



Operating Budget  
Year End Variance  
Report  
As at 30 April 2023

We aspire to be a university of influence through excellence and innovation in research and teaching to enable positive social change across our communities.

Our mission is to inspire and educate our people to become problem solvers and leaders in the world, undertake research that addresses societal and scientific challenges, and engage with our partners to build a more just, sustainable and inclusive world.

**2022-2023**



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## Executive Summary

### Budget Objective

The Board of Governors approved the 2022-23 operating budget with a structural deficit of \$(0.4) million as we exited the worst of the Covid-19 pandemic and its impact on enrolment and operation of the residence system.

The budget also included the application of one-time transfers from reserves (internally restricted net assets - IRNA), bringing the Saint John campus budget to a balanced position, and the consolidated budget to a surplus of \$0.6 million.

### Year End Results

As shown in the consolidated operating budget (page 5), the University has ended the year with a surplus of revenues above expenses of \$2.22 million after one-time transfers. The budgeted surplus after transfer of one-time items was \$0.57 million resulting in a surplus greater than budget of \$1.65 million. A list of the main variances from the budget are as follows:

UNB's operating surplus of \$6.0 million before one-time items was better than budget by \$6.4 million. The most significant factors contributing to this positive variance are as follows:

- \$3.7 million better than budgeted short-term investment income
- \$2.4 million better than budgeted salary savings
- \$0.7 million better than budgeted unrestricted operating grant receipts
- \$0.6 million better than budgeted Fringe Benefits expenses
- \$0.4 million better than budgeted LPN Pathways grant receipts
- \$0.2 million better than budget entrepreneurial profits
- \$(0.1) million worse than budgeted from Ancillary Operations
- \$(0.4) million worse than budget for employee recruitment/ re-location costs
- \$(0.5) million worse than budget due to change in indirect tax recovery (HST) methodology
- \$(0.6) million worse than budget for international recruitment costs

One-time items affecting the operating fund were over budget by \$(1.0) million:

- \$(1.0) budgeted transfer not required from Saint John IRNA

In addition, UNB has made the decision to allocate \$3.8 million of its \$6.0 million total surplus after one-time items to strategic initiatives as follows:

- \$2.2 million to be allocated to capital projects including the Engineering Atrium
- \$1.6 million to be allocated to academic growth initiatives

The remaining \$2.2 million from the surplus, will go towards reducing the accumulated operating deficit.

## Year End Results (continued)

To improve the University's overall reporting and ensure revenues and expenses are reported on a gross basis, an effort has been made to work with departments to identify unbudgeted revenues. For the 2022-23 fiscal year, the amount of revenue reported in departments was \$3.2 million. This does not contribute to the overall surplus as there are corresponding expenses or carry forward commitments. It does however create variances in the consolidated operating budgets. Individual lines on the operating statement are affected per the table below.

### Revenue Reclass Changes by Slice

(Thousands of Dollars)

	<b>Restated Budget 2022-23</b>	<b>Actual Results 2022-23</b>	<b>Fav (Unfav) Variance</b>
<b>Revenue Increase</b>			
Student Fee Income	\$ 3,587.0	\$ 4,569.0	\$ 982.0
Other Revenue	9,259.0	11,516.0	2,257.0
	<b>12,846.0</b>	<b>16,085.0</b>	<b>3,239.0</b>
<b>Expense Increase</b>			
Faculties and Departmental Costs	4,650.0	6,024.0	(1,374.0)
Academic and Student Support	3,638.0	5,083.0	(1,445.0)
Academic and Research	8,288.0	11,107.0	(2,819.0)
Administration and Development	1,504.0	1,874.0	(370.0)
Maintenance & Utilities	3,054.0	3,104.0	(50.0)
Administration and Support Services	4,558.0	4,978.0	(420.0)
	<b>\$ 12,846</b>	<b>\$ 16,085</b>	<b>\$ (3,239)</b>

## Compared to the March 2023 forecast

At the April Finance and Properties Committee meeting, we reported a forecasted surplus, before one-time transfers, of \$5.72 million. The actual year-end result, before one-time transfers, is a surplus of \$5.99 million or \$0.27 million more than anticipated in March.

