



St. Thomas
UNIVERSITY

Budget Summary Report
2015-2016

May 14, 2015

1.0 Introduction

An initial Budget Development Report for 2015-16 was produced and communicated to the University community in February 2015. The report is available on the University website at: http://w3.stu.ca/stu/administrative/vp_financial/documents/STUBudgetDevelopmentReport2015-2016.pdf.

The Budget Development Report identified the composition of the President's Advisory Committee on the Budget (PACB) and described the context and challenges of developing the University's 2015-16 budget. The principles in developing the budget recommendations were:

- The requirement to achieve a balanced budget where expenditures do not exceed revenues;
- The importance of developing a budget plan that balances competing priorities in order to serve, to the best of our ability, the needs of students and other members of the community; and
- The desirability of allocating resources to areas that support the strategic direction of the University.

The Budget Development Report also requested input regarding ways to be more efficient and to increase student enrolment and retention, as well as suggestions for expenditure savings and for increasing revenues. The responses received were provided and discussed at the PACB.

To further the campus discussion on budget development, the PACB held a Town Hall meeting on March 24, 2015. At this meeting, a status update on our budget development plan to date was provided, and proposed strategies to achieve a balanced operations budget were presented. Approximately sixty (60) people attended.

The 2015-16 budget was developed in the context of the University's Strategic Plan 2013-2018, which includes Financial Sustainability as a strategic priority. The PACB developed recommendations which were approved by the Board of Governors on May 9, 2015. The following sections of this report provide a summary of the approved operating, ancillary, endowment, and capital budgets for St. Thomas University for 2014-15.

2.0 General Operating Fund

2.1 Background Information

The General Operating Fund covers the core functions of the University, including most of the expenditures directly related to, or in support of, offering programs of instruction to students. The operating budget has two dominant revenue sources – government operating grant and tuition fees.

In the fall of 2013, the Province and St. Thomas University agreed to a five-year domestic tuition fee schedule, as part of a larger agreement that included a positive adjustment to the operating grant of \$225,000 (representing a 1.7% increase).

In late March 2015, the Minister of Finance delivered the 2015-16 Budget Speech. Although we had hoped that the Province would honor the previous Government's commitment of a 2% increase in the operating grant, it was announced that the funding to universities and community colleges for 2015-16 was frozen. The estimated revenue impact of this freeze for 2015-16 for St. Thomas University is \$237,000.

Of even greater concern is the Province's decision to impose a tuition freeze on universities for 2015-16, with no regard to the signed agreement in place between the Province and St. Thomas University with respect to tuition fees. We are in the end of the second year of that five year agreement. Based on that agreement, tuition was to be increased by no more than 3% plus \$170 in order to bring our tuition for a Bachelor of Arts closer to the provincial average tuition. The 3% increase was based on the provincial average tuition of the three other publicly funded universities. An imposed tuition freeze on domestic and international tuition fees represents an estimated loss of revenue of \$630,000 for 2015-16 for St. Thomas, compared to the tuition fee planned as part of the approved 5 year tuition fee schedule. In the past, it was the practice of the Province to compensate universities for a tuition freeze. The Province does not intend to provide compensation to universities for the loss of tuition revenue for 2015-16.

Another aspect of our funding from the Province is so-called "soft funding" from the Department of Post-Secondary Education, Training and Labour (PETL) of approximately \$250,000. It is not yet clear how much of this funding will continue to be available. We have assumed approximately \$90,000 of soft funding for budgeting purposes.

A significant on-going financial risk faced by the University is that of student enrolment. Between 2004 and 2013, overall full-time enrolment declined by roughly 24% (688 net full-time students). (Note: Other Maritime universities have experienced similar declines in the Liberal Arts.) This risk is very significant in light of the declining number of New Brunswick high school graduates. Approximately 77% of our students are from New Brunswick. The 2014-15 enrolment was approximately 76 students below the budgeted figure of 1,988.

