

BUDGET ADVISORY COMMITTEE

DRAFT OPERATING BUDGET PLAN FOR 2016-17

REPORT LIII

(Version 2 – February 9, 2016)



February 4, 2016

The Budget Advisory Committee (BAC) was established by the President in 1992 to advise on budgetary matters. The BAC members do not serve as representatives of particular interests but are chosen for their knowledge and individual expertise. The current membership of the Committee includes: Carolyn Watters (Chair), Provost and Vice-President, Academic – Josh Leon, Dean of Engineering – Ian Nason, Vice-President, Finance & Administration – Diana Ginn, Professor of Law – Michael Fournier, Department of Classics – Margie Publicover, Director of Finance, Faculty of Computer Sciences – Kelsey Keddy (Student Member) and Jeremy Porter (Student Member). The Committee's resource persons are: Susan Robertson, Acting Assistant Vice-President, Financial Services – Don Fiander, Senior Institutional Analyst, Dalhousie Analytics – Susan Spence Wach, Vice-Provost, Planning, Academic & Provost, and Linda Penny, Director, Budgets and Financial Analysis. The Committee employs an open and consultative approach to budget discussions at the University. To date the BAC has issued fifty-two reports related to the University's operating budget.

Table of Contents

HIGH LEVEL SUMMARY OF THE PRELIMINARY BUDGET PLAN FOR 2016-17	1
I INTRODUCTION	3
II DEVELOPMENT OF RECOMMENDATIONS	4
III BUDGET DISCUSSION FOR FUTURE YEAR	15
IV CONSULTATION & IMPACT	16

APPENDICES

A Preliminary Budget Model & Notes	
- Consolidated Budget Model.....	17
- Notes to the Consolidated Model	18
- Halifax Budget Model.....	21
- Truro Budget Model.....	22
B 2016-17 Budget Process Timetable	23
C Summary of Meetings with Stakeholders	25
D Proposed Tuition and Facilities Renewal Fees for 2016-17	26
E 2015-16 Survey of Tuition Fees with Comparator Universities	
- Undergraduate Arts Tuition Fees – Atlantic Universities.....	29
- Tuition Fees for Entering Students – Canadian Universities	30
- Comparison of Law, Medicine & Dentistry Tuition Fees	31
- Canadian Universities Dental Fee Comparison	32
- International Tuition Fees at Selected Universities	33
F Ancillary and Auxiliary Fees – Definition and Approval Process.....	34
G Enrolment Related Budget Allocations (ERBA)	35
H ERBA Allocations for 2004-05 to 2015-16	36
I Faculty and Service Unit Budget Increases.....	38
J Items Normally Exempted from Budget Reduction.....	39

Budget Advisory Committee (BAC)

High Level Summary of the Preliminary Budget Plan for 2016-17

The Budget Advisory Committee advises the President on operating budget matters, consulting broadly with the Dalhousie community to develop and finalize its recommendations to the President. In the development of the budget plan for 2016-17 the BAC is guided by four principles: the budget must be balanced; recommendations on the budget plan are transparent; the operating budget is driven by Dalhousie's mission; and the budget must support the University's strategic priorities.

Overview of Revenue and Expenditures:

Dalhousie Government grants are projected to increase by \$2.3 million (1% and \$435,000 for graduate scholarship assistance) in 2016-17. Expenditures are projected to increase by \$15.1 million. This increase includes compensation adjustments, inflationary costs, student assistance and recommended increases in facilities renewal expenditures, information technology network capacity and infrastructure and Faculty of Arts and Social Science Special Response funding.

As measures to balance the budget, the BAC is recommending a 3% tuition increase across all programs and additional market adjustments in three undergraduate programs to be phased in over three years to 2018-19. The BAC is also recommending a 2.5% (\$7.1 million) budget reduction to Faculties and service units and the use of \$1.5 million in reserve funds to balance the budget.

The following chart provides an overview of revenue and expenditures for 2016-17 (Appendix A is the detailed budget model including line-by-line description.)

Overview of Projected Budget Revenue and Expenditures for 2016-17 and 2015-16

	\$ Millions		
	2015-16 Budget	2016-17 Budget Preliminary	Increase (Decrease)
<u>REVENUES</u>			
N.S. Government Grants			
- Labour and Advanced Education	191.1	193.2	2.1
- Agriculture	19.8	20.0	0.2
Tuition	147.7	153.2	5.5
Other	37.3	37.8	0.5
Use of Reserve Funds	1.8	1.5	(0.3)
	397.7	405.7	8.0
<u>EXPENDITURES</u>			
Faculties and Service Units	311.2	315.5	4.3 Note 1
Faculty of Arts and Social Science Special Response funding	-	0.5	0.5
Student Assistance	31.9	32.5	0.6
Energy, Water, Taxes and Insurance	22.4	22.6	0.2
Facilities/Campus Renewal	25.9	27.1	1.2
Strategic Initiatives	2.0	2.7	0.7 Note 2
Information Technology - Network Capacity and Infrastructure	-	0.5	0.5
Other Costs	4.3	4.3	-
	397.7	405.7	8.0

Note 1

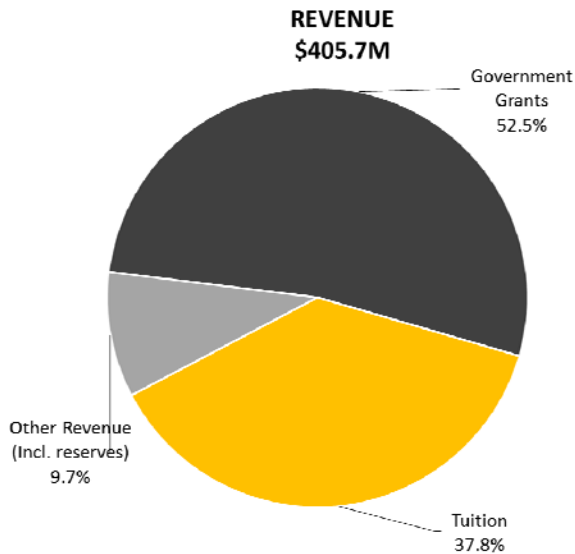
The budget reduction of \$7.1 million is included in the Faculty and service unit line.

Note 2

\$0.7 million has been distributed to the Faculties and Units as base funding in 2015-16 and is being replenished to maintain the \$2.7 million budget in 2016-17.

Revenue & Expenditures – 2016-17 Budget

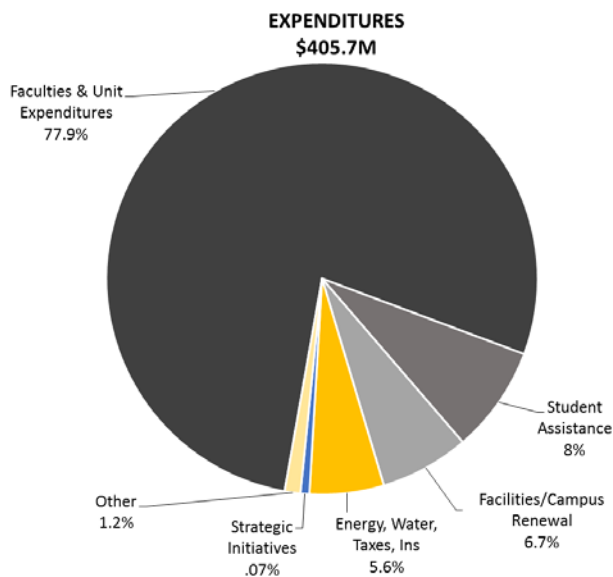
Components of Budget 2016-17 Projection



Changes & Recommendations

REVENUE is projected to increase by \$8.0 million in 2016-17 after recommended changes to tuition fees.

	<u>\$M</u>
Provincial Government Grant Increase [1%]	1.9
NS Graduate Scholarships Program Grant	0.4
Tuition and Student fee Increases:	
All Programs [3%]	4.7
Market Adjustments for undergraduate classes taught by :	
Engineering [5%]	0.8
Pharmacy [5%]	
Faculty of Agriculture [6.3%]	
Facilities Renewal increase [3%]	0.1
Endowment	0.9
Operating Interest Income	(0.5)
Use of Reserve Funds (Reduced from \$1.8M to \$1.5M)	<u>(0.3)</u>
Total Change	<u>8.0</u>



EXPENDITURES are projected to increase by \$8.0 million in 2016-17 after a budget reduction of 2.5% (\$7.1M) to all Faculties and Units:

	<u>\$M</u>
Faculty & Units:	
Compensation Costs	10.1
Non salary increase [1%] & Other Adjustments	1.0
Market Adjustment benefit to Faculties	0.3
Less: budget reduction of 2.5% to Faculties/units	<u>(7.1)</u>
Subtotal – Faculty & Units	4.3
Faculty of Arts and Social Sciences	
Special Response funding	0.5
Student Assistance	0.6
Energy	0.2
Strategic Initiatives	0.7
Increases in:	
Facilities/Campus Renewal	1.2
Network Infrastructure	<u>0.5</u>
Total Change	<u>8.0</u>

= Balanced Budget

I INTRODUCTION

The purpose of this report is to outline the development of the 2016-17 Draft Operating Budget Plan and to request feedback from the University community. This year, for the first time the budget for the Agricultural Campus (Campus operations and Faculty of Agriculture) has been considered as part of this report.

The development of recommendations was guided by Dalhousie's Strategic Direction 2014-18 priorities. The University's budget planning must be guided by and support the University's mission of teaching, research and service as accomplished through Faculties. The University is working to ensure that Faculty plans are linked to the operating budget and inform capital planning to ensure alignment of University strategic priorities with its resources. This process will enable the University to develop improved longer term academic and financial planning.

The chart in Appendix B outlines the Budget Process for 2016-17. Planning and analysis and the development of draft recommendations have been completed. Further consultations with stakeholders will begin with the release of this report followed by the release of a final report.

During the budget planning and analysis phase (September – December 2015) the Budget Advisory Committee (BAC) held thirteen meetings. The BAC consulted with a range of stakeholders to discuss the major factors influencing the budget for 2016-17. This information gathering process included meetings with individual Deans, Librarian, Vice Presidents, the Student Union and other student groups. The BAC considered all aspects of the budget prior to putting forward the recommendations contained in this report. Appendix C provides a summary of input received to date.

II DEVELOPMENT OF RECOMMENDATIONS FOR DRAFT OPERATING BUDGET

Development of the draft operating budget plan for 2016-17 is guided by the following principles:

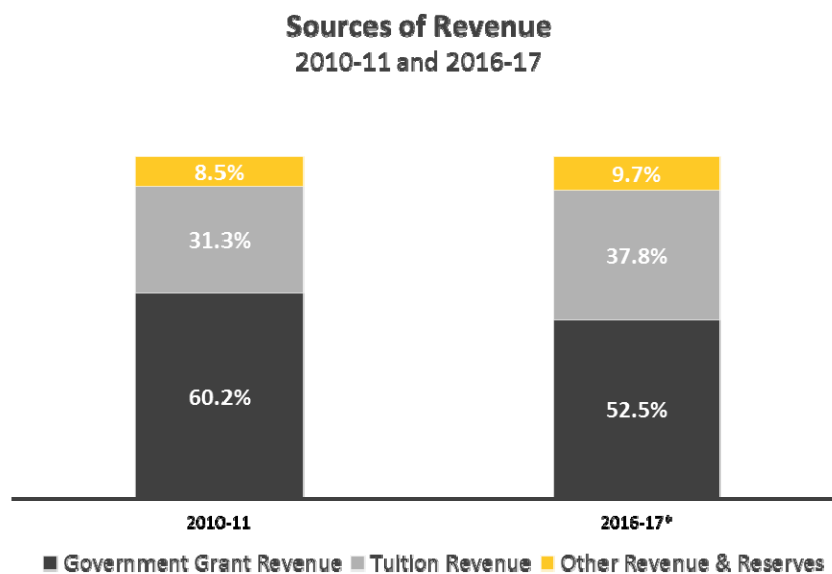
- A balanced budget for the University is required.
- Recommendations on the budget plan are transparent.
- The operating budget is driven by Dalhousie's mission.
- Funding will be identified to help support University strategic priorities.

