



Royal Roads
UNIVERSITY

Operating & Capital Budget Plan

2025 • 2026





Table of Contents

Letter from the President	1
1.0 Executive Summary	2
2.0 2024/25 Actual Results	3
Enrolment	3
Cost Management	3
3.0 Budget 2025/26	5
3.1 Budget Plan	5
3.2 2025/26 Operating Plan	6
3.3 Operating Plan Assumptions	9
Revenue	12
Enrolment	13
Expenditures	13
4.0 2025/26 Capital Plan	15
APPENDIX 1	
Statement of Operations	16
APPENDIX 2	
Financial Sustainability	17
APPENDIX 3	
Financial Risk Assessment	18
What Happened in 2024/25	18
Looking Forward to 2025/26	18
Risk Analysis	19
Financial Impact Sensitivity Analysis	19
APPENDIX 4	
Tuition Rates and Mandatory Academic Ancillary Fees	21



Letter from the President

Dear Colleagues,

The post-secondary sector has faced undeniable challenges over the past year. Shifting enrolment patterns, limited funding, and economic and political uncertainty are making it harder for institutions like ours to balance financial sustainability with delivering quality education and support for staff.

Despite these challenges, we have responded with resilience, creativity and commitment to our students who continue to inspire us in turn. The extraordinary dedication of our faculty and staff is a source of deep pride.

As we present our annual budget for the 2025/26 fiscal year and reflect on the fiscal realities that guide our planning, it is also important that we consider the broader context in which we operate as a post-secondary institution in Canada.

The 2025/26 budget reflects the alignment of our strategic priorities, including our foundational purpose to deliver transformational learning experiences for our students. Like many other post-secondary institutions, we will continue to adapt our academic offerings and invest in student supports while balancing restraint in other areas to achieve long-term fiscal sustainability. We are also taking steps to diversify revenue through international collaboration, and we continue to advocate for renewed government investment in post-secondary education across Canada.

Key highlights of this year's budget include:

- \$14.1M in government funding to finish construction of phase 1 of the West Shore Initiative, a collaboration between Camosun College, Royal Roads University and the University of Victoria. Accommodating 1,300 full-time students, the campus will increase access to post-secondary education on the West Shore and in other communities on southern Vancouver Island.
- \$4.7M in incremental funding from government to support the successful rollout of new undergraduate programming at RRU Langford, John Horgan Campus and support campus operations.
- \$0.9M in additional research funding, reflecting the continued success and recognition of the university's growing research enterprise.
- \$0.9M for ongoing funding of the Emerging Indigenous Scholars Circle, creating opportunities to support Indigenous doctoral graduates in the early career stages.
- Over \$0.3M in additional funding for student financial aid and awards.

With sincere appreciation for the contribution of our faculty and staff to the development of this plan, I also want to look ahead and invite you to continue to engage in conversations about our shared future. Your continued insights, dedication and support are critical to chart a path together.

Sincerely,



Philip Steenkamp, PhD
President and Vice-Chancellor



Executive Summary

Royal Roads University's (the University, RRU) approach to operating and capital planning is designed to align financial operating and capital resources with the University's vision and values. In doing so, the planning process can meet changing institutional needs and remain responsive to new opportunities and challenges. In keeping with its commitment to financial stability and sustainability, the 2025/26 operating and capital budget takes a risk-based financial management approach including consideration of key economic and environmental factors.

Post-Secondary institutions (PSIs) in Canada continue to navigate increasing fiscal and political uncertainty as federal and provincial policy shifts introduce new constraints on enrolment, revenue generation and institutional flexibility. In 2024, the federal government doubled the cost-of-living requirements for study permit applicants and introduced limitations to spousal open work permits. Further caps on international study permits were accompanied by a new policy requiring students to submit a Provincial Attestation Letter (PAL) with their permit application. This shift introduced yet another potential barrier to student mobility into and within Canada's Post-Secondary system.

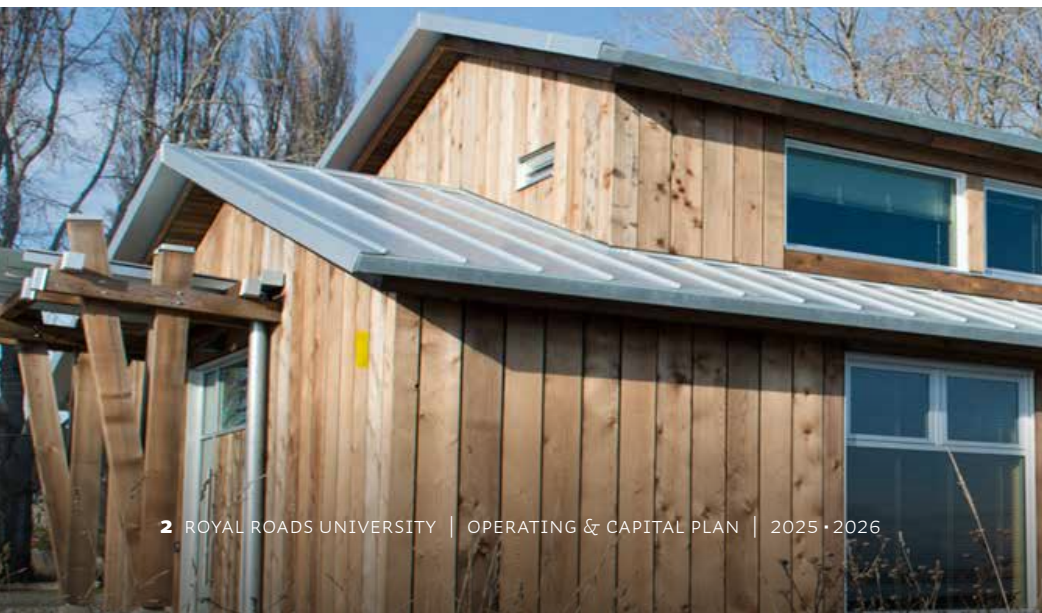
More recently, Immigration, Refugees and Citizenship Canada (IRCC) introduced restrictions governing Canada's post-graduation work permit eligibility, limiting applicants to specific fields of study linked to market demand. As many students choose Canadian institutions with the hope of securing long-term residency after graduation, these

policy shifts make Canada a less attractive destination for prospective students, further impacting enrolment figures.

While these policies aim to address nationwide housing and infrastructure concerns, they also pose significant financial risks for universities. Changes in enrolment trends have contributed to a substantial shift in the makeup of general operating revenues, with core government grants contributing a smaller proportion of total university funds. Consequently, PSIs have become increasingly reliant on tuition, fees and ancillary revenues to fill funding gaps. Inflation, global political and economic realities, combined with these recent federal and provincial changes in the student visa process, have had a chilling effect on international student enrolment the full impact of which is still to be seen.

In response to these challenges, RRU has taken a cautious approach to discretionary spending while maintaining strategic investments to support long-term institutional goals. The University remains committed to achieving a balanced budget over the next three years, despite anticipated slow economic growth through 2025/26.

Within this context, the 2025/26 budget for the University is presented in this operating and capital plan. The purpose of this plan is to balance long-term financial sustainability and responsible resource allocation to meet the University's rolling Three Year Action Plan.



Royal Roads University acknowledges that the campus is located on the traditional lands of the Xwsepsum (Esquimalt) and Lekwungen (Songhees) ancestors and families.

With gratitude, we live, work, and learn here where the past, present and future of Indigenous and non-Indigenous students, faculty, and staff come together.

Hay'sxw'qa si'em!

2024/25 Actuals

Global and domestic policy shifts continue to impact university revenue and expenditure trends in new and uncertain ways. While inflationary pressures stabilized this year and interest rates continue to ease gradually, financial uncertainty remains high due to Canadian dollar value fluctuations, and unknown impact of tariffs. The cumulative impact of recent federal caps on international student permits, restrictions on student mobility within Canada, and changes to post-graduation work eligibility policies continue to impact international enrolment.

While post-secondary institutions continue to adapt to these evolving conditions, the full financial impact of these policy changes will unfold over the coming years. As the University navigates these challenges, cautious financial planning and strategic investments remain central to maintaining long-term sustainability and institutional resilience.

