

Friday, October 28, 2022 9:30 a.m. | MacEwan Hall A



Start something.

We would like to acknowledge the traditional territories of the people of the Treaty 7 region in Southern Alberta, which includes the Blackfoot Confederacy (comprising the Siksika, Piikani, and Kainai First Nations), as well as the Tsuut'ina First Nation, and the Stoney Nakoda (including the Chiniki, Bearspaw, and Wesley First Nations). The City of Calgary is also home to Métis Nation of Alberta, Region 3.

## Agenda



### We will:

- Share our understanding of the budget environment
- Provide overview of consolidated and capital budgets
- Describe the budget review and approval process
- Comment on challenges expected in 2023-24
- Invite you to identify budget priorities
- Answer questions

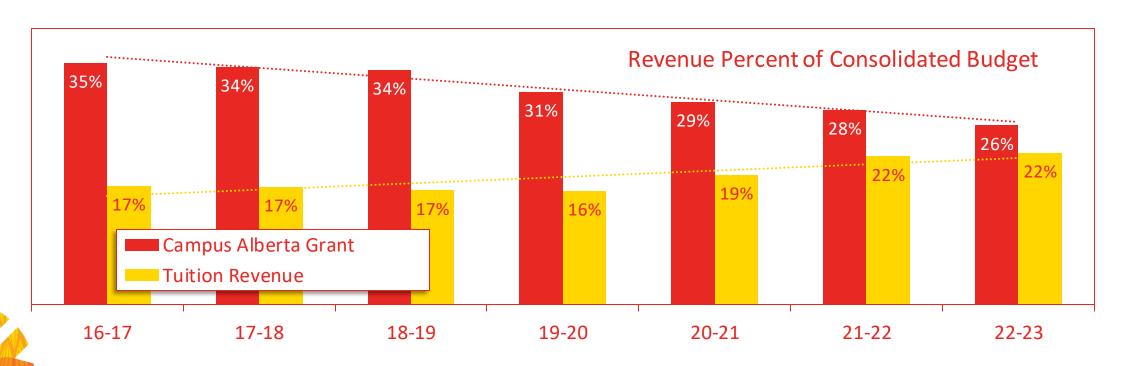


## **Provincial Context**



### Plan to rebalance cost of postsecondary education complete in 22-23

- Provincial grant growth should return to more normal level (but not expected to increase in 23-24)
- Domestic student tuition in 23-34 capped at Alberta inflation rate (i.e., June 2021-June 2022)



## **Consolidated Budget**



### Spending plan based on an estimate of income and expenditures

UCalgary budgets are based on assumptions about political, economic, social, technological, and legislative trends as well as priorities identified by the campus community.

22-23 Revenue (\$000)	2022-23	%
Campus Alberta grant	388,905	26%
Other GoA grants	192,014	13%
Fed/other gov't grants	221,120	15%
Sales	119,795	8%
Student tuition and fees	328,806	22%
Donations and grants	156,611	11%
Investment income	74,154	5%
Total Revenue	1,481,404	100%

22-23 Expense (\$000)	2022-23	%
Salaries and benefits	846,611	57%
Materials and supplies	293,161	20%
Utilities	27,173	2%
Maintenance & repairs	18,609	1%
Scholarships & bursaries	117,738	8%
Cost of goods sold	14,403	1%
Amortization of capital	163,709	11%
Total Expenses	1,481,404	100%



## **Capital Budget**



### Annual spending plan to maintain, renew, and expand campus facilities

Capital (\$ 000)	2022-23
Infrastructure	120,504
Furnishings	48,434
Maintenance	3,637
Learning Resources	7,935
Systems (Software)	4,432
Total	184,942

LSRC – Life Sciences Research Centre

IMP – Infrastructure Maintenance Program

CMR – Capital Maintenance and Renewal

F&E – Furniture and Equipment

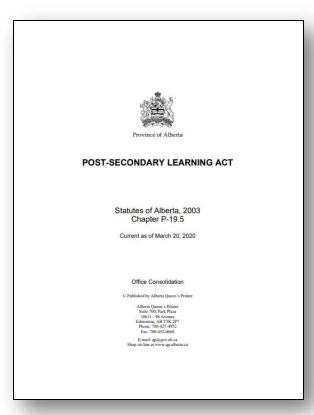
Infrastructure (\$000)	2022-23
MacKimmie Complex	32,288
LSRC	6,207
Mathison Hall	25,890
Utility Reduction Program	4,918
IMP	550
CMR	43,986
Capital (\$1M -\$3M)	9,103
Minor Projects	9,000
Subtotal Major Capital	131,942
Less: F&E	(11,438)
Total	120,504

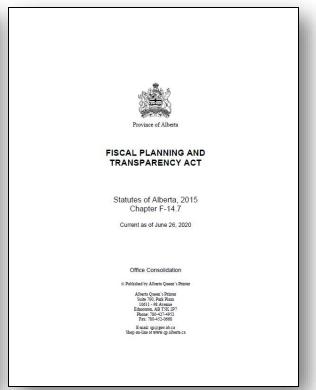
## Why produce a budget?



### **Requirement under Alberta Legislation**

UCalgary required to submit budget that includes a two-year forecast statement of expected revenues and expenses to the Minister of Advanced Education each year. Submission of a balanced budget satisfies legislated requirements outlined under *Post-Secondary Learning Act* and *Fiscal Planning and Transparency Act*.





