



**Proposed 2009/10  
General Operating Budget  
(April 1, 2009 – March 31, 2010)**

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## **Budget Planning Process and Planning Assumptions**

The budget planning process began with the release of the 2009/10 budget guidelines in November, 2008. At that time, the President described the circumstances that would influence the planning of the 2009/10 budget. On the positive side, the President noted his expectation that the 2008/09 fiscal year was progressing according to budget and that the University would complete the year without having to introduce any mid-year budget reductions in order to avoid a deficit. On the negative side, he indicated a number of challenges that would influence the 2009/10 budget. He stated:

*In the revised 2008/09 budget presented to the Board in June, UNBC had to absorb a 2.6% reduction in provincial grant income – just over \$1 million. More recently, UNBC has seen an erosion of the value of its endowment fund, the earnings from which support such things as named scholarships and bursaries, some of our research chairs and research facilities, and library purchases.*

*The impact of these financial challenges will carry forward. The 2.6% reduction in government funding represents a permanent loss to the university base grant thereby affecting future income projections. Negative earnings from the endowment could jeopardize funding for student support and research. Compounding the problem, deteriorating economic conditions could further affect future levels of government funding support.*

The November Guidelines also identified the assumptions that would influence President's Executive Council (PEC) in the development of the 2009/10 budget.

*Council is assuming that the general operating grant identified by the Ministry of Advanced Education and Labour Market Development (MALMD) for the 2009/10 fiscal year, the amount of \$45,269,314 (less \$1 million for the Northern Medical Program), will hold firm. It is also assuming that federal government funding will remain at the current level; that there will be a further 2% increase in tuition fees; that full time equivalent (FTE) enrolment will grow by 2%; and that there will be no changes to other revenues. Council is also including in its cost projections previously approved salary increases, benefit costs at 20% of salary costs, and an overall 3% inflationary factor affecting non-salary expenditures.*

In addition, the Guidelines noted certain budgetary commitments that would be made at the outset of the budget-setting process, in particular the decision to allocate \$800,000 to capital equipment replacement (including \$150,000 from the

university's Annual Capital Allowance), to fund minor capital at the current level, and to increase the transfer to residence operations by \$50,000 to \$250,000 (the actual amount of the increase was later revised to \$39,247 to reflect the revised budget for Residences). Also noted was the intention of PEC to consider the continuation of a Strategic Investment Fund of \$500,000 of which \$330,000 had already been committed for the coming fiscal year.

Within this context, the November Guidelines instructed budget holders to develop their 2009/10 budgets within their current budgetary allocations without regard to salary increases or other inflationary factors. (Provisions for salary increases and inflationary cost pressures are budgeted centrally.) The Guidelines invited them to identify non-salary inflationary costs for PEC consideration separate from their budget submissions. In the eventuality that revenues might be higher than projected, PEC also invited Deans and Directors to identify areas of critical need where either new or reallocated funding might be directed.

Following the subsequent development of unit and area budgets, PEC began a process of detailed budget review at the end of January. The review included a fairly cursory but nevertheless comprehensive analysis of every unit budget. The analysis also included a review of submissions received relating to inflationary pressures and critical funding needs. Following the review of forecasted expenditures and needs, PEC identified all available revenues not yet designated to cover specified expenditures. On this basis, PEC cast the first draft budget – a projected break-even budget that addressed very few of the identified critical needs. As further information was received, in particular specific information on federal and provincial funding, the budget underwent revision leading to the formulation of the current draft.

Throughout this process PEC provided the Senate Committee on the University Budget (SCUB) with the same information it was using to develop the budget. In early March, PEC met with the Chair of SCUB to seek any advice SCUB wished to provide. PEC also kept President's Council informed of budget projections at key stages in the development of the budget plan and met on three occasions with representatives of PC as a more broadly based budget council.

## **Revised Assumptions, Forecasts and Risks**

In developing this proposed general operating budget, PEC has made certain assumptions based on the best information currently available. Changes in any of these assumptions will have a financial impact that may affect the University's ability to implement some of the strategies outlined in this document. The 2009/10 budget has been prepared based on the following key assumptions:

- **Provincial Government Funding**

The revenue forecast for the provincial grant has increased from \$45,269,314 from November Budget Guidelines to \$46,067,341 (less \$1 million allocated to the NMP) as confirmed by the MALMD on March 10, 2009. Included in this increase is \$792,000 for additional graduate and nursing seats and an adjustment to the base operating grant of \$1.088 million; funding for the planned physiotherapy program has been deferred for one year to reflect a delay in the initial intake to September 2010. The amount of funding provided under the Negotiating Framework remains unchanged from the November guidelines.

- **Federal Indirect Costs of Research Grants**

The revenue forecast for the federal government grant for the indirect costs of research has increased by just over \$200,000 from 2008/09 levels, reflecting both increased federal funding in support of this program and UNBC's continuing strong performance as a research university. This represents an increase of about 17% over the previous year.

- **Tuition Fees**

*Rate increase* - Under the Provincial Government tuition limit policy, increases to tuition fees and certain mandatory fees for graduate and undergraduate students are limited to the rate of inflation. As indicated in the November Guidelines, it is assumed that this rate will be consistent with previous years at 2%.

*Enrolment growth* - For 2009/10, a growth rate of 2% over 2008/09 overall FTE levels has been included in the projected revenue. Funding from MALMD remains based on FTE levels that remain in excess of actual projected levels.

- **Endowment Earnings**

The operating budget does not contain provisions to offset the decline in expected earnings from endowed funds. PEC has assumed that:

- Significantly reduced funding from the UNBC Endowment Fund for endowed research chairs can be offset from allocations from unspent salary costs from the 2008/09 fiscal year.
- Significantly reduced funding from the UNBC Endowment Fund for named scholarships and bursaries can be offset from donated funds given to the University for the purpose of "addressing areas of greatest need."

- **Salary and Benefit Increases**

Total salaries include estimated progression through the salary ranges as well as negotiated costs for 2009/10. While these salary costs are known, there remains risk around benefit costs increases which are primarily borne by the University. Based on actual results and information available to date, this risk is considered to be low.

- **Inflation and foreign exchange risks**

Inflationary pressures for utilities, fuel costs, and other non-salary expenditures may be higher than projected in the current budget allocations. Certain expenditures are transacted in foreign currencies (primarily US dollars). While provision has been made to adjust for a decline in the value of the Canadian dollar, there remains a risk that actual exposure to currency fluctuations will be higher than budgeted.

