

**Travel CUTS Board of Directors Report - 1994/95**  
**May 1995 Semi-Annual General Meeting**  
**Canadian Federation of Students**  
**Canadian Federation of Students-Services**

**Travel CUTS Board of Directors (1994-95)**

Mike Mancinelli	Travel CUTS Chairperson
Cass Koenen	Board of Directors Treasurer
José François	Member-at-large (from Plenary)
Patrick Crowley	Member-at-large (from Plenary)
Guy Caron	Member-at-large
Robert Keddy	CUTS Staff representative
Joanne Taylor	CUTS Staff representative

**Non-Voting Members and Invited Guests**

Rod Hurd	President Travel CUTS (ex-officio)
David Jones	Executive Director CFS-S (observer) to April 1995.

**What is Travel CUTS?**

The national student organization has been providing travel services to Canadian students for more than 30 years, first as a function of the National Federation of Canadian University Students (NFCUS), as its successor CUS, and then as the Association of Student Councils (Canada) (AOSC). In 1974, changes to government and licensing regulations required the incorporation of Canadian Universities Travel Service (Travel CUTS/Voyages Campus) to continue this function.

In 1982, the national student movement was organized to become the Canadian Federation of Students (CFS) and the Canadian Federation of Students-Services (CFS-S), two separate incorporations with congruent membership, and today Travel CUTS is wholly owned by CFS-S.

Travel CUTS is one of the last remaining student-owned travel companies in the world, and currently provides travel services annually to approximately 200,000 Canadian Students through 44 offices across Canada, employing over 200 staff. It also owns "Senate Travel" and "Travel CUTS-United Kingdom."

**How does CUTS contribute to the Student Movement?**

In addition to providing literally millions of dollars to Canadian students in savings on airfares, etc., Travel CUTS has contributed heavily to the financial support of the Canadian student movement by providing both cash support to the student movement in times of cash flow weakness, and capital to support existing operations.

The capital support is provided directly to CFS-S by means of a payment of 1% of all sales to students (termed as the referral fee). CFS-S, in return, has the option to make a share purchase in Travel CUTS in order to improve the company's equity position so that it may maintain and improve its operations.

**Travel CUTS licensing requirements**

Canadian Universities Travel Service Limited (Travel CUTS/Voyages Campus/Senate Travel) is appointed by the International Air Transport Association (IATA) as an agent for the sale of

scheduled airline tickets. In addition, Travel CUTS holds licenses from the provinces of Québec, British Columbia and Ontario to sell travel in these provinces (roughly 68% of total sales in Canada).

In order to maintain these licenses, licensing bodies require a minimum standard of financial reliability in the corporation accounts at all times, and cross guarantees to maintain this standing from the company's owners.

The minimum financial requirements for these licenses are quite similar and the IATA standards are used here as an example.

Financial statements for year end **must** be received within 90 days of the Agent's year end and all other financial statements must reflect a position not older than 90 days.

Statements must include assets and liabilities including any current portions of long-term debt. Receivables from related parties: shareholders, employees, officers, and associates (ie. CFS\_S) must be excluded from the tabulation of assets. Goodwill (other assets) must similarly be excluded.

In addition to various security standards, minimum capital etc., the company's accounts must score a minimum of 15 points of 30 possible in the IATA Ratio Tests.

The 30 points possible are made up as follows:

Current Ratio	MAX 8 points
Quick Ratio	MAX 4 points
Efficiency Ratio	MAX 5 points
Debt Ratio	MAX 9 points
Return on Net Worth	MAX 4 points

*Intern'l  
ASSOC  
of  
Travel  
Agencies*

As at March 31, 1995, CUTS scores as follows:

L.1	Current Ratio (Current Assets / Current Liabilities)	5 points
L.2	Quick Ratio (Cash & Accounts Receivable / Current Liabilities)	2 points
A.1	Efficiency Ratio (Accounts Receivable x360 / Gross Sales)	4 points
J.1	Debt Ratio (Total Debt / Net Tangible Assets)	4 points
P.1	Return on Net Worth (Net Profit After Tax x 100 / tangible net worth)	0 points
	<b>Total score:</b>	<b>15 points</b>

### **Motions Passed by the Travel CUTS Board (1994/95)**

**21/9/94 (Toronto)**

a) Amalgamation

Be it resolved that the Chairperson meet the President of Travel CUTS to evaluate the needs for consultation regarding the impact of the motion calling for the dissolution of CFS-Services;

Be it further resolved that the Board request that the National Executive Committee form a concise outline of how the information process will take place, how consultation will occur, and

that any information resulting from this consultation will be included in the final report.

b) Thanks

Be it resolved that thanks be expressed to the members of the 1993/94 Travel CUTS Board of Directors in appreciation for their overall contribution.

