



St. Thomas  
UNIVERSITY

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**Budget Summary Report  
2019-2020**

May 2019

## 1.0 Introduction

An initial *Budget Development Report 2019-20* document was produced and communicated to the University community in February 2019. The report is available at:

[https://www.stu.ca/media/stu/site-content/documents/policies-and-reports/BudgetDevelopmentReport\\_March2019.pdf](https://www.stu.ca/media/stu/site-content/documents/policies-and-reports/BudgetDevelopmentReport_March2019.pdf)

The *Budget Development Report 2019-20* identified the composition of the President's Advisory Committee on the Budget (PACB) and described the context and challenges of developing the 2019-20 budget. The principles in developing the budget recommendations were:

- The need to achieve a balanced budget where expenditures do not exceed revenues;
- The importance of developing a budget plan that balances competing priorities in order to serve, to the best of our ability, the needs of students and other members of the community; and
- The desirability of allocating resources to areas that support the strategic direction of the University.

The *Budget Development Report 2019-20* requested input with respect to the financial challenges outlined in the *Report*, as well as the setting of domestic and international tuition fees. The feedback received as a result of the *Budget Development Report 2019-20* was discussed at the PACB.

To further the campus discussion on budget development, the PACB held a Town Hall on March 25, 2019. At this meeting, a status update on the budget development plan was provided, and proposed strategies to help address the operating deficit were presented. Approximately thirty-five (35) people attended, including PACB members, staff, faculty, and students. There were questions from students regarding when the tuition fees for 2019-20 would be set, and concern that there is not currently a University policy or guideline that describes the factors and parameters that are considered in determining tuition fees. A Tuition Fee Guideline was subsequently prepared and was recently approved by the Board of Governors and is included as Appendix IV. It describes the factors and parameters that are considered by the University in determining tuition fees, further to the feedback received at the Budget Town Hall.

The 2019-20 budget was developed in the context of the University's *Strategic Plan 2013-18*, which includes Financial Sustainability as a strategic priority. The PACB recommended draft budgets which were approved by the Board of Governors on May 11, 2019. The following sections of this report provide a summary of the approved operating, ancillary, endowment and capital budgets for St. Thomas University for the fiscal year 2019-20.

## 2.0 General Operating Fund

### 2.1 BACKGROUND INFORMATION

The General Operating Fund covers the core functions of the University, including most of the expenditures directly related to, or in support of, offering programs of instruction to students. The operating budget has two main revenue sources: the Provincial Government operating grant and tuition fees. The expenditure categories are those used generally for university reporting in Canada. At St. Thomas, salaries represent approximately 75% of operating expenditures.

The provincial operating grant of \$14 million is at the same level as it was in 2014-15. Since the operating grant represents nearly 50% of the total operating revenue, the lack of an annual increase in the operating grant

means that this portion of our revenues is not keeping up with inflationary pressures, thus causing an inflation gap.

While New Brunswick universities have been underfunded relative to some of their counterparts in Canada, St. Thomas University has been underfunded relative to the other universities in the province: the University's 2016-17 operating grant level is 89% of the provincial average (See Appendix I). This under-funding is compounded by several factors: a shrinking number of high school graduates; a relatively small endowment; and the uncertainty of capital markets that affect endowment/investment income.

In February 2017, the Provincial Government announced that it hoped to reach a memorandum of understanding (MOU) with each of the four universities. Since February 2017, there have been a number of discussions, meetings, and correspondence between the University and the Department of Post-Secondary Education (PETL) regarding a draft MOU and the inequity in STU's operating grant.

On January 25, 2018, the Provincial Government announced that they had reached agreements with the other three publicly funded universities. Highlights of the memorandums, which cover the 2017-18 to 2020-21 academic years, include:

- Increases to the universities' operational funding of one per cent in each of the first three years, followed by two per cent in 2020-21.
- Tuition increases capped at two per cent per year for New Brunswick students only, for the duration of a degree in which a student is already enrolled in 2018-19 or earlier.
- Universities may undertake a tuition review for which results would only be implemented in 2019-20 and apply to new students enrolled in 2019-20.
- Funding for pilot projects aims to increase enrolment and allow for more research and development opportunities.
- The universities agree to appear before a committee of the Legislative Assembly.