The April report was prepared in mid-March. The main variances from the April report are:

#### Revenue:

- Entrepreneurial revenue \$0.4 million more than anticipated
- Tuition revenue \$(0.2) million less than anticipated
- LPN Nursing Grant \$(0.2) million less than anticipated
- Bank of Nova Scotia building rent \$(0.2) million less than anticipated
- Short-term investment income \$(0.6) million less than anticipated

#### Expenses:

- Ancillary Operations deficit \$0.8 million less than anticipated
- Utilities and Maintenance costs \$0.3 million less than anticipated
- SJ MBA stipend transfer \$0.2 million less than anticipated
- Employee searches costs \$(0.2) million more than anticipated
- Fringe Benefit costs \$(0.1) million more than anticipated

## Consolidated Operating Budget 2022-23 Year End Results

(Thousands of Dollars)				Fav (Unfav) Variance	
	Actual Results	Restated Budget*	Actual Results	Dollars	Percent
	2021-22	2022-23	2022-23		
<b>Revenue</b>					
Provincial Operating Grant	\$ 121,799.0	\$ 122,998.6	\$ 123,666.9	\$ 668.3	0.5%
Student Fee Income	76,015.0	85,076.5	85,954.5	878.0	1.0%
Other Revenue	21,732.8	19,978.8	26,359.1	6,380.3	31.9%
Entrepreneurial	4,855.4	4,840.5	5,001.0	160.5	3.3%
<b>Total Revenue</b>	<b>224,402.2</b>	<b>232,894.4</b>	<b>240,981.5</b>	<b>8,087.1</b>	<b>3.5%</b>
<b>Expense</b>					
Academic and Research					
Faculties and Departmental Costs	121,315.3	126,598.6	127,378.0	(779.4)	(0.6%)
Academic and Student Support	40,478.3	40,465.9	41,664.4	(1,198.5)	(3.0%)
Sub-Total	161,793.6	167,064.5	169,042.4	(1,977.9)	
Administration and Support Services					
Administration and Development	38,218.7	40,792.2	42,769.2	(1,977.0)	(4.8%)
Maintenance and Utilities	26,308.8	28,048.2	28,085.1	(37.0)	(0.1%)
Sub-Total	64,527.5	68,840.3	70,854.3	(2,014.0)	
In-Year Salary Savings	(6,951.8)	(4,823.3)	(7,245.9)	2,422.6	50.2%
<b>Total Operating Expenses</b>	<b>219,369.3</b>	<b>231,081.5</b>	<b>232,650.8</b>	<b>(1,569.3)</b>	<b>(0.7%)</b>
<b>Operating Surplus/(Deficit)</b>	<b>5,032.9</b>	<b>1,812.9</b>	<b>8,330.7</b>	<b>6,517.8</b>	<b>359.5%</b>
Ancillary Operations Deficit	843.8	1,155.2	1,251.2	(96.0)	(8.3%)
Growth Implementation	-	1,089.1	-	1,089.1	100.0%
Contribution to Capital	-	-	1,089.1	(1,089.1)	(100.0%)
Covid-19 Related Costs	915.6	-	-	-	0.0%
Sub-Total	1,759.4	2,244.3	2,340.3	(96.0)	
<b>Net Position before One-Time Items</b>	<b>3,273.5</b>	<b>(431.4)</b>	<b>5,990.4</b>	<b>6,421.8</b>	<b>1488.6%</b>
Transfers From Internally Restricted Net Assets	757.1	1,004.8	-	(1,004.8)	(100.0%)
Surplus Allocation - Growth and Capital	-	-	(3,763.2)	(3,763.2)	(100.0%)
<b>Net Position</b>	<b>\$ 4,030.6</b>	<b>\$ 573.4</b>	<b>\$ 2,227.2</b>	<b>\$ 1,653.8</b>	
<b>Net Position as a % of Revenue</b>	<b>1.8%</b>	<b>0.2%</b>	<b>0.9%</b>		
<b>Statement of Change in Unrestricted Deficit</b>					
Unrestricted Net Deficit Opening	\$ (8,870.6)	\$ (4,840.0)	\$ (4,840.0)		
Net Position for Fiscal	4,030.6	573.4	2,227.2		
Unrestricted Net Deficit Closing	<b>\$ (4,840.0)</b>	<b>\$ (4,266.6)</b>	<b>\$ (2,612.8)</b>		

