CHAPTER TWELVE
BUSINESS

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Setting up a business office

BY PATTY ARCHER

After two months of vocal clashes over advertising boycotts, office hours, paying for conference delegate fees and deadlines with the editor, your business manager disappears after Christmas vacation.

They left a note on the door that says, rather plainly, "I QUIT," and they seem to have left town. Your first issue of the term is to be released in a week, and you can't figure out from the piles of papers on their desk which ads should go in this issue and which should not.

Your student union VP Finance roars into your office, waving printer's invoices, saying that you are $10,000 over your printing budget; they threaten to revoke your precious semi-autonomy because of financial mismanagement.

Your laser printer has broken down and you need to get it fixed, but you're not sure where the service contract is, or where the paper's cheque book is to pay for the pizza from the last staff meeting.

Knowledge is power and knowledge of money gives you real power in small volunteer organizations. Problems that start in a student paper's business office can quickly and seriously affect the rest of the paper.

Almost all student papers have someone who is responsible for selling ads or keeping track of business. On smaller papers it is often a part-timer or a volunteer. Sometimes the paper is not autonomous and the student union does the books, while someone at the paper (often the editor) tries to keep track of the cash flow.

Autonomous papers usually have their own business office, with semi-professional advertising and business managers. They may even come to staff meetings and report to the paper's board of directors.

There is no such thing as one perfect structure for every student newspaper's business office. But even the most non-autonomous paper should know what their revenue and expenses are. Even a small paper with few staff can develop a basic business plan and work towards some goals.

Following some basic rules in your business office can help your paper avoid some of the more obvious pitfalls. While this chapter will not go into great detail on things like accounting or day-to-day business procedures, it should provide a general outline for new business managers to set up and keep a basic business operation going.

DESIGNATING THE BUSINESS MANAGER

It is usually better if one person is given the job of business manager. They should be given a clear job description stating who they are responsible to (staff, editors, board of directors), details of what hours they are expected to work, their pay (if any), the length of their job term and a complete list of their duties (ad sales, bank deposits, creating a budget, etc.). This job description must comply with your provincial labour code.

The process of who can hire, and can fire (if need be) the business manager should be part of the job description, along with notice of a job performance review once the candidate is well into their term. This can often be done by the editor.

A review should not be a chance for personal attacks, but should look at how well the business manager fulfils the job description, and an examination to see if there needs to be any changes to the job description. Even volunteer business managers should occasionally look critically at their job.

Having one person on staff who deals promptly and regularly with things like depositing cheques, paying printers, and dealing with advertisers can go a long way toward avoiding problems with bounced cheques, angry printers and the bank closing your paper's account.

OFFICE SPACE

Many student papers don't have much room in their offices, but it is very important that your business person have some space they can call their own.

A separate cubicle with a desk, phone and filing cabinet is ideal, but if that is not possible even their own desk and a space for files and a message board is a good start. Having their own space is important because so much of working the business side of a newspaper involves sorting through piles of papers. If those stacks get moved or thrown out, your paper may lose cheques and invoices.

All staff should try to be polite when taking messages for the business office (in case it's a big new account) and the business manager should be sure to respond promptly to messages.

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PROMOTIONAL TOOLS

Even if your student union does your paper's bookkeeping, your paper might be responsible for local ad sales. If this is the case, your ad manager (with help from the rest of the staff) should create some standard information packages to give out to potential clients.

•[See: Developing the local advertising market]

Local advertisers have a reputation for trying to put off paying small groups like student papers, but if you have a signed contract, you can always take a delinquent client to small claims court or a collection agency.

Your business office should regularly send out invoices, tearsheets (proof that the ad ran), and monthly statements to encourage clients to pay promptly.

Having stationery, an answering machine with a snappy message and a separate business office phone line are good promotional tools, enabling the business manager to get back to clients easier and faster which should boost ad sales.

IF YOU AREN'T AUTONOMOUS KEEP GHOST BOOKS

Ghost books are books that someone at the paper keeps to stay on top of the paper's financial position when your student union is the one that officially takes care of your finances.

Ghost books give your paper's staff more information to enable them to make wise decisions regarding expenses, paper sizes, use of colour, etc.

Even when a student union doesn't intend to deceive the paper about the state of their finances, they are often behind in tracking ad revenue and expenses. Non-autonomous papers should choose someone to keep ghost books and be the 'ghost' business manager. That way, your paper will be better able to make sound financial decisions in a pinch.

To keep basic ghost books, you should first get a copy of your current year's budget for the paper. You should constantly compare the running total of expenses and revenue to those totals and line items in your budget.

You can write down expenses as they happen (CUP fees, printing for issues, salaries, etc.) and add up each issue's ad revenue from national, local, on-campus, and classified ads. You should know what expenses you have and when they are usually paid.

The paper's sales person will know how much in ads they have sold and your student union treasurer or business office staff will be able to tell you of any expenses that are not obvious, such as computer contracts and insurance premiums.

Your student union should also be convinced to give you a copy of the monthly statement, outlining where they think you stand financially. This gives you something to check your ghost books against, but don't take their books to be infallible.

If you have problems convincing your student union staff to either give you monthly statements or information on revenue and expenses, explain that it is merely so the staff understands how the financial end of the paper affects the rest of it, that you don't want to go over budget and it's really only to help them.

Just like papers that have a real business manager, papers that have a ghost business manager should be clear as to whose job it is, what the duties are, who they report to and how often. Keeping ghost books can often be the first step towards financial autonomy for a paper.

THINGS TO KEEP IN MIND

There are a few external factors that can cause a lot of grief to your paper's finances (and therefore its survival), and most of them are common to every student paper in Canada.

Printers

Most student papers have been with the same printer for years, assuming that the annual price increases are normal and that the print quality is as good as it will get. It doesn't have to be like that.

Your paper is an important source of revenue for your printer, and they should treat you as well as non-student print jobs. Unless they are the only printer in region, you can change printers at will.

Some papers have all of the newsprint printers in the area offer bids for their business, and then choose the one that fits them the best. Printing is a very competitive business, so if you tell your printer that some other printer can provide the recycled paper that you want or is much cheaper than they are, and that you are considering this new printer, your old printer might suddenly drop

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their price or be able to find recycled paper too.

•[See: Choosing a printer]

Bookkeeping snags

This includes things like the GST and computer accounting programs. All these things get worse the longer you put off dealing with them: the government will come chasing after you to collect the GST, the bank might bounce your staff's paycheques and your books get farther and farther behind.

One of your best resources is talking to business managers and staff at other student papers to find out what kind of bookkeeping processes they use.

•[See: Budgeting from accounting]

Bad advertisers

If an advertiser refuses to pay for ads they ran in your paper last year (or last term) it is not a good idea to run their ads again. For companies considered high risk for this offence, you might ask for a deposit or a cheque at the signing of the contract. Many other businesses have policies like this. Don't let advertisers bully you. They need the student market as much as you need their money.

Out of control expenses

Photo editors and production managers should have a budget set for supplies that accurately reflect their expenses. They should be kept up-to-date on how much they have spent in their area. The same rules should apply to your staff's travel expenses to conferences and phone bills. If the paper staff and editors are not kept informed about how much has been spent on items like these, they may make decisions that cause financial trouble later.

Sales strategies

Sales strategies are not just for your paper's business office. Just as boycott lists are a concern of your whole staff, and affect ad revenue, things like your paper's image in the community and how your staffers answer the phone can make sales more difficult.

Advertisers do not usually shy away from controversial papers as long as they believe that students are avidly reading it.

The new business manager

Often the best resource for a new business manager is learning about their student newspaper's recent history. However, many incoming business managers are not former paper staffers or may not have an extended training period with the outgoing business manager.

New business managers should acquaint themselves with the paper's past by exploring files, compiling lists of past advertisers, sorting through back issues for ideas and analyzing the last three to five years of ad revenue and expenses. This all helps them to develop a workable budget for the next publishing year.

If you have the time or inclination, write a sales/ad/business procedures handbook specifically for your paper. This can be very helpful, both by making your paper's current business staff focus on improvements to current problems, and by creating a document you can pass on as a training manual for business managers of the future.

Even if you only have time to jot a few notes now and then, a new business manager might be able to avoid making some of the same errors that you did by reading of them. A manual or handbook doesn't have to be complicated. Just write down the procedures for things like banking, collecting the student levy payment, and who to talk to about collecting on overdue advertising accounts. This 'self-help' procedures manual can sit on the shelf with all the other useful resource material you collect from CUP, Campus Plus, and other student papers.

Periodically reviewing resource material and guidebooks can help you and your paper's business office deal with future financial crises in a quick and decisive way. ◄

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Budgetting from accounting

What's the use of budgeting?

Consider the following questions:

1· How much cash do you have in the bank? Is that figure what your bank records show, or what you think is the correct amount? Do these amounts differ and, if so, why?

2· Where do you owe money? If it sounds like a lot, where was it all spent? Who owes you money? Can you answer the who-owes-you quicker than the who-you-owe? Could you make a list of who owes you money categorizing them by how long they have owed the amount?

3· Can you describe assets as things of monetary value, both visible (cash, furniture, equipment, supplies) and not so visible (money owed to you)? Where did they all come from?

4· Do you think that CUP should be able to tell any one of its over 70 members how much they owe at any point? Should they be able to tell you the dates and invoice numbers that you received and the dates and cheque numbers that they received from you? Could you correct them if they were wrong? Could you do the same for other organizations that you deal with?

5· Could you give a precise verbalization of how your organization has performed financially in the last complete month or year to date without having to rifle through stacks of bills, invoices and bank statements?

6· If two other people were to use your records in answering any of the above, would they arrive at the same numbers?

The point of this exercise is to demonstrate the real need for good bookkeeping.

THE ART OF BUDGETING

If it were a science, we would all be working with solid budgets that we could be confident not to exceed. But it isn't a science. Many factors are unknown to us when we begin drawing up the budget and must somehow be estimated.

The following suggestions are nothing radical. The first step is to break the total budget down to a series of monthly budgets. The format used for monthly and total budgets should be identical, but now we have smaller time frames to work with. It's easier to work in component parts and fit them into the whole, after all. When drawing up the final budget, you can also work backwards from some points to double check figures.

After setting things up this way, it becomes a matter of determining usage and cost. It's no more mysterious than that. Solid budgets need a thorough approach at this point. Usage of certain expense items must be estimated monthly down to the finest detail possible and should document everything.

If you've done your homework in calculating these items in detail, make sure you add notes that show others what usage you were estimating from travel costs to printing to staff payroll.

Looking at past budgets is immensely helpful in this regard. The only two guidelines we have to work with when creating budgets are past usage and anticipated increase in usage and/or cost.

THE BUDGET AS A SCRUTINEER

Many business people invest a lot of energy in drawing up a solid budget and then file it away until the year is over and a new one must be prepared. Perusing statements — be they monthly, quarterly or year-end — and not relating them to the original budget is sort of similar to saying "an orange is bigger."

Than what?

That statement, and your financial statements, are just begging for a phrase to give it some relativity. As an observation it is not meaningful. Suppose you looked at a financial statement that showed your newspaper was running a small surplus after two months of operations, and you confidently breathed a sigh of relief, thinking everything was all right. Suppose, however, that you then consulted your original budget and discovered that you had anticipated a much larger surplus for those two months, because it was required to get you over a couple of leaner months that you were expecting later on. Would you still feel as good about your performance to date?

Your budget is to be used as a guideline at all times throughout the year. It lends relevance to interim financial statement helps control spending, maximizes your chances of coming in on target and allows you to make mid-stream changes to accommodate unforeseen events. What's the use of a plan if it isn't followed?

The tool we use as this control function is called *a statement of analysis of variance*. It lists your actual expenses to date, your budgeted expenses to date,

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and the difference between the two. This difference is called the variance. If the variance is in your favour (actual is less than budgeted) it's called a positive variance, or, if it is in the other direction, a negative variance. Be sure to leave a comments section in these reports that can be used to explain the variance for each expense account.

HOW TO GO BANKRUPT WHILE FOLLOWING YOUR BUDGET

The most serious problem, and the one of largest causes of bankruptcy among small businesses, occurs while many of them are right on target with their initial budgets.

It pertains to the method in which we recognize expenses. Accounting techniques recognize two methods:

1· They can be recognized and recorded as they are paid for. That means the source document will be the cheque stubs that confirms payment of the expense on some date.

2· They can be recognized and recorded as they are incurred, and the source document will be invoices sent to us by a supplier.

The former is called the *cash basis method* and the latter the *accrual method*. While it is permitted to record on the cash basis method, almost all reporting to the taxation division of Revenue Canada must be done on the accrual basis, which may mean a temporary adjustment to your cash basis bookkeeping system to incorporate amounts owed to and by an organization.

Budgets are usually prepared on an *accrual basis*. If your budget were based on the movement of cash, items such as depreciation would not appear on it, as it pertains to a method of allocating the cost of a durable piece of equipment over the course of its useful life span. The cash outlay for that piece of equipment, on the other hand, probably happened all in one shot when it was acquired.

Therein lies the danger of insolvency. Everybody seems a lot more concerned about collecting money that's owed than paying money that they owe. As a business operator, you are often required to pay for things that you are offering to clients before you've received the dollars from the sales. Your budget won't show this if you've billed your customers but they are dragging their heels.

