



The following Motions and Documents were considered by the Board Finance and Property Committee during the Open Session of its March 9, 2023 meeting:

Agenda Title: **Tuition Proposals**

APPROVED MOTION 1: THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the domestic tuition proposal for Fall 2023 as outlined in the following table, with exclusions as outlined below:

| Category of Student  | Proposed Increase for Fall 2023                  | Financial Support   |
|--|--|---------------------|
| Domestic Undergraduate (incoming and continuing students)                  | 5.50%  | 15% of net increase |
| Domestic Graduate Thesis (continuing students admitted prior to Fall 2020) | 5.50% increase with rebate to 2.67% <sup>1</sup> | 15% of net increase |
| Domestic Graduate Thesis (2020 entry and beyond)                           | 5.50%  | 15% of net increase |
| Domestic Graduate Course-based (per *3)                                    | 5.50%  | 15% of net increase |

**Exclusions:**

The following programs will have their tuition rates held at the Fall 2022 rate.

**Undergraduate Program Exclusions to Domestic Tuition Increases:**

The following programs will be excluded from the 5.5% tuition increase for domestic students:

- Teaching Students with Complex Communication Needs Certificate

**Graduate Program Exclusions to Domestic Tuition Increases:**

The following programs will be excluded from the 5.5% tuition increase for domestic students:

- Master of Accounting
- Graduate Certificate in School Leadership
- Master of Education in Health Science Education
- Master of Education in Educational Studies

APPROVED MOTION 2: THAT the Board Finance and Property Committee, on the recommendation of General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the international tuition proposal for Fall 2023 for students admitted prior to Fall 2020 as outlined in the following table:

| Category of Student   | Proposed Increase for Fall 2023                  | Financial Support  |
|---|--|--------------------|
| International Undergraduate (continuing students admitted prior to Fall 2020)   | 5.50%  | 7.55% <sup>2</sup> |
| International Graduate Thesis (continuing students admitted prior to Fall 2020) | 5.50% increase with rebate to 2.67% <sup>1</sup> | 7.55% <sup>2</sup> |

---

|   |       |                    |
|---|-------|--------------------|
| International Graduate Course-based (per *3, continuing students admitted prior to Fall 2020) | 5.50% | 7.55% <sup>2</sup> |
|---|-------|--------------------|

<sup>1</sup> 2.67% is consistent with the rebated increase from recent years and is designed to ensure consistency and predictability for students in alignment with cost drivers. This is of net tuition and expires after Fall 2023.

<sup>2</sup> Existing model for International tuition financial aid.

APPROVED MOTION 3: THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve tuition fees for new international students for all programs to take effect for the Fall 2024 intakes, as set forth in attachment 2.

Final Recommended Item: 2a.

---

Agenda Title: **University of Alberta's 2023-2024 Consolidated Budget**

APPROVED MOTION: THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the 2023-24 Consolidated Budget, as set forth in Attachment 1.

Final Recommended Item: 2b.

---

Agenda Title: **2023/24 – 2025/26 Capital Plan**

APPROVED MOTION: THAT the Board Finance and Property Committee recommend that the Board of Governors approve the 2023/24 – 2025/26 Capital Plan, as set out in Attachment 1, and empower the Vice-President (Facilities and Operations) to make any editorial changes to the Plan, as needed, as long as the changes do not have the force of policy.

Final Recommended Item: 2c.

---

Agenda Title: **Budget Model 2.0 Principles and Update**

APPROVED MOTION: THAT the Board Finance and Property Committee, on the recommendation of General Faculties Council, recommend the Board of Governors approve the Budget Model Principles, as set forth in Attachment 1, to take effect upon final approval, for Budget Model 2.0

Final Recommended Item: 5.

*Note: this motion is pending a recommendation from General Faculties Council on March 20, 2023*

---

Agenda Title: **Proposed Change to Non-Regulated Exclusion to Program Fees, Proposed New Non-Regulated Exclusion to Program Fees**

APPROVED MOTION 1: THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve the proposed Change to Non-Regulated Exclusion to Program Fees for the Faculty of Nursing (set forth in Attachment 1).

APPROVED MOTION 2: THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve the proposed New Non-Regulated Exclusion to Program Fees for the School in Cortona (set forth in Attachment 1).

Final Item: 6b.

---

Agenda Title: **2023-2024 Mandatory Non-Instructional Fees Proposal**

APPROVED MOTION 1: THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve a 4.00% increase to the Athletics and Recreation mandatory non-instructional fee for 2023-2024.

APPROVED MOTION 2: THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, remove the off-campus fee designation for the Health and Wellness mandatory non-instructional fee (with no increase to the fee for Fall 2023).

APPROVED MOTION 3: THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve a 2.00% increase to the Academic Support mandatory non-instructional fees for 2023-2024, and removal of the off-campus fee designation for that fee.

Final Item: 6c.

---

Agenda Title: **Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets**

APPROVED MOTION: THAT the Board Finance and Property committee, acting with delegated authority of the Board of Governors, approve the transfer of \$8,846,874 unrestricted net assets to permanent restricted endowment net assets.

Final Item: 6d.

---

**Governance Executive Summary  
Action Item**

|                     |                          |
|---------------------|--------------------------|
| <b>Agenda Title</b> | <b>Tuition Proposals</b> |
|---------------------|--------------------------|

**Motions**

**Motion 1:** THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the domestic tuition proposal for Fall 2023 as outlined in the following table, with exclusions as outlined below:

| Category of Student  | Proposed Increase for Fall 2023                  | Financial Support   |
|--|--|---------------------|
| Domestic Undergraduate (incoming and continuing students)                  | 5.50%  | 15% of net increase |
| Domestic Graduate Thesis (continuing students admitted prior to Fall 2020) | 5.50% increase with rebate to 2.67% <sup>1</sup> | 15% of net increase |
| Domestic Graduate Thesis (2020 entry and beyond)                           | 5.50%  | 15% of net increase |
| Domestic Graduate Course-based (per *3)                                    | 5.50%  | 15% of net increase |

**Exclusions:**

The following programs will have their tuition rates held at the Fall 2022 rate.

**Undergraduate Program Exclusions to Domestic Tuition Increases:**

The following programs will be excluded from the 5.5% tuition increase for domestic students:

- Teaching Students with Complex Communication Needs Certificate

**Graduate Program Exclusions to Domestic Tuition Increases:**

The following programs will be excluded from the 5.5% tuition increase for domestic students:

- Master of Accounting
- Graduate Certificate in School Leadership
- Master of Education in Health Science Education
- Master of Education in Educational Studies

**Motion 2:** THAT the Board Finance and Property Committee, on the recommendation of General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the international tuition proposal for Fall 2023 for students admitted prior to Fall 2020 as outlined in the following table:

| Category of Student   | Proposed Increase for Fall 2023 | Financial Support  |
|---|---------------------------------|--------------------|
| International Undergraduate (continuing students admitted prior to Fall 2020) | 5.50%                           | 7.55% <sup>2</sup> |

Item No. 2a

|   |  |                    |
|---|--|--------------------|
| International Graduate Thesis (continuing students admitted prior to Fall 2020)               | 5.50% increase with rebate to 2.67% <sup>1</sup> | 7.55% <sup>2</sup> |
| International Graduate Course-based (per *3, continuing students admitted prior to Fall 2020) | 5.50%  | 7.55% <sup>2</sup> |

<sup>1</sup> 2.67% is consistent with the rebated increase from recent years and is designed to ensure consistency and predictability for students in alignment with cost drivers. This is of net tuition and expires after Fall 2023.

<sup>2</sup> Existing model for International tuition financial aid.

**Motion 3:** THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve tuition fees for new international students for all programs to take effect for the Fall 2024 intakes, as set forth in attachment 2.

**Item**

|                  |   |
|------------------|---|
| Action Requested | <input type="checkbox"/> Approval <input checked="" type="checkbox"/> Recommendation  |
| Proposed by      | Provost and Vice-President (Academic) and Vice-President (University Services and Finance)                                    |
| Presenter(s)     | Verna Yiu, Interim Provost and Vice-President (Academic) and Todd Gilchrist, Vice-President (University Services and Finance) |

**Details**

| Responsibility  | Provost and Vice-President (Academic) and Vice-President (University Services and Finance)   |                       |          |         |         |        |      |     |                                 |            |            |          |       |
|---|--|-----------------------|----------|---------|---------|--------|------|-----|---------------------------------|------------|------------|----------|-------|
| The Purpose of the Proposal is ( <i>please be specific</i> )                        | To recommend approval of the following tuition proposals: <ul style="list-style-type: none"> <li>• Fall 2023 Domestic Tuition, Undergraduate and Graduate Students</li> <li>• Fall 2023 International Tuition (Students admitted prior to Fall 2020)</li> <li>• Fall 2024 International Cohort Based Tuition (new students only)</li> </ul>  |                       |          |         |         |        |      |     |                                 |            |            |          |       |
| Executive Summary ( <i>outline the specific item – and remember your audience</i> ) | <p><u>Domestic students and International students admitted prior to Fall 2020</u><br/>Following three successive years of 7% increases, domestic tuition increases for Fall 2023 are capped at CPI, under provincial legislation. The Government of Alberta has calculated CPI for the upcoming year at 5.5%. Proposals for domestic students and for international students admitted prior to Fall 2020 reflect that CPI increase.</p> <p><i>Examples</i></p> <p><b>Undergraduate Tuition</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Domestic Tuition Fees</th> <th rowspan="2">2022-23</th> <th rowspan="2">2023-24</th> <th colspan="2">Change</th> </tr> <tr> <th>(\$)</th> <th>(%)</th> </tr> </thead> <tbody> <tr> <td>Undergraduate, Arts and Science</td> <td>\$6,517.20</td> <td>\$6,874.80</td> <td>\$357.60</td> <td>5.50%</td> </tr> </tbody> </table> | Domestic Tuition Fees | 2022-23  | 2023-24 | Change  |        | (\$) | (%) | Undergraduate, Arts and Science | \$6,517.20 | \$6,874.80 | \$357.60 | 5.50% |
| Domestic Tuition Fees   | 2022-23  |                       |          |         | 2023-24 | Change |      |     |                                 |            |            |          |       |
|   |  | (\$)                  | (%)      |         |         |        |      |     |                                 |            |            |          |       |
| Undergraduate, Arts and Science   | \$6,517.20   | \$6,874.80            | \$357.60 | 5.50%   |         |        |      |     |                                 |            |            |          |       |



Item No. 2a

|  |                 |                 |          |       |
|--|-----------------|-----------------|----------|-------|
| Undergraduate, Business  | \$9,591.60      | \$10,118.16     | \$526.56 | 5.50% |
| Undergraduate, Engineering   | \$8,673.12      | \$9,149.16      | \$476.04 | 5.50% |
| <i>Financial Support Offset</i><br>Model: Incremental based on increases | 15% of increase | 15% of increase |          |       |

| International Tuition Fees   |                |                | Change     |       |
|--|----------------|----------------|------------|-------|
|  |                |                | (\$)       | (%)   |
| <i>(Admitted prior to 2020)</i>                                    | <b>2022-23</b> | <b>2023-24</b> |            |       |
| Undergraduate, Arts and Science                                    | \$25,044.00    | \$26,420.40    | \$1,376.40 | 5.50% |
| Undergraduate, Business  | \$32,944.48    | \$34,755.28    | \$1,810.80 | 5.50% |
| Undergraduate, Engineering   | \$30,052.80    | \$31,704.60    | \$1,651.80 | 5.50% |
| <i>Financial Support Offset</i><br>Model: Percent of total tuition | 7.55% of total | 7.55% of total |            |       |

**Graduate Tuition**

| Domestic Tuition Fees   |                 |                 | Change   |       |
|---|-----------------|-----------------|----------|-------|
|   |                 |                 | (\$)     | (%)   |
| Graduate Thesis (entry before 2020)<br>(5.50% increase with a rebate to 2.67%)* | \$3,963.24      | \$4,068.96      | \$105.72 | 2.67% |
| Graduate Thesis (2021 entry)  | \$4,486.20      | \$4,732.80      | \$246.60 | 5.50% |
| Grad Course Based (per *3 course)   | \$764.40        | \$806.40        | \$42.00  | 5.50% |
| <i>Financial Support Offset</i><br>Model: Incremental based on increases        | 15% of increase | 15% of increase |          |       |

| International Tuition Fees  |                |                | Change   |       |
|---|----------------|----------------|----------|-------|
|   |                |                | (\$)     | (%)   |
| <i>(Admitted prior to 2020)</i>   | <b>2022-23</b> | <b>2023-24</b> |          |       |
| Graduate Thesis (entry before 2020)<br>(5.50% increase with a rebate to 2.67%)* | \$8,546.28     | \$8,774.40     | \$228.12 | 2.67% |
| Grad Course Based (per *3 course)   | \$1,625.28     | \$1,714.56     | \$89.28  | 5.50% |

Item No. 2a

|  |                |                |  |  |
|--|----------------|----------------|--|--|
| <i>Financial Support Offset</i><br>Model: Percent of total tuition | 7.55% of total | 7.55% of total |  |  |
|--|----------------|----------------|--|--|

***Tuition Rebate***

Note that we will be proposing that thesis-based graduate students admitted prior to Fall 2020 receive a tuition rebate to a net increase of 2.67%. This rebate was agreed to during the 2020 tuition discussions to be implemented for 4 years. The final year of this rebate is Fall 2023. 2.67% was reflective of the Academic Price Index at the time the rebate was introduced.

International students admitted in Fall 2024

International tuition for students admitted in Fall 2023 has already been approved by the Board of Governors in June 2022.

Admission letters for international students must include a guaranteed total tuition amount for their program, so proposals for increases to international tuition under the cohort based model must take into account predicted inflationary increases over the full length of the students' programs. The Fall 2024 International Cohort Based Tuition proposal is based on the following inflationary scenario.

| 2024-25 | 2025-26 | 2026-27 | 2027-28 | Required Rate Increase     |
|---------|---------|---------|---------|----------------------------|
| 3.30%   | 2.30%   | 2.00%   | 2.00%   | 6.68%<br>(rounded to 6.5%) |

Student Financial Aid

The University recognizes that students are also impacted by inflationary increases, and maintains a commitment to a robust system of student financial aid to support student needs. As articulated in the University's [Student Financial Supports Policy](#), the University of Alberta is committed to a robust system of student financial supports to ensure that all academically qualified students have an opportunity to attend our institution. In 2021-2022, the student financial support offsets generated \$13.4 million dollars in student financial support funding for the University.

All proposals maintain current commitments for student financial aid set-asides, including:

- 15% of revenue from domestic tuition increases set aside for financial aid for domestic students
- 7.55% of total revenue from international tuition set aside for financial aid for international students

Exclusions: Each of the programs listed above as exclusions was formerly a cost recovery program. That status meant the programs sat outside the formal tuition regulation and were required to cover all of their costs and could not draw off the Campus Alberta Grant. Tuition rates at that time were set to reflect this reality. With the introduction of the new Alberta Tuition Framework in 2020 these

Item No. 2a

|                                 |   |
|---------------------------------|---|
|                                 | <p>programs no longer met the requirements for cost recovery. Their tuition is now subject to regulation. Given this context the current tuition rates are sufficient and will not be increased.</p> <p><u>Installment Fee</u><br/>The University has committed, as an outcome of this consultation process, to removing the \$40 installment fee for students who choose to pay their tuition across two terms.</p> <p><u>Consultation</u><br/>The University has engaged in a robust, expanded consultation process that has informed these proposals. At the beginning of this cycle, the University worked with student leaders from the SU and the GSA to develop and agree on a broad consultation plan intended to facilitate greater engagement with a diverse representation of the student body. That expanded consultation plan included discussions at the Students' Union Council, the Graduate Students' Association Council, the Council on Student Affairs, and the International Students' Association Council (at the invitation of the Student Union). Attachment 4 is a full summary of student consultation, including institutional responses.</p> <p>Key outcomes of the consultation process include the aforementioned proposals to remove the installment fee, exploration of a change to late payment interest, as well as the development of a presentation for students to detail how tuition proposals are derived and what tuition funds are intended to cover.</p> <p><u>Risks/Opportunities</u><br/>Tuition is the University's largest single source of revenue, representing ~47% of the institution's revenue. Given cuts to the Government of Alberta's funding to Universities, tuition has become increasingly important to ensuring that the University can cover rising costs while maintaining a high quality learning environment.</p> |
| Supplementary Notes and context | The Board Finance and Property Committee (BFPC) has delegated authority from the Board of Governors to approve increases to domestic tuition equal to or less than the Consumer Price Index (CPI), as defined in the Tuition and Fees Regulation. However, based on consultation with students and given that current CPI is 5.5%, the Provost and Vice-President (Academic), is asking BFPC to consider recommending tuition to the Board of Governors rather than approving at the committee level. The BFPC Chair has been consulted and is supportive of that approach.   |

**Engagement and Routing** (Include meeting dates)

|  |  |
|--|--|
| Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity) | <p><u>Those who are actively participating:</u></p> <ul style="list-style-type: none"> <li>• Provost and Vice-President (Academic)</li> <li>• Vice-President (University Services and Finance)</li> <li>• Office of the Registrar</li> <li>• Faculty of Graduate Studies and Research</li> <li>• University of Alberta International</li> <li>• Office of Resource Planning</li> </ul> |
|--|--|



Item No. 2a

|  |  |
|--|--|
| <p>&lt;For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a>&gt;</p> | <p><b><u>Those who have been consulted:</u></b></p> <ul style="list-style-type: none"> <li>• Tuition Budget Advisory Committee (October 25 2022, November 18 2022, January 12 2023)</li> <li>• Council on Student Affairs (November 3 2022, January 26 2023)</li> <li>• Students' Union Council (November 29 2022)</li> <li>• Graduate Students' Association (November 21 2022)</li> <li>• International Students' Association (November 24 2022)</li> <li>• Deans' Council</li> </ul> |
| <p>Approval Route (Governance)</p>   | <p>GFC Academic Planning Committee (March 8 - recommendation)<br/>Board Finance and Property Committee (March 9 – recommendation)<br/>Board of Governors (March 24 - approval)</p>   |

**Strategic Alignment**

|   |  |  |   |   |
|---|--|--|---|---|
| <p>Alignment with <i>For the Public Good</i></p>  | <p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all Albertans.<br/>OBJECTIVE 22: Secure and steward financial resources to sustain, enhance, promote, and facilitate the university's core mission and strategic goals.<br/>Strategy: Seek and secure resources needed to achieve and support our strategic goals.<br/>Strategy: Ensure a sustainable budget model to preserve and enhance our core mission and reputation for excellence in teaching, learning, research, and community engagement.</p>   |  |   |   |
| <p>Alignment with Institutional Risk Indicator</p>  | <p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Enrolment Management<br/> <input type="checkbox"/> Faculty and Staff<br/> <input checked="" type="checkbox"/> Funding and Resource Management<br/> <input type="checkbox"/> IT Services, Software and Hardware<br/> <input type="checkbox"/> Leadership and Change<br/> <input type="checkbox"/> Physical Infrastructure             </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Relationship with Stakeholders<br/> <input type="checkbox"/> Reputation<br/> <input type="checkbox"/> Research Enterprise<br/> <input type="checkbox"/> Safety<br/> <input type="checkbox"/> Student Success             </td> </tr> </table> |  | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input type="checkbox"/> Student Success |
| <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input type="checkbox"/> Student Success  |  |   |   |
| <p>Legislative Compliance and jurisdiction</p>  | <p>Post-Secondary Learning Act<br/>APC Terms of Reference<br/>BFPC Terms of Reference Sections 2h and k</p>  |  |   |   |

Attachments:

1. Fall 2023 Domestic Tuition Proposal and Future Projections (2 pages)
2. Fall 2024: Proposed Tuition Rates for Incoming International Student (Cohort Model, 5 pages) – *for approval*
3. U15 International and Domestic Tuition Comparators, 2022-2023 (1 page)
4. Student Consultation Summary (5 pages)

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

**Fall 2023 Tuition Proposal and Future Projections**

The tables below provide tuition proposals and future projections for:

- a) Fall 2022 approved tuition proposals for all students with the exception of incoming international students who will be following a program-based tuition model.
- b) Proposed tuition changes for Fall 2023 for all students with the exception of incoming international students who will be following a program-based tuition model.
- c) Projected tuition increases for the following three years where applicable, in compliance with the requirements of the provincial Tuition Fee Regulation.

**Undergraduate Student Tuition Proposals and Projections  
(Domestic Students and Continuing International Students admitted prior to Fall 2020)**

| Category of Student   | Approved Tuition Increase | Proposed Tuition Increase | Tuition increase projections             |  |  |
|---|---------------------------|---------------------------|--|--|--|
|   |                           |                           | Fall 2024                                | Fall 2025                                | Fall 2026                                |
| <b>Domestic</b>   | Fall 2022                 | Fall 2023                 | Fall 2024                                | Fall 2025                                | Fall 2026                                |
| Domestic, undergraduate Incoming and Continuing students                          | 7%                        | 5.5%                      | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation |
| <i>Financial Support Offset Model: Incremental based on increases<sup>1</sup></i> | 15% of increase           | 15% of increase           | TBD                                      | TBD                                      | TBD                                      |
| <b>International</b>  |                           |                           |  |  |  |
| International, undergraduate (continuing students admitted prior to Fall 2020)    | 4%                        | 5.5%                      | International Cohort Course Rate         | International Cohort Course Rate         | International Cohort Course Rate         |
| <i>Financial Support Offset Model: percent of total tuition<sup>2</sup></i>       | 7.55%                     | 7.55%                     | 7.55%                                    | 7.55%                                    | 7.55%                                    |

<sup>1</sup> To be confirmed annually by the Board of Governors. This is true for all references in the document to domestic tuition financial support offset model.

<sup>2</sup> This model has been confirmed as ongoing since the introduction of the International tuition differential and does not require annual confirmation. This is true for all references in the document to international financial support offset

**Graduate Student Tuition Proposals and Projections**  
**(Domestic and Continuing International Students admitted prior to Fall 2020)**

**Thesis Based Course Based**

| Category of Student   | Approved Tuition Increase                                   | Proposed Tuition Increase                        | Tuition increase projections             |  |  |
|---|---|--|--|--|--|
|   |   |  | Fall 2024                                | Fall 2025                                | Fall 2026                                |
| <b>Domestic</b>   | Fall 2022   | Fall 2023  | Fall 2024                                | Fall 2025                                | Fall 2026                                |
| Domestic, graduate (thesis-based)<br>Admitted in 2020 and Incoming                          | 7%  | 5.5%   | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation |
| Domestic, graduate (thesis-based)<br>Admitted prior to Fall 2020                            | 7% with rebate to reduce the increase to 2.67% <sup>3</sup> | 5.5% with rebate to reduce the increase to 2.67% | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation |
| Domestic, graduate (course-based)<br>Incoming and Continuing Students                       | 7%  | 5.5%   | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation | CPI-restricted by Tuition Fee Regulation |
| <i>Financial Support Offset Model: Incremental based on increases</i>                       | 15% of increase   | 15% of increase                                  | TBD                                      | TBD                                      | TBD                                      |
| <b>International</b>  |   |  |  |  |  |
| International, graduate (thesis-based)<br>(continuing students admitted prior to Fall 2020) | 7% with rebate to reduce the increase to 2.67% <sup>4</sup> | 5.5% with rebate to reduce the increase to 2.67% | International Cohort Course Rate         | International Cohort Course Rate         | International Cohort Course Rate         |
| International, graduate (course-based)<br>(continuing students admitted prior to Fall 2020) | 4%  | 5.5%   | International Cohort Course Rate         | International Cohort Course Rate         | International Cohort Course Rate         |
| <i>Financial Support Offset Model: percent of total tuition</i>                             | 7.55%   | 7.55%  | 7.55%                                    | 7.55%                                    | 7.55%                                    |

<sup>3</sup> 2.67% reflects the increase in cost drivers for the University year over year. The rebate would cease in Fall 2024. This is of net tuition.

<sup>4</sup> 2.67% reflects the increase in cost drivers for the University year over year. The rebate would cease in Fall 2024.

**Fall 2024: Proposed Tuition Rates for Incoming International Student (Cohort Model)****1. Undergraduate Program Based Tuition Bands**

| <b>International Undergraduate Cohort</b>   | <b>2023 -24 Program Total</b>                               | <b>2024 -25 Program Total</b>                               | <b>Percent change</b> | <b>Credits</b> |
|---|---|---|-----------------------|----------------|
| Faculty of Engineering Degree Programs*   | Program Total<br>\$170,829.60<br>Annual Rate<br>\$42,707.40 | Program Total<br>\$181,932.80<br>Annual Rate<br>\$45,483.20 | 6.5%                  | Varies*        |
| Faculty of Business Degree Programs<br>(As of Fall 2022, this is a 4 year program)  | Program Total<br>\$151,368<br>Annual Rate<br>\$37,842       | Program Total<br>\$161,206.40<br>Annual Rate<br>\$40,301.60 | 6.5%                  | 120            |
| Degree Programs in:<br>Faculty of Arts,<br>Faculty of Agricultural Life and Environmental Sciences,<br>Faculty of Kinesiology Sport and Recreation,<br>Faculty of Science,<br>Faculty of Open Studies | Program Total<br>\$127,581.60<br>Annual Rate<br>\$31,895.40 | Program Total<br>\$135,873.60<br>Annual Rate<br>\$33,968.40 | 6.5%                  | 120            |
| Degree Programs in:<br>Augustana Faculty,<br>Faculte Saint Jean,<br>Faculty of Education,<br>Faculty of Native Studies,<br>Faculty of Nursing   | Program Total<br>\$116,769.60<br>Annual Rate<br>\$29,192.40 | Program Total<br>\$124,359.20<br>Annual Rate<br>\$31,089.80 | 6.5%                  | 120            |
| BSc in Radiation Therapy  | Program Total<br>\$159,476.92<br>Annual Rate<br>\$39,869.22 | Program Total<br>\$169,842.40<br>Annual Rate<br>\$42,460.60 | 6.5%                  | 150            |
| BSc in Medical Laboratory Science   | Program Total<br>\$99,934.92<br>Annual Rate<br>\$33,311.64  | Program Total<br>\$106,430.40<br>Annual Rate<br>\$35,476.80 | 6.5%                  | 94             |
| Doctor of Pharmacy (Pharm D) (4 yrs)  | Program Total<br>\$216,240<br>Annual Rate<br>\$54,060       | Program Total<br>\$230,295.36<br>Annual Rate<br>\$57,573.84 | 6.5%                  | 141            |

|  |   |  |      |      |
|--|---|--|------|------|
| Juris Doctors (JD)<br>Program (3 yrs)            | Program Total<br>\$153,468.54<br>Annual Rate<br>\$51,156.18 | Program Total<br>\$163,443.84<br>Annual Rate<br>\$54,481.28  | 6.5% | 92   |
| Doctor of Dental<br>Surgery (4 yrs)              | Program Total<br>\$386,037.68<br>Annual Rate<br>\$96,509.42 | Program Total<br>\$411,129.60<br>Annual Rate<br>\$102,782.40 | 6.5% | 214  |
| Bachelor of Science in<br>Dental Hygiene (3 yrs) | Program Total<br>\$110,248.68<br>Annual Rate<br>\$36,749.56 | Program Total<br>\$117,414.72<br>Annual Rate<br>\$39,138.24  | 6.5% | 99.5 |

## Notes:

\*Engineering programs vary slightly in credits pending students' choice in registrations.

\*\*Undergraduate Certificate rates, unless otherwise stated, will be prorated based on the Undergraduate Faculty rate

\*\*\*Course loads may change and Tuition Rates will always be prorated based on the approved rate.

**2. Tuition for Specific Undergraduate Programs or courses not covered by the standard Undergraduate grid.**

| International Undergraduate Cohort  | 2023-24 Payment Per Course(Indexed to 3 units of course weight) | 2024-25 Payment Per Course(Indexed to 3 units of course weight) | Percent change |
|---|---|---|----------------|
| English Language School – All courses taken by Undergraduate or Graduate Students (includes Bridging Program) | \$3,189.54  | \$3,396.84  | 6.5%           |
| Rehabilitation Medicine – Undergraduate Special and Visiting Students only                                    | \$3,189.54  | \$3,396.84  | 6.5%           |
| Medicine and Dentistry – Undergraduate Special and Visiting Students only                                     | \$3,189.54  | \$3,396.84  | 6.5%           |

**3. Centre collégial de l'Alberta**

| <b>International College</b>                        | <b>2023 -24<br/>Program Total</b>                    | <b>2024 -25 Program<br/>Total</b>                          | <b>Percent change</b> | <b>Credit</b> |
|---|--|--|-----------------------|---------------|
| Centre collégial de l'Alberta – Diploma (2 yrs)     | Program Total<br>\$27,030<br>Annual Rate<br>\$13,515 | Program Total<br>\$28,786.80<br>Annual Rate<br>\$14,393.40 | 6.5%                  | 60            |
| Centre collégial de l'Alberta – Certificate (1 yrs) | Program Total<br>\$13,515<br>Annual Rate<br>\$13,515 | Program Total<br>\$14,393.40<br>Annual Rate<br>\$14,393.40 | 6.5%                  | 30            |

**4. Thesis based tuition for PhD and Masters Programs**

| <b>International Graduate<br/>Cohort</b>   | <b>2023-24</b>  | <b>2024-25</b>   | <b>Percent change</b> |
|--|---|--|-----------------------|
| Thesis Based Masters (All Specializations) - 4 Years   | Program Total<br>\$37,625.76<br>Annual Rate<br>\$9,406.44 | Program Total<br>\$40,071.36<br>Annual Rate<br>\$10,017.84 | 6.5%                  |
| PhD (All Specializations) - 6 Years  | Program Total<br>\$56,438.64<br>Annual Rate<br>\$9,406.44 | Program Total<br>\$60,107.04<br>Annual Rate<br>\$10,017.86 | 6.5%                  |
| All Programs – International Graduate Tuition Increases (offset by equivalent financial support) | \$4,000   | \$4,000  | 0%                    |

### 5. Standard International Graduate Course Based rates

| <b>International Graduate Cohort</b>  | <b>2023-24 Per 3 Credits</b> | <b>2024-25 Per 3 Credits</b> | <b>Percent change</b> |
|---|------------------------------|------------------------------|-----------------------|
| Standard Course Based Master's or Graduate Certificates   | \$2,015.52                   | \$2,146.44                   | 6.5%                  |
| All Course Based Master Programs – International Graduate Tuition Increase (offset by equivalent financial support) | \$4,000                      | \$4,000                      | 0%                    |

Notes:

\* Includes most Master and Certificate programs and excludes non-standard rates described below.

### 6. Non-Standard International Graduate Course Based Rates (includes Master and Certificate Programs)

| <b>Per Course Rate</b>  | <b>2023-24 Per 3 credit Course Rate</b> | <b>2024-25 Per 3 credit Course Rate</b> | <b>Percent change</b> |
|---|---|---|-----------------------|
| Master of Science – Integrated Petroleum Geosciences (Course Based)   | \$3,350.88                              | \$3,568.68                              | 6.5%                  |
| Master of Science in Internetworking  | \$2,378.64                              | \$2,533.20                              | 6.5%                  |
| Master of Science Specialization Program in Multimedia, Post-Baccalaureate Certificate in Indigenous Sport and Recreation, Post-Baccalaureate in Sports and Recreation Management | \$2,162.40                              | \$2,302.92                              | 6.5%                  |
| Master of Accounting  | \$4,541.04                              | \$4,836.12                              | 6.5%                  |

## Non-Standard International Graduate Program Rates

| <b>International Graduate Cohort</b>  | <b>2023-24 Program Total</b> | <b>2024-25 Program Total</b> | <b>Percent change</b> |
|---|------------------------------|------------------------------|-----------------------|
| Master's in Engineering (All Specializations)                                   | \$42,707.40                  | \$45,483.38                  | 6.5%                  |
| Master's in Business Administration   | \$61,156.06                  | \$65,131.20                  | 6.5%                  |
| Executive Master of Business Administration                                     | \$83,793                     | \$89,239.54                  | 6.5%                  |
| Master of Science in Orthodontics,<br>Master of Science in Periodontology       | \$17,478.12                  | \$18,614.18                  | 6.5%                  |
| Doctor of Philosophy in Orthodontics,<br>Doctor of Philosophy in Periodontology | \$12,068.78                  | \$12,853.24                  | 6.5%                  |



**U15 International and Domestic Tuition & Fees, 2022-23**

As shown in Table 1, U of A's international undergraduate tuition is \$30,090, and \$30,929 when MNIFs are included for the Fall 2022 intake. The tuition & fees is lower than the U15 average (excluding U of A), and ranked 9 among the U15 institution U of A's international tuition ranked the 13th among U15 for the M.A. program, which is higher than only two institutions in the program: Calgary and Manitoba. When MNIFs are considered, we ranked the 11th for the MA program and still below the U15 averages. Overall, the U of A's international tuition (along with MNIFs) at the M.A. level is considerably lower than the U15 average. Approximately half of the U15 institutions are now charging international doctoral fees that the same rate as domestic doctoral fees, making the U of A's PhD rates higher than nine institutions (ranked the 6th). In addition the U of A's PhD international rate is lower than the "Average (Excluding U of A)" but higher than the "Average (Excluding U of A & Quebec Institutions)". The values in the parentheses indicate U of A's rank among all U15 institutions.

