

November 25, 2019

## 2019-20 Budget Message to University Community

On November 13, 2019, the University of Lethbridge received its official grant letter from the Government of Alberta. Most notably, the letter confirmed the in-year reductions to the U of L's Campus Alberta Grant. Our grant decrease for 2019-20 is 3.2 per cent, which equates to a \$3.4 million reduction to the \$108 million Campus Alberta Grant that was originally budgeted for the current fiscal year. Additionally, the Infrastructure Maintenance Program (IMP) grant, which funds infrastructure deferred maintenance projects, will be suspended for this year. This grant was expected to be \$4.2 million for the U of L for 2019-20.

The letter also confirmed that the Alberta government will lift the current tuition freeze, and, in its place, cap tuition increases for each of the next three years, institution-wide, at seven per cent. The individual program cap of 10 per cent tuition fee increases will remain in place.

The University's budget committee continues to work toward amending this year's budget in response to these reductions. Decisions will be made with a strong focus on how the University will continue to meet its mandate for the benefit of the students and the communities it serves while remaining focused on key strategic priorities. The University is required to submit a budget impact plan for the fiscal year 2019-20 to the Alberta government by December 2, 2019.

The impact of these reductions to our operations will be significant this year, with more reductions in future years as well. The Alberta government has signaled that additional reductions to the Campus Alberta Grant will continue for the next three years using a funding formula that introduces "performance-based, at-risk funding that responds to system performance". While the 2019-2020 budget was just released on October 24, 2019, it is expected that the 2020-21 budget will be introduced during the spring sitting of the legislature.

Many of you are understandably anxious about what these reductions mean for the University community. As has been the case in past years, the U of L will communicate with our campus community as the budget process unfolds. In addition to messages such as this, we will communicate by sharing information through the General Faculties Council, Statutory Deans' Council, Board of Governors meetings, with employee groups and publicly through media channels. We have also scheduled a budget town hall for Thursday, Nov. 28 from 3 to 4 p.m. in the University Theatre where we will outline the challenges the University faces in the coming months and years. We anticipate the town hall will allow our community to ask questions and contribute suggestions on how the University can tackle issues related to the budget.

The Board of Governors and senior leadership remain committed to the established [Budget Values](#) of people, quality and access. With the current and impending budget reductions, the University will be challenged to ensure that these values are not compromised. Invariably, if one focusses on one of the three corners of the budget values triangle, this may negatively impact the other two values. Senior leadership will continue to consult with its stakeholders in

an effort to maintain the right balance between our budget values. With this in mind, although there will likely be reductions in our employee base in order to reduce our expenditures, there are no additional plans for employee terminations in 2019 beyond those unfilled and eliminated positions that have already occurred. As we still have very limited information on what ensuing provincial budgets will contain, we cannot commit to what the future will hold and any further budget decisions.

These are challenging fiscal times for the University and it is imperative we remain focused on delivering on our mandate as a comprehensive academic research university.