



Introduction

Every year, SGPS Council passes a budget prepared by the Executive which enables the organization to spend money on various projects within that fiscal year. This document provides an overview of how our budget is operationalized in accordance with our mandate to improve the graduate and professional student experience.

Change in Fiscal Year

Previously, the fiscal year of the SGPS was September 1st to August 31st. This however made little sense when compared to the Executive's term which is May 1st to April 30th. One of the main consequences of this was that a new Executive would spend the first four months of their term operating on the previous Executives budget. This year we have changed our fiscal year to reflect the Executive's term. This will allow for more accountability because each Executive is accountable for creating the budget for their entire fiscal year. It should be noted that this means the 2017-2018 fiscal year was only 8 months long. This meant the SGPS received approximately the same revenue, while only incurring 8 months' worth of expenses. This explains both the large surplus and some of the increase in expenses between the 2017-2018 and 2018-2019 years.

The Budgeting Process

Last year the Executive introduced a budgeting from zero policy. This meant that instead of looking at the expenditures from previous years and estimating our spending for the year, the Executive would try their best to price out exactly what was needed and include that figure in the budget. This certainly creates accuracy and reduces overbudgeting. This year the same philosophy was used where possible. However, with the shift in the fiscal year, and the small time frame to complete the budget, some estimates were necessary. For example, the new commissioners have just been hired and therefore have not completed their year plans and budgets. This means we cannot budget from zero and have used last year's number as our estimate.

Operating Contingency

The past year was a great example of why an operating contingency is necessary. Had the executive not budgeted for a rainy day the 120,000 we did not receive from PSAC 901 would have had a much larger impact. As you will see this year we have increased our operating contingency from 8% to 12%. There are a couple reasons for that. First, with the new fiscal year, and our inability to budget entirely from zero we wanted to ensure adequate cash was available. For example, if the commissioners want to budget more than last year and the Executive sees the value in this, we will have the funds to do so. Second, there is currently questions surrounding our Health and Dental Plan. A full report will be released to explain this further but between the change in insurance provider and the effect the upcoming election could have on OHIP+ the executive has been advised to put more than previous years into the Health and Dental Fund to ensure stability.

Cash vs. Accrual Basis

According to the SGPS Bylaws, the budget is accounted according to the 'cash method'. This means that the budget tracks revenues when they are actually received and expenses on the date in which they are paid out. The other method for tracking this is called the 'accrual method'. In this, the budget tracks revenue for when it is earned and expenses when they are incurred.

To put this simply: Let's say you own a business that sells machinery. If you sell \$5,000 worth of machinery, under the cash method, that amount is not recorded in the books until the customer hands you the money or you receive the check. Under the accrual method, the \$5000 is recorded as revenue immediately when the sale is made, even if you receive the money a few days or weeks later. The same thing occurs for expenses. If you get an electric bill for \$1700, under the cash method, the amount is not added to the books until you actually pay the bill. However, under the accrual method, the \$1700 is recorded as an expense the day you get the bill.

For the purposes of the SGPS, we've created two versions of the budget that reflect our finances on both a cash and accrual basis to better inform Council of when money is being spent during each fiscal year.

Explanation of Budget Lines

Below is an explanation of each of the line items found in the budget

Revenue

Student Fees

This reflects the amount of student fees we collect through the SGPS Society Fee.

Health & Dental Plan

This figure represents the difference between what the insurance provider charges us, and what we collect through the Health & Dental fee. This is used for both the administration costs of the plan, as well as contributing to the Health & Dental Fund.

Interest Income/ Other

This line represents the revenue we plan on receiving from our strategic investments.

Social Events Income

This figure represents the cash we collect from those social events that we sell tickets to.

Expenses

Wages and Benefits

This figure represents the wages paid to our staff, the EI and CPP contributions, Health and Dental Plan contributions, and RRSP contributions.

Honoraria & Stipends

This line includes stipends paid to the Executive, Commissioners, Deputy Commissioners, and Officers. You will notice a significant increase here as we prepare to increase the number of student positions the Society offers.

