

UNIVERSITY OF GUELPH
STUDENT BUDGET ADVISORY GROUP (SBAG)
REPORT ON THE 2006/2007 OPERATING BUDGET

TABLE OF CONTENTS

1.	Comments on Student Involvement in the University Budgeting Process	3
2.	2006/2007 Tuition Framework.....	3
3.	General Comments on Student Financial Assistance	4
4.	International Student Financial Assistance	5
5.	2% Cuts to College Budgets	5
6.	Lobbying the Government	6
7.	The Integrated Plan and Priority Investment Fund	6
8.	The Future of SBAG	7
9.	Appendices	8
	- Appendix 1. - Student Budget Advisory Group Mandate	8
	- Appendix 2. - Student Budget Advisory Group Membership	9

Comments on Student Involvement in the University Budgeting Process

Though the mandate of the Student Budget Advisory Group is to provide a medium for student perspective and advice to the University Executive on matters pertaining to the University Budget, it should be understood at the outset of this report that fulfilling this mandate has been an unachievable task. SBAG has, over the last several iterations of the University Operating Budget, been an advisory group in name only. The Committee is informed of budgetary decisions after they have been made, rather than consulted when examining potential courses of action. Simply put, the decisions are finalized before the student perspective has been voiced. And while SBAG recognizes that the preliminary MTCU operating budget has been developed in the face of unheard of uncertainty and rapidity, the Committee's role as the official voice of the student body on the University budgeting process has been marginalized to the point that it is solely reactionary.

The budget process' increasing complexity makes it impossible for SBAG to examine the totality of the operating and ancillary Budgets. For that reason, SBAG chose to examine only those budget items representing the most primary areas of concern to the student body. This coming year marks the end of the freeze on Domestic student tuition rates, and with no inflationary increase in base operating grants in many years, serious revenue shortfalls are an unfortunate reality. Accordingly, SBAG requested that it be made an important voice in the development of the 2006/2007 University of Guelph Tuition Framework. Unfortunately, the Committee was not invited to comment on the framework until it was to be presented to University Community at large.

The reaction of SBAG to the proposed 2006/2007 Tuition Framework, as well as to other items of keen interest to the student body, are detailed in the sections that follow.

2006/2007 Tuition Framework

While the Committee understands the need to increase tuition in order to make up budget shortfalls, SBAG cautions that the students we represent **do not** approve of increasing tuition in an environment of constant cuts to the College budgets.

Most alarming to SBAG is the massive increase to incoming International Student tuition planned for the coming year. And though the Committee thinks it is a wise decision to freeze tuition for those International Students currently enrolled (since a 4.5% increase was imposed last year), a 50% increase in tuition, concurrent with soaring UHIP costs (increasing 33-68%) threatens to limit the composition of the International Student population at the University to students from higher income families.

President Summerlee has repeatedly commented that International Students who do not accept offers of admission to the University of Guelph indicate that their primary reason for not accepting is that the tuition is low. They indicate that this must be a

reflection of program quality. The committee feels that arguments of this nature are not sufficient justification for a 50% increase to tuition in one year. The committee offers these questions to this line of reasoning: How many International Students accepting offers of admission from our Institution do so because of our Institution's lower tuition rate? Has the International Student Organization ever been approached to mediate the gathering of data regarding such a question?

With no plan in place to index International Graduate Student stipends to the proposed tuition increases, students accepting a position at Guelph will be subjected to an extremely meager existence. A PhD stipend of \$17,500 (note that there is no minimum MSc stipend) is reduced to less than \$4,000 once tuition and UHIP costs have been paid. This means International Graduate Students will have less than \$4,000 to pay for housing, food, and clothes. International Students still are unable to work off-campus, and the amount of Student Financial Aid available for International Students from the University will decrease by over 30% next year (see the following section).

With no substantial changes planned for our International Student recruitment program, word-of-mouth advertising from this cohort could irreversibly damage internationalism at our Institution. Again, SBAG understands the need to close the gap in budgeting shortfalls, but there is more at stake than the bottom line in this case.

