Western
UNIVERSITY · CANADA

Student Fee-Funded Units, Ancillaries, Academic Support Units, and Associated Companies 2013-14 Budgets

March 30, 2013

Western University

STUDENT FEE-FUNDED UNITS, ANCILLARIES, ACADEMIC SUPPORT UNITS, AND ASSOCIATED COMPANIES COMMENTS ON THE 2012-13 PROJECTED AND 2013-14 BUDGETS

The following comments pertain to the 2012-13 projected financial results and 2013-14 budgets for Student Fee Funded Units, Ancillaries, Academic Support Units, and Associated Companies as reported on Table 1 (attached).

A. Student Fee-Funded Units

Student fee funded ancillary units are supported, in whole or in part, by non-tuition related compulsory activity fees. Student involvement in establishing fee levels is obtained through the Student Services Committee (SSC) -- a student run group comprised of voting representatives from the University Students' Council (USC), the Society of Graduate Students (SOGS), and the Master of Business Administration Association (MBAA).

In 2004, the Student Services Committee implemented a fee adjustment mechanism designed to avoid the erosion of service levels caused by the negative financial impact of progressive inflation. The mechanism provides for an overall adjustment to ancillary fees equal to the greater of 2% or the rate of Canadian CPI for the preceding calendar year. Each year the 'adjustment pool' is allocated differentially to units based on the needs and priorities identified in the individual planning submissions.

The total adjustment pool available for allocation in fiscal 2013-14 is the 2% minimum specified by the rate adjustment mechanism. As detailed in Tables 2 and 3, the SSC has approved a uniform 2% fee increase for all fee funded ancillary units. This base increase will partially offset inflationary cost increases and help preserve current service levels. In addition to the base inflation adjustments, certain fee funded ancillary units were granted additional increases to support specific service enhancements and new program initiatives. These incremental adjustments include allocations to Campus Recreation ($2.21) and Intercollegiate Athletics ($2.43) to support the creation of two new artificial turf fields. The turf fields will improve the quality of sports facilities for our students and increase capacity for field sports by extending the duration of the season. A special incremental increase was also approved for the Off-Campus Housing & Housing Mediation service ($0.31) to fund two additional student Off-Campus Advisors and a student position that will help International students find appropriate housing.

The majority of the student fee-funded units presented in Table 1 are forecasting fiscal 2013-14 budgets which are at or close to a breakeven position. The exceptions are the deficit budgets presented for Student Development Centre, Student Success Centre, and Student Health Services.

Student Development Centre – The deficit budget forecasted for this unit in fiscal 2013-14 is primarily due to the added cost of several full-time staff returning from temporary leaves. While on leave, these positions were covered by part-time workers. The reserve level for this unit is above the target level and is adequate to cover the budget shortfall.

Student Success Centre – The deficit projected for fiscal 2012-13 is primarily due to one-time costs associated with the implementation of a new database system to track program activities. The budgeted deficit in the subsequent year is attributed to implementation costs for a pilot program that will provide Western students with a co-curricular record. This co-curricular report card is intended to highlight

competencies obtained outside of the classroom to better position our students in a highly competitive labour market. The reserve level for this unit is above the target level and is sufficient to cover the implementation cost of these new initiatives.

Student Health Services – The deficit forecasted by Student Health Services in fiscal 2013-14 is attributed to the recruitment of a new Medical Director and the possible return of a full-time staff member, currently on temporary leave. The Medical Director's position has been unfilled for several years and a portion of this cost will be partially recovered through OHIP billings. The reserve balance for this unit is above target and is sufficient to cover the budget shortfall.

B. Ancillary Units

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

Family Practice Clinic and Workplace Health - The Family Practice Clinic generates revenue primarily from OHIP billings, while the Workplace Health unit is supported by departmental service recoveries and a subsidy from the central operating budget. The deficit forecasted for fiscal 2013-14 is primarily due to expected operating cost increases and lower billing revenues resulting from the recent departure of a contract physician.