Enrolment

In 2023/24 RRU experienced a decline of 347 full-time equivalent (FTE) students from the year prior, a reduction of 13.7%. In 2024/25, the University experienced a further decline in enrolment of 136 new and continuing student FTEs over the prior year, a further reduction of 6.2%, including 187 fewer domestic enrolments. The overall financial impact for 2024/25 is a \$0.5M (1.5%) decline in tuition and student fee revenue from prior year. Considering the significant contribution of tuition and fees to overall revenues, the University is highly focused on increasing enrolment through its multifaceted strategic enrolment management plan.

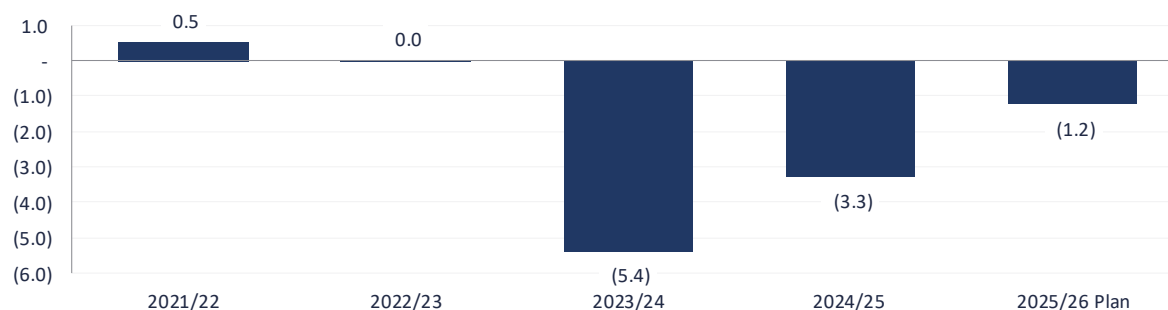
Cost Management

The total Consumer Price Index (CPI) rose 2.4% in 2024, levelling off from recent years that saw increases of up to 6.8% in 2022. The lasting effect of concurrent years of high inflation on the price of goods and services continues to influence every aspect of the University's academic and operational activities.

2024/25 was a challenging year with many post-secondary institutions across the province experiencing record low enrolment. The University reacted quickly to the compounding impacts of enrolment declines and rising costs over recent years by implementing cost management measures while ensuring that the University continues to meet student experience and program delivery requirements.

The overall impact of continued declining enrolment resulted in a shortfall of \$3.3M, before consideration of endowment contributions in 2024/25, largely on plan compared to budget (Figures 1 to 1.2), and a significant improvement over 2023/24 results due to prudent cost management.

FIGURE 1. NET OPERATING INCOME BEFORE ENDOWED CONTRIBUTIONS* (\$MILLIONS)



*2023/24 Figure has been adjusted for a one-time net \$5.6M capital write-down for comparability purposes.

FIGURE 1.1 OPERATING REVENUE (\$MILLIONS)

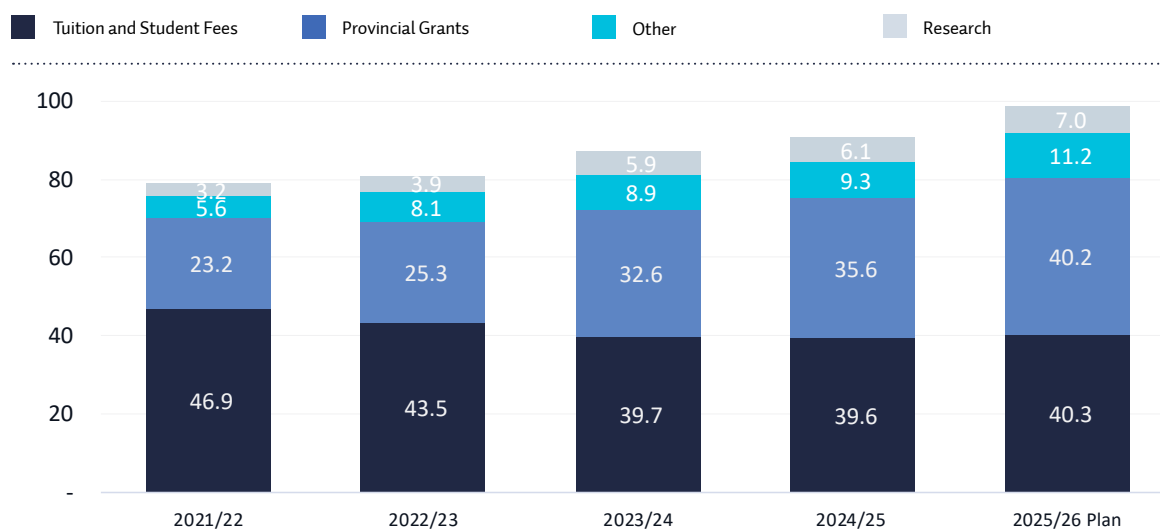
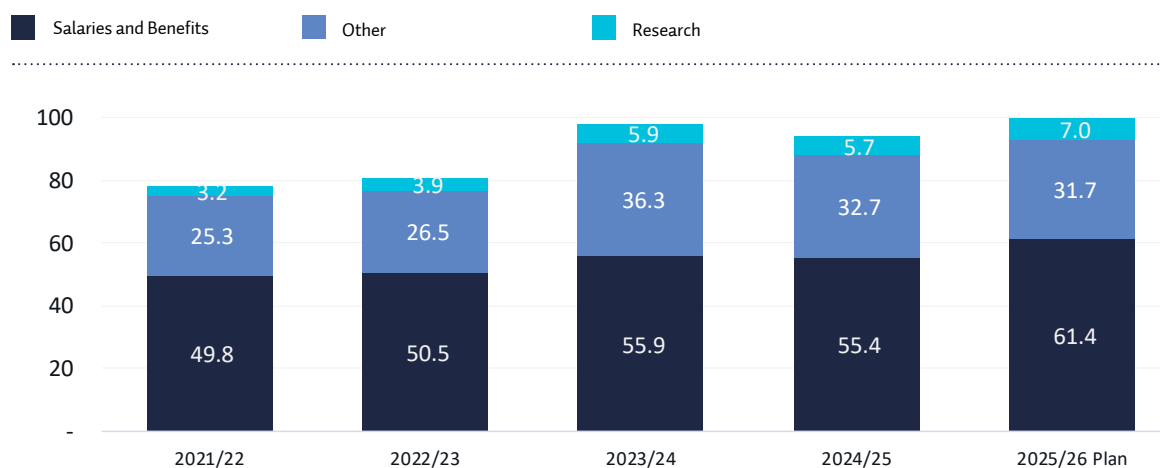


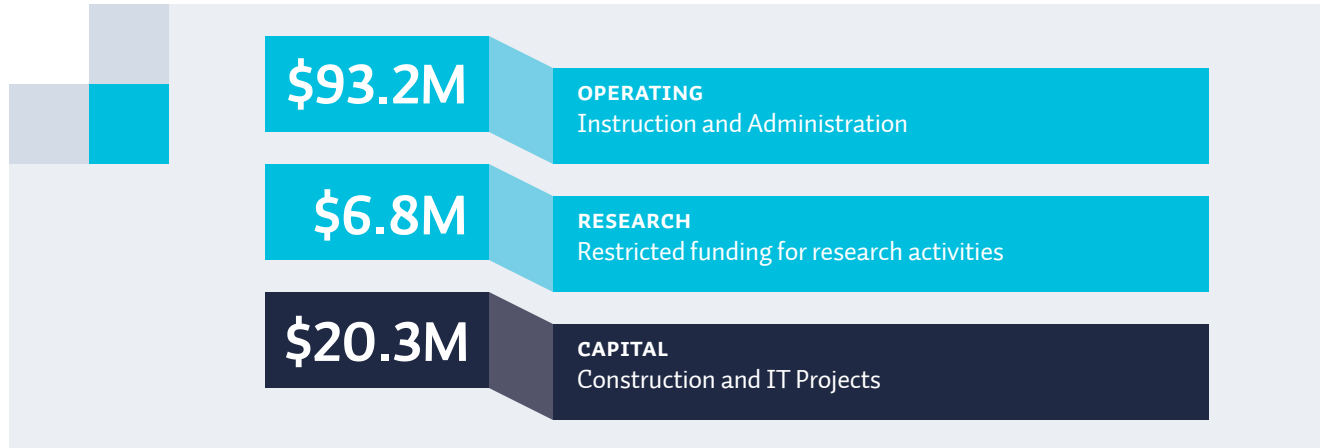
FIGURE 1.2 OPERATING EXPENDITURES* (\$MILLIONS)



*2023/24 Figure has been adjusted for a one-time net \$5.6M capital write-down for comparability purposes.

