



Message from President and Vice-Chancellor Dr. Mike Mahon on the March 26, 2015 Provincial Budget

March 27, 2014

On March 26, 2015, the Alberta government released the 2015-2016 budget for the Province of Alberta. The budget includes a reduction of 1.4% (\$95.1 M to \$93.8 M) to the base Campus Alberta Grant to be received by the University of Lethbridge in 2015-2016. The budget also notes additional reductions of 2.7% to the post-secondary system in 2016-2017.

A significant new feature mentioned in the provincial budget is a five-year transition to introduce a model of greater sustainability for the post-secondary system that reduces reliance on government funding. While stable and predictable funding for the system is a worthy goal, there is little additional information available on what this model will look like or the impact it will have on the University and its students. The Government did announce that, to assist with this transition, \$100 million in transitional funding would be made available over the next two years to all Alberta post-secondary institutions.

The University's Destination Project is still mentioned in the five-year Capital Plan for the Province of Alberta as a priority infrastructure project. While this is positive news, there remains much work to be done to secure funding to meet our project goals and timelines and to mitigate cost escalation. We have worked closely, and will continue to do so, with officials from Innovation and Advanced Education and Alberta Infrastructure – who are fully aware of the scope, cost and importance of new science facilities at our university.

Further notes from the provincial budget specific to the University of Lethbridge include:

- In addition to the Campus Alberta Grant, the University receives funding envelopes in support of students with disabilities (\$150,563) and specific funds for the Health Workforce Action Plan (\$284,000). These funding envelopes will remain the same in 2015-2016 as in the prior year.
- A targeted enrolment grant of \$1,131,866 has been received. This is significantly less than the \$1,751,799 that was anticipated in 2015-2016. These funds are to be used in support of recently launched programs at the University.

- The grant the University receives for Infrastructure Maintenance has increased to \$2,525,680, an increase over the previous year's grant of \$1,781,577. Over a period of three years, the University had this Infrastructure Maintenance funding cut from \$3,646,729 received in 2011-12.

These operating grant reductions have amounted to an overall reduction in the operating grants received from the Province. As I have mentioned in my prior messages, reductions were anticipated and preparations have already begun to allow us to address this.

There are many additional details and analysis yet to be done on the budget to fully understand how it affects the University of Lethbridge. As we have done in the past, the University's senior leadership team will review the budget and will work with the Ministry of Innovation and Advanced Education in the coming weeks to better understand the specific implications this budget has for the University.

On April 1, 2015 at 3 p.m. in the Students' Union Ballroom, members of Senior Administration will be hosting an update for the University community on the 2015-2016 University budget. This update will be available via web streaming to our Calgary and Edmonton campuses as well. While we will not yet have all the details of the University budget fully completed, we will share what we can at this gathering.

Sincerely,

Dr. Mike Mahon
President and Vice-Chancellor