

# Bulletin

Regular Board meeting, 28 May 1998, Nanaimo Campus

## Malaspina Board adopts balanced budget

(text from news release)

The Malaspina University-College Board has adopted a balanced budget of \$56,731,179 for the 1998/99 fiscal year.

The budget consists of

- \$32,683,729 from the Ministry of Advanced Education, Training and Technology for general operations and capital equipment—57% of the total budget.
- \$7,209,971 expected from student tuition and lab fees—13% of the total budget.
- \$11,800,000 estimated gross revenues from international education, business and industrial training contracts, temporary-funded courses, and special grants—21% of the total budget.
- \$3,482,832 expected gross revenue from ancillary operations (cafeteria and bookstore)—6% of the total budget.
- \$1,554,647 projected revenue from programs and services such as the hairdressing salon, trades programs shops, rental of facilities and application fees—3% of the total budget.

The total operating budget is \$894,000 lower than last year and is the result of decreases in revenues and increases in operating expenditures, over which Malaspina has little or no control.

Increases in operating costs are due to provincially negotiated faculty and staff contract settlements; increases in employer contributions to Canada Pension Plan (CPP); increased janitorial costs for new buildings; ongoing expenditures for the functions of health & safety and institutional research and planning; as well as expenses associated with a gender-neutral job evaluation for administrators, required by the provincial government through the Public Sector Employers Council (PSEC).

Last month Malaspina received funding for 100 additional FTEs (full-time equivalent) from the Ministry of Advanced Education, Training and Technology.

"While our total operating budget is lower, compared to last year, we're pleased to have achieved a balanced budget for the next fiscal year," said Malaspina President Rich Johnston. "For the past six months we've examined our programs and services and made efficiencies where possible to ensure that we live within our means. We avoided a lay-off of a permanent employee through an early retirement. At the same time, new funding from the Ministry is allowing us to put on some new programs which will benefit our students."

Johnston said that he expects revenues from Malaspina's entrepreneurial activities to stay the same.

"We don't expect any major changes in revenues from our international education and business and industry training departments, although the mix may change from an emphasis on East Asian countries to Latin America and Europe, and a renewed focus on serving the B.C. industrial sector," Johnston said.

Earlier this year, Malaspina administrators were predicting a potential shortfall between \$1.2 and \$1.6-million and devised strategies to cut costs and increase revenues.

Unlike school districts, the B.C. College and Institute Act prohibits post-secondary institutions from planning for an operating budget deficit.

Edwin Deas, Vice-President of Administration and Bursar at Malaspina University-College, said that "in light of the current B.C. economic climate, the 1998/99 budget is good news."

"We're pleased with the extra funding provided by the Ministry to put on additional courses and programs, as well as maintain services for students," Deas said.

New courses and programs this year are:

- third-year courses towards a Computing Science degree—students will complete their fourth year at the University of Victoria;
- third-year courses of a new Bachelor of Tourism Management degree;
- additional Bachelor of Arts courses;
- additional Bachelor of Science courses;
- 1-year Cook Training Certificate programs in association with the local school districts at the Powell River and Cowichan campuses (previously the programs were offered on temporary funding);
- first year courses of a new 2-year Diploma in Information Technology and Applied Systems;
- second year inter-disciplinary courses with First Nations content.

Deas said that three main factors contributed to a lower than expected shortfall.

"In the final analysis, our budget shortfall was lower than predicted earlier this year because we received Ministry funding for trades apprenticeships which had been in doubt; we received additional grants for equipment, prior learning assessment, and compensation for tuition losses as a result of the government's tuition fee freeze; in addition, our projected tuition fee loss due to cuts in courses and programs is not as great as previously anticipated in our budget planning process," Deas said.

"Not unlike a business, Malaspina is affected by many internal and external factors which have an impact on our budget," said Deas. "We're facing such factors as technology and its effect on education; increased demand for our degree programs; funding for our three regional campuses; adequate funding of services for students and maintaining our facilities. In addition, there are factors which are driven by our Ministry's strategic plan, such as changes to apprenticeship training; increased productivity; efficient utilization of our facilities; recognition of prior learning; key performance indicators; partnerships with business and industry; to name a few."

Deas said that he is not sure how the recently announced elimination of tuition fees for high school upgrading courses will affect Malaspina's budget.

"The announcement was great news for students, and we expect to hear in the coming weeks how the Ministry plans to implement this change," he said.