Be it further resolved that a letter be sent to staff of Travel CUTS congratulating them on a very successful year and expressing the Board's gratitude for the hard work and dedication that have provided so many thousands of students with the opportunity to travel and has resulted in a strong year end company performance.

**22/10/94 (Toronto)**

a) Strategic Plan

Be it resolved that Travel CUTS establish a Strategic Planning sub-committee of the Board, with immediate effect, of three individuals, comprising one student representative, a staff member and a member of the executive, with a mandate to research and evaluate the current market position of CUTS and provide the Board, and its owners, with a long-term planning document which outlines the options for expansion or deepening of market share for the company over the next 5 years (to the year 2000);

Be it further resolved that the Strategic Planning sub-committee of the Board also provide an assessment of the likely capitalization needs of the company over the next five years (to the year 2000) under each option (if applicable).

Be it further resolved that the committee be composed of Patrick Crowley, Mike Mancinelli and Rod Hurd.

b) New office openings

Be it resolved that Travel CUTS (and all its subsidiary operations) refrain from the opening of any new offices, unless such a proposal receives a majority vote by the Board, until such time as a long-term strategic plan has been adopted by the Board.

**11/3/95 (Montréal)**

a) ISIC price signage

Be it resolved that where there is a Travel CUTS office on a campus where undergraduate students are members of the Federation, and graduate students are not, or vice-versa, that sign(s) be placed in prominent view of the clientele, informing them of the price of the International Student Identity Card, being \$15 for non-members, and free to members.

b) ISIC promotional material

Be it resolved that all new promotional material for the International Student Identity Card shall display its price (free to members, \$15 to non-members).

**Emergency Travel CUTS Board Meeting - 16/5/95 (Toronto)**

An emergency meeting of the Board was held to discuss the recent decision of the National Executive to dismiss the Executive Director of CFS-S.

The Chair of the Board (Mike Mancinelli) requested a summary of the events at Travel CUTS since the dismissal of the Executive Director. The President of Travel CUTS (Rod Hurd) expressed concerns of Travel CUTS staff at the process, lack of consultation and forethought at the implications for Travel CUTS, its staff and the students that it serves. The President

*not one*

indicated that 95% of the 254 employees of Travel CUTS had signed a petition expressing this concern. The President announced that the Regional Managers had requested a meeting immediately following the decision to discuss the situation.

Although the Chair indicated that no reasons for the recent decision would be provided at the meeting, the Treasurer assured the Board that the decision of the National Executive was not the beginning of a "domino" effect and that staff positions at Travel CUTS were not in risk at this time.

One of the Members-at-large (Patrick Crowley) pointed out that this decision should not, in theory, have any major ramifications upon the staff of the company, as the two organisations are distinct and legally separate. One of the Staff representatives (Robert Keddy) disagreed with this view, saying that the ex-Executive Director was an integral part of the operations of all the services of the Federation.

The Board recognised that the lack of consultation between Travel CUTS staff and the Board had become entrenched, and so was also a more general problem. Suggestions should therefore also be solicited so as to improve the ongoing consultative process within the company.

The Board recognised the concern of the staff and the Chair indicated the petition would be taken to the National Executive as soon as possible, whence some kind of a response would be requested.

### **Bilingualism**

Over two years ago, the Board of Directors made a commitment to improve the state of bilingualism in Travel CUTS/Voyages Campus. In the fall of 1992, the Board adopted a number of resolutions aimed at developing the level of bilingualism within the company. This spring we evaluated the progress that has been made.

Key to this policy, is to develop the level of bilingualism within the staff complement on a gradual basis. To facilitate the process, the Board identified 5 target areas (Winnipeg, Sudbury, Ottawa, Fredericton, and all of Québec) where hiring policy requires increased emphasis on the applicant's ability to speak French. The effect of this hiring policy has been quite satisfactory.

