UBC Vancouver Budget Retreat
January 11/12 2016
Agenda

• Retreat Objectives
• Timeline
• Funding Outlook – Operating and Consolidated
• Operating Fund Updates
• Operating Funds Available for Allocation
Objectives of This Retreat

• Provide an opportunity for University leadership to share their successes, issues and financial challenges
• Provide an overall understanding of the state of the University’s finances
• To broaden and deepen the understanding of key planning and resource needs
• Identify key institutional risks and opportunities (parts and sum of the parts)
• To share and discuss proposals for major new strategic initiatives and activities
## Timeline - UBCV

<table>
<thead>
<tr>
<th>Event</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Budget Reviews</td>
<td>2015 Nov - Dec</td>
</tr>
<tr>
<td>Budget Retreat</td>
<td>2016 Jan 11-12</td>
</tr>
<tr>
<td>Executive Updates</td>
<td>Weekly Jan-Feb</td>
</tr>
<tr>
<td>Council of Senates Budget Sub-Committee</td>
<td>Jan 20</td>
</tr>
<tr>
<td>Deans’ Review</td>
<td>Jan 27, Feb 24</td>
</tr>
<tr>
<td>Preliminary Board of Governors Review</td>
<td>Feb 2</td>
</tr>
<tr>
<td>Final Executive Review</td>
<td>Mar 1</td>
</tr>
<tr>
<td>Final Board of Governors Approval</td>
<td>Apr 2</td>
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</table>
UBC Vancouver Operating Fund ($millions)

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Forecast 2015/16</th>
<th>Plan 2016/17</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provincial government</td>
<td>519</td>
<td>519</td>
<td>-</td>
</tr>
<tr>
<td>Undergraduate credit domestic tuition</td>
<td>182</td>
<td>188</td>
<td>6</td>
</tr>
<tr>
<td>International undergraduate domestic tuition</td>
<td>168</td>
<td>201</td>
<td>33</td>
</tr>
<tr>
<td>Graduate tuition</td>
<td>60</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td>Research revenues</td>
<td>45</td>
<td>45</td>
<td>-</td>
</tr>
<tr>
<td>Business revenues</td>
<td>23</td>
<td>26</td>
<td>3</td>
</tr>
<tr>
<td>Investment income</td>
<td>38</td>
<td>39</td>
<td>1</td>
</tr>
<tr>
<td>Faculty revenues</td>
<td>168</td>
<td>168</td>
<td>-</td>
</tr>
<tr>
<td>Central support unit revenues</td>
<td>132</td>
<td>132</td>
<td>-</td>
</tr>
<tr>
<td>Land proceeds</td>
<td>16</td>
<td>18</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total Operating revenues</strong></td>
<td><strong>1,351</strong></td>
<td><strong>1,396</strong></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>
U\'BC Vancouver
Operating Fund ($millions)

Allocations and unit revenues

<table>
<thead>
<tr>
<th>Department</th>
<th>2015/16</th>
<th>2016/17</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculties</td>
<td>781</td>
<td>802</td>
<td>21.0</td>
</tr>
<tr>
<td>Student Financial Aid</td>
<td>62</td>
<td>65</td>
<td>3.0</td>
</tr>
<tr>
<td>Library</td>
<td>39</td>
<td>39</td>
<td>-</td>
</tr>
<tr>
<td>IT</td>
<td>69</td>
<td>68</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Provost</td>
<td>74</td>
<td>74</td>
<td>(0.3)</td>
</tr>
<tr>
<td>VP Finance &amp; Admin</td>
<td>145</td>
<td>145</td>
<td>(0.3)</td>
</tr>
<tr>
<td>VP Research and International</td>
<td>42</td>
<td>42</td>
<td>(0.2)</td>
</tr>
<tr>
<td>VP Students</td>
<td>31</td>
<td>31</td>
<td>(0.3)</td>
</tr>
<tr>
<td>VP Development &amp; Alumni</td>
<td>26</td>
<td>26</td>
<td>(0.4)</td>
</tr>
<tr>
<td>VP HR</td>
<td>19</td>
<td>19</td>
<td>-</td>
</tr>
<tr>
<td>VP External &amp; Communications</td>
<td>15</td>
<td>15</td>
<td>(0.1)</td>
</tr>
<tr>
<td>President's portfolio</td>
<td>8</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Campus wide expenses (centrally funded internal loans and ICP share to hospitals)</td>
<td>23</td>
<td>23</td>
<td>-</td>
</tr>
<tr>
<td>Commitments against land proceeds</td>
<td>14</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Strategic Investment Fund</td>
<td></td>
<td>6</td>
<td>6.0</td>
</tr>
<tr>
<td>Funds available for allocation</td>
<td>3</td>
<td>21</td>
<td>17.6</td>
</tr>
<tr>
<td>Total Allocations and unit revenues</td>
<td>1,351</td>
<td>1,396</td>
<td>45.0</td>
</tr>
</tbody>
</table>

Note:
2016/17 allocations are assumed to equal 2015/16 allocations except for changes forecast to flow formulaically through the tuition model plus the 2016/17 impact of 2015/16 budget reprioritizations.
## Consolidated Statement of Operations ($millions)

### Revenues

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government grants and contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government of Canada</td>
<td>331</td>
<td>335</td>
</tr>
<tr>
<td>Province of British Columbia</td>
<td>757</td>
<td>766</td>
</tr>
<tr>
<td>Other governments</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Other contributions</td>
<td>119</td>
<td>120</td>
</tr>
<tr>
<td>Student fees</td>
<td>564</td>
<td>613</td>
</tr>
<tr>
<td>Investment income</td>
<td>67</td>
<td>61</td>
</tr>
<tr>
<td>Sales and services</td>
<td>316</td>
<td>339</td>
</tr>
<tr>
<td>Amortization of deferred capital contributions</td>
<td>81</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>2,254</strong></td>
<td><strong>2,333</strong></td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; benefits</td>
<td>1,380</td>
<td>1,415</td>
</tr>
<tr>
<td>Operating costs - other</td>
<td>405</td>
<td>419</td>
</tr>
<tr>
<td>Capital asset amortization</td>
<td>187</td>
<td>195</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>36</td>
<td>39</td>
</tr>
<tr>
<td>Grants to third parties</td>
<td>206</td>
<td>210</td>
</tr>
<tr>
<td>Debt service costs</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>2,233</strong></td>
<td><strong>2,297</strong></td>
</tr>
</tbody>
</table>

### Excess of revenue over expenses

<table>
<thead>
<tr>
<th></th>
<th>Forecast</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015/16</td>
<td>2016/17</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>2,254</td>
<td>2,333</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>2,233</td>
<td>2,297</td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td><strong>21</strong></td>
<td><strong>36</strong></td>
</tr>
</tbody>
</table>

### Notes:

The Excess of Revenue Over expenses in the Consolidated figures represents an accounting surplus only, and is not available for spending. It includes:

i. deferred land sales, which are endowed on receipt, but which are allocated to revenue over 99 years for accounting purposes ($7m);

ii. 2% set aside to endowment principal on the TREK endowment ($4m);

iii. excess spent on capitalized assets over depreciation ($29m);

iv. surpluses in central support units of $3m,

and is offset by Operating drawdowns by faculties ($5m).
Operating Fund Challenges

• Remain in a very constrained environment.

• No funding to support merit or non-GWI salary costs borne by the Central support units.

• Faculties with limited or no access to International students are struggling with managing PTR costs.

• International rate increases will provide some much needed strategic funding, starting next year, but will take a few years to be fully realised.
Funding Outlook

Some good news, not directly reflected in our operating outlook, on the financial front:

• 3 years of new Provincial capital renewal funding for UBCV totalling $142m, with a UBC match requirement of $47m (25% of total)
• Improved access to debt to help support our capital plan without having to establish a separate Government Business Enterprise.

These will not have immediate direct impact on the operating budget, though capital maintenance funding should mitigate the need for future operating commitments to capital maintenance.
Ongoing Efficiencies

• Attention was given in 2015/16 process to apply reductions in the central units to support strengthening of the Academic enterprise. These funds were allocated on a one-time basis for 2015/16 and are included in the operating budget for 2016/17.

• We will continue to work towards identifying opportunities for operational efficiencies, though these will be developed throughout the breadth of the institution in both the Centre and the Faculties.

• Benchmarking study will be undertaken to help identify areas of opportunity.
Operating Funds Available for Allocation

- Projections show $21m in operating funds available for allocation

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17 Unallocated operating revenues</td>
<td>$ -</td>
<td>$13m</td>
</tr>
<tr>
<td>Reprioritization implemented in 2015/16</td>
<td>1m</td>
<td>4m</td>
</tr>
<tr>
<td>Land proceeds</td>
<td>2m</td>
<td>4m</td>
</tr>
<tr>
<td>Funds available for allocation</td>
<td>$3m</td>
<td>$21m</td>
</tr>
</tbody>
</table>

- Funding requests totalling $36m, including a $3m contingency, were identified through the budget review process
- These include approximately $7m in pre-commitments and other unavoidable costs and $4m for unfunded PTR in certain second entry programs
- We have compiled a list of approximately 80 individual requests, the majority of which will be presented by their proponents
- We will be taking notes of the comments by the group made over these 2 days
Presentation Topics

- Strategic Overview
- Critical Issues and Opportunities
- Operational Efficiencies
- Strategic Proposals/New Activities
- People
- Finance
Strategic Overview

Vision/Mission (2010)

The Allard School of Law is committed to being one of the world's great centres for legal education and research.

Goals (2010)

• Provide an exceptional and inspiring legal education that enables students to excel in professional practice and serving society.
• Engage in research that produces outstanding scholarship with local, national and global impact.
• Foster a collegial, collaborative environment in which faculty, staff and students participate in a supportive and respectful community that values a range of contributions.
• Build and nurture relationships with alumni, the profession, government and civil society to enhance the quality and broader impact of our teaching, research, and service.
Strategic Overview

Current Situation

*Strengths*

- Students
  - JD = 555.6 FTE
  - International = 10.6 FTE (13 Headcount)

- Faculty/renewal

- New program gift of $22.5M to be donated by Peter A. Allard over 10 years, starting in 2015/16.
  - Funds cannot be used to offset deficit.
  - $15M is front loaded over the first 3 years at $5M per year.
  - The total endowment will be split to support 3 areas:
    - faculty recruitment and retention ($13.5M)
    - student support ($5M)
    - experiential learning ($4M)
Current Situation

Weaknesses

• Revenue: tuition + funding allocation
  • 38% of Law’s operating revenue of $13.4M is derived from tuition fees, which attract 2% in tuition fee increases, while 86% of Law’s operating expenses are tied in salary and benefit costs.
  • Annual salary increases exceed incremental tuition revenue resulting in a structural deficit.
  • Law does not have the ability to increase international enrollment to assist with the structural deficit.

• Faculty complement (External Review Report)
  • Full complement has traditionally been 45 FTE
  • Currently we have 10 faculty who are on some form of leave (study, medical, parental),
  • 4 vacancies created this year and 2 new hires

• Student financial aid (administration and SFA budget shortfall)
Domestic JD tuition, 2015 vs. 2019 (with trend lines)

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto*</td>
<td>$31,740</td>
<td>$35,367</td>
</tr>
<tr>
<td>TRU</td>
<td>$18,184</td>
<td>$19,683</td>
</tr>
<tr>
<td>UBC*</td>
<td>$11,677</td>
<td>$12,640</td>
</tr>
</tbody>
</table>

* Based on 1L tuition
2014 External Review Final Report

- Identified significant risks with current faculty complement:
  - Research
  - Retention
  - Faculty burn-out (high teaching loads + sustained and productive research agenda + service loads)
  - Adequate delivery of accredited curriculum
  - Community engagement and service

Review Committee:
- Dr. Gillian Lester, Dean, Columbia Law School
- Dr. Mayo Moran, Professor of Law and Provost, Trinity College, University of Toronto
In your experience at law school, how satisfied are you with financial aid advising?
## Student Financial Aid

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
<th>2014/15</th>
<th>2015/16</th>
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</thead>
<tbody>
<tr>
<td>Applications</td>
<td>286</td>
<td>229</td>
<td>212</td>
<td>216</td>
<td>245</td>
</tr>
<tr>
<td>Percentage of JD</td>
<td>53%</td>
<td>42%</td>
<td>39%</td>
<td>40%</td>
<td>45%</td>
</tr>
<tr>
<td>students</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students receiving</td>
<td>146</td>
<td>139</td>
<td>132</td>
<td>145</td>
<td>159</td>
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<tr>
<td>bursaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of</td>
<td>51%</td>
<td>61%</td>
<td>62%</td>
<td>67%</td>
<td>65%</td>
</tr>
<tr>
<td>applications</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assessed</td>
<td>$1,116,637</td>
<td>$1,177,621</td>
<td>$1,047,997</td>
<td>$1,252,132</td>
<td>$1,314,598</td>
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<tr>
<td>unmet need</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deductible per term</td>
<td>$1,300</td>
<td>$1,050</td>
<td>$625</td>
<td>$1,620</td>
<td>$940</td>
</tr>
<tr>
<td>Total assessed</td>
<td>$685,759</td>
<td>$675,025</td>
<td>$698,550</td>
<td>$792,750</td>
<td>$987,775</td>
</tr>
<tr>
<td>unmet need met</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remaining unmet need</td>
<td>$430,887</td>
<td>$502,596</td>
<td>$349,447</td>
<td>$459,382</td>
<td>$326,823</td>
</tr>
</tbody>
</table>
Strategic Overview

Outlook

- structural deficit growing
- tuition level: change is inevitable
- program innovation
- using the Allard gift
In your experience at law school, how satisfied are you with personal counselling?