**Table 1. International Tuition & Fees for BA, MA, & PhD, 2022-2023**

| 2022-23 Tuition   | International                       |                               |                         |                     |                               |                         |                    |                               |                         |
|---|-------------------------------------|-------------------------------|-------------------------|---------------------|-------------------------------|-------------------------|--------------------|-------------------------------|-------------------------|
|   | Arts & Social Science Undergraduate |                               |                         | MA                  |                               |                         | PhD                |                               |                         |
|   | Tuition                             | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition             | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition            | MNIFs retained by Institution | Total (Tuition & MNIFs) |
| <b>University of Alberta</b>                                | <b>\$30,090 (9)</b>                 | <b>\$839 (5)</b>              | <b>\$30,929 (9)</b>     | <b>\$8,874 (13)</b> | <b>\$1,035 (5)</b>            | <b>\$9,909 (11)</b>     | <b>\$8,874 (6)</b> | <b>\$1,035 (5)</b>            | <b>\$9,909 (5)</b>      |
| Dalhousie University  | \$ 25,456                           | \$ 1,467                      | \$ 26,923               | \$ 16,491           | \$ 1,507                      | \$ 17,998               | \$ 6,714           | \$ 1,507                      | \$ 8,221                |
| McMaster University   | \$ 40,960                           | \$ 786                        | \$ 41,746               | \$ 17,096           | \$ 284                        | \$ 17,380               | \$ 6,307           | \$ 284                        | \$ 6,591                |
| Queen's University  | \$ 53,472                           | \$ 588                        | \$ 54,060               | \$ 12,927           | \$ 393                        | \$ 13,320               | \$ 5,773           | \$ 393                        | \$ 6,166                |
| University of British Columbia                              | \$ 42,803                           | \$ 281                        | \$ 43,083               | \$ 9,131            | \$ 240                        | \$ 9,371                | \$ 9,314           | \$ 240                        | \$ 9,554                |
| University of Calgary                                       | \$ 24,408                           | \$ 772                        | \$ 25,180               | \$ 8,243            | \$ 532                        | \$ 8,775                | \$ 8,243           | \$ 532                        | \$ 8,775                |
| University of Manitoba                                      | \$ 17,277                           | \$ 564                        | \$ 17,841               | \$ 7,400            | \$ 674                        | \$ 8,075                | \$ 3,951           | \$ 674                        | \$ 4,625                |
| University of Ottawa  | \$ 38,692                           | \$ 333                        | \$ 39,025               | \$ 27,255           | \$ 312                        | \$ 27,567               | \$ 6,685           | \$ 312                        | \$ 6,997                |
| University of Saskatchewan                                  | \$ 25,121                           | \$ 320                        | \$ 25,441               | \$ 9,396            | \$ 390                        | \$ 9,786                | \$ 4,698           | \$ 390                        | \$ 5,088                |
| University of Toronto                                       | \$ 59,320                           | \$ 1,068                      | \$ 60,388               | \$ 27,520           | \$ 1,068                      | \$ 28,588               | \$ 6,210           | \$ 1,068                      | \$ 7,278                |
| University of Waterloo                                      | \$ 46,772                           | \$ 463                        | \$ 47,235               | \$ 23,088           | \$ 607                        | \$ 23,695               | \$ 22,188          | \$ 607                        | \$ 22,795               |
| Western University  | \$ 39,105                           | \$ 517                        | \$ 39,622               | \$ 19,364           | \$ 545                        | \$ 19,909               | \$ 6,360           | \$ 545                        | \$ 6,905                |
| McGill University   | \$ 31,500                           | \$ 1,395                      | \$ 32,895               | \$ 19,155           | \$ 1,315                      | \$ 20,470               | \$ 17,193          | \$ 1,315                      | \$ 18,508               |
| Universite de Montreal                                      | \$ 25,568                           | \$ 1,141                      | \$ 26,709               | \$ 28,732           | \$ 1,719                      | \$ 30,451               | \$ 25,789          | \$ 1,715                      | \$ 27,504               |
| Universite Laval  | \$ 21,233                           | \$ 737                        | \$ 21,970               | \$ 16,986           | \$ 737                        | \$ 17,723               | \$ 20,187          | \$ 896                        | \$ 21,083               |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$ 35,120</b>                    | <b>\$ 745</b>                 | <b>\$ 35,866</b>        | <b>\$ 17,342</b>    | <b>\$ 737</b>                 | <b>\$ 18,079</b>        | <b>\$ 10,686</b>   | <b>\$ 748</b>                 | <b>\$ 11,435</b>        |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$ 37,580</b>                    | <b>\$ 651</b>                 | <b>\$ 38,231</b>        | <b>\$ 16,174</b>    | <b>\$ 596</b>                 | <b>\$ 16,769</b>        | <b>\$ 7,858</b>    | <b>\$ 596</b>                 | <b>\$ 8,454</b>         |

Sources: U15 2022-2023 Tuition & Fees results.

Institutions' tuition & fees websites.

See notes after table 2.

As shown in Table 2, domestic undergraduate tuition at the U of A is slightly below the U15 average (i.e. Average excluding U of A) and ranked the 8th among the U15; however, it is higher than the average excluding the Quebec institutions, with seven institutions showing lower tuition. When MNIFs are included, the rank becomes 6th but still slightly below the U15 average (excluding U of A), but it is higher than the U15 average when both U of A and the Quebec institutions are excluded. Domestic graduate tuition is considerably lower than the U15 average. Approximately 34% below the U15 average (i.e. Excluding U of A) at the Masters level (with only 2 institutions showing lower tuition), and 14% below the U15 average (i.e. Excluding U of A) at the PhD level (with 5 institutions showing lower tuition, three of which are in Quebec). The U of A's tuition & MNIFs are \$5,521 for domestic students in both MA and PhD programs, and they ranked the 12th and the 10th respectively, and they are still below the U15 averages. The table presents Out-of-province domestic rates where applicable, see the note section for more details. The values in the parentheses indicate U of A's rank among all U15 institutions.

**Table 2. Domestic Tuition & Fees for BA, MA, & PhD, 2022-2023**

| 2022-23 Tuition                | Domestic              |                               |                         |                     |                               |                         |                     |                               |                         |
|--------------------------------|-----------------------|-------------------------------|-------------------------|---------------------|-------------------------------|-------------------------|---------------------|-------------------------------|-------------------------|
|                                | Arts & Social Science |                               |                         | MA                  |                               |                         | PhD                 |                               |                         |
|                                | Tuition               | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition             | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition             | MNIFs retained by Institution | Total (Tuition & MNIFs) |
| <b>University of Alberta</b>   | <b>\$6,517 (8)</b>    | <b>\$839 (4)</b>              | <b>\$7,357 (6)</b>      | <b>\$4,486 (13)</b> | <b>\$1,035 (4)</b>            | <b>\$5,521 (12)</b>     | <b>\$4,486 (10)</b> | <b>\$1,035 (4)</b>            | <b>\$5,521 (10)</b>     |
| Dalhousie University           | \$ 8,596              | \$ 726                        | \$ 9,322                | \$ 9,099            | \$ 766                        | \$ 9,865                | \$ 6,714            | \$ 766                        | \$ 7,480                |
| McMaster University            | \$ 6,535              | \$ 786                        | \$ 7,320                | \$ 6,307            | \$ 284                        | \$ 6,591                | \$ 6,307            | \$ 284                        | \$ 6,591                |
| Queen's University             | \$ 6,387              | \$ 588                        | \$ 6,975                | \$ 5,773            | \$ 393                        | \$ 6,166                | \$ 5,773            | \$ 393                        | \$ 6,166                |
| University of British Columbia | \$ 5,729              | \$ 281                        | \$ 6,010                | \$ 5,302            | \$ 240                        | \$ 5,542                | \$ 5,302            | \$ 240                        | \$ 5,542                |
| University of Calgary          | \$ 6,598              | \$ 772                        | \$ 7,370                | \$ 3,533            | \$ 532                        | \$ 4,065                | \$ 3,533            | \$ 532                        | \$ 4,065                |
| University of Manitoba         | \$ 4,528              | \$ 564                        | \$ 5,091                | \$ 3,951            | \$ 674                        | \$ 4,625                | \$ 3,951            | \$ 674                        | \$ 4,625                |
| University of Ottawa           | \$ 6,393              | \$ 333                        | \$ 6,726                | \$ 7,739            | \$ 312                        | \$ 8,050                | \$ 6,685            | \$ 312                        | \$ 6,997                |
| University of Saskatchewan     | \$ 6,978              | \$ 320                        | \$ 7,298                | \$ 4,698            | \$ 390                        | \$ 5,088                | \$ 4,698            | \$ 390                        | \$ 5,088                |
| University of Toronto          | \$ 6,280              | \$ 1,068                      | \$ 7,348                | \$ 6,210            | \$ 1,068                      | \$ 7,278                | \$ 6,210            | \$ 1,068                      | \$ 7,278                |

|   |                 |               |                 |                 |               |                 |                 |               |                 |
|---|-----------------|---------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|
| University of Waterloo                                      | \$ 6,128        | \$ 463        | \$ 6,591        | \$ 6,762        | \$ 607        | \$ 7,369        | \$ 6,762        | \$ 607        | \$ 7,369        |
| Western University  | \$ 6,050        | \$ 517        | \$ 6,567        | \$ 6,360        | \$ 545        | \$ 6,905        | \$ 6,360        | \$ 545        | \$ 6,905        |
| McGill University   | \$ 8,730        | \$ 1,395      | \$ 10,125       | \$ 8,730        | \$ 1,315      | \$ 10,045       | \$ 2,797        | \$ 1,315      | \$ 4,112        |
| Universite de Montreal                                      | \$ 8,730        | \$ 1,141      | \$ 9,871        | \$ 13,095       | \$ 1,719      | \$ 14,814       | \$ 4,195        | \$ 1,715      | \$ 5,910        |
| Universite Laval  | \$ 8,730        | \$ 737        | \$ 9,467        | \$ 6,984        | \$ 737        | \$ 7,721        | \$ 3,356        | \$ 896        | \$ 4,252        |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$ 6,885</b> | <b>\$ 692</b> | <b>\$ 7,577</b> | <b>\$ 6,753</b> | <b>\$ 684</b> | <b>\$ 7,438</b> | <b>\$ 5,189</b> | <b>\$ 696</b> | <b>\$ 5,884</b> |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$ 6,382</b> | <b>\$ 583</b> | <b>\$ 6,965</b> | <b>\$ 5,976</b> | <b>\$ 528</b> | <b>\$ 6,504</b> | <b>\$ 5,663</b> | <b>\$ 528</b> | <b>\$ 6,191</b> |

Sources: U15 2022-2023 Tuition & Fees results.

Institutions' tuition & fees websites.

NOTES:

- 1) Dalhousie, McMaster, Queen's, Ottawa, Toronto, McGill, Laval, and Montreal domestic tuition is for out-of-province students.
- 2) Undergraduate data are for an Arts & Social Science program, except for UBC, which is from an Arts program.
- 3) Graduate tuition is for the first year of an MA/PhD program (i.e. two or three semesters depending on the institution).
- 4) International PhD tuition is the same rate as Domestic PhD tuition at Dalhousie, McMaster, Queen's, Manitoba, Ottawa, Saskatchewan, Toronto, and Western.
- 5) At UBC, domestic graduate students are only placed on the declining tuition schedule if they have not finished their programs within a defined period of time.
- 6) At Ottawa, international M.A. students are subjected to a declining graduate tuition schedule.
- 7) Laval, Manitoba and McGill have a declining graduate tuition structure for both domestic and international M.A. and PhD students.
- 8) McMaster's International tuition for Arts & Social Science (B.A.) is slightly different from their website, but it is confirmed by the institution's U15 data exchange contact.
- 9) UBC lists International M.A. Tuition as \$9,314 on their website (about \$200 higher than what is reported in Table 1).
- 10) Ottawa International Ph.D. tuition is now the same as the Domestic tuition (i.e. \$6,684.90). The amount entered in the U15 report was \$6,812. We have updated the value in Table 1 with the amount shown on the institution's website.
- 11) Saskatchewan International Ph.D. tuition is now the same as the Domestic tuition (i.e. \$4,698). The amount entered in the U15 report was \$9,396. We have updated the value in Table 1 with the amount shown on the institution's website.
- 12) "MNIFs retained by Institution" is defined by the U15, which includes Athletics, College/Faculty Activity Fees, General Student Service Fee, Health Service, and Other Fees. Fees retained by student government and flow-through fees (e.g. UPASS) are not included.
- 13) The "MNIFs retained by Institution" are based on two terms of study at the undergraduate level.
- 14) Ottawa's calculations for "MNIFs retained by Institution" are sourced from the institution's website. It includes fees for health services, sports services and University Centre services.
- 15) Dalhousie includes Mandatory International Health Insurance in their International MNIFs, in addition to Athletics and General Student Service Fees.

**U15 International and Domestic Tuition & Fees, 2022-23**

As shown in Table 3, U of A's international undergraduate tuition for Business and Engineering are \$35,700 and \$40,290 respective for the Fall 2022 intake. When adding in MNIFs, the total amounts that students are paying to the institution for Business and Engineering undergraduate programs become \$36,539 and \$41,129 respectively (for the Fall 2022 intake). They are both below the U15 averages, either excluding U of A or excluding both U of A and Quebec Institutions. The values in the parentheses indicate U of A's rank among all U15 institutions.

**Table 3. International Tuition & Fees for Business & Engineering, 2022-2023**

| 2022-23 Tuition   | International          |                               |                         |                           |                               |                         |
|---|------------------------|-------------------------------|-------------------------|---------------------------|-------------------------------|-------------------------|
|   | Business Undergraduate |                               |                         | Engineering Undergraduate |                               |                         |
|   | Tuition                | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition                   | MNIFs retained by Institution | Total (Tuition & MNIFs) |
| <b>University of Alberta</b>                                | <b>\$35,700 (9)</b>    | <b>\$839 (7)</b>              | <b>\$36,539 (9)</b>     | <b>\$40,290 (9)</b>       | <b>\$839 (6)</b>              | <b>\$41,129 (9)</b>     |
| Dalhousie University  | \$ 26,700.00           | \$ 2,615.00                   | \$ 29,315.00            | \$ 27,522.00              | \$ 1,667.00                   | \$ 29,189.00            |
| McMaster University   | \$ 44,503.00           | \$ 934.00                     | \$ 45,438.00            | \$ 61,725.00              | \$ 910.00                     | \$ 62,635.00            |
| Queen's University  | \$ 56,530.00           | \$ 630.00                     | \$ 57,159.00            | \$ 59,284.00              | \$ 695.00                     | \$ 59,979.00            |
| University of British Columbia                              | \$ 55,385.00           | \$ 1,129.00                   | \$ 56,513.00            | \$ 54,987.00              | \$ 411.00                     | \$ 55,398.00            |
| University of Calgary                                       | \$ 27,587.00           | \$ 772.00                     | \$ 28,359.00            | \$ 33,506.00              | \$ 772.00                     | \$ 34,278.00            |
| University of Manitoba                                      | \$ 20,541.00           | \$ 564.00                     | \$ 21,105.00            | \$ 23,381.00              | \$ 564.00                     | \$ 23,945.00            |
| University of Ottawa  | \$ 47,486.00           | \$ 569.00                     | \$ 48,055.00            | \$ 56,397.00              | \$ 167.00                     | \$ 56,563.00            |
| University of Saskatchewan                                  | \$ 30,060.00           | \$ 320.00                     | \$ 30,380.00            | \$ 35,070.00              | \$ 320.00                     | \$ 35,390.00            |
| University of Toronto                                       | \$ 67,430.00           | \$ 1,068.00                   | \$ 68,498.00            | \$ 63,500.00              | \$ 1,068.00                   | \$ 64,568.00            |
| University of Waterloo                                      | \$ 50,636.00           | \$ 463.00                     | \$ 51,099.00            | \$ 63,350.00              | \$ 463.00                     | \$ 63,813.00            |
| Western University  | \$ 39,105.00           | \$ 517.00                     | \$ 39,622.00            | \$ 53,969.00              | \$ 517.00                     | \$ 54,486.00            |
| McGill University   | \$ 63,694.00           | \$ 1,349.00                   | \$ 65,042.00            | \$ 55,389.00              | \$ 1,579.00                   | \$ 56,968.00            |
| Universite de Montreal                                      | \$ 29,000.00           | \$ 1,537.00                   | \$ 30,538.00            | \$ 26,467.00              | \$ 965.00                     | \$ 27,432.00            |
| Universite Laval  | \$ 21,233.00           | \$ 737.00                     | \$ 21,970.00            | \$ 21,233.00              | \$ 737.00                     | \$ 21,970.00            |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$ 41,421.00</b>    | <b>\$ 943.00</b>              | <b>\$ 42,364.00</b>     | <b>\$ 45,413.00</b>       | <b>\$ 774.00</b>              | <b>\$ 46,187.00</b>     |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$ 42,360.00</b>    | <b>\$ 871.00</b>              | <b>\$ 43,231.00</b>     | <b>\$ 48,426.00</b>       | <b>\$ 687.00</b>              | <b>\$ 49,113.00</b>     |

Sources: U15 2022-2023 Tuition & Fees results. Institutions' tuition & fees websites.

See notes after table 4.

Table 4 shows domestic undergraduate tuition for both Business and Engineering programs. The U of A's domestic Business undergraduate tuition is \$9,592 (and ranked the 5th among U15) is slightly higher than the U15 averages (excluding U of A, as well as excluding U of A and Quebec Institutions). When MNIFs are included, the rank of domestic Business undergraduate tuition & MNIFs remains 5th among the U15. The domestic undergraduate tuition for Engineering is \$8,389. Tuition and fees for Engineering is ranked the 13th among the U15 institutions (for both tuition only, as well as with tuition and MNIFs), and is lower than the U15 averages. The table presents Out-of-province domestic rates where applicable, see the note section for more details. The values in the parentheses indicate U of A's rank among all U15 institutions.

**Table 4. Domestic Tuition & Fees for Business & Engineering, 2022-2023**

| 2022-23 Tuition                | Domestic               |                               |                         |                           |                               |                         |
|--------------------------------|------------------------|-------------------------------|-------------------------|---------------------------|-------------------------------|-------------------------|
|                                | Business Undergraduate |                               |                         | Engineering Undergraduate |                               |                         |
|                                | Tuition                | MNIFs retained by Institution | Total (Tuition & MNIFs) | Tuition                   | MNIFs retained by Institution | Total (Tuition & MNIFs) |
| <b>University of Alberta</b>   | <b>\$9,592 (5)</b>     | <b>\$839 (7)</b>              | <b>\$10,431 (5)</b>     | <b>\$8,389 (13)</b>       | <b>\$839 (5)</b>              | <b>\$9,228 (13)</b>     |
| Dalhousie University           | \$ 9,840               | \$ 1,873                      | \$ 11,713               | \$ 10,662                 | \$ 582                        | \$ 11,244               |
| McMaster University            | \$ 10,117              | \$ 934                        | \$ 11,051               | \$ 13,460                 | \$ 910                        | \$ 14,370               |
| Queen's University             | \$ 17,102              | \$ 630                        | \$ 17,731               | \$ 12,510                 | \$ 695                        | \$ 13,205               |
| University of British Columbia | \$ 5,729               | \$ 1,129                      | \$ 6,858                | \$ 7,066                  | \$ 411                        | \$ 7,477                |
| University of Calgary          | \$ 9,524               | \$ 772                        | \$ 10,296               | \$ 8,602                  | \$ 772                        | \$ 9,374                |
| University of Manitoba         | \$ 5,368               | \$ 564                        | \$ 5,932                | \$ 6,626                  | \$ 564                        | \$ 7,190                |
| University of Ottawa           | \$ 7,920               | \$ 569                        | \$ 8,489                | \$ 9,893                  | \$ 167                        | \$ 10,059               |
| University of Saskatchewan     | \$ 8,350               | \$ 320                        | \$ 8,670                | \$ 9,742                  | \$ 320                        | \$ 10,062               |

|   |           |              |           |            |           |               |           |               |           |            |           |               |
|---|-----------|--------------|-----------|------------|-----------|---------------|-----------|---------------|-----------|------------|-----------|---------------|
| University of Toronto                                       | \$        | 16,370       | \$        | 1,068      | \$        | 17,438        | \$        | 14,600        | \$        | 1,068      | \$        | 15,668        |
| University of Waterloo                                      | \$        | 8,544        | \$        | 463        | \$        | 9,007         | \$        | 13,970        | \$        | 463        | \$        | 14,433        |
| Western University  | \$        | 6,050        | \$        | 517        | \$        | 6,567         | \$        | 12,294        | \$        | 517        | \$        | 12,811        |
| McGill University   | \$        | 8,730        | \$        | 1,349      | \$        | 10,079        | \$        | 8,730         | \$        | 1,579      | \$        | 10,309        |
| Universite de Montreal                                      | \$        | 8,730        | \$        | 1,537      | \$        | 10,267        | \$        | 8,730         | \$        | 965        | \$        | 9,695         |
| Universite Laval  | \$        | 8,730        | \$        | 737        | \$        | 9,467         | \$        | 8,730         | \$        | 737        | \$        | 9,467         |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$</b> | <b>9,365</b> | <b>\$</b> | <b>890</b> | <b>\$</b> | <b>10,255</b> | <b>\$</b> | <b>10,401</b> | <b>\$</b> | <b>696</b> | <b>\$</b> | <b>11,098</b> |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$</b> | <b>9,538</b> | <b>\$</b> | <b>804</b> | <b>\$</b> | <b>10,341</b> | <b>\$</b> | <b>10,857</b> | <b>\$</b> | <b>588</b> | <b>\$</b> | <b>11,445</b> |

Sources: U15 2022-2023 Tuition & Fees results.

Institutions' tuition & fees websites.

NOTES:

- 1) Dalhousie, McMaster, Queen's, Ottawa, Toronto, McGill, Laval, and Montreal domestic tuition is for out-of-province students.
- 2) The domestic Business tuition for UBC is for Year 1 in Commerce. Domestic tuition for Years 2-4 is \$8,489.40
- 3) International tuition for UBC Commerce (Business) was obtained from UBC's website, as it is not available in the U15 report.
- 4) Western offers a second-entry Business program, so the first year tuition is for Arts or Science (domestic students: \$6,050; international students: \$39,105). Once entry into the program in Year 2, tuition is: \$25,200 (domestic) or \$51,500 (international).
- 5) Waterloo offers several Business programs: a direct-entry Mathematics/Business Administration double-degree (which has been included in Tables 3 and 4 above), as well as second-entry Accounting and Financial Management programs with a tuition amount of \$15,038 (domestic) and \$45,340 (international).
- 6) The international tuition amount for Engineering shown in Table 1 for Calgary is based off their website for those "Admitted to begin May 2022 or later".
- 7) It has been noticed on Toronto's website that their BCom out-of-province domestic rate has been greatly reduced for the Fall 2022 cohort, from \$16,370 to \$6,280. As confirmed by U of T's U15 contact, the \$16,370 figure is for upper year Business students (second entry), and the lower tuition amount is the amount students pay in their first year, which is same as the tuition for Arts & Science students in U of T. In this case, using the upper year tuition provides an apples-to-apples comparison between the U of A and U of T.
- 8) "MNIFs retained by Institution" is defined by the U15, which includes Athletics, College/Faculty Activity Fees, General Student Service Fee, Health Service, and Other Fees. Fees retained by student government and flow-through fees (e.g. UPASS) are not included.
- 9) The "MNIFs retained by Institution" are based on two terms of study at the undergraduate level.
- 10) Ottawa's calculations for "MNIFs retained by Institution" are sourced from the institution's website. It includes fees for health services, sports services, University Centre services, and Faculty Activity Fees if applicable.
- 11) Dalhousie Business MNIFs includes College/Faculty Fees.

# 2022-2023 Tuition Consultation Summary

**FINAL**

Background: In advance of the 2022-2023 tuition consultation cycle, the University of Alberta worked with student leaders from the Students' Union and the Graduate Students' Association to expand and enrich the tuition consultation process. The Tuition Budget Advisory Committee is the University's official mechanism for consultation with students on tuition. With the agreement of student leaders on TBAC, this year's consultation process included discussions at the Council on Student Affairs, the Students' Union Council, the Graduate Student Association Council, and the International Students' Association Council. This document summarizes areas of student question and concern during that consultation process. Readers interested in knowing more about the outcomes of the discussions at each of these consultations should review the linked meeting records, which have been provided where available.

| Event/Meeting and Date                   | Meeting Purpose   | Questions/Comments   |
|--|---|--|
| <b>TBAC Meeting 1 (October 25, 2022)</b> | To share thinking with TBAC on general approach to tuition planning for Fall 2023 (domestic) and Fall 2024 (international). | What we heard: <ul style="list-style-type: none"> <li>● A request that the University consider eliminating or revising the \$40 installment fee and the tuition late fee payment interest rate.</li> <li>● Questions about the formula used to determine the tuition offset, the University's cost-drivers and inflation calculations, the rebate for thesis-based graduate students, including the number of students receiving it and the possibility of extending it to students admitted in 2020 and 2021, and the standard program lengths used to calculate the tuition increase for new international students admitted in Master's programs in Fall 2024.</li> </ul> <a href="#">Link to Minutes</a> |
| <b>CoSA (November 3, 2022)</b>           | To share thinking with CoSA on general approach to tuition planning for Fall 2023 (domestic) and Fall 2024 (international). | What we heard: <ul style="list-style-type: none"> <li>● Appreciation for the consultation opportunity, and offers to support further consultation efforts, particularly with international students, and questions about how the outcomes of consultation will be presented to the Board.</li> <li>● Questions about the impact of tuition increases on Indigenous students whose band funding may not have increased at the same rate as tuition.</li> <li>● Questions about drivers for tuition increases and where the funding will be going, and risks on data sources for the inflation scenario for international tuition.</li> </ul>  |

|  |   |  |
|--|---|--|
|  |   | <ul style="list-style-type: none"> <li>• Questions about the impact of tuition increases on vulnerable students, access to financial aid in light of increasing costs for everything, including costs for housing, and the challenge of paying interest when tuition payments are made late.</li> </ul> <p><a href="#">Link to Minutes</a></p>   |
| <p><b>TBAC Meeting 2 (November 18, 2022)</b></p> | <p>To update members on the consultation process thus far, including responses to questions raised at the first meeting of TBAC, and to review draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international)</p>     | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Feedback on the consultation materials developed to support discussions at other consultation venues, and questions to clarify those materials.</li> <li>• Questions about the costs that tuition revenue covers and how the 5.5% proposal was derived, and about whether alternative approaches to CPI are possible, given that fluctuations in CPI are challenging for students to predict.</li> <li>• Questions about whether tuition increases are also applied to programs with exceptional tuition increases (ETI), about program lengths used in the international tuition proposal, and about whether the University is double-counting inflationary increases through the approach to the international tuition cohort model.</li> <li>• Questions about opportunities to propose different approaches to tuition for thesis-based students.</li> <li>• Ongoing discussion about opportunities to revise the University’s approach to installment fees and late payment interest, including review of environmental scan information about other institutions’ approaches.</li> </ul> <p><a href="#">Link to Minutes</a></p> |
| <p><b>GSA Council (November 21, 2022)</b></p>    | <p>To review draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international) and to <a href="#">share background information</a> on development of the proposal, and use of tuition funds, to build understanding.</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Concerns about the gap between international and domestic tuition, differential access to financial supports, the compounding impact of tuition increases and currency fluctuations, and potential long-term impact of high international tuition on recruitment and retention of international students.</li> <li>• Advocacy for minimum funding packages as an opportunity to improve equity and certainty for doctoral students.</li> <li>• Concerns that the tuition increases will not sustain a high quality educational experience.</li> <li>• Questions about the University’s advocacy strategy to the Government and how the Graduate Students’ Association can contribute to that advocacy.</li> <li>• Questions about inflationary calculations and whether fluctuations in those</li> </ul>  |

|   |   |   |
|---|---|---|
|   |   | <p>calculations are reflected in potential tuition refunds, and about whether an increase in government funding would change the University's proposal.</p> <p>Link to <a href="#">Minutes</a></p>  |
| <p><b>International Students' Association Council (November 24, 2022)</b></p> | <p>To review draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international) and to <a href="#">share background information</a> on development of the proposal, and use of tuition funds, to build understanding.</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Questions about how the costs of international student education and inflation rates are calculated, the impact of future inflation rates on tuition, whether the University considered capping the international tuition proposal at CPI, the full cost of living (including housing), and whether the University would invite proposals for alternative models for tuition.</li> <li>• Questions specific to the experience of students who change programs and the resulting impact on tuition assessments, particularly for students in coop terms and for students on unpaid practica.</li> <li>• Questions about availability of student financial aid and limits on financial aid, processing time for bursary decisions, and how services will improve as a result of increased tuition.</li> <li>• Questions about how student experience is monitored, and concerns that restructuring has removed human interaction from our service delivery, and that tuition increases negatively impact the University's EDI goals.</li> <li>• Specific questions about supports for Ukrainian and Iranian students</li> <li>• Advocacy for elimination of the \$40 installment fee</li> </ul> <p>Link to <a href="#">Minutes</a></p> |
| <p><b>SU Council (November 29, 2022)</b></p>                                  | <p>To review draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international) and to <a href="#">share background information</a> on development of the proposal, and use of tuition funds, to build understanding.</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Questions about University advocacy to the government on affordability and how those efforts are visible to students, and the role of students in advocating for affordable education.</li> <li>• Questions about the financial calculations that inform the tuition proposal and how those calculations impact the University's budget, other revenue levers accessible to the University, potential use of the University's reserve funding to mitigate tuition increases, how the University intends to make up revenue shortfalls, how different cost pressures in different Faculties are accounted for, how the provincial government budget timeline impacts proposals, and whether deconsolidation would allow for potential tuition refunds.</li> <li>• Questions about the compounding impact of tuition increases on students who have already received an exceptional tuition increase and how those students</li> </ul>   |

|   |  |  |
|---|--|--|
|   |  | <p>will experience promised improvements in the quality of the learning environment (and whether use of ETI revenue will be shared), and the impact of tuition increases on students in unpaid practica.</p> <ul style="list-style-type: none"> <li>• Concerns about the financial burden on students, availability of student financial aid and maximums on that aid, and challenges with the processes to apply for student financial aid.</li> <li>• Concerns about potential impact on international student recruitment and retention, and about differential impact of cuts on Campus Saint-Jean, Augustana, and the students and student experience on those campuses.</li> <li>• Concerns about the quality of the University of Alberta learning experience.</li> </ul> <p>Link to <a href="#">Votes and Proceedings</a>, <a href="#">Audio Recording</a></p> |
| <p><b>Board Finance and Property Committee (BFPC) (November 29, 2022)</b></p> | <p>To brief BFPC on draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international).</p>      | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Recognition of the strength of the newly designed consultation process.</li> <li>• Questions about the ongoing viability of the financial aid set-aside percentages, whether differences between thesis-based programs and course-based programs should be reflected in the proposal, and the University's position relative to other U15 institutions.</li> </ul>  |
| <p><b>Academic Planning Committee (APC) (December 7, 2022)</b></p>            | <p>To brief APC on draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international).</p>       | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Questions about how undergraduate programs were conceptualized in the materials including in different tuition levels, how different resource requirements for different programs are factored into the cost of delivery, and the consideration of cost as a differentiator that has reputational impacts for the University.</li> <li>• Discussion about the University's commitment to preserving access, about how differences in tuition levels across programs may be appropriate to reflect graduate outcomes but may negatively impact that commitment, and about the importance of extending that access commitment to international students.</li> </ul> <p><a href="#">Link to Minutes</a></p>  |
| <p><b>Board of Governors (December 9, 2022)</b></p>                           | <p>To brief the Board on draft tuition proposals for Fall 2023 (domestic) and Fall 2024 (international).</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>• Comments on the relatively high CPI calculation.</li> <li>• A question about the opportunity to eliminate the instalment fee.</li> </ul>  |



|   |   |  |
|---|---|--|
| <p><b>TBAC Meeting 3<br/>(January 12, 2023)</b></p> | <p>Final proposal review and discussion</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>● Discussion of ensuring advocacy for financial aid is referenced in the materials.</li> <li>● Questions about the tuition projections, why the financial aid offset for domestic students is noted as TBD in the projections, and where the 7.55% international tuition offset is codified.</li> <li>● Discussion of the impact of international students admitted prior to Fall 2020 joining the cohort tuition model starting in Fall 2024.</li> <li>● Discussion about program lengths prescribed in the international tuition cohort model.</li> <li>● Discussion and advice about how the proposal materials can be strengthened.</li> </ul> <p><a href="#">Link to Minutes</a></p>   |
| <p><b>CoSA (January 26, 2023)</b></p>               | <p>Final proposal shared for discussion</p> | <p>What we heard:</p> <ul style="list-style-type: none"> <li>● Discussion of the impact of tuition increases on students who are experiencing financial challenges, questions regarding how tuition offsets are considered in budget planning processes and whether the University will increase offsets in the future and/or will revisit the definition of a moderate standard of living.</li> <li>● A request to extend the existing tuition rebate for thesis-based graduate students for an additional year.</li> <li>● Discussion of the significant impact of tuition increases, including exceptional tuition (ETI) increases, on students in those programs that received ETIs, and a request for stronger reporting on use of ETI revenue.</li> <li>● Advocacy for continuing with the enhanced consultation process, including with the International Students' Association.</li> <li>● Questions about the impact of the tuition model on international students who do not complete their programs within the prescribed time.</li> </ul> |

## Item No. 2b

**Governance Executive Summary  
Action Item**

|                     |  |
|---------------------|--|
| <b>Agenda Title</b> | <b>University of Alberta's 2023-2024 Consolidated Budget</b> |
|---------------------|--|

**Motion**

THAT the Board Finance and Property Committee, on the recommendation of the General Faculties Council Academic Planning Committee, recommend that the Board of Governors approve the 2023-24 Consolidated Budget, as set forth in Attachment 1.

