

The University of Western Ontario

**STUDENT FEE FUNDED UNITS,
ANCILLARIES, ACADEMIC SUPPORT UNITS,
AND ASSOCIATED COMPANIES**

2010-11 BUDGETS

**STUDENT FEE FUNDED UNITS, ANCILLARIES, ACADEMIC SUPPORT
UNITS, AND ASSOCIATED COMPANIES
COMMENTS ON THE 2009/10 PROJECTED AND 2010/11 BUDGETS**

The following comments pertain to the 2009/10 projected financial results and 2010/11 budgets for Student Fee Funded Units, Ancillaries, Academic Support Units, and Associated Companies as reported on the attached Table 1.

Student Fee Funded Units

Restructuring has taken place in 2009/10 that combines the *Centre for New Students* with the *Career Centre* (previously a department within the *Student Development Centre*) to form a new unit called the *Student Success Centre*. These groups have come together to create a cohesive unit that will seamlessly support students from the moment they decide to attend Western until their convocation and subsequent alumni status. To reflect the new organizational structure, the component of the *Student Development Centre* fee historically associated with *The Career Centre* has been added to the former *Centre for New Students Fee* to establish the funding base for the *Student Success Centre*.

Following discussions throughout the year and a review of unit budget submissions, The *Student Services Committee* (SSC) has approved a 2% increase in the activity fee rates for all student fee-funded units to partially offset the impact of inflation. In addition, the SSC has approved incremental increases of \$2.62 and \$2.72 respectively for the *Student Development Centre* and the *Student Success Centre* to enhance services in these areas. The additional funding provided to the *Student Development Centre* will be used to hire a masters-level psychological counselor who will design, market, and present a program directed at crisis prevention and effective early-intervention strategies. The *Student Success Centre* will use the incremental funding in the Careers area to create new experiential learning opportunities for students. A complete listing of the recommended 2010/11 activity fee rates is included on Tables 2 and 3.

Ancillary Units

Revenues that support the Ancillary Unit budgets are primarily derived from the sale of products and services to the general University community.

The *Family Practice Clinic* is projecting a \$32,200 deficit in 2009/10 due to workplace health and safety testing for Pulmonary Functions, X-Rays and other work-related issues that are not fully recoverable from departments. Starting in 2010/11 the subsidy from the operating budget has been increased by \$20,000 to address this funding shortfall in conjunction with other cost containment measures.

Lower than expected operating costs and close to full occupancy in residence rooms, apartments, and townhouse units has contributed to a surplus for the *Housing* unit that is projected to exceed \$800,000 for 2009/10. However, the outlook for 2010/11 is less optimistic (\$41,600 budgeted surplus) due to forecasted increases in utility rates and an increase in scheduled major maintenance projects.

Parking Services experienced a temporary increase in permit sales and daily parking revenues during the LTC strike, resulting in a projected surplus for 2009/10 that exceeds the budget target. A 5% increase in parking rates approved for 2010/11 will help offset general inflation and allow the unit to reduce the capital debt resulting from lot expansions and upgrades completed in recent years.

Strong book, computer, and food sales from the *Retail Services* group are expected to continue into the next academic year, allowing the unit to rebuild the reserve to the required target level by the end of 2010/11.

Academic Support Units

The budgets for the *Academic Support Units* are funded from various sources, including revenue from internal research projects, external industrial contracts, and course fees. Animal Care and Veterinary Services also receives an annual subsidy from the operating budget to partially offset the cost of regulatory requirements and teaching services for researchers using animals.

The remaining startup funding for the West Valley Animal Care facility will be fully depleted in 2009/10, resulting in a financial challenge for *Animal Care and Veterinary Services*. To address this problem, the barrier animal population at the Robarts Research Institute has been relocated to the West Valley facility to achieve operational efficiencies. Also, job functions have been restructured to allow for staff reductions, and rates for external users have been increased to better reflect the value of the services they receive. Further cost containment and revenue generation opportunities are under consideration.

