



UNIVERSITY OF ALBERTA  
STUDENTS'  
UNION

# The University of Alberta Budget

# The University of Alberta Budget



- **We'll be looking at:**
- The Province and PSE
- Budgets at the U of A
- Student Fees
  - Tuition
  - MNIFS
- Quality of Education
- A Note on Student Finances

# Jurisdiction and Legislation



- Section 93 of the Constitution Act
- Provincial Ministerial Regulations
- Post-Secondary Learning Act
  - Financial Support
  - Legislative framework and authority for budget and planning

- Institutions
  - Access to the Future Fund
  - Capital Projects
  - Research Support
  - Operating Grants

# Provincial Grants



- Capital Grants at the U of A
- Operating Grants at the U of A

# Research Support



- Federal roles
- Provincial roles

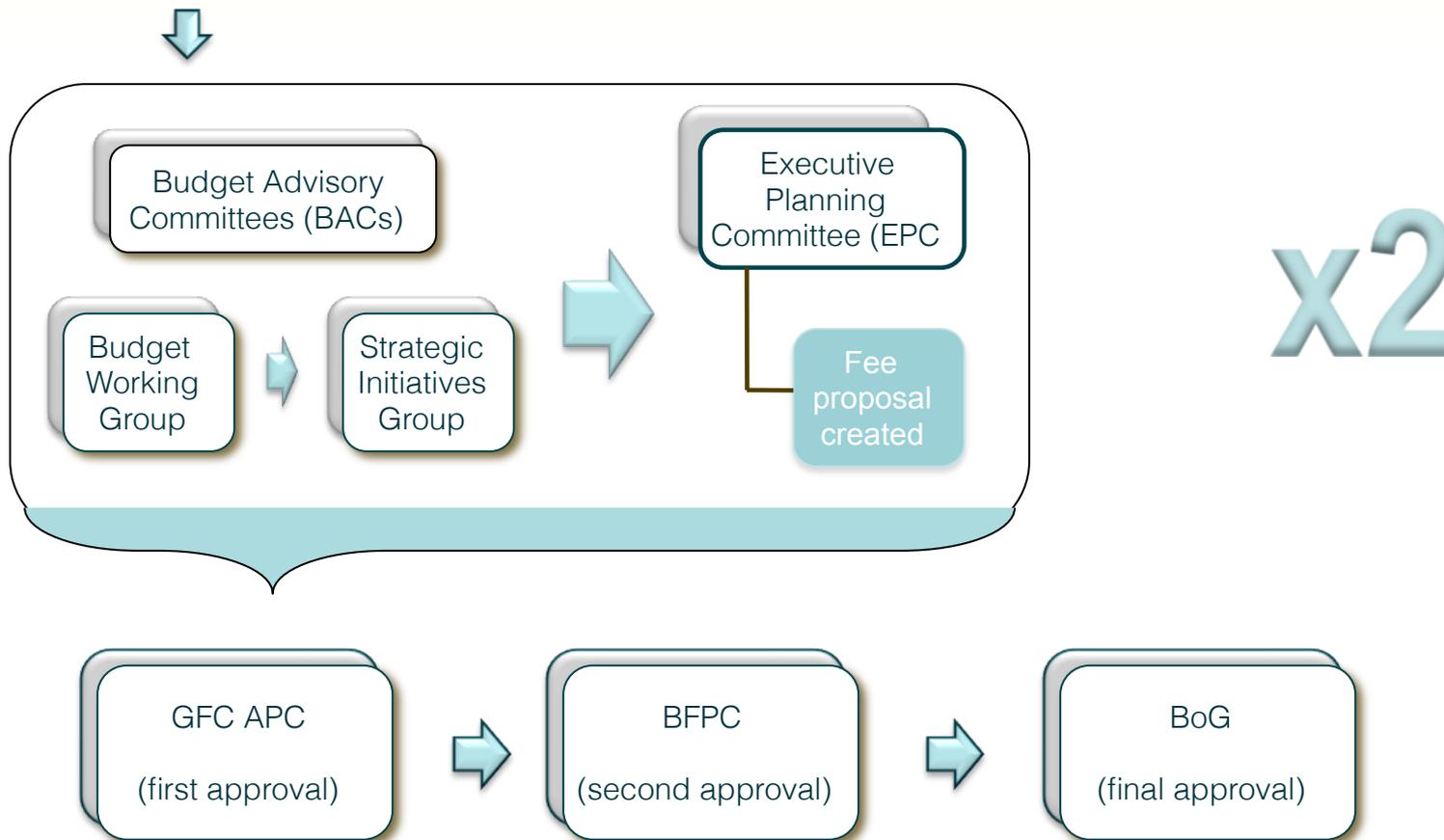