	<b>Number of staff fluent in French</b>	
	<b>1992</b>	<b>1995</b>
University of Manitoba (Wpg)	0/5 (0%)	2/4 (50%)
Portage ave (Winnipeg)	new office	1/3 (33%)
Laurentian (Sudbury)	2/4 (50%)	1/4 (50%)
Stewart St. (Ottawa)	2/5 (40%)	5/7 (71%)
McGill (Montréal)	4/5 (80%)	4/4 (100%)
Concordia (Montréal)	2/5 (40%)	3/4 (75%)
Union St. (Montréal)	2/3 (66%)	4/6 (66%)
St. Denis (Montréal)	7/8 (88%)	5/5 (100%)
U de Mtl (Montréal)	3/3 (100%)	4/4 (100%)
Québec City (Québec)	3/3 (100%)	4/4 (100%)
Trois Rivières	new office	1/1 (100%)
Fredericton	0/2 (0%)	1/2 (50%)

A wide variety of actions have been taken by our target offices to improve customer service to francophones, which include providing receipts in French, bilingual greeting when answering the phone, setting up booths and increasing advertising in francophone campuses.

The question of an integrated french/english logo needs to be resolved, and will be studied by the Ad-hoc Committee on CUTS/Federation Profile.

#### **Ad-hoc Committee on CUTS/Federation Profile**

In September 1994, the Board of Directors struck an Ad-hoc Committee on CUTS/Federation Profile, headed by Guy Caron, to deal with questions of an integrated french/english logo, an updated logo, signage, promotional material, and Federation Profile in Travel CUTS/Voyages Campus. The Ad-hoc Committee has not yet met.

#### **Ad-hoc Committee on Strategic Planning**

In late October, 1994, the Board struck an Ad-hoc Committee to create a strategic plan for the travel company. The Ad-hoc Committee met in Toronto over two days, February 2/3, 1995, for a preliminary meeting to establish the agenda a scope of the Ad-hoc Committee. At this meeting various issues were discussed, but most of the meeting itself was devoted to preliminary discussion of the state of the Travel industry, the market position of Travel CUTS, Travel CUTS' strengths and weaknesses, potential for expansion and the markets and geographical areas where most potential exists. Requests for statistics on Travel CUTS' customers and product purchases were made, and a general discussion took place on the best way to proceed with the study. It was decided that staff resources, when available would be necessary to undertake the detailed work required to complete the study.

Staff resources will likely be allocated over the summer months to complete the first phase of the project, but a further meeting would be required to define options, when preliminary work has been completed. A date has yet to be set for the next meeting.

tcuts95.wpd



DATE: ✓  
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B E T W E E N :

ASSOCIATION OF STUDENT COUNCILS  
(CANADA)

- Of the First Part

- and -

CANADIAN UNIVERSITIES TRAVEL SERVICE  
LIMITED

- Of the Second Part

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\_\_\_\_\_  
A G R E E M E N T  
\_\_\_\_\_  
\_\_\_\_\_

STIKEMAN, LEE & CHENOWETH  
Barristers and Solicitors  
P.O. Box 66  
Toronto-Dominion Centre  
TORONTO, Ontario  
M5K 1E7

RS:jc

THIS AGREEMENT made this

day of

10,

, E T W E E N :

ASSOCIATION OF STUDENT COUNCILS (CANADA),  
a non-share capital, non-profit Canadian  
corporation having its head office at  
44 St. George Street, Toronto, Ontario,

Hereinafter called "AOSC"

OF THE FIRST PART

- and. -

CANADIAN UNIVERSITIES TRAVEL SERVICE LIMITED,  
a Canadian company having its head office  
at 44 St. George Street, Toronto, Ontario,

Hereinafter called "CUTS"

OF THE SECOND PART

WHEREAS AOSC owns all the issued and outstanding shares  
in the capital of CUTS; and

WHEREAS CUTS derives all its student business activity  
from referrals from AOSC; and

WHEREAS AOSC cannot deliver all its services to students  
and members directly due to federal and provincial regulation of  
the travel service industry; and

WHEREAS the parties hereto wish to establish an  
orderly framework for the sharing of revenues and expenses in a  
reasonable manner.

NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:

1. All revenues, commissions or otherwise derived from the sale of tours and transportation tickets (hereinafter "travel revenues") shall accrue to the benefit of CUTS.

2. CUTS agrees to pay to AOSC a referral charge equal to one (1%) per cent of gross student travel revenues. Non-student travel revenues shall not be subject to the above referral charge.

3. All non-travel revenues shall accrue to the benefit of AOSC. Only non-student non-travel revenues shall be allocated to CUTS.

4. The office and administrative expenses shall be allocated on a percentage basis between the parties as follows:

<u>Description</u>	<u>Percentage attributable to</u>	
	<u>AOSC</u>	<u>CUTS</u>
Staff - Managers	20%	80%
Staff - Other	Ø	100
Rent	Ø	100
Telephone & Telex	20	80
Office Supplies	10	90

5. CUTS agrees to pay to AOSC as a charge for advertising in AOSC's publications an advertising rate equal to one-half (1/2)

the rate charged by AOSC to its arm's length advertisers.

