



**TO:** University Affairs Board

**SPONSOR:** Jill Matus, Vice-Provost, Students  
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**DATE:** March 1, 2013 for March 13, 2013

**AGENDA ITEM:**

**ITEM IDENTIFICATION:**

2013-14 Operating Plans for Service Ancillaries

**JURISDICTIONAL INFORMATION:**

Each year the University Affairs Board approves operating plans for service ancillaries. The plans describe the services and programs to be offered, within the financial parameters set by the University's operating budget and financial policies set by the Business Board. The plans include each ancillary's annual operating budget, and describe changes to programs and levels of service, categories of users, accessibility, and compulsory or optional fees.

**PREVIOUS ACTION TAKEN:**

Consultation around each of these plans occurs first at the local level, with stakeholder groups that are directly affected, and that form part of the decision-making structures of each operation. Students are included in these groups. Draft plans for each ancillary have been reviewed by the Financial Services Department, whose report has been considered by the Service Ancillary Review Group (SARG). Three members of the University Affairs Board are members of SARG.

**HIGHLIGHTS:**

The services provided by residences, conference services, food and beverage services, parking and Hart House are important contributors to the student experience and to the experience of faculty and staff at the University.

Service ancillaries are budgeting net income of \$3.2 million before transfers at April 30, 2014 on projected revenues of \$111.0 million (See Schedule I), which will primarily be applied to increase reserves for capital renewal, operating and new construction, thus strengthening financial health. Rate increases vary between ancillaries (see Schedule VI).

These budgets and rates provided for approval for 2013-14, are reasonable on a one year basis given the ongoing challenges facing the ancillaries, with the understanding that there will be continuing work to address the various issues.

**FINANCIAL AND/OR PLANNING IMPLICATIONS:**

The anticipation of each ancillary in achieving the objectives of the budget guidelines are summarized on page 60.

**RECOMMENDATION:**

It is recommended that the University Affairs Board approves the 2013-14 operating plans and budgets for Service Ancillaries, as summarized in Schedule I; the service ancillary capital budgets as summarized in Schedule V, and the rates and fees in Schedule VI.