# Budgets at the U of A



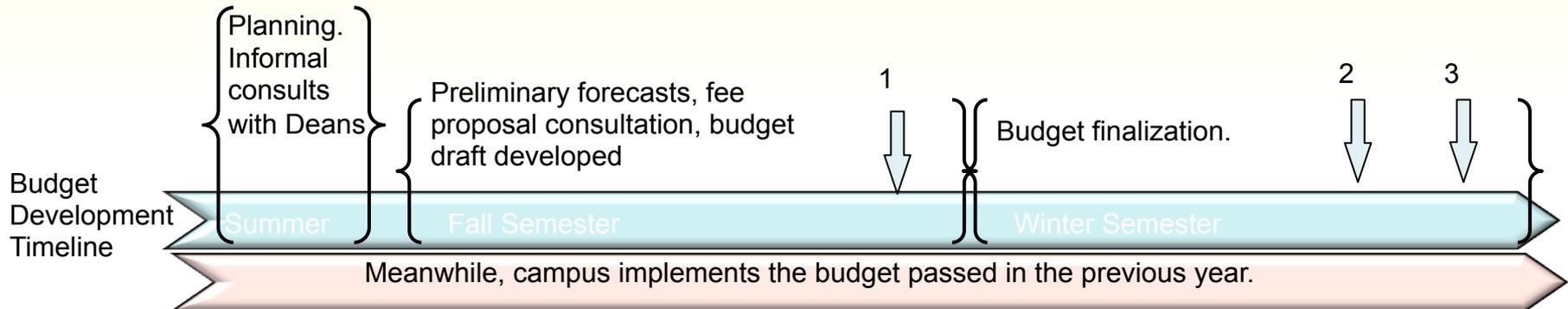
- Budget Planning at the U of A
  - University uses an integrated budget planning process

# Developing the University Budget

## CONSULTATION



# University Budget Timeline



1 Fee Proposal Passed (December)

2. Province releases budget, with info on expected University operating and capital grants (February)

3. Board of Governors approves University budget (March)\*

\*The month between the provincial budget and the University budget is spent adjusting the University budget to reflect the actual allocations from the province.

# Budgets at the U of A

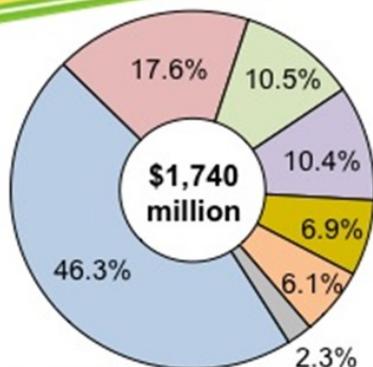


- Consolidated Budget
  - Operating Budget
  - Capital Budget
  - Restricted / Research Budget
  - Ancillary Budget