- First year: 66%
- Second year: 42%
- Third year: 58%

Percentage responding "Very satisfied" or "Satisfied" of those who have used the service

- First year: 51%
- Second year: 52%
- Third year: 35%

Percentage using the service
Critical Issues & Opportunities

Key areas of focus

• financial stability
• 2016 strategic plan
• experiential learning program: expansion & sustainability
• Allard endowment & matching campaign

Threats/Risks

• tuition cap
• faculty retention
• SFA
• student counselling
Critical Issues & Opportunities

New Activities

- LLM Common Law
- LLM Tax
- distance learning
- LLB/JD degree partnership agreement (Tsinghua University)
- JD/LLM degree partnership agreement (Melbourne University)

Discontinued activities

- JD/MAAPPS
- selective student mobility programs
- Dispute Resolution Centre
- pre-2015 curriculum
Critical Issues & Opportunities

Opportunities

• new program possibilities?
• class size?
• student fee?
• student counselling

Operational Efficiencies

• FMS Certification for on-line processing
Strategic Proposals

Key proposals

• strengthen research profile
• enhance & secure experiential learning (incl. clinics)
• build cross-campus initiatives
• role of Allard gift
• bridge funding
• $400K to help offset the structural deficit in 16/17
# People – Faculty

<table>
<thead>
<tr>
<th>Rank</th>
<th>FTE</th>
<th>Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor (incl. Dean)</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>7.75</td>
<td>8</td>
</tr>
<tr>
<td>Vacancies</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total tenure/tenure-track positions</strong></td>
<td><strong>44.75</strong></td>
<td><strong>45</strong></td>
</tr>
<tr>
<td>Lecturer (incl. p/t)</td>
<td>6.95</td>
<td>9</td>
</tr>
<tr>
<td>Adjunct Professor</td>
<td>-</td>
<td>~ 100</td>
</tr>
</tbody>
</table>
### People - Staff

<table>
<thead>
<tr>
<th>Staff (15/16)</th>
<th>FTE</th>
<th>HEADCOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management and Professional</td>
<td>17.55</td>
<td>24.0</td>
</tr>
<tr>
<td>Management &amp; Professional (UBC IT Staff)</td>
<td>2.65</td>
<td>3.0</td>
</tr>
<tr>
<td>CUPE 2950 *</td>
<td>12.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Excluded (Indigenous Community Legal Clinic)</td>
<td>1.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Development &amp; Alumni</td>
<td>2.95</td>
<td>6.0</td>
</tr>
<tr>
<td><strong>TOTAL STAFF</strong></td>
<td><strong>36.80</strong></td>
<td><strong>47.0</strong></td>
</tr>
<tr>
<td>CUPE 2278 – Teaching Assistants</td>
<td>9.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

- In 16/17 Law plans to hire 2 part-time CUPE 2950 staff to support the Student Services and Administration Offices.
People

Issues & opportunities:
- clinical Lecturers
- tenure-track Instructor stream
- faculty/adjunct mix
- external review assessment

Future profile (connected to strategic direction)

Strategic hiring: 5 Year Hiring Plan (Faculty)
## Finance - Prior Year, Current Year, Next Year

<table>
<thead>
<tr>
<th>Revenue (in thousands)</th>
<th>Prior Year Actuals 14/15</th>
<th>Current Year Forecast 15/16</th>
<th>Next Year's Budget 16/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Revenue</td>
<td>5,741</td>
<td>5,080</td>
<td>5,369</td>
</tr>
<tr>
<td>Indirect Cost of Research</td>
<td>36</td>
<td>38</td>
<td>44</td>
</tr>
<tr>
<td>Complement</td>
<td>1,593</td>
<td>1,593</td>
<td>1,593</td>
</tr>
<tr>
<td>Operating Grant</td>
<td>4,495</td>
<td>5,986</td>
<td>5,677</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>718</td>
<td>721</td>
<td>818</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUE</strong></td>
<td><strong>12,583</strong></td>
<td><strong>13,418</strong></td>
<td><strong>13,501</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses (in thousands)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty compensation</td>
<td>7,700</td>
<td>7,772</td>
<td>8,029</td>
</tr>
<tr>
<td>Staff compensation</td>
<td>2,424</td>
<td>2,469</td>
<td>2,561</td>
</tr>
<tr>
<td>Benefits</td>
<td>1,503</td>
<td>1,552</td>
<td>1,577</td>
</tr>
<tr>
<td>Non-salary expenses</td>
<td>1,570</td>
<td>1,907</td>
<td>1,998</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td><strong>13,197</strong></td>
<td><strong>13,700</strong></td>
<td><strong>14,165</strong></td>
</tr>
</tbody>
</table>

**SURPLUS/DEFICIT**

<table>
<thead>
<tr>
<th></th>
<th>(614)</th>
<th>(282)</th>
<th>(664)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry forward (beginning)</td>
<td>1,284</td>
<td>670</td>
<td>388</td>
</tr>
<tr>
<td>Carry forward (ending)</td>
<td>670</td>
<td>388</td>
<td>(276)</td>
</tr>
</tbody>
</table>
Finance

• Prior financial results (14/15)

• Ended the year with an operating deficit of $614k in 14/15.

• The structural deficit is a result of salary increases outpacing incremental tuition fee revenues.

• The year-end deficit was absorbed by using our carry forward funds. However, the ending balance in the carry forward is insufficient to cover future operating deficits.
Finance

- **Current year update (15/16)**
  - Original plan indicated that we would have a deficit of $1.6M; Law received $1M ($600K recurring & $400k one-time) in funding from the VP Academic Office to help offset the structural deficit.

  - The forecasted year-end deficit is expected to be $282K. The deficit is slightly lower than expected because of the unusually large number of faculty (10) who are on leave which has resulted in some cost savings.

  - The new gift from Peter Allard can not be used to fund existing operational costs.

  - $474k of tuition revenue was transferred to SFA and to keep the faculties “whole” the same amount of funding was allocated to the Operating Grant.
Finance

• **16/17 Budget Proposal**
  - JD Program – 2% tuition increase; no growth (555.6 FTE)
  - ISI – 15% tuition increase; no growth (10.6 FTE; 13 headcount)

• Graduate Programs – 2% tuition increase
  - Graduate FTEs are expected to increase from 109 to 125 by 2020/21
  - Distance Learning growth is attributed to the introduction of 2 new courses in the program.
  - LLM Taxation program was established in 2014/15 with 7 FTEs and enrollment is expected to reach “steady-state” in 2020/21 with 18 FTEs.
## Graduate Program - FTEs

Graduate tuition increase: 2%

<table>
<thead>
<tr>
<th></th>
<th>15/16</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>LLM</td>
<td>23</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
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<tr>
<td>LLM CL</td>
<td>20</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>LLM CL (Distance Learning)</td>
<td>8</td>
<td>10</td>
<td>12</td>
<td>12</td>
<td>12</td>
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<tr>
<td>PhD</td>
<td>50</td>
<td>45</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>LLM Tax</td>
<td>8</td>
<td>10</td>
<td>12</td>
<td>15</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td><strong>TOTAL FTEs</strong></td>
<td><strong>109</strong></td>
<td><strong>120</strong></td>
<td><strong>119</strong></td>
<td><strong>122</strong></td>
<td><strong>122</strong></td>
<td><strong>125</strong></td>
</tr>
<tr>
<td><strong>FTE Change</strong></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>
## Finance – Endowment Fund

**Spending Allocation Assumptions:**
- Current endowment spending increases by 2% for inflation
- The Allard endowment spending allocation is based on a 3 year rolling average of the donation (not market value) multiplied by 3.5%

<table>
<thead>
<tr>
<th></th>
<th>15/16</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current spending</td>
<td>357</td>
<td>364</td>
<td>372</td>
<td>379</td>
<td>387</td>
<td>395</td>
</tr>
<tr>
<td>Allard Fac Recruit/Retention</td>
<td>35</td>
<td>140</td>
<td>174</td>
<td>218</td>
<td>295</td>
<td>345</td>
</tr>
<tr>
<td>Allard Student Support</td>
<td>13</td>
<td>52</td>
<td>65</td>
<td>81</td>
<td>109</td>
<td>128</td>
</tr>
<tr>
<td>Allard-Experiential learning</td>
<td>10</td>
<td>42</td>
<td>52</td>
<td>64</td>
<td>87</td>
<td>102</td>
</tr>
<tr>
<td><strong>Total Spending</strong></td>
<td>415</td>
<td>598</td>
<td>663</td>
<td>742</td>
<td>878</td>
<td>970</td>
</tr>
</tbody>
</table>
Finance – Specific Purpose (Donations)

Majority of the donations come from:

- $372K Allard Prize for International Integrity
- $309K Law Foundation of BC
  - $174.5K to support ICLC
  - $50K Innocence Project
  - $45K Community Placement Project
  - $40K Public Interest Awards
- $200K Franklin Lew Funds
  - Sept. 2012 - $2M donation over 10 years = $200,000 per year
- $140K Centre for Business Law receives various donations
**Finance – Specific Purpose (Donations)**

Expenses from donations (Restricted):

- Sessional salaries: include the salaries of 2 part-time Clinic Directors at the ICLC.
- Staff salaries: includes the salary of the CBL Director.
- Non-salary expenses include:
  - Allard Prize in International Integrity costs
    - 17/18 onwards the expenses exceed revenue
    - Development team is working with Peter A. Allard to obtain a funding commitment for the costs associated with the Prize
  - $200K in non-recurring new initiatives funded by the Lew grant
  - Indigenous Community Legal Clinic expenses
  - Innocence Project
  - Public Interest Awards
  - Centre for business law expenses
  - Moot expenses
Questions
AGENDA

• Background
• Vision
• Current achievements
• Future focus areas
• Operational efficiencies
• People
• Financials
Ten Departments & Schools
Mechanical, Civil & Environmental, Materials, Electrical, Computer, Chemical & Biological, Mining (Biomedical in prep.)

Schools: Nursing, Planning, Architecture & Landscape Architecture

UBC Okanagan School of Engineering (Electrical, Civil, Mechanical)

8,000 Students
320 Professors
900 Staff
Faculty of Applied Science, Associate Deans, Spectacular team

Elizabeth Croft, Education and Professional Development
Marc Parlange, Dean
Carol Jaeger, Academic
James Olson, Research & Industrial Partnerships
Sally Thorne, Faculty Affairs
Debbie Woo, Alumni and Development
STRATEGIC PLAN

Our Mission is to create positive change in the world through the generation, professional embodiment, and innovative application of new knowledge.

Our Vision is to provide unparalleled research and learning environment in which creative minds work together to address today’s greatest challenges in service to society.
OUR VALUES

CONNECTION We engage one another with respect and scholarly generosity within an open and inclusive culture.

LEADERSHIP We are a Faculty of leaders. We take the initiative. We are defined by our integrity, excellence, innovative mindset, and passionate spirit of engagement.

IMPACT Our choices and actions reflect our common purpose: transformative change.
A CULTURE OF VALUING PEOPLE
The Faculty provides a values-driven culture, creating an environment that fully supports passionate engagement in scholarly activity and attracts and retains world-class students, staff, and faculty from around the globe.
A FOCUSED RESEARCH ENTERPRISE
The Faculty defines and hones its exceptional research strengths, assumes global leadership, expands the boundaries of professional practice, and accelerates knowledge mobilization to benefit society.
A DISTINCTIVE LEARNING ENVIRONMENT
The Faculty provides a superb student experience: outward facing, research driven, hands on, and grounded in core fundamentals, sustainability, and integrity.
AN ENGAGED COMMUNITY
The Faculty partners with its communities to advance the wellbeing of society by addressing social, economic, cultural, and ecological challenges.
CURRENT ACHIEVEMENTS

• Engaged students, faculty, staff and community
IRON PIN CEREMONY
GLOBAL IMPACT AWARD - Entrepreneurship program – Business School & Engineering teams
COORDINATED INTERNATIONAL EXPERIENCES –

- Danish TU
- EPFL, ETHZ, TU Delft
- Glasgow, TU Munich
FUTURE CIEs

• National Taiwan University
• NTU, NUS; Univ. Queensland
• Tokyo Institute of Technology
UBC SAILBOT TEAM

The Challenge
Attempting to be the first autonomous sailing vessel capable of crossing the Atlantic Ocean.
TURKEY 2K TROT

October, 2015
Student, staff & faculty health
• Women in Engineering, Goldcorp Chair
• Sixth and Seventh Grade Teacher Program
• Grade nine and ten high school weekends
• Summer elementary/high school programs and after-school clubs – Geering up

• 50% Women by 2020

• Industry leaders agree that access to talent has become the most significant barrier to productivity
AFFILIATE PROGRAMS

• Create engaged network of industry partners
• Leverage industry network for major grant success
CURRENT ACHIEVEMENTS

• Focused Research
Pipeline Integrity Institute
NEWLY ESTABLISHED AFFILIATE PROGRAM
• Co-Directors
  – Dr. Akram Alfantazi
  – Dr. Dharma Wijewickreme

• Qualified engineers and graduates
• Applied outcome research and technology solutions towards zero pipeline incident rate
• Inform design/construction practices and regulatory framework
• Disseminate factual information
We are at the limit of what the physical factory can do

Developing a digital factory to simulate the fundamental processes at work

Profound scientific challenge to understand all the materials transformations from raw material to end product
Institute of Forest BioProducts
Clean Energy Research Institute

- To lead and aggregate provincial effort around the transportation agenda

TRANSPORTATION FUTURES: Topologies  Infrastructure  Energy  Resilience
CURRENT ACHIEVEMENTS

• New Programs
APPLIED SCIENCE
PROFESSIONAL PROGRAMS

A YEAR *can* CHANGE EVERYTHING

MEL | Master of Engineering Leadership
MHLP | Master of Health Leadership and Policy
FUTURE FOCUS AREAS
FUTURE FOCUS AREAS

• New Biomedical Engineering Program
FUTURE FOCUS AREAS

- New Research Clusters
First Nations and Natural Resources
(Partnership with the Faculty of Forestry & Business School)

September 2015 – launch of a dedicated research cluster

Brings together:
- Foresters
- Integrated Land Use specialists
- Planners
- Hydrologists
- Mining Engineers
- Social Scientists
- Architects
- Nurses
- .......
FUTURE FOCUS AREAS

• Engineering Expansion
• Need to close innovation gap in BC
• Need to increase graduate students
• Need to increase teaching and lab space
COMPARISON WITH PEER PROVINCES BACHELOR DEGREES GRANTED

– BC Lags all peer provinces in number of Engineering Bachelor degrees granted
COMPARISON WITH PEER PROVINCES MASTERS DEGREES GRANTED

- BC lags all peer provinces in Masters degree
- Ontario and Quebec are graduate more than 250% more engineers per capital than BC.
- Number of Master Engineers is decreasing in BC while accelerating in QC and On.
BC Lags all provinces in number of Engineering Bachelor degrees granted

BC Graduates half the number of PhD students as Quebec and Alberta

Quebec and Alberta have dramatically increased PhD graduates over last 5 years
INNOVATION COMPARISON WITH PEER PROVINCES

- Highest entrepreneurial ambition
- Lowest amount of *Public* R&D (less than half Ontario and Quebec)
- Lowest number of researchers
- Lowest business investment in researchers
- Lowest number of patents

http://www.conferenceboard.ca/hcp/provincial/innovation.aspx
BC lags all other Provinces in terms of total number and per capital patents awarded.
INTERNATIONAL INNOVATION RANKINGS

- BC Ranks as one of the lowest jurisdictions in the world in terms of PhD degrees per capital awarded.
- Canada ranks lowest in comparison with OECD countries.
- BC brings downs Canada’s average.