This section of the report provides background on the significant components of the University operating budget including estimates, assumptions and recommendations on specific revenue and expenditure lines for 2016-17. A detailed balanced budget model and explanatory notes are in Appendix A. Appendix A also includes a supplementary breakdown of the model for Halifax and the Agricultural Campus. The Agricultural Campus continues to be funded under a separate MOU with the Province.

The BAC has considered operating revenue sources, expenditure increases and strategic investments for 2016-17. Key measures to balance are tuition revenue, use of reserve funds and Faculty and unit budget reductions. The following section is a discussion of each component:

REVENUES

The two major revenue sources in the budget are the Provincial Government grants and tuition which make up 90.3% of the University revenues. In 2010-11 the Provincial Government grant peaked at 60.2% of total operating revenue with tuition making up 31.3%. During the period 2011-12 to 2013-14 the grant decreased by 10%. Since then there has been a 1% annual increase. The Provincial Government grant is now 52.5% of total revenue with tuition at 37.8%. Note that other revenue, largely endowment, has increased over this period providing important support for student assistance and other programming costs.



*2016-17 includes the Agricultural Campus

1. Provincial Operating Grants

The Provincial Government has not yet confirmed the Provincial Operating Grants for Nova Scotia Universities for 2016-17. The BAC model includes a 1% (\$1.9 million) increase in the operating grants for 2016-17. The model also includes an increase of \$435,000 in the Nova Scotia Graduate Scholarship Program Grant which goes directly to students.

New Memoranda of Understanding (MOU) are being developed with the Provincial Government to cover the period 2015-16 to 2018-19. The University receives an operating grant from the Department of Labour and Advanced Education for both the Halifax and Truro Campuses. Additionally, the Agricultural Campus continues to be funded under a separate agreement with the Province and also receives an operating grant from the Department of Agriculture. University officials continue to meet regularly with the Province on matters that affect University funding.

2. Tuition Fee Revenue

Tuition revenue is the second most significant source of revenue next to the operating budget at 37.8% (\$153.2 million) in 2016-17. With the assumed Provincial operating grant increase of only 1%, tuition revenue remains critical to address inflationary cost pressures and is influenced by both student enrolment and tuition fee rates.

An important source of support for students is the Nova Scotia Bursary which continues as a means of reducing tuition costs for all Nova Scotia students studying at a university in the Province. The current bursary of \$1,283 for full time students is deducted automatically from a Nova Scotia student's tuition and reimbursed to the university by the Province. The Province has not indicated that there will be any changes to this program in 2016-17.

a) Tuition Fee Rates:

The proposed tuition fee schedule for 2016-17 is included in Appendix D. Consultations on tuition fees will be scheduled in February prior to presenting the recommended fees to the Board of Governors for approval in April.

Each year the BAC reviews and compares tuition fees (including international differential fees) of universities across Canada and within the Atlantic Provinces. These detailed comparisons are included in Appendix E of this report.

i. General Fee Increase – All Programs:

The Memorandum of Understanding (MOU) with the province not only determines Government funding but also sets limits on tuition fee increases for students. We are advised that the new MOU will allow a general tuition increase of 3% in 2016-17. The dominant share of operating revenue is the provincial operating grant which is increasing by an estimated 1%. The recommended budget plan for 2016-17 includes a 3% general tuition increase for all students (International and Canadian) and market adjustments for three programs (see (iii) below).

Recommendation: In 2016-17 it is recommended that a 3% tuition increase be implemented for all programs (including the international differential fee). MSc Occupational Therapy and Physiotherapy programs will remain at the 2006-07 levels.

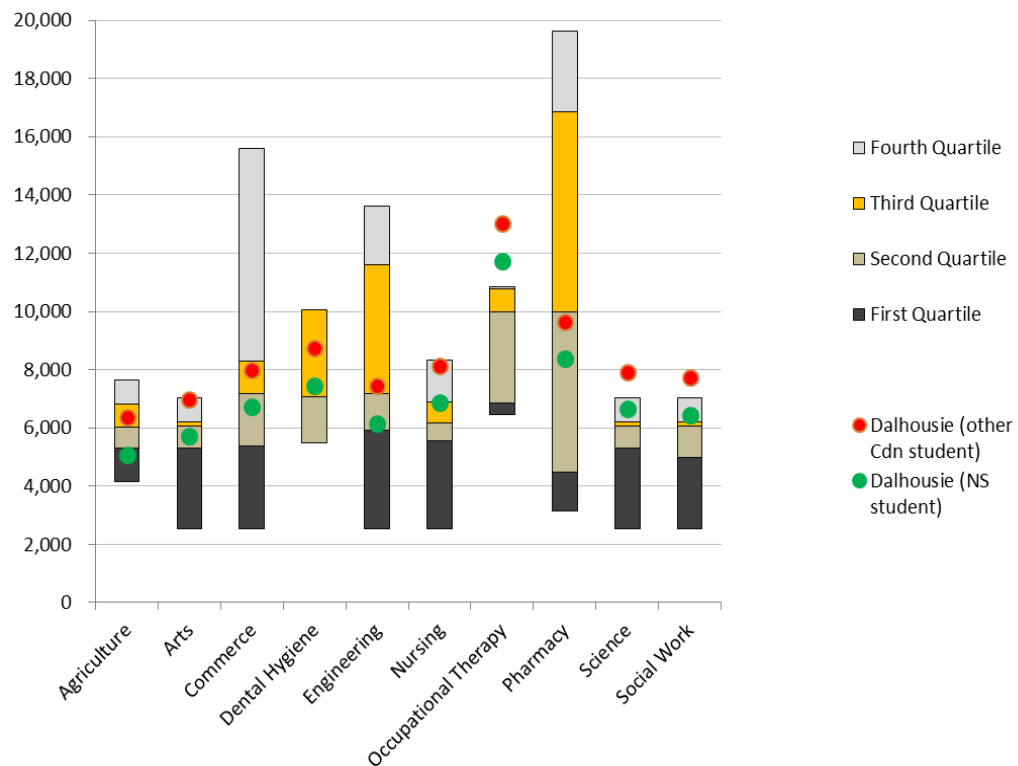
ii. Prior Year Adjustments

In April 2013 a multi-year fee increase was approved for Medicine and Dentistry programs beginning with students entering in 2014-15. The additional 2% increase applied to the tuition of students entering the Medicine Program and the 6% increase for students entering the Dentistry program continues for 2016-17. These fee changes are included in the tuition fee schedule appended to this report. (Appendix D)

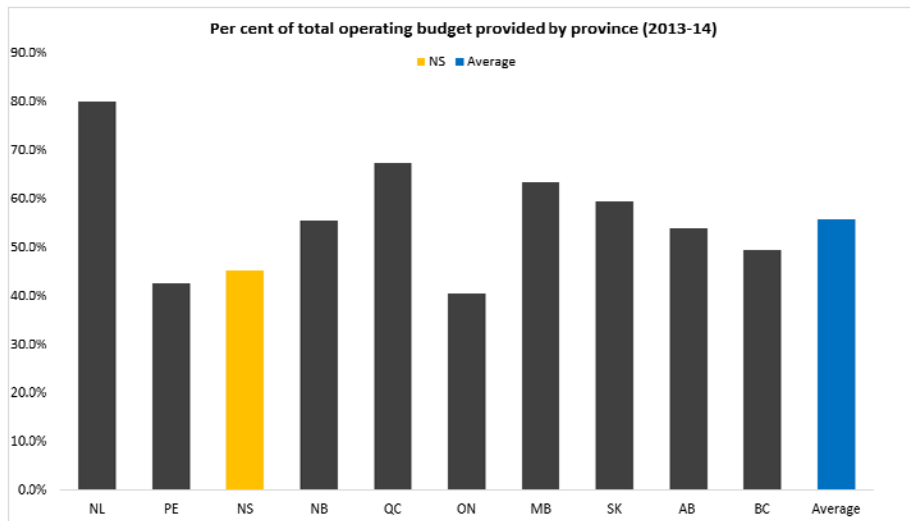
iii. Tuition Fee Market Adjustments:

Tuition fees have been restricted by the Memorandum of Understanding (MOU) with the Province since 2005-06. In late April, 2015, the Province announced that universities would be allowed to make adjustments to tuition for specific programs where tuition rates are lower than those charged for similar programs elsewhere. The period to make adjustments is time limited and all increases must be phased in by 2018-19. After adjustments, undergraduate tuition will then continue to be regulated according to the MOU.

The following chart compares tuition fee rates for a broad selection of programs nationally by quartile. (The first quartile includes schools in the lowest 25% of fees and the fourth quartile includes fees for schools that have the highest 25% of fees.) When Dalhousie tuition is plotted against national data, most undergraduate programs are in the top quartile or above. Dalhousie is represented on the chart by the coloured dots (green represents tuition for Nova Scotia students (after the bursary of \$1,283) and red for other Canadian students.)



As shown in the following chart, the percentage of the total operating budget provided by the Province is 45.3% in Nova Scotia which is among the lowest in the country. Consequently, it has been necessary to set higher tuition rates.



Source: Canadian Association of University Business Officers (CAUBO) Financial Information of Universities and Colleges 2013-14, Statistics Canada.

Under the government provision for market adjustments, the BAC has reviewed fee levels for similar programs in Engineering (Halifax), Pharmacy and Agriculture. Tuition for Nova Scotia students in these programs are all below the national average. These undergraduate programs will be adjusted to be more in line with the fees for similar programs offered at comparator universities. Rates are generally set higher for programs such as Engineering, Pharmacy and Agriculture as the costs to run these programs are higher due to the infrastructure required for teaching.

Consideration was given to fees charged by other universities offering similar programs but also other programming at Dalhousie. Based on this comparison, market adjustments have been recommended. Both the quality of our program offerings and demand for the programs support the measured adjustment in fees which will continue to be monitored in future years.

To lessen the impact to current students, the increases proposed will be implemented over the maximum allowable period of three years. Tuition for each undergraduate course taught by Engineering and Pharmacy will increase by 5% per year. Tuition for undergraduate courses taught on the Agricultural Campus will increase by 6.3% per year.

The following table shows the annual increase in the fee for each 3 credit hour course taught by Engineering and Pharmacy and on the Agricultural campus.

Increase for each 3 credit hour course taught by:

	Current	%	Increase:		
	Rate	Increase	2016-17	2017-18	2018-19
Engineering	793.20	5.00%	39.60	41.70	43.80
Pharmacy	838.20	5.00%	42.00	44.10	46.20
Agricultural Campus	636.60	6.30%	40.20	42.60	45.30

Students in Engineering and Pharmacy programs take courses taught by other Faculties and the tuition for these courses will not increase beyond 3%. As a result the impact to the student of the increase in the per-course rate for Pharmacy and Engineering courses varies by program year. For a student entering a Bachelor of Engineering or Bachelor of Science

(Pharmacy) program in September 2016 the tuition adjustment will total 10.5 % and 10.9%, respectively, over their entire program.

