

OUTLINE OF ISSUE

Agenda Title: Proposed Rescission of four current Mandatory Non-Instructional Fees (CoSSS, Registration & Transcript fee, University Student Services Fee, University Health Services Fee) and Establishment of two Restructured Mandatory Non-Instructional Fees (Student Health & Wellness Fee, Student Academic Support Fee)

MOTION I: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, rescind the Common Student Space, Sustainability & Services Fee (CoSSS), the Registration & Transcript Fee, the University Student Services Fee, and the University Health Services Fee, as set forth in Attachment 2, to take effect upon the establishment of the restructured mandatory non-instructional fee schedule.

MOTION II: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the establishment of the following two restructured mandatory non-instructional fees: Student Health & Wellness Fee, and Student Academic Support Fee, as set forth in Attachment 2, to take effect upon approval.

MOTION III: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, rescind the following Board-approved motion of February 10, 2012:

THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the annual adjustment of all Mandatory Non-Instructional Fees (MNIF), as determined by Administration, up to and including the Annual Alberta Consumer Price Index and that the MNIF be reported for information to the GFC Academic Planning Committee, the Board Finance and Property Committee, and the Board of Governors on an annual basis.

MOTION IV: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the annual adjustment of all Mandatory Non-Instructional Fees (MNIF), as determined by the weighted annual inflationary increase formula set forth in Appendix 3 of Attachment 3 (the Joint Student/University Oversight Committee on Mandatory Non-Instructional Fees), commencing in the 2017-18 academic year, and that the MNIF be reported for information to the GFC Academic Planning Committee, the Board Finance and Property Committee, and the Board of Governors on an annual basis.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	Provost and Vice-President (Academic) and Vice-President (Finance & Administration)
Presenter	Steven Dew, Provost and Vice-President (Academic) Phyllis Clark, Vice-President (Finance & Administration)
Subject	Rescission of four existing Mandatory Non-Instructional Fees (MNIFs) and concurrent establishment of two restructured Mandatory Non-Instructional Fees

Details

Responsibility	Provost and Vice-President (Academic)
The Purpose of the Proposal is	To restructure the current four MNIFs into two MNIFs
The Impact of the Proposal is	The restructured fees will better align the fees collected with the specific student services being delivered, provide greater transparency, and allow for input from students on the services provided.
Replaces/Revises (eg, policies, resolutions)	Current MNIF

Item No. 6b

Timeline/Implementation Date	Upon approval
Estimated Cost	n/a
Sources of Funding	n/a
Notes	<p>A joint Student/University Oversight Committee has been established to inform, involve and engage students in discussions around MNIF and the services they support. Support from the Students' Union and Graduate Students' Association and the Terms of Reference for the oversight committee are included as Attachment 4.</p> <p>The proposed amendments to the existing MNIF fee structure come about as an outcome of these discussions.</p> <p>The proposed amendments will have no impact on the Athletics & Recreation Fee.</p> <p>The fee restructuring will be cost neutral.</p>

Alignment/Compliance

Alignment with Guiding Documents	<i>University of Alberta Calendar, UAPPOL (University of Alberta Policies and Procedures On Line)</i>
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal (please quote legislation and include identifying section numbers)	<p>1. Post-Secondary Learning Act (PSLA): Sections 61(1) and (2)(a) - "Tuition fees"</p> <p>61 (1) The board of a public post-secondary institution shall set the tuition fees to be paid by students of the public post-secondary institution.</p> <p>(2) The tuition fees under subsection (1) for all public post-secondary institutions other than Banff Centre</p> <p style="padding-left: 40px;">(a) must be set in accordance with the regulations[.]"</p> <p>2. Post-Secondary Learning Act (PSLA) Regulations – Alberta Regulation 273/2006 – Section 2:</p> <p>"Definition of tuition fees for Act purposes, etc.</p> <p>2. For the purposes of the Act and this Regulation, 'tuition fees' in respect of an institution means the following:</p> <p>(a) fees identified in the institution's calendar or in a supplement to its calendar as tuition fees or fees for instruction for courses that are part of programs approved by the Minister under the <i>Programs of Study Regulation (AR 91/2009)</i> or for the purposes of the <i>Student Financial Assistance Act</i>, excluding the following:</p> <p style="padding-left: 40px;">(i) courses taken as part of a distance delivery program by individuals who do not reside in Alberta;</p> <p style="padding-left: 40px;">(ii) apprenticeship programs under the <i>Apprenticeship and Industry Training Act</i>;</p> <p style="padding-left: 40px;">(iii) off-campus cost recovery instruction programs;</p> <p style="padding-left: 40px;">(iv) courses provided under a third party contract;</p> <p style="padding-left: 40px;">(v) any differential or surcharge in fees that the board of the institution may set for courses taken by individuals who are not Canadian citizens or permanent residents of Canada;</p> <p>(b) mandatory fees that are payable to the institution by students for materials and services that facilitate instruction in the courses included in clause (a), excluding the following:</p> <p style="padding-left: 40px;">(i) fees for equipment or materials that are retained or leased by students;</p>