Glenn Johnston, Vice-President of Instruction, said that in order to balance the budget, 28 academic classes (out of more than 900 classes) were eliminated, while in some courses the total number of hours of instruction was reduced slightly. In addition, the 10-month Inboard/Outboard Marine & Small Engine Technician certificate program will have only one class, instead of two classes, because a retiring instructor will not be replaced.

"We've examined all our programs to determine how we can continue to meet our mission and goals," said Johnston. "We're preserving the core courses in all our programs, but, in some cases, we've had to reduce the number of electives," he said. "We're also continuing to monitor class efficiencies by ensuring that courses are fully enrolled."

Deas said that Malaspina's 1998/99 budget reflects the economic conditions in British Columbia.

"The 1998/99 budget is very much tentative and reflects an institution in transition, as we deal with a myriad of issues as a result of changing economic conditions," Deas said.

(See also 1998/99 Consolidated Budget—attached)

## Operating capital funding for technology

Malaspina has received a one-time grant of \$117,093 to "purchase computer equipment related to educational delivery." The grant is the result of the Ministry's Task Force on Critical Issues in Financing College and Institutes, established last year to examine issues related to funding, rising institutional costs, revenue generation, productivity and student access.

## Funding for apprenticeship technical training programs

Malaspina has received \$419,138 for apprenticeship technical training programs, as follows: \$291,263 for "function 1, base funding;" \$102,328 for "function 3, RACs;" and \$25,547 for "tuition add back."

## Capital fund budget

Malaspina has recently received additional funding for capital projects as follows: \$359,800 for "cyclical maintenance" of campus buildings, \$80,000 for "disabled access projects," and \$35,000 for "safer campus initiatives."

## Bachelor of Arts, Minor in Visual Arts approved

Upon the recommendation of Education Council, Board members approved a new Bachelor of Arts with a Minor in Visual Arts, subject to approval from the Ministry's Degree Program Review Committee.

The proposed degree offers a study of integrated mixed media combined with contemporary cultural studies, which is distinct from the BFA transfer program. Students with some fine arts courses will be able to ladder into the degree. It will be made available to Education students as an area of specialization within the concurrent degree.

## Career Technical Centre

Board members approved a revised proposal for a Career Technical Centre for the Central Vancouver Island region. The proposed Centre is a partnership between School District #68 (Nanaimo-Ladysmith) and Malaspina University-College. The Parksville-Qualicum and Cowichan school districts will be invited to join the project which is modeled after similar centres in the Fraser Valley and the United States.

The centre would give secondary students an alternative for completion of their Grade 12 education, as well as the first year of post-secondary education. The proposal calls for an integrated education program plan which includes the following programs: core computer, specialty computer, hotel/motel operations, cook training, dental assisting, textiles and design, construction technology, integrated resource management technician, secondary wood technology, automotive technician, office careers, as well as applied academics.

## Unassisted leaves granted

Unassisted leaves were granted for *Inge Bolin* (Anthropology); *Jane Nielson* (Mathematics); *Julian West* (Mathematics); *Lin Chimes* (Education).

## New Board appointments

Two-year terms for faculty and support staff representatives on the Board expired, recently. New on the 1998/99 Board are *faculty representative Dr. Katharina Rout*—replacing Stu Siefert—and *support staff representative Libby McGrattan* (formerly Newton)—replacing Pam Botterill.

### Next Board meetings

June 25 - Nanaimo campus

July and August - at the call of the Chair

September 24 - Nanaimo campus

### 1998/99 Board Members

Vic Cowley, Chair

Jack McLellan, Vice-Chair

Steve Beasley, student representative

Darcie Davidson, student representative

Vilma Dube

Shelley Garside

Rich Johnston, ex-officio

Peter McCue

Libby McGrattan, support staff representative

Jack Metcalf

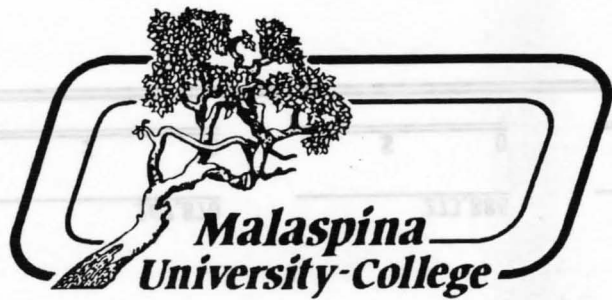
Rick Monaghan, ex-officio, Education Council Chair