Therefore, the principal areas of risk outstanding relate to the revenue assumptions and forecasts of enrolment growth and of the 2008/09 year-end budgetary surplus. Budgeting on enrolment forecasts is a standard budget risk. What is unusual this year, however, is the need to utilize projected year-end surpluses to replace endowment fund earnings for the purpose of covering the 2009/10 costs of endowed research chairs. In the absence of a surplus, these costs would accrue to the 2009/10 budget as priority expenditures.

## **Fees**

The operating budget includes proposed fee increases approved by the University Fees Committee. The increased fees include a 2% proposed increase in tuition fees as noted above, and adjusted course and administrative fees. A parking fee increase of \$10 per month for parking permits and an increase to metered rates will bring parking fees in line with the costs of alternative modes of transportation to campus. The entire amount generated from these increases will go to a Green Initiatives Fund to support the goals and objectives of the Green University Committee. The Fees Committee has also approved a 3% increase to residence rental rates, as well as a \$25 per student per semester network infrastructure fee. The infrastructure fee will create a reserve to fund upgrading and maintenance of the current computer network infrastructure. The detailed proposals for the residence and parking fee increases are included in the fee schedule presented to the Board for approval and incorporated in the respective ancillary unit budgets.

## **Summary of Outcomes in the Proposed 2009/10 Budget**

PEC's primary goal in setting the 2009/10 proposed budget has been to maintain stability within UNBC by avoiding budgetary cutbacks and by ensuring adequate funding for existing academic and administrative programs and functions. Council has also given priority to addressing identified "critical needs" on a priority basis. Approximately \$3.3 million in recurring expenses were identified in critical need requests for 2009/10. Council has managed to address approximately \$1.8 million of these recurring expense requests via reallocation of existing budgets, funding from other sources, and increases to operating budget allocations resulting from the aforementioned adjustments to the Provincial operating and Federal Indirect Costs of Research grants. Appendix 1 includes the list of the inflationary costs and critical needs brought to the attention of PEC and identifies those approved for funding. In making these decisions, PEC was careful to direct the additional funding received from the federal government to the improvement of overall research services. Likewise, additional graduate student funding has been generally used to improve administrative support for graduate studies as well as to direct an additional \$100,000 to graduate student scholarships. Not all revenues were assigned to recurring costs. A total of \$475,000 was directed to one-time only expenditures to provide a revenue cushion for the 2010/11 fiscal year.

Due to the extent and nature of the critical needs identified through the budget process and the overall financial constraints, Council chose to reduce the Strategic Investment Fund introduced in the 2007/08 budget, to the level required to support those items which had received multi-year commitments in 2008/09. Therefore, the budget includes a provision for \$250,000 for International Operations and \$30,000 for Digital Media program delivery, but does not include an unallocated SIF amount against which units may make separate application for funding. This decision was not based on any objection in principle to such a fund; it was based on Council's desire to address the overwhelming urgencies expressed in the critical needs submissions.

Council does, however, fully appreciate the need to budget strategically to position the University to increase revenues or limit costs. In that vein, Council has approved the one-time expenditure of \$300,000 to equip a large lecture amphitheatre for advanced video-conferencing capability. The aim is to expand the use of video-conferencing to increase delivery of and access to regionally distributed programs, such as Nursing and Education, in order to grow enrolments throughout the campuses served by UNBC, and to improve the cost efficiency of current program delivery. Enhanced video-conferencing will also facilitate course and program sharing with other institutions, such as UBC and Emily Carr University where shared programs exist or are under consideration.

A particular challenge facing PEC in setting the 2009/10 budget is the loss in market value of the University's endowment fund – a loss of nearly 20%. By using existing funding sources to relieve the endowment fund from a normal 5% drawdown in

2009/10, the intent of the university is to give the endowment time to recover value while also protecting the scholarships, bursaries, research activities and other operational costs funded in whole or in part from endowed funds. This is a short-term fix to what is beginning to appear as a longer-term problem. Consequently, PEC will be seeking the advice of the UNBC Investment Committee and the Board on a revised policy to govern expenditures from endowment funds. A revised policy will likely have significant implications for the University operating budget in 2010/11.

Additionally, Council reviewed areas where one-time or ongoing salary savings could be achieved due to either temporary or permanent staffing changes (e.g. leaves, backfills, term appointments, etc.) This review resulted in a total adjustment of \$384,000 to the 2009/10 budget, without any changes to the staffing model.

In setting the proposed 2009/10 budget PEC has taken a cautious approach for several reasons. There is likely to be a new provincial budget in June, 2009 following the provincial election. It is difficult to predict the economic circumstances that will be facing the province at that time. Likewise, there is every reason to be cautious about the state of the economy, the level of increased government funding for universities, and the health of the university endowment fund in 2010.

The proposed budget is balanced with revenues and expenses of \$65,072,735. A summary for 2009/10 and a three-year comparison from 2007/08 to 2009/10 are attached as Appendices 2 and 3.

In closing, Council fully appreciates that a number of academic and administrative units are struggling to maintain services and programs with current levels of staffing and financial support. In proposing this budget, members have made every effort to address as many of those concerns as possible without taking on risks that could jeopardize the maintenance of UNBC programs and services in future years.

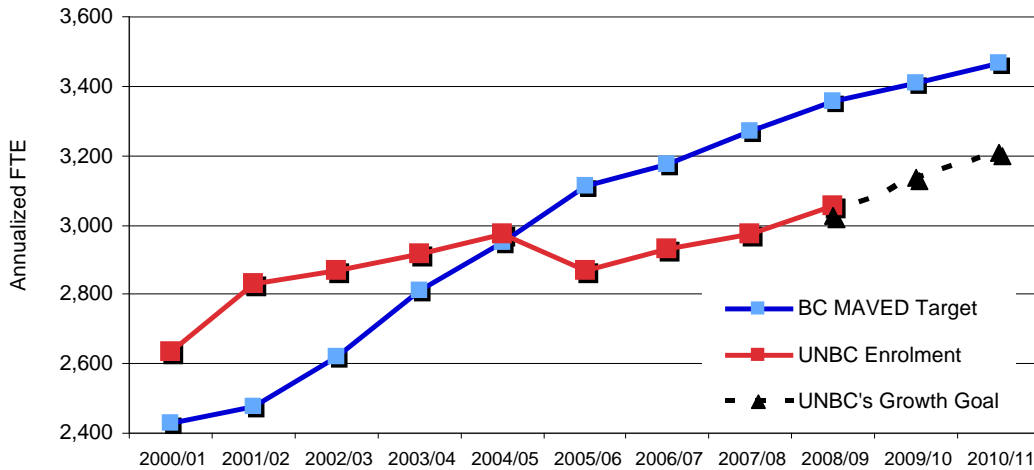
## **Financial Overview and Highlights**

### **Revenues**

Total revenues in the proposed 2009/10 budget have been estimated at \$65,072,735, an increase of 6.4% over 2008/09 levels. The increase includes allocations for the Negotiating Framework, increased funding targeted to graduate seats and nursing growth, and an untargeted adjustment of about \$1.1 million. Tuition fee levels are estimated based on the actual revenues received in 2008/09, plus a 2% growth and a 2% fee increase. For information purposes, UNBC's annualized FTE enrolments compared to MALMD's targets are provided in Figure 1.

