

University of King's College

2024 – 2027 Multi-Year Financial Strategy Overview

Updated November 2023

Context

Successful organizations have clear goals and plans articulating how those goals will be achieved. The annual financial plan or budget process lays out expected available revenues and an expenditure plan that allocates those revenues in support of the specific activities for the coming year in pursuit of the purpose and strategic direction of the organization. The multi-year financial strategy or plan provides a framework to support the achievement of the mandate over a 3–5-year planning window.

King's Board of Governors approved the current strategic direction for the College in the 2019 President's Mandate (see Appendix A) and in subsequent approvals of reviews and other actions taken in direct response to the 2019 Mandate letter. The mandate and strategic direction include specific financial management goals and actions which support the academic goals of the mandate broadly and to ensure the overall financial sustainability of the College. Appendix A expands on other approvals and commitments which form part of the strategic direction, including the Academic Plan which will come to the Board of Governors in December.

The Multi-Year Financial Strategy ensures that all aspects of the financial environment, including revenues, operating and capital expenditures, reserves and debt are aligned over a planning timeframe and are supporting the overall strategic direction of the College.

King's College in 2023 is celebrating significant accomplishments against the 2019 strategic direction. The 2023-24 budget presented significant deficit pressures that extend over the next few years as well. These are complex times – universities navigated the COVID-19 pandemic and encountered new financial challenges and risks along the way. The Provincial MOU with NS Universities expires in 2024 and a new MOU is being negotiated. This year, King's saw FYP enrolment drop after two years of significant growth in FYP and other programs and inflationary pressures are taking a toll on operating costs.

To ensure King's financial sustainability over the next 3-5 years and the ability to successfully support the academic and strategic direction of the College, the **King's College 2024-27 Multi-Year Financial Strategy** will provide clarity for the Board, Administration, Faculty, Staff and students of the priorities and work required. This improved clarity will come in the following areas through:

Expenditures:

- By reducing or eliminating expenditures that do not directly support the strategic direction of the College
- By defining parameters and direction when new expenditures or investments are being considered that are discretionary, and
- By guiding the management of externally driven cost pressures in existing programs and services

Revenues:

- By mapping existing revenues to existing and planned expenditures where they are linked and where they directly support an expenditure area, and

Approved by the Board of Governors, December 7, 2023






- By directing specific revenue growth targets where revenue gaps exist so as to support the achievement of the strategic direction and overall sustainability of the college


Reserves

- By ensuring there is clarity on the permitted uses of existing reserves (internally restricted funds)
- By ensuring investment performance is maximized within approved risk tolerances and reported regularly to the President and to the Board to support informed decision-making, and
- By ensuring policy direction exists for the use of reserves which may be considered:
 - To cover front-end / early costs of new investments which have a reasonable expectation of increased future revenue streams
 - To cover deficits which may occur in excess of the annual budget, and
 - To define repayment requirements of any of reserve withdrawals

The **King's College 2024 – 2027 Multi-Year Financial Strategy** will reflect the financial strategy required to achieve the strategic direction of the College based on the current financial environment and risks.

Multi-Year Financial Strategy (MYFS) requirements:

- Clear Strategic Direction – refer to Board-approved President's Mandate (Appendix A) ✓ and Academic Plan (currently in draft)
- Regular financial reporting on the results of operating and capital, reserves and debt ✓
- Monitoring defined MYFS performance indicators of financial health and sustainability ✓ 
- Policy / Parameters to guide decisions related to:
 - Expenditure and Revenue Management guidance (in draft) 
 - Revenue management and growth plan 
 - Reserves policy 
 - Capital plan ✓ and debt management plan 

<p>✓ Done or in place now;  Work in progress or to be initiated to complete 2024-27 MYFS</p>
--

Summary of actions required to support the completion of the King's 2024 – 27 Multi-Year Financial Strategy and support annual budget planning for fiscal years 2024-25 to 2026-27.

Annual Expenditure and Revenue Management guidance

- Expenditure and Revenue Management Framework – draft complete – reviewed at Nov 15th FAR Committee; will be reviewed for approval at Dec 7th Board of Governors (Updating and replacing the existing Expenditure Reduction, Control and Reallocation Plan)

Revenue stability, management and growth

- Enrolment (Strategic Enrolment Plan complete – tabled - implementation plan to be presented Dec 7th to Board of Governors)
- Fundraising (**Updated plan with targets for 2024-25 – to 2026-27 plan required** – additional resources required to be identified and timelines assigned for reporting)
- Provincial operating grant (MOU expires 2024 – negotiation underway)
- Purpose-specific grant streams (Key opportunity areas i.e., Infrastructure; housing have been identified – areas of focus to be summarized & progress to be updated quarterly and reflected in budget plans)
- Ancillary revenue (Opportunity areas – detailed plan to be developed as part of 3-year budget plan 2024-25 – to 2026-/27 required – Accountability TB assigned)

Across all revenue streams – the goal is to clarify / identify expenditure areas where new government funding, alumni and other fundraising and other external ancillary revenues should be targeted to ensure staff and Board resources are focused accordingly to achieve success in these areas.

