

# **SFS budget and membership fee 2024/25**

Proposal 2

**SFS**



# Covering letter

## Proposal 2: SFS budget and membership fee 2023/24

### Presentation of proposals

The Board is responsible for preparing proposals for the budget and membership fee to be put forward to the SFS General Assembly, SFSFUM. For that purpose, the Board has issued invitations to submit comments on proposals on three occasions. Initially at a digital member meeting on 13th November 2023 where the process was presented. Furthermore, the direction of the board's work with the new budget was presented at a digital member meeting on December 12, 2023. Then the board held a presentation at the SFS member meeting on January 30-31, 2024, where the board presented SFS's finances, the budget process and invited comments on the then working proposal. In addition to that, there has been the opportunity to submit suggestions or opinions in an open form for member unions on the SFS website. In addition, parts of the SFS organisation, such as committees, the Election Committee and the office, have had the opportunity to submit their views on the proposed budget.

Approximately every other month, the Board receives financial reports written by the SFS office on how the organisation is keeping to the budget. When preparing the budget proposal, the board has taken into account the results of previous years as well as the accounted cost increases.

The SFS finances are aimed at having an annual turnover in equity. SFS has experienced negative results in recent years, partly as a result of the SFS's one hundred year anniversary celebration and larger events during Sweden's presidency of the EU during the spring of 2023. The ambition is to move towards a positive result in order to reach the goal of annual turnover in equity. The reason is to make the organisation less vulnerable in the scenario where the grant from the state to SFS is reduced or if the organisation is affected by other external factors. SFS has a goal in accordance with the Instruction for SFS capital investment (O11-10/2223) to aim for a surplus of one (1) percent of SFS' turnover that can be set aside for capital investments. Therefore, the board is aiming for a positive result that enables provisions for capital investments and a certain margin of safety for the financial year.

In the proposal for membership fees, the board has investigated the possibility of notifying an increase within the next two years. Arguments for changing the membership fee with the current financial situation is to not be as dependent on the Government grant. However, it is not justified to raise the membership fee if it entails a budget with too large of a positive result. An increase can also contribute to a financial strain on the member unions. The board has also proposed to lower the reimbursement for the Presidium in order to hold down cost increases. The board's total number of members will also decrease in the coming financial year following the decision at SFSFUM 2023, which means that the board's costs should be kept down. However, in the



long run the board sees a need to review SFS incomes and that the membership fee may need to be increased in the future.



## Comments on budget proposals per cost centre

A clarification per cost centre is set out below. In the case of revenue, there is a text explaining where the income is from as well as what the costs will go to.

### Summary item income

The total income is estimated at SEK 7 178 000.

The cost centre is SEK 418 000 higher than the previous year.

### Membership income

The Board proposes to establish the budget for the Membership Income cost centre at SEK 1 818 000. Calculation of membership income is based on the number of students represented, which is specified in the allocation of votes for SFSFUM 2024. There is a certain increase compared to last year, which can be attributed to the fact that the number of students in higher education has increased, which also means that the student unions represent more students. Besides membership fees, further income can accrue to this item such as payments from member unions in connection with member activities.

The cost centre is SEK 118 000 higher than the previous year

### Government grant

The Board proposes to establish the budget for the Government Grant cost centre at SEK 5 060 000. The Government grant is established per calendar year and is paid out in equal instalments four times a year. The grant for 2024 amounts to the same sum as for 2023 and is not increased automatically. The grant is expected to remain at the same level in 2025.

The cost centre remains the same as the previous year.

### Miscellaneous

The Board proposes to establish the budget for the Miscellaneous cost centre at SEK 300 000. SFS has an agreement with the Swedish National Agency for Higher Vocational Education for the development of student influence in vocational education. The agreement is the product of a research project that has been going on for around ten years and development is now underway. SFS has established a part-time position as a student ombud at the SFS office to lead the development work. To carry out the work, SFS is paid SEK 300 000 by the agency for one years work and it is paid monthly.

The cost centre is SEK 300 000 higher than the previous year.

### Summary item costs

The total costs are estimated at SEK 7 005 000.

The cost centre is SEK 435 000 higher than the previous year.



