



BUDGET ADVISORY COMMITTEE

REPORT XLIII

**OPERATING BUDGET PLAN
FOR 2010-11**

(With Preliminary Information for 2011-12)

May 2010

The Budget Advisory Committee (BAC) was established by the President in 1992 to advise on budgetary matters. The current membership of the Committee includes: - Alan Shaver (Chair), Vice-President, Academic & Provost –Tom Gill, Food Science - Tom Vinci, Philosophy - Rita Caldwell, College of Pharmacy – Josh Leon, Dean of Engineering – Katherine Sheehan, Assistant Vice-President, Human Resources - Ken Burt, Vice-President, Finance & Administration and Andrew Sullivan (Student Representative). The Committee's resource persons are: Ian Nason, Assistant Vice-President (Financial Services), Elizabeth Lane, Director of Institutional Analysis and Research, and Susan Robertson, Director, Budgets and Financial Analysis. The Committee employs an open and consultative approach to budget discussion at the University. To date, the BAC has issued forty-two reports related to the University's operating budget.

Table of Contents

	<u>Page</u>
I INTRODUCTION	1
II 2010-11 BUDGET RECOMMENDATIONS	2
III OBSERVATIONS ON THE PRELIMINARY BUDGET OUTLOOK FOR 2011-12	7
IV INVITATION FOR COMMENTS	7
2010-2011 BUDGET MODEL (AND PRELIMINARY MODEL FOR 2011-12)	8
APPENDICES	
A BUDGET MODEL 2010-11 – LINE-BY-LINE DESCRIPTION	9
B 2010-11 TUITION FEE SCHEDULE	14
C COMPARISON PERCENTAGE OF OPERATING EXPENDITURES FOR SELECTED CANADIAN UNIVERSITIES	16

Dalhousie University
Budget Advisory Committee
2010-11 Operating Budget Plan

I INTRODUCTION

The BAC has issued two reports in advance of the 2010-11 fiscal year both of which describe in some detail the context for budget planning going forward. The most recent report issued in March included budget models showing a combined two year (i.e. 2010-11 and 2011-12) shortfall of \$25 million before any balancing actions. There are several factors influencing the next two years that generate this shortfall. The Memorandum of Understanding governing university funding and tuition fees expires in 2010-11 and there has been no indication of grant and/or tuition fee increases expected for 2011-12. Secondly, the BAC XLII report model included a projected increase in pension costs of \$15.7 million per year beginning in July 2010. Finally the report highlighted the challenges of predicting enrolment at a time when the demographic trends in Nova Scotia and elsewhere in Canada indicate a shrinking pool of potential university applicants. (See page 5 BAC Report XLI)

The previous reports sought input from the University community on these and other issues, and after releasing the BAC XLII Report, the Budget Advisory Committee met with various groups including the Senate, the Board of Governors, representatives of the DSU, Dean's and administrative directors. In particular BAC asked for input on how the uncertainty for 2011-12 should influence budget decisions for 2010-11. The BAC appreciates the input provided by the campus community on both the BAC XLI and XLII Reports and this input has informed the development of the balanced budget plan for 2010-11 (budget model on page 8). The Committee has concluded that the recommendations for 2010-11 must recognize the significant uncertainty over the two year period 2010-11 and 2011-12.

II 2010-11 BUDGET RECOMMENDATIONS

This report includes seven recommendations supporting a balanced budget plan for 2010-11.

A. Tuition Revenue

i) Tuition fees

In accordance with the terms of the MOU with the Province of Nova Scotia the 2010-11 budget model includes a continuation of frozen tuition fees for all students in regular credit programs; a further increase in the bursary for Nova Scotia students from \$1,022 to \$1,283; and a new bursary for other Canadian students of \$261. The tuition fee schedule for 2010-11 is included in Appendix B for information.

ii) Enrolment

Given that tuition fees are frozen, the only tuition revenue change for 2010-11 relates to enrolment. The BAC XLII Report model assumed that enrolment would remain stable for 2010-11 (i.e. no year-over-year change from enrolment levels in 2009-10). Based on application data for 2010-11 and registration experience to date for returning students, the BAC is recommending an increase in the 2010-11 tuition revenue line based on a projected increase in enrolment of 100 students in the fall 2010 term.

Recommendation #1

Based on application and registration experience to date, the BAC recommends that the budget plan include increased tuition revenue of \$450,000 for 2010-11 based on projected enrolment growth of 100 students in fall 2010.