![Graph showing Technology Related Doctoral Degrees as Percentage of Population in Reference Age Cohort from 2000 to 2011, with data from KPMG Analysis and OECD Science, Technology and Industry Scorecard 2013, OECD, 2013.](chart.png)
- Canada is ranked last in terms of ‘Private sector capacity for innovation’ and ‘business spending on R&D’.
ENGINEERING LABOUR MARKET PROJECTIONS

- “BC has the tightest engineering labour markets across the coming decade…”

- “Graduates from postsecondary programs are rising and peak in 2017. These additions are not sufficient to cover demands.”

- BC has the strongest predicted Employment growth for Engineers
Demand for Engineering

- Domestic and international demand for Engineering has seen unprecedented growth.
- Demand for UBC Engineering has grown by 100% since 2009.
- UBC has 5 qualified applicants for every seat.
PLAN TO EXPAND EXISTING PROGRAMS

- UBC Existing Engineering Programs

- With added faculty and adequate teaching and lab space, intake in these programs could increase 50%

| Biomedical | Electrical and Computer |
| Geological | Mechanical |
| Chemical & Biological | Engineering Physics |
| Integrated Engineering | Mining |
| Civil | Environmental |
| Materials | UBC Okanagan Programs (Civil, Electrical and Mechanical) |
NEW STANDALONE PROGRAMS

- Leverage UBC’s comprehensive faculties to develop a suite of programs that meet the emerging diverse industry needs
  - Environmental Engineering
  - Bioengineering
  - Natural Resources Engineering (at UBCO)
  - Engineering math, science, chemistry
  - Entrepreneurship (option)
  - Urban system engineering
  - Architectural engineering
- New Engineering graduate programs with direct links to industry
- These additional programs will provide 25% growth
PARTNERSHIPS

• Create and deliver a distributed engineering program in partnership with UNBC. The program would also increase the number of First Nations students entering the profession.

• Leverage UBC’s comprehensive faculties of Medicine, Land and Food Systems, Forestry, and Business to create and deliver Bioengineering, Agricultural Engineering, Forestry Engineering, Manufacture & Production Engineering.

• Partnerships with other BC Post-secondary schools.

• Increase transfer across all BC colleges and universities.

• The target number of students for these new programs could be 350-450, or 25% of the doubling target.
OPERATIONAL EFFICIENCIES
OPERATIONAL EFFICIENCIES

• Communications
• Research support (partner with SPARC)
• Industry engagement
• HR
• Development
# PEOPLE

- Faculty Profile

<table>
<thead>
<tr>
<th>Rank</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor</td>
<td>108</td>
</tr>
<tr>
<td>Associate professor</td>
<td>59</td>
</tr>
<tr>
<td>Assistant professor</td>
<td>27</td>
</tr>
<tr>
<td>Instructor</td>
<td>24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>2015</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 40</td>
<td>13%</td>
<td>23%</td>
</tr>
<tr>
<td>40-55</td>
<td>52%</td>
<td>55%</td>
</tr>
<tr>
<td>56-65</td>
<td>28%</td>
<td>22%</td>
</tr>
<tr>
<td>Over 65</td>
<td>7%</td>
<td>-</td>
</tr>
</tbody>
</table>
PEOPLE

• Faculty hires
PEOPLE

• Staff hires
FINANCIALS

• Overall operating surplus

  * before one-time capital contribution to QMI building of $3m

<table>
<thead>
<tr>
<th>Year</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>1,173</td>
</tr>
<tr>
<td>2015/16 (forecast)</td>
<td>1,062</td>
</tr>
<tr>
<td>2016/17 (budget)</td>
<td>818*</td>
</tr>
</tbody>
</table>
FINANCIALS

• Key Assumptions
  – Domestic undergraduate FTE decline 2% (although intake now flat)
  – International undergraduate FTE growth 10%, slowing to 5% as 30% target expected in 2020
  – Graduate growth increasing from professional programs
FINANCIALS

• Challenged programs (deficits)
  – Schools with low proportion of funding from tuition
    • Nursing
    • Planning (SCARP)
    • Architecture (SALA)
  – Engineering typically ~50% from tuition, Schools at ~20%
APSC EXPANSION

• Objective to double number of engineering students
• Additional 4,250 UG students and 1,250 grad students
• $113m of tuition revenue and $57m of Provincial grant
• 175 new faculty and 85 staff
• $500m for new buildings
QUESTIONS?
Presentation Topics

• Introduction to the Faculty of Arts
• Strategic Overview
• Critical Issues and Opportunities
• Operational Efficiencies
• Strategic Proposals/New Activities
• People
• Finance
Introduction: Units in Arts

• 15 Departments in the Social Sciences, Humanities, and Creative Arts
• 5 Schools (professional degrees, advisories, professional orientation)
  • Vancouver School of Economics, SLAIS (the iSchool), Music, Journalism, Social Work
  • Proposal to create a School of Creative Writing
• 4 Institutes (oriented toward research, research mobilization, and policy; cross-campus membership and advisories)
  • The Liu Institute for Global Issues; Institute of Asian Research; Institute for Gender, Race, Sexuality, and Social Justice; and the Institute for Critical Indigenous Studies
• 3 arts & culture venues (without academic programs):
  • Museum of Anthropology (MOA), The Chan Centre for the Performing Arts, The Morris and Helen Belkin Art Gallery
• 17 Interdisciplinary Programs
Executive team

Dean
G. Averill

Associate Deans
5 associate deans

Academic
S. Burke

Research & Graduate
M. Evenden

Communications & Quality Assurance
M.L. Young

Student Success
S. Assanand

Faculty & Equity
K Harrison

Development & Alumni
J. Peng

HR & Facilities
G. Vanderwoude

Finance
B. Lee

Assistant Deans
3 assistant deans
Introduction: Arts Facilities
<table>
<thead>
<tr>
<th>Arts units</th>
<th>2008</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>PSYC</td>
<td>15,281</td>
<td>18,820</td>
</tr>
<tr>
<td>ENGL</td>
<td>11,273</td>
<td>16,260</td>
</tr>
<tr>
<td>ECON</td>
<td>6,334</td>
<td>8,559</td>
</tr>
<tr>
<td>ASIA</td>
<td>5,601</td>
<td>6,153</td>
</tr>
<tr>
<td>SOCI</td>
<td>1,147</td>
<td>1,781</td>
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<td>POLI</td>
<td>1,364</td>
<td>3,336</td>
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<td>FHSI</td>
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<td>PHIL</td>
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<td>3,216</td>
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<td>HIST</td>
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<td>ANTH</td>
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<tr>
<td>CNRS</td>
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<tr>
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<td>FY2</td>
<td>3,335</td>
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<tr>
<td>CRWR</td>
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<td>COGS</td>
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<td>FNLG</td>
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<tr>
<td>JRNJ</td>
<td>99</td>
<td>375</td>
</tr>
</tbody>
</table>

Number of final-year Arts students by major,

Arts units and their program enrolments 2008 and 2014
Strategic Overview—Vision/Mission

We strive to be the best faculty of our kind in Canada, providing transformational education for our students and returning value to the Province, the nation and the world in research that makes an impact. Our mission statement, *A Place and Promise for Arts*, mirrors UBC’s social commitments to international engagement, intercultural education, and Aboriginal engagement, and community engagement.
Strategic Overview—Goals

• We are and will continue to be Canada’s most international Faculty of Arts, with global issues (especially Asian expertise) represented in every one of our programs.

• The Faculty of Arts aspires to be internationally recognized for an exceptional learning environment with innovative, experiential and student-focused pedagogical practices.

• We will enhance the quality and impact of research and scholarship in Arts; build areas/clusters of research strength, and further mobilize and translate our research. The ability to address interdisciplinary problems in research and teaching should be accessible to all faculty and students.

• We will increase intercultural aptitude and a capacity for intercultural dialogue among our students through study, reflection, debate and action.
Strategic overview—Current strengths

• First (tied, ARWU) or close second (THES) in Social Sciences in Canada (while being only half the size of UofT’s Social Sciences) – most research intensive based on per capita SSHRC funding

• 3rd in Canada in Humanities behind McGill

• 5 departments in top global 25 (QR)*: Geography, English, Psychology, Economics*, Linguistics. If ranked, Asian Studies would be in this category

• Media hits consistently lead the University by a large margin

• A Canadian leader in innovative pedagogy

• International recruitment on target, meeting domestic targets. Only Arts faculty in Canada in this position
Domestic, international, and total full-time-equivalent students in the Faculty of Arts, 2008-2019
International undergraduate recruitment, 2008-2014, broken down by region of student origin.
Strategic overview—Current weaknesses

• ISI recruitment is currently too heavily weighted towards students from Greater China

• Too large number of units, some units of too small a size

• Pockets of underperforming units (on quality, leadership, climate)

• Demographic decline in BC and weaker Humanities recruitment globally argue for some pull-back in enrolments, unless we develop a more vigorous national strategy with (or without) differentiated tuition

• External climate is increasingly hostile to Arts research and its graduate enterprise
Critical Issues/Opportunities—Key focal areas 1

Successful new degrees
- Launched MMPGA in 2015-16; building a UBC Policy School, hired a CRC Tier 1 (with Science/IRES)
- New direct entry degrees (BIE, BMS, dual degree) all very popular, following up with direct entry BFA
- Minor in Asian-Canadian Studies and Asian Migration
- Minor in Archeology

New Arts Narrative
- Completed preliminary program outcomes in all departments
- Launched a 4-year career planning initiative with a TLEF grant in collaboration with the VP-S, building career identities
- Designing a retention program with Science, based on successful prototype carried out elsewhere
Critical Issues/Opportunities—Career surveys

Survey, career outcomes for Philosophy graduates

- Higher Education: 23%
- Law: 18%
- Other: 11%
- Public Sector/Government: 9%
- Business: 4%
- Education (K-12): 7%
- Technology: 7%
- Finance: 5%
- Science/Eng/Medicine: 3%
- Media: 3%
- Service: 3%
- Entertainment: 2%
Critical Issues/Opportunities—Key focal areas 2

VSE

• Completed renovations to the Iona Building
• Successfully recruited the Canada Excellence Research Chair in computational economics
• Planning for a Master of Applied Economics
• On our way to a significant climb in global rankings

Highly successful special programs

• Vancouver Summer Program courses
• Optional residency (distance) program in Creative Writing

Completed *start an evolution* with over $100M raised for Arts plus 88,000 alumni contacts (10,000 contacts per year at end)
Critical Issues/Opportunities—Key focal areas 3

Arts & Culture Quarter
- Soft-launched Arts Culture District
- New ticketing system,
- New webpage
- Traveling ticket and promotional cart
- Hired a Coordinator

Research
- New Dean of Arts awards and other competitive awards
- Flowed all the additional CRC funds to chairholders for research
- CERC
- CIRDI transfer to Arts with new director/staff, mission renewal
- Increased attention to nominating and celebrating research awards
Critical Issues—Discontinued activities

• We closed five underperforming interdisciplinary programs in the last 2 years

• We’ve encouraged departments, successfully in a few cases, to diminish and simplify separate programs. These two initiatives are largely for clarity and focus – they have probably not saved more that $40,000.

• Selective disinvestment in declining-enrolment programs, resourcing growth elsewhere

• We’re holding back on approvals for searches that simply reproduce existing areas of specialization—we require a second round of rationales to authorize searches.
Critical Issues—Response to risks & threats

Every one of our strategic initiatives
is simultaneously
a response to threats
and an effort to take advantage of
opportunities
Operational Efficiencies 1—Update

Existing activities, brought forward from 2015/16

- Completed creation of the Finance Hub, hired team, a possible model for centralized-distributed staffing in the Faculty, and a model of finance operations across the university

- Merged First Nations Languages and First Nations Studies into an Institute of Critical Indigenous Studies
Operational Efficiencies 2: New opportunities

- **Unit mergers**
  - School of Journalism and SLAIS/iSchool
  - CENES / FHIS
  - Creation of an Institute for Pedagogical Innovation to bring together First-Year Programs (Arts One, CAP and ASRW) and other teaching initiatives

- Humanities Tower with shared public spaces, digital humanities initiative,

- Digitalization of Humanities Tower departmental archives, reduction of storage space needs, optimization of space

- We are considering building on the finance hubs idea to incorporate other kinds of administrative hubs and other forms of staffing efficiencies
Strategic Proposals — Key proposals

- UBC Policy School, will go through consultation and governance approval
- Career planning effort joint with the VP-S
- Retention initiative joint with Science
- Redesign the unit structure of First-Year programs
- Renovate our degree requirements
- Propose a Master’s of Museums, Curatorship, and Heritage
Strategic proposals requiring additional support

- Launch of the Arts & Culture Quarter: question of sources of financial support (student levy, Public Realm-like funding, provincially supported fees) and support for signage, lighting and bannering
- Presidential, Provostial, and VP-DAE support for Iona fundraising effort
- Better support of graduate funding – examine impact of funding formula
- Contribute infrastructural funding to help renovate BuTo (50+ years old)
People—Current profile of Faculty

- 550 tenure-track faculty members across both research and educational in both streams, including 10 joint appointees with home units outside Arts.

- In the research stream, 106 are at the rank of Assistant Professor, 194 at Associate Professor, and 216 at the Professor rank.

- In the Educational Leadership stream, 25 are at the rank of Instructor I, 18 at rank of Senior Instructor, and 1 at the Professor of Teaching rank.

- We have over 200 sessionals teaching at least one section.

- From 2006 to 2014, 44% of new research faculty hires have been women and 26% of new research faculty are visible minorities.

- 12 aboriginal scholars have been hired in the past decade, eight with funding from the Provost’s office.
People: Faculty retirements

- Average # of retirements 2004-2008 (end of mandatory retirement) = 12
- Average # of retirements 2009-2015 = 7.5
People—Current profile of Staff

The 2012 Strategic Employment Systems Review of faculty and staff provides a baseline on which our progress in staff satisfaction can be measured. We were the only faculty to have taken on this voluntary Review, which we will repeat at regular intervals.