While New Brunswick universities have been underfunded relative to their counterparts in Canada, St. Thomas University has been underfunded relative to the other universities in the province: the University's 2014-15 operating grant level is 86% of the provincial average (See Appendix I). Despite the progress achieved as a result of the 2013 agreement with the Province, our annual revenue base is approximately \$3.6 million lower than it could be because of our operating grant level and low tuition level (compared to other NB and Maritime Universities). This is compounded by: a 10 year downward trend in enrolment; a shrinking number of high school graduates; a relatively small endowment; and uncertainty of capital markets that affect endowment income and retirement investments of faculty and staff.

This circumstance creates a strain on our operations and makes it difficult to increase/maintain the number of full-time faculty and to achieve faculty renewal. It also results in minimal staffing of non-academic positions.

It is a policy of the MPHEC that universities should not incur an operating deficit. If a university accumulates a deficit in excess of 2% of its operating grant (this would be approximately \$282,000 for

STU), specific provisions apply. Please see Appendix II for the MPHEC policy. In practice, it is customary to strive for a balanced budget; if a planned deficit is considered, there would need to be a clear plan and strategies to overcome the deficit.

For the fiscal year 2015-16, we had initially estimated that operating revenues would increase by approximately 1% while expenditures would increase at a rate of 3 to 4% due to inflation and salary structure, creating an estimated gap of \$650,000 to \$1M. With the news from the Province's 2015-16 budget, this gap would become \$1.9M if a tuition freeze was implemented. \$1.9M represents approximately 7% of the 2014-15 operating budget.

The following key strategies were used to develop the operating budget:

- Continued implementation of the 5 year domestic tuition fee schedule that had been approved in the fall of 2013, based on the Board of Governors' authority to set tuition and other fees.
- Greater use of internally restricted endowments to incur certain expenditures, where the terms of the endowment permit. We expect the investment income for 2014-15 to be approximately \$3 million which represents approximately a 10% investment return – this is a higher than normal rate of return. All scholarship and bursary expenditures (\$1.7M) will be charged to the Scholarship Endowment. (In 2014-15, approximately \$200,000 of this expenditure was charged to operations).
- Continued restrained approach to academic staffing. The hiring of Limited Term Appointments and of Tenure Track positions is authorized in exceptional circumstances where there is a significant need (due to a number of vacancies, sabbaticals or other leaves in a Department).
- Hiring constraint to reduce administrative salary cost (review vacancies as they occur to determine if replace or leave vacant).
- Reduction of administrative (non-student services) expenditures, including professional fees, the Access Copyright licensing fee (due to new reduced license fee), and publications (e.g. reduced printing costs for Calendar publication).
- Increase in compulsory/ancillary fees based on comparison with other universities. The average ancillary fees (excluding student association fees) at NB universities is \$253, at Nova Scotia universities is \$386, at UPEI is \$356, compared to \$150 at St. Thomas.

2.2 Tuition Fees

The five-year tuition fee schedule approved in late 2013 is presented in Table A below. For 2015-16, tuition will be increased by 3 percent plus \$170. The 3 percent increase is based on the provincial average tuition of the three other publicly funded universities in New Brunswick. Under this schedule, our tuition for a Bachelor of Arts will be brought close to the provincial average over the five-year period.

**Table A: Five-year tuition fee schedule for domestic students
(BA programs) at St. Thomas University (Approved)**

2013-14	2014-15 (current)	2015-16	2016-17	2017-18
\$5,195	\$5,552	\$5,914	\$6,283	\$6,657

Appendix III provides a comparison of 2014-15 tuition fees of domestic and international students at Atlantic Universities. St. Thomas had the second lowest tuition in 2014-15 for domestic students.

Undergraduate international students are not funded through government operating grants. In the past, the provincial government's tuition cap policy did not apply to international students. However, for the year 2015-16, it appears that the government intends on imposing that cap on international tuition fees.

