



President's Newsletter

APRIL 5, 2018

2018/19 BUDGET UPDATE

Dear Colleagues,

I am very happy to inform you that we have completed the work on a draft budget for the 2018/19 fiscal year. It will be presented to the Board of Governors on April 19, 2018. Please plan to attend one of the Campus Town Hall meetings to learn more about the proposed budget. The Town Halls will take place as follows:

Campus	Date/Time	Location
PA Campus	Tuesday, April 10 12:00 – 1:00 pm	CEN 211
CV Campus MW Regional Campus (via ITV)	Wednesday, April 11 12:00 – 1:00 pm	KX146 Boardroom
CR Campus	Thursday, April 12 12:00 – 1:00 pm	CWG211

This newsletter provides the key highlights on the following topics:

1. Provincial Government Budget 2018/19;
2. Key Revenue Assumptions; and
3. Key Changes in 2018/19 Budget.

In addition, further context can be found in my January 2018 [President's Newsletter](#) which provided other background information about the budget process.

It has taken a great deal of work to build the 2018/19 budget and I want to extend a big “Thank you” to those who participated and provided feedback about the issues that impact the College’s budget. Your efforts have enabled us to create a financial plan for fiscal 2018/19 that will support the delivery of high quality instructional programs and services throughout the North Island.

Sincerely,

John Bowman

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Provincial Government Budget 2018/19

On February 20, 2018, the BC government tabled [Budget 2018](#) in the Legislature. The provincial budget included some additional program funding for the Ministry of Advanced Education, Skills and Training (AEST). AEST had \$18.5M added to their budget for Adult Upgrading. This funding will be used to reimburse post-secondary institutions for the tuition that students would have paid for these programs. The College has estimated that this will be \$300,000 per year and that has been built into the base operating grant for 2018/19. A corresponding reduction to base funded tuition revenue has also been included in the budget as a result of this policy change.

Post-secondary seats in Technology programs were a key element of the provincial budget. There was \$67.7M added to the AEST budget over 3 years. It starts with \$7M in 2018/19, and grows to \$35.8M in 2020/21. The College is currently working on program development to secure 40 FTEs of this funding, on a graduated basis, by 20/21.

The AEST budget includes \$7.39M over 3 years for Early Childhood Education seats in the post-secondary system. The Ministry has issued a call for proposals and the College will be responding to seek funding for program delivery.

Lastly, the provincial budget included \$450M in new capital funding through debt financing for student housing. There is also \$30M in the AEST budget of direct capital grant funding for student housing for small, rural colleges. The College is preparing a business case that will articulate the need for student housing at NIC in the Comox Valley.

Key Revenue Assumptions

As identified above, the provincial budget included some funding that impacts the post-secondary system. Some of these impacts, such as the ABE funding, have been built into the budget. Others will be built in once a firm funding commitment has been communicated by AEST.

Budget 2018/19 does not project domestic enrolments for base-funded programs to grow when compared to 2017/18. Although there is growth in some specific program areas, the overall trend for 2018/19 is status quo in terms of domestic enrolment. These assumptions are informed by the current robust state of the BC economy, and the effect that has on enrolments.

International student enrolments grew considerably in 2017/18, and Budget 2018/19 projects a continuation of strong international student numbers. The budget assumes that International student enrolments in 2018/19 will be similar to those experienced in 2017/18.

Key Changes in 2018/19 Budget

Budget 2018/19 anticipates funding additional course sections (Business, Arts, Science) throughout the year as a result of the growth in international students.

The growth in international student enrolment and other revenue has enabled the College to fund some additional services and initiatives that will benefit both domestic and international students alike. This includes:

- additional faculty positions;
- a new Recruitment Officer position to support domestic enrolments;
- a Desktop/ITV Technician to support this growing area of program delivery;
- a .25 increase to the Campus Community Coordinator position in Mount Waddington;
- a half-time Student Case Management Support assistant position;
- a Manager, Student Affairs to address academic integrity, student case management as well as student housing;
- a Safety Manager position to address Occupational Health and Safety issues College-wide; and
- a Director of Program Evaluation to address the Province's required new Program Quality Assurance policy.

Late in March, the College received one-time funding letters from AEST for specific targeted programs and initiatives in the following areas:

- \$591,000 for a total of 70 student FTEs in Health Care Assistant programs in Campbell River, the Comox Valley, Mount Waddington, and Denman/Hornby Islands;
- \$328,000 to support the Coastal Forest Resource certificate and diploma pilot project;
- \$100,000 to support costs associated with developing and implementing additional student spaces in a new Computer Information Systems certificate program;
- \$25,000 to support the delivery of a part-time Early Childhood Care and Education certificate program through ITV in Alert Bay;
- \$50,000 to supplement the Aboriginal Emergency Assistance funding to help Indigenous students who are facing financial hardship;
- \$75,000 to increase the success of people with disabilities in programs with high labour-market demand; and
- \$75,000 to support efforts to increase and enhance co-op and other work-integrated learning opportunities for students.

The College is grateful to have the support of the Ministry in funding these important regional priorities. These spending initiatives and plans have all been accommodated within a balanced budget for 2018/19 that will maintain the College on a solid financial footing for the future.