In fact, your budget could be right on target. But if your revenues are billed annually and not paid immediately upon invoicing, you could still get in trouble. While your budget shows a surplus, cash outflows to pay for expenses will exceed cash inflows from sales. If there isn't a healthy bank balance to begin with or interim bank financing could not be arranged, suppliers who weren't being paid could force the organization into receivership.

To prevent this, it is vital to do some planning with respect to your cash flow. This is achieved by way of yet another statement that we call a *cash flow projection*. It should be drafted on a monthly basis for the next 12 months, and make use of your monthly budgets. It will show cash receipts, cash disbursements and opening and closing bank balances.

THE BALANCE SHEET

To manage all those questions, let's create a hypothetical situation.

Joe Journalist has recently graduated from j-school and started working for the local newspaper. Since beginning the new job, he has moved into a new apartment, and acquired the necessary basics to pursue his "man-about-town" image — some new furniture, a sound system and a car. He had worked summers while going to school and had used his summer earnings to help cover the cost of his schooling. He did have to get a student loan, however, to make it through school. He's never been much of a bookkeeper, primarily because he felt there was never enough money to keep track of. However, permanent employment has changed that, and he begins to feel the need for a little organization.

A good starting point on the way to getting the bookkeeping act together is to establish where the starting point is. At this precise point in time what are the assets? Remember they are things of value which may be concrete (tangible) or not (intangible). Here are Joe's:

Cash in bank	*$900*
Money owed to Joe	*$750*
Bonds	*$1,500*
Furniture	*$4,500*
Sound system	*$2,400*
Car	*$12,000*
BJ Degree	*$20,000*
	$42,050

Now for the bad news. As well as having accumulated a bunch of assets, Joe might also have a few debts to his name. These we call liabilities, and his

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might look like this:

Balance of student loan	*$10,000*
Balance of car loan	*$9,000*
Owed to furniture store	*$1,500*
	$20,500

Let's go back to Joe's assets. Money was needed to purchase all those assets. The list of liabilities are evidence that almost half the funds that allowed the purchase of those assets were borrowed and are still owing to other parties. The money used to acquire the other $21,550 worth of assets must have come from somewhere. If it hadn't been borrowed, where did it come from?

Two brownie points for those who said he earned it. $21,550 of assets were purchased by the money generated by Joe, net of expenses. It is the result of (Income minus Expenses), and is called his 'earned surplus.'

This concept is critical to the understanding of what comes later. Assets exceed liabilities by $21,550. We must be able to account for the money used to purchase $42,050 worth of assets. No assets come out of mid-air. There is always a source to which we can attribute the money that was used to purchase assets. In establishing a statement of his financial picture, we have listed all Joe's assets, and all the sources of money used to buy those assets, namely liabilities and earned surplus.

Perhaps a better way to have written them down would be as in figure 1.

[see figure 1]

You have just partaken in a *Statement of Financial Position*. Points to remember:

1. It is as of a precise point in time. We often compare it to a snapshot picture.
2. Assets = Liabilities + Surplus (or Equity)

This equation is the cornerstone of our present accounting and bookkeeping system. Assets must always balance with liabilities and surplus, which in a usual business situation is called equity.

The statement of financial position is more affectionately known as the *Balance Sheet*.

1· Assets

Assets are subdivided into current and long-term assets to reflect the ease of liquidating each asset. Cash, for obvious reasons, is considered the most liquid of all assets. Long-term assets, such as real estate or machinery, are less likely to sell overnight or have the capability of being quickly converted into a current asset such as cash.

2· Current assets

Current assets are any assets that can be easily converted into cash within one calendar year. Examples of current assets would be checking or money market accounts, accounts receivable, and notes receivable that are due within one year's time.

- *Cash*
  Money available immediately, such as in checking accounts, is the most liquid of all short-term assets.
- *Accounts receivable*
  This is money owed to the business for purchases made by customers, suppliers, and other vendors.
- *Notes receivables*
  Notes receivables that are due within one year are *current assets*. Notes that cannot be collected on within one year should be considered long-term assets.

3· Fixed assets

Fixed assets include land, buildings, machinery and vehicles that are used in connection with the business.

- *Land*
  Land is considered a fixed asset but, unlike other fixed assets, is not depreciated, because land is considered an asset that never wears out.
- *Buildings*
  Buildings are categorized as fixed assets and are depreciated over time.
- *Office equipment*
  This includes copiers, fax machines,

Joe Journalist, Statement of financial position as of 31/06/02

Assets		Liabilities	
Cash in bank	$900	Balance of student loan	$10,000
Sound system	$2,400	Owed to furniture store	$1,500
Money owed to Joe	$750	Balance of car loan	$9,000
Car	$12,000	Surplus	$21,550
Bonds	$1,500		
BJ Degree	$20,000		
Furniture	$4,500		
Total assets	$42,050	Total liabilities and equity	$42,050

figure 1

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printers, and computers used in your business.

- *Machinery*
  This figure represents machines and equipment used in your plant to produce your product. Examples of machinery might include conveyor belts or a printing press.

- *Vehicles*
  This would include any vehicles used in your business.

- *Total fixed assets*
  This is the total dollar value of all fixed assets in your business, less any accumulated depreciation.

4· Total assets

This figure represents the total dollar value of both the short-term and long-term assets of your business.

5· Liabilities and owners' equity

This includes all debts and obligations owed by the business to outside creditors, vendors or banks that are payable within one year, plus the owners' equity. Often, this side of the balance sheet is simply referred to as "*liabilities*."

- *Accounts payable*
  This is comprised of all short-term obligations owed by your business to creditors, suppliers, and other vendors. Accounts payable can include supplies and materials acquired on credit.

- *Notes payable*
  This represents money owed on a short-term collection cycle of one year or less. It may include bank notes, mortgage obligations, or vehicle payments.

- *Accrued payroll and withholding*
  This includes any earned wages or withholdings that are owed to or for employees but have not yet been paid.

- *Total current liabilities*
  This is the sum total of all current liabilities owed to creditors that must be paid within a one-year time frame.

- *Long-term liabilities*
  These are any debts or obligations owed by the business that are due more than one year out from the current date.

- *Mortgage note payable*
  This is the balance of a mortgage that extends out beyond the current year. For example, you may have paid off three years of a fifteen-year mortgage note, of which the remaining eleven years, not counting the current year, are considered long-term.

- *Owners' equity*
  Sometimes this is referred to as stockholders' equity. Owners' equity is made up of the initial investment in the business as well as any retained earnings that are reinvested in the business.

- *Common stock*
  This is stock issued as part of the initial or later-stage investment in the business.

- *Retained earnings*
  These are earnings reinvested in the business after the deduction of any distributions to shareholders, such as dividend payments.

6· Total liabilities and owners' equity

This comprises all debts and monies that are owed to outside creditors, vendors, or banks and the remaining monies that are owed to shareholders, including retained earnings reinvested in the business.

THE INCOME STATEMENT

Balance sheets are great for proving certain pieces of information. We specified, however, that they only show the cumulative net effect of Joe's income-less-expenses to date. In most organizations, we would like to have a little more detail about the revenue (income) and expense activity that the present cumulative net figures represent.

Perhaps we would like to know sources of revenue and where the expenses are occurring, so that we might take concrete action to maximize the former and minimize the latter. We might like to compare expense amounts across different years to determine and monitor trends, so that we can prevent overspending in any one area. We might also be interested to know if a large surplus in one year was due to a one-time event (such as winning the lottery) or if we can expect it to continue in future years. None of this can be provided by the balance sheet.

If somehow we could make a giant list of all the past categories and amounts of revenue received during the past year — and another list of all categories and amounts of expenses incurred in that same time period — we would be able to answer these questions. The difference between the totals of our two lists of revenues and expenses would

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be our "earned surplus" for the year, assuming it is a positive figure. If it were negative, we would call it a deficit. If Joe Journalist could have somehow produced such lists for every year that he has been independent and working, then the sum of all the year's surpluses and deficits should equal the $21,550 that was shown as earned surplus on the balance sheet.

The list of a year's revenue and expenses is an important part of bookkeeping. It has evolved somewhat, so that revenue and expense amounts are summarized and we do away with unmanageable lists. In their place, we are left with another statement to complement the statement of financial position, or the balance sheet. This income statement is a summary of revenue and expense activity for some period of time, in some detail. We call it the income statement, or profit and loss statement. Joe Journalist's might look like that in figure 2.

[see figure 2]

Before we leave them, let's review the balance sheet and income statement and understand how they interact.

- The balance sheet is a statement of financial position for an organization at a point in time. It must always show a balance between total assets and total liabilities and surplus or equity.

- The income statement is a summary of revenue and expense activity for some period of time. It is essentially a "blow-up" picture of the most recent activity of the "earned surplus" category on the balance sheet. A total of all income statements since year one of the organization's operations will equal the earned surplus or deficit that appears on the most recent balance sheet.

- The categories that we have been referring to are correctly called accounts.

- Each of the accounts on a balance sheet may be increased or decreased.

- An increase in the "earned surplus" account is *revenue*. A decrease is an *expense*. Revenue and expense categories are also called accounts (income statement accounts) even though they are both actually components of the balance sheet's earned surplus account.

Joe Journalist, Income Statement
For 1-year period ending 31/06/02

Revenue (Income)		
Salary	$30,000	
Interest on bonds	$150	
Other	$300	$30,450
Expenses		
Income tax	$6,000	
Accommodation	$7,200	
Food	$1800	
Auto Expenses	$5052	
Clothing	$1800	
Entertainment	$1800	
Medical and Dental	$900	
Misc.	$500	$25,052
Surplus (Net Income)		**$5,398**

figure 2

THE PRINCIPLE OF DOUBLE ENTRY

If the logic of the balance sheet has managed to seep through, then it should come as no surprise when we say that for every transaction, at least two accounts are affected. They may be either balance sheet or income statements accounts. Also, they are affected (either increased or decreased) in such a way so as to maintain the balance between assets, liabilities and surplus.

[see figure three, following page]

If you managed to complete most of them correctly and understood what you were doing, you are not going to have much problem with bookkeeping. Whether it was something you consciously realized or not, you only had four choices from which to select which, and how the accounts were affected.

They are numbered and listed below:

Assets and Surplus	*Liabilities*
(i) Increase	(iii) Increase
(ii) Decrease	(iv) Decrease

For every transaction, two of the four possible events were chosen. We had to make sure that the two events chosen did not upset that all-important balance.

[see figure four]

Theoretically, you could manage a bookkeeping system by writing down increase and decrease as we have been doing. It might be a bit tedious, as every time we go to record a transaction we'll have to use the seesaw analogy. Also, each properly recorded transaction

First Event	Subsequent Second Event
(i) Increase an asset	Decrease an asset
(ii) Increase an asset	Increase a Liability or Equity
(iii) Decrease an asset	Decrease a Liability or Equity
(iv) Increase a Liability or Equity	Decrease a Liability or Equity

figure 4

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could be decrease-decrease, increase-decrease or increase-increase situation, which lacks a little in consistency and could be a little confusing

- An increase in an asset is a "debit" to the account.
- A decrease in an asset is a "credit" to the account.
- An increase in a liability or equity is a "credit" to the account.
- A decrease in a liability or equity is a "debit" to the account.

For every transaction, there must be a debit amount and a credit amount that are equal to one another.

In double entry accounting, rather than using a single column for each account and entering some numbers as positive and others as negative, we use two columns for each account and enter only positive numbers. Whether the entry increases or decreases the account is determined by choice of the column in which it is entered. Entries in the left column are referred to as *debits*, and entries in the right column are referred to as *credits*.

Two accounts are always affected by each transaction, and one of those entries must be a debit and the other must be a credit of equal amount. Actually, more than two accounts can be used if the transaction is spread among them, just as long as the sum of debits for the transaction equals the sum of credits for it.

The double entry accounting system provides a system of checks and balances. By summing up all of the debits, summing up all of the credits and comparing the two totals, one can detect and have the opportunity to correct many common bookkeeping errors.

To avoid confusion over debits and credits, avoid thinking of them in the way that they are used in everyday language, which often refers to a credit as increasing an account and a debit as decreasing an account. For example, if our bank credits our checking account, money is added to it and the balance increases. In accounting terms, however, if a transaction causes a company's checking account to be credited, its balance decreases. Moreover, crediting another company account such as accounts payable will increase its balance.

The confusion can be eliminated by remembering one thing. In accounting, the verbs "debit" and "credit" have the following meanings:

Debit: "Enter in the left column"
Credit: "Enter in the right column"

That's all. Debit refers to the left column; credit refers to the right column. To debit the cash account simply means to enter the value in the left column of the account. There are no deeper meanings with which to be concerned.
The reason for the apparent inconsistency when compared to everyday lan-

figure 3

Description of Event	1st account affected	How?	2nd account affected	How?
Joe buys another $100 worth of furniture using the cash from his bank account.	Furniture	↑	Cash	↓
He plans a vacation, and borrows $250 from his bank manager to cover the cost. The money is deposited into his bank account.	Cash	↑	Bank loan	↑
He earns $200 in salary and deposits it to his bank account.	Cash	↑	Revenue Salary (Earned Surplus)	↑
He buys $50 in groceries using money from his bank account.	Cash	↓	Food expenses (Earned Surplus)	↑
Car repairs cost $125, which is also drawn from his bank account.	Cash	↓	Auto expenses	↓
A $75 cheque payment is made towards reducing the bank loan.	Cash	↓	Bank loan	↓
The $230 that is owed to Joe is paid to him and is directly deposited to his bank account (Caution – look carefully to decide which two accounts are affected.)	Cash	↑	Owed to Joe	↓
Bond interest of $50 becomes due and is deposited into his bank account.	Cash	↑	Interest Revenue (Earned Surplus)	↑
With all the money that he has been receiving, he pays back the $250 vacation loan.	Cash	↓	Bank loan	↓
He goes on his vacation and spends $200.	Cash	↓	Vacation Expenses (Earned Surplus)	↓

Budgetting from accounting

guage is that from the bank customer's perspective, a checking account is an asset account. From the bank's perspective, the customer's account appears on the balance sheet as a liability account, and a liability accounts balance is increased by crediting it. In common use, we use the terminology from the perspective of the bank's books, hence the apparent inconsistency.