Budget 2025/26

3.1 Budget Plan



Risk-Based Financial Management Approach

The University continues to refine its strategy to navigate ongoing economic challenges and an increasingly complex policy environment —particularly federal and provincial policy changes affecting international student enrolment— which introduce significant uncertainty for post-secondary institutions.

This budget plan incorporates moderate revenue growth assumptions with responsible and targeted cost-control measures to ensure long-term financial stability. RRU remains committed to achieving a balanced budget in year three of the plan, focusing on responsible resource allocation to support its long-term strategic vision. The University will continue to monitor policy developments and economic conditions to adapt its financial approach as needed.



3.2 2025/26 Operating Plan

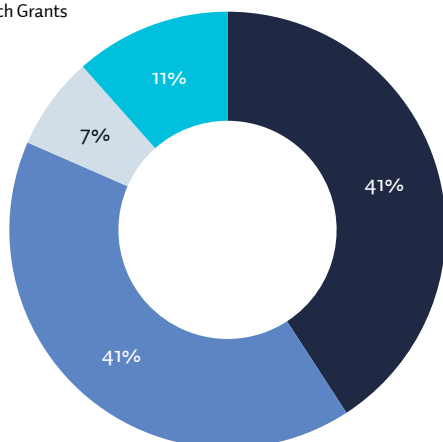
The operating budget has been developed on a risk-adjusted basis. Consideration has been given to the impact of revenue assumptions and cost management measures. Detailed information is provided in Appendix 3 of this Plan.

The operating budget covers the operations of the University, including the new Langford campus and strategic offshore activities. Key revenue drivers include tuition and academic fees, provincial funding, and research grants while expenditures are largely driven by staff and contracted labour (Figure 2).

FIGURE 2. 2025/26 OPERATING BUDGET

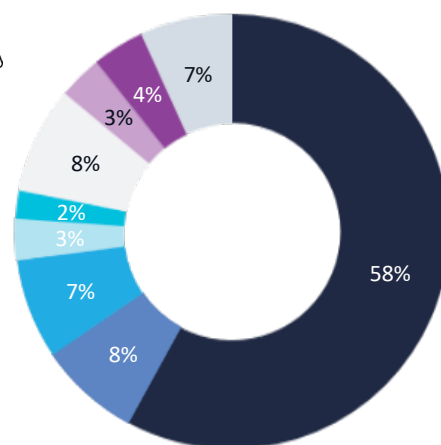
REVENUES

- Tuition and Other Academic Fees
- Provincial Grants
- Other
- Research Grants



EXPENSES

- Salaries and Benefits
- Academic Contracts and Instructional Program Delivery
- Grounds and Facilities
- Supplies Services
- Information Technology
- Amortization
- Research
- Marketing and Student Recruitment
- Non-Academic Contracts



Over the next three years, RRU will continue to prioritize strategic investment to support enrolment growth while ensuring that adequate resources are allocated to maintain critical levels for both academic and campus operations (Table 1). The aim of the University's budget approach is to balance institutional priorities with fiscal containment, projecting a return to a balanced budget in year three of the plan.

TABLE 1. OPERATING BUDGET 2025/26 (\$MILLIONS)

	2023/24	2024/25	TOTAL	2025/26 PLAN		2026/27 PLAN	2027/28 PLAN	2025/26 PLAN V. 2024/25	
				RESEARCH	OPERATIONS				
REVENUES									
Tuition Fees and Other Academic Fees	39,712	39,555	40,310		40,310	42,322	43,257	754	2%
Provincial Grants	32,629	35,607	40,220		40,220	41,038	41,038	4,613	13%
Other Revenues	14,813	15,408	18,211	6,816	11,395	20,147	20,377	2,803	18%
Total Revenues	87,154	90,570	98,741	6,816	91,925	103,507	104,672	8,170	9%
EXPENSES									
Labour	68,873	68,282	61,351	3,410	57,941	62,376	61,252	(6,931)	(10%)
Non-Labour	29,257	25,572	38,627	3,407	35,220	41,750	43,292	13,055	51%
Total Expenses	98,130	93,854	99,978	6,816	93,161	104,126	104,544	6,124	7%
Surplus (Shortfall)	(10,976)	(3,284)	(1,237)		(1,237)	(619)	127	2,047	(62%)

Highlights

REVENUES

Operating revenues are budgeted at \$98.7, including \$6.8M in restricted revenues to support research, an increase of \$8.2M (9%) over 2024/25 actuals.

Key operating revenue assumptions include:

- Enrolment projection of 2,079 student FTEs, including enrolments for three new undergraduate programs offered at RRU's Langford campus in September 2025;
- Tuition increases of 2% and 5% for new domestic and international students, respectively;
- Provincial funding for operations of the new Langford campus;
- Conservative funding assumption for provincial labour mandate funding, pending ongoing bargaining;
- Increase in ancillary revenue driven by fee increases (i.e., rentals, accommodation and bookstore, and retail sales) and an expansion of visitor programs, including new Hatley Castle tours; and
- Increases in other revenue-generating activities (i.e., donations, instalment fees)

EXPENDITURES

Operating expenditures are budgeted at \$100.0M, including \$6.8M in restricted expenses for research. The increase of \$6.1M (7%) from prior year is largely attributable to the operations and amortization expense of the new Langford campus, offset with provincial funding, as well as anticipated wage adjustments pending ongoing labour bargaining.

Key operating expenditure assumptions include:

- Moderate inflationary pressures and potential impacts of other economic tools (i.e., tariffs);
- Continued focus on labour cost containment through attrition and vacancy management;
- Targeted spending reductions across all portfolios;
- Funded general wage increase in anticipation of a new provincial labour mandate, pending ongoing labour negotiation.

Overall, the University is projecting an approved operating shortfall of \$1.2M in 2025/26, a 2.0M (62%) decrease compared to 2024/25 actuals. 2025/26 projected revenue is in line with modest student FTE growth projections and a continued focus on cost management. The impacts of our 2024/25 results and the 2025/26 budget on the University's financial sustainability are presented in Appendix 2.

3.3 Operating Plan Assumptions

Revenue

ENROLMENT

KEY PERFORMANCE INDICATORS - ENROLMENT

	2021/22	2022/23	2023/24	2024/25	2025/26 PLAN
Student FTEs – Credit Programs	2,931	2,541	2,194	2,058	2,079
Program/Student Mix for Graduate/Undergraduate	75/25	80/20	81/19	83/17	81/19
Program/Student Mix for Domestic/International	74/26	74/26	72/28	67/33	70/30
Credit Programs – Revenue from Domestic Students (\$millions)	\$29.3	\$25.9	\$22.4	\$20.5	\$21.2
Credit Programs – Revenue from International Students (\$millions)	\$12.3	\$11.9	\$11.4	\$12.7	\$12.1
Non-Credit Programs – Tuition Revenues (\$millions)	\$3.4	\$3.8	\$4.5	\$4.8	\$4.8

CREDIT PROGRAMS

2025/26 tuition revenue from credit programs at \$33.3M is in line with 2024/25 actuals as we observe stabilization in new enrolments. A target of 2,079 FTEs in 2025/26 assumes higher growth in new student enrolments compared to 2024/25. Tuition revenues are subject to 2% domestic and 5% international tuition rate increases.

Aligned to the goal of revenue diversification, the University is expecting to generate revenue through offshore academic partnerships in the United Arab Emirates through program offerings starting early in the fiscal year.



