



June 28, 2024

Our Ref. 134270

File No. 66200-01/Budget Letter-2024-25

Frank Laezza
Vice-President, Finance & Operations
University of British Columbia
6th Floor, Walter C. Koerner Library
Vancouver, BC V6T 1Z2

Email Address: frank.laezza@ubc.ca

Dear Frank Laezza:

I am writing on behalf of the Ministry of Post-Secondary Education and Future Skills (the Ministry) to provide you with information regarding your institution's operating grant and student full-time equivalent (FTE) target for 2024/25, and the associated accountabilities, roles and expectations.

2024/25 Operating Grant and FTEs

Attachment 1 provides details pertaining to your institution's operating grant and student FTE targets for fiscal 2024/25.

As applicable, institution operating grants have been adjusted to reflect:

- funding for collective agreements ratified under the Shared Recovery Mandate; and
- any previously communicated decisions for program expansions.

.../2

Teacher Education

Included within the University of British Columbia's operating grant is \$350,000 for delivery of the West Kootenay Teacher Education Program.

Medical School

Included within the University of British Columbia's operating grant is:

- \$48,320,000 for the operation of the **Medical Expansion Program**, initiated in 2002/03 and fully annualized in 2014/15, calculated at \$75,500 for each of 640 targeted medical school FTEs.
- \$5,950,000 to support the 2024/25 costs associated with the phased implementation of the new expansion of the **Undergraduate Medical Education Program** as referenced in our March 2023 letter (Our Ref. 128624). Under this expansion 58 targeted medical school FTEs have been added since 2022/23, 18 FTEs in 2023/24 and a further 40 FTEs in 2024/25.

Financial Oversight and Accountabilities

Financial accountabilities of institutions are outlined in legislation (the *College and Institute Act*, the *University Act*, the *Royal Roads University Act*, the *Thompson Rivers University Act* and the *Budget Transparency and Accountability Act [BTAA]*), and are grounded in prudent, transparent fiscal management.

Post-secondary institutions are responsible for the effective and efficient use of taxpayer investments to ensure a high quality, accessible post-secondary education system in British Columbia. Institutions are to continue to prioritize their mandates in the context of the health, safety and well-being of their students, faculty, staff and broader communities. Good financial management helps ensure that fiscal objectives continue to garner the respect and confidence of funding agencies and other stakeholders, through reasonable and appropriate expenditures that support the core mandate of the institution. The following information is provided to guide and inform institutional financial planning.

Fiscal Year Forecasts and Financial Reporting

The *BTAA* sets out that all government reporting entities will provide quarterly financial reports of actual results, including year-to-date actuals and four-year forecasts. These reports are consolidated and publicized by specified dates. To support these timeframes, the Ministry of Finance establishes quarterly reporting dates, and institutions are expected to provide all reports on time.

Forecasts reflect best-available estimates of year-end operating and capital results. As such, the accuracy of forecasting is of primary importance to institutional financial health and sectoral sustainability. Institutions' third-quarter projections for the following fiscal year are used to establish the Budget and Fiscal Plan targets. Financial outcomes are monitored against these figures throughout the following year, and institutional reporting on variances from these projections are essential to informing sectoral results.

Material changes to operating results or to capital project schedules and/or provincial cash flows from forecasts should be brought to the Ministry's attention immediately. Where changes may involve an exception to the balanced budget requirement, institutions are expected to adhere to the protocols and timelines outlined in the Deficits section.

Deficits

Under extraordinary circumstances, institutions may seek an exception to the annual balanced budget requirement and request approval from the Minister of Finance and the Minister of Post-Secondary Education and Future Skills to operate in a deficit position.

Requests for deficit approval **must** be provided to the Ministry of Post-Secondary Education and Future Skills **by the end of the second quarter** and include an explanation of key deficit drivers, actions taken to mitigate the deficit, a plan to return to a balanced position with the associated timeframe, and an outline of any extraordinary implications for students. Please note that a request to operate in a periodic deficit does not necessarily predicate approval of the same, as this determination is made by the Minister of Finance.