**Item**

|                  |   |
|------------------|---|
| Action Requested | <input type="checkbox"/> Approval <input checked="" type="checkbox"/> Recommendation  |
| Proposed by      | Verna Yiu, Interim Provost and Vice-President (Academic)<br>Todd Gilchrist, Vice-President (University Services & Finance)  |
| Presenter(s)     | Verna Yiu, Interim Provost and Vice-President (Academic)<br>Todd Gilchrist, Vice-President (University Services & Finance)<br>Andrew Sharman, Vice-President (Facilities & Operations)<br>Aminah Robinson, Vice-President (Research and Innovation) |

**Details**

|   |   |
|---|---|
| Office of Administrative Responsibility   | Office of the Provost and Vice-President (Academic)<br>Office of the Vice-President (University Services & Finance)   |
| The Purpose of the Proposal is <i>(please be specific)</i>                        | To propose the University of Alberta 2023-24 Consolidated Budget for recommendation to the Board of Governors.  |
| Executive Summary <i>(outline the specific item – and remember your audience)</i> | <p>The University of Alberta 2023-24 Budget document (Attachment 1) provides a comprehensive overview of the university's budget, inclusive of all its component parts. The supporting slidedeck (Attachment 2) provides an overview of the budget components and includes supporting documentation as presented during the February 16, 2023 Budget Briefing.</p> <p>On February 28, 2023, the provincial budget was announced. The University received Operating and Program Support Grant Funding of \$436.6 million for the 2023-24 fiscal year, which is consistent with the grant funding from the prior year.</p> <p>The Capital Maintenance and Renewal (CMR) grant was increased by \$1.8 million to \$36.7 million in the fiscal year 2023-24 budget announcement. The capital budget represents projects to be funded in fiscal year 2023-24. The projects are fully aligned with the principles within the Asset Management Master Plan in that the focus is almost exclusively on space optimization and asset renewal.</p> <p>In its Budget 2022, the Government of Alberta announced that it will invest \$171 million over three years to increase enrolment in high demand programs as part of the Alberta at Work initiative (Targeted Enrollment Enhancement (TEE) Grant). University of Alberta received approximately \$48 million over three years with the first installment of its funding in July 2022 of \$8 million and the second installment was announced to be \$16 million as part of the fiscal year 2023-24 budget.</p> |



Item No. 2b

|                               |   |
|-------------------------------|---|
|                               | <p>Details of when the funding will actually be received has not yet been disclosed.</p> <p>The Government of Alberta, as part of Budget 2023, announced \$111 million in additional enrolment growth funding for post-secondary institutions. Of this, \$87 million is directed to continued funding for year four of degree programs and year 2 of diploma programs. The University of Alberta anticipates to receive \$31.5 million in enrolment growth funding for year 4 (fiscal year 2025-26).</p> <p>In addition to the Operating and Program Support Grant, CMR, and TEE Grants, the University of Alberta receives the following grants totaling an additional \$17.8 million:</p> <ul style="list-style-type: none"> <li>● Post-Secondary Mental Health (increased by 3.5%),</li> <li>● Heroes in Mind Advocacy Consortium (new grant of \$750,000),</li> <li>● Students with Disabilities,</li> <li>● Medical Faculty Grant, and</li> <li>● Health Workforce Action Plan.</li> </ul> <p>The Government of Alberta has given the University of Alberta permission to request to spend 15% of its total reserves, which means that \$39.4M could be accessed in the 2023-24 fiscal year.</p> <p><b>Risks and Opportunities</b></p> <p>As acknowledged in the budget document, the University of Alberta is forecasting a very small consolidated budget surplus and a focus on continuous operating efficiency, cost control, and revenue generation will mitigate the risk. The design of the incremental budget model implemented for FY 2024 ensures faculties are kept whole based on their FY 2023 base budgets and provides incentives associated with enrolment growth.</p> |
| Supplementary Notes / context |   |

**Engagement and Routing** (Include meeting dates)

|  |   |
|--|---|
| <p>Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)</p> <p>&lt;For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a>&gt;</p> | <p><b><u>Those who are actively participating:</u></b></p> <ul style="list-style-type: none"> <li>● President’s Executive Committee</li> <li>● Resource Planning</li> </ul>   |
|  | <p><b><u>Those who have been consulted:</u></b></p> <ul style="list-style-type: none"> <li>● College and Faculty Deans</li> <li>● Academic Planning Committee</li> </ul>  |
|  | <p><b><u>Those who have been informed:</u></b></p> <ul style="list-style-type: none"> <li>●</li> </ul>  |
| <p>Approval Route (Governance) (including meeting dates)</p>   | <ul style="list-style-type: none"> <li>● Academic Planning Committee: Recommendation of the FY 2023-24 Budget to the Board (March 8, 2023)</li> <li>● Board Finance and Property Committee: Recommendation of the FY 2023-24 Budget &amp; Capital Plan to the Board (March 9, 2023)</li> <li>● Board of Governors: Approval of the FY 2023-24 Budget &amp; Capital Plan (March 24, 2023)</li> </ul> |



Item No. 2b

**Strategic Alignment**

|  |  |   |
|--|--|---|
| <p>Alignment with <i>For the Public Good</i></p> | <p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.<br/> <b>OBJECTIVE:</b> Secure and steward financial resources to sustain, enhance, promote, and facilitate the university’s core mission and strategic goals.<br/> i. Strategy: Seek and secure resources needed to achieve and support our strategic goals.<br/> ii. Strategy: Ensure a sustainable budget model to preserve and enhance our core mission and reputation for excellence in teaching, learning, research, and community engagement.</p> |   |
| <p>Alignment with Core Risk Area</p>             | <p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Enrolment Management</li> <li><input type="checkbox"/> Faculty and Staff</li> <li><input checked="" type="checkbox"/> Funding and Resource Management</li> <li><input type="checkbox"/> IT Services, Software and Hardware</li> <li><input type="checkbox"/> Leadership and Change</li> <li><input checked="" type="checkbox"/> Physical Infrastructure</li> </ul>   | <ul style="list-style-type: none"> <li><input type="checkbox"/> Relationship with Stakeholders</li> <li><input type="checkbox"/> Reputation</li> <li><input type="checkbox"/> Research Enterprise</li> <li><input type="checkbox"/> Safety</li> <li><input type="checkbox"/> Student Success</li> </ul> |
| <p>Legislative Compliance and jurisdiction</p>   | <p>APC Terms of Reference<br/> BFPC Terms of Reference Section 2c</p>  |   |

Attachments

1. University of Alberta Budget 2023-24 (25 pages) – **for approval**
2. Consolidated Budget Fiscal Year 2023-24 (slidedeck) (50 pages)

*Prepared by:* Martin Coutts, Associate Vice-President (Finance, Procurement, and Planning)



# University of Alberta

# Budget 2023-24

**March 2023**

**Prepared by:**  
Resource Planning  
Finance, Procurement and Planning

**Date:**  
March 8, 2023



# Table of Contents

|   |           |
|---|-----------|
| <b>1 Introduction</b>                                 | <b>2</b>  |
| <b>2 Consolidated Budget</b>                          | <b>3</b>  |
| <b>2.1 Operating Budget</b>                           | <b>5</b>  |
| 2.1.1 Operating Revenues                              | 5         |
| 2.1.1.1 Government of Alberta Grants                  | 5         |
| 2.1.1.2 Federal and Other Government Grants           | 5         |
| 2.1.1.3 Student Tuition and Fees                      | 5         |
| 2.1.1.4 Investment Income                             | 6         |
| 2.1.1.5 All Other Sources of Revenues                 | 6         |
| 2.1.2 Operating Expenditures                          | 6         |
| 2.1.2.1 Compensation                                  | 6         |
| 2.1.3 Overall Budget Planning Assumptions             | 6         |
| <b>2.2 Ancillary Enterprises</b>                      | <b>7</b>  |
| Table 6. Ancillary Budget                             | 8         |
| <b>2.3 Research</b>                                   | <b>8</b>  |
| Table 7. Research Budget                              | 9         |
| <b>2.4 Capital Budget</b>                             | <b>9</b>  |
| 2.4.1 Capital Investments                             | 9         |
| 2.4.2 Capital Budget Development                      | 10        |
| 2.4.3 Capital Budget                                  | 10        |
| 2.4.4 Deferred Maintenance                            | 14        |
| <b>2.5 Special Purpose</b>                            | <b>15</b> |
| <b>3 Concluding Comments</b>                          | <b>16</b> |
| <b>Appendix A: Supplemental Financial Information</b> | <b>17</b> |



# 1 Introduction

The University of Alberta's 2023–2024 budget has been developed with change adaptation at the forefront. The past three years required consistent flexibility in how the university operated, with some time spent operating primarily online—teaching, learning, and working remotely— and other time spent learning and working in-person. While we weathered striking cuts to our operating funding over the last four years, we have also worked within a new centralized service model to help us best deliver the university's missions.

During Fiscal Year 2022-23, the Targeted Enrolment Expansion funding of \$48M over 3 years was committed to by the government and the University received the first installment of this funding. Although the University received this additional targeted funding, these sources of funds from the government are restricted to the intended programs for growth, this limits the ability for the University to grow outside of these targeted programs. Additionally while the Government of Alberta has signaled funding for the fourth year, the University does not have a formal grant confirmation.

Despite the challenges, we have come together as one university to work through these challenges and are emerging stronger for having done so. From a budget perspective; we have reduced our overhead costs by \$102 million, and offset some of this reduction through increases in tuition and enrolments. These moves have positioned us competitively amongst our Canadian and global UniForum benchmark group.

To build a community that is forward-looking and continues to move as One University, we need a new budget model. To provide the time necessary to do this, the 2023–2024 budget used an incremental budget model to ensure that units receive the same base budget allocation that they received in the prior year as well as any directed new revenue sources. This will ensure we deliver a balanced budget in a year where we face increased costs due to inflation and in utilities costs. By designing and implementing a new model for Budget 2024-2025 we will start the move to a model that ensures the university's limited resources are directed in the best possible way to achieve its goals.

Our efforts to this point, and into the future, will continue to seek operating efficiencies. In doing so, we will allocate the maximum available dollars to our core missions of teaching, research, and community engagement. Overall, this budget helps further align our fiscal realities in support of the innovation and growth that will keep the university moving forward.

## 2 Consolidated Budget

The consolidated budget for the upcoming year, as well as projections for the following two years, are presented below and include all university activities.

Table 1: Consolidated Budget (2023-24, 2024-25, 2025-26)

| (\$000's)  | 2021-22          | 2022-23          |                  | 2023-24          | 2024-25          | 2025-26          |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Forecast         | Budget           | Projection       | Projection       |
| <b>Revenue (including deferrals)</b>                       |                  |                  |                  |                  |                  |                  |
| Government of Alberta grants                               | 726,710          | 694,597          | 751,625          | 711,848          | 728,896          | 710,781          |
| Federal and other government grants                        | 212,289          | 216,784          | 200,053          | 224,579          | 225,855          | 228,788          |
| Student tuition and fees                                   | 434,622          | 463,270          | 458,377          | 489,800          | 528,832          | 545,745          |
| Sales of services and products                             | 182,153          | 207,391          | 208,551          | 219,295          | 223,220          | 227,937          |
| Donations and other grants                                 | 135,311          | 128,429          | 129,145          | 147,101          | 149,963          | 152,302          |
| Investment income  | 176,489          | 101,787          | 123,825          | 111,375          | 109,361          | 112,458          |
| Investment gain (loss) from government business enterprise | (554)            | -                | -                | (3,870)          | 1,620            | 8,305            |
| Gain on sale of tangible capital assets                    | 34,917           | -                | -                | -                | -                | -                |
| <b>Total revenue</b>                                       | <b>1,901,937</b> | <b>1,812,258</b> | <b>1,871,576</b> | <b>1,900,128</b> | <b>1,967,747</b> | <b>1,986,316</b> |
| <b>Expense</b>   |                  |                  |                  |                  |                  |                  |
| Salaries   | 891,931          | 880,851          | 894,366          | 924,637          | 944,244          | 955,430          |
| Employee benefits  | 194,447          | 200,852          | 182,105          | 186,730          | 191,458          | 198,350          |
| Materials, supplies and services                           | 248,593          | 259,492          | 295,219          | 295,251          | 301,037          | 304,930          |
| Scholarships and bursaries                                 | 150,100          | 158,191          | 161,937          | 175,871          | 181,599          | 185,781          |
| Maintenance and repairs                                    | 73,800           | 93,023           | 93,494           | 84,857           | 72,920           | 74,519           |
| Utilities  | 56,665           | 59,466           | 71,012           | 68,496           | 68,246           | 69,748           |
| Amortization of tangible capital assets                    | 156,133          | 160,030          | 159,031          | 163,766          | 171,045          | 173,293          |
| <b>Total expense</b>                                       | <b>1,771,669</b> | <b>1,811,905</b> | <b>1,857,164</b> | <b>1,899,608</b> | <b>1,930,549</b> | <b>1,962,051</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>130,268</b>   | <b>353</b>       | <b>14,412</b>    | <b>520</b>       | <b>37,198</b>    | <b>24,265</b>    |

The Government requires that the university has a balanced budget on a consolidated basis for all fiscal years. This requirement is found in legislation. (Post-Secondary Learning Act, Subsection 78(6): "The board of a public post-secondary institution shall not submit a budget in which consolidated operating expense exceeds consolidated operating revenue unless the board has the written approval of the Minister to do so.").

Public Sector Accounting Standards (PSAS) require a budgeted Statement of Change in Net Financial Assets and a consolidated budget with expenses by function (the above representation is by object). Additionally, the government requires a consolidated Statement of Cash Flows. All of these statements are derived from the figures included in the consolidated budget. All these statements will appear as comparatives in the institution's annual audited financial statements. Please refer to Appendix A for this information.

The consolidated budget for the institution includes the Operating, Ancillary, Research, Capital and Special Purpose funds.



- **Operating** relates to funds within the university's budget that represent the general operations of the institution. The revenue sources support the core teaching activities and the indirect costs of research. The university's budget process focuses on the allocation of these funds.
- **Ancillary** relates to cost recovery operations within the University of Alberta. These units are expected to be stand-alone enterprises funded by their own revenues. Major operations include residence and hospitality services, parking services and utilities.
- **Research** includes the annual spending allocation for research-related endowments and other research funding used in the direct pursuit of research endeavors. These are generally subject to restrictions and can only be used for the purposes for which the funds were provided.
- **Capital** includes both restricted and unrestricted funding used for major capital projects and large deferred maintenance projects.
- **Special Purpose** relates primarily to the Academic Medicine and Health Services Program (AMHSP), and the annual spending allocation for undergraduate student awards and non-research-related endowment funds held by the university. The AMHSP encompasses various specializations including medicine, pediatrics, family medicine and psychiatry.

The following is the 2023-24 consolidated budget segregated into the various funds identified above.

Table 2: Consolidated Budget by Fund (2023-24)

| (\$000's)  | Ancillary        |                |                |                 | Special Purpose | Total            |
|--|------------------|----------------|----------------|-----------------|-----------------|------------------|
|  | Operating        | Operations     | Research       | Capital         |                 |                  |
| <b>Revenue (including deferrals)</b>                       |                  |                |                |                 |                 |                  |
| Government of Alberta grants                               | 472,804          | -              | 83,879         | 75,180          | 79,985          | <b>711,848</b>   |
| Federal and other government grants                        | 23,504           | -              | 182,464        | 18,611          | -               | <b>224,579</b>   |
| Student tuition and fees                                   | 489,300          | 500            | -              | -               | -               | <b>489,800</b>   |
| Sales of services and products                             | 86,438           | 112,771        | 20,086         | -               | -               | <b>219,295</b>   |
| Donations and other grants                                 | 6,750            | -              | 120,060        | 15,112          | 5,179           | <b>147,101</b>   |
| Investment income  | 30,000           | 10             | 56,189         | -               | 25,176          | <b>111,375</b>   |
| Investment gain (loss) from government business enterprise | (3,870)          | -              | -              | -               | -               | <b>(3,870)</b>   |
| Gain on sale of tangible capital assets                    | -                | -              | -              | -               | -               | -                |
| <b>Total revenue</b>                                       | <b>1,104,926</b> | <b>113,281</b> | <b>462,678</b> | <b>108,903</b>  | <b>110,340</b>  | <b>1,900,128</b> |
| <b>Expense</b>   |                  |                |                |                 |                 |                  |
| Salaries   | 668,387          | 21,606         | 177,852        | -               | 56,792          | <b>924,637</b>   |
| Employee benefits  | 136,512          | 5,469          | 30,589         | -               | 14,160          | <b>186,730</b>   |
| Materials, supplies and services                           | 94,261           | 35,349         | 147,242        | 4,408           | 13,991          | <b>295,251</b>   |
| Scholarships and bursaries                                 | 60,072           | -              | 95,375         | -               | 20,424          | <b>175,871</b>   |
| Maintenance and repairs                                    | 27,078           | 20,330         | 2,137          | 35,238          | 74              | <b>84,857</b>    |
| Utilities  | 63,475           | 4,798          | 204            | -               | 19              | <b>68,496</b>    |
| Amortization of tangible capital assets                    | 57,037           | 13,447         | -              | 93,282          | -               | <b>163,766</b>   |
| <b>Total expense</b>                                       | <b>1,106,822</b> | <b>100,999</b> | <b>453,399</b> | <b>132,928</b>  | <b>105,460</b>  | <b>1,899,608</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>(1,896)</b>   | <b>12,282</b>  | <b>9,279</b>   | <b>(24,025)</b> | <b>4,880</b>    | <b>520</b>       |

An overview for each individual fund follows, including the key assumptions used in the development of the budget and the projections for the following two years.

## 2.1 Operating Budget

The Government of Alberta released the 2023 provincial budget on February 28, 2023. The operating support grant has remained unchanged at \$436.6M.

During the current fiscal year, the campus operated at close to pre-pandemic levels however some services are still slowly returning back to normal levels of operations. The university received additional funding from the government in the form of the Targeted Enrolment Expansion, however due to the limited nature of these funds, they did not help to address the significant cost pressures that the University faced during the year. Higher than normal inflationary costs as well as utilities resulted in unanticipated cost increases to the University which were largely unsupported by a corresponding increase in revenues.

The university continues to implement a proactive approach to managing budget reductions and rising costs. Rather than reacting to cuts in a distributed way after they have occurred, through

the implementation of a new Budget Model, the institution is taking action now to address anticipated reductions in the year ahead and through pan-institutional actions.

## 2.1.1 Operating Revenues

### 2.1.1.1 Government of Alberta Grants

The institution received Operating Grant Funding of \$436.6M for the 2023-24 fiscal year, which is consistent with the grant funding from the prior year. In its Budget 2022, the Government of Alberta announced that it will invest \$171 million over three years to increase enrolment in high demand programs as part of the Alberta at Work initiative. The University received \$48M with the first installment of its funding received in July 2022 of \$8M and the second installment was announced to be \$16M as part of the 2023-24 budget. As part of Budget 2023, the Government of Alberta announced \$111 million of additional enrolment growth funding for post-secondary institutions. The University of Alberta anticipates receiving additional funding in enrolment growth funding for year 4 (fiscal year 2025-26).

### 2.1.1.2 Federal and Other Government Grants

The largest component of this category relates to the Federal Research Support Fund provided to the institution in order to support research grants provided by the Tri-Council agencies. The amount budgeted for the 2023-24 fiscal year is consistent with the amount forecast for 2022-23 of \$21 million.

### 2.1.1.3 Student Tuition and Fees

Further details on the tuition increases are presented below for both undergraduate and graduate students for the 2023-24 fiscal year.

#### Undergraduate

Domestic student tuition rates will increase by 5.5% in the 2023-24 academic year, with 15% of this increase dedicated to student financial support. Domestic rates are projected to increase by 2% in 2024-25 and beyond, in line with the government's cap on tuition increases.

Incoming international students will continue to be assessed a fixed program fee averaged over the nominal duration of their academic programs ("program-based" tuition). This is consistent with the government's 2018 Tuition and Fees Regulation, which requires the university to provide international students with greater certainty in the cost of their education at time of admission. International program-based tuition rates will increase by 6% in the 2023-24 academic year. International program-based rates are projected to increase by an amount commensurate with the university's expected inflationary cost increases in 2024-25 and beyond.

Continuing international students admitted prior to Fall 2020 are excluded from the program-based tuition model. For these students, tuition rates will increase by 5.5% in 2023-24.

The current financial support set aside for both incoming and continuing international students will remain at 7.55% of total international student tuition. This model has been in place since the inception of international tuition differentials at the institution.

### Graduate

Incoming domestic student tuition rates (both thesis-based and course-based) will increase by 5.5% in the 2023-24 academic year, with 15% of this increase dedicated to student financial support. Domestic rates are projected to increase by Alberta CPI in 2024-25 and beyond.

Tuition rates for continuing domestic and international students admitted prior to Fall 2020 will increase by 5.5% in the 2023-24 academic year. For continuing domestic and international thesis-based students admitted prior to Fall 2020, this will include a rebate to reduce the overall increase to 2.67% (representing the overall increase in the university's cost drivers); this rebate will be in place for four years starting in Fall 2020.

Incoming international students (both thesis-based and course-based) will continue to be assessed a fixed program fee averaged over the nominal duration of their academic programs ("program-based" tuition). This is consistent with the government's 2018 Tuition and Fees Regulation, which requires the university to provide international students with greater certainty in the cost of their education at time of admission. International program-based tuition rates will increase by 6% in the 2023-24 academic year. International program-based rates are projected to increase by an amount commensurate with the university's expected inflationary cost increases in 2024-25 and beyond.

The current financial support set aside for both incoming and continuing international students will remain at 7.55% of total international student tuition. This model has been in place since the inception of international tuition differentials at the institution.

### Mandatory Non-Instructional Fees

The following increases to be implemented for 2023-24 will be in place for mandatory non-instructional fees:

- An increase of 4% to the Student Health and Wellness fee, Student Academic Support fee and the Athletics and Recreation fee.

#### 2.1.1.4 Investment Income

The investment income budget for fiscal 2023-24 has been set at \$30 million and then returns to \$25 million in the 2024-25 and 2025-26 projection years. The increase in the upcoming fiscal year



is only intended to be temporary as the university continues to review its reliance on investment income to fund ongoing expenditures on an annual basis. The recent rise in interest rates supports the increase in the investment income budget for 2023-24, but we do want to see at what level interest rates stabilize before committing to any increase in the budget for the outlying years.

#### 2.1.1.5 All Other Sources of Revenues

Most of the revenue-generating units are projecting revenues far below Alberta's projected CPI (high inflation). The slow return to post pandemic levels has taken into account this budget which results in increased sales activity as compared to the prior fiscal year. It should be noted that even though sales are projected to increase, it will take another few years for operations to be fully at pre-pandemic levels.

### 2.1.2 Operating Expenditures

Operating expenditures are developed with the consideration of the increase in inflationary pressures that the University is experiencing as well as rising utilities costs. The expectation in the budget is that the largely in-person work and learning environment would mean an increase in operating expenses.

#### 2.1.2.1 Compensation

Overall salaries are expected to change year over year reflecting two significant factors:

- Merit pay increase in salaries for existing staff.
- Across the board increases

Benefits rates are expected to increase by 1.4% in 2023-24, driven by increased government and self-insured plan costs, and partly offset by reduced pension contribution costs. Staffing levels have normalized and there are no further anticipated significant reductions.

### 2.1.3 Overall Budget Planning Assumptions

The above discussion provides insights into the assumptions and planning parameters used to develop the operating budget for the 2023-2024 fiscal year. The table below provides a summary of these, along with the similar figures used for the following two years.



Table 3. Assumptions and Planning Parameters

| <b>Revenue</b>   | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> |
|--|----------------|----------------|----------------|
| Operating and Program Support Grant (OPS)                  | 0.0%           | 0.0%           | 0.0%           |
| Capital Maintenance and Renewal Grant (CMR)                | \$36.7M        | \$36.7M        | \$36.7M        |
| Tuition - Undergraduate Domestic                           | 5.5%           | 2.0%           | 2.0%           |
| Tuition Rates - Undergraduate International, Legacy        | 5.5%           | 4.0%           | 2.0%           |
| Tuition Rates - Undergraduate International, Program-Based | 6.0%           | 6.5%           | 2.0%           |
| Mandatory Non-Instructional Fees                           | 4.0%           | 2.0%           | 2.0%           |
| Investment Income  | \$30M          | \$25M          | \$25M          |

| <b>Expenditures</b>                        | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> |
|--|----------------|----------------|----------------|
| AASUA - ATB                                | 1.9%           | 1.3%           | TBN            |
| AASUA - Merit                              | 1.8%           | 1.8%           | 1.8%           |
| NASA - ATB                                 | 2.1%           | 0.8%           | TBN            |
| NASA - Merit                               | 1.0%           | 1.0%           | 1.0%           |
| Graduate Students Association - ATB        | 1.9%           | 1.3%           | TBN            |
| Graduate Students Association - Merit      | N/A            | N/A            | N/A            |
| Post-Doctoral Fellows Association - ATB    | 1.9%           | 1.3%           | TBN            |
| Post- Doctoral Fellows Association - Merit | N/A            | N/A            | N/A            |
| Excluded Management - ATB                  | 2.1%           | 0.8%           | TBN            |
| Excluded Management - Merit                | 0.0%           | 0.0%           | 0.0%           |
| Benefits                                   | 1.4%           | 2.5%           | 2.1%           |

Other key considerations in developing the institutional budget are the underlying sensitivities concerning major revenue sources and expenditure types. The following represent the key sensitivities.

Table 4. Key Budget Sensitivities

| <b>Sensitivity of a 1% change in:</b>                         | <b>2023-24 (\$millions)</b> |
|---|-----------------------------|
| Government OPS Grant (Base)                                   | 4.4                         |
| Undergraduate Enrolment                                       | 2.9                         |
| Tuition Rates - Domestic                                      | 2.2                         |
| Tuition Rates - International, Program-based                  | 0.5                         |
| Tuition Rates - Mandatory Non-Instructional Fees              | 0.4                         |
| Investment Income - 0.25% change in short-term interest rates | 0.8                         |
| Salaries - AASUA  | 3.9                         |
| Salaries - NASA   | 2.0                         |
| Salaries - Excluded   | 0.6                         |
| Benefits - 1% change in Operating Staff Headcount             | 1.5                         |
| Utilities - \$1 / GJ increase in natural gas prices           | 2.3                         |

Table 5 provides an overall outline of the following in relation to the operating budget:

- Actual results for the year ending March 31, 2022
- Budget and forecast for the year ending March 31, 2023
- Budget for the year ending March 31, 2024
- Projections for the years ending March 31, 2025 and March 31, 2026

Table 5. Operating Budget

| (\$000's)  | 2021-22          |                  | 2022-23          |                  | 2023-24          | 2024-25          | 2025-26          |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Forecast         | Budget           | Budget           | Projection       | Projection       |
| <b>Revenue (including deferrals)</b>                       |                  |                  |                  |                  |                  |                  |                  |
| Government of Alberta grants                               | 508,309          | 456,463          | 464,830          | 472,804          | 472,804          | 480,423          | 456,554          |
| Federal and other government grants                        | 22,817           | 22,799           | 22,731           | 23,504           | 23,504           | 24,044           | 24,526           |
| Student tuition and fees                                   | 434,282          | 462,705          | 458,176          | 489,300          | 489,300          | 528,322          | 545,225          |
| Sales of services and products                             | 82,475           | 84,942           | 83,073           | 86,438           | 86,438           | 88,426           | 90,194           |
| Donations and other grants                                 | 5,618            | 6,250            | 5,400            | 6,750            | 6,750            | 6,905            | 7,043            |
| Investment income  | 66,994           | 20,000           | 44,052           | 30,000           | 30,000           | 25,000           | 25,000           |
| Investment gain (loss) from government business enterprise | (554)            | -                | -                | (3,870)          | (3,870)          | 1,620            | 8,305            |
| Gain on sale of tangible capital assets                    | 2,531            | -                | -                | -                | -                | -                | -                |
| <b>Total revenue</b>                                       | <b>1,122,472</b> | <b>1,053,159</b> | <b>1,078,262</b> | <b>1,104,926</b> | <b>1,104,926</b> | <b>1,154,740</b> | <b>1,156,847</b> |
| <b>Expense</b>   |                  |                  |                  |                  |                  |                  |                  |
| Salaries   | 648,088          | 638,641          | 641,912          | 668,387          | 668,387          | 684,797          | 694,702          |
| Employee benefits  | 148,223          | 152,901          | 133,940          | 136,512          | 136,512          | 140,471          | 146,992          |
| Materials, supplies and services                           | 81,886           | 71,707           | 87,724           | 94,261           | 94,261           | 95,538           | 97,310           |
| Scholarships and bursaries                                 | 46,121           | 52,513           | 51,657           | 60,072           | 60,072           | 63,078           | 64,370           |
| Maintenance and repairs                                    | 20,173           | 25,370           | 21,619           | 27,078           | 27,078           | 27,701           | 28,255           |
| Utilities  | 52,061           | 54,829           | 65,300           | 63,475           | 63,475           | 63,124           | 64,524           |
| Amortization of tangible capital assets                    | 53,170           | 55,328           | 53,823           | 57,037           | 57,037           | 58,597           | 58,657           |
| <b>Total expense</b>                                       | <b>1,049,722</b> | <b>1,051,289</b> | <b>1,055,975</b> | <b>1,106,822</b> | <b>1,106,822</b> | <b>1,133,306</b> | <b>1,154,810</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>72,750</b>    | <b>1,870</b>     | <b>22,287</b>    | <b>(1,896)</b>   | <b>(1,896)</b>   | <b>21,434</b>    | <b>2,037</b>     |

## 2.2 Ancillary Enterprises

It is common for an institution as large and expansive as the University of Alberta to own and operate a number of ancillary enterprises operating as stand-alone units funded by self-generated revenues. At virtually every university, this would include enterprises such as parking, residences, and student and retail dining. Additionally, the University operates more specialized units including the Glen Sather Sports Medicine Clinic, the Technology Training Centre, the University Bookstore, a retail pharmacy, commercial property and real estate, and the District Energy System.

Each of these units is expected to generate revenue sufficient to cover operating costs as well as establish appropriate and adequate operating and capital reserves. Additionally, the university has established financial targets for these enterprises and, on an aggregate basis, they will be contributing \$5.6 million to support the teaching and research objectives of the institution.

Last year, the Board approved dynamic pricing; a demand-based model, for parking on campus. While parking rates generally increase marginally every year, the highest-demand parking facilities on campus saw rates increase by anywhere from 10 to 22 percent – a practice that is very much the norm for higher-demand services. This shift brought in an additional \$350K from permit holders alone plus that which was received from hourly and daily parkers visiting campus. Notwithstanding these increases, every available spot is still reserved with waiting lists that are longer than ever.

Each summer, the Lister complex transforms into Edmonton's largest hotel. It is very popular with groups involved in large sporting events on campus or just those looking for a relatively inexpensive place to stay. Regardless, with virtually all pandemic-related restrictions behind us, we are seeing great interest in our offerings and bookings are flowing in for this spring and summer.

The Bookstore is actively working toward designing and implementing a university-wide equitable access program through which, in return for a modest flat fee, students will have unfettered access to all of the books (primarily digital) necessary for their course load without having to worry about not being able to afford necessary resources. Students have told us repeatedly that cost certainty is of the utmost importance.



Table 6. Ancillary Budget

| (\$000's)  | 2021-22        | 2022-23        |                | 2023-24        | 2024-25        | 2025-26        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | Actual         | Budget         | Forecast       | Budget         | Projection     | Projection     |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |                |
| Government of Alberta grants                               | -              | -              | -              | -              | -              | -              |
| Federal and other government grants                        | -              | -              | -              | -              | -              | -              |
| Student tuition and fees                                   | 340            | 565            | 201            | 500            | 510            | 520            |
| Sales of services and products                             | 79,861         | 104,157        | 101,736        | 112,771        | 114,307        | 116,846        |
| Donations and other grants                                 | 5              | -              | -              | -              | -              | -              |
| Investment income  | 763            | 10             | 118            | 10             | 10             | 10             |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              | -              |
| Gain on sale of tangible capital assets                    | 32,386         | -              | -              | -              | -              | -              |
| <b>Total revenue</b>                                       | <b>113,355</b> | <b>104,732</b> | <b>102,055</b> | <b>113,281</b> | <b>114,827</b> | <b>117,376</b> |
| <b>Expense</b>   |                |                |                |                |                |                |
| Salaries   | 19,508         | 20,979         | 21,321         | 21,606         | 21,965         | 22,277         |
| Employee benefits  | 4,735          | 5,331          | 4,983          | 5,469          | 5,661          | 5,805          |
| Materials, supplies and services                           | 24,158         | 32,169         | 30,840         | 35,349         | 35,617         | 36,866         |
| Scholarships and bursaries                                 | 3              | -              | 2              | -              | -              | -              |
| Maintenance and repairs                                    | 16,268         | 20,009         | 17,264         | 20,330         | 20,715         | 21,005         |
| Utilities  | 4,417          | 3,863          | 5,211          | 4,798          | 4,894          | 4,992          |
| Amortization of tangible capital assets                    | 10,632         | 12,061         | 12,567         | 13,447         | 12,658         | 8,989          |
| <b>Total expense</b>                                       | <b>79,721</b>  | <b>94,412</b>  | <b>92,188</b>  | <b>100,999</b> | <b>101,510</b> | <b>99,934</b>  |
| <b>Annual operating surplus (deficit)</b>                  | <b>33,634</b>  | <b>10,320</b>  | <b>9,867</b>   | <b>12,282</b>  | <b>13,317</b>  | <b>17,442</b>  |



## 2.3 Research

Research revenues at the University of Alberta come from five major sources:

- Government of Alberta grants from a number of Ministries (Jobs, Economy and Innovation, and Alberta Innovates)
- Federal government grants including those provided by the Tri-Council Agencies
- Fee-for-service research activities for outside entities
- Donations and nongovernmental grants
- The endowment spending allocation resulting from research-related endowments

Table 7. Research Budget

| (\$000's)  | 2021-22        | 2022-23        | 2023-24        | 2024-25        | 2025-26        |
|--|----------------|----------------|----------------|----------------|----------------|
|  | Actual         | Budget         | Forecast       | Projection     | Projection     |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |
| Government of Alberta grants                               | 68,629         | 67,723         | 117,565        | 83,879         | 84,838         |
| Federal and other government grants                        | 172,397        | 174,075        | 162,407        | 182,464        | 184,547        |
| Student tuition and fees                                   | -              | -              | -              | -              | -              |
| Sales of services and products                             | 19,795         | 18,169         | 23,742         | 20,086         | 20,487         |
| Donations and other grants                                 | 108,394        | 98,347         | 105,601        | 120,060        | 121,454        |
| Investment income  | 72,257         | 55,908         | 55,881         | 56,189         | 58,251         |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              |
| Gain on sale of tangible capital assets                    | -              | -              | -              | -              | -              |
| <b>Total revenue</b>                                       | <b>441,472</b> | <b>414,222</b> | <b>465,196</b> | <b>462,678</b> | <b>469,577</b> |
| <b>Expense</b>   |                |                |                |                |                |
| Salaries   | 173,634        | 164,328        | 175,679        | 177,852        | 179,310        |
| Employee benefits  | 29,864         | 28,447         | 31,583         | 30,589         | 30,840         |
| Materials, supplies and services                           | 117,156        | 125,245        | 145,394        | 147,242        | 150,439        |
| Scholarships and bursaries                                 | 87,270         | 86,673         | 93,206         | 95,375         | 97,282         |
| Maintenance and repairs                                    | 1,955          | 1,757          | 2,819          | 2,137          | 2,180          |
| Utilities  | 187            | 774            | 501            | 204            | 209            |
| Amortization of tangible capital assets                    | -              | -              | -              | -              | -              |
| <b>Total expense</b>                                       | <b>410,066</b> | <b>407,224</b> | <b>449,182</b> | <b>453,399</b> | <b>460,260</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>31,406</b>  | <b>6,998</b>   | <b>16,014</b>  | <b>9,279</b>   | <b>9,317</b>   |

## 2.4 Capital Budget

### 2.4.1 Capital Investments

While there are capital items purchased or funded with operating and other funds (such as learning materials, IT equipment, and certain research focused and renovation projects), the capital budget also incorporates construction projects and larger scale renewal and maintenance projects and equipment.

Throughout this section, it is important to note that the capital plan and the resulting capital budget are developed as “point-in-time” items. Due to the unpredictable nature with which capital construction and maintenance activities occur (e.g. impacts due to COVID-19 or unpredictability in government grants and approvals or unexpected philanthropic gifts), capital projects may be added or changed in scope throughout the year. All material changes, regardless of when they occur, remain subject to the institution’s normal governance and approval processes.

The capital budget included within the University of Alberta’s consolidated budget is subject to complex financial accounting requirements. The figures throughout the capital budget have been restated for the purposes of being presented within the institution’s audited financial statements.

### 2.4.2 Capital Budget Development

The university is required by legislation to develop an annual capital and maintenance plan and, further, identify its capital requirements in a submission to the Government of Alberta through the Building and Land Infrastructure Management System (BLIMS). Recent submissions, the latest submitted in June 2022, included a number of priorities with an acute focus on renewing and refurbishing existing buildings. The following capital budget is reflective of the information contained within both the capital plan (current year projects only) and the BLIMS submission.



