

# **Financial Results and Analysis on a Fund Accounting Basis**

For the Year Ended March 31, 2021

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## Presentation of Management Information

To enhance accountability, budgetary control and stewardship of resources, the university maintains separate funds of assets, liabilities, revenues and expenditures for its many activities. The university uses fund accounting to allocate the operating budget and to ensure that restricted grants, donations and other contributions are spent only for the purposes intended. These funds are grouped as General Operating, Ancillary Enterprises, Sponsored Research, Specific Purposes, Capital and Endowment funds and are defined as follows:

- The General Operating Fund reports revenue and expense related to the general operations of the university.
- The Ancillary Enterprises Fund reports revenue and expense related to service operations that are expected to be self-sufficient. These operations comprise the bookstore, food services, student residences, parking services, child care services, rental of donated properties, hotel and brew-pub operations, and the Vancouver Island Technology Park.
- The Specific Purposes Fund accounts for revenue and expense relating to contract services, special projects and endowment funds.
- The Sponsored Research Fund accounts for monies designated for the support of research.
- The Capital Fund accounts for monies designated for the acquisition of capital assets and major renovations. Where monies designated for capital use are received as part of the resources for general operations, ancillary enterprises, specific purposes and sponsored research activities - usually for equipment, furnishings, computer equipment and library holdings - the revenue and expense related to those assets are generally accounted for in those respective funds.
- The Endowment assets, held as invested principal, comprise the accumulation of endowment contributions and the portion of investment income required to be added to the fund to offset the eroding effect of inflation.

The university conducts certain activities through related entities. These financial statements consolidate financial information of the entities described in [Appendix A](#).

## Financial Implications of COVID-19 Novel Virus

In the last quarter of 2019/20, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The financial impacts of this pandemic have been felt by governments, businesses and institutions around the world through stock market instability, loss of revenue, distribution of financial supports to individuals and sectors, and increased costs to address health and safety requirements. COVID-19 has materially affected university operations in 2020/21. From a financial perspective, the most significant impacts were to university operations that rely on on-campus population to generate revenue. Athletics and Recreation Services and Continuing Studies had a combined revenue decrease of 66% as compared to 2019/20. On campus Ancillary operations, which includes the bookstore, food services, residence services, parking services and child care had a combined revenue decrease of 59% as compared to 2019/20. While overall expenses were down, significant investments were required to pivot to an online teaching environment, provide supports to faculty and students and to maintain campus health and safety. Investments will continue to be required in 2021/22 as we plan for a transition back to face-to-face for fall 2021. This gradual transition back to campus will allow for growth in revenues in those areas materially affected by the pandemic, though it will likely take time to return to pre-pandemic levels.

## Balance Sheet – Statement 1

A key feature of fund accounting is that capital assets are recorded on the balance sheet without amortization, unlike the accounting treatment within the external audited financial statements. Treatment within fund accounting is to record capital assets at original cost, with buildings, land and site development recorded until disposal, and equipment and furnishings written off after 8 years. Key balance sheet highlights are as follows:

- Total assets increased by \$213.3M mainly as a result of increases of \$81.7M in endowment investments, \$58.7M in long-term investments, and \$59.4M in capital assets. The largest single increase in buildings was related to the Student Housing and Dining (SH&D) Project at \$46.4M.
- Cash and temporary investments increased ~\$18M reflecting funding received in advance of expenditures.
- Endowment investments, which are recorded at fair value, increased \$81.7M to \$524.8M. The increase is a result of:

<i>(in millions of dollars)</i>	2021	2020
Donations	\$ 14.3	\$ 8.7
Investment Income (Loss)	83.9	(13.1)
Disbursements (fees and awards)	(19.2)	(18.9)
Changes in receivables/payables	2.7	(0.2)
<b>Total</b>	<b>\$ 81.7</b>	<b>\$ (23.5)</b>

- Liabilities increased by \$91.0M mainly as a result of an \$85.4M increase in debt to support the construction of the SH&D Project offset by regularly scheduled payments. Funds held for employee future benefits increased by \$1.8M. These funds, excluding any unfunded portion, total \$12.5M and are made up as follows:

<i>(in millions of dollars)</i>	2021	2020
Vested sick leave benefits	\$ 3.5	\$ 3.3
Supplemental pension obligations	8.1	6.5
Group life insurance	0.9	0.9
<b>Total</b>	<b>\$ 12.5</b>	<b>\$ 10.7</b>

- Fund balances increased by \$146.0M mainly due to an increase in the capital fund of \$33.1M and an increase in the UVic Foundation expendable funds of \$62.0M; the capital fund balance increased because of new borrowing related to the student housing and dining project. The new borrowing

exceeded expenditures related to the project because \$16.1M was related to prior year expenditures and borrowing occurs one quarter ahead based on forecasted construction costs. The increase in the UVic Foundation expendable fund is due to an increase in market values of endowment investments which resulted in a net investment income of \$83.9M combined with \$19.2M of Foundation expenditures and a \$2.7M transfer to the endowment principal fund to protect the purchasing power of the principal donations.

- Equity in plant assets decreased by \$23.7M due to new borrowing of \$87.1M, building disposals of \$3.6M (both related to the student housing and dining project), and \$22.3M equipment, furnishings and library holdings written off. This was offset by capital additions of \$87.6M and debt repayment of \$1.7M.

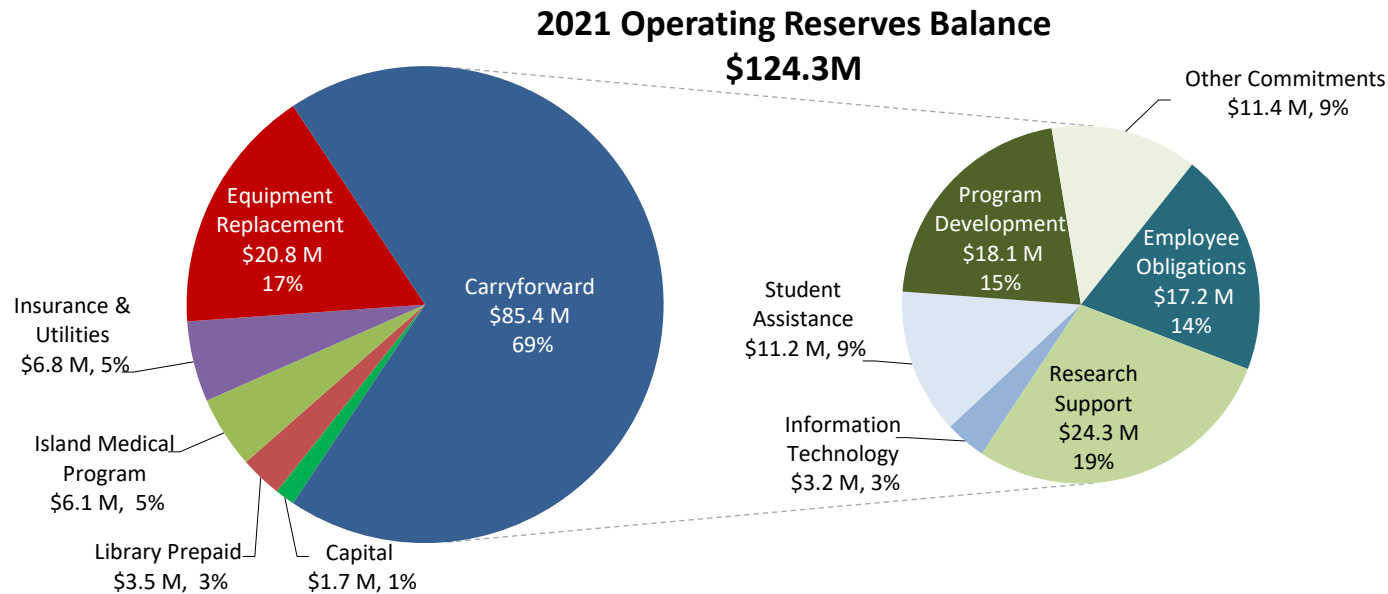
## Statement of Appropriated Expendable Balances – Statement 2

Departments are required to save (appropriate) from their annual operating budgets sufficient funds to invest in equipment such as computers, vehicles, scientific and other equipment. Interest is earned and paid on these equipment reserves to encourage savings - 2.0% for this year. The university policy allows departments to retain 100% of their carry forward up to the prior year level and 75% of anything above (with some exceptions). Equipment reserves and carry forward funds are appropriated at the faculty or administrative department level for spending in future years. These two policies permit departments to plan for new projects, restructuring, and equipment needs over a longer timeframe than an annual cycle. Should a department incur a deficit in a fiscal year, that deficit becomes a first charge on its operating budget for the following year. Statement 2 summarizes these equipment appropriations as well as appropriations to fund carry forward.

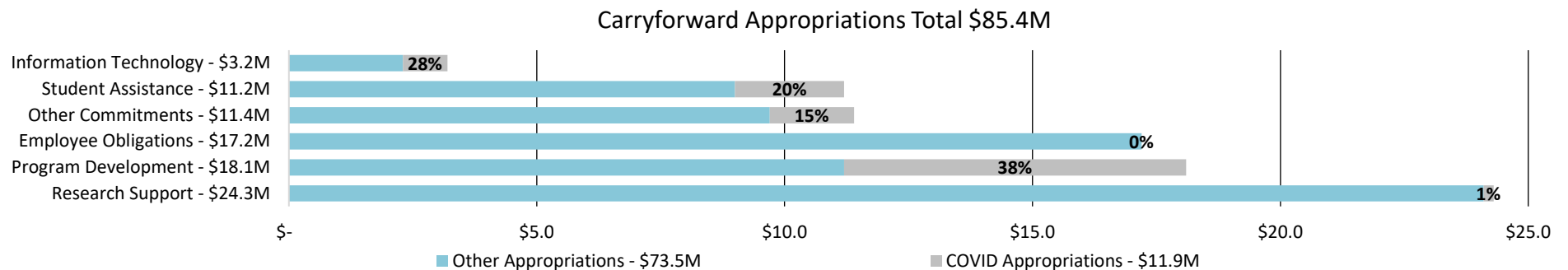
Total appropriated expendable funds were as follows:

<i>(in millions of dollars)</i>		<b>2021</b>	<b>2020</b>	<b>change</b>
General operating	\$	124.3	\$ 111.7	\$ 12.6
Ancillary enterprises		14.9	18.8	(3.9)
Less internal loans for Capital		0.6	(13.9)	14.5
<b>Total</b>	<b>\$</b>	<b>139.8</b>	<b>\$ 116.6</b>	<b>\$ 23.2</b>

The following chart shows the distribution of the \$124.3M in appropriated general operating reserve funds within the major categories of: carryforward, equipment replacement, insurance and utilities, Island Medical program, library prepaid and capital. Island Medical Program funds are not available for reallocation as it represents funding from government for a specific purpose.