Housing – The Housing Division currently includes approximately 950 apartment and townhouse rental units and over 4,300 beds located in 9 residence buildings. The first phase of Ontario Hall, currently under constructed on Sarnia Road, will result in 600 additional beds starting in September, 2013. The combined surplus forecasted for the Housing division in fiscal 2013-14 is expected to be substantially lower than the projections for the current year primarily due to plans for a major mechanical system upgrade in Saugeen Maitland Hall and dining room renovations in Sydenham Hall. Operating cost increases, capital amortization, and financing costs associated with phase one of the Ontario Hall construction are also contributing factors to the lower surplus position.

Parking Services – Parking Services is planning 2.5% rate increases for permit holders to offset cost increases. Adjustments to violation fines and visitor parking rates are also planned.

Retail Services - The Retail Services group includes the Book Store, the Campus Computer Store, Graphic Services, and Hospitality Services. The Book Store continues to look for new revenue generating opportunities in a rapidly evolving text book industry. Expected declines in text book sales resulting from a transition to digital print media and reductions in computer sales due to the opening of an Apple Store in Masonville Mall will be substantially offset by anticipated growth in general merchandise sales and operational cost containment measures. Losses experienced by Hospitality services in fiscal 2012-13 will be remedied with further cost containment measures, an operational review of individual cash units that are in a deficit position, and the exploration of new revenue generating opportunities.

C. Academic Support Units

The budgets for the *Academic Support Units* are funded from various sources, including recoveries from internal research projects, revenues from external industrial contracts, and course fees. In addition, Animal Care and Veterinary Services receives support from the University operating budget to fund the cost of regulatory requirements and training for animal users.

Animal Care and Veterinary Services (ACVS) – In addition to supporting research on the main campus, ACVS provides regulatory and veterinary support the Lawson Health Research Centre. ACVS is currently negotiating a recovery adjustment to better reflect the true cost of providing services to Lawson based researchers. A breakeven position for fiscal 2013-14 will depend on the successful conclusion of these discussions.

Boundary Layer Wind Tunnel (BLWT) – It is anticipated that the target level of the operating and capital reserves for the BLWT will be reached by the end of fiscal 2013-14. Although contract activity has moderately slowed in the last quarter of fiscal 2012-13, requests for future project proposals remain strong.

Continuing Studies at Western (CSW) – The time consuming registration process will be automated and streamlined with the implementation of a new registration system starting in the new fiscal year. The system will allow resources to be redirected towards developing new online course offerings and the corporate training business.

Fraunhofer Project Centre (FPC) – The FPC is now open for business and activity is starting to ramp up. The FPC is the first unit to commence operations at the new Advanced Manufacturing Park.

Surface Science Western (SSW) – SSW receives service recoveries from commercial contracts and research projects to support ongoing operations. The fiscal 2013-14 budget forecast assumes that project activity will continue at the current pace.

University Machine Services (UMS) – A high level of project activity from the BLWT, Faculty of Engineering, and the Windeee Dome have all contributed to the recovery for UMS in 2012-13. These activity levels are anticipated to continue throughout fiscal 2013-14.

D. Associated Companies

The Ivey Group - The Ivey group of companies (Richard Ivey School of Business Foundation and the Asia Richard Ivey School of Business) are operated in conjunction with the Richard Ivey School of Business at UWO. Contributions from these companies are used to support the Ivey academic programs at UWO and have been instrumental in eliminating the overall accumulated Ivey deficit. Fiscal 2013-14 is a transitional year for the Richard Ivey School of Business Foundation due to the transfer of the MBA program from Spencer Hall to the new Ivey building. It is anticipated that the conference facility capacity previously utilized by the MBA program will be replaced with increased executive education programming and corporate business clients. The Richard Ivey School of Business (Asia) is forecasting revenue grown in fiscal 2013-14 from increased tuition rates, an increase in the class size for the EMBA program, and the introduction of new non-degree executive education programs in Hong Kong. Higher revenues are expected to be partially offset by startup costs for a new joint EMBA program in Beijing.