Vir Inder Padda

Gordon Reid

Dr. Katharina Rout, faculty representative

Marjorie Ryan



**MALASPINA UNIVERSITY-COLLEGE**  
**1998/99 CONSOLIDATED BUDGET**

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**SUMMARY**

	<b>1998/99 Budget</b>	<b>1997/98 Revised Budget</b>	<b>Favourable/ (Unfavourable) Change</b>	<b>%</b>
<b>Table 1</b>				
Operating Fund Revenue	\$41,448,347	\$40,461,031	\$987,316	2.4
Operating Fund Expenditure	<u>42,748,096</u>	<u>41,766,796</u>	<u>(981,300)</u>	<u>(2.3)</u>
	(1,299,749)	(1,305,765)	6,016	0.5
<b>Table 2</b>				
Contract Services Fund Return	1,031,879	1,031,879	0	0
<b>Table 3</b>				
Ancillary Services Fund Return	<u>267,870</u>	<u>273,886</u>	<u>(6,016)</u>	<u>(2.2)</u>
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>N/A</u>

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**Table 1 OPERATING FUND**

<b>Revenue</b>				
	<b>1998/99 Budget</b>	<b>1997/98 Revised Budget</b>	<b>Favourable/ (Unfavourable) Change</b>	<b>%</b>
Provincial Funding	\$32,683,729	\$31,860,417	\$823,312	2.6
Tuition and Other Fees	7,209,971	7,152,523	57,448	0.8
Other Revenue	1,554,647	1,448,091	106,556	7.4
	<u>\$41,448,347</u>	<u>\$40,461,031</u>	<u>\$987,316</u>	<u>2.4</u>

**Expenditure**

	<b>1998/99 Budget</b>	<b>1997/98 Revised Budget</b>	<b>Favourable/ (Unfavourable) Change</b>	<b>%</b>
Instruction	\$24,428,459	\$23,886,037	\$(542,422)	(2.3)
Instruction and Student Services	6,443,404	6,342,015	(101,389)	(1.6)
Instructional Administration	2,865,553	3,184,385	318,832	10.0
General Services	7,243,648	7,300,138	56,490	0.8
Board and Senior Administration	1,019,365	1,042,958	23,593	2.3
Holding Accounts	747,667	11,263	(736,404)	***
	<u>\$42,748,096</u>	<u>\$41,766,796</u>	<u>\$(981,300)</u>	<u>(2.3)</u>

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**Table 2 CONTRACT SERVICES FUND**

<b><u>1998/99 Budgeted Revenue</u></b>	<b><u>1997/98 Budgeted Revenue</u></b>	<b><u>Favourable/ (Unfavourable) Change</u></b>	<b><u>1998/99 Budgeted Returns to Univ.-College</u></b>	<b><u>1997/98 Budgeted Returns to Univ.-College</u></b>	<b><u>Favourable/ (Unfavourable) Change</u></b>
<u>\$11,800,000</u>	<u>\$11,800,000</u>	<u>\$ 0</u>	<u>\$1,031,879</u>	<u>\$1,031,879</u>	<u>\$ 0</u>

**Table 3 ANCILLARY SERVICES FUND**

<b><u>1998/99 Budgeted Revenue</u></b>	<b><u>1997/98 Budgeted Revenue</u></b>	<b><u>Favourable/ (Unfavourable) Change</u></b>	<b><u>1998/99 Budgeted Returns to Univ.-College</u></b>	<b><u>1997/98 Budgeted Returns to Univ.-College</u></b>	<b><u>Favourable/ (Unfavourable) Change</u></b>
<u>\$3,482,832</u>	<u>\$3,436,207</u>	<u>\$46,625</u>	<u>\$267,870</u>	<u>\$273,886</u>	<u>\$(6,016)</u>

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**NOTES TO TABLE 1 - OPERATING FUND REVENUE**

**Provincial Funding - increase (decrease) is represented by:**

Increase in Formula Funding (100 new FTE's)	\$688,139	
Increase in other Operating Grants	151,681	
Faculty Framework Implementation Subsidy	115,410	
Increase in Operating Capital Grants	174,923	
Decrease in Library and Start-up Funds	(275,525)	
Decrease in Lease Funding	(65,221)	
Increase in Carryover of prior year Non-Recurring Funds	<u>33,905</u>	
		<b>\$823,312</b>