# Consolidated Overview

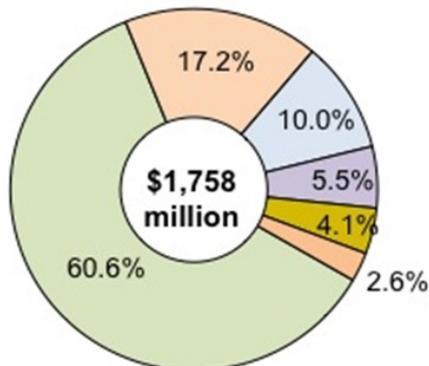
## CONSOLIDATED BUDGET, 2013-14

(\$MILLION)



### Revenue: \$1,740 M

- \$805.7 Provincial Government
- \$305.5 Tuitions and Fees
- \$183.2 Federal & Other Gov't
- \$181.1 Sales of Services & Products
- \$119.5 Amort. Deferred Capital Contrib.
- \$105.8 Grants & Donations
- \$39.3 Investments & Endowment



### Expense: \$1,758 M

- \$1,065.1 Salaries and Benefits
- \$303.2 Materials, Supplies and Services
- \$175.5 Amortization
- \$96.6 Scholarships and Bursaries
- \$72.1 Maintenance
- \$45.7 Utilities

# Operating Budget



- After provincial budget cuts, the U of A is receiving \$549,536,000 in operating funds.
- This is a major loss to the U of A's operating budget. The U of A had budgeted for a 2% increase, and instead is facing major cuts.