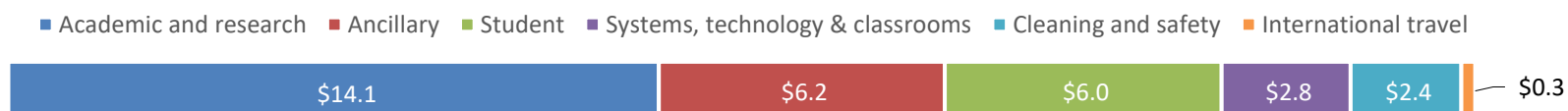


The carryforward balance of \$85.4M is broken out to show the intended use of the balances, which includes \$11.9M in planned supports for COVID-19 in 2021/22. Carryforward appropriated for COVID-19 supports in relation to total appropriated carryforward by category is shown in the chart below:



In 2020/21, faculties and departments contributed 30% of their 2019/20 carry forward balances and 20% of their 2019/20 equipment reserve balances toward supporting additional funding needed to address health and safety and academic and student supports during the pandemic. Contributed funds will also help support anticipated additional COVID-19 costs in 2021/22 currently estimated at ~\$14M. Estimated incremental costs total \$31.8M over two years, distributed as follows:

## COVID 19 Supports 2021 & 2022 (in millions)



The allocation for academic and research includes online teaching supports for faculties, Learning and Teaching Support and Innovation (LTSI), teaching assistants and sessional instruction, and the classroom ambassador program. The allocation for ancillaries represents supports provided to self-sustaining on-campus operations to reduce negative financial impact caused by the pandemic. These include waiving debt payments for internal loans, reduced administrative fee and funding provided to cover year-end deficits in 2020/21. The student allocation represents funding for student bursaries, co-op students, and the student connect program to build online, peer-led, faculty-based communities for first-year students. Funding for system, technology and classrooms are allocations for the learning management system, software licenses, and increased internet bandwidth and classroom infrastructure. The cleaning and safety allocation represents investments to ensure a safe campus environment in 2020/21 and continued support in anticipation of a growing on-campus population in 2021/22, while the international travel allocation is funding to support the self-isolation program and for travel support for students as they enter the Canada.

Of the \$85.4M in carryforward reserves, \$73.5M or 86% of the total has been appropriated by faculties and departments to support future planned expenditures. The largest allocation is for research support, which is generally made up of commitments to individual faculty for research start-up and travel grants. Program development is a broad category and includes funds set aside for academic course or program development and administrative and academic projects. Employee obligations includes accrued leave, professional development and other contractual commitments. Student Assistance sets aside funds for scholarships, bursaries and financial aid, while the information technology category earmarks funds for future spend on items such as networks, system upgrades and software purchases. Other commitments includes miscellaneous commitments not falling into any of the other categories.

The table below shows a five-year history of operating fund appropriations. The balance increased by \$12.6M in 2021, with increases in library prepaid (\$0.2M), Island Medical program (\$1.1M), insurance and utilities (\$0.4M), carryforward (\$10.9M), and a decrease in equipment replacement (\$0.1M), and no net change in capital.

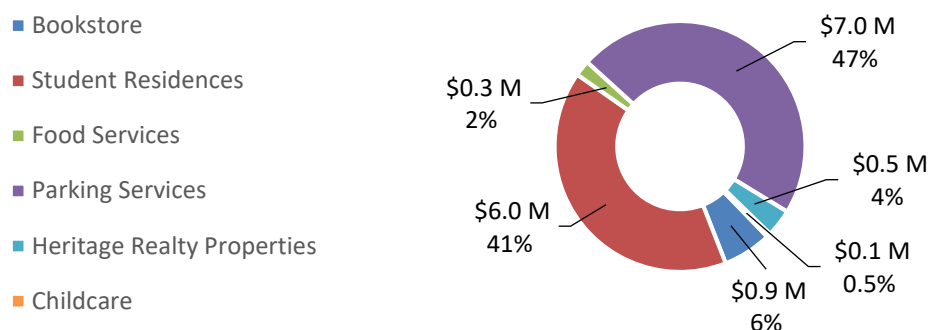
### Operating Fund Appropriations - 2017 to 2021 (in millions)

Fiscal Year	Capital	Library Prepaid	Island Medical Program	Insurance & Utilities	Equipment Replacement	Carry forward	Total
2021	\$1.7	\$3.5	\$6.1	\$6.8	\$20.8	\$85.4	\$124.3
2020	\$1.7	\$3.3	\$5.0	\$6.4	\$20.9	\$74.4	\$111.7
2019	\$1.3	\$3.2	\$4.2	\$6.5	\$18.6	\$69.1	\$102.9
2018	\$1.6	\$3.2	\$3.5	\$6.8	\$17.5	\$71.7	\$104.3
2017	\$1.5	\$3.2	\$3.8	\$6.1	\$18.1	\$71.4	\$104.1

Ancillary operations are normally expected to be self-sustaining with each ancillary enterprise typically budgeting to fund operations and provide for periodic renovation, replacement and expansion of its facilities. This approach means that an ancillary will often plan to have an annual surplus to build sufficient funding for large capital expenditures. Due to restrictions in the ability of the university to borrow externally and to make use of cash reserves available, appropriated fund balances are used on a temporary basis to fund capital projects. These projects must be able to generate future revenues from which to repay the internal loan (e.g., student housing). In 2020/21, all on campus ancillary areas realized operating losses due to the effects of the pandemic, and most needed to draw on reserves to cover the losses.

The distribution of the Ancillary \$14.9M reserve balance is shown in the chart below:

### 2021 Ancillary Reserves Balance - \$14.9M



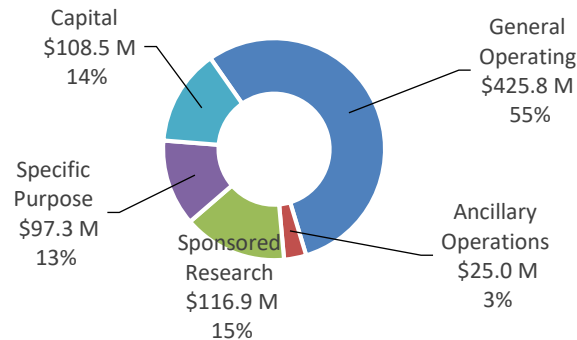
Ancillary areas anticipate a return to normal revenue levels in 2021/22, which should permit them to resume contributions for future investments in equipment and capital improvements. Results of 2020/21 ancillary operations and financial supports provided during this time is discussed in the [Ancillary Enterprises Fund](#) section of the document.

## Unappropriated Expendable Funds – Statement 3

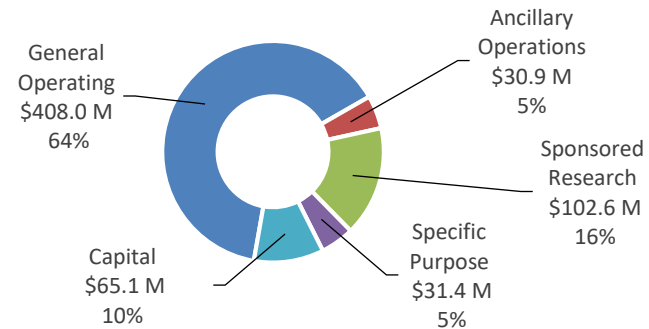
Total revenue across all five funds increased by \$147.1M, or 23.5% to \$773.5M. This increase is a result of capital borrowing (which under fund accounting is reported as revenue) of \$87.1M, increase in investment income of \$97.2M due to positive financial returns on endowments offset by an overall decrease in ancillary revenue. Total expenditures increased by \$6.5M or 1.0% to \$638.1M resulting in total revenue exceeding expenditures by \$135.4M. After transferring \$6.5M to endowment principal and \$23.1M (net) to appropriated reserves, total unappropriated expendable fund balances increased by \$105.8M. This represents a \$14M increase in the Sponsored Research fund, a \$59M increase in the Specific Purpose fund, a \$33M increase in the Capital fund, with offsetting \$0.4M decrease in the Ancillary fund. There was no change in the unappropriated Operating Fund. Each of the fund balances will be discussed subsequently in this report.

Total revenue and expenditures are broken down by fund as follows:

**Total Revenue by Fund**  
\$774M



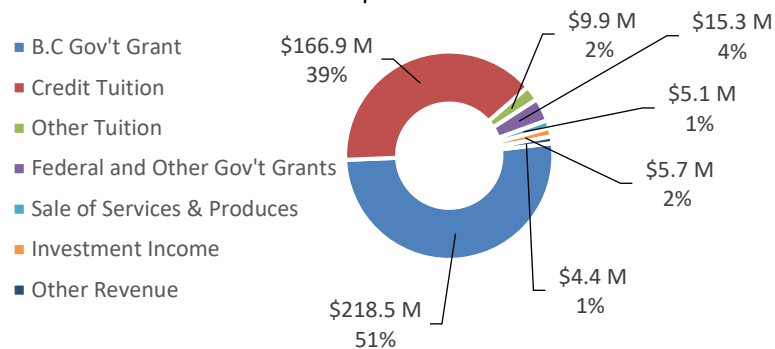
**Total Expenditures by Fund**  
\$638M



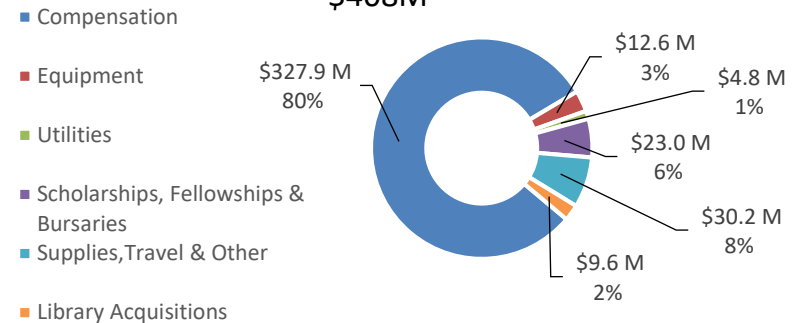
## General Operating Fund – Schedule A

On a revenue basis the General Operating Fund represents 55% of the university's activities. Total General Operating revenues and expenditures are made up as follows:

**General Operating Revenue**  
\$426M



**General Operating Expenditures by Object**  
\$408M

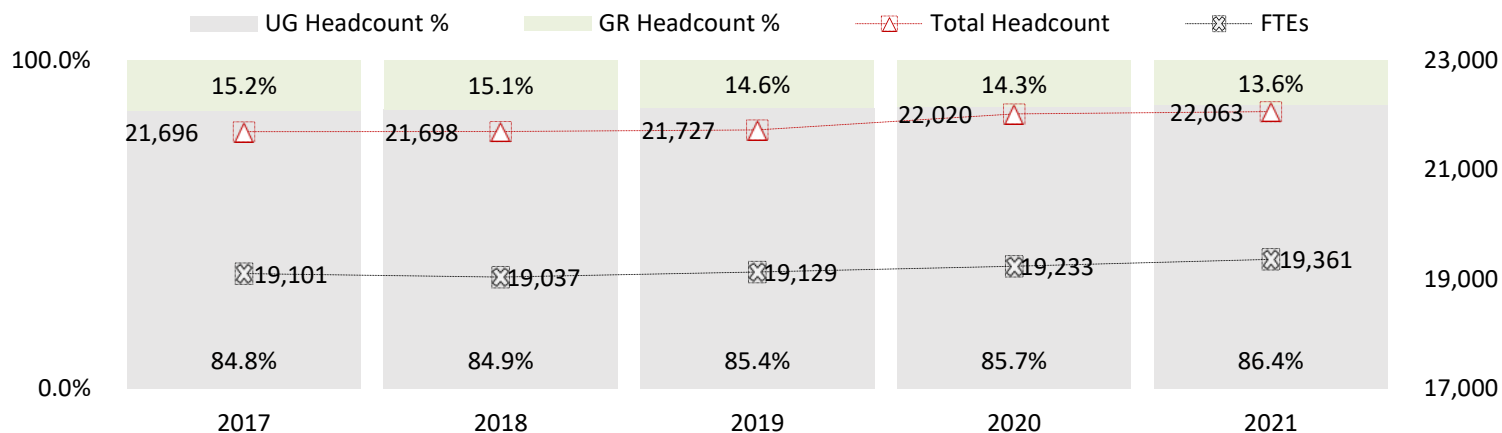




In 2020/21, total general operating fund revenue increased by \$5M, 1.2% over 2019/20 revenue. Increases in government grants and contracts (\$14.3M), credit tuition (\$10M) and investment income (\$0.2M) were offset by decreases in non credit and other tuition (\$11.2M), sales of services and products (\$6.3M), and other revenue (\$2M). Government grants and tuition accounted for 96% of total operating revenue. The decrease in non credit and other tuition and sales of services and products are due to the effects of the COVID-19 pandemic. Losses in non-credit tuition were incurred in Continuing Studies' English Language program, while the waiver of the athletics and recreation fee also contributed to losses in other tuition. The decrease in sales of services and products is primarily within athletics and recreation, where COVID-19 restrictions resulted in revenue losses in health and fitness classes, CARSA memberships and the fitness and weight centre.