Whether a debit or a credit increases or decreases an account balance depends on the type of account. Asset and expense accounts are increased on the debit side, while liability, equity, and revenue accounts are increased on the credit side.

The bookkeeping system

The amount of detail necessary to introduce us to bookkeeping is substantial. It should not be something that you would expect to absorb in a short period of time. Actual practice is an essential ingredient to learning it successfully. The reason for using so much detail is that bookkeeping can be defined as the process that transforms various bits and pieces of information (input) into the desired output. The input consists of cancelled cheques, deposit records, invoices, bills, bank statements and other pieces of information that are transformed into the balance sheet and the income statement.

Obviously, the transformation function performed by the bookkeeping system is one that continually condenses and arranges information. We start with hundreds of pieces of paper and end up with neatly organized files.

The journal is the first actor in the system that comes into contact with the outside world. It confronts all those bits and pieces of paper and absorbs all the information contained therein, in a very simple fashion. We call it the "book of original entry" and it is the first stage in the condensing process. Once we transcribe the information from those hundreds of bits of paper to the journal, we can then file the paper away and work from the journal.

The journal information is arranged in the ledger. Or, as is now more common, programs like Quickbooks.

General ledger

The general ledger is the core of a company's financial records. These constitute the central "books" of your system and every transaction flows through the general ledger. These records remain a permanent track of the history of all financial transactions since the company came into existance.

Subledgers and the general ledger

Your accounting system will have a number of subsidiary ledgers (called subledgers) for items such as cash, accounts receivable, and accounts payable. All of the entries that are entered (posted) to these subledgers will transact through the general ledger account. For example, when a credit sale posted in the account, receivable subledger turns into cash due to a payment, the transaction will be posted to the general ledger and the two (cash and accounts receivable) subledgers as well.

There are times when items will go directly to the general ledger without any subledger posting. These are primarily capital financial transactions that have no operational subledgers. These may include items such as capital contributions, loan proceeds, loan repayments (principal) and proceeds from sale of assets. These items will be linked to your balance sheet but not to your profit and loss statement.

Setting up the general ledger

There are two main issues to understand when setting up the general ledger. The first is their linkage to your financial reports, and the other is the establishment of opening balances.

The two primary financial documents of any company are their balance sheet and the profit and loss statement, as explained above. Both of these are drawn directly from the company's general ledger. The order of how the numerical balances appear is determined by the chart of accounts, but all entries will appear. The general ledger accrues the balances that make up the line items on these reports, and the changes are reflected in the profit and loss statement as well.

The opening balances that are established on your general ledgers may not always be zero as you might assume. On the asset side, you will have all tangible assets (the value of all equipment) that are available as well as any cash that has been invested as working capital. On the liability side, you will have any loans, as well as trade credit or lease payments that you may have secured in order to start up. You will also increase your stockholder equity in the amount you have invested, but not loaned to, the business.

The general ledger creates an audit trail.

Don't let the word audit strike fear in your heart; I am not talking about a tax audit. Although, if you are called to respond to an outside audit for any rea-

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son, a well-maintained general ledger is essential.

But you will also want an internal trail of transaction so that you can trace any discrepancy (such as double billing or an unrecorded payment) through your own system. You must be able to find the origin of any transaction in order to verify its accuracy. The general ledger is where you will do this.

Accounts receivable and payable

What happens when we've bought something (incurring and expense) that we don't pay for right away? Or when we receive an order for goods and services that we provide, but aren't paid right away? Do we record these transactions now, and if so, how? Or do we wait for the actual movement of money?

Accounting is far less of a science than many people believe. Questions such as these have to be answered in a subjective manner, because there are no hard and fast rules. The guidelines used in Canada are called "Generally Accepted Accounting Principles" and are updated as needs arise.

The questions posed in the preceding paragraph touched on the subject of revenue recognition: the point in time when we recognize revenue and expenses. If we don't recognize and record them until there is money received or disbursed, we are said to be recording based on the *cash system*. If we recognize and record revenue and expenses when they occur, regardless of when the movement of money happens, we are said to be recording on the *accrual basis*. The latter system is generally accepted and Revenue Canada requires it for business income tax purposes.

However, we still have a choice as to whether we want to record financial transactions using the cash or accrual system. If we choose the cash system, accountants will have to modify it somewhat at year-end to have your statements conform to the accrual principle. The differences are simplified here and are far more complex than this document implies, but for our purposes, this is the only difference we need to be concerned about.

The *accrual basis* is often advantageous to help keep track of what we are owed by parties who have purchased but have not, as of yet, paid for goods or services that we provided. These are called *accounts receivable*. It does the same for amounts we owe, which we call *accounts payable*. For revenue transactions, we set up and debit a "holding" account that we called *accounts receivable* and which effectively represents money that we are owed. When we finally receive that money, "accounts receivable" is credited and the "money owed" amount is wiped out. The opposite happens for "accounts payable," which handles expense items.

PETTY CASH

There are times when things must be paid for in cash. Usually, it is an instance where the amount is minimal and doesn't warrant the effort of writing a cheque, or wouldn't be acceptable to the receiving party (i.e. a $4 cheque to the 12-year-old paper carrier). It is therefore necessary to keep some cash on hand for these kinds of situations. Unfortunately, because we call it "petty" cash, too many of us don't worry about accounting for it.

It is surprising how much money does get spent through petty cash over time. Too often, people write out a cheque to cash at the bank and record it as a petty cash expense. This is not correct. It eventually is disbursed to cover expenses, but until then, it is a balance sheet account, just like cash in the bank.

In fact, we treat it as though we loaned a person called "Petty Cash" a certain amount. Usually that amount is established (let's say $100) and the $100 is put in some central, safe place. It is then to be paid out only upon receipt of a bill or a personal voucher if a bill isn't practical (e.g. reimbursing someone for postage stamps when they forgot to ask for a receipt). The total of cash left, bills and vouchers must always add up to $100. When our petty cash balance gets low, we write another cheque to Petty Cash to an amount sufficient to replenish it back to $100. This time, the entry offsetting the "cash in bank" credit are debits to the expense accounts that we have been disbursing cash towards in the last little while, and for which we have supporting bills and vouchers. This is called the "*imprest petty cash*" system.

Points to remember

1· Only the first cheque written to petty cash will be debited to petty cash.
2· The cash should be kept in one place (in a metal box) with one person in charge. He or she distributes it only in exchange for a bill or signed personal voucher, for the same amount.
3· The total of cash, bills and voucher must always equal what was originally put in.
4· The expenses are recorded as journal entries not as petty cash is dis-

bursed, but rather when petty cash is being replenished. The bills and vouchers that support the offsetting debit entries in the general journal are then removed from the box.

5. It starts all over again.

There is one other reason for an official petty cash system. If and when you are audited, one of the first things to be scrutinized will be your handling of petty cash. A tight system prevents "slippage" (people helping themselves to cash on hand) and aids in accurate reporting of expenses. If you are without such a system, creating an impression of disorganization to your auditor, you may well be in for a lengthier, costlier audit.

PAYROLL

Another frequently subsidiary journal used is the *payroll journal*. As an employer there are certain obligations that you have to the government, both on your own and on your employee's behalf. Both the employer and the employee must make contributions to the Canada Pension Plan and to Employment Insurance, at the rates proscribed by Canada Revenue Agency. However, the employer is responsible for administering the collection and remittance of these contributions. It is done by withholding the employee's contribution when paying their salary, totaling up the amount of employee contributions withheld at the end of a month, calculating what the employer owes on top of that and remitting the total amount to the Receiver General of Canada. As a further service to their employees, employers must also withhold and remit personal income tax on their behalf.

If you do have employees for whom this must be done, an efficient payroll system must be implemented. Governments, like most of us, are much more informed and scrutinizing about what is owed them, rather than what they owe.

DEPRECIATION

You need, additionally, to check Revenue Canada regulations for specific rules regarding depreciation and methods of calculating depreciation for various types of assets.

Grasping depreciation is intuitive. For example, let's say you buy a van for newspaper distribution. It loses value the minute you drive it out of the dealership. It is considered an operational asset in running your business. Each year that you own the van, it loses some value, until it finally stops running and has no value to the business. Measuring the loss in value of an asset is known as *depreciation*.

Depreciation is considered an expense and is listed in an income statement under expenses. The most relevant for the student press are furniture and equipment.

To find the annual depreciation cost for your assets, you need to know the initial cost of the assets. You also need to determine how many years you think the assets will retain some value for your business. Most computer equipment is depreciated over a three-to-five year period.

STRAIGHT-LINE DEPRECIATION

Straight-line depreciation is the most common method of depreciating assets. To compute the amount of annual depreciation expense using the straight-line method requires two numbers: the initial cost of the asset and its estimated useful life span. For example, if you purchase a truck for $20,000 and expect it to have a use in your business for ten years. You would use the straight-line method for determining depreciation: Divide the initial cost of the truck by its useful life.

The $20,000 becomes a depreciation expense that is reported on your income statement under operation expenses at the end of each year.

COLLECTIONS

When your paper established its budget for the next year, three main sources of revenue were taken into consideration: student levies or student council grants, projected local advertising and projected national advertising. This revenue is a major factor in determining the number of issues as well as the number of pages you will be publishing over the next academic year. Local advertising revenue in any year should account for 30 per cent of your total net revenue. It is the responsibility of your advertising manager to maintain and develop the local market. In the course of their work, local lineage from old and new clients is generated and processed. Processing of local advertising includes everything from the initial sales call to invoicing and collecting. Everyone connected with the paper runs into problems when accounts are not paid and you end up over budget.

It is not uncommon for some papers to regularly experience a 30 per cent bad

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debt level.

HOW TO PREVENT BAD DEBT

Responsibility for the collection of all local advertising revenue should rest with the advertising manager.

If your advertising manager is working on straight commission, they should only receive a percentage of earned commission before the accounts have been paid. Only when all monies have been collected should that person receive full remuneration. If, on the other hand, the advertising manager is paid salary and commission, he or she should not receive any commission until the accounts have been paid in full.

Check previous years' list of accounts to determine those in default. Be aware of delinquent advertisers so that you don't get burned again.

Any paper can contact the Better Business Bureau in their area to run a check on the reliability of a new retail account.

Similarly, the company's bank manager should be able to let you know if a new account is a good or bad risk (is there a history of bad debts?).

Stimulate prompt payment of accounts by offering a cash discount (i.e., 2 per cent off for payment received within 10 days of receipt of invoice). This can result in a much healthier cash flow.

In some cases (new clients) you might want to encourage prepayment — try offering a 5 per cent prepayment discount. New clients may be willing to prepay a portion of the bill (so that at least you cover your costs).

Make sure that you keep an accurate record of all local accounts. As soon as the ad has appeared in a particular issue, an invoice along with proof of insertion (tearsheet) should be sent immediately to the advertiser.

After 30 days, all overdue accounts should receive a copy of the original invoice or a statement to remind then that the money is still outstanding. If an advertiser is still in default after 60 days, make a point of visiting the client with all appropriate documentation in order to determine why the account has not been paid.

COLLECT WITH A VENGEANCE

If the advertiser flatly refuses to pay the bill, point out emphatically that their refusal to pay could become public knowledge.

Involve a third party in your billing disputes — this will definitely pose a much more serious threat to the party in default. As a rule, private collection agencies will charge anywhere from 33 to 50 per cent on money collected.

Note: keep trucking — you have six years to collect on a bad debt. ◂

Useful business vocabulary

Assets

Assets are subdivided into current and long-term assets to reflect the ease of liquidating each asset. Cash, for obvious reasons, is considered the most liquid of all assets. Long-term assets, such as real estate or machinery, are less likely to sell overnight or have the capability of being quickly converted into a current asset such as cash.

Current assets

Current assets are any assets that can be easily converted into cash within one calendar year. Examples of current assets would be checking or money market accounts, accounts receivable, and notes receivable that are due within one year's time.

- *Cash*

Money available immediately, such as in checking accounts, is the most liquid of all short-term assets.

- *Accounts receivable*

This is money owed to the business for purchases made by customers, suppliers, and other vendors.

- *Notes receivable*

Notes receivable that are due within one year are current assets. Notes that cannot be collected on within one year should be considered long-term assets.

Fixed assets

Fixed assets include land, buildings, machinery, and vehicles that are used in connection with the business.

Total fixed assets

This is the total dollar value of all fixed assets in your business, less any accumulated depreciation.

Total assets

This figure represents the total dollar value of both the short-term and long-term assets of your business.