Historic low activity levels for the *Boundary Layer Wind Tunnel* continued throughout 2009/10 and are showing no signs of improvement. Exchange losses resulting from a strong Canadian dollar and collection problems with some major accounts due to financial problems in Dubai are also contributing to the loss projected for 2009/10. To mitigate the negative financial impact, further staff layoffs were initiated in November and space was relinquished back to the University to reduce occupancy costs. Since the start of 2008/09, staffing levels have been reduced by half. The Dean of Engineering is in the process of conducting a comprehensive review of the *Boundary Layer Wind Tunnel* to assess the future of this operation.

Research recoveries and consultancy project activity has picked up in the last quarter of 2009/10 for *Surface Science Western*. These recent indications that revenues are rebounding and voluntary work week reductions implemented for most staff in August, 2009 have resulted in the unit projecting a breakeven position for 2009/10 and 2010/11.

Activity levels have remained low at *University Machine Services* because of a sharp reduction in the number of projects from the *Boundary Layer Wind Tunnel* and fewer industry contracts. Staff reductions planned for 2009/10 were implemented and additional layoffs are scheduled for 2010/11 to further reduce the annual deficit. One-time staff restructuring costs related to the staff reductions are reflected in the projected and budget amounts.

The 2009/10 deficit for *Western Continuing Studies* is projected to be higher than anticipated due to a decline in course revenues from professional development programs. A new partnership established with the Faculty of Information and Media Studies to develop a new post degree diploma program in marketing and the introduction of a new coaching program operated in conjunction with an external corporate training group are expected to result in revenue growth that will allow the unit to achieve a breakeven position in 2010/11.

Associated Companies

The Ivey group of companies (Richard Ivey School of Business Foundation, Ivey Management Services, and the Asia Richard Ivey School of Business) are operated in conjunction with the Richard Ivey School of Business at UWO. Profits from these companies are used to support the Ivey academic programs at UWO and reduce the overall Ivey debt. The direct contribution to Ivey degree programs planned for 2010/11 is \$900,000 (\$1,040,000 projected for 2009/10).

Although accounting deficits will be reported for the *Research Park (including Windermere Manor)* in 2009/10 and 2010/11, the combined operations continue to generate positive cash flows that will be used to fund strategic capital reinvestment and the retirement of debt. The *Research Park* is anticipating that

\$550,000 in debt principle will be repaid in 2010/11 (compared to \$382,400 in 2009/11). The new Convergence Centre at the Research Park opened in November and was completed on time and within budget.

The Museum of Ontario Archaeology has entered into a new rental arrangement with a commercial lab tenant that may eventually lead to the revitalization of the Museum's contract archaeology activities. In addition, a major CFI project has been approved that will result in the construction of a state of the art artifact repository on the Museum property that will support the analysis and study of 1000s of archaeological collections that exist from southern Ontario.

Table 1
The University of Western Ontario

STUDENT FEE FUNDED UNITS, ANCILLARIES, ACADEMIC SUPPORT UNITS, AND ASSOCIATED COMPANIES
2009/10 Projected and 2010/11 Budget
(\$000's)

