

Alternative Budget: Notes

To cover a 1% shortfall, the Senate's budget includes a massive \$3.1 million cut that would cancel 211 courses, including permanent cuts to whole programs, without a clearly stated plan or rationale. Because the tuition from these courses is then lost, and severance costs ensue, the result to the budget is a \$1.1 million savings.

Capilano University is about education; we are a teaching university. That is what we do. This is not reflected in the priorities of the present budget. Ironically, over the last five year, Admin FTEs and costs have massively ballooned, while faculty FTEs and costs have decreased. This administrative expansion is worsened in the present budget, which proposes cutting what we as a public institution exist to do, educate, while not reducing any part of the administration. The public's taxes, and our students' tuition, are meant to pay for courses, first and foremost.

Yet courses and programs are what the Senate's budget has targeted.

The CFA recommends an alternative budget that would compensate for the small 1% shortfall and balance the budget. This budget would not cut staff or administration FTEs. To give us a year to plan, we recommend an across the board 4% cut to the expenses only. That is, an insignificant cut of \$4 for every \$100, equitably shared across all areas. This would balance the budget and enable time for a thoughtful, reasoned and coherent plan to emerge from discussions among all stakeholders that would direct the priorities in the next budget

**2013/14 Planning - Operating Fund
Summary Schedule**

Senate Proposed Budget Resolution

CFA Proposed Budget Resolution

Note: differences to the Senate Budget are highlighted

Summary Schedule (June 7):		Excess Exp over Rev						
		FTE	Amount	Subtotals	FTE	Amount	Subtotals	Notes: see end
AS IS POSITION								
	Removal of one-time items plus other known changes		<u>(6,340,717)</u>			<u>(6,340,717)</u>		
	As Is Shortfall as per Budget Shortfall Resolution			<u><u>(6,340,717)</u></u>			<u><u>(6,340,717)</u></u>	
REDUCTIONS								
Revenue Reductions								
	Decrease in Government Funding		(102,318)			(102,318)		
	Lost Revenue from program suspensions		<u>(1,402,791)</u>			<u>0</u>		#1
			<u>(1,505,109)</u>			<u>(102,318)</u>		
Expenditure Reductions								
As per Summary Schedule June 7								
	Reduce University memberships		8,000			8,000		
	Reorganization of Teaching & Learning Centre		126,932			126,932		
	Move 1 Admin to Continuing Education		100,028			100,028		
	Reduction in sections in Teaching & Learning	-4.5	56,000		-4.5	56,000		
	Move Student Recruitment (b below)		95,126			95,126		
	COPE Bargaining not on-going		11,877			11,877		
	Reorganization in HR		69,348			69,348		
	Paid Ed Leave & PD		74,201			74,201		
	Move Event Costs (c. below)		12,000			12,000		
	Cancel Section Reserve	-22	273,900		-22	273,900		
	Move Teaching & Learning staff to IT (a. below)		57,253			57,253		
	Bach Performing Arts start-up costs removed		52,050			52,050		
	Recommended Removals	-211.38	3,102,451			0		#2
	Destination Resort Mgmt					104,000		#3
	Summer Sections cancelled (Conducting, Film Fundamentals)					20,000		#4
	Summer Sections cancelled (Ill & Design, Cmpt Animation)							
	Health & Education - reduction of 2 sections					24,900		#5
	Arts & Sciences reduction to marketing					15,000		#6
	Arts & Sciences program reductions proposals					51,075		#7
	4% reduction in operating expenses across the board					693,922		#8
	Change in Reductions	-237.88	<u>4,039,166</u>	<u><u>2,534,057</u></u>	-26.5	<u>1,845,612</u>	<u><u>1,743,294</u></u>	

GROWTH

Revenue

2% Tuition Increase		494,423		494,423
Seat Max Increase		20,000		20,000
FTE (Revenue) Generating Courses		747,272		747,272
		<u>1,261,695</u>		<u>1,261,695</u>

Expenditures

Cost of Reorganization of HR department		109,839		109,839
One-Time Reduction & Benefit Costs		200,000		200,000
Move Event Costs (c. above)		12,000		12,000
Move Teaching & Learning staff to IT (a. above)		57,253		57,253
Move Student Recruitment (b. above)		95,126		95,126
Creation of Shared Regional Campus Pool	7	87,150	7	87,150
Recommended additions	7.5	176,006		0
Revenue Generating Courses: Expenses	35	651,083	35	651,083
	49.5	<u>(1,388,457)</u>	42	<u>(1,212,451)</u>
Change in Growth		<u>(126,762)</u>		<u>49,244</u>

ONE-TIME

One-time Expenditures

One-time External IT Review		46,000		46,000
One-time Reduction & Benefit Costs		619,976		0
Disability Services Retirement Coverage	1	12,450	1	12,450
	1	<u>(678,426)</u>	1	<u>(58,450)</u>
		<u>(678,426)</u>		<u>(58,450)</u>
BALANCE	<u>-187.38</u>	<u>(4,611,848)</u>	<u>16.5</u>	<u>(4,606,629)</u>

Alternative All Funds Budget

See All Funds Budget:

Excess Rev over exp

Operations	Grants, CE, LT	Contracts	Capital etc	Foundation	Total Budget
-4,606,629	809,592	6,567,780	-2,765,526	0	5,217

1- Note: Replace tuition from cut programs.

2- Note: Remove all program cuts. Exceptions are programs that have already been cancelled: note #3 and #4

#3- Note: Destination Management program was suspended last year, now closed

#4- Note: Summer sessions already cancelled in a variety of areas

#5- Note: Health & Education dept proposed 2 section reductions

#6- Note: A& S Marketing expenses deleted

#7- Note: Reduction Proposals made to the Dean: German, Commerce, Cmpt Science, Textiles

#8- Note: Excluding expenses for Foundation. If necessary, Arts & Sciences, Textile Art, and Developmental Studies voted 10% reductions in oper. costs; Psysc 25%

#9- Note: No rationale on Senate Budget for additions

#10- Note: No need for severance