<table>
<thead>
<tr>
<th>Department</th>
<th>AAPS M&amp;P</th>
<th>CUPE 2950 Clerical</th>
<th>CUPE 116 Technical</th>
<th>Non Union Research Tech</th>
<th>Total FTE</th>
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<tbody>
<tr>
<td>Dean’s Office &amp; Faculty Support Units</td>
<td>18.9</td>
<td>2.0</td>
<td>3.0</td>
<td>1.0</td>
<td>76.0</td>
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<tr>
<td>Subtotal (Dean’s Office etc)</td>
<td>61.2</td>
<td>9.8</td>
<td>4.0</td>
<td>1.0</td>
<td>76.0</td>
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<tr>
<td>Departments, Schools, Institutes, Programs, Museums</td>
<td>40.4</td>
<td>17.5</td>
<td>14.7</td>
<td>7.3</td>
<td>280.4</td>
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<tr>
<td>Subtotal Departments etc.</td>
<td>138.7</td>
<td>105.5</td>
<td>25.9</td>
<td>10.3</td>
<td>356.4</td>
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<tr>
<td>Grand Total</td>
<td>199.9</td>
<td>115.3</td>
<td>29.9</td>
<td>11.3</td>
<td>356.4</td>
</tr>
</tbody>
</table>
People: 5 Year Hiring Plan

• Resource growth with new faculty searches, and a carefully calibrated ratio of research stream, educational leadership stream, and 12-month lecturers

• Grow staffing to accommodate growth in international tuition

• Build key research clusters with mid-stream and senior hires
Finance—Budgetary 3-year comparison

2014/15
- Operating revenues of $131 M vs. expenses of $131.1M
- Cumulative reserves of $9.1M
- 21% of total operating revenues generated from ISI tuition

2015/16 (based on Q2 forecast)
- Operating revenues of $139.9M vs. expenses of $139.3M
- Cumulative reserves of $9.5M, structural operating surplus $900K
- 29% of total operating revenues generated from ISI tuition

2016/17 Projections
- Operating revenues of $147.3 MIL vs. expenses of $142.8M
- Faculty operating budget structurally balanced.
- Investments over 2-3 years in instruction, staffing, learning & research
- 31% of total operating revenues generated from ISI tuition.
Finance—Revenues by source (constant dollars, Base Year 2009)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Other income</td>
<td>$0.2</td>
<td>$0.3</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.2</td>
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<td>Endowment income</td>
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<td>$1.5</td>
<td>$1.6</td>
<td>$2.5</td>
<td>$2.7</td>
<td>$2.7</td>
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<tr>
<td>Sales and Services</td>
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<td>$3.7</td>
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<td>$5.4</td>
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<tr>
<td>Donations, non-research grants</td>
<td>$3.1</td>
<td>$3.2</td>
<td>$2.1</td>
<td>$2.4</td>
<td>$3.8</td>
<td>$2.2</td>
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<tr>
<td>International student tuition fees</td>
<td>$18.0</td>
<td>$20.8</td>
<td>$22.7</td>
<td>$23.4</td>
<td>$27.0</td>
<td>$30.3</td>
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<tr>
<td>Research grants and contracts</td>
<td>$20.2</td>
<td>$20.6</td>
<td>$17.8</td>
<td>$19.5</td>
<td>$20.3</td>
<td>$20.5</td>
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<tr>
<td>Prov. gov't operating grant, domestic</td>
<td>$69.7</td>
<td>$81.4</td>
<td>$81.5</td>
<td>$85.3</td>
<td>$83.9</td>
<td>$81.9</td>
</tr>
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</table>

Note: The diagram shows the revenues distribution for the mentioned years.
Finance—Opportunities & challenges: revenues

Opportunities

• Benchmarking international UG student tuition rates against peers Growing market-tuition professional masters degree programs
• Expansion of summer programs (ie VSP)

Challenges

• Fundraising challenge with Iona Building and VSE
• De-intensification of student course selection in Arts
• Long-term decrease in Humanities enrolments
• Limit of 2% increases in domestic tuition
• Lack of growth (plus cuts) in Provincial operating grant
• Reductions to Arts’ GSI funding
Finance— Opportunities & challenges: costs

Opportunities

• Amalgamation of academic units
• Review of administrative staffing levels in departments (note: lowest percent spending on GPO staff admin expenses within GPO fund across all Faculties per PAIR 2013/14 data)

Challenges

• Faculty demographics and marginal growth in turnover savings due to deferment of retirement and less stripdown from exit salaries
• Uncertainty of compensation decision in upcoming interest arbitration process (1% unfunded salary escalation would cost FoA $900K)
Faculty of Dentistry
2016/17 Budget Workshop

January 11, 2016
Dr. Charles Shuler, Dean
Topics

- Strategic Overview
- Critical Issues and Opportunities
- Operational Efficiencies
- New Activities
- People
- Finance
Strategic Overview

“To advance oral health through outstanding education, research, and community service.”
Key Goals

✓ Maintain ranking as #1 Dental School in Canada and move to top 5 in North America
✓ Develop multi-site clinical environments to optimize learning opportunities
✓ Improve services to disadvantaged population groups
✓ Enhance research and scholarly activity
✓ Expand the international presence
✓ Develop and maintain outstanding facilities
✓ Become a leader in new dental technologies
Oral Health Centre debt service is $1.65M and continues for 11.5 years.
DEBT SERVICE AS A % OF FACULTY OPERATING FUNDS (2014/15)

- Pharmaceutical Sciences
- Dentistry
- Sauder School of Business
- Applied Sciences
- Science
- Arts
- Medicine
- Education
- Forestry
- Land & Food Systems
- Allard School of Law
Community Outreach

Community outreach programs are valuable opportunities for education; while students learn prevention and management of oral disease and develop skills, they also develop a strong sense of social responsibility as oral health care professionals.
Critical Issues & Opportunities
Financial Impropriety

- Lawsuit from Federal Government over alleged misuse of Health Canada funds
  - Management of Haida Gwaii dental clinics transferred to the First Nations Health Authority
  - Reduced the General Practice Residency (GPR) training program
  - Adopted the Finance integrated-distributed model and centralized financial processing
New Graduate Specialty Clinic

- Project cost: $2.7M
- 20 new operatories
Fundraising for a Mobile Community Dental Clinic

- Outreach to Lower Mainland + remote communities in the summer
Opportunity with Kuwait Gov’t

• 5 students/year funded by Kuwait government
• Students would take 4 years of undergraduate studies at UBC and then enter dental school
• Minimal incremental costs for Years 1 & 2
• No incremental costs for Years 3 & 4 - would fill gap in the declining pool of candidates in the IDDCP program
• At steady state would bring in ~$1.5M tuition/year
• Potential opportunities with Malaysia and Saudi Arabia as well
Operational Efficiencies
Clinic Operations

- Student enrolment is limited by # of operatories
  - 1 DMD student = ~$60K (tuition + clinic fees + patient fee revenue)
  - 1 IDDCP student = ~$80K
- Could increase enrolment and patient fee revenue by moving from 2 to 3 clinic sessions per day without an increase in capital costs
- Need to improve inventory controls
Developed Metrics for Specialty Programs

Graduate Specialty Programs:
- Endodontics
- Pediatric dentistry
- Periodontics
- Prosthodontics
- Orthodontics
New Activities
DMD Curriculum Renewal

Opportunities:

• Earlier clinical training (Year 1 vs. 2)
• Meaningful interprofessional education
• More dentally-relevant medical content

Challenges:

• Risk that costs exceed tuition revenues
• Engaging tenured faculty in teaching
Increased GAP Skills Training Revenue

Program for foreign trained specialty dentists to assess and train to Canadian standards

- 2014/15: $10,416
- 2015/16: $132,247
Continuing Education Opportunity

• Partnership with the College to administer a Continuing Education program for dentists returning to practice
Faculty Demographics

• ~500 Unsalary Clinical Faculty
• 41 Clinical Educators
• 40 Tenured/Tenure-track Faculty

46% 54%
Tenured/Tenure-Track Faculty Rank Distribution

- Instructor
- Senior Instructor
- Assistant Professor without tenure
- Assistant Professor with tenure
- Associate Professor
- Full Professor
Faculty Renewal

- 15% of research faculty retiring in 2 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Recruitment Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td></td>
</tr>
<tr>
<td>2017/18</td>
<td></td>
</tr>
</tbody>
</table>
OPERATING GRANT AS A % OF UNRESTRICTED OPERATING REVENUE (2015/16 FORECAST)

- Sauder School of Business
- Dentistry
- Medicine
- Land & Food Systems
- Arts
- Forestry
- Science
- Pharmaceutical Sciences
- Applied Sciences
- Allard School of Law
- Education

Operating grant = Base faculty operating grant + Undergraduate complement
## Unrestricted Operating Revenues

<table>
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<tr>
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<th>15/16</th>
<th>16/17</th>
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<tbody>
<tr>
<td>Tuition</td>
<td>6,696</td>
<td>7,069</td>
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<tr>
<td>ICR</td>
<td>136</td>
<td>136</td>
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<tr>
<td>Operating Grant</td>
<td>7,808</td>
<td>8,074</td>
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<tr>
<td>Student Clinic Fees</td>
<td>9,306</td>
<td>9,597</td>
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<tr>
<td>Patient Revenue</td>
<td>3,880</td>
<td>3,957</td>
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<tr>
<td>Other Operating Revenue</td>
<td>2,025</td>
<td>2,066</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>29,851</strong></td>
<td><strong>30,899</strong></td>
</tr>
<tr>
<td></td>
<td>15/16</td>
<td>16/17</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------</td>
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</tr>
<tr>
<td>Faculty Compensation</td>
<td>9,612</td>
<td>10,223</td>
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<td>Admin Compensation</td>
<td>6,486</td>
<td>6,666</td>
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<tr>
<td>Benefits</td>
<td>2,590</td>
<td>2,694</td>
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<td>Travel</td>
<td>486</td>
<td>495</td>
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<td>Professional Fees</td>
<td>1,914</td>
<td>1,953</td>
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<td>Capital Costs</td>
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<td>2,038</td>
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<td>Other Operating Expenses</td>
<td>6,206</td>
<td>6,331</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>29,236</strong></td>
<td><strong>30,400</strong></td>
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<tr>
<td></td>
<td>15/16</td>
<td>16/17</td>
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<td>--------------------------------</td>
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</tr>
<tr>
<td>Total revenue</td>
<td>29,851</td>
<td>30,899</td>
</tr>
<tr>
<td>Total expenses</td>
<td>29,236</td>
<td>30,400</td>
</tr>
<tr>
<td>SURPLUS/DEFICIT</td>
<td>615</td>
<td>499</td>
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<tr>
<td>One-time exceptional revenue</td>
<td>205</td>
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<tr>
<td>One-time exceptional expenses</td>
<td>600</td>
<td>400</td>
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<tr>
<td>SURPLUS/DEFICIT (Incl. exceptional items)</td>
<td>220</td>
<td>99</td>
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<tr>
<td>Carryforward, beginning</td>
<td>3,945</td>
<td>4,165</td>
</tr>
<tr>
<td>Carryforward, ending</td>
<td>4,165</td>
<td>4,264</td>
</tr>
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</table>
Looking Ahead

• Oral Health Centre mortgage & ongoing capital renewal challenging
• Growth in enrolment is best strategy to manage cost pressures
• Faculty renewal = large research start-up costs
• Opportunity to be a leader in new dental technologies
• Expanded Continuing Education
• Continued community outreach and alumni engagement
FACULTY OF EDUCATION

2016/17 BUDGET WORKSHOP

Monday, January 11, 2016

Dr. Blye Frank
Dean & Professor

Dr. Mary Bryson
Senior Associate Dean, Administration & Innovation

Ms. Clara Ng
Director Finance
STRATEGIC OVERVIEW: FROM GOOD TO BEST
STRATEGIC OVERVIEW: FROM GOOD TO BEST
Our mission is to advance education's role in the well-being of people and communities.

As one of the leading faculties of education in the world, we advance educational research and understanding of teaching and learning in a way that celebrates diversity, equity, and innovation, and welcomes international collaboration in an increasingly borderless globe.
GLOBAL CONTEXT

UBC’s Faculty of Education moved from a rank of 24th to 18th by QS Top Universities for 2015/16.
CANADIAN CONTEXT

QS Top Universities Canadian rankings for 2015/16:

- UBC`s Faculty of Education ranked 2\textsuperscript{nd} in Canada; overall score: 81.0
- University of Toronto OISE ranked 1\textsuperscript{st} in Canada; overall score: 81.3
Faculty of Education People & Places at a Glance

- **161** tenure stream faculty members, including **80** full professors
- **312** term faculty
- **31** 12-month lecturers
- **3** faculty w/o review
- **123** staff

- **2,280** undergraduate students
- **1,467** graduate students

- **4** departments, **1** school
- **12** centres and institutes
- **6** academic, administrative & support units
“Just-In-Time” Strategic Trajectory: Short-Term Academic Planning Initiative: 2015-2016

“The objective is not to eliminate risk but to increase the odds of success.” HBR

• Leverage the External Review to engage all academic units directly to build on and enhance fiscal know-how and capacity.
• Invest in innovation, maximize revenue opportunities and identify operational efficiencies.
• Direct engagement by Heads/Director in short-term academic planning with concrete action plans and rapid cycle of implementation.
• Focused on: (1) Professional Programs, (2) Graduate Programs and (3) Teacher Education/Undergraduate Programs:
  ➢ e.g., Professional Programs. New model that aligns cost recovery initiatives and support services with targets for sustainable innovation and revenue diversification.
  ➢ e.g., Graduate Programs. Solution-oriented review of academic program enrolment data, metrics and program costs within and across Departments & School designed to result in new model.
• Design of investment plans for revenues.
• Redesign of critical centralized infrastructure (e.g., Learning Technologies, Communications).
• Prioritize communication concerning academic planning, metrics and fiscal know-how.
Critical Issues

Opportunities

• Revenue diversification (e.g., TELP 2015 and KIN Master’s in Coaching).
• Averaging 25% ROI on all external to Faculty activities.
• New internal system to monitor sessional hiring and Dept. FTE allocations.
• Continued operational efficiencies in course offerings and program prioritization through short-term academic planning.

Challenges

• Carry forward diminished by FY 16/17.
• Limited funds for strategic hires and start up for new initiatives.
• Limited UG international revenue opportunities in Education sector (e.g., BEd.).
• Reduction in staff complement is a constraint for capacity to support innovation.
• Containing costs to reach savings targets also risks containing innovation and capacity.
Finance – Operational Efficiencies

The Faculty has been aggressively reducing the deficit through several cost containment strategies implemented in FY14/15 and FY 15/16 including:

- Hiring freeze for faculty and staff effective November 2014
- Increased external buy-out rates (from $7,500 to $10,000)
- Wind down of Pacific Education Press (PEP), closed on October 31, 2015
- Staffing reduction (20) and streamlining of staff duties
- 25% reduction non-tenured department instruction costs
- 10% reduction in operating expenses
- Centralized finance function in the Faculty
- Design and implementation of new cost recovery model for all off-campus graduate programmatic initiatives.