Item No. 6b

	<p>(ii) fees charged in respect of work placements or practicum experience where the persons or unincorporated bodies providing the work placement or practicum experience do not receive funding from the Government in respect of it.”</p> <p>3. Post-Secondary Learning Act (PSLA): The <i>PSLA</i> gives GFC responsibility, subject to the authority of the Board of Governors, over academic affairs (Section 26(1)). Section 26(1)(o) provides that GFC may make recommendations to the Board of Governors on a number of matters including the budget and academic planning. GFC has thus established an Academic Planning Committee (GFC APC), as set out in Section 3 of the GFC Policy Manual. GFC delegates its power to recommend to the Board on the budget to the GFC APC.</p> <p>4. Board of Governors General Terms of Reference, Section 1 (b): “The Board has delegated to each Committee responsibility and authority to make decisions on behalf of the Board in the Committee's defined area of responsibility except to the extent that such authority has been specifically limited by the Board in the Terms of Reference for the Committee.”</p> <p>5. Board Finance and Property (BFPC) Terms of Reference, Section 3(d): “3. Without limiting the generality of the foregoing, the Committee shall: [...] d) review and recommend to the Board tuition and other like fees[.]”</p> <p>6. GFC Academic Planning Committee (APC) Terms of Reference (3. Mandate) “4. Budget Matters [...] b. To recommend to the Board of Governors on the annual budget, excluding budgets for ancillary units.</p> <p>7. At its meeting of February 10, 2012, the Board of Governors approved the following Motion:</p> <p>“THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, rescind the “Church/Minsos” Board-approved Motion of May 5, 2000 regarding the Indexing of Mandatory Non-Instructional Fees; and</p> <p>THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, approve the annual adjustment of all Mandatory Non-Instructional Fees (MNIF), as determined by Administration, up to and including the Annual Alberta Consumer Price Index and that the MNIF be reported for information to the GFC Academic Planning Committee, the Board Finance and Property Committee, and the Board of Governors on an annual basis.”</p>
--	---

Item No. 6b

Routing (Include meeting dates)

<p>Participation: (parties who have seen the proposal and in what capacity)</p> <ul style="list-style-type: none"> • Those who have been informed • Those who have been consulted • Those who are actively participating 	<p>(see Attachment 1)</p>
<p>Approval Route (Governance) (including meeting dates)</p>	<p>GFC Academic Planning Committee – February 24, 2016 (for recommendation); Board Finance and Property Committee – March 01, 2016 (for recommendation); Board of Governors – March 18, 2016 (for final approval)</p>
<p>Final Approver</p>	<p>Board of Governors</p>

Attachments:

1. Consultative Route (1 page)
2. Current Mandatory Non-Instructional Fees to be rescinded and Proposed Restructured Mandatory Non-Instructional Fees (1 page)
3. Signed memo of February 17, 2016 and Terms of Reference of Joint Student/University Oversight Committee on Mandatory Non-Instructional Fees (9 pages)

Prepared by: University Governance

Attachment 2

Current Mandatory Non-Instructional Fees to be rescinded and Proposed Restructured Mandatory Non-Instructional Fees

Fee Type	Current Annual Fee ¹	Proposed Annual Fee ¹	Comments
Athletics and Recreation Fee	\$164.00	\$164.00	No Changes are being proposed to the existing Athletics and Recreation Fee
CoSSS Fee	\$306.16	\$0	This fee to be eliminated
Health Services Fee	\$54.12	\$0	This fee to be eliminated
Registration and Transcript Fee	\$152.56	\$0	This fee to be eliminated
Student Services Fee	\$114.16	\$0	This fee to be eliminated
Student Health and Wellness Fee ²	\$0	\$122.64	This is the fee in support of the restructuring proposal
Student Academic Support Fee ²	\$0	\$504.36	This is the fee in support of the restructuring proposal
Total Fees Paid	\$791.00	\$791.00	As agreed with the students, the restructuring proposal is revenue neutral

Note: ¹ Annual fees based on a Full Time Equivalent (FTE) student

² See Oversight Committee TOR Appendix 1 for the list of student services to be funded