B. Investment Income (Endowment)

A key goal of Dalhousie's endowment management policy is to protect the purchasing power of the capital base of endowments while achieving stability in year-to-year spending. The BAC recommendations for 2010-11 support this goal and are consistent with the advice provided by the Committee last year.

i) 2010-11 Endowment Spending Allocations

The decline in investment markets in 2007-08 and early 2009 has negatively impacted the value of the University's endowment funds. Of particular concern are those individual endowments where the market value of the endowment has fallen below the inflation-indexed target (i.e. purchasing power as measured by the consumer price index) and also endowments where the market value is less than the original gift. In order to ensure a full and timely recovery of the value in the affected endowments, it is necessary to curtail spending allocations in 2010-11. These endowments provide annual funding for student assistance and academic salary commitments and maintaining this funding supports Dalhousie's strategic focus areas of strengthening enrolment and enhancing academic and research excellence.

The BAC is recommending the inclusion of a \$700,000 supplement from the operating budget to offset the amount of curtailed endowment spending allocations. This supplement will be required over a multi-year period although the amount will decline over time.

Recommendation #2

The BAC recommends that a \$700,000 budget provision be established in 2010-11 to supplement endowment spending allocations.

ii) Student Assistance

Last year the BAC made two recommendations impacting scholarships and bursaries supported by University endowments. As a result of the first recommendation, endowment spending allocations supporting student assistance were reduced by 5% from the previous year (i.e. 2008-09). Given the importance of Dalhousie's student assistance program the BAC also recommended that alternative funding sources be identified to maintain both the dollar value and number of student awards in 2009-10. The market value of the endowments has not recovered to pre-2008 levels and the BAC is again recommending that alternative funding be identified to maintain the endowment-supported student assistance program at 2008-09 levels.

Recommendation #3

The BAC recommends that alternative funding sources of \$350,000 be identified to maintain both the dollar value and number of student awards funded at 2008-09 levels.

Recommendations #2 and #3 allow the University to maintain endowment program spending commitments (e.g. student assistance and academic chairs and salaries) from previous years.

New gifts of endowment are vital to the advancement of scholarship in all academic disciplines at Dalhousie. New gifts received last year will generate increased annual spending allocations from \$17.0 million in 2009-10 to \$18.2 million in 2010-11. Importantly, \$903,000 of this increase will provide new student scholarships and bursaries in 2010-11. (Please refer to note 3 in Appendix A for a breakdown of endowment spending allocations.)

C Pension Plan

The preliminary revenue and expenditure model in BAC XLII included a projected annual increase of \$15.7 million in pension contributions charged to the operating budget (\$11.8 million of the projected increase would be incurred in fiscal 2010-11 and the balance of \$3.9 million in 2011-12). The projected increase in contributions was based on current legislation and actuarial assumptions, and investment returns estimated for the year ending

June 30, 2010. The actual contribution requirements will be based on the next report of the Actuary and will become effective July 1, 2010.

The projected contribution increase could be reduced through certain measures. One possible measure would be the Province's approval to exempt the Dalhousie plan from the financial burden of amortizing a "solvency deficit" over the next 10 years. There may also be recommendations brought forward by the Pension Advisory Committee that result in a reduction to pension contributions borne by the University's operating budget in 2010-11.

Pending decisions on such measures, the BAC must provide budget advice to the President for presentation of a recommended operating budget plan to the Board's Operations Committee in June. In developing the budget plan the BAC has considered a revenue and expenditure model based on some moderation in increased pension contributions expected to take effect in July 2010. The updated model included on page 8 (line 7c) includes pension contribution relief of \$5 million in 2010-11.

In the event that pension contribution relief is not forthcoming, then additional measures including a further base budget reduction will be required to balance the budget going forward. Put in perspective, a shortfall of \$5 million is equivalent to a base reduction of 2.5% for all Faculties and units.

Recommendation #4

The BAC recommends that the budget for 2010-11 include provision of \$6.8 million for increased pension costs (\$11.8 million projected increase in pension contributions net of \$5 million in relief).

D Budget Reduction

A reality of budget planning at Dalhousie has been the assessment of an annual budget reduction in order to balance the budget and in more recent years, the reduction has allowed for some reallocation of budget resources through the Strategic Initiatives program.

In recent years Faculties and support units have been treated differently on the basis that Faculties have opportunities to generate increased revenues. For instance, in 2010-11 Faculties will receive \$2.4 million through ERBA for enrolments that have increased in 2009-10 over 2008-09.

Previous BAC reports have included information on how comparator universities allocate their resources. This comparative data (Appendix C) supports the continuation of differential treatment of Faculty and support units.