During the past four years, the tuition increase for international students has been based on the Province's domestic tuition cap (3% last year). In 2013-14, a health plan fee for international students was introduced in the amount of \$284. The intent was to increase the health plan fee over time in order to eventually fully recover the cost of the health plan (\$630), similar to the approach used by the other Atlantic Universities. This is reflected in Table B, which provides information on the tuition fee and health plan fee for international students for 2015-16.

**Table B: Tuition and health plan fees for international
students at St. Thomas University for 2015-16**

Fee type	2014-15 (current)	2015-16
Tuition	\$13,192	\$13,385*
Health plan	\$457	\$630

*\$193 increase is based on 3% of average (domestic) tuition at other NB universities

2.3 Approved Operating Budget

The General Operating Budget is presented in Schedule 1. It reflects a deficit of \$1 million before the transfer of expenditures of \$1 million to certain endowed funds, for a net income (excess of revenues over expenses) of \$3,200 after inter-fund transfers. We are fortunate to have significant return on investments in 2014-15 (of approximately 10%), which helps to lessen the erosion of the capital of the endowment funds. **However the extensive use of endowed funds is a short-term solution to our fiscal challenges. For next fiscal year (2016-17) and beyond, in the absence of a significant increase in enrolment, we will need to address our structural deficit.**

Highlights of the General Operating Budget include:

- A budget of \$27.8 million in revenues, compared to last year's 28.3 million.
- The provincial operating grant of \$12.2 million and the fiscal transfer to UNB of \$1.9 million for a total of \$14.1 million. This represents a freeze of the operating grant.
- A projected enrolment of 1,820 which is 168 students less than budgeted last year (1,988).
- Tuition fee and compulsory revenues of \$12.5 million based on:
 - A \$363 increase that will bring tuition fee levels to
 - \$5,914 for Arts programs
 - \$8,445 for Education
 - \$8,645 for Social Work
 - A \$193 increase that will bring tuition fee levels to:
 - \$13,385 for international students
 - Health plan fee of \$630 for international students.
 - The following compulsory fees remain at current levels:

▪ UNB Health Centre fee	\$50
▪ Journalism years 3 and 4	\$250
 - The following compulsory fees increase from \$50 (current) each to:

▪ Technology fee	\$100
▪ Facility fee	\$100
- External funding from provincial and federal governments totalling \$371,000. This includes Aboriginal education initiatives (\$110,000), indirect costs related to research (\$171,000), and accessibility funding from PETL (\$90,000).
- Academic expenses totalling \$17.5 million. This includes provision for career progress increments and salary scale adjustments.
- Administrative and General expenses totalling \$4.6 million. This includes provision for cost of living adjustments of 1.5% and salary grid step changes.
- Student Services expenses totalling \$1.7 million – a decrease of 18.6% over 2014-2015 budget. This reduction is due to the elimination of the \$400,000 scholarship expenditure in

operations. This is not a true expenditure reduction, as this expenditure will be charged to the scholarship endowment fund (instead of operations).

3.0 Ancillary Operations

The 2015-2016 budget for ancillary operations is presented in Schedule II. The ancillary budget covers the operations of the residences and dining halls. A separate budget is required for these operations because they are funded from separate sources and because of generally accepted and long-standing policies that ancillary operations be self-supporting and not eligible for government operating assistance.

The revenues and expenses related to food services are not reflected in the University’s budget, as those revenues and expenditures are the responsibility of the Food Services Provider (Aramark). The University continues to sell meal plans to students. However the revenue is transferred to Aramark.