Tuition Limit

Institutions are expected to comply with Government's [tuition limit policy](#) and [annual tuition and fee reporting requirements](#). For 2024/25, the 2 percent limit on tuition and mandatory fee increases continues to apply. Existing programs and services must not increase more than this amount.

Institutions are required to consult with the Ministry and students before implementing any new mandatory fees.

Substantially revised non-degree programs may be submitted to the Ministry for determination as to whether the program is considered new for the purposes of the tuition limit policy. If not determined new, the tuition limit policy continues to apply.

Substantially revised degree programs must be submitted to the Degree Quality Assessment Board to determine whether the changes are of sufficient magnitude to be classed as a new degree. If not determined new, the tuition limit policy continues to apply.

International Students

International education makes an important contribution to the British Columbia education system and the educational experiences of all students. With the ongoing input of institutions, the Ministry is reviewing international education to ensure government policies, standards, guidelines and regulations align with government's values, priorities and interests, and that all support British Columbia's global reputation as a high-quality education destination.

The Government of Canada has mandated a provincial cap on the number of study permit applications to be issued to designated learning institutions for undergraduate, diploma and certificate-level programs in 2024 and 2025, which is managed through the issuance of provincial attestation letters. The Ministry moved quickly to respond to these changes to mitigate negative impacts on British Columbia's education system. The Ministry's allocations of provincial attestation letters are intended to support public post-secondary institutions with sustainable international student enrolment to maintain their international student programs, while managing growth for this year and future years.

The Ministry is also taking action to eliminate exploitive practices and improve the quality of post-secondary education by strengthening quality standards and bringing in new safeguards for international students in British Columbia.

New rules for public post-secondary institutions will set expectations for a maximum of 30 percent international student enrolment¹ levels, tuition transparency and elevated student supports. Public institutions will also develop and implement international education strategic plans that guide the institution's activities, manage its international student enrolment level within the maximum, and plan support services to meet the needs of students.

These measures will help ensure international students receive high-quality education in the province and protect British Columbia's reputation for high quality education and skills training.

.../5

¹ International student headcount enrolment by academic year from *Student Transitions Project* data.

Executive and Management Compensation

British Columbia's public sector employers are making compensation decisions based on a common compensation philosophy with shared core principles and benchmarking criteria that ensures greater consistency for excluded and executive employees. This approach refocuses compensation decisions on employee performance and merit rather than an entitlement to a salary increase.

Board Expenses

As the institution's oversight body, the Board of Governors plays an integral role in ensuring that the institution operates within its mandate in an effective and efficient manner, and that the taxpayer funds that are invested in the institution are managed appropriately. The Ministry has developed an [*Orientation for B.C. Public Post-Secondary Institution Board Members*](#) to provide guidance to members in this regard.

[*Treasury Board Directive 2/24*](#), section 7, provides guidance on business travel and expense reimbursements for appointed board members.

Administrative Services Collaborative (ASC)

The ASC involves all British Columbia's public post-secondary institutions, BCNET, and the Ministry. Working through its 2023/24-2025/26 Strategic Plan, the ASC priorities for continued collaboration are: procurement, cybersecurity, financial services, business continuity readiness, enterprise resource planning, accessibility, campus safety and security, and continued work with FeedBC. While not mandatory to participate in every initiative, institutions have benefited from collaborative efforts thus far.

Institutions are encouraged to continue and expand their efforts within the ASC. Working with BCNET as it implements joint collaborative agreements, can provide the potential to benefit from economy of scale and reduce duplication of effort across multiple initiatives within the strategic plan. Leveraging existing strengths and partnerships between institutions is expected to be a continued feature of the ASC as both institutions and the Ministry adapt to evolving circumstances, challenges, and opportunities.

Central Deposit Program (CDP)

The CDP was launched in 2013 as a key initiative to address concerns raised by the Auditor General regarding excess liquidity and idle working capital balances in schools, universities, colleges and hospitals.