Office of the Provost and Vice-President (Academic)
2-40 South Academic Building (SAB)
Edmonton, Alberta, Canada T6G 2G7

Tel: 780.492.3443
Fax: 780.492.1438
www.provost.ualberta.ca

Date: February 17, 2016

To: Navneet Khinda, President Students' Union
Colin More, President Graduate Students' Association

From: Wendy M. Rodgers
Deputy Provost

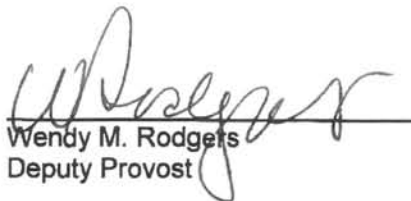
Re: Joint Student/University Oversight Committee on Mandatory Non-Instructional Fees

Based on the University's commitment to openness and transparency in the collection and expenditures associated with Mandatory Non-Instructional Fees (MNIFs), the University engaged with representatives of the Students' Union (SU) and Graduate Students' Association (GSA) to develop an enhanced committee and fee structure for MNIFs.

On February 16, 2016, all three parties agreed to the following:

1. Approval of the newly-developed Terms of Reference for a Joint Student/University Oversight Committee on Mandatory Non-Instructional Fees as attached.
2. That the new Oversight Committee would replace, effective immediately, the previous Student/University Administration – Mandatory Non-Instructional Fee Budget Advisory Committee (M-BAC).
3. That administration, with the support of the students, would bring forward through governance the necessary motions to amend the existing MNIF fee structure to the new MNIF fee structure as reflected in the Oversight Committee Terms of Reference, including a weighted annual inflation calculation for MNIFs.
4. That, pursuant to the provisions of Bill 3, whereby general tuition fee and MNIFs increases are frozen at 2014-15 levels for 2016-17, there would be no weighted annual inflation increase to MNIFs in 2016-17.
5. That administration, with the support of the students, will forward to the Ministry of Advanced Education, the new Oversight Committee Terms of Reference.

This memo dated this 17th day of February 2016,


Wendy M. Rodgers
Deputy Provost


Navneet Khinda
President, Students' Union


Colin More
President
Graduate Students' Association

**Joint Student/University Oversight Committee on
Mandatory-Non Instructional Fees**

Terms Of Reference

1. Preamble

The University of Alberta is committed to openness and transparency in the collection of Mandatory Non-Instructional Fees (MNIFs) and to student engagement as reflected in the *University of Alberta Student Participation Process Handbook*. As part of this commitment, the University of Alberta (University), the SU and the GSA have agreed to these terms of reference for the Joint Student/University Mandatory-Non Instructional Fee Oversight Committee (Oversight Committee) and acknowledge that this committee will replace the existing M-BAC committee.

2. Purpose

The Oversight Committee is the student and senior administrative committee that is designed to inform, involve and engage students in discussions around MNIFs and the services they support. The purpose of the committee is to involve student representatives to ensure that relevant concerns and aspirations are understood and considered in relation to the provision of the student services supported by MNIF revenue, to increases to existing MNIFs and to the establishment of any new MNIFs.

From time to time the university may determine that it is necessary to fund certain student services from operating funding, outside MNIF funding. Nothing in these terms of reference would prevent the university from implementing such student services or funding these student services through other sources of funding.

3. Committee Mandate

- A. These terms of reference apply to those MNIFs and the student services as outlined in Appendix I.
- B. Pursuant to the PSLA and notwithstanding the commitment to the engagement reflected in these terms of reference, administration and the students understand the role of the Board of Governors (Board) having overall authority for the services to be provided at the university and any fees to be charged to the students.
- C. The Oversight Committee will:
 - a. Receive information on the MNIF supported services and serve as a mechanism of engagement between the students and the units providing the services.
 - b. Receive for information annual reports including financial information (the format of annual reports to be determined by the committee) from those units (a unit is a major administrative unit that delivers a specific or group of student services) that provide MNIF funded services to the students.
 - c. Receive for information proposals, regarding MNIF supported services, that address the expansion or reduction of student services, including recommendations for new services and/or the elimination of services.