SBAG strongly recommends that the proposed increases to International Student tuition fees be re-evaluated and not implemented until such time as contingency measures to deal with the above-mentioned problems can be put into place.

With respect to International Student tuition fees, the committee wishes to applaud the efforts of the Administration to institute Cohort Fees. Such a strategy will undoubtedly improve the ability of the incoming students to budget more effectively for their degree.

With respect to the Domestic Undergraduate and Graduate Student Tuition, SBAG feels that the University should more strongly relay to students that the proposed tuition increases are not a one-time increase, but will actually accumulate over a number of years. Students budgeting for their university careers need to adjust for a 12-20% cumulative increase over the course of their studies, which is much larger than a single 4% increase.

General Comments on Student Financial Assistance

Of obvious concern to SBAG is the fact that the impending changes to the rules regarding the new financial aid program unveiled by the Provincial Government are not at all clear. The impending changes to the OSAP system will undoubtedly cause some changes in the demographics of student need at the University of Guelph. Though it may

be difficult to forecast those changes, SBAG strongly recommends that the University continue to be proactive in attempting to reach as many students as possible with Student Financial Aid. SBAG recommends that the University consider the inclusion of criteria other than family income in its needs-based assessment to ensure that students from lower-middle-income families are not left without any recourse.

International Student Financial Assistance

Undoubtedly, the increases to International Student tuition and the lengthy delays in passing legislation permitting International Students to work off campus will without question cause the need for financial assistance to increase within this segment of the student body. However, the \$140,000 allocated for International Student financial assistance in 2005/2006 will fall to \$100,00 in 2006/2007 due to exhaustion of the one-time funding of \$40,000 that accompanied last year's 4.5% increase in International Student Tuition. **No money has yet been earmarked for International Student financial assistance this coming year despite an impending 50% increase in tuition!** SBAG feels that this is a glaring omission in the proposed 2006/2007 Budget that must be addressed before the Budget is passed. Using last year as a precedent, a 4.5% increase in tuition last year was accompanied by a \$40,000 allocation of funding to ensure adequate International Student financial support. SBAG strongly recommends that the base funding for International Student financial assistance be increased to coincide with the proposed tuition increases. Accordingly, \$210,000 should be allocated for International Student financial assistance (50% increase from \$140,000 available in 2005/2006).

2% Cuts to College Budgets

It must be re-iterated that the students we represent **do not** approve of increasing tuition in an environment of constant cuts to the Colleges budgets. Reductions in the amount of money available to the Colleges, primarily charged with delivering the education for which students pay their tuition, is the most basic indicator to the student body that the quality of their educational experience at the University of Guelph is in jeopardy. These cuts are inevitably passed on to the Departments, where the cuts directly affect the numbers and quality of labs, lab equipment, teaching assistants and the student/faculty ratio. These types of quality indicators are important in drawing new students to our school, as well.

Tuition increases that do not reflect increasing quality of education offered by the University are not only frustrating for the students, but will present a major problem for the University as the government requests documentation of quality improvements linked to funding allocations now and in the future. Furthermore, SBAG is concerned with the use of the term "Contribution to Inflation", as these cuts have been described at the

Budget TownHall Meetings. The term is misleading. SBAG recommends that the University make a priority of ceasing yearly College budget cuts.

Lobbying the Government

SBAG finds it distressing and unacceptable that the provincial and federal governments refuse to address several keystone issues currently plaguing Ontario Universities. Funding is needed to cover inflationary costs at a minimum. Current legislation surrounding the Pension Plan “Wind-Up” clause will cost the University tens of millions of dollars in the coming years. Deferred Maintenance costs continue to ravage the University. International Students are still unable to work off-campus. These concerns overshadow the University’s budgeting process making it an intensely divisive event within the University Community.