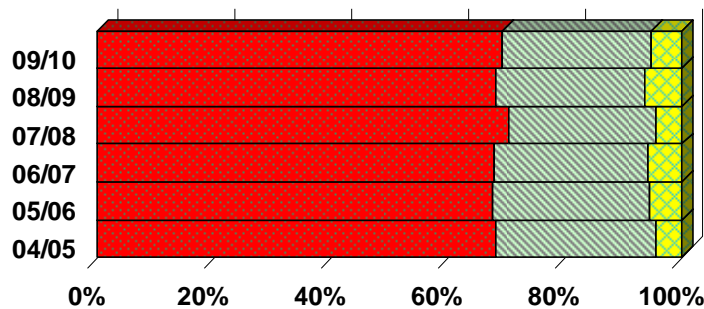


**Figure 1:  
Annualized FTE Comparisons  
BC Ministry Targets Compared to UNBC Enrolments**



Provincial grant funding, as a proportion of total revenues increased slightly from 68.4% last year to 69.3% in 2009/10 as shown in Figure 2. Federal Indirect Costs of Research increased by \$211,415 in 2009/10. Details of how this grant is allocated are provided in Appendix 4. All other revenue categories have remained consistent with last year.

**Figure 2: UNBC Operating Fund Revenues  
(\$ millions)**



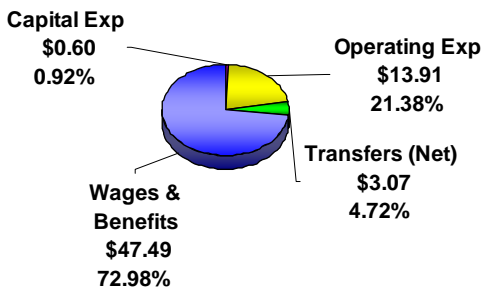
	04/05	05/06	06/07	07/08	08/09	09/10
Other	\$2.2	\$2.9	\$3.2	\$2.5	\$3.8	\$3.4
Tuition/Fees	\$13.5	\$14.0	\$14.2	\$14.6	\$15.6	\$16.6
Prov. Base Grant*	\$33.7	\$35.5	\$37.1	\$40.4	\$41.8	\$45.1

\* Provincial Base Grant does not include NMP or one time/other grants

## Expenditures

As illustrated in Figure 3, wages and benefits continue to form the largest component of total costs. Included in the 2009/10 estimates are progression through the salary ranges, job evaluation and general wage increases as per negotiated agreements. Projected costs relating to salaries and benefits are shown in Table 1 below.

**Figure 3: 2009/10 Expenditures by Type  
(\$ millions)**



**Table 1: Changes in Labour and Benefits Costs  
(\$ Thousands)**

	2008/09	2009/10	Change from Prior Yr.	
			\$	%
Salaries - Staff	14,123	15,054	931	6.59%
Salaries - Faculty/Instructors/Librarians	19,712	20,750	1,038	5.27%
Salaries - Others	2,359	2,656	297	12.57%
Hourly Wages	1,452	1,493	41	2.80%
<b>Total Salary and Wages</b>	<b>37,647</b>	<b>39,953</b>	<b>2,306</b>	<b>6.13%</b>
Anticipated Salary Savings	(683)	(683)	-	0.00%
Benefits	7,732	8,221	489	6.32%
<b>Total Labour and Benefits</b>	<b>44,696</b>	<b>47,491</b>	<b>2,795</b>	<b>6.25%</b>

Operating Expenses, as shown in Table 2, are higher by \$152,000 partly due to inflationary pressures such as increased costs for software licensing and utilities, as well as an increase in bank service charges and student tuition waivers. A number of other expenses have increased as well (e.g. cost of goods sold associated with telecommunications internal chargebacks and consulting costs), however these have been offset either by increases in associated revenue or internal reallocations. Reductions made to 2008/09 centrally budgeted amounts (i.e. debt servicing and the Strategic Investment Fund) lessened the overall net increase in operating expenses.

Minor equipment purchases have increased over last year, mainly due to the planned (one-time) investment of \$300,000 to equip a large lecture amphitheatre for advanced video-conferencing capability. Other increases are associated with the VPN/Wireless Phase I project and other computer network infrastructure costs.

The increase in transfers to other funds results primarily from required transfers to Professional Development funds, reallocation of faculty agreement costs from salary lines to transfer lines, the budget model for the Associate Vice President Research (Health), a 5% inflationary increase for the library acquisitions budget, and a one-time \$75,000 top-up for the Capital Equipment Replacement Reserve contribution.

The decrease in transfer from other funds is a net change resulting from increases to transfers from sponsored research (to support the budget model for the Associate VP Research (Health)) and from the Northern Medical Program, a reallocation between revenues and transfer from specific purpose funds, and the elimination of the \$474,027 transfer from university reserve that was budgeted in 2008/09.