Bursaries and Grants

Bursaries: Our four bursaries provide a range of financial assistance for students in need. These have significantly decreased for two reasons. First, this reflects the utilization of the bursaries. Second, PSAC 901 is no longer contributing \$20,000 towards the Dental Fund and the International Bursary.

- 1) Dental Fund - Gross amount of \$5,000
- 2) International Bursary - Gross amount of \$5,000
- 3) Emergency Student Assistance Bursary - Gross amount of \$10,000
- 4) Student Activity Bursary - Gross amount of \$5,000

Grants: Our four grants provide another source of financial assistance to groups who are creating initiatives the SGPS wishes to support.

- 1) Sustainability Grant - Gross amount of \$5,000
- 2) Accessibility Grant - Gross amount of \$5,000
- 3) Diversity and Inclusion Grant - Gross amount of \$5,000
- 4) Department Student Council Grant - Gross amount of \$10,000

Professional Fees

This figure includes our banking fees, accounting fees, and legal fees. As you will notice there is a significant increase under this line. We have recently switched to a more reputable, higher-quality firm. The Executive decided to make the change after receiving incomplete or inaccurate opinions from our previous representation.

Sundry

This line includes items such as sponsorship, our shared costs for the Queen's Clubs Office, and transition/training expenses. You will notice an increase on this line item, this is because with the new executives plans to hire a Marketing Officer, we hope to sponsor more events.

Amortization of Capital Assets

This line represents the amount of amortization (depreciation) of our capital assets, such as computer hardware.

Orientation & Advertising

This line includes Orientation Week Swag given to students, the cost of agendas given to students, and all costs for marketing and promotions such as Facebook ads and print ads. This line has increased significantly based on the new Executives initiative to hire a Marketing Officer. With a new student position working on marketing the SGPS it is reasonable to increase the overall marketing budget.

Office & Other Expenses

This line includes the lease and usage of the copier, postage and other miscellaneous office supplies.

Commissioner Expenses/Events

This line includes the cost of events where tickets are not sold, and subsidies for events where tickets are sold.

Telephone

This includes the costs of landlines in the offices as well as reimbursement for full-time staff and Executive phone plans.

Insurance

The cost of the Society's insurance

Council and Committees

This line represents election costs, including campaign expenses, and the cost of Simply Voting the online election platform. It also includes the cost of food and miscellaneous supplies for council. This line has seen the most significant increase for two reasons. First, we have increased the budget to allow council to shift away from pizza and cater healthier and more accommodating food options. Second, the largest portion is Executive Initiatives. This is the estimated cost of establishing a Graduate Peer Support Centre and the cost associated with moving our servers onto the Queen's ITS system to increase security and bringing our practices in line with other groups on campus such as the AMS.

Conferences & PD

This includes conferences attended by the Executive such as the CFS, and professional development courses for staff, Executives, and Commissioners.

The Society of Graduate and Professional Students Statement of Operations : CASH BASIS