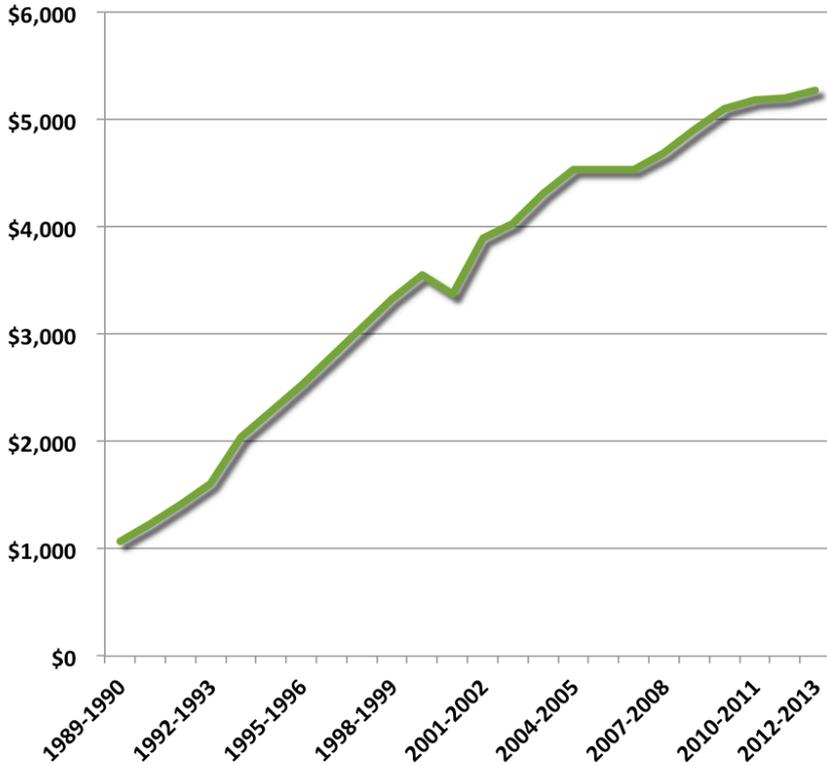
# Expenditure Flexibility



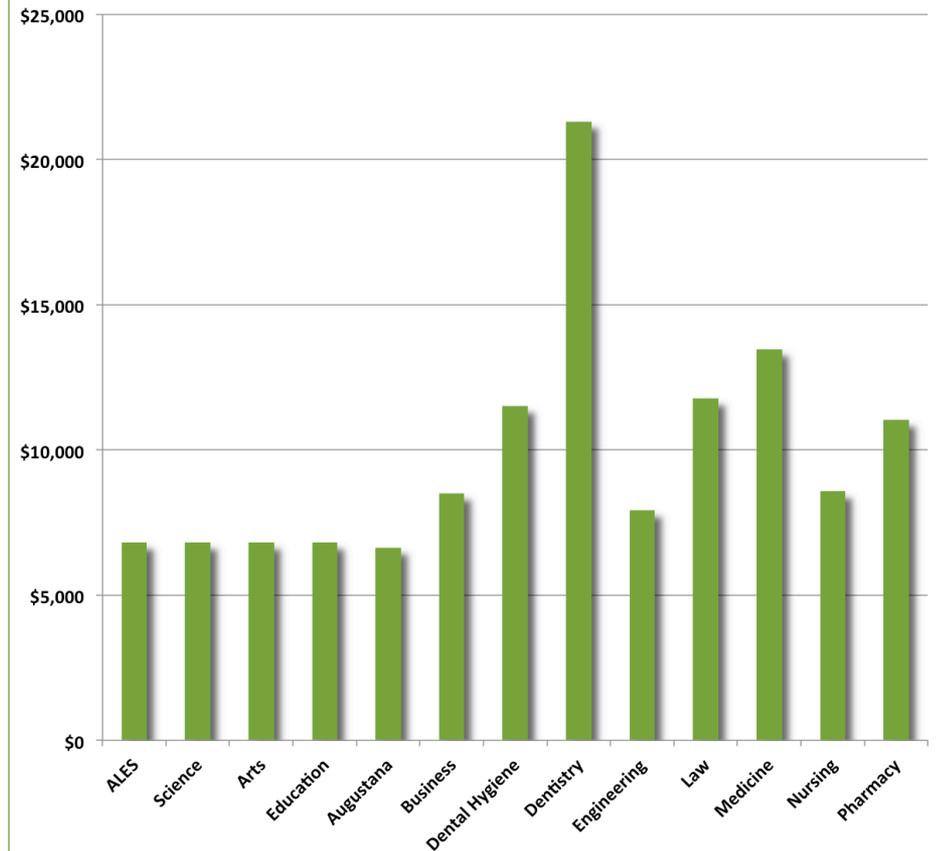
- Academic vs. Non-Academic Contracts
- Benefits: negotiated until 2015.
- Merit and salary increases
- District energy keeps utility costs low
- Scholarships: unless guided by donor agreements

# Tuition and Fees

UofA Tuition Increases 1999 - 2013



Fees for Full-Time Students, per Annum



- Grants our board the power to set tuition and fees, subject to other limits outlined in regulation.
- “The board of a public post–secondary institution shall set the tuition fees to be paid by students of the public post–secondary institution.”

# Consultation on Tuition Fees



- The Tuition Fees Regulation mandates that our institutions must:
  - Provide “students’ council each year a statement of anticipated tuition fee increases for a 4–year period”
  - Hold consultations with our students’ council to discuss any proposed tuition increased
  - Have at least two tuition consultation meetings with our council per year.

# The CPI Cap



- The maximum regular tuition increases boards may pursue are limited to the rate of inflation.
- Calculated as an average of the annual change in the consumer price index (CPI)
- In practice, our board always pursues the maximum increase.

# International Student Tuition



- Not regulated
- Exponentially higher than domestic tuition
- International Student Tuition = (Domestic Student Tuition) x (International Differential Fee, IDF)
- The University wants to increase the IDF this year