## Fredericton Campus and University-wide Units Operating Budget 2022-23

(Thousands of Dollars)				<u>Fav (Unfav) Variance</u>	
	<u>Actual Results</u>	<u>Restated Budget*</u>	<u>Actual Results</u>		
	<u>2021-22</u>	<u>2022-23</u>	<u>2022-23</u>	<u>Dollars</u>	<u>Percent</u>
<b>Revenue</b>					
Provincial Operating Grant	\$ 101,764.6	\$ 102,767.6	\$ 103,362.1	\$ 594.5	0.6%
Student Fee Income	59,038.8	65,433.4	67,901.6	2,468.2	3.8%
Other Revenue	18,920.9	17,256.6	22,974.8	5,718.2	33.1%
Entrepreneurial	3,600.6	3,980.3	3,936.9	(43.4)	(1.1%)
<b>Total Revenue</b>	<b>183,324.9</b>	<b>189,437.9</b>	<b>198,175.4</b>	<b>8,737.5</b>	<b>4.6%</b>
<b>Expense</b>					
Academic and Research					
Faculties and Departmental Costs	95,746.3	99,828.4	101,235.1	(1,406.7)	(1.4%)
Academic and Student Support	35,850.0	35,389.9	36,859.3	(1,469.4)	(4.2%)
Sub-Total	131,596.3	135,218.3	138,094.4	(2,876.1)	
Administration and Support Services					
Administration and Development	30,994.6	32,896.9	34,599.9	(1,703.0)	(5.2%)
Maintenance and Utilities	21,344.5	22,718.3	22,980.6	(262.3)	(1.2%)
Sub-Total	52,339.1	55,615.2	57,580.5	(1,965.3)	
In-Year Salary Savings	(5,697.0)	(4,103.3)	(5,128.7)	1,025.4	25.0%
<b>Total Operating Expenses</b>	<b>178,238.4</b>	<b>186,730.2</b>	<b>190,546.2</b>	<b>(3,816.0)</b>	<b>(2.0%)</b>
<b>Operating Surplus/(Deficit)</b>	<b>5,086.5</b>	<b>2,707.7</b>	<b>7,629.2</b>	<b>4,921.5</b>	<b>181.8%</b>
Ancillary Operations Deficit	714.1	1,045.2	1,152.9	(107.7)	(10.3%)
Growth Implementation	-	1,089.1	-	1,089.1	100.0%
Contribution to Capital	-	-	1,089.1	(1,089.1)	(100.0%)
Covid-19 Related Costs	800.0	-	-	-	0.0%
Sub-Total	1,514.1	2,134.3	2,242.0	(107.7)	
<b>Net Position before One-Time Items</b>	<b>3,572.4</b>	<b>573.4</b>	<b>5,387.2</b>	<b>4,813.8</b>	<b>839.5%</b>
Transfers From Internally Restricted Net Assets	458.2	-	-	-	0.0%
Surplus Allocation - Growth and Capital	-	-	(3,160.0)	(3,160.0)	(100.0%)
<b>Net Position</b>	<b>\$ 4,030.6</b>	<b>\$ 573.4</b>	<b>\$ 2,227.2</b>	<b>\$ 1,653.8</b>	
<b>Net Position as a % of Revenue</b>	<b>2.2%</b>	<b>0.3%</b>	<b>1.1%</b>		