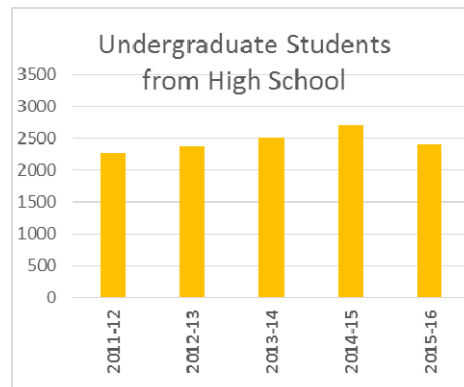
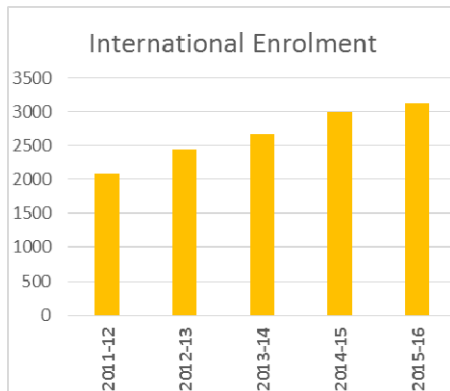
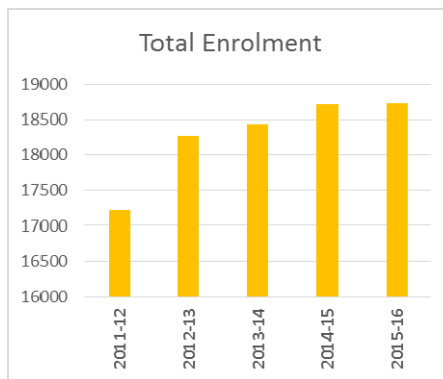
The BAC acknowledges that it is important for students in these programs to benefit from the fee increases and recommends that half of the increased revenue from the market adjustments for Engineering (2016-17- \$271,000) and Pharmacy (2016-17 \$62,000) be allocated to these respective Faculties during the phase-in period. The full amount of the market increase in Agriculture goes to support the Agricultural Faculty/Campus (\$185,000) which continues to be funded separately through grants, tuition and other revenue.

Recommendation:

- **Apply a 15% fee increase to undergraduate courses taught by the Faculty of Engineering and School of Pharmacy over a three year period. This increase would be implemented by applying a 5% increase (in addition to the 3% general increase) to Engineering and Pharmacy course fees each year for the next three years commencing in 2016-17. One half of the increase in tuition revenue will be earmarked for priority investments in these Faculties over the phase-in period.**
- **Apply an 18.9% fee increase to courses taught on the Agricultural Campus over a three year period. This increase would be implemented by applying a 6.3% increase (in addition to the 3% general increase) to tuition for undergraduate programs in the Faculty of Agriculture each year for the next three years commencing in 2016-17. The full amount of the increase will be allocated to the Agricultural Campus.**

b) Enrolment:

Enrolment levels are a key factor in projecting annual tuition revenue. The following graphs show Dalhousie’s total, international and first-year undergraduate enrolments for the past five years:



*Includes the Faculty of Agriculture beginning in 2012-13.

- The intake of new-from-high school undergraduate students declined after two years of significant growth.
- While new-from-high-school enrolment in 2014 was higher than anticipated, there was an overall 10% decline in 2015.
- The impact of this decline continues in subsequent years as students continue through their studies.
- The percentage of international students has been increasing over the last number of years.

Each year the BAC reviews enrolment projections taking into account the progression of current students through their programs and graduation as well as the size of the incoming class. The BAC reviewed enrolment forecasts with three scenarios for the incoming class (3.5% increase, a 3.5% decrease and no change over Fall 2015 intake). These models demonstrate a very narrow band of change in overall projected enrolment within a range of $\pm 0.7\%$ (after removing the effect of the modified nursing program which will be managed separately). As a result, the Committee assumed enrolment remains flat in 2016-17.

Recommendation: If enrolment declines in 2016-17, additional reserve funds will be used to maintain a balanced budget rather than mid-year budget reductions to Faculties and service units.

3. Investment Income

a) Endowment Income:

Income from Endowment investments is recognized to meet expenditures from the University's 1300 individual endowments according to the University's spending policy for Endowments. For 2016-17 endowment income will provide increased support of \$908,000 for program costs such as student assistance, academic chairs and salaries, library and research costs.

b) Operating Income:

The operating budget is supported by operating interest income earned on short term investments of university cash flows. Operating interest income is projected to decline by \$500,000 based on a reduction in interest rates that occurred in July, 2015.

4. Facilities Renewal Fee

The student fee for facilities renewal generates \$3.1 million and is used to fund priority maintenance projects to University facilities. Given the importance of facilities renewal, the BAC is recommending an inflationary increase in this student fee for facilities renewal of 3% (generating \$91,000) for 2016-17. A more detailed explanation of the importance of University investment in renewal of facilities is found in the expenditure section on page 12. In addition, Appendix E provides the definitions and approval process for Ancillary and Auxiliary fees.

Recommendation: Apply a 3% increase in the auxiliary fee for Facilities Renewal from \$84.35 to \$86.90 per term. The Facilities Renewal expenditure budget will be increased by the amount of the additional revenue generated (\$91,000).

5. Reserve Funds

The University has accumulated a reserve fund which is a “one time” source of funding for extraordinary budget pressures. Reserve funds are an important risk management tool that prepares the University to address risks related to unknown conditions such as an unanticipated decline in enrolment. Over the last three years it has been used to mitigate the impact of the 10% cut in government funding (2012-13 to 2014-15). At the end of 2015-16 the balance of funds is estimated to be \$8.0M (2.0% of the operating budget).

Given the one time nature of reserve funds, the use of such funds is not a solution for ongoing base budget requirements. Over the last two years the BAC has recommended that the use of reserve funds as a means of balancing the operating budget be reduced each year. The BAC is making the same recommendation this year.

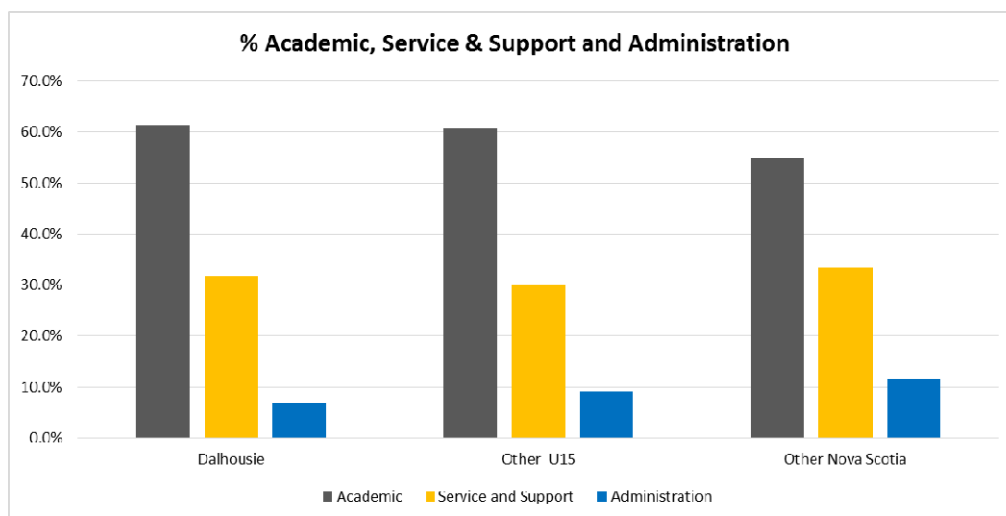
Recommendation:

- **The BAC recommends that \$1.5 million in reserve funds be used in order to close the budget gap in 2016-17.**
- **The BAC recommends that the use of reserve funds continue to be scaled back.**

EXPENDITURES

Total university expenditures for 2016-17 are projected to be \$405.7 million, a net increase of \$8.0 million over 2015-16. The following graph shows a comparison of how Dalhousie allocates resources compared to U15 comparators and other Nova Scotia universities.

The University spends approximately 61% of its budget in academic areas (Faculties, including Graduate Studies and Continuing Education), 32% on service and support areas and 7% on administration. The distribution is comparable to the average of other U15 institutions while the University spends more on academic areas than other Nova Scotia institutions.



Source: Canadian Association of University Business Officers (CAUBO)
Financial Information of Universities and Colleges 2013-14, Statistics Canada.

1. Faculty and Staff Compensation

Compensation represents \$294.1 million (74.0% of budgeted expenditures). As a result, overall expenditure increases in the University budget are driven by negotiated settlements.

A provision for compensation adjustment based on negotiated settlements of \$10.1 million (salary, pension and benefit costs) has been included in the 2016-17 fiscal year budget. This includes an allowance for cost of living and progression increases as well as the annualization of previous year increases.

2. Adjusting Faculty Budgets for Enrolment Changes

The Enrolment Related Budget Allocation (ERBA) formula is used to allocate approximately 60% of tuition revenue to Faculties from changes in enrolment. The 2016-17 estimated distribution to Faculties of \$200,000 is based on the difference in enrolment between 2014-15 and 2015-16. ERBA considers both the Faculty where the student is enrolled and the Faculty providing the instruction. Further information on how ERBA is calculated is included in Appendix G.

The \$200,000 estimate reflects a net adjustment across Faculty budgets. Enrolment in some Faculties has grown resulting in an increase in their budget through ERBA. In other Faculties budgets will be reduced through ERBA as enrolment has declined. See Appendix H for a history of ERBA adjustments by Faculty.

A subcommittee reviewing ERBA will be submitting its report in the coming months.

3. Energy, Water, Taxes and Insurance

The Energy, Water, Taxes and Insurance line is projected to increase by \$223,000 (1%) overall in 2016-17. This increase includes natural gas pricing based on a forecast of market conditions. Natural gas prices to be volatile based on various factors. The cost of all utilities is also impacted by usage which has been estimated using normal consumption experience.

4. Facilities Renewal

The Board's Long Term Financial Planning Committee recommended in November 2006 that the facilities renewal budget be increased annually to address the significant deficits in the state of the University's physical infrastructure. The University now operates 150 buildings on the Halifax and Truro Campuses totaling 5.4 million square feet with a replacement value of almost \$1.5 billion. The maintenance of these assets is important to support student space for learning and living and for research.

The University continues to be concerned about the condition of the University facilities. There are exceptionally high needs for investment in infrastructure renewal due to the age of some buildings and insufficient spending on building maintenance in the past. Approximately 18% of Dalhousie's campus was built prior to 1951. This was a building era of durable construction; however, these buildings are now aging and in need of repair. Another 55% was constructed between 1951 and the mid 1970's. When repairs are not completed on a timely basis this can lead to structural and environmental deterioration thereby adding to the cost of the repair.

An investment of 2% (\$30 million per annum) of replacement value per year is a standard suggested for public entities like Dalhousie. The University has continued to increase the Facilities Renewal budget and has made significant progress toward the recommended spending level. The budget for Facilities Renewal in 2015-16 is \$19.2 million (\$20.9 million including other sources of funds such as cost sharing and rebates). For the last three years base increases of \$500,000 (excluding new building costs) have been added to the Facilities Renewal budget for the Halifax Campuses. There is also an increase in revenue generated from the student fee for facilities renewal that further increases this budget line. (See revenue section item 4 on page 9.)

Recommendation: A \$1.0 million increase in Facilities Renewal expenditures for the Halifax Campuses in the 2016-17 budget. This is in addition to the \$91,000 generated from the student fee in the Halifax and Truro Campuses.