Liabilities and owners' equity

This includes all debts and obligations owed by the business to outside creditors, vendors, or banks that are payable within one year, plus the owners' equity. Often, this side of the balance sheet is simply referred to as "Liabilities." This includes:

- *Accounts payable*

This is comprised of all short-term obligations owed by your business to creditors, suppliers, and other vendors. Accounts payable can include supplies and materials acquired on credit.

- *Notes payable*

This represents money owed on a short-term collection cycle of one year or less. It may include bank notes, mortgage obligations, or vehicle payments.

- *Accrued payroll and withholding*

This includes any earned wages or withholdings that are owed to or for employees but have not yet been paid.

- *Total current liabilities*

This is the sum total of all current liabilities owed to creditors that must be paid within a one-year time frame.

- *Long-term liabilities*

These are any debts or obligations owed by the business that are due more than one year out from the current date.

- *Mortgage note payable*

This is the balance of a mortgage that extends out beyond the current year. For example, you may have paid off three years of a fifteen-year mortgage note, of which the remaining eleven years, not counting the current year, are considered long-term.

- *Owners' equity*

Sometimes this is referred to as stockholders' equity. Owners' equity is made up of the initial investment in the business as well as any retained earnings that are reinvested in the business.

- *Common stock*

This is stock issued as part of the initial or later-stage investment in the business.

- *Retained earnings*

These are earnings reinvested in the business after the deduction of any distributions to shareholders, such as dividend payments.

Total liabilities and owners' equity

This comprises all debts and monies that are owed to outside creditors, vendors, or banks and the remaining monies that are owed to shareholders, including retained earnings reinvested in the business.

Income statements

An income statement, otherwise known as a profit and loss statement (P&L), summarizes profit or loss during a given period of time, such as a month, three months, or one year. The income statement records all revenues and operating expenses during this period.

What are income statements used for? With tight budgets ubiquitous in the student press, P&Ls can show editors what areas are over budget or under budget. Specific items that are causing unexpected expenditures can be pinpointed, such as phone, fax, mail, or printing expenses.

2 Useful business vocabulary

Sales
The sales figure represents the amount of revenue generated. The amount recorded here is the total sales, less discounts or DNR charges.

Other income
Most student newspapers have a student levy or funding from a students' union. Fundraised money would also fall under this category.

Costs
This includes materials purchased from outside suppliers, for example printing costs.

Gross profit
Gross profit is derived by subtracting the cost of goods sold from net sales. It does not include any operating expenses.

Operating expenses
These are the daily expenses incurred in the operation of your business.

Collateral and promotions
Collateral fees are expenses incurred in the creation or purchase of printed sales materials used by your sales staff. Promotion fees include any giveaways used to promote or sell your product.

Other sales costs
These include any other costs associated with selling advertising. They may include travel, phone expenses, sales meetings or copying.

Office salaries
These include salaries for full- or part-time business and administrative staff, as well as editorial staff salaries and/or honouraria.

Rent
These are the fees incurred to rent or lease office space.

Utilities
These include costs for heating, air conditioning, electricity, phone equipment rental and phone usage used in connection with your business.

Depreciation
Depreciation is an annual expense that takes into account the loss in value of equipment used in your business. Examples of equipment that may be subject to depreciation includes copiers, computers, printers and fax machines.

Other overhead costs
Expense items that do not fall into other categories or cannot be clearly associated with a particular product or function are considered to be other overhead costs. These types of expenses may include insurance, office supplies or cleaning services.

Total expenses
This is a tabulation of all expenses incurred in running your business, exclusive of taxes or interest expense on interest income, if any.

Net income before taxes
This number represents the amount of income earned by a business prior to paying income taxes. This figure is arrived at by subtracting total operating expenses from gross profit.

Taxes
This is the amount of income tax you owe to the federal government and, if applicable, state and local government taxes.

Net income
This is the amount of money the business has earned after paying income taxes. ◄

Hiring and firing

See the following books for more information:
Essentials of Managing Human Resources by Eileen Stewart, Monica Belcourt, George Bolander and Scott Snell.
Charities and Not-for-Profit Employment Law Handbook by Stewart Saxe and Jean Brough.
You asked? Your employment standards questions answered by Ann Opie
Labour law in Canada by Donald D. Carter, Geoffrey England, Brian Etterington, and Gilles Trudeau.

HIRING LAW

▸ The majority of human resources decisions fall under provincial statutes. However, it is important to note that common law, contract law and government regulations (especially the Canada Labour Code and the Canadian Human Rights Act) also apply in some cases. Most, if not all, of these documents are now available online.

Canada Labour Code: http://laws.justice.gc.ca/en/L-2/16598.htm

Canadian Human Rights Act: http://laws.justice.gc.ca/en/H-6/28526.htm

Papers' hiring practices differ, but all of them take into consideration the major tenet of Canadian common law: establishing an employee-employer trust by ensuring both know what is going on. (Essentials)

Workers' compensation only applies to specific industries, among which the student press is not counted. Under Occupational Health and Safety Acts, employers are required to have one employee with First Aid certification, a first aid kit and provide transportation to the hospital when necessary. These seem like good ideas. (38, charities)

If you are uncertain which laws apply to you, check with Employment Standards.

Most provinces have similar labour laws, with slight differences in minimum wages, vacation entitlement, or human rights legislation (for example, employment and pay equity). Generally, you can find the relevant human resources laws for your province in the following statutes: an employment/labour standards act; labour/industrial relations act; occupational/workers' health and safety act; and a human rights act. All can be accessed easily by searching the web for your province's statutes. In addition, most areas not covered by these laws have precedents in common law. (Essentials)

All not-for-profits that are incorporated under provincial laws fall under that province's employment standards laws as well. Legislated employment standards do not apply, however, if the newspaper is a work experience or class-credit college, university or high school project. (Charities, 1)

EMPLOYMENT STANDARDS LEGISLATION

No provincial legislation provides a clear definition of an employee, though through common law we know that most "staff" at student papers are considered employees and not contractors or volunteers. (Charities,1)

Every province has legislation that stipulates the minimum responsibilities of employers.
www.gov.on.ca/LA/es/ese.htm
www.gov.mb.ca/labour/standards
www.gnb.ca/justice/deplinks/ENG/ted.htm

HIRING

There is a bulk of human resources policy dealing with discrimination, and most people are familiar with what constitutes discrimination. Nonetheless, certain hiring practices can be discriminatory.

1. Word-of-mouth recruiting. Supplement this practice with external recruitment methods.
2. Inflated job requirements.
3. Participation in training: ensure that all employees are equally invited.

Managers must be careful not to hire employees on the basis of "individualized" job requirements that satisfy personal whims but bear little relation to successful job performance.

Hiring should take into consideration both "can-do" and "will-do" factors:

Can-do: knowledge, skills, aptitudes.
Will-do: motivation, interests, personality characteristics.

HUMAN RIGHTS LEGISLATION AND HIRING

You cannot discriminate against potential employees on the basis of race, religion, gender, age, national or ethnic origin, disability or family or marital status. Most provinces also prohibit discrimination based on sexual orientation or criminal records (except, in some jurisdictions, if pardoned). Thus, when hiring, employers are prohibited from asking questions that would require potential employees to self-identify on any of these bases. This generally

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includes reverse discrimination, as well as harassment.

•[See: CUP Code of Conduct]

The federal and provincial governments all have tribunals to deal with human rights complaints, including those related to human resources practices. If such a tribunal so rules, human rights violations can be penalized by non-payment on any grants, loans or contracts with the jurisdictional government. (Essentials)

The best thing to do is to ask what you need to know. If the job requires heavy lifting (say, distributing newspapers), don't ask "do you have any back problems or medical issues?" — say "This job requires a lot of heavy lifting. Are you able to do this?"

*** Strangely, a loophole in Ontario law allows you to ask "have you ever been convicted of an offence for which you have not been pardoned?" No follow-ups are allowed, however. (Charities, 114)*

The Ontario Human Rights Commission publishes guidelines on the questions that can be asked during interviews. Ohrc.on.ca

EMPLOYMENT DOCUMENTS

Job descriptions should contain

1· Job title.
2· Summary of job — "Why does this job exist?"
3· List of duties and responsibilities — usually in order of importance
4· Job specification — the specific skills, knowledge, and abilities required to successfully perform the job. May include education, experience, training and specific skills.

Problems with job descriptions

1· Often use vague terms, providing little guidance to job holder.
2· Not updated often enough.
3· May contravene human rights or other laws.
4· May limit the scope of activities of the job holder.
5· Often do not contain standards of performance or provisions for assessment.
6· Can be source of conflict when duties are not performed or expected duties are not included.

Good job descriptions

1· Are clear and concise.
2· Use specific performance standards (deposit cheques by the 10th of the month); performance standards are very important for progressive action policies.
3· Use "occasionally" (sometimes a part of job description) and "may" (a job duty shared with other employees).
4· Are specific, but remember that the smaller your staff, the more varied job roles will be — focus on identifying core activities and the attributes needed to be successful.

Job descriptions are often used for assessment of pay. (Essentials)

EMPLOYMENT CONTRACTS

Employees cannot contract out their rights; any contract, written or understood, must comply with the minimum provisions of the provincial legislation.

Because of the strict budgetary constraints of not-for-profit organizations, provisions exist to ensure the organization is able to operate within its budgetary constraints — including the ability to change benefit provisions or terminate employees at a known cost.

NON-COMPETITION PROVISIONS

It is legal to put a provision in an employee's contract (before termination) precluding employees from taking actions that would compete with or injure the organization during the time of employment or for a period of time following termination. Common law on the subject has aimed to ensure that the employee is free to take up other employment, and ensure that such clauses are as limited as possible to accomplish the objective of the employer. For example, fundraisers may be limited from canvassing the same donors and areas for a period of time. If the employer can prove that this is necessary to protect their interests. Recent case law has favoured employees in their new employment, and it is traditionally easier to prohibit the employee from soliciting the same donors to the previous organization than from working for a competing organization.

DISCIPLINE AND FIRING

Performance reviews

It's important to assess employees' work. This can be assessed in four ways:

- Does the employee meet specific performance standards?
- Is employee "competent" in job function.
- Interpersonal communications, self-motivation, etc.
- Living job description — updated as

job description changes. Includes typical problems that may occur and the results that can be expected in dealing with these issues.

The legality of any performance management system is measured against criteria of reliability, fairness, and validity.

Reliability — is the performance assessment consistent over all employees?
Fairness — avoiding bias of factors unrelated to job performance
Validity — job-related and accurate. This is the most important.

While you should seriously consider conducting performance reviews, the key is to not be vague. Rather than rating someone's "dependability" on a scale of 1-10, note how deadlines were kept.

A good performance review

- Is objectively job-related.
- Is based on criteria given to employees before it is conducted.
- Is based on the personal observations of managers, with help of an objective standard of comparison (i.e. grading scale).
- Is discussed openly with employees, including coaching or guidance to help poor performers improve their performance.
- Has an appeals process to enable employees to express disagreement with the formal evaluation.

PROGRESSIVE DISCIPLINE POLICY

Regardless of whether your paper conducts performance reviews, it should have in place a progressive discipline policy. Remember, discipline is not about force or punishment, but rather about promoting desirable conduct (and correcting for undesirable conduct) to develop the employee. (Essentials)

The simplest progressive discipline policy is sometimes referred to as the "little black book": a record kept of all positive or negative notable incidents relating to the employee's behaviour and/or performance. This could includes specifics on when articles were submitted, complaints other staff members have about an employee, or things they have done that are above and beyond the job description.

Remember, though, that such a file must be, by virtue of the Privacy Act, available upon the employee's request. Most provincial privacy acts also stipulate that the employer is charged with ensuring that all information is accurate and well-protected, providing information on how the information is used and protected, to the employee in question and in the case of a claim. (Charitites122)

Policies should include:

- Date, time and location of incident.
- The problem.
- Consequences on overall work performance or on the work unit.
- Prior discussion with employee about the problem.
- Disciplinary action to be taken and specific improvement expected.
- Consequences if improvement is not made, and a follow-up date.
- The employee's reaction to the supervisor's attempt to change behaviour.
- The names of witnesses to the incident (if appropriate).

Legal concerns with having personnel files

- Ensure compliance with applicable laws (privacy, etc.).
- Define exactly what information is to be kept in files.
- Develop categories of personnel info (to be used for reports, bonuses, noting problems, etc.).
- Specify where, when, how, and under what circumstances employees may review or copy their files.
- Prohibit the collection of information that could be viewed as discriminatory or could form the basis of an invasion-of-privacy suit.
- Review records regularly to remove irrelevant, outdated, or inaccurate information.

For an excellent starting point, see CUP's progressive discipline policy.

GROUNDS FOR DISMISSAL

Just-cause dismissal guidelines

- Did the organization forewarn the employee of the possible disciplinary consequences of their actions?
- Were management's requirements of the employee reasonable in relation to the orderly, efficient and safe operation of the organization's business?
- Did management, before discharging the employee, make a reasonable effort to establish that the employee's performance was unsatisfactory?
- Was the organization's investigation conducted in a fair and professional manner?
- Did the investigation produce sufficient evidence?
- Has management treated this employee under its rules, orders, and

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penalties as it has other employees in similar circumstances?
- Did the discharge fit the misconduct, considering the seriousness of the previous offence, the employee's service record, and any mitigating circumstances?

