



University of King's College
Expenditure and Revenue Management Framework
December 2023

This Expenditure and Revenue Management Framework supersedes the 10 Point Expenditure Reduction, Control, and Reallocation Plan approved by the Board of Governors on March 28, 2019.

At the Board of Governors meeting on December 7, 2023, the Board approved the following 12 Point Framework as the ongoing Expenditure and Revenue Management Framework of the University of King's College:

1. The Framework shall be known as the Expenditure and Revenue Management Framework.
2. The Framework commits the College to managing expenditures and increasing revenues to support the achievement of the mandated strategic direction of the College as approved by the Board of Governors, including the 2019 President's Mandate and any subsequent approvals by the Board of Governors arising from the 2019 Mandate letter; the 2023 Academic Plan once approved, obligations in legislation and commitments made by the College within funding agreements and as a result of membership in organizations such as but not limited to *Universities Canada*.
3. Identifying areas for additional expenditure management and reduction as determined to be necessary to support achievement and sustainment of the strategic direction of the College and in response to evolving financial trends affecting the College, will be a continuing part of the budget planning and development process for 2024-2025 and subsequent fiscal years.
4. Additional/new targeted spending in strategic areas will be reviewed as part of the annual budget process, and where it can reasonably be demonstrated to have a long-term favourable impact on the College's financial situation and there is a plan to support any net expenditure in early years of implementation, it will be considered for inclusion in the annual provisional budget.
5. If expenditure increases are necessitated by enrolment growth beyond the planned enrolment in any year, they will be considered, particularly where there are increased revenues arising from higher-than-expected enrolment growth. These include part-time instruction costs (i.e., persons retained from outside or PROs), teaching

assistants (TAs), FYP handbooks, MFA mentor stipends and MFA residency expenditures.

6. Increases to the cost of existing services and activities which support the achievement of the College's strategic direction and occurring as a result of new contracts, legislation, externally contracted services, or increases in the cost of existing required goods or services will be identified as 'existing services and activities cost pressures' during annual budget planning. The services and or activities where increases to existing costs are anticipated will be evaluated to determine if other means of delivering the services or activities exist, or if new sources of revenue are available. The projected net budget pressure from these items will be the first priority of increased expenditure to be funded through future revenues.
7. Opportunities for further expenditure management will be fully considered in staffing decisions and in the management of human resources more broadly whenever there is an opportunity to reconsider an existing expenditure against the alignment with the strategic direction of the College or to reconsider the approach to delivering the service or activity.
8. In addition to staffing and human resources referenced in bullet 7, the same holds true for operational expenditures more broadly.
9. As part of the financing plan for the Alexandra Hall Accessibility Project in 2022, King's borrowed \$1.866 million from the internally restricted funds to extinguish the deficit financing loan. The Board of Governors passed a resolution on June 23, 2022, directing King's to repay \$120,000 annually from the operating cash surplus to the internally restricted funds to repay this loan. If the operating cash surplus for the respective year is less than \$120,000, the amount of the operating cash surplus is to be repaid. If there is an operating cash deficit, no repayment would be made in that year. Subject to a determination of what is in the best interest of the College from an overall financial sustainability and strategic direction, priority will be given in the use of any budget surpluses in excess of \$120,000 to providing assistance in balancing the following year's budget or in repaying additional funds against the loan from the internally restricted funds.
10. Maximizing the value obtained from the association with Dalhousie, specifically from the payments which the College makes to Dalhousie for courses taken at Dalhousie by King's students and for the student services available to King's students at or through Dalhousie, will be a continuing priority in the governance and administration of the College and in the management of the College's relationship with Dalhousie.
11. Consideration will continue to be given to how non-endowed internally restricted funds, and the income generated from them, can best be deployed to support the College's strategic direction and overall financial sustainability. As part of the multi-year Financial Strategy, an updated reserves policy will be developed this fall and

winter and brought forward for approval by the Board of Governors no later than June 30, 2024.

12. While tuition, student fees, and the provincial operating grant are the largest sources of operating revenue for the university, maximizing other sources of revenue such as ancillary revenue and fundraising revenue as well as seeking other provincial and federal grant opportunities must become a priority.