The ancillary budget incorporates the following:

- A break-even budget of approximately \$3.3 million, with an excess of revenues over expenses of \$600. After principal payments on long-term debt associated with Chatham Hall are considered, ancillary operations produce a negative cash flow of \$212,400. General operations and/or increased lines of credit will be required to absorb the impact of the cash flow requirements during the year.
- Occupancy of 493 students, a decrease of 82 compared to the 2014-2015 budget. The 2014-15 occupancy was 464.
- Residence room fees remain the same as 2014-15. Although there is a need for greater ancillary revenue, our objective is to reverse the trend of declining occupancy in residence, hence the approach of keeping the price as is.
 - On-campus double room rate: \$4,880
 - On-campus single room rate: \$6,780
 - Off-campus double room rate: \$5,230
 - Off-campus single room rate: \$7,130
 - Windsor Street: \$3,950
- The introduction of the “All You Care to Eat (AYCTE) meal plan for 2015-16 with the following meal plan rates:
 - Meal plan 3: \$3,600 (Freedom)
 - Meal plan 2: \$3,400 (19 meals/week)
 - Meal plan 1: \$2,900 (10 meals/week)

4.0 Endowment Funds

The University's endowed funds consist of 9 major endowment fund categories that have varying origins. The scholarship endowment, which represents approximately 45% of total endowment value, has a number of funds that originated with gifts and bequests and are managed in accordance with terms specified by the donors and accepted by the University. However, most of the scholarship endowments have resulted from operating surpluses over the years that have been transferred by the Board of Governors to the scholarship fund.

The other endowment funds relate mainly to eight endowed chairs. A number of the chairs were established with the assistance of external funding. Generally these funds support teaching and research activities in a number of disciplines and supplement the operating fund budget. However, expenditures must be in accordance with the respective terms of reference of the endowed chairs.

The University's investment policy permits expenditures of up to 5% of endowment fund values based on a rolling three-year average of market values (\$30.9 million at February 28, 2015). A spend rate in excess of 5% for (internally restricted) endowment funds requires the approval of the Board of Governors. This normally takes place as part of the budget approval process.

The expenditure allocations from the University's endowment funds are presented in Schedule III, and incorporate the following:

- Total endowment fund expenditures of \$3.5 million.
- Externally restricted endowments are budgeted at a 5% spend rate, while the internally restricted endowments are budgeted at a higher spend rate in order to balance the operating budget (this higher spend rate varies from 8% to 17%).

5.0 Capital Expenditures Budget

The 2015-2016 capital expenditure budget of \$1.6 million is detailed in Schedule IV. The two main capital projects for 2015-16 are the relocation of the University Chapel to Holy Cross House (which housed the original Chapel), and the creation of a multi-purpose social and communal space on the second floor of George Martin Hall. Capital projects/expenditures will be funded from the restricted grants provided by the provincial government, from the University's fund-raising activities, and from the sale of surplus property, with the following exceptions:

- Pepsi funds (internally restricted fund) will be utilized to fund the fourth year instalment payments to the City for the Grant-Harvey Center.
- Renewal of residences being a priority from the *Strategic Plan*, \$320,500 is budgeted for preliminary work with respect to the renewal of Harrington Hall. This includes conceptual development, schematic design, and tender documentation. The source of funding is the operations component of the University's invested funds.

6.0 Risks and Uncertainties

There is some risk associated with continuing implementation of the 5 year domestic tuition plan that had been approved in 2013, in light of the current Government's position of imposing a tuition freeze. The University's approach is based on the Board of Governors' authority to set tuition and other fees. The University has tried to seek clarification from the Province regarding whether it intends on breaching the 2013 Agreement and awaits a response from the Province.

As we move into the fiscal year, actual results will vary from budget. For example, the amount budgeted for tuition revenue is based on an estimated enrolment of 1,820 students. Ten (10) fewer undergraduate (BA students) represent a revenue shortfall of \$59,140. We will monitor results closely and make adjustments as needed.

**Appendix I
New Brunswick Universities
Operating Grant Support
2014-2015**

	2014-15 Operating Grant	WFTE*	Total Grant/ WFTE	% of Average
Mount Allison University	20,334,159	5,374	3,784	94%
St. Thomas University	14,082,351	4,073	3,457	86%
Université de Moncton	64,344,883	14,240	4,519	112%
University of New Brunswick	110,064,308	28,231	3,899	97%
Provincial Total	208,825,701	51,918	4,022	100%

A Full-Time Equivalent (FTE) is a calculated total of full-time students on December 1, part-time students on December 1, students in the previous Intersession/Summer Session, and new part-time students in Semester 2, each category given a value between 0.1 and 1.0 FTE. The MPHEC calculates FTEs for full-time undergraduate students based on headcounts while FTEs for part-time students are based on course load.