## Saint John Campus Operating Budget 2022-23

(Thousands of Dollars)				<u>Fav (Unfav) Variance</u>	
	<u>Actual Results</u>	<u>Restated Budget*</u>	<u>Actual Results</u>	<u>Dollars</u>	<u>Percent</u>
	<u>2021-22</u>	<u>2022-23</u>	<u>2022-23</u>		
<b>Revenue</b>					
Provincial Operating Grant	\$ 20,034.4	\$ 20,231.0	\$ 20,304.8	\$ 73.8	0.4%
Student Fee Income	16,976.2	19,643.1	\$ 18,052.9	(1,590.2)	(8.1%)
Other Revenue	2,811.9	2,722.2	\$ 3,384.3	662.1	24.3%
Entrepreneurial	1,254.8	860.2	\$ 1,064.1	203.9	23.7%
<b>Total Revenue</b>	<b>41,077.3</b>	<b>43,456.5</b>	<b>42,806.1</b>	<b>(650.4)</b>	<b>(1.5%)</b>
<b>Expense</b>					
Academic and Research					
Faculties and Departmental Costs	25,569.0	26,770.2	\$ 26,142.9	627.3	2.3%
Academic and Student Support	4,628.3	5,076.0	\$ 4,805.1	270.9	5.3%
Sub-Total	30,197.3	31,846.2	\$ 30,948.0	898.2	
Administration and Support Services					
Administration and Development	7,224.1	7,895.3	\$ 8,169.3	(274.0)	(3.5%)
Maintenance and Utilities	4,964.3	5,329.9	\$ 5,104.5	225.3	4.2%
Sub-Total	12,188.4	13,225.1	\$ 13,273.8	(48.7)	
In-Year Salary Savings	(1,254.8)	(720.0)	\$ (2,117.2)	1,397.2	194.1%
<b>Total Operating Expenses</b>	<b>41,130.9</b>	<b>44,351.3</b>	<b>\$ 42,104.6</b>	<b>2,246.7</b>	<b>5.1%</b>
<b>Operating Surplus/(Deficit)</b>	<b>(53.6)</b>	<b>(894.8)</b>	<b>\$ 701.5</b>	<b>1,596.3</b>	<b>178.4%</b>
Ancillary Operations Deficit	129.7	110.0	\$ 98.3	11.7	10.6%
Growth Implementation				-	100.0%
Contribution to Capital					
Covid-19 Related Costs	115.6			-	0.0%
Sub-Total	245.3	110.0	\$ 98.3	11.7	
<b>Net Position before One-Time Items</b>	<b>(298.9)</b>	<b>(1,004.8)</b>	<b>\$ 603.2</b>	<b>1,608.0</b>	<b>160.0%</b>
Transfers From Internally Restricted Net Assets	298.9	1,004.8	\$ -	(1,004.8)	(100.0%)
Surplus Allocation - Growth	-	-	\$ (603.2)	(603.2)	(100.0%)
<b>Net Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Net Position as a % of Revenue</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$ -</b>		

## Enrolment Update 2022-23 (Actuals and Historical)

### Highlights:

Term	Academic Level	Immigration Status	Actual	Actual	Budget	Actual	Variance from Budget	Change from 2021/22	
			2020/21	2021/22	2022/23	2022/23			
UNB Consolidated	Undergraduate	Domestic	6,313	6,289	6,732	6,208	(524)	(81)	
		International	734	811	920	1,066	146	255	
	Total Undergraduate		7,047	7,100	7,652	7,274	(378)	174	
	Graduate	Domestic	800	827	813	830	17	3	
		International	460	781	715	871	156	90	
	Total Graduate		1,260	1,608	1,528	1,701	173	93	
	Total Fall		8,307	8,708	9,180	8,975	(205)	267	
	Winter	Undergraduate	Domestic	6,033	5,996	6,529	5,990	(539)	(6)
			International	762	911	892	1,181	289	270
		Total Undergraduate		6,795	6,907	7,421	7,171	(250)	264
Graduate		Domestic	779	818	798	817	19	(1)	
		International	539	724	696	902	206	178	
Total Graduate		1,318	1,542	1,494	1,719	225	177		
Total Winter		8,113	8,449	8,915	8,890	(25)	441		
Winter Term enrol as % of Fall			97.7%	97.0%	97.1%	99.1%			
Fredericton	Undergraduate	Domestic	4,816	4,799	5,082	4,729	(353)	(70)	
		International	499	617	686	828	142	211	
	Total Undergraduate		5,315	5,416	5,768	5,557	(211)	141	
	Graduate	Domestic	714	739	733	740	7	1	
		International	411	529	595	673	78	144	
	Total Graduate		1,125	1,268	1,328	1,413	85	145	
	Total Fall		6,440	6,684	7,096	6,970	(126)	286	
	Winter	Undergraduate	Domestic	4,639	4,591	4,928	4,601	(327)	10
			International	537	695	665	935	270	240
		Total Undergraduate		5,176	5,286	5,593	5,536	(57)	250
Graduate		Domestic	684	730	718	727	9	(3)	
		International	422	536	576	717	141	181	
Total Graduate		1,106	1,266	1,294	1,444	150	178		
Total Winter		6,282	6,552	6,887	6,980	93	428		
Winter Term enrol as % of Fall			97.5%	98.0%	97.1%	100.1%			
Saint John	Undergraduate	Domestic	1,498	1,490	1,650	1,479	(171)	(11)	
		International	234	194	234	238	4	44	
	Total Undergraduate		1,732	1,684	1,884	1,717	(167)	33	
	Graduate	Domestic	85	88	80	90	10	2	
		International	50	252	120	198	78	(54)	
	Total Graduate		135	340	200	288	88	(52)	
	Total Fall		1,867	2,024	2,084	2,005	(79)	(19)	
	Winter	Undergraduate	Domestic	1,393	1,405	1,601	1,389	(212)	(16)
			International	225	216	227	246	19	30
		Total Undergraduate		1,618	1,621	1,828	1,635	(193)	14
Graduate		Domestic	95	88	80	90	10	2	
		International	118	188	120	185	65	(3)	
Total Graduate		213	276	200	275	75	(1)		
Total Winter		1,831	1,897	2,028	1,910	(118)	13		
Winter Term enrol as % of Fall			98.1%	93.7%	97.3%	95.3%			



