

Tuition Adjustment: Questions & Answers

**Please note: Numbers included in this document are as of November 2015 and estimates only.*

Q. Exactly how much is this increase?

A. The increase approved by the Board of Governors is \$21 per undergraduate course (or per half unit – a course that runs for one term is equal to one half unit).

Q. When will this increase apply?

A. This increase will be made in each of September 2016, September 2017 and September 2018.

Q. Will this increase apply to all programs?

A. This increase applies to all *undergraduate* courses/programs. The amount of the increase will be the same for all programs.

Q. Will there be an additional 3% annual increase (as in past years)?

A. An additional increase of up to 3% is possible, under the government's existing tuition cap, but that will be considered separately as part of our regular annual budget planning process.

Q. Why couldn't we wait and do this later?

A. The Nova Scotia government made it clear that there was a one-time window in which to make this adjustment.

Q. Why are we only considering this now (i.e. in the past several weeks)?

A. Before starting this discussion, we needed to have as complete a picture as possible of our current circumstances. Specifically, we needed updated enrolment data and to confirm information about our projected labour costs.

Q. Will there be a similar increase to undergraduate international tuition rates?

A. Yes. In addition to the \$21 adjustment to undergraduate tuition, there will be an increase of \$20.83 to the international student differential.

Q. Will graduate tuition rates increase correspondingly?

A. Graduate tuition fees are not regulated in the same way by the Province, so they will not be part of this change.

Q. How did you arrive at an amount of \$21? On what did you base your planning?

A. We considered multiple scenarios in an attempt to minimize the impact on students, but ensure a sustainable future for the Mount. Our calculations at \$21 resulted in the following projected net operating outcomes:

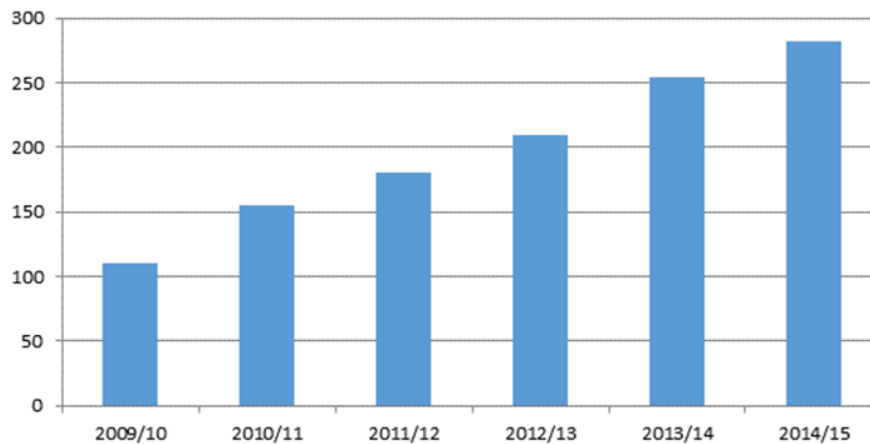
	\$0 change	\$21/Half Credit
0% Enrolment Trend	-\$500K	\$1.08M
-1% Enrolment Trend	-\$1.3M	\$209K
-3% Enrolment Trend	-\$2.8M	-\$1.38M

K = thousand, i.e. -\$500K is -\$500,000

Q. How will any excess revenue over expenditures (or positive variance) be used?

A. An increase of \$21 per course over the next three years, coupled with continued careful management of enrolment and costs, will help us ensure we continue to operate without incurring a deficit. A portion of any excess revenue over expenditures will be directed toward a new emergency fund and our existing bursary fund in support of students in greatest need. Our goal is to significantly grow our bursary fund, including establishing a reserve, so that we can better support students both now and in the future. In addition, through this change, we hope to ensure adequate funding for counselling and accessibility services, both of which are experiencing increases in demand (see graph below).

Number of students registered with accessibility services



Q. Why couldn't we opt for no increase?

A. Based on a conservatively estimated projected annual cost increase of about 2.86%, no increase in tuition would mean (by the end of 2018/2019) a net operating deficit for the Mount of \$500,000 at no change in enrolment, \$1.3 million at a -1% decrease in enrolment, and \$2.8 million at a -3% decrease in enrolment. (See graph below – note that revenue projections below also include a 3% annual increase in tuition as part of the regular budget process)

Cost vs revenue projections – 3 enrolment scenarios

Coloured lines in the graph below depict projected revenues if no change in enrolment (or 0% = red line), with a -1% change in enrolment (green line) and with a -3% change in enrolment (purple line)