Research Park (including Windermere Manor) – The improved outlook for fiscal 2013-14 is attributed to lower financing costs resulting from the renewal of an existing swap arrangement at a lower borrowing rate, a leaner operational structure, and increased rental revenue.

The Museum of Ontario Archaeology – The priority for fiscal 2013-14 will be a new capital fundraising campaign to facilitate the replacement of an aging infrastructure. The CFI-funded artifact repository is now complete and will soon begin accepting artifacts for cataloguing and storage. IOF grants are in place to support the artifact repository until the operation becomes self sufficient.

Table 1
Western University

STUDENT FEE FUNDED UNITS, ANCILLARIES, ACADEMIC SUPPORT UNITS, AND ASSOCIATED COMPANIES
2012/13 Projected and 2013/14 Budget
($000's)

		2012/13 Projected			2013/14 Budget			% Change		Budgeted April 30/14 Operating Reserve	Budgeted April 30/14 Capital/Project Reserve
	Student Fee Funded Units	**Revenues**	**Expenses**	**Surplus/ (Deficit)**	**Revenues**	**Expenses**	**Surplus/ (Deficit)**	**Revenues**	**Expenses**		
1	Campus Recreation	4,990.0	4,990.0	-	5,272.5	5,274.4	(1.9)	5.7	5.7	612.0	432.9
2	Financial Aid	973.9	974.6	(0.7)	1,019.2	1,019.3	(0.1)	4.7	4.6	44.8	
3	Indigenous Services	638.7	650.0	(11.3)	627.7	627.7	-	(1.7)	(3.4)	45.5	
4	Intercollegiate Athletics	5,155.6	5,153.5	2.1	5,269.8	5,268.8	1.0	2.2	2.2	216.8	
5	International Student Services	397.7	397.7	-	420.2	420.2	-	5.7	5.7	-	
6	Off Campus Housing & Housing Mediation Office	370.0	373.6	(3.6)	393.3	398.0	(4.7)	6.3	6.5	51.4	
7	Services for Students With Disabilities	399.7	402.5	(2.8)	417.0	417.0	-	4.3	3.6	25.8	82.7
8	Student Development Centre	2,113.0	2,113.2	(0.2)	2,199.7	2,250.3	(50.6)	4.1	6.5	222.4	
9	Student Success Centre	1,329.2	1,430.6	(101.4)	1,360.8	1,473.4	(112.6)	2.4	3.0	294.9	
10	Student Health Services	4,006.3	3,982.6	23.7	4,082.4	4,150.7	(68.3)	1.9	4.2	686.1	
11	Western Foot Patrol	166.8	166.3	0.5	173.3	172.6	0.7	3.9	3.8	21.7	15.5
12	Thompson Recreation & Athletic Centre	1,184.8	1,186.2	(1.4)	1,217.8	1,217.1	0.7	2.8	2.6	166.5	1,579.2
13	Total Student Fee Funded Units	21,725.7	21,820.8	(95.1)	22,453.7	22,689.5	(235.8)	3.4	4.0	2,387.9	
	Ancillaries										
14	Family Practice Clinic and Workplace Health	515.6	517.1	(1.5)	428.1	464.1	(36.0)	(17.0)	(10.2)	(92.9)	
15	Housing	54,233.0	48,718.1	5,514.9	61,609.2	60,589.3	1,019.9	13.6	24.4	30,239.9	
16	Parking Services	4,690.5	4,535.7	154.8	4,825.5	4,819.6	5.9	2.9	6.3	4,990.7	
17	Retail Services	36,827.3	37,137.8	(310.5)	36,380.6	36,380.6	-	(1.2)	(2.0)	781.7	
18	Total Ancillaries	96,266.4	90,908.7	5,357.7	103,243.4	102,253.6	989.8	7.2	12.5	35,919.4	
	Academic Support Units										
19	Animal Care & Veterinary Services	3,465.8	3,435.9	29.9	3,584.1	3,584.1	-	3.4	4.3	(359.0)	
20	Boundary Layer Wind Tunnel	2,454.0	2,385.8	68.2	2,528.0	2,504.0	24.0	3.0	5.0	500.0	300.0
21	Continuing Studies at Western	2,388.8	2,273.9	114.9	2,328.8	2,328.8	-	(2.5)	2.4	791.4	
22	Fraunhofer Project Centre	192.9	213.7	(20.8)	553.2	418.5	134.7	186.8	95.8	113.9	
23	Surface Science Western	1,708.6	1,704.5	4.1	1,715.0	1,718.3	(3.3)	0.4	0.8	300.0	887.2
24	University Machine Services	1,671.5	1,382.7	288.8	1,513.7	1,330.0	183.7	(9.4)	(3.8)	203.7	
25	Total Academic Support Units	11,881.6	11,396.5	485.1	12,222.8	11,883.7	339.1	2.9	4.3	1,550.0	
	Associated Companies										
26	Richard Ivey School of Business Foundation (a)	25,724.0	23,421.0	2,303.0	26,158.0	25,270.0	888.0	1.7	7.9	8,637.1	
27	Richard Ivey School of Business (Asia) (a)	4,634.0	6,466.0	(1,832.0)	6,909.0	7,804.0	(895.0)	49.1	20.7	(4,883.9)	
28	UWO Research Park (includes Windermere Manor)	7,759.6	7,591.9	167.7	7,821.5	7,439.2	382.3	0.8	(2.0)	(13,427.0)	
29	Museum of Ontario Archaeology	491.1	474.9	16.2	569.7	565.5	4.2	16.0	19.1	(331.3)	
30	Total Associated Companies	38,608.7	37,953.8	654.9	41,458.2	41,078.7	379.5	7.4	8.2	(10,005.1)	
31	Total	168,482.4	162,079.8	6,402.6	179,378.1	177,905.5	1,472.6	6.5	9.8	29,852.2	