### Fall Term

Total enrolment for Fall 2022 was short of budgeted full-time equivalents (FTE) by a combined -205.

- Specifically, undergraduate enrolment was under budget by -378 FTE while graduate student enrolment was better than budget by +173 FTE.

International enrolment was +302 FTE above budget.

- +146 undergraduate, +156 graduate FTE compared to budget.

UNB realized a gain of 267 FTE (+3.1%) compared to Fall 2021.

- +174 undergraduate FTE (+2.5%)
- +93 graduate FTE (+5.8%)
- +345 international FTE (+21.7%)

The University's Fall enrolment continues to recover from the lows experienced in 2020-21 and is now +317 FTE higher than the enrolment results from Fall 2019-20. This growth from 2019-20 has been driven by an increase in graduate students and undergraduate international students. Domestic undergraduate enrolment is still -366 FTE lower than the pre-COVID enrolment levels.

### Winter Term

Total enrolment for Winter 2023 was short of budgeted FTE by a combined -25.

- Specifically, undergraduate enrolment was under budget by -250 FTE while graduate student enrolment was better than budget by +225 FTE.

International enrolment was 495 FTE above budget.

- +289 undergraduate, +206 graduate FTE compared to budget.

UNB realized a gain of 441 FTE (+5.2%) compared to Winter 2022.

- +264 undergraduate FTE (+3.8%)
- +177 graduate FTE (+11.5%)
- +448 international FTE (+27.4%)

On the Fredericton campus, UNB's FTE grew from Fall 2022 to Winter 2023 by +0.1%, which was +3.0% better than the budgeted decrease of -2.9%. The driver of this increase is found in graduate enrolment. On the Saint John campus FTE decreased from Fall 2022 to Winter 2023 by -4.7%, which was -2.0% more than budgeted. Both undergraduate and graduate fell slightly below budgeted retention levels.

## Revenue

### Provincial Operating Grant

On May 10<sup>th</sup>, 2022, the University received confirmation that the Operating Grant would increase by 1.5%, which is higher than the 1% budgeted. This resulted in a positive variance of \$0.7 million. In addition, the Province confirmed that the University had achieved the 2% targeted enrolment growth and as a result, received an additional \$1.2 million in operating assistance. These gains were offset by the termination of the pilot project funding which was budgeted at \$(1.2) million.

### Student Fee Income

**Table 1: Major Drivers of Variance in Student Fee Income**

Consolidated	Summer	Fall	Winter	Total Final Result
Positive/ (Negative) Variance from Budget	\$'000	\$'000	\$'000	\$'000
Undergraduate Tuition	\$ 33.0	\$ (2,304.8)	\$ (2,401.8)	\$ (4,673.6)
Undergraduate (Supplementary International Fees)	144.3	685.9	1,975.5	2,805.7
Graduate Tuition	141.5	22.4	(24.9)	139.0
Graduate (Supplementary International Fees)	98.2	608.8	810.5	1,517.5
Fee remissions, miscellaneous and forfeited fees	51.8	78.2	(22.8)	107.2
<b>Total Result from Central Sources</b>	<b>\$ 468.8</b>	<b>\$ (909.5)</b>	<b>\$ 336.5</b>	<b>\$ (104.2)</b>
Total Departmental Tuition Revenue Variance				982.2
<b>Total Final Tuition Variance</b>				<b>\$ 878.0</b>

As shown in Table 1 (above), the consolidated year-end tuition and fees for 2022-23 are better than budgeted by \$878k. While undergraduate domestic enrolment was down, strong international undergraduate enrolment and graduate enrolment, both domestic and international, helped limit the centrally sourced negative consolidated variance in Student Fee Income to (\$104)k. Some Faculties were able to drive enrolment growth that resulted in positive tuition revenue variances. In most instances this also included increased costs so that the net effect on the operating account was limited.