The Committee has also made a further distinction for units receiving significant Strategic Initiatives funding, recognizing that it is counterproductive to invest in strategic areas and continue to apply significant budget reductions. The BAC believes that all units be required to seek efficiencies in their operations and recommend allowed for a lower level budget reduction of 0.5% for these units.

The BAC is mindful of the long history of annual budget reductions at the University and as such is recommending Faculty budget reductions be set at 2% for the 2010-11 year. In order to keep budget reductions at these levels the amount allocated to Strategic Initiatives will be reduced from \$10.2 to \$9.3 million in 2010-11.

Recommendation #5

The BAC recommends budget reductions of 2.0% for Faculties, 0.5% for non-Faculty units receiving significant Strategic Initiatives allocations and 1.0% for all other units.

As noted earlier the BAC has considered the outlook for 2011-12 in developing measures to balance the 2010-11 budget. The BAC urges all budget units to plan carefully in 2010-11 given the likelihood that further reductions will be necessary to balance the 2011-12 budget.

Recommendation #6

The BAC recommends that Deans and Budget unit managers develop increased revenue opportunities and expenditure reductions in advance of the 2011-12 fiscal year.

E Strategic Initiatives

The Strategic Initiatives program was borne out of analysis conducted by the BAC in 2002-03. Based on a comparison with other Canadian universities the earlier BAC XXIV and BAC XXV reports identified a number of “deficits” at Dalhousie in areas such as student supports, deferred maintenance and administrative services. A report on Strategic Initiatives investments to date can be found at http://senioradmin.dal.ca/files/vp-academic/Strategic_Initiatives_Investments_Final_Report6.pdf

The BAC strongly endorses the Strategic Initiatives program and the significant investments made since the program’s launch in 2003-04. The investments made to date have allowed Dalhousie to strengthen various areas that support our academic and financial objectives. These include but are not limited to:

- development of innovative academic programs to meet evolving student learning and career objectives (College of Sustainability and the MBA Corporate Residency Program);
- expanded scholarship, bursary and student employment opportunities;
- enhanced student support services providing orientation , mentoring, advising, etc.;
- new student recruitment initiatives targeted to other parts of Canada and abroad;
- renewal of campus facilities and infrastructure including more inviting and service-oriented campus space for student learning and living; and
- increased philanthropic support generated through expanded fundraising programs that fund new endowment and direct expenditure on projects and programs (e.g. student assistance)

The investment in these initiatives has produced direct financial benefits to the University through growth in enrolment, new and upgraded spaces to support teaching, learning and

research and retirement of old facilities that carried significant deferred maintenance deficits (e.g. Fenwick Place and the academic building on Coburg Rd.)

Dalhousie has received increased provincial funding relating to the redistribution due to enrolment changes of existing University system funding in accordance with the current MOU. The increased grant amounts have provided partial funding for Strategic Initiatives. For 2010-11 this funding amounts to \$6 million. This would bring the total available for Strategic Initiatives to \$10.2 million in the current year. However, in order to balance the 2010-11 budget the Strategic Initiatives will be reduced by \$900,000 leaving a balance of \$9.3 million for 2010-11.

In anticipation of budget pressures in 2010-11 the BAC recommended in the 2009-10 budget that \$4.2 million of the \$7.7 million Strategic Initiatives fund be earmarked for one-time use so that this base amount would be available in subsequent years. The BAC continues to believe it important that a significant portion of the \$9.3 million Strategic Initiatives fund be earmarked for one-time projects so as to preserve budget flexibility for 2011-12.

Recommendation #7

The BAC recommends that the Strategic Initiatives fund be increased by \$5.1 million for a total of \$9.3 million and that the 2010-11 investments emphasize non-permanent allocations.

III OBSERVATIONS ON THE PRELIMINARY BUDGET OUTLOOK FOR 2011-12

The focus of this report is to advise the President on the 2010-11 operating budget plan. This BAC report makes seven recommendations for a balanced budget plan in the current year, recommends a plan based on revenue and expenditure projections for 2010-11 and also recognizes the preliminary outlook for 2011-12. The model on page 8 reports a preliminary shortfall for 2011-12 of \$13.4 million assuming a balanced budget for 2010-11 and some pension contribution relief via pension solvency exemption and other actions as discussed earlier. With the expiration of the provincial MOU, the level of grant and tuition funding is unknown for 2011-12. Also significant may be the declining balance of the Nova Scotia Student Bursary Trust that will be exhausted in the 2011-12 fiscal year. As noted earlier this Trust currently provides Nova Scotia students with a \$1,283 bursary and other Canadian students with a \$261 bursary. The continuation of these student bursaries is contingent upon a replenishment of the Trust Fund by the Province.