Provincial government grants totaled \$218.5M, while federal government grants totaled \$7.2M, mainly representing the research support fund grant that is provided to partially support the indirect costs of research. The other government grants amount of \$8.0M represents funding from the University of BC designated for the Island Medical Program. The increase in the provincial grant reflects additional funding for collective agreement costs (excluding progression through the ranks or ranges) and funding for new/growth in academic programs (JID/JD, Engineering and Computer Science expansion, Nurse Practitioner).

Credit tuition increased by \$10M, which is made up of \$3.5M for domestic student fees and \$6.5M for international student fees. The increase is due to a 2% increase in domestic fees and graduate international fees, and an increase of 3.75% for international undergraduate fees. Noted in the chart below, total FTE increased by 128 while total headcount increased by 43 in 2020/21.



While international enrolments decreased somewhat due to travel, health and safety restrictions, the decrease was offset by higher domestic enrolments.

Total general operating expenditures increased by \$12.1M, representing a 3% increase over 2019/20 expenditures. The increase is largely due to compensation costs (salary and benefits) increases which overall accounted for 81% of total expenses. While costs increased for items such as library acquisitions and student awards (for additional supports due to COVID-19), other items decreased significantly over 2019/20 due to restrictions and

uncertainty caused by the pandemic. Notably, travel costs declined by \$6M due to travel restrictions, supplies and expenses declined by \$5M as departments became more conservative due to unknowns of the pandemic's financial impacts, and utilities decreased by \$1.7M due to decreased consumption as a result of decreased on-campus activity.

Salary and benefit costs increased by \$13.3M within the operating fund due to progression through the ranks, negotiated settlements with the university's faculty, professional and support staff, and increased faculty and staff to support growth. The increase in benefits is partially due to higher costs commensurate with higher salaries and the Canada pension plan enhancement (1% over the 4.95% base rate) phased in over five years from 2019 to 2023. The cost increase for combined benefits was slightly offset by reduced WorkSafeBC costs due a decrease in the industry base rate.

Revenue exceeded expenditures by \$17.8M or 4.2% of total revenue of \$426M. Of this difference in revenue over expenditures, \$12.6M are net new appropriations as detailed in the operating fund [appropriations section](#) above, and \$5.2M represents net interfund transfers for the year. Transfers out to other funds includes \$3.6M to the capital fund to support capital priorities and \$3.3M to the ancillary fund for food services year end deficit. The remaining interfund transfers net \$1.7M to the operating fund to support operating expenses throughout the year.

## Ancillary Enterprises Fund – Schedule B

An ancillary operation is a department that is generally required to be financially self-sufficient. That is, each operation must generate sufficient revenue to not only cover its annual operating costs, including any compensation changes, but also provide adequate funding to address building maintenance, renovation requirements and major capital projects.

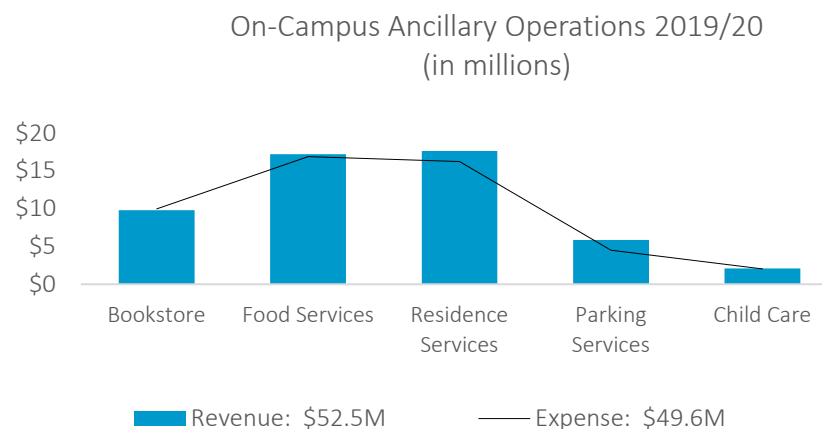
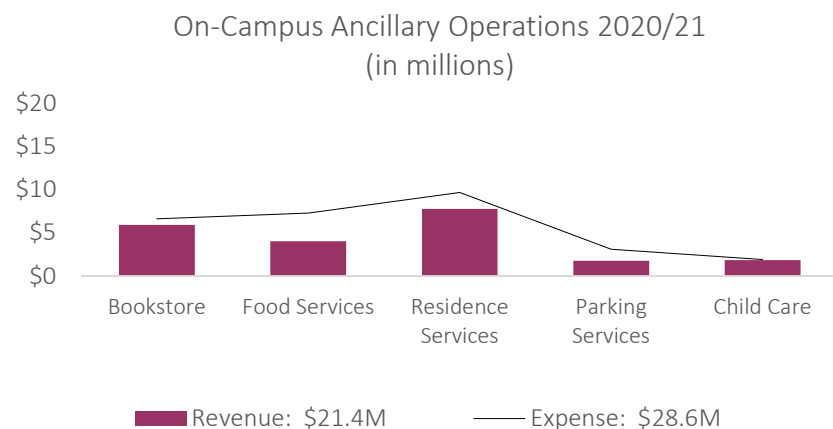
Schedule B of the attached fund accounting schedules show the financial results of university ancillary operations both on and off campus.

Off-campus Business Enterprises include the operations of the Broad Street commercial/residential rental properties owned by the university and the property rental and hotel operations owned by Heritage Realty Properties Ltd., both accounted for using the equity method of accounting. The hotel operations and rental properties, received as part of the Michael C. Williams' estate, provide a large and sustainable cash flow to the university. The property rental and hotel operations of Heritage Realty Properties were negatively impacted as a result of the pandemic. In spite of this, \$1.1M was still able to be provided by Heritage Realty Properties Ltd. to the university to support initiatives consistent with the wishes of the donor. Off-campus Business Enterprises also include the Vancouver Island Technology Park Trust and the operations of the University of Victoria Properties Investments Inc. The University of Victoria Properties Investments Inc. acts as trustee for the Trust and manages the Marine Technology Centre owned by the university. The Vancouver Island Technology Park provides a range of commercial space for external high-tech companies and some UVic research and teaching activities. The Trust is intended to be self-funding with a return on investment provided to the university and the impacts of the pandemic were muted from a financial perspective. During the year, as planned \$750K was provided by VITP Trust to support university programs.

On-campus ancillary operations are generally expected to be self-sustaining, with each operation generating sufficient revenue to fully cover its annual operating costs. In 2020/21, the shift away from on-campus activity due to COVID-19 resulted in a decline of 59% in on-campus ancillary revenue as compared

to 2019/20, with all areas realizing operating losses in 2020/21. Engagement with ancillary areas throughout the year enabled the university to plan for the anticipated revenue losses, reducing expenses where possible.

The charts below compare ancillary revenue and expense in 2020/21 as compared to 2019/20:



The ability to minimize revenue losses and reduce direct expenses varies across each of these areas. Some operations have a greater ability to control costs in relation to sales volumes. The bookstore and food services were able to reduce costs of goods sold proportional to sales at close to pre-pandemic levels. For the bookstore, the shift from physical sales to more profitable digital formats via affiliate fees and access code payment from eBook providers, helped to minimize revenue losses in 2020/21 year, and the result was a year-end operation loss of \$0.7M which the bookstore was able to cover from their reserves. For food services, the nature of food sales did not permit the operation the same degree of control in minimizing costs in relation to revenue resulting in an operating loss of \$3.3M in 2020/21. Over the last few years, the operation has worked to return to profitability and grow their reserve. Given the size of the loss, minimal reserves and limited control over the factors that contributed to the loss, the operation received institutional support to cover the 2020/21 deficit, which is reflected in the interfund transfers on Schedule B.

To address the effects of the pandemic on its operations, residence services developed several robust work plans in 2020/21 that considered the diversity of student and family residences. For example, single student residences are a high-density living environment with shared bathrooms and common spaces, and the plans needed to address dormitory buildings, cluster accommodation and double occupancy rooms. While these measures resulted in a revenue loss of \$10M, residence services decreased costs in some areas, such as staffing costs by delaying hiring, laying off employees and reducing opening hours for residences front desk and delaying and/or cancelling planned capital projects. Institutional support was provided to reduce the loss through waiving debt servicing payments and reducing financial contributions (overhead) to student services departments, resulting in an overall operating loss of \$1.9M in 2020/21, which residence services was able to cover from their reserves and fund balance.

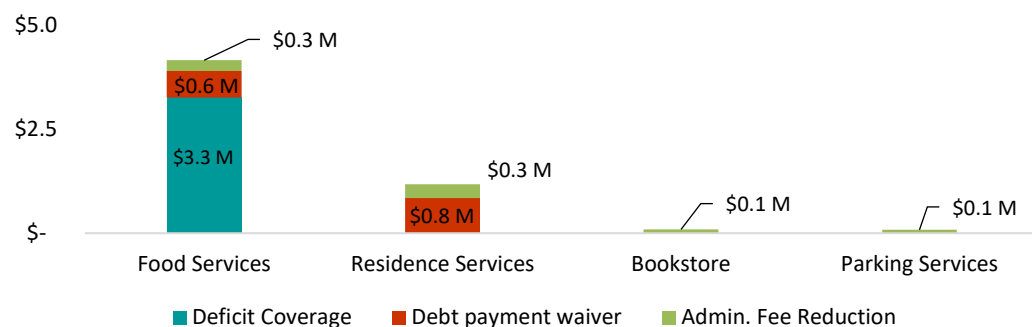
Parking services incurred a loss of \$1.4M in 2020/21, primarily due to the shift to online learning and employees working from home. Demand for staff, student and transient parking and the employee bus pass decreased by 75%, with revenue dropping to 30% of 2019/20 levels. Expenses were reduced where possible, and ongoing repairs and maintenance of parking lot surfaces was postponed, with only necessary maintenance performed. The year end results for parking services was a loss of \$1.4M, which the operation was able to cover with its reserves and fund balance. Given the overall financial health of the operation, parking services was able to continue debt payments during 2020/21 and did not require institutional support.

In 2020/21, child care services incurred a small loss of \$60k, which reflects decreased labour cost aided by workforce planning and reductions to other expenses where possible. In 2020/21, child care received ~\$0.5M from the Provincial government, which was also helpful in reducing the amount of the loss for the year. The operation was able to cover the current year loss using reserves and fund balance.

The degree of financial flexibility, [reserve levels](#), current commitments and long term outlook helped to inform the degree of financial supports that the university could provide to these areas in 2020/21. The operating results as shown in Schedule B reflects the financial supports that were provided throughout the year, which includes waiving internal loan payments, reducing the annual administrative fee to reflect anticipated revenue earned, and funding provided to year-end deficits. A summary of the \$5.5M in supports provided to the on-campus ancillary areas is provided in the chart below:

#### Ancillary Supports – 2020/21:

(in millions)



The extent of longer-term financial impact on each of the areas, as well as their ability to recover financially varies within each unit, depending on the financial health (i.e., reserve levels) of each unit and the return to campus population in fall 2021. The knowledge gained through ongoing discussions with these areas throughout the year and communications with the PHO office regarding public health planning assumptions helped to inform return-to-campus plans and 2021/22 financial plans for on-campus ancillary operations. The plans, developed in March 2021, assume a resumption of on-campus activity that ranges

between 50% and 75%. In developing each of these plans and the level of funding/support that might be provided to each operation, consideration was given to each operation's ability to contribute to reserves for capital renewal, to fund current and future debt service payments and to return to long-term financial sustainability. Supports were provided where it is clear that financial help was required to ensure the operations would be on strong financial footing moving forward in order to minimize the likelihood that significant fee increases would be needed to address losses. As return to campus plans have evolved over the last few months, and given the optimistic B.C. Restart Plan released in May 2021, we are optimistic that most of these areas will return to normal levels of profitability in 2021/22.