<u>Student Fee Funded Units</u>	<u>2009/10 Projected</u>			<u>2010/11 Budget</u>			<u>% Change</u>		<u>Budgeted April 30/11 Reserve</u>
	<u>Revenues</u>	<u>Expenses</u>	<u>Surplus/ (Deficit)</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Surplus/ (Deficit)</u>	<u>Revenues</u>	<u>Expenses</u>	
1 Campus Recreation	4,293.3	4,326.7	(33.4)	4,472.7	4,516.9	(44.2)	4.2	4.4	435.0
2 Financial Aid	835.3	835.3	-	861.4	866.6	(5.2)	3.1	3.7	39.9
3 Indigenous Services	240.6	240.6	-	245.1	245.1	-	1.9	1.9	74.8
4 Intercollegiate Athletics	4,264.4	4,222.5	41.9	4,312.0	4,308.4	3.6	1.1	2.0	(219.1)
5 Off Campus Housing & Housing Mediation Office	340.2	369.2	(29.0)	347.1	374.7	(27.6)	2.0	1.5	38.1
6 Services for Students With Disabilities	436.3	428.9	7.4	446.5	446.5	-	2.3	4.1	16.4
7 Student Development Centre	1,969.5	1,969.4	0.1	2,102.6	2,102.4	0.2	6.8	6.8	121.1
8 Student Success Centre	990.4	990.4	-	1,081.5	1,081.5	-	9.2	9.2	78.8
9 Student Health Services	3,528.2	3,566.9	(38.7)	3,745.7	3,798.0	(52.3)	6.2	6.5	805.2
10 Western Foot Patrol	149.8	149.0	0.8	151.5	151.0	0.5	1.1	1.3	37.9
11 Thompson Recreation & Athletic Centre	1,051.3	986.8	64.5	1,062.7	1,015.1	47.6	1.1	2.9	1,146.0
12 Total Student Fee Funded Units	18,099.3	18,085.7	13.6	18,828.8	18,906.2	(77.4)	4.0	4.5	2,574.1
<u>Ancillaries</u>									
13 Family Practice Clinic	418.9	451.1	(32.2)	440.8	437.8	3.0	5.2	(2.9)	(64.1)
14 Housing	47,478.0	46,677.3	800.7	48,470.9	48,429.3	41.6	2.1	3.8	8,694.9
15 Parking Services	3,877.1	3,719.9	157.2	3,991.0	3,881.7	109.3	2.9	4.3	3,370.3
16 Retail Services	37,407.2	37,245.1	162.1	37,855.2	37,631.1	224.1	1.2	1.0	1,389.2
17 Total Ancillaries	89,181.2	88,093.4	1,087.8	90,757.9	90,379.9	378.0	1.8	2.6	13,390.3
<u>Academic Support Units</u>									
18 Animal Care & Veterinary Services	3,471.0	3,583.6	(112.6)	3,696.6	3,828.0	(131.4)	6.5	6.8	(142.1)
19 Boundary Layer Wind Tunnel	2,305.9	3,121.6	(815.7)	2,959.0	2,959.0	-	28.3	(5.2)	(141.7)
20 Surface Science Western	1,272.0	1,272.0	-	1,332.0	1,332.0	-	4.7	4.7	974.0
21 University Machine Services	1,411.9	1,649.7	(237.8)	1,599.6	1,676.3	(76.7)	13.3	1.6	(36.9)
22 Western Continuing Studies	1,761.3	1,849.1	(87.8)	1,979.5	1,979.5	-	12.4	7.1	148.5
23 Total Academic Support Units	10,222.1	11,476.0	(1,253.9)	11,566.7	11,774.8	(208.1)	13.2	2.6	801.8
<u>Associated Companies</u>									
24 Richard Ivey School of Business Foundation (a)	7,306.0	7,226.0	80.0	7,632.0	7,629.0	3.0	4.5	5.6	3,248.6
25 Ivey Management Services (a)	12,027.0	10,890.0	1,137.0	12,490.0	12,054.0	436.0	3.8	10.7	(2,462.9)
26 Richard Ivey School of Business (Asia) (a)	4,880.0	4,402.0	478.0	5,265.0	4,561.0	704.0	7.9	3.6	(214.5)
27 UWO Research and Development Park	5,166.8	5,679.3	(512.5)	7,318.4	7,836.5	(518.1)	41.6	38.0	(9,579.2)
28 Museum of Ontario Archaeology	352.8	352.8	-	308.6	307.2	1.4	(12.5)	(12.9)	(211.4)
29 Total Associated Companies	29,732.6	28,550.1	1,182.5	33,014.0	32,387.7	626.3	11.0	13.4	(9,219.4)
30 Total	147,235.2	146,205.2	1,030.0	154,167.4	153,448.6	718.8	4.7	5.0	7,546.8