5. Information Technology - Network Capacity and Infrastructure

The University has significant and growing challenges with its technology infrastructure:

- A University network assessment indicated significant risk of exposure due to outages and a need for modern network security tools. The network is in a non-standard environment and difficult to support. There is a growing need to be better prepared and able to respond to increases in both adoption and utilization of devices.
- There is significant growth in the number of electronic devices at the University leading to network traffic doubling in the last year alone. At the current rate of growth, without additional investment, the University will reach its network capacity in 2017.
- The trend of increasing demand impacts all aspects of information technology including the rapid and steady growth of systems, data storage and research clusters

Recommendation: An investment of \$500,000 added as a new line in the University operating budget targeted for network capacity and infrastructure requirements.

6. Faculty of Arts and Social Science Special Response Funding

The arts, humanities, and social sciences are core to Dalhousie as a regional and U15 university. The Faculty of Arts and Social Science (FASS) is in a difficult financial situation precipitated by a decline in enrolment in each of the last four years. In particular the Fall 2015 entering class (new from high school) was 22.8% lower than the previous year. These declines in enrolment are not unique to Dalhousie and are being experienced by Faculties of Arts and Social Sciences across North America. The enrolment in FASS has declined by 18% over the past four years. Given the continued enrolment decline the financial outlook for the Faculty suggests significant fiscal challenges going forward.

The BAC has been advised that in response to the declining enrolment the Faculty has taken steps to mitigate the budget shortfall. Virtually all of the Faculty budget is comprised of compensation expenditures and this has resulted in a budget shortfall and leaves the Faculty with no funds to support new initiatives. Continued Faculty planning efforts will be required, and the University needs to support such efforts to enable the Faculty to move toward a balanced budget. The Faculty should lead in the development of such initiatives.

Based on these extraordinary circumstances, the BAC reviewed a number of options and is recommending special response funding of \$500,000 be allocated in the 2016-17 budget to allow FASS to develop and implement initiatives that lead to a balanced budget.

Recommendation: \$500,000 be allocated in the 2016-17 budget to create special response funding for FASS. The plan for the use of these funds must be developed in FASS, under the leadership of the Dean, and approved by the Provost Committee prior to allocating the funding.

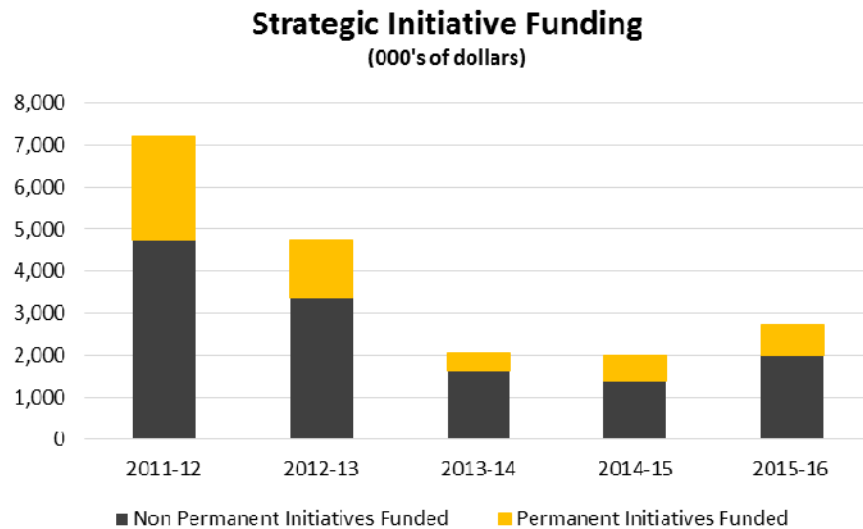
7. Strategic Initiatives Fund

The Strategic Initiatives Fund in the Operating Budget is for use in supporting major initiatives at the University that will have impact in teaching and learning, research, and infrastructure in particular. The BAC continues to support the need to maintain funding to address emerging and transformational priorities. The amount available each year is dependent on the resources available within the budget for that year.

For the past number of years the BAC has recommended the Strategic Initiatives program fund largely non-permanent expenditures in order to preserve the base budget for subsequent years given the uncertainty in areas such as government funding, enrolment levels and increasing costs. Funds allocated to one-time initiatives are then available to be used in subsequent years to support new initiatives. Funds allocated to ongoing costs (such as salaries) become part of Faculty or service unit budgets and therefore reduce funds available for subsequent years that must be replenished.

The Provost Committee reviews annually the broad strategic goals for the fund in a multiyear context and works with individual groups to provide feedback on proposals, to select proposals for funding that are aligned with those goals and to review the progress of all funded initiatives annually. The Provost Committee is mindful of the mix of one time versus permanent base initiatives to ensure multi-year sustainability of the fund.

The following graph shows the total funding available and the portion allocated to fund non-permanent costs in each of the last 5 years:



In the 2015-16 budget plan, the BAC recommended that this funding be maintained or increased over time. The BAC recommends that the fund be maintained at \$2.7 million for 2016-17.

Recommendations:

- **Maintain the Strategic Initiatives fund budget of \$2.7 million in 2016-17 and over the period of the current Strategic Directions.**
- **The majority of funds be used for multi-year initiatives that align with strategic priorities.**

8. **2016-17 Base Budget Reduction:**

This budget plan includes estimated expenditure increases of \$15.1 million. Major components of the increase include compensation (\$10.1 million), infrastructure (\$1.0 million), student assistance (\$0.6 million), Faculty of Arts and Social Sciences Special Response Funding (\$0.5 million) and network infrastructure technology (\$0.5 million). Dalhousie’s revenues are projected to increase in 2016-17 by \$8.0 million, from \$397.7 million to \$405.7 million. This leaves a gap of \$7.1 million in excess of University revenues.

Given the recommendations to invest in strategic priorities such as infrastructure and technology, as well as decreasing our reliance on one time reserve funds, a 2.5% reduction to Faculties and service units is recommended to achieve a balanced budget.

Although Faculties and service units must absorb a reduction of \$7.1 million, once they receive compensation and other increases the net overall increase to their budgets is \$4.3 million.

See Appendix I for Faculty budget increases over the past three years.

As in previous years a number of budget items are exempt from reduction and a list of these items is included in Appendix J.

Recommendation: A 2.5% reduction be applied to all Faculties and service units.

III BUDGET DISCUSSION FOR FUTURE YEARS

A multi-year financial projection is being developed and will be included in the final BAC report issued in March, 2016. The following are key considerations in developing a three year budget outlook for the University:

- The Provincial Government has not yet confirmed the Provincial Operating Grants for Nova Scotia Universities for 2016-17 and new Memoranda of Understanding (MOU) are currently being developed for both the Halifax and Truro Campuses. Government funding represents 52.5% of the University's revenue.
- Reserve Funds have been used for the past three years to balance the budget. Given the one-time nature of this funding it is important to continue to decrease the reliance on these funds to balance the budget.
- Demographic trends indicate a decline in new from high school students which challenges the University to maintain/grow enrolment.

IV CONSULTATION AND IMPACT

The BAC is interested in feedback on the following questions:

- Are there other alternatives to increase revenues or decrease expenditures beside those contained in this report?
- Are there particular areas that should be considered for strategic investment given strategic priorities and the necessary budget reductions?
- Are there suggestions of other ways to balance the budget?

BAC invites comments on these and other budget matters from all members of the University community. The BAC will be meeting with campus constituents but also welcomes written feedback on the report. Written feedback should be sent to BAC@dal.ca or before February 22, 2016.

Assumptions	2016-17
Government Grant Change	1.0%
Tuition Revenue	
General Fee Increase (Per current MOU)	3.0%
Facilities Renewal fee Increase	3.0%
Base Budget Reduction:	
Faculties	2.50%
Service Units	2.50%
Nova Scotia Bursary	No change assumed
Compensation (per agreements and estimates)	Provision allowed
Library Acquisitions	2.0%
Non Salary Inflationary Increase	1.0%
Energy Water Taxes and Insurance increase	1.0%

	2015-16 Approved Budget	Change	2016-17 Projection
REVENUES - INCREASE(DECREASE)			
1. Government Funding			
a) Operating Grant: Agriculture	19,759	198	19,957
b) Operating Grant: Labour & Advanced Education	168,057	1,681	169,738
c) Nova Scotia Student Bursary Grant	8,607	-	8,607
d) Nova Scotia Graduate Scholarships Program Grant	2,213	435	2,648
e) Facilities/Space Grant	1,000	-	1,000
f) Other Government Grants - Enrolment Expansion	11,297	-	11,297
Total Government Funding	210,933	2,314	213,247
2. Tuition revenues	147,734		147,734
a) Enrolment Changes:			
i) 2015-16 Enrolment Impact	-	(230)	(230)
b) Fee increases	-	4,894	4,894
c) Market Adjustments	-	851	851
Total Tuition Revenue	147,734	5,515	153,249
3. Endowment Income	23,921	908	24,829
4. Operating Interest Income	3,250	(500)	2,750
5. Facilities Renewal Fee	3,048	91	3,139
6. Federal Research Support Fund Grant	6,979	-	6,979
7. Use of Reserve Funds	1,846	(346)	1,500
TOTAL REVENUES - INCREASE (DECREASE)	397,711	7,983	405,693
EXPENDITURES - INCREASE (DECREASE)			
8. Faculty and Unit Budget Allocations			
a) Compensation*			
i) Salary and Benefit Costs	294,081	10,069	304,150
b) Non-Salary*	43,112	666	43,778
c) Faculty/Unit Revenue	(33,355)	-	(33,355)
d) Budget Unit Adjustments	-	-	-
i) ERBA adjustment (preliminary estimate)	-	200	200
ii) Base budget reduction	-	(7,106)	(7,106)
e) Library Acquisitions	7,405	146	7,551
f) Market Adjustment Faculty Support	-	333	333
Total Faculty and Unit Budget Allocations	311,244	4,308	315,552
9. Faculty of Arts and Social Sciences Special Response Funding	-	500	500
10 Student Assistance			
a) Operating Support	10,341	-	10,341
b) Endowment Support	10,718	142	10,860
c) Nova Scotia Student Bursary (see line 1c)	8,607	-	8,607
d) Nova Scotia Graduate Scholarships Program Grant (see line 1d)	2,213	435	2,648
Total Student Assistance	31,879	577	32,456
11 Energy, Water, Taxes and Insurance	22,357	223	22,580
12 Non Space Equipment	2,372	-	2,372
13 Strategic Initiatives	2,000	700	2,700
14. Facilities Renewal	19,172	1,106	20,278
15 Campus Renewal - Long term debt/rent	6,787	68	6,855
16. Information Technology - Network Capacity and Infrastructure	-	500	500
17 Contingency	1,900	-	1,900
TOTAL EXPENDITURES - INCREASE (DECREASE)	397,711	7,983	405,693
SURPLUS (SHORTFALL)	(0)	0	0

Overall Budget Model
(See Halifax Model - page 21 & Truro Model - page 22)

* Net of recoveries

** Excludes one time Agricultural Campus Transition funding and expenditures.

Notes to Budget Model

These notes have been prepared to provide the reader with background in understanding the nature of the revenues and expenditures included in each of the lines and the preliminary estimates and assumptions on changes for the 2016-17 budget year.

REVENUES

Government Funding (Line 1)

Line 1 includes the provincial operating grants from the Province of Nova Scotia, as well as program expansion and targeted grants.

The Province has not yet confirmed an increase in operating grants for the Nova Scotia University System. At this time, the model assumes that Dalhousie's operating grant will be increased by \$1.9 million (1%) in 2016-17, consistent with the increase received in the last year.

Line 1 also includes the grant supporting the Nova Scotia Bursary Program (\$8.6 million on line 1c). The estimate of the funding for the program and the offsetting expenditure (line 10c)) is based on current program structure and enrolment levels. Also included in this section is the Nova Scotia Graduate Scholarship Program (\$2.6 million on line 1d). The offsetting expenditure budget is shown on line 10d.