## 2.4.3 Capital Budget

Table 8. Capital Budget

| (\$000's)  | 2021-22         | 2022-23         |                 | 2023-24         | 2024-25         | 2025-26        |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
|  | Actual          | Budget          | Forecast        | Budget          | Projection      | Projection     |
| <b>Revenue (including deferrals)</b>                       |                 |                 |                 |                 |                 |                |
| Government of Alberta grants                               | 75,221          | 91,431          | 93,163          | 75,180          | 81,817          | 85,742         |
| Federal and other government grants                        | 17,075          | 19,910          | 14,915          | 18,611          | 17,264          | 18,277         |
| Student tuition and fees                                   | -               | -               | -               | -               | -               | -              |
| Sales of services and products                             | -               | -               | -               | -               | -               | -              |
| Donations and other grants                                 | 16,352          | 19,770          | 14,363          | 15,112          | 16,166          | 17,115         |
| Investment income  | 437             | 700             | 700             | -               | -               | -              |
| Investment gain (loss) from government business enterprise | -               | -               | -               | -               | -               | -              |
| Gain on sale of tangible capital assets                    | -               | -               | -               | -               | -               | -              |
| <b>Total revenue</b>                                       | <b>109,085</b>  | <b>131,811</b>  | <b>123,141</b>  | <b>108,903</b>  | <b>115,247</b>  | <b>121,134</b> |
| <b>Expense</b>   |                 |                 |                 |                 |                 |                |
| Salaries   | -               | -               | -               | -               | -               | -              |
| Employee benefits  | -               | -               | -               | -               | -               | -              |
| Materials, supplies and services                           | 8,880           | 16,561          | 17,185          | 4,408           | 5,080           | 2,380          |
| Scholarships and bursaries                                 | -               | -               | -               | -               | -               | -              |
| Maintenance and repairs                                    | 35,364          | 45,739          | 51,752          | 35,238          | 22,248          | 22,956         |
| Utilities  | -               | -               | -               | -               | -               | -              |
| Amortization of tangible capital assets                    | 92,331          | 92,641          | 92,641          | 93,282          | 99,790          | 105,647        |
| <b>Total expense</b>                                       | <b>136,575</b>  | <b>154,941</b>  | <b>161,578</b>  | <b>132,928</b>  | <b>127,118</b>  | <b>130,983</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>(27,490)</b> | <b>(23,130)</b> | <b>(38,437)</b> | <b>(24,025)</b> | <b>(11,871)</b> | <b>(9,849)</b> |

As part of Government of Alberta grants, the University of Alberta received \$36.7 million for capital maintenance and renewal in 2023-24.

Due to the nature of Public Sector Accounting Standards that govern our audited financial statements, we have the added complexity of revenue deferrals. In essence, a large portion of the revenue in the capital fund cannot be recognized until the underlying expenses (predominantly amortization of tangible capital assets) have been incurred. In order to remove this impact, the following four tables provide a view of the capital budget for next year on a "near cash" basis.

### Capital budget - Revenues

Historically, Government of Alberta grants have provided targeted funding for multi-year capital projects (e.g. University Commons renewal). Additionally, capital maintenance and renewal funds are provided to address critical maintenance needs across the institution, principally by reducing our significant deferred maintenance liability. The following table provides an outline of revenue on a cash basis.

Please note that the following table shows when the revenue will be received by the institution whereas subsequent tables outline when the funds will be either spent (tables 10 and 11) or the resulting asset is capitalized (table 12).

Table 9. Capital Budget Revenues

| (\$000's)                             | 2023-24       | 2024-25       | 2025-26       |
|---------------------------------------|---------------|---------------|---------------|
|                                       | Budget        | Projection    | Projection    |
| <b>Provincial Government Grants</b>   |               |               |               |
| Capital Maintenance and Renewal (CMR) | 36,694        | 36,694        | 36,694        |
| <b>Subtotal</b>                       | <b>36,694</b> | <b>36,694</b> | <b>36,694</b> |
| Other Projects                        | 6,900         | -             | -             |
| <b>Total revenue</b>                  | <b>43,594</b> | <b>36,694</b> | <b>36,694</b> |

Capital Budget: Materials, Supplies, and Services

These are expenditures related to projects across our campuses. These costs are expensed as they do not extend the useful life of the buildings. The following table outlines materials, supplies and services to be used within the capital fund.

Table 10. Capital Budget: Materials, Supplies, and Services

| (\$000's)  | 2023-24      | 2024-25      | 2025-26      |
|--|--------------|--------------|--------------|
|  | Budget       | Projection   | Projection   |
| <b>Project</b>                                   |              |              |              |
| Alberta High Containment Research Infrastructure | 600          | 4,500        | 1,800        |
| Biological Sciences Renewal                      | 550          | -            | -            |
| South Campus Tennis Courts                       | 2,426        | -            | -            |
| Other MSS  | 832          | 580          | 580          |
| <b>Total materials, supplies and services</b>    | <b>4,408</b> | <b>5,080</b> | <b>2,380</b> |

Capital Budget: Maintenance and Repairs

These are expenditures related to addressing major maintenance and renewal projects and/or deferred maintenance across campus. These costs are expensed as they do not extend the useful life of the buildings. The following table outlines maintenance and repair projects planned within the capital fund.



Table 11. Capital Budget: Maintenance and Repairs

(\$000's)

| Project   | 2023-24       | 2024-25       | 2025-26       |
|---|---------------|---------------|---------------|
|   | Budget        | Projection    | Projection    |
| Agriculture Forestry/GSB Link Roof Repair/Replacement | -             | -             | 2,000         |
| Biological Sciences Air Handling Unit                 | 150           | 1,500         | -             |
| Biological Sciences Genetics Switchgear Replacement   | 1,000         | -             | -             |
| College of Health Sciences                            | 1,500         | 500           | -             |
| College of Natural and Applied Sciences               | 1,500         | 500           | -             |
| CSJ Library Digital Learning Classrooms               | 1,000         | -             | -             |
| ECERF Nano Fab Lab Ventilation Upgrade and Renewal    | 1,439         | -             | -             |
| Education South First People's House                  | 2,000         | 1,000         | -             |
| Health Sciences Library ECHA Integration              | 1,931         | -             | -             |
| NINT Roof Repairs/Replacement                         | -             | -             | 2,000         |
| NREF Roof Replacement                                 | -             | 2,000         | -             |
| Peter Lougheed Hall Dining Hall Expansion             | 1,250         | 1,675         | 975           |
| Residence- Upgrade Alarms, Electrical Panel           | 5,635         | 5,450         | 6,628         |
| SAB Elevator Replacement                              | -             | 100           | 1,000         |
| School of Business Student Collaboration Space        | 1,250         | -             | -             |
| Other Maintenance and Repairs                         | 16,583        | 9,523         | 10,353        |
| <b>Total maintenance and repairs</b>                  | <b>35,238</b> | <b>22,248</b> | <b>22,956</b> |

Capital Budget: Tangible Capital Acquisitions

Major renewal projects often involve both repairs and maintenance in addition to capital investments and/or overall building improvements. The following projects represent capital investments to buildings as defined by accounting standards. In this case, the expenditures do not appear on the Statement of Operations; rather they are captured as investments in tangible capital assets on the university's Statement of Financial Position.



Table 12. Capital Budget: Tangible Capital Acquisitions

| Project  | 2023-24       | 2024-25       | 2025-26       |
|--|---------------|---------------|---------------|
|  | Budget        | Projection    | Projection    |
| Athabasca Hall Electrical Upgrade                      | 1,081         | -             | -             |
| BARB Mechanical Ventilation Upgrade                    | 2,000         | 1,100         | -             |
| Biological Sciences Zoology Wing Wet Lab Modernization | 10,750        | 15,000        | -             |
| Boiler #4 Burner Management System Replacement         | 1,450         | -             | -             |
| Chemistry Centre East Roof Repair/Replacement          | -             | -             | 2,000         |
| Chemistry East Exhaust Fan System                      | 2,910         | -             | -             |
| Chemistry West Fan Wall Replacement                    | 2,959         | -             | -             |
| Computing Science High Voltage Buildings Replacement   | 1,586         | -             | -             |
| Cooling Plant River Water Intake Piping Repair         | 3,082         | -             | -             |
| CSJ Electrical Valut                                   | 3,273         | -             | -             |
| Dentistry Pharmacy Renewal & Repurpose                 | 36,395        | 42,231        | -             |
| District Energy System (DES)                           | 4,443         | -             | -             |
| Install Backflow Preventers (50 Buildings)             | -             | 1,500         | -             |
| RTF Decant Interior Renewals                           | 2,000         | -             | -             |
| Rutherford Complex Electrical Vault Replacement        | -             | 500           | 7,000         |
| SUB Mechanical (Steam Station, Heat Exchangers)        | -             | -             | 2,000         |
| SUB New Electrical Vault                               | 3,398         | -             | -             |
| Tory Business Atrium Skylight Renewal                  | 7,623         | -             | -             |
| Tory Fan Wall Replacement                              | -             | 400           | 2,000         |
| Tory Service Vault Replacements                        | -             | 500           | 4,500         |
| Tory Tower Mechanical Upgrade                          | 1,117         | -             | -             |
| University Terrace Changeout Existing Simplex Panel    | -             | -             | 1,000         |
| Other Capital Projects                                 | 9,936         | 2,240         | 4,890         |
| <b>Total tangible capital acquisitions</b>             | <b>94,003</b> | <b>63,471</b> | <b>23,390</b> |

#### 2.4.4 Deferred Maintenance

Excellence in teaching and research is only possible with well-functioning labs, classrooms, and other building infrastructure. Unfortunately, government grants alone have been insufficient in addressing the necessary maintenance activities across our campuses, which has resulted in a substantial deferred maintenance liability. As of March 1, 2023, the deferred maintenance liability for supported infrastructure stands at \$319 million, with a five-year projected aggregate liability of \$1 billion.

Because the need vastly exceeds the available resources, a diligent adherence to a system of prioritizing projects is crucial. Relying on Government of Alberta parameters, priorities are as follows:

- **High – life, health, and safety:** Elements presenting a potential for imminent risk to the life, health, and/or safety of facility occupants and users. They include risk of failure of structural supports or major building systems and requirements under a multitude of building codes.
- **Medium – immediate needs:** Elements demanding attention to prevent them escalating to the highest priority, which will lead to serious or prolonged deterioration of a facility or its systems thereby affecting the operability of a facility or its systems.
- **Low – general need:** Elements that are non-urgent and which can be planned for over a period of time without undue risk to the facility occupants or facility operability.

Current and projected funding levels require investments in addressing deferred maintenance at the University of Alberta to be limited almost exclusively to those deemed “high” priority.





## 2.5 Special Purpose

This fund is funded by endowment investment income available for spending, donations and grants. Expenditures include scholarships and bursaries, student loans and other projects involving teaching and public service.

Forward looking analysis indicates that there are no expected significant changes impacting these funds over the next three years aside from the expectation that spending on materials, supplies and services is expected to remain relatively stable.

Table 13. Special Purpose Budget

| (\$000's)  | 2021-22        | 2022-23        |                | 2023-24        | 2024-25        | 2025-26        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | Actual         | Budget         | Forecast       | Budget         | Projection     | Projection     |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |                |
| Government of Alberta grants                               | 74,551         | 78,980         | 76,067         | 79,985         | 81,818         | 82,985         |
| Federal and other government grants                        | -              | -              | -              | -              | -              | -              |
| Student tuition and fees                                   | -              | -              | -              | -              | -              | -              |
| Sales of services and products                             | 22             | 123            | -              | -              | -              | -              |
| Donations and other grants                                 | 4,942          | 4,062          | 3,781          | 5,179          | 5,438          | 5,713          |
| Investment income  | 36,038         | 25,169         | 23,074         | 25,176         | 26,100         | 27,059         |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              | -              |
| Gain on sale of tangible capital assets                    | -              | -              | -              | -              | -              | -              |
| <b>Total revenue</b>                                       | <b>115,553</b> | <b>108,334</b> | <b>102,922</b> | <b>110,340</b> | <b>113,356</b> | <b>115,757</b> |
| <b>Expense</b>   |                |                |                |                |                |                |
| Salaries   | 50,701         | 56,903         | 55,454         | 56,792         | 58,172         | 59,141         |
| Employee benefits  | 11,625         | 14,173         | 11,599         | 14,160         | 14,486         | 14,713         |
| Materials, supplies and services                           | 16,513         | 13,810         | 14,076         | 13,991         | 14,363         | 14,595         |
| Scholarships and bursaries                                 | 16,706         | 19,005         | 17,072         | 20,424         | 21,239         | 22,087         |
| Maintenance and repairs                                    | 40             | 148            | 40             | 74             | 76             | 78             |
| Utilities  | -              | -              | -              | 19             | 19             | 19             |
| Amortization of tangible capital assets                    | -              | -              | -              | -              | -              | -              |
| <b>Total expense</b>                                       | <b>95,585</b>  | <b>104,039</b> | <b>98,241</b>  | <b>105,460</b> | <b>108,355</b> | <b>110,633</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>19,968</b>  | <b>4,295</b>   | <b>4,681</b>   | <b>4,880</b>   | <b>5,001</b>   | <b>5,124</b>   |

### 3 Concluding Comments

The nature of our funding is changing and Budget 2023-2024 supports our commitment to staying agile and adapting to our changing environment. Our community has shown considerable ingenuity and resilience over the past several years, and this budget represents our shift toward continued growth. We continue to seek operational efficiencies to best support core missions while also driving innovation to build the University of Alberta of the future.



## Appendix A: Supplemental Financial Information

Table 14. Budget Consolidated Statement of Operations with Expenses by Function

| (\$000's)  | 2021-22          |                  | 2022-23          |                  | 2023-24          | 2024-25          | 2025-26          |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Forecast         | Budget           | Budget           | Projection       | Projection       |
| <b>Revenue (including deferrals)</b>                       |                  |                  |                  |                  |                  |                  |                  |
| Government of Alberta grants                               | 726,710          | 694,597          | 751,625          | 711,848          | 711,848          | 728,896          | 710,781          |
| Federal and other government grants                        | 212,289          | 216,784          | 200,053          | 224,579          | 224,579          | 225,855          | 228,788          |
| Student tuition and fees                                   | 434,622          | 463,270          | 458,377          | 489,800          | 489,800          | 528,832          | 545,745          |
| Sales of services and products                             | 182,153          | 207,391          | 208,551          | 219,295          | 219,295          | 223,220          | 227,937          |
| Donations and other grants                                 | 135,311          | 128,429          | 129,145          | 147,101          | 147,101          | 149,963          | 152,302          |
| Investment income  | 176,489          | 101,787          | 123,825          | 111,375          | 111,375          | 109,361          | 112,458          |
| Investment gain (loss) from government business enterprise | (554)            | -                | -                | (3,870)          | (3,870)          | 1,620            | 8,305            |
| Gain on sale of tangible capital assets                    | 34,917           | -                | -                | -                | -                | -                | -                |
| <b>Total revenue</b>                                       | <b>1,901,937</b> | <b>1,812,258</b> | <b>1,871,576</b> | <b>1,900,128</b> | <b>1,900,128</b> | <b>1,967,747</b> | <b>1,986,316</b> |
| <b>Expense by function</b>                                 |                  |                  |                  |                  |                  |                  |                  |
| Academic costs and institutional support                   | 985,683          | 975,895          | 966,906          | 1,013,994        | 1,013,994        | 1,043,926        | 1,067,095        |
| Research   | 467,814          | 474,556          | 513,896          | 519,836          | 519,836          | 528,819          | 536,056          |
| Facility operations and maintenance                        | 141,493          | 161,439          | 181,633          | 155,079          | 155,079          | 143,563          | 143,806          |
| Special purpose  | 96,958           | 105,603          | 102,541          | 109,700          | 109,700          | 112,731          | 115,160          |
| Ancillary services   | 79,721           | 94,412           | 92,188           | 100,999          | 100,999          | 101,510          | 99,934           |
| <b>Total expense</b>                                       | <b>1,771,669</b> | <b>1,811,905</b> | <b>1,857,164</b> | <b>1,899,608</b> | <b>1,899,608</b> | <b>1,930,549</b> | <b>1,962,051</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>130,268</b>   | <b>353</b>       | <b>14,412</b>    | <b>520</b>       | <b>520</b>       | <b>37,198</b>    | <b>24,265</b>    |

Please note that the groupings used for Special Purpose and Research are slightly different than those used for the development of the overall budget. In particular, special purpose includes the attribution of amortization in this presentation where it does not in the tables above. Research in this context also includes costs related to the administration of research and costs related to graduate studies.

Table 15. Budget Consolidated Statement of Cash Flows

| (\$000's)   | 2021-22          | 2022-23          |                  | 2023-24          |
|---|------------------|------------------|------------------|------------------|
|   | Actual           | Budget           | Forecast         | Budget           |
| <b>Operating Transactions</b>                                   |                  |                  |                  |                  |
| Annual surplus (deficit)  | 149,516          | 353              | 41,200           | 520              |
| Add (deduct) non-cash items:                                    |                  |                  |                  |                  |
| Amortization of tangible capital assets                         | 160,165          | 160,030          | 159,031          | 163,766          |
| Expended capital recognized as revenue                          | (92,331)         | (92,641)         | (92,641)         | (93,282)         |
| Investment loss from government business enterprise             | 554              | -                | -                | 3,870            |
| (Gain) loss on sale of portfolio investments                    | (163,557)        | (101,060)        | (123,051)        | (111,336)        |
| (Gain) loss on disposal of tangible capital assets              | (30,059)         | -                | -                | -                |
| Increase (decrease) in employee future benefit liabilities      | (476)            | 3,644            | (12,472)         | (11,136)         |
| Increase (decrease) in asset retirement obligations             | 20               | -                | 21               | 22               |
| Change in non-cash items  | (125,684)        | (30,027)         | (69,112)         | (48,096)         |
| (Increase) decrease in accounts receivable                      | (2,817)          | (2,789)          | (4,748)          | (3,321)          |
| (Increase) decrease in inventories held for sale                | 394              | (68)             | (100)            | (70)             |
| Increase (decrease) in accounts payable and accrued liabilities | 17,559           | 3,896            | 7,041            | 4,925            |
| Increase (decrease) in deferred revenue                         | 75,526           | (43,522)         | 43,886           | (58,340)         |
| (Increase) decrease in prepaid expenses                         | (2,527)          | (197)            | (413)            | (289)            |
| <b>Cash provided by (applied to) operating transactions</b>     | <b>111,967</b>   | <b>(72,354)</b>  | <b>17,754</b>    | <b>(104,671)</b> |
| <b>Capital Transactions</b>                                     |                  |                  |                  |                  |
| Acquisition of tangible capital assets                          | (143,573)        | (195,581)        | (195,581)        | (162,763)        |
| <b>Cash applied to capital transactions</b>                     | <b>(143,573)</b> | <b>(195,581)</b> | <b>(195,581)</b> | <b>(162,763)</b> |
| <b>Investing Transactions</b>                                   |                  |                  |                  |                  |
| (Purchases) of portfolio investments, net of sales              | (144,809)        | 143,250          | 68,416           | 160,420          |
| <b>Cash provided by (applied to) investing transactions</b>     | <b>(144,809)</b> | <b>143,250</b>   | <b>68,416</b>    | <b>160,420</b>   |
| <b>Financing Transactions</b>                                   |                  |                  |                  |                  |
| Debt - new financing, net of (debt repayment)                   | (5,651)          | (17,336)         | (17,941)         | (17,180)         |
| Increase in spent deferred capital contributions                | 104,941          | 131,548          | 131,551          | 112,381          |
| <b>Cash provided by financing transactions</b>                  | <b>99,290</b>    | <b>114,212</b>   | <b>113,610</b>   | <b>95,201</b>    |
| <b>Increase (decrease) in cash and cash equivalents</b>         | <b>(77,125)</b>  | <b>(10,473)</b>  | <b>4,199</b>     | <b>(11,813)</b>  |
| <b>Cash and cash equivalents, beginning of year</b>             | <b>96,308</b>    | <b>10,739</b>    | <b>19,183</b>    | <b>23,382</b>    |
| <b>Cash and cash equivalents, end of year</b>                   | <b>19,183</b>    | <b>266</b>       | <b>23,382</b>    | <b>11,569</b>    |



Table 16. Budget Consolidated Statement of Change in Net Financial Assets

| (\$000's)  | 2021-22          | 2022-23          |                  | 2023-24          |
|--|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Forecast         | Budget           |
| Annual (deficit) surplus                           | 149,516          | 353              | 41,200           | 520              |
| Acquisition of tangible capital assets             | (197,122)        | (195,581)        | (195,581)        | (162,763)        |
| Proceeds on disposal of tangible capital assets    | 48,569           | -                | -                | -                |
| Amortization of tangible capital assets            | 160,165          | 160,030          | 159,031          | 163,766          |
| (Gain) loss on disposal of tangible capital assets | (30,059)         | -                | -                | -                |
| Change in prepaid expenses                         | (2,527)          | (197)            | (413)            | (289)            |
| Change in spent deferred capital contributions     | 17,590           | 38,907           | 38,910           | 19,099           |
| Change in accumulated remeasurement gains          | 4,914            | 82,844           | 50,921           | 96,545           |
| <b>Increase (decrease) in net financial assets</b> | <b>151,046</b>   | <b>86,356</b>    | <b>94,068</b>    | <b>116,878</b>   |
| <b>Net financial assets, beginning of year</b>     | <b>1,369,937</b> | <b>1,719,142</b> | <b>1,520,983</b> | <b>1,615,051</b> |
| <b>Net financial assets, end of year</b>           | <b>1,520,983</b> | <b>1,805,498</b> | <b>1,615,051</b> | <b>1,731,929</b> |



# Consolidated Budget FY 2023-24

BFPC - March 9, 2023



UNIVERSITY  
OF ALBERTA



# Agenda

- ❖ Approval Path
- ❖ University of Alberta Consolidated Budget
- ❖ University of Alberta Operating Budget
  - Provincial Grants
  - Tuition & Mandatory Non-Instructional Fees
  - Enrolment Plans
- ❖ University of Alberta Ancillary Budget
- ❖ University of Alberta Research Budget
- ❖ University of Alberta Capital Budget
- ❖ University of Alberta Special Purpose Budget
- ❖ Questions

# Approval Path

- March 8      Academic Planning Committee  
(recommendation on tuition, MNIF, and budget; presentation of the capital plan [for information])
- March 9      Board Finance and Property Committee  
(recommendation on tuition, budget, and capital plan; approval of MNIF on delegated authority)
- March 24     Board of Governors Meeting  
(approval of tuition, budget, and capital plan)
- May 31      Institutional Budget submitted to Advanced Education

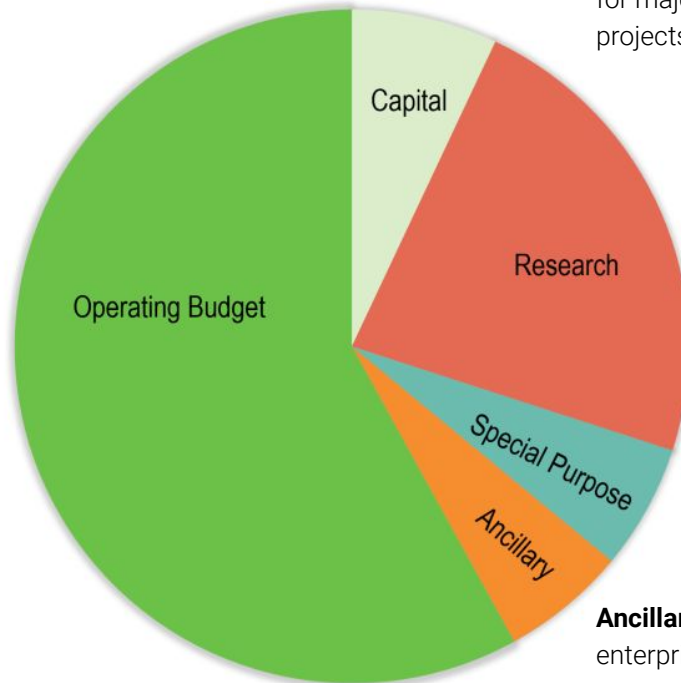


# University of Alberta Consolidated Budget

## Structure of Consolidated Budget

FY 2023-24 Breakdown

**Operating (58%):** represents the institution's general operations. The budget process focuses on the allocation of these funds. The main sources of funding are government grants and tuition.



**Capital (6%):** includes both restricted and unrestricted funding primarily used for major capital/deferred maintenance projects.

**Research (24%):** subject to external restrictions, and can only be used for the purposes for which the funds were provided.

**Special Purpose (6%):** primarily related to the Academic Medicine and Health Services Program, and annual endowment spending allocations from non-research related endowments.

**Ancillary (6%):** stand-alone enterprises fully funded by their own revenues.

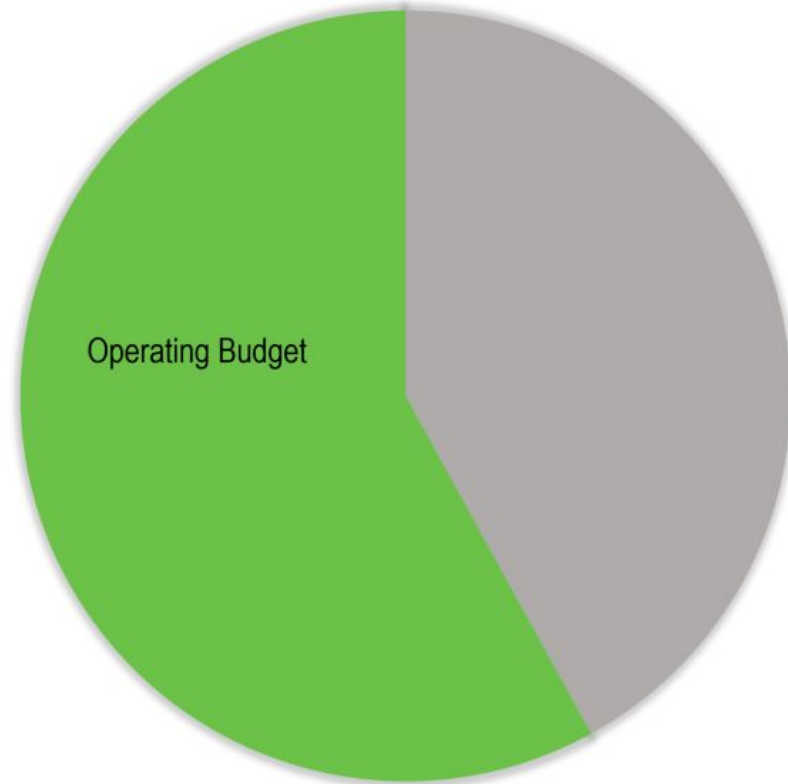
# University of Alberta Consolidated Budget - cont'd

| (\$000's)  | 2021-22          |                  | 2022-23          |                  | 2023-24          | 2024-25          | 2025-26    |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------|
|  | Actual           | Budget           | Forecast         | Budget           | Budget           | Projection       | Projection |
| <b>Revenue (including deferrals)</b>                       |                  |                  |                  |                  |                  |                  |            |
| Government of Alberta grants                               | 726,710          | 694,597          | 751,625          | 711,848          | 728,896          | 710,781          |            |
| Federal and other government grants                        | 212,289          | 216,784          | 200,053          | 224,579          | 225,855          | 228,788          |            |
| Student tuition and fees                                   | 434,622          | 463,270          | 458,377          | 489,800          | 528,832          | 545,745          |            |
| Sales of services and products                             | 182,153          | 207,391          | 208,551          | 219,295          | 223,220          | 227,937          |            |
| Donations and other grants                                 | 135,311          | 128,429          | 129,145          | 147,101          | 149,963          | 152,302          |            |
| Investment income  | 176,489          | 101,787          | 123,825          | 111,375          | 109,361          | 112,458          |            |
| Investment gain (loss) from government business enterprise | (554)            | -                | -                | (3,870)          | 1,620            | 8,305            |            |
| Gain on sale of tangible capital assets                    | 34,917           | -                | -                | -                | -                | -                |            |
| <b>Total revenue</b>                                       | <b>1,901,937</b> | <b>1,812,258</b> | <b>1,871,576</b> | <b>1,900,128</b> | <b>1,967,747</b> | <b>1,986,316</b> |            |
| <b>Expense</b>   |                  |                  |                  |                  |                  |                  |            |
| Salaries   | 891,931          | 880,851          | 894,366          | 924,637          | 944,244          | 955,430          |            |
| Employee benefits  | 194,447          | 200,852          | 182,105          | 186,730          | 191,458          | 198,350          |            |
| Materials, supplies and services                           | 248,593          | 259,492          | 295,219          | 295,251          | 301,037          | 304,930          |            |
| Scholarships and bursaries                                 | 150,100          | 158,191          | 161,937          | 175,871          | 181,599          | 185,781          |            |
| Maintenance and repairs                                    | 73,800           | 93,023           | 93,494           | 84,857           | 72,920           | 74,519           |            |
| Utilities  | 56,665           | 59,466           | 71,012           | 68,496           | 68,246           | 69,748           |            |
| Amortization of tangible capital assets                    | 156,133          | 160,030          | 159,031          | 163,766          | 171,045          | 173,293          |            |
| <b>Total expense</b>                                       | <b>1,771,669</b> | <b>1,811,905</b> | <b>1,857,164</b> | <b>1,899,608</b> | <b>1,930,549</b> | <b>1,962,051</b> |            |
| <b>Annual operating surplus (deficit)</b>                  | <b>130,268</b>   | <b>353</b>       | <b>14,412</b>    | <b>520</b>       | <b>37,198</b>    | <b>24,265</b>    |            |

# University of Alberta Consolidated Budget - *by Fund Type*

| (\$000's)  | Ancillary        |                |                |                 | Special Purpose | Total            |
|--|------------------|----------------|----------------|-----------------|-----------------|------------------|
|  | Operating        | Operations     | Research       | Capital         |                 |                  |
| <b>Revenue (including deferrals)</b>                       |                  |                |                |                 |                 |                  |
| Government of Alberta grants                               | 472,804          | -              | 83,879         | 75,180          | 79,985          | <b>711,848</b>   |
| Federal and other government grants                        | 23,504           | -              | 182,464        | 18,611          | -               | <b>224,579</b>   |
| Student tuition and fees                                   | 489,300          | 500            | -              | -               | -               | <b>489,800</b>   |
| Sales of services and products                             | 86,438           | 112,771        | 20,086         | -               | -               | <b>219,295</b>   |
| Donations and other grants                                 | 6,750            | -              | 120,060        | 15,112          | 5,179           | <b>147,101</b>   |
| Investment income  | 30,000           | 10             | 56,189         | -               | 25,176          | <b>111,375</b>   |
| Investment gain (loss) from government business enterprise | (3,870)          | -              | -              | -               | -               | <b>(3,870)</b>   |
| Gain on sale of tangible capital assets                    | -                | -              | -              | -               | -               | <b>-</b>         |
| <b>Total revenue</b>                                       | <b>1,104,926</b> | <b>113,281</b> | <b>462,678</b> | <b>108,903</b>  | <b>110,340</b>  | <b>1,900,128</b> |
| <b>Expense</b>   |                  |                |                |                 |                 |                  |
| Salaries   | 668,387          | 21,606         | 177,852        | -               | 56,792          | <b>924,637</b>   |
| Employee benefits  | 136,512          | 5,469          | 30,589         | -               | 14,160          | <b>186,730</b>   |
| Materials, supplies and services                           | 94,261           | 35,349         | 147,242        | 4,408           | 13,991          | <b>295,251</b>   |
| Scholarships and bursaries                                 | 60,072           | -              | 95,375         | -               | 20,424          | <b>175,871</b>   |
| Maintenance and repairs                                    | 27,078           | 20,330         | 2,137          | 35,238          | 74              | <b>84,857</b>    |
| Utilities  | 63,475           | 4,798          | 204            | -               | 19              | <b>68,496</b>    |
| Amortization of tangible capital assets                    | 57,037           | 13,447         | -              | 93,282          | -               | <b>163,766</b>   |
| <b>Total expense</b>                                       | <b>1,106,822</b> | <b>100,999</b> | <b>453,399</b> | <b>132,928</b>  | <b>105,460</b>  | <b>1,899,608</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>(1,896)</b>   | <b>12,282</b>  | <b>9,279</b>   | <b>(24,025)</b> | <b>4,880</b>    | <b>520</b>       |

# University of Alberta Operating Budget



**Operating (58%):** represents the institution's general operations. The budget process focuses on the allocation of these funds.