Dismissing employees

- Hold the meeting early in the week and in a neutral meeting place.
- Come to the point within the first two or three minutes, and list in a logical order all the reasons for the termination.
- Be straightforward and firm, yet tactful, and remain resolute in the decision; avoid debating reasons and decisions.
- Make the discussion private, businesslike, and fairly brief; make notes of the meeting.
- Avoid making accusations against the employee and interjecting personal feelings into the discussion; be courteous and respectful at all times.
- Avoid bringing up any personality differences.
- Provide any information concerning severance pay and the status of benefits and coverage.
- Explain how employment inquiries from future employers will be handled.
- Arranging a mutually agreed time for the employee to clear out personal belongings and for the return of any company property.
- Have another manager present as a witness.

For more on wrongful dismissal, see: http://candaonline.about.com/cs/hremployers/Hronline.com

PAYMENT

Most student papers have term contracts with employees. This implies two things: a written contract, and the rights associated with that contract.

Of course, even if you don't have a formal, written contract there might be an implied contract — the result of discussions before or after an employee is hired. Job security may also be outlined in employee manuals. Formal or informal, such contracts are legally binding in the courts.

To reduce vulnerability to implied-contract lawsuits, it's important to explain the nature of the employment relationship in documents such as employee handbooks and signed job descriptions. These should be signed at the time employment is offered. (Charities, 59-62)

Some jurisdictions have provisions for ensuring that minimum wages are adhered to in non-hourly employees. Others have no such law. (You asked? 138) Pay attention to which legislation applies in your area.

Paydays

All employees must be paid at least twice per month. All money earned in a pay period, including overtime and statutory holiday pay, must be paid within eight days after the end of the pay period, except annual vacation pay and wages credited to an employee's time bank. A pay period may not exceed 16 days.

Forms of payment

Wages must be paid in Canadian currency. Wages can be paid in cash, by cheque, bank draft, money order or by direct deposit to an employee's bank account. Payment by direct deposit must be authorized in writing by the employee or by a collective agreement.

Wage statements

On paydays, an employer must give each employee a written wage statement for the pay period, which includes the following information:

- The employer's name and address.
- The hours worked by the employee.
- The employee's wage rate, whether hourly, salary, flat rate, piece rate, commission or other incentive basis.
- The employee's overtime rate(s).
- The hours worked at the overtime rate(s).
- Any money, allowance or other payment the employee is entitled to. (This would include vacation or statutory holiday pay).
- The amount and purpose of each deduction.
- If the employee is paid other than by the hour or by salary, how the wages were calculated.
- The employee's gross and net wages.
- Any amounts withdrawn from the employee's time bank and how much time remains.

A wage statement must be a document separate from an employee's paycheque, so that it can be kept by the employee if desired.

If a wage statement would be the same as that in previous pay period, another need not be given until a change occurs.

Deductions from payments

Should your paper wish to set up a deductions program (for example, the

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Gateway assists staff members with technology purchases), it is important to note that a written agreement that sets out the exact amount, or a formula to determine the exact amount, is required to deduct wages. You can't deduct from an employee's wages anything other than income tax, CPP, and EI, unless they ask you to.

All payment records should be kept for seven years (though in most cases the requirement is only three), in accordance with the most stringent of provincial human resources legislation. This record must contain the employee's name, address, start date, wage calculation information or salary, vacation pay and all records pertaining to leaves of absence. (You asked? 114, 119)

How it works

Although both EI and CPP are regulated by federal laws, all employees are entitled to pay through these systems in the event of losing their job (EI) or retiring (CPP). One exception: EI needn't be paid to employees working less than 12 hours per week and making less than 20 per cent of the maximum weekly insurable earnings figure. In 2002, employees were required to pay 2.2 per cent of earnings to EI, and employers 1.4 times the employees' rate. Updated figures are available from Revenue Canada. When an employee covered by employment insurance is terminated, the employer must fill out a "Record of Employment" form, provided by Human Resources Development Canada, and forward copies of the form to the employee and the Commission within five days of termination. This includes layoffs as a result of the conclusion of a contract, or any other reason for termination.

To qualify for EI, an employee must have worked between 10 to 20 weeks in the last 52, depending on the province and its unemployment rate. EI awards 55 per cent of the highest weekly earnings during the paid period, beginning two weeks after the record is filed and lasting up to 50 weeks, provided the individual is available to work during that time (and is seeking work at the local Canada Employment Centre). Severance pay also delays EI benefits. No insurance is provided to employees who quit without just cause or are fired for misconduct. (Charities 33-34)

How to set up EI and CPP deductions

Employers have to deduct Canada Pension Plan (CPP) contributions, Employment Insurance (EI) premiums and income tax from the amount they pay employees. Throughout the year, employers send these deductions to Revenue Canada on their employees' behalf, along with their share of contributions. At the end of February, the following year, employers report an employee's income and deductions on the appropriate information slip — like the T4 or T4A. Note that the T4A is usually for other income received outside of payroll such as scholarships and bursaries.

If you are an employer paying salaries, wages, advances or other benefits, you need to register for a payroll account with Revenue Canada. Companies need to attach the payroll account to their Business Number (BN). Companies that don't yet have a BN need to obtain a BN and then a payroll account from Revenue Canada.

The timing is also tricky. Companies have to register for a payroll account before the 15th day of the month following the month in which they began withholding deductions from their employees' pay.

HIRING AN EMPLOYEE

When you hire an employee, one of the first things you need to do is obtain their Social Insurance Number (SIN). Employees have to show their SIN card to their employer, and the employer has to always use the correct name and number as shown on the employee's SIN card.

The employee must then complete a TD1 and Personal Tax Credits Return Form (http://www.cra-arc.gc.ca/E/pbg/tf/td1/README.html). These forms tell the employer how much federal and provincial or territorial tax to deduct from his or her income.

HOW MUCH TO DEDUCT

As an employer you calculate the CPP, EI and income tax deductions based on the amounts you pay your employees. These amounts are determined with the help of various guides published by Revenue Canada that change annually. Some of these guides may be T4001, Employers' Guide — Payroll Deductions — Basic Information, T4130, Employers' Guide — Taxable Benefits or T4032, Payroll Deductions Tables. A complete list of downloadable guides can be found on Revenue Canada's website.

You hold these payroll deductions in trust for the Receiver General and must keep these amounts separate from the operating funds of your business. You then remit these funds to Revenue Canada using the remittance forms and following the

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procedures and due dates outlined on the Revenue Canada website.

The final step consists of filing employer information returns that summarize the numbers. The summaries and slips are due on the last day of February for deductions from the year before. Companies can now use the Internet to file T4 slips, as well as the traditional postal systems. More information about filing employer information returns can be read in the guide titled, Employers' Guide-Filing the T4 Slip and Summary Form (http://www.cra-arc.gc.ca/E/pub/tg/rc4120/README.html).

TERMINATION OF EMPLOYMENT

Employees may be terminated for:

- Dishonesty.
- Intoxication (depending on circumstances and effect on job performance).
- Illness (not temporary and leading to absences that make meeting job expectations impossible).
- Insolence (sometimes).
- Incompetence (the most common, and also the most difficult to prove, reason for termination; must show what level of competence was expected, that this level of competence was known to the employee, and that it was not met).
- Conflict of interest (almost always sufficient cause for termination).

Reasons that might otherwise be sufficient causes for termination cease to be if the employer has allowed the same behaviour in the past. For example, a characteristic level of insolence cannot suddenly become reason for dismissal. However, an employer can notify employees in advance that such standards are no longer acceptable, at which point the clock starts over.

It is often difficult to prove termination for cause in court. Consequently, employers should begin preparing for a legal suit before termination by recording evidence of the employee's failures along with complaints from supervisors, peers and subordinates.

When an employer invites an employee to resign or be fired, the resulting resignation will be considered termination. If the employee resigns rather than accepts a change in responsibilities, pay or location, the severance will likely be considered a termination. When an employee does resign, the employer should ask for the resignation in writing. (Charities, 63-66)

When an employee leaves your employment, you have to prepare a Record of Employment (ROE). Revenue Canada suggests calculating the employee's earnings and deductions for the year to date, and giving the employee a T4 slip. Then you can keep a copy of their slip and include it with your T4 Summary when you file it with Revenue Canada by the end of February of the following year.

Because most student newspaper employees are on a one-year term contract, it is important to outline the notice required for termination in the contract. The accepted norm is two weeks, or one pay period, though this may be contended. If the employee commits a serious act of misconduct, or the employer makes substantial changes to the job, prior notice is no longer required for the dissolution of the contract. If there is no such provision, the court could enforce back payment for more than two weeks if a contract that the employee thought was secure is dissolved.

If the pay period is longer than two weeks, the court may rule that an entire pay period constitutes notice. Common law has also awarded up to one month of termination pay for an annual contract. (Labour law in Canada, 338)

WHEN EMPLOYMENT ENDS

Regardless of how long you are paying the employee after termination, payment should continue on a normal schedule. Some jurisdictions provide payment longer (Ontario allows for completion of termination pay 30 days after termination) but most outline payment no later than the next regular pay period. (You asked?, 151)

An employee must be paid in full within 48 hours of when the employer ends their employment. If an employee quits or retires, they must be paid wages previously owed in full within six days.

These times are by the clock and the calendar. They are not working hours and business days.

If an employee cannot be located, the employer must pay the wages to the Director of Employment Standards within 60 days after the wages become payable. The director then holds these wages in trust for the employee.

VOLUNTEERS

Employment law does not recognize the concept of the volunteer-employee;

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there is no mention of honoraria or how to negotiate a raise in salary, as it's expected that such terms of employment are negotiated for professional service. So your paid staff, regardless of how they are paid, are staff, and volunteers are volunteers.

As such, volunteer status should be clearly outlined, from recruitment to selection and use of volunteers. They can be rewarded for efforts, so long as the rewards are purely discretionary and not tied to performance.

Volunteers can be directed and assigned regarding their duties, but must remain volunteers, free to leave as they wish. You can, however, require that volunteers undergo training (i.e., attend section meetings) in order to continue as volunteers. (Charities, 108)

LEAVES OF ABSENCE

Most leave-of-absence policy is dictated by common law. Some provinces require employers to provide time off to attend family members' funerals, or emergency leaves of absence. (You asked? 138). ◀

Sources:
http://www.go2hr.ca/ForbrEmployers/Legal/tabid/87/Default.aspx

Chosing a printer

BY TREVOR HARGREAVES

Things have a changed an awful lot in the last ten years. Back in the day, a paper's layout was ruled by cut and paste (literally, with a knife and glue), and some poor fool was elected each semester to recklessly speed across town with the flats of the latest issue in a mad rush to make print deadlines.

There's no debate that the advent of the internet has made things a lot easier. The retirement of flats not only means better resolution, but ease of delivery at the click of an FTP icon. That said, not all printers provide the same level of service and options to lowly campus newsies such as us.

If you follow the steps below when choosing a printer you are guaranteed to maximize your options.

Does the printer accept files via FTP (File Transfer Protocol)?

They better, or get off the phone. Of course if they don't, they probably don't have a phone as the reception is bad in their cave. At last count, all CUP papers except one submitted their files via FTP.

Quote out your specs

When you give your business to a printer, it's typically long-term. This is the standard now. Have your print schedule ready, estimated upload and delivery times and costs for sudden changes in page counts, colour, or special sections all mapped out.

Ask about paper stock

Depending on the type and volume of business a printer does, you can often benefit from the press runs of larger commercial and community papers, and get a comp upgrade on stock. Here's why: If your paper has a moderate print run, a printer will often plan to slip your paper in after running a larger paper to use what's left of their paper roll from the larger run. This is cost effective for the printer, as the stock would otherwise be waste. This applies to a lot of small papers.

For large-run papers, there are certain benefits that you will experience. The reality is that your print costs are higher and the printer stands to make more money. As such, large papers are likely to get better service than the smaller papers. When quoting around, stick the screws to the print reps and aim for a paper upgrade to seal the deal. A nicely laid out paper is that much more splendiferous when it's on sweet paper.

If you don't know much about news stock paper, here's the Cole's Notes explanation: The most common type of paper is called Electra-Bright. In printer lingo, it's oft referred to as EB. The higher the grade of EB, the more heavily the paper has been bleached. It is also typically a little thicker. If you want your paper to look swank, I recommend EB68 or the fire of Olympus that is EB72.

Don't be limited by local geography

If you live in a major city, this isn't an issue, but several papers from small towns are stuck printing with the only printer in town. Not surprisingly, they are paying too much and getting shoddy service. With some clever thinking and utilization of modern technology, you can get better service and superior product at a good price. Here's the deal: If you live a few hundred miles from a major city centre, do your printing there. Greyhound offers surprisingly cheap shipping rates as their business is based around moving people, not packages. As such, they are your golden ticket. Bump your production deadlines ahead to allow 24 hours for shipping, and you're in business.

Alternately, rural areas such as Atlantic Canada can build these necessities into their print contracts. See if you can negotiate shipping rates directly from the printer to save more time.

Does the printer operate 24 hours per day?

The benefits here are pretty obvious. When you can finish the paper at 3am and pick it up at 11am, life is beautiful.

Are they cool?

Seriously, this is perhaps the most important question. Does the prospective printer like the student press? Are they genuinely interested in your business, or do they just want your money? A printer that cares is worth a lot.

Are they technically proficient?