In summary, the fiscal challenges ahead are many but the BAC believes that the budget plan supports Dalhousie's strategic objectives but must do so in a fiscally responsible manner.

IV COMMENTS INVITED

Please send your comments on the recommendations in this report to Susan Robertson at susan.robertson@dal.ca

Dalhousie University

Operating Budget Revenue and Expenditure Model for 2010-11 and Preliminary Model for 2011-12

(model line-by-line description is included in Appendix A)

<u>Assumptions</u>	2010-11
Government Grant	\$18,686,194
Tuition Revenue	
Fee Increase	0%
Enrolment Change	100 student increase
Base budget Reduction	2%/1%/1.5%
ERBA distribution to Faculties	60%
Compensation	Provision/estimates for all employee groups
-Pension	some additional solvency relief and /or employee sharing
Non Salary Inflationary Increase (included in lines 10 ,13 and 16)	2.0%
Energy Water Taxes and Insurance increase	0.0%

2011-12
TBD**
TBD**
enrolment flat none assumed
60%
see 10-11
see 10-11
2.0%
4.0%

	Column 1	Column 2	Column 3	Column 4	Column 5
	Approved Budget 2009-10	Change	2010-11 Recommended Budget	Change	2011-12 Preliminary Outlook
REVENUES - INCREASE(DECREASE)					
1. Government Funding					
a) Operating Grant	159,165		177,851		177,851
Changes:					
i) Costs increases		12,694		TBD**	
ii) New Formula Phase In		5,992		TBD**	
b) Grant to support Nova Scotia Student Bursary	5,787	2,613	8,400	200	8,600
c) Facilities Grant	1,000		1,000		1,000
d) Other Government Grants	2,990		2,990		2,990
2. Tuition revenues	93,224		97,774		97,774
a) Enrolment Changes:					
i) 2009-10 Enrolment growth		4,100			
ii) Enrolment growth (estimate)		450		TBD**	
b) Fee increase		-		TBD**	
3. Endowment Income	17,017	437	17,454		17,454
4. Operating Interest Income	1,700	300	2,000		2,000
5. Facilities Renewal Fee	1,325	55	1,380		1,380
6. Indirect Costs of Research Funding	6,842	(344)	6,498	(160)	6,338
TOTAL REVENUES - INCREASE (DECREASE)	289,050	26,297	315,347	40	315,387
EXPENDITURES - INCREASE (DECREASE)					
7. Compensation	210,819		227,789		237,356
Changes:					
a) Increased Provision for Compensation *		10,170		7,300	
b) Increased Pension Contributions		11,800		3,933	
c) Assumed Relief on Pension Contributions		(5,000)		(1,667)	
8. Student Assistance					
a) Operating Support	9,971		9,971		9,971
b) Nova Scotia Student Bursary (see line 1(b))	5,787	2,613	8,400	200	8,600
c) Endowment Support *	5,126	343	5,469		5,469
9. Library Acquisitions	6,511	2	6,513		6,513
10. Non-Salary (net of recoveries) *	30,403	1,049	31,452	486	31,938
11. Energy, Water, Taxes and Insurance	14,629		14,629	585	15,214
12. Facilities /Space	1,000		1,000		1,000
13. Non Space Equipment	2,483	50	2,533	51	2,584
14. Budget Unit Adjustments					-
a) Strategic Initiatives	4,246	5,042	9,288	TBD**	9,288
b) ERBA adjustment (estimate)		2,400	2,400	270	2,670
c) Operating costs Coburg		1,388	1,388		1,388
d) Operating costs LSRI			-	1,250	1,250
e) Operating costs IPH building			-	750	750
f) Base budget reduction 2010-11		(3,375)	(3,375)		(3,375)
g) Base budget reduction 2011-12				TBD**	
15. Faculty/Unit Revenue	(16,300)	(290)	(16,590)		(16,590)
16. Facilities Renewal	12,775	105	12,880	258	13,138
17. Contingency	1,600		1,600		1,600
TOTAL EXPENDITURES - INCREASE (DECREASE)	289,050	26,297	315,347	13,417	328,764
SURPLUS (SHORTFALL)	-	-	-	(13,377)	(13,377)

* these lines include endowment expenditures supported by the \$700,000 supplement.

** estimates and/or recommendations on these items will be developed during the 2011-12 budget process.

BUDGET MODEL - LINE-BY-LINE DESCRIPTION

The Revenue and Expenditure Model for 2010-11 on page 8 incorporates known changes and projections for the University's operating revenue and expenditure lines as well as recommendations to balance the 2010-11 operating budget. This two year model also includes preliminary projections for 2011-12. The assumptions for 2011-12 can be found in the box at the top of the model on page 8 or are highlighted below where they are significant.