# University of Alberta Operating Budget

| (\$000's)  | 2021-22          |                  | 2022-23          |                  | 2023-24          | 2024-25          | 2025-26          |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Actual           | Budget           | Forecast         | Budget           | Budget           | Projection       | Projection       |
| <b>Revenue (including deferrals)</b>                       |                  |                  |                  |                  |                  |                  |                  |
| Government of Alberta grants                               | 508,309          | 456,463          | 464,830          | 472,804          | 472,804          | 480,423          | 456,554          |
| Federal and other government grants                        | 22,817           | 22,799           | 22,731           | 23,504           | 23,504           | 24,044           | 24,526           |
| Student tuition and fees                                   | 434,282          | 462,705          | 458,176          | 489,300          | 489,300          | 528,322          | 545,225          |
| Sales of services and products                             | 82,475           | 84,942           | 83,073           | 86,438           | 86,438           | 88,426           | 90,194           |
| Donations and other grants                                 | 5,618            | 6,250            | 5,400            | 6,750            | 6,750            | 6,905            | 7,043            |
| Investment income  | 66,994           | 20,000           | 44,052           | 30,000           | 30,000           | 25,000           | 25,000           |
| Investment gain (loss) from government business enterprise | (554)            | -                | -                | (3,870)          | (3,870)          | 1,620            | 8,305            |
| Gain on sale of tangible capital assets                    | 2,531            | -                | -                | -                | -                | -                | -                |
| <b>Total revenue</b>                                       | <b>1,122,472</b> | <b>1,053,159</b> | <b>1,078,262</b> | <b>1,104,926</b> | <b>1,104,926</b> | <b>1,154,740</b> | <b>1,156,847</b> |
| <b>Expense</b>   |                  |                  |                  |                  |                  |                  |                  |
| Salaries   | 648,088          | 638,641          | 641,912          | 668,387          | 668,387          | 684,797          | 694,702          |
| Employee benefits  | 148,223          | 152,901          | 133,940          | 136,512          | 136,512          | 140,471          | 146,992          |
| Materials, supplies and services                           | 81,886           | 71,707           | 87,724           | 94,261           | 94,261           | 95,538           | 97,310           |
| Scholarships and bursaries                                 | 46,121           | 52,513           | 51,657           | 60,072           | 60,072           | 63,078           | 64,370           |
| Maintenance and repairs                                    | 20,173           | 25,370           | 21,619           | 27,078           | 27,078           | 27,701           | 28,255           |
| Utilities  | 52,061           | 54,829           | 65,300           | 63,475           | 63,475           | 63,124           | 64,524           |
| Amortization of tangible capital assets                    | 53,170           | 55,328           | 53,823           | 57,037           | 57,037           | 58,597           | 58,657           |
| <b>Total expense</b>                                       | <b>1,049,722</b> | <b>1,051,289</b> | <b>1,055,975</b> | <b>1,106,822</b> | <b>1,106,822</b> | <b>1,133,306</b> | <b>1,154,810</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>72,750</b>    | <b>1,870</b>     | <b>22,287</b>    | <b>(1,896)</b>   | <b>(1,896)</b>   | <b>21,434</b>    | <b>2,037</b>     |

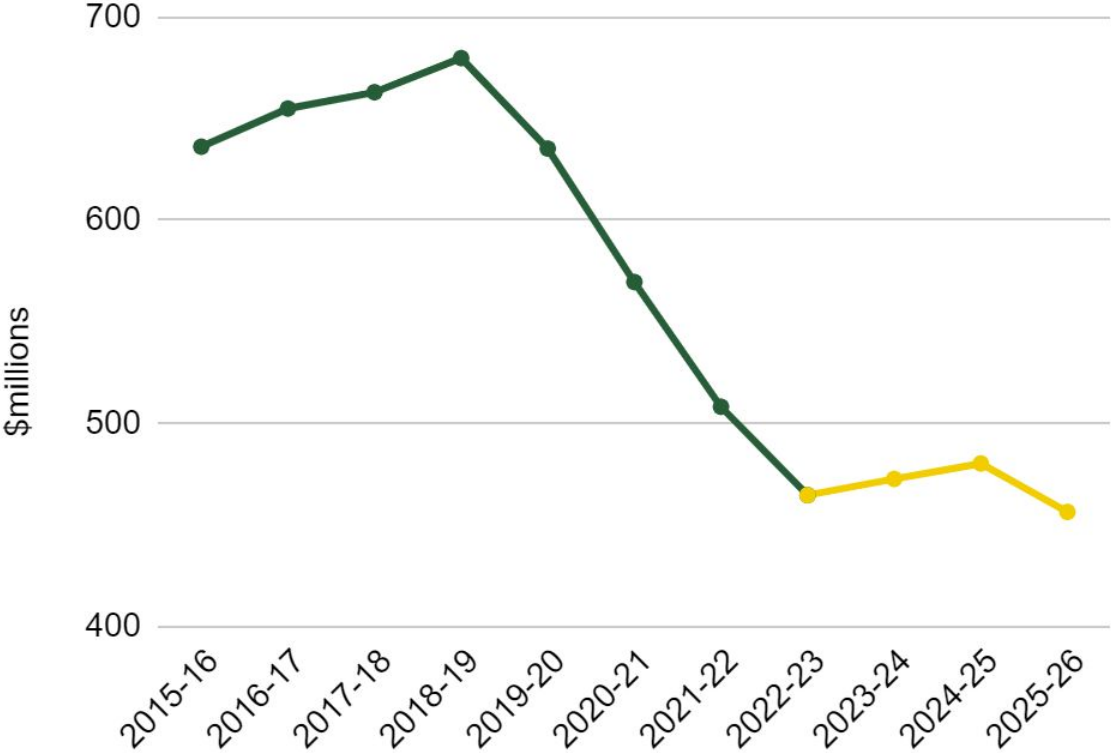
# Provincial Grants

- Operating Program and Support Grant Scenarios
- Operating Program and Support Grant History
- Capital Maintenance Renewal Grant

# Provincial Grants

- The Operating and Program Support Grant (OPS) is the main source of operating funding provided by the provincial government.
- This grant remains the same as prior year in the 2023-24 fiscal year at \$436.6M
- The university received its second year funding in the form of the Targeted Enrolment Expansion (Alberta at Work grant) of \$16M which will continue from committed funding from the prior fiscal year.
- The Government has also given the university permission to request to spend 15% of its total reserves, which means that \$39.4M could be accessed in the 2023-24 fiscal year

# Operating and Program Support Grant History





# Capital Maintenance and Renewal Grant

- The GoA normally provides a grant specifically to address deferred maintenance - formerly infrastructure maintenance program (IMP); now capital maintenance and renewal (CMR).
- These are the funds the university uses to address a still-growing deferred maintenance liability.
- The university has received \$36.7M in this grant in the 2023-24 fiscal year. This is a modest increase of \$1.8M from the prior year.

# Tuition & Mandatory Non-Instructional Fees

- Tuition Proposal
- Tuition Offset
- Tuition - Elimination of Installment Fee
- Fall 2023 Mandatory Non-Instructional Fees Proposal
- U15 Domestic and International Tuition Comparators
- Tuition Revenue Sensitivities
- Enrolment Plans

# Tuition Proposals

- **Fall 2023 Domestic**
- **Fall 2023 International (admitted prior to Fall 2020)**
- **Fall 2024 New International Students (cohort model)**

*Proposals and examples provided for each.*

# Fall 2023 Tuition Proposal - Domestic

| Category of Student  | Proposed Increase for Fall 2023     | Financial Support   |
|--|-------------------------------------|---------------------|
| Domestic Undergraduate<br>(incoming and continuing students)                     | 5.50% (Consumer Price Index)        | 15% of net increase |
| Domestic Graduate Thesis<br>(continuing students admitted prior<br>to Fall 2020) | 5.50% (CPI)<br>with rebate to 2.67% | 15% of net increase |
| Domestic Graduate Thesis<br>(2020 entry and beyond)                              | 5.50% (CPI)                         | 15% of net increase |
| Domestic Graduate Course-based<br>(per *3)                                       | 5.50% (CPI)                         | 15% of net increase |

# Tuition Fees - Domestic Examples

| Domestic Tuition Fees   | 2022-23    | 2023-24     | Change (\$) | Change (%) |
|---|------------|-------------|-------------|------------|
| Undergraduate, Arts and Science   | \$6,517.20 | \$6,874.80  | \$357.60    | 5.50%      |
| Undergraduate, Business   | \$9,591.60 | \$10,118.16 | \$526.56    | 5.50%      |
| Undergraduate, Engineering  | \$8,673.12 | \$9,149.16  | \$476.04    | 5.50%      |
| Graduate Thesis (entry before 2020)<br>(5.50% increase with a rebate to<br>2.67%) | \$3,963.24 | \$4,068.96  | \$105.72    | 2.67%      |
| Graduate Thesis (2020 entry and<br>beyond)  | \$4,486.20 | \$4,732.80  | \$246.60    | 5.50%      |
| Grad Course Based (per *3 course)   | \$764.40   | \$806.40    | \$42.00     | 5.50%      |

# U15 Tuition Comparators - Domestic

| 2022-23 Tuition   | Domestic                            |                               |                       |                        |                               |                        |                        |                               |                        |
|---|-------------------------------------|-------------------------------|-----------------------|------------------------|-------------------------------|------------------------|------------------------|-------------------------------|------------------------|
|   | Arts & Social Science Undergraduate |                               |                       | MA                     |                               |                        | PhD                    |                               |                        |
|   | Tuition                             | MNIFs retained by Institution | Total                 | Tuition                | MNIFs retained by Institution | Total                  | Tuition                | MNIFs retained by Institution | Total                  |
| McGill University   | \$ 8,730                            | \$ 1,395                      | \$ 10,125             | \$ 8,730               | \$ 1,315                      | \$ 10,045              | \$ 2,797               | \$ 1,315                      | \$ 4,112               |
| Universite de Montreal                                      | \$ 8,730                            | \$ 1,141                      | \$ 9,871              | \$ 13,095              | \$ 1,719                      | \$ 14,814              | \$ 4,195               | \$ 1,715                      | \$ 5,910               |
| Universite Laval  | \$ 8,730                            | \$ 737                        | \$ 9,467              | \$ 6,984               | \$ 737                        | \$ 7,721               | \$ 3,356               | \$ 896                        | \$ 4,252               |
| Dalhousie University  | \$ 8,596                            | \$ 726                        | \$ 9,322              | \$ 9,099               | \$ 766                        | \$ 9,865               | \$ 6,714               | \$ 766                        | \$ 7,480               |
| University of Saskatchewan                                  | \$ 6,978                            | \$ 320                        | \$ 7,298              | \$ 4,698               | \$ 390                        | \$ 5,088               | \$ 4,698               | \$ 390                        | \$ 5,088               |
| University of Calgary                                       | \$ 6,598                            | \$ 772                        | \$ 7,370              | \$ 3,533               | \$ 532                        | \$ 4,065               | \$ 3,533               | \$ 532                        | \$ 4,065               |
| McMaster University   | \$ 6,535                            | \$ 786                        | \$ 7,320              | \$ 6,307               | \$ 284                        | \$ 6,591               | \$ 6,307               | \$ 284                        | \$ 6,591               |
| <b>University of Alberta</b>                                | <b>\$6,517 (8th*)</b>               | <b>\$839 (4th*)</b>           | <b>\$7,357 (6th*)</b> | <b>\$4,486 (13th*)</b> | <b>\$1,035 (4th*)</b>         | <b>\$5,521 (12th*)</b> | <b>\$4,486 (10th*)</b> | <b>\$1,035 (4th*)</b>         | <b>\$5,521 (10th*)</b> |
| University of Ottawa  | \$ 6,393                            | \$ 333                        | \$ 6,726              | \$ 7,739               | \$ 312                        | \$ 8,050               | \$ 6,685               | \$ 312                        | \$ 6,997               |
| Queen's University  | \$ 6,387                            | \$ 588                        | \$ 6,975              | \$ 5,773               | \$ 393                        | \$ 6,166               | \$ 5,773               | \$ 393                        | \$ 6,166               |
| University of Toronto                                       | \$ 6,280                            | \$ 1,068                      | \$ 7,348              | \$ 6,210               | \$ 1,068                      | \$ 7,278               | \$ 6,210               | \$ 1,068                      | \$ 7,278               |
| University of Waterloo                                      | \$ 6,128                            | \$ 463                        | \$ 6,591              | \$ 6,762               | \$ 607                        | \$ 7,369               | \$ 6,762               | \$ 607                        | \$ 7,369               |
| Western University  | \$ 6,050                            | \$ 517                        | \$ 6,567              | \$ 6,360               | \$ 545                        | \$ 6,905               | \$ 6,360               | \$ 545                        | \$ 6,905               |
| University of British Columbia                              | \$ 5,729                            | \$ 281                        | \$ 6,010              | \$ 5,302               | \$ 240                        | \$ 5,542               | \$ 5,302               | \$ 240                        | \$ 5,542               |
| University of Manitoba                                      | \$ 4,528                            | \$ 564                        | \$ 5,091              | \$ 3,951               | \$ 674                        | \$ 4,625               | \$ 3,951               | \$ 674                        | \$ 4,625               |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$ 6,885</b>                     | <b>\$ 692</b>                 | <b>\$ 7,577</b>       | <b>\$ 6,753</b>        | <b>\$ 684</b>                 | <b>\$ 7,438</b>        | <b>\$ 5,189</b>        | <b>\$ 696</b>                 | <b>\$ 5,884</b>        |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$ 6,382</b>                     | <b>\$ 583</b>                 | <b>\$ 6,965</b>       | <b>\$ 5,976</b>        | <b>\$ 528</b>                 | <b>\$ 6,504</b>        | <b>\$ 5,663</b>        | <b>\$ 528</b>                 | <b>\$ 6,191</b>        |

\*Ranking within U15, based on the highest to lowest tuition costs.

# Fall 2023 Tuition Proposal - International

Students admitted prior to Fall 2020

| Category of Student  | Proposed Increase for Fall 2023     | Financial Support |
|--|-------------------------------------|-------------------|
| International Undergraduate<br>(continuing students admitted prior to Fall 2020)                 | 5.50%                               | 7.55%             |
| International Graduate Thesis<br>(continuing students admitted prior to Fall 2020)               | 5.50% increase with rebate to 2.67% | 7.55%             |
| International Graduate Course-based<br>(per *3, continuing students admitted prior to Fall 2020) | 5.50%                               | 7.55%             |

# Tuition Fees - International Examples

Students admitted prior to Fall 2020

| International Tuition Fees   | 2022-23     | 2023-24     | Change (\$) | Change (%) |
|--|-------------|-------------|-------------|------------|
| Undergraduate, Arts and Science  | \$25,044.00 | \$26,420.40 | \$1,376.40  | 5.50%      |
| Undergraduate, Business  | \$32,944.48 | \$34,755.28 | \$1,810.80  | 5.50%      |
| Undergraduate, Engineering   | \$30,052.80 | \$31,704.60 | \$1,651.80  | 5.50%      |
| Graduate Thesis (entry before 2020)<br>(5.50% increase with a rebate to 2.67%) | \$8,546.28  | \$8,774.40  | \$228.12    | 2.67%      |
| Grad Course Based (per *3 course)  | \$1,625.28  | \$1,714.56  | \$89.28     | 5.50%      |



# Fall 2024 Tuition Fees - International (Cohort)

We are proposing a 6.5% change to international cohort-based tuition for new international students entering the University in Fall 2024.

This increase is based on the following inflationary scenario:

| 2024-25 | 2025-26 | 2026-27 | 2027-28 | Required Rate Increase  |
|---------|---------|---------|---------|-------------------------|
| 3.30%   | 2.30%   | 2.00%   | 2.00%   | 6.68% (rounded to 6.5%) |

# Fall 2024 Tuition Fees - International (Cohort) Examples

| International Undergraduate Cohort (Degree Programs)   | 2023-24   | 2024-25   | Change (%) | Credits |
|--|---|---|------------|---------|
| Faculty of Engineering   | <b>Program Total</b><br>\$170,829.60<br><b>Annual Rate</b><br>\$42,707.40 | <b>Program Total</b><br>\$181,932.80<br><b>Annual Rate</b><br>\$45,483.20 | 6.5%       | Varies* |
| Faculty of Business<br>(As of Fall 2022, this is a 4 year program)   | <b>Program Total</b><br>\$151,368<br><b>Annual Rate</b><br>\$37,842.00    | <b>Program Total</b><br>\$161,206.40<br><b>Annual Rate</b><br>\$40,301.60 | 6.5%       | 120     |
| Faculty of Arts,<br>Faculty of Agricultural Life and Environmental Sciences,<br>Faculty of Kinesiology Sport and Recreation,<br>Faculty of Science,<br>Faculty of Open Studies | <b>Program Total</b><br>\$127,581.60<br><b>Annual Rate</b><br>\$31,895.40 | <b>Program Total</b><br>\$135,873.60<br><b>Annual Rate</b><br>\$33,968.40 | 6.5%       | 120     |
| Augustana Faculty,<br>Faculte Saint Jean,<br>Faculty of Education,<br>Faculty of Native Studies,<br>Faculty of Nursing   | <b>Program Total</b><br>\$116,769.60<br><b>Annual Rate</b><br>\$29,192.40 | <b>Program Total</b><br>\$124,359.20<br><b>Annual Rate</b><br>\$31,089.80 | 6.5%       | 120     |

# Fall 2024 Tuition Fees - International (Cohort) Examples

## Continued

| International Graduate Cohort  | 2023-24   | 2024-25  | Change (%) |
|--|---|--|------------|
| Thesis Based Masters (All Specializations)<br>4 Years  | <b>Program Total</b><br>\$37,625.76<br><b>Annual Rate</b><br>\$9,406.44 | <b>Program Total</b><br>\$40,071.36<br><b>Annual Rate</b><br>\$10,017.84 | 6.5%       |
| PhD (All Specializations)<br>6 Years   | <b>Program Total</b><br>\$56,438.64<br><b>Annual Rate</b><br>\$9,406.44 | <b>Program Total</b><br>\$60,107.04<br><b>Annual Rate</b><br>\$10,017.86 | 6.5%       |
| Standard Course Based Master's or Graduate<br>Certificates   | \$2,015.52  | \$2,146.44   | 6.5%       |
| All graduate programs<br>International Graduate Tuition Increase<br>(offset by equivalent financial support) | \$4,000   | \$4,000  | 0%         |

# U15 Tuition Comparators - International

| 2022-23 Tuition   | International                       |                               |                        |                       |                               |                       |                      |                               |                      |
|---|-------------------------------------|-------------------------------|------------------------|-----------------------|-------------------------------|-----------------------|----------------------|-------------------------------|----------------------|
|   | Arts & Social Science Undergraduate |                               |                        | MA                    |                               |                       | PhD                  |                               |                      |
|   | Tuition                             | MNIFs retained by Institution | Total                  | Tuition               | MNIFs retained by Institution | Total                 | Tuition              | MNIFs retained by Institution | Total                |
| University of Toronto                                       | \$ 59,320                           | \$ 1,068                      | \$ 60,388              | \$ 27,520             | \$ 1,068                      | \$ 28,588             | \$ 6,210             | \$ 1,068                      | \$ 7,278             |
| Queen's University  | \$ 53,472                           | \$ 588                        | \$ 54,060              | \$ 12,927             | \$ 393                        | \$ 13,320             | \$ 5,773             | \$ 393                        | \$ 6,166             |
| University of Waterloo                                      | \$ 46,772                           | \$ 463                        | \$ 47,235              | \$ 23,088             | \$ 607                        | \$ 23,695             | \$ 22,188            | \$ 607                        | \$ 22,795            |
| University of British Columbia                              | \$ 42,803                           | \$ 281                        | \$ 43,083              | \$ 9,131              | \$ 240                        | \$ 9,371              | \$ 9,314             | \$ 240                        | \$ 9,554             |
| McMaster University   | \$ 40,960                           | \$ 786                        | \$ 41,746              | \$ 17,096             | \$ 284                        | \$ 17,380             | \$ 6,307             | \$ 284                        | \$ 6,591             |
| Western University  | \$ 39,105                           | \$ 517                        | \$ 39,622              | \$ 19,364             | \$ 545                        | \$ 19,909             | \$ 6,360             | \$ 545                        | \$ 6,905             |
| University of Ottawa  | \$ 38,692                           | \$ 333                        | \$ 39,025              | \$ 27,255             | \$ 312                        | \$ 27,567             | \$ 6,685             | \$ 312                        | \$ 6,997             |
| McGill University   | \$ 31,500                           | \$ 1,395                      | \$ 32,895              | \$ 19,155             | \$ 1,315                      | \$ 20,470             | \$ 17,193            | \$ 1,315                      | \$ 18,508            |
| <b>University of Alberta</b>                                | <b>\$30,090 (*9th)</b>              | <b>839 (*5th)</b>             | <b>\$30,929 (*9th)</b> | <b>\$8,874 (13th)</b> | <b>\$1,035 (5th)</b>          | <b>\$9,909 (11th)</b> | <b>\$8,874 (6th)</b> | <b>\$1,035 (5th)</b>          | <b>\$9,909 (5th)</b> |
| Universite de Montreal                                      | \$ 25,568                           | \$ 1,141                      | \$ 26,709              | \$ 28,732             | \$ 1,719                      | \$ 30,451             | \$ 25,789            | \$ 1,715                      | \$ 27,504            |
| Dalhousie University  | \$ 25,456                           | \$ 1,467                      | \$ 26,923              | \$ 16,491             | \$ 1,507                      | \$ 17,998             | \$ 6,714             | \$ 1,507                      | \$ 8,221             |
| University of Saskatchewan                                  | \$ 25,121                           | \$ 320                        | \$ 25,441              | \$ 9,396              | \$ 390                        | \$ 9,786              | \$ 4,698             | \$ 390                        | \$ 5,088             |
| University of Calgary                                       | \$ 24,408                           | \$ 772                        | \$ 25,180              | \$ 8,243              | \$ 532                        | \$ 8,775              | \$ 8,243             | \$ 532                        | \$ 8,775             |
| Universite Laval  | \$ 21,233                           | \$ 737                        | \$ 21,970              | \$ 16,986             | \$ 737                        | \$ 17,723             | \$ 20,187            | \$ 896                        | \$ 21,083            |
| University of Manitoba                                      | \$ 17,277                           | \$ 564                        | \$ 17,841              | \$ 7,400              | \$ 674                        | \$ 8,075              | \$ 3,951             | \$ 674                        | \$ 4,625             |
| <b>AVERAGE (Excluding U of A)</b>                           | <b>\$ 35,120</b>                    | <b>\$ 745</b>                 | <b>\$ 35,866</b>       | <b>\$ 17,342</b>      | <b>\$ 737</b>                 | <b>\$ 18,079</b>      | <b>\$ 10,686</b>     | <b>\$ 748</b>                 | <b>\$ 11,435</b>     |
| <b>AVERAGE (Excluding U of A &amp; Quebec institutions)</b> | <b>\$ 37,580</b>                    | <b>\$ 651</b>                 | <b>\$ 38,231</b>       | <b>\$ 16,174</b>      | <b>\$ 596</b>                 | <b>\$ 16,769</b>      | <b>\$ 7,858</b>      | <b>\$ 596</b>                 | <b>\$ 8,454</b>      |

\*Ranking within U15, based on the highest to lowest tuition.

# Tuition Offset

15% of domestic tuition increases and 7.55% of total international tuition are set aside to support student financial supports.

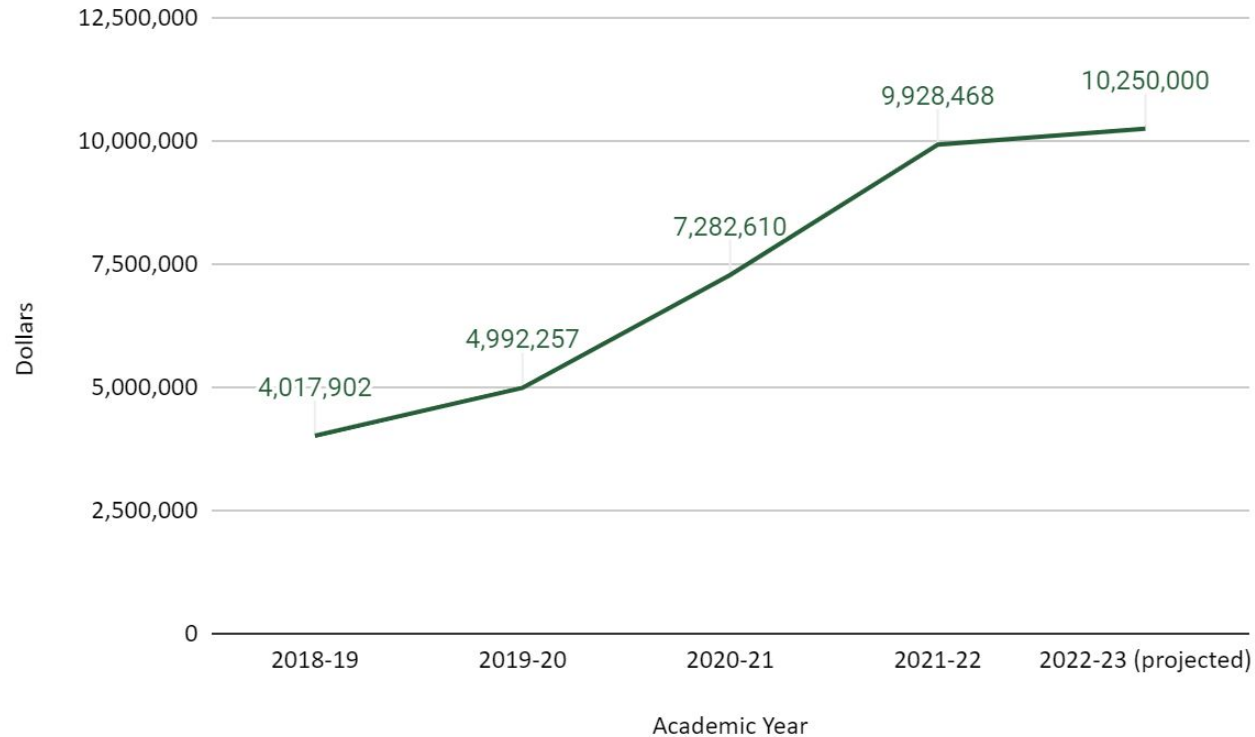
Tuition offsets serve to:

1. Offset potential negative financial impacts from tuition increases, and
2. Continue to support vulnerable student populations (e.g. students from low-income families, students with dependents, Indigenous students, students with disabilities, and students facing emergent financial challenges).

# Tuition Offset

*Continued*

## University Operating Need-Based Spending



# Tuition - Elimination Of The Instalment Fee

An outcome of the consultation process with students this year is agreement that the university will eliminate the \$40 instalment fee charged to students who choose to pay their tuition over two terms.

This change will result in a \$1M reduction in fees being charged to students.

# Mandatory Non-Instructional Fees (MNIF)

- U of A students pay three MNIFs: Health & Wellness, Academic Supports, and Athletics & Recreation.
- In 2022-23, those three fees total \$419.74/term for full-time on-campus students. Part-time and off-campus students pay reduced rates. (Athletics and Rec is optional for off-campus students.)
- Fees collected through MNIFs are intended to cover costs for the services to which they are directed.
- MNIFs are overseen by an agreement between the university and student leaders.
- MNIFs normally increase by a board-approved formula (Academic Price Index) based on the university's cost drivers. API for Fall 2023 is 4.0%.



# MNIFs - Proposal

| Fee                             | Percentage Increase   | Increase per term | New Fee Amount |
|---------------------------------|---|-------------------|----------------|
| <b>Athletics and Recreation</b> | 4.00%   | \$3.71            | \$96.62        |
| <b>Health and Wellness</b>      | 0.00% <i>and</i> elimination of the off-campus fee designator | \$0               | \$64.68        |
| <b>Academic Support</b>         | 2.00% <i>and</i> elimination of the off-campus fee designator | \$5.24            | \$267.40       |
| <b>TOTALS</b>                   |   | \$8.95            | \$428.70       |

# Tuition Revenue Sensitivities

| Sensitivity of a 1% change:                              | 2023-24       |
|--|---------------|
| Tuition Rate - Domestic                                  | \$2.2M        |
| Tuition Rate - International, Legacy                     | \$0.5M        |
| Tuition Rate - International, Program-based <sup>1</sup> | \$0.1M        |
| MNIF Rates   | \$0.3M        |
| <b>Total Impact of a 1% Change to Rates<sup>2</sup></b>  | <b>\$3.1M</b> |

|   |               |
|---|---------------|
| <b>Undergrad Enrolment Volume (1% change)</b> | <b>\$2.9M</b> |
|---|---------------|

Notes:

1. Program-based cohort rates are fixed for the entire program duration.

2. Reflects a 1% change to instructional rates (Domestic, International- Legacy, International- Program-based (incoming cohort year only)) and MNIF rates.

# Enrolment Plans

- Fall 2022 Enrolment Growth
- Fall 2023 Enrolment Growth Planning (and beyond)

# Fall 2022 Enrolment Growth

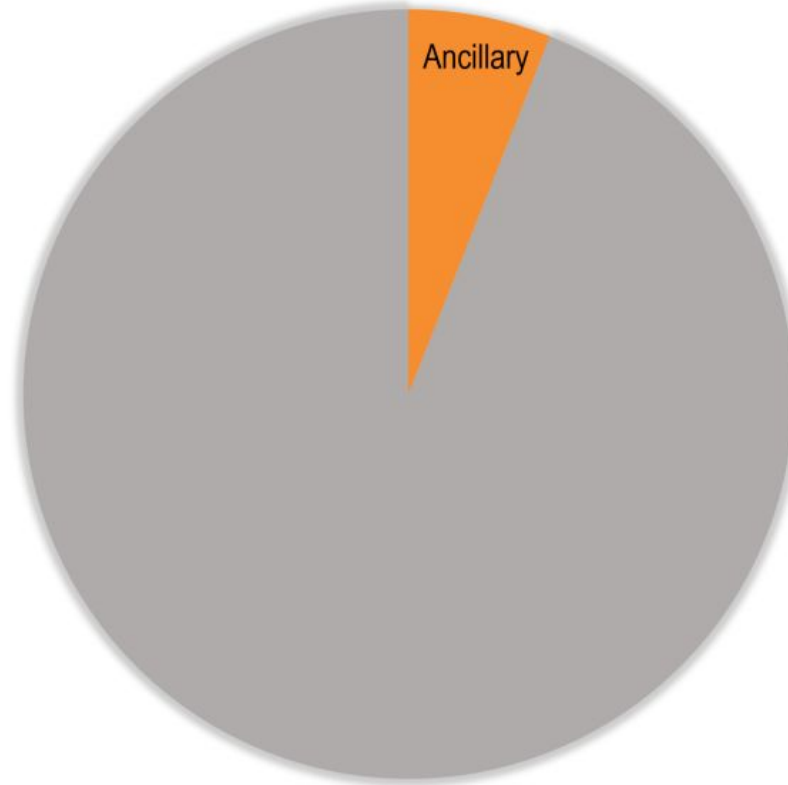
The University of Alberta received \$48.3 million from the Government of Alberta's spring 2022 call for enrolment growth proposals for high-demand programs, funding five programs over a 3 year period:

- o Bachelor of Science
- o Bachelor of Science, Engineering
- o Master of Science, Engineering
- o Bachelor of Commerce
- o Bachelor of Science, Nursing

# Fall 2023 Enrolment Growth Planning (and beyond)

- The university is prepared to respond to a call for enrolment growth proposals from the Government of Alberta. We continue to make the case for base funded enrolment growth through advocacy to the Government of Alberta.
- We have worked with Colleges and Faculties to develop scenarios for growth, which will form the basis of our multi-year enrolment plan submissions to the government, informed by what we learn about government intentions for funding growth.

# University of Alberta Ancillary Budget



**Ancillary (6%):** stand-alone enterprises funded by their own revenues.

# University of Alberta Ancillary Budget

| (\$000's)  | 2021-22        | 2022-23        |                | 2023-24        | 2024-25        | 2025-26        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | Actual         | Budget         | Forecast       | Budget         | Projection     | Projection     |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |                |
| Government of Alberta grants                               | -              | -              | -              | -              | -              | -              |
| Federal and other government grants                        | -              | -              | -              | -              | -              | -              |
| Student tuition and fees                                   | 340            | 565            | 201            | 500            | 510            | 520            |
| Sales of services and products                             | 79,861         | 104,157        | 101,736        | 112,771        | 114,307        | 116,846        |
| Donations and other grants                                 | 5              | -              | -              | -              | -              | -              |
| Investment income  | 763            | 10             | 118            | 10             | 10             | 10             |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              | -              |
| Gain on sale of tangible capital assets                    | 32,386         | -              | -              | -              | -              | -              |
| <b>Total revenue</b>                                       | <b>113,355</b> | <b>104,732</b> | <b>102,055</b> | <b>113,281</b> | <b>114,827</b> | <b>117,376</b> |
| <b>Expense</b>   |                |                |                |                |                |                |
| Salaries   | 19,508         | 20,979         | 21,321         | 21,606         | 21,965         | 22,277         |
| Employee benefits  | 4,735          | 5,331          | 4,983          | 5,469          | 5,661          | 5,805          |
| Materials, supplies and services                           | 24,158         | 32,169         | 30,840         | 35,349         | 35,617         | 36,866         |
| Scholarships and bursaries                                 | 3              | -              | 2              | -              | -              | -              |
| Maintenance and repairs                                    | 16,268         | 20,009         | 17,264         | 20,330         | 20,715         | 21,005         |
| Utilities  | 4,417          | 3,863          | 5,211          | 4,798          | 4,894          | 4,992          |
| Amortization of tangible capital assets                    | 10,632         | 12,061         | 12,567         | 13,447         | 12,658         | 8,989          |
| <b>Total expense</b>                                       | <b>79,721</b>  | <b>94,412</b>  | <b>92,188</b>  | <b>100,999</b> | <b>101,510</b> | <b>99,934</b>  |
| <b>Annual operating surplus (deficit)</b>                  | <b>33,634</b>  | <b>10,320</b>  | <b>9,867</b>   | <b>12,282</b>  | <b>13,317</b>  | <b>17,442</b>  |

# University of Alberta Ancillary Budget

*Continued*

## **Self-Funded Units: Principles**

- Revenue must be sufficient to cover operating and capital costs (including building reserves).
- No funding flows from the Operating and Programming Support Grant nor student tuition.\*
- Responsible for reimbursing central for services such as Human Resources and IT.

