
**JOINT SENATE STANDING COMMITTEE ON ACADEMIC
PLANNING AND PRIORITIES AND ON UNIVERSITY BUDGET**

Special Meeting

Wednesday, November 12, 2025

3:30 p.m. – 4:30 p.m.

MS Teams

JOINT AGENDA

1. Call to Order and Territorial Acknowledgement Catherine Schwichtenberg 3:30

2. Approval of Agenda

MOTION: THAT the agenda be approved as circulated.

3. Chairs' Report Catherine Schwichtenberg 3:33

4. New Business

4.1. Fiscal 2026-27 Draft University Budget Carole Laplante 3:35

MOTION: THAT the Senate Standing Committees on Academic Planning and Priorities and University Budget recommend that the Senate endorse and advise the President that the draft Fiscal 2026-27 Budget aligns with the Budget Principles and Priorities, as presented.

5. Items for Discussion Catherine Schwichtenberg 4:20

6. Adjournment of Joint Committee

SENATE STANDING COMMITTEE ON UNIVERSITY BUDGET

Agenda Number: 4.1

Meeting Date: November 12, 2025

Presenter(s): Carole Laplante

AGENDA TITLE: FISCAL 2026-27 DRAFT UNIVERSITY BUDGET

ACTION REQUESTED: Motion

RECOMMENDED RESOLUTION

THAT the Senate Standing Committees on Academic Planning and Priorities and University Budget recommend that the Senate endorse and advise the President that the draft Fiscal 2026-27 Budget aligns with the Budget Principles and Priorities, as presented.

COMMITTEE REPORT

For Secretariat Use Only

Context and Background

University Act, Section 62(2): The president must prepare and submit to the board an annual budget in consultation with the appropriate standing committee of the senate.

SSC Academic Planning and Priorities Mandate: Advise the Senate Standing Committee on the University Budget on the academic priorities for the allocation of funds.

SSC University Budget Mandate: On behalf of the Senate, and in consultation with the Senate Standing Committee on Academic Planning and Priorities, advise the President and Vice-Presidents on the review and development of academic budgetary priorities, major capital plans, and the allocation of funds. Present the annual University budget to Senate.

On May 30, 2025, the University Budget Principles and Priorities were presented to the Senate Standing Committee on Planning and Priorities and on University Budget.

Key Messages

1. As per the fiscal 2026-27 Budget Principles and Priorities, the proposed budget will focus on student success, support of KPU's core activities and will be balanced. The proposed budget is also aligned with KPU's Mandate Letter from the Ministry.
2. KPU's ability to adhere to the proposed budget includes assumptions around achieving specific international student enrollment targets and realizing its associated impact on international tuition revenue. This assumption has been continually reviewed throughout the budget process and may be revisited as new information becomes available.
3. The draft 2026-27 budget proposes decreases from the prior year of approximately \$31 million in revenues and \$31 million in expenses when compared to the Fiscal 2025-26 Budget, in addition to the decreases of \$12 million in revenues and \$12 million in expenses from the 2024-25 Budget.

Resource Requirements

N/A

Implications/Risks

N/A

Consultations

1. KPU Executives

Attachments

1. Fiscal 2026-27 Draft Consolidated Budget Presentation
2. Appendix 1 - Fiscal 2026-27 Draft Consolidated Budget
3. Appendix 2 – Fiscal 2026-27 Draft Capital Budget

Submitted by

Carole Laplante, Associate Vice President Finance

Date submitted

November 7, 2025

Fiscal 2026-27 Budget Presentation

Polytechnic University Executive

SSCUB/SSCAPP

President's Circle

Board Finance Committee

Senate

Board of Governors



Agenda

1. Influences on Budget Planning
2. Core Revenues and Challenges
3. Managing Expenditures
4. Capital Investments
5. Budget Summary FY27 and 3-Year Impact Recap
6. Looking Ahead: FY27 and Beyond
7. Key Focus Areas

Budget Context & Influences

- International Students:
 - Ongoing Downward Trend
- Federal Government Policy:
 - Reinforces the Downward Trajectory
- Provincial Operating Grants:
 - No change for student #'s
- KPU's Response:
 - Responsible and Balanced Actions

Federal policy impact on international student permits results in a 30% drop in KPU revenues over 3 years

