

BACKGROUND 2014-15 BUDGET

Context

- For the past three years, Concordia, along with other Quebec universities, has faced directed expense reductions in operating funds. We have continued to manage our finances prudently and have taken a careful approach in our budget planning within an ever-changing and uncertain environment. This has been especially true in our preparation of the 2014-15 budget, approved by the Board in April.
- With the passage of a budget by the Government of Quebec in June, it was clear we would need to make adjustments to our 2014-15 budget, aligning it with government expectations and allocations.

Meeting Government of Quebec's expectations

- While the government has increased funding to the education sector, changes in base funding, re-investment initiatives and certain other envelopes have led to a reduction in revenues for the university sector.
- The government has also indicated that universities must reduce operating expenses and balance their budgets. No operating deficits are permitted in 2014-15.
- A revised budget for 2014-15 was approved by the Board of Governors at its meeting on September 17, which addressed budget compressions of \$15.7 million.

Addressing budget compressions

- The five principles guiding our decisions to address budget compressions include preserving our academic mission and strategic initiatives; continuing to enhance the student experience; treating people fairly; sharing of cost reductions across the institution; and continuing to invest in key priorities, such as the *Academic Plan* and faculty renewal initiatives.
- We will also be introducing a series of other measures to achieve our target of budget compressions, including a Voluntary Departure Program for administrative and support staff. This idea was repeatedly suggested by Concordians during community budget conversations held in recent years.
- We believe a voluntary program is the preferred approach to reducing our administrative costs while minimizing the impact on our academic mission.
- Within this challenging fiscal environment, however, it continues to be important for Concordia to build its future. This means we must use our resources effectively and make strategic investments to support and advance our academic mission, and to position Concordia as a thriving next-generation university that offers its students an engaging and enriched academic experience.