After the January 2018 announcement, St. Thomas intensified its efforts to persuade the Provincial Government to provide an equity adjustment to STU's operating grant. These efforts were not successful prior to the provincial election in the fall of 2018. The University recently initiated discussions with the current Provincial Government on this issue. Despite the fact that we have not concluded an MOU with the Province, the University's Operating Budget for 2019-20 assumes that an MOU will eventually be reached, and that the University will receive retroactive increases in its operating grant with respect to previous fiscal years covered by the MOU.

A significant on-going financial risk faced by the University is that of student enrolment. Between 2008 and 2017, St. Thomas' domestic full-time enrolment declined by roughly 25% (605 net full-time students). (Note: Other Maritime universities have experienced similar declines in liberal arts.) This risk is significant in light of the declining number of New Brunswick high school graduates. On a positive note, we have managed to stabilize student enrolment since 2014 (we recruited 596 new full-time students in 2014, 641 in 2015, 662 in 2016, 677 in 2017, and 605 in 2018) after multiple years of sharp decline. Because of this trend reversal, overall enrolment stabilized at 1,953 total full-time students as of October 1, 2018 compared to 1,934 in 2017.

The fiscal year that just ended (2018-19) is expected to produce the following financial results:

- A forecasted deficit of \$436,400 in the General Operating Fund (before inter-fund transfers); and
- A forecasted surplus of approximately \$317,600 in Ancillary Operations (before principal payments on long-term debt). However, this amount was recently revised to \$208,600 in light of additional residence bursary expenditures charged to Ancillary.
- For certain restricted funds (and as approved as part of the 2018-19 budget), expenditure levels were in excess of the University's investment policy as a way to balance the 2018-19 budget.

The current extensive use of certain restricted funds is a short-term solution to our fiscal challenges and is not financially sustainable.

It is a policy of the Maritime Provinces Higher Education Commission (MPHEC) that universities should not incur an operating deficit. If a university accumulates a deficit in excess of 2% of its operating grant (this would be approximately \$281,000 for STU), specific provisions apply. Please see Appendix II for the MPHEC policy. In practice, it is customary to strive for a balanced budget; if a planned deficit is considered, there needs to be a plan to overcome the deficit.

## 2.2 TUITION FEES

Pursuant to the October 2013 agreement with the Province, the domestic tuition at STU was increased annually by no more than 3 % plus \$170 in order to bring our tuition close to the provincial average. This represented an average annual increase of 6.1% during that five-year period. The academic year 2017-18 was the fifth and last year of that agreement.

During that same five-year period, the average annual increase of international tuition fees was 2.5%. There was a intentional decision to keep the international tuition fee increases at a moderate level, as the University implemented a new fee in 2013-14 to recover the cost of the international health plan. The health plan fee was increased over a three-year period to fully recover the cost of the health plan (\$630). In October 2017, the Province announced that Medicare coverage would become available for international students studying full-time in New Brunswick, thus resulting in a cost savings for international students who no longer needed to purchase a health plan to receive the coverage that would normally be provided through Medicare.

Appendix C provides a comparison of 2018-19 tuition fees of domestic and international students (for a Bachelor of Arts) at Maritime universities which shows that St. Thomas had the fourth lowest domestic tuition fees (after Université de Moncton, UPEI, and UNB), and fourth lowest international tuition fees (after Université Sainte-Anne, Université de Moncton, and UPEI). Tuition fee comparator information for B.SW. and B.Ed. are also included in Appendix C.

A Tuition Fee Guideline was recently approved by the Board of Governors (see Appendix IV). The Tuition Fee Guideline describes the factors and parameters that are considered by the University in determining tuition fees, further to the recent student feedback at the Budget Town Hall expressing concern that such a policy or guideline did not exist. Tuition fees are developed based on the following considerations:

- The need to achieve a balanced budget in order to maintain the quality of the education and ensure the long-term sustainability of the University.
- The cost of programs and annual inflationary cost pressures.
- The tuition fees for each program are to be set at a similar level as other universities in Atlantic Canada.

This reflects the reality that we compete with other Atlantic universities to attract students to St. Thomas.

- The amount of financial support provided by the University to students in the form of scholarships, bursaries and other awards. In 2018-19, 81% of international students and 44% of domestic students received a scholarship, bursary or other award from the University.
- Undergraduate international students are not funded through government operating grants. Consequently, the international tuition fee should be at a level where the University can recover the cost of providing services. Secondary to the concept of recovering costs, the tuition fee level should be at a similar level as other universities in Atlantic Canada.