The following briefly explains how the table functions: Column 1 is the base operating revenue and expenditure budget for 2009-10. The figures in Column 2 include estimates and recommendations for changes to revenues and expenditures for 2010-11. Column 3 is the budget model for 2010-11. Column 4 includes preliminary assumptions for changes to revenues and expenditures in 2011-12. Column 5 is the preliminary projection for 2011-12. For example, line 10 of the model shows the 2009-10 budget for non-salary costs of \$30,403,000; the projected increase for this budget line is \$477,000 (column 2) for a total budget of \$30,880,000 for 2010-11 as shown in Column 3. Column 4 includes a projected increase of \$486,000 for 2011-12 for a total projection for 2011-12 of \$31,366,000 (column 5).

1. **Government Funding (Line 1)**

Line 1(a) of the model includes increased government funding of \$18,686,000 for 2010-11. This increase includes funding to cover operating costs, eliminate tuition increases for all students and provide funding to partially allow for a relative enrolment adjustment. As 2010-11 is the final year of the MOU with the province the model includes no assumption about increased funding for 2011-12.

Line 1(b) is a provincial government grant the University will receive to compensate for the provincial bursary program. See line 8(b) for bursary budget of the same amount.

Line 1(c) is a facilities grant that is committed to facilities upgrade projects. An offsetting expenditure of \$1,000,000 is included in line 12 of the model.

Line 1(d) reflects provincial grant funding for enrolment expansion agreements and other minor grant amounts.

2. **Tuition Fees (Line 2)**

The approved budget for 2009-10 was based on no change in enrolment from the previous year. Line 2(a) is an increase in tuition revenue of \$4,100,000 resulting from higher than budgeted enrolment in 2009-10.

Line 2(b) provides for increased revenue of \$450,000 as a result of projected enrolment growth in the fall 2010 of 100 students over fall 2009.

The budget includes no increase in tuition fees for 2010-11 as these are frozen as required by the MOU with the province.

3. **Endowment Income (Line 3) and Endowment Expenditures**

The model includes both endowment income and expenditure in 2010-11 for established endowments. The total budgeted spending of \$18.2 million is supported by endowment income of \$17.5 million (line 3) and the recommended operating budget supplement of \$700,000 (Recommendation #2). Endowment expenditures are distributed in the budget lines as follows:

	('000's of dollars)	
	2009-10	2010-11
Compensation - Line 7	5,119	5,339
Student Assistance - Line 8	5,126	5,469
Library Acquisitions - Line 9	208	210
	10,453	11,018
Non-Salary - Line 10		
Endowment Management Expense	1,810	1,785
Faculty administered Student Assistance	2,063	2,623
General and Research Support	2,691	2,728
	6,564	7,136
	17,017	18,154

4. **Operating Interest Income (Line 4)**

Operating interest income is projected to increase by \$300,000 to \$2,000,000 in 2010-11 based on current interest rate and cash flow projections.

5. **Facilities Renewal Fee (Line 5)**

The model assumes an increase of \$55,000 in revenue in 2010-11 from the Facilities Renewal Fee as a result of the 2009 enrolment increase. There is no change in the fee charged in 2010-11. Increases in revenue on this line are offset by corresponding increases in Facilities Renewal Expenditures on line 16.

6. **Indirect Costs of Research Funding (Line 6)**

The model assumes a decline of \$344,000 in the Federal Indirect Cost of Research Grant based on final confirmation of funding for 2010-11.

7. **Compensation (Line 7)**

Line 7(a) of the budget model includes provision for progression increases (CDIs, steps, etc.) and scale increases based on collective agreements currently in place, as well as provision for collective agreements that have expired (i.e. CUPE and NSUPE) and that will expire in 2010-11 (i.e. NSGEU). Increases for non-unionized employees have been estimated and are also included on this line. The projected total increase for compensation costs in 2010-11 is \$9.95 million.

Line 7(b) includes a provision of \$11.8 million for increased pension contributions based on the most recent projection for 2010-11. This increase would take effect July 1, 2010.

Line 7 (c) is a reduction of \$5 million in the amount provided in the operating budget for increased pension contribution (in line 7(b)). Possible measures to facilitate this reduction are discussed on page 3 of this report.