6. Other expenses shall be borne by the parties or shared by the parties as the case may be, on a reasonable basis based on prevailing circumstances.

7. This agreement may only be amended in writing, but not so as to provide a deviation from a reasonable allocation of expenses and revenue under prevailing circumstances.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their corporate seals under the hands of their proper signing officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED )

in the presence of )

*[Handwritten signatures]*

ASSOCIATION OF STUDENT COUNCILS  
(CANADA)

Per: *[Signature]*

CANADIAN UNIVERSITIES TRAVEL  
SERVICE LIMITED

Per: *[Signature]*

## Transportation Agenda

## Horaire pour le Transport

<b>mecredi /</b> <b>Wednesday</b> <b>May 24 mai</b>	<b>jeudi /</b> <b>Thursday</b> <b>May 25 mai</b>	<b>vendredi /</b> <b>Friday</b> <b>May 26 mai</b>	<b>samedi /</b> <b>Saturday</b> <b>May 27 mai</b>	<b>dimanche /</b> <b>Sunday</b> <b>May 28 mai</b>	<b>lundi /</b> <b>Monday</b> <b>May 29 mai</b>	<b>mardi /</b> <b>Tuesday</b> <b>May 30 mai</b>
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	<b>Hotel</b>	<b>Hotel</b>	<b>Hotel</b>	<b>Hotel</b>	<b>Hotel</b>	<b>Hotel</b>
<b>Leaves at:</b>	8:15 AM					
<b>Départ à:</b>	8:45 AM					
	9:15 AM		9:15 AM	9:15 AM	9:15 AM	9:15 AM
	9:45 AM		9:45 AM	9:45 AM	9:45 AM	9:45 AM
	10:15 AM		10:15 AM	10:15 AM		
	10:45 AM		10:45 AM	10:45 AM		

**St. B**  
12:15 PM  
12:45 PM

### Evenings / soirées

<b>St. B</b>	<b>St.B</b>	<b>St.B</b>	<b>St. B</b>	<b>St.B</b>	<b>St.B</b>
10:30 PM	10:30 PM	10:30 PM	8:00 PM	10:15 PM	10:15 PM
11:00 PM	11:00 PM	11:00 PM	8:30 PM	10:45 PM	10:45 PM
11:30 PM	<b>Le Canot</b>		9:15 PM	11:15 PM	11:15 PM
12:00 AM	11:30 PM		9:45 PM	11:45 PM	11:45 PM
12:30 AM	12:00 AM		10:15 PM		
1:00 AM	12:30 AM		10:30 PM		
	1:00 AM				

**Fédération canadienne des étudiantes et étudiants**  
**Canadian Federation of Students**

<b>Salle /</b>	<b>Associations</b>	<b>Caucus</b>	<b>Caucus d'intérêts</b>	<b>Comités /</b>	
	<b>modulaires /</b>	<b>Provinciaux /</b>	<b>communs /</b>		
<b>Room</b>	<b>Constituency</b>	<b>Provincial</b>	<b>Common interest</b>	<b>Committees</b>	
	<b>groups</b>	<b>Caucus</b>	<b>caucus</b>		
<b>S-050</b>	Plenary / Séance plénière				
<b>S-011</b>				Campaigns & Gov't Relations Campagnes et R. Gouvernement	
<b>1032</b>	<i>National Executive Meeting</i>				
<b>1148</b>	<i>Welcome presentation/ Mot de bienvenue</i>				
<b>1153</b>	LGB	ON	Large institutes Grands instituts	Organisational Development Développement organisationnel	Bilingualism Bilinguisme
<b>1209</b>	Coffee room / Café	MB / SK			
<b>2001</b>	Part time & mature Temps partiel et adultes	PEI			
<b>2090</b>	International / Étudiant(e)s internationaux	NB			
<b>2092</b>	Francophone	NS			
<b>2096</b>	Artists / artistes	Nfld			
<b>2014</b>				Membership Development Recrutement des membres	
<b>2127</b>	Students of colour Étudiant(e)s de couleur	BC	Colleges & Institutes Collège et instituts	N.E.C. & student rights Droits étudiants	Women Femmes
<b>3024</b>	Aboriginal Autochtones	AB	Small Universities Petites universités	Budget Budget	Constituency Commis. Commiss. des Assoc.- Modulaires
<b>3127</b>	Students w/ disabilities Étudiant(e)s handicapé(e)s	Québec	Grads Étudiant(e)s diplômé(e)s		

