



**2022-23 OPERATING BUDGET
(EXCLUDES FACULTY OF MEDICINE)**



June 23, 2022

2022-23 OPERATING BUDGET

(Excluding Faculty of Medicine)

	2021-22 Budget	Adjustments	2022-23 Budget
University Budget Revenue			
Provincial Government Operating Grant	\$307,799,600	(274,900)	\$307,524,700
Federal Research Support Fund	\$4,437,530	(79,320)	\$4,358,210
Tuition (Net of Expenses)	\$56,422,100	16,463,990	\$72,886,090
Tuition Related Fees	\$0	\$4,480,790	\$4,480,790
Student Fees - Campus Renewal Fee	\$7,275,900	(50,050)	\$7,225,850
Student Fees - Student Services Fee	\$2,379,200	(24,400)	\$2,354,800
Other Income	\$1,500,000	0	\$1,500,000
Total University Budget Revenue	\$379,814,330	\$20,516,110	\$400,330,440

University Budget Expenses

Salaries and Employee Benefits

Academic Teaching Salaries	\$131,616,545	1,622,881	\$133,239,426
Administrative Support Salaries	\$106,262,070	7,896,298	\$114,158,368
Employee Benefits	\$57,350,968	1,877,220	\$59,228,188
Student Assistants	\$1,877,872	0	\$1,877,872
Fellowships and Other Awards	\$13,881,117	0	\$13,881,117
Total Salary & Employee Benefits	\$310,988,572	\$11,396,399	\$322,384,971

Operating Expenditures

Material and Supplies	\$29,417,888	11,490,943	\$40,908,831
Equipment Repairs and Maintenance	\$694,078	6,000	\$700,078
Building Repairs and Maintenance	\$4,039,902	(374,857)	\$3,665,045
Institutional Memberships	\$858,790	0	\$858,790
Reference Materials/Book	\$8,581,731	0	\$8,581,731
Inventory Purchases	(\$637,484)	0	(\$637,484)
Utilities & Telecommunications	\$22,134,447	2,298,120	\$24,432,567
Water Grant / Municipal Taxes	\$1,332,175	0	\$1,332,175
Insurance	\$2,144,813	0	\$2,144,813
Externally Contracted Services	\$5,789,589	345,534	\$6,135,123
Professional Fees	\$2,083,815	0	\$2,083,815
Equipment & Space Rentals	\$4,295,407	633,360	\$4,928,767
Travel and Hosting	\$1,823,740	2,449,210	\$4,272,950
Awards	\$1,219,067	0	\$1,219,067
Unit Revenue & Internal Recoveries	(\$37,040,468)	1,613,780	(\$35,426,688)
Total Operating Expenditures	\$46,737,490	\$18,462,090	\$65,199,580

Capital Expenditures

Capital Expenditures	\$22,088,268	(151,299)	\$21,936,969
Total Capital Expenditures	\$22,088,268	(\$151,299)	\$21,936,969

Total Expenses	\$379,814,330	\$29,707,190	\$409,521,520
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Budget Reduction to Balance ^A	\$0	(9,191,080)	(\$9,191,080)
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Total University Budget Expenses	\$379,814,330	\$20,516,110	\$400,330,440
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Net Budget	\$0	\$0	\$0
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^A Distribution of the Budget Reductions to Units and between Salaries & Benefits and Operating Expenditures will not be confirmed until details budgets are completed by the units.

The operating budget for 2022-23 is balanced with operating revenues and expenditures of \$400,330,440. This operating budget includes the St. John's, Grenfell, Marine Institute, Labrador, and Harlow Campuses, however it excludes the Faculty of Medicine. The following are highlights of the 2022-23 operating budget:

REVENUES

- Department of Education Operating Grant has been reduced by \$274,890 over 2021-22. The grant adjustment is comprised of the following increases and reductions:
 - \$7.4 million increase for the negotiated collective agreement increases for CUPE, NAPE, Non-Bargaining and Management & Professional Staff (2% April 1, 2020, 1% April 1, 2021, 1% October 1, 2021);
 - \$3.0 million increase for the Faculty of Nursing Expansion;
 - (\$2.9) million general grant reduction;
 - (\$13.68) million reduction in the tuition offset grant;
 - \$6.0 million one-time increase for transition to new tuition model.
- Tuition revenue for 2022-23 is forecasted to increase by \$15.18 million over the 2021-22 budget. This adjustment is due to:
 - \$1.5 million from regular increased tuition for undergraduate and graduate enrollment;
 - \$13.68 million for the increase in the undergraduate tuition rates effective Fall 2022;
- Campus Renewal Fee and Student Services Fee revenues are budgeted to decrease by \$50,050 and \$24,400 million respectively due to a projected decrease in enrolments.
- The Federal Research Support Grant revenue budget is projected to decrease by \$79,320.
- Increase of \$5.8 million to the budget revenue due to the centralization of specific tuition related fees such as application fees, late fees, distance education fees, and the student development fund.

EXPENSES

SALARIES & BENEFITS

- \$11.4 million increase due to:
 - Negotiated collective agreement increases
 - Faculty of Nursing Expansion
 - Annualization of Core Science Facility and Animal Resource Centre operations

EXPENDITURES

- Reversal of the 2021-22 \$2.1 million *one-time* reduction in Travel and Hosting.
- \$1.4 million investment in Transforming Our Horizons Entrance Scholarships.
- \$0.9 million inflationary expenditures for energy.
- \$0.6 million investment in the VP Indigenous Portfolio in support of the Indigenization Strategy.
- \$0.6 million investment in the Labrador Campus.
- \$0.5 million investment in the VP Advancement and External Relations Portfolio.
- \$24.4k decrease for student services due to decrease in budgeted Student Services Fee revenue associated with a projected decrease in enrolments.

CAPITAL

- Decrease of \$50.1k for capital renewal due to decrease in the Campus Renewal Fee revenue budget due to a projected decrease in enrolments.

BUDGET REDUCTIONS

Budget reductions to units for 2022-23 total \$6.25 million (~2.2%). The below details of the impact of the budget reductions on each portfolio. Details on the unit budget decision to implement the budget reductions will be reporting to the Board of Regents along with the Budget Updates.

Portfolio	<u>\$\$</u>
Board of Regents & Senate	(\$14,630)
President and Vice-Chancellor	(\$65,180)
VP Advancement & External Relations	(\$116,660)
VP Indigenous	\$0
Provost & VP (Academic)	(\$3,723,590)
VP Research	(\$266,990)
VP Administration & Finance	(\$812,060)
Harlow Campus	(\$10,240)
VP Grenfell Campus	(\$591,430)
VP Marine Institute	(\$647,430)
Total	<u>(\$6,248,210)</u>

The general government grant reduction for 2022-23 totals \$2.95 million. The University has submitted a request to the Department of Education to reverse this base budget reduction. The \$2.95 million reduction is being held pending the response from government.

Government Grant - Education - Base Grant Adjustment	<u>\$\$</u>
General Grant Reduction (Hold Pending Government Response)	<u>(\$2,942,890)</u>
	<u>(\$2,942,890)</u>