8. **Student Assistance (Line 8)**

The budget model provides for no automatic increases to the operating component of the student assistance budget. Specific allocations to this budget will be considered through Strategic Initiatives. In addition recommendation #3 ensures that both the dollar value and the number of awards funded from the endowment which were affected by the market decline will be protected at 2008-09 levels for 2010-11.

The Province's plan to provide fee relief to students will provide \$1,283 in bursary support for full-time Nova Scotia students in 2010-11 and \$261 in bursary support for full-time out-of-province Canadian students in 2010-11. For Dalhousie students this results in an increase of \$2,613,000 in the provincial bursary amount from 2009-10 as shown on line 8(b).

9. **Library Acquisitions (Line 9)**

The budget model allows for library acquisitions funding to be held constant for 2010-11. This budget line continues to be protected from budget reductions.

10. **Non-Salary Expenditures (Line 10)**

The budget model includes an inflationary increase of 2% for the operating component of non-salary budgets in 2010-11.

11. **Energy, Water, Taxes and Insurance (Line 11)**

In 2009-10 prices for fuel oil have stabilized somewhat from the volatility in recent years resulting in significant savings in 2009-10. The budget on this line provides for new legislated emissions standards affecting fuel oil consumption, the conversion of the steam plant to natural gas in the second half of the year and a modest increase in fuel prices over 2009-10. The budget

also allows for anticipated changes to pricing for water and nominal increases to electricity and civic taxes over 2009-10 actual experience. A 4 % increase has been provided at this early stage in planning for 2011-12 allowing for possible increases in fuel oil, electricity and water.

12. **Facilities/Space (Line 12)**

Please refer to note 1(c) above. In addition this expenditure line includes facilities costs for expanded enrolments in the undergraduate medicine and nursing programs.

13. **Non Space Equipment (grant supported) (Line 13)**

This line includes a 2% inflationary adjustment for 2010-11.

14. **Budget Unit Adjustments (Line 14)**

The budget model assumes total funding for strategic expenditures of \$9.3 million. No recommendations have yet been made on the allocation of funding to the various strategic areas. The line includes \$4.2 million in base funding remaining from 2009-10 and further funding of \$5.0 million from the government funding from the phase in of the new enrolment formula (see line 1 a) ii) above).

As indicated in line 14 (b), the ERBA adjustment to Faculties in 2010-11 is \$2.4 million. In the past 50% of ERBA was distributed to faculties. After an ERBA review was completed in 2009, it recommended that the distribution be increased to 60% and this model reflects that 60% of ERBA is distributed to faculties.

The completion of the new academic building on Coburg Road will result in increased operating costs for the University in 2010-11 (line 14(c)). Lines 14(d) and (e) include increased operating costs for the new Life Sciences Research and Interprofessional Health buildings which are expected to open in 2011-12.

The Operating Budget plan for 2010-11 includes recommended base budget reductions (line 14(f) required to achieve a balance of operating revenues and expenditures. Section II (D) on page 4 this report describes the recommended reductions.

15. **Faculty/Unit Revenue (Line 15)**

Significant cost recoveries for salary and non-salary items are netted directly in lines 7 and 10 above. Line 15 includes other base revenue generated by Faculties and budget units (e.g. tuition revenue from ERBA exempt programs that is retained by Faculties).

For 2010-11 this line includes increased revenue of \$290,000 related to improved revenue for teaching services to King's College and improved experience in application fee revenue. There

may be other changes to this line as budget units develop detailed budgets as these sources of revenue provide an important means by which Faculties deal with annual budget reductions.

16. **Facilities Renewal (Line 16)**

This model includes a 2% inflationary increase in 2010-11, an increase of \$55,000 relating to improved student fee revenue on line 5 and a decrease of \$206,000 in funding in 2010-11 for deferred maintenance according to the MOU with the province.

17. **Contingency (Line 17)**

There is no change on this expenditure line which currently represents 0.5% of the University operating budget.

Dalhousie University
Proposed Tuition and Facilities Renewal Fees for 2010-2011

*** NOTICE TO READER:** The Province of Nova Scotia will provide additional operating grant assistance to universities in 2010-2011 for tuition relief to students. The tuition fee for all programs of study (below) will continue to be frozen. In addition, a bursary of \$1,283 will be available for all Nova Scotian students. A bursary of \$261 will be also available for other Canadian students. Bursaries will be pro-rated for students taking less than a full course load.

EXAMPLE:

	Nova Scotia Undergraduate Arts Student	Canadian Other
Tuition	6,030	6,030
Bursary	(1,283)	(261)
Tuition net of bursary	<u>4,747</u>	<u>5,769</u>

PLEASE NOTE: The fee rates listed below are before the bursary is applied.