On the Fredericton Campus student fee income had a positive variance of \$2,468k. For revenues budgeted centrally, this was built on strong international undergraduate and graduate figures, which were offset by lower domestic undergraduate tuition, ultimately contributing a positive variance of \$1,486k. In Faculty and departmental units stronger than budgeted co-op revenue, successful pathway program agreements and growing programs in Education and Computer Science were partially offset by lower than budgeted program fee revenue in Engineering to contribute an overall positive tuition revenue variance of \$982k. Most of this non central variance has offsetting in year expenses or is being carried forward for future initiatives.

The Saint John campus had an overall negative variance from domestic undergraduate tuition that was partially offset by excess graduate tuition for an overall negative tuition variance of (\$1,590)k.

## **Other Revenue**

The consolidated year-end other revenue total resulted in a positive variance of \$6,380k. For Fredericton, the \$5,718k positive variance is the result of higher than budgeted short-term investment income of \$2,822k, government funding for our LPN Bridge Program of \$583k, and unbudgeted departmental revenues with offsetting expenses or carryforward growth of \$2,256k. This includes items such as clinical sales within IBME, \$581k, revenues generated in athletics \$575k, and smaller items such as the Career Fair \$120k. In addition, Fredericton exceeded budgeted targets on application fees, Facility Access fees, parking while falling short of its Research Overhead target.

The positive variance of \$662k in Saint John was generated from short-term investment income \$894k which was offset by a shortfall in rent from the Bank of Nova Scotia (\$217)k.

## **Entrepreneurial**

The consolidated year-end entrepreneurial revenue total resulted in a positive variance of \$160k.

On the Fredericton campus, entrepreneurial revenue relates to the College of Extended Learning (CEL). CEL were close to their target but are contributing negatively to the overall variance in the amount of (\$43)k. While credit tuition revenue increased, this was offset by lower-than-expected revenue from non-credit courses. This was due to lack of in-person classes for the English Language Program and lower than expected enrolment for the Occupational Health and Safety Course. Other revenue was lower as government funding was not received after the Summer Explore program was unable to run. This revenue shortfall was partially mitigated though lower than budgeted expenses as shown on Table 2 (page 12).

On the Saint John campus, entrepreneurial revenue relates to revenue generated through the MBA program and Saint John College. For the 2022-23 fiscal year, entrepreneurial activities on the Saint John campus resulted in a positive variance of approximately \$204k, which saw the better than budget by MBA \$367k and Saint John College below by (\$163k).