For 2019-20:

- The domestic tuition fee for B.A. and B.SW. programs will be increased by 5.5%.
- The international tuition fee for B.A. and B.SW. programs be increased by 5.5%.
- The tuition fee for B.Ed. will be increased by 6.5% for domestic and international students.

The tuition fee increases were not supported by the two student representatives on the PACB. The students had concerns with respect to affordability and lack of adequate consultation with students. Although the concept of a tuition fee increase was identified as part of the Budget Development Report 2019-20 and the Budget Town Hall, the amount of the proposed increase was not specified at that time. However, the need for an increase in tuition fees was clearly stated. The concerns of the student representatives were also heightened by the changes that the Provincial Government announced on April 9, 2019 in relation to student financial assistance programs for New Brunswick students.

### **2.3 STRATEGIES TO MINIMIZE THE 2019-20 OPERATING DEFICIT**

The following strategies are incorporated in the 2019-20 operating budget and in most cases are a continuation of strategies that were initiated in prior fiscal years in efforts to decrease the operating deficit:

- Implement tuition fee increases as described in the previous section of this document.
- Continue to remind eligible faculty members of the retirement initiatives that were developed in 2016, namely the Voluntary Retirement Incentive and the Phased-in Retirement Incentive. Although the Voluntary Retirement Incentive was designed to encourage retirements for the period of July 1, 2017 to July 1, 2019, eligible faculty members can still participate in this initiative until July 1, 2022 (recognizing that the amount of the incentive is reduced compared to the incentive amount for individuals who retire by July 1, 2019). The Phased-in Retirement Incentive also remains available for faculty members.
- Continue efforts to stabilize enrolment and grow international enrolment.
- Similar to the fiscal year 2018-19, transfer an amount greater than 5% for certain restricted funds (where the terms of the fund permit) so that these funds can cover some of the over-expenditures in Operations.

Other ongoing strategies that are in place to limit expenditure growth and improve the overall financial health of the University include:

- Restrained approach to academic staffing. The hiring of Limited Term Appointments and of Tenure

Track positions is authorized where there is a significant need due to the number of vacancies, sabbaticals or other leaves in a Department.

- Restrained approach to administrative staffing (review position vacancies as they occur to determine if they will be filled or left vacant).
- Continued fund-raising efforts through the Capital Campaign (which will help the overall financial health of the University, help to grow the scholarship endowment, provide modest assistance for residence renewal, etc.).

Senior Leadership and the Board of Governors will continue the efforts to reach an agreement on an MOU with the Province and to increase STU's operating grant.

## 2.4 OPERATING BUDGET

The General Operating Budget is presented in Schedule 1. It reflects a deficit of \$342,500 before the transfer of \$343,000 from certain restricted funds, for a net profit (excess of revenues over expenses) of \$500 after inter-fund transfers. As indicated previously, **the extensive use of certain restricted funds is a short-term solution to our fiscal challenges.**

Highlights of the General Operating Budget include:

- A budget of \$30.7 million in revenues and \$31.1 million in expenditures.
- The provincial operating grant of \$12.55 million and the fiscal transfer to UNB of \$1.96 million for a total of \$14.51 million. This assumes a 1% increase in the operating grant, despite the fact that we have not concluded an MOU with the Province.
- A projected enrolment of 1,890 which translates to 1,790 (fee-paying students) after adjustments for the B. SW. cohort, in-year student attrition, the number of students in programs that are budgeted separately (e.g. MMBSW), etc. The 1,790 number represents 5 more students compared to what was budgeted last year (1,785).
- Tuition fee and compulsory revenues of \$15.3 million based on:
  - A 5.5% increase for the B.A. and B.SW. programs that brings domestic tuition fee levels to
    - \$7,149 for Arts programs
    - \$10,089 for Social Work
  - A 5.5% increase for B.A and B.SW. program that brings international tuition fee levels to:
    - \$16,068 for Arts programs
    - \$20,683 for Social Work
  - A 6.5% increase for the B.Ed. program that brings tuition fee levels to:
    - \$9,967 for domestic students
    - \$20,360 for international students
  - The following compulsory fees remaining at current levels: Technology fee (\$150); Facility fee (\$150); UNB Health Centre fee (\$50); Journalism years 3 and 4 (\$250); and Practicum fee for B. Ed. and B.SW. programs (\$500).
- Academic expenses totalling \$18.1 million & Administrative and General expenses totalling \$5.3 million.