(a) The Ivey group of companies (Richard Ivey School of Business Foundation, and the Richard Ivey School of Business - Asia) are operated in conjunction with the Richard Ivey School of Business at Western. Commencing in 2010-11, Ivey Management Services is consolidated with the Richard Ivey School of Business Foundation and is now included in the amounts reported on line 25. The projected and budgeted financial results of the Richard Ivey School of Business at Western are 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 Western, are as follows:

	2012/13 Projected			2013/14 Budget			% Change		Budgeted April 30/14 Reserve
	Revenues	**Expenses**	**Surplus/ (Deficit)**	**Revenues**	**Expenses**	**Surplus/ (Deficit)**	**Revenues**	**Expenses**	
Deficit Reduction Provision									5,313.4
Richard Ivey School of Business at UWO	65,388.0	65,187.0	201.0	71,645.0	71,449.0	196.0	9.6	9.6	(7,664.4)
Ivey Group of Companies (from lines 25 and 26 above)	30,358.0	29,887.0	471.0	33,067.0	33,074.0	(7.0)	8.9	10.7	3,753.2
Total Ivey Group	95,746.0	95,074.0	672.0	104,712.0	104,523.0	189.0	18.5	20.3	1,402.2

Table 2
Western University

RECOMMENDED 2013-14 FULL-TIME UNDERGRADUATE AND GRADUATE ANCILLARY FEES

		UNDERGRADUATE FULL-TIME (a)				GRADUATE - THREE TERMS (a)				GRADUATE - MBA			
		2012-13 Rate	Recommended 2013-14 Rate	Change		2012-13 Rate	Recommended 2013-14 Rate	Change		2012-13 Rate	Recommended 2013-14 Rate (b)	Change	
		$	$	$	%	$	$	$	%	$	$	$	%
	Student Organization Fees												
1	Organization Fee	(c) 115.11	(c) 120.49	5.38	4.7	70.59	73.26	2.67	3.8	600.00	600.00		
2	Health (& Dental Plan for Graduates Only)	113.75	117.12	3.37	3.0	446.04	(e) 530.34	84.30	18.9	(f) 120.00	(f) 120.00		
3	USC Dental Plan	114.00	117.38	3.38	-								
4	LTC 12-Month Bus Pass	190.96	200.43	9.47	5.0	190.62	200.10	9.48	-				
5	Ombudsperson	3.00	3.09	0.09	3.0	3.00	3.09	0.09	-				
6	Community Legal	4.91	5.06	0.15	3.1	4.91	5.06	0.15	-				
7	Late Night Busing	12.93	12.93	-	-	-	-	-	-				
8	World University Services of Canada Fee	0.52	0.82	0.30	-	-	-	-	-				
9	USC Capital/Facility Fee	28.69	29.55	0.86	-	-	-	-	-				
10	UCC Operating Fee	55.05	56.70	1.65	3.0	27.80	28.63	0.83	3.0	82.58	85.05	2.47	-
11	Total Student Organization Fees	638.92	663.57	24.65	3.9	742.96	840.48	97.52	13.1	802.58	805.05	2.47	0.3
	Building and Endowment Fee												
12	Student Recreation Centre Fund	67.53	69.56	2.03	3.0	67.53	69.56	2.03	-	67.53	69.56	2.03	-
13	Endowment Fund (d)	50.00	50.00	-	-	50.00	50.00	-	-	50.00	50.00	-	-
