

**REPORT OF THE  
UNIVERSITY BUDGET COMMITTEE  
ON THE 2013-14 TO 2015-16  
UNIVERSITY BUDGET**

**MAY 2013**

**The University Budget Committee Report For  
The Years 2013-14 to 2015-16**

**TABLE OF CONTENTS**

I.	GENERAL.....	3
	Budget Deliberations During the Year .....	4
II.	PROPOSED REVENUE BUDGET .....	6
	Government Grants.....	9
	Fees.....	10
	Other Student Fees .....	12
III.	PROPOSED EXPENDITURE BUDGET .....	13
	Compensation Costs .....	14
	Fixed Costs.....	14
IV.	OPERATING BUDGET REQUIREMENTS .....	15
V.	BUDGET ADJUSTMENTS .....	17
	University Wide Initiatives .....	17
VI.	STRATEGIC PLAN ALLOCATIONS .....	18
VII.	STUDENT QUALITY INITIATIVES PROGRAM (QIP) .....	22
VIII.	RECOMMENDATIONS .....	23
	<b>PROPOSED 2013-14 BUDGET REDUCTIONS/REALLOCATIONS .....</b>	<b>26</b>
	<b>PROPOSED BUDGET BY FUND .....</b>	<b>32</b>
	<b>BUDGET ADVISORY COMMITTEE MEMBERSHIP 2012-2013 and.....</b>	<b>36</b>
	<b>2012-2013 BUDGET PROCESS.....</b>	<b>39</b>

## I. GENERAL

The University has put significant efforts over the past several years on revising its budget processes to ensure that the institution is in a financial position to make informed decisions on resource allocations that will advance established strategic directions. Despite these challenging financial times, we need to be able to adapt quickly to whatever fiscal situation is presented without losing sight of the priorities that we have established in our academic, research and strategic planning.

The approval of the budget entails President Mike Mahon recommending the University of Lethbridge's Operating Budget to the Board of Governors' Finance Committee, who in turn recommends it to the Board of Governors for approval. Budget decisions are made in consultation with the Budget Advisory Committee (BAC), Budget Priority Advisory Committee (BPAC) and with the University's various budget units. Budget decisions are also made within the context of the University's 2009-13 Strategic Plan. Appendix D outlines the University's budget discussion and approval process.

While the fiscal environment is unfavourable for the next few years and budget reductions will be experienced in most budget units, the University remains committed to directing as many of its scarce resources as possible towards our strategic priorities and enhancing our position as a comprehensive teaching and research University. As reductions are made to the operating budget, senior administration has made every effort to ensure that the quality of our academic programs and services to our students are maintained.

In addressing the budget reductions imposed on the University of Lethbridge through the 7.3% reduction in the Campus Alberta Operating Grant, a framework of values was developed to guide the Budget Advisory Committee in developing the 2013/14 University of Lethbridge consolidated operating budget. The approach committed to by our community was to "maintain the forward vision of the University of Lethbridge" and to not compromise our future through short-sighted reaction.

"Our strategic priorities remain priorities independent of the financial challenges our University encounters. To take us to our desired future the University will pursue its established strategic directions and identified priorities."

The values, reaffirmed by both the General Faculties Council and the Board of Governors were that,

### **Our people define our University and are our greatest strength**

People are the essential resource of our institution and as such the University will strive to preserve employment. All University employee groups will be treated with fairness and with respect in all that lies ahead in our work to maintain our student centred focus and to ensure the continuing financial sustainability of our institution.

### **High quality is central to all that we do**

Our commitment to maintaining high quality undergraduate and graduate academic programmes is key to our University mission to build a better society. High quality instruction and teaching are essential to this commitment. Research and creative activity are also key to our mission and their vitality and vibrancy serve as a differentiating feature of our institution and a central part of our culture as a comprehensive academic and research institution. High quality facilities and services support our mission and best serve our students, staff, and academic staff.

### **Access to our University is a foundational value**

As a Comprehensive Academic and Research University, dedicated to liberal education, that was born out of the needs and aspirations of our local communities we are committed to providing student access to our high quality academic programs throughout the province without creating unnecessary financial barriers. Community engagement with our University and community use of our facilities play a role in defining us as a public institution.

### **Budget Deliberations During the Year**

The proposed operating budget is \$162,567,427 for the 2013-14 fiscal year. On March 7, 2013, the Government of Alberta announced that our Campus Alberta Operating Grant would decrease by 7.3% (\$7,225,599). With this reduction, coupled with budgeted expenditure increases of \$4,600,437, the University was faced with a total budget reduction of \$11,826,036. Due to the late announcement of the decrease in the Campus Alberta Operating Grant, the University was not able to find expenditure reductions adequate to cover the full amount of the total budget reduction and will therefore be submitting a deficit budget of \$ 4,927,859 for fiscal 2013-14. This deficit has been submitted to Alberta Enterprise and Advanced Education (EAE) for approval. The deficit for 2013-14 will be funded out of existing University carryover funds, which provide one-time relief to be applied to the deficit until the University is able to identify reductions in expenses or increases in revenue to balance the operating budget.

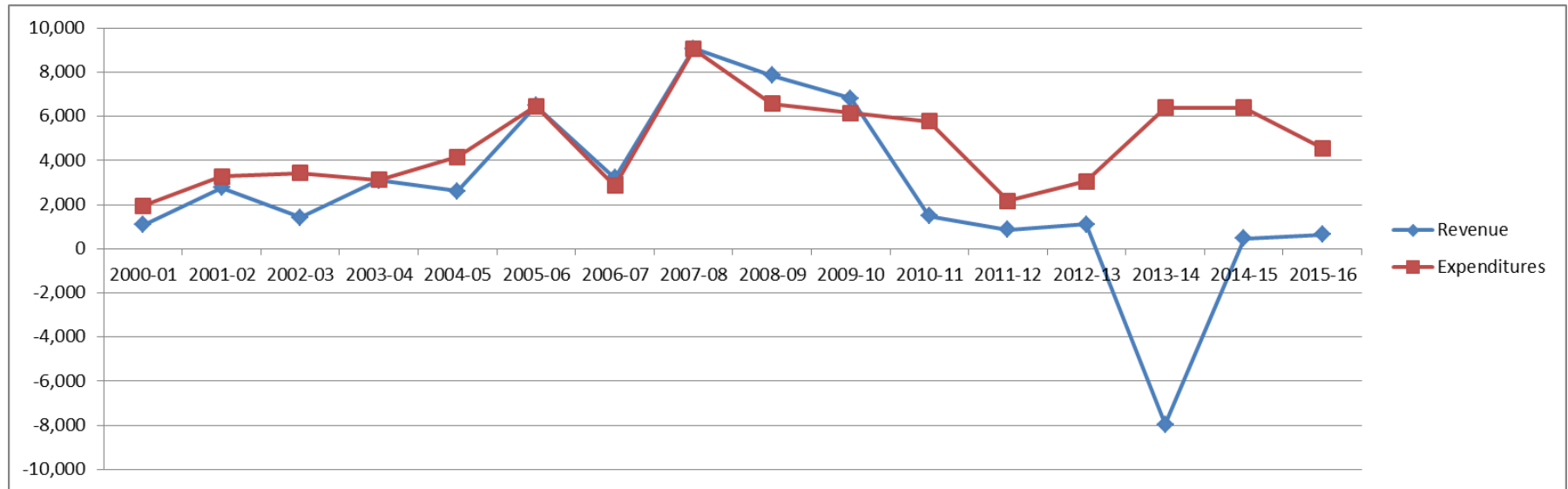
The senior leadership team at the University recommended a weighted-credit-hour revenue allocation model be adopted effective for the fiscal 2013-14 year, but with the deep budget cuts required for a balanced budget this model may not be sufficiently robust to meet our needs. As was indicated throughout our budget planning process, a commitment has been made to continuously review our budget model to ensure that our strategic priorities can be advanced and the senior leadership team will continue to adapt our model to meet our needs.

To fully understand the costs of University operations we will require detailed analysis of program costs within each of the Faculties and detailed analysis of current services and associated costs performed by the administrative units will be required, to be completed by July 31, 2013. At that point we will have an updated full picture of the financial operations of our University. These reviews will be completed in conjunction with the operation of already established working groups that have been tasked to look at the integration and efficiency of services. The analyses will be reviewed by the Budget Advisory Committees to enable decisions that will make the University more cost effective and intentional in its decision making.

The University's carryover policy has been revised to ensure that there are adequate funds in our Strategic Priorities Fund to support our strategic priorities as outlined in our 2009-13 Strategic Plan. The change in the carryover policy allows Budget Units to retain carryover fund balances to a maximum of 5% (previous maximum was 10%) of their annual operating budgets. The balances in excess of 5% will be moved to the Strategic Priorities Fund and allocated to priorities through the budget processes that have been established.

The following graph indicates the change in the University's operating revenue and expenditures in current dollars over a 15 year period.

**\$ Change from Previous Year  
(\$000)**



## II. PROPOSED REVENUE BUDGET

The University's overall general fund revenue budget will decrease by \$5,348,063 in 2013-14 primarily due to the base operating grant decrease. The proposed revenue estimates are realistic and attainable, although there is little room for unexpected revenue swings apart from minor fluctuations, especially in tuition revenue. Although past experience shows that the budget projections have tracked very closely with realized revenue, we are now seeing fluctuations in student enrolment which can significantly affect the tuition revenue that the institution receives. For this reason many of the Faculties have reduced or maintained their enrolment projections for the next few years.