Tuition Revenues (Line 2)

Tuition revenue line includes international differential fees. Changes in tuition revenues are generated by enrolment changes and fee rate changes:

(a) Enrolment

The model assumes no change in enrolment over from 2015-16 to 2016-17. There is a decline on the Agricultural Campus of \$230,000 resulting from lower than budgeted enrolment in 2015-16.

(b) Fee rates

The model (line 2b) assumes annual increases in tuition fees of \$4.9 million as provided for in the current Memorandum of Understanding (MOU) with the Province of Nova Scotia. Line 2c assumes \$851,000 for increase tuition revenue related to market adjustments in Engineering, Pharmacy and Agriculture.

Investment Income (Line 3 and 4)

Line 3 includes the investment income required to support expenditures against the University's approximately 1,300 established endowments. For information, the 2015-16 & 2016-17 endowment expenditures are included in the budget lines as follows:

	<u>15-16</u>	<u>16-17</u>
Compensation Costs - Line 8 a)	6,222	6,727
Student Assistance - Line 10	10,691	10,825
Library Acquisitons - Line 8 e)	<u>226</u>	<u>228</u>
	17,139	17,780
Non-Salary - Line 8 b)		
Endowment management Expense	2,752	2,800
General & Research Support	<u>4,029</u>	<u>4,249</u>
	6,781	7,049
Total	<u>23,920</u>	<u>24,829</u>

Line 4 includes operating interest income based on current interest rates and cash flow projections. Operating interest income is assumed to decrease by \$500,000 in 2016-17 based on current cash flow and interest rates.

Student Fee for Facilities Renewal (Line 5)

The student fee for Facilities Renewal is recommended to increase by 3% as provided for in the MOU. A corresponding increase in Facilities Renewal expenditures is included on line 14.

Federal Research Support Fund Grant (Line 6)

This line includes the grant received from the Federal Government to support the indirect costs of research. It is currently estimated that the operating budget includes \$43.4 million in costs

such as lighting and heating for research space, salaries for staff that provide technical or administrative research support, training costs for workplace health and safety, and the administrative costs associated with industry liaison activities. Funding for the program in 2016-17 has not been confirmed. At this stage in planning the projection is based on the 2015-16 amount.

Reserve Funds (Line 7)

This line includes one-time reserve funds used to balance the budget. It is recommended that the use of reserve funding in 2016-17 be reduced by \$346,000 from 2015-16. The total amount of reserve funding budgeted for use in 2016-17 is \$1.5 million.

EXPENDITURES

Faculty and Service Unit Budget Allocations (Line 8)

This section includes the components of the budget allocations to Faculty and Service Units.

Compensation (Line 8(a)): The budget model includes the estimated costs of progression increases (CDIs, steps, etc.), scale and benefit increases for all employee groups. (This budget line is shown net of direct salary and benefit recoveries).

Non-Salary Expenditures (Line 8(b)): This line includes University expenditures for all costs that are not related to compensation within Faculty and unit budgets. Costs include program supplies, materials and contracted services. The budget model includes a general inflationary increase of 1% for most components of the non-salary budget except where indicated below. The model also includes increased endowment allocations resulting in an overall increase of 1.5%. (This budget line is shown net of direct cost recoveries).

Faculty and Service Unit Revenues (Line 8(c)): This line includes other revenue sources that are managed by Faculties and other budget units.

Such revenues would include revenue from full cost recovery programs and services provided to external parties. No increase is projected in this line.

Budget Unit Adjustments (Line 8(d)): The following items are adjustments that will be made to Faculty and Service unit budgets once the final budget plan for 2016-17 is established.

ERBA (Line 8(d)(i)): This is a preliminary estimate of additional budget allocations to Faculties in 2016-17 as a result of enrolment changes in 2015-16 over 2014-15.

Base Budget Reduction (Line 8(d)(ii)): This model includes a base budget reduction of \$7.1 million. A 2.5% reduction has been applied to Faculties and service units. This is necessary to reach a balance of operating revenues and expenditures.

Library Acquisitions (Line 8(e))

This line includes the costs of library acquisitions including electronic media. The budget model assumes a 2% increase in 2016/17.

Market Adjustments (Line 8(f))

This line includes \$333,000 which represents one half of the increased tuition revenue from the market adjustments recommended for Engineering and Pharmacy (see line 2c). This funding will be allocated to these faculties for priority investments to benefit students in these programs.

Faculty of Arts and Social Sciences (FASS) Special Response Funding (Line 9)

This line includes \$0.5 million in special response funding for FASS to support Faculty planning efforts to enable the Faculty to move toward a balanced budget.

Student Assistance (Line 10)

Lines 10 a) and b) in the model are operating and endowment student assistance expenditures totaling \$21.2 million. Endowment supported scholarships will increase by \$142,000 in 2016-17.

Line 9c) and 9d) in the model are student assistance programs that are fully funded through grants from the Province (line 1c) and 1d). The model makes no assumption about change in the current program structure for the Nova Scotia Bursary Program in 2016-17 (\$1,283 for full time Nova Scotia Students). The Nova Scotia Graduate Scholarship program is expected to increase by \$435,000 in 2016-17.

Utilities, Taxes and Insurance (Line 11)

Line 11 includes estimated costs for natural gas, electricity, water, tax and insurance and projects funded over time by energy savings. The cost on this line is estimated to increase by 1% in 2016-17 mainly due to the price of Natural Gas.

Non Space Equipment (Line 12)

Line 12 is a central pool of funding which is allocated to Faculties and Service units to support teaching and equipment purchases. No change has been made to this line.

Strategic Initiatives (Line 13)

This pool of funding is allocated to Faculties and other budget units by the President's office to support new initiatives. The funding on this line is funding that was allocated to non-permanent (e.g. one-time) items in 2015-16 and therefore continues to be available in 2016-17. The budget model includes a total increase of \$0.7 million to replenish the funds provided for permanent base initiatives in order to continue to move forward on the University's Strategic Directions.

Facilities Renewal (Line 14)

The budget model assumes a \$1.0 million increase in the budget for Facilities Renewal. The \$0.1 million includes the increase in the student fee (line 5) for Facilities Renewal of \$91,000.

Campus Renewal – Long term (Line 15)

This line includes the costs of debt service and rental requirements for University space. The

budget model assumes an increase in the cost of leased space in 2016-17.

Contingency (Line 16)

This line is the annual allocation for contingency items. The budget is currently set at less than 0.5% of the total operating budget.

Dalhousie University
Operating Budget Revenue and Expenditure Model

Assumptions	2016-17
Government Grant Change	1.0%
Tuition Revenue	
General Fee Increase (Per current MOU)	3.0%
Enrolment Change	No change assumed
Facilities Renewal fee Increase	3.0%
Base Budget Reduction:	
Faculties	2.50%
Service Units	2.50%
Nova Scotia Bursary	No change assumed
Compensation (per agreements and estimates)	Provision allowed
Library Acquisitions	2.0%
Non Salary Inflationary Increase	1.0%
Energy Water Taxes and Insurance increase	1.0%

Halifax Budget Model
(See Overall Budget Model - page 17)

	2015-16 Approved Budget	Change	2016-17 Projection
REVENUES - INCREASE(DECREASE)			
1. Government Funding			
a) Operating Grant: Labour & Advanced Education	161,536	1,615	163,151
b) Grant to support Nova Scotia Student Bursary	8,036		8,036
c) Nova Scotia Graduate Scholarships Program Grant	2,213	435	2,648
d) Facilities/Space Grant	1,000		1,000
e) Other Government Grants - Enrolment Expansion	11,297		11,297
Total Government Funding	184,082	2,050	186,132
2. Tuition revenues	142,523		142,523
a) General fee increases		4,744	4,744
b) Market Adjustments		666	666
Total Tuition Revenue	142,523	5,410	147,933
3. Endowment Income	23,729	910	24,639
4. Operating Interest Income	3,250	(500)	2,750
5. Facilities Renewal Fee	2,907	87	2,994
6. Federal Research Support Fund Grant	6,861		6,861
7. Use of Reserve Funds	1,846	(346)	1,500
TOTAL REVENUES - INCREASE (DECREASE)	365,198	7,612	372,809
EXPENDITURES - INCREASE (DECREASE)			
8. Faculty and Unit Budget Allocations			
a) Compensation*			
i) Salary and Benefit Costs	270,112	9,199	279,311
b) Non-Salary*	35,422	548	35,970
c) Faculty/Unit Revenue	(27,858)		(27,858)
d) Budget Unit Adjustments			0
i) ERBA adjustment (preliminary estimate)		200	200
ii) Base budget reduction		(6,438)	(6,438)
e) Library Acquisitions	7,016	138	7,154
f) Market Adjustment Faculty Support		333	333
Total Faculty and Unit Budget Allocations	284,692	3,979	288,671
9. Faculty of Arts and Social Sciences Special Fund		500	500
10. Student Assistance			
a) Operating Support	10,054		10,054
b) Endowment Support	10,526	144	10,670
c) Nova Scotia Student Bursary (see line 1b)	8,036		8,036
d) Nova Scotia Graduate Scholarships Program Grant (see line 1c)	2,213	435	2,648
Total Student Assistance	30,829	579	31,408
11. Energy, Water, Taxes and Insurance	19,835	198	20,033
12. Non Space Equipment	2,213		2,213
13. Strategic Initiatives	2,000	700	2,700
14. Facilities Renewal	17,242	1,087	18,329
15. Campus Renewal - Long term debt/rent	6,787	68	6,855
16. Information Technology - Network Capacity and Infrastructure		500	500
17. Contingency	1,600		1,600
TOTAL EXPENDITURES - INCREASE (DECREASE)	365,198	7,612	372,809
SURPLUS (SHORTFALL)	0	0	0

* Net of recoveries

Dalhousie University
Preliminary Operating Budget Revenue and Expenditure Model

<u>Assumptions</u>	2016-17
Operating Grant Labour and Advanced Education	1.0%
Operating Grant Department of Agriculture	1.0%
Tuition Revenue	
Fee Increase	3.0%
Facilities Renewal fee increase	3.0%
Base Budget Reduction	2.50%
Nova Scotia Bursary	No change assumed
Campus Renewal	1.0%
Compensation (per agreements and estimates)	Provision allowed
Library Acquisitions	2.0%
Non Salary Inflationary Increase	1.0%
Energy Water Taxes and Insurance change	1.0%

	2015-16	Change	2016-17
	Approved		Projection
	Budget		
REVENUES - INCREASE(DECREASE)			
1. Government Funding			
a) Operating Grant: Department of Agriculture	19,759	198	19,957
b) Operating Grant: Labour and Advanced Education	6,521	66	6,587
c) Nova Scotia Student Bursary Grant	571		571
Total Government Funding	26,851	264	27,115
2. Tuition revenues	5,211		5,211
b) General fee increase	-	150	150
c) Market Adjustments		185	185
Total Tuition Revenue	5,211	105	5,316
3. Endowment Income	192	(2)	190
4 Facilities Renewal Fee	141	4	145
5 Federal Research Support Grant	118		118
TOTAL REVENUES - INCREASE (DECREASE)	32,513	371	32,884
EXPENDITURES - INCREASE (DECREASE)			
6 Faculty and Unit Budget Allocations			
a) Compensation*			
i) Salary and Benefit Costs	23,969	870	24,839
b) Non-Salary (net of recoveries)	7,690	118	7,808
c) Faculty/Unit Revenue	(5,497)		(5,497)
d) Budget Unit Adjustments			
i) Base budget reduction	-	(667)	(667)
e) Library Acquisitions	389	8	397
Total Faculty and Unit Budget Allocations	26,552	328	26,880
7 Student Assistance			
a) Operating Support	287		287
b) Endowment Support	192	(2)	190
c) Nova Scotia Student Bursary (see line 1c)	571		571
Total Student Assistance	1,050	(2)	1,048
8 Energy, Water, Taxes and Insurance	2,522	25	2,547
9 Non Space Equipment	159		159
10 Facilities Renewal	1,930	19	1,949
11 Contingency	300		300
TOTAL EXPENDITURES - INCREASE (DECREASE)	32,513	371	32,884
SURPLUS (SHORTFALL)	-	-	-