**Table 2: Changes in Operating Expenditures and Transfers**  
(\$ thousands)

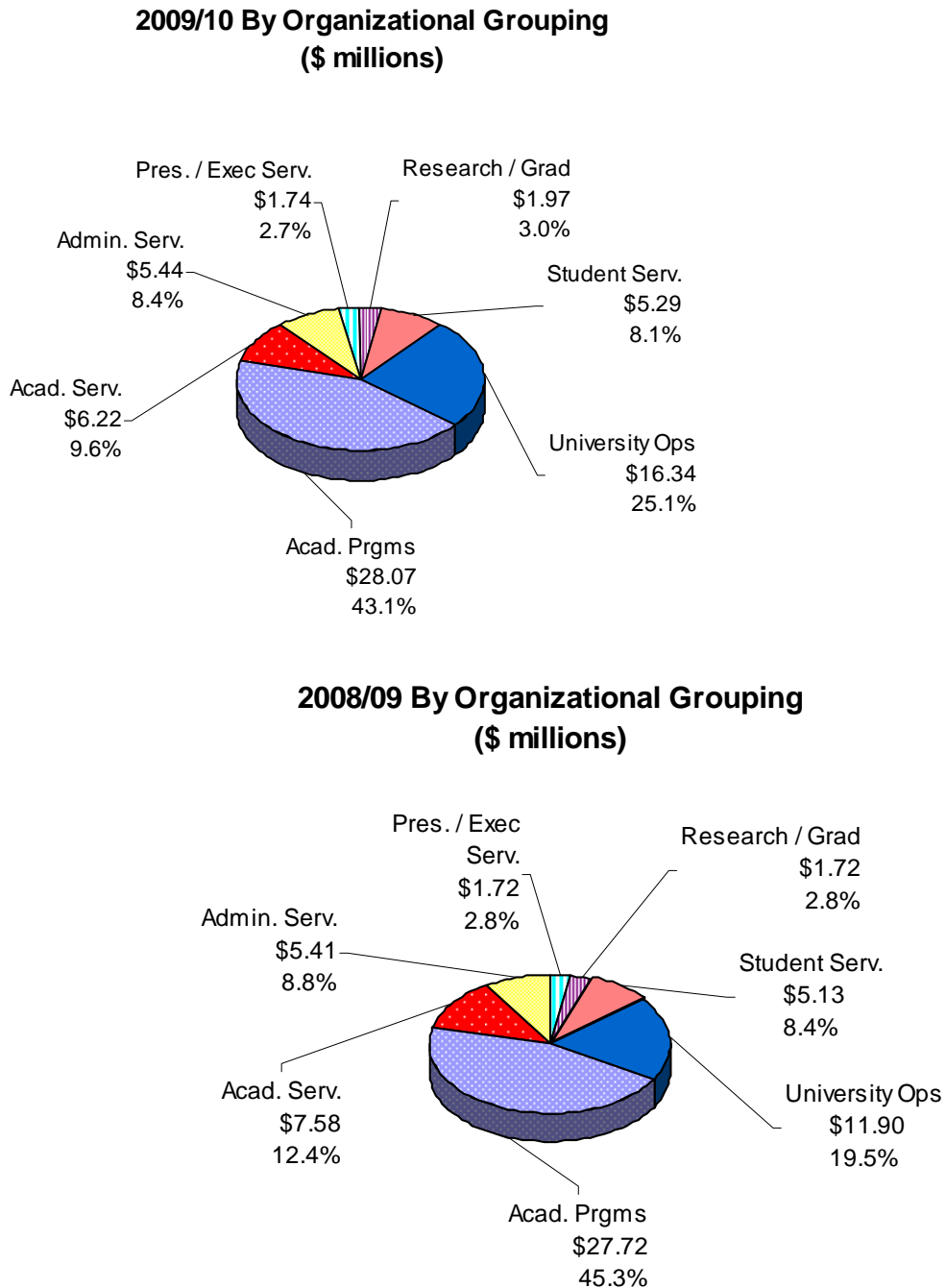
	2008/09	2009/10	Change from Prior Yr.	
			\$	%
<b>Oper. Exp.</b>	\$13,761	\$13,913	\$152	1.11%
<b>Minor Cap.</b>	216	599	383	177.14%
<b>Trans. To Other Funds</b>	5,675	6,042	367	6.47%
<b>Trans. From Other Funds</b>	(3,168)	(2,972)	196	(6.18%)
<b>Total Exp &amp; Trans.</b>	\$16,484	\$17,582	\$1,098	6.66%

As illustrated in Figure 4 and Appendix 5, the primary direct expenditures, including labour costs, for the University are in student related activities, both academic and administrative. For both years below, the total portion of the University's overall budget allocated to the academic programs, student services and academic services was approximately two thirds. A significant change from the 2008/09 budget is the reallocation of the library acquisitions transfer from Academic Services to the library managed allocation in University Operations.

The increase in the University Operations budget also results from a net change primarily related to: the reductions to the centrally budgeted Strategic Investment Fund and debt servicing costs; centrally budgeted inflationary increases for utilities, library acquisitions, software licensing, bank service charges, and tuition waivers previously mentioned; and increases in required employee agreement costs. The University Operations budget is also inflated by the temporary inclusion of new items

funded by the increases to the MALMD operating grant and Indirect Costs of Research Grant; these items are currently budgeted in University Operations but will be reallocated to appropriate budgets after approval of the budget and upon commencement of the various projects. Once these adjustments are complete, University Operations will decrease by 2.2%, while Academic Programs will increase by 1.7%. The remaining 0.5% will be distributed amongst the other categories.

**Figure 4: 2009/10 and 2008/09 Budget Expenditure by Organizational Grouping**



## **APPENDIX 1:**

# **Summary of Critical Needs and Inflationary Pressures**

## Summary of Critical Needs and Inflationary Pressures

The following tables include a list of critical needs and inflationary pressures identified by budget holders. In reviewing these tables, the following should be noted:

- Every effort was made to ensure that these tables are as comprehensive as possible; however additional items may have been raised during President's Executive Council budget meetings brought forward in other venues or not identified during the regular budget process.
- The amounts identified in the tables reflect the costing provided by the budget holders. They may not accurately reflect the actual costs of the items listed. Final amounts funded may have been changed as a result of detailed analysis by the Budget Office in consultation with budget holders as required.
- The final amounts funded in the general operating budget primarily include only ongoing (recurring) costs. Related one-time costs (e.g. computers for new positions) were generally not addressed.