President Summerlee has taken an active role in the lobbying process, having met with officials at all levels of government in the last year in order to make them understand the dire condition and difficult position of Ontario universities. SBAG believes that this process should be the responsibility of all members of the University Community. There are significant challenges to be met that can only be overcome if the Administration, Student Governments, Faculty, and Employees pool their efforts and energies. To this end, SBAG recommends the formation of a committee comprised of Administration, Student Government, Faculty, and Employee leaders whose responsibility will be to devise and implement effective and innovative government lobbying strategies, and to co-ordinate lobbying efforts from all arms of the University Community. SBAG and the students it represents see this as a realistic goal with the potential to galvanize a currently polarized University of Guelph Community.

The Integrated Plan and Priority Investment Fund

SBAG is particularly concerned about the current lack of an effective medium for a strong student voice in light of the Integrated Plan, and the potential lack of student involvement in decisions surrounding the Priority Investment Fund. As the Integrated Plan becomes more and more the guiding force behind University Budget considerations, the PIF will soon become one of the most important topics of discussion and debate surrounding the University budgeting process. The current trend of SBAG being informed of rather than consulted in budgetary decisions must not become inherent in decisions surrounding PIF expenditures. This represents an untenable situation for SBAG that needs to be resolved before the next round of University budgeting commences. SBAG recommends that the decisions surrounding PIF expenditures must be made in consultation with SBAG.

The Future of SBAG

The current situation is extremely frustrating for SBAG. We are expected by the student body to act on their behalf in the University budgeting process. This is impossible when our only means of action is in fact reaction. Students must have representation on University Committees where decisions are made.

Currently, SBAG meets en masse to receive and discuss budget-related information. With representation from different Colleges, Interhall Council, Student Senate Caucus, the CSA and the GSA, it is possible for each representative to specialize in a particular area. Each college representative could liaise with their colleges' administration, the Interhall representative could liaise with Student Housing Services and Hospitality services and the Student Senate Caucus representatives could work with the remaining ancillary units. In this way, each representative would be responsible for bringing forth major budgetary issues from within their portfolio. SBAG would then be able to stay informed of budgetary issues from all levels without the current scheduling constraints that limit the Committee's effectiveness.

In order for SBAG to act as an advisory group, the administration must also be forthcoming in presenting budgetary information before decisions are made. Perhaps the SBAG CSA and GSA representatives should be invited to attend VPAC meetings to ensure timely transfer of information. In this manner, representatives of the student body, and in turn, the entire student body, will stay informed of issues and the potential decisions that the University is making prior to those decisions being finalized.

Both the University Executive, and the student representatives on SBAG must work together to ensure that students become informed of budgetary decisions, as well as the reasoning behind those decisions.

APPENDICES:

APPENDIX 1.

University of Guelph Student Budget Advisory Group

Composition:

Eleven student members. One member will be appointed by the elected student government of each of the Colleges; the Central Student Association; Interhall; and Student Senate Caucus. Two members will be appointed by the Graduate Students' Association since the majority of the other student members are undergraduate students.

Mandate:

To provide advice to the Executive Group of the University throughout the development of the 2005/2006 University of Guelph Operating Budget. The focus will be on reviewing, developing and discussing ideas with regard to expenditure controls, revenue enhancement, and providing advice on any incremental investments that may be under consideration.

The Student Budget Advisory Group is intended to be a forum for ongoing consultation with students during the operating budget development process.

Outcome:

The final report of the Student Budget Advisory Group will be provided to the Executive Group of the University; the Senate Committee on University Planning (SCUP); and the Finance Committee of the Board of Governors to ensure that student views form part of their consideration of the budget for 2005/2006.

Regular reports on the work of the Student Budget Advisory Group will be provided to the Executive Group of the University and SCUP during all stages of the preparation of the 2005/2006 Operating Budget.

APPENDIX 2.

University of Guelph Student Budget Advisory Group Membership Contributing to the 2005/2006 SBAG Report

Name	Affiliation
Peter Anderson (Co-Chair)	Graduate Students' Association
Cecille Freeman	Graduate Students' Association
Andrew Munroe (Co-Chair)	Central Student Association
Chris Killer	Interhall Council
Shana Menkis	College of Arts
Katie Cheesmond	Ontario Agricultural College
Brenda Whiteside (Facilitator)	Administration
Laura Gatto	Secretary