- d. Receive for information any annual increase to MNIFs that is implemented pursuant to the agreed formula for annual inflationary increases. (see Appendix II and Appendix III for the formula calculating the annual inflationary increase).
- e. Receive for information proposals for changes in MNIFs other than the annual inflationary increase. (see Appendix II for the process for changing MNIFs other than the annual inflationary increase).
- f. Receive for information proposals for the introduction of new MNIFs (see Appendix II for the process for introducing new MNIFs).
- g. Through the required governance process, advise the Board on:
 - i. any changes to student services as identified in point (c) above
 - ii. any inflationary increase to MNIFs as identified in point (d) above
- h. through the required governance process, the Provost and Vice President (Finance & Administration), will present to the Board with a recommendation for approval, any proposals to change MNIFs other than the inflationary increases or to introduce any new MNIFs

4. Committee Composition

The committee shall consist of the following members:

Chair

Deputy Provost

Standing Members

Vice-Provost & Dean of Students

Vice-Provost and Dean, Faculty of Graduate Studies and Research

Vice-Provost & University Registrar

Representative, Faculty of Physical Education and Recreation (as appointed by the Dean)

Representative, Vice President (Finance and Administration) (as appointed by the VP)

Director, Academic Planning and Budgets, Office of the Provost

President, Students' Union

Two additional undergraduate students appointed by the Students' Union

President, Graduate Students' Association

Two additional graduate students appointed by the Graduate Students' Association

One member of the Senate as appointed by the Chancellor

Resource Members (non-voting)

As required.

Voting

The chair and standing members are eligible to vote. The Chair will only vote in the event of a tie. Voting is based on a simple majority. Should a standing member be unable to attend a meeting, a delegate may attend on behalf of the standing member. Delegates in attendance at the meeting will have the same voting privileges as the standing member they represent. Resource members are not eligible to vote.

Quorum

Quorum will consist of one-half (1/2) of the standing members of the committee present and whereby there will be balance between the student representatives and administrative representatives present.

5. Committee Meetings

Meetings will be held four to six times per year and at the call of the Chair.

6. Secretariat

The Office of the Provost and Vice-President (Academic) will provide secretariat support to the committee.

Official records of the committee's deliberations will be held by the Office of the Provost and Vice-President (Academic). The records of the Committee will be subject to provincial FOIPP legislation and comply with the records retention schedule of the Office of the Provost and Vice-President (Academic).

7. Review of Oversight Committee

It is agreed that these terms of reference will be reviewed by the parties once every three years or sooner if requested by one of the parties. Any change in legislation/regulation that impacts MNIF will result in an automatic review of the terms of reference.

8. Appendices

Appendix I, II, and III form part of these terms of reference

Appendix I
List of MNIF Supported Services*

A. Athletics and Recreation Fee

Athletic (Varsity)

B. Student Health & Wellness Fee

Counselling and Clinical Services (CCS)
Sexual Assault Centre (SAC)
University Health Centre (UHC)
University Pharmacy
Healthy Campus Unit
Community Social Work Team
Risk Management Mental Health Program

Total

C. Student Academic Support Fee

URI
UAI Education Abroad
Green & Gold
Aboriginal Student Services Centre
Career Centre
Student Conduct and Accountability
Ombuds Service
Student Union Funding
Student Accessibility Centre
Augustana Student Services
Transition Year Program (TYP - ASSC)
Math & Science Centre (MASC)
Student Success Centre (SSC)
Student Financial Support Services
Student Fees Administrative Services
Records, Registration and Convocation Services
Student Writing Centre
Student Service Centre and Advisory Services
FGSR Professional Development & Out Reach
FGSR Program Services
IT Service and Infrastructure (IST & AIS)

* Note: These services are as of the date the terms of reference were signed by the three parties and may be changed from time to time as envisioned by these terms of reference

Appendix II

Process for Increasing MNIFs

1. Annual increase to existing MNIFs

- Existing MNIFs will increase on an annual basis by an agreed to inflationary increase
- The annual inflationary increase will be calculated as shown in Appendix III
- The annual inflationary increase will be reported to the Oversight Committee prior to the reporting of the increase to the Board
- The annual inflationary increase formula, would be approved by the Board. Once approved, increases to the MNIFs using the inflation formula would be brought forward to the Board by the Provost and Vice President (Finance & Administration), through the required governance process (e.g. APC/BFPC) for information only, normally at the December Board meeting.

2. A Change to existing MNIFs other than the Annual Inflationary Increase

From time to time, in order to sustain existing services or to enhance services, it may be necessary to change the MNIFs from the annual inflationary calculation as identified in Point 1 above. If a unit or committee member proposes such a change the following process will be followed:

- The unit or committee member requesting a change to the MNIFs other than the annual inflationary increase will table at the Oversight Committee a report outlining the justification for the change and the requested amount of the change.
- Upon review of the report, the Oversight Committee will be asked to vote on the change.
- If the Oversight Committee votes in favour of supporting the change, the report and the Committee's recommendation will go forward to the Board, through the required governance process (e.g. APC/BFPC), with a request for approval of the change.
- The recommendation to approve the change will normally go forward to the Board at the December Board meeting.
- As part of any recommendation to the Board for a change in the fee as a result of this process, the Board will receive the report and the outcome of the vote from the Oversight Committee. The recommendation will be brought by the Provost and Vice President (Finance & Administration), to the Board through the required governance process (e.g. APC/BFPC).