Truro Budget Model
(See Overall Budget Model - page 17)

* Net of recoveries

** Excludes one time Agricultural Campus Transition funding and expenditures.

2016-17 Budget Process Timetable

	Date	Activities	Responsibility
PLANNING AND ANALYSIS	September	BAC commences discussion of 2016-17 budget. Questions sent out to Faculties and Units	BAC Deans and Unit Heads
	October/November	BAC discussions continue including: <ul style="list-style-type: none"> • Invite Deans/Student Groups and selected units to present to the Committee. 	BAC/Deans/Unit Managers
	November/December	BAC work continues including: <ul style="list-style-type: none"> • Completion of meetings with Deans/Student Groups and selected Units. • Preparation of draft report to be completed by the end of December. 	BAC
DEVELOPMENT OF RECOMMENDATIONS, CONSULTATION AND INPUT	January	Review draft report with the President prior to release Release Draft 2016-17 Operating Budget Plan including: <ul style="list-style-type: none"> • Proposed recommendations that will be the basis of the development of the 2016-17 budget • Proposed tuition fee schedule Budget Office sends preliminary unit budget detail (does not yet include BAC recommendations) to Faculties and units to <u>begin</u> preparation for the 16-17 budget.	BAC BAC Deans/Unit Managers

	Date	Activities	Responsibility
APPROVAL	January/February	BAC considers input received from the campus community	BAC
		University holds budget, tuition and fee consultation sessions with Students and the Campus Community	BAC/Student Campus
		Review draft of final report with the President prior to release	BAC
	March*	Issue Final Report – An Operating Budget Plan for 2016-17 <ul style="list-style-type: none"> • Report presented to the Operations Committee (March 30th) • Report presented to the Senate Committee • Tuition Fee recommendations to the Board for approval in April 	BAC
	April/May	Unit budget allocations determined and communicated to Deans and others	Budget Office
	June	Budget Units refine detailed budgets	Deans/Unit Managers
		Recommended Operating Budget for 2016-17 presented via the Operations Committee (June 8 th) to the Board for approval	President's Office
		Detailed budget finalized	Budget Office

Note: The BAC may at the request of the President or on its own initiative prepare additional reports on budget related matters.

* Required to meet tuition fee consultation guidelines

INPUT FROM STAKEHOLDERS - SUMMARY

1. Deans and the University Librarian presented information on their respective budgets.
2. Presentations on matters impacting students were made by representatives of student groups. These included the Student Union and Graduate Students. International student representatives have been requested to attend an upcoming Committee meeting.
3. The Assistant Vice President of Facilities Management presented information on facilities renewal and capital planning matters.
4. The Assistant Vice President and Chief Information Officer presented to the Committee the technology infrastructure needs.
5. A survey is currently being distributed to all students requesting information on their budget concerns/questions/issues for consideration by the BAC.

6. Themes Arising from Meetings and Input from Faculties and Service Units:

Space:

- Finding large classrooms is an obstacle to growth.
- There is some unusable space that is considered to be too expensive to maintain or renovate.

Budget:

- Salaries are the most significant part of the budget and uncertainty around retirement projections makes planning difficult.
- Need better tools to understand the financial consequences when making strategic decisions.
- Annual budget cuts are a concern

Enrolment:

- Enrolment in FASS is down 4.5% with significant loss in students from Ontario.
- Programs with stable enrolment are unable to generate additional ERBA.
- There is complexity and sometimes competitiveness across Faculties as students taking other courses from other Faculties may have a negative impact on ERBA.

Library:

- Inflationary and dollar exchange rate increases are a concern for the Library. The exchange rate difference on Library purchases is now covered by the University annually.

7. Themes Arising from Meetings with Students:

- Students are concerned with increasing tuition fees and requested the University explain what is triggering the increase and/or explore scenarios where no tuition fee increases are applied.
- Students' priorities are teaching, research and student services.
- There are concerns about underfunding, Sexton space and course offerings.
- Students need access to essential services like mental health supports, trained counsellors, child care and other family oriented services.

Dalhousie University
Proposed Tuition and Facilities Renewal Fees for 2016-2017
(Effective April 1, 2016 unless otherwise noted)

*** NOTICE TO READER:** The Province of Nova Scotia has not yet confirmed any change to the Nova Scotia Bursary Program for 2016-2017 year. Dalhousie has assumed continuation of the program at the 2015-16 rates. The program provides Nova Scotia students with an automatic bursary applied directly to reduce tuition costs. The example below shows the impact of the bursary for Nova Scotia students enrolled for a full course load. Bursary amounts will be prorated for students taking less than a full course load.

EXAMPLE:

	Nova Scotia student
	\$
Undergraduate Arts Student	
Tuition	7,200
Bursary (2015-16 rates)	<u>(1,283)</u>
Tuition net of bursary	5,917

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

	2015-2016 Approved		2016-2017 Proposed	
	Fees (see note * above)		Fees (see note * above)	
	Program	Per Billing Hour	Program	Per Billing Hour
	\$	\$	\$	\$
I UNDERGRADUATE				
Architecture, Community Design		243.50		250.80
Arts and Social Sciences		233.00		240.00
Computer Science (incl. Informatics)		264.40		272.30
Dentistry				
Dentistry - Cohort entering 2013	18,600		19,158	
Dentistry - Cohorts entering after 2013	20,826		22,700	
Dental Hygiene (Diploma)	8,732		8,994	
Dental Hygiene (Degree)		294.60		303.40
Engineering		264.40		285.50
Health Professions				
Health Services Administration		264.40		272.30
Health Science and Kinesiology		271.40		279.50
Nursing - Cohorts entering before 2016 ¹		271.40		279.50
Nursing - 2016 Cohort (newly modified program) ¹		N/A		293.10
Pharmacy		279.40		301.80
Recreation & Health Promotion		271.40		279.50
Social Work		257.50		265.20
Law	14,193		14,620	
Management				
Commerce Co-Op		266.80		274.80
Management & Public Administration		234.40		241.40
Medicine				
MD - Cohort entering 2013	17,616		18,144	
MD - Cohorts entering after 2013	18,300		19,215	
Post-Graduates	2,895		2,982	
Science		264.40		272.30

¹ In the fall of 2016, new students to the nursing program will be admitted to a modified program and this has required a restructuring of fees (auxiliary and tuition). Two streams will allow options of a three calendar year program (8 terms) or a two calendar year program (6 terms) (the latter for students with advanced standing). The current program which is offered over four years (8 terms and 4 intercessions) will be discontinued.

Students in the modified 8 term program will pay the same total fees (tuition and auxiliary) for their program as the current 8 term program. Students in the 6 term program will pay approximately 75% of the cost of the 8 term program. Dalhousie has worked with the Province of Nova Scotia and other Nova Scotia Universities on nursing program modifications to be responsive to human resource planning in the health care sector and to benefit students through greater program flexibility and earlier completion of the program. Students already in the program will not be not be affected by these changes.

* PLEASE SEE NOTICE TO READER (PAGE 1) ABOUT THE PROVINCIAL BURSARY PROGRAM IMPACT ON NET FEES PAID BY THE STUDENT.
The fee rates listed below are before the bursary is applied.

	2015-2016		2016-2017	
	Fees (see note * above)	Per Billing Hour	Fees (see note * above)	Per Billing Hour
II GRADUATE (Halifax Campuses)				
Masters				
Architecture and Planning				
Architecture		280.60		289.00
Post Professional	8,412		8,664	
Environmental Design Studies	8,412		8,664	
Planning		294.60		303.40
Planning Studies	8,412		8,664	
Arts and Social Sciences	7,401		7,623	
Computer Science	8,412		8,664	
Dentistry - MD/MSc (Oral and Maxillofacial),	21,420		23,349	
MSc Periodontics	19,131		19,704	
Engineering, Applied Science	8,412		8,664	
Electronic Commerce	9,327		9,606	
Health Informatics	9,327		9,606	
Health Professions				
Applied Health Services Research	7,509		7,734	
Clinical Vision Science	9,117		9,390	
Health Promotion, Leisure Studies	8,412		8,664	
Health Administration		282.90		291.30
Human Communication Disorders, MSc Audiology				
MSc Speech Language, Pathology				
Years 1&2	10,566		10,881	
Year 3	8,754		9,015	
Kinesiology and Nursing	9,117		9,390	
Pharmaceutical Sciences	10,563		10,878	
Occupational Therapy (Post Professional),	10,563		10,878	
Physiotherapy (Rehabilitation Research)				
Occupational Therapy & Physiotherapy ¹	13,017		13,017	
Social Work		272.50		280.60
Law	10,371		10,682	
Management				
MBA Corporate Residency	22,038		22,700	
Environmental Studies	7,488		7,713	
Library and Information Studies		310.80		320.10
Public Administration		247.00		254.40
Resource and Environmental Management		247.00		254.40
Medicine				
Community Health & Epidemiology	9,117		9,390	
Medicine - Except Community Health & Epidemiology	8,412		8,664	
Science	8,412		8,664	
Marine Management	7,488		7,713	

¹ Fees for these programs are frozen for 2016-17

* PLEASE SEE NOTICE TO READER (PAGE 1) ABOUT THE PROVINCIAL BURSARY PROGRAM IMPACT ON NET FEES PAID BY THE STUDENT.
The fee rates listed below are before the bursary is applied.

