



Students, faculty and staff at the University of Lethbridge should be extremely proud of the resiliency they have shown throughout the COVID-19 pandemic. Our collective ability to adapt to rapidly changing circumstances has allowed us to continue the teaching, research and outreach activities, albeit often in a different form, that are critical to improving the communities we serve and society in general.

While the impacts of COVID-19 on our individual activities are now well understood, we are also more fully aware of how significantly the pandemic has affected the finances of the institution. In addition to impacting our revenue streams, COVID-19 has required the University to take on new expenditures to ensure the continued safe operation of our campuses, as well as the new technology requirements.

Current provincial and federal guidelines have required the University to adapt to a primarily online delivery model with the reality of having fewer students on campus. This has severely decreased revenues (tuition and fees) associated with international students. Restrictions have also hampered revenues associated with community outreach activities such as summer camps, fitness memberships, Pronghorn Athletics, facility rentals, fine arts events, and music conservatory activities. Finally, the absence of being able to offer a full, in-person experience has impacted revenues associated with residences, parking, food services, the bookstore, printing and conference services.

Added expenditures include new infrastructure and software to support online delivery (which will continue for the Spring 2021 semester), equipment to support remote working, the purchase of new personal protective equipment and cleaning supplies, the new [uLethbridge safe app](#), as well as signage and proxy cards to manage and facilitate campus access.

We have realized some modest savings because of the pandemic, but they do not offset new expenses and the loss of revenue. Temporary layoffs over the summer months, travel restrictions, reductions in the International budget and a modest decrease in energy usage has slightly eased the institution's COVID-19 financial impact.

Overall, the estimated impact of the COVID-19 pandemic on the U of L for our current fiscal year is over \$8.5 million.

This is a significant amount, especially in consideration of continued reductions to our Provincial operating grant in the coming years. The Alberta government, in its fiscal update in August, signaled sobering news about Alberta's overall financial situation. Citing the economic impacts of the COVID-19 pandemic and subsequent oil price crash, the province announced a projected \$24-billion deficit (\$16.8 billion higher than originally budgeted for) and a 13 per cent unemployment rate. The government announced total revenue had dropped 23 per cent. We expect this fiscal reality will lead the Alberta government to continue looking at reducing expenditures across the board, including those for Alberta post-secondary institutions.



These numbers are important for our institution as well as members of our community. For that reason we will be hosting a virtual town hall on October 29, 2020 to discuss a number of topics of importance, including updates pertaining to our budget, our task force transformation initiatives and our Spring 2021 semester. Further details can be found in this week's edition of UWeekly. I encourage you to participate in this important event.

The challenges facing our institution are great. However, our collective response to the COVID-19 pandemic leaves me sure about our future. In the coming months, we have much work ahead of us in ensuring the sustainability of the University as we meet our mandate. I am confident our university will continue to make significant contributions to the lives of Albertans, Canadians and beyond.

Mike Mahon, PhD
President and Vice-Chancellor