*\*student fees include a recreation component*



# University of Alberta Ancillary Budget

*Continued*

## **Ancillary Unit (Revenue-Generating Value Propositions)\***

- Community engagement and partnerships
- Cost avoidance
- Campus experience
- Operational risk mitigation and environmental sustainability
- Profitability
- Reputation
- Student success, health, and wellness

*\*applied in varying degrees to each unit*

# University of Alberta Ancillary Budget

*Continued*

## **Campus Services Financial Targets**

*(aggregate profit paid to central)*

- FY 2022-23 - \$2.8 million
- FY 2023-24 - \$5.6 million
- FY 2024-25 - \$8.3 million

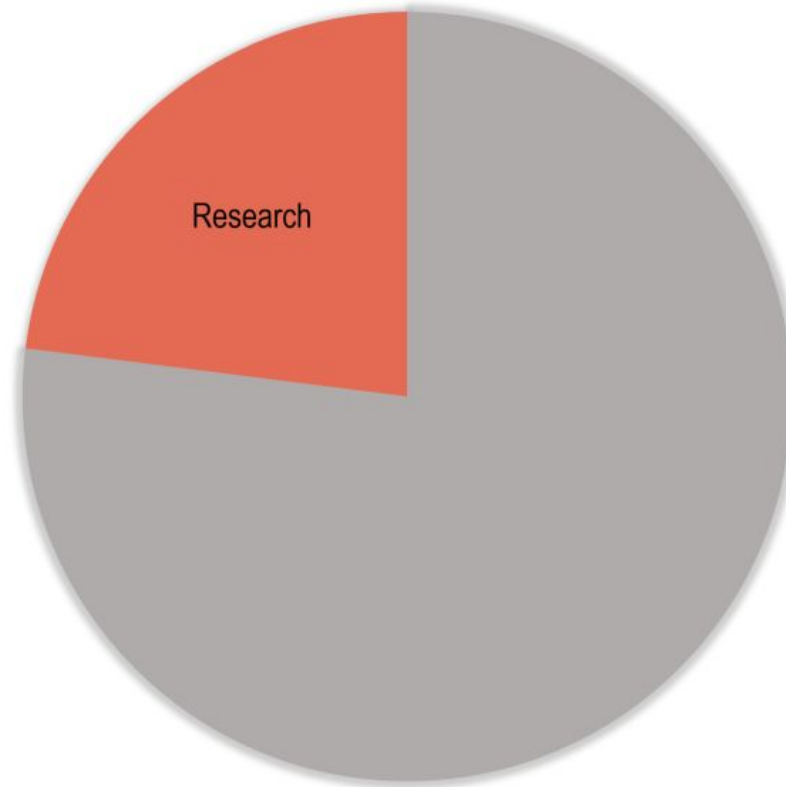
# University of Alberta Ancillary Budget

*Continued*

## **FY 2023-24 Rate Increases**

- Residences - 4.1 percent
- Meal plans - 6.0 percent
- Parking - 5.5 percent

# University of Alberta Research Budget

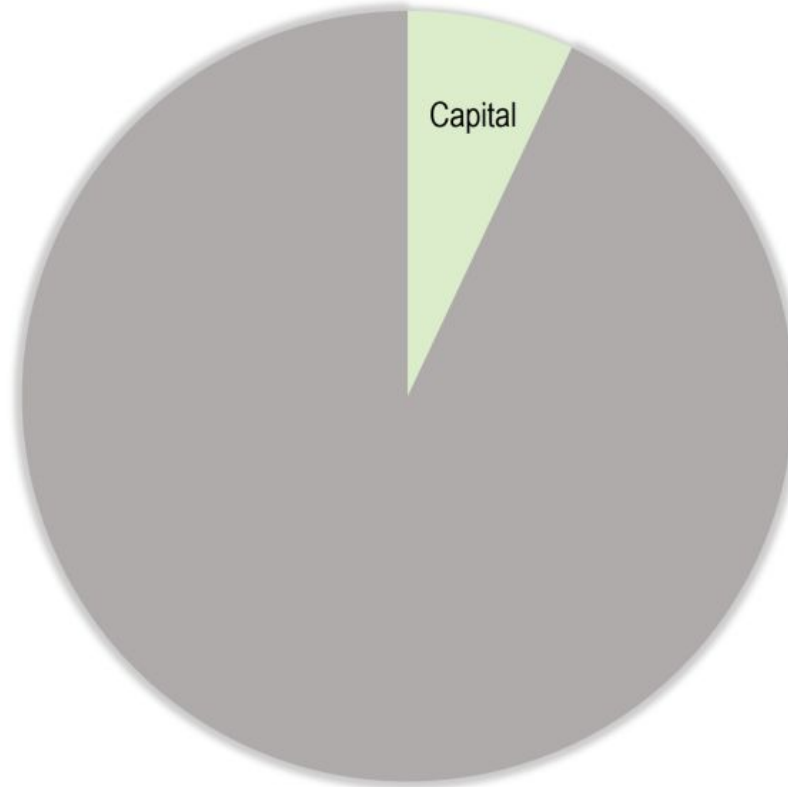


**Research (24%):** subject to external restrictions, and can only be used for the purposes for which the funds were provided.

# University of Alberta Research Budget

| (\$000's)  | 2021-22        |                | 2022-23        |                | 2023-24        | 2024-25        | 2025-26    |
|--|----------------|----------------|----------------|----------------|----------------|----------------|------------|
|  | Actual         | Budget         | Forecast       | Budget         | Budget         | Projection     | Projection |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |                |            |
| Government of Alberta grants                               | 68,629         | 67,723         | 117,565        | 83,879         | 84,838         | 85,500         |            |
| Federal and other government grants                        | 172,397        | 174,075        | 162,407        | 182,464        | 184,547        | 185,985        |            |
| Student tuition and fees                                   | -              | -              | -              | -              | -              | -              |            |
| Sales of services and products                             | 19,795         | 18,169         | 23,742         | 20,086         | 20,487         | 20,897         |            |
| Donations and other grants                                 | 108,394        | 98,347         | 105,601        | 120,060        | 121,454        | 122,431        |            |
| Investment income  | 72,257         | 55,908         | 55,881         | 56,189         | 58,251         | 60,389         |            |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              | -              |            |
| Gain on sale of tangible capital assets                    | -              | -              | -              | -              | -              | -              |            |
| <b>Total revenue</b>                                       | <b>441,472</b> | <b>414,222</b> | <b>465,196</b> | <b>462,678</b> | <b>469,577</b> | <b>475,202</b> |            |
| <b>Expense</b>   |                |                |                |                |                |                |            |
| Salaries   | 173,634        | 164,328        | 175,679        | 177,852        | 179,310        | 179,310        |            |
| Employee benefits  | 29,864         | 28,447         | 31,583         | 30,589         | 30,840         | 30,840         |            |
| Materials, supplies and services                           | 117,156        | 125,245        | 145,394        | 147,242        | 150,439        | 153,779        |            |
| Scholarships and bursaries                                 | 87,270         | 86,673         | 93,206         | 95,375         | 97,282         | 99,324         |            |
| Maintenance and repairs                                    | 1,955          | 1,757          | 2,819          | 2,137          | 2,180          | 2,225          |            |
| Utilities  | 187            | 774            | 501            | 204            | 209            | 213            |            |
| Amortization of tangible capital assets                    | -              | -              | -              | -              | -              | -              |            |
| <b>Total expense</b>                                       | <b>410,066</b> | <b>407,224</b> | <b>449,182</b> | <b>453,399</b> | <b>460,260</b> | <b>465,691</b> |            |
| <b>Annual operating surplus (deficit)</b>                  | <b>31,406</b>  | <b>6,998</b>   | <b>16,014</b>  | <b>9,279</b>   | <b>9,317</b>   | <b>9,511</b>   |            |

# University of Alberta Capital Budget



**Capital (6%):** includes both restricted and unrestricted funding used for major capital/deferred maintenance projects.

# University of Alberta Capital Budget

| (\$000's)  | 2021-22         | 2022-23         |                 | 2023-24         | 2024-25         | 2025-26        |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
|  | Actual          | Budget          | Forecast        | Budget          | Projection      | Projection     |
| <b>Revenue (including deferrals)</b>                       |                 |                 |                 |                 |                 |                |
| Government of Alberta grants                               | 75,221          | 91,431          | 93,163          | 75,180          | 81,817          | 85,742         |
| Federal and other government grants                        | 17,075          | 19,910          | 14,915          | 18,611          | 17,264          | 18,277         |
| Student tuition and fees                                   | -               | -               | -               | -               | -               | -              |
| Sales of services and products                             | -               | -               | -               | -               | -               | -              |
| Donations and other grants                                 | 16,352          | 19,770          | 14,363          | 15,112          | 16,166          | 17,115         |
| Investment income  | 437             | 700             | 700             | -               | -               | -              |
| Investment gain (loss) from government business enterprise | -               | -               | -               | -               | -               | -              |
| Gain on sale of tangible capital assets                    | -               | -               | -               | -               | -               | -              |
| <b>Total revenue</b>                                       | <b>109,085</b>  | <b>131,811</b>  | <b>123,141</b>  | <b>108,903</b>  | <b>115,247</b>  | <b>121,134</b> |
| <b>Expense</b>   |                 |                 |                 |                 |                 |                |
| Salaries   | -               | -               | -               | -               | -               | -              |
| Employee benefits  | -               | -               | -               | -               | -               | -              |
| Materials, supplies and services                           | 8,880           | 16,561          | 17,185          | 4,408           | 5,080           | 2,380          |
| Scholarships and bursaries                                 | -               | -               | -               | -               | -               | -              |
| Maintenance and repairs                                    | 35,364          | 45,739          | 51,752          | 35,238          | 22,248          | 22,956         |
| Utilities  | -               | -               | -               | -               | -               | -              |
| Amortization of tangible capital assets                    | 92,331          | 92,641          | 92,641          | 93,282          | 99,790          | 105,647        |
| <b>Total expense</b>                                       | <b>136,575</b>  | <b>154,941</b>  | <b>161,578</b>  | <b>132,928</b>  | <b>127,118</b>  | <b>130,983</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>(27,490)</b> | <b>(23,130)</b> | <b>(38,437)</b> | <b>(24,025)</b> | <b>(11,871)</b> | <b>(9,849)</b> |

# University of Alberta Capital Revenue

(\$000's)

## Provincial Government Grants

Capital Maintenance and Renewal (CMR)

### Subtotal

Other Projects

**Total revenue**

|                      | 2023-24       | 2024-25       | 2025-26       |
|----------------------|---------------|---------------|---------------|
|                      | Budget        | Projection    | Projection    |
|                      | 36,694        | 36,694        | 36,694        |
| <b>Subtotal</b>      | <b>36,694</b> | <b>36,694</b> | <b>36,694</b> |
| Other Projects       | 6,900         | -             | -             |
| <b>Total revenue</b> | <b>43,594</b> | <b>36,694</b> | <b>36,694</b> |



# University of Alberta Materials, Supplies, and Services Budget

(\$000's)

**Project**

Alberta High Containment Research Infrastructure  
Biological Sciences Renewal  
South Campus Tennis Courts  
Other MSS  
**Total materials, supplies and services**

|  | 2023-24      | 2024-25      | 2025-26      |
|--|--------------|--------------|--------------|
|  | Budget       | Projection   | Projection   |
|  | 600          | 4,500        | 1,800        |
|  | 550          | -            | -            |
|  | 2,426        | -            | -            |
|  | 832          | 580          | 580          |
|  | <b>4,408</b> | <b>5,080</b> | <b>2,380</b> |

# University of Alberta Maintenance and Repairs Budget

(\$000's)

**Project**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Agriculture Forestry/GSB Link Roof Repair/Replacement | -             | -             | 2,000         |
| Biological Sciences Air Handling Unit                 | 150           | 1,500         | -             |
| Biological Sciences Genetics Switchgear Replacement   | 1,000         | -             | -             |
| College of Health Sciences                            | 1,500         | 500           | -             |
| College of Natural and Applied Sciences               | 1,500         | 500           | -             |
| CSJ Library Digital Learning Classrooms               | 1,000         | -             | -             |
| ECERF Nano Fab Lab Ventilation Upgrade and Renewal    | 1,439         | -             | -             |
| Education South First People's House                  | 2,000         | 1,000         | -             |
| Health Sciences Library ECHA Integration              | 1,931         | -             | -             |
| NINT Roof Repairs/Replacement                         | -             | -             | 2,000         |
| NREF Roof Replacement                                 | -             | 2,000         | -             |
| Peter Lougheed Hall Dining Hall Expansion             | 1,250         | 1,675         | 975           |
| Residence- Upgrade Alarms, Electrical Panel           | 5,635         | 5,450         | 6,628         |
| SAB Elevator Replacement                              | -             | 100           | 1,000         |
| School of Business Student Collaboration Space        | 1,250         | -             | -             |
| Other Maintenance and Repairs                         | 16,583        | 9,523         | 10,353        |
| <b>Total maintenance and repairs</b>                  | <b>35,238</b> | <b>22,248</b> | <b>22,956</b> |

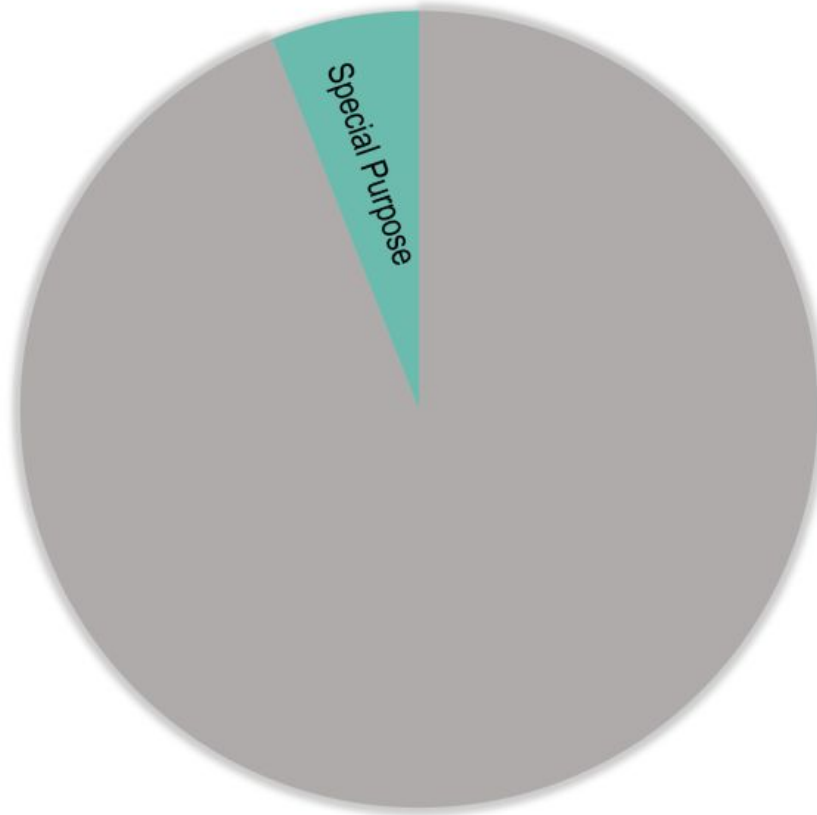
| 2023-24       | 2024-25       | 2025-26       |
|---------------|---------------|---------------|
| Budget        | Projection    | Projection    |
| -             | -             | 2,000         |
| 150           | 1,500         | -             |
| 1,000         | -             | -             |
| 1,500         | 500           | -             |
| 1,500         | 500           | -             |
| 1,000         | -             | -             |
| 1,439         | -             | -             |
| 2,000         | 1,000         | -             |
| 1,931         | -             | -             |
| -             | -             | 2,000         |
| -             | 2,000         | -             |
| 1,250         | 1,675         | 975           |
| 5,635         | 5,450         | 6,628         |
| -             | 100           | 1,000         |
| 1,250         | -             | -             |
| 16,583        | 9,523         | 10,353        |
| <b>35,238</b> | <b>22,248</b> | <b>22,956</b> |

# University of Alberta Tangible Capital Acquisitions Budget

(\$000's)

| Project  | 2023-24       | 2024-25       | 2025-26       |
|--|---------------|---------------|---------------|
|  | Budget        | Projection    | Projection    |
| Athabasca Hall Electrical Upgrade                      | 1,081         | -             | -             |
| BARB Mechanical Ventilation Upgrade                    | 2,000         | 1,100         | -             |
| Biological Sciences Zoology Wing Wet Lab Modernization | 10,750        | 15,000        | -             |
| Boiler #4 Burner Management System Replacement         | 1,450         | -             | -             |
| Chemistry Centre East Roof Repair/Replacement          | -             | -             | 2,000         |
| Chemistry East Exhaust Fan System                      | 2,910         | -             | -             |
| Chemistry West Fan Wall Replacement                    | 2,959         | -             | -             |
| Computing Science High Voltage Buildings Replacement   | 1,586         | -             | -             |
| Cooling Plant River Water Intake Piping Repair         | 3,082         | -             | -             |
| CSJ Electrical Vault                                   | 3,273         | -             | -             |
| Dentistry Pharmacy Renewal & Repurpose                 | 36,395        | 42,231        | -             |
| District Energy System (DES)                           | 4,443         | -             | -             |
| Install Backflow Preventers (50 Buildings)             | -             | 1,500         | -             |
| RTF Decant Interior Renewals                           | 2,000         | -             | -             |
| Rutherford Complex Electrical Vault Replacement        | -             | 500           | 7,000         |
| SUB Mechanical (Steam Station, Heat Exchangers)        | -             | -             | 2,000         |
| SUB New Electrical Vault                               | 3,398         | -             | -             |
| Tory Business Atrium Skylight Renewal                  | 7,623         | -             | -             |
| Tory Fan Wall Replacement                              | -             | 400           | 2,000         |
| Tory Service Vault Replacements                        | -             | 500           | 4,500         |
| Tory Tower Mechanical Upgrade                          | 1,117         | -             | -             |
| University Terrace Changeout Existing Simplex Panel    | -             | -             | 1,000         |
| Other Capital Projects                                 | 9,936         | 2,240         | 4,890         |
| <b>Total tangible capital acquisitions</b>             | <b>94,003</b> | <b>63,471</b> | <b>23,390</b> |

# University of Alberta Special Purpose Budget



**Special Purpose (6%):** primarily related to the Academic Medicine and Health Services Program, and annual endowment spending allocations from non-research related endowments.

# University of Alberta Special Purpose Budget

| (\$000's)  | 2021-22        | 2022-23        |                | 2023-24        | 2024-25        | 2025-26        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | Actual         | Budget         | Forecast       | Budget         | Projection     | Projection     |
| <b>Revenue (including deferrals)</b>                       |                |                |                |                |                |                |
| Government of Alberta grants                               | 74,551         | 78,980         | 76,067         | 79,985         | 81,818         | 82,985         |
| Federal and other government grants                        | -              | -              | -              | -              | -              | -              |
| Student tuition and fees                                   | -              | -              | -              | -              | -              | -              |
| Sales of services and products                             | 22             | 123            | -              | -              | -              | -              |
| Donations and other grants                                 | 4,942          | 4,062          | 3,781          | 5,179          | 5,438          | 5,713          |
| Investment income  | 36,038         | 25,169         | 23,074         | 25,176         | 26,100         | 27,059         |
| Investment gain (loss) from government business enterprise | -              | -              | -              | -              | -              | -              |
| Gain on sale of tangible capital assets                    | -              | -              | -              | -              | -              | -              |
| <b>Total revenue</b>                                       | <b>115,553</b> | <b>108,334</b> | <b>102,922</b> | <b>110,340</b> | <b>113,356</b> | <b>115,757</b> |
| <b>Expense</b>   |                |                |                |                |                |                |
| Salaries   | 50,701         | 56,903         | 55,454         | 56,792         | 58,172         | 59,141         |
| Employee benefits  | 11,625         | 14,173         | 11,599         | 14,160         | 14,486         | 14,713         |
| Materials, supplies and services                           | 16,513         | 13,810         | 14,076         | 13,991         | 14,363         | 14,595         |
| Scholarships and bursaries                                 | 16,706         | 19,005         | 17,072         | 20,424         | 21,239         | 22,087         |
| Maintenance and repairs                                    | 40             | 148            | 40             | 74             | 76             | 78             |
| Utilities  | -              | -              | -              | 19             | 19             | 19             |
| Amortization of tangible capital assets                    | -              | -              | -              | -              | -              | -              |
| <b>Total expense</b>                                       | <b>95,585</b>  | <b>104,039</b> | <b>98,241</b>  | <b>105,460</b> | <b>108,355</b> | <b>110,633</b> |
| <b>Annual operating surplus (deficit)</b>                  | <b>19,968</b>  | <b>4,295</b>   | <b>4,681</b>   | <b>4,880</b>   | <b>5,001</b>   | <b>5,124</b>   |

# Questions?



UNIVERSITY  
OF ALBERTA

**Leading with Purpose.**



**UNIVERSITY  
OF ALBERTA**

**Governance Executive Summary  
Action Item**

|                     |                                       |
|---------------------|---------------------------------------|
| <b>Agenda Title</b> | <b>2023/24 – 2025/26 Capital Plan</b> |
|---------------------|---------------------------------------|

**Motion**

|   |
|---|
| <p>THAT the Board Finance and Property Committee recommend that the Board of Governors approve the 2023/24 – 2025/26 Capital Plan, as set out in Attachment 1, and empower the Vice-President (Facilities and Operations) to make any editorial changes to the Plan, as needed, as long as the changes do not have the force of policy.</p> |
|---|

**Item**

|                  |  |
|------------------|--|
| Action Requested | <input type="checkbox"/> Approval <input checked="" type="checkbox"/> Recommendation   |
| Proposed by      | Andrew Sharman, Vice-President (Facilities and Operations)   |
| Presenter(s)     | <ul style="list-style-type: none"> <li>• Andrew Sharman, Vice-President (Facilities and Operations)</li> <li>• Lara McClelland, AVP Integrated Planning, Development and Partnerships</li> </ul> |

**Details**

|  |   |
|--|---|
| Office of Administrative Responsibility  | Office of the Vice-President (Facilities and Operations)  |
| The Purpose of the Proposal is<br><i>(please be specific)</i>                        | The plan is before the committee for approval prior to submission to the Minister of Advanced Education as a component of the <i>Post-secondary Institutions Budget and Forecasting Guidelines</i> .  |
| Executive Summary<br><i>(outline the specific item – and remember your audience)</i> | <p>In accordance with the Post-secondary Learning Act, the University of Alberta is required to propose and submit to the Minister of Advanced Education an annual budget plan that includes a three-year capital plan. It is expected that an institution’s capital plan supports its mandate and enrolment, research, and program plans.</p> <p>In the form of three appendices, the 2023/24 – 2025/26 Capital Plan highlights key opportunities that align with the Infrastructure Asset Management Strategy (IAMS) and the Space Optimization Strategy (SOS). As required by the Minister, priority projects are limited to those that are able to proceed in the next three to five years to address critical infrastructure and capacity needs. Further, priority projects may result from an institution’s:</p> <ul style="list-style-type: none"> <li>• future accessibility and quality goals that support the delivery of high-demand programs;</li> <li>• infrastructure requirements to support research goals as outlined in the institution’s mandate and provincial research targets and outcomes;</li> <li>• critical health and safety issues; and</li> <li>• critical information technology infrastructure.</li> </ul> <p>Including a project in the capital plan cannot anticipate that additional provincial funds will be available during the three-year planning cycle, however, the possibility of one-time targeted allocations is always present.</p> <p><b>Risk and Opportunities</b></p> |





Item No. 2c

|                                 |  |
|---------------------------------|--|
|                                 | The legislated capital plan is a key component in addressing the risk to “building infrastructure” as identified in the Institutional Risk Register. The capital plan is the principal means by which the university translates its enrollment, research, and program plans into the infrastructure needs necessary to be successful. Failure to sufficiently identify our priority projects runs the risk of our primary funder allocating its capital funds elsewhere. |
| Supplementary Notes and context | <This section is for use by University Governance only to outline governance process.>   |

**Engagement and Routing** (Include meeting dates)

|   |   |
|---|---|
| Consultation and Stakeholder Participation<br>(parties who have seen the proposal and in what capacity)<br><br><For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a> > | <u>Those who are actively participating:</u> <ul style="list-style-type: none"> <li>• Integrated Planning, Development, and Partnerships (F&amp;O)</li> <li>• College Dean and Vice Provost – Health Sciences</li> <li>• College Dean and Vice Provost – Natural and Applied Sciences</li> <li>• Interim College Dean and Vice Provost – Social Sciences and the Humanities</li> <li>• Deputy Provost (Academic)</li> <li>• Deputy Provost (Students and Enrolment)</li> <li>• Asset Management and Operations (F&amp;O)5</li> <li>• Utilities (F&amp;O)</li> <li>• Office of the Vice-President (F&amp;O)</li> </ul> |
|   | <u>Those who have been consulted:</u> <ul style="list-style-type: none"> <li>• Deans’ Council – January 18, 2023</li> </ul>   |
|   | <u>Those who have been informed:</u> <ul style="list-style-type: none"> <li>• Board of Governors and GFC Academic Planning Committee – February 16, 2023</li> </ul>   |
| Approval Route (Governance) (including meeting dates)   |   |

**Strategic Alignment**

|   |  |  |
|---|--|--|
| Alignment with <i>For the Public Good</i> | SUSTAIN<br>23. OBJECTIVE: Ensure that the University of Alberta’s campuses, facilities, utility, and information technology infrastructure can continue to meet the needs and strategic goals of the university.<br>Strategy: Secure and sustain funding to plan, operate, expand, renew, and optimize the use of campus infrastructure to meet evolving teaching and research priorities. |  |
| Alignment with Core Risk Area             | Please note below the specific institutional risk(s) this proposal is addressing.  |  |
|   | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input checked="" type="checkbox"/> Physical Infrastructure   | <input type="checkbox"/> Relationship with Stakeholders<br><input checked="" type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input checked="" type="checkbox"/> Safety<br><input checked="" type="checkbox"/> Student Success |
| Legislative Compliance and jurisdiction   | <ul style="list-style-type: none"> <li>• Post-secondary Learning Act</li> <li>• Board Finance and Property Committee - Terms of Reference</li> </ul>   |  |



Attachments:

1. 2023/24 - 2025/26 Capital Plan (24 pages) – for approval
2. Capital Plan Presentation (3 pages)

*Prepared by:* Gordon Weighell  
Chief of Staff, Office of the Vice-President (Facilities and Operations)  
gordon.weighell@ualberta.ca

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

### Message from the President

The University of Alberta is a global leader in teaching and research excellence, ranking among the world's top 100 research-intensive post-secondary institutions. Our colleges, faculties and units support diverse student learning, real world research activities and exceptional student and community experiences. Our facilities exist to support the university's mission of excellence in academics, research and student experience; this is the lens that we apply to capital projects and space decisions across all five of our campuses.

The University of Alberta is one of the world's great universities. Working as One University, we harness collective, deep and varied expertise to work together collaboratively to solve the world's most pressing problems.

Our Capital Plan plays an instrumental role in moving our vision of One University forward — it aligns with the current needs and initiatives of the University of Alberta, while ensuring we are positioned for continued excellence as we grow our full-time student body towards 50,000 students by 2026. In order to attract the brightest students and top researchers in areas like health, STEM, humanities, and social innovation, we need exceptional facilities where interdisciplinary research and collaboration can flourish.

Our Capital Plan enables this growth and charts a bold path forward. It is a strategic right-sizing of our physical footprint and the renewal of existing space that enables continued excellence in research, teaching and student success. Our plan advances the institution's core mission of research and education; reflects the university's commitment to equity, diversity, inclusivity, accessibility, Indigenous initiatives and climate resilience; and increases shared use opportunities.

This Capital Plan sets a strong foundation of financial and environmental sustainability and is guided by emergent themes in the Integrated Asset Management Strategy (IAMS), the Government of Alberta's [strategic directions](#) and [Braiding Past, Present and Future](#), the University of Alberta's Indigenous Strategic Plan. Future Capital Plans will also be informed by the new [University of Alberta Strategic Plan](#) in development. Decisions on buildings and space will be guided by the principles established in the IAMS. We will always ensure those decisions allow us to best discover, disseminate and apply new knowledge for the benefit of society through teaching and learning, research and creative activity, community involvement and partnerships.

**Bill Flanagan**  
**President and Vice-chancellor**

# **CAPITAL PLAN 2023/24 - 2025/26**

## **DRAFT (FOR GOVERNANCE APPROVALS)**

### **Message from the Vice-President, Facilities & Operations**

The University of Alberta 2023-26 Capital Plan sets the foundation for our institution as we move forward with evidence-driven and strategic decisions that enhance student experience, teaching and researching opportunities. Our plan ensures we are set up to achieve our goals of growth in areas of student and workforce demand, while advancing our reputation around the world.

We are committed to meet the province's growing demand for professionals in multiple areas. We are ready to modernize and renew our buildings to create positive learning and research environments. That's why two of our priority projects — focused on STEM and Health Sciences — are vital to the university's alignment of labour market demand and needs of the province. The STEM project focuses on the Biological Sciences building to ensure students and faculty from across all three colleges have access to world-class lab space, classrooms and interdisciplinary learning opportunities so that they can continue to solve some of the world's most pressing problems. The health project is part of a broader, multi-partner possibility focused on a new Paediatric Care and Health Sciences Innovation Complex; we will create vital learning and teaching spaces, as well as a much needed health-care facility for the community.

The 2023-26 Capital Plan identifies how we can build a stronger foundation by managing, maintaining and right-sizing our considerable inventory of assets to improve the experiences of both students and faculty. Spaces that foster interdisciplinarity are seeing an increase in collaborative teaching and research, while classroom renewals are ensuring students are in optimal learning environments. There are opportunities to modernize existing buildings that bring the right occupants into shared spaces, best optimize our lab and classroom environments, and improve the quality of student-focused spaces.

This plan will position the university to respond to the growing needs of students, faculty, staff and the community, while achieving greater environmental and fiscal sustainability — now and into the future. Moving forward, we must continue to implement strategic space strategies that support our mission while reducing our ecological and physical footprint. Through the continued use of analytics to make evidence-informed decisions and injections of sparse funds in targeted ways, we can continue to right-size the infrastructure of the institution for the betterment of students, staff and the community.

**Andrew Sharman**  
**Vice-president, Facilities & Operations**

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

### Context

#### One University

Focusing our priorities with a One University lens opens up great opportunities for infrastructure sustainability and efficiency. This may be achieved by investing in infrastructure renewal by space type, in consolidated locations, rather than disparate, varied and multi-use facilities. This benefits students, faculty, staff and researchers by opening up opportunities for increased access to different spaces, reducing barriers and allowing the university to practice in a more equitable and sustainable manner. It breaks down notions of space ownership and increases a sense of shared stewardship for our assets, resources, community and environment.

The development of a new University of Alberta Strategic Plan, driven by the One University vision, is underway. It will pave the path forward with a focus on innovation, enrollment growth, meaningful engagement and partnership with Indigenous communities and enacting the university's commitment to equity, diversity and inclusion.

#### Recent Impacts and Strategic Recovery

In 2022, Alberta was affected by considerable economic turmoil: the after-effects of the global pandemic, supply chain issues, inflationary impacts, increasing carbon tax and climate change legislation, changing non-renewable resource policies in the United States and the overall effect on the local economy. These have impacted employment, reduced operating revenues for public institutions and increased demand and expectations on both students and their families. The University of Alberta continues to adapt to these external and internal impacts. However, even in times of great restraint, failure to invest in maintaining existing infrastructure will only lead to a deepening deferred maintenance deficit, directly impacting teaching, research and the student experience.

#### State of Infrastructure

The University of Alberta is the oldest and largest post-secondary institution in Alberta, managing almost 1.7 million square metres of complex facilities across five distinct campuses. It provides an incredible diversity of teaching and interdisciplinary research across three colleges that support over 40,000 students and dozens of research institutes and centres. If the U of A was a municipality, it would be among the top eight largest in Alberta, as it operates its own district energy system, maintenance and sanitation programs, security staff and overall operational requirements. Despite our size, there remains a small-community spirit and feeling amongst and within its five campuses. It is One University.

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

The institution emerged from a period of significant growth in formal learning and research spaces, and some of its infrastructure predates the First World War. More than 50 per cent of the university's buildings were built in the post-war (1951-1975) or modern (1976-1990) periods, both of which are known for lower standard construction practices. These buildings were built with a projected lifespan of 50 to 60 years, and many of their critical systems — such as mechanical and electrical — as well as the building envelopes, are at or near their end of life. Catastrophic building system failures that have the potential to interrupt and impact teaching and research are therefore a strong likelihood without positive action (infrastructure reductions and space optimization, increased maintenance funding, targeted capital funding investment and sustained deferred maintenance funding).

### Financial Constraints

To operate and maintain its buildings, the U of A relies on grants from the Government of Alberta, with support from the Campus Alberta grant to offset general operational and maintenance costs (e.g. custodial, limited routine maintenance, utilities, snow clearing, grounds maintenance and insurance). The government has also historically provided a variable grant under the Capital Maintenance Renewal (CMR) program, intended to help manage elements of the deferred maintenance liability. Given the size and complexity of the university's infrastructure assets, these allocations alone are unable to meet critical needs. While crucial, these allocations do not allow for adequate investments in preventative and reactive maintenance or life cycle renewal, resulting in increasing deferred maintenance liabilities across the institution. Reducing our overall space footprint while also diversifying the revenue stream for deferred maintenance of our infrastructure is an increasing priority.

### Capital Plan Background

The University of Alberta is renowned for its world-leading research, strength of academic programs and excellence of its students, faculty members and researchers. To ensure our responsive, relevant and interdisciplinary research and learning continues, we must continue to attract strong students, researchers, faculty and staff. A key component of continued success is the quality of our infrastructure and equipment, ensuring it meets the needs of today and the future. The buildings, equipment and grounds allow for and foster valued partnerships with other post-secondary institutions, industry partners and other public sector organizations. These partnerships are mutually beneficial as they explore, create and innovate on our campuses while contributing to Alberta's economy, social fabric and culture.

The Capital Plan includes a variety of construction, renewal and renovation projects that directly tie to the pursuit of excellence in teaching, learning and research by bringing new life to aging assets. It allows the university to adopt highly functional and innovative solutions that can house present day workstyles and needs in optimal and progressive ways. As the approach to space leans more towards increasing access to more users, we not only optimize space with

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

increased usage, we enable interdisciplinary collegiality and innovation. As assets are invested in, less promising aging assets can be retired with little impact to the academic and research mission. Retired assets help the institution save operating and maintenance expenses, while improving our sustainability, both ecologically and financially.

The University of Alberta's rolling three-year Capital Plan aligns with the institution's [Integrated Asset Management Strategy \(IAMS\)](#). This strategy sets the strategic direction for the University of Alberta's infrastructure assets while defining a long-term roadmap. It describes the current state and the conditions that created some ongoing challenges while also identifying future direction and action. Lastly, it outlines how the institution intends to be an effective and efficient steward of its physical assets (buildings, roads, grounds and utility infrastructure) through risk-based maintenance, triaging critical deferred maintenance, strategic investments and appropriate partnerships.

In the past four years, the institution has faced increasing fiscal constraint and reductions to base operating grants. This fiscal reality required a new approach to many aspects of the institution's operations. As a result, two strategic endeavours were launched between 2020 and 2022 under the umbrella of the University of Alberta for Tomorrow (UAT): the academic restructure and the Service Excellence Transformation (SET) initiative. Both were bold in setting the foundation for living within the institution's means and making sustainable organizational changes. Operating and maintaining the volume of assets currently managed is no longer affordable and the University of Alberta must find a way to work within a smaller physical footprint, as many of our U15 peers do.

IAMS, coupled with UAT, situates all students, staff, faculty, visitors and community members as stewards of the university's buildings and grounds. How each uses the institution today has a direct impact on its future state.

### **Foundational Strategic Directions and Evidence to the Capital Plan**

To ensure continued excellence in research, teaching and community experience, the U of A has critically reviewed the state of its infrastructure, the use of space across the institution, the priorities and the emergent areas of growth and expansion, and worked through aligning user needs to space. This alignment was achieved through key foundational pieces:

- a) **Integrated Asset Management Strategy (IAMS)** focuses on caring for our campuses with the students, faculty and staff at the centre of our planning. There are goals and actions targeted best supporting the core mission of the institution through leveraging its buildings and assets. This, together with the subsequent Space Optimization Strategy, outlines opportunities to reduce our overall physical footprint. With this effort, the institution can save significantly on operational costs that can be redirected towards maintaining and renewing the remaining critical assets. Reductions in its physical

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

footprint also means that the institution can take the lead in the decarbonization of post-secondary institutions by reducing emissions. This will continue to pay dividends with reduced utility costs, especially where carbon prices are expected to continue to increase significantly over time.

- b) **Space Optimization Strategy (SOS)** was developed to identify outcomes, goals and actions to best right-size buildings and space. The strategy acknowledged the key areas where the University of Alberta exceeds its U15 peers. For example, the university has around 50 percent more lab space, 30 percent more classroom space and an almost 50 percent greater average size of its administrative offices than other U15 institutions.

The aspirational goals of the SOS are to reduce the institution's footprint by 15 per cent and become more financially and ecologically sustainable. The tangible goals include developing a new space governance structure and updating space policies, standards and usage guidelines.