(a) The Ivey group of companies (Richard Ivey School of Business Foundation, Ivey Management Services, and the Richard Ivey School of Business - Asia) are operated in conjunction with the Richard Ivey School of Business at UWO. The projected and budgeted financial results of the Richard Ivey School of Business at UWO is included in the overall report on the Operating Budget of the University. The financial results for the Ivey group, including the Richard Ivey School of Business at UWO, are as follows:

	<u>2009/10 Projected</u>			<u>2010/11 Budget</u>			<u>% Change</u>		<u>Budgeted April 30/11 Reserve</u>
	<u>Revenues</u>	<u>Expenses</u>	<u>Surplus/ (Deficit)</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Surplus/ (Deficit)</u>	<u>Revenues</u>	<u>Expenses</u>	
Richard Ivey School of Business at UWO	46,251.6	46,249.7	1.9	52,516.1	52,511.7	4.4	13.5	13.5	(9,211.5)
Ivey Group of Companies (from lines 24, 25, and 26 above)	24,213.0	22,518.0	1,695.0	25,387.0	24,244.0	1,143.0	4.8	7.7	571.2
Total Ivey Group	70,464.6	68,767.7	1,696.9	77,903.1	76,755.7	1,147.4	18.4	21.2	(8,640.3)

Table 2
The University of Western Ontario

RECOMMENDED 2010-11 FULL-TIME UNDERGRADUATE AND GRADUATE ANCILLARY FEES

	UNDERGRADUATE FULL-TIME (a)				GRADUATE - THREE TERMS (a)				GRADUATE - MBA (a)			
	Recommended		Change		Recommended		Change		Recommended		Change	
	2009-10	2010-11			2009-10	2010-11			2009-10	2010-11		
	Rate	Rate	\$	%	Rate	Rate	\$	%	Rate	Rate	\$	%
	\$	\$	\$	%	\$	\$	\$	%	\$	\$	\$	%
Student Organization Fees												
1	Organization Fee	(b) 106.45	(b) 105.30	(1.15)	(1.1)	69.66	69.90	0.24	0.3			
2	Health (& Dental Plan for Graduates Only)	96.00	96.00	-	-	447.70	(g) 481.95	34.25	7.7			
3	Bus Pass	(c) 136.84	(c) 144.13	7.29	5.3	164.76	172.95	8.19	-			
4	Ombudsperson	3.00	3.00	-	-	3.00	3.00	-	-			
5	Community Legal	4.75	4.75	-	-	4.75	4.75	-	-			
6	USC Capital/Facility Fee (d)	-	25.00	25.00	-	-	-	-	-			
7	UCC Operating Fee	50.33	47.58	(2.75)	(5.5)	24.60	26.11	1.51	6.1	75.50	71.37	(4.13)
8	Total Student Organization Fees	<u>397.37</u>	<u>425.76</u>	<u>28.39</u>	7.1	<u>714.47</u>	<u>758.66</u>	<u>44.19</u>	6.2	<u>75.50</u>	<u>71.37</u>	<u>(4.13)</u>
Building and Endowment Fee												
9	Student Recreation Centre Fund (e)	61.80	63.65	1.85	3.0	61.80	63.65	1.85	-	61.80	63.65	1.85
10	Endowment Fund (f)	50.00	50.00	-	-	50.00	50.00	-	-	50.00	50.00	-
11	Total Building and Endowment Fees	<u>111.80</u>	<u>113.65</u>	<u>1.85</u>	1.7	<u>111.80</u>	<u>113.65</u>	<u>1.85</u>	1.7	<u>111.80</u>	<u>113.65</u>	<u>1.85</u>
U.W.O.'s Student Ancillary Fees												
12	Campus Recreation	83.68	85.35	1.67	2.0	107.56	109.71	2.15	2.0	107.56	109.71	2.15
13	Financial Aid	32.89	33.55	0.66	2.0	32.89	33.55	0.66	2.0	32.89	33.55	0.66
14	Indigenous Services	5.20	5.30	0.10	1.9	5.20	5.30	0.10	1.9	5.20	5.30	0.10
15	Intercollegiate Athletics	73.80	75.28	1.48	2.0	73.80	75.28	1.48	2.0	73.80	75.28	1.48
16	Off Campus Housing & Housing Mediation Office	7.36	7.51	0.15	2.0	7.36	7.51	0.15	2.0	7.36	7.51	0.15
17	Services for Students With Disabilities	10.43	10.64	0.21	2.0	10.43	10.64	0.21	2.0	10.43	10.64	0.21
18	Student Development Centre	68.97	72.97	4.00	5.8	68.97	72.97	4.00	5.8	68.97	72.97	4.00
19	Student Success Centre	34.03	37.43	3.40	10.0	19.41	22.52	3.11	16.0	19.41	22.52	3.11
20	Student Health Services	38.18	38.94	0.76	2.0	38.18	38.94	0.76	2.0	38.18	38.94	0.76
21	Western Foot Patrol	3.96	4.04	0.08	2.0	3.96	4.04	0.08	2.0	3.96	4.04	0.08
22	Thompson Recreation & Athletic Centre	16.60	16.93	0.33	2.0	16.60	16.93	0.33	2.0	16.60	16.93	0.33
23	Total UWO Student Ancillary Fees	<u>375.10</u>	<u>387.94</u>	<u>12.84</u>	3.4	<u>384.36</u>	<u>397.39</u>	<u>13.03</u>	3.4	<u>384.36</u>	<u>397.39</u>	<u>13.03</u>
24	Total Ancillary Fees	<u>884.27</u>	<u>927.35</u>	<u>43.08</u>	4.9	<u>1,210.63</u>	<u>1,269.70</u>	<u>59.07</u>	4.9	<u>571.66</u>	<u>582.41</u>	<u>10.75</u>