	2015-2016		2016-2017	
	Approved Fees (see note * above) Per Billing Hour	Program	Proposed Fees (see note * above) Per Billing Hour	Program
II GRADUATE (Halifax Campuses) cont'd				
Doctorate				
Arts and Social Sciences	7,764		7,995	
Computer Science	8,790		9,054	
Engineering, Applied Science	8,790		9,054	
Law	10,728		11,049	
Health	8,790		9,054	
Medicine	8,790		9,054	
Nursing	9,492		9,777	
Science	8,790		9,054	
Other				
Qualifying, Visiting or Special Graduate Students		280.40		288.80
Continuing Fee	2,301		2,370	
III INTERNATIONAL STUDENT DIFFERENTIAL FEE (Halifax Campuses)				
All Programs (except Graduate- thesis based)	8,703		8,964	
Graduate -thesis based	6,015		6,195	
IV FACILITIES RENEWAL FEE				
Full-time (per term)	84.35		86.85	
Part-time (per term)	28.10		28.90	
V FACULTY OF AGRICULTURE				
UNDERGRADUATE				
Degree ¹		212.20		231.90
Technical ²		196.20		202.00
Animal Health ²		263.70		271.60
Veterinary Technology ²		263.70		271.60
GRADUATE				
Degree	8,412		8,664	
OTHER				
Qualifying, Visiting or Special Graduate Students		270.70		278.80
Continuing	2,301		2,370	
INTERNATIONAL STUDENT DIFFERENTIAL FEE				
UNDERGRADUATE				
Degree		212.20		218.50
Technical		196.20		202.10
Animal Health		263.70		271.60
Veterinary Technology		263.70		271.60
GRADUATE				
Degree	6,015		6,195	
OTHER				
Qualifying, Visiting or Special Graduate Students		270.70		278.80
Continuing	2,301		2,370	

¹ Undergraduate degree courses in the Faculty of Agriculture are assessed at a billing hour rate, based on 3 billing hours per course

² Undergraduate courses in Technical, Animal Health and Veterinary Technology are assessed at a billing hour rate, based on 2 hours per course

Appendix E

2015-16 Survey of Tuition Fees with Comparator Universities:

- Undergraduate Arts Tuition Fees – Atlantic Universities 29
- Tuition Fees for Entering Students – Canadian Universities 30
- Comparison of Law, Medicine & Dentistry Tuition Fees 31
- Canadian Universities Dental Fee Comparison 32
- International Tuition Fees at Selected Universities 33

TUITION FEE SURVEYS (2015-16)

Undergraduate Arts Tuition Fees - Atlantic Universities (2015-16)

University	Tuition and Auxiliary fees Less Provincial Bursary ⁽¹⁾		Approved Tuition Fee
	Nova Scotian Students (\$1,283 bursary)	Other Canadian Students	
Mt. Allison	8,335	8,335	7,465
Acadia	7,722	9,005	7,713
UNB	7,036	7,036	6,187
St. Francis Xavier	7,058	8,341	7,195
Kings	7,044	8,327	6,990
UPEI	6,718	6,718	5,690
Dalhousie	6,747	8,030	6,990
Moncton	6,299	6,299	5,604
St. Thomas	6,652	6,652	5,914
Mount Saint Vincent	6,092	7,375	6,436
Saint Mary's	6,412	7,695	6,470
CBU	5,979	7,262	6,570
Memorial	3,071	3,071	2,550

¹ In addition to the Approved Tuition Fee (see grey box to right) students pay mandatory auxiliary fees including fees such as Dental and Health Plans, Campus Renewal, recreation, bus passes etc.). For students at Nova Scotia universities tuition costs are reduced by an automatic bursary of \$1,283 from the provincial government.

**Survey of Tuition fees for Entering Students at Selected Canadian Universities
2015-16 Academic Year**

	Dalhousie				Victoria	British Columbia	Alberta	Calgary	Saskatchewan	Manitoba	McMaster	Western	Windsor	Toronto	York	Queen's	Waterloo	Ottawa	McGill	New Brunswick	Memorial
	Nova Scotia Students	Dal Rank (#1 is highest)	Canadian Students	Dal Rank (#1 is highest)																	
	(net of \$1,283 bursary)																				
UNDERGRADUATE																					
(6) Agriculture	5,083	8	6,366	3	--	5,321	5,321	--	5,871	4,142	--	--	--	--	--	--	--	--	7,031	--	--
Arts	5,707	12	6,990	2	5,262	4,988	5,321	5,386	5,790	3,260	6,145	6,154	6,014	6,220	6,221	6,053	6,234	6,191	7,031	6,187	2,550
Dental Hygiene	7,449	2	8,732	2	--	5,487	10,067	--	--	7,067	--	--	--	--	--	--	--	--	--	--	--
Engineering	7,442	9	8,725	8	6,485	6,152	5,676	5,386	7,830	4,121	11,947	11,802	9,128	13,620	6,221	11,404	13,410	9,043	7,031	7,187	2,550
Commerce	6,721	10	8,004	5	7,174	7,391	5,321	5,386	7,757	4,370	8,980	--	8,412	6,220	8,300	15,590	--	7,240	7,031	6,287	2,550
Nursing	6,859	5	8,142	2	5,262	7,981	7,094	5,386	6,488	3,994	6,145	6,154	6,014	8,340	6,221	6,053	--	6,191	7,031	6,187	2,550
Pharmacy	8,370	6	9,653	5	--	16,677	9,987	--	9,011	4,482	--	--	--	16,850	--		19,612	--	--	--	3,145
Science	6,649	2	7,932	1	5,262	4,988	5,321	5,386	5,944	3,849	6,145	6,154	6,072	6,220	6,221	6,053	6,234	6,191	7,031	6,187	2,550
Social Work	6,442	2	7,725	1	5,262	4,988	--	5,386	--	4,109	6,145	--	6,072	--	6,221	--	6,234	6,191	7,031	--	2,550
GRADUATE																					
Occupational Therapy	11,734	1	13,017	1	--	6,839	6,449	--	--	--	9,971	10,841	--	10,150	--	10,779	--	8,915	--	--	--
Masters in Arts	6,118	10	7,401	3	5,465	4,615	3,745	5,594	3,804	4,540	7,008	6,827	7,743	7,060	4,785	6,414	7,308	8,189	7,031	6,187	3,030
Footnotes:						(1) (4) (5)							(2) (4)			(4)	(2)		(3)		

Note: Amounts in table do not include auxillary fees. These fees are compiled using publically available information on university websites.

(1) University of British Columbia year one and two of a Nursing degree students are required to complete 48 credits and usually enroll in an Arts or Science Undergrad Program. Years three and four, students are enrolled in the Nursing Program and are required to complete 81 credits to graduate. The tuition shown for Nursing is the average cost of the four years.

(2) University of Ottawa the Social Work and Occupational Therapy programs are offered only in French.

(3) University of New Brunswick tuition Includes a \$1,000 Engineering Program Fee and a \$100 Management Program Fee.

(4) Pharmacy at Toronto, Waterloo and UBC is the Pharm D Program. Other programs shown including Dalhousie are BSc programs.

(5) University of British Columbia offers Agriculture programs but does not have a Faculty of Agriculture.

(6) Other comparators for the Faculty of Agriculture include Laval (\$7,638); Guelph (\$6,199) and Trent (\$6,221). The University of Laval and McGill rates are for Canadian students from outside Quebec.

**Comparison of Law, Medicine and Dentistry Tuition Fees for 2015-16
for Entering Canadian Students**

	Law 2015-16	Medicine 2015-16	Dentistry 2015-16
Dalhousie			
Nova Scotia students (fee reduced by \$1,283 for NS Bursary)	14,160	17,017	19,543
Dalhousie rank (1 is the highest fee)	7 th of 15	7 th of 13	6 th of 8
Other Canadian students	15,443	18,300	20,826
Dalhousie rank (1 is the highest fee)	7 th of 15	6 th of 13	4 th of 8
Victoria ⁽¹⁾	9,208	n/a	n/a
UBC	11,667	17,066	17,066
Alberta ⁽²⁾	10,221	12,044	20,184
Calgary	12,315	11,259	n/a
Saskatchewan	12,255	15,840	32,960
Manitoba ⁽⁴⁾	9,488	8,256	20,066
McMaster ⁽³⁾	n/a	20,251	n/a
Western	19,342	23,927	33,923
Windsor	16,851	n/a	n/a
Toronto	31,740	22,180	35,600
York	23,806	n/a	n/a
Queens	17,524	24,261	n/a
Ottawa	16,864	24,463	n/a
McGill ⁽⁵⁾	7,031	14,764	14,998
UNB ⁽⁶⁾	9,837	n/a	n/a
Memorial	n/a	6,250	n/a
Average (excl. Dal)	<u><u>14,868</u></u>	<u><u>16,713</u></u>	<u><u>24,971</u></u> (7)

The BAC has endeavored to gather information on tuition fees for professional programs at comparator Universities. Internal policies and budgeting practices will vary by university and it is not possible to provide a comprehensive enumeration of all such policies and practices.

(1) The University of Victoria Law fee includes auxiliary fee of \$1,250. These fees are retained by the Faculty.

(2) The University of Alberta has program differential fees included for Law (\$4,546), Medicine (\$4,546) and the Dentistry fee includes a Clinical fee and a Clinical Operations fee.

(3) McMaster University Medicine is a three year program, fee shown is total fee for three years divided by four.

(4) The University of Manitoba Law tuition rate includes a \$4,623.30 surcharge.

(5) McGill University fees shown are for out of province students.

(6) UNB Law includes a supplemental fee of \$3,650.

(7) Additional detail on Dentistry fees can be found in Appendix E, Page 32

2015/2016 Fee Comparison
Prepared by the Faculty of Dentistry

Is this item included in the quoted fees from these Canadian Dentistry Programs?

	Dalhousie	McGill	Western ON	Toronto	Manitoba	Saskatchewan	Alberta	UBC
Total Mandatory Expenses								
Dalhousie Total Includes <i>*See notes/questions below</i>	4-year total \$138,648.44	4-year total \$95,427.02 [1]	4-year total \$171,554.96	4-year total \$180,467.84	4-year total \$130,599.00	4-year total \$158,094.71	4-year total \$149,543.88	4-year total \$231,350.00
Computer, Maintenance, Staff Support (mandatory laptop, didactic & clinic information system)	YES	NO	NO	NO	NO	NO	NO	NO
VitalSource Electronic Textbook Library and Software (no other texts/manuals required; includes clinic information system -AxiUm)	YES	NO	NO	NO	YES *	NO	YES *	NO
Two Electronic Drug Databases	YES	NO	NO	NO	YES/NO (library link)	NO	YES	NO
All Dental Laboratory Fees (appliances for patients/preclinical teeth/cases)	YES	YES	YES	YES	YES	YES	YES	YES
Pre-Clinical Equipment (lockers, articulator, bp cuff)	YES	some/most *	YES	YES	YES	YES	YES	YES
Preclinical Supplies (including magnification loupes, clinic jackets and laundry) (phantom head teeth, course manuals, article copies)	YES	some/most *	YES *	YES	YES	YES *	YES *	YES
Clinic Equipment (all patient care sterilized items, handpieces)	YES	some/most *	YES	YES *	YES	YES	YES	YES
Clinic Supplies (including student/patient voice-mail/ e-mail interface)	YES	some/most *	YES	YES	YES	NO	YES	YES
What costs are in place in addition to published mandatory fees? (see *)	does not include NDEB fee	laptop required (not included in fees) ("some/most" -- note on website that there may be additional costs for clinic/pre-clinical equipment/supplies)	includes textbooks (\$1700.00+/year est. in 2013) magnification loupes & light (optional - \$1200.00)	does not include mandatory laptop computer does not include books & supplies (approx. \$2000.00/year) optional magnification loupes & light (appx. \$1200.) additional pre-clinic/clinic experiences for students who purchase supplies Opt out for refund: laundry models, phan.heads	laptop required* (computers at clinic workstations and 24-hr. computer lab; all textbooks are electronic; most purchase a computer)	includes textbooks laptop requested each student pays \$300-\$400 for additional practice teeth additional pre-clinic/clinic experiences for students who purchase supplies	laptop required optional magnification loupes & light (appx. \$1200.)	includes textbook (estimate \$5600) includes NDEB fee \$1,850.00

[1] Includes \$5000.00 fee for new clinic
McGill total for non Quebec residents is \$110,858.08

International Tuition Fees at Selected Universities (2015-16)
(fee shown is for entering student in an Arts Program)

