

2017/18 Budget and Fiscal Planning

This document provides an overview of the annual budget and fiscal planning for the University. The outcome is a consolidated budget which includes academic operations, supporting ancillary services and capital infrastructure.

Financial Framework

- The university must adhere to the legislative, regulatory and public policy frameworks in which public post-secondary institutions operate. In addition to the external influences, the university must consider internal factors such as contractual obligations, commitments, and policies.
- Within the terms of the legislation, Capilano University must, in fulfilling its mandate, consider the strategic priorities of Government when allocating institutional resources. These priorities will be outlined in the mandate letter for consultation in the fall; as enduring priorities, there is consistency with previous years.
- As a public sector organization included in the government reporting entity, the university is not permitted to incur a deficit and, therefore, it is the policy of Capilano University to prepare and submit a balanced budget to the Board of Governors each year.
- The operating and capital budgets must build financial sustainability and stewardship of assets. The path to success will include developing new and diverse revenue sources, assessing and managing risks and strategically managing administrative costs.

Budget Process

The review and approval of the operating and capital budgets should be completed by the end of the fiscal year (see Budget Timeline attached as Schedule 1). This will allow an entire year for delivery of the strategic priorities and commitments.

The process will include:

- Development of a Budget Strategy document (i.e., this document, per Budget Policy E.206) to promote achieving the goals set out in the university's Strategic Plan.
- A preliminary budget position, based on the known commitments, including reversing one-time commitments, annualization of previous decisions and known increases, provide the starting point.
- The draft and final budgets – both operating and capital – require review and consultation with the Senate Budget Advisory Committee, per Section 62(2) of the University Act, and the Audit Committee of the Board of Governors.
- Discussions with the Capilano University Faculty Association are also required as committed in the Collective Agreement (s. 3.7 – financial information). The university will provide financial documents of public record and documentation relative to the preparations of draft and final budgets.
- The President will present a balanced budget to the Board of Governors for final approval.
- The final deliberations, will be informed by the Operating Plans as developed by the Senior Academic Leadership Team. Investments will support the highest priorities consistent with the university's Strategic Priorities.

Financial Outlook – Budget Assumptions

- The commitment from the provincial government for the operating grant and student enrolment target is consistent with 2016/17; \$36.7 million and 5,449 student full-time equivalent target. Final numbers are provided late summer (August 9, 2016 for 2016/17).
- The BC Skills for Jobs Blueprint continues to align program offerings with labour market demand and targets 25 percent of the operating grant provided by the provincial government. Performance against targets are assessed annually and must be achieved to avoid funding being redirected. The university will continue to achieve the targets.
- Under Government’s tuition limit policy, which was introduced in 2005, tuition and mandatory fee increases for existing programs and services continue to be limited to 2 percent. A budget adjustment is required for domestic tuition as enrolments are below the 2016/17 target.
- Funding for collective agreements ratified under the Economic Stability Mandate and for the associated Economic Stability Dividend will be funded by the provincial government, consistent with 2016/17.

Strategic Priorities

As outlined in Budget Policy B.206, the university must develop an annual Budget Strategy that will promote achieving the goals contained in the Capilano University Strategic Plan 2015 – 2018. Core themes from the Plan include:

1. Opportunity – through *exploration* and *inspiration* our learners become empowered, confident and intentional.
2. Leaving – through *discovery* and *creativity*, our learners are well prepared to apply the knowledge and experience they have acquired.
3. Community – through *connection* and *engagement*, our learners will make positive contributions that enrich and enhance their communities.

In support of the Strategic Plan, the university will target resources to increase enrolments (with a focus on domestic students), develop new degree offerings, building capacity and improve communications.

Schedule 1

Budget Timeline

Date	Task
October 31/16	Develop budget strategy
November 3/16	Update to Audit Committee
November 15/16	Establish preliminary 2017/18 budget position
November 29/16	Consultations with Senate Budget Advisory Committee
November 30/16	Share with unions (Capilano Faculty Association and Move-Up)
January 15/17	Final deliberations as informed by Operating Plans
January 24/17	Consultations with Senate Budget Advisory Committee
January 25/17	Share with unions (Capilano Faculty Association and Move-Up)
February 7/17	Update to Audit Committee
February 21/17	Draft budget to Board of Governors for approval
March 14/17	Final budget to Board of Governors for approval