The operating grant provided by EAE increased annually by 6% for the years 2005-06 to 2009-10. In 2010-11 Advanced Education introduced the Campus Alberta grant which combined the existing operating grant and Enrolment Planning Envelope (EPE) funding into one grant (Campus Alberta grant). By combining these two grants, institutions were able to make strategic decisions on how best to meet student demand within budgeted resources. However, the resulting total funding from the combined grants were 2.6% lower than what was previously provided by the two separate grants. To

offset this, EAE gave a one-time grant of \$1.7 million for the 2010-11 fiscal year. In 2011-12 the University received a grant increase of \$2.6 million along with a one-time grant of \$1.2 million. For 2012-13 through to 2014-15 EAE had stated that the University would receive a 2% grant increase for each year. This was to help universities plan for the future rather than not know what the funding will be further out than the current year. The 2% Campus Alberta grant for 2013-14 was not realized and future grant changes are unknown.

With the change to a single Campus Alberta Grant, dedicated funding on several EPE programs was suspended in 2010-11, including several Health Sciences programs in Public Health and after-degree Nursing. The University has had to stretch existing continuing and one-time funding to allow stability for these programs. This has added additional pressures to the operating budget as we have had to stretch existing dollars across more programs. University senior administration continues to be in discussions with EAE requesting programming funding for programs that are currently under or unfunded.

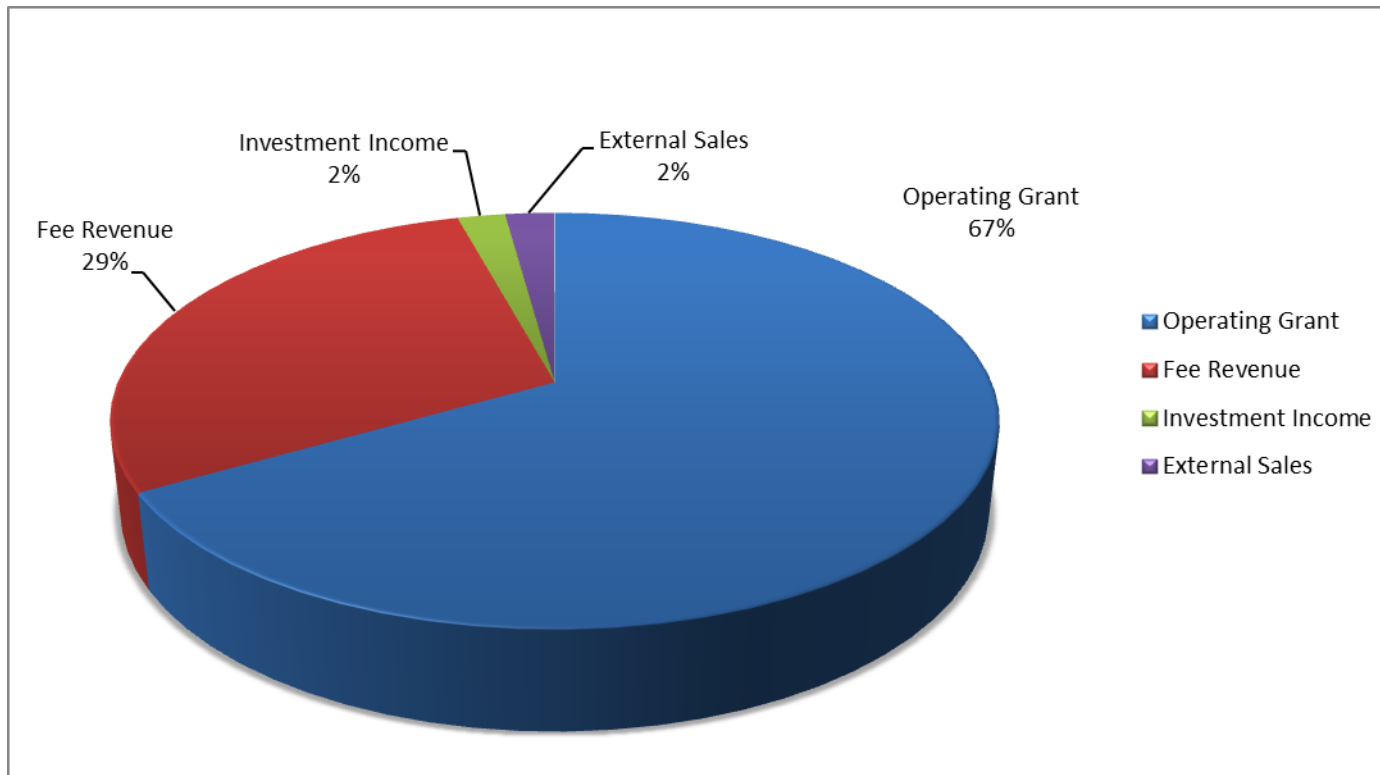
To summarize, the proposed 2013-14 general fund revenue budget is categorized into the following groups:

### 2013-14 General Operating Revenue by Source (Cash Basis)

Grant Revenue	\$96,286,088	66.67%
Fee Revenue	\$42,031,555	29.1%
Investment Income	\$3,000,000	2.08%
External sales/Cost Recoveries	\$3,109,426	2.15%
<b>Total Projected General Operating Revenue</b>	<b>\$144,427,068</b>	<b>100.00%</b>

The following graph illustrates the breakdown of revenue by category. The graph depicts operating funds only and does not include capital, research, special purpose, endowments or ancillary operations.

**2013-2014 Source of Funds – Operating  
(cash basis)**

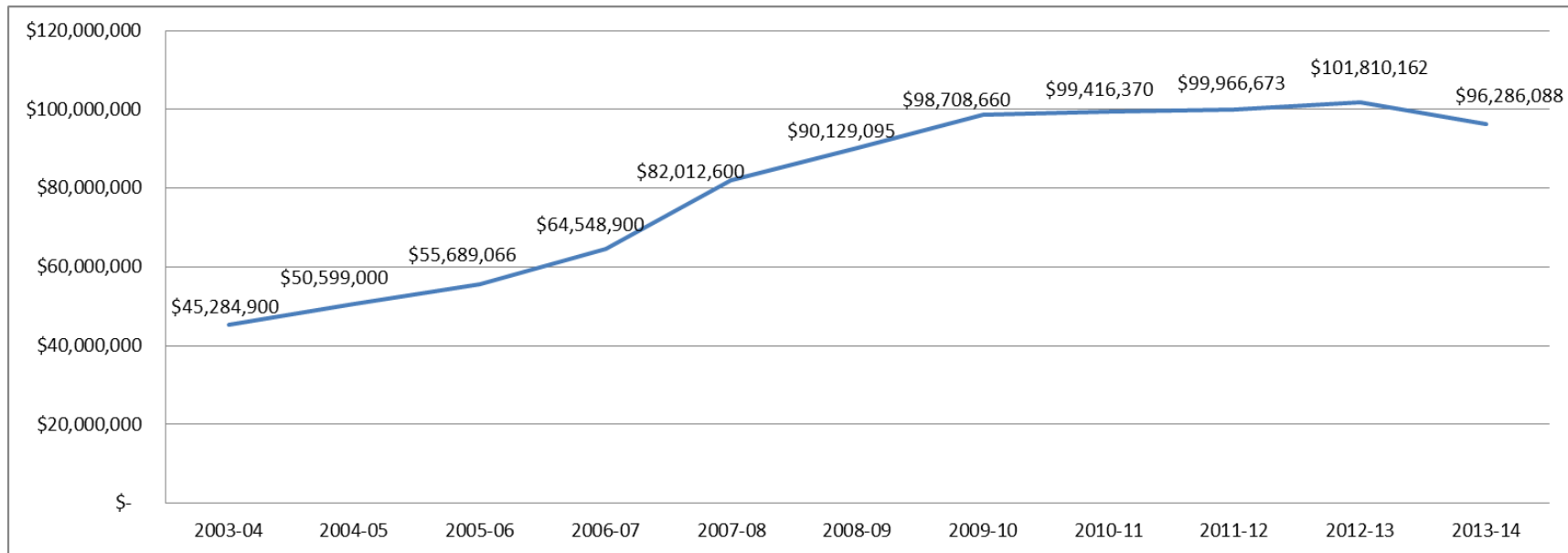




## Government Grants

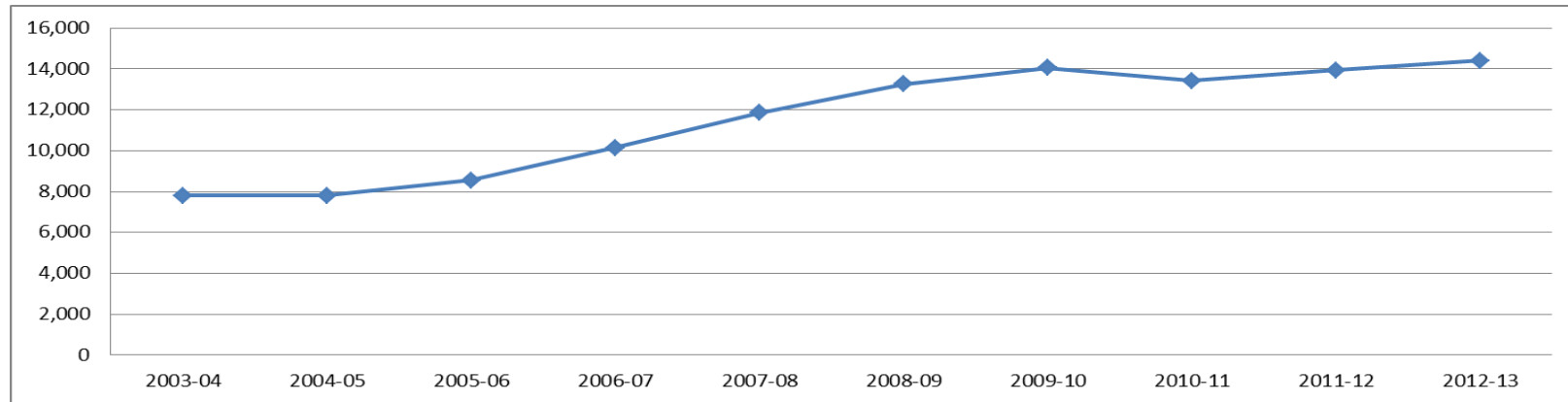
The single largest revenue item (67%) for the University is government grants, totalling \$96,286,088. The Campus Alberta grant will decrease by \$7,225,599 as a result of the 7.3% grant decrease.