### 3.0 Ancillary Budget

The 2019-2020 budget for ancillary operations is presented in Schedule II. The ancillary budget covers the operations of the residences and conference services. A separate budget is required for these operations because they are funded from separate sources and because of generally accepted and long-standing policy that ancillary operations be self-supporting and not eligible for government operating assistance.

The budget will result in a surplus of \$115,500, after principal payments on long-term debt. The budget incorporates the following:

- Occupancy of 470 students, an increase of 5 compared to the 2018-19 budget.
- Residence room fees reflect a price increase of 1% for double rooms and 5% for single rooms to encourage students to choose double rooms. Residence fees are as follows:
  - Vanier and Holy Cross double room rate: \$5,334
  - Vanier and Holy Cross single room rate: \$7,702
  - Rigby and Harrington double room rate: \$5,717
  - Rigby and Harrington single room rate: \$8,100
  - Windsor Street: \$4,479

The meal plan rates for 2019-20 are provided below and reflect an increase 3.3% due to inflation. Note: the 19 Meal Plan is being replaced with a 14 Meal Plan.

- Freedom Plan \$4,092; 14 Meal Plan \$3,800; and 10 Meal Plan \$3,295.

### 4.0 Endowment Funds

The University's endowed funds consist of nine major endowment fund categories that have varying origins. The scholarship endowment, which represents approximately 38% of total endowment value, has a number of funds that originated with gifts and bequests and are managed in accordance with terms specified by the donors and accepted by the University. However, the internally restricted scholarship fund was created from operating surpluses over the years that have been transferred by the Board of Governors to the scholarship fund. The internally restricted scholarship fund whose May 1, 2018 balance was \$771,000 was depleted in 2018-19.

The other endowment funds relate mainly to endowed Chairs. A number of the Chairs were established with the assistance of external funding. Generally, these funds support teaching and research activities in a number of disciplines and supplement the operating fund budget. However, expenditures must be in accordance with the respective terms of reference of the endowed Chairs.

The University's investment policy permits expenditures of up to 5% of endowment fund values based on a rolling three-year average of market values (\$23.8 million at February 2019).

The 2019-20 expenditure allocations from the University's endowment funds are presented in Schedule III, and incorporate the following:

- Total endowment fund expenditures of \$2.9 million.
- Externally restricted endowments and most of the internally restricted endowments are budgeted at a 5% spend rate. However, the Aquinas Fund (internally restricted) is budgeted at a higher spend rate as a result of the need to cover the cost of the scholarships that were in the past charged to the internally restricted

scholarship fund. Also, the amount budgeted for the Gerontology Chair exceeds 5% in order to address the deficit in the operating fund.

## 5.0 Funding of Scholarships

The annual amount budgeted for scholarships from the externally restricted scholarship fund and from flow-through funding is \$550,000 (see Schedule III). With the depletion of the internally restricted scholarship fund in 2018-19, the University has developed a preliminary multi-year plan to replace the internally restricted fund as a source of funds. For the year 2019-20, the estimated expenditures for scholarships that were previously funded by the internally restricted fund is \$2.05 million. The sources of funds for 2019-20 are as follows:

- Aquinas funding (internally restricted fund): \$1.26 million.
- Operations: \$500,000.
- New funding for scholarships from current Capital Campaign: \$186,000.
- Ancillary Fund surplus: \$100,000.

The funding of scholarships has become an important financial priority of the University. This issue demonstrates the critical importance of raising funds for scholarships, both endowed and flow-through, as part of the University's Capital Campaign.

## 6.0 Capital Expenditures Budget

The 2019-2020 capital expenditures are detailed in Schedule IV. Capital expenditures will be funded from the restricted grants provided by the Provincial Government with the following exceptions:

- In previous years, the Pepsi Fund (an internally restricted fund) was utilized to cover the interest and principal payment on the capital lease at the Grant-Harvey Centre. At April 2019, the Pepsi funds will be nearly depleted. For 2019-20, the interest on the capital lease (\$37,000) is budgeted in Operations. The principal payment amount on the capital lease (\$81,600) will need to be covered at year-end through either an ancillary surplus or through internally restricted funds.
- The planning and design work for Vanier Hall will be funded from the \$400,000 that was borrowed and not used for the renewal of Harrington Hall (see the next section for more information).