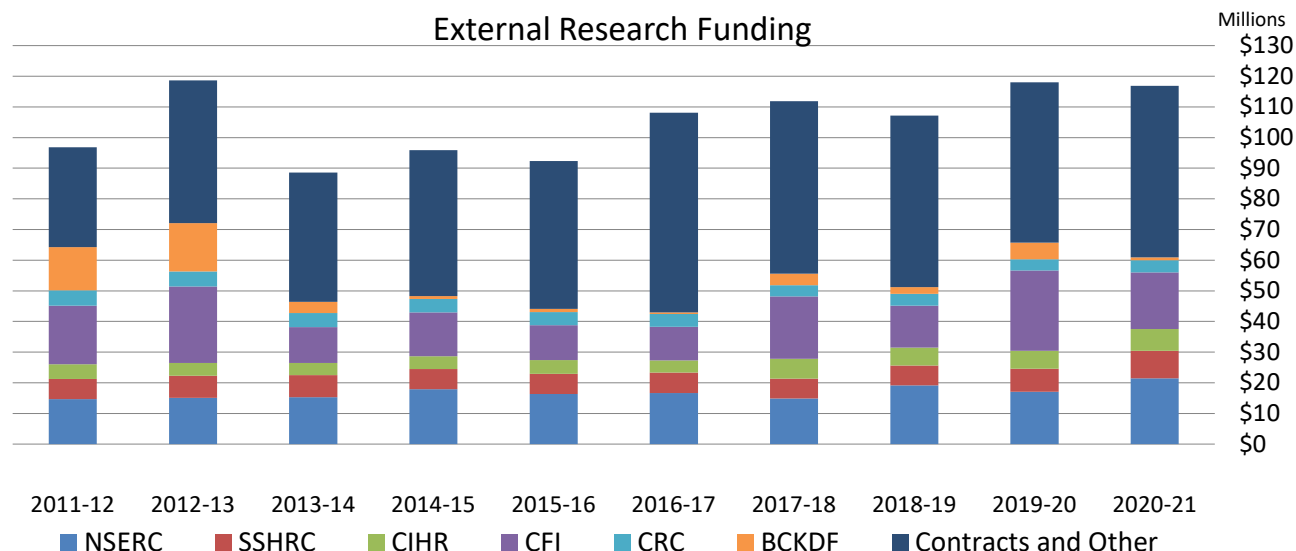
## Sponsored Research Fund – Schedule C

The Sponsored Research fund includes the revenues and expenses of the related entities including Oceans Networks Canada, Pacific Climate Impacts Consortium, TRIUMF and Western Canadian Universities Marine Sciences Society (WCUMSS).

Sponsored Research revenue exceeded expenditures by \$14.3M. A net amount of \$0.3M was transferred to other funds resulting in a net increase in the fund balance of \$14.0M bringing the fund balance to \$82.4M. This balance represents external grant funding that has been received but not yet spent.

Revenues decreased by \$1.2M (1.0%) to \$116.9M while expenditures decreased by \$13.1M (11.3%). The university's faculty continued their high level of success in attracting research grants and contracts. The university ranks second amongst Canadian comprehensive research intensive universities overall, and ranks first in NSERC/CIHR grants and fifth in SSHRC grants.

The external research funding charts shows the trend of sponsored research funding over the last 10 years.



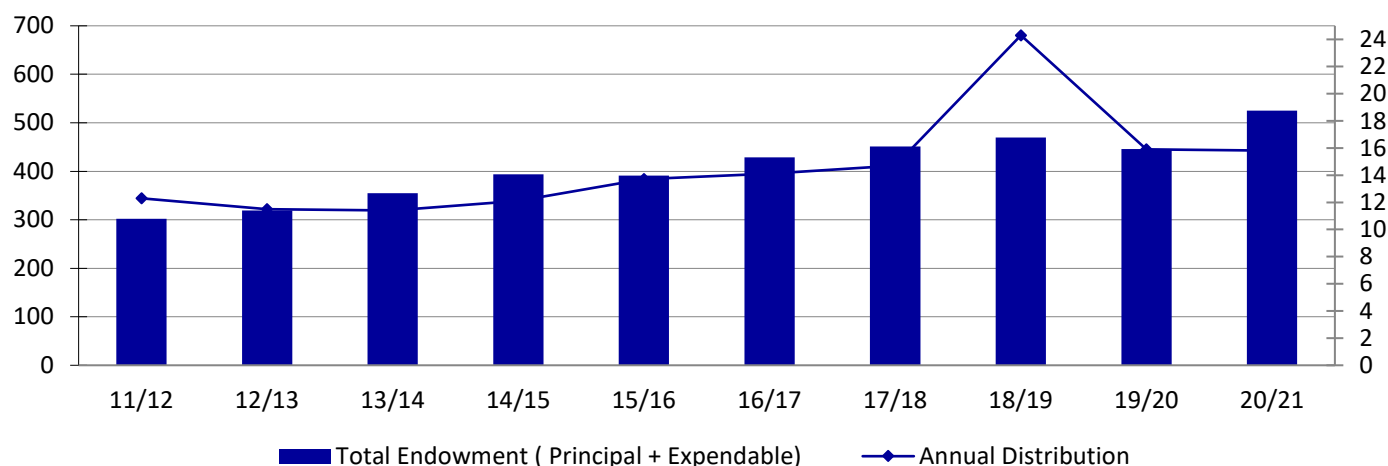
## Specific Purposes Fund – Schedule D

The Specific Purposes Fund includes the expendable funds of the University of Victoria Foundation, the Foundation for the University of Victoria and the U.S. Foundation for the University of Victoria. It also includes the revenues and expenses of UVic Industry Partnerships.

Overall, revenues exceeded expenses by \$65.9M. After interfund transfers of \$6.7M, \$2.7M of which was capitalized to endowment principal, the Specific Purpose fund balance increased by \$59.1M to \$161.5M. The portion of specific purpose funds held within the UVic Foundation is \$122.4M, referred to as the expendable fund. This is the amount available to be expended in accordance with the terms of individual endowments.

Endowment funds, held for the benefit of the university and its students, are within the University of Victoria Foundation. The Foundation's investments experienced a positive return compared to the prior year with investment income of \$83.9M representing an 18.7% net return for the year ended March 31 (compared to a \$13.1M loss and -2.8% net return for the prior year). With the receipt of \$14.3M of endowment contributions less disbursements of \$19.2M, the total market value of the UVic Foundation endowment fund increased from \$446M to \$525M, comprised of \$402.9M of principal and \$122.4M of expendable funds.

## University of Victoria Foundation Endowments (in millions)



The Foundation budget is approved by the UVic Foundation Board in March and the annual distribution for 2021/22 was \$1.7M (or 11%) greater than the previous year. This larger than typical increase is a result of a strong financial year for the Foundation which enabled it to revert to fully implementing its spending policy. As a reminder, last year given the market uncertainty in March of 2020 due to the pandemic, the Foundation Board decided to hold the distribution of the additional 0.5% for the 2020/21 year save for a few limited exceptions.

The Foundation's investments are managed by external investment managers with different managers for Canadian fixed income mandates, equity mandates split between three managers, a real estate manager and an infrastructure manager. The Foundation's investment policy provides for a target asset mix of 25% fixed income, 55% equities, 10% real estate and 10% infrastructure. External investment consultants assist the Foundation's Board in monitoring performance and considering an appropriate asset mix.

The Foundation's endowment management policy follows a "total-return" approach with awards based on 4.0% of the December 31 inflation adjusted balance of the funds principal, with an additional 0.5% available for funds with a market value in excess of 108% of inflation adjusted principal. Inflation based on CPI of 0.7% for 2020 was \$2.7M and was capitalized to the principal of each endowment to protect against the eroding effects of inflation. Investment performance over the last four years of 7.3% annualized return has led to 1,099 (or 90%) of the funds being eligible for a 0.5% distribution at the end of December.

## Capital Fund – Schedule E

The Capital Fund includes monies designated for the acquisition of major capital assets and renovations, although capital assets such as equipment, furnishings, computer equipment and library holdings are recorded as expenditures in other funds to match the funding source. Revenues in the Capital Fund increased by \$93.9M this year due primarily to capital borrowing of \$87.1M.

Expenditures increased by \$31.8M to \$65.1M. An increase in construction additions in 2020/21 compared to the prior year contributed to the increase in expenditures. Major construction projects included the Student Housing and Dining project, the Engineering Expansion and the Student Wellness Centre.

## Operating Budget Schedules

Each year the budget office prepares operating fund budget schedules in order to provide management and the Board of Governors with information to assess financial performance for the fiscal year. These schedules differ from the fund accounting statements (Statements 1 to 3 and Schedules A through E) in that they compare actual results, both revenue and expense, for the fiscal year against the budget plan, whereas the fund accounting statements provide a comparison of actual results with those of the previous year. These budget schedules provide useful information to determine whether changes to budget or changes in activity should be made for the current or future fiscal years.

Another difference between the budget schedules and the fund accounting statements is that they are prepared on a function basis, as compared to an object basis (i.e., type of expense), which better reflects university budgetary responsibility, accountability and control.

The detailed budget versus actual schedules for the year ended March 31, 2021 can be found on schedules F through J. These schedules compare actual operating results for fiscal 2020/21 with the total budget for the year. The total budget column includes not only the base budget for each functional area or revenue item but also any non-recurring / one time entries for that year. These entries include one-time items such as a drawdown of carry forward or equipment reserves, budget reallocations between different functional areas or an allocation from a central budget (e.g., project funding, enrolment management funds or salary increase budget) to a department.

The following points should be kept in mind when reviewing these schedules:

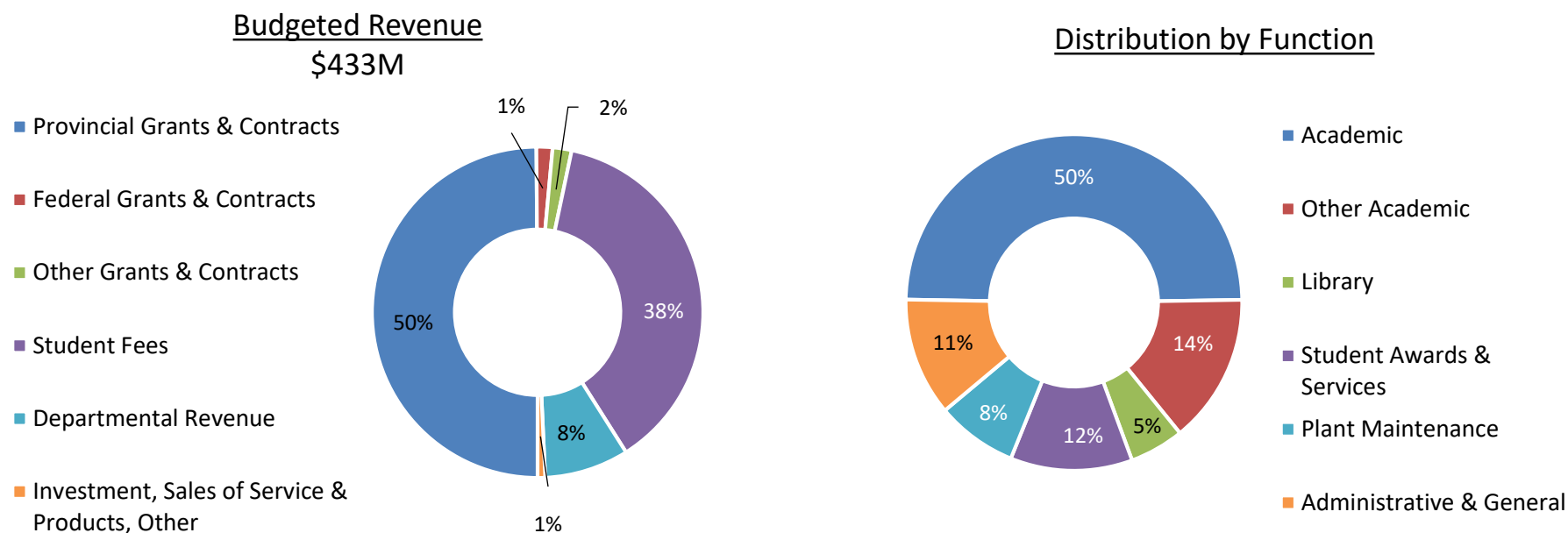
- unfavourable budget variances (i.e., revenues/cost recoveries less than budget; or expenditures greater than budget) are shown with brackets;

- benefits are budgeted and accounted for centrally; therefore, costs within each function do not include benefits whereas the external statements prepared in accordance with Public Sector Accounting Standards have benefits allocated to functions;
- the revenue amounts per schedule F will not align with the revenue on Statement 3 or Schedule A of the fund accounting statements as statement F shows department revenue separately. Department revenue will include revenue from sources such as provincial and federal grants, student fees etc.; and
- variations from budget are sometimes offset by variations in related revenues or expenditures. For example, an apparent shortfall in revenues may be offset by reduced expenditures or alternatively, an expenditure more than budget may be compensated for by increased revenues or cost recoveries (see schedule J for a summary).