Significant financial changes for FY16/17:

- Financing a 30 year mortgage for Ponderosa Commons building ($310k/year)
- Changes to the Tuition Allocation Budget Model (Centrals’ overhead from 24.75% to 29.5%)
Faculty of Education Consolidated Deficit Over Past 3 Years

Deficit Amount (Millions)

2013-14: $2.8
2014-15: $2.0
2015-16: $1.5

Down $500K from FY14/15
## Finance - Education

### Operating Funds Planning Scenarios (In $000s)

<table>
<thead>
<tr>
<th></th>
<th>12/13 Actuals</th>
<th>13/14 Actuals</th>
<th>14/15 Actuals</th>
<th>15/16 Forecast Current Year</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
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<td>43,927</td>
<td>44,441</td>
<td>44,129</td>
<td>45,080</td>
<td>46,701</td>
<td>48,129</td>
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<tr>
<td><strong>EXPENSES</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td>Salary - Faculty Compensation</td>
<td>25,266</td>
<td>27,502</td>
<td>26,997</td>
<td>27,920</td>
<td>29,291</td>
<td>29,710</td>
<td>30,201</td>
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<tr>
<td>Faculty (incl PTR)</td>
<td>18,428</td>
<td>19,828</td>
<td>19,300</td>
<td>20,196</td>
<td>21,807</td>
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<td>Sessional Lecturers</td>
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<td>7,484</td>
<td>7,343</td>
<td>7,199</td>
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<tr>
<td>Salary - Staff &amp; Students (Administration Compensation)</td>
<td>8,157</td>
<td>8,666</td>
<td>8,576</td>
<td>7,039</td>
<td>6,853</td>
<td>6,724</td>
<td>6,838</td>
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<td>Benefits</td>
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<td>5,073</td>
<td>5,208</td>
<td>5,254</td>
<td>5,352</td>
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<tr>
<td>Travel</td>
<td>728</td>
<td>735</td>
<td>889</td>
<td>714</td>
<td>728</td>
<td>743</td>
<td>758</td>
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<td>Professional Fees</td>
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<td>897</td>
<td>823</td>
<td>700</td>
<td>500</td>
<td>510</td>
<td>520</td>
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<tr>
<td>Capital Costs (incl. Furniture, equipment, computer, debt servicing)</td>
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<td>459</td>
<td>324</td>
<td>405</td>
<td>670</td>
<td>677</td>
<td>685</td>
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<tr>
<td>Capital Costs</td>
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<td>459</td>
<td>324</td>
<td>353</td>
<td>360</td>
<td>367</td>
<td>375</td>
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<tr>
<td>Debt Servicing</td>
<td>28</td>
<td></td>
<td></td>
<td>52</td>
<td>310</td>
<td>310</td>
<td>310</td>
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<tr>
<td>Other Operating Expenses</td>
<td>2,785</td>
<td>2,729</td>
<td>3,116</td>
<td>3,607</td>
<td>3,475</td>
<td>3,545</td>
<td>3,616</td>
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<tr>
<td>Transfers</td>
<td>-</td>
<td>1,265</td>
<td>171</td>
<td>440</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
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<td>46,705</td>
<td>46,527</td>
<td>45,458</td>
<td>46,726</td>
<td>47,164</td>
<td>47,969</td>
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<tr>
<td><strong>SURPLUS / DEFICIT</strong></td>
<td>1,333</td>
<td>(2,778)</td>
<td>(2,086)</td>
<td>(1,329)</td>
<td>(1,646)</td>
<td>(463)</td>
<td>161</td>
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<tr>
<td>Carry Forward - Unrestricted Operating (Beginning)</td>
<td>8,182</td>
<td>11,559</td>
<td>8,798</td>
<td>6,691</td>
<td>5,362</td>
<td>3,716</td>
<td>3,253</td>
</tr>
<tr>
<td>Carry Forward - Unrestricted Operating (Ending)</td>
<td>9,536</td>
<td>8,768</td>
<td>6,691</td>
<td>5,362</td>
<td>3,716</td>
<td>3,253</td>
<td>3,413</td>
</tr>
</tbody>
</table>
Questions?
2016/17 Budget Presentation

Faculty of Forestry
Agenda

• Strategic Overview
• Critical Issues and Opportunities
• Operational Efficiencies
• Strategic Proposals/New Activities
• People
• Finance
# Faculty of Forestry

“Forestry: it’s more than you think”

## 2015 Successes

- Continued growth in undergraduate enrolment
- Launch of MIF (professional master program)
- UBC approval of MGEM (professional master program)
- Launch of UFOR (undergraduate program)
- New Senior Management Team
- External review
- All departments are now on OPT

## 2015 Challenges

- Space
- Decrease in total research funding
- Low enrolment in professional master programs
- High u/g dropout rate between 1st and 2nd year
- Delay in central A/P processing
- Communication (all levels)
## S.W.O.T.

| **Strengths** | - Strong faculty  
|               | - Quality of student services  
|               | - Vibrant undergrad & grad programs  
|               | - Steady growth in ISI enrolment  
|               | - Worldwide employment opportunities & high employment rate |
| **Weaknesses** | - Small faculty within UBC  
|               | - Conservative industry  
|               | - 30-40% drop out rate from 1st to 2nd year undergraduates |
| **Opportunities** | - New academic programs for emerging topics in the Forestry world  
|                  | - Career advancement training for professionals  
|                  | - Domestic & international collaborations/partnerships  
|                  | - 37 of 55 faculty members (67%) are >50 years old |
| **Threats** | - Complacency  
|              | - Competition for student recruitment (internal and external)  
|              | - Government policies  
|              | - Balance between domestic & ISI students |
| **Forestry’s Response** | - Diversification of revenue sources  
|                       | - Progressive increase in academic standards  
|                       | - International marketing campaign |
Operational Efficiencies

• Reduce/eliminate barriers for collaboration (internal & external)
• Streamline and encourage more transparent communication on decision-making and other major issues
• Simplification and standardization of key business processes

BUT ‘you can take a horse to water...’
Strategic Proposals

• New Aboriginal project (“Tsawalk” - three faculties, research & business relationship building)
• Centre for Forestry Excellence
• Online Forestry Master’s program
• Integrated first-year program (Land One)
• Curriculum tweak – CONS 370 to be a pre-requisite for all capstone courses in the Faculty
• New Building
People

**Issues**

- Faculty: gender & culture imbalance
- Faculty: gap between current knowledge profile and emerging forestry, wood product & conservation topics
- Faculty: performance expectation & management
- Staff: performance expectation & management
- Communication

**Opportunities**

- Close working relationship with central HR and Faculty Relations
# 5-Year Hiring Plan (Faculty)

<table>
<thead>
<tr>
<th>Year / Department</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New Hire</td>
<td>Retire -ment</td>
<td>New Hire</td>
<td>Retire -ment</td>
<td>New Hire</td>
</tr>
<tr>
<td>FRM</td>
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<tr>
<td>WOOD</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>TOTAL (NET)</td>
<td>-</td>
<td>-</td>
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</tbody>
</table>

Note: this slide is fairly meaningless, as we don’t control retirements.
## Financial Performance

<table>
<thead>
<tr>
<th>OPER FUND</th>
<th>14/15 (in $1000s)</th>
<th>15/16 (in $1000s)</th>
<th>16/17 (in $1000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>16,632</td>
<td>17,400</td>
<td>18,414</td>
</tr>
<tr>
<td>Expenses</td>
<td>15,648</td>
<td>17,327</td>
<td>18,303</td>
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<tr>
<td>Surplus/(Deficit)</td>
<td>591</td>
<td>73</td>
<td>111</td>
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<tr>
<td>One-time Items</td>
<td>(687)</td>
<td>(79)</td>
<td>(400)</td>
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<tr>
<td>Surplus/(Deficit)</td>
<td></td>
<td></td>
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<tr>
<td>(Incl. one-time</td>
<td></td>
<td></td>
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<tr>
<td>items)</td>
<td>(96)</td>
<td>(6)</td>
<td>(289)</td>
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</table>
# Key Financial Assumptions

<table>
<thead>
<tr>
<th>Category</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Undergrad tuition rate increase</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Domestic Undergrad enrolment growth</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Domestic Grad tuition rate increase</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Domestic Grad enrolment growth</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>ISI Undergrad tuition rate increase</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>ISI Undergrad enrolment growth</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Vancouver Summer Program</td>
<td>120</td>
<td>150</td>
<td>160</td>
<td>170</td>
<td>180</td>
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<tr>
<td>Annual non-salary expense increase</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>
# Opportunities & Challenges

<table>
<thead>
<tr>
<th></th>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>• Expansion of the Vancouver Summer Program</td>
<td>• Uncertainty over the impact of ISI tuition rate increases</td>
</tr>
<tr>
<td></td>
<td>• Establishment of new academic programs (undergraduate &amp; graduate)</td>
<td>• Reliance on ISI growth</td>
</tr>
<tr>
<td></td>
<td>• Partnership with internal &amp; external organizations</td>
<td>• Approval process for new revenue opportunities</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>• Risk management</td>
<td>• Increasing administrative expenses downloaded by central</td>
</tr>
<tr>
<td></td>
<td>• Retirements</td>
<td>• Increased resources needed to support ISI/ESL students</td>
</tr>
<tr>
<td></td>
<td>• Cost sharing with other units</td>
<td>• Space</td>
</tr>
</tbody>
</table>
Thank you
THE FACULTY OF
LAND AND FOOD SYSTEMS

Rickey Yada, Dean
Stuart Mackenzie, Director of Finance
January 11, 2016

www.landfood.ubc.ca
GROUNDED IN SCIENCE | GLOBAL IN SCOPE
Agenda

• Strategic Overview
• Critical Issues and Opportunities
• Operational Efficiencies
• Strategic Proposals/New Activities
• Faculty and Staff
• Financial Plan
• Discussion
Strategic Overview

• Teaching, Student Learning and Engagement

• Research Innovation and Excellence

• Community Engagement

• Outstanding Work Environment

• LFS Action Plan
  • www.landfood.ubc.ca/actionplan
Teaching, Student Learning and Engagement

- Enhance the quality and impact of teaching and programs for all students
- Strengthen efforts to promote and support student success
- Recruit top students and improve student retention rates
- Support student well-being, personal development and outstanding campus life
Research Innovation and Excellence

- Build and capitalize on the strength of our researchers as well as our research and teaching centres
- Support and enhance grant funding competitiveness and success
- Foster greater inter-LFS collaboration among faculty members as well as collaborations with UBC, Canadian and International researchers
- Build Faculty capacity through infrastructure development
Community Engagement

• Build sustainable alumni and community engagement and commitment to LFS by expanding opportunities for lifelong engagement

• Establish a sustainable fundraising program for annual goals and build strong development partnerships

• Increase understanding and awareness of the Faculty of Land and Food Systems
Outstanding Work Environment

• Ensure a work environment that fulfils employees' needs for continual learning and growth leading to increased employee satisfaction (eg. LFS Research Café)

• Recognize and reward outstanding staff and faculty members (eg. Bright Ideas program, Random Acts of Recognition)

• Create a strong team of staff to support Faculty goals

• Streamline committees and reporting systems, and establish LFS policies and procedures
Critical Issues & Opportunities

- Small Faculty = limited resources
- Faculty succession plan
- Bridge funding for faculty positions
- Support for UBC Farm & other facilities
- Learning Technologies: Focus on providing tools to support larger class sizes, and improved professor and student experience, experiential learning.
Operational Efficiencies

• Designed and launched Faculty Action Plan
• Faculty hire – greater focus in strategic areas
• Reduce staff turnover and keep human capital
• Benchmark with other units and find best practices.
Strategic Proposals/New Activities

- Define LFS Strategic objectives and Core values
- Invest to recruit the best students and faculty
- Faculty recruitment
- Implement Faculty Action Plan
- Review of Centres and Facilities to determine value
Faculty and Staff

- Faculty members: 50
- Staff members: 73

- Issues and Opportunities
  - Link faculty member’s performance review with corresponding area in action plan.
  - Conduct staff review to determine efficiencies.

- 5 Year Hiring Plan
# Faculty 5 Year Hiring Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Retirement/Resignation</th>
<th>Hires</th>
<th>Net FTE change</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/16</td>
<td></td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>16/17</td>
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<td>17/18</td>
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<td>18/19</td>
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<tr>
<td>19/20</td>
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<tr>
<td>20/21</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Financial Plan

- Prior financial results – FY14/15’s surplus of $485k
- Current year update – Forecasted surplus of $545k
- 2016/17 budget proposal – Projected surplus of $459k

- Assumptions:
  - Undergraduate – Domestic: 2% rate increase; 2% FTE increase
    - International: 4.5% rate increase; 10% FTE increase
  - Graduate – 3% rate increase; 5% FTE increase
Financial Plan

Opportunities and challenges

• **Revenue**
  - Target higher enrolment
  - Achieve financial sustainability for the Centres
  - Diversify revenue streams

• **Costs**
  - Optimize utilization of resources (Faculty teaching/ Admin support)
  - Shared resources and knowledge with other units on campus
Discussion
2016/17 Budget Workshop
Faculty of Medicine
Overview for Executive Team and Committee of Deans
January 2016
Strategic Overview

• Vision/Mission
  • Teaching Excellence
  • Research Excellence
  • Translation Excellence

• Goals
  • Best in Canada
  • Top 10 in the world
Strategic Overview

• Strengths
  • Pre-eminence in cancer, neuroscience, heart & lung and HIV / infectious diseases
  • Emerging strengths in precision medicine, global health
  • Integrated and effective plan for medical education across a distributed model
  • Provincial mandate
Strategic Overview

• Weaknesses
  • Financial instability
  • Fragmentation
  • Organizational silos
  • Underdeveloped relationship with healthcare partners
  • Sub-optimal / duplicative research structures (IT, grant facilitation, project mgmt)
  • Process duplication (Department, Faculty, UBC, partners)
What makes a successful medical faculty?