## Who develops the budget?



## Provost and chief financial officer lead the process

Consultation period added to address concerns raised in prior years that the parameters are established too early to identify areas of importance requiring additional support.

#### **SEPTEMBER**

Governance Approval
Budget Committee
approves revised budget
process to allow time to
consult on priorities for
2023-24

#### **OCTOBER**

Consultation
Campus community is
consulted (e.g., GFC
discussion, Campus Town
Hall, Student Leadership)

#### **NOVEMBER**

Budget Preparation
Units develop budgets
based on planning
parameters identified
during consultation with
campus community

#### **DECEMBER-JANUARY**

Budget Review
Vice-Presidents will review
unit budgets and develop
consolidated budget and
capital plan for 2023-24



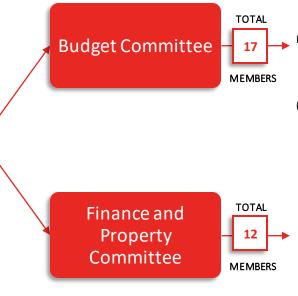
## Who reviews the budget?



### Subcommittees approve parameters and recommend budget

Board of Governors — TOTAL — 21 — MEMBERS

The Board Chair, The Chancellor of the University, The President of the University, Two alumni of the University nominated by the alumni association, One member of the University Senate nominated by the Senate, Two members of the a cademic staff of the University, one of whom is nominated by the general faculties council and one of whom is nominated by the academic staff association, Two students nominated by the council of the students association, One graduate student nominated by the council of the graduate students association, One member of the nona cademic staff nominated by the nona cademic staff association, Nine members representative of the general public



Chair Elaine Wong, Board Member Vice-Chair Vacant, Voting Members Joule Bergerson, Board Member Mark Herman, Board Chair Ian Holloway, Deans' Council Representative Jodi Jenson Labrie, Board Member Candice Li, Board Member Ed McCauley, Board Member Saaka Sulemana Saaka, Board Member Nicole Schmidt, Board Member Non-Voting Members Justin Huseby, AUPE Representative Ron Kim, Vice-President (Finance) and Chief Financial Officer Marie Kraft, MaPS Representative David Scollnik, TUCFA Representative David Stewart, TUCFA Representative Mike Van Hee, Vice-President (Services) Penny Werthner, Interim Provost and Vice-President (Academic)

Chair William O'Yeung, Board Member Vice-Chair Elaine Wong, Board Member Voting Members Joule Bergerson, Board Member Lorinda Hammond, Board Member Mark Herman, Board Chair Lesley Hutcheson, External Member\* Ed McCauley, Board Member Glenn McNamara, External Member\* Nicole Schmidt, Board Member Saaka Sulemana Saaka, Board Member Cara Wolf, Board Member Paul Zonneveld, Board Member



## Who is on the Board?



### Students and staff associations are members

Composition of Board mandated by PSLA. Board consists of 21 members (2 ex-officio members, 10 members appointed by an OIC (including the Chair) and 9 nominated by constituent groups).

**Board Chair** 

Chancellor of the University

President of the University

Two alumni nominated by the alumni association

**Members** 

of Budget

One member of the Senate nominated by the Senate

Two academic staff, one of whom is nominated by GFC and one by TUCFA Two students nominated by the council of the students association

One graduate student nominated by the council of the GSA

One non-acad Committee staff nominated by non-academic staff association

Nine members representative of the public

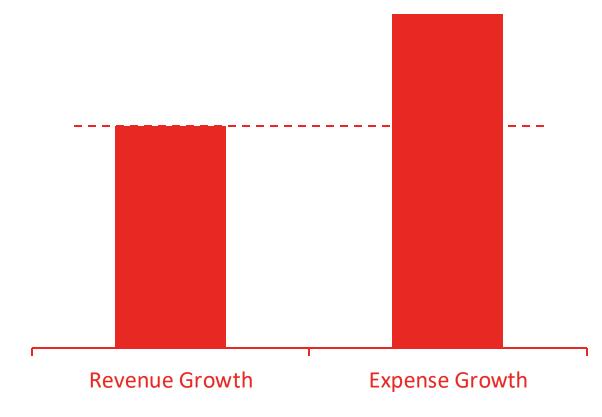
PSLA – Post-secondary Learning Act OIC – Order in Council GFC – General Faculties Council TUCFA – The University of Calgary Faculty Association GSA Graduate Students' Association

## What challenges do we expect?



### How to close the revenue / expense growth gap

- Provincial grant cut by \$107.5M since 18-19 (same size today as 10+ years ago when UCalgary had 3,000 fewer students and 1,500 fewer employees)
- CPI not considered in grant growth
- UCalgary must fund new buildings to address enrolment growth
- All the above make it challenging to invest in strategic priorities



## How will we address challenges?



### Generate additional revenue to address inflation and fund priorities

- Promote investment in the post-secondary sector
- Advocate for inflationary adjustments to provincial grants
- Submit proposals to expand programs in high demand areas
- Recommend inflationary rate adjustments to tuition and fees
- Adjust revenue sharing models to incent growth and innovation
- Pursue revenue from non-government sources (community, industry, philanthropy)
- Explore alternative revenue generating opportunities



# Budget Priorities Survey



Please scan this QR code to complete a short budget priorities survey.



Start something.





# Questions

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