### Change in Government Grants



Although there had been increases in the operating grant, the grant per student decreased steadily up to 2002 until EAE began to provide unfunded enrolment grants in 2003 to compensate the University for providing increased access to students. In addition, until 2010-11 the University received funding to operate expansions and new programs through Enrollment Planning Envelopes. These funds were provided on a grant per FLE (Full Load Equivalent) student in the specific programs, which also provided funds for services to students. The following graph indicates the base operating grant on a per student basis.

### Base Operating Grant per Student



### Fees

Fees represent the second largest component of the University's general operating fund revenue budget. For the fiscal year 2013-14, the University projects approximately \$42 million in fee revenue from all credit and non-credit instructional programs, and from the remaining non-mandatory student related fees. This is an increase of \$1,998,015 (5%) over the 2012-13 fiscal year. This increase consists of the increase to the Student Services Fee and International Student Differential, and credit hour changes within each of the Faculties. Approximately ninety percent (90.6%) of tuition and materials and services fees for undergraduate students fund faculty expenditures related to teaching.

### **Tuition Fees**

EAE introduced a new tuition policy in the 2007 year that rolled tuition fees back to the 2004-05 level and restricted tuition fee increases to the annual average Alberta CPI (using a twelve month period ending in June each year). The maximum rate, as directed by EAE, to be used for the 2013-14 increases was to be 2.15% (1.45% in 2012-13, 0.35 % in 2011-12, 1.5% in 2010-11). The Board of Governors formally approved the new fee rates for the 2013-14 fiscal year at their October 2012 meeting. In April 2013 EAE notified the University that tuition fees for 2013-14 will be held at 2012-13 rates and that EAE will include the corresponding difference in rates as part of the Campus Alberta Operating Grant. It is hoped that the grant in lieu of the tuition fee increase will be continuing grant funding but this has not been confirmed by EAE.

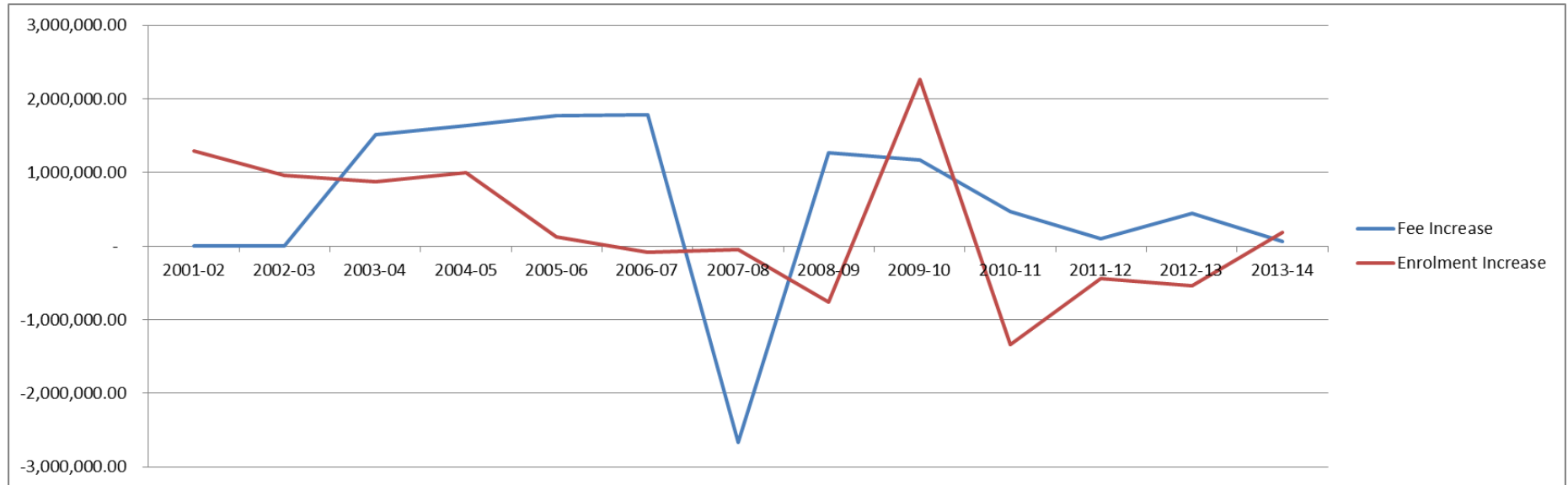
The increase in instructional fee revenue provided in the budget is attributed to planned enrolment changes in some of the faculties. The following table provides the credit hour profiles which each faculty has planned for the next three years to meet their budget requirements.

### Credit Hours by Faculty

	Actual		Estimated		Proposed		Proposed		Proposed	
	2011-12		2012-13		2013-14		2014-15		2015-16	
	hrs	%	hrs	%	hrs	%	hrs	%	hrs	%
Arts and Science	102,763	54.0%	99,273	53.1%	100,601	53.5%	100,601	53.6%	100,601	53.7%
Education	12,725	6.7%	13,032	7.0%	12,978	6.9%	12,978	6.9%	12,978	6.9%
Management	32,157	16.9%	31,978	17.1%	32,117	17.1%	32,423	17.3%	32,755	17.5%
Fine Arts	25,044	13.2%	26,628	14.2%	25,586	13.6%	25,586	13.6%	25,586	13.7%
Health Sciences	17,559	9.2%	16,003	8.6%	16,743	8.9%	16,077	8.6%	15,306	8.2%
<b>Total</b>	<b>190,248</b>	<b>100.0%</b>	<b>186,914</b>	<b>100.0%</b>	<b>188,025</b>	<b>100.0%</b>	<b>187,665</b>	<b>100.0%</b>	<b>187,226</b>	<b>100.0%</b>

The following graph depicts the revenue provided from instructional fees for the past 10 years and the portion increases that are attributed to tuition fee increases and enrolment growth. Between 2001-02 and 2002-03, the entire increase in fees was attributed to enrolment growth with fees being frozen at the 2000-01 levels. In 2007-08 EAE provided students with a tuition rebate (and corresponding grant increase to the institutions). In 2010-11 we experienced a decline in credit hours, while there were modest increases in 2011-12 and 2012-13. For 2013-2014 estimated credit hours are based on the 2011-12 levels.

## Tuition Fees – Analysis of Fee Increases



### Other Student Fees

The Student Services fee was introduced in 2002-03 at \$10.50 per course. This fee remained at this rate until 2011-12 when it was raised to \$12.50 per course. For 2013-14 the fee will increase to \$37.50 per course.

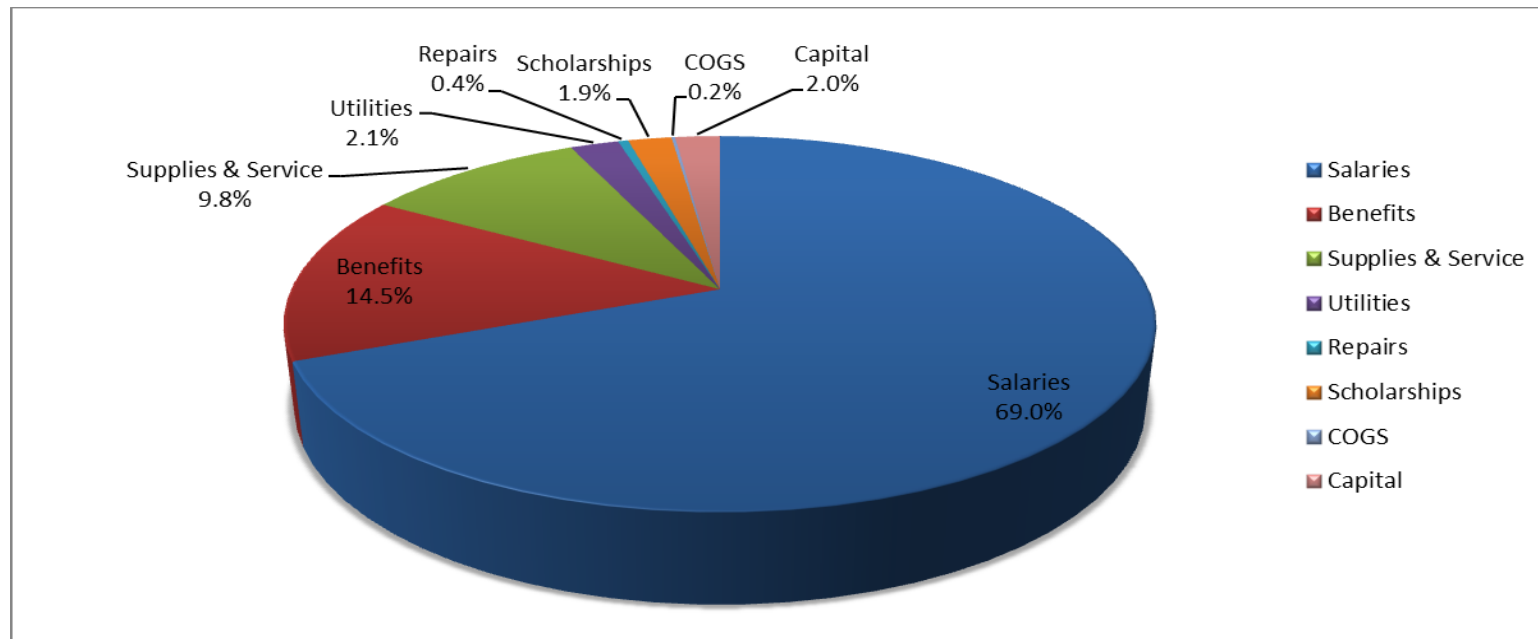
International students pay tuition rates at the same level as domestic students as well as an International Student differential. The differential was 1.26 times the base tuition fee. For 2013-14, the differential will increase to two (2) times the base tuition fee for all new international students. The increased international differential fee of two times the base tuition fee will only be assessed to new international students who are beginning their programs effective September 2013. All international students currently enrolled at the University prior to September 2013 will be assessed the international differential of 1.26 times the base tuition fee until they have completed their program.