## 7.0 Residence Renewal Update

There is a clear priority to renew residences in the *2013-2018 Strategic Plan* in order for the residence system to become a self-sustaining operation that contributes positively to student retention and the student experience. The renewal of Harrington Hall was completed in August/September 2017. Actual costs of the Harrington Hall were \$5.4 million which is \$400,000 less than the amount borrowed (\$5.8 million) for this capital project.

The next phase of the residence renewal is Vanier Hall. At the February 2018 meeting of the Board of Governors, the Board approved the use of up to \$400,000 of the "unused" Harrington Hall loan for the planning and design of the renewal of Vanier Hall. The planning and design work for Vanier Hall will begin in 2019, with the goal of starting renovations in May 2020 subject to Board approval.



## APPENDIX I

### New Brunswick Universities Operating Grant Support 2016-2017

	<b>Operating Grant</b>	<b>WFTE*</b>	<b>Total Grant/ WFTE</b>	<b>% of Average</b>
Mount Allison University	20,334,159	5,211	3,902	92%
St. Thomas University	14,045,916	3,743	3,753	89%
Université de Moncton	64,344,883	13,205	4,873	115%
University of New Brunswick	110,100,743	27,175	4,052	96%
Provincial Total	208,825,701	49,333	4,233	100%

A Full-Time Equivalent (FTE) is a calculated total of full-time students on December 1, part-time students on December 1, students in the previous Intersession/Summer Session, and new part-time students in Semester 2, each category given a value between 0.1 and 1.0 FTE. The MPHEC calculates FTEs for full-time undergraduate students based on headcounts while FTEs for part-time students are based on course load.

\*The weighted full-time equivalent (WFTE) is a calculated value intended to reflect the difference in the relative costs of various programmes of instruction. The WFTE value for each full-time student (as of December 1) is obtained by multiplying the student's Full-Time Equivalent value (FTE) by the specified weighting factor assigned to their programme. Psychology is assigned a weighting factor of 2.5; Journalism, Education, and Social Work are 2.0; and all other full-time or non-degree programmes are assigned 1.5. All part-time FTEs are assigned a weighting factor of 2.0.

The WFTE figures shown here are three-year averages in accordance with the provincial funding formula.

## **APPENDIX II: MPHEC Policy on Operating Deficits**

### Operating Deficits

It is a policy of the MPHEC that institutions should not incur an operating deficit. However, where an institution has accumulated a deficit subsequent to 1974-75 in excess of 2.0% of annual operating grants, the following policy applies:

- (1) Any such accumulated operating deficits must be reduced by a minimum of 2% of the next year's operating grant, up to the amount of the accumulated deficit. Institutions have the option of using operating funds or presenting a proposal for the use of Restricted Operating Assistance allotments for this purpose.
- (2) Should an institution not reduce its accumulated operating deficit by such an amount in any given year the Commission will subsequently suspend consideration of that institution's request for new programmes and new capital projects.

**APPENDIX III:  
2018-19 Tuition Fees for a Bachelor of Arts**

<b>University</b>	<b>Canadian tuition</b>
UdeM	5,947
U. Ste-Anne	7,560
UPEI	6,150
UNB	6,758
<b>STU</b>	<b>6,776</b>
Dal	7,638
Kings	7,638
SMU	7,670
MSVU	7,701
CBU	7,800
MtA	8,295
StFX	8,570
NSCAD	8,670
Acadia	8,673
<b>Average</b>	<b>7,560</b>

<b>University</b>	<b>International Tuition</b>
U. Ste-Anne	10,340
Ude M	10,899
UPEI	13,326
<b>STU</b>	<b>15,230</b>
MSVU	15,402
CBU	15,600
UNB	15,951
SMU	16,580
StFX	17,140
Dal	17,148
Kings	17,148
Acadia	17,363
MtA	17,600
NSCAD	19,170
<b>Average</b>	<b>15,636</b>

## 2018-19 Tuition Fees for Post-Baccalaureate Programs

### **B. SW.**

### **Tuition Amount and Program Duration**

STU	9,563 (15 month program) (500.00 practicum)
Dalhousie	16,884 (24 month program (844.20 per 3 credit hours; 60 credits for degree))

### **B. Ed.**

### **Tuition Amount and Program Duration**

### **Practicum Amount**

STU	9,359 (11 months; 60 credits)	500
UNB	10,137 (10 months; 60 credits)	500
UPEI	12,299 (12 months)	750
Crandall	16,020 (3 semesters)	600/semester
CBU	16,600 (16 months)	
MSVU	16,166 (24 months; 1,616.60 per unit; 10 units)	
St. FX	17,140 (24 months; 8,570 per year)	560 (2 years)
Acadia	18,026 (24 months; 9,013 per year)	