**Table 2: Drivers of Variance in Entrepreneurial Revenue**

	<b>Actuals 2021-22</b>	<b>Budget 2022-23</b>	<b>Actual Results 2022-23</b>	<b>Fav (Unfav) Variance</b>
<b>College of Extended Learning</b>				
<b>Revenue</b>		<b>\$000's</b>	<b>\$000's</b>	<b>\$000's</b>
Tuition Revenue	\$ 6,662.1	\$ 7,084.4	\$ 7,512.1	\$ 427.7
Non-Credit Fees	4,214.6	4,859.6	4,492.6	(367.0)
Other Revenue	291.9	761.6	205.7	(555.9)
<b>Total Revenue</b>	<b>11,168.6</b>	<b>12,705.6</b>	<b>12,210.4</b>	<b>(495.2)</b>
<b>Expense</b>				
Academic Salaries	2,353.2	2,338.7	2,471.5	132.8
Non-Academic Salaries	3,379.8	3,785.1	3,560.3	(224.8)
Salary Related Expenses	564.8	679.5	567.8	(111.7)
Non-Salary	1,270.2	1,922.0	1,673.9	(248.1)
<b>Total Expense</b>	<b>7,568.0</b>	<b>8,725.3</b>	<b>8,273.5</b>	<b>(451.8)</b>
<b>Net Contribution to Operating</b>	<b>\$ 3,600.6</b>	<b>\$ 3,980.3</b>	<b>\$ 3,936.9</b>	<b>(\$ 43.4)</b>
<b>Saint John College</b>				
<b>Revenue</b>				
Tuition Revenue	\$ 926.0	\$ 815.4	\$ 645.7	\$ (169.8)
<b>Total Revenue</b>	<b>926.0</b>	<b>815.4</b>	<b>645.7</b>	<b>(169.8)</b>
<b>Expense</b>				
Non-Academic Salaries	697.9	479.8	496.5	(16.7)
Non-Salary	136.2	172.5	167.0	5.5
<b>Total Expense</b>	<b>834.1</b>	<b>652.3</b>	<b>663.5</b>	<b>(11.1)</b>
<b>Results Excluding Management Fee</b>	<b>91.9</b>	<b>163.1</b>	<b>(17.8)</b>	<b>(180.9)</b>
Transfer to (from) IRNA	(92.5)	-	(17.8)	(17.8)
<b>Management Fee to Operations</b>	<b>\$ 184.4</b>	<b>\$ 163.1</b>	<b>\$ 0.0</b>	<b>(\$ 163.1)</b>
<b>MBA Saint John</b>				
<b>Revenue</b>				
Tuition Revenue	\$ 4,865.8	\$ 3,168.7	\$ 4,836.8	\$ 1,668.1
Other Revenue	92.0	67.8	164.3	96.4
<b>Total Revenue</b>	<b>4,957.8</b>	<b>3,236.6</b>	<b>5,001.1</b>	<b>1,764.5</b>
<b>Expense</b>				
Academic Salaries	808.0	723.5	964.5	(241.0)
Non-Academic Salaries	418.1	526.3	481.9	44.4
Non-Salary	957.4	1,289.7	893.2	396.5
<b>Total Expense</b>	<b>2,183.4</b>	<b>2,539.4</b>	<b>2,339.6</b>	<b>199.9</b>
<b>Results Excluding Management Fee</b>	<b>2,774.4</b>	<b>697.1</b>	<b>2,661.5</b>	<b>1,964.4</b>
Transfer to (from) IRNA	1,703.9	-	1,597.4	(1,597.4)
<b>Management Fee to Operations</b>	<b>\$ 1,070.5</b>	<b>\$ 697.1</b>	<b>\$ 1,064.1</b>	<b>\$ 367.0</b>

## Expense

### Academic and Research

The consolidated Academic and Research expenses were \$(1,978)k higher than budget.

On the Fredericton Campus there is a negative variance of \$(2,876)k. The main driver of this variance is unbudgeted expenses of (\$2,819)k but this is offset by unbudgeted revenue variance (see table on page 4). Other expense variances include Academic Recruitment costs exceeding budget by (\$137)k, athletics team travel by (\$110)k, and bookstore operations by (\$75)k. These were partially offset by lower Research Support Fund transfers \$117k and Fringe Benefits savings of \$66k.

On the Saint John Campus there was a positive variance of \$898k. The main drivers of this include the positive variance of \$440k from Fringe Benefits, \$225k positive variance for stipend salary pools, and \$233k positive variance in scholarships.

### Administration and Support Services

The consolidated Administration and Support Services expenses were (\$2,014)k higher than budget.

On the Fredericton Campus there is a negative variance of (\$1,965)k. The main drivers of this variance are unbudgeted expenses of (\$420)k, offset by unbudgeted revenues (see table on page 4). In addition, there were increases in the cost of International Recruitment (\$315)k, Executive searches (\$229)k, higher utility and cleaning costs (\$223)k, audit, legal and insurance fees (\$108)k, bad debts write off (77)k, and a reduction in the indirect tax (HST) recovery of (\$540)k.

On the Saint John Campus there was a negative variance of (\$49)k. This is the result of a negative variance related to International Recruiting agent commission fees of (\$315)k. This variance was partially offset by positive variances related to utilities \$173k and Fringe Benefits \$110k.

### In-Year Salary Savings

Salary savings arise due to position vacancies (resignations, retirements, etc.) that are not filled immediately. The University expects, and budgets for, salary savings in the region of 2% of the salary mass annually. The actual salary savings will vary depending on actual experience. A portion of salary savings are returned to the units to assist with hiring interim personnel.

The Fredericton Campus salary savings budget was \$4.1 million. The year-end results exceeded that amount by \$1.0 million as shown in Table 3.