The SOS has been shared across faculties and departments at the U of A and has been implemented in various stages to move towards a 15 per cent reduction in the institution's physical footprint. To-date, the institution has reduced its physical footprint by 1 per cent (over 59,000 sq. m and 75 buildings and structures) and found \$1M in savings from lease terminations and almost \$500,000 in annual cost avoidance from supported buildings. Two governance committees have been in place since Fall 2021. These, together with the comparative data and financial constraints the university is facing, help set the foundation for change, while ensuring excellence in the quality of teaching, learning and interdisciplinary research activities.

- c) **Deferred Maintenance Dashboard and Analyses** is a key resource that Facilities & Operations (F&O) provides to decision makers with asset condition and operational data to consider when prioritizing investment and developing strategy. By collecting, managing and reporting on this data, useful insights can be provided and leveraged to add dimensionality to the decision making processes of how the university takes care of its infrastructure. The following are examples of data that F&O collects and manages, and how it is used:
- Deferred Maintenance (DM) Data — building condition reports, prioritization of DM requirements based on risk and severity of impact
  - Operational Cost Data — annual cost reporting of facility operations including maintenance, custodial and utilities
  - People Counter Data — anonymous trends in space occupancy and usage

- d) **Classroom Schedule Optimization**



# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

The class schedule is a foundational part of the student experience. Although every effort is made to create the best possible student experience, the class schedule can significantly enhance or be a barrier on the students' pathway through their program. The university is at a critical juncture between focusing on enrollment growth over the next few years and working toward a smaller space footprint. The Office of the Registrar, in collaboration with areas that deliver programming, is working to improve classroom scheduling and meet the following goals:

- Create a schedule that supports enrolment growth
- Improve access to classes for students
- Provide flexibility to assign preferred rooms
- Optimize our use of teaching spaces
- Assign the most effective classrooms that meet learning and pedagogical needs

The optimization of the classroom schedule helps the university keep the growth of space inventory to a minimum, by increasing efficient usage of existing spaces. It also allows the U of A to invest in focused capital improvements to the quality, functionality and technical capabilities of core learning spaces.

**e) Review of External Party Space Use** is important to ensure the university is providing high-value real estate to the most appropriate external parties. The U of A has agreements with vendors (e.g., Starbucks), for events (e.g., a concert or celebration) and with large organizations that by virtue of the institution's respective mandates have collaboration on space use (e.g., Students' Union and Alberta Health Services). A challenging area, but one with the greatest opportunity, is where the U of A has partnerships with industry, external organizations and individual researchers that are incorporated and work largely outside the university's priorities. In these instances, it's important to ensure maximal value to the U of A from the third party's use of space. A more critical lens to this space use will enable opportunities for further consolidation, appropriate costing and/or stronger alignment to key research or innovation priorities.

**f) Enhancing Accessibility, Safety, Equity, Diversity and Inclusion and Indigenous Initiatives**

The University of Alberta has recently developed two important strategic plans: one for [Equity, Diversity and Inclusivity](#), and [Braiding Past, Present and Future](#) – the university's Indigenous Strategic Plan. These visionary plans, together with a deep commitment to enhance accessibility and safety, position the university's culture as one that values, supports and promotes equity, human rights and accountability among faculty, staff and students. As the university renews its physical infrastructure, best practices in accessibility, safety and inclusive design are being integrated to all upcoming capital project work.

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

All renovation projects are required to meet Alberta building and safety code requirements. The U of A's teams aim to go beyond what is required in these mandatory codes. The university requires health and safety training, testing and reporting for all construction sites and lab environments. The Protective Services team creates Crime Prevention Through Environmental Design (CPTED) studies for project teams to suggest improvements for personal safety, while in the design stage of a project. This may include suggestions for emergency lock-down situations, evacuation and access controls, as well as ensuring personal safety for staff and students with open sight lines. The latter was particularly important with the design for all stairwells in the revitalization of University Commons.

The University of Alberta Indigenous Strategic Plan incorporates three categories, as inspired by the three strands of a sweetgrass braid: looking to the past, in-powering the present and imagining the future. These categories describe Indigenous leadership, accountability, reporting, relationships, policy and reconciliation leadership, as well as supporting the recruitment, retention and completion of degrees for Indigenous students and staff. The plan calls for the removal of barriers and the creation of safe and welcoming spaces.

### Summary

Working together as One University, the University of Alberta harnesses its deep and wide-ranging interdisciplinary expertise to solve the world's most pressing problems.

Over the course of the next 10 years, the University of Alberta has the opportunity to simultaneously reduce, modernize and optimize its space with a goal of improving conditions, creating capacity for increased enrolment and expanded research and reducing the operational costs associated with the large infrastructure portfolio. These strategic decisions related to its buildings and assets best position the university for success in research, teaching and community experience

It is an exciting time for partnerships, growth and research excellence at the U of A. With a dedication to evidence-informed decision-making using analytics and modeling, and a spirit of collaboration across the university, this Capital Plan seeks to provide the roadmap towards a more sustainable, resilient and supportive infrastructure portfolio for the university.

# **CAPITAL PLAN 2023/24 - 2025/26**

## **DRAFT (FOR GOVERNANCE APPROVALS)**

### **Appendix 1: UNIVERSITY OF ALBERTA CAPITAL REQUESTS**

The University of Alberta has had considerable success in identifying opportunities to leverage funding and explore creative partnerships and project delivery models. This has been an inherently delicate endeavor considering its five distinct campuses, each of which serves unique and separate constituencies in Alberta.

This Capital Plan seeks to highlight existing priority projects that are under construction, but also to elevate the profile of several priority projects in different phases of ideation, planning and funding so as to demonstrate the alignment of the U of A's priorities, but also the consistency of its approach and values. The majority of these projects have also been submitted to the Government of Alberta's Building and Land Information Management System (BLIMS).

The identification of projects is based on the above referenced strategic directions. The current evidence of the state of the infrastructure, the emergent needs and growth of colleges and departments for teaching and research, support for innovation and commercialization activities and the foundational need for EDI, accessibility, safety and Indigenous initiatives will be key lenses for projects.

#### **List of Project Priorities**

- **Biological Sciences Complex - redevelopment (\$750 million)**
- **Integrated Health Sciences Innovation Complex (ECHA 2.0) (\$420 million for the university's portion)**
- Animal Research Labs - renewals (Phase 1: \$11 million)
- Athabasca Hall - redevelopment (\$14 million)
- Cameron Library - building envelope (\$29 million)
- Central Academic Building - renewal (\$14 million)
- Chemistry East Instruction Labs - renewals (\$27 million)
- Education Complex - redevelopment (\$316 million)
- South Academic Building - renewal (\$19 million)

#### **Provincial Support Priority**

1. Universiade Pavilion (Butterdome) - building envelope (\$27 million)

# **CAPITAL PLAN 2023/24 - 2025/26**

## **DRAFT (FOR GOVERNANCE APPROVALS)**

### **Capital Project Priorities with Descriptions**

|  |
|--|
| <b>Biological Sciences Complex - redevelopment</b>   |
| <b>Total Project Cost:</b> \$750 million (phased over 10 to 15 years)  |
| <p>The vision of this project is to enhance STEM education, research and experiential learning through modernizing the Biological Sciences Complex that includes multiple disciplines. There is incredible potential for increased interdisciplinarity and operational efficiency. Rather than continuing to house high service laboratories in a number of mixed-use buildings, the vision is to concentrate this space type in a maximal way and work with our college and faculty leaders to assign space based on colocation goals, demonstrated needs and opportunities to vacate other aging assets.</p> <p>In a 2022 draft of the Facility Master Plan, the Biological Sciences Complex could increase high service laboratory space by over one-third while being transformed into a high performance laboratory facility. The vision includes adopting a modular, efficient layout with core lab services as much as possible.</p> <p>The benefits are tenfold, as high service laboratory space is the most expensive to construct, operate and maintain. Students would benefit by having access to training in highly functional, modernized laboratories, while researchers could progress their work in reliable, functional spaces with access to increased lab support services and the potential to share or access more specialized infrastructure and equipment. The downstream benefits of optimizing and consolidating space allow the university to retire at least one stand-alone aging and underutilized asset and repurpose and further vacate space for other academic priorities.</p> <p>Additionally, a full redevelopment and modernization of the Biological Sciences Complex would reduce deferred maintenance by \$82 million (five-year maintenance projection) and \$98.6 million in the long run (20-year maintenance projection). The Biological Sciences Complex is the largest source of deferred maintenance at the university.</p> <p>All affected and potential stakeholders will be engaged in the forthcoming planning phases.</p> |

|  |
|--|
| <b>Integrated Health Sciences Innovation Complex (ECHA 2.0)</b>          |
| <b>Total Project Cost:</b> \$420 million (University of Alberta portion) |

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

The Alberta Health Services (AHS) vision is to develop an active treatment hospital for pediatric care, focused on accelerating advances in health-care provision, training and innovation. The University of Alberta is proposing the potential of a new Pediatric Care and Health Sciences Innovation Complex, that would be a shared and integrated space for active care, clinicians, students, faculty and staff. It would create care capacity, interdisciplinary innovation and health-care training in a state-of-the-art facility with specialized medical systems and technologies.

While in early ideation discussions, it could be a new health sciences complex, with a goal to consolidate high service laboratory space in one location and enable the consolidation of academic office space into a repurposed Medical Sciences Building (MSB), which has aging infrastructure that is too costly and challenging to refurbish in its current state. In time, and with focused investment, the long term benefit would allow the university to further work towards vacating aging assets.

The downstream benefit is that this project first requires the university to vacate and decommission RTF which would reduce the deferred maintenance by \$10.5 million (five-year maintenance projection) and \$15 million in the long run (20-year maintenance projection).

A Health Sciences Master Plan will proceed in 2023 to test and progress this concept. All affected potential stakeholders will be engaged in the forthcoming programming and planning phases.

### **Animal Research Labs - renewal**

**Total Project Cost:** \$11 million

The goal is to improve animal lab provisions to meet compliance needs. Spaces require modernization and renewal to maintain CCAC compliance, improve infrastructure and prevent any detrimental impacts to research integrity at the university. Animal research areas are highly sensitive in nature and require special conditions. Consolidating and renewing them where possible creates operational and infrastructure efficiencies, while improving the reliability of research activities.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

### **Athabasca Hall - redevelopment**

**Total Project Cost:** \$14 million

The goal would be to renovate Athabasca Hall to potentially house a department from the Faculty of Arts as part of the effort to vacate the Humanities Building. Discussions with the Faculty of Arts are underway and domino planning is integral for all their needs and resultant spaces. With Athabasca Hall becoming available in 2024, consultation and programming work will proceed in 2023 starting with a Faculty Master Plan.

Athabasca Hall is one of the key hallmark buildings that flank the open green space called the Quad. The hall served as a student residence in the early 1900s and was built using wood frame construction with a lighter structural capacity, which best serves an academic office environment. This renewal would modernize the building's infrastructure systems and allow for a more optimized footprint with improved functionality in the heart of north campus.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

### **Cameron Library - building envelope**

**Total Project Cost:** \$29 million

The goal is to replace the failing building envelope for Cameron Library to reduce the deferred maintenance liability and utility costs. Building envelopes for aging assets must be replaced to extend the life and functionality of the asset.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

### **Central Academic Building - renewal**

**Total Project Cost:** \$14 million

The vision is to renew levels four to six of the Central Academic Building (CAB) in order to house an academic department that would come out of the Biological Sciences Building. The space in CAB will become available for renewal in 2024 when the existing occupants relocate to University Commons. Engagement, planning and design will proceed in 2023.

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

From a strategic planning perspective, the renewal of levels four to six would allow for work in the Biological Sciences Complex (project #1 listed above) to progress.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

### **Chemistry East Instruction Labs - renewal**

**Total Project Cost:** \$27 million

The goal is to renew the remaining Chemistry Instruction Labs in the Chemistry East Building. This would include the redevelopment of the floor plates to allow for more densified lab spaces resulting in an overall increase in available teaching labs to support additional student population growth.

The building and research labs in Chemistry West have now been fully renewed. The instruction labs of Chemistry East are all that are now left to renew the Chemistry Complex. This work allows for a significant optimization of laboratory space.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

### **Education Complex - redevelopment**

**Total Project Cost:** \$316 million

The vision is to modernize and redevelop the Education Complex to allow the university to gain efficiencies in space, while improving the student, faculty and staff experience. The Faculty of Education could be consolidated in one of the towers, which could free up the other tower for other College of Social Sciences and Humanities' needs.

Additionally, the Education Complex would house replacement classrooms from the Humanities Centre. A spatial master plan for the Education Complex was completed in Spring 2022 to allow Facilities & Operations to understand options for space type and capacity together with a corresponding high-level estimate. Upcoming engagement with the Faculty of Arts will work toward the development of a master plan.

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

The redevelopment scope would include the complete building infrastructure renewal of architectural, electrical and mechanical infrastructure systems and the aging building envelope. This project would allow for the reduction of the deferred maintenance of the Education Complex by **\$50.1 million** (five-year maintenance projection) and **\$60.7 million** in the long run (20-year maintenance projection).

All affected and potential stakeholders will be engaged in the forthcoming programming and planning phases.

### South Academic Building - renewal

**Total Project Cost:** \$19 million

The vision is focused on the renovations of levels one, two and three, which would be as student-focused as possible in collaboration with the Office of the Dean of Students.

With the opening of University Commons in 2024, some executive units will be relocated. This project would consolidate the remaining executive units and renew the vacated space for student success functions such as the Exam Centre, Learning Assessment Centre and other academic student service priorities from the Office of the Dean of Students that could benefit from a direct adjacency to University Commons. This creates a better student experience, operational efficiencies, while optimizing vacated space.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

## Provincial Support Priority

### Universiade Pavilion (Butterdome) - building envelope

**Total Project Cost:** \$27 million

The goal is to replace the failing building envelope of Universiade Pavilion (Butterdome). The Butterdome is an iconic landmark for the University of Alberta which is used to host many sporting events, training and community events like craft sales. This building has supported many large-scale initiatives driven by the province including pandemic preparations, back-up emergency evacuation plans for city events and post-flooding services. A renewal of the



# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

Butterdome would be as advantageous to the province and the City of Edmonton as much as it would be to the U of A.

It has a significant deferred maintenance challenge as a result of the failed building envelope, which increases risk for ice forming on the exterior and potentially falling to the sidewalk.

This is our Provincial Priority Project, as the Butterdome is a significant part of emergency response situations for the Government of Alberta.

All affected and potential stakeholders will be engaged in the forthcoming planning phases.

### Appendix 2: CAPITAL BUDGET

(\$000's)

| Project  | 2023-24        | 2024-25       | 2025-26       |
|--|----------------|---------------|---------------|
|  | Budget         | Projection    | Projection    |
| University Commons Renewal & Repurpose                                   | 36,395         | 42,231        | -             |
| Bio Science - Zoology Wing - Levels 4, 5, 10 & 11, Wet Lab Modernization | 10,750         | 15,000        | -             |
| Tory - Business Atrium Skylight Renewal (CEAR 22-070) CP-00460           | 7,623          | -             | -             |
| Residence Occupancy maintenance and upgrade projects                     | 5,635          | 5,450         | 6,628         |
| CSJ Library and Electrical Vault upgrade                                 | 5,100          | -             | -             |
| District Energy System (DES)   | 4,443          | -             | -             |
| SUB New Electrical Vault   | 3,398          | -             | -             |
| Cooling Plant River Water Intake Piping Repair                           | 3,082          | -             | -             |
| Chemistry West Fan Wall Replacement                                      | 2,959          | -             | -             |
| <b>Subtotal</b>  | <b>79,385</b>  | <b>62,681</b> | <b>6,628</b>  |
| Other Capital Projects   | 26,446         | 11,385        | 4,365         |
| CMR Capital*   | 16,399         | 3,905         | 22,150        |
| <b>Total tangible capital acquisitions</b>                               | <b>122,230</b> | <b>77,971</b> | <b>33,143</b> |

\*CMR projects included in both maintenance and TCA.

Projects only shown 3 years spending projections, projects can be spanned over multiple years.

### Other Capital Projects

|                               | Sum of<br>2023-2024<br>Projection | Sum of<br>2024-2025<br>Projection | Sum of<br>2025-2026<br>Projection |
|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Other Capital Projects</b> |                                   |                                   |                                   |

## CAPITAL PLAN 2023/24 - 2025/26

### DRAFT (FOR GOVERNANCE APPROVALS)

|   |           |           |           |
|---|-----------|-----------|-----------|
| Alberta High Containment Research Infrastructure (AHCRI)                      | 600,000   | 4,500,000 | 1,800,000 |
| Anderson Hall - Replace incandescent exit signs                               | -         | 5,000     | -         |
| Anderson Hall - Replace original aluminum windows in the lounges              | -         | 20,000    | -         |
| Anderson Hall - Supply fire alarm system                                      | 150,000   | -         | -         |
| Augustana Campus - Ravine residents complex - Power entrance facility upgrade | 500,000   | -         | -         |
| BARB Mechanical Ventilation   | 2,000,000 | 1,100,000 | -         |
| Bergh Hall - Code review upgrades   | -         | -         | 230,000   |
| Bergh Hall - Fire alarm renewal   | 150,000   | -         | -         |
| Bio Sci - Aquatics - Room-level alarming on water tanks                       | 75,000    | -         | -         |
| Biological Sciences Renewal 18-034  | 550,000   | -         | -         |
| CAB Perimeter Induction Replacement CEAR 22-064                               | 27,829    | -         | -         |
| CAB Renewal - Phase 3 CEAR 22-066   | 100,000   | -         | -         |
| CFI Concept Planning Services years 2022-2023 CEAR 22-083                     | 397,264   | -         | -         |
| CMEB Aircurity Upgrade Project CEAR 22-059                                    | 70,000    | -         | -         |

## CAPITAL PLAN 2023/24 - 2025/26 DRAFT (FOR GOVERNANCE APPROVALS)

|   |           |           |         |
|---|-----------|-----------|---------|
| College of Health Sciences  | 1,500,000 | 500,000   | -       |
| College of Natural and Applied Sciences   | 1,500,000 | 500,000   | -       |
| Commons Lounge - Install a new alarm control system   | -         | 55,000    | -       |
| Construction of North Tower Chemical Materials Engineering Building (CME) Core and Shell. Innovation Centre for Engineering (ICE) Core and shell and fitout final cost \$136,003,084.26 part of the cost is housed in FMIS. CEAR 08-084 | 196,410   | -         | -       |
| CSJ - Library - Two new digital learning (CEAR 22-057) - Two classrooms   | 1,000,000 | -         | -       |
| Dining Hall expansion including PLH upgrade to accommodate 2500 students D74111 Dining  | 1,250,000 | 1,675,000 | 975,000 |
| ECERF Nano FAB Lab Ventilation Upgrade and Renewal (CEAR 18-090)  | 1,438,563 | -         | -       |
| Education Masterplan 22-072   | 204,850   | -         | -       |
| Education South - First People's House and the Transitional Year Program  | 2,000,000 | 1,000,000 | -       |
| Emily Murphy House Renovation - Ring House 3 Decant 21-027  | 6,825     | -         | -       |
| Energy Management - Next General L Year 3 Envision 3 Programs   | 300,000   | -         | -       |

## CAPITAL PLAN 2023/24 - 2025/26

### DRAFT (FOR GOVERNANCE APPROVALS)

|  |           |         |         |
|--|-----------|---------|---------|
| Energy Management - Next General Year 4 Envision 4 Programs  | 300,000   | -       | -       |
| ESQ Admin Consolidation Phase 2 (CEAR 21-052 & 21-050)   | 750,000   | -       | -       |
| ETLC Engineering Incubator Space (CEAR 22-027)   | 150,000   | -       | -       |
| Gateway Signs and UA Physical Installations Project CEAR 22-092  | 75,000    | -       | -       |
| Health Sciences Library ECHA Integration (CEAR 21-031)   | 1,931,445 | -       | -       |
| Hoyme Complex - Central Hall - Renew all four 120/208 V, branch electrical panels. Each panel to have at least 64 circuits | 45,000    | -       | -       |
| Hoyme Complex - Central Hall - Renew branch circuit panelboard 227/80 V, 225 amp., 42 circuits                             | 20,000    | -       | -       |
| Hoyme Complex - East and West Halls - Renew the CDP Electrical panel in H044   | 20,000    | -       | -       |
| Hoyme Complex - East and West Halls - Repair foundation walls in H009, H011 and H013                                       | 125,000   | -       | -       |
| HUB Common Space Renovation - Commercial Leasing D741725   | 700,000   | -       | -       |
| Humanities and Social Sciences - Core Lab Development  | -         | 500,000 | 500,000 |
| Laser Lab Safety Code Upgrade Program  | 250,000   | 250,000 | 250,000 |
| Law Lounge and Classroom 113   | -         | -       | -       |

## CAPITAL PLAN 2023/24 - 2025/26 DRAFT (FOR GOVERNANCE APPROVALS)

|  |         |         |         |
|--|---------|---------|---------|
| Renewal (CEAR 21-061)  | 200,000 | -       |         |
| Lister Centre Classic Towers<br>Deferred Maintenance and<br>Functional Renewal: Heday Hall<br>(CEAR 18-111)  | 160,000 | -       | -       |
| Lister Centre Classic Towers<br>Deferred Maintenance and<br>Functional Renewal: Kelsey Hall<br>(CEAR 18-111) | 750,000 | -       | -       |
| Marken Hall - Change fire alarm<br>system  | -       | 200,000 | -       |
| Marken Hall - Perform a code review  | -       | -       | 15,000  |
| Marken Hall - Replace the three<br>electrical branch panels  | 20,000  | -       | -       |
| Mechanical Engineering Building<br>Renewal Study (CEAR 18-030)   | 147,013 | -       | -       |
| Michener Park Pre-Development<br>(CEAR 19-017)   | 200,000 | -       | -       |
| Moi Hall - Code review upgrades  | -       | -       | 230,000 |
| Moi Hall - Replace the three electrical<br>branch panels   | 20,000  | -       | -       |
| Morrison Structures Lab PSCR and<br>Renewal Options (CEAR 18-088)  | 327,680 | -       | -       |
| North Campus Radio<br>Communications System<br>Replacement (CEAR 21-030)                                     | 210,270 | -       | -       |
| Preventative Predictive Maintenance<br>Pilot Project CEAR 19-005   | 104,555 | -       | -       |

## CAPITAL PLAN 2023/24 - 2025/26 DRAFT (FOR GOVERNANCE APPROVALS)

|   |           |         |           |
|---|-----------|---------|-----------|
| Project Management For Aga Khan Garden DBG CEAR 16-080  | 5,702     | -       | -         |
| Renovate three units in CAB - Commercial Leasing D741725  | 150,000   | -       | -         |
| Renovate three units in HUB - Commercial Leasing D741725  | 150,000   | -       | -         |
| Ronning Hall - Perform code review  | -         | -       | 15,000.00 |
| Ronning Hall - Replace the three electrical branch panels   | 20,000    | -       | -         |
| Ronning Hall - Update fire alarm system   | 100,000   | -       | -         |
| RSF S/O 22/23 Campus-wide replacement of building interior components specifically for lab facilities as identified by the Canadian Council of Animal Care (CCAC) reports | 200,000   | 200,000 | 200,000   |
| RSF SO 22/23 Annual Re-certification of Biocontainment Lab Facilities   | 50,000    | 50,000  | 50,000    |
| RSF SO 22/23 Failed Eyewash/Shower Station Program  | 50,000    | 50,000  | 50,000    |
| RSF Standing Open - Annual re-certification of fume hoods   | 50,000    | 50,000  | 50,000    |
| School of Business - Student Collaboration Space  | 1,250,000 | -       | -         |
| SIF - CME Levels L3, L2, L1,1, 8TH floor SIF project 35374 CEAR 17-018  | 96,400    | -       | -         |

## CAPITAL PLAN 2023/24 - 2025/26 DRAFT (FOR GOVERNANCE APPROVALS)

|   |                   |                   |                  |
|---|-------------------|-------------------|------------------|
| SIF - ECERF floors 2 & 7 (SIF PROJECT# 35332) Cost also in AIM project 2913 \$193,790.94CEAR 17-018 | 85,303            | -                 | -                |
| Solheim Hall - Code review upgrades   | -                 | 230,000           | -                |
| Solheim Hall - Replace the three electrical branch panels   | 20,000            | -                 | -                |
| South Campus - Infrastructure development of site and utilities services 16-046CEAR 16-046          | 350,000           | -                 | -                |
| South Campus Tennis Courts (CEAR 21-041)  | 2,426,014         | -                 | -                |
| Space Inventory 22-068  | 50,000            | -                 | -                |
| Space Optimization  | 1,500,000         | 500,000           | -                |
| Telus Centre Museums Collections Mech Upgrades (CEAR 22-071)  | 369,672           | -                 | -                |
| <b>Grand Total</b>  | <b>27,445,800</b> | <b>11,385,000</b> | <b>4,365,000</b> |

### Capital Maintenance Renewal (CMR) Projects

| <b>CMR Projects</b>  | <b>Sum of 2023-2024 Projection</b> | <b>Sum of 2024-2025 Projection</b> | <b>Sum of 2025-2026 Projection</b> |
|--|------------------------------------|------------------------------------|------------------------------------|
| Biological Sciences Elevator 92 and 96 Modernization (CEAR 19-093) | 325,216.00                         | -                                  |                                    |

## CAPITAL PLAN 2023/24 - 2025/26 DRAFT (FOR GOVERNANCE APPROVALS)

|  |              |              |              |
|--|--------------|--------------|--------------|
| Butterdome Building Envelope Renewal                               |              |              | 500,000.00   |
| CAB - Floor Renewals: Floors 2 - 6 incl. perimeter heating         |              |              | 500,000.00   |
| Cameron Library Building Envelope Renewal                          |              |              | 500,000.00   |
| Cameron Library Elevator 39, 40 and 42 Modernization (CEAR 19-092) | 372,568.00   | -            |              |
| Chemistry Centre - East roof repair/replacement                    |              | 5,000.00     | 2,000,000.00 |
| Chemistry East Exhaust Fan System (CEAR 22-046)                    | 2,910,225.22 | -            |              |
| Chemistry West RCMS-BAS Migration                                  |              |              | 300,000.00   |
| FSJ RCMS-BAS Migration   |              | 400,000.00   | 400,000.00   |
| Install Backflow Preventers across Campus (50 buildings)           |              | 1,500,000.00 | -            |
| MMS, Lister Hall and Southfield Car Park RCMS-BAS Migration        |              |              | 200,000.00   |
| RE Phillips Ventilation Upgrade                                    | 150,000.00   | 600,000.00   | 750,000.00   |
| RTF Decant Interior Renewals                                       | 2,000,000.00 |              | -            |
| Rutherford Complex Electrical Vault Replacement                    |              | 500,000.00   | 7,000,000.00 |
| South Academic Building - Floor renewals levels 1-3                |              |              | 500,000.00   |
| SUB Mechanical (Steam station, outdated                            |              |              |              |



## CAPITAL PLAN 2023/24 - 2025/26

### DRAFT (FOR GOVERNANCE APPROVALS)

|  |              |            |              |
|--|--------------|------------|--------------|
| DHW heat exchangers and pumps)   |              |            | 2,000,000.00 |
| Tory - Replace supply fans serving interior/lower floor induction unit fans with FanWall   |              | 400,000.00 | 2,000,000.00 |
| Tory Service Vault Replacements  |              | 500,000.00 | 4,500,000.00 |
| Tory Tower Mechanical Upgrade (CEAR 20-055)  | 1,116,992.98 | -          |              |
| University Terrace - Changeout existing Simplex Classic 4100+ panel, speaker strobes and perform code upgrades   |              |            | 1,000,000.00 |
| DeltaV Upgrade (DVUpgradeE01) CEAR : 23-014. Upgrade the hardware and software for the DeltaV distributed control system. Includes upgrading controllers, switches, workstations as well as software version | 550,000.00   | -          |              |
| Boiler #4 burner management system and combustion equipment replacement  | 1,450,000.00 | -          |              |
| ACC VFD Replacement/ Heating Plant VFD MC13  | 175,000.00   | -          |              |
| Renewal/replacement of the roof that has exceeded its life cycle CMR Bldg Systems 2021-2022  | 1,994,378.94 | -          |              |
| Renewal/replacement of the roof that has exceeded its life cycle CMR Bldg Systems 2021-2022 project moved to 2022-2023   | 2,187,954.74 | -          |              |
| Athabasca Hall Electrical Upgrade CEAR 22-041  | 1,080,570.46 | -          |              |
| University Terrace Elevator Modernization (CEAR 22-037)  | 500,000.00   | -          |              |

# CAPITAL PLAN 2023/24 - 2025/26

## DRAFT (FOR GOVERNANCE APPROVALS)

|  |                      |                     |                      |
|--|----------------------|---------------------|----------------------|
| Computing Science - Replacement of high voltage distribution buildings CEAR - 22-030 | 1,585,707.56         | -                   |                      |
| <b>Grand Total</b>   | <b>16,398,613.90</b> | <b>3,905,000.00</b> | <b>22,150,000.00</b> |

# CAPITAL PLAN

2023/24 - 2025/26

**Andrew Sharman**  
Vice-President (Facilities and Operations)



**UNIVERSITY  
OF ALBERTA**

# Capital Plan

- **Long-term/long runway**
- **Primacy of supporting teaching, research, and enhancing student experience**
- **Integrated Asset Management Strategy and Space Optimization Strategy guide all decisions**

# Capital Plan Priorities

- **Biological Sciences - redevelopment**
- **Health Sciences (ECHA 2.0) - replacement**
- **Animal research labs - renewal**
- **Athabasca Hall - redevelopment**
- **Cameron Library - building envelope**
- **Central Academic Building - renewal**
- **Chemistry East (instruction labs) - renewal**
- **Education Complex - full development**
- **South Academic Building - renewal**
- *Universiade Pavilion - building envelope*

**Governance Executive Summary**
**Action Item**

|                     |   |
|---------------------|---|
| <b>Agenda Title</b> | <b>Budget Model 2.0 Principles and Update</b> |
|---------------------|---|

**Motion**

THAT the Board Finance and Property Committee, on the recommendation of General Faculties Council, recommend the Board of Governors approve the Budget Model Principles, as set forth in Attachment 1, to take effect upon final approval, for Budget Model 2.0

*Note: this motion is pending a recommendation from General Faculties Council on March 20.*

**Item**

|             |  |
|-------------|--|
| Proposed by | Todd Gilchrist, Vice-President (University Services and Finance)<br>Verna Yiu, Interim Provost and Vice-President (Academic) |
| Presenter   | Todd Gilchrist, Vice-President (University Services and Finance)<br>Verna Yiu, Interim Provost and Vice-President (Academic) |

**Details**

|  |   |
|--|---|
| Office of Administrative Responsibility  | Office of the Vice-President (University Services and Finance)<br>Office of the Provost and Vice-President (Academic)   |
| The Purpose of the Proposal is (please be specific)                                    | That the Board Finance and Property Committee recommend the Board of Governors approve the Budget Model Principles, as set forth in Attachment 1, to take effect upon final approval.   |
| Executive Summary<br>( <i>outline the specific item – and remember your audience</i> ) | <p><b>Current Status</b></p> <p>The development of Budget Model 2.0 is progressing forward with two streams of consultation. The following provides an update to the Board Finance and Property Committee members since the update provided at the Budget Briefing, held on February 16.</p> <p><b>Budget Model Principles</b></p> <p>Consultation on the Budget Model Principles commenced with the President's Executive Committee - Strategic (PEC-S) on February 14., followed by a discussion at the Senior Leadership Retreat, at a special Chairs Council meeting held on February 21, and most recently at the General Faculties Council held on February 27. At each session, the budget model principle discussion reviewed the existing six principles (as approved in 2017) and introduced three additional principles. Members of GFC were provided with an opportunity to provide written feedback following the meeting.</p> <p>The following six principles were originally approved in 2017 and remain in the proposed principles. Following discussion at PEC-S, the first principal, as reflected below, was reworded.</p> <p><b>1. Priority of Academic Needs</b> (<i>approved in 2017 as Supremacy of Academic Priorities</i>)</p> <p>Reinforcing this continues to be paramount. In the previous model faculties were spending their budgets delivering administrative activities, not core teaching and research. This principle does not mean that faculties getting less is a bad idea. Instead, this means that the</p> |



**Item No. 5**

new model will ensure that college and faculty resources are directed towards teaching and research, rather than administrative activities, and that professional services actively support colleges and faculties to achieve the academic mission.

**2. Transparency**

Under the previous budget model, faculties were allocated a proportionate share of the grant based on teaching and research activity. While it was formulaic, it was not transparent because faculties had no way of predicting how a change in their teaching or research activity impacted the actual base operating budget. The new model needs to more clearly tie activity to budget allocation so that faculties are incentivized to pursue enrolment and research growth. It also needs to clearly show where the allocated budget comes from in order for faculties and staff to plan more strategically.

**3. Accountability**

Under the previous budget model, the allocation of the Campus Alberta Grant (now the Operating and Program Support Grant) was based on historical cost structures in the faculties and historical expenditures of central portfolios. Units and faculties have come to rely on the funding they have been given, and feel entitled to this funding. The new model needs clear accountability mechanisms that ensure central support portfolios, colleges and faculties, are delivering on outcomes and this means including some form of performance-based funding aligned with institutional goals.

**4. Simplicity**

The design of the previous budget model includes numerous different allocation rules depending on where the funding is coming from. It also includes a complex weighting formula (the Basic Revenue Unit) to allocate the grant for teaching. Because of the numerous rules, and the fact that the grant was then proportionately shared out, it made it very difficult for faculties to determine how a change in their activity would result in a change in their budget. The model and its incentives need to be simple and easy to understand so that units can promptly act on the incentives the model creates.

**5. Consistency and 6. Predictability**

While the formulae of the model were applied consistently across faculties, the previous budget model leaves portfolios and academic units overly exposed to funding shocks - like that which the university experienced over the last three years. It also limited the capacity to conduct long-term planning towards university goals, with planning dominated by year-on-year changes in government grants. The new model needs to break that cycle, and ensure the ability to moderate the impacts of funding fluctuations into the future.

The following 3 principles were presented to the General Faculties Council and the Board of Governors in spring 2022 and have been incorporated into the current proposal.

**1. Equity** *(updated context following consultation)*

Item No. 5

To realize the One University vision, the budget model accounts for equity in resource allocation, which accounts for variations in circumstances and needs across units.

Equity as a principle is grounded in justice in resource allocation, which understands that not all circumstances are the same in getting to our desired achievement as One University. Equity requires that different treatments are considered and enacted to address the inequalities of privilege, dominance, and marginalization. Equity as a principle demonstrates the commitment to the One University vision, focusing on working together to benefit teaching and research outcomes.