## **APPENDIX IV: Tuition Fee Guidelines**

### **Background**

St. Thomas University is a not-for-profit public university. The University's General Operating Fund covers the core functions of the University, including most of the expenditures directly related to, or in support of, offering programs of instruction to students. The General Operating Fund has two main revenue sources: the Provincial Government operating grant and tuition fees. This is reflective of the nature of post-secondary education as both a public and private good, receiving support from the Provincial Government as a public good, and from student tuition fees as a private good. The expenditure categories are those used generally for university reporting in Canada. At St. Thomas, salaries represent approximately 75% of operating expenditures.

The Federal and Provincial Governments offer a number of student financial aid programs to assist Canadian students to attend post-secondary education. The University also offers significant scholarship, bursaries and other financial awards to students, in order to maintain accessibility of the University to students. In 2018-19, 81% of international students and 44% of domestic students received a scholarship, bursary or other award from the University.

### **Annual Budget Process**

On an annual basis, the University develops its budget based on the following principles:

- The need to achieve a balanced budget where expenditures do not exceed revenues;
- The importance of developing a budget plan that balances competing priorities in order to serve, to the best of our ability, the needs of students and other members of the community; and
- The desirability of allocating resources to areas that support the strategic direction of the University.

The development of the budget is guided by the President's Advisory Committee on the Budget. This Committee is comprised of the President and members drawn from faculty, staff and students. The annual budget process begins with the circulation of a Budget Development Report. This process provides an opportunity to the University community to learn about the University's financial operations and to provide feedback on our most important fiscal issues. To complement this Report, a Budget Town Hall takes place in March.

### **Guidelines for Setting Tuition Fees**

The setting of tuition fees is an important component of the annual budget process. Tuition fee recommendations to the Board of Governors are developed based on the following considerations:

- The need to achieve a balanced budget in order to maintain the quality of the education and ensure the long-term sustainability of the University.
- The cost of programs and annual inflationary cost pressures such as collective agreement obligations. As is the case at other universities, the larger programs (i.e. B.A.) tend to subsidize the smaller programs (i.e. B.Ed. and B.S.W.). However, the long-term goal is to have each program strive toward recovering their program costs. (Note: For the B.S.W. program, there will be a closer review of the program's tuition fees when modifications to the program are implemented. Proposed program modifications are currently being

reviewed by the MPHEC.)

- The tuition fees for each program are to be set at a similar level as other universities in Atlantic Canada. This reflects the reality that we compete with other Atlantic universities to attract students to St. Thomas.
- The amount of financial support provided by the University to students in the form of scholarships, bursaries and other awards. In 2018-19, 81% of international students and 44% of domestic students received a scholarship, bursary or other award from the University.
- Undergraduate international students are not funded through government operating grants. Consequently, the international tuition fee should be at a level where the University can recover the cost of providing services. Secondary to the concept of recovering costs, the tuition fee level should be at a similar level as other universities in Atlantic Canada. The following table provides information on actual expenditures per FTE (FTE reflecting the total number of domestic and international students) at St. Thomas for the period of 2014-15 to 2017-18.

	2018-19**	2017-18	2016-17	2015-16	2014-15
actual operating expenditures		31,082,559	30,620,043	31,168,065	31,800,266
FTEs*		1,965	2,011	2,060	2,165
actual operating expenditures/FTEs		15,818	15,229	15,133	14,688
international tuition fee	15,230	14,503	13,747	13,385	13,192
variance		1,315	1,482	1,748	1,496
*based on MPHEC figures for domestic and international students (actual calculated FTEs, including the Part-time and new Sem 2)					
**year end actual expenditures not yet available					

### Approval of Tuition Fees

The University's Board of Governance has authority to set tuition fees. This approval normally takes place at the May meeting of the Board of Governors.