FIGURE 3.1 STUDENT FTE TREND DOMESTIC/INTERNATIONAL

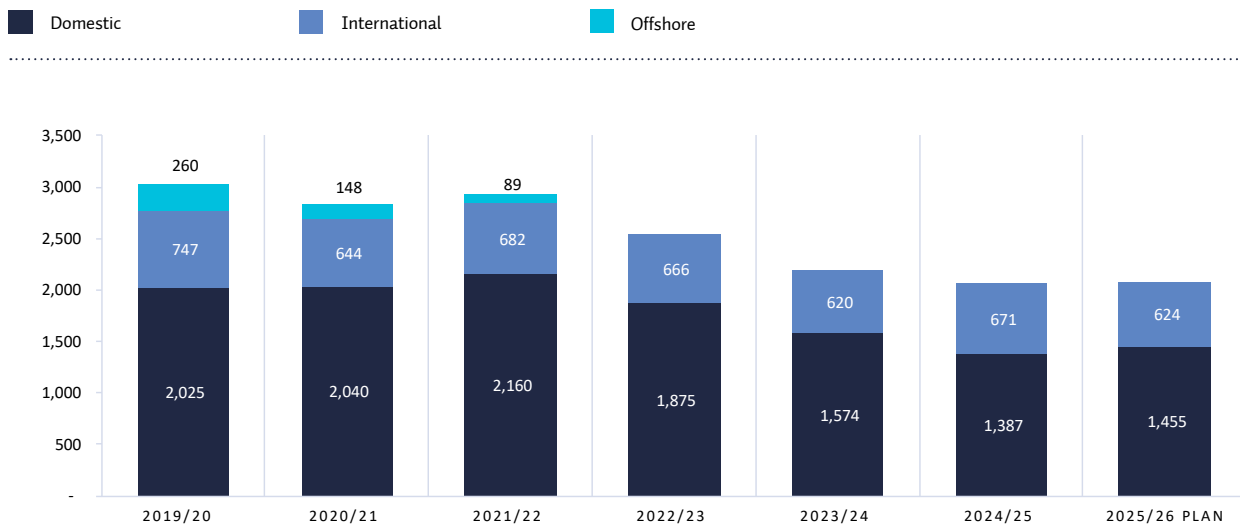


FIGURE 3.2 STUDENT FTE TREND UNDERGRADUATE/GRADUATE

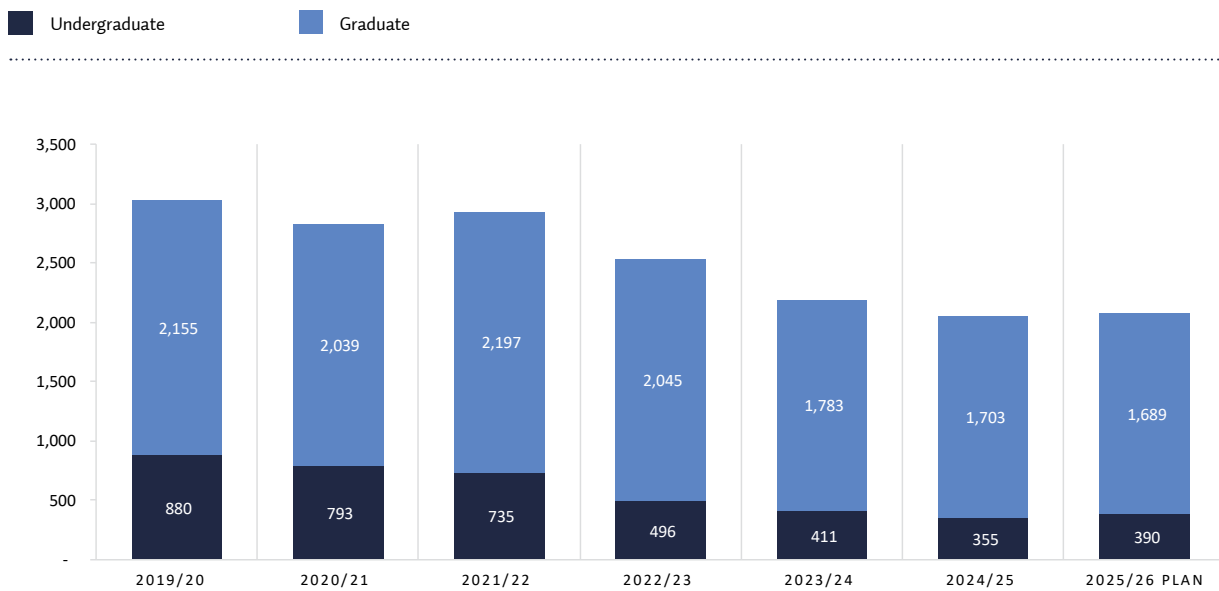


FIGURE 3.3 TUITION REVENUE DOMESTIC/INTERNATIONAL (\$MILLIONS)

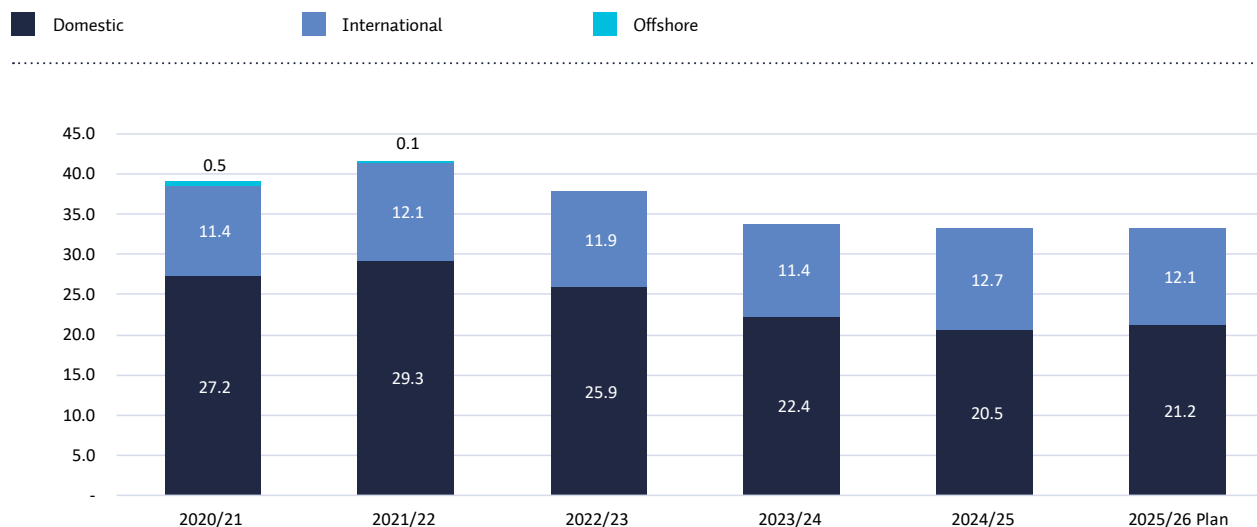
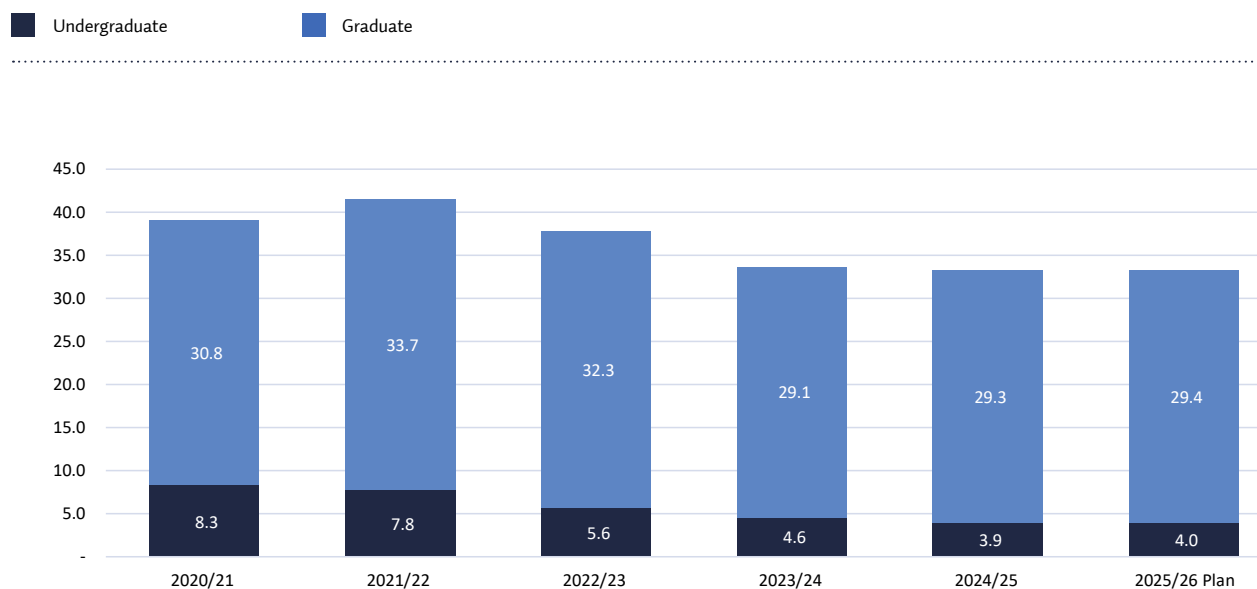