*The weighted full-time equivalent (WFTE) is a calculated value intended to reflect the difference in the relative costs of various programmes of instruction. The WFTE value for each full-time student (as of December 1) is obtained by multiplying the student's Full-Time Equivalent value (FTE) by the specified weighting factor assigned to their programme. Psychology is assigned a weighting factor of 2.5; Journalism, Education, and Social Work are 2.0; and all other full-time or non-degree programmes are assigned 1.5. All part-time FTEs are assigned a weighting factor of 2.0.

The WFTE figures shown here are three-year averages in accordance with the provincial funding formula.

Appendix II: MPHEC Policy on Operating Deficits

Operating Deficits

It is a policy of the MPHEC that institutions should not incur an operating deficit. However, where an institution has accumulated a deficit subsequent to 1974-75 in excess of 2.0% of annual operating grants, the following policy applies:

- (1) Any such accumulated operating deficits must be reduced by a minimum of 2% of the next year's operating grant, up to the amount of the accumulated deficit. Institutions have the option of using operating funds or presenting a proposal for the use of Restricted Operating Assistance allotments for this purpose.
- (2) Should an institution not reduce its accumulated operating deficit by such an amount in any given year the Commission will subsequently suspend consideration of that institution's request for new programmes and new capital projects.

Maritime Provinces Higher Education Commission; Policies, Procedures and Activities, February 1986

Appendix III: Tuition Fees Comparison 2014-2015

	Canadian	International	International Health Fee	International Total
STU	5,552	13,192	457	13,649
Acadia	7,488	14,990	744	15,734
Dal	6,786	15,234	491	15,725
Kings	6,786	15,234	491	15,725
MSVU	6,249	12,387	618	13,005
SMU	6,280	13,064	820	13,884
StFX	6,985	13,970	899	14,869
CBU	6,380	12,870	732	13,602
USA	6,360	8,820	562	9,382
NSCAD	6,180	13,656	650	14,306
UPEI	5,520	11,948	867	12,815
MtA	7,464	16,421	590	17,011
UdeM	5,604	10,270	1,392	11,662
UNB	6,187	13,680	966	14,646

St. Thomas University
General Operating Revenue and Expenses
For Budget Year Ending April 30, 2016