When considering a printer, check out some of the other papers they print. Look carefully at the registration around the photos. Does it all line up and look good? Check out the ink on each page. Is it spread evenly throughout? If you find anything, ask them about the details and see how they respond. Make sure you're comfortable with their answers or move on to the next candidate.

Inquire about the service

Here's a theoretical situation: Your printer calls. They received the FTP of your paper, but you mixed up your color pages. They were supposed to be on pages 12 and 13, but you put them on pages 11 and 12. Duh. Is the printer

Chosing a printer

calling to say “hey, I just changed the page numbers and wanted to make sure it’s cool with you that I print this corrected version.” Or, are they calling to say “Hey man, you’re a doofus. I’m giving you 20 minutes to fix the files and upload them, or you miss your booked press time and your paper will be two days late.” I have experienced both of these scenarios, and the first one is obviously vastly preferable.

There is a huge difference between a bad printer and a great printer. Find the one that works best with your paper and it will make your entire printing experience a dream. ◀

Trevor Hargreaves was Western Campus Plus Regional Director from 2004-2007.

Developing a local advertising market

The first step in developing the local market is to develop effective salespeople.

Each paper is unique and each advertising department varies in sophistication, so generalizations are difficult, but the following is a guideline to setting up an effective sales department.

Assuming that the ad department is beginning from scratch, the first step is to hire an ad manager. This is the person who not only handles sales, but is also involved in managing the advertising department budgets, hiring and overseeing additional sales staff as well as long-term planning. Any other administrative duties directly related to advertising, such as finalizing ad lists, compiling files on each advertiser, mail-outs and proof-reading should also be the ultimate responsibility of the ad manager. It is therefore advisable, whenever possible, to include as part of the ad manager's remuneration a guaranteed weekly wage over and above sales commission. This ensures that the essential duties listed above will be carried out.

Ad sales representatives should be paid on a commission basis, preferably half of the commission upon publication of the ad and half upon payment of the bill. This allows for sales incentives as well as account reliability incentives, lowering the accumulation of bad debt.

There is no hard and fast rate of commission that is applicable to every paper — market potential varies greatly — but there is one thing that should be kept in mind: Advertising is a dollar-motivated world, so it is necessary that ad people receive a larger share of the revenue than the editorial staff. After all, it is advertising that is generating the revenue. On the other hand, the rate of commission should not be so generous as to remove all incentive to constantly develop the local market.

Employee benefits such as travel allowance can either be built into the rate of commission or negotiated separately. A mutually agreeable contract and job description should be drawn up on an annual basis.

WHAT TO LOOK FOR IN ADVERTISING PEOPLE

First and foremost, look for a person with a genuine interest in print media in general and a specific interest in your particular paper. Financial motivation is also essential but should not be the sole motivation. It is always to your advantage to hire a person who is already familiar with local merchants. Hiring an experienced sales person, however, is not always the best bet. An energetic person who is eager to learn can be just as effective.

Artistic abilities are always helpful but certainly not a requirement. An ad manager, as opposed to sales staff, should possess managerial capabilities. Experience in a relevant area, such as design and copy writing, is a plus. Look for someone who is willing to make at least a semi-long term commitment — continuity is important if the paper hopes to maintain its credibility in the market. When one ad person replaces another, there should be adequate provisions made for a training period in which the retiring person introduces their successor to the established advertisers and other contacts.

An advertising person should also be capable of working closely with the production and design people in preparing proofs and arranging placement. They must be prepared to work with the office manager or whoever handles invoicing and collections to remain aware of which advertisers are accumulating large debts. Indiscriminately selling ads to businesses on the brink of bankruptcy often proves a waste of time and money.

All sales staff should be on the lookout for off-campus commercial interest attempting to 'dump' stacks of pamphlets and flyers around campus. A paper's distribution rights must be protected and an ad in your paper, after all, is probably more effective than littered leaflets.

One more thing to take into consideration is that a good ad person must possess at least a vague understanding of deadlines.

It is generally advisable that the person handling sales not delve too deeply into the area of bill collection. It is difficult to sell an ad to a merchant one day and a month later walk in with a baseball bat demanding payment. The merchant may be reluctant to do further business with you.

The ad department should be prepared to undertake a massive promotional mail out at least once per year — ideally in the spring. This promotional package should include what every salesperson's briefcase should contain: a rate card outlining mechanical specification and standard ad sizes, circulation figures and distribution information, frequency and prompt payment discounts, and a publishing schedule for the upcoming year. Also include copies of a contract,

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insertion orders and a business card.

It is sometimes a good idea to throw in a recent copy or two of your paper so the advertiser knows exactly what they are getting into. Don't forget to include a cover letter to explain the contents of the package. This is also a good place to make your sales pitch. Explain to the advertiser the value of the student market and why they should be exploring it. These packages should be sent to every business within a 20-kilometre radius that might have some interest in the student market. This is the best way to ensure that all potential clients know of your paper's existence.

Always follow up on the mail-out. Call them and make an appointment for a visit. Take into consideration the nature of the business when visiting. Don't arrive at a restaurant at noon and expect the manager to sit down with you and talk about advertising. As you get to know your accounts, you will learn the best times for visits and arrange your schedule accordingly. Dress appropriately, too. Don't show up at a tax firm in jeans and a t-shirt, but don't wear a three-piece suit to the shore yard either.

SELLING TACTICS

There are as many different approaches to selling advertising as there are advertising sales people. There are a few basics to keep in mind, though.

The sales person must not only concern themself with the financial well being of the paper but must take into consideration how the advertiser will benefit. A successful advertising campaign is good news for everyone. One-shot advertising is rarely as successful as a carefully planned campaign. Take the time to plan ahead with the advertiser. There will always be a certain percentage of transient advertisers but others will be interested in more long-term arrangements and these are usually the advertisers that can be signed to contracts. Some know exactly what they want and it is merely a case of seeing that it gets into print; others don't know where to begin and the salesperson must be ready with ideas. It is sometimes worthwhile to prepare artwork for an advertiser without them requesting it, just to show them some ideas.

It is a very thin line that separates a thorough salesperson and a pushy one. An advertiser should never be pushed into a larger ad than is practical for their business. If a person's sales technique involved trying to push the merchant into buying unneeded or unwanted space then that person may find that clients hide in the back room when they come to call and don't return phone calls or emails.

The campus market's many merits do not necessitate hard-core selling techniques. It is a market that, in many ways, sells itself. Selling student media often becomes a public relations job — setting up a good rapport with the local merchants. This may include telling them if it is not a good week to advertise and helping them plan around future events such as convocation. They will appreciate your honesty and that will pay off in the long run.

Developing a lucrative local advertising market takes time and considerable effort but the rewards — financial stability and independence — are worthwhile.

RESEARCH: A SELLING TOOL IN THE LOCAL MARKET

The advertising manager of a campus newspaper is going to have a tough time increasing local advertising sales if they don't know enough about their product or its audience.

Market segmentation is a vital part of an advertiser's planning process.

- The concept of segmentation is based on the proposition that consumers are different from one another.
- A second proposition underlying the concept is that differences in consumers are related to differences in market demand.
- The third proposition is that segments of consumers can be isolated within the overall market.

Through a process of adapting to the needs of carefully researched and defined segments, advertisers can gain a substantial competitive advantage over those who still pursue a broad approach to the market.

Accordingly, the local advertising manager who goes out into the marketplace in his or her area armed with research stands a far better chance of not only increasing sales from established clients, but also attracting additional sales from new local advertisers. The advertising sales people will then find themselves in a much stronger position to field the standard questions.

It is therefore beneficial for your paper to conduct regular surveys (perhaps every 2-3 years). This tailored local research can then be put to use for the current academic year and will be on file for future years.

3 Developing a local advertising market

WHAT DO LOCAL ADVERTISERS KNOW ABOUT YOUR MEDIUM AND YOUR AUDIENCE?

Your medium

Do they know:

1. The circulation of your paper?
2. Your publication schedule for the year?
3. The dates for special issues or events happening during the year?
4. The number and location of your paper's distribution points on campus?
5. What percentage of students read your paper and how often?
6. The format of your paper, i.e. what sections you provide for your readers?
7. Your paper's mechanical requirements?

Your audience

Demographic data should include:

- The full-time and part-time population on your campus.
- Undergraduate vs. graduate enrollment.
- A breakdown of female versus male students.
- Students by age and year of study.
- The percentage of students living on or off campus.
- The number of students enrolled. in each major discipline offered by your college or university.

Purchasing patters

- What durable goods are students buying? Where are they buying their cameras, computers, clothing, stereos, cars, watches, etc.?
- What food items are they buying and where are they shopping for them — i.e. major grocery chain, corner grocer or local convenience store. When students eat out, do they go to local restaurant, pizzeria, etc?
- What personal care products are being used, how often and from what outlets are they being purchased — i.e. shampoo, deodorant, razors, toothpaste, mouthwash, vitamins, cold remedies, etc.
- Where do students go for entertainment — i.e. local movie theatre, campus pub, clubs, etc.

ADDITIONAL RESEARCH

A potential local advertiser might be more receptive to salespeople if they have an idea of other clients who have advertised in your paper in the past. Search through last year's issues and document all these advertisements by category. Also some of your national advertisements might relate directly or indirectly to a local client's outlet.

Do a little homework. Find out the approach that a potential local client took the previous year and what they are up to now. This involves clipping and filing tearsheets of ads that were placed in other media in the area. You can then assess the artwork being used to see whether it can or cannot be used in your publication.

Research preparation

When your paper proceeds with a research study, make sure the questionnaire used is easy to read and not too lengthy. Timing is critical when you come to administer the survey, so make sure the bulk of your readers are providing the input you need. Decide how you want to administer the survey, i.e. published in your paper or handled by a business class as a project.

Choose a method that best suits your timetable, the academic schedule and your pocket book. Once you have successfully completed your survey, compile all the raw data and put it into readable form with tabulation and/or cross-tabulation of the statistics. The research package then consists of a tabulated date, sample questions and survey methodology (how it was conducted, when, and your sample base).

The complete selling package

You now have a number of sales tools at your disposal — make sure that you do not use all of them at once! For a first meeting you have an informative rate card, several issues of your paper, sample ads run the past year and information about the potential advertiser's current activity.

If you have conducted a survey, you can follow up with some interesting statistics. Where applicable, organize a recommendation backed with research.

All these selling tools should push your local sales in an upward direction. The only thing left to do now is to sell yourself. ◂

Selling advertising

BY MATT ADAMSON

Advertising makes people aware of a product or service and why they should buy it. This resource paper outlines how a newspaper can launch local ad sales effort that contributes to the paper's budget.

The following steps encompass all the essential elements of a successful sale and address three questions that potential advertisers usually ask:

1. Is it worth it to advertise to students?
2. Is using the newspaper the best way to reach them?
3. What message will best sell the product?

Following that are tips for expanding your advertising opportunities.

STUDENTS ARE IMPORTANT CONSUMERS

Students buy things. They are regular consumers of fast foods, music, clothing and electronics. When students are concentrated in one place, such as a campus, they become regular and valued customers to local retailers.

Unfortunately for student ad representatives, a common public perception is that students are usually broke, don't buy much of anything and aren't worth advertising to.

In a way, this makes sense. Most students are not working, have less money than the average wage earner and have smaller budgets. But their budgets don't have to go far: they don't have to buy big ticket items like washers, houses and furniture. While in school they rarely purchase insurance, do not have mortgages and seldomly save to put their children through school. Students have neither the same spending patterns nor consumer demands as those in the working world.

Students spend their money on tuition, books, supplies and rent. After that, students have a fair bit of money left over as discretionary income. Most students eat out (or order in) regularly and, although these are not usually expensive orders, small purchases add up. Advertising local products and services to the campus community suddenly makes a lot of sense.

Campus Plus has conducted several surveys in recent years to create a student profile: the surveys of 2003 and 2007 asked thousands of college and university students across Canada what they spend their money on, how they spend their time and how they read their campus newspaper.

The survey results are presented to potential advertisers to show them what products students desire and can afford. Although designed for presentation to clients at the national level, local ad managers can use the results to sell advertising to local clients. Survey highlights are available from the Campus Plus website.

Many merchants realize that students contribute a healthy infusion of cash to the local community. Businesses are prepared to publicize their business to get their share of that market. In these cases, the paper's advertising representative acts more as a liaison person — articulating the local student market so the advertiser can plan an effective campaign.

This can be done by suggesting active weeks (carnival, special events, career recruiting days) instead of quiet weeks (long weekends when many students leave early, exams), helping with layout ideas, suggesting benefits to highlight in the copy and recommending ad sizes in keeping with the advertiser's budget.

The advertising rep's work really begins if the retailer remains unconvinced that the local student market is worth reaching. Begin by finding out how much the retailer knows about the campus. Tell them how many students are actually enrolled, including how many women and men. Outline the basic student spending patterns and explain how they are consistent with the products offered in particular stores.

Many retailers agree that they can use the campus business but won't advertise for a variety of reasons: they are not sure whether the cost of advertising will be worth it; they don't know if the paper is read; if students (or anyone) actually reads advertising; or if they will respond to advertising.

WHAT'S SO GREAT ABOUT STUDENT NEWSPAPERS?

Make it clear to potential advertisers that students read and pay attention to their student newspaper.

It's the only place where students can find out about the events and activities that affect their daily lives. Information about campus concerts and lectures, news of tuition fee negotiations, student council debates, analysis of post-secondary education politics, varsity and intramural sports, announcements of social functions, employment prospects and student reviews of the latest films, books and records are all part of your weekly fare.