## SCHEDULE F

### Revenue and Expenditure Overview:

Budgeted revenue in 2020/21 was \$433M. This is made up of revenue sources as shown in the left chart below. The distribution of this funding is shown in the chart below on the right, with 64% allocated to the academic and other academic function:





### Year End Results

In comparing actual results to total budget there was an overall positive variance of \$10.4M across all functions. This is comprised of \$7.6M in reduced revenue, offset by \$18M reduced expenses. From a budget responsibility point of view, this overall positive variance is derived as follows (in millions):

Central accounts	
Revenue	6.0
Expense	(16.6)
Variance from central accounts	(10.6)
Departmental accounts	
Revenue	(13.7)
Expense	34.7
Variance from departmental accounts	21.0
Net Variance	10.4
Total Transfers and Appropriations	(10.4)
	0.0

### Central Revenue Accounts

The primary sources of general operating revenue are government grant, tuition and investment income. In 2020/21, the additional revenue of \$6M (1.5% of budget) resulted from:

- Tuition revenue: \$2.8M  
Positive tuition variance is the result of higher than anticipated student enrolment. While international enrolments decreased somewhat due to challenges related to travel, health and safety, this was were offset by higher domestic enrolments. While the three-year budget plan is developed to reflect an overall steady state for domestic and international students, we expect first-year international enrolment levels to return to pre-pandemic rates in 2021/22 as COVID-19 restrictions ease and travel becomes easier for students.
- Investment income: \$3.8M:  
This budget variance is offset by a negative variance of \$2M from internal loans (shown under administrative and general in Schedule I). The Investment income budget, once internal financing is taken into account, was \$1.8M higher than budget. Investment income is budgeted conservatively and in 2020/21, the budget was exceeded because of:
  - Interest rates decreasing causing the rate of return our externally managed fixed income investments to increase greater than forecast and more than offset the low money market yields; and
  - the overall fund size was greater than forecast.

As per the university policy to encourage multi-year financial planning for equipment replacement, \$0.41M of the investment income was allocated to department equipment reserves and \$0.36M was allocated to ancillary reserves.

- Sales of Services and Products and Other income: (\$0.6M)

The negative variance is mainly due to the decreased administrative fee charged to Ancillary areas in 2020/21 in providing these areas financial supports due to the pandemic.

#### Impact on Future Budgets from Central Revenue Variances

Each year in developing the overall university budget, tuition revenue is modeled for the coming 3-year cycle. In assessing revenue, we look at what the base budget should be as well as any potential incremental funding above base that won't necessarily persist year-to-year but should be allocated to one-time priorities. This approach ensures that all anticipated revenue is allocated annually while protecting against fluctuations year to year.

With respect to investment income, the current budget is considered appropriate based on levels of cash and current interest rates. This is assessed yearly based on interest rates, internal loans (i.e., Student Housing and Dining Project) and investment return expectations on the working capital investments.

Noted in the [appropriated expendable balances](#) section earlier in the document, the budget for 2021/22 includes \$14M in additional supports for faculties and departments as the university transitions back to campus and in-person instruction. These funds will be reflected within the central budgets in 2021/22 as they are drawn down to meet incremental expenses throughout the year.

#### Central Expenditures and Recoveries

Central accounts include compensation (benefits, salary, position turnover, etc.), overhead recoveries as well as contingency funds. In 2020/21, the negative central variance of \$16.6M resulted from a combination of results:

- Benefits: \$1.9M

The benefit accounts continue to have a positive result annually mainly due to departmental position vacancies. As vacant positions persist year to year, funding available from this source is projected and allocated to institutional priorities.

- Overhead recoveries: \$0.4M

This positive variance is the result of more than anticipated overhead research income, which can vary year to year based on actual research income.

- Centrally Allocated Budgets: (\$18.9M)

As noted above, centrally allocated budgets include those budgets required to fund compensation costs for the year. They also include funds to top-up vacant positions once filled and a contingency amount to cover unforeseen events. These accounts are reviewed each year as part of the development of the annual budget to ensure they remain appropriate. The negative overall budget in this account will occur each year because of the requirement to utilize operating funding for capital priorities. Funds are transferred to the capital fund based on funding requirements for specific capital projects (e.g., routine capital funding, major capital projects etc.). While the magnitude each year will change, these accounts overall will generally end in a negative position as positive variances from other accounts are anticipated (e.g., benefits) and used to fund projects or are allocated to other functional areas for spending (e.g., Health services, IT projects, etc.).

### Impact on Future Budgets from Central Expenditure Variances

The positive benefits budget variance will continue as long as there are vacant positions. We continue to project these positive variances and allocate the additional funding to one-time priorities such as capital. The overhead variance is not considered significant but is reviewed each year based on information from research on projected contract revenue and the revenue trend over the last few years.

In normal years, centrally allocated budgets will continue to have negative total budgets as incremental funding from other budget lines (benefits, tuition, etc.) are transferred to the capital fund to support institutional capital priorities or transferred to other functional areas as determined through the integrated planning process.

### Departmental Accounts

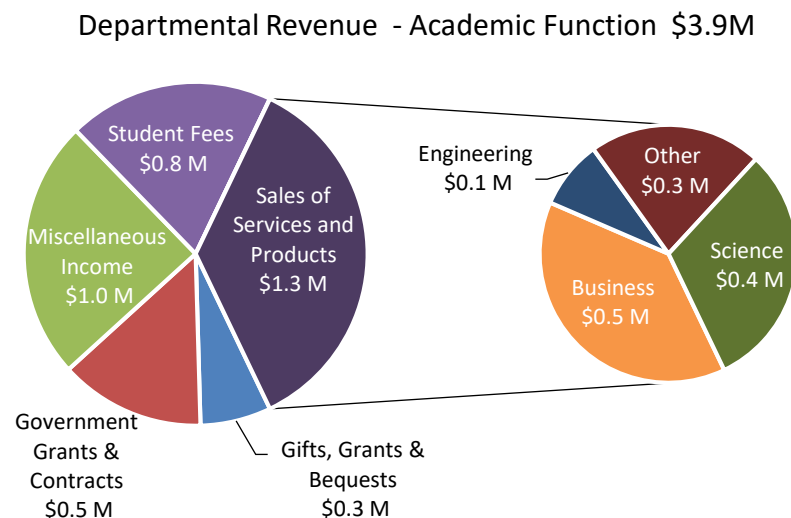
Overall department budgets had a year-end positive variance of \$21M. Departments are expected, for the most part, to have favourable year-end balances, as they are required to put aside funds to address future equipment replacement and capital needs. A large source of the positive budget variances within departments resulted from departmental underspending budgets \$35M offset by \$14M in less revenue. Underspending on expenditures is spread across many departments, and is primarily due to early measures implemented to reduce expenses due to the pandemic in anticipation of potential significant losses in tuition revenue. The revenue shortfall is mainly within revenue generating units that rely on on-campus activity to generate revenue – Continuing Studies and Athletics and Recreation Services. Sources of departmental revenue received in 2020/21 are explained further under Schedule G below. For some departments, a positive revenue result is offset by increased expenditures, which is illustrated in Schedule J.

### **SCHEDULE G**

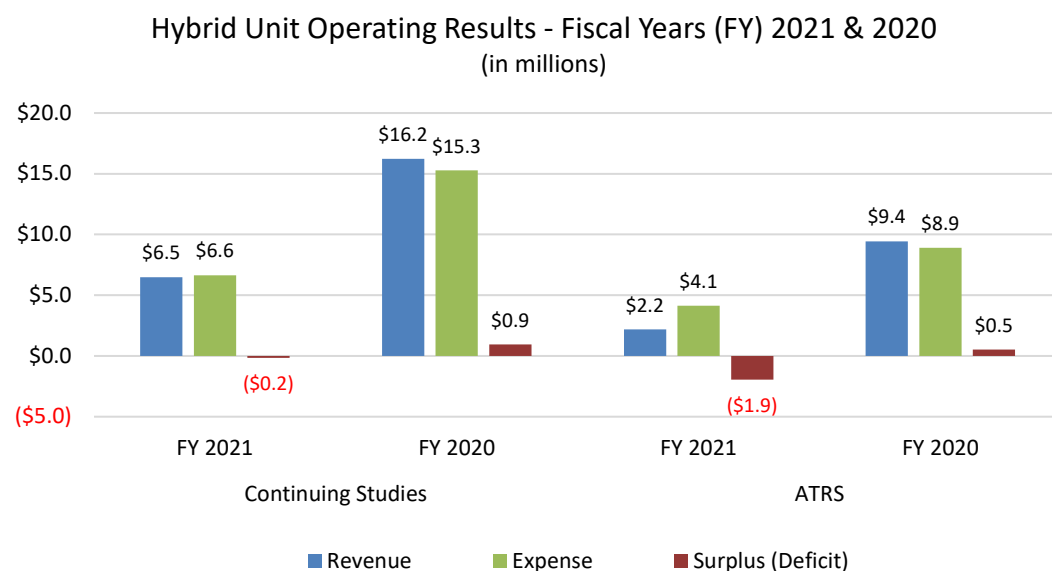
This schedule provides a breakdown of **departmental revenue** by functional area. Within the academic function, total departmental revenue was \$3.9M. The largest revenue source was \$1.3M for sales of services and products, as shown to the right. This includes the Executive Education Program (Business), instructional materials sales and external cost recoveries (Science), external labour recoveries (Engineering), and other revenue across many departments, such as testing fees, sundry fees, publication sales, external cost recoveries, and other miscellaneous revenue.

With revenues just over \$1M, Business generated the most departmental revenue within the academic function, which is mostly made up of student fees from the MBA, MGB & International programs (\$0.5M), and the Executive Education program (\$0.6M) noted earlier.

Student fees (\$0.8M) also includes application fees in Law and other miscellaneous student fees in Education, Human and Social Development, Law and Science. Miscellaneous income (\$1M) includes labour recoveries generated in the Division of Medical Sciences for the Island Medical Program (\$0.5M), while the remaining amount is made up of other miscellaneous revenue (\$0.3M) and labour recoveries (\$0.2M) across many academic departments.