## The office

The Board proposes to establish the budget for the Office cost centre at SEK 4 375 000. The cost centre has shared costs with the Presidium for items such as office housing, IT services, accounting services, training and newspapers. The office's personnel costs account for most of the costs. The office is planned to maintain current staffing and the employees work to assist the Presidium in the implementation of SFS policy and member activities. The board has taken into account increased costs in the form of salary revisions and the total number of employees of the office.

The cost centre is SEK 375 000 higher than the previous year.

## The Presidium

The Board proposes to establish the budget for the Presidium cost centre at SEK 1 450 000. The cost centre has shared costs with the office for items such as premises, IT services, accounting services, training and newspapers. Training relates to aspects such as labour law and work environment since the Presidium supervises the office. The Presidium's reimbursement accounts for most of the costs. The Presidium also has the opportunity to visit member unions and participate in conferences and in connection to this, travel, food and accommodation are charged to the cost centre.

Regarding the reimbursement, the board proposes that it be set at 50 percent of the price base amount. Last year it was 55 percent, whereupon the board proposes to reduce it in order to avoid increases in overall costs due to inflation. The board has made the assessment that the reduction of the reimbursement does not significantly affect the aspect of sustainable engagement in the Presidium.

The cost centre remains the same as the previous year.

## The Board

The Board proposes to establish the budget for the Board cost centre at SEK 200,000. Costs for Board meetings, Student City of the Year and representation are charged to the cost centre. Costs for travel, food and accommodation are incurred in connection with these activities. Board meetings cover the cost of attendance by members, auditors, the Postgraduate Student Committee and, if necessary, Komit and/or SQC as well as the Election Committee.

Since the end of the pandemic, the board has had challenges with keeping its budget. The return to physical meetings for thirteen board members has generated large costs despite greater awareness in the planning of the meetings. Recent inflation has also increased the costs of travel, accommodation and food. The board proposes that the cost centre remains the same since the number of members is reduced from thirteen to nine, as a result of decisions taken at SFSFUM 2023, which means that costs should be reduced. However, the board will still have to consider costs in connection with physical meetings and one of the physical board meetings should probably be converted to a digital one in order to keep costs down. It is suggested that the board's meetings should be held in cities where the costs of accommodation and meals are lower. The board



proposes that an evaluation be carried out before next year's budget process where it can be studied how much the board has cost based on the new conditions with fewer members, fewer physical meetings and inflation.

The cost centre remains the same as the previous year.

## Komit

The Board proposes to establish the budget for the Komit cost centre at SEK 225 000. Travel costs and association fees are charged to the cost centre. Most of the budget relates to the cost of the membership fee for the European Students Union. The fee for SFS is based on the organisation's turnover. The other cost relates to travels for the Nordic Presidency Meeting, the European Students' Union event, the European Students Convention and Board Meetings. There should also be a buffer for participating in other international events.

Since the end of the pandemic, Komit has had challenges with keeping its budget. A return to physical meetings and events in Europe means that costs are increasing. The committee has therefore also been affected by inflation, which has driven up prices for travel, accommodation and food. The committee has made a suggestion to the board where cost increases and planning for the next operating year have been taken into account. From that suggestion, the conclusion is that an increase of SEK 25 000 is a reasonable amount.

The cost centre is SEK 25 000 higher than the previous year.

## Member activities

The Board proposes to establish the budget for the Member Activities cost centre at SEK 150 000. SFS holds one physical members' meeting per term and costs relate to travel, food and accommodation. SFS pays for food and accommodation for one person per member union. Costs for SFS's participation in member activities are also charged to the cost centre.

The cost centre remains the same as the previous year.

## SFSFUM

The Board proposes to establish the budget for the SFSFUM cost centre at SEK 300,000. All costs relating to the SFS General Assembly are charged to the cost centre. SFSFUM normally takes place once a year in April or May. SFS will pay a participation fee for one person from each member union as well as student unions applying for membership. Costs for SFS's participation are also charged to this cost centre. SFS pays the cost for candidates who are not already part of a delegation or are otherwise paid for by SFS. Costs for meeting officials, transport and VoteIT are incurred in addition to these costs.

