

# Student's Union

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October 27, 2015



1. Budget Overview
2. Tuition

# CONSOLIDATED BUDGET 2015-16 (\$'000)

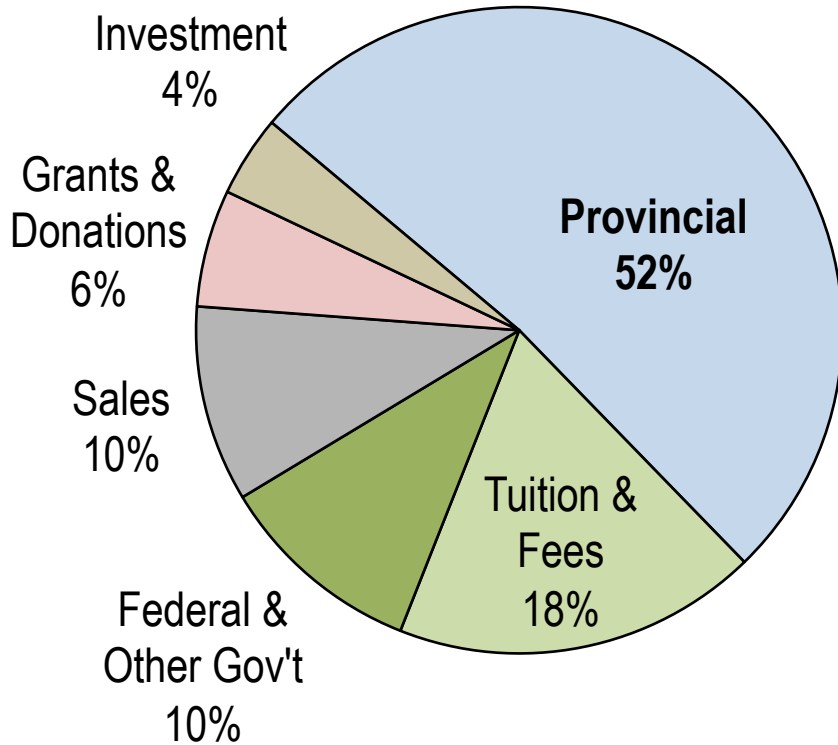
## APPROVED CIP 2015

	<u>Operating</u>	<u>Ancil.</u>	<u>Research</u>	<u>Capital</u>	<u>Special Purpose</u>	<u>TOTAL</u>
<u>Revenue:</u>						
Provincial & Other Gov't	602,445	-	292,567	135,874	98,602	1,129,488
Tuition and Related Fees	331,101	1,952	-	-	-	333,053
Other (donations, sales, etc)	<u>102,015</u>	<u>96,774</u>	<u>125,958</u>	<u>12,766</u>	<u>22,936</u>	<u>360,449</u>
<b>Total Revenue</b>	<b>1,035,561</b>	<b>98,726</b>	<b>418,525</b>	<b>148,640</b>	<b>121,538</b>	<b>1,822,990</b>
<u>Expense:</u>						
Salary & Benefit	788,124	28,801	216,573	-	65,967	1,099,465
Non Salary & Benefit	202,045	64,582	180,031	27,422	46,430	520,510
Amortization	<u>47,993</u>	<u>10,630</u>	<u>-</u>	<u>121,218</u>	<u>-</u>	<u>179,841</u>
<b>Total Expense</b>	<b>1,038,162</b>	<b>104,013</b>	<b>396,604</b>	<b>148,640</b>	<b>112,397</b>	<b>1,799,816</b>
<b>Excess (Deficiency)</b>	<b>(2,601)</b>	<b>(5,287)</b>	<b>21,921</b>	<b>-</b>	<b>9,141</b>	<b>23,174</b>
Unrestricted Net Assets	(137,442)	39,675	50,434	2,377	-	(44,956)

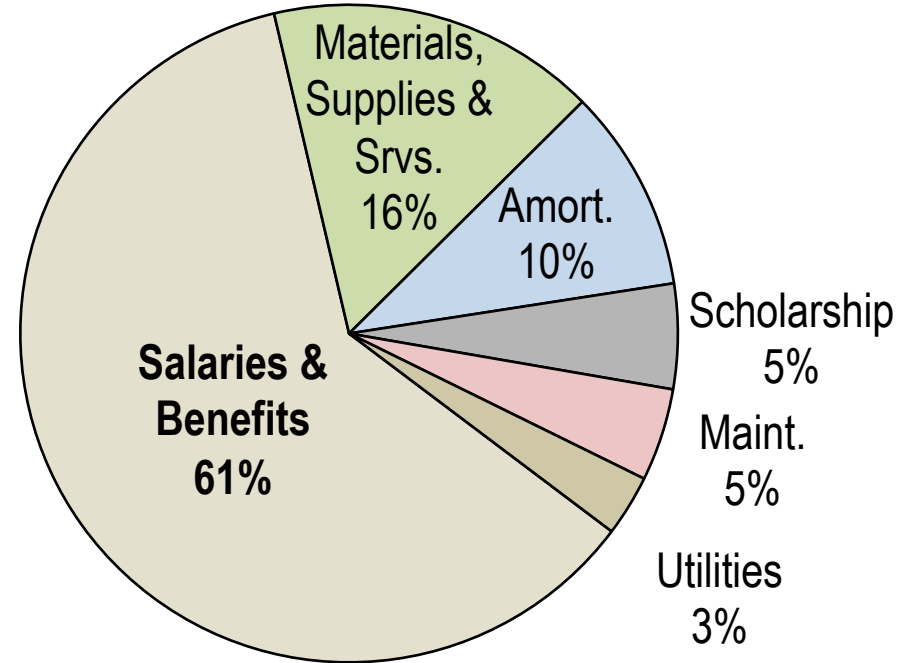
Source: Comprehensive Institutional Plan 2015