Today, the CDP continues to deliver lower deposit risk and competitive, if not superior, deposit rates, while reducing debt costs for taxpayers. The Ministry continues to encourage institutions to participate in the CDP.

A letter containing Capital information will be sent under separate cover.

Thank you for your cooperation in working with the Ministry and other system partners to provide students with an accessible, affordable, high quality and relevant post-secondary education. If you have any questions, or would like to discuss contents of this letter, please contact Kashi Tanaka, Executive Director, Post-Secondary Operating and Emergency Support Branch by email at Kashi.Tanaka@gov.bc.ca or phone at 250 415-9706.

Sincerely,



Jason Butler
Assistant Deputy Minister
Finance, Technology and Management Services Division
Ministry of Post-Secondary Education and Future Skills

Attachment

pc: Distribution List follows

pc: Dr. Benoit-Antoine Bacon, President and Vice-Chancellor
University of British Columbia
presidents.office@ubc.ca

Trang Nguyen, Associate Director, Financial Reporting and Budgeting
University of British Columbia
trang.nguyen@ubc.ca

Bobbi Plecas, Deputy Minister
Ministry of Post-Secondary Education and Future Skills
PSFS.DeputyMinister@gov.bc.ca

Chris Rathbone, Assistant Deputy Minister
Post-Secondary Policy and Programs Division
Ministry of Post-Secondary Education and Future Skills
PSFS.ADMPost-SecondaryPolicyandPrgms@gov.bc.ca

Tony Loughran, Assistant Deputy Minister
Governance, Legislation and Engagement Division
Ministry of Post-Secondary Education and Future Skills
PSFS.ADMGovernanceLegislationandCorporatePlanning@gov.bc.ca

Kashi Tanaka, Executive Director
Post-Secondary Operating and Emergency Support Branch
Ministry of Post-Secondary Education and Future Skills
Kashi.Tanaka@gov.bc.ca

Wendy Grondzil, Director
Post-Secondary Operating and Emergency Support Branch
Ministry of Post-Secondary Education and Future Skills
Wendy.Grondzil@gov.bc.ca

Financial Reporting
Ministry of Post-Secondary and Future Skills
PSFS.FinancialReporting@gov.bc.ca

University of British Columbia

2024/25 Operating Grant and Student FTE Targets

	FTE	Operating Grant
2023/24 Restated	43,655	\$ 970,781,508
<u>2024/25 Adjustments</u>		
Shared Recovery Mandate (as at April 2, 2024, Our Ref. 132501)		52,905,382
Shared Recovery Mandate (New, Our Ref. 134765)		20,497,890
Health Programs Remove Prior Year One-time	- 2	- 967,300
Health Programs One-time	86	1,251,534
Health Programs Base	103	3,462,466
Health and Technology-Related Program Expansion	15	262,500
Medical School Expansion	40	1,250,000
Technology Expansion	174	3,377,500
ECE Expansion Remove Prior Year One-time	- 6	-
ECE Expansion One-time	11	-
ECE Expansion Base	-	219,279
2024/25	44,076	\$ 1,053,040,759
<i>Year over Year Change</i>	<i>421</i>	<i>\$ 82,259,251</i>

2024/25 Targeted Program FTE Details

	FUNS Code	CIP Code	Change	Total FTE Target
Campus				
UBC - Vancouver			332	36,732
UBC - Okanagan			89	7,344
Total Student FTE Target			421	44,076
Graduate and Undergraduate				
Undergraduate	UNGR	Multiple	271	37,779
Graduate	GRAD	Multiple	150	6,297
Total Student FTE Target			421	44,076

UBC - Vancouver Targeted Program FTE Details

Health

RNs, PNs and HCAs

Bachelor of Science in Nursing	NURS	51.3801		355
Master of Science in Nursing	NURS	51.3801		82
Master of Nursing Nurse Practitioner	NURS	51.3805	30	90
Master of Nursing Nurse Practitioner	HLOT	51.3805	10	10
Indigenous Graduate Education in Nursing (I-GEN)	HLOT	TBD	4	4