Schedule I

	2015-2016 Budget	2014-2015 Budget	2014-2015 Forecast	Budget Increase/ (Decrease) (\$)	Budget Increase/ (Decrease) %
Revenues					
MPHEC Operating Grant	12,180,800	12,180,800	12,180,800	0	0.00%
MPHEC Fiscal Transfer to UNB	1,902,200	1,902,200	1,902,200	0	0.00%
Tuition and Compulsory Fees	12,530,900	12,662,800	12,400,000	-131,900	-1.04%
Miscellaneous student fees	446,000	446,000	446,000	0	0.00%
Other Government Grants	371,000	731,000	571,000	-360,000	-49.25%
Advancement annual fund	75,000	75,000	220,000	0	0.00%
Miscellaneous revenues	309,000	270,000	598,000	39,000	14.44%
Total Revenue	27,814,900	28,267,800	28,318,000	-452,900	-1.60%
Expenses					
Academic					
Faculty salaries and benefits	16,325,600	16,217,500	16,246,200	108,100	0.67%
Department Expenses	232,900	232,900	205,000	0	0.00%
Travel Study and Research	584,800	557,500	450,000	27,300	4.90%
Other Academic	400,300	427,900	444,700	-27,600	-6.45%
	<u>17,543,600</u>	<u>17,435,800</u>	<u>17,345,900</u>	<u>107,800</u>	<u>0.62%</u>
Computing Services					
Salaries and benefits	632,600	581,000	610,100	51,600	8.88%
Systems Support	165,000	150,000	150,000	15,000	10.00%
Other Computing	148,200	118,200	118,200	30,000	25.38%
	<u>945,800</u>	<u>849,200</u>	<u>878,300</u>	<u>96,600</u>	<u>11.38%</u>
Administration and General					
Salaries and benefits	2,817,100	2,916,200	3,034,000	-99,100	-3.40%
Unit Expenses	686,700	624,700	765,900	62,000	9.92%
Other Administrative	377,000	344,800	438,500	32,200	9.34%
Advancement and Alumni	601,800	525,900	525,900	75,900	14.43%
Professional Services and memberships	175,000	235,000	260,000	-60,000	-25.53%
	<u>4,657,600</u>	<u>4,646,600</u>	<u>5,024,300</u>	<u>11,000</u>	<u>0.24%</u>
Student Services					
Salary and Benefits	1,191,400	1,171,900	1,196,900	19,500	1.66%
Scholarships	0	400,000	200,000	-400,000	-100.00%
Athletics	399,500	399,500	399,500	0	0.00%
Other Student Services	129,700	142,300	120,000	-12,600	-8.85%
	<u>1,720,600</u>	<u>2,113,700</u>	<u>1,916,400</u>	<u>-393,100</u>	<u>-18.60%</u>
Physical Plant					
Salary and Benefits	170,600	148,200	150,000	22,400	15.12%
Utilities and Insurance	1,119,800	1,118,500	1,054,000	1,300	0.12%
Cleaning	480,000	480,000	480,000	0	0.00%
Maintenance and Repairs	331,500	329,700	325,000	1,800	0.55%
	<u>2,101,900</u>	<u>2,076,400</u>	<u>2,009,000</u>	<u>25,500</u>	<u>1.23%</u>
Fiscal Transfer to UNB	1,902,200	1,902,200	1,902,200	0	0.00%
Total Expenditures	28,871,700	29,023,900	29,076,100	-152,200	-0.52%
Excess of expenses over revenues before inter-fund transfers	-1,056,800	-756,100	-758,100	-300,700	39.77%
Inter-fund transfers	<u>1,060,000</u>	<u>760,000</u>	<u>760,000</u>	<u>300,000</u>	<u>39.47%</u>
Excess of revenue over expenses after inter-fund transfers	<u>3,200</u>	<u>3,900</u>	<u>1,900</u>	<u>-700</u>	<u>-17.94%</u>

St. Thomas University
Revenue and Expenses - Ancillary Operations
For Budget Year Ending April 30, 2016

	2015-2016 Budget	2014-2015 Budget	2014-2015 Forecast	Budget Increase/ (Decrease) (\$)	Budget Increase/ (Decrease) %
Revenues					
Residence Fees	2,923,100	3,180,100	2,747,000	-257,000	-8.08%
English Language Program Room Revenue	180,000	156,300	179,900	23,700	15.16%
Conferences and rentals	145,000	145,000	145,000	0	0.00%
Miscellaneous	78,100	172,100	172,100	-94,000	-54.62%
Total Revenue	<u>3,326,200</u>	<u>3,653,500</u>	<u>3,244,000</u>	<u>-327,300</u>	<u>-8.96%</u>
Expenditures					
Food Service	0	155,000	230,000	-155,000	-100.00%
Administration Salaries and Benefits	453,100	440,100	440,100	13,000	2.95%
Utilities	926,000	946,500	906,000	-20,500	-2.17%
Property Management	911,000	897,500	893,400	13,500	1.50%
Maintenance and Repairs	750,000	725,000	725,100	25,000	3.45%
Interest on long-term debt	110,000	110,500	110,500	-500	-0.45%
Insurance	55,500	55,500	55,500	0	0.00%
Residence Bursaries	60,000	60,000	40,000	0	0.00%
Equipment Purchases	20,000	20,000	20,000	0	0.00%
Miscellaneous	40,000	40,000	40,000	0	0.00%
Total Expenses	<u>3,325,600</u>	<u>3,450,100</u>	<u>3,460,600</u>	<u>-124,500</u>	<u>-3.61%</u>
Excess of Revenue over Expenses	<u>600</u>	<u>203,400</u>	<u>-216,600</u>	<u>-202,800</u>	<u>na</u>
Principal payments on long-term debt	<u>213,000</u>	<u>203,000</u>	<u>203,000</u>	<u>10,000</u>	<u>na</u>
Net cash flow Ancillary	<u><u>-212,400</u></u>	<u><u>400</u></u>	<u><u>-419,600</u></u>	<u><u>-212,800</u></u>	<u><u>na</u></u>