# INSTITUTIONAL STRUCTURE (CONSOLIDATED)

## Revenue



## Expense



Source: Comprehensive Institutional Plan 2015

# CONSOLIDATED BUDGET PROJECTIONS

		Projections		
	<u>Budget</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Revenue	1,822,990	1,840,608	1,873,052	1,908,914
Expense	1,799,816	1,828,698	1,881,869	1,943,554
<b>Excess (Deficiency)</b>	<b><u>23,174</u></b>	<b><u>11,910</u></b>	<b><u>(8,817)</u></b>	<b><u>(34,640)</u></b>
Investment in Capital Assets	<b>(9,781)</b>	<b>(17,654)</b>	<b>(266)</b>	<b>(1,751)</b>
Unrestricted Net Assets, Beginning	<b>(58,349)</b>	<b>(44,956)</b>	<b>(50,700)</b>	<b>(59,783)</b>
<b>Unrestricted Net Assets, Ending</b>	<b><u>(44,956)</u></b>	<b><u>(50,700)</u></b>	<b><u>(59,783)</u></b>	<b><u>(96,175)</u></b>

Source: Comprehensive Institutional Plan 2015

# CIP BUDGET ASSUMPTIONS & SENSITIVITIES

	2015-16	2016-17	2017-18	2018-19	Sensitivity
Campus AB Grant	0%	0%	0%	0%	1% = \$5.7 M
Tuition (CPI)	2.2%	2.0%	2.0%	2.0%	1% = \$2.0 M
New Market Modifiers*	\$2.6M	\$5.3m	\$7.3M	\$8.2M	n/a
Salary Settlement	To Be Negotiated				1% = \$6 M
Merit	1.3%	1.3%	1.2%	1.1%	1% = \$6 M
Benefits	5.5%	6.5%	6.2%	6.3%	1% = \$1.5 M
UAPP / PSPP	9% / 7%	9% / 10%	9% / 10%	9% / 10%	n/a
Budget Cut	1.5%	0%	0%	0%	1% = \$7 M

\* Economics, MBA, Law, Pharmacy and Physical Therapy

## **Bill 3: Tuition**

- Regulated\* tuition frozen at 2014-15 levels for two years
- Mandatory non-instructional fees (MNIF) frozen at 2014-15 levels (CoSSS, Health, Registration/Transcripts, Student Services and Athletics)
- Reverse approval of new market modifiers (Economics, MBA, Law, Pharmacy and Physical Therapy)

\* Excludes international tuition.

## **Bill 3: Campus AB Grant**

- Reversal of 1.4% cut to 2015-16 grant  
**Note:** The CIP budget was developed under a 0% grant increase
- 2% grant increase for 2015-16
- Proposed 2% grant increase for 2016-17
- Backfill funding to offset 2015-16 tuition freeze only
- Backfill funding to offset loss from market modifiers



# BUDGET IMPACT OF BILL 3, 2015-16

<u>Revenue Item</u>	<u>CIP Budget Assumption</u>	<u>Bill 3</u>	<u>2015-16 Impact</u>
1. Tuition Rate Increase (2.2% vs. 0%)	\$4.3 M	\$ 0	(\$4.3 M)
2. New Market Modifiers (Econ, Law, MBA, Pharm, PT)	\$2.6 M	\$ 0	(\$2.6 M)
3. Base Grant Increase (0% vs. 2%)	\$ 0	\$11.3 M	\$11.3 M
4. Tuition Backfill (via grant)	n/a	\$4.3 M	\$4.3 M
5. MM Backfill (via grant)	n/a	\$2.6 M	<u>\$2.6 M</u>
		<b>TOTAL</b>	<b>\$11.3 M</b>

## OTHER BUDGET RISKS/ CONSIDERATIONS

- The price of oil
- 2016-17 2% grant adjustment?
- University Fiscal Estimates
  - exchange rates
  - inflation
  - Equity markets
  - classroom/learning technologies
  - building & space maintenance
- Strategic Plan Development
- October 27<sup>th</sup> Tabling of Provincial Budget

# Tuition

# TUITION INCREASE 2015

## EFFECTIVE SEPTEMBER 1, 2015

General Tuition	% Change	
	Domestic	International
Undergraduate	0%	2.2%
Economic Undergraduate Courses	0%	30.4%
Course Based Masters	0%	2.2%
Thesis 919	0%	2.2%
Thesis Based Masters/PhD	0%	2.2%
Physical Therapy	0%	10.2%

# TUITION INCREASE 2015 (CON'T)

EFFECTIVE SEPTEMBER 1, 2015

Differentials and Modifiers	% Change	
	Domestic	International
Undergraduate (Business, Pharmacy, Engineering)	0%	2.2%
MBA Program	0%	2.2%
Doctor of Medicine	0%	2.2%
Juris Doctor Program	0%	129.2%

# International Tuition Fees Increase 2016-17

- Instructional tuition fees provincially regulated
- Capped to a maximum of Alberta CPI (July to June)
- Tuition Fees Regulation does not apply to individuals who are not Canadian citizens or permanent residents of Canada.
- The maximum allowable regulated increase for 2016-17 is 1.6%.

# APPROVALS AND CONSULTATIONS 2015-16

Date	Activity
Oct 19	GSA consultations
Oct 20	R-BAC consultations
Oct 23	T-BAC/M-BAC consultations
Oct 27	SU consultations
Oct 27	R-BAC consultations
Nov 24	BFPC tuition/residence fee recommendations to Board
Nov 26	T-BAC/M-BAC consultations
Dec 8	R-BAC consultations
Dec 11	Board vote on tuition and residence fees

# Questions ?