FIGURE 3.4 TUITION REVENUE UNDERGRADUATE/GRADUATE (\$MILLIONS)



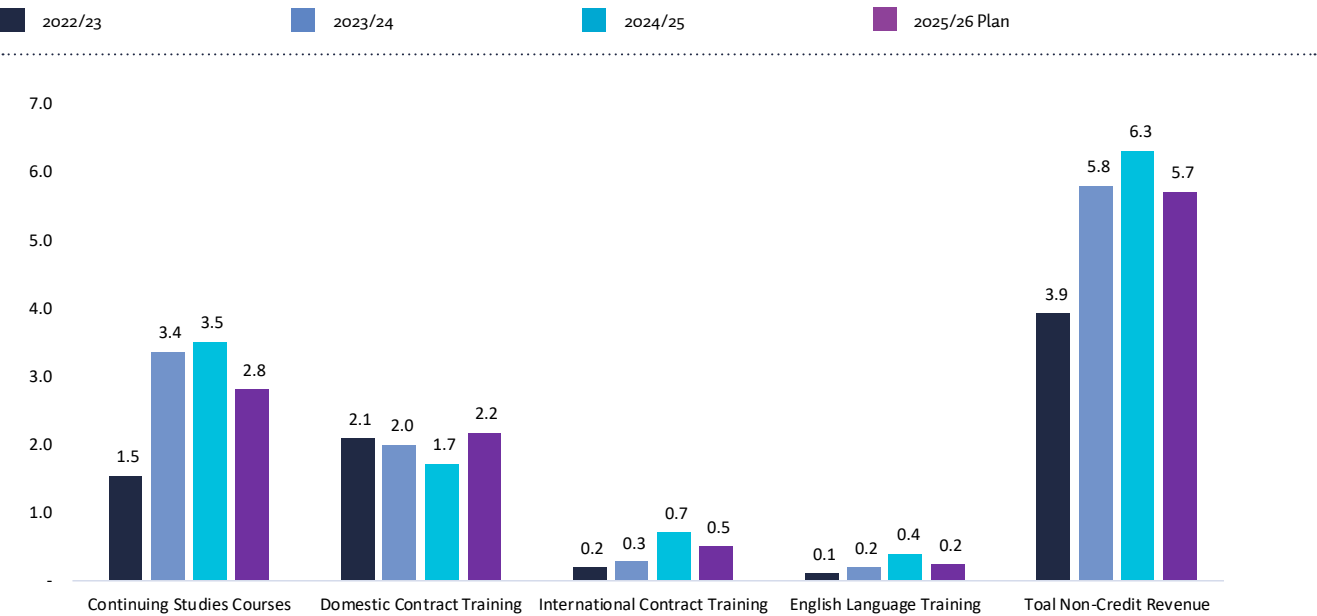
NON-CREDIT PROGRAMS

Revenue from non-credit grants and programs (Figure 4) offered through Professional and Continuing Studies (PCS) is slightly lower compared to 2024/25. An increase in domestic contract training reflects the extension of a project with the Toronto Metropolitan University and is offset with lower enrolment expected in other non-credit programs.

Fiscal 2024/25 saw growth in custom international programs and English language training with the introduction of improved study pathway programs for international students.

The revenue in PCS courses assumes that the Province’s Stronger B.C. Future Skills Program will continue into 2025/26.

FIGURE 4. PCS REVENUE (\$MILLIONS)



OTHER REVENUE

Other revenue budgeted at \$18.2M is an increase of \$2.8M (18%) over prior year, driven by a \$1.8M increase in deferred capital contribution revenue related to provincially funded completed capital projects and \$0.9M in new research revenue, an increase of 15%.

Expenditures

WORKFORCE AND COMPENSATION (NOT INCLUDING RESEARCH FUNDED POSITIONS)

Salaries and benefits in the 2025/26 plan have increased by \$2.9M (5%) compared to 2024/25. Increases are due to staffing for the new Langford campus and salary increase assumptions, pending labour bargaining outcomes.

As the University continues to observe higher employee to student FTE ratios due to lower enrolments, a continued

focus on position management will reflect a workforce that is better positioned to adapt to future enrolment trends.

Included in contracted services are contingency amounts to implement a new Enterprise Risk Management software as the University’s current system is on schedule for replacement in 2025/26 (Table 2).

TABLE 2. WORKFORCE ANALYSIS (\$MILLIONS)

STAFF (NON-RESEARCH)	2023/24	2024/25	2025/26 PLAN	VARIANCE PLAN TO 2024/25	
				\$	%
Salaries	46.2	45.1	47.4	2.2	5%
Benefits	9.7	9.9	10.6	0.7	7%
	55.9	55.1	57.9	2.9	5%
CONTRACTED SERVICES					
Academic	6.1	5.9	5.7	(0.2)	(3%)
Non-Academic	2.1	2.5	3.3	0.8	31%
	8.2	8.3	8.9	0.6	7%
Total Labour	64.1	63.4	66.9	3.5	5%