### III. PROPOSED EXPENDITURE BUDGET

The University is again in a position where our expenditure line items have outpaced the growth in our revenues. This is due to fewer funds being provided through the provincial and federal governments and smaller increases in instructional and other fees.

The following graph illustrates the University's expenditure budget by object of expenditure. The most notable components of the budget are salaries and benefits which comprise approximately 83.5% of the total budget (cash basis – excluding amortization).

**2013-14 Expenditures (Cash Basis)**



As in previous years, the starting point for the 2013-14 operating budget is the projection of the continuing cost base from the 2012-13 year. Projected expenditures remain at prior year levels unless increases or decreases are required through contractual or statutory obligations. BAC recognizes that this method of budgeting has consequences for many budget units, including a loss of purchasing power due to inflationary increases.

Each year contractual or statutory increases including salaries and benefits, utilities, insurance, and software contracts/ maintenance costs are accounted for in the budget process. These costs are not discretionary and must be paid, and are therefore fully funded.

### **Compensation Costs**

The largest component of the University of Lethbridge's expenditure budget is compensation costs which comprise approximately 83.5% of the total expenditures budget (cash basis – excluding amortization). Attracting and retaining quality faculty and staff continues to remain a Board of Governors' priority.

The University is in the final year of a three-year agreement, to June 30, 2013, with the University of Lethbridge Faculty Association (ULFA). The Alberta Union of Provincial Employees (AUPE) three-year contract will expire on June 30, 2014. Exempt Support Staff, Administrative Professional Officers, and Senior Administration compensation rates are reviewed and set annually by the Board of Governors. The budget projections have used the rates set in the existing agreements and estimated changes in years where the agreements are to be renegotiated.

### **Fixed Costs**

While quite modest this year, fixed costs continue to grow and represent a factor in the development of the 2013-14 operating budget. Like compensation cost increases, any increases in fixed costs must be provided for out of existing funds.

There are several noteworthy increases and decreases within the fixed cost category:

- The utility budget increased \$121,500 from the prior year. The University signed a four-year electrical agreement commencing in 2011, which stabilizes our electrical prices until 2014. However, there was a significant increase in utility costs in 2012-13 from the City of Lethbridge due to increases in electrical transmission costs. The University buys gas on a two-year basis and any consumption over the contract amount is bought on the free market.
- Provided an increase to our insurance budget of \$100,000 in 2011-2012 and anticipated increases of 5% for the fiscal years 2014-15 and 2015-16.
- Contracts budget will increase by 33% in 2013-14 due to new contracts and estimated contractual increases.

#### IV. OPERATING BUDGET REQUIREMENTS

The operating budget for the next three years has been modeled on the basis of a number of assumptions, many of which have been described above. In making these assumptions, BAC has adopted a conservative approach to ensure that any changes to these assumptions will still allow for sufficient resources to provide for a balanced budget. The assumptions are provided in the table below.

Budget Assumptions			
	2013-14	2014-15	2015-16
Revenue			
Campus Alberta Grant change	-7.3%	0.0%	0.0%
Instructional fee increase	0%	2.15%	2.15%
Expenditures			
Compensation increases - merit	2.33%	2.33%	2.33%
- market	Pool Established	Pool Established	Pool Established
- benefits	5.0%	5.0%	5.0%
Contracts	33.0%	5.0%	11.0%
Utilities	4.0%	4.0%	2.0%
Insurance	0.0%	5.0%	5.0%
Investment Advisor	3.0%	2.0%	2.0%

The results of making these assumptions in preparing the budget for the next three years are provided below. The University will be facing deficits in each of the three years in the rolling budget. The total amount of reductions over the next three years that will be required to balance the budget based on these assumptions is \$19.4 million. Details on the reductions for the first year are provided in Appendix A to this report.

The University of Lethbridge			
Proposed Operating Fund Budget Changes			
(\$000)			
	2013-14	2014-15	2015-16
Prior Year Budgeted Expenditures	\$ 149,775	\$ 156,154	\$ 160,287
Cost Increases (Decreases) for existing programs			
Salaries & Benefits	5,907	3,285	3,816
Materials & Services	1,841	832	738
Travel	41	16	-
Capital & Equipment	65	-	-
Parking to Ancillary Operation Adjustment	(1,475)		
<b>Operating Funds Required</b>	<b>\$ 156,154</b>	<b>\$ 160,287</b>	<b>\$ 164,841</b>
Prior Year budgeted revenue:	\$ 149,775	\$ 141,820	\$ 142,275
General Grant Change	(41)	-	-
Grant Increase	(7,225)	-	-
General Fee Increase	862	631	614
Miscellaneous Other Revenues	(76)	(175)	16
Parking to Ancillary Operation Adjustment	(1,475)	-	-
<b>Operating Funds Available</b>	<b>\$ 141,820</b>	<b>\$ 142,275</b>	<b>\$ 142,905</b>
Continuing Grant Allocated to Units	\$ 2,509	\$ 2,509	\$ 2,509
<b>Annual Reductions Required</b>	<b>\$ 11,826</b>	<b>\$ 3,677</b>	<b>\$ 3,924</b>
<b>Cumulative Reductions Required</b>	<b>\$ 11,826</b>	<b>\$ 15,502</b>	<b>\$ 19,427</b>



## V. BUDGET ADJUSTMENTS

Based on the previous assumption of a 2% increase in the Campus Alberta grant, Units were asked to reduce, on average, 1.68% of their original 2012-13 operating budget for the 2013-14 year. Units may balance either through reductions to expenditures or increases to revenue. The BAC stipulated that when determining budget adjustments, workload or costs cannot be downloaded onto other units and consideration to re-engineering processes should be considered wherever possible. The BAC then made recommendations concerning the reductions proposed by the units along with the 7.3% decrease in grant funding, based upon the consequences of the reductions to the unit and the institution as a whole, as well as the effects on the institutional priorities as provided in the Strategic Plan. Consultations have occurred with Deans, Executive Directors and Senior Executives prior to budget recommendations being made to the President.

Over the next several months the Budget Advisory Committees will continue to review all expenditures and possible revenue opportunities in order to balance the budget by the end of the next three fiscal years.

The 1.68% operating adjustment has not been applied to several line items within the budget due to contractual obligations or the requirements under strategic priorities. These line items include:

- Faculty travel and study leave removal
- Research grants
- Faculty retention – Board Chairs and course relief
- Scholarships and awards
- Contracts and utilities

Proposed reductions are provided in Appendix A.

### **University Wide Initiatives**

There are several initiatives that have been implemented and administered centrally that will allow the institution to reduce costs. These initiatives include:

### **Academic Staff Voluntary Retirement Plan (ASVRP)**

A voluntary retirement program for members of University of Lethbridge Faculty Association (ULFA) was approved by the Board of Governors in January 2013. The closing date for applications to the plan was March 15, 2013.

Although savings are difficult to estimate, savings are estimated to be \$4.2 million annually, by 2015-16 when all the members have retired. While the intention was to replace many of the members in the ASVRP, due to the budget reduction, most of the positions will not be replaced except those deemed absolutely necessary for the operation of the units and in support of essential programs.

### **Ancillary Services – Additional Contribution to Operating**

While Ancillary Services has always reimbursed the University for its share of costs for services from Financial Services, Human Resources, Facilities, etc., it also contributed \$150,000 towards the University's operating fund. This contribution will now be increased to \$500,000 annually. The consequences of the increased contribution will be reduced funds available for capital expenditures and maintenance by Ancillary Services.