• Focus
• Excellence
• Quality
• Patients
• Healthcare system integration
• Translation
• Innovation

• Strategy
The Road to Resilience

- Funding Diversification
- Translational Scale
- Strategic Planning
- Recruitment Retention
- Strategic Investment Reinvestment
- Capital Planning

Organisational Effectiveness and Efficiency

- Translational Scale
- Strategic Planning
- Recruitment Retention
- Strategic Investment Reinvestment

We have it. Let’s use it T1-4

5-year horizon
Focus Integration AHSC/N Interdisciplinarity

Key Clinical academics
Training for academics
Bringing on next wave of leadership
Gender/Diversity

Philanthropy Industry Education International

Ahsc/N Interdisciplinarity
Strategic Planning Process

• Aiming for implementation summer 2016

• Expected Outcomes
  • Definition of Medical Faculty role in Society
  • Focused excellence
  • Development of translational capabilities
  • Disruption in education
  • Implementation strategy for real outputs
  • Investment for success
People

- Issues and Opportunities
  - Faculty renewal
  - Performance management
  - Gender and diversity
Faculty renewal is critical
In the last 10 years:
- Growth of over-65 cohort has come at the expense of junior faculty (under-40)
- Cost in lost turnover savings: estimated $3.1M annually.
Finance

• Significant cost containment efforts have been made → $7.5M recurring included in five year plan

• Cost containment and revenue growth efforts continue in earnest
  • New sources of revenue are being explored – new programs, international, philanthropy
  • Difficult questions are being asked, particularly in light of strategic planning
Finance

- Some factors are outside Faculty control
  - Unfunded PTR/merit/CPI creates a cumulative budget challenge
  - Structural factors exist that limit the degree to which the Faculty can respond
  - The current budget model limits flexibility
- Structural changes will be required to bring the Faculty to financial stability
  - People management and faculty renewal
  - Tuition adjustments
  - Provincial support
Notes:
1. Faculty of Medicine has oversight from 2 Ministries: AVED for the Operating Fund and MoH for Postgraduate medical program support under Specific Purpose funding.
2. Research revenue projected based on 2014/15 actual expenditures, assumed constant
3. Research (partner) refers to research revenue raised by FoM faculty members and supported through faculty resources though implemented in partner institutions. This is based on RISE data. Without partner research, planned revenue, all funds total $603M
Composition of funds for operations

Operating fund & PGME: $366M

**Inflexible** funds include:
1. Fee for Service; delivers minimal net revenue
2. Billbacks; funds flow through to support salaries under contract
3. PGME: residents salaries ($90M), faculty salaries and transfers
4. Expansion: grants to other universities ($13M) and faculty salaries
5. Operating: faculty salaries

**Restricted flexibility** funds include:
1. PGME: requires negotiation with MOH
2. Expansion: requires negotiation with AVED

**Flexible** funds include:
1. Staff salaries across all units in the operating fund
2. Operational expenses, especially for programs, MedIT and facilities
Notes:
1. Targeted grants represent Ministry funding specified for expansion of programs including MDUG ($52M before transfers), transfers in from PGME, and IEM, SLP funding from MoH.
2. Tuition forms 2.9% of total revenue. A capped increase of 2% of tuition generates income equivalent to less than 0.4% of faculty salary expense, and below the level of a 1% reduction in grant.
3. ICR/ICP revenue is below 1% of research revenue.
## Five Year Outlook: change factors

<table>
<thead>
<tr>
<th>Positive factors</th>
<th>14/15A</th>
<th>15/16F</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
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</thead>
<tbody>
<tr>
<td>Net domestic tuition impacts</td>
<td>0.2</td>
<td>0.2</td>
<td>0.6</td>
<td>1.0</td>
<td>1.4</td>
<td></td>
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<tr>
<td>International tuition</td>
<td>0.1</td>
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<td>0.1</td>
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<td>Provincial grant</td>
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<tr>
<td>Additional grant</td>
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<td>2.2</td>
<td>2.2</td>
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<tr>
<td>New program revenue</td>
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<td>1.0</td>
<td>1.50</td>
<td>1.50</td>
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<tr>
<td>Recurring PBMA cost containment</td>
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<td>5.5</td>
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<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
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<tr>
<td>Savings from reduced faculty replacement</td>
<td>1.0</td>
<td>1.4</td>
<td>2.8</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td><strong>Cumulative positive impact</strong></td>
<td>4.0</td>
<td>8.5</td>
<td>10.9</td>
<td>12.2</td>
<td>14.0</td>
<td>14.0</td>
<td>14.0</td>
</tr>
</tbody>
</table>

### Assumptions

- 1.9 Tuition capped at 2% increase; Dentistry withdrawal from MDUG; SFA impact on tuition above base
- 0.2 small increases projected without significant impact
- 0.0 assumed constant
- 2.2 no increase assumed.
- 1.50 VSP; new programs resulting from PBMA
- 2.3 Temporary savings to be offset by future investment

<table>
<thead>
<tr>
<th>Negative factors</th>
<th>14/15A</th>
<th>15/16F</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing expansion SMP</td>
<td>(1.0)</td>
<td>(2.0)</td>
<td>(2.4)</td>
<td>(3.4)</td>
<td>(4.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc one-time and programmatic impacts</td>
<td>(1.5)</td>
<td>(0.4)</td>
<td></td>
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<tr>
<td>Planned PBMA investment</td>
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<tr>
<td>Unfunded PTR/Merit/CPI</td>
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<td>(6.1)</td>
<td>(9.1)</td>
<td>(12.1)</td>
<td>(15.1)</td>
<td>(18.2)</td>
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<tr>
<td><strong>Cumulative negative impact</strong></td>
<td>(4.5)</td>
<td>(9.7)</td>
<td>(13.3)</td>
<td>(16.7)</td>
<td>(20.7)</td>
<td>(24.6)</td>
<td></td>
</tr>
</tbody>
</table>

| Cumulative net impact on five year plan         | 0.6    | 1.2    | 2.4   | 4.5   | 6.7   | 10.5  |       |
## Five Year Outlook: net impact on deficit

<table>
<thead>
<tr>
<th></th>
<th>14/15A</th>
<th>15/16F</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cumulative positive impact</strong></td>
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<td></td>
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</tr>
<tr>
<td>showing cumulative impact</td>
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<td>10.9</td>
<td>12.2</td>
<td>14.0</td>
<td>14.0</td>
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</tr>
<tr>
<td><strong>Cumulative negative impact</strong></td>
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<tr>
<td></td>
<td>(4.5)</td>
<td>(9.7)</td>
<td>(13.3)</td>
<td>(16.7)</td>
<td>(20.7)</td>
<td>(24.6)</td>
<td></td>
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<tr>
<td><strong>Cumulative net impact on five year plan</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>from previous slide</td>
<td>(0.6)</td>
<td>(1.2)</td>
<td>(2.4)</td>
<td>(4.5)</td>
<td>(6.7)</td>
<td>(10.6)</td>
<td></td>
</tr>
</tbody>
</table>

### 2014/15 surplus

1.4

Less one-time impacts:

- Provost support to SPPH: (2.5)
- One-time transfers of expense to partners: (2.6)
- Delayed implementation end of year: (2.2)
- One-time transfer from research: (0.7)
- Estimated structural deficit, year-end: (6.6)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>(7.2)</td>
<td>(7.8)</td>
<td>(9.0)</td>
<td>(11.1)</td>
<td>(13.3)</td>
<td>(17.2)</td>
<td></td>
</tr>
</tbody>
</table>

### Additional scenario factors

- Faculty salaries 0.5% above mandate: (0.6) (1.1) (1.6) (2.1) (2.6) (3.1)
  - There is an additional $0.42M risk in non-operating funds, not shown. Cumulative $2.4M by 2020/21.

- Essential investment in faculty renewal and research support: (5.0) (10.0) (10.0) (10.0)
  - $5M/year for two years

- Tuition increases, professional programs: 2.5 5.0
  - Market adjustments to all tuition, net of SFA/central portion, assuming applied by cohort; approx $10M on full implementation

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>(7.7)</td>
<td>(8.8)</td>
<td>(15.6)</td>
<td>(23.2)</td>
<td>(23.3)</td>
<td>(25.2)</td>
<td></td>
</tr>
</tbody>
</table>
Five Year Objectives

- Financially buoyant faculty
- International leadership in our focused areas
- Strong partnerships across the University
- Integrated planning with our health partners
- Societal contribution through health care delivery and economic benefit
Questions
Vision

“To achieve global leadership in pharmacy education, research and practice.”


• UBC goal = be best university in Canada

• UBC Pharm Sci needs to be best in Canada
  – Probably means being in top 10 Schools worldwide...
What will it take to achieve this?

• Portfolio of top quality academic program offerings attracting learners at all career stages. Essential for revenue generation.

• Well-funded research teams of critical mass doing world-class interdisciplinary work that:
  – Aligns with UBC priorities, and has clearly demonstrable impact
  – Is consistently published in top journals

• Driving change in clinical practice and healthcare policy

• Size

• Partnerships and visibility
  – Internal and External

• More money

• Great people (Reputation)
Where are we now?

• #29 in 2015 QS World University Rankings – Pharmacy & Pharmacology (UBC overall is #50). #1 in Canada

• 2 new programs launching
  – Increased revenue, but very expensive to deliver

• Pharmacists Clinic
  – Unique facility, already doing great things; massive potential

• Research income increasing (but not from Tri-councils)

• Strong focus on recruitment
Building Critical Mass in Key Research Areas

- Health Outcomes
- Nanomedicine & Drug Delivery
- Pharmacology: Molecules to Systems
- Genomics / Individualized Therapy
- Scholarship of Teaching & Learning
1. Diversify Revenue
2. Manage Costs
3. Strategic Investment

Ambitions:
- Transformative learning experience for students
- International excellence in key research areas
- Conducting research with Impact
- Influencing clinical practice / health policy

External Pressures:
- Government grant cap
- Tuition cap once set (2%)
- Competition for students
- No international UGs
- Minimal research overhead recovery
- Research funding climate
- Difficulties interacting with industry
- Fundraising challenging

Internal Pressures:
- Building debt
- Lack of critical mass in research
- Uneven workloads
- Size
- Some unproductive faculty/top heavy
- UBC Budget constraints

Context
Critical Issues and Opportunities
Building Mortgage

• Principal as of March 31, 2016: $18.9M

• Years remaining: 27.5

• Annual debt service payment: $1.35M

• Close to 10% of operating budget
DEBT SERVICE AS A PERCENT OF FACULTY OPERATING FUNDS (2014/15)
Tuition Shortfall from Domestic Student Financial Aid (SFA) Adjustment to Budget Model

- SFA adjustment made after new program in progress and hiring nearly complete
- Approx. $250K tuition shortfall for 15/16
- Over $1M recurring tuition shortfall once the program reaches steady state over 4 years
New Activities
Academic Program Changes

• New programs:
  – 15/16: Entry-to-Practice Doctor of Pharmacy
  – 16/17: Flexible Doctor of Pharmacy

• Programs closing:
  – 18/19: B.Sc. (Pharmacy)
  – 18/19: Graduate Doctor of Pharmacy
**New Entry-to-Practice Doctor of Pharmacy Program**

224 Students per year – began Sept 2015

<table>
<thead>
<tr>
<th></th>
<th>E2P PharmD New</th>
<th>BSc Pharm Old</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-Year program tuition</td>
<td>$66K</td>
<td>$38K</td>
</tr>
<tr>
<td>Program practice fee</td>
<td>$4,000</td>
<td>$295</td>
</tr>
<tr>
<td>% of credits taught within Faculty</td>
<td>100%</td>
<td>77%</td>
</tr>
</tbody>
</table>
PharmD Programs - Challenges:

• Complexity
• Cost of delivery
• Providing sufficient experiential sites/preceptors
• Faculty members adapting to new teaching modalities
• Management of teaching loads for new and current (BSc (Pharm)) programs & Flex PharmD
• Flex PharmD program not AVED approved yet!
Diversification of Academic Programs – Options?

• BSc in Pharmaceutical Sciences
• Continuing Professional Development
• Professional Masters
  – Modular
  – Residency Program
• Joint Degree Programs (PharmD/MM; PharmD/PhD; Bioengineering stream w/in BSc Applied Sciences etc.)
• Direct Entry Stream
• Distributed Program
Operational Efficiencies
Opportunities for Efficiencies

UBC Health

- Centralized Standardized Patient Program
- Centralized grant facilitation with agency specialists (e.g. SPARC model)
- Student practicum/residency placements
- Common curriculum mapping software

Across UBC

- Research IT expertise
Research Faculty Age Demographics

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Head Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 40</td>
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<tr>
<td>40-50</td>
<td></td>
</tr>
<tr>
<td>50-65</td>
<td></td>
</tr>
<tr>
<td>65 &amp; up</td>
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</tr>
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</table>
Faculty Renewal

- Start-up costs a large challenge
- Major opportunities for collaboration internally and externally – particularly private sector

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Recruitment area</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td></td>
</tr>
<tr>
<td>2016/17</td>
<td></td>
</tr>
<tr>
<td>2017-2021</td>
<td></td>
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</tbody>
</table>
Unrestricted Operating Revenue

<table>
<thead>
<tr>
<th></th>
<th>15/16</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Tuition</td>
<td>7,419</td>
<td>8,679</td>
<td>9,984</td>
<td>11,187</td>
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<tr>
<td>International Tuition</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>ICR</td>
<td>203</td>
<td>182</td>
<td>182</td>
<td>183</td>
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<tr>
<td>Operating Grant</td>
<td>8,933</td>
<td>8,977</td>
<td>9,036</td>
<td>9,175</td>
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<tr>
<td>Other Operating Revenue</td>
<td>1,360</td>
<td>1,091</td>
<td>801</td>
<td>809</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>17,915</td>
<td>18,929</td>
<td>20,003</td>
<td>21,354</td>
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</table>
## Unrestricted Operating Expenses

<table>
<thead>
<tr>
<th></th>
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<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
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</thead>
<tbody>
<tr>
<td>Faculty Compensation</td>
<td>8,402</td>
<td>9,746</td>
<td>10,671</td>
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<td>Admin Compensation</td>
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<td>3,392</td>
<td>3,500</td>
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<td>Benefits</td>
<td>1,856</td>
<td>2,084</td>
<td>2,184</td>
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<td>Travel</td>
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<td>241</td>
<td>245</td>
<td>250</td>
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<td>Professional Fees</td>
<td>765</td>
<td>739</td>
<td>754</td>
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<tr>
<td>Capital Costs</td>
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<td>1,417</td>
<td>1,418</td>
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<tr>
<td>Other Operating Expenses</td>
<td>1,322</td>
<td>1,292</td>
<td>1,318</td>
<td>1,344</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>17,304</strong></td>
<td><strong>18,911</strong></td>
<td><strong>20,090</strong></td>
<td><strong>20,860</strong></td>
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</tbody>
</table>
# The Bottom Line