Reserves

- Reserve Policy – work in progress (Assigned to Bursar / Treasurer working with Chair Investment Committee). Policy to be developed / clarified for 3-year budget planning 2024-25 – to 2026-27 this fall and winter and brought forward for approval by the Board of Governors no later than June 30, 2024
- Investment Policy - (Assigned to Investment Committee Chair with Treasurer and Bursar) ensure existing Policy aligns with Reserve and other MYFS policies.

Capital and Debt Management Plan

A capital plan exists now as part of annual budget process. As part of the MYFS, a funding plan will be developed for specific capital work which will be included in a multi-year capital plan for the next three years; in addition ensure fundraising or other planned revenue growth and debt capacity required to support the 3-year capital plan is sufficient to support the capital plan; develop and articulate debt parameters based on reasonable debt-service capacity for King's.

Multi-Year Financial Strategy Performance measures – identify **key** financial indicators for tracking and reporting on the MYFS in a quarterly dashboard – draft to be developed for February 2024 FAR meeting review.

Next steps: Meet with Senior Administration Team, Committee Chairs / other Board members as appropriate to review draft MYFS; outline planning requirements in specific focus areas, including timelines and any resource requirements.

Approved by the Board of Governors, December 7, 2023

Appendix A

University of King's College Strategic Direction (summary)

The King's Strategic Direction consists of the 2019 President's Mandate, the Academic Plan (in draft and coming to the Board of Governors in December 2023), existing legislative requirements and expectations specifically included in the Memorandum of Understanding with the Provincial government as well as commitments King's has made as part of its membership in national bodies such as *Universities Canada*.

Part 2 of the 2019 President's Mandate speaks directly to equity, diversity and inclusion goals and directed the President to complete a review of existing initiatives. The President's review was completed in 2020 and accepted by the Board of Governor's and now forms part of the Strategic Direction. (link included below)

An example of commitments which form part of the King's Strategic Direction and link to equity, diversity and inclusion:

- University's Accessibility Plan (mandated by the Accessibility Act);
- Scarborough Charter on Anti-Black Racism and Black Inclusion in Canadian Higher Education (entered into pursuant to President's mandate);
- Dismantling Racism and Hate Act (which, like the Accessibility Act, will require each university to develop a plan subject to ministerial approval);
- Commitments to the Mi'kmaq (and other Indigenous communities) and to Indigenization approved with \$600,000 starter money by the board in 2022;
- The principles we are committed to live by in virtue of our membership in Universities Canada, and which we are required to report on, specifically:
 - Universities Canada principles on equity, diversity and inclusion (in the process of being revised); and
 - Universities Canada's commitments to truth and reconciliation.

Overview of 2019 President's Mandate (summarized from 2019 President's Mandate letter)
[20191118PresidentMandateLetter.pdf](#)

Advance and Enhance the College's Educational Mission

- Improved and ongoing support for excellent teaching;
- The hiring and retention of excellent teachers and, more generally, in faculty renewal;
- Optimal utilization of the College's teaching resources;
- The effective governance of the College's academic programmes;
- Increased academic support to students in areas such as writing, study methods and research;

Approved by the Board of Governors, December 7, 2023

- Improved access to services, including mental health services, for students;
- Effective implementation of the Sexual Violence Awareness, Prevention and Response Policy
- Improvements in the accessibility of the King's campus to people living with disabilities;
- Ongoing monitoring of the improvements, to date, in food services;
- Improvements in the condition of residences and their conduciveness to the College's educational mission;
- Improved support for day students and the implementation of strategies to promote stronger connections between day students and campus life;
- Improved sustainability of King's athletics programs;
- In conjunction with the Alumni Association the implementation of initiatives to strengthen connections between students and alumni;
- Ensuring student fees match the value of the education and experience received at King's;
- Improvements in other aspects of the King's educational experience across the spectrum of activities, programs, societies and organizations that define and are encompassed within that experience.