(a) Applicable for the period September 1 to August 31. Fee adjustments will be implemented for September 1, 2010, except for the Student Recreation Centre fee which increases on May 1, 2010 in accordance with the student referendum.

(b) In addition to the basic USC organization fee, an additional \$400.00 fee will be collected from HBA students entering the first year of the program. The \$400.00 fee is being collected on behalf of the HBA association and it covers both years of the HBA program.

(c) A 12 month bus pass fee of \$173.34 (\$161.84 in 2009/10) will be collected from Medical and Dental students that are on campus during the summer months.

(d) The USC Capital/Facility Fee was approved by student referendum to cover the cost of renovating the UCC gyms and future renovations and maintenance of other student space in the building.

(e) The Student Recreation Centre Fee was approved by student referendum to repay construction costs and to cover additional occupancy costs associated with the incremental space in the new facility.

(f) The Student Organizations have authorized the University to collect these funds for an endowment used to support student aid.

(g) Actual rates will be determined by the service providers at a later date. Accordingly, the activity fee rate may be reduced (but not increased) upon written notification from the Society of Graduate Students.

Table 3
The University of Western Ontario

RECOMMENDED 2010-11 PART-TIME UNDERGRADUATE AND GRADUATE STUDENT ANCILLARY FEES

	UNDERGRADUATE PART-TIME FULL COURSE (a) & (b)				UNDERGRADUATE INTERSESSION & SUMMER SCHOOL FULL COURSE (a)				GRADUATE PART-TIME PER TERM				
	Recommended		Change		Recommended		Change		Recommended		Change		
	2009-10 Rate	2010-11 Rate	\$	%	2009-10 Rate	2010-11 Rate (c)	\$	%	2009-10 Rate	2010-11 Rate	\$	%	
	\$	\$	\$	%	\$	\$	\$	%	\$	\$	\$	%	
Student Organization Fees													
1	Organization Fee	21.29	21.06	(0.23)	(1.1)	10.65	10.53	(0.12)	(1.1)	15.91	15.95	0.04	0.3
2	Ombudsperson	0.60	0.60	-	-	0.30	0.30	-	-	-	-	-	-
3	Community Legal	0.95	0.95	-	-	0.48	0.48	-	-	-	-	-	-
4	USC Capital/Facility Fee (d)	-	5.00	5.00	-	-	2.50	2.50	-	-	-	-	-
5	UCC Operating Fee	10.07	9.52	(0.55)	(5.5)	5.03	4.76	(0.27)	(5.4)	-	-	-	-
6	Total Student Organization Fees	<u>32.91</u>	<u>37.13</u>	<u>4.22</u>	12.8	<u>16.46</u>	<u>18.57</u>	<u>2.11</u>	12.8	<u>15.91</u>	<u>15.95</u>	<u>0.04</u>	0.3