	2009-2010		2010-2011	
	Approved		Approved	
	Fees (see note * above)	Per Billing Hour	Fees (see note * above)	Per Billing Hour
	Program	\$	Program	\$
I UNDERGRADUATE				
Architecture, Community Design		210		210
Arts and Social Sciences		201		201
Computer Science (incl. Informatics)		228		228
Dentistry				
Dentistry	14,074		14,074	
Dental Hygiene (Diploma)	7,530		7,530	
Dental Hygiene (Degree)		254		254
Engineering		228		228
Health Professions				
Health Administration		228		228
Health Science, Nursing and Kinesiology		234		234
Pharmacy		241		241
Recreation & Health Promotion		234		234
Social Work		222		222
Law	9,166		9,166	
Management				
Commerce Co-Op		230		230
Management & Public Administration		202		202
Medicine				
MD	13,818		13,818	
Post-Graduates	2,498		2,498	
Science		228		228
Sustainability				228
II GRADUATE				
Masters				
Architecture and Planning				
Post Professional	7,254		7,254	
First Professional		242		242
Environmental Design Studies	7,254		7,254	
Planning		254		254
Planning Studies	7,254		7,254	
Urban and Rural Planning		254		254
Arts and Social Sciences	6,381		6,381	
Computer Science	7,254		7,254	
Dentistry - MD/MSc (Oral and Maxillofacial), MSc Prosthodontics	14,481		14,481	
Engineering, Applied Science	7,254		7,254	
Electronic Commerce	8,042		8,042	
Health Informatics	8,042		8,042	
Health Professions Applied Health Services Research	6,476		6,476	

*** PLEASE SEE NOTICE TO READER (PAGE 1) ABOUT BURSARY FOR NOVA SCOTIA/ CANADIAN STUDENTS**
The fee rates listed below are before the bursary is applied.

	2009-2010		2010-2011	
	Approved		Approved	
	Fees (see note * above)	Per	Fees (see note * above)	Per
Program		Billing	Program	Billing
		Hour		Hour
Health Professions (cont'd)				
Human Communication Disorders, MSc Audiology, MSc Speech Language Pathology (Yrs 1&2)	9,110		9,110	
Human Communication Disorders, MSc Audiology, MSc Speech Language Pathology (Yr 3)	7,548		7,548	
Kinesiology and Nursing	7,860		7,860	
Pharmacy	9,108		9,108	
Occupational Therapy (Post Professional), Physiotherapy (Rehabilitation Research)	9,108		9,108	
Occupational Therapy & Physiotherapy Social Work	13,017	235	13,017	235
Law	8,944		8,944	
Management				
MBA Corporate Residency	19,000		19,000	
Environmental Studies	6,453		6,453	
Library and Information Studies		268		268
Public Administration		213		213
Resource and Environmental Management		213		213
Marine Affairs	6,453		6,453	
Medicine				
Community Health & Epidemiology	7,860		7,860	
Medicine - Except Community Health & Epidemiology	7,254		7,254	
Science	7,254		7,254	
Doctorate				
Arts and Social Sciences	6,699		6,699	
Computer Science	7,581		7,581	
Engineering, Applied Science	7,581		7,581	
Law	9,249		9,249	
Nursing	8,187		8,187	
Science	7,581		7,581	
Other				
Qualifying, Visiting or Special Graduate Students		241		241
Continuing Fee - All Programs	1,986		1,986	
III INTERNATIONAL STUDENT DIFFERENTIAL FEE				
All Programs (except Graduate- thesis based)	7,260		7,260	
Graduate -thesis based	5,190		5,190	
IV FACILITIES RENEWAL FEE				
General University Fee for Renewal				
Full-time (per term)	45		45	
Part-time (per term)	15		15	
Fitness and Recreation Facilities Renewal Fee				*

Note: Fees are not listed for Premium Fee programs.

* This fee was approved at the April 2010 meeting of the Board of Governors but will not be implemented as a charge to students until the year in which the New South Street Fitness Centre is open for use. The fee will be \$180 per year for a full time student.