	Tuition Fees			Dalhousie
	Canadian Students	International Students	Differential	Rank ⁽¹⁾ (#1 is the highest out of 14)
Dalhousie University				
Undergrad	\$6,990	\$15,693	\$8,703	11
Graduate - Masters	\$7,401	\$13,416	\$6,015	7
Graduate - PhD	\$7,764	\$13,779	\$6,015	7
University of British Columbia				
Undergrad	\$4,998	\$26,399	\$21,401	
Graduate - Masters	\$4,615	\$8,108	\$3,493	
Graduate - PhD	\$4,615	\$8,108	\$3,493	
University of Alberta				
Undergrad	\$5,321	\$20,706	\$15,385	
Graduate - Masters	\$3,745	\$7,817	\$4,072	
Graduate - PhD	\$3,745	\$7,817	\$4,072	
University of Calgary				
Undergrad	\$5,386	\$18,338	\$12,952	
Graduate - Masters	\$5,394	\$12,696	\$7,302	
Graduate - PhD	\$5,394	\$12,696	\$7,302	
University of Manitoba				
Undergrad	\$3,260	\$12,460	\$9,200	
Graduate - Masters	\$4,540	\$9,989	\$5,448	
Graduate - PhD	\$4,540	\$9,989	\$5,448	
McMaster University				
Undergrad	\$6,145	\$23,819	\$17,674	
Graduate - Masters	\$7,008	\$18,832	\$11,824	
Graduate - PhD	\$7,008	\$18,832	\$11,824	
Western University				
Undergrad	\$6,154	\$22,817	\$16,663	
Graduate - Masters	\$6,827	\$17,276	\$10,449	
Graduate - PhD	\$6,827	\$17,276	\$10,449	
University of Toronto				
Undergrad	\$6,220	\$38,460	\$32,240	
Graduate - Masters	\$7,060	\$26,970	\$19,910	
Graduate - PhD	\$7,060	\$19,550	\$12,490	
Queen's University				
Undergrad	\$6,204	\$30,428	\$24,224	
Graduate - Masters	\$6,414	\$12,927	\$6,513	
Graduate - PhD	\$6,414	\$12,927	\$6,513	
Waterloo University				
Undergrad	\$6,234	\$22,780	\$16,546	
Graduate - Masters	\$7,308	\$18,774	\$11,466	
Graduate - PhD	\$7,308	\$18,588	\$11,280	
University of Ottawa				
Undergrad	\$6,191	\$23,882	\$17,692	
Graduate - Masters	\$8,189	\$19,260	\$11,071	
Graduate - PhD	\$7,074	\$16,334	\$9,260	
McGill University				
Undergrad	\$7,031	\$15,707	\$8,677	
Graduate - Masters	\$7,031	\$15,707	\$8,677	
Graduate - PhD	\$2,294	\$14,099	\$11,805	
University of New Brunswick				
Undergrad	\$6,187	\$13,905	\$7,718	
Graduate - Masters	\$6,264	\$10,731	\$4,467	
Graduate - PhD	\$6,264	\$10,731	\$4,467	
Memorial University				
Undergrad	\$2,550	\$8,800	\$6,250	
Graduate - Masters	\$3,030	\$3,936	\$906	
Graduate - PhD	\$8,196	\$10,644	\$2,448	

(1) The rank is based on the total international student fee.

Ancillary and Auxiliary Fees – Definition and Approval Process

Ancillary fees are mandatory fees for non-academic services and include student service fees, food services, residence accommodations and student association fees.

Auxiliary fees are mandatory fees for academic services and cover additional costs required for supplies, equipment, labs, field trips, or other items that students must pay in order to enroll in or complete a program or course. These additional costs are not covered by the approved tuition for the course.

Requested changes in these fees are considered by the Board of Governors in April each year along with tuition fee increases. With the exception of the Facilities Renewal fee, recommendations on these fees are not discussed within this report as they are set based on recommendations from Faculties and units on the cost of providing the services or supports. Proposed adjustments to tuition, ancillary and auxiliary fees are included in the package of information provided to students as part of the annual student consultation process

Dalhousie University
Summary of Enrolment Related Budget Allocations 2004-05 to 2015-16
('000's)

Faculty	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Cumulative Distributions 2004-05 to 2015-16
Architecture and Planning	136	119	49	(97)	57	28	8	(55)	53	(33)	59	(4)	320
Arts and Social Sciences	997	111	6	(134)	(660)	(255)	322	235	(63)	(719)	(541)	(411)	(1,112)
Computer Science	(242)	(398)	(349)	(122)	35	27	(19)	297	183	294	172	224	102
Dentistry	(3)	7	(1)	6	1	(4)	56	(64)	(35)	27	(23)	31	(2)
Engineering	8	52	62	24	-	30	623	813	114	233	139	585	2,683
Graduate Studies	36	43	27	19	(10)	30	(4)	(32)	(48)	(35)	14	8	48
Health Professions	199	192	75	502	157	88	173	566	939	361	44	(88)	3,208
Law	26	87	17	(128)	4	75	35	119	(156)	133	(107)	4	109
Management	251	527	(92)	94	83	64	154	394	64	21	47	100	1,707
Medicine	29	28	(9)	(135)	11	(14)	119	154	73	(11)	116	(135)	226
Science	706	(65)	(312)	(354)	(119)	(17)	604	1,201	734	170	428	1,150	4,126
College of Sustainability	-	-	-	-	-	-	329	177	64	(21)	(49)	(53)	447
	2,143	703	(527)	(325)	(441)	52	2,400	3,805	1,922	420	299	1,411	11,862

Enrolment Related Budget Allocations (ERBA)

Background

The current mechanism by which Dalhousie University links program enrolments and class registrations to the annual budget allocations of the Faculties is called ERBA (Enrolment Related Budget Allocations). In April of each year the Office of Institutional Analysis and Research does the necessary calculations according to the formula to arrive at an ERBA increase or decrease for each faculty. The University Budget Office includes the adjustment in the annual budget allocation calculation for each Faculty. The ERBA mechanism was developed around three objectives:

- To provide Faculties with a financial incentive and to increase enrolments, and thereby their resources, in a time of government fiscal constraint, by introducing new programs (within available resources, including the added fee revenue) and by attracting and retaining more students in existing programs.
- To provide additional resources to Faculties with increased student numbers. Conversely, to reduce the resources of Faculties where enrolment have declined so that the budget of other Faculties are safeguarded from the resulting institutional revenue loss.
- To replace ad hoc mechanisms for resourcing new programs with a more predictable arrangement that could be more easily and efficiently administered.

Introduced in the 1989/90 fiscal year it was reviewed by the Budget Advisory Committee (BAC) in 1994, 2001 and again in 2009. Modifications to the formula have been made after both reviews. The following is a summary of the principal features of the current formula:

Principal Features Current Formula

- ERBA calculations use a “proxy” value for tuition and average class and headcount enrolment figures. As a result it cannot be expected to distribute the exact dollar value of the change in tuition revenue to the University that results from enrolment changes.
- A Faculty’s ERBA adjustment for a given fiscal year is based on changes in its “**enrolment units**” in the preceding academic year. For instance, 2015-16 ERBA adjustments were based on enrolment and class registrations changes from 2013-14 to 2014-15.
- The annual budget adjustments are permanent changes to the budget envelope of the Faculties. They are calculated by multiplying the change in **enrolment units** (positive or negative) by the Faculty **ERBA value**.
 - The **ERBA value** is intended to be a proxy for tuition of a full-time student. The ERBA value for each Faculty is based on tuition fees for the various programs offered by the Faculty. The ERBA values have been adjusted annually by the fee increased

approved by the Board of Governors. These values were reviewed compared to actual tuition fees as part of the 2002 and 2009 ERBA reviews.

- Faculties receive 60% of the ERBA value (ie. approximately 60% of tuition). The 60% is intended to reflect the portion of the total University budget that is allocated to Faculties.

- **Enrolment units** are the sum of:
 - (i) full time equivalent (FTE) enrolments in graduate programs offered by the Faculty,
 - (ii) 25% of FTE undergraduate enrolments in the Faculty, and
 - (iii) 75% of the Course Equivalent (CVE) of undergraduate class registrations taught within the Faculty.

Enrolment unit calculations are based on enrolment data on December 1 and March 1. Course equivalent calculations are based on August 1, December 1 and March 1.

- ERBA is calculated at the Faculty level. ERBA allocations are not disaggregated to the level of schools and departments.

- For undergraduate classes cross-listed across Faculties, the Faculty which pays the instructor is credited with the undergraduate class registrations.

- Enrolment in College of Continuing Education, the DDS program in the Faculty of Dentistry, the MD and residency programs in the Faculty of Medicine, certain distance education classes, and all premium fee programs (e.g. the MBA, Financial Services) are not included in ERBA.

DALHOUSIE UNIVERSITY
3 YEAR HISTORY OF OPERATING BUDGET BY FACULTY AND UNIT
(\$ 000's omitted)

Consolidated

	Final Budget	Final Budget	Final Budget	
	2012-13	2013-14	2014-15	Increase over 2 years
<u>ACADEMIC</u>				
Faculty of Agriculture	15,695	16,554	16,400	
Architecture and Planning	4,365	4,441	4,538	
Arts and Social Sciences	20,385	20,167	20,384	
Computer Science	5,993	6,377	6,648	
Dentistry	9,347	9,520	9,726	
Engineering	17,683	18,023	18,612	
Graduate Studies	1,868	1,999	2,014	
Health Professions (1)	24,850	28,518	29,121	
Law	10,289	10,627	11,080	
Management	12,228	12,421	12,718	
Medicine (1)	40,643	44,381	45,597	
Science	31,867	32,901	33,808	
University Library	14,324	14,380	15,194	
College of Continuing Education	932	1,107	1,152	
College of Sustainability	1,290	1,281	1,260	
Centres, Institutes & Special Projects	1,627	1,798	2,382	
Engineering & Computer Science Career Services	621	647	680	
Faculty Related Costs (eg.Travel, Leave Grants, PDA.)	2,309	2,496	2,440	
Kings' Transfer	(3,327)	(3,327)	(3,327)	
Academic Initiatives	777	756	622	
TOTAL ACADEMIC	213,766	225,067	231,049	8.1%
<u>ACADEMIC SUPPORT</u>				
IT Initiatives				
Art Gallery	154	168	161	
Centre for Learning and Teaching	1,206	1,235	1,373	
Information Technology Services	11,705	11,706	11,811	
Printing Centre	37	46	46	
TOTAL ACADEMIC SUPPORT	13,102	13,155	13,391	2.2%
<u>ADMINISTRATION</u>				
Application Fees	(1,212)	(1,235)	(1,465)	
Communications & Marketing	2,890	2,739	2,699	
Environmental Health and Safety Office	1,180	1,167	1,076	
External Relations	5,920	5,989	6,421	
Financial Services	4,836	4,917	5,063	
Human Resources	3,438	3,424	3,525	
Institutional Analysis and Research	609	707	784	
Inter-University Services	82	92	95	
President's Office	3,652	3,829	3,954	
Registrar & Admissions	5,818	5,818	5,983	
Research Services	1,883	1,877	1,869	
University Secretariat/ Internal Audit	796	796	958	
TOTAL ADMINISTRATION	29,892	30,120	30,962	3.6%
<u>GENERAL</u>				
	2,166	1,735	1,828	-15.6%
<u>FACILITIES MANAGEMENT</u>				
	19,027	20,034	20,847	9.6%
<u>STUDENT SERVICES</u>				
Awards Office & Student Services Centre -Sexton	423	421	450	
Student Services	5,768	5,641	5,887	
Student Health	93	94	116	
Varsity, Intramurals & Clubs	1,028	1,032	1,058	
TOTAL STUDENT SERVICES	7,312	7,188	7,511	2.7%

(1) Medicine and Health Professions increases relate to enrolment expansions supported by the Province of Nova Scotia.

ITEMS NORMALLY EXEMPT FROM BUDGET REDUCTIONS:

- Central operating budget for Student Assistance
- Contingency funding
- Endowment expenditures (supported by Endowment revenue)
- Energy, Water, Taxes and Insurance
- Campus Renewal
- Faculty related costs (DFA travel, PDA, Sabbatical leave grants, etc)
- Library Acquisitions
- Non-Space Equipment
- Nova Scotia Bursary Program (supported by grant)
- Strategic Initiatives Funding