## Summary of Critical Need Requests

Budget Name	Item	One Time \$	Ongoing \$		Total 09/10	Other Funds \$	Comments
			09/10	Future			
<b>ACADEMIC PROGRAMS</b>							
<b>College of Arts, Social &amp; Health Sciences</b>							
Anthropology	Course buyout for Fall 2009	-	7,622		7,622		Further follow-up ongoing re reallocation
Economics	Lab Assistant - Second Section Econ 205	-	-	3,000	-		
Education	B.Ed Practicum Budget - PG Campus	-	270,744	270,744	270,744		Further follow-up ongoing
Education	B.Ed Practicum Budget - PG Campus	-	20,500	20,500	20,500	11,510	Further follow-up ongoing
Education	B.Ed Practicum Budget - Terrace Cohort	-	36,106	88,000	36,106	16,950	Further follow-up ongoing
English	Sabbatical replacement for second faculty position	86,000			86,000		Further follow-up ongoing re overall sabbatical replacement plan
Fine Arts	Office and operating support for Admin Assistant	2,350	624	459	2,974	2,450	
First Nations Studies	Replacement of position eliminated due to faculty buyouts	50,000			50,000		
History	Tenure Stream Position - European History	-	43,200	73,200	43,200	42	Further follow-up ongoing
International Studies	Tenure Track Position	60,000			60,000		
Nursing	Student Advisor	-	50,000	50,000	50,000	14,000	
Nursing	Family Nurse Practitioner Program - tenure track position and physician preceptor payments	-	227,000	17,200	227,000		General allocation provided to address these requests
Nursing	Sessional Faculty Salaries	-	175,000	175,000	175,000		
Nursing	Two SLI Positions - Regional Cohorts	-	208,000	208,000	208,000		
Nursing	Rural Nursing Certificate Program	-	160,000	160,000	160,000		May be covered from other funds
Social Work	Administrative Assistant for MSW	-	42,000	42,000	42,000		
Women's Studies	Sessional Instructor	-	6,087		6,087		
<b>College of Science and Management</b>							
Forestry	Travel and Event for NRM outreach		6,000	6,000	6,000	5,969	
Environmental Arts	Tenure track posn in Human Ecology		73,200	73,200	73,200	2,800	
Biology	Tenure track posn Fisheries		73,200	73,200	73,200	-	
FSTY/BIOL/ENVS	0.2 FTE Admin Assistant		10,560	10,560	10,560	2,649	Funded in general operating (new FTE)
Chemistry	Capital Equip. Replacement		24,250	24,250	24,250	10,000	
Chemistry	Instructor		51,945	-	51,945		
Math	various	4,000	1,746	1,746	5,746		Partially funded in general operating
Geography	Knowledge Mobility Coordinator	3,300				3,198	
Geography	Display Dev. Coord	5,000	2,000	2,000	7,000	7,198	
CPSC	various	5,500			5,500	7,477	
<b>Regional Operations</b>							
Northwest	New positions for Terrace Campus	9,800	79,368	85,707	89,168	20,460	Funded by a combination of general operating, reallocation, and other funds (new FTE)
South-Central	New position for Quesnel Campus	-	14,498	19,331	14,498	-	
<b>ACAD PROGS SUBTOTAL</b>		<b>225,950</b>	<b>1,583,650</b>	<b>1,404,097</b>	<b>1,806,300</b>	<b>104,703</b>	

## Summary of Critical Need Requests

Budget Name	Item	One Time \$	Ongoing \$		Total 09/10	Other Funds \$	Comments
			09/10	Future			
<b>ACADEMIC SERVICES</b>							
<b>GRW Library</b>							
Library	Library Assistant - Cataloguing	1,680	45,506	46,914	47,186		
Library	2 New Librarians	3,360	139,337	142,125	142,697		
Library	Computer Support Posn	1,680	54,385	55,684	56,065		
Library	Library Assistant - Access & Info		35,096	36,180	35,096		
Library	Assistant Archivist		37,589	39,100	37,589		
<b>Teaching &amp; Learning Services</b>							
Disability Services	Clockwork Software	10,325	-	2,100	10,325		
<b>Technology Services</b>							
ITS	Database Administrator	1,400	82,680	82,680	84,080	110,000	Funded through elimination of vacant position and additional dollars in general operating (net 2 new FTE)
	Network Administrator	1,400	77,696	77,696	79,096	100,563	
	Systems analyst	1,400	82,680	82,680	84,080		
	Consulting		50,000	50,000	50,000		
<b>ACAD SERVICES SUBTOTAL</b>		<b>21,245</b>	<b>604,969</b>	<b>615,159</b>	<b>626,214</b>	<b>210,563</b>	
<b>STUDENT SERVICES</b>							
<b>Student Success &amp; Enrolment Management</b>							
Registrar	Scheduling Assistance (Seasonal)	1,500	15,940	15,940	17,440	121	Funded in general operating (new FTE)
Wellness Ctr & First Nations Centre	Intake Counsellor	-	61,092	61,092	61,092	3,385	
Registrar	Articulation Officer	5,000	57,774	57,774	62,774	121	
tba	SLI for Northern Advancement Program		48,714	48,714	48,714		
Registrar	Grad Studies Support	3,500	44,050	44,050	47,550	121	Funded in general operating (new FTE)
Convocation	Convocation Asst - OT & Casual Assistance	5,000	13,500	13,500	18,500	18,500	Funded in general operating, primarily through an increase in revenue
Senate	Senate - OT & Casual Assistance	-	4,000	4,000	4,000	-	Further follow-up ongoing re possible reallocation
tba	Tuition Waivers for Soccer Teams		71,200	71,200	71,200		
First Nations Centre	Diversity Committee support		5,000	5,000	5,000		
<b>STUDENT SERVICES SUBTOTAL</b>		<b>15,000</b>	<b>321,270</b>	<b>321,270</b>	<b>336,270</b>	<b>22,248</b>	
<b>RESEARCH &amp; GRAD PROGRAMS</b>							
Office of Research	Research Database Update	7,500			7,500		Covered by other funding
Office of Research	Research Ethics		9,500	9,500	9,500		Covered by other funding
Office of Research	Facilitate Teaching/Research Integration		30,000	30,000	30,000		
Office of Research	Travel - Community Liaison		7,500	7,500	7,500		May be covered by other funding
Office of Research	Molecular Genetic Support & Analytical Chem Support Specialists		65,000	142,000	65,000		Funded in general operating (2 FTE previously covered by soft-funding)
Research Part/Serv	Legal Fees		50,000	50,000	50,000		May be covered by additional revenue source