College finances

Stabilize the College's financial future while protecting and enhancing, to every extent possible, the college's educational mission by:

- Leading a multi-year budget development process that allows the College to achieve and maintain a balanced budget over the duration of your mandate.
- Improve awareness and understanding of the College's financial situation and the realistic options for improving it;
- Increasing enrolment;
- Undertaking evidence-based and measured expansion in academic programming,
- Increase revenues, including through increased occupancy of residences, conference services, summer programming and non-academic initiatives;
- Continue to work with other Nova Scotia universities to advocate for ongoing defensible increases in provincial funding for universities;
- Negotiating changes to the King's – Dalhousie Financial Transfer Agreement to ensure it fairly represents and allocates the revenues received and the costs incurred by each university in the education of the students of both universities; and
- Continue measures to reduce, control, or reallocate expenditures as needed to achieve a sustainably balanced budget.

Enrolment

Stabilize and increase enrolment and establish the conditions for future enrolment levels that serve the college's academic mission and its financial stability, by:

- Overseeing the development and implementation of a directional but flexible multi-year enrolment management strategy, encompassing recruitment and retention, that specifies realistic year- to-year recruitment and retention improvement targets;
- Overseeing the development and implementation of rolling yearly enrolment management plans, including measures on recruitment and retention to achieve targets as specified in the enrolment strategy;
- Ensuring that increasing diversity is a priority within the enrolment strategy and plans, recognizing that significant increases in diversity cannot be achieved solely by enrolment-specific activities;
- Ensuring the potential alumni contribution to recruitment and retention is incorporated into the enrolment strategy and annual enrolment management plans; and
- Ensuring that marketing components of recruitment plans are built on a vision of and for the College that is shared and supported internally (and with Dalhousie) and effective in recruiting students for whom King's is the right educational choice; and expanding and enhancing program offerings as referenced above under "college finances".

Human resources management

Maintain and improve the quality of King's as a workplace that is (a) collegial and supportive of professional development and fulfillment and (b) committed to the health, safety and wellness of faculty and staff and all members of the College community.

Alumni engagement

Working with the Alumni Association, achieve measurable improvements in the level of alumni engagement with the University, particularly in the areas of recruitment, student mentorship, career guidance and development, fundraising and the University's profile and visibility.

Fundraising

Develop and implement a major gifts campaign that will fund:

- Scholarships and bursaries;
- Campus renovations in accordance with the Campus Master Plan and applicable legislation, including renovation and refurbishment of Chapel, Middle and Radical Bays, the construction of accessible residence accommodations in Alexandra Hall and consolidated and modernized space for the School of Journalism;
- Funded or partly funded academic chairs or professorships;
- Other fundraising priorities as identified in consultation with faculty, students, alumni, donors and through the Advancement Committee.

College administration

- Advancing the ongoing work to develop and implement policies and standardized procedures in core business functions and to strengthen and standardize administrative structures and procedures more generally;
- Ensuring the maintenance, functionality, adequacy, affordability, sustainability and reliability of College infrastructure and systems, including information management systems, website, buildings, security systems, etc.; and
- Generally, instituting business system improvements and efficiencies to ensure the College obtains optimal value from the resources it dedicates to administrative activities.

Collegial governance

- Working with the Board, provide members of the university's governing body and those involved in governance with an enhanced understanding of their role and relationships in order to improve the performance of King's.
- Work to improve and strengthen governance relationships among all elements of the College community, including between the Board of Governors, the faculty, the KSU, the administration of the College as well as the rest of the College community, in accordance with and fulfillment of the commitment to collegiality that is a core principle of governance and administration at King's.

Equity, Diversity and Inclusion

Action Plan principles: In 2018, the members of Universities Canada, including King's, reaffirmed their commitment to seven Inclusive Excellence Principles and associated Action Plan. The Action Plan promotes capacity building and culture change and outlines the following Supporting Actions:

1. Build institutional capacity to support an equitable, diverse and inclusive organizational culture.
2. Build institutional capacity and culture to recruit diverse students, staff, faculty and administrators, and support their success.
3. Build institutional capacity and culture to integrate equity, diversity and inclusion considerations in research, teaching and learning.

Part 2 - 2019 President's Mandate direction:

Conduct a review of existing initiatives so that the university will then be able to determine how best to establish the basis of specific and practical equity, diversity and inclusion action plans and strategies. (Completed, tabled and approved for implementation Nov 2020 and now forms part of the strategic direction). [PresidentsReview-09102020-1.pdf \(ukings.ca\)](#)

DRAFT of documents / policies which will form:

King's College 2024-27 Multi-Year Financial Strategy

Table of Contents

Strategy Context & Background

2023/24 Approved Budget & Forecast

Expenditure and Revenue Management Framework

Revenue Plan 2024 -2027

 Tuition (including Strategic Enrolment Plan summary)

 Grants

 Fund-raising

 Ancillary

Capital Plan

Reserve Policy

Investment Policy

Debt Management Policy

Performance Measures and Financial Indicators

Annual Multi-Year Financial Strategy report to the Board of Governors

- June 2025
- June 2026
- June 2027