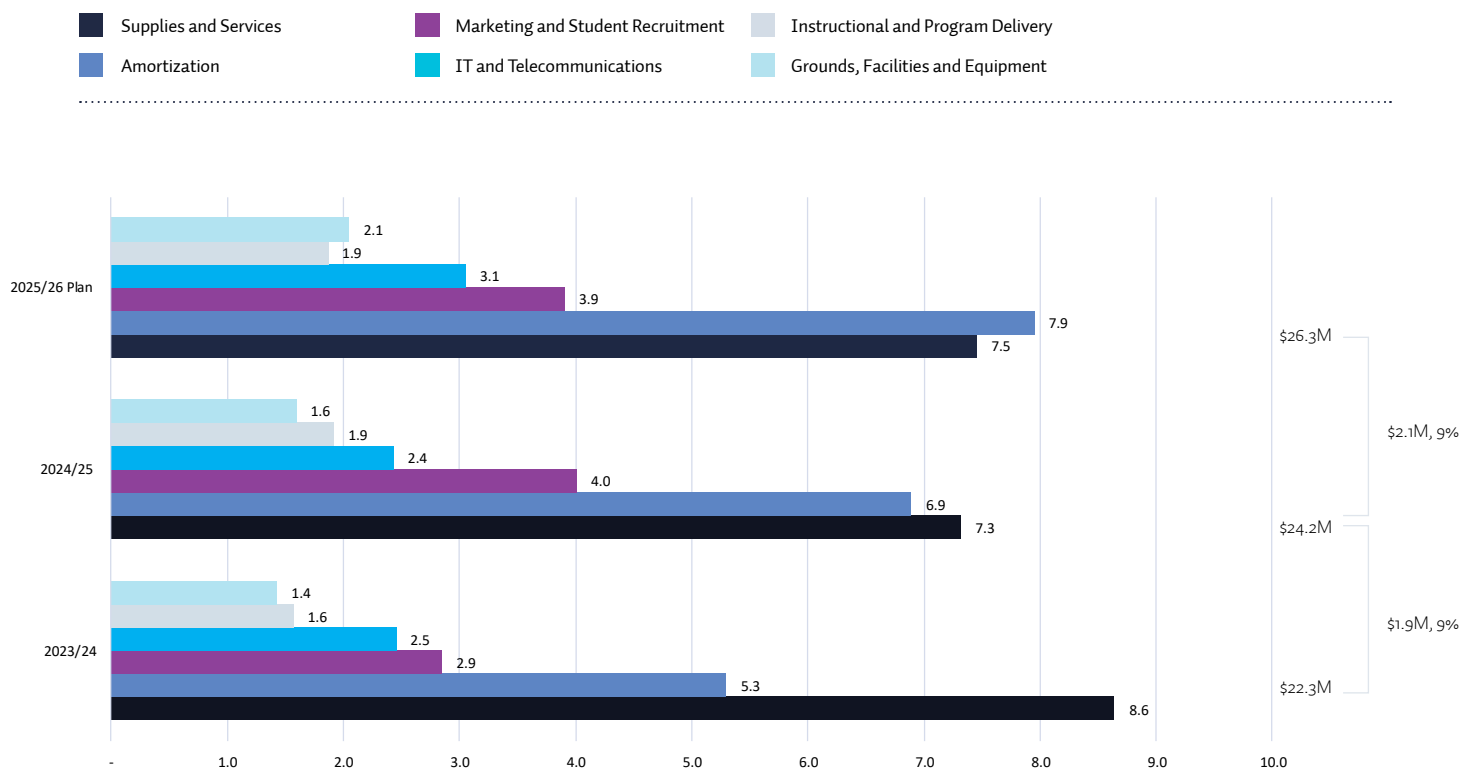
NON-LABOUR EXPENSES

All other expenses will rise to \$26.3M in the 2025/26 budget plan. This is an increase of \$2.1M (9%) over the prior year actuals (Figure 5).

Discretionary spending reductions have been partially offset by inflation, operating expenses for the new Langford campus, student recruitment and marketing,

IT cost increases, and amortization expense reflecting the completion of the provincially funded Langford campus and other capital projects.

FIGURE 5. OTHER EXPENSES (\$MILLIONS)



RRU 2025/26 Capital Plan

The University's capital investment program for 2025/26 is valued at \$20.3M, including \$ \$14.1M to support completion of the first building at the new Langford campus (Table 3). The annual Routine Capital grant will support investments on the Colwood campus.

TABLE 3. CAPITAL PLAN

IN \$MILLIONS		CHANGE FROM 2024/25		
	2024/25	PLAN 2025/26	\$	%
COLWOOD CAMPUS				
MAJOR CAPITAL				
WSI Phase 1	35,663	14,134	(21,529)	(60%)
Student Housing	0	1,000	1,000	100%
Major Capital Total	35,663	15,134	(20,529)	(58%)
MINOR CAPITAL				
Campus Horizontal Infrastructure	675	516	(159)	(24%)
Other Deferred Maintenance	1,951	2,212	261	13%
Academic Delivery & Supporting Space Reconfigurations	323	950	627	194%
Asset Lifecycle Renewal	44	459	415	943%
Donor Funded Initiatives	439	550	111	25%
Other Initiatives < \$501K	66	(66)	(66)	(100%)
Minor Capital Total	3,498	4,687	1,189	34%
TECHNOLOGY				
Network Infrastructure & Technology Asset Purchases	972	415	(557)	(57%)
Systems Implementation Initiatives	235	60	(175)	(70%)
Technology Total	1,207	475	(732)	(61%)
Grand Total	40,368	20,296	(20,072)	(84%)

Statement of Operations (Non-consolidated)

	2023/24	2024/25	2025/26	2026/27 PLAN	2027/28	2025/26 PLAN V. 2024/25	
Tuition Fees and Other Academic Fees	39,712	39,555	40,310	42,322	43,257	754	2%
Provincial Grants	32,629	35,607	40,220	41,038	41,038	4,613	13%
Research Grants	5,912	6,093	6,974	6,974	6,974	881	14%
Amortization of Deferred Capital Contributions	4,493	3,837	5,661	7,119	7,119	1,823	48%
Ancillary Revenues	2,386	2,383	2,383	3,072	3,178	(1)	(0%)
Investment Revenue	232	923	328	328	328	(595)	(64%)
Other Revenue	2,673	2,171	2,866	2,654	2,778	695	32%
Total Revenues	88,037	90,570	98,741	103,507	104,672	8,170	9%
Salaries & Benefits	58,578	58,438	61,351	62,376	61,252	2,914	(5%)
Contracted Services - Non Academic	4,226	3,985	5,144	5,672	5,796	1,159	(29%)
Contracted Services - Academic	6,069	5,859	5,681	5,880	5,884	(179)	3%
Instructional & Program Delivery	1,630	1,956	1,896	1,864	1,888	(60)	3%
IT and Telecommunications	2,474	2,451	3,056	3,946	4,087	605	(25%)
Marketing	1,316	1,932	1,741	1,592	1,619	(191)	10%
Student Recruitment	1,538	2,080	2,166	2,189	2,294	86	(4%)
Supplies and Services	9,730	8,660	8,941	9,011	10,077	281	(3%)
Grounds, Facilities and Equipment	1,446	1,600	2,055	2,191	2,243	455	(28%)
Amortization	12,006	6,893	7,947	9,406	9,406	1,055	(15%)
Total Expenses	99,014	93,854	99,978	104,126	104,544	6,124	(7%)
Net Income	(10,976)	(3,284)	(1,237)	(619)	127	2,047	(62%)

Financial Sustainability

The University's financial position is primarily impacted by capital project spending and annual operating results. Declines in the primary reserve ratio over the past five years reflect lower net assets due to a reduction of cash and investment balances. A major land acquisition for the Langford campus in fiscal 2021/22 and information system upgrades impacted cash reserves while consecutive years of enrolment challenges continue to have a significant impact on revenues. This combination of factors has had a dampening impact on the University's net income ratio and return on net assets..

Looking Forward

The University continues to strategically invest resources to address sector-wide enrollment challenges and diversify academic offerings in response to declining tuition revenues. At the same time, budget 2025/26 includes cost management initiatives aimed at containing operational spending, as well as a pause on internally funded capital projects. These activities are expected to have a positive impact on financial sustainability measures.

KEY PERFORMANCE INDICATORS	
KPI	DEFINITION
Primary Reserve Ratio ¹	How long the university would be able to function using only its current net expendable resources without relying on additional net assets generated from operations.
Net Income/Loss Ratio ²	If and by how much the university's revenues exceed its expenses.
Return on Net Assets ³	How well the university is using its existing resources to generate additional resources.
Contribution Margin ⁴	Contribution margin measures the profitability of a product or service after deducting expenditures.

TABLE 4. FINANCIAL SUSTAINABILITY KPIs AND TREND INFORMATION

KEY PERFORMANCE INDICATORS	2021/22	2022/23	2023/24	2024/25	2025/26 PLAN
Net Operating Income (\$ Thousands)	\$536	\$27	\$(10,976)	\$(3,284)	\$(1,237)
Net Operating/Loss Ratio	0.3%	(1.0%)	(7.0%)	(2.0%)	(1.0%)
Primary Reserve Ratio	153	98	69	81	71
Return on Net Assets (3 year average)	2.6%	2.6%	(4.1%)	(1.9%)	(1.9%)
Total cost per Student FTE	\$26,704	\$31,846	\$44,727	\$45,604	\$48,913
Contribution Margin	36%	33%	23%	22%	19%

¹ Primary Reserve Ratio – Calculated by dividing Expendable Net Assets (Net Assets excluding Tangible Capital Assets, Deferred Capital Contributions and Deferred Revenue) by Total Expenses (excluding Amortization), to get a number in years which is converted to months or days.

² Net Income/Loss Ratio: calculated by dividing the Net Income or Net Loss by Total Revenue. Because this ratio can be volatile year over year, it is averaged over a three-year period to give a smoother picture.

³ Return on Net Assets: Calculated by dividing the Change in Net Assets for the year by the Net Assets at the beginning of the year. Because this ratio can be volatile year over year, it is averaged over a three-year period to give a smoother picture.

⁴ Contribution Margin: Operating revenues less direct teaching salaries and contracted services, program support salaries and benefits, academic administrative salaries and benefits, and departmental non-labour costs for academic programming and professional and continuing studies programs.

Financial Risk Assessment

Financial Risk Assessment

The following analysis looks at 2025/26 budget assumptions, new challenges emerging, and potential strategies to help prepare the University for alternate scenarios.

What Happened in 2024/25?