## Summary of Critical Need Requests

Budget Name	Item	One Time \$	Ongoing \$		Total 09/10	Other Funds \$	Comments
			09/10	Future			
Research Part/Serv	Travel on Behalf of VPR		3,000	3,000	3,000		May be covered by additional revenue source
Research Part/Serv	Professional Memberships		2,500	2,500	2,500		May be covered by additional revenue source
Research Part/Serv	Develop Commercialization Projects		40,000	40,000	40,000		May be covered by additional revenue source
Research Part/Serv	Other		5,000	5,000	5,000		May be covered by additional revenue source
NHS Research Facility	Additional costs for food		10,000	10,000	10,000	5,000	Funded by a combination of general operating and other funds
AVP Research	Potential New CRC Candidate	110,000	36,000		146,000		
AVP Research	CATI Lab Manager		21,000	42,000	21,000		Funded in general operating (0.5 FTE previously covered by soft-funding)
AVP Research	Health Research Tech Consultant (IT)		31,500	31,500	65,000		Funded in general operating (0.5 FTE previously covered by soft-funding)
Dean of Grad Programs	program review	5,000			5,000		Covered by other funding
Dean of Grad Programs	Increased Admin Costs		4,500	4,500	4,500		Funded in general operating
Dean of Grad Programs	Travel		11,500	11,500	11,500		Covered by other funding
Dean of Grad Programs	Furnishings for office move	2,500			2,500		Covered by other funding
Dean of Grad Programs	Phone adds and drops	1,000			1,000		Covered by other funding
Dean of Grad Programs	Graduate Awards / Project Officer		55,200	56,500	55,200		Funded in general operating (new FTE)
Dean of Grad Programs	Emergency Student Assistance		1,000	1,000	1,000		Funded in general operating
<b>RSCH &amp; GRAD PROGS SUBTOTAL</b>		<b>126,000</b>	<b>383,200</b>	<b>446,500</b>	<b>542,700</b>	<b>-</b>	
<b>ADMIN SERVICES</b>							
Communic/Advancement	Olympic opportunities						
Communic/Advancement	Reorg for Comm & Ext. Rel						Funded in general operating (reorg. plan to be approved by BOG)
HR	Casual Staff		30,000		30,000		Further follow-up ongoing re other funding sources
HR	Software	3,000			3,000		Covered by other funding
LR	Negotiations		50,000	50,000	50,000		Further follow-up ongoing re other funding sources
Staff Recruit	Cost increases		50,000	50,000	50,000		Further follow-up ongoing re possible reallocation
VPAF	Cost increases		6,204	6,204	6,204		Funded in general operating
Finance	A/R & Cap Proj Assistant	-	26,218	45,996	26,218	8,895	Funded in general operating (existing FTE - previously covered by soft funding)
PCRM	Bar Code Scanning System	12,500		1,000	12,500		
PCRM	PCRM Additional Staffing Issues		15,050	15,050	15,050		Funded in general operating
PCRM	0.5 Dist. Serv. Clerk		22,100	22,600	22,100	12,600	Funded in general operating (new FTE)
PCRM	Research Contract Coordinator	7,800	65,811	65,811	73,611		Funded in general operating (new FTE)
Facilities	Facilities Staffing Issues	44,000	5,600	5,600	49,600		
Facilities	FM software	40,000			40,000	40,000	May be covered by other funding
Facilities	BC Hydro auto switchover	200,000			200,000		

## Summary of Critical Need Requests

Budget Name	Item	One Time \$	Ongoing \$		Total 09/10	Other Funds \$	Comments
			09/10	Future			
Facilities	Convert term MA to perm		15,400	15,400	15,400		Funded by a combination of general operating and reallocations (new FTE)
Facilities	Casual Staff		7,000	7,000	7,000		Funded in general operating
Facilities	Capital Equipment Repl.		25,000	55,000	25,000		
TBA	Green Plan Renos	50,000			50,000		Covered by other funding
TBA	Green Plan recycling bins	25,000			25,000		Covered by other funding
TBA	Sustainability Coordinator		64,400	64,400	64,400		May be covered by other funding
TBA	Green Plan office operating		10,000	10,000	10,000		May be covered by other funding
VPAF	Integ. Res. Planning position				-		
<b>ADMIN SERVICES SUBTOTAL</b>		<b>382,300</b>	<b>392,783</b>	<b>414,061</b>	<b>775,083</b>	<b>61,495</b>	
<b>UNIVERSITY OPERATIONS</b>							
Network	VPN/Wireless Phase I	30,000	-	6,142	30,000		Funded in general operating
<b>UNIVERSITY OPS SUBTOTAL</b>		<b>30,000</b>	<b>-</b>	<b>6,142</b>	<b>30,000</b>	<b>-</b>	
<b>GRAND TOTAL</b>		<b>800,495</b>	<b>3,285,872</b>	<b>3,207,229</b>	<b>4,116,567</b>	<b>399,009</b>	

Budget Name	Item	One Time 09/10 \$	Ongoing \$ 09/10	Total 09/10	Other Funds \$	Comments
<b>College of Arts, Social &amp; Health Sciences</b>						
Economics	Copy costs and travel		6,400	6,400	-	
English	Copy costs		330	330		
First Nations Studies	Copy costs and advertising		5,700	5,700		
International Studies	Copy / printing costs		844	844		
Women's Studies	Advertising for MA Program			-		
	<b>CASHS SUBTOTAL</b>	-	<b>13,274</b>	<b>13,274</b>	-	
<b>College of Science and Management</b>						
Math	Copy costs		800	800	-	
Eeng	various		2,944	2,944		
	<b>CSAM SUBTOTAL</b>	-	<b>3,744</b>	<b>3,744</b>	-	
<b>Regional Operations</b>						
Northwest Campus	Terrace campus operating costs	7,000	27,090	34,090	-	
	<b>REG OPS SUBTOTAL</b>	<b>7,000</b>	<b>27,090</b>	<b>34,090</b>	-	
<b>GRW Library</b>						
Library			115,717			Funded in general operating (\$75,000)
	<b>LIBRARY SUBTOTAL</b>	-	<b>115,717</b>	-	-	
<b>FACILITIES</b>						
Facilities	various		34,300	34,300		
	<b>FACILITIES SUBTOTAL</b>	-	<b>34,300</b>	<b>34,300</b>	-	
<b>UNIVERSITY OPS</b>						
	Software Licensing		13,118	13,118		Funded in general operating
	<b>UNIVERSITY OPS SUBTOTAL</b>	-	<b>13,118</b>	<b>13,118</b>	-	
	<b>GRAND TOTAL</b>	<b>7,000</b>	<b>207,243</b>	<b>98,526</b>	-	

## **APPENDIX 2:**

### **Proposed 2009/10 Budget – Summary by Category**

**University of Northern British Columbia**  
**Proposed Operating Budget by Category**  
**For 2009/10**

	<b>Proposed 2009/10</b>
<b>REVENUES</b>	
Provincial Base Operating Grant	\$ 45,067,341
Provincial Grants - One Time & Other	264,394
Federal Grant - Indirect Costs of Research	1,422,655
Interest	328,000
Tuition & Student Fees	16,636,886
Sales & Services	391,711
Miscellaneous Revenue	63,000
ICR - Administrative Overhead	118,483
Other Cost Recovery	780,265
	<b>65,072,735</b>
 <b>TOTAL REVENUES</b>	
 <b>OPERATING EXPENDITURES</b>	
<b><u>Labour</u></b>	
Salaries - Staff	15,054,397
Salaries - Faculty/Librarian/SLI	18,076,852
Salaries - Instructor	2,673,315
Salaries - Overtime	159,799
Salaries Other	2,490,714
Wages TA's & Research Assts	1,003,994
Hourly Wages	488,853
Teaching Excellence Awards	5,000
Other	-
Salary Savings	(683,011)
Benefits	8,220,841
<b>Subtotal Labour</b>	<b>47,490,754</b>
 <b><u>Other Operating Expenditures</u></b>	
Postage & Freight Charges	147,467
Office Supplies	532,112
Vehicle Repair & Maintenance	27,075
Waste Management	41,122
Health & Safety	91,372
Equipment Maintenance	323,102
Travel - Non Employee	290,720
Taxes, Duties & License	1,068,417
Advertising & Promotion	322,172
Meetings	601,133
Books/Pubs/Subscriptions	430,391
Materials & Supplies	146,667
Other Cost & Charges	367,866
Strategic Investment Fund	280,000
Miscellaneous	408,411