Comparison of Percentage Operating Expenditures by area, for selected Canadian Universities¹

2003-2004									
	Academic	Library	Computing	Administration and General	Student Services	Physical Plant	External Relations	Total Non Academic	Student Faculty Ratio ²
	%	%	%	%	%	%	%	%	
Comparator Universities									
Laval	67.3%	5.5%	2.3%	9.4%	4.7%	10.3%	0.6%	32.7%	21.2
McGill	58.5%	6.2%	6.7%	12.6%	4.0%	12.0%	0.0%	41.5%	19.7
McMaster	55.1%	5.0%	2.6%	13.0%	11.5%	11.0%	1.8%	44.9%	20.7
Ottawa	57.4%	5.1%	3.5%	10.8%	11.6%	9.3%	2.2%	42.6%	27.3
Queens	66.4%	5.4%	2.1%	4.0%	14.3%	7.7%	0.1%	33.6%	26.1
Waterloo	55.2%	6.6%	4.7%	12.0%	7.8%	11.2%	2.4%	44.8%	29.3
Western	66.2%	4.4%	1.9%	3.7%	12.8%	7.9%	3.0%	33.8%	23.6
Calgary	63.7%	5.3%	4.1%	8.4%	4.9%	12.5%	1.1%	36.3%	18.1
	61.7%	5.4%	3.5%	9.1%	8.7%	10.3%	1.3%	38.3%	23.3
Larger Universities									
UBC	63.1%	6.2%	2.2%	10.3%	6.8%	10.3%	1.1%	36.9%	18.5
Toronto	59.6%	6.5%	2.1%	7.7%	12.4%	9.4%	2.3%	40.4%	24.4
Montreal	63.1%	6.1%	4.4%	10.1%	5.4%	10.2%	0.9%	36.9%	25.1
Alberta	58.0%	6.8%	5.0%	10.2%	6.2%	11.9%	1.1%	42.0%	22.1
	60.7%	6.4%	3.2%	9.3%	8.5%	10.3%	1.7%	39.3%	22.5
Total Comparators	61.2%	5.9%	3.4%	9.2%	8.6%	10.3%	1.5%	38.8%	23.0
Dalhousie	67.5%	4.8%	3.4%	6.0%	6.8%	9.8%	1.6%	32.5%	14.8
	1	12	7	11	7	9	7	13	1
	(tied for)								
2007-2008									2006-07
	Academic	Library	Computing	Administration and General	Student Services	Physical Plant	External Relations	Total Non Academic	Student Faculty Ratio ²
	%	%	%	%	%	%	%	%	
Comparator Universities									
Laval	67.5%	5.4%	2.2%	9.3%	5.2%	10.1%	0.2%	32.5%	22.5
McGill	58.5%	5.7%	4.7%	12.1%	5.1%	10.3%	3.6%	41.5%	n/a
McMaster	63.4%	4.0%	3.1%	7.5%	9.4%	11.1%	1.6%	36.6%	18.9
Ottawa	57.0%	4.5%	2.7%	10.6%	12.9%	10.4%	1.8%	43.0%	28.8
Queens	71.4%	4.6%	2.3%	5.5%	9.2%	6.9%	0.1%	28.6%	23.3
Waterloo	58.5%	4.3%	4.9%	9.0%	11.6%	9.4%	2.4%	41.5%	26.4
Western	66.7%	4.2%	2.0%	6.6%	10.8%	7.5%	2.1%	33.3%	23.1
Calgary	52.3%	5.0%	5.3%	5.5%	12.7%	17.2%	2.1%	47.7%	16.1
	61.7%	4.7%	3.5%	8.2%	9.6%	10.5%	1.8%	38.3%	22.7
Larger Universities									
UBC	65.2%	3.4%	3.0%	8.4%	7.4%	10.8%	1.7%	34.8%	14.7
Toronto	60.1%	6.1%	1.6%	8.1%	10.9%	11.4%	1.8%	39.9%	25.7
Montreal	62.2%	5.2%	4.3%	13.4%	4.8%	9.2%	1.0%	37.8%	21.3
Alberta	57.8%	5.4%	5.0%	11.6%	6.6%	11.5%	2.2%	42.2%	23.1
	61.1%	5.2%	3.2%	9.9%	8.1%	10.9%	1.7%	38.9%	21.2
Total Comparators	61.4%	4.9%	3.3%	9.0%	8.9%	10.7%	1.7%	38.6%	22.2
Dalhousie	63.3%	4.5%	4.0%	6.8%	9.1%	10.2%	2.1%	36.7%	13.8
Dalhousie Rank (out of 13)	6	8	6	10	8	8	4	8	1
	(tied for)						(tied for)		

1 Source: CAUBO/ACPAU Financial Information of Universities and Colleges, 2003-2004, Statistics Canada, June 2005, and 2007-08, Statistics Canada, April 2009.

2 Source: CAUT Almanac of Post Secondary Education 2005-06: "University FTE Enrolment - Full time Faculty Ratios, 2003-04" CAUT Almanac of Post Secondary Education 2009-10: "University FTE Enrolment - Full time Faculty Ratios, 2006-07"