In 2024/25, the University experienced a decline in credit program enrolment of 6.2% student FTEs from prior year (Table 5) translating into a \$0.5M tuition revenue decrease. The decline is an improvement over larger enrolments drops in 2023/24 from the previous year, and is partially offset by an increase in continuing international students, indicating some stabilization. Although tuition revenues in prior years were primarily impacted by shortfalls in international students, this year saw a relatively higher decrease in domestic enrolment. In response, the University implemented cost management strategies through managed staffing and controls over discretionary spending.

Looking Forward to 2025/26

2025/26 PLAN TO 2024/25

Strategies to grow overall student FTEs by 1% are being prioritized for 2025/26 along with a continuation of cost management strategies to ensure the University returns to a balanced budget. Domestic student numbers are expected to increase with the introduction of three new undergraduate certificate programs to be delivered at RRU's new Langford campus and directed student recruitment strategies. Additional revenue generation is expected in early fiscal 2024/25 from partnerships with academic institutions within the United Arab Emirates and the University will continue to explore further revenue diversification opportunities.

TABLE 5. STUDENT ENROLMENT FORECAST AND PLAN

	2023/24	2024/25	2025/26 PLAN	2025/26 PLAN TO 2024/25		2024/25 TO 2023/24	
				FTEs	%	FTEs	%
FTEs							
Total Domestic FTEs	1,574	1,387	1,455	68	4.9%	(187)	(11.9%)
Total International FTEs	620	671	624	(47)	(7.0%)	51	8.2%
Total FTEs	2,194	2,058	2,079	21	1.0%	(136)	(6.2%)

Risk Analysis

Several risks could potentially impact the operating results for 2025/26 as follows:

Student Enrolments

- Further government policy changes at the provincial and federal level that may impact the Provincial Attestation Letter (PAL) allocation or federal policies pertaining to student permits, spousal work permits and post-graduation permits.
- Continued economic pressures, primarily lack of affordable housing and inflationary pressures, dampen student enrolment.
- Ongoing federal immigration cuts continue to put pressure on the labour market and increase labour shortages which contribute to potential graduate students remaining in the workforce reducing enrolment.
- Further cuts to the number of student visas and processing times of student visas by Immigration, Refugees and Citizenship Canada (IRCC).
- Sponsoring organizations' ability to fund employees' higher education diminishes in the wake of high inflationary costs and a strong labour market reducing enrolment.
- Increase in study leaves and reduced course loads due to financial and economic factors results in students taking longer to complete programs and reduced annual revenue.

IT Capital and Operational Cost Escalation

- Exceptionally tight labour markets and uncertainty of international tariff policies will have an undetermined impact on the cost of labour, goods and services.
- Outcomes of provincial labour mandate negotiations which, given current political climate and economic risks, may not result in funding for all sectors and wage increases.
- Emerging offshore opportunities may give rise to unforeseen costs as programs are piloted.
- Global shortage of computer chips is leading to significantly higher cost increases in all information systems areas including servers, storage and professional services.
- Increased reliance on cloud computing resources is driving higher operating costs.

FINANCIAL IMPACT SENSITIVITY ANALYSIS

The operating budget risk analysis prepared for 2025/26 (Table 6) shows two scenarios with the first scenario resulting in a reduction of \$5.2M in net operating income and the second scenario showing a reduction of \$11.3M in net operating income.

Following this analysis, Table 7 shows potential cost management measures ranging from \$0.8M to \$1.6M to offset the net income reductions. Table 8 provides mitigation strategies to reduce the potential revenue reductions.

TABLE 6. SCENARIOS AND NET INCOME REDUCTIONS

IN \$MILLIONS					
	Category of Enrolment	Scenario 1	\$ Impact	Scenario 2	\$ Impact
Credit Programs	New Students	New student intakes 25% below plan	\$2.5	New student intakes 50% below plan	\$5.0
	Continuing Students	Higher attrition of 5% for study leaves and reduced course loads	\$0.9	Higher attrition of 10% for study leaves and reduced course loads	\$1.8
Operating Costs	N/A	Additional 2% increase in operating costs	\$1.8	Additional 5% increase in operating costs	\$4.4
Total			\$5.2		\$11.3

TABLE 7. COST MANAGEMENT MEASURES

Category of Expenditure	Cost Management Measure	Maximum Potential Savings
Non-labour expenditures (other than instructional and program delivery)	Reductions to consulting, university-hosted events, meetings, and awards throughout the year in addition to the reductions already captured in budget	\$0.1M to \$0.3M
Reduction in consulting, contracted and other services	Reductions in non-academic consulting services for non-capital projects	\$0.1M to \$0.2M
Instructional and program delivery	Reductions to program events	\$0.1M to \$0.2M
Labour management	Higher attrition and vacancy management	\$0.3M to \$0.5M
Potential Savings		\$0.5M to \$1.2M

TABLE 8. MITIGATION STRATEGIES

Category	Management Measure
Lower than anticipated new and continuing enrolments in credit programs	- Launch new programs in response to the demands of the labour market and the government's new Future Ready: Skills for the Jobs of Tomorrow Building initiative - Dedicated resources for and active prioritization of strategic enrolment management - Data-driven marketing and recruitment strategies - Timely admissions process to ensure applicants are identified and processed efficiently - Exploration of provincial, national and trans-national partnership opportunities
Operating cost escalation	- Continue utilization of group purchase programs (i.e., BCNET), including community training to support an informed workforce that can make economical purchasing decisions - Continuation of staff management strategies including vacancy targets in all portfolios - Prioritization of program performance and demand analysis, including identification of low cost margin programs and activities to support informed business decisions - Continuously update decision makers on financial performance by providing forecasts and expenditure Timely financial and enrolment data provided to decision makers, on-demand through Power BI, to support oversight and accountability

Tuition Rates and Mandatory Academic Ancillary Fees

Consistent with the provincial government tuition limit policy, tuition rates for domestic undergraduate and graduate and mandatory academic ancillary fees propose a 2% increase as reflected in the tables. International student tuition rates are not mandated under BC's policy

on tuition limits. The 2025/26 international tuition rates for undergraduate and graduate programs propose a 5% increase. Proposed tuition rates for both domestic and international students would be effective September 1, 2025.

GRADUATE PROGRAMS

B – BLENDED

OC – ON-CAMPUS

OL – ONLINE

1=OC starting 2020/21

2=Completion of Graduation

3=Courses charged at rate/program
MATM Blended or On Campus

PROGRAM NAME	DELIVERY MODEL	PROGRAM DURATION	2024/25 PROGRAM FEE		2025/26 PROGRAM FEE	
			DOMESTIC	INT'L	DOMESTIC	INT'L
DOC Business Administration	B	4 years	\$89,464	\$89,464	\$89,464	\$89,464
DOC Social Sciences	B	4 years	89,464	89,464	89,464	89,464
MBA Executive Management	B	18 or 31 months	48,061	58,643	49,022	61,575
MA Interdisciplinary Studies	B	2 years	31,919	41,533	32,557	43,610
MA Global Leadership	B/OC ¹	13 or 24 months	30,418	39,942	31,026	41,939
MA Environmental Education and Communication	B	2 years	29,369	38,380	29,956	40,771
Master of Global Management	B/OC	12 to 19 months	28,971	38,408	29,551	40,329
MA Tourism Management	OC	18 months or 2 years	28,530	37,941	29,100	39,838
MA Tourism Management	B	19 months or 2 years	28,530	37,941	29,100	39,838
MA / MSc Environment and Management	B	2 years	28,496	37,095	29,066	39,800
MA Climate Action Leadership	B	2 years	27,911	37,285	28,469	39,149
MA Conflict Analysis and Management	B	2 years	27,911	37,285	28,469	39,149
MA Disaster and Emergency Management	B	2 years	27,911	37,285	28,469	39,149
MA Executive and Organizational Coaching	B		36,375	46,255	37,102	48,568
MA Human Security and Peacebuilding	B	2 years	27,911	37,285	28,469	39,149
MA Intercultural and International Communication	B/OC	18 or 22 months	27,911	37,285	28,469	39,149
MA Justice Studies	B	2 years	27,911	37,285	28,469	39,149
MA Leadership	B	2 years	27,911	37,285	28,469	39,149
MA Leadership with a Specialization in Health	B	2 years	27,911	37,285	28,469	39,149
MA Leadership - Executive Leadership Specialization	B	2 years	27,911	37,285	28,469	39,149
MA Learning and Technology	B/OL	2 years	27,911	37,285	28,469	39,149
MA Professional Communication	B	2 years	27,911	37,285	28,469	39,149
MA Educational Leadership and Management	B	2 years	27,348	36,688	27,895	38,522
MA Higher Education Administration and Leadership	B	2 years	27,348	36,688	27,895	38,522
MA / MSc Environmental Practice *Per Credit Rate	OL	3 - 3+ years	878	1,187	896	1,247