Building and Endowment Fee													
7	Student Recreation Centre Fund (e)	12.36	12.73	0.37	-	6.37	6.56	0.19	-	10.30	10.61	0.31	-
8	Endowment Fund (f)	10.00	10.00	-	-	5.00	5.00	-	-	8.33	8.33	-	-
9	Total Building and Endowment Fees	<u>22.36</u>	<u>22.73</u>	<u>0.37</u>	1.7	<u>11.37</u>	<u>11.56</u>	<u>0.19</u>	1.7	<u>18.63</u>	<u>18.94</u>	<u>0.31</u>	1.7
U.W.O.'s Student Ancillary Fees													
10	Campus Recreation	16.74	17.07	0.33	2.0	8.37	8.54	0.17	2.0	-	-	-	-
11	Financial Aid	6.58	6.71	0.13	2.0	3.29	3.36	0.07	2.1	5.48	5.59	0.11	2.0
12	Indigenous Services	1.04	1.06	0.02	1.9	0.52	0.53	0.01	1.9	0.87	0.88	0.01	-
13	Intercollegiate Athletics	14.76	15.06	0.30	2.0	7.38	7.53	0.15	2.0	-	-	-	-
14	Off Campus Housing & Housing Mediation Office	1.47	1.50	0.03	2.0	0.74	0.75	0.01	1.4	-	-	-	-
15	Services for Students With Disabilities	2.09	2.13	0.04	1.9	1.04	1.06	0.02	-	-	-	-	-
16	Student Development Centre	13.79	14.59	0.80	5.8	6.90	7.30	0.40	5.8	11.49	12.16	0.67	5.8
17	Student Success Centre	6.81	7.49	0.68	10.0	3.40	3.74	0.34	10.0	3.24	3.75	0.51	15.7
18	Student Health Services	7.64	7.79	0.15	2.0	3.82	3.89	0.07	1.8	-	-	-	-
19	Western Foot Patrol	0.79	0.81	0.02	2.5	0.40	0.40	-	-	0.66	0.67	0.01	1.5
20	Thompson Recreation & Athletic Centre	3.32	3.39	0.07	2.1	1.66	1.69	0.03	1.8	-	-	-	-
21	Total UWO Student Ancillary Fees	<u>75.03</u>	<u>77.60</u>	<u>2.57</u>	3.4	<u>37.52</u>	<u>38.79</u>	<u>1.27</u>	3.4	<u>21.74</u>	<u>23.05</u>	<u>1.31</u>	6.0
22	Total Ancillary Fees	<u>130.30</u>	<u>137.46</u>	<u>7.16</u>	5.5	<u>65.35</u>	<u>68.92</u>	<u>3.57</u>	5.5	<u>56.28</u>	<u>57.94</u>	<u>1.66</u>	2.9

- (a) Half courses are charged 50% of the full course rate.
 (b) Applicable for the period September 1 to August 31.
 (c) Applicable for the summer of 2011.
 (d) The USC Capital/Facility Fee was approved by student referendum to cover the cost of renovating the UCC gyms and future renovations and maintenance of other student space in the building.
 (e) The Student Recreation Centre Fee was approved by student referendum to repay construction costs and to cover additional occupancy costs associated with the incremental space in the new facility.
 (f) The Student Organizations have authorized the University to collect these funds for an endowment used to support student aid.