- International Student Tuition and Fees
 - FY27 = \$46M or 18% of KPU Total Revenue
 - FY24 = \$134M or 46% of KPU Total Revenue
 - **FY24 to FY27 = \$88M decline**
- International Trends
 - Decline Continuing Students
 - FY26 Equivalent New Students
 - Scenario planning +/- \$3M
- Domestic Students – Flat
 - FY27 = \$41M
 - FY24 = \$38M

Provincial Operating Grant does not fluctuate with student numbers

- Operating Grant Block Funded - no adjustment for student #'s = \$113M of Revenue
- Minimal increase in Operating Grant assumed for Salary increases
- Limited Domestic Tuition rate adjustments = 2%

KPU investment income is volatile and market dependent. We should not depend on this level of funding in future years.

- Investment and Interest income
 - Impact of 2024 Land Sale
 - Held for Purpose - Indigenous Fund, Student Awards
 - Reduction in Investment Holdings
 - Spending of deferred grants, capital investments in KPU future
 - Volatility in Markets returns and declining interest rates
 - Scenario planning +/- 1% = \$2.5M

Deferred Operating funds only approved to be spent on one-time, time limited and targeted expenditures

- Deferred Operating Grants \$83M
- One-time source of funds – cannot support ongoing operating expenses
- Specified usage – One-time investments in EDI, Health & Safety, Planning, Accessibility, etc.
- Time Limited – Ministry approval in place until FY28

Transformation is required given 70% of expenses directly relate to staffing.

- Salaries and Benefits are ~70% of KPU's total expenditures
- Budget Rightsizing
 - Underutilized Faculty Contract staffing budgets have been removed in FY26 resulting in FY27 of Faculty budgets being reduced by ~\$11M plus benefits
- Estimated Reduction Targets
 - Reductions in Staffing are unavoidable
 - Faculty – larger reduction in FY26 directly tied to student #'s
 - BCGEU and Administrative staff – larger reduction in FY27 as strategic decisions are made
- Collective Agreement & other salary increases – Estimates included

Non-Salary includes targeted reductions and Contingency held to buffer uncertainty

- Non-salary reduction targets
 - -\$5M reduction FY27 (-\$3M FY26)
- Contingency considers risk in both revenues and non-salary expenses
 - Buffers Against Uncertainty

Capital investments are responsible level of reinvestment and focused on strategic priorities

- Annual Capital Renewals and Refreshes = \$7.1M
- Continuation of projects that were approved in prior years = \$6.7M
- Priority Balanced against Affordability = \$1.6M
- Budget Principle – Capital Expenditure Controls - KPU's self funded amortization remains less than 5% of Operating Expense

Budget Summary 2027

Fiscal 2026-27 Proposed Budget change from Fiscal 2025-26 Budget

<u>Revenue changes (in millions)</u>		<u>Expenditure changes (in millions)</u>	
Grant increase	\$ 4	Budget rightsizing contracted staffing	\$ (13)
International Tuition & fees	(31)	Faculty Reductions	(5)
Domestic Tuition and fees	1	BCGEU Reductions	(9)
Revenue Target	2	Admin Reductions	(10)
Investment income	(2)	Collective agreement and salary increase	5
Other revenues changes	1	Net change in severance	4
Research and Special Purpose funds	1	Other staffing changes	1
		Decrease in staff churn	3
		Net Staffing changes	\$ (24)
Add back FY26 Planned deferred use	(26)	Budget realignments non-staffing	(3)
		Other net changes	(4)
FY27 Deferred Funds to Support Planned initiatives	19	Contingency increase - Investing deferred funds	2
		Non-Salary Budget target increase to \$5M	(2)
Net Revenue change	<u>\$ (31)</u>	Net Expenditure Change	<u>\$ (31)</u>

Budget Summary 2024-2027

Fiscal 2026-27 Proposed Budget change from Fiscal 2023-24 Budget

<u>Budget changes (in millions)</u>		
International Student Tuition and Fees decline	\$	(88)
Reductions Salary and Benefits		39
Budget Rightsizing		16
Reductions Non-salary		8
Increased Investment Revenue		6
One-time spend of Deferred Funds		19
Balanced	\$	-

Looking Ahead: FY27 and Beyond

- Now until December 2025:
 - Continued engagement and consultation with KPU Community
- January 2026:
 - Review draft Budget with Senate, Finance Committee and Board of Governors
 - Initial Budget approval for FY2026-27
- February to March 2026:
 - Reassess enrolment projections
 - Revisit 5-year operating outlook
 - Plan the strategic changes in programs and services