## **VI. STRATEGIC PLAN ALLOCATIONS**

The University is in the process of updating its 2009-13 Strategic Plan, scheduled to be approved by the Board of Governors in fall 2013. The University's current 2009-13 Strategic Plan was approved by the Board of Governors in December 2008 and is used as a guide by BAC in setting budget values and principles which have helped to guide the budget process in recent years and which aid in realizing the strategic priorities of the University. The following are the strategic directions that drive budgetary decisions:

**Our Commitment to Society** - The University of Lethbridge is committed to ensuring that we are a community focused institution and that our commitments to teaching, research, and service are blended with those of the surrounding areas.

**Our Commitment to Creativity, Inquiry and Discovery** - The University of Lethbridge stimulates and supports research, scholarship, and creative work in all areas in which we teach, and wherever possible we connect our research to the needs and aspirations of the communities we serve.

**Our Commitment to Students** – We give students the best preparation for their future. We help students to identify strengths and overcome weaknesses. We seek to foster: a sense of responsibility for students' learning and personal development; effective student relations with peers and teachers; and student involvement in local, provincial, and national communities.

**Our Commitment to Inspiration** – The University of Lethbridge aspires to inspirational teaching that ignites intellectual passion and stimulates a thirst for knowledge.

**Our Commitment to Responsible Action** – We communicate with our internal and external communities so that our mission, goals, and work are well understood. We engage our alumni and other supporters in the activities of the University. We build the value of the University to society by developing mutually supportive relationships with government, individuals, and organizations.

To meet institutional priorities and move the institution forward in the next year, BPAC is proposing reallocating some existing resources towards our strategic priorities. The table below indicates the proposed allocations and how they relate to the strategic priorities of the institution.

**Strategic Direction: Confirm our place as a Comprehensive University**

Strategic Priorities	Budget Allocations
<ol style="list-style-type: none"> <li>1. Create and grow graduate programs and a culture of graduate education.</li> <li>2. Broaden our base of undergraduate programming.</li> <li>3. Grow the financial resource base of the University.</li> <li>4. Create a physical and intellectual environment that fosters and promotes creativity, research, and innovation.</li> <li>5. Preserve and enhance our focus on teaching excellence.</li> <li>6. Hire excellent professors that contribute to the continued success of the University in teaching and research.</li> </ol>	<ul style="list-style-type: none"> <li>• Implementation of on-line graduate student application system.</li> <li>• Continue to provide funding for 1<sup>st</sup> Year Faculty teaching load reduction, Community of Research Excellence Development Opportunities and matching grant for Canada Foundation for Innovation.</li> </ul>

**Strategic Direction: Enhance the Student Experience**

Strategic Priorities	Budget Allocations
<ol style="list-style-type: none"> <li>1. Refine and promote liberal education.</li> <li>2. Evaluate and evolve student recruitment strategies.</li> <li>3. Develop and implement student retention strategies.</li> <li>4. Expand internationalization of the University.</li> <li>5. Promote and enhance diversity within the University.</li> <li>6. Engage students in a welcoming environment that supports learning, discovery, and creativity and promotes model citizenship.</li> <li>7. Enhance the experience for FNMI (First Nations, Metis and Inuit) students.</li> <li>8. Continue to encourage academic and administrative units to work together to enhance the student experience.</li> <li>9. Ensure the health, safety, and security of students.</li> <li>10. Recognize and promote the essential role of staff in keeping the campuses welcoming, functioning, &amp; modern.</li> </ol>	<ul style="list-style-type: none"> <li>• Implementation of a student portal website.</li> <li>• Strategic Enrolment Management (SEM) committee established with mandate to coordinate recruitment and retention efforts across the campuses.</li> <li>• Setting enrolment directions document approved by SEM.</li> <li>• The Student Recruitment and Retention project continues.</li> <li>• Quality Initiatives Program allocations for student initiatives.</li> <li>• Provide funding for growing graduate education.</li> </ul>

**Strategic Direction: Build Internal Community and Enhance Relationships with External Communities**

Strategic Priorities	Budget Allocations
<ol style="list-style-type: none"> <li>1. Continue to build a healthy, supportive, and collaborative environment and culture that promotes students, faculty, staff, and alumni success and satisfaction.</li> <li>2. Continue to develop bridges to Lethbridge and southern Alberta communities.</li> <li>3. Strengthen links to regional centres of excellence in research and development.</li> </ol>	<ul style="list-style-type: none"> <li>• Projected completion of the downtown Penny Building renovations in summer 2013</li> <li>• Music Conservatory will move to the Community Arts Centre in downtown Lethbridge in summer 2013</li> </ul>

**Strategic Direction: Promote Access to Quality Post-Secondary Education**

Strategic Priorities	Budget Allocations
<ol style="list-style-type: none"> <li>1. Develop a sustainable strategy for delivering programs outside Lethbridge.</li> <li>2. Maintain and enhance working alliances with other educational service providers and stakeholders.</li> </ol>	<ul style="list-style-type: none"> <li>• New campus locations in Calgary at Bow Valley College and in Edmonton at Concordia University College</li> <li>• Completion of new student residences (259 additional beds for Fall 2013)</li> <li>• Continue to support student scholarships from operating budget</li> </ul>

**Strategic Direction: Enhance the Environmental Sustainability of the University**

Strategic Priorities	Budget Allocations
<ol style="list-style-type: none"> <li>1. Continue to transform the University into a sustainable community.</li> <li>2. Wherever possible, incorporate sustainability into teaching, learning, and research.</li> <li>3. Promote sustainability inside and outside the University.</li> </ol>	<ul style="list-style-type: none"> <li>• Continue with sustainability projects with a renewed University Sustainability Committee.</li> <li>• Support review of carbon footprint of renovations, alterations, and infrastructure renewal projects.</li> <li>• Maintain structural monitoring of University facilities.</li> </ul>

## VII. STUDENT QUALITY INITIATIVES PROGRAM (QIP)

\$470,000 of the University's operating budget is allocated to the Student Quality Initiatives Program (QIP).

Proposed allocations for the 2013-14 year:

- \$210,000 Scholarships, grants, and bursaries. The funds have been divided equally between each of the three and are administered by the Scholarships and Student Finance Office.
- \$ 38,500 Student Commons Fund. These funds will be used by the students for renovations and capital projects around campus.
- \$ 80,000 Undergraduate Research Fund. Established for the Faculties/Schools to hire undergraduate research assistants in humanities and social sciences.
- \$108,600 Academic related events such as an academic speaker series, student travel, student clubs, and conference grants. Needs based funding to support such initiatives as the Student Food Bank, emergency student assistance, students with disabilities, and student counselling.
- \$ 32,900 GSA (Graduate Students Association) support. GSA's proposed allocations for 2013-14:
  - Scholarships, Grants, Bursaries \$ 8,000
  - Academic Enhancement \$24,900  
(includes speakers, events, orientation & thesis needs)

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\$470,000

**VIII. RECOMMENDATIONS**

The President makes the following recommendations to the Board of Governors:

1. Approve the 2013-14 budget as presented, and approve the budgets for the two years 2014-15 and 2015-16 in principle.
2. Approve the reductions for 2013-14 as provided in Appendix A.

## 2013-14 Operating Budget

SUMMARY OF UNIVERSITY OPERATING REVENUES AND EXPENDITURES					
2013-2014 Operating Budget (Cash Basis)					
	2011-2012	2011-2012	2012-2013	2012-2013	2013-2014
	Original Budget	Actual	Original Budget	YTD Actuals	Original Budget
<b>REVENUES</b>					
<b>Tuition and Fees</b>	-	-	-	-	-
Summer Session Tuition	3,210,757	2,679,364	2,863,558	2,698,790	2,857,373
Regular Session Tuition	30,539,150	30,601,965	30,290,644	30,244,766	30,736,059
<b>Tuition</b>	<b>33,749,907</b>	<b>33,281,329</b>	<b>33,154,202</b>	<b>32,943,556</b>	<b>33,593,432</b>
<b>Special Program Fees</b>					
MA/MSc	614,210	791,281	935,000	906,103	935,000
Master of Education	632,866	756,194	517,737	503,069	463,146
MSc/Mgt	202,370	201,973	236,200	127,749	201,200
Masters of Counselling	249,359	272,448	308,627	258,972	308,627
Ph.D.	190,000	409,984	435,000	440,610	435,000
<b>Special Program Fees</b>	<b>1,888,805</b>	<b>2,431,880</b>	<b>2,432,563</b>	<b>2,236,504</b>	<b>2,342,973</b>
<b>Incidental Fees</b>					
Student Administration Fees	865,179	860,177	875,000	850,842	2,412,530
Music Conservatory Fees	296,637	400,765	300,000	379,663	358,470
Athletic & Recreation Services Fees	1,712,655	1,747,201	1,821,500	1,810,052	1,855,600
English Language Fees	452,850	370,189	452,850	427,796	452,850
Other Miscellaneous Fees	347,800	1,042,873	997,425	1,146,112	1,015,700
<b>Incidental Fees</b>	<b>3,675,121</b>	<b>4,421,206</b>	<b>4,446,775</b>	<b>4,614,466</b>	<b>6,095,150</b>
<b>Total Tuition and Fees</b>	<b>39,313,833</b>	<b>40,134,415</b>	<b>40,033,540</b>	<b>39,794,525</b>	<b>42,031,555</b>
<b>Other Revenues</b>					
Grants	99,966,673	101,127,605	101,900,162	103,644,605	96,286,088
Gifts and Donations	10,000	788,177	-	4,942,357	-
Investment Income	5,000,000	1,464,864	3,000,000	4,831,110	3,000,000
External Cost Recoveries	4,283,906	4,743,423	4,841,429	3,828,676	3,109,426
<b>Other Revenues</b>	<b>109,260,579</b>	<b>108,124,069</b>	<b>109,741,591</b>	<b>117,246,748</b>	<b>102,395,514</b>
<b>Total Tuition and Other Revenues</b>	<b>148,574,412</b>	<b>148,258,484</b>	<b>149,775,131</b>	<b>157,041,273</b>	<b>144,427,068</b>
<b>Reserve Transfers</b>					
Reserve Transfers	(192,076)	1,233,576	807,924	(344,083)	(87,500)
<b>Reserve Transfers</b>	<b>(192,076)</b>	<b>1,233,576</b>	<b>807,924</b>	<b>(344,083)</b>	<b>(87,500)</b>
<b>Appropriations</b>					
Amortization of Deferred Capital Contributions	9,000,000	12,409,567	11,000,000	12,270,005	15,000,000
Unrealized Investment Income	2,000,000	-	-	-	-
<b>Appropriations</b>	<b>11,000,000</b>	<b>12,409,567</b>	<b>11,000,000</b>	<b>12,270,005</b>	<b>15,000,000</b>
<b>Total University Revenues</b>	<b>159,382,336</b>	<b>161,901,627</b>	<b>161,583,055</b>	<b>168,967,195</b>	<b>159,339,568</b>



