

Frequently Asked Questions (FAQs) – 2014 Management Statements and Budget Review

Planned allocations added to reserves for future major capital (new buildings and repurposing space) and equipment replacement;

Positive variances between expected and actual results including:

Increased or unanticipated revenue (e.g. international tuition)

Lower expenditures than planned (e.g. vacant positions)

Transfers of operating funds to cover other fund expenditures, such as research, capital or specific purpose (e.g. building repair and renovation costs)

In addition, the University is required by provincial statute not to have a deficit in any given year. For 2013/14 the surplus was used as follows:

Transfers to cover capital expenditures	\$9.3M
Transfers to research	\$1.9M
Transfers from specific purpose and other	\$(0.6)M
Net reserve increase from favourable balances	<u>\$2.1M</u>
Total	

development of the 14/15 operating budget. The increase in international tuition contributed significantly to making it possible to

services and equipment rentals, salary recoveries, printing and duplicating, computing support, Cancopy fees, graphic services, interest on internal loans and a variety of other miscellaneous charges.

Total cash and temporary investments reported on the financial statements include the university's cash and that of its 12 related entities¹. The university's cash represents funding that has been received for operations, research grants and endowments in advance of actual expenditures.

This represents liabilities to employees for sick leave, pension, group life and long- term disability benefits.

Given that the Board of Governors appoints the trustees, accounting standards require that the LTD trust be consolidated as part of the university's financial statements. Although the trust is included in the university's financial statements, the university cannot access the funds within the trust.

No. The Specific Purpose Fund consolidates the budgets of the university's foundations and other entities. The cumulative fund balance of \$61.2 million includes \$45.7 million (75%) related to the UVic Foundation's expendable balance, which is restricted to expenditures to carry out the purposes of the 1,100 endowments. Most of the other balances held in UVic are restricted for specific externally designated purposes.

Over the years, external funding for capital and maintenance has declined significantly and the university has been increasingly required to provide funding for large capital, deferred maintenance and renovation projects. This year, \$7.1 million of non-recurring funding from the General Operating Fund was contributed toward the CARSA project, as well as \$2.2 million to a variety of other capital projects. This allocation is consistent with the funding plan when the project was originally initiated. Had CARSA not been constructed,