Key Focus Areas for Budget Planning

- Balanced Approach
- Focused Budgetary Allocations/Targets
- Safety and Security of Students and Employees
- KPU Engagement
- Investing in a Sustainable Future
- Transformational Funding Priorities

Guiding Documents

- Mandate Letter from Ministry
- KPU approved Budget Principles and Priorities

Mandate Letter

- [June 2025 Mandate Letter from Ministry](#)

Mandate Priority	Budget Focus
Reconciliation with Indigenous Peoples	Funding for Indigenous-led programs, cultural spaces, and community engagement
Equity, Diversity, and Anti-Racism	Resources for inclusive hiring, accessibility upgrades, and anti-racism training
Climate Action and Sustainability	Investments in green infrastructure, energy efficiency, and climate curriculum
Student-Centered Education	Support for mental health, financial aid, and flexible learning pathways
Workforce Alignment	Expansion of high-demand programs and co-op/work-integrated learning
Public Accountability	Transparent reporting and performance-based resource allocation

KPU Budget Principles and Priorities

- 2026-2027 Budget Principles and Priorities

Aligns Expenses with Revenues- ensuring financial sustainability without compromising the university's core mission	Contingency Plans - include an appropriate contingency
Realistic Enrolment Assumptions - conservative but realistic	Balanced Budget - ensure financial stability and sustainability
Support for Core Activities and Strategic Priorities - KPU's core activities—teaching, learning, research, and related services, with a primary focus on students.	Capital Expenditure Controls – balance affordability and good stewardship of KPU assets
Lifecycle Funding – plan budget funded over the lifecycle of the activity	Ancillary Services - balance student experience with financial stability
Supporting Student Recruitment and Adapting to New Realities: Funding will be strategically allocated	

Kwantlen Polytechnic University
Appendix 1 - Fiscal 2026-27 Draft Consolidated Budget
Summary - By Account Type (\$000's)