When students are keeping up with information, they will be reading the ads. A sale on new CDs (or old ones at sale prices) is important news to students. So is a good, convenient food store, restaurant, bookstore or place to find cheap clothes, calculators, running shoes or a haircut.

When students read their newspaper, they're in a receptive mood. They are making an effort to gather new information. They're also usually sitting down, relaxed and attentive. It's the perfect time to remind them of a product's benefits, convenience or availability at a particular store.

Other important benefits to the student include: Information contained in student newspaper ads such as career opportunities, room charges, ticket prices for upcoming events and special student discounts.

Most student newspapers are tabloids. Advertising is highly visible in tabloids (compared to broadsheets) and since ad content rarely exceeds 40 per cent (usually about 25 per cent), the ads are even more visible.

GOOD ADS CONTAIN A BENEFIT

Advertising just the name of the store with lots of white space around it (restaurants seem to have a penchant for this) may look catchy, but could be designed more effectively.
Successful ads give the reader a benefit, whether it is price, quality, hours, selection, service, location, exclusivity or atmosphere. These benefits give the reader a reason to think about the ad, to remember it and, when the time comes, to purchase a related product or service; a reason to go to that store or buy that specific brand.

CAMPAIGNS

Students, like most people, are bombarded with information in class, at work, in the newspaper, in magazines, in books, on the radio and on television. With such abundant and rapidly changing information, consistency is important. A clear and regularly run message has a fighting chance of being remembered.

Take the local pizza place for example. In the first issue in September, a large, welcome back ad is run. The copy includes the menu, popular dishes, specialties, benefits of the delivery service, hours, location, prices and the telephone number. In the following issue, the actual campaign begins.

A smaller ad, whatever the advertiser can afford over a period of time, highlight the first in a series of benefits: the food (looks good; is good), location (convenience), delivery service (speed), a special price on a particular dish. These ads should have the same border and type face to convey a consistent theme but the copy and graphics should be changed for each issue. This ensures the ad does not look the same as last week's and so gets dismissed as out-of-date, not-worth-reading material.

Rarely will someone look at a pizza ad and become hungry. But when they are hungry, they will think of the alternatives and order what is uppermost in their minds. If they regularly see the benefits of "Plaza Europa" and become familiar with it, "Plaza Europa" will be one of the first considered.

Although there will always be transient advertisers, the campaign strategy should be developed with merchants who have a regular, significant amount of business from the campus.

SOME COMMON REASONS RETAILERS HAVE FOR NOT ADVERTISING

Advertising sales occur when you, as the paper's representative, and the retailer are engaged in mutually beneficial conversation. The retailer discusses the business, what it has to offer; you explain students' spending patterns and why students would be interested in this particular place. During this process, try to isolate a few benefits that would appeal directly to your readers. Then outline how these benefits, when publicized over a period of time, would give the readers solid reasons to drop by this particular store.

"We have too much business."

There is always room for more business. No one has ever heard a retail merchant ask a potential customer to leave the store because it is too busy. What the merchant is really saying is that he or she cannot justify an increase in their advertising budget to bring in an indefinite amount of increased sales.

If the retailer agrees that students are an important component in the store's clientele, then advertising should be aimed toward the local campus population. Ask the retailer if you could review

3 Selling advertising

their advertising budget to see if there are any opportunities (special sales, promotions, etc.) for the newspaper.

"We have too little business."
Advertising is really the only way more people can discover a store's benefits. If the retailer agrees that students could find items of interest in the shop, the newspaper is the most effective way of reaching them. If the retailer is unconvinced they have anything to offer students and you think the store does, you have begun to isolate the problem. Outline how many students are on campus and how they spend their money.

"I don't have any competition," or "Everyone knows I'm here and what I carry."

A retailer's need to give more reasons than just the product's availability or exclusivity is especially apparent when dealing with a local monopoly. Let's use the lone record store in town. Competition exists not only among like products, but among different products, vying for the same student dollar. Students don't have enough money to buy everything they want so they make spending decisions.

"This may be true," says the local store manager, "but does that mean if I put an ad in your paper I will sell more records?"

Let's look at how students buy their CDs. Students make up their minds on how they will spend their disposable income at all times of the day or night. If they forget about CDs when mulling over what to do for some relaxation, they will consider other entertainment activities that have recently been on their minds such as eating out, going to a movie, buying a book or continuing to save for those hiking boots.

If a student is consistently informed about the latest releases, it can only heighten interest in music and the store. People read newspapers to keep informed of these very things.

"Word of mouth works a lot better for me."
When this comes up the merchant is saying that they are confident the business has something to offer and, rather than spending money to publicize it, is satisfied that customers telling their friends is good enough.

If the merchant is offering something in demand, the sooner more people hear about it, the sooner sales will increase. Suggest the money spent on advertising be viewed as an investment, a real business cost that, if allocated properly, will yield returns. Show the merchant your paper and point out the various sizes and costs. This will give you an opportunity to mention a few benefits of your paper and the campus market. Your presentation should stress that your newspaper has many benefits while its costs are reasonable.

People talking about the store in a positive manner is also good advertising. A print campaign will act as a catalyst in this process. It reminds people to mention this particular store to their friends or make a general comment when they are reading the paper and notice the ad.

THINKING ON YOUR FEET

The key to successful advertising sales calls is isolating the potential advertiser's objections to your proposal.

If the retailer doesn't believe that your campus has significant purchasing power, it's no use explaining the attractions of using the newspaper instead of another medium. If the advertiser expresses interest in students but is dubious about the merits of using the paper, there's no need to rattle on about students' spending patterns even though you may have some good facts on the tip of your tongue. And if the advertiser appears familiar with students, likes the paper, but is having a hard time developing an effective advertisement, move quickly to your layout ideas.

The frustration of selling is in thinking that you and the advertiser are on the same wave-length and then, when discussing the dates the ads will run, the advertiser says, "I don't know. Students are usually broke anyway, aren't they?"

It can be frustrating, but it's back to square one. A retailer will only become a regular advertiser when they have confidence in all aspects of their decision to advertise. First, consider the market, then the medium, then creative layout ideas, campaigns, and so on. ◂

Campus Plus

BY CHRISTINA BARFITT

Campus Plus is CUP's national advertising sales organization. It's most likely your national advertising sales representative. Campus Plus manages the national advertising sales of almost 100 campus newspapers across the country, including the vast majority of CUP members.

Individually, campus newspapers are small. In a market filled with broad-circulation urban weeklies, market-saturating free dailies and traditional local broadsheets, campus papers need to work together to get noticed. When Campus Plus deals with major advertisers and ad agencies, it represents a total circulation of over 450,000. That gets the attention of people who might otherwise overlook campus publishers.

CUP formed Campus Plus in 1980 in order to sell multi-market ads on behalf of campus newspapers in Canada. Now it is the largest company of its kind in Canada. Campus Plus does more than just sell advertising, the revenue it generates is reinvested in CUP and its member papers both indirectly — through projects like Mass Audience or the publishing of *Assembly Required*, or directly, through sponsorship of JHM, the national conference and funding for CUP National Office.

HOW IT WORKS

Campus Plus works throughout the year to market your paper to thousands of advertising clients. But beyond the sales is the true beauty of being a Campus Plus client; they also handle the paperwork. As any ad manager will tell you, the sale is just the first step, the money's in the follow up. Campus Plus provides accurate accounting of remittances and outstanding payables as well as day to day handling of materials, insertion orders, ad reminder notices, invoicing, collection and tracking.

What do you, as a CUP member, have to do? Run the ad. Run it on time. Run it properly. Send Campus Plus copies of your paper, then sit back and wait for the money to roll in.

Read all about it on the "How It All Works" section of the Campus Plus members site at www.campusplus.com.

What you need to know: Campus Plus is in the business of selling your paper to advertisers, but there's a lot that individual papers can do to help make that sell a little easier and increase their own national sales.

Be consistent. Always run the ad and always run the ad as it was meant to appear. Campus Plus is extremely respectful of boycott lists and takes care to ensure that ads meet your publishing standards. An ad that doesn't run or runs improperly because of error or intent means there's a client Campus Plus can't invoice and that can mean lost revenue for every other CUP paper that also had that ad. Remember to have your production editor check all the links to ads before sending files to the printers, and place all ads before editorial content — this way you'll make sure the ads run the correct size and that you don't 'run out of space' for them.

Be flexible. Be prepared to accept ads as late as possible. Students aren't the only ones trying to push back due dates. Advertisers are notorious for pushing the limit of print deadlines. Last minute ads are a great source of revenue for those papers able to accept them.

SEND IN LEADS

If a national advertiser approaches you about advertising in your paper and you give their information to Campus Plus, everyone can benefit from that revenue. When you forward a successful lead to Campus Plus, that ad usually doesn't just end up in your paper but runs in CUP papers across the country. You then receive a finder's fee based on the entire ad buy. To fill out a lead form, visit the campusplus.com member's section and click on the "lead form" link on the right hand side.

STRATEGIES TO BOOST NATIONAL ADVERTISING SALES

Be professional and invest in creating a good looking paper. Students judge you on your content but advertisers judge you on your look. That's why Campus Plus sponsored the publishing of *Assembly Required*, a book written by former CUPpie Mike Barker, devoted to improving the quality of student newspapers. If your production manager doesn't have a copy, Campus Plus will send you one. The better your paper looks, the better Campus Plus looks.

MASS AUDIENCE

Campus Plus is as committed as you are to maintaining the unique connection that your paper has with your readership. With more and more students getting their news and entertainment online, Campus Plus is committed to helping you publish online. So Campus Plus developed Mass Audience, an online publishing and advertising program for campus newspapers. Mass Audience is designed to streamline online publishing on campuses across Canada.

Go to massaudience.ca to get more info on how easy it is to publish your paper online and learn how you can earn more national sales revenue by doing so.

HOW TO CONTACT CAMPUS PLUS

If you have questions about Campus Plus, there are several ways to get the answers you need. Firstly, almost everything you could ever need to know about Campus Plus can be found on the Campus Plus members site at campusplus.com.

Secondly, Campus Plus employs sales staff, production staff, and an executive director, all of whom are ready, willing and eager to take your call. There's also a toll-free number: 1-800-265-5372. Give them a call whenever you have a question or a concern, big or small.

Finally, Campus Plus reports to a board of directors. So feel free to contact your regional Campus Plus representative, the CUP Board Campus Plus representative or the CUP President, should you have issues with, or just want to learn more about, Campus Plus. ◄

Christina Barfitt was the Altantic Regional Director for the Campus Plus Board from 2005-2007.

Boycott policies

by Monique Beaudin and Katie Swoger

- Advertising is a privilege, not a right.

Boycotting advertisements is neither censorship nor a freedom of speech issue. Nothing obliges you to accept a company's ads unless you take their money. Rather, the effective use of boycott lists and follow-up actions can send a strong message about the morals and politics of your publication.

In the fall of 1992, for example, an issue of Tribute, a film advertising supplement, was boycotted by almost all the CUP papers it was scheduled to run in because it contained a racist description of a black actor. As a result, the publishers of Tribute re-wrote the article.

On a larger scale, boycotts have affected everything from Nestle Foods marketing baby formula in developing countries to McDonald's use of ozone-depleting styrofoam and rain forest beef.

The gains that come from boycotts tend to be small but symbolically powerful.

Not every advertiser on your boycott list is going to change because your paper doesn't agree with what it is doing, though. The staff of student newspapers also need to consider what kind of messages the advertising in their papers is sending to their readers. A paper can appear hypocritical if it consistently writes anti-war articles and takes advertising from the Department of National Defence, or condemns clear-cutting but then runs ads from the same logging companies it purports to fight.

Boycotts usually result from a staff discussion, followed by a group decision, the paper will no longer accept money from certain advertisers.

By no means should you jeopardize your paper's survival with boycotts and, unfortunately, some student papers don't have the option of picking and choosing their advertisers. Papers need to strike a balance between their conscience and their financial health when they choose to boycott.

Advertising is manipulative. Companies that have enough money to promote their messages pay newspapers money to sell not only products, but ideologies. Most student newspapers adhere to the 'sexist, racist and homophobic' creed when it comes to advertising, but others have made political decisions about banning advertising. Currently some papers have decided they will no longer accept advertising from the Department of National Defence because they do not agree with Canada's involvement in Afghanistan.

Other papers have had lengthy boycott lists full of companies that invest in South Africa during apartheid. Other papers boycotted advertising because it is too controversial and have refused to run either pro- or anti-choice advertisements on abortion, for the simple reason that the staff couldn't come to a unanimous decision on the issue.

Discussion and education are the most important aspects of developing boycott lists. The people making the decision to boycott advertising must feel comfortable and well-informed about that decision. Boycotting a company will be ineffective unless people know why you've decided to boycott it.

Hold well-publicized staff meetings and invite people who know about the advertiser or issue to talk. That way, the pressure is off the editor or staff member to provide all of the information. Sometimes having a third party explain the issue will add credibility to an issue that might, to some people, seem inconsequential.

Boycotting won't serve its purpose if you don't tell people why you have decided not to take the advertisers' money. Write the company and tell them exactly why you don't like their work, its practices or its product. Forward these letters to other campus papers and through your national advertising agents.