The Saint John Campus had a salary savings budget of \$720 thousand. The year-end results exceeded that amount by \$1.4 million as shown in Table 4 and was the result of a higher number of vacancies, which were vacant for longer periods of time than had become typical prior to Covid.

It's worth noting that both campuses experienced challenges in finding and retaining qualified individuals which caused longer than normal vacancies thereby increasing salary savings well beyond budget.

**Table 3: Fredericton Campus In-Year Salary Savings**

Slice	Academic	Non Academic	Total Savings	Returned	Net Savings
Faculties and Departments	\$ 4,697.2	\$ 872.0	\$ 5,569.2	\$ (1,939.2)	\$ 3,630.0
Academic and Student Support	321.7	1,037.5	1,359.2	(526.6)	832.6
Administration and Student Support	120.2	935.4	1,055.6	(662.8)	392.8
Maintenance and Utilities	-	-	-	273.3	273.3
	<b>5,139.1</b>	<b>2,844.9</b>	<b>7,984.0</b>	<b>(2,855.3)</b>	<b>5,128.7</b>
Total Salary Savings					5,128.7
Total Budgeted Salary Savings					4,103.3
Variance					<b>\$ 1,025.4</b>

**Table 4: Saint John Campus In-Year Salary Savings**

Slice	Academic	Non Academic	Total Savings	Returned	Net Savings
Faculties and Departments	\$ 1,362.4	\$ 79.4	\$ 1,441.8	\$ -	\$ 1,441.8
Academic and Student Support	-	57.8	57.8	-	57.8
Administration and Student Support	-	170.3	170.3	-	170.3
Maintenance and Utilities	-	31.6	31.6	-	31.6
	<b>1,362.4</b>	<b>339.1</b>	<b>1,701.5</b>	<b>-</b>	<b>1,701.5</b>
Other Salary Related Savings					415.7
Total Salary Savings					2,117.2
Total Budgeted Salary Savings					720.0
Variance					<b>\$ 1,397.2</b>

## Ancillary Operations

The tables below highlight the multiple budgets considered to be Ancillary units.

**Table 5: Fredericton Campus Ancillary Operations**

Fredericton Campus	\$000s			
	Acutal 2021/22	Budget 2022/23	Actual 2022/23	Fav (Unfav) Variance
Residential Life, Campus and Conference Services	\$ 437.8	\$ (498.1)	\$ (153.2)	\$ 344.9
Aitken University Centre	(833.1)	(548.8)	(930.4)	(381.6)
Turf Field and Dome	(74.1)	48.5	(27.4)	(75.9)
Wu Conference Centre	(244.7)	(46.6)	(41.7)	4.9
<b>Total Ancillary Operations (Deficit) Surplus</b>	<b>\$ (714.1)</b>	<b>\$ (1,045.0)</b>	<b>\$ (1,152.7)</b>	<b>\$ (107.7)</b>

The Fredericton Campus Ancillaries were budgeted to have a deficit of (\$1,045)k. The total ancillary operations show a (\$107)k negative variance from budget. The negative variance was driven by the results of the Aitken Centre and Turf Field. The Aitken Centre deficit is due to the loss of revenue streams from prior to COVID restrictions that have not returned, either due to finding a new venue or remaining virtual to save costs, and higher than budgeted utilities and salary costs. The Turf Field is deficit due to a shutdown of operations while the turf was being replaced, resulting in lost revenue. Residence and Conference Services were able to offset some of this variance through an intensive effort to lower expenses when it was recognized that revenue would be lower than target. In addition, a change in the revenue recognition of residence application fees resulted in a further positive variance.

**Table 6: Saint John Campus Ancillary Operations**

Saint John Campus	\$000s			
	Acutal 2021/22	Budget 2022/23	Actual 2022/23	Fav (Unfav) Variance
Residence and Conference Services	\$ -	\$ -	\$ -	\$ -
Campus Store	(129.7)	(110.0)	(98.3)	11.7
<b>Total Ancillary Operations (Deficit) Surplus</b>	<b>\$ (129.7)</b>	<b>\$ (110.0)</b>	<b>\$ (98.3)</b>	<b>\$ 11.7</b>

Ancillary operations are typically budgeted to breakeven but the Campus Store, which is in its second year of operations, is projected to generate deficits for the first three years of operation. Surpluses realized by the residences are internally restricted for future deferred maintenance.