**Tuition and Other Fees - increase (decrease) is represented by:**

New FTE's	150,130	
Net changes to Cost Recovery Courses	<u>(92,682)</u>	
		<b>57,448</b>

**Other Revenue - increase (decrease) is represented by:**

Prior year Surplus used for Non-Recurring Items	152,242	
Other changes	<u>(45,686)</u>	
		<u>106,556</u>
		<u><b>\$987,316</b></u>

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**NOTES TO TABLE 1 - OPERATING FUND EXPENDITURE**

**Instruction - (increase) decrease is represented by:**

Net Reductions	\$ 404,649
Delivery of new FTE's	(483,058)
Compensation Adjustments	(386,954)
Activity based on One time Funding	(169,741)
Changes to Cost Recovery Activities	92,682
	<u>\$ (542,422)</u>

**Instruction and Student Services - (increase) decrease is represented by:**

Growth in Services	\$ (119,257)
Compensation Adjustments	(66,160)
Non-Recurring Items	84,028
	<u>\$ (101,389)</u>

**Instructional Administration - (increase) decrease is represented by:**

1997/98 Operating Capital	\$ 240,800
Net Reductions	113,532
Non-Recurring Items	(35,500)
	<u>\$ 318,832</u>

**General Services - (increase) decrease is represented by:**

Growth in Services	\$ (280,433)
Lease Payments	75,083
Non-Recurring Items	261,840
	<u>\$ 56,490</u>

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**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**NOTES TO TABLE 1 - OPERATING FUND EXPENDITURE - cont'd**

**Board and Senior Administration - (increase) decrease is represented by:**

AUCC Accreditation	\$ (20,000)
Non-Recurring Items	19,500
1997/98 Operating Capital	24,750
Other	(657)
	\$ 23,593

**Holding Accounts 1998/99 - consist of:**

Sick Leave Reserve	\$ 80,000
1998/99 Operating Capital not yet distributed	502,667
Provision for Compensation Adjustments	165,000
	\$ 747,667

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**NON-RECURRING BUDGET SUMMARY**

**1998/99 NON-RECURRING FUNDS:**

Library	\$ 500,000
Foundation - Transition to Self Sufficiency	95,000
Management Information Systems	60,000
Assistant Dean, Applied Programs	50,000
President's Development Account	25,000
Vice-President's Development Account	20,000
Scholarships	16,000
Data Lines, Cowichan	10,000
Community Archives	10,000
Professional Development, Administration	10,000
Sports Development Centre	6,000
Student Reproductive Health	4,000
Workplace Health	2,000
	<u>\$ 808,000</u>

**FUNDS AVAILABLE:**

Ministry	\$ 655,758
Prior Year Surplus	152,242
	<u>\$ 808,000</u>

**MALASPINA UNIVERSITY-COLLEGE  
1998/99 CONSOLIDATED BUDGET**

**HUMAN RESOURCES PLAN**

	<b>1998/99 <u>FTE's</u></b>	<b>1997/98 <u>FTE's</u></b>	<b>Increase/ (Decrease) <u>FTE's</u></b>
<b>Regular Employees:</b>			
Administration	49.59	49.18	0.41
BCGEU	74.30	74.48	(0.18)
CUPE	134.03	129.00	5.03
MCFA	<u>227.07</u>	<u>223.95</u>	<u>3.12</u>
	<u>484.99</u>	<u>476.61</u>	<u>8.38</u>
<b>Non-Regular Employees:</b>			
Administration	10.79	9.69	1.10
BCGEU	15.51	16.49	(0.98)
CUPE	13.50	8.65	4.85
MCFA	<u>41.50</u>	<u>37.36</u>	<u>4.14</u>
	<u>81.30</u>	<u>72.19</u>	<u>9.11</u>
<b>Total Employees:</b>			
Administration	60.38	58.87	1.51
BCGEU	89.81	90.97	(1.16)
CUPE	147.53	137.65	9.88
MCFA	<u>268.57</u>	<u>261.31</u>	<u>7.26</u>
	<u>566.29</u>	<u>548.80</u>	<u>17.49</u>
<b>Notes:</b>			
<ul style="list-style-type: none"> <li>• Plan does not include C.E. instructors and certain other non-regular employees.</li> <li>• Plan relates to the Operating Fund and does not include employees in the Contract Services Fund or Ancillary Services Fund.</li> </ul>			