Account Group	Account Type	FY 2024-25		FY 2025-26	FY 2026-27	FY 2026-27 Budget to FY2024-25 Actuals		FY 2026-27 Budget to FY2025 26 Base Budget	
		Annual Base Budget	Actuals	Annual Base Budget	Proposed Budget	\$	%	\$	%
Revenues:	Operating Grant	103,132	100,628	108,600	113,039	12,411	12%	4,439	4%
	Grants	261	591	261	261	(330)	(56%)	-	0%
	Amort of Deferred Contributions	8,564	14,807	38,708	32,949	18,142	123%	(5,759)	(15%)
	Domestic Tuition & Student Fees	40,714	40,972	40,421	40,932	(40)	(0%)	511	1%
	International Tuition & Student Fees	128,699	101,486	76,468	45,679	(55,807)	(55%)	(30,789)	(40%)
	Tuition - Non-Credit	940	2,366	2,330	2,610	244	10%	280	12%
	Contract Services	200	269	330	250	(19)	(7%)	(80)	(24%)
	Shop Income	338	405	402	420	15	4%	18	4%
	Investment & Interest Income	11,030	15,286	12,860	10,500	(4,786)	(31%)	(2,360)	(18%)
	Bookstores Income	2,180	2,135	2,180	2,000	(135)	(6%)	(180)	(8%)
	Parking Income	905	1,219	905	1,200	(19)	(2%)	295	33%
	Ancillary Commission Income	188	106	188	122	16	15%	(66)	(35%)
	Amortization of Capital Contributions	14,711	13,311	15,046	15,034	1,723	13%	(12)	(0%)
	Other income	1,938	2,926	2,164	2,594	(332)	(11%)	430	20%
	Revenue Budget Target				2,000	2,000		2,000	
Revenues Total		313,800	296,507	300,863	269,590	(26,917)	(9%)	(31,273)	(10%)
Salaries	Salaries-Faculty			97,669	85,971				
	Budget Reduction Targets			(6,411)	(5,833)				
	Net Salaries - Faculty	95,032	92,392	91,258	80,138	(12,254)	(13%)	(11,120)	(12%)
	Salaries-GEU Staff			41,287	44,612				
	Budget Reduction Targets			(1,575)	(8,411)				
	Net Salaries - GEU Staff	39,927	39,831	39,712	36,201	(3,630)	(9%)	(3,511)	(9%)
	Salaries-Admin			34,987	36,134				
	Budget Reduction Targets			(2,400)	(9,099)				
	Net Salaries - Excluded Admin	32,628	32,484	32,587	27,035	(5,449)	(17%)	(5,552)	(17%)
	Salaries-Other	5,393	5,691	5,959	5,861	170	3%	(98)	(2%)
	Benefits			41,654	41,912				
	Budget Reduction Targets			(1,025)	(6,062)				
	Net Benefits	43,141	37,538	40,629	35,851	(1,687)	(4%)	(4,778)	(12%)
Salaries and Benefits Total		216,121	207,935	210,145	185,086	(22,849)	(11%)	(25,059)	(12%)
Benefits as a % of Salaries		24.9%	22.0%	24.0%	24.0%				
Non-salary	Supplies	5,604	4,956	5,311	5,073	117	2%	(238)	(4%)
	Repairs and Maintenance	5,241	3,650	4,765	5,273	1,623	44%	508	11%
	Software and Subscriptions	11,342	8,941	10,254	10,406	1,465	16%	152	1%
	Contracts	2,118	1,687	2,117	1,804	117	7%	(313)	(15%)
	Leases/Rentals	768	524	716	597	73	14%	(119)	(17%)
	Travel and PD	4,800	4,809	4,718	4,637	(172)	(4%)	(81)	(2%)
	Student Awards	4,571	7,163	4,596	4,723	(2,440)	(34%)	127	3%
	Utilities	2,549	2,349	2,549	2,377	28	1%	(172)	(7%)
	Communications	1,699	1,149	1,653	1,420	271	24%	(233)	(14%)
	Fees and Services	26,669	21,445	26,449	20,223	(1,222)	(6%)	(6,226)	(24%)
	Cost-of-Sales	1,563	1,803	1,563	1,563	(240)	(13%)	-	0%
	Budget Reduction Targets	-	-	(3,000)	(5,000)	(5,000)		(2,000)	67%
Non-salary Expenditures Total		66,924	61,623	61,691	53,096	(8,527)	(14%)	(8,595)	(14%)
	Contingency	7,765	-	4,677	7,000	7,000		2,323	50%
	Amortization	22,990	21,518	24,350	24,408	2,890	13%	58	0%
Total Expenditures		313,800	291,076	300,863	269,590	(21,486)	(7%)	(31,273)	(10%)
Net income (loss)		-	5,431	-	-	(5,431)		-	

Kwantlen Polytechnic University
Appendix 2 - Fiscal 2026-27 Draft Capital Allocation Budget
Preliminary Capital Budget

Preliminary Fiscal 2026-27 Capital Budget vs. Fiscal 2025-26 Capital Budget

	Fiscal 2025-26	Fiscal 2026-27	Fiscal 2026-27 Allocation Details
IT	\$ 6,490,800	\$ 6,579,300	Refresh allocation for laptops, desktops, and AV equipment. In addition to refreshing assets, the allocation includes Wi-Fi and Network end of life replacement
Construction & Renovations	7,120,000	3,165,000	Institutional-wide priority construction including larger capital projects that normally fall under the Ministry funded routine capital (Continuation of Rick Hansen Accessibility Audit and related projects, Washroom upgrades, Gymnasium Change Rooms, and Childcare Centre)
Facilities & Ancillary Services	4,028,223	2,735,700	KPU's contribution towards Ministry funded capital maintenance projects, as well as the refresh allocation for University-wide furniture and equipment
Unforeseen Priority Projects	1,000,000	1,000,000	Discretionary allocation for strategy priority projects and emergent needs
Academic	1,178,580	790,000	Academic capital project and equipment priorities, capital renewal, and emergency requests
Faculty of Trades & Technology	1,063,000	450,000	Trades Program Equipment
Library	241,000	251,000	Annual refresh of Library capital assets
Campus & Community Planning	175,000	175,000	KPU Surrey Shipping and Receiving Loading Bay Improvement
Campus Safety & Security	380,000	100,000	Replacement Security Cameras and Safety Bollard infrastructure for all campuses
Student & Other Equipment	153,697	96,725	Capital equipment & furniture purchases to support student experience
Administration	25,000	25,000	Equipment as required for Duty to Accommodate
Equipment -New Positions	100,000	-	Equipment (laptops) for net new positions
Total	\$ 21,955,300	\$ 15,367,725	