**St. Thomas University
Endowment Fund Expenditures
For Budget Year Ending April 30, 2016**

	Budget 2015-2016	Forecast 2014-2015	Budget 2014-2015	Average Fund Balance 2013-2015	Available (5%)
Scholarships	1,700,000 (1)	1,450,000	1,100,000	13,562,700	678,000
Endowed Chairs					
Aquinas Chair in Interdisciplinary Studies	842,000 (2)	834,000	734,000	5,031,800	252,000
Canadian Citizenship & Human Rights	190,000 (3)	96,000	96,000	1,991,700	100,000
Catholic Theology	107,000	102,000	102,000	2,134,000	107,000
Criminology and Social Justice	103,800 (4)	98,000	58,000	1,213,700	61,000
Camp Endowment in Journalism	50,000	48,000	48,000	1,009,200	50,000
Gerontology	291,000 (5)	159,000	159,000	3,293,300	165,000
Irving Chair in Journalism	51,000	49,000	49,000	1,018,800	51,000
Native Studies	134,000 (6)	117,000	83,000	1,671,100	84,000
	3,468,800	2,953,000	2,429,000	30,926,300	1,548,000

(1) Budget increase of \$600,000 represents full draw on scholarships; no allocation made to operations for 2015-16. Expenditure represents 12.5% of fund balance.

(2) Includes an additional transfer of \$590,000 from operations for academic salaries bringing annual draw to 17%.

(3) Includes an additional transfer of \$90,000 from operations for academic salaries bringing annual draw to 10%.

(4) Represents a transfer of \$90,000 from operations for academic salaries bringing annual draw to 9%.

(5) Includes an additional transfer of \$126,000 from operations for academic salaries bringing annual draw to 9%.

(6) Includes an additional transfer of \$50,000 from operations for academic salaries bringing annual draw to 8%.

Schedule IV

**St. Thomas University
Capital Expenditures
2015-2016**

Capital ExpendituresEquipment

Computer equipment and furnishings	171,400
Martin Hall-Common space equipment	115,000
Holy Cross- Chapel renovations equipment	40,000

Renovations

Academic building and grounds improvements	83,000
Martin Hall-Common space development	310,000
Holy Cross-Chapel renovations	285,000

Grant-Harvey Centre

2015-16 installment	<u>265,800</u>
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Total Capital Expenditures-Operations	<u>1,270,200</u>
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Funding Sources

Restricted Government Assistance-Non-space	318,300
Restricted Government Assistance-Alteration and Renovation	380,200
University Deferred Maintenance Program (UDMP)	115,900
Forest Hill property sale proceeds	152,000
Internally Restricted funds (Grant-Harvey)	265,800
James Dunn Foundation-balance of 2013-14 donation	<u>38,000</u>
	<u>1,270,200</u>

Ancillary Capital Expenditures

Martin Hall	Kitchen equipment per Aramark agreement	35,000
	GMH 206 Food Service equipment	20,000

Harrington Hall	Conceptual design to tender opening	<u>320,500</u>
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Total Capital Expenditures-Ancillary	<u>375,500</u>
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Total Capital Expenditures	<u>1,645,700</u>
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