



The following Motions and Documents were considered by the Board Finance and Property Committee by electronic vote on January 12, 2015:

Agenda Title: **Rescission of University of Alberta 2014-2015 MBA International Program Differential Fee**

APPROVED MOTION: THAT the Board Finance and Property Committee recommend that the Board of Governors:

- a) rescind its December 13, 2013 approval of a proposal from the University Administration for an effective increase of 5% on the MBA international program differential fee, effective September 1, 2014 and as illustrated in the table below:

Program Differential ^a	2013-14	2014-15	Change	
			\$	%
Master of Business Administration, Base	\$591.96	\$597.84	\$5.88	0.99%
MBA, IDF on Base	\$617.40	\$671.88	\$54.48	8.82%
Total International MBA Program Fee	\$1,209.36	\$1,269.72	\$60.36	5.00%

- (a) Values listed are per course, unless otherwise stated (assumes 3 units course weight).
- (b) Program Fees - values are based on a full-time per term and full-time per year.

and, concurrently,

- b) approve a proposal from the University Administration for an effective 1% increase on the MBA international program differential fee, effective September 1, 2014, as illustrated in the table below:

Program Differential	2013-14	2014-15	Change	
			\$	%
Master of Business Administration, Base	\$591.96	\$597.84	\$5.88	0.99%
MBA, IDF on Base	\$617.40	\$623.52	\$6.12	0.99%
Total International MBA Program Fee	\$1,209.36	\$1,221.36	\$12.00	0.99%

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Final Recommended Item: 1

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Action Requested	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	Olive Yonge, Interim Provost and Vice-President (Academic)
Presenters	Olive Yonge, Interim Provost and Vice-President (Academic); and Phyllis Clark, Vice-President (Finance and Administration)
Subject	Rescind September 1, 2014 increase of 5% on the MBA International Program Differential Fee and concurrently approve a 1% increase on the MBA international program differential fee, effective September 1, 2014.

Details

Responsibility	Provost and Vice-President (Academic)
The Purpose of the Proposal is (please be specific)	<p>To rescind the 5% increase to the MBA international program differential fee that was to come into effect on September 1, 2014.</p> <p>On November 26, 2013, the Board Finance and Property Committee (BFPC) recommended that the Board of Governors approve a motion to increase the international differential fee by 5% on all undergraduate international students, and international MBA students, only. The remainder of all international graduate students would have their tuition increase by 1% (CPI). This motion was approved by the Board of Governors on December 13, 2013.</p> <p>The increases were scheduled to come into effect on September 1, 2014. Due to a programming error, the undergraduate fee increase was applied, but the 5% international MBA cohort was missed and instead a 1% fee increase was applied (1% was the approved increase for all other graduate international tuition fees). By</p>

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	<p>the time the error was noticed in October 2014, the payment date had passed and it was agreed that it would not be fair to retroactively assess the 5% fee after students had made their September payments. The fee now appears on the January 2015 student assessments.</p> <p>Recently, members of the Graduate Students' Association (GSA) and the MBA executive committees met with representatives from the Office of the Provost and of the Office of the VP (Finance & Administration) to discuss the assessment. While administration believes its reasoning for including the international MBA cohort in the assessment was sound at the time of the decision, it now recommends that the MBA portion of the motion be rescinded. Administration believes that increases to international graduate student differentials should be reviewed as a group and not by individual Faculties.</p> <p>An electronic vote is requested to reverse the 5% increase to the winter term differential fee which currently appears on the students' assessments, and instead approve a 1% tuition fee increase, effective September 1, 2014, to align the MBA international tuition fees with the other previously approved 2014-15 graduate international tuition fees.</p> <p>A timely vote would provide the opportunity to reverse the assessment prior to the payment deadline (January 30, 2015), advise all of the affected students of the reversal of the 5% increase, and to update the websites.</p>
The Impact of the Proposal is	To ensure that all international graduate fees are revised together, rather than by individual Faculty.
Replaces/Revises (eg, policies, resolutions)	Tuition proposal set by the Board of Governors on December 13, 2013 for September, 2014.
Timeline/Implementation Date	September 1, 2014.
Estimated Cost	The 5% assessment affects approximately 60 students and would bring in approximately \$11,000 in additional fees annually.
Sources of Funding	N/A
Notes	N/A

Alignment/Compliance

Alignment with Guiding Documents	Comprehensive Institutional Plan; <i>Dare to Discover, Dare to Deliver</i>
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal (please quote legislation and include identifying section numbers)	<ol style="list-style-type: none"> 1. Ministerial Letter Regarding the New Tuition Fees Regulation: A letter to the President, University of Alberta, dated September 17, 2013, from the Ministry of Enterprise and Advanced Education (EAE) states that: "As per the Public Post-secondary Institutions' Tuition Fee Regulation, the maximum allowable weighted average tuition fee increase across the entire institution shall not exceed 1.0 per cent." 2. Post-Secondary Learning Act (PSLA), Sections 61(1) and 61(2)(a): <p>"61(1) The board of a public post-secondary institution shall set the tuition fees to be paid by students of the public post-secondary institution.</p> <p>61(2) The tuition fees under subsection (1) for all public post-secondary institutions other than Banff Centre</p> <p>(a) must be set in accordance with the regulations[.] [...]"</p> 3. Public Post-Secondary Institution's Tuition Fees Regulation, Alberta Regulation 273/2006):

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	<p><i>Definition of tuition fees for Act purposes, etc.</i></p> <p><i>2 For the purposes of the Act and this Regulation, “tuition fees” in respect of an institution means the following:</i></p> <p><i>(a) fees identified in the institution’s calendar or in a supplement to its calendar as tuition fees or fees for instruction for courses that are part of programs approved by the Minister under the Programs of Study Regulation (AR 91/2009) or for the purposes of the Student Financial Assistance Act, excluding the following: [...]</i></p> <p><i>(v) any differential or surcharge in fees that the board of the institution may set for courses taken by individuals who are not Canadian citizens or permanent residents of Canada</i></p> <p>4. Board Finance and Property (BFPC) Terms of Reference (Section 3(d)):</p> <p><i>3. Without limiting the generality of the foregoing, the Committee shall: [...]</i></p> <p><i>d) review and recommend to the Board tuition and other like fees[.]”</i></p>
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Routing (Include meeting dates)

Consultative Route (parties who have seen the proposal and in what capacity)	President Interim Provost and Vice-President (Academic) Vice-President (Finance & Administration) Dean, School of Business Vice-Provost and Dean, Faculty of Graduate Studies and Research Vice-Provost and University Registrar Chair, Board of Governors Chair, Board Finance and Property Committee
Approval Route (Governance) (including meeting dates)	Board Finance and Property Committee – Electronic Vote (for recommendation) – January 12, 2015 Board of Governors – Electronic Vote (final approval)
Final Approver	Board of Governors

Attachments: None

Prepared by: Sandra Kereliuk, Senior Administrative Officer (F&A), with assistance from University Governance.