<table>
<thead>
<tr>
<th></th>
<th>15/16</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>17,915</td>
<td>18,929</td>
<td>20,003</td>
<td>21,354</td>
</tr>
<tr>
<td>Total expenses</td>
<td>17,304</td>
<td>18,911</td>
<td>20,090</td>
<td>20,860</td>
</tr>
<tr>
<td>SURPLUS/DEFICIT</td>
<td>611</td>
<td>18</td>
<td>(87)</td>
<td>494</td>
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<tr>
<td>One-time exceptional revenue</td>
<td>560</td>
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<tr>
<td>One-time exceptional expenses</td>
<td>1,539</td>
<td>1,010</td>
<td>1,285</td>
<td>1,360</td>
</tr>
<tr>
<td>SURPLUS/DEFICIT (Incl. exceptional items)</td>
<td>(368)</td>
<td>(992)</td>
<td>(1,372)</td>
<td>(866)</td>
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<tr>
<td>Carry forward – Operating, beginning</td>
<td>371</td>
<td>3</td>
<td>(989)</td>
<td>(2,361)</td>
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<tr>
<td>Carry forward – Operating, ending</td>
<td>3</td>
<td>(989)</td>
<td>(2,361)</td>
<td>(3,227)</td>
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<tr>
<td>Carry forward – Capital, beginning</td>
<td>4,756</td>
<td>4,191</td>
<td>4,195</td>
<td>4,200</td>
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<td>Carry forward – Capital, ending</td>
<td>4,191</td>
<td>4,195</td>
<td>4,200</td>
<td>4,204</td>
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<tr>
<td>Carry forward – TOTAL, beginning</td>
<td>5,127</td>
<td>4,194</td>
<td>3,206</td>
<td>1,839</td>
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<tr>
<td>Carry forward – TOTAL, ending</td>
<td>4,194</td>
<td>3,206</td>
<td>1,839</td>
<td>977</td>
</tr>
</tbody>
</table>
Support Priorities

• Repayment of building loan
• Relief from revised domestic SFA allocation
• Research start-up funds to support new hires
• Ministry approval for Flexible Doctor of Pharmacy program
• Complement adjustment to proceed with new BSc in Pharmaceutical Sciences program
Discussion
2016/17 Budget Workshop
Sauder School of Business

Overview for Executive Team and Committee of Deans
January 2016
Agenda

• Strategic Overview
• Critical Issues and Opportunities
• Operational Efficiencies
• Strategic Proposals/New Activities
• People
• Finance
Strategic Overview
Vision

To become Canada’s most influential, globally recognized business school through the impact of our research and our graduates

Pillars

• Extend the influence and impact of research and graduates
• Build a stronger global presence
• Build the Sauder reputation and brand
• Enhance the network of relationships that supports the strategy
Strategic Goals

- The #1 business school in research in Canada
- Top ten school in research in the world in several significant areas of business, e.g., finance, marketing (behavioural sciences), analytics
- Recognized for excellence in the student experience
- Recognized as the top Canadian business school in China
- Recognized for emphasis on ethics and values in business education: rigor, respect and responsibility
- Recognized as a collaborator across campus and as a facilitator of careers for UBC
Priorities

• Attracting the best students from British Columbia, Canada and the rest of the world
• Attracting and retaining world-class faculty
• Advancing student learning, especially blended and experiential activities
• Expanding research and research support
• Enhancing student services, especially career and personal development
• Building reputation, locally, nationally and internationally
• Creating and maintaining a world-class physical learning environment
Critical Issues and Opportunities
Key Strengths

• Currently #1 or #2 in Canada in research; internationally recognized for research excellence
• High quality students, especially at the undergraduate level
• Strong demand for business education
• Highly engaged alumni
• Strong outreach in the community
• Successful revenue generating programs (professional, executive and continuing studies)
• Strong engagement and reputation globally - especially in Asia
Key Challenges

• Highly competitive market for faculty, with low Canadian dollar and high cost of living in Vancouver
• Domestic tuition well below market
• Professional programs susceptible to cyclical trends (especially in real estate) and limited by Vancouver’s economic structure
• Aging physical infrastructure at Robson Square undermines client experience in certain programs
• Space constraints in Henry Angus limit program and enrolment expansion (and looming seismic upgrades)
• Reliance on aging legacy IT platforms and technologies
• The Canada fixed effect in MBA rankings and student recruitment
• UBC leadership transitions
Opportunities - Recent and New Activities
Teaching and Learning

- Dual UBC Bachelor’s + Master of Management
- Specialized Masters (business analytics, perhaps finance)
- Dual Master’s Degree with Yale University
- Growth of summer programs
- Potential expansion of professional education (e.g., certificates in business)
- Expansion of experiential learning activities (co-ops; internships; international activities; Global Immersion Experience)
- Integration of video interviews in undergraduate admissions
- Emphasis on ethics and values in curriculum and student experience; expansion of career services to include focus on personal development
- Integration of Aboriginal business content into core undergraduate curriculum
Opportunities - Recent and New Activities

Faculty and Research

• Launch of new Centre of Business Ethics
• Faculty hires in areas of social good, Aboriginal business, entrepreneurship, big data
• Larger stipends and guaranteed 5th year funding in PhD program

Other Initiatives

• Refresh of school’s brand (UBC Sauder) and website
• Enhanced external engagement: Dean’s speaker series, Dine and Discover, Family Legacy Series gala
• Enhanced alumni activities: Sauder Square, alumni clubs
• Planned launch of new development strategy (Sauder Society – annual giving program) and planning for new campaign
• Operational efficiencies in IT, finance and purchasing
• Improvements to physical space at Robson Square?
PEOPLE
People

Faculty
- Total (full- and part-time): 224

Staff
- Total (full- and part-time): 210
FINANCE
### The University of British Columbia

#### Faculty 15/16 Projection and 5 Year Plan

**Name of Faculty**

**Operating Funds Planning Scenarios (In $000s)**

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>15/16 Forecast</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tuition</strong></td>
<td>53,934</td>
<td>57,502</td>
<td>61,445</td>
<td>63,840</td>
<td>64,988</td>
<td>66,522</td>
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<tr>
<td>- Domestic Credit Tuition</td>
<td>8,818</td>
<td>8,995</td>
<td>9,174</td>
<td>9,358</td>
<td>9,545</td>
<td>9,736</td>
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<tr>
<td>- ISI Credit Tuition (including Vantage transfers)</td>
<td>18,676</td>
<td>20,527</td>
<td>23,323</td>
<td>24,489</td>
<td>25,224</td>
<td>25,981</td>
</tr>
<tr>
<td>- Non-Credit Tuition</td>
<td>18,360</td>
<td>17,988</td>
<td>17,628</td>
<td>17,804</td>
<td>17,804</td>
<td>18,162</td>
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<tr>
<td>- Exchange Students Differentiated Fee to Teaching Faculty</td>
<td>146</td>
<td>150</td>
<td>157</td>
<td>164</td>
<td>172</td>
<td>180</td>
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<tr>
<td>- CO-OP Tuition</td>
<td>163</td>
<td>168</td>
<td>174</td>
<td>181</td>
<td>188</td>
<td>192</td>
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<tr>
<td>- Graduate Tuition to Administering Faculty</td>
<td>6,246</td>
<td>6,371</td>
<td>6,498</td>
<td>6,628</td>
<td>6,761</td>
<td>6,896</td>
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<tr>
<td>- Vancouver Summer Programs</td>
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<td>1,186</td>
<td>1,248</td>
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<td>1,248</td>
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<tr>
<td>- New Domestic Programs (flow through Faculty Allocation Model)</td>
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<td></td>
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<tr>
<td>- Masters of Management Dual Degreee Program</td>
<td>593</td>
<td>2,118</td>
<td>3,240</td>
<td>3,966</td>
<td>4,046</td>
<td>4,127</td>
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<td>- Institutional Costs of Research (ICR)</td>
<td>130</td>
<td>130</td>
<td>130</td>
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<td>- ICP</td>
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<td>- Indirect Cost Recovery</td>
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<td><strong>Operating Grant</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Incremental Government Funding</td>
<td>15,694</td>
<td>16,300</td>
<td>17,071</td>
<td>17,880</td>
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<td>- Complement</td>
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<tr>
<td>- Incremental Space Chargeback</td>
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<td>7,419</td>
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<tr>
<td>- Base Faculty Operating Grant</td>
<td>121</td>
<td>727</td>
<td>1,497</td>
<td>2,306</td>
<td>2,306</td>
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<tr>
<td>- GWI Funding (Projected Central Funding - Faculty &amp; Staff)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Less budget reduction</strong></td>
<td>3,561</td>
<td>3,597</td>
<td>3,633</td>
<td>3,669</td>
<td>3,706</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>73,319</td>
<td>77,529</td>
<td>82,278</td>
<td>85,519</td>
<td>86,704</td>
<td>88,275</td>
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</table>
## EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2023-24</th>
<th>2024-25</th>
<th>2025-26</th>
<th>2026-27</th>
<th>2027-28</th>
<th>2028-29</th>
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</thead>
<tbody>
<tr>
<td>Salary - Faculty Compensation</td>
<td>28,529</td>
<td>30,000</td>
<td>31,544</td>
<td>33,107</td>
<td>33,930</td>
<td>34,775</td>
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<td>Faculty (incl PTR)</td>
<td>19,216</td>
<td>20,192</td>
<td>21,183</td>
<td>22,185</td>
<td>22,844</td>
<td>23,523</td>
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<td>Sessional Lecturers</td>
<td>9,313</td>
<td>9,808</td>
<td>10,361</td>
<td>10,922</td>
<td>11,086</td>
<td>11,252</td>
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<tr>
<td>Salary - Administration Compensation</td>
<td>16,538</td>
<td>17,782</td>
<td>18,612</td>
<td>19,249</td>
<td>19,438</td>
<td>19,644</td>
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<tr>
<td>AAPS (incl merit and unfunded wage incr.)</td>
<td>11,613</td>
<td>12,560</td>
<td>13,212</td>
<td>13,696</td>
<td>13,833</td>
<td>13,971</td>
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<tr>
<td>CUPE 2950 (incl step increases)</td>
<td>3,020</td>
<td>3,248</td>
<td>3,378</td>
<td>3,469</td>
<td>3,469</td>
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<td>CUPE 2950</td>
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<tr>
<td>CUPE 2950</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CUPE 2950 (incl step increases)</td>
<td>3,020</td>
<td>3,248</td>
<td>3,378</td>
<td>3,469</td>
<td>3,469</td>
<td>3,469</td>
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<td>CUPE 2950</td>
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<tr>
<td>CUPE 116</td>
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<tr>
<td>Students</td>
<td>1,159</td>
<td>1,217</td>
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<td>1,304</td>
<td>1,356</td>
<td>1,424</td>
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<td>CUPE 2278</td>
<td>745</td>
<td>757</td>
<td>768</td>
<td>779</td>
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<td>Overtime</td>
<td>6,833</td>
<td>7,197</td>
<td>7,557</td>
<td>7,882</td>
<td>8,045</td>
<td>8,194</td>
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<tr>
<td>Travel</td>
<td>2,091</td>
<td>2,175</td>
<td>2,262</td>
<td>2,329</td>
<td>2,399</td>
<td>2,471</td>
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<tr>
<td>Professional Fees</td>
<td>5,247</td>
<td>5,457</td>
<td>5,675</td>
<td>5,846</td>
<td>6,021</td>
<td>6,202</td>
</tr>
<tr>
<td>Capital Costs (incl. Furniture, equipment, computer, debt servicing)</td>
<td>1,714</td>
<td>1,910</td>
<td>1,639</td>
<td>1,563</td>
<td>1,667</td>
<td>1,681</td>
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<tr>
<td>Capital Costs</td>
<td>525</td>
<td>721</td>
<td>450</td>
<td>463</td>
<td>477</td>
<td>492</td>
</tr>
<tr>
<td>Debt Servicing</td>
<td>1,189</td>
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<td>1,189</td>
<td>1,189</td>
<td>1,189</td>
<td>1,189</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>10,750</td>
<td>11,180</td>
<td>11,627</td>
<td>11,976</td>
<td>12,335</td>
<td>12,705</td>
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<tr>
<td>TOTAL EXPENSES</td>
<td>71,702</td>
<td>75,700</td>
<td>78,915</td>
<td>82,042</td>
<td>83,835</td>
<td>85,672</td>
</tr>
</tbody>
</table>

## SURPLUS / DEFICIT

<table>
<thead>
<tr>
<th>Description</th>
<th>2023-24</th>
<th>2024-25</th>
<th>2025-26</th>
<th>2026-27</th>
<th>2027-28</th>
<th>2028-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time Exceptional Revenue</td>
<td>175</td>
<td>190</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>One-time Exceptional Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SURPLUS / DEFICIT (Incl. Exceptional Items)</td>
<td>1,792</td>
<td>2,019</td>
<td>3,463</td>
<td>3,577</td>
<td>2,969</td>
<td>2,704</td>
</tr>
</tbody>
</table>

Carry Forward - Unrestricted Operating (Beginning) | 6,849   | 8,641   | 10,659  | 14,122  | 17,699  | 20,668  |

Carry Forward - Unrestricted Operating (Ending)  | 8,641   | 10,659  | 14,122  | 17,699  | 20,668  | 23,371  |
Questions
UBC Faculty of Science
Budget Workshop, January 12, 2016 – Simon Peacock, Dean

Quantum Matter Institute

Undergraduate Life Sciences Teaching Lab Building

Software System Development

Computer Science and Statistics

Domain Expertise

DATA SCIENCE INSTITUTE

2015 UBC Science Review
https://www.youtube.com/watch?v=F4mA9pcu3tc&feature=youtu.be
Vision: Advancing education and research at the frontiers of science

Mission: To nurture an exceptional scientific learning and research environment for the people of British Columbia, Canada, and the world
UBC Faculty of Science, by the numbers:

FY14-15 Budget: UBC GPO = $110M  Research = $88M  Development = $25M

7,784 B.Sc. and B.C.S. students (6,699 domestic, 1,085 international) ↑ 4.5%
8,323 course FTEs taught (6,638 domestic, 1,685 int’l) ↑ 3.3%  (projection)
1,439 graduate students: 533 MSc and 906 PhD ↓ 1.6%
256 post-doctoral scholars + 97 research associates ↓ 4.3%
421 tenured, tenure-track faculty (361 professors, 60 instructors) ↑ 2.3%
485 administrative and technical staff  ↓ 1.6%

Nine academic departments: Botany, Chemistry, Computer Science, Earth Ocean Atmos, Mathematics, Microbiology & Immunology, Physics & Astronomy, Statistics, Zoology
Three interdisciplinary academic units: MSL, IRES, Fisheries and Oceans
Four major interdisciplinary research centres: LSI, AMPEL/QMI, Biodiversity, ICICS
Three major public venues: Beaty Biodiversity Museum, Botanical Gardens, PME
Current Situation – Strengths and Challenges

Strengths

Very strong student demand (domestic and international) – ave. GPA > 92%
Success at securing external research funding (QMI CFREF = $66.5M)
North American leader in *transforming* undergraduate science education
Rapid growth in Science Co-op, with 1,755 placements in 14-15 (up 24%)
Two major building projects underway (QMI, Life Sciences Teaching)
GPO budget balanced for FY15-16 (vs. $5M deficit in FY13-14)
Successfully completed UBC Campaign – Science = $176M, > 7,000 alumni

Challenges

Meeting unprecedented demand for Computer Science
Hiring new faculty in a time of few retirements
Supporting research excellence (top 10-20%) and positioning for grant success
Adapting to shifting external research funding priorities (CIHR, BCKDF, translation)
Critical Issues and Opportunities

Support research excellence in Science and beyond
- Position existing/emerging research clusters for grant success (Biodiversity, HCI, Bioprod, …)
- Launch Data Science Institute (and link with Advanced Research Computing)
- Grow Institute for the Oceans and Fisheries
- Deploy CRCs strategically
- Help defray operating costs of shared research facilities

Promote global leadership in Science Teaching and Learning
- Build permanent funding for Science Teaching and Learning fellows (post CWSEI)
- Develop Faculty and University communications strategy

Meet demand for Computer Science at all levels (ugrad, grad, research)
- Launch Master of Data Science (Fall 2016); Data Science Institute
- Launch new Introductory Computational Thinking course
Strategic Proposals, New Activities

Data Science Initiatives
Prof. Masters of Data Science (launch Fall 2016), modules for Business Analytics
Data Science Institute to support UBC big data initiatives (see next slide)

Strategic Initiatives Fund
Develop broad guidelines for use, balancing “strategic” with “opportunistic”
Support Research Excellence
  Position excellent research clusters (top 10-20%) for success in securing external grants
  Hiring star faculty (start-up funding, housing)
  Biodiversity, Human-Computer Interaction, Forest Bioproducts, Astronomy, …
Support Teaching Excellence
  Focused transformation of undergrad teaching in other Faculties?