**University of Northern British Columbia**  
**Proposed Operating Budget by Category**  
**For 2009/10**

	<b>Proposed 2009/10</b>
Debt Servicing	200,000
Equipment & Furnishing	168,118
Space & Equipment Rental	190,801
Cost of Goods Sold	562,862
Contract Services	714,799
Professional Fees	253,200
Program Reviews	25,200
Building Reno/Mtce & Grounds	1,257,418
Utilities	2,807,276
Scholarships & bursaries	797,382
Travel	1,002,948
Recruitment	360,744
Labour Relations	5,415
Professional Development	292,365
Contingency	196,598
<b>Subtotal Other Operating Expenditures</b>	<b>13,913,151</b>
<b>Minor Capital Expenditures</b>	<b>598,626</b>
<b>Transfers to Other Funds</b>	<b>6,042,275</b>
<b>Transfers in from Other Funds</b>	<b>(2,972,071)</b>
<b>Total Operating and Capital Expenditures &amp; Transfers</b>	<b>65,072,735</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>

## Notes:

The Strategic Investment Fund currently includes allocations for the following initiatives:

- International Operations \$250,000
- Digital Media Program Delivery \$30,000

## **APPENDIX 3:**

### **Proposed 2009/10 Budget – Three Year Budget Comparison (2007/08 – 2009/10)**

	Approved 2007/2008		Approved 2008/2009		Proposed 2009/10	
	\$	%	\$	%	\$	%
<b>REVENUES</b>						
Provincial Base Operating Grant	40,350,400	70.2%	41,841,593	68.4%	45,067,341	69.3%
Provincial Grants - One Time & Other	152,427	0.3%	963,603	1.6%	264,394	0.4%
Federal Grant - Indirect costs of Research	1,037,007	1.8%	1,211,240	2.0%	1,422,655	2.2%
Interest	294,500	0.5%	295,300	0.5%	328,000	0.5%
Tuition & Student Fees	14,596,715	25.4%	15,607,606	25.5%	16,636,886	25.6%
Sales & Services	279,174	0.5%	386,656	0.6%	391,711	0.6%
Miscellaneous Revenue	80,656	0.1%	125,522	0.2%	63,000	0.1%
ICR - Administrative Overhead	60,090	0.1%	106,316	0.2%	118,483	0.2%
Other Cost Recovery	643,850	1.1%	641,600	1.0%	780,265	1.2%
<b>TOTAL REVENUES</b>	<b>57,494,819</b>	<b>100.0%</b>	<b>61,179,436</b>	<b>100.0%</b>	<b>65,072,735</b>	<b>100.0%</b>
<b>OPERATING EXPENDITURES</b>						
<b>Labour</b>						
Salaries - Staff	13,499,658	23.5%	14,123,114	23.1%	15,054,397	23.1%
Salaries - Faculty/Librarian/SLI	17,229,330	30.0%	17,458,037	28.5%	18,076,852	27.8%
Salaries - Instructor	2,273,188	4.0%	2,254,162	3.7%	2,673,315	4.1%
Salaries - Overtime	156,799	0.3%	157,799	0.3%	159,799	0.2%
Salaries Other	1,958,199	3.4%	2,196,185	3.6%	2,490,714	3.8%
Wages TA's & Research Assts	705,123	1.2%	878,236	1.4%	1,003,994	1.5%
Hourly Wages	605,718	1.1%	574,018	0.9%	488,853	0.8%
Teaching Excellence Awards	5,000	0.0%	5,000	0.0%	5,000	0.0%
Other	45,266	0.1%	-	0.0%	-	0.0%
Salary Saving	(617,011)	-1.1%	(683,011)	-1.1%	(683,011)	-1.0%
Benefits	7,480,085	13.0%	7,732,054	12.6%	8,220,841	12.6%
<b>Subtotal Labour</b>	<b>43,341,356</b>	<b>75.4%</b>	<b>44,695,592</b>	<b>73.1%</b>	<b>47,490,754</b>	<b>73.0%</b>
<b>Other Operating Expenditures</b>						
Postage & Freight Charges	154,965	0.3%	155,779	0.3%	147,467	0.2%
Office Supplies	545,462	0.9%	541,104	0.9%	532,112	0.8%
Vehicle Repair & Maintenance	31,632	0.1%	31,632	0.1%	27,075	0.0%
Waste Management	28,374	0.0%	28,374	0.0%	41,122	0.1%
Health & Safety	23,877	0.0%	109,877	0.2%	91,372	0.1%
Equipment Maintenance	394,723	0.7%	326,751	0.5%	323,102	0.5%
Travel - Non Employee	148,293	0.3%	285,393	0.5%	290,720	0.4%
Taxes, Duties & License	871,059	1.5%	984,467	1.6%	1,068,417	1.6%
Advertising & Promotion	296,810	0.5%	348,124	0.6%	322,172	0.5%
Meetings	512,798	0.9%	591,765	1.0%	601,133	0.9%
Books/Pubs/Subscriptions	465,827	0.8%	418,076	0.7%	430,391	0.7%
Materials & Supplies	99,419	0.2%	114,389	0.2%	146,667	0.2%
Other Cost & Charges	270,032	0.5%	443,430	0.7%	367,866	0.6%
Strategic Investments Fund	248,242	0.4%	500,000	0.8%	280,000	0.4%
Miscellaneous	310,062	0.5%	460,427	0.8%	408,411	0.6%
Debt Servicing	550,000	1.0%	400,000	0.7%	200,000	0.3%
Equipment & Furnishing	160,537	0.3%	179,182	0.3%	168,118	0.3%
Space & Equipment Rental	126,509	0.2%	229,960	0.4%	190,801	0.3%
Cost of Goods Sold	323,700	0.6%	323,700	0.5%	562,862	0.9%
Contract Services	723,950	1.3%	661,922	1.1%	714,799	1.1%
Professional Fees	273,561	0.5%	271,261	0.4%	253,200	0.4%
Program Reviews	25,250	0.0%	25,250	0.0%	25,200	0.0%
Building Reno/Mtce & Grounds	1,518,752	2.6%	1,240,727	2.0%	1,257,418	1.9%
Utilities	2,687,848	4.7%	2,719,200	4.4%	2,807,276	4.3%
Scholarships & bursaries	524,712	0.9%	559,865	0.9%	797,382	1.2%
Travel	1,034,387	1.8%	961,008	1.6%	1,002,948	1.5%
Recruitment	353,244	0.6%	360,744	0.6%	360,744	0.6%
Labour Relations	5,415	0.0%	5,415	0.0%	5,415	0.0%
Professional Development	221,199	0.4%	272,089	0.4%	292,365	0.4%
Contingency	50,235	0.1%	210,725	0.3%	196,598	0.3%
<b>Subtotal Other Operating Expenditures</b>	<b>12,980,875</b>	<b>22.6%</b>	<b>13,760,637</b>	<b>22.5%</b>	<b>13,913,151</b>	<b>21.4%</b>
<b>Minor Capital Expenditures</b>	<b>321,776</b>	<b>0.6%</b>	<b>215,626</b>	<b>0.4%</b>	<b>598,626</b>	<b>0.9%</b>
<b>Transfers to Other Funds</b>	<b>4,950,779</b>	<b>8.6%</b>	<b>5,675,353</b>	<b>9.3%</b>	<b>6,042,275</b>	<b>9.3%</b>
<b>Transfers in from Other Funds</b>	<b>(4,099,967)</b>	<b>-7.1%</b>	<b>(3,167,772)</b>	<b>-5.2%</b>	<b>(2,972,071)</b>	<b>-4.6%</b>
<b>Total Operating and Capital Expenditures plus Transfers</b>	<b>57,494,819</b>	<b>100.0%</b>	<b>61,179,436</b>	<b>100.0%</b>	<b>65,072,735</b>	<b>100.0%</b>