14	Total Building and Endowment Fees	117.53	119.56	2.03	1.7	117.53	119.56	2.03	1.7	117.53	119.56	2.03	1.7
	Western's Student Ancillary Fees												
15	Campus Recreation	89.53	93.53	4.00	4.5	115.09	119.09	4.00	3.5	115.09	119.09	4.00	3.5
16	Financial Aid	35.01	35.71	0.70	2.0	35.01	35.71	0.70	2.0	35.01	35.71	0.70	2.0
17	Indigenous Services	7.50	7.65	0.15	2.0	7.50	7.65	0.15	2.0	7.50	7.65	0.15	2.0
18	Intercollegiate Athletics	78.56	82.56	4.00	5.1	78.56	82.56	4.00	5.1	78.56	82.56	4.00	5.1
19	International Student Services	12.83	13.09	0.26	2.0	12.83	13.09	0.26	2.0	12.83	13.09	0.26	2.0
20	Off Campus Housing & Housing Mediation Office	7.84	8.31	0.47	6.0	7.84	8.31	0.47	6.0	7.84	8.31	0.47	6.0
21	Services for Students With Disabilities	12.12	12.36	0.24	2.0	12.12	12.36	0.24	2.0	12.12	12.36	0.24	2.0
22	Student Development Centre	67.79	69.15	1.36	2.0	67.79	69.15	1.36	2.0	67.79	69.15	1.36	2.0
23	Student Success Centre	41.73	42.56	0.83	2.0	26.17	26.69	0.52	2.0	26.17	26.69	0.52	2.0
24	Student Health Services	43.80	44.68	0.88	2.0	43.80	44.68	0.88	2.0	43.80	44.68	0.88	2.0
25	Western Foot Patrol	4.30	4.39	0.09	2.1	4.30	4.39	0.09	2.1	4.30	4.39	0.09	2.1
26	Thompson Recreation & Athletic Centre	17.74	18.09	0.35	2.0	17.74	18.09	0.35	2.0	17.74	18.09	0.35	2.0
27	Total UWO Student Ancillary Fees	418.75	432.08	13.33	3.2	428.75	441.77	13.02	3.0	428.75	441.77	13.02	3.0
28	Total Ancillary Fees	1,175.20	1,215.21	40.01	3.4	1,289.24	1,401.81	112.57	8.7	1,348.86	1,366.38	17.52	1.3

(a) Applicable for the period September 1 to August 31. Fee adjustments will be implemented for September 1, 2013, except for the Student Recreation Centre fee which increases on May 1, 2013 in accordance with the original student referendum.
(b) Applicable for MBA students starting in April, 2014. (Student Organization Fee for Accelerated MBA students will be $450).
(c) 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.
(d) The Student Organizations have authorized the University to collect these funds for an endowment used to support student aid.
(e) 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.
(f) Health plan fees will be collected by the University on behalf of the MBA and AMBA students and will be remitted to the USC for the administration of health plan coverage. Actual rates will be determined by the service provider at a later date. Accordingly, the activity fee rate may be reduced (but not increased) upon written notification from the MBA Association.