## 2013-14 Operating Budget

	2011-2012 Original Budget	2011-2012 Actual	2012-2013 Original Budget	2012-2013 Projected Actual	2013-2014 Original Budget
<b>EXPENDITURES</b>					
<b>Academic Units</b>					
Arts & Science	34,396,553	29,294,691	34,565,921	34,468,382	34,728,455
Education	10,017,159	7,850,143	9,962,595	9,413,758	9,838,827
Management	13,578,246	11,446,383	13,549,535	13,175,375	12,270,079
Fine Arts	10,305,959	8,506,776	11,026,976	10,968,969	11,137,712
Health Sciences	5,831,990	5,138,531	5,865,454	6,474,799	6,294,780
Campus North	-	-	-	-	1,448,287
Graduate Studies	2,633,697	2,468,859	3,042,138	3,434,157	3,183,120
Library	4,117,096	3,493,777	4,466,745	4,242,277	4,627,646
Library - Acquisitions	1,788,630	1,609,146	1,806,764	1,543,526	1,792,063
Faculty Travel	152,600	151,556	152,600	150,897	152,600
Study Leave Removal Fund	35,000	33,865	35,000	35,000	35,000
Research Grants	253,700	240,678	253,700	188,609	253,700
Faculty Retention - Board Chairs	215,000	200,000	215,000	200,000	215,000
Faculty Retention - Course Relief	400,000	400,000	400,000	400,000	100,000
<b>Total Academic Units</b>	<b>83,725,630</b>	<b>70,834,405</b>	<b>85,342,428</b>	<b>84,695,749</b>	<b>86,077,269</b>
<b>Support Units</b>					
Office of the President	1,134,023	1,093,706	1,075,112	1,228,077	1,096,608
Board of Governors	151,638	156,939	175,403	185,411	181,221
Senate	95,367	79,268	92,657	96,007	97,456
General Faculties Council	4,895	2,622	3,740	1,176	3,740
University Advancement	2,249,100	2,100,760	2,426,311	2,677,966	2,488,763
Vice President (Academic)	1,083,377	963,144	1,313,546	1,516,346	1,199,606
Teaching Centre	1,076,357	933,298	1,182,956	1,143,663	1,170,615
Institutional Analysis	282,819	208,925	295,232	296,925	303,373
Scholarships & Student Finance	1,687,000	383,599	1,687,000	403,578	1,537,000
Student Services	7,164,554	6,180,820	7,930,262	7,623,468	8,300,172
Art Gallery	374,572	306,531	378,795	365,573	396,702
Vice President (Research)	2,173,707	1,723,682	1,842,926	2,366,464	2,121,364
Vice President (Administration & Finance)	479,262	455,509	536,293	524,164	553,143
Sports & Recreation Services	5,083,848	3,857,314	5,335,215	5,096,599	5,355,568
Interdepartmental - Ancillary	(329,295)	(645,511)	(329,295)	(792,965)	(504,989)
In House Legal Counsel	-	54,816	177,858	173,856	184,480
Internal Audit	111,255	20,939	114,616	124,004	134,542
Information Technology	6,982,235	5,242,539	7,468,129	6,731,403	7,537,948
Telecommunications	1,441,905	1,176,253	1,457,344	1,363,394	1,728,226
Financial Services	3,358,023	3,265,279	3,494,914	3,432,215	3,710,131
Facilities	9,272,621	12,676,580	9,474,596	7,681,679	9,392,514
Utilities	3,184,935	3,256,183	3,184,935	3,338,972	3,306,435
Parking	1,073,977	1,335,887	1,475,000	-	-
Human Resources	2,526,313	2,421,797	2,696,461	2,844,377	2,821,077
Contingencies	5,025,387	-	4,115,978	385,837	3,090,534
Central Administration	7,107,566	2,042,095	5,148,756	9,960,664	4,151,695
<b>Total Support Units</b>	<b>62,795,441</b>	<b>49,292,974</b>	<b>62,754,740</b>	<b>58,768,853</b>	<b>60,357,924</b>
<b>Appropriations</b>					
Capital	3,293,435	3,940,948	3,605,479	25,223,937	1,132,234
Amortization of Capital Assets	11,000,000	18,883,352	11,000,000	18,974,461	15,000,000
<b>Total Appropriations</b>	<b>14,293,435</b>	<b>22,824,300</b>	<b>14,605,479</b>	<b>44,198,398</b>	<b>16,132,234</b>
<b>Total University Operating Expenditures</b>	<b>160,814,506</b>	<b>142,951,679</b>	<b>162,702,647</b>	<b>187,663,000</b>	<b>162,567,427</b>
<b>Excess of Expense over Revenue</b>	-	-	-	-	3,227,859
Unfunded Liability - UAPP	1,594,466	-	1,500,000	-	1,700,000
<b>Total Excess of Expense over Revenue</b>	<b>1,594,466</b>	-	<b>1,500,000</b>	-	<b>4,927,859</b>

**APPENDIX A**

**PROPOSED 2013-14 BUDGET  
REDUCTIONS/REALLOCATIONS**

## 2013-14 Operating Budget

The University of Lethbridge							
<b>PROPOSED BUDGET ADJUSTMENTS</b>							
		<b>2013/14</b>		<b>2014/15</b>		<b>2015/16</b>	
	Campus Alberta Grant Assumption	reduction %	-7.3%	reduction %	0%	reduction %	0%
<b>Budget Reductions (cumulative)</b>			<b>\$ (11,826,036)</b>		<b>\$ (15,502,235)</b>		<b>\$ (19,426,941)</b>
<b>Known Budget Adjustments:</b>							
	Academic Staff Voluntary Retirement Plan	5.5%	\$ 649,697	18.7%	\$ 2,906,020	21.8%	\$ 4,227,468
	Ancillary Services - additional contribution to operating	4.2%	\$ 500,000	3.2%	\$ 500,000	2.6%	\$ 500,000
	COLA reduction (actual CPI vs. budgeted)	7.4%	\$ 874,670	7.5%	\$ 1,166,226	6.0%	\$ 1,166,226
	Student Admin Fee increase (2013-14 approved by Board)	1.5%	\$ 172,035	2.2%	\$ 344,071	2.7%	\$ 516,106
	Budget reductions under 2% grant increase assumption	22.1%	\$ 2,616,783	16.9%	\$ 2,616,783	13.5%	\$ 2,616,783
	<b>TOTAL KNOWN REDUCTIONS</b>		<b>\$ 4,813,186</b>		<b>\$ 7,533,100</b>		<b>\$ 9,026,583</b>
<b>Excess (shortfall)</b>			<b>\$ (7,012,850)</b>		<b>\$ (7,969,135)</b>		<b>\$ (10,400,358)</b>
<b>Items for Discussion</b>							
	Lifecycle equipment annual allocation	8.5%	\$ 1,000,000	6.5%	\$ 1,000,000	5.1%	\$ 1,000,000
	Research Enhancement	2.5%	\$ 300,000	1.9%	\$ 300,000	1.5%	\$ 300,000
			<b>\$ 1,300,000</b>		<b>\$ 1,300,000</b>		<b>\$ 1,300,000</b>
<b>Items for Discussion with Students</b>							
	International student differential fee	2.3%	\$ 267,416	3.6%	\$ 561,895	4.1%	\$ 802,249
	Student Admin Fee Increase	11.5%	\$ 1,365,495	6.8%	\$ 1,048,734	2.8%	\$ 553,603
			<b>\$ 1,632,911</b>		<b>\$ 1,610,629</b>		<b>\$ 1,355,851</b>
<b>Items for Employee Group negotiations/discussions</b>							
		7.2%	\$ 852,080	14.1%	\$ 2,178,697	15.0%	\$ 2,907,862
<b>Excess (shortfall)</b>		27.3%	<b>\$ (3,227,859)</b>	18.6%	<b>\$ (2,879,810)</b>	24.9%	<b>\$ (4,836,645)</b>