**St. Thomas University**  
**General Operating Revenue and Expenses**  
**For Budget Year Ending April 30, 2020**

Schedule I

	2019-2020 Budget	2018-2019 Budget	2018-2019 Forecast	Budget Increase/ (Decrease) (\$)	Budget Increase/ (Decrease) %
<b>Revenues</b>					
MPHEC Operating Grant	12,549,900	12,425,600	12,425,600	124,300	1.00%
MPHEC Fiscal Transfer to UNB	1,959,800	1,940,400	1,940,400	19,400	1.00%
Tuition and Compulsory Fees	15,335,500	14,359,100	14,345,100	976,400	6.80%
Miscellaneous student fees	459,000	459,000	473,000	0	0.00%
Other Government Grants	234,500	184,800	184,800	49,700	26.89%
Advancement annual fund	50,000	75,000	50,000	-25,000	-33.33%
Miscellaneous revenues	135,000	250,000	250,000	-115,000	-46.00%
<b>Total Revenue</b>	<u>30,723,700</u>	<u>29,693,900</u>	<u>29,668,900</u>	<u>1,029,800</u>	<u>3.47%</u>
<b>Expenses</b>					
<b>Academic</b>					
Faculty salaries and benefits	16,909,100	16,840,600	16,560,600	68,500	0.41%
Department Expenses	256,700	241,100	198,300	15,600	6.47%
Travel Study and Research	514,100	510,100	510,100	4,000	0.78%
Other Academic	407,200	376,200	393,000	31,000	8.24%
	<u>18,087,100</u>	<u>17,968,000</u>	<u>17,662,000</u>	<u>119,100</u>	<u>0.66%</u>
<b>Computing Services</b>					
Salaries and benefits	668,900	655,300	655,300	13,600	2.08%
Systems Support	299,200	252,000	252,000	47,200	18.73%
Other Computing	158,000	171,200	171,200	-13,200	-7.71%
	<u>1,126,100</u>	<u>1,078,500</u>	<u>1,078,500</u>	<u>47,600</u>	<u>4.41%</u>
<b>Administration and General</b>					
Salaries and benefits	3,156,400	3,082,200	3,082,200	74,200	2.41%
Unit Expenses	772,900	757,900	738,400	15,000	1.98%
Other Administrative	454,700	462,200	462,200	-7,500	-1.62%
Advancement and Alumni	650,800	658,100	658,100	-7,300	-1.11%
Professional Services and memberships	280,000	300,000	335,000	-20,000	-6.67%
	<u>5,314,800</u>	<u>5,260,400</u>	<u>5,275,900</u>	<u>54,400</u>	<u>1.03%</u>
<b>Student Services</b>					
Salary and Benefits	1,376,600	1,234,100	1,234,100	142,500	11.55%
Athletics	385,500	344,900	344,900	40,600	11.77%
Scholarships	500,000	0	300,000	500,000	n/a
Other Student Services	138,900	136,900	136,900	2,000	1.46%
	<u>2,401,000</u>	<u>1,715,900</u>	<u>2,015,900</u>	<u>685,100</u>	<u>39.93%</u>
<b>Physical Plant</b>					
Salary and Benefits	166,500	171,900	171,900	-5,400	-3.14%
Utilities and Insurance	1,171,000	1,158,800	1,131,800	12,200	1.05%
Cleaning	478,900	478,900	478,900	0	0.00%
Maintenance and Repairs	361,000	361,000	350,000	0	0.00%
	<u>2,177,400</u>	<u>2,170,600</u>	<u>2,132,600</u>	<u>6,800</u>	<u>0.31%</u>
Fiscal Transfer to UNB	1,959,800	1,940,400	1,940,400	19,400	1.00%
<b>Total Expenditures</b>	<u>31,066,200</u>	<u>30,133,800</u>	<u>30,105,300</u>	<u>932,400</u>	<u>3.09%</u>
Excess of expenses over revenues before inter-fund transfers	-342,500	-439,900	-436,400	97,400	-22.14%
Inter-fund transfers	343,000	440,000	440,000	-97,000	-22.05%
Excess of revenue over expenses after inter-fund transfers	<u>500</u>	<u>100</u>	<u>3,600</u>	<u>400</u>	<u>n/a</u>