The board has made the assessment that SFSFUM has generally had difficulty keeping its budget and that there have been increases in costs for, among other things, the IT system, accommodation and travel. The board therefore proposes a certain increase to meet the changed conditions.



The cost centre is SEK 50 000 higher than the previous year.

### Doctoral Committee

The Board proposes to establish the budget for the Postgraduate Student Committee cost centre at SEK 90 000. The cost centre includes costs for committee meetings, activities, conference participation and the fee for the European doctoral organisation Eurodoc.

The cost centre is reduced due to the fact that previous years' results have shown that the committee has not reached its budget framework for three years in a row. The board therefore believes that the budget should be adjusted.

The cost centre is SEK 10 000 lower compared to the previous year.

### The Election Committee

The Board proposes to establish the budget for the Election Committee cost centre at SEK 40 000. The cost centre refers to costs for the work of the Election Committee, which primarily consists of the costs of travel, food and accommodation in connection with meetings and training. This may also relate to costs incurred in connection with interviews and marketing.

In an input to the board's budget work, the selection committee has assessed that the budget needs to increase to SEK 80 000. The board does not share the assessment that an increase of 166 percent is justified for the nomination committee to carry out its work. However, the board sees that costs for travel, accommodation and food have increased, which justifies a certain increase.

The cost centre is SEK 10 000 higher than the previous year.

### SQC

The Board proposes to establish the budget for the SQC cost centre at SEK 40 000. The cost centre relates to the costs of committee meetings and conference participation.

The board has chosen to propose an increase in order to guarantee that the committee can have two physical meetings per year.

The cost centre is SEK 10 000 higher than the previous year.

### Student Representatives

The Board proposes to establish the budget for the Student Representatives cost centre at SEK 30 000. The cost centre is still new and, based on current activities, funds are used for food, lodging and accommodation in connection with assignments.

The cost centre remains the same as the previous year.

### Network

The Board proposes to establish the budget for the Network cost centre at SEK 30,000. The cost centre is still new and, based on current activities, funds are used for food,



lodging and accommodation in connection with network meetings. The networks will promote exchanges of experience within the student unions and strengthen member unions in their work.

The cost centre remains the same as the previous year.

### Specific ventures

The board proposes to set the budget for the cost centre Specific ventures at SEK 75 000. The cost centre refers to costs that are in addition to ordinary operations within SFS. The book that was written in connection with SFS's one hundred year anniversary in 2021 will likely be launched in the summer of 2024. To draw attention to SFS, the book and make a good event for the book launch, the board proposes to set aside SEK 75 000. It is a one-time cost. The board also suggests that, for example, a political issue from the operational plan could be raised in connection with the event in order to use the resources well and take advantage of the opportunity.

The cost centre is SEK 25 000 lower compared to the previous year.

### Depreciation

The Board proposes to establish the budget for the Depreciation cost centre at SEK 0.

The cost centre remains the same as the previous year.

### Profit/loss

The Board proposes to adopt the profit for 2024/2025 at SEK 173 000.





## Draft decision

The Board proposes to the General Assembly

**that** the SFS membership fee for the 2024/25 financial year be established at SEK six (6) per full-time student in education at first- and second-cycle level, as well as third-cycle level recalculated as a full-time equivalent within the union's area of operations.

**that** the SFS provisional membership fee for the 2025/26 financial year be established at SEK six (6) per full-time student in education at first- and second-cycle level, as well as third-cycle level recalculated as a full-time equivalent within the union's area of operations.

**that** the SFS Budget for 2024/25 be adopted as follows:

<b>SFS budget</b>	<b>2024/25</b>
<b>Income</b>	
Membership income	1 818 000
Government grant	5 060 000
Miscellaneous	300 000
<b>Total income</b>	<b>7 178 000</b>
<b>Costs</b>	
The office	4 375 000
The Presidium	1 450 000
The Board	200 000
Komit	225 000
Member activities	150 000
SFSFUM	300 000
Doctoral Committee	90 000
The Election Committee	40 000
SQC	40 000
Student representatives	30 000
Network	30 000
Specific ventures	75 000
Depreciation	0
<b>Total costs</b>	<b>7 005 000</b>
<b>Profit/loss</b>	<b>173 000</b>