## 2013-14 Operating Budget

=====			
BUDGET UNIT	2013-2014 BUDGET REDUCTIONS	REQUIRED REDUCTION	REDUCTIONS SUBMITTED
	DESCRIPTION		
<b>ART GALLERY</b>	<b>REQUIRED REDUCTION</b>	1,109	
	From Materials		559
	From Insurance		550
<b>CAETL</b>	<b>REQUIRED REDUCTION</b>	619	
	Departmental Provisions		619
<b>CRDC</b>	<b>REQUIRED REDUCTION</b>	3,902	
	CAETL Departmental Provisions		3,902
<b>FACILITIES</b>	<b>REQUIRED REDUCTION</b>	44,061	
	Reduction 6501 8510 Department Provisions		7,670
	FOM 6535 6171 Travel Training		5,000
	FOM 6535 8501 Department Provisions		5,000
	Reduction FO 6501 5221 FT Temporary		14,944
	MB 6515 5221 Full Time Temporary		5,000
	BM 6515 8071 Capital Office Equipment		3,500
	Reduction of BM 6515 5211 Summer Students		2,947
<b>FACULTY OF ARTS &amp; SCIENCE</b>	<b>REQUIRED REDUCTION</b>	975,835	
	FMW position corrections		(693,532)
	Anticipated Resignations, Retirements, of Position Elimination		1,109,297
	Add sessional budget		(340,978)
	Remove 5221 budget		10,000
	Reduce Student Markers 5211		63,445
	Reduce Supplied budget		35,385
	Increase Telecom budget		(25,000)
	Reduce Travel budget		10,000
	Reduce Expendable equipment budget		20,000
	Reduce 6410 budget - all for CRC C&Y Studies		3,000
	Eliminate Position Fund - absorbed by other changes above		226,218
	Use 11012 (Special Projects) and 11015 (One-time) 2014-15 funds here in 2013-14		558,000
<b>FACULTY OF EDUCATION</b>	<b>REQUIRED REDUCTION</b>	378,278	
	Overstatement of Assistant Dean Stipend in Field Experiences Office		3,278
	Position Elimination (Term Expires July 31, 2013)		62,068
	Position Reduction (portion of salary budget unused as on 60% workload)		37,932
	Vacant Position		100,000
	Vacant Position		100,000
	Contracts (3 secondments reduced to 2), Different teacher each year		75,000

## 2013-14 Operating Budget

<b>FACULTY OF FINE ARTS</b>	<b>REQUIRED REDUCTION</b>	292,805	
	Sessionals		60,500
	Position Fund Savings		232,305
<b>FACULTY OF HEALTH SCIENCES</b>	<b>REQUIRED REDUCTION</b>	61,886	
	Position fund reduction: Move position to BNAD restricted funding		61,886
<b>FACULTY OF MANAGEMENT</b>	<b>REQUIRED REDUCTION</b>	323,857	
	Tuition Adjustment		(20,000)
	Salary cost-recovery to Health Sciences - MOU		(25,000)
	"Retirement transition contract" paid for using carryover		100,885
	New Accounting professor (Calgary)		(115,050)
	New Finance professor (Edmonton)		(106,200)
	Renew HR professor term position (Calgary)		(97,715)
	Convert CA Bridging from 1.4 to 1.0 FTE April 1, 2013		(20,165)
	Re-assignment of professor to another unit		134,660
	Integrate Co-op Field Advisory from Carryover into Operating Budget		(48,601)
	Create new Marketing Manager Position		(87,220)
	Other corrections and adjustments to position funds		(50,103)
	Lethbridge sessional lecturers		(58,665)
	Calgary sessional lecturers		(70,490)
	Edmonton sessional lecturers		(5,700)
	MSc tuition and fellowships (net)		28,000
	Student Markers		(6,250)
	Materials and Supplies		(4,674)
	Telecom		(7,850)
	Memberships		(2,800)
	Expendable Equipment		41,275
	Facility Rental - Calgary rent & parking increase		(29,691)
	Facility Rental - Calgary parking stipends		(26,500)
	Facility Rental - Edmonton rent savings		237,750
	Travel		(22,274)
	Other corrections and adjustments to non-salary lines		11,536
	Position Funds adjustments		574,699
<b>FINANCIAL PLANNING</b>	<b>REQUIRED REDUCTION</b>	1,452	
	Reduction from Telephone		1,000
	Reduction from Travel		452
<b>FINANCIAL SERVICES</b>	<b>REQUIRED REDUCTION</b>	15,658	
	Position Funds		7,000
	Part-time student salaries		8,658
<b>HUMAN RESOURCES</b>	<b>REQUIRED REDUCTION</b>	17,320	
	Position Funds		17,320
<b>INFORMATION TECHNOLOGY ADMINISTRATION</b>	<b>REQUIRED REDUCTION</b>	23,165	
	Equipment & Software < \$5,000		23,165

## 2013-14 Operating Budget

<b>INFORMATION TECHNOLOGY TELECOMMUNICATION</b>	<b>REQUIRED REDUCTION</b>	41,146	
	Capital		41,146
<b>INSTITUTIONAL ANALYSIS</b>	<b>REQUIRED REDUCTION</b>	848	
	Taken from VP Academic funds		848
<b>INTERNAL AUDIT</b>	<b>REQUIRED REDUCTION</b>	362	
	Materials and Supplies		362
<b>LIBRARY</b>	<b>REQUIRED REDUCTION</b>	15,603	
	Position Funds		15,603
<b>LIBRARY ACQUISITIONS</b>	<b>REQUIRED REDUCTION</b>	4,701	
	Acquisitions		4,701
<b>PRESIDENT'S OFFICE, BOARD OF GOVERNORS, GFC, SENATE</b>	<b>REQUIRED REDUCTION</b>	4,158	
	Reduction to Fullbright Scholar		4,158
<b>RESEARCH SERVICES</b>	<b>REQUIRED REDUCTION</b>	6,536	
	Reduce position funds		6,536
<b>SCHOOL OF GRADUATE STUDIES</b>	<b>REQUIRED REDUCTION</b>	46,143	
	Materials		143
	Research Assistants		5,000
	Travel - MA/MSc		15,000
	Travel - PH'D		3,000
	Scholarships - Entrance and Continuing Award & Advantage Award		23,000
<b>SPORT &amp; RECREATION SERVICES</b>	<b>REQUIRED REDUCTION</b>	126,218	
	Memberships/ARS		22,925
	Facilities & Services Revenue (Fees & Rentals)		13,900
	New Revenue Initiatives - Marketing		12,300
	Programming Revenue		16,200
	Casual Staffing reductions: Programming		9,000
	Restructure and reduce staffing cost at the Customer Services Desk (casual staff)		20,000
	Reduce student event staff (casual staff)		9,000
	Reduce use of contract services (Marketing)		2,218
	Eliminate Club Funding		10,175
	Departmental Travel reductions		10,500

## 2013-14 Operating Budget

<b>STUDENT SERVICES</b>	<b>REQUIRED REDUCTION</b>	40,663	
	Student Info. System Materials & Supplies		670
	Convocation Materials & Supplies, and Contracts		3,500
	Disabilities Resource Centre Materials & Supplies		800
	Docs. & System Support Materials & Supplies		500
	Scholarships Materials & Supplies		2,500
	Associate VP Students Rental Equipment		1,978
	Associate VP Students Materials & Supplies		3,000
	Student Info. System Travel - Lodging		2,000
	Scholarships Travel - Lodging		500
	Docs. & System Support Travel - Lodging		3,040
	Associate Registrar Travel - Lodging		2,500
	Disabilities Resource Centre Salary - Student Positions		500
	Career & Employment Services Salary - Student Positions		4,675
	Registrar Office Materials & Supplies		2,500
	Int'l Centre for Students Materials & Supplies		12,000
<b>UNIVERSITY ADVANCEMENT</b>	<b>REQUIRED REDUCTION</b>	12,891	
	Cancellation of Legend Publication (reduce 6011 supplies in Communications)		12,891
<b>VP ACADEMIC</b>	<b>REQUIRED REDUCTION</b>	3,986	
	Position Fund Savings		3,986
<b>VP FINANCE &amp; ADMINISTRATION, IN HOUSE LEGAL COUNSEL</b>	<b>REQUIRED REDUCTION</b>	2,083	
	VP Finance & Administration Materials & Supplies		2,083
<b>TOTAL REQUIRED REDUCTIONS FOR 2013-14:</b>		2,445,285	
<b>ARTS &amp; SCIENCES</b>	Weighted Average Credit Hour Adjustment	171,500	171,500
<b>TOTAL REDUCTIONS MADE FOR 2013-14:</b>			2,616,785