3. The Introduction of a new MNIF

From time to time the university and/or the students may identify the need to establish a new MNIF in order to support the introduction of new services or to support existing services that cannot be funded from other sources. If such a new fee is proposed, the following process will be followed:

- The University, the Students' Union or the Graduate Students' Association can at any time bring forward a report, individually or collectively, recommending the introduction of a new MNIF.
- The group(s), individually or collectively, will table with the Oversight Committee a report outlining the justification for the new MNIF and the proposed fee.
- Upon review of the report, the Oversight Committee will be asked to vote on the new fee.

- If the Oversight Committee votes in favour of supporting the new fee, the proposal will go forward to the Students' Union and Graduate Students' Association to be included in a non-binding referendum during the annual elections of the SU and GSA.
- The non-binding referendum question will be a yes/no vote to approve the new fee. The referendum will follow the SU and GSA rules for referendums.
- As part of any recommendation for the establishment of a new MNIF to the Board as a result of this process, the Board will receive the report outlining the justification for the new MNIF, the proposed fee and the outcomes from the SU and GSA non-binding referendums. The recommendation will be brought to the Board by the Provost and Vice President (Finance & Administration), through the required governance process (e.g. APC/BFPC).

Appendix III MNIF Weighted Annual Inflation Calculation

The formula for the calculation of the weighted annual inflation number is as follows:

$$\frac{\text{Weighted Actual Operating Expenditures} \times \text{Projected Inflation}}{\text{Sum of the Weighted Annual Inflation}}$$

For the purposes of this calculation operating expenditures will include salary, benefits, materials and supplies, utilities, and maintenance, with an adjustment for scholarships and bursaries.

Whereby the elements of the formula are calculated as:

1. Weighted actual operating expenditures

- a. The audited operating expenditures from the previous three years are used to calculate the weighting of expense categories for salaries, benefits and non-compensation¹.

2. Projected Inflation

- a. Salaries – Average actual negotiated Across the Board (ATB) increase for NASA and AASUA plus merit increase calculation. In the absence of negotiated settlements, the university will use the Government of Canada Labour Program Wage Forecast for Collective Bargaining for Alberta. Merit is calculated using the previous year's actual operating budget merit expenditures, which adjusts for employees who have reached the ceiling of their salary grid and are no longer eligible for merit. This forecast should not be construed as an indicator or signal of the outcome of collective bargaining between the Board and associations representing academic and non-academic staff.
- b. Benefits – Weighted average of the statutory plans (EI, CPP, WCB), supplementary health plans (dental, LTD, etc.) and pension plans multiplied by the forecast percentage increase as prepared in the university's annual budget fiscal estimate process for the upcoming fiscal year.
- c. Non Salaries – Average of three chartered bank's Q3 forecast for Alberta's CPI for coming calendar year.

3. Ceiling and Floor

The weighted annual inflation number will have both a ceiling and a floor. The ceiling will be 5.0 per cent and the floor will be 0 per cent.

4. Sample Calculation

The sample calculation for the weighted annual inflation calculation is attached

¹ Non-compensation includes materials/supplies and services; utilities; and maintenance.

Sample Formula Calculation for 2016-17
Source: Audited Financial Statements

	<u>% Actual Expenditures ¹</u>		<u>Projected Inflation (%)</u>		<u>Weighted (%)</u>
Compensation					
Salary	64%	x	3.45%	=	2.22%
Benefits	14%	x	6.90%	=	0.94%
Sub-Total	<u>78%</u>				<u>3.16%</u>
Non-Compensation					
Materials Supplies	15%	x	1.70%	=	0.26%
Utilities	4%	x	1.70%	=	0.07%
Maintenance	3%	x	1.70%	=	0.05%
Sub-Total	<u>22%</u>				<u>0.38%</u>
Total	<u>100%</u>		Projected Inflation		<u>3.53%</u>
Scholarship Adjustment ²	-2.5%	x	4.05%		-0.10%
Non-Compensation Adjustment	2.5%	x	1.70%		0.04%
Net Adjustment					<u>-0.06%</u>
Weighted Annual Inflation Rate					<u>3.47%</u>

1. Based on 3 year average of Actual Operating Expenditures 2012-13 to 2014-15.
2. Total compensation % not to exceed 3 year average compensation % including scholarship expenditures.
3. Cost structure assumes normal operations.