## **APPENDIX 4:**

### **Proposed 2009/10 Budget – Expenses Funded by the Federal Indirect Costs of Research Grant**

Expenditures projected for 2009/10:

<u>Item</u>	
Analytical Chem Support Specialist	70,996
EFL Greenhouse Technicians	148,948
Archivist and Special Collections Librarian	84,583
Sr. Lab Instructor - HPC	82,350
Admin Assistant - Office of VPRG	48,189
Research Project Officer	71,017
HR Administrator	70,810
Payroll Assistant	46,666
Research Accounting Assistant	50,145
Risk and Safety Coordinator (60%)	39,623
Research Contracts Coordinator	74,299
Molecular Genetic & Analytical Chem Support Specialists	141,992
CATI Lab Manager (50%)	<u>43,315</u>
 Total Personnel	 <u>972,933</u>
 Enhanced Forestry Laboratory Operations	 66,807
Central Equipment Lab Operations	12,990
Northern Health Sciences Research Facility	89,922
University Industry Liaison Office Operating	128,984
Canadian Research Knowledge Network (40%)	107,501
BC/Net ORAN (40%)	<u>43,518</u>
 Total Operating	 <u>449,722</u>
 Total Expenditures	 1,422,655
 Estimated Award for 2009/10	 <u>1,422,655</u>
	 <u><u>-</u></u>

## **APPENDIX 5:**

### **Proposed 2009/10 Budget – Summary By Budget Holder**

	Revenue	Wages & Benefits	Operating Expenditures	Capital Expenditures	Transfers	Net Total
<b>Academic Programs</b>	<b>(292,828)</b>	<b>26,596,772</b>	<b>2,282,195</b>	<b>27,970</b>	<b>(832,322)</b>	<b>27,781,787</b>
Regional Operations	(41,134)	1,550,109	576,973		9,700	2,095,648
College of Science and Management	(226,300)	13,173,738	883,637	12,970	(580,919)	13,263,126
College of Arts, Social and Health Sciences	(25,394)	11,872,925	821,585	15,000	(261,103)	12,423,013
<b>Academic Services</b>	<b>(16,900)</b>	<b>5,494,698</b>	<b>638,139</b>	<b>4,100</b>	<b>83,103</b>	<b>6,203,140</b>
Provost		704,767	136,419		191,622	1,032,808
Library		1,509,613	152,097	4,100	(88,919)	1,576,891
Information and Technology Services	(16,900)	2,625,530	275,196		(23,600)	2,860,226
Teaching and Learning Services		654,788	74,427		4,000	733,215
<b>Student Services</b>	<b>(797,020)</b>	<b>3,841,931</b>	<b>823,761</b>	<b>1,776</b>	<b>624,195</b>	<b>4,494,643</b>
Enrollment Management		188,750	28,833		2,100	219,683
Office of the Registrar	(36,120)	1,545,244	202,050		423,025	2,134,199
Student Success	(25,000)	1,523,156	252,517		(6,886)	1,743,787
First Nations		324,057	84,696	776	(48,414)	361,115
Athletics	(735,900)	260,724	255,665	1,000	254,370	35,859
<b>Research and Graduate Programs</b>	<b>(10,000)</b>	<b>1,556,378</b>	<b>454,480</b>	<b>1,900</b>	<b>(43,022)</b>	<b>1,959,736</b>
VPR and Research Services		632,852	176,370		166,329	975,551
Dean of Graduate Programs	(10,000)	684,175	250,010		60,000	984,185
AVP Research - Health		239,351	28,100	1,900	(269,351)	-
<b>Presidents Office / Executive Services</b>	<b>-</b>	<b>1,253,551</b>	<b>471,640</b>	<b>-</b>	<b>14,900</b>	<b>1,740,091</b>
Board of Governors and Chancellor		63,810	88,874		350	153,034
President's Office		459,892	46,959		10,550	517,401
Communications		301,480	167,327		2,000	470,807
Advancement		428,369	168,480		2,000	598,849
<b>Administrative Services</b>	<b>(184,800)</b>	<b>4,566,139</b>	<b>859,807</b>	<b>15,000</b>	<b>(3,750)</b>	<b>5,252,396</b>
VP Finance and Administration		334,357	43,514		3,200	381,071
Finance and Budgets		1,188,718	56,119		3,750	1,248,587
Purchasing, Contracts and Risk Management	(168,800)	841,857	286,141		2,350	961,548
Facilities	(3,000)	1,591,807	366,337	15,000	(17,500)	1,952,644
Human Resources	(13,000)	609,400	107,696		4,450	708,546
<b>University Operations</b>	<b>(63,771,187)</b>	<b>4,181,285</b>	<b>8,383,129</b>	<b>547,880</b>	<b>3,227,100</b>	<b>(47,431,793)</b>
Central Administration	(63,213,822)	4,181,285	2,549,001	330,000	2,010,890	(54,142,646)
Managed Allocations (Library, ITS, Finance, Facilities, HR)	(557,365)	-	5,834,128	217,880	1,216,210	6,710,853
<b>Total</b>	<b>(65,072,735)</b>	<b>47,490,754</b>	<b>13,913,151</b>	<b>598,626</b>	<b>3,070,204</b>	<b>-</b>