**APPENDIX B**

**PROPOSED BUDGET BY FUND**



## 2013-14 Operating Budget

The University of Lethbridge							
2013-2014 Budget by Fund - by Object							
(\$000)							
	General	Ancillary	Eliminate		2013-2014	2014-2015	2015-2016
	Operating	Enterprises <sup>(1)</sup>	Ancillary Internal Transactions <sup>(2)</sup>	Restricted Funds	Proposed Budget	Proposed Budget	Proposed Budget
<b>REVENUES</b>							
Government of Alberta grant	94,303	-	-	9,541	103,844	103,844	103,844
Federal and other government grants	1,925	-	-	6,734	8,659	8,659	8,659
Student tuition and fees	42,032	-	-	-	42,032	42,958	43,812
Sales of services and products	3,109	13,320	(1,114)	317	15,632	15,457	15,473
Donations and other grants	58	88	-	2,051	2,197	2,197	2,197
Investment income	3,000	74	-	1,470	4,544	4,544	4,544
Reserve	(88)	731	-	-	643	643	643
Amortization of deferred capital contributions	15,000	-	-	-	15,000	15,000	15,000
	159,339	14,213	(1,114)	20,113	192,551	193,302	194,172
<b>EXPENDITURES</b>							
Salaries	101,765	3,051	-	10,375	115,191	114,090	115,416
Benefits	21,490	559	-	731	22,780	23,436	24,199
Supplies and service	14,480	4,831	(1,114)	3,776	21,973	22,821	23,559
Utilities	3,167	454	-	-	3,621	3,621	3,621
Repairs and maintenance	660	351	-	1,366	2,377	2,377	2,377
Scholarships, bursaries and awards	2,848	-	-	3,865	6,713	6,713	6,713
Cost of goods sold	233	3,407	-	-	3,640	3,640	3,640
Capital	2,924	-	-	-	2,924	2,924	2,924
Amortization of capital assets	15,000	280	-	-	15,280	15,280	15,280
	162,567	12,933	(1,114)	20,113	194,499	194,902	197,729
<b>REVENUE OVER EXPENDITURES</b>	(3,228)	1,280	-	-	(1,948)	(1,600)	(3,557)
Unfunded Liability - UAPP	(1,700)	-	-	-	(1,700)	(1,700)	(1,700)
<b>EXCESS (DEFICIENCY) REVENUE OVER EXPENDITURES</b>	(4,928)	1,280	-	-	(3,648)	(3,300)	(5,257)
Notes:							
<sup>(1)</sup> Includes Ancillary Services and Parking Services							
<sup>(2)</sup> General Operating internal sales netted against expenses							

The University of Lethbridge	
2013-2014 Budget by Fund - by Function	
(\$000)	
	2013-2014
	Proposed
	Budget
<b>REVENUES</b>	
Government of Alberta grant	103,844
Federal and other government grants	8,659
Student tuition and fees	42,032
Sales of services and products	15,632
Donations and other grants	2,197
Investment income	4,544
Reserve	643
Amortization of deferred capital contributions	15,000
	192,551
<b>EXPENDITURES</b>	
Academic costs and institutional support	133,754
Sponsored research	13,046
Special purpose and trust	5,701
Ancillary services	12,653
Facility operations and maintenance	14,065
Amortization	15,280
	194,499
<b>REVENUE OVER EXPENDITURES</b>	(1,948)
Unfunded Liability - UAPP	(1,700)
<b>EXCESS REVENUE OVER EXPENDITURES</b>	(3,648)

## 2013-14 Operating Budget

The University of Lethbridge											
Restricted Funds											
2013-14											
	Sponsored	SR	Special	SPT	Scholarship,	SBO	Capital and	CI		Deferred	2013-14
	Research	Deferred	Purpose	Deferred	Bursaries	Deferred	Infrastructure	Deferred	TOTAL	Contributions	Net
			and Trust		and Other						
<b>REVENUE</b>											
Government of Alberta grants	5,200	-	1,321	1,654	-	-	1,782	(416)	8,303	1,238	9,541
Federal and other government grants	8,000	(1,311)	45	-	-	-	-	-	8,045	(1,311)	6,734
Student tuition and fees	-	-	-	-	-	-	-	-	-	-	-
Sales of services and products	32		112	-	173	-	-	-	317	-	317
Donations and other grants	1,125	-	769	-	157	-	-	-	2,051	-	2,051
Investment income	-	-	90	-	1,380	-	-	-	1,470	-	1,470
Amortization of deferred capital contributions	-	-	-	-	-	-	-	-	-	-	-
	14,357	(1,311)	2,337	1,654	1,710	-	1,782	(416)	20,186	(73)	20,113
<b>EXPENDITURES</b>											
Salaries	8,186	-	1,794	-	395	-	-	-	10,375	-	10,375
Benefits	535	-	157	-	39	-	-	-	731	-	731
Supplies and service	3,025	-	615	-	136	-	-	-	3,776	-	3,776
Utilities	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	1,366	-	1,366	-	1,366
Scholarships, bursaries and awards	1,300	-	1,425	-	1,140	-	-	-	3,865		3,865
Cost of goods sold	-	-	-	-	-	-	-	-	-	-	-
Provisions	-	-	-	-	-	-	-	-	-	-	-
Amortization of capital assets	-	-	-	-	-	-	-	-	-	-	-
	13,046	-	3,991	-	1,710	-	1,366	-	20,113		20,113
<b>EXCESS REVENUE OVER EXPENDITURES</b>	1,311	(1,311)	(1,654)	1,654	-	-	416	(416)	73	(73)	-

## **APPENDIX C**

### **BUDGET ADVISORY COMMITTEE MEMBERSHIP 2012-2013 and BUDGET PRIORITY ADVISORY COMMITTEE MEMBERSHIP 2012-2013**

**BUDGET ADVISORY COMMITTEE MEMBERSHIP  
2012-13**

**Chairs:**

Provost & Vice-President (Academic)  
Vice-President (Finance & Administration)

Andy Hakin  
Nancy Walker

**Membership:**

Vice-President (Research)  
Vice-President (Advancement)  
Associate Vice-Presidents

Dan Weeks  
Chris Horbachewski  
Bob Boudreau  
Lesley Brown  
Elaine Carlson  
Judith Lapadat  
Doug Spoulos  
Bob Ellis  
Chris Hosgood  
Ed Jurkowski  
Craig Loewen  
Brenda Mathenia  
Chris Nicol  
Desmond Rochfort  
Rob Wood  
Jim Booth  
Chris Eagan  
Clark Ferguson  
Don Hunt  
Ken McInnes  
John O'Keeffe  
Sandy Slavin  
Carrie Takeyasu  
Emmanuel Naziga  
Brady Schnell

Deans/University Librarian

Executive Directors

Graduate Students' Association Vice-President (Finance)  
Students' Union Vice-President (Finance)

**BUDGET PRIORITY ADVISORY COMMITTEE MEMBERSHIP  
2012-13**

**Chairs:**

Provost & Vice-President (Academic)  
Vice-President (Finance & Administration)  
Vice-President (Research)

Andy Hakin  
Nancy Walker  
Dan Weeks

**Membership:**

3 Deans (appointed by the President)

Chris Hosgood  
Chris Nicol  
Craig Loewen  
Carrie Takeyasu  
Jim Booth

2 Executive Directors (appointed by the President)

Associate Vice-President (Finance)  
Students' Union Vice-President Operations & Finance

Doug Spoulos  
Brady Schnell

**APPENDIX D**

**2012-2013 BUDGET PROCESS**

	<b>Faculty/Unit</b>	<b>Budget Advisory Committee (BAC)</b>	<b>Budget Priority Advisory Committee (BPAC)</b>	<b>President's Executive</b>	<b>Board of Governors</b>
<i>Responsibilities</i>	<i>Development of Unit's Budget</i>	<i>Receives budget submissions from units and discusses unit priorities, budget challenges and opportunities.</i>  <i>Recommends budget priorities to BPAC.</i>	<i>Sets budget priorities to guide the allocation of funding based on the strategic priorities presentations and the BAC discussions.</i>	<i>Sets the budget based on recommendations from BPAC.</i>  <i>Recommends to Board for final approval</i>	<i>Final approval of the operating budget</i>
Oct 1-2012	Presentation to Strategic Planning Committee unit's strategic priorities	Attends Strategic Priorities presentations by Units	Attends Strategic Priorities presentations by units	Attends Strategic Priorities presentations by units	
Oct-Nov/2012	Presentation to and consultation with Faculty Councils/departments on Unit's Budget Submission	Discussions regarding current year budget issues.  Receive feedback from Strategic Planning Committee on Oct 1-12 unit presentations.			
Nov 15-2012	Budget submission to Financial Planning				
Nov 2012	Submits proposals for use of continuing Strategic Priorities Funds and one-time Strategic Priorities Funds.	Receives unit budget submissions and discusses unit plans and budget priorities. Provides framework for the more focused budget priority setting by BPAC.  Discusses proposals submitted for use of Strategic Priorities Funds and makes recommendations to BPAC on the allocation of the Funds.			



## 2013-14 Operating Budget

	Faculty/Unit	Budget Advisory Committee (BAC)	Budget Priority Advisory Committee (BPAC)	President's Executive	Board of Governors
Nov – Dec 2012			<p>Takes into consideration information from BAC to determine specific strategic priorities to guide budget allocation decisions.</p> <p>Discuss and make recommendation to President's Executive on one time and continuing budget requests, as well as provide advice or comment on any proposed unit's budget reductions.</p>		
Jan 2013 – Feb 2013				<p>Receives recommendations from BPAC on budget requests, proposals and budget reductions.</p> <p>Information compiled by Financial Planning and VP Finance &amp; Admin.</p>	
March 2013		Prepared "Reaffirming our Values: A University Response to the 2013-14 Provincial Budget"			
April 2013		<p>Reviewed Values document</p> <p>Initiated ideas on budget reductions based on values document</p>	<p>Reviewed Values document</p> <p>Reviewed and made recommendations on budget reductions</p>	<p>Reviewed Values document</p> <p>GFC reviewed Values document</p>	Approved Values document

## 2013-14 Operating Budget

	Faculty/Unit	Budget Advisory Committee (BAC)	Budget Priority Advisory Committee (BPAC)	President's Executive	Board of Governors
May 2013				Finalization of budget for recommendation to Board of Governors.  GFC receives final Budget for information	Receives operating budget recommendation from President's Executive.  Final approval of consolidated budget.