**St. Thomas University**  
**Ancillary Budget**  
**For Budget Year Ending April 30, 2020**

**Schedule II**

	<b>2019-20</b>	<b>2018-19</b>	<b>2018-19</b>	<b>Budget</b>
	<b>Budget</b>	<b>Budget</b>	<b>Forecast</b>	<b>Increase/ (Decrease) (\$)</b>
Residence Fees	3,095,100	2,949,800	2,949,800	145,300
English Language Program Room Revenue	130,000	120,000	132,400	10,000
Conferences and rentals	80,000	160,000	80,000	-80,000
Miscellaneous	198,100	98,100	200,000	100,000 (3)
<b>Total Revenue</b>	<b>3,503,200</b>	<b>3,327,900</b>	<b>3,362,200</b>	<b>175,300</b>
Administration Salaries and Benefits	457,900	449,000	449,000	8,900
Utilities	959,000	915,800	955,800	43,200
Property Management	512,300	543,000	490,000	-30,700
Residence student staffing	199,100	175,000	175,000	24,100
Residence Bursaries	225,000	160,000	254,000	65,000 (4)
Maintenance and Repairs	510,800	595,300	470,300	-84,501
Rigby Hall leaseback and property taxes	144,000	171,700	109,500	-27,700
Interest on long-term debt	141,600	92,000	175,000	49,600
Insurance	40,000	45,000	45,000	-5,000
Equipment Purchases	10,000	10,000	10,000	0
Miscellaneous	12,000	10,000	20,000	2,000
<b>Total Expenses</b>	<b>3,211,700</b>	<b>3,166,800</b>	<b>3,153,600</b>	<b>44,900</b>
Excess of Revenue over Expenses	291,500	161,100	208,600	130,400
Principal payments on long-term debt	176,000	158,000	172,000	18,000
Net cash flow Ancillary	115,500	3,100	36,600	112,400

Assumptions:

- (1) Occupancy of 470 for 2019-20; 222 doubles and 217 singles; 31 Windsor Street
- (2) Rate increase of 1% on double room; 5% on single rooms
- (3) Budget includes \$100,000 representing 2nd of 5 year pledge from Sir James Dunn Foundation to be used for Harrington Hall renovations. Donation budgeted to offset portion of interest expense on long-term debt related to Harrington Hall renovations.
- (4) Budget includes provision for international student residence bursaries previously budgeted from internally funded scholarships; forecast adjusted from original third quarter (\$145,000) to reflect transfer of 2018-19 expenditure for these residence awards.

**St. Thomas University**  
**Restricted Fund Expenditures**  
**For Budget Year Ending April 30, 2020**

	<b>Budget 2019-20</b>	<b>Forecast 2018-19</b>	<b>Budget 2018-19</b>	<b>Average Fund Balance 2017-19</b>	<b>Available (5%)</b>
Scholarships					
Externally restricted	450,000	375,000	350,000	9,078,100	454,000
Flow-through	100,000	100,000	100,000	0	n/a
	<u>550,000</u>	<u>475,000</u>	<u>450,000</u>	<u>9,078,100</u>	
Endowed Chairs					
Aquinas Chair in Interdisciplinary Studies	1,550,000	485,000	485,000	3,082,600	154,000 (1)
Canadian Citizenship & Human Rights	91,000	114,400	114,400	1,818,800	91,000
Catholic Theology	109,000	109,000	109,000	2,181,400	109,000
Criminology and Criminal Justice	58,000	58,000	58,000	1,152,100	58,000
Camp Endowment in Journalism	55,000	54,000	54,000	1,102,800	55,000
Gerontology	381,000	150,000	150,000	2,899,500	145,000 (2)
Irving Chair in Journalism	52,000	52,000	52,000	1,040,400	52,000
Native Studies	74,000	76,000	76,000	1,478,000	74,000
	<u>2,920,000</u>	<u>1,573,400</u>	<u>1,548,400</u>	<u>23,833,700</u>	<u>1,192,000</u>

(1) Includes provision for internally restricted scholarships of \$1,350,000. Aquinas Fund is estimated to be \$2 million as of April 30, 2019. These funds are expected to be fully expended in the 2020-21 fiscal year.

(2) Includes an additional transfer to operations for academic salaries of \$343,000 bringing annual draw to 13.1% of average fund balance.

**St. Thomas University  
Capital Expenditures  
2019-2020**

**Operations****Equipment**

Computer equipment and furnishings 380,000

**Renovations**

Academic buildings and grounds improvements 633,100

**Ancillary**

Vanier Hall - Planning and design work for renovations 400,000

**Total Capital Projects**

**1,413,100**

**Funding Sources**

Restricted Government Assistance-Non-space 380,000

Restricted Government Assistance-Alteration and Renovations 500,000

University Deferred Maintenance Program (UDMP) 133,100

Unused financing Harrington Hall project (Vanier Hall) 400,000

**Total Funding Sources**

**1,413,100**