**2. Collaboration**

This reflects the One University vision, and ensures that mechanisms in the budget model do not unintentionally inhibit collaboration, and instead, encourage it. It also means that the budget model should encourage resource allocation decisions that serve the entirety of the university rather than any individual portfolio, college or faculty in isolation.

**3. Strategic**

It is critical that the budget model ensures that the university is able to deliver on the institutional goals. This includes ensuring that there is sufficient funding for strategic initiatives and that the model creates the right incentives with respect to enrollment growth and research

---

**Background**

The previous budget model, developed in consultation with the General Faculties Council in 2017, determined that an activity-based model would be best for the university moving forward. Due to the COVID-19 pandemic and reductions to the Operating and Program Support Grant, it was determined that the budget model was no longer applicable or usable in support of the university.

In June 2022, administration delayed the development of Budget Model 2.0 by a year to allow for leadership transition and further consultation and engagement to develop the right model. The Budget Model 2.0 design process was relaunched over the past few months and the new model will be implemented for Fiscal Year 2024-25.

The university needs a new budget model for three key reasons:

1. The \$222M (34%) reduction in our Campus Alberta Grant (now the Operating and Program Support Grant) has fundamentally impacted our revenue streams. Prior to the reductions, within the previous budget model, there was adequate government funding to cover the cost of base central service operations as well as funding for faculty operation and research support. The Operating and Program Support Grant is no longer adequate to fund what it once did.
2. The current model leaves the university exposed to changes in the Operating and Program Support Grant which creates



## Item No. 5

|                                 |  |
|---------------------------------|--|
|                                 | <p>shortfalls, uncertainty and funding shocks across academic and administrative units as experienced over the last three years.</p> <p>3. The current model will not support our objective of achieving a University for Tomorrow. It does not create the right incentives concerning enrollment growth and research and limits our capacity to plan long-term.</p> <p>Budget Model 2.0 will be designed to support the One University vision and the new operating model. The new model will focus on sustainability and enable the university to plan long-term while creating incentives with respect to enrolment growth and research targets, cost controls and reducing exposure to external funding fluctuations. The new model will provide data transparency and incentives to faculty and colleges to support data-based decision-making.</p> <p><b>Expert Groups</b><br/>Budget Model 2.0 is being designed in consultation with five Expert Groups. Each Budget Model 2.0 Expert Group has met for two of three sessions and members of all groups met for an information sharing session on February 22.. There is one additional meeting for each of the Expert Groups as well as two additional information sharing sessions scheduled for Thursday March 9., and following the third round of Expert Group meetings. The information sharing sessions provide an opportunity to review, discuss and inform end to end intersections in the model.</p> <p>During the Senior Leaders Retreat (attendees included senior executive, associate vice-presidents, deans, and portfolio chief of staff), breakout groups, chaired by the vice-chairs of each Expert Group were held to discuss the Expert Group questions. The breakout groups aligned with the topics of the Expert Groups:</p> <ol style="list-style-type: none"> <li>1. Tuition Revenue Sharing (Chair Verna Yiu, Vice-Chair Melissa Padfield);</li> <li>2. Central Services &amp; Functional Efficiency (Chair Todd Gilchrist, Vice-Chair Andrew Sharman);</li> <li>3. Research Support &amp; Growth (Chair Verna Yiu, Vice-Chair Aminah Robinson);</li> <li>4. Strategic Initiatives &amp; Subvention (Chair Verna Yiu, Vice-Chair Todd Gilchrist); and</li> <li>5. Multi-year budget mechanisms, Performance Incentives &amp; Carry-forwards (Chair Todd Gilchrist, Vice-Chair Martin Coutts).</li> </ol> <p>Feedback from the discussion will be considered when compiling the recommendations from all groups.</p> <p><b>Risks and Opportunities</b><br/>Budget Model 2.0 provides the organization with the opportunity to implement a budget model that supports the organizational structure and mitigates the risks associated with the previous budget model.</p> |
| Supplementary Notes and context | <This section is for use by University Governance only to outline governance process.>   |

**Engagement and Routing** (Include proposed plan)

|   |   |
|---|---|
| Consultation and Stakeholder Participation            | <p><u>Budget Model Principles</u></p> <p>Consultation as follows:</p> <ul style="list-style-type: none"> <li>• PEC-S: February 14.</li> <li>• Academic Planning Committee (APC)/Board of Governors (BOG) Joint Budget Briefing: February 16.</li> <li>• Senior Leaders Retreat: February 17.</li> <li>• Chairs Council: February 21.</li> <li>• General Faculties Council (GFC): February 27 with an opportunity to provide written feedback.</li> <li>• Jennifer Tupper, Dean, Faculty of Education and Carrie Smith, Vice-Provost, Equity, Diversity, and Inclusion consulted in the development of the “Equity” principle.</li> <li>• Board Finance &amp; Property Committee (BFPC): March 9.</li> </ul> <p><u>Expert Groups</u></p> <p>Deans and Vice-Presidents are invited to be in at least one Expert Working Group. Representatives from Chairs Council are included within each group along with support from Resource Planning and Performance Analytics &amp; Institutional Research.</p> <p>Updates and opportunities for feedback have been provided to PEC-S, Chairs Council, Statutory Deans’ Council, College Deans, and Senior Leaders.</p> <p>Updates will be provided to the wider university community through multiple channels including a scheduled townhall on March 29.</p> |
| Approval Route (Governance) (including meeting dates) | <ul style="list-style-type: none"> <li>• APC: March 8(for recommendation)</li> <li>• BFPC: March 9 (for recommendation)</li> <li>• GFC: March 20 (for recommendation)</li> <li>• Board of Governors: March 24 (for final approval)</li> </ul>   |

**Strategic Alignment**

|   |   |   |   |
|---|---|---|---|
| Alignment with <i>For the Public Good</i>   | <p><i>For the Public Good (Sustain):</i></p> <p>Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all Albertans.</p> <p>OBJECTIVE 22: Secure and steward financial resources to sustain, enhance, promote, and facilitate the university’s core mission and strategic goals.</p> <p>iii. Strategy: Ensure responsible and accountable stewardship of the university’s resources and demonstrate to government, donors, alumni, and community members the efficient and careful use of public and donor funds.</p>  |   |   |
| Alignment with Core Risk Area   | <p>Please note below the specific institutional risk(s) this proposal is addressing.</p> <table border="0" data-bbox="581 1812 1541 2013"> <tr> <td data-bbox="581 1812 1089 2013"> <input type="checkbox"/> Enrolment Management<br/> <input type="checkbox"/> Faculty and Staff<br/> <input checked="" type="checkbox"/> Funding and Resource Management<br/> <input type="checkbox"/> IT Services, Software and Hardware         </td> <td data-bbox="1089 1812 1541 2013"> <input type="checkbox"/> Relationship with Stakeholders<br/> <input type="checkbox"/> Reputation<br/> <input type="checkbox"/> Research Enterprise<br/> <input type="checkbox"/> Safety<br/> <input type="checkbox"/> Student Success         </td> </tr> </table> | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input type="checkbox"/> Student Success |
| <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input type="checkbox"/> Student Success   |   |   |



**Item No. 5**

|   |  |  |
|---|--|--|
|   | <input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure |  |
| Legislative Compliance and jurisdiction | Board Audit and Risk Committee Terms of Reference.   |  |

**Attachments**

1. Proposed Budget Model Principles (1 page) - **FOR APPROVAL**

*Prepared by:* Todd Gilchrist, Vice-President (University Services and Finance), [todd.gilchrist@ualberta.ca](mailto:todd.gilchrist@ualberta.ca)  
Verna Yiu, Interim Provost and Vice-President (Academic), [pvpa@ualberta.ca](mailto:pvpa@ualberta.ca)

**Date:** March 6, 2023

## **Proposed Budget Model Principles**

- 1. Priority of Academic Needs**  
The model gives priority to the university's core mission of teaching and research.
- 2. Transparency**  
The rationale, process and outcomes of resource allocation decisions are transparent.
- 3. Accountability**  
College, faculty and central support unit leaders are responsible and accountable for local resource allocation decisions.
- 4. Simplicity**  
The budget model and process is clear and easy to understand so that it informs responsible local decision-making.
- 5. Consistency**  
The resource allocation rules are applied consistently across all faculties and central support units.
- 6. Predictability**  
The resource allocation method is predictable, to facilitate long-term budget planning.
- 7. Equity**  
To realize the One University vision, the budget model accounts for equity in resource allocation, which accounts for variations in circumstances and needs across units.
- 8. Collaboration**  
The model provides incentives for collaboration and behaviours that support the university as a whole.
- 9. Strategic**  
The model aligns resources with institutional strategic priorities.

**Governance Executive Summary  
Action Item**

|                     |   |
|---------------------|---|
| <b>Agenda Title</b> | <b>Proposed Change to Non-Regulated Exclusion to Program Fees,<br/>Proposed New Non-Regulated Exclusion to Program Fees</b> |
|---------------------|---|

**Motions**

|  |
|--|
| <p><b>Motion 1:</b> THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve the proposed Change to Non-Regulated Exclusion to Program Fees for the Faculty of Nursing (set forth in Attachment 1).</p> <p><b>Motion 2:</b> THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve the proposed New Non-Regulated Exclusion to Program Fees for the School in Cortona (set forth in Attachment 1).</p> |
|--|

**Item**

|                  |  |
|------------------|--|
| Action Requested | <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation                             |
| Proposed by      | Vice-Provost and University Registrar and the Faculties and Departments that have proposed new and changed fees. |
| Presenter(s)     | Norma Rodenburg, Acting Vice-Provost and University Registrar  |

**Details**

|  |   |
|--|---|
| Responsibility   | Provost and Vice-President (Academic)   |
| The Purpose of the Proposal is<br><i>(please be specific)</i>                        | <p>The Alberta Tuition Framework outlines how tuition and fees are regulated in Alberta. This proposal is related to a fee type titled <b>Exclusions to Program Fees</b> which are defined as mandatory fees for the following materials and services that facilitate instruction:</p> <ul style="list-style-type: none"> <li>• Equipment and material retained or leased by the student</li> <li>• Work placements for which provincial funding has not been provided, and</li> <li>• Travel for field trips and/or practicums</li> </ul> <p>The purpose of this item is to approve 2 proposals:</p> <ul style="list-style-type: none"> <li>• Faculty of Nursing: Change to an existing Exclusion to Program Fee</li> <li>• Faculty of Arts: Creation of a new Exclusion to Program Fee</li> </ul> |
| Executive Summary<br><i>(outline the specific item – and remember your audience)</i> | <p>The 2 proposals being considered are outlined in the summary table in attachment 1.</p> <ul style="list-style-type: none"> <li>• Faculty of Nursing: Change to an existing Exclusion to Program Fee</li> <li>• Faculty of Arts: Creation of a new Exclusion to Program Fee</li> </ul> <p>Both proposals have received a technical review by the Registrar’s Advisory Committee on Fees (RACF).</p> <p>After final approval by the Board Finance and Property Committee, the proposed fees would be implemented by the Office of the Registrar, Financial Services and the corresponding units proposing fee changes.</p>   |

Item No. 6b

|                                 |  |
|---------------------------------|--|
|                                 | <p>The Office of the Registrar will communicate the approval of all fees to the proposers of the various fees contained in this proposal. All of these categories of fees are listed on the Office of the Registrar’s website and the units initiating the proposal are responsible for communicating any fees to the impacted students.</p> <p>Risk Summary: Exclusion to Program Fees are intended to act as cost recovery mechanisms and inflationary pressures have resulted in the need to make these changes. All efforts are made to ensure costs are reasonable and as low as possible. The University of Alberta offers a robust set of student financial support in order to help with the cost of tuition and fees.</p> |
| Supplementary Notes and context | This proposal was considered by the GFC Academic Planning Committee (APC) at its meeting of February 1, 2023. The full proposals for each fee are included in the <a href="#">motion summary</a> for that meeting.   |

**Engagement and Routing** (Include meeting dates)

|  |   |
|--|---|
| <p>Consultation and Stakeholder Participation<br/>(parties who have seen the proposal and in what capacity)</p> <p>&lt;For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a>&gt;</p> | <p><b><u>Those who are actively participating:</u></b></p> <ul style="list-style-type: none"> <li>As outlined in various proposals</li> </ul> |
|  | <p><b><u>Those who have been consulted:</u></b></p> <ul style="list-style-type: none"> <li>As outlined in various proposals</li> </ul>        |
|  | <p><b><u>Those who have been informed:</u></b></p> <ul style="list-style-type: none"> <li>As outlined in various proposals</li> </ul>         |
| Approval Route (Governance) (including meeting dates)  | GFC Academic Planning Committee – February 1, 2023<br>Board Finance and Property Committee – March 9, 2023                                    |

**Strategic Alignment**

|   |  |
|---|--|
| Alignment with <i>For the Public Good</i> | <p><b>Institutional Strategic Plan – For the Public Good:</b></p> <p>SUSTAIN: Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all.</p> <p>Objective 21. Encourage continuous improvement in administrative, governance, planning and stewardship systems, procedures, and policies that enable students, faculty, staff, and the institution as a whole to achieve shared strategic goals.</p> <p>Objective 22: Secure and steward financial resources to sustain, enhance, promote, and facilitate the university’s core mission and strategic goals.</p> <p>i. Strategy: Seek and secure resources needed to achieve and support our strategic goals.</p> |
|---|--|

Item No. 6b

|   |   |  |
|---|---|--|
|   | ii. Strategy: Ensure a sustainable budget model to preserve and enhance our core mission and reputation for excellence in teaching, learning, research, and community engagement.   |  |
| Alignment with Core Risk Area           | Please note below the specific institutional risk(s) this proposal is addressing.   |  |
|   | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure   | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input checked="" type="checkbox"/> Student Success |
| Legislative Compliance and jurisdiction | <ol style="list-style-type: none"> <li>1. <b>Post-Secondary Learning Act (PSLA): Sections 61(1) and (2)(a) “Tuition fees</b></li> <li>2. <b>Post-Secondary Learning Act (PSLA) Regulations – Alberta Regulation 228/2018 – Section 2</b></li> <li>3. <b>Board Finance and Property (BFPC) Terms of Reference, Section 2j</b></li> <li>4. <b>University of Alberta Calendar</b></li> <li>5. <b>GFC Academic Planning Committee Terms of Reference</b></li> </ol> |  |

Attachments:

1. Overview of Non-Regulated Exclusion to Program Fee Proposals for 2023-24 Implementation (2 pages)

Prepared by: Angelene Lavers, Specialist – Fees and Registration, [angelene.lavers@ualberta.ca](mailto:angelene.lavers@ualberta.ca)

## Overview of Non-Regulated Exclusion to Program Fee Proposals for 2023-2024 Implementation

The following is an overview of the proposals on Non-Regulated Exclusion to Program Fee. These proposals include new Non-Regulated Exclusion to Program Fee and changes to Non-Regulated Exclusion to Program Fee. All proposals have received a technical review by the Registrar’s Advisory Committee on Fees.

### Proposed Change to Non-Regulated Exclusion to Program Fees

| Course                        | Implementation Date | Purpose of Fee | New Amount    | Current Amount | Mandatory Course for program | Number of Student Impacted                         |
|-------------------------------|---------------------|----------------|---------------|----------------|------------------------------|--|
| Nursing Collaborative Program | May 2023            | Lab Kit        | \$134 - \$172 | \$116 - \$150  | YES                          | Approximately 1,400 students in all three programs |
| Nursing Bilingual Program     | May 2023            | Lab Kit        | \$164 - \$213 | \$143 - \$185  | YES                          |  |
| Nursing After Degree Program  | May 2023            | Lab Kit        | \$243 - \$316 | \$211 = \$275  | YES                          |  |

### Additional Information:

The Lab Kit is a fee that covers off the expense of supplies for students learning in laboratory experiences. The Faculty of Nursing is proposing an increase of 15% to the current range in order to account for the increases in shipping fees and overall increases to supply cost due to inflation. The cost of supplies has increased substantially over the past two years. Without an increase to the fee range, students will not have the necessary supplies to learn and practice all essential skills. Student Group Consultation has been done with the Undergraduate Curriculum Committee and there has been positive support from student representatives.



**Proposed New Non-Regulated Exclusion to Program Fee (Currently Set-Up as a Non-Standard Fee)**

| <b>New Type of Fee</b> | <b>Current Type of Fee</b> | <b>Course</b>     | <b>Implementation Date</b> | <b>Purpose of Fee</b> | <b>New Amount</b>   | <b>Current Amount</b>  | <b>Mandatory Course for program</b> | <b>Number of Student Impacted</b> |
|------------------------|----------------------------|-------------------|----------------------------|-----------------------|---|--|-------------------------------------|-----------------------------------|
| New Non-regulated fee  | Non-Standard               | School in Cortona | May 2023                   | Field School Costs    | \$880 - \$1,200 per course<br><br><b>Example:</b><br>Total cost of a course = current approved tuition + Field School Costs (\$1,531.72 = \$651.72+\$880) | \$1,531.20 per course (Cost of current approved tuition plus Field School Costs) | NO                                  | On average 85 students            |

**Additional Information:**

The School in Cortona has been run by the Faculty of Arts for 24 years. Students can enroll in a term in Italy where they participate in classes along with various activities including guided hikes to a nearby monastery, a falconry demonstration and tour of the museum and local archeological sites. The Faculty would like to move this School of Cortona from the current category of Non-Standard rate to the more appropriate category of Non-Regulated Exclusion to Program Fees. Additionally they would like to add a range that will account for future inflation. The bottom of the proposed range is equivalent to the current rate assessed. The budget has been review by the Registrar’s Advisory Committee on Fees and is found to be in order. Cortona programming is adjusted regularly based on student feedback. On January 9, 2023 they met with the Cortona Alumni Group to discuss these changes and the group is in support of this proposal.

Item No. 6c

**Governance Executive Summary  
Action Item**

|                     |  |
|---------------------|--|
| <b>Agenda Title</b> | <b>2023-2024 Mandatory Non-Instructional Fees Proposal</b> |
|---------------------|--|

**Motions**

|  |
|--|
| <p><b>Motion 1:</b> THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve a 4.00%<sup>1</sup> increase to the Athletics and Recreation mandatory non-instructional fee for 2023-2024.</p> <p><b>Motion 2:</b> THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, remove the off-campus fee designation for the Health and Wellness mandatory non-instructional fee (with no increase to the fee for Fall 2023).</p> <p><b>Motion 3:</b> THAT the Board Finance and Property Committee, acting with delegated authority of the Board of Governors, and on the recommendation of the GFC Academic Planning Committee, approve a 2.00% increase to the Academic Support mandatory non-instructional fees for 2023-2024, and removal of the off-campus fee designation for that fee.</p> <p><sup>1</sup>4.00% represents the increase in cost drivers for the University year over year (Academic Price Index (API)).</p> |
|--|

**Item**

|                  |   |
|------------------|---|
| Action Requested | <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation                                  |
| Proposed by      | Provost and Vice-President (Academic)   |
| Presenter(s)     | Verna Yiu, Interim Provost and Vice-President (Academic)<br>Melissa Padfield, Deputy Provost (Students and Enrolment) |

**Details**

|   |   |
|---|---|
| Responsibility  | Provost and Vice-President (Academic)   |
| The Purpose of the Proposal is <i>(please be specific)</i>                        | To approve the mandatory non-instructional fees proposals for Fall 2023.  |
| Executive Summary <i>(outline the specific item – and remember your audience)</i> | <p>The Terms of Reference for the Joint University Student Mandatory Non-Instructional Fees Committee state that, normally, Mandatory Non-Instructional Fees will increase annually by a rate equivalent to the Academic Price Index. For Fall 2023, API has been calculated in accordance with those terms of reference at 4.00%.</p> <p>The Joint University Student MNIF Committee has been exploring the elimination of the off-campus fee category for MNIFs. The off-campus fee category reflects a lower fee charged to students who are not physically on campus. Consideration of removing this fee category reflects the high number of virtual services that have been introduced to students through the pandemic and continue to be made available. Elimination of the off-campus designation recognizes that maintaining these virtual services requires additional revenue, and that all students should be able to access all services, regardless of forum.</p> <p><b>Proposal Overview:</b> For Fall 2023, the University and the students agreed that in cases where the off-campus fee category was removed, revenue increases resulting from the elimination of the off-campus fee category would be offset by a reduced fee increase. The result of which</p> |

Item No. 6c

being that the total revenue received by the University from removal of the off-campus fee category and any increases to the fee would seek to equal the revenue projected had the University simply increased the fee by API (4%) per the original terms of the agreement.

In our proposal, the off-campus fee category is removed for the Health and Wellness fee and the Academic Support fee. The Health and Wellness Fee is proposed not to increase, and the Academic Support Fee is proposed to increase by 2%. The combination of these increases and removal of the off-campus fee category is expected to generate approximately the same revenue to support the services covered by the fee, as would be generated had the University increased the fees by 4%.

The Athletics and Recreation Fee is increased by 4% in this proposal with no change to the structure of the fee. The Athletics and Recreation Fee does not have an off-campus rate, but rather, off-campus students are not charged the fee and may opt-in. At this time, we are not proposing a change to that model, though the University and student leaders have agreed to continue to move forward a conversation about the possibility of eliminating the optional nature of the Athletics and Recreation Fee for off-campus students.

**Fee impact:**

| <b>Student Fees - On Campus</b> | <b>Current FT Rate / Term</b> | <b>Increase</b> | <b>New Total FT Rate/Term</b> | <b>Current PT Rate/Term</b> | <b>Increase</b> | <b>New Total PT Rate/Term</b> |
|---------------------------------|-------------------------------|-----------------|-------------------------------|-----------------------------|-----------------|-------------------------------|
| Athletics and Recreation        | \$92.90                       | \$3.71(4%)      | \$96.62                       | \$46.46                     | \$1.86          | \$48.32                       |
| Health and Wellness             | \$64.68                       | \$0.00 (0%)     | \$64.68                       | \$32.34                     | \$0.00          | \$32.34                       |
| Academic Support                | \$262.16                      | \$5.24 (2%)     | \$267.40                      | \$131.08                    | \$2.62          | \$133.70                      |
| <b>TOTALS</b>                   | <b>\$419.74</b>               |                 | <b>\$428.70</b>               | <b>\$209.88</b>             |                 | <b>\$214.36</b>               |

| <b>Student Fees - Off Campus</b> | <b>Current FT Rate /</b> | <b>Increase</b> | <b>New Total FT Rate/Term</b> | <b>Current PT Rate/Term</b> | <b>Increase</b> | <b>New Total PT Rate/Term</b> |
|----------------------------------|--------------------------|-----------------|-------------------------------|-----------------------------|-----------------|-------------------------------|
|                                  |                          |                 |                               |                             |                 |                               |

Item No. 6c

|  |  |   |  |          |          |  |          |
|--|--|---|--|----------|----------|--|----------|
|  |  | <b>Term</b>   |  |          |          |  |          |
|  | <i>Athletics and Recreation</i>  | Optional  |  | Optional | Optional |  | Optional |
|  | Health and Wellness  | In this proposal, the off campus fee category for the Health and Wellness Fee and the Academic Support Fee are eliminated. All students will pay the on-campus rate for these two fees. |  |          |          |  |          |
|  | Academic Support   |   |  |          |          |  |          |
| TOTALS   |  |   |  |          |          |  |          |
| <p>The proposal has been presented for consultation to the Joint University Students MNIF Oversight Committee. Because of the removal of the off-campus fee designator for the Health and Wellness fee and the Academic Supports fee, a change not contemplated in the provisions that regulate approval of the annual MNIF proposal in the terms of reference, the University treated these two proposals as a change other than the annual inflationary increase, and asked the Joint Committee to vote on the change. The Joint University Student MNIF Oversight Committee voted unanimously in support of these proposals at their meeting of January 19, 2023. (The Athletics and Recreation fee proposal does not require a vote of the Joint Committee under its terms of reference, because that proposal reflects only the agreed-to inflationary increase.)</p> <p><u>Risks/Opportunities:</u></p> <p>Mandatory Non-Instructional Fees are an essential revenue source to fund provision of high-quality services and functions to students across the institution, including services dedicated to health, wellness, recreation, and various academic supports. In eliminating the off-campus fee category, the University has the opportunity to ensure ongoing provision of services both in-person and virtually, for students who are on and off campus.</p> |  |   |  |          |          |  |          |
| Supplementary Notes and context  | <This section is for use by University Governance only to outline governance process.> |   |  |          |          |  |          |

**Engagement and Routing** (Include meeting dates)

|   |  |
|---|--|
| Consultation and Stakeholder Participation<br>(parties who have seen the proposal and in what capacity) | <p><u>Those who are actively participating:</u></p> <ul style="list-style-type: none"> <li>● Provost and Vice-President (Academic)</li> <li>● Vice-President (University Services and Finance)</li> <li>● Office of the Registrar</li> <li>● Faculty of Graduate Studies and Research</li> <li>● University of Alberta International</li> <li>● Office of Resource Planning</li> </ul> |
|---|--|

Item No. 6c

|  |   |
|--|---|
| <For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a> > | <b><u>Those who have been consulted:</u></b> <ul style="list-style-type: none"> <li>Joint University Student Mandatory Non-Instructional Fee Oversight Committee</li> </ul> |
|  | <b><u>Those who have been informed:</u></b> <ul style="list-style-type: none"> <li>Council on Student Affairs (January 26, 2023)</li> </ul>                                 |
| Approval Route (Governance) (including meeting dates)  | GFC Academic Planning Committee – March 8, 2023<br>Board Finance and Property Committee (approval) - March 9, 2023  |

**Strategic Alignment**

|   |   |  |   |  |
|---|---|--|---|--|
| Alignment with <i>For the Public Good</i>   | OBJECTIVE 22: Secure and steward financial resources to sustain, enhance, promote, and facilitate the university’s core mission and strategic goals.<br>i. Strategy: Seek and secure resources needed to achieve and support our strategic goals.<br>ii. Strategy: Ensure a sustainable budget model to preserve and enhance our core mission and reputation for excellence in teaching, learning, research, and community engagement.  |  |   |  |
| Alignment with Institutional Risk Indicator   | Please note below the specific institutional risk(s) this proposal is addressing.<br><table border="0" data-bbox="570 926 1541 1136"> <tr> <td data-bbox="570 926 1084 1136"> <input type="checkbox"/> Enrolment Management<br/> <input type="checkbox"/> Faculty and Staff<br/> <input checked="" type="checkbox"/> Funding and Resource Management<br/> <input type="checkbox"/> IT Services, Software and Hardware<br/> <input type="checkbox"/> Leadership and Change<br/> <input type="checkbox"/> Physical Infrastructure         </td> <td data-bbox="1084 926 1541 1136"> <input type="checkbox"/> Relationship with Stakeholders<br/> <input type="checkbox"/> Reputation<br/> <input type="checkbox"/> Research Enterprise<br/> <input type="checkbox"/> Safety<br/> <input checked="" type="checkbox"/> Student Success         </td> </tr> </table> |  | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input checked="" type="checkbox"/> Student Success |
| <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure | <input type="checkbox"/> Relationship with Stakeholders<br><input type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input checked="" type="checkbox"/> Student Success  |  |   |  |
| Legislative Compliance and jurisdiction   | Post-Secondary Learning Act<br>APC Terms of Reference<br>BFPC Terms of Reference Section 2i   |  |   |  |

Prepared by: Kathleen Brough, Chief of Staff, Office of the Provost and Vice-President (Academic)

**Governance Executive Summary  
Action Item**

|                     |   |
|---------------------|---|
| <b>Agenda Title</b> | <b>Capitalization of Unrestricted Funds to Permanent Restricted Endowments Net Assets</b> |
|---------------------|---|

**Motion**

|   |
|---|
| THAT the Board Finance and Property committee, acting with delegated authority of the Board of Governors, approve the transfer of \$8,846,874 unrestricted net assets to permanent restricted endowment net assets. |
|---|

**Item**

|                  |  |
|------------------|--|
| Action Requested | <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation |
| Proposed by      | Verna Yiu, Interim Provost and Vice-President (Academic)                             |
| Presenter(s)     | Verna Yiu, Interim Provost and Vice-President (Academic)                             |

**Details**

|  |   |
|--|---|
| Office of Administrative Responsibility  | Provost and Vice-President (Academic)   |
| The Purpose of the Proposal is ]   | The proposal is before the committee to approve transfer of \$8,846,874 of unrestricted net assets to permanent restricted endowment net assets.  |
| Executive Summary<br>( <i>outline the specific item – and remember your audience</i> ) | <p>As per the University of Alberta Endowment Management Procedure, any requests for transfers from unrestricted funds to endowment capital are subject to approval by the Provost, prior to being submitted to BFPC for approval.</p> <p>The following requests have been received:</p> <ol style="list-style-type: none"> <li>1) The Faculty of Agricultural, Life and Environmental Sciences has requested funds from oil and gas lease revenue from the Mattheis Ranch be used to support the Rangeland Research Institute. Funds will supplement the Rangeland Ecology and Management Endowment (E0627). Rationale: Adding funds to the endowment ensures sustainability of the RRI after the revenues have been depleted. (\$500,000)</li> <li>2) The Faculty of Engineering has requested a transfer of funds received from a bequest to provide ongoing support for the Department of Civil Engineering programs and initiatives. Funds will supplement the Civil Engineering Endowment (E6979). Rationale: Capitalization will help to ensure ongoing support to the Department. (\$52,984)</li> <li>3) The Faculty of Engineering has requested a transfer of funds received from a bequest to support the Class of 1950 Civil Engineers Award, held in the Registrar’s Office. Funds will supplement the 1950 Civil Engineers Award (E6036). Rationale: Funds were received as part of a bequest and is based on the wishes of the estate. (\$100,000)</li> <li>4) Augustana Faculty has submitted a request to transfer funds received from multiple bequests from a single family to establish the Gunvor Mygind Endowment in Music and the Ethel Christine MacKenzie Award in Music. Rationale: To provide ongoing support and opportunities as well as awards to music students in Augustana. This is based on the wishes of the estates. (Total \$115,000)</li> </ol> |



Item No. 6d

- 5) College of Health Sciences has requested a transfer of funds received from a bequest to establish the Dean’s Innovation Fund endowment in the College of Health Sciences. Funds will be used at the discretion of the Dean for priority areas which could include but not be limited to such things as research, student support, simulation labs, etc. Rationale: Funds are bequeathed to the College of Health Sciences and is based on the wishes of the estate. (\$89,630)
- 6) Faculties of Arts, Science, and Medicine & Dentistry have requested transfers of funds received from a single bequest to be split amongst the 3 faculties. Funds will be used to create new endowments (i.e. Arts Ignite Fund, the Dean’s Innovation Endowment in Medicine and Dentistry, and Chair in Glycoscience) and will be used at the discretion of each Dean for critical initiatives, to support research and students, as well as a Chair in Glycomics. Rationale: This is based on the wishes of the estate. (Total across 3 faculties is \$7,839,260).
- 7) The Faculty of Law has requested a transfer of funds received from a bequest to supplement the Honourable Lionel Jones Memorial Endowment in Law to promote racial diversity, equality and inclusion and to provide support for students in the Faculty of Law who self-identify as Black, Indigenous, or Persons of Colour (BIPOC) (E7678). Rationale: This is an unrestricted legacy gift to the Faculty and aligns with the wishes of the estate. (\$150,000)

In addition to the rationale noted in the narrative above, the following risks and opportunities have been considered.

Risks:

- Reputation - The majority of these requests are bequests. Most donors making significant bequests have in mind a legacy gift, something that will have lasting impact. Capitalizing honors the intent of these legacy gifts of the donor/estate and the university has supported this through endowment management policy and procedure. Failing to do so could result in lost future donations.
- Funding and Resource Management - A portion of this request relates to a large bequest (~\$7.8M) which was received late in the year. Allowing the funds to carry forward could severely limit the ability to access the funds in future years.

Opportunities:

- Funding and Resource Management - Capitalizing funds will provide for an ongoing source of funds to support students, programs, and initiatives across the institution.
- Student Success - A portion of this request will be directed toward an existing student award. Capitalizing these funds will provide additional ongoing funding support for students in Engineering.

## Item No. 6d

|                                 |   |
|---------------------------------|---|
|                                 | These requests have been reviewed by the Interim Provost and Vice-President (Academic), who is supportive.  |
| Supplementary Notes and context | Prior to June 14, 2019, the Board of Governors approved the transfers of unrestricted net assets to permanent restricted endowment net assets, but as per the BFPC Terms of Reference approved on that date, BFPC now has delegated authority to approve these transfers. |

**Engagement and Routing** (Include meeting dates)

|  |   |
|--|---|
| Consultation and Stakeholder Participation (parties who have seen the proposal and in what capacity)<br><br><For information on the protocol see the <a href="#">Governance Resources section Student Participation Protocol</a> > | <u>Those who are actively participating:</u> <ul style="list-style-type: none"> <li>Interim Provost and Vice-President (Academic)</li> </ul>              |
|  | <u>Those who have been consulted:</u> <ul style="list-style-type: none"> <li>Office of Vice-President (External Relations) – Donation Services</li> </ul> |
|  | <u>Those who have been informed:</u> <ul style="list-style-type: none"> <li></li> </ul>   |
| Approval Route (Governance)  | BFPC – March 9 (approval)<br>Board of Governors – March 24 (for information)  |

**Strategic Alignment**

|   |  |   |
|---|--|---|
| Alignment with <i>For the Public Good</i> | Sustain our people, our work, and the environment by attracting and stewarding the resources we need to deliver excellence to the benefit of all Albertans.<br>OBJECTIVE: Secure and steward financial resources to sustain, enhance, promote, and facilitate the university's core mission and strategic goals. <ol style="list-style-type: none"> <li>Strategy: Seek and secure resources needed to achieve and support our strategic goals.</li> <li>Strategy: Ensure a sustainable budget model to preserve and enhance our core mission and reputation for excellence in teaching, learning, research, and community engagement.</li> </ol> |   |
| Alignment with Core Risk Area             | Please note below the specific institutional risk(s) this proposal is addressing.  |   |
|   | <input type="checkbox"/> Enrolment Management<br><input type="checkbox"/> Faculty and Staff<br><input checked="" type="checkbox"/> Funding and Resource Management<br><input type="checkbox"/> IT Services, Software and Hardware<br><input type="checkbox"/> Leadership and Change<br><input type="checkbox"/> Physical Infrastructure  | <input type="checkbox"/> Relationship with Stakeholders<br><input checked="" type="checkbox"/> Reputation<br><input type="checkbox"/> Research Enterprise<br><input type="checkbox"/> Safety<br><input checked="" type="checkbox"/> Student Success |
| Legislative Compliance and jurisdiction   | BFPC Terms of Reference Section 2b<br>Endowment Management Procedure   |   |

Attachments: none

Prepared by: Theresa Curry, Financial Officer, Office of the Provost and Vice-President (Academic), tc6@ualberta.ca