UNDERGRADUATE PROGRAMS

PROGRAM NAME	DELIVERY MODEL	PROGRAM DURATION	2024/25 PROGRAM FEE		2025/26 PROGRAM FEE	
			DOMESTIC	INT'L	DOMESTIC	INT'L
BA Interdisciplinary Studies	B	2-3 years ²	\$19,862	\$47,726	\$20,260	\$50,112
BA Professional Communication	B/OC	12-24 months ²	18,913	47,726	19,291	50,112
BCom Entrepreneurial Management	B/OC	12-24 months ²	18,913	47,726	19,291	50,112
BA Justice Studies	B/OC	12 months on-campus or 2 years blended	17,930	47,726	18,289	50,112
BSc Environmental Science	OC	1 year	16,208	47,726	16,532	50,112
BA / BSc Environmental Practice ¹	OL	2.5+ years	311	795	318	835
BBA Sustainability and International Business	OC	18 months	21,530	47,726	21,960	50,112
BA Global Tourism Management *cancelled*	OC	Year 3 & 4	18,913	47,726	n/a	n/a
BA Hospitality and Tourism Management *NEW*	OC	24 months	18,913	47,726	19,291	50,112
BA International Hotel Management *cancelled*	OC	Year 3 & 4	18,913	47,726	n/a	n/a
Certificate in Indigenous Environmental Leadership Program ¹	OL	18 months	305	765	311	803
Certificate in Business and Sustainability *New 2025-2026*	OC	24 months	n/a	n/a	6,500	22,750
Certificate in Applied Environmental Sciences *New 2025-2026*	OC	24 months	n/a	n/a	6,500	22,750
Certificate Social Sciences *New 2025-2026*	OC	24 months	n/a	n/a	6,500	22,750

¹ Per credit rate

UNDERGRADUATE PROGRAMS - PATHWAY

PROGRAM NAME	DELIVERY MODEL	PROGRAM DURATION	2024/25 PROGRAM FEE		2025/26 PROGRAM FEE	
			DOMESTIC	INT'L	DOMESTIC	INT'L
BA Global Tourism Management	OC	Year 1	\$-	\$26,445	\$-	\$27,768
BA Global Tourism Management	OC	Year 2	-	23,863	-	25,056
BA International Hotel Management	OC	Year 1	-	26,445	-	27,768
BA International Hotel Management	OC	Year 2	-	23,863	-	25,056
BA Professional Communication	OC	Year 2	-	23,863	-	25,056
BBA Sustainability and International Business	OC	Year 1	-	26,445	-	27,768
BBA Sustainability and International Business	OC	Year 2	-	23,863	-	25,056

GRADUATE DIPLOMA PROGRAMS

PROGRAM NAME	DELIVERY MODEL	PROGRAM DURATION	2024/25 PROGRAM FEE		2025/26 PROGRAM FEE	
			DOMESTIC	INT'L	DOMESTIC	INT'L
Environmental Education and Communication	B	1 year	\$17,500	\$22,400	\$17,850	\$23,520
Interdisciplinary Studies	B	Individualized	15,954	20,761	16,273	21,799
Project Management & Organizational Leadership	B	8 months	15,689	20,480	16,003	21,504
Higher Education Administration and Leadership	B	1 year	15,225	19,989	15,530	20,988
Learning and Technology	B/OL	1 year	15,225	19,989	15,530	20,988
Technology-Enhanced Learning and Design	OL	1 year	15,225	19,989	15,530	20,988
Global Leadership	B	9 months	15,203	19,965	15,507	20,964
Educational Leadership and Management	B	1 year	14,894	19,638	15,192	20,620
Conflict Analysis and Management	B	1 year	14,055	18,748	14,336	19,686
Disaster and Emergency Management	B	1 year	14,055	18,748	14,336	19,686
Human Security and Peacebuilding	B	1 year	14,055	18,748	14,336	19,686
Justice Studies	B	1 year	14,055	18,748	14,336	19,686
Climate Action Leadership	B	1 year	14,235	19,015	14,519	19,966
Leadership	B	1 year	13,956	18,642	14,235	19,574
Project and Supply Chain Management*new Apr 25*	OC	1 year	15,689	20,480	16,003	21,504

GRADUATE CERTIFICATE PROGRAMS

PROGRAM NAME	DELIVERY MODEL	PROGRAM DURATION	2024/25 PROGRAM FEE		2025/26 PROGRAM FEE	
			DOMESTIC	INT'L	DOMESTIC	INT'L
Tourism Management	B	3-18 months	808	1,096	\$808	\$1,107
Executive Coaching	B	6 months	\$10,930	\$13,511	11,149	14,187
Financial Analysis	OL	6 months	7,803	10,140	7,959	10,647
Financing Social Impact	OL	6 months	7,803	10,140	7,959	10,647
Indigenous Economic Development	OL	3 months	7,803	10,140	7,959	10,647
Global Leadership	B	5 months	10,135	12,669	10,338	13,302
Asia Pacific Trade and Investment	B	3-6 months	8,479	10,913	8,649	11,459
International Business and Innovation	B	3-6 months	8,479	10,913	8,649	11,459
Management and Leadership	B	6 months	8,479	10,913	8,649	11,459
Management Consulting	B	3-6 months	8,479	10,913	8,649	11,459
Personal and Professional Leadership Development	B	3-6 months	8,479	10,913	8,649	11,459
Advanced Coaching Practices	B	6 months	8,281	10,702	8,446	11,238
Change Management	B	6 months	8,281	10,702	8,446	11,238
Corporate Social Innovation	B	6 months	8,281	10,702	8,446	11,238
Organization Design and Development	B	6 months	8,281	10,702	8,446	11,238
Workplace Innovation	OL	6 months	8,281	10,702	8,446	11,238
Digital Transformation			8,281	10,702	8,447	11,237
Interdisciplinary Studies	B	Individualized	7,971	10,375	8,131	10,894
Business Development in International Education	OL	7 months	7,430	9,801	7,579	10,291
Systems Leadership in Higher Education	OL	7 months	7,430	9,801	7,579	10,291
Instructional Design	OL	7 months	7,375	9,743	7,523	10,230
Strategic Enrolment Management	B	7 months	7,458	10,006	7,607	10,506
Leadership	B	3 months	7,210	9,567	7,354	10,046
Professional Communication Management	B	6 months	7,210	9,567	7,354	10,046
Project Management	B	6 months	7,210	9,567	7,354	10,046
Science and Policy of Climate change	B	6 months	7,210	9,567	7,354	10,046
Strategic Global Communication	B	3 months	7,210	9,567	7,354	10,046
People and Culture	B	6 months	7,210	9,567	7,354	10,046
Regenerative Sustainable Community Development	B	6 months	7,210	9,567	7,354	10,046
Values-Based Leadership	B	6 months	7,210	9,567	7,354	10,046
Transforming Child Protection to Wellbeing			7,210	9,567	7,354	10,045
Managing Climate Risk and Resilience			7,500	9,375	7,650	9,844
Environmental Education and Communication	B	5 months	7,077	9,427	7,219	9,898

MANDATORY ACADEMIC ANCILLARY FEES

PROPOSED FEES - EFFECTIVE SEPTEMBER 1, 2025	2024/25(\$)	2025/26(\$)
APPLICATION FEES		
For-credit Program Application Fee	136.69	139.43
General Studies Courses	32.16	32.81
GRADUATE FEES		
Student Services Fee	307.85	314.00
Learning Support Services Fee (per year)	285.89	291.61
UNDERGRADUATE FEES		
Student Services Fee	236.63	241.36
Learning Support Services Fee (per year)	285.89	291.61
GRADUATE CERTIFICATE FEES		
Student Services Fee	137.84	140.60
Learning Support Services Fee (per year)	285.89	291.61