Building renewal / replacement (Current Science mortgage debt = $14M)
Chemistry teaching labs (B- and C-blocks)
Physics teaching labs (Hebb) – detailed planning underway!
Chemistry and Physics research – Chem/Phys, Hennings
Mathematics building
Data Science Institute

Designed to showcase and accelerate UBC as an international centre of data science research across a broad spectrum of research domains and real-world applications. Led by the Faculty of Science, on behalf of UBC.

Facilitate interdisciplinary data science research and development teams → successfully compete for grants

Provide specialized training for post-docs and general modules for professional programs (MDS, MBA

Enable a network of organizations to develop solutions for their data-rich applications
Financial Overview

Background: $4.9M structural deficit in 13/14 → balanced in 15/16

* No “new” revenue. Accounting changes resulted in $3.8M in revenue *and* $3.8M in expenses being transferred to FoS budget (SFA, ICICS, …). Also includes $0.8M in GWI funding and -$1.2M in budget cuts.
# Statement of Revenues and Expenses - GPO

Prior Year Actuals, Current Year Forecast, Next Year’s Plan

<table>
<thead>
<tr>
<th></th>
<th>Actual 14/15</th>
<th>Forecast 15/16</th>
<th>Plan 16/17</th>
<th>15/16 % of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Tuition</td>
<td>22,464</td>
<td>22,780</td>
<td>23,189</td>
<td>19%</td>
</tr>
<tr>
<td>International Tuition</td>
<td>14,536</td>
<td>19,113</td>
<td>22,263</td>
<td>16%</td>
</tr>
<tr>
<td>Co-op Tuition</td>
<td>1,044</td>
<td>1,157</td>
<td>1,239</td>
<td>1%</td>
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<tr>
<td>Graduate Tuition</td>
<td>4,233</td>
<td>4,099</td>
<td>4,181</td>
<td>3%</td>
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<tr>
<td>Tuition Total</td>
<td>42,277</td>
<td>47,149</td>
<td>50,873</td>
<td>40%</td>
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<tr>
<td>Institutional Costs of Research (ICR,ICP)</td>
<td>3,847</td>
<td>3,999</td>
<td>4,013</td>
<td>3%</td>
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<tr>
<td>Undergraduate Complement</td>
<td>17,973</td>
<td>17,973</td>
<td>17,973</td>
<td>15%</td>
</tr>
<tr>
<td>Operating Grant and Onetime GPO</td>
<td>36,942</td>
<td>37,369</td>
<td>38,596</td>
<td>32%</td>
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<tr>
<td>Operating Revenues (FFS, donations) *</td>
<td>8,169</td>
<td>10,014</td>
<td>10,007</td>
<td>9%</td>
</tr>
<tr>
<td>Interfund Transfers In (mainly Royalties)</td>
<td>913</td>
<td>810</td>
<td>810</td>
<td>1%</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>110,122</td>
<td>117,214</td>
<td>122,271</td>
<td>100%</td>
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<tr>
<td>Faculty Salaries</td>
<td>50,110</td>
<td>52,485</td>
<td>55,004</td>
<td>45%</td>
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<tr>
<td>Sessional Salaries</td>
<td>4,254</td>
<td>4,356</td>
<td>4,421</td>
<td>4%</td>
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<tr>
<td>Staff Salaries *</td>
<td>21,204</td>
<td>22,555</td>
<td>23,371</td>
<td>19%</td>
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<tr>
<td>Student Salaries</td>
<td>8,939</td>
<td>9,033</td>
<td>9,267</td>
<td>8%</td>
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<tr>
<td>Benefits</td>
<td>13,125</td>
<td>13,338</td>
<td>14,123</td>
<td>11%</td>
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<tr>
<td>Salaries &amp; Benefits Total</td>
<td>97,632</td>
<td>101,766</td>
<td>106,183</td>
<td>87%</td>
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<tr>
<td>Non Salary Costs *</td>
<td>10,446</td>
<td>11,805</td>
<td>11,591</td>
<td>10%</td>
</tr>
<tr>
<td>Interfund Transfers Out (Start Up, Research Support)</td>
<td>3,140</td>
<td>3,685</td>
<td>3,700</td>
<td>3%</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>111,218</td>
<td>117,257</td>
<td>121,476</td>
<td>100%</td>
</tr>
<tr>
<td>Fiscal Surplus/Deficit</td>
<td>(1,096)</td>
<td>(43)</td>
<td>793</td>
<td></td>
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<tr>
<td>Exceptional onetime items</td>
<td>266</td>
<td>(499)</td>
<td>(587)</td>
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<tr>
<td>Opening Carryforward</td>
<td>6,882</td>
<td>6,032</td>
<td>5,510</td>
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<tr>
<td>Ending Carryforward</td>
<td>6,052</td>
<td>5,510</td>
<td>5,718</td>
<td></td>
</tr>
</tbody>
</table>

Faculty of Science budget is projected to be structural balanced this fiscal year.

Several Science Departments are not structurally balanced (e.g., PHAS).

* Operating Revenues include $6.5M Fee-For-Service charges to Research Grants that recover costs such as staff salaries and supplies.
Operational Efficiencies

Science Department budgets are managed at the macro level (single Dept budget):
  Faculty of Science approves all faculty and staff hiring
  Faculty of Science funds faculty (PTR) salary increases and absorbs budget cuts
  Empowers Heads and drives Department-level efficiencies
  Limited Department budget rebalancing proportional to:
    Undergraduate students taught = 50%
    Undergraduate students enrolled in programs = 20%
    Graduate students (MSc, PhD) = 10%
    Research funding (Tri-Council) = 20%

Optimizing shared research and teaching facilities
  FINDER (Level 3 animal care facility) budget balanced

Merging of Michael Smith Labs and Centre for High-Throughput Biology

Implementing centralized financial support for smaller units

Ongoing external and internal program reviews
Faculty Profile

Headcount of Research Faculty by Age and Gender
Assistant Professor, Associate Professor, Full Professor *

- 354 faculty members: 76 female (21%) + 278 male (79%)
- 34 faculty members are 65 or older (9.6%). Almost all male.

* Faculty members with home department in Science
Staff Profile (CUPE 2950 + M&P)

454 salaried staff: 336 GPO + 118 Research funded

Annual Salaries: $21.3M GPO + $6.0M Research funded

Cost recovery from external grants

- Technical Staff – 48%
  - 80% research assistants and techs (CUPE 116)
  - 20% research facilitators and scientific engineers (M&P)
- Admin Staff – 27%
  - 45% CUPE 2950
  - 55% M&P
- Student Services – 18%
  - 47% student support roles (CUPE 2950)
  - 53% educational programming & co-op (M&P)
- IT – 11%
  - Includes IT systems and management roles as well as programmers, developers and bioinformaticians (100% M&P)

Hourly and temporary staff not included
5 Year Hiring Plan

FACULTY
2015-16
11 faculty searches underway (including 3 CRC-2 searches)
8 Research faculty (CS-4, EOAS, MATH, PHAS, ZOOL)
3 Instructors (CS-2, PHAS)

Next 5 years

STAFF
Next 5 years
End
2016/17 Budget Workshop

Faculty of Graduate and Postdoctoral Studies

Presenter: Susan Porter, Dean and Vice Provost G+PS
**People – G+PS**

**Issues**
- Staff salary increases > budget growth over the next 5 years
- Unfunded salary increases for Associate Deans
- One time PSI funding source depleted by 2017

**Opportunities**
- Increase Work-Learn
- Fundraising, grants, gov’t support

---

**G+PS STAFF - 2015**

- GPS, 2
- Exec Asst, 1
- PDFO, HR, 2
- Communication, Data, Strategic Initiatives, 4
- Student admin, Curriculum & Policy support, 18
- Student awards, Killam, Finance, 9

---

**Permanent staff - Group**

<table>
<thead>
<tr>
<th>Group</th>
<th>FTE</th>
<th>% of FTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dean, Assoc Dean</td>
<td>2.4</td>
<td>6%</td>
</tr>
<tr>
<td>CUPE 2950</td>
<td>20</td>
<td>52%</td>
</tr>
<tr>
<td>AAPS</td>
<td>16</td>
<td>42%</td>
</tr>
<tr>
<td>Total</td>
<td>38.4</td>
<td></td>
</tr>
</tbody>
</table>

+ 4 Assoc Deans (1.4 FTE)
+ 3.25 FTE funded by GRASP - temporary
+ 1 FTE funded by PSI - temporary
Strategic Initiatives/New Activities

- Graduate Admissions project (GRASP) – complete first wave
- Reimagining the PhD
  - Continue dialogue; complete first year of Public Scholars Initiative, launch second; generate academic assessment guidelines; identify funding sources
- Enhance graduate supervision
  - Establish Community of Practice; draft improved guidelines for tenure and promotion assessment; complete document on graduate supervision pedagogy; create guidelines for handling graduate supervision problems
- Enhance understanding of and preparation for graduate career outcomes
  - Complete PhD tracking project; sustain graduate career support (previously TLEF-funded)
- Assess feasibility of a minimum stipend policy
Strategic Proposals/New Activities

Future additional financial support

- Graduate career support (shared with Career Services) - $45K (formerly funded through TLEF)
- Public Scholars Initiative (from 2017 on) - $400K
- Graduate admissions if required program support is beyond current capacity
- (If strategic direction for graduate recruitment includes enhanced support by G+PS, then 1 additional person)
- 4-Year Fellowship fund requires a 2% (~$300K) compounding increase to allow a COL adjustment and maintain numbers
## Finance – Graduate and Postdoctoral Studies

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Fiscal</td>
<td>Fiscal</td>
<td>Fiscal</td>
<td>Recurring</td>
<td>Recurring</td>
<td>Recurring</td>
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<tr>
<td><strong>UNRESTRICTED OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operating Funding Allocation (ALOGPO)</td>
<td>2,140,861</td>
<td>2,270,602</td>
<td>2,300,302</td>
<td>2,300,302</td>
<td>2,298,650</td>
<td>2,331,008</td>
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<tr>
<td>Application Fees</td>
<td>1,012,249</td>
<td>1,051,000</td>
<td>1,072,020</td>
<td>1,072,020</td>
<td>1,082,740</td>
<td>1,104,395</td>
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<tr>
<td>General Wage Increases</td>
<td></td>
<td></td>
<td>11,394</td>
<td>11,394</td>
<td>32,358</td>
<td>33,167</td>
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<tr>
<td>Restricted Operating Revenues</td>
<td>255,220</td>
<td>276,810</td>
<td>218,294</td>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td>3,408,330</td>
<td>3,598,412</td>
<td>3,602,010</td>
<td>3,423,716</td>
<td>3,453,748</td>
<td>3,508,569</td>
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<tr>
<td><strong>SALARIES</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Academic Salaries</td>
<td>363,381</td>
<td>343,374</td>
<td>344,000</td>
<td>344,000</td>
<td>344,000</td>
<td>344,000</td>
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<tr>
<td>Staff Salaries</td>
<td>2,093,871</td>
<td>2,290,859</td>
<td>2,278,728</td>
<td>2,134,093</td>
<td>2,157,196</td>
<td>2,211,126</td>
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<tr>
<td>Student Salaries</td>
<td>29,803</td>
<td>29,391</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
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<tr>
<td>Benefits</td>
<td>491,974</td>
<td>526,902</td>
<td>523,757</td>
<td>495,147</td>
<td>503,239</td>
<td>514,025</td>
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<tr>
<td>Travel</td>
<td>35,853</td>
<td>42,546</td>
<td>43,500</td>
<td>43,500</td>
<td>44,370</td>
<td>45,257</td>
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<tr>
<td>Professional Fees</td>
<td>113,183</td>
<td>102,221</td>
<td>35,000</td>
<td>35,000</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>8,575</td>
<td>20,673</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>1,206,555</td>
<td>312,809</td>
<td>573,561</td>
<td>305,000</td>
<td>303,909</td>
<td>306,948</td>
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<tr>
<td><strong>EXPENSES</strong></td>
<td>4,343,195</td>
<td>3,668,775</td>
<td>3,838,546</td>
<td>3,396,740</td>
<td>3,417,714</td>
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<tr>
<td>Interfund Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus (Deficit)</td>
<td>-934,865</td>
<td>-74,363</td>
<td>-236,536</td>
<td>26,976</td>
<td>36,033</td>
<td>22,213</td>
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<tr>
<td>CFWD Operating - Beginning</td>
<td>1,116,824</td>
<td>181,959</td>
<td>107,596</td>
<td>-128,940</td>
<td>-92,907</td>
<td>-70,694</td>
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<tr>
<td>CFWD Operating - Ending</td>
<td>181,959</td>
<td>107,596</td>
<td>-128,940</td>
<td>-92,907</td>
<td>-70,694</td>
<td>-70,694</td>
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</table>