Table 3
Western University

RECOMMENDED 2013-14 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			
		2012-13 Rate	Recommended 2013-14 Rate	Change		2012-13 Rate	Recommended 2013-14 Rate (c)	Change		2012-13 Rate	Recommended 2013-14 Rate	Change	
		$	$	$	%	$	$	$	%	$	$	$	%
	Student Organization Fees												
1	Organization Fee	23.02	24.10	1.08	4.7	11.51	12.05	0.54	4.7	16.07	16.21	0.14	0.9
2	Ombudsperson	0.60	0.62	0.02	3.3	0.30	0.31	0.01	3.3	-	-	-	-
3	Community Legal	0.98	1.01	0.03	3.1	0.49	0.51	0.02	4.1	-	-	-	-
4	Late Night Busing	2.59	2.59	-	-	-	-	-	-	-	-	-	-
5	USC Capital/Facility Fee	5.74	5.91	0.17	3.0	2.87	2.96	0.09	3.1	-	-	-	-
6	UCC Operating Fee	11.01	11.34	0.33	3.0	5.51	5.67	0.16	2.9	-	-	-	-
7	Total Student Organization Fees	43.94	45.57	1.63	3.7	20.68	21.50	0.82	4.0	16.07	16.21	0.14	0.9
	Building and Endowment Fee												
8	Student Recreation Centre Fund	13.51	13.91	0.40	3.0	6.97	7.18	0.21	-	11.26	11.59	0.33	2.9
9	Endowment Fund (e)	10.00	10.00	-	-	5.00	5.00	-	-	8.33	8.33	-	-
10	Total Building and Endowment Fees	23.51	23.91	0.40	1.7	11.97	12.18	0.21	1.8	19.59	19.92	0.33	1.7
	Western's Student Ancillary Fees												
11	Campus Recreation	17.91	18.71	0.80	4.5	8.95	9.35	0.40	4.5	-	-	-	-
12	Financial Aid	7.00	7.14	0.14	2.0	3.50	3.57	0.07	2.0	5.84	5.95	0.11	1.9
13	Indigenous Services	1.50	1.53	0.03	2.0	0.75	0.77	0.02	2.7	1.25	1.28	0.03	-
14	Intercollegiate Athletics	15.71	16.51	0.80	5.1	7.86	8.26	0.40	5.1	-	-	-	-
15	International Student Services	2.57	2.62	0.05	1.9	1.28	1.31	0.03	2.3	2.14	2.18	0.04	1.9
16	Off Campus Housing & Housing Mediation Office	1.57	1.66	0.09	5.7	0.78	0.83	0.05	6.4	-	-	-	-
17	Services for Students With Disabilities	2.42	2.47	0.05	2.1	1.21	1.24	0.03	2.5	-	-	-	-
18	Student Development Centre	13.56	13.83	0.27	2.0	6.78	6.92	0.14	2.1	11.30	11.53	0.23	2.0
19	Student Success Centre	8.35	8.51	0.16	1.9	4.17	4.26	0.09	2.2	4.36	4.45	0.09	2.1
20	Student Health Services	8.76	8.94	0.18	2.1	4.38	4.47	0.09	2.1	-	-	-	-
21	Western Foot Patrol	0.86	0.88	0.02	2.3	0.43	0.44	0.01	2.3	0.72	0.73	0.01	1.4
22	Thompson Recreation & Athletic Centre	3.55	3.62	0.07	2.0	1.77	1.81	0.04	2.3	-	-	-	-
23	Total Western Student Ancillary Fees	83.76	86.42	2.66	3.2	41.86	43.23	1.37	3.3	25.61	26.12	0.51	2.0
24	Total Ancillary Fees	151.21	155.90	4.69	3.1	74.51	76.91	2.40	3.2	61.27	62.25	0.98	1.6

(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 2014.
(e) The Student Organizations have authorized the University to collect these funds for an endowment used to support student aid.