Allied Health

Other Graduate Level Health Sciences	HLTH	Multiple		688
Audiology	HLTH	51.0202		24
Speech Pathology	HLTH	51.0203		72
Speech Pathology	HLOT	51.0203	-	2
Speech Pathology - Island Expansion	HLTH	51.0203	8	8
Dental Hygiene	HLTH	51.0602		25
Genetic Counselling	HLTH	51.1509	2	4
Medical Lab	HLTH	51.1005		46
Pharmacy	HLTH	51.2001		896

	FUNS Code	CIP Code	Change	Total FTE Target
Occupational Therapy	HLTH	51.2306		112
Occupational Therapy - North	HLTH	51.2306		32
Occupational Therapy - Surrey	HLTH	51.2306	16	32
Occupational Therapy Internationally Educated	HLOT	51.2306	36	36
Physiotherapy	HLTH	51.2308		160
Physiotherapy - Fraser	HLTH	51.2308		40
Physiotherapy - North	HLTH	51.2308		40
Physical Therapy – Island Expansion	HLTH	TBD	20	20
Midwifery Internationally Educated	HLTH	51.3401		16
Midwifery	HLTH	51.3401	12	108
Allied Health	HLTH	Multiple		-
Total Health			138	2,902
Health and Technology-Related Program Expansion*				
Pharmaceutical Sciences Degree	HLTH	51.2001	15	15
Total Health and Technology-Related Program Expansion			15	15
Medical School				
Medical Education	MEDI	51.1201	40	1,210
Total Medical			40	1,210
Technology-Related Program Expansion*				
Data Science Degree	AVED	30.7001	30	30
Engineering Degrees in Chemical, Computer, and Integrated Engineering Streams	AVED	Multiple	45	45
Master of Engineering in Biomedical Engineering	AVED	14.0501	11	11
Master of Applied Science in Biomedical Engineering	AVED	14.0501	4	4
PhD in Biomedical Engineering	AVED	TBD	4	4
Microbiology and Immunology Degree	AVED	26.0508	40	80
Bachelor of Science in Computer Science	AVED	11.07		154
Bachelor of Applied Science in Biomedical Engineering	AVED	14.05		355
Bachelor of Applied Science in Manufacturing Engineering	AVED	14.36		55
Total Technology-Related Program Expansion			134	738
Early Childhood Education Program Expansion*				
One-time				
ECE Basic Certificate – Deaf & Hard of Hearing Cohort	AVED	19.07	5	11
Base				
Online ECE Basic Certificate	AVED	19.07		45
Total Early Childhood Education Program Expansion			5	56
AVED all other programs	AVED	Multiple		31,811
Total UBC Vancouver FTE Targets			332	36,732

	FUNS Code	CIP Code	Change	Total FTE Target
<u>UBC - Okanagan Program FTE Details</u>				
RNs, PNs and HCAs				
Master of Science in Nursing	NURS	51.3801		45
Indigenous Graduate Education in Nursing (I-GEN)	HLOT	TBD	4	4
Bachelor of Science in Nursing	NURS	51.3801	15	624
Bachelor of Science in Nursing (one-time)	HLOT	51.3801	10	10
Allied Health				
Master of Social Work (Foundational two-year track)	HLTH	51.1503		20
Master of Social Work (Foundational two-year track)	HLOT	51.1503	20	20
Total Health			49	723
Technology-Related Program Expansion*				
Bachelor of Science in Computer Science	AVED	11.07		76
Bachelor of Applied Science Degree, Engineering	AVED	14.36	25	105
Bachelor of Science Degree, Data Science	AVED	30.7001	15	30
Total Technology-Related Program Expansion			40	211
AVED all other programs	AVED	Multiple		6,410
Total UBC Okanagan FTE Targets			89	7,344
Total UBC FTE Target			421	44,076

*Where applicable PSFS will be monitoring enrolment growth over previous activity supported through base funding.