The departments that typically generate most of the departmental revenue are Continuing Studies (reported in Other Academic function) and Athletics and Recreation Services (ATRS; reported mainly in the Students Awards and Services function). These units are considered **hybrid operations**, where most of the revenue earned is needed to cover expenses incurred to generate those revenues. These areas normally plan to end the year with surplus to fund future one-time costs, such as equipment and computer replacements, renovations and other contingencies. Continuing Studies generates the majority of revenues from student fees from the English Language program and other non-degree programs such as the certificate in Business Administration. ATRS generates most of its revenue from the athletic and recreation fee collected from students, Vikes recreation memberships and fees for activity such as fitness and weight centre and CARSA climbing wall. As compared to non-hybrid operations, the COVID-19 pandemic has disproportionately affected Continuing Studies and ATRS due to their reliance on on-campus activity to generate revenue. It significantly hindered revenue generation in these areas, and the ability to reduce expenses has not been proportional. As a result, both of these areas ended 2020/21 with an operating loss compared with last year, as shown in the chart below:



Revenue in Continuing Studies declined by 60% in 2021 over 2020, and revenue in ATRS declined by 77% over the same time period. While Continuing Studies was able to reduce expenditures by 57% primarily due to work force planning, ATRS did not have this same degree of flexibility (e.g., fixed direct expenses related to facilities such as McKinnon & Fields, Centennial Stadium and Ian Stewart Complex). The reduction in ATRS expenses by 54% combined with the lost revenue resulted in a year-end deficit of \$1.9M, while the change in Continuing Studies revenue and expense resulted in a year-end loss of \$0.2M. These losses reflect financial supports provided to these areas throughout the year, including \$2M in debt service support (\$0.5M Continuing Studies building and \$1.5M CARSA Complex) and waiving funding Continuing Studies provides to the Faculty of Graduate Studies for scholarships, which was covered by a central budget in 2020/21. Supports provided to these areas considered each operation's ability to

recover and sustain its operations over the long term. Based on this approach, the ATRS deficit for 2020/21 was covered through central funding, while Continuing Studies was able to cover its deficit using its reserves. Budget plans for 2021/22 reflect anticipated resumption of on campus activity with the expectations that both operations will incur small operating losses with a return to profitability in 2022/23.

In 2019/20, almost 80% of departmental revenue within the student awards and services function was generated by ATRS. As noted above, 2020/21 revenue losses due to the pandemic were significant, and the charts below shows the change in revenue generation by area within this function in 2020/21 over 2019/20. Revenues decreased by almost 65%, mainly in ATRS. Revenue within other areas remained relatively stable in 2020/21, which is expected to continue into 2021/22.

#### **Departmental Revenue - Student Awards & Services Function:**



Plant Maintenance revenue was \$1.8M in 2020/21, and includes revenues generated and costs recovered to maintain university facilities, primarily for ancillary operations. As compared to 2019/20, recoveries were less in 2020/21 primarily due to the reduction of on-campus activity.

The Administrative and General revenue was \$4.4M, which is made of application fees (63%) in the Registrar's office, labour recoveries (20%) and other miscellaneous revenue (17%) across various departments within this function.

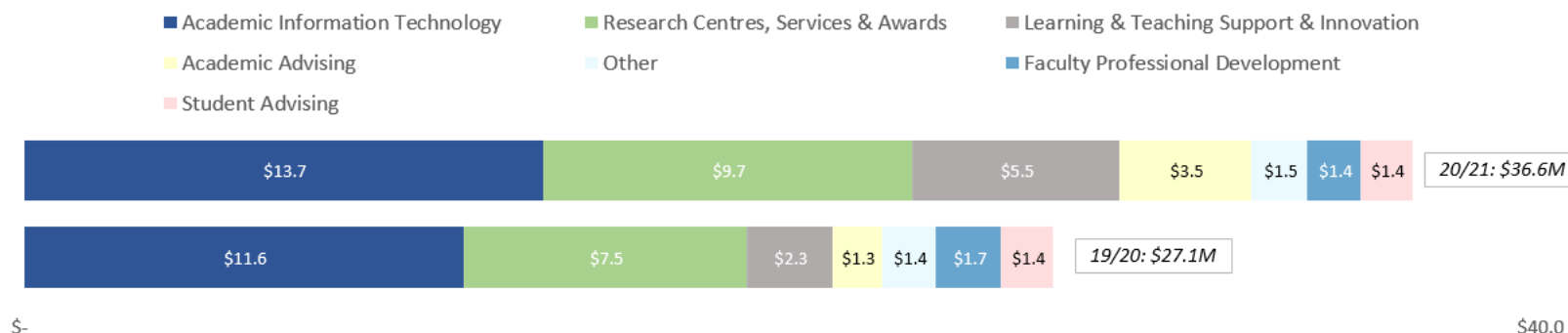
#### **SCHEDULES H THROUGH J**

Schedule H summarize total budget, actual results and a comparison to the prior year of expenditure budgets by function. This schedule provides information on relative sizes of academic and other academic functions, with the largest expenditure budgets held by the tri-faculties - Science at \$30M, Social Sciences at \$27M and Humanities at \$26M. With the exception of Continuing Studies for reasons noted above and a few other departments, academic areas expenditures increased as compared to the prior year, largely a result of compensation.

The Other Academic Projects category includes areas that support academic functions. The budget in 2020/21 is 35% greater than in 2019/20, as many areas received additional funding to support incremental costs attributable to the pandemic. Budget increases include \$2.1M for academic information technology, reflecting new investments for the learning management system, software licenses and increased internet bandwidth, \$2.2M for research centres, services and awards, primarily for research awards to support researchers, \$3.2M for Learning and Teaching Support and Innovation reflecting on-line teaching supports, and \$2.2M reflecting academic advising supports.

## Other Academic Project Budgets

(in millions)



Schedule I shows the same information as Schedule H but for non-academic functions, including Library, Student Awards & Services, Plant Maintenance, and Administrative and General. Even though compensation expenses in non-academic areas increased overall, compensation expenses decreased slightly by \$0.7M, primarily due to some positions remaining vacant longer than normal due to the hiring pause implemented because of the pandemic. While total expenditures for non-academic functions combined increased by \$1.8M in 2020/21, some areas realized significant increases in expenses while others had decreases. Expenditures in the Student Awards function increased by \$4.1M over 2019/20 due to the increases supports provided to students during the pandemic, while expenses in the Plant Maintenance function decreased by \$3.9M primarily due to decreased utility consumption resulting from decreased on campus activity because of the pandemic.

Schedule J compares departmental revenue against expenditures to illustrate additional expenses offset by the departmental revenue. For example, actual revenue in Law was \$17K less than budget. This is offset by the underspent expenditure budget of \$262K, leaving a net positive variance of \$245K. With the exception of ATRS for reasons noted earlier, all units at the individual faculty and department level were on or under budget when available carry forward is taken into account. Some units within a faculty or department, however, were over budget by small amounts. These deficits will be a first charge against the unit's budget in 2021/22, will offset the deficit with carryover, or will have the deficit covered at the faculty level.

### Attachments:

Appendix A – Consolidated Entities

Consolidated Fund Accounting Financial Statements and Schedules (Statements 1 through 3 and schedules A through J)

## Appendix A – Consolidated Entities

Entity	Description	Entity Type	Consolidated Method	Schedule
<b>UVic Industry Partnerships</b>	Assists with intellectual property management and commercialization of research discoveries	Wholly Owned By UVic	Fully consolidated	Specific Purpose
<b>UVic Properties Investments Inc.</b>	Manages the university's real estate holdings including the Vancouver Island Technology Park Trust.	Wholly Owned By UVic	Fully consolidated	Ancillary
<b>Ocean Networks Canada Society</b>	Manages the university's VENUS and NEPTUNE ocean observatories	Wholly Owned By UVic	Fully consolidated	Sponsored Research
<b>Pacific Climate Impacts Consortium</b>	Stimulates collaboration to produce climate information for education, policy and decision making.	Wholly Owned By UVic	Fully consolidated	Sponsored Research
<b>Byron Price &amp; Associates Ltd.</b>	Holds land in North Saanich that was donated to the University	Wholly Owned By UVic	Fully consolidated	Ancillary
<b>University of Victoria Foundation</b>	Encourage financial support of the University and administer the University's endowment funds	Wholly Owned By UVic	Fully consolidated	Specific Purpose
<b>Foundation for the University of Victoria</b>		Wholly Owned By UVic	Fully consolidated	Specific Purpose
<b>U.S. Foundation for the University of Victoria</b>		Wholly Owned By UVic	Fully consolidated	Specific Purpose
<b>TRIUMF</b>	Operates a research facility for sub-atomic physics located at the University of British Columbia	7.14% owned by UVic	Proportionate consolidation	Sponsored Research
<b>WCUMSS</b>	Operates a marine research facility at Bamfield on the west coast of Vancouver Island	20% owned by UVic	Proportionate consolidation	Sponsored Research
<b>Heritage Realty Properties Ltd.</b>	Manages the property rental and downtown hotel and brew-pub operation donated by the late Michael C. Williams	Profit-oriented subsidiaries	Modified Equity	Ancillary
<b>VITP</b>	Provides leased space to technology companies on Vancouver Island	Profit-oriented subsidiaries	Modified Equity	Ancillary
<b>GSB Executive Education Inc.</b>	Provides executive education and other non-credit education	Profit-oriented subsidiaries	Modified Equity	Specific Purpose



**University  
of Victoria**

Consolidated Fund Accounting Financial Statements and Schedules

for the

**UNIVERSITY OF VICTORIA**

Years ended March 31, 2021 and 2020



## FUND ACCOUNTING -SCHEDULE 1

(Prepared without audit)

## UNIVERSITY OF VICTORIA

## BALANCE SHEET

As at March 31, 2021 (in thousands of dollars)

	2021	2020
<hr/>		
ASSETS		
Cash and temporary investments	167,136	148,780
Accounts receivable	56,472	64,973
Prepaid expenses	19,852	18,285
Inventories	3,770	3,942
Long-term investments	160,969	102,272
Endowment investments	524,758	443,094
(2021 cost \$430,125, 2020 cost \$435,022)		
PLANT ASSETS		
Land and site improvements	71,856	69,605
Buildings	953,171	893,792
Equipment and furnishings	218,645	217,175
Library holdings	34,667	36,087
	<hr/>	<hr/>
	2,211,296	1,998,005
<hr/>		
LIABILITIES		
Accounts payable and accrued liabilities	37,289	32,017
Deferred revenue	12,287	13,751
Long-term debt	131,183	45,747
Employee future benefits	12,483	10,691
FUND BALANCES		
Expendable funds		
Appropriated (Schedule 2)		
General Operating	124,304	111,755
Ancillary Enterprises	14,854	18,783
Capital Fund	583	(13,943)
Unappropriated (Schedule 3)		
General Operating	-	-
Ancillary Enterprises	14,102	14,536
Sponsored Research	82,372	68,422
Specific Purposes	161,498	102,335
Capital	49,961	16,820
Non-expendable funds	-	
Student Loan	-	22
Endowment Principal	402,940	385,910
EQUITY IN PLANT ASSETS	<hr/>	<hr/>
	1,167,440	1,191,159
	<hr/>	<hr/>
	2,211,296	1,998,005
<hr/>		

## FUND ACCOUNTING -SCHEDULE 2

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 SCHEDULE OF CHANGES IN APPROPRIATED EXPENDABLE FUNDS  
 Year ended March 31, 2021 (in thousands of dollars)