Write an editorial and tell people why your paper won't take the ads. Editorials are an effective way of publicizing your decision and hopefully generating debate beyond your office.

Papers should also review their ad boycott lists every year. Once your paper boycotts an ad, it stays on file at Campus Plus until you decide to take it off.

The staff should set up an ad policy committee just to make sure the ad boycott list is being followed. This committee can also screen for new ads that could be brought to the attention of the staff for discussion.

An advertising policy can be as formal or informal as you like. Setting up an ad hoc committee with a handful of volunteers could be effective for your paper, or you may wish to make it the responsibility of an editor or staffer.

Don't forget to send your boycott list to Campus Plus so that they won't send ads from those companies to you. If you decide to boycott something and don't tell the advertising agency, they

2 Boycott policies

will send you the ads and you'll be penalized for not running them.

AD BOYCOTT CHECKLIST

1· Set up an ad boycott committee at your paper.

2· Once concern about an ad is raised by the committee, find out as much about the company or the ad as possible.

3· Advertise that boycotting the ad will be discussed at your next staff meeting or at an emergency staff meeting, if the boycott concerns the content of an ad scheduled to run in an upcoming issue.

4· Invite business staff to attend the meeting and figure out what it will cost your paper in lost revenue to boycott the ad.

5· Discuss and vote on or reach a consensus about whether or not to boycott the ad.

6· Send notice to Campus Plus. If you are refusing to run an ad because of its specific content, you will not be penalized for not running the ad. If you are boycotting a company because of their practices in general, you must give Campus Plus 30 days notice before your boycott will go into effect.

7· Write an editorial or explanation in your paper about why the staff decided to boycott the ad.

8· Send a letter to the company explaining why you are no longer accepting their advertising. ◂

Monique Beaudin was CUP's National Bureau Chief and was National Affairs Editor at The Charlatan (Carleton University.) Katie Swoger was the Editor-in-Chief of The Charlatan. They worked on establishing an ad boycott system for The Charlatan.

Distribution

Many student newspapers are working on being more environmentally friendly. This can include using recycled newsprint, reusing and recycling paper in the office and trying to dispose of dark room chemicals safely.

They also look at how many newspapers they are printing. For most papers, however, the problem is not that they are printing too many newspapers, but that they aren't distributing them in a way that reaches all available readers.

It is understandable that distribution may not seem important to many staffers on a student paper. Most are more worried about getting stories in, photographs to fit and computers to work. But even if you have the most provocative and beautiful student newspaper in the world, part of your effort has been wasted if it doesn't reach (or isn't available to) every student.

Avoid dropping circulation unless there's a really good reason for it, especially mid-term. If a paper drops its circulation by 20 per cent, it can often expect to see its ad revenues also drop by at least 20 per cent.

So, how do you improve your distribution to get rid of those "extra" copies? Each campus will have its own particular quirks, but here are some basics that can improve distribution:

DISTRIBUTION MANAGER

Many papers hire one or two people as distribution managers. They are responsible for making sure that distribution is done well and on time. Some distribution managers are also responsible for keeping track of how well the paper is picked up, and implementing distribution improvements.

Being distribution a manager is a rather thankless task (you don't get a byline) so it often works better if they can be paid a small fee per issue or an honorarium for the year.

CONTRACT OUT

Other papers contract their distribution out to delivery companies. These companies pick up the paper from the printer and deliver it to the distribution points on the day of publication, following a pre-established list. This can be expensive, but it's worthwhile for papers that come out more frequently — twice weekly or even daily.

BOXES

Having recognizable newspaper boxes or stands with your paper's name on them will help students find your paper more easily than just parking stacks on a counter or table.

Boxes should be attached to the wall or the floor so that they can't be stolen. They should also be kept tidy so readers are attracted to them, not repelled. They should be in all high traffic areas of your school, including the student centre, cafeteria, library and pub. High traffic boxes will often need refilling. The distribution manager can watch out for empty boxes.

TIMING

The papers should be available at approximately the same time every week. Then readers can reliably pick up your paper on their way to class, reading it to find out what to do on the weekend, for example.

If your paper is supposed to come out on Thursdays, but doesn't appear in the boxes until Friday afternoon, fewer people will pick it up. The news is old and it's not in their mind that Friday is paper day.

TRACK PICK-UP

Keep an accurate account of how many papers get picked up by how many are left in the boxes. A good way to do this is to divide up the drop-off points among staff members and agree that everyone will check their assigned areas between, say, six and seven o'clock on a particular day or days of the week, for a few weeks running.

Tally the results. If one area runs out of papers consistently, put another distribution box with more papers there. Experiment with putting new boxes in new areas. Which cover image promote more pick-up? Does word of mouth about certain stories promote more pick-up? Which issues were the least sought after? This can be useful in helping to determine the direction of your paper, too, by seeing what readers like and don't like.

WORK WITH THE UNIVERSITY

If you can, get a distribution policy or agreement with your institution. If you can, it could be nice to get an exclusivity deal to have your publication the only one allowed being distributed on campus (or on a short list of permitted

Distribution

publications). It will also be useful to set guidelines for janitorial and security staff so they won't throw out your papers as soon as they're released.

OFF-CAMPUS DISTRIBUTION

Explore the idea of off-campus distribution. Some of your local advertisers might like to have copies on hand for students and other customers to read. Newsstands, bookstores, student hangouts/pubs and independent theatres are also good prospects for off-campus distribution. If possible, use a recognizable distribution box to keep things tidier.

Off-campus distribution is also good for visibility. Advertisers can see people picking up the paper, alumni may want to keep in touch and it's a boost for writers to see their bylines downtown.

If you're in a smaller centre without much freely distributed press, it could be a big advantage to your advertisers for your paper to be available off-campus. Some papers — notably the Argosy in Sackville, N.B. — also serve as the local alternative weekly.

Before considering off-campus distribution, check any distribution contracts you might have with student council or administration bodies. Seek permission if you have to — you wouldn't want to lose your exclusive rights to campus distribution just because you dropped off a hundred copies of your paper downtown.

If you have a reasonably friendly relationship with these institutions, push the PR angle of off-campus distribution — putting the school's name in the public eye, and so on. On the other hand, if you've just published a full page nude collage of the university president, you may want to keep off-campus distribution informal for now.

Go to bookstores, cafes and community centres in areas frequented by students. Speak to the owners and ask permission to drop-off small numbers of papers on a window ledge or place a small paper rack in their vestibule.

Make sure the papers are consistently neat and that you only drop off as many as will be picked up at that location (this may take a few weeks to calculate).

As to the mechanics of distribution, it's much like on-campus distribution, but a little more time-consuming. It works best if you can afford to pay a staffer with a vehicle to do it — this way it gets done regularly and on time.

You may also find that being off-campus gives you new clout with students and non-students. Housing and other municipal issues will have new impact and your paper will have more credibility as one that is accepted in the community as well as on-campus.

MAILING OUT YOUR PAPER

CUP papers have to send two copies of every issue to CUP's national office (one for clippings and one to file). If your paper is on the Campus Plus rate card, you need to send additional copies to Campus Plus for tearsheets to advertisers.
Mail newspapers to CUP members, as well as other student newspapers; it almost guarantees you'll get copies of other papers in return. You should also be mailing papers to the National Archives of Canada, which is supposed to keep a record of all publications.

Library and Archives Canada
395 Wellington Street
Ottawa, ON K1A 0N4
CANADA

Send papers to people you want to influence, impress or offend: mail copies to the local and regional daily and weekly papers, to the provincial legislature's press gallery, to both college and mainstream radio stations, Canadian Press, the CBC, Globe and Mail and any magazines you'd like. Mail copies to your province's education minister, the opposition education critic, CFS, CASA and student council executives on other campuses. Include any other government agencies or large groups you write about, as well. This helps to give your stories more impact where they matter.

SELLING SUBSCRIPTIONS

Although mailing is valuable enough to do for free, selling subscriptions ensures you're not subsidizing mailing needlessly.

Selling subscriptions is straightforward enough: write up a simple but attractive letter to prospective subscribers describing your paper (including what the circulation is and how often it's published), provide a price per year, and provide a coupon on the bottom for them to fill out and mail in.

If do you have paid subscribers, be sure to keep a business file on them, and send notices before their next payment is due.

3 Distribution

THE TECHNICALITIES OF MAILING THE PAPER

Many papers have decided that the best way to make sure that copies are mailed out on time is to have a staff member do it. If you have an office lackey or ad sales rep, this can easily become an administrative duty.

Canada Post offers discounts for publications — shipping papers for as little as $0.37 each. To qualify, papers must be sorted according to Canada Post's specifications, and submit an electronic form. More information about special Canada Post rates can be accessed at: http://www.canadapost.ca/personal/tools/pg/manual/CPCPrices-e.asp#i17

For Ontario papers: IUTS

Ontario papers can save money with the free Inter-University Transit System (IUTS), operated by the Council of Ontario Universities. It serves all Ontario universities, the Ministry of Colleges and Universities, the Association of Universities and Colleges of Canada, the National Library of Canada, and a few other groups. It does not serve community colleges or organizations outside Ontario.

Check with your university mailroom for IUTS procedures. It could be as simple as rubberstamping the letters IUTS on each item or applying an IUTS sticker where the postage stamp would normally go.

If your paper is not located in Ontario, ask your campus mailroom if there is any way that you can send mail to other institutions in your province or region without having to pay postage. Talk to your university and students' unions — many papers have their postage costs paid! ◄

Fundraising for CUP conferences

Very few CUP members have maximized their fundraising capabilities. With a little initiative and good planning, though, it's easy to raise some of the much-needed funds for attending CUP's annual national conference and general meeting.

Those who try have traditionally had excellent luck with fundraising. The problem is that few give it a shot. It's easy: you prepare a letter (samples available at www.cup.ca), circulate it to potential sponsors, and wait for the cheques to start rolling in.

The key is in the pitch. Your delegates will be representing both your newspaper, your university and your community. The funding will not only improve the quality of the newspaper, but it will also help to improve the reputation of the university, and will give students a better chance at becoming successful alumni. In the case of media outlets, helping to fund your participation at Nash will support the student journalists that will one day become their colleagues.

Most departments (English, Journalism, History, etc.), administrators (president, vice-presidents), alumni organizations and local media outlets have money put aside for donations. Students attending national events are particularly attractive, it's just a matter of asking for it.

IN THE BEGINNING

Put your letter on your paper's letterhead (easy to make in InDesign or Quark), dress up a little, and deliver letters to the departments from which you're seeking funding. Usually you will end up dealing with receptionists. Explain your fundraising efforts and ask that they put the letters across their bosses' desks in the next couple of days. It's a good idea to suggest a deadline — say you're hoping to hear back within the week.

If the decision-maker is in, even better — you can pitch the conference to them directly. If you don't hear back, stop by a couple of days later. If you're lucky, the receptionist will have an approval form waiting for you. Donations might be $50, or might be $500 — either way, they all add up.

There are sample letters for university departments and off-campus groups in the CUP document depot (www.cup.ca), and they can be modified to suit your target. Remember to address your letter properly (never write "To whom it may concern," try and find out who is actually being addressed) and be sure its error-free. Attach as much information about the conference and your publication as you feel is necessary. Usually a copy of your publication doesn't hurt if you're approaching external organizations.

There are two types of letters: "leveled sponsorship" or "direct request." Leveled sponsorship means going after a bunch of people for specific donations in return for recognition of their sponsorship. Bronze donations, for instance, might get a thank-you in the next issue of the paper. Silver donors might get a logo on the shoulder of your next t-shirt and gold donors might get the entire back of the t-shirt.

Direct request involves making a specific pitch to a specific person. Ask the Dean of Arts for $800 to send one delegate to Nash.

Your pitch is:

- You need funding to send students to a national journalism conference.
- You don't have money — you need theirs.
- Representing paper, community and university.
- Funding will improve reputation of university; students will be able to become better students and better alumni.

Know your stuff

- Do research to find out important people and their titles. Make friends in the off-season.
- Dress nicely, present letters in person.
- Use 9x12 envelopes, don't seal them.
- Attach 1-page CUP/Nash fact sheet.
- Split workload among a few people, but have one contact person for call-backs.

SOURCES OF FUNDING

At your university

- Student council.
- Administration (president, all vice-presidents).
- Alumni association.
- Library.
- All faculties.
- Related departments (Fine Arts, History, English, etc.).
- Student affairs / Student services.
- Other on-campus groups (research centres, etc.).

Off-campus

- Local media (newspapers, television, radio).
- Rotary clubs.
- Companies sympathetic to students

2 Fundraising for CUP conferences

or who market to students
- Your paper's alumni.
- City hall.

There are a ton of other ideas for fundraising. You can host movie nights at a local theatre ($500 - $750 to rent theatre, charge $5 admission, advertise the event in your paper and roll in the coins — note that this can require a few months of lead time to get reels of the film in). You can host concert nights or sponsored speakers that will draw a crowd. One paper struck a deal with their campus pub to take a cut of cover charges one Saturday night in exchange for some advertising space. The possibilities are endless.

Remember that you need to think big. Bake sales are a waste of time. Follow up every activity with thank you letters and a report outlining the successes of the event and how their contributions helped. It could also help to get a letter of support and conference information from CUP. It'll make your pitch that much sweeter.

Speak with local fundraising organizations and see if they can give your fundraisers some tips. There is a vast treasure trove of experience out there and fundraising is a lucrative game to dabble in. ◂