
  - a. Evaluation and Expansion of Operational Needs
  - b. Services and Funds COVID Surpluses
  - c. Re-examining our investment portfolio
  - d. Health Insurance Expansion for Trans Students
  - e. Other Goals/Projects
3. Involvement Opportunities!
4. Questions

**What do I do?**

# SSMU Constitution

*The Vice-President (Finance) shall exercise the following powers and perform the following duties: to ensure the long-term financial stability of the Society; to provide the Executive Committee and the Board of Directors with regular reports on the financial status of the Society; to develop the annual budget of the Society in a manner consistent with the governing documents of the Society and the priorities set out by the Executive Committee and the Board of Directors; to ensure that no individual or group disburses the Society's funds without authorization; to manage any Society group insurance plan duly approved by the Members, in a manner consistent with the governing documents of the Society; to authorize all agreements that bind the Society and to act as the representative of the SSMU to the SSMU Daycare Inc.*

# Clubs

- Responsible for the creation, upkeep and management of all SSMU club bank accounts
  - Currently over 230 open accounts, with up to 460 individual signing officers
  - Complete reset of credit cards and user profiles once every September
- Troubleshooting issues with club's banking access
  - Faulty tokens, lost credentials etc.
- General support/resources
  - How to make certain types of payments, work with vendors, use RBC Express
  - Contract review

# Services

- Budget review and variance analysis
- Purchasing approval and recording
  - Purchase orders + Capital Purchases
  - Overview of Credit Card use
- Contract review/approval
  - Like Clubs, Services are not legal entities
- Honorarium Payments
- Long term planning, growth, fee referenda
  - Service fees cannot be run longer than 5 years without returning to Referendum



# General Finance

- Ensuring the long-term Financial Sustainability of the Society
  - Creation of the Annual Budget (December-March)
  - Long-term Financial Plan
    - Short-term Investments and Financial efficiency
    - Staffing and Operations Expansion
    - COVID Surplus management
  - Managing the SSMU's cashflows
  - Semesterly fee reviews/variances
  - Investment Portfolio
  - Annual Audit (August-October)
  - Day-to-day Financial Controls
    - Credit Card approvals
    - Cheque Request approvals

# Funding

- Overseeing the disbursement of over \$350,000 in funds every academic year
  - Funds for every type of initiative, and available to **all** groups on campus, not just SSMU Clubs and Services
    - First Year Fund
    - Environment Fund
    - Charity Fund
    - Ambassador Fund
    - Club Fund
    - Campus Life Fund
    - Mental Health Fund
    - Equity Fund
    - Space Fund
  - Underutilized Funds
    - All of them!
    - COVID Surpluses led to significant roll-over



# Health Insurance Plans

- All SSMU members are automatically enrolled in either the Health and Dental plans or Dental Plan only depending on residency status
  - Health Plan
    - Full prescription drug coverage
    - \$1000 Psychology Coverage
    - Tuition Insurance
    - Travel Insurance (Covers students on exchange too!)
    - Telemedicine Service
  - Dental Plan
    - \$750 per year covered
  - Full details can be found at [Stuentcare.ca](https://www.studentcare.ca)

# Health Insurance Plans Cont.

- Current Work
  - Reviewing and managing plan reserves, and possible expansion due to surpluses
  - Reviewing e-counselling options and cost and whether Telemedicine is to be continued
    - Will be up at referendum hopefully!
  - Expanding the Insurance plan to increase coverage and address issues relevant to marginalized students.
    - This will be confirmed in March/April of this year during our renewal period.
  - Refuting regulatory directives on the viability of collective insurance

# 2021-2022 Projects and Progress

# Expansion of Operational Needs

- As mentioned in the 5-year plan, our staffing and operational resources are much smaller than comparable student societies
  - This leads to difficulty in providing required services and causes overwork for current staff
- In the process of expanding our staffing operation and evaluate what specific departments require additional support
- We have hired/are in the process of hiring new staff members in Governance, HR, Operations, and other departments as needed

# Services' and Fund's COVID Surpluses

- Last year, a report was published detailing the large surpluses found within Funds and Service Budgets
  - This outlined important issues relevant to the Society's ability to properly use student fees
  - However, a lack of consultation led to a lack of input from Services, and the COVID-19 pandemic was not sufficiently outlined as a factor that had exacerbated certain surpluses.
  - As such, Fee Consolidation, the solution outlined by the report, will be implemented only after significant consultations are made.
- Alternative proposal: **Fee Consolidations (Currently being worked on by the Finance Commissioner)**
  - **Currently there are 17 Fund and Service fees that appear on e-bills (ranging from 0.10 - 3.97)**
  - These fees are hard to understand, the amounts are often very variable and difficult to accurately plan (no Service ever nets to 0 comfortably and restricted five-figure surpluses are not uncommon), and are not indexed which prompts large and often unnecessary increases every 5 years
  - Consolidating Funds and Services' fees into a single fee **or** into the base fee has a number of benefits
    - Can be indexed to inflation - so fewer referenda needed and fewer long term fee increases
    - Easier to understand E-Bills
    - Service fee amounts can be adjusted internally as necessary between fiscal years rather than levying new fees or fee increases.
    - No need for deficit spending, and large projects can still be planned in advance
    - Rewards Services with efficient finances through access to surplus fees for new projects

# Re-examining our investment portfolio

- Current short-term investments are locked up in GICs
  - These have very low interest, and could be safely replaced with high-yield short-term corporate bonds.
  - This would likely double our net gain from interest.
  - These bonds would still be restricted by our ethical investment policies
  - We have elected to keep them in higher-performance GICs after pushing RBC on this
- Long-term investment re-evaluation
  - Adding the Awards of Distinction Fund into long-term investments would allow us to have many more Awards of Distinction to award to students.
  - This has been successfully done, will hopefully quadruple our yearly Awards of Distinction!

# Health Insurance Expansion

- Consultations with groups, experts, and services on campus on how to best improve the insurance system
  - Currently focused on increasing services for Trans students, specifically looking at subsidizing voice training, brand-name prescriptions, and increasing access to trained medical professionals
  - Looking at other issues that will affect students, like a continuation of telemedicine with Dialogue, and an expansion of our coverage for therapy and mental health services.
  - Currently facing issues with a regulatory agency that is seeking to infringe on our right to have collective insurance program
    - A coalition of 56 universities and colleges has been formed to fight this, we have already secured an additional year of coverage.

## Other Goals/Projects

- Working on securing tenants for the UC and 3501 Peel
  - In contact with a few prospective tenants, hoping to move forward on these as soon as possible.
- Making changes to the IRs of finance and Student Groups
  - Some loopholes with regards to our ethical investment policy
  - Changing the timeline on the Budget Revisions for services as they do not accurately reflect reality
  - Clarifying what is/isn't allowed when operating as a student group
- Reworking our budgetary practices to have a more accurate financial picture throughout the year



**How can I get involved!**

# Committees in need of Members at Large and opportunities to participate in Governance:

- Attend Public Sessions of the Legislative Council and Board of Directors
- Run for office!
  - VP Finance nominations are happening right now! Unique opportunity to be the CFO of a large company!

# Questions?

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