

Highlights from the May 28th SBAC Meeting (Revised):

1. Update on Meeting with CFA Executive.

Leighan Crowe and Grace McNab met with the CFA executive to respond to questions and maintain an open flow of communication. We have a common understanding that we must work collaboratively in order to be successful.

SBAC considered the CFA's request to receive the same data as provided to the SBAC but has some concerns with the suggestion. A key reason that the SBAC is working effectively is that the meetings are in camera. Administration has been very willing to provide data to SBAC upon request. The data is in context and only makes sense within the context of the meeting or the Highlights of the SBAC meetings.

The CFA and SBAC are working together on some initiatives, such as viability of increasing seat utilization.

2. Confirmation of appropriate accounting methods.

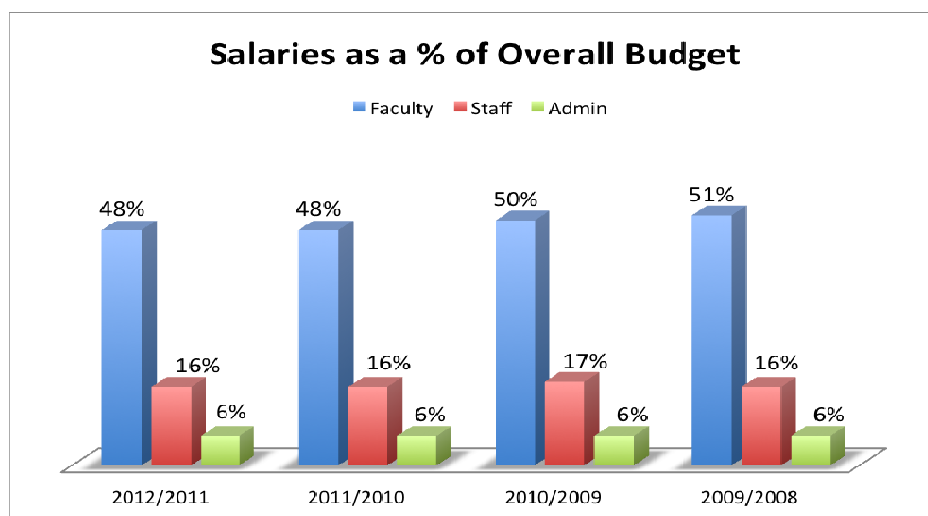
An apology was received relating to an inquiry involving the As-Is Budget and Budget Plan. The As-Is Budget reconciles with the Budget Plan.

Review of non-program expense

1. Administrative, Staff and Salary Expenses

Have administrative positions as compared to other positions in the institution increased substantially?

Using the [audited financial statements](#), we calculated that over the past 4 years, administrative and staff salaries as a percentage of budget have remained stable. Faculty salary expense as a percentage of budget has declined 3%.



2. Office of the President

How do Capilano executive salaries compare to other institutions?

The executive salaries are set by Post-Secondary Employment Association (PSEA) and are less than the median. Three executives are below the median and one is above.

Could the executives take a pay cut?

The salaries of all of the executives, directors and deans are frozen and not eligible for pay increases. The executives are not permitted by PSEA to take voluntary pay cuts.

How has the executive team been restructured in recent years?

The University currently has three vice-presidents down from five vice-presidents in 2010-2011. We operated for much of 2012-2013 with only two vice-presidents with most of the workload assigned to the Deans.

In comparison to other institutions, we have fewer executives than other institutions. The average for 7 other comparable institutions is 3,663 students for each executive. At Capilano, there are 4,722 students for each executive.

Preliminary Conclusions

Executive compensation at the University is at or below the required level. Because of PSEA regulations, voluntary reductions in pay are not permissible.

3. Finance and Administration

Why is there \$200,000 growth and one-time of \$619,976 in Finance and Administration in the 2013-2014 Planned Budget?

The \$200,000 is a combination of budgeted amounts for COPE, Admin, and exempt reductions as well as for actuarial expenses. The \$619,976 is budgeted for CFA reductions.

4. Information Technology (IT)?

Are Capilano IT staff paid equitably?

IT professionals are in demand and can command substantial salaries. The salaries of Capilano IT staff are in line with other institutions and the school districts, however, Capilano has lost some key staff to the municipalities who pay above Capilano rates.

Do we have too many working in IT?

In comparison to other institutions, we have more IT staff than other institutions. The average for 7 other comparable institutions is 368 students for each IT staff member. At Capilano, there are 301 students for each IT staff member.

Why is there an increase in IT's budget for 2013-2014?

One person has been reallocated from Teaching and Learning Centre to IT. This is not an increase but a transfer of responsibility from one area to another. SBAC will review the increases to IT from reallocation and those from real budget increases.

Could we eliminate projects that involve customization of software?

An example of customization of software is the Bosa equipment inventory control system. This is not part of the operating budget and is part of the budget for the Bosa building. Eliminating this project will not benefit our current budget.

What other projects are in process or planned that could be eliminated?

The University has 15 projects which are top priorities; three have already been removed from the list.

SBAC recognizes that IT issues are complex and have additional areas to explore.

5. Human Resources

Is Human Resources over staffed?

In comparison to other institutions, we have more HR staff than other institutions. The average for 7 other comparable institutions is 944 students for each HR staff member. At Capilano, there are 831 students for each HR staff member.

Are Capilano HR staff paid equitably?

HR professionals are in demand and can command substantial salaries. The salaries of Capilano HR staff are slightly higher than other institutions, however, we have not compared Capilano HR salaries with school districts, municipalities, or industry.

6. International, External Relations, and New Initiatives

How important are international students to Capilano?

Revenue from international projects and tuition provide a net contribution (revenue less expenses) of approximately \$5.5 million each year which is 6% of the university budget. In 2013, the contribution from an international FTE was \$9,800 which is a 47% increase over 2009.

Can we reduce the travel expense for international?

In 2013, \$50,000 was cut from the travel budget for international. In an increasingly competitive international market, the university is revising its international strategy focusing on developing strategic partnership with less reliance on conferences. This strategy should reduce reliance on travel.

7. Library

Would it be possible to reduce costs in the library?

As the main gathering space for students, the library is an essential element of student services. Any reduction in the Library would have a severe impact on students. The library operations appear very lean. In 2013, the budget was reduced by approximately \$25,000, mostly in periodical subscriptions. SBAC's preliminary conclusion is that there are virtually no operational efficiencies available in the Library.

8. Parking

Can we increase parking fees?

Parking fees can be increased and SBAC is exploring the amount of a possible increase.

Next Steps

- Discuss approach to program cuts where cost savings appear smaller in the short term.
- Continue review of non-program budget items.
- Continue categorizing current options, future options, and general recommendations

Meetings Scheduled

Wednesday, May 29 at 9:00

Thursday, May 30 at 2:00

Friday, May 31 at 10:00

Leighan Crowe, Tammy Towill, Don Bentley, Reini Klein, Grace McNab, Jennifer Moore, Kris Bulcroft, and David Clarkson