	Balance at beginning of year	Released to meet expenditures	Additions and/ or transfers during year	Balance at end of year
<b>GENERAL OPERATING FUND</b>				
Equipment				
Printing and duplicating	1,423	634	111	900
Network services	2,813	1,235	1,612	3,190
Other departments	16,683	3,455	3,530	16,758
Capital and renovation projects	1,662	192	209	1,679
Academic and administrative program development and operation support	12,265	792	6,617	18,090
Research support	20,111	3,701	7,977	24,387
Student assistance and financial aid	11,480	4,173	3,870	11,177
Employee obligations, training and support	14,765	1,003	3,454	17,216
Information technology and technical support	3,139	228	264	3,175
Other commitments	6,364	3,080	2,206	5,490
Contingency	6,337	508	32	5,861
Externally funded Island Medical Program	4,982	141	1,230	6,071
Insurance and utilities	6,402	-	387	6,789
Library prepaid expenses	3,329	3,329	3,521	3,521
	111,755	22,471	35,020	124,304
<b>ANCILLARY ENTERPRISES FUND</b>				
Equipment replacement and capital improvements				
Bookstore	2,226	1,291		935
Student residences	7,325	1,289		6,036
Food services	302			302
Parking services	8,326	1,349		6,977
Heritage Realty Properties	530			530
Childcare	74			74
	18,783	3,929	-	14,854
<b>CAPITAL FUND</b>				
Plant Assets funded to/from Appropriations				
Capital reserve	37,808	1,063	-	36,745
Residences	(375)		-	(375)
Centre for Athletic Recreation and Special Abilities	(18,810)		653	(18,157)
Others	(32,566)	2,707	17,643	(17,630)
	(13,943)	3,770	18,296	583
<b>TOTAL APPROPRIATED EXPENDABLE FUNDS</b>	<b>116,595</b>	<b>30,170</b>	<b>53,316</b>	<b>139,741</b>
<b>2020 COMPARATIVE</b>	<b>106,811</b>	<b>28,257</b>	<b>38,041</b>	<b>116,595</b>

## FUND ACCOUNTING -SCHEDULE 3

UNIVERSITY OF VICTORIA  
 SCHEDULE OF CHANGES IN UNAPPROPRIATED EXPENDABLE FUNDS  
 Year ended March 31, 2021 (in thousands of dollars)

(Prepared without audit)

	General Operating	Ancillary Operations	Sponsored Research	Specific Purpose	Capital	Total 2021	Total 2020
<b>REVENUE AND OTHER ADDITIONS</b>							
Government grants and contracts-provincial	218,460	2,137	8,633	1,387	19,614	250,231	241,342
-federal	7,235	8	82,856	114	216	90,429	87,139
-other	8,036	-	9,362	15	-	17,413	17,085
Student fees-credit courses	166,904	-	-	373	-	167,277	157,431
- non credit courses	4,782	-	-	31	-	4,813	12,437
- other	5,146	-	-	214	-	5,360	9,303
Gifts, grants and bequests	976	8	12,365	9,770	16	23,135	27,343
Sales of services and products	5,118	20,743	2,690	1,044	921	30,516	70,244
Investment income	5,690	1,613	4	84,426	(241)	91,492	(5,644)
Equity in earnings of long term investments	-	365	-	(409)	-	(44)	2,055
Other revenue	3,432	126	983	364	864	5,769	7,624
Capital borrowing	-	-	-	-	87,114	87,114	-
	425,779	25,000	116,893	97,329	108,504	773,505	626,359
<b>EXPENDITURE AND OTHER DEDUCTIONS</b>							
Salaries - academic	126,627	-	4,606	2,070	-	133,303	127,319
- other instruction and research	21,548	-	25,959	3,022	-	50,529	47,472
- support staff	126,974	14,378	13,667	1,285	-	156,304	157,137
Total salaries	275,149	14,378	44,232	6,377	-	340,136	331,928
Employee benefits	52,711	3,701	6,270	852	-	63,534	63,042
Travel	919	-	927	23	-	1,869	15,268
Library acquisitions	9,617	-	-	161	-	9,778	9,396
Supplies and expenses	28,810	3,033	23,576	10,700	10,024	76,143	85,300
Equipment additions and replacements	7,355	123	7,150	424	2,190	17,242	27,474
Equipment rental and maintenance	5,236	220	4,209	25	105	9,795	9,735
Utilities	4,764	1,890	499	6	-	7,159	8,780
Scholarships, fellowships and bursaries	23,005	6	15,069	9,074	-	47,154	40,908
Cost of goods sold	-	5,127	-	-	-	5,127	12,122
Debt service	2,244	214	-	-	1,230	3,688	5,018
Construction and renovation contracts	4,168	332	557	-	51,402	56,459	22,641
Property Acquisitions	-	-	-	-	-	-	-
Internal cost allocations	(5,955)	1,860	147	3,804	144	-	-
	408,023	30,884	102,636	31,446	65,095	638,084	631,612
<b>TRANSFERS AND APPROPRIATIONS</b>							
Inter-fund transfers	(5,206)	1,521	(307)	(6,720)	4,258	(6,454)	(9,135)
Appropriations released to meet expenditures	19,559	3,929	-	-	3,770	27,258	28,257
New appropriations	(32,109)	-	-	-	(18,296)	(50,405)	(38,041)
	(17,756)	5,450	(307)	(6,720)	(10,268)	(29,601)	(18,919)
NET INCREASE (DECREASE) DURING YEAR	-	(434)	13,950	59,163	33,141	105,820	(24,172)
FUND BALANCES AT BEGINNING OF YEAR	-	14,536	68,422	102,335	16,820	202,113	226,285
FUND BALANCES AT END OF YEAR	-	14,102	82,372	161,498	49,961	307,933	202,113

## FUND ACCOUNTING -SCHEDULE A

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 CHANGES IN GENERAL OPERATING FUND  
 Year ended March 31, 2021 (in thousands of dollars)

	2021	2020
<b>REVENUE</b>		
Government grants and contracts-provincial	218,460	204,521
-federal	7,235	6,985
-other	8,036	7,959
Student fees-credit courses	166,904	156,899
- non credit courses	4,782	12,407
- other	5,146	8,709
Gifts, grants and bequests	976	1,745
Sales of services and products	5,118	11,460
Investment income	5,690	5,516
Other revenue	3,432	4,691
	<u>425,779</u>	<u>420,892</u>
<b>EXPENDITURE</b>		
Salaries - academic	126,627	120,325
- other instruction and research	21,548	18,374
- support staff	126,974	124,427
Total salaries	<u>275,149</u>	<u>263,126</u>
Employee benefits	52,711	51,428
Travel	919	7,179
Library acquisitions	9,617	8,568
Supplies and expenses	28,810	33,865
Equipment additions and replacements	7,355	6,018
Equipment rental and maintenance	5,236	4,990
Utilities	4,764	6,455
Scholarships, fellowships and bursaries	23,005	18,445
Debt service	2,244	1,719
Construction and renovation contracts	4,168	173
Internal cost allocations	(5,955)	(5,995)
	<u>408,023</u>	<u>395,971</u>
<b>TRANSFERS AND APPROPRIATIONS</b>		
Inter-fund transfers	(5,206)	(16,049)
Appropriations released to meet expenditures	19,559	15,310
New appropriations	(32,109)	(24,182)
	<u>(17,756)</u>	<u>(24,921)</u>
 NET INCREASE DURING YEAR	 -	 -
 FUND BALANCE AT BEGINNING OF YEAR	 -	 -
 FUND BALANCE AT END OF YEAR	 -	 -

## FUND ACCOUNTING -SCHEDULE B

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 CHANGES IN ANCILLARY ENTERPRISES FUND  
 Year ended March 31, 2021 (in thousands of dollars)

Off-Campus Business  
Enterprises

	(1) Bookstore & Shop	Food Services	Residence Services	Parking Services	Child Care	UVic Broad Street Properties	UVic Properties	Heritage Realty Properties	Van. Island Technology Park Trust	Byron Price & Associates	Total 2021	Total 2020
<b>REVENUE</b>												
Sales of services and products	5,718	3,402	7,573	1,584	509	512	1,445				20,743	52,029
Government grants - provincial	166	580	50		1,341						2,137	2,006
Gifts, grants and bequests		3			5						8	103
Investment income	41	6	147	167	1	994			257		1,613	1,326
Equity in earnings of long term investments								(1,159)	1,524		365	1,729
Other revenue	12	40	19	8	1	54					134	227
	5,937	4,031	7,789	1,759	1,857	1,560	1,445	(1,159)	1,781	-	25,000	57,420
<b>EXPENDITURE</b>												
Salaries-support staff	1,563	3,882	4,653	1,443	1,453		1,384				14,378	18,972
Employee benefits	349	1,404	943	363	354		288				3,701	4,510
Travel		1	(2)	1							-	93
Supplies and expenses	204	352	1,570	327	73	325	174			8	3,033	5,642
Equipment additions and replacements	8	9	91	12	3						123	453
Equipment rental and maintenance	16	29	75	95	5						220	239
Utilities	66	401	1,318	14	27	64					1,890	2,067
Scholarships, fellowships and bursaries			6								6	15
Cost of goods sold	4,167	960									5,127	12,122
Debt service			214								214	1,231
Renovation contracts		11	218	103							332	2,398
Property purchases											-	-
Internal cost allocations	247	242	608	761	2						1,860	3,709
	6,620	7,291	9,694	3,119	1,917	389	1,846	-	-	8	30,884	51,451
<b>TRANSFERS AND APPROPRIATIONS</b>												
Inter-fund transfers	(920)	3,438			51	(853)	405		(600)		1,521	(1,299)
Appropriations released to meet expenditures	1,291		1,289	1,349							3,929	345
New appropriations											-	(2,852)
	371	3,438	1,289	1,349	51	(853)	405	-	(600)	-	5,450	(3,806)
NET INCREASE (DECREASE) DURING YEAR	(312)	178	(616)	(11)	(9)	318	4	(1,159)	1,181	(8)	(434)	2,163
FUND BALANCE AT BEGINNING OF YEAR	348	(172)	616	11	37	3,384	(38)	1,216	9,648	(514)	14,536	12,373
FUND BALANCE AT END OF YEAR	36	6	-	-	28	3,702	(34)	57	10,829	(522)	14,102	14,536

## FUND ACCOUNTING -SCHEDULE C

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 CHANGES IN SPONSORED RESEARCH FUND  
 Year ended March 31, 2021 (in thousands of dollars)

	2021	2020
REVENUE		
Government grants and contracts-provincial	8,633	11,280
-federal	82,856	79,999
-other	9,362	9,117
Student fees-credit courses	-	
Gifts, grants and bequests	12,365	12,355
Sales of services and products	2,690	4,072
Investment income	4	2
Other revenue	983	1,247
	<u>116,893</u>	<u>118,072</u>
EXPENDITURE		
Salaries - academic	4,606	4,788
- other instruction and research	25,959	25,813
- support staff	13,667	12,706
Total salaries	<u>44,232</u>	<u>43,307</u>
Employee benefits	6,270	6,243
Travel	927	6,498
Supplies and expenses	23,576	22,727
Equipment additions and replacements	7,150	18,552
Equipment rental and maintenance	4,209	3,850
Utilities	499	252
Scholarships, fellowships and bursaries	15,069	13,657
Construction and renovation contracts	557	197
Internal cost allocations	147	424
	<u>102,636</u>	<u>115,707</u>
INTER-FUND TRANSFERS	(307)	598
NET INCREASE DURING YEAR	13,950	2,963
FUND BALANCES AT BEGINNING OF YEAR	68,422	65,459
FUND BALANCE AT END OF YEAR	<u>82,372</u>	<u>68,422</u>

## FUND ACCOUNTING -SCHEDULE D

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 CHANGES IN SPECIFIC PURPOSES FUND  
 Year ended March 31, 2021 (in thousands of dollars)