Description	2015-16 Final	2016-17 Final	2017-18 Stub Yr	2018-19 Est
Revenue				
<i>Student Fees</i>	371,878.09	371,299.80	412,969.45	403,475.55
<i>Health & Dental Plan</i>	241,284.91	144,944.30	76,587.52	189,209.27
	<u>613,163.00</u>	<u>516,244.10</u>	<u>489,556.97</u>	<u>592,684.82</u>
Other				
<i>Interest Income / Other</i>	24,305.30	27,335.31	(1,077.88)	10,129.16
<i>Social Events Income</i>	17,849.88	1,366.00	9,650.00	9,650.00
	<u>42,155.18</u>	<u>28,701.31</u>	<u>8,572.12</u>	<u>19,779.16</u>
	<u>655,318.18</u>	<u>544,945.41</u>	<u>498,129.09</u>	<u>612,463.98</u>
Expenses				
<i>Wages & Benefits</i>	315,992.03	253,285.70	116,403.10	176,189.00
<i>Honoraria & Stipends</i>	100,877.53	104,714.17	75,234.09	126,037.25
<i>Bursaries & Grants</i>	16,763.02	38,220.77	23,500.00	35,500.00
<i>Professional Fees</i>	30,781.25	26,599.34	29,300.14	46,000.00
<i>Sundry</i>	12,971.36	24,352.00	15,000.00	21,000.00
<i>Orientation & Advertising</i>	8,979.58	16,722.27	13,043.93	21,100.00
<i>Office and Other Expense</i>	14,156.69	13,518.90	10,300.00	13,500.00
<i>Commissioner Expenses/Events</i>	32,363.31	12,670.95	16,675.00	16,675.00
<i>Telephone</i>	11,211.20	9,758.49	6,825.38	10,650.00
<i>Insurance</i>	9,311.76	8,255.62	10,000.00	10,000.00
<i>Council and Committees</i>	1,943.11	4,163.09	16,590.96	44,800.00
<i>Conferences & PD</i>	11,552.92	603.70	1,143.80	2,000.00
<i>Plus : Purchase of Capital Assets</i>	43,556.87	1,467.18	414.91	4,000.00
	<u>610,460.63</u>	<u>514,332.18</u>	<u>334,431.31</u>	<u>527,451.25</u>
Excess : Revenues over Expenses (Loss) - CASH Basis	<u>44,857.55</u>	<u>30,613.23</u>	<u>163,697.78</u>	<u>85,012.73</u>

**The Society of Graduate and Professional Students
Statement of Operations : ACCRUAL BASIS**

Description	2015-16 Final	2016-17 Final	2017-18 Stub Yr	2018-19 Budget
Revenue				
<i>Student Fees</i>	371,878.09	371,299.80	412,969.45	403,475.55
<i>Health & Dental Plan</i>	241,284.91	144,944.30	76,587.52	189,209.27
	<u>613,163.00</u>	<u>516,244.10</u>	<u>489,556.97</u>	<u>592,684.82</u>
Other				
<i>Amort. of Capital Contribut'n</i>	1,000.00	1,000.00	1,000.00	1,000.00
<i>Interest Income / Other</i>	24,305.30	27,335.31	(1,077.88)	10,129.16
<i>Social Events Income</i>	17,849.88	1,366.00	9,650.00	9,650.00
	<u>43,155.18</u>	<u>29,701.31</u>	<u>9,572.12</u>	<u>20,779.16</u>
	<u>656,318.18</u>	<u>545,945.41</u>	<u>499,129.09</u>	<u>613,463.98</u>
Expenses				
<i>Wages & Benefits</i>	315,992.03	253,285.70	116,403.10	176,189.00
<i>Honoraria & Stipends</i>	100,877.53	104,714.17	75,234.09	126,037.25
<i>Bursaries & Grants</i>	16,763.02	38,220.77	23,500.00	35,500.00
<i>Professional Fees</i>	30,781.25	26,599.34	29,300.14	46,000.00
<i>Sundry</i>	12,971.36	24,352.00	15,000.00	21,000.00
<i>Amortization of Capital Assets</i>	16,598.76	20,553.87	10,337.78	14,986.69
<i>Orientation & Advertising</i>	8,979.58	16,722.27	13,043.93	21,100.00
<i>Office and Other Expense</i>	14,156.69	13,518.90	10,300.00	13,500.00
<i>Commissioner Expenses/Events</i>	32,363.31	12,670.95	16,675.00	16,675.00
<i>Telephone</i>	11,211.20	9,758.49	6,825.38	10,650.00
<i>Insurance</i>	9,311.76	8,255.62	10,000.00	10,000.00
<i>Council and Committees</i>	1,943.11	4,163.09	16,590.96	44,800.00
<i>Conferences & PD</i>	11,552.92	603.70	1,143.80	2,000.00
	<u>583,502.52</u>	<u>533,418.87</u>	<u>344,354.18</u>	<u>538,437.94</u>
Excess : Revenues over Expenses (Loss)	<u>72,815.66</u>	<u>12,526.54</u>	<u>154,774.91</u>	<u>75,026.04</u>
	11.88%	2.43%	31.62%	12.66%