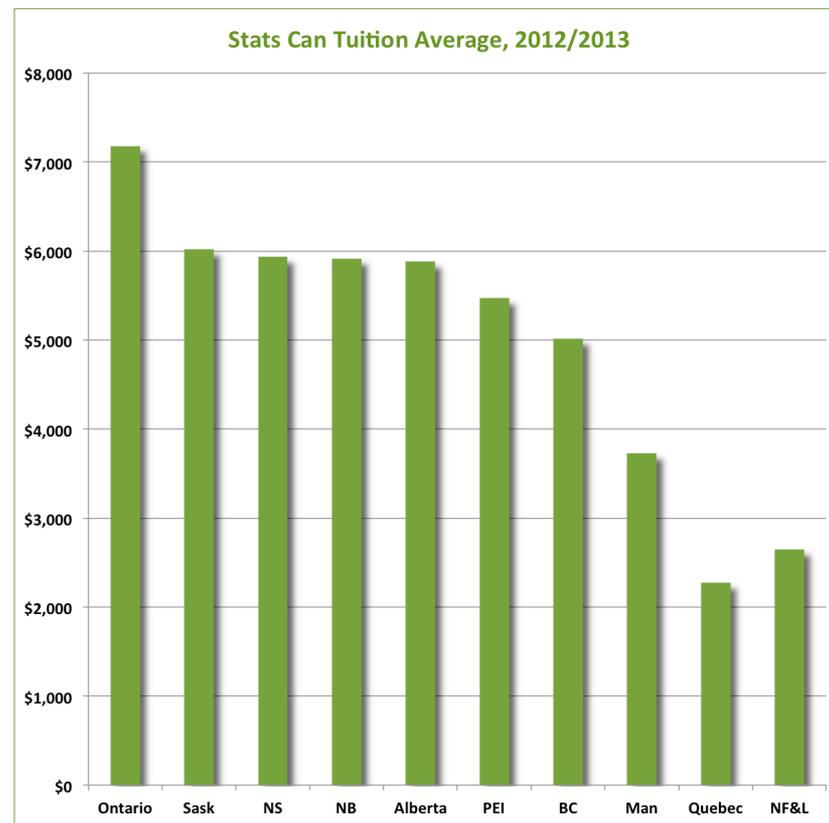
# Market Modifiers



- Established after considerable controversy in April 2010
- Differential tuition for specific programs, justified by reviewing higher tuitions for similar programs at other schools.
- Institutions must submit proposals to the minister
- Total Ministerial Discretion! The Minister can establish his or her own:
  - Criteria for approval
  - Timelines
  - Affected groups/programs

# Tuition

- Average tuition in 11/12 was \$5,366



# Massive increase since 1990



- Throughout Canada, Alberta has seen the highest percentage increase since 1990
  - 327% increase in Ontario
  - 357% increase in Alberta
    - CPI for the same period increased by 55%

# Additional Compulsory Fees



- National Average: \$750
- Alberta Average: \$911
- University of Alberta: \$1071.92
  - Student Approved Fees:
    - \$335.92
  - University Fees:
    - \$736

# The CoSSS Fee



- ~\$290/yr
- Students maintain continued concern over the CoSSS fee
  - Unclear reporting of where the money is going
  - Inappropriate units supported
  - Unclear end date for the fee

# Impact of Fees on Students



- Increased work during school
- Increased student debt
- Increased use of food banks
- Increased levels of stress
  - Bank of Montreal Survey of Students
  - Internal surveys

# Why pay more for less?



- While tuition and fees skyrocket, the quality of education has not necessarily increased.
- The Undergraduate Population on campus has doubled since the late 60's. Tuition has risen over 330%.
- The primary indicator for the quality of education received at a PSI is the student-faculty ratio. Our increased tuition is NOT funding better student-faculty interaction.

# Why pay more for less?



- The Dare to Discover Report Card demonstrated that we have the highest per student funding, even after the cuts, taking into account both government funding and student tuition.

# 2013–2014 Budget



- \$43 million reduction in Campus Alberta grant
- 4% increase in salaries and benefits
- Carry a deficit for 4 years, pending government approval
- \$2.4 million cut to scholarships
- Overall \$9.2 million cut to expenses

# Plans Moving forward



- Cut expenditures by \$82 million in 4 years
  - \$26 million in 14-15
  - \$30 million in 15-16
  - \$17 million in 16-17
- Base decisions on “budgetary principles and measures”
- Indira’s Change Agenda