	2021	2020
<b>REVENUE</b>		
Government grants and contracts-provincial	1,387	11,274
-federal	114	5
-other	15	9
Student fees-credit courses	373	532
- non credit courses	31	30
- other	214	594
Gifts, grants and bequests	9,770	12,600
Sales of services and products	1,044	2,092
Investment income	84,426	(12,807)
Equity in earnings of long term investments	(409)	326
Other revenue	364	741
	<u>97,329</u>	<u>15,396</u>
<b>EXPENDITURE</b>		
Salaries - academic	2,070	2,206
- other instruction and research	3,022	3,285
- support staff	1,285	1,013
Total salaries	<u>6,377</u>	<u>6,504</u>
Employee benefits	852	859
Travel	23	1,497
Library acquisitions	161	828
Supplies and expenses	10,700	12,162
Equipment additions and replacements	424	582
Equipment rental and maintenance	25	32
Utilities	6	6
Scholarships, fellowships and bursaries	9,074	8,791
Construction and renovation contracts	-	35
Internal cost allocations	3,804	3,925
	<u>31,446</u>	<u>35,221</u>
<b>INTER-FUND TRANSFERS</b>	<u>(6,720)</u>	<u>(9,861)</u>
NET INCREASE DURING YEAR	59,163	(29,686)
FUND BALANCES AT BEGINNING OF YEAR	102,335	132,021
FUND BALANCE AT END OF YEAR	<u>161,498</u>	<u>102,335</u>

## FUND ACCOUNTING -SCHEDULE E

(Prepared without audit)

UNIVERSITY OF VICTORIA  
 CHANGES IN CAPITAL FUND  
 Year ended March 31, 2021 (in thousands of dollars)

	2021	2020
REVENUE		
Government grants and contracts-provincial	19,614	12,261
-federal	216	150
Gifts, grants and bequests	16	540
Sales of services and products	921	591
Investment income	(241)	319
Other revenue	864	718
Capital borrowing	87,114	
	<u>108,504</u>	<u>14,579</u>
EXPENDITURE		
Salaries - support staff	-	19
Employee benefits	-	2
Travel	-	1
Supplies and expenses	10,024	10,904
Equipment additions and replacements	2,190	1,869
Equipment rental and maintenance	105	-
Utilities	-	624
Debt service	1,230	2,068
Construction and renovation contracts	51,402	19,838
Internal cost allocations	144	(2,063)
	<u>65,095</u>	<u>33,262</u>
TRANSFERS AND APPROPRIATIONS		
Inter-fund transfers	4,258	17,476
Appropriations released to meet expenditures	3,770	12,602
New appropriations	(18,296)	(11,007)
NET INCREASE DURING YEAR	33,141	388
FUND BALANCES AT BEGINNING OF YEAR	16,820	16,432
FUND BALANCE AT END OF YEAR	<u>49,961</u>	<u>16,820</u>



UNIVERSITY OF VICTORIA  
SCHEDULE OF CHANGES IN GENERAL OPERATING  
UNAPPROPRIATED EXPENDABLE FUNDS - BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule F  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	%	2020 Actual
General Revenue					
Provincial Grants and Contracts	216,193	216,193	0	0.0%	202,899
Federal Grants and Contracts	6,815	6,815	0	0.0%	6,900
Other Grants and Contracts	8,036	8,036	0	0.0%	7,952
Student Fees Credit Courses & Other	163,473	166,288	2,815	1.7%	156,314
Investment Income	1,935	5,690	3,755	194.0%	5,516
Sales of Services and Products	38	50	12	31.5%	146
Other Revenue	1,209	663	(546)	-45.2%	1,018
Total General Revenue	397,699	403,735	6,036	1.5%	380,744
Departmental Revenue	35,701	22,044	(13,657)	-38.3%	40,148
Total Revenue	433,399	425,779	(7,621)	-1.8%	420,892
Expenditures					
Academic	191,953	185,369	6,584	3.4%	177,223
Other Academic	55,871	37,489	18,382	32.9%	39,970
Library	20,316	20,129	187	0.9%	19,117
Student Awards & Services	45,543	38,637	6,906	15.2%	36,850
Plant Maintenance	30,230	26,499	3,731	12.3%	30,360
Administrative & General	44,107	45,218	(1,111)	-2.5%	42,386
Benefits	53,620	51,755	1,865	3.5%	50,978
Overhead Recoveries	(656)	(1,014)	358	-54.6%	(913)
Centrally Allocated Budgets	(14,965)	3,941	(18,906)	126.3%	0
Total Expenditures	426,020	408,023	17,996	4.2%	395,971
Transfers and Appropriations					
Interfund transfers	(5,206)	(5,206)	0		(16,049)
Appropriations released to meet expenditures	19,559	19,559	0		15,310
New appropriations	(21,734)	(32,109)	(10,375)		(24,182)
Total Transfers and Appropriations	(7,380)	(17,756)	(10,375)		(24,921)
Fund Balance at End of Year	-	-	-		-

UNIVERSITY OF VICTORIA  
DEPARTMENTAL REVENUE BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule G  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Academic				
Business	695	1,042	347	1,091
Cooperative Education	0	78	78	2
Education	321	377	56	344
Engineering	1	257	256	179
Fine Arts	152	103	(49)	342
Graduate Studies	9	33	24	45
Human and Social Development	0	106	106	88
Humanities	55	306	251	330
Law	312	294	(17)	328
Medical Sciences	258	591	333	381
Science	156	541	385	844
Social Sciences	10	158	148	143
Total Academic	1,970	3,887	1,917	4,119
Other Academic				
Continuing Studies	17,538	6,473	(11,065)	16,219
Other Academic	596	1,268	672	976
Total Other Academic	18,134	7,741	(10,393)	17,195
Library	366	322	(44)	521
Student Awards and Services	9,430	3,829	(5,601)	10,823
Plant Maintenance	2,102	1,829	(273)	2,896
Administrative and General	3,699	4,436	738	4,594
Total Revenue	35,701	22,044	(13,657)	40,148

UNIVERSITY OF VICTORIA  
GENERAL OPERATING FUND EXPENDITURES  
ACADEMIC AND OTHER ACADEMIC  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule H  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Academic				
Business	14,092	14,267	(175)	14,147
Cooperative Education	5,641	5,397	244	5,283
Education	13,974	13,645	329	13,925
Engineering	24,076	22,339	1,737	20,419
Fine Arts	12,388	12,112	276	12,096
Graduate Studies	1,199	1,053	146	1,049
Human and Social Development	20,893	20,498	394	19,334
Humanities	26,083	25,538	545	24,492
Law	7,548	7,286	262	6,564
Medical Sciences	8,966	8,016	950	7,447
Science	30,405	29,139	1,267	27,591
Social Sciences	26,689	26,079	610	24,877
Total Academic	191,953	185,369	6,584	177,223
Other Academic				
Continuing Studies	19,253	7,801	11,452	16,383
Other Academic	36,618	29,688	6,930	23,587
Total Other Academic	55,871	37,489	18,382	39,970
Total Expenditures	247,825	222,858	24,966	217,192

UNIVERSITY OF VICTORIA  
GENERAL OPERATING FUND EXPENDITURES  
BY FUNCTIONAL AREA  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule I  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Library				
Acquisitions	10,448	10,296	151	9,108
Operations	9,868	9,832	36	10,009
Total Library	20,316	20,129	187	19,117
Student Awards & Services				
Student Awards	23,597	22,785	812	18,695
Student Services	21,946	15,853	6,094	18,156
Total Student Awards & Services	45,543	38,637	6,906	36,850
Plant Maintenance				
Utilities	5,854	2,232	3,622	5,827
Other	24,376	24,267	109	24,533
Total Plant Maintenance	30,230	26,499	3,731	30,360
Administrative and General				
Executive Offices	7,746	6,504	1,242	6,099
Alumni and Development	3,812	3,395	417	3,627
Administrative Registrar	6,090	6,249	(159)	6,066
Student Recruitment	2,885	2,767	118	3,292
Budget and Capital Planning	2,040	1,988	52	2,136
Financial Services	4,611	4,430	181	4,678
Human Resources	4,368	4,095	273	4,015
Chief Information Officer	3,428	3,446	(18)	3,540
Internal Financing	(1,604)	381	(1,984)	(1,012)
Other Expenses	10,730	11,963	(1,233)	9,944
Total Administrative and General	44,107	45,218	(1,111)	42,386
Total	140,196	130,483	9,713	128,713

UNIVERSITY OF VICTORIA  
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule J  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Academic				
Business				
Revenue	695	1,042	347	1,091
Expense	14,092	14,267	(175)	14,147
Total Business	(13,397)	(13,225)	172	(13,056)
Cooperative Education				
Revenue	0	78	78	2
Expense	5,641	5,397	244	5,283
Total Cooperative Education	(5,641)	(5,319)	322	(5,280)
Education				
Revenue	321	377	56	344
Expense	13,974	13,645	329	13,925
Total Education	(13,653)	(13,268)	385	(13,581)
Engineering				
Revenue	1	257	256	179
Expense	24,076	22,339	1,737	20,419
Total Engineering	(24,075)	(22,083)	1,992	(20,240)
Fine Arts				
Revenue	152	103	(49)	342
Expense	12,388	12,112	276	12,096
Total Fine Arts	(12,235)	(12,008)	227	(11,753)
Graduate Studies				
Revenue	9	33	24	45
Expense	1,199	1,053	146	1,049
Total Graduate Studies	(1,190)	(1,020)	170	(1,003)

UNIVERSITY OF VICTORIA  
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule J  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Human and Social Development				
Revenue	0	106	106	88
Expense	20,893	20,498	394	19,334
Total Human and Social Development	(20,893)	(20,392)	501	(19,246)
Humanities				
Revenue	55	306	251	330
Expense	26,083	25,538	545	24,492
Total Humanities	(26,028)	(25,232)	796	(24,161)
Law				
Revenue	312	294	(17)	328
Expense	7,548	7,286	262	6,564
Total Law	(7,236)	(6,991)	245	(6,236)
Medical Sciences				
Revenue	258	591	333	381
Expense	8,966	8,016	950	7,447
Total Medical Sciences	(8,707)	(7,425)	1,283	(7,066)
Science				
Revenue	156	541	385	844
Expense	30,405	29,139	1,267	27,591
Total Science	(30,249)	(28,598)	1,652	(26,747)
Social Sciences				
Revenue	10	158	148	143
Expense	26,689	26,079	610	24,877
Total Social Sciences	(26,679)	(25,921)	758	(24,734)
Total Academic	(189,984)	(181,482)	8,501	(173,104)

UNIVERSITY OF VICTORIA  
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule J  
Budget vs. Actual

<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>Variation</u> <u>from Budget</u>	<u>2020</u> <u>Actual</u>
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UNIVERSITY OF VICTORIA  
SCHEDULE OF DEPARTMENTAL REVENUE AND EXPENDITURES - BY FUNCTION  
Year Ended March 31, 2021 (in thousands of dollars)

Schedule J  
Budget vs. Actual

	2021 Budget	2021 Actual	Variation from Budget	2020 Actual
Other Academic				
Continuing Studies				
Revenue	17,538	6,473	(11,065)	16,219
Expense	19,253	7,801	11,452	16,383
Total Continuing Studies	(1,715)	(1,328)	387	(164)
Other Academic				
Revenue	596	1,268	672	976
Expense	36,618	29,688	6,930	23,587
Total Other Academic	(36,022)	(28,421)	7,602	(22,611)
Library				
Revenue	366	322	(44)	521
Expense	20,316	20,129	187	19,117
Total Library	(19,949)	(19,807)	143	(18,596)
Student Awards and Services				
Revenue	9,430	3,829	(5,601)	10,823
Expense	45,543	38,637	6,906	36,850
Total Student Awards and Services	(36,113)	(34,808)	1,305	(26,027)
Plant Maintenance				
Revenue	2,102	1,829	(273)	2,896
Expense	30,230	26,499	3,731	30,360
Total Plant Maintenance	(28,127)	(24,669)	3,458	(27,464)
Administrative and General				
Revenue	3,699	4,436	738	4,594
Expense	44,107	45,218	(1,111)	42,386
Total Administrative and General	(40,408)	(40,782)	(373)	(37,792)