



28 April 2017

Ms. Iris Petten
Chair of the Board of Regents
Office of the Board of Regents
Memorial University of Newfoundland
St. John's, NL A1C 5S7

Dear Chair of the Board of Regents,

Further to the article published yesterday by the St. John's Telegram, I am writing to provide CAUBO's perspective on the issues raised with respect to the Memorial University of Newfoundland's FIUC submission.

CAUBO's objective is to ensure the integrity, consistency and comparability of the financial information combined with the goal of improving the utility of the report to various users. To assist both preparers and users in this regard, guidelines for completing the FIUC are available. The report is thus prepared by CAUBO member institutions using prescribed reporting practices. Adherence to these guidelines is monitored by CAUBO through a validation process which indicates that Memorial has completed the report in accordance with these prescribed practices.

That said, users must appreciate that notwithstanding the use of detailed guidelines to assist preparers, there are limitations in the comparability of the FIUC data. The data is most useful when aggregated and used for trend analysis. As users move from aggregated data to data that directly compares institutions, either individually or even between provinces or regions, the comparability of the data has limitations.

Institutional comparisons are subject to interpretation and clarification because of differences such as size, academic programs, structure, physical environment, management philosophy, and budgetary and accounting procedures. Limitations in the comparability of the data also result because of differences in the underlying accounting practices followed by institutions. Even the most stringent of reporting guidelines cannot eliminate such differences.

Accordingly, users should note that averages and other metrics cannot and should not be derived from the FIUC report on the basis of data that may not be adequate "apple-to-apple" denominators (in this case, number of student FTEs). Use of the data to compare educational costs per student would therefore not be appropriate.

We hope the above brings clarity to the some of the facts contained in the article referenced above.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'N. Laporte'.

Nathalie Laporte
Executive Director

cc: Glenn Collins, Registrar, Memorial University of Newfoundland