	Associations modulaires /	Caucus Provinciaux /	Caucus d'intérêts communs /	Comités /	
Room	Constituency groups	Provincial Caucus	Common interest caucus	Committees	
S-050	Plenary / Séance plénière				
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<b>Leaves at:</b>	8:15 AM	8:15 AM	8:15 AM	8:15 AM	8:15 AM	8:15 AM
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	9:15 AM		9:15 AM	9:15 AM	9:15 AM	9:15 AM
	9:45 AM		9:45 AM	9:45 AM	9:45 AM	9:45 AM
	10:15 AM		10:15 AM	10:15 AM		
	10:45 AM		10:45 AM	10:45 AM		

### Evenings / soirées

St. B	St.B	St.B	St. B	St.B	St.B
10:30 PM	10:30 PM	10:30 PM	8:00 PM	10:15 PM	10:15 PM
11:00 PM	11:00 PM	11:00 PM	8:30 PM	10:45 PM	10:45 PM
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12:30 AM	12:00 AM		10:15 PM		
1:00 AM	12:30 AM		10:30 PM		
	1:00 AM				

**Fédération canadienne des étudiantes et étudiants**  
**Canadian Federation of Students**

Salle /

## **BY-LAW II - GENERAL MEETINGS**

**General Descriptions:** There are three types of General Meetings: Annual General Meetings, Semi-Annual General Meetings, and Special General Meetings.

### **Section 1: Annual General Meetings**

A. The Annual General Meeting of the Federation will be held between September 30 and November 30 of each year.

B. At the Annual General Meeting, in addition to any other business that may be transacted, the report of the National Executive, the financial statement, and the report of the auditors will be presented; and the auditors for the ensuing year will be appointed; and the elections for the next National Executive will occur.

### **Section 2: Semi-Annual General Meetings**

A. The Semi-Annual General Meeting of the Federation will be held between April 30 and May 31 of each year.

### **Section 3: Special General Meetings**

A. The National Executive may call a Special General Meeting of the Federation at any time.

B. If more than one-half of the voting members of the Federation indicate a desire for an immediate Special General Meeting, the National Executive must immediately call a Special General Meeting for the earliest possible date.

### **Section 4: Notice of General Meetings**

A. Notice of each General Meeting will be sent to each voting member of the Federation at least nine weeks prior to the date of the meeting.

B. Each voting member will be asked to indicate its intention to attend or not to attend each General Meeting. If one-half or more of the voting members indicate that they will not attend, the National Executive will cancel the meeting.

### **Section 5: Location of General Meetings**

A. The voting members of the Federation will decide the locations of general meetings by resolutions passed in general meetings.

B. As nearly as possible, the location of the Semi-Annual General Meeting must rotate among the provinces so that consecutive Semi-Annual General Meetings will be held in each province.

C. Each Annual General Meeting of the Federation will be held in the greater Ottawa/Hull/Nepean

area.

D. The cost of travel to a general meeting for delegates of each voting member will be equalized, taking into account members ability to pay, by such a system of pooling travel costs as may be determined from time to time by the National Executive.

#### **Section 6: Quorum at General Meetings**

A. A quorum for the transaction of business at any meeting of voting members shall consist of not less than one-half of the members of the Federation having voting rights at the time in person or by proxy.

#### **Section 7: Procedure at General Meetings**

A. The rules of procedure at general meetings will be those described in the most recent edition of *Robert's Rules of Order*, supplemented or modified by rules of procedure which may from time to time be established by standing resolutions.

#### **B. Proxy Votes**

Voting members may issue a proxy vote to be cast on their behalf at a general meeting, subject to the following restrictions:

i) any voting member not attending a general meeting or not attending a portion of the general meeting may proxy its vote to another voting member of the Federation through motion of the local student association's students' council or equivalent representative body stating the member to whom the proxy is given;

ii) all proxies must be delivered to the Chairperson of the Federation prior to the commencement of opening plenary;

iii) all proxies, including those that only apply for a portion of the meeting, shall be announced at opening plenary; and

iv) no member may hold more than three proxies.

#### **C. Travel Pool**

Each member local association having in a general meeting will participate in the general meeting travel pool.

#### **Section 8: Authority of the National Plenary**

A. The national plenary is the final and absolute decision-making authority in the organization. Its authority is only detracted from by explicit constitutional provision.

B. The national plenary may overturn any National Executive decision, except where such a decision has been implemented and has resulted in a legal contract.