

## 2024-25 Budget Development Guiding Principles and Decision-Making Considerations

This document is intended to provide guidance throughout the budget development process to those who manage College budgets, and those who make decisions about budget allocation. Decisions will be made with the best information available at the time, and in the best interest of the College and its learners.

### A. Guiding Principles

1. Budget decisions must be aligned to the College's Strategic Plan 2021-2026<sup>1</sup> and supporting documents such as the Academic Plan<sup>2</sup>. Decisions must also align with items identified in the BC government's mandate letter to the College<sup>3</sup>, the Truth and Reconciliation Commission (TRC) of Canada's Calls to Action<sup>4</sup>, and BC's Declaration on the Rights of Indigenous Peoples Act Action Plan<sup>5</sup>.
2. In making decisions for 2024/25, we must also look ahead to future years. We will not postpone taking steps to mitigate and reduce a projected budget deficit this year, and therefore compound the size of next year's potential financial problem.
3. In making decisions to reduce our expenditures, we will apply to the extent possible the "Budget Decision-making Considerations" outlined later in this document.
4. Validated data for the previous fiscal year provided by Institutional Research, Financial Services, and Human Resources will be used as the foundation for evidence-informed decision-making.
5. In general, College decisions to undertake new and additional programs and services will be undertaken with business cases outlining the full rationale, and which are based on expectations that funding/revenues will balance the full (direct and indirect) costs associated with providing the new program or service.
6. We will achieve a balanced operating budget, except under extraordinary circumstances where we will take steps to mitigate a potential deficit. If expenditure reductions are required, we will attempt to limit the impact on students and on College employees. In

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<sup>1</sup> [https://cnc.bc.ca/docs/default-source/about/initiatives-reports/strategic-plan/cnc-strategic-plan-2021-26\\_v6\\_051721.pdf?sfvrsn=a0f8d282\\_20](https://cnc.bc.ca/docs/default-source/about/initiatives-reports/strategic-plan/cnc-strategic-plan-2021-26_v6_051721.pdf?sfvrsn=a0f8d282_20)

<sup>2</sup> <https://cnc.bc.ca/about/initiatives/academic-plan>

<sup>3</sup> <https://www2.gov.bc.ca/gov/content/education-training/post-secondary-education/institution-resources-administration/mandate-letters>

<sup>4</sup> [http://www.trc.ca/assets/pdf/Calls\\_to\\_Action\\_English2.pdf](http://www.trc.ca/assets/pdf/Calls_to_Action_English2.pdf)

<sup>5</sup> <https://declaration.gov.bc.ca/declaration-act/declaration-act-action-plan/>

order to maintain the quality of programs and services, any required budget reductions will be targeted rather than proportionally balanced across the entire College.

7. Individual budget officers will understand their current budgets and identify areas to recommend for reallocation. Creativity and innovation in developing efficiencies and the ability to self-fund initiatives will be encouraged where possible.
8. The College will maintain a comprehensive range of programming which includes course offerings in each of the following major categories: academic; career/technical; vocational; and developmental education. While maintaining a comprehensive range, we will recognize that not all programs will be offered on an ongoing basis. Some programs will be offered on a rotating basis or will have a planned life expectancy to meet demands.
9. Operational support requirements will be assessed and realigned to meet changing needs and demands. Strategic reallocations of resources in response to community needs and changes in student demand may provide opportunities to introduce new programs and services. Alternative methods of delivering services and sharing costs with other Colleges will be considered as cost-saving measures.

## **B. Decision-making Considerations**

The following factors will be considered collectively in assessing potential budget decisions:

1. Need for Programs and Services
  - For instructional programs, need must be demonstrated through recent student enrolments and outcomes, labour market demand, government priority, or other similar rationale and metrics.
    - Is the recent and/or projected enrolment trend positive (up), stable, or negative (down)?
  - For services, need must be demonstrated through recent levels of actual student utilization of the service or a similar metric.
  - What preparations do we need to make for future programs and services?
  - Do the requirements of TRC and/or DRIPPA need to be considered in the analysis?
2. Cost-effectiveness and Cost Benefit
  - What is the total cost per student enrolled or student utilizing the service?
  - What is the total cost of the program or service?
  - How does the total cost of the program compare relative to any projected budget shortfall?
  - What is the impact of international students on the total cost of the program or service?
  - Are recent student outcomes positive? Are they meeting the needs of the labour market and/or receiving institutions?
3. Impacts on the College community
  - What is the impact on students?
  - What is the impact on employees?

#### 4. Alternate Availability

- Is the program available to students through avenues other than at CNC (e.g. at other institutions, via online/distance education, or through other community service providers)?

#### 5. Program and Service Outcomes

- To what extent is the program or service achieving important student outcomes (employment, credential completion, transfer, other)?

#### 6. Alignment to Provincial Post-Secondary Goals

- To what extent is the program meeting an identified educational need leading to employment or further education in North Central BC?

#### 7. Impact on Community

- To what extent is the program meeting the needs of community employers?

#### 8. Interdependencies

- Are other CNC programs and services heavily dependent on the program/service in question?
- Are other external institutions and agencies heavily dependent on the post-secondary educational program in question?

#### 9. College Mandate Focus for Programs and Services

- We will focus on our educational mandate for the development and delivery of programs and services, whether base funded or cost recovery.

#### 10. Future Delivery Potential

- If a program or service is suspended or reduced, what would be the key factors that either facilitate or inhibit it being restarted in the future?

#### 11. Relationship Consequences

- What extent would a decision to suspend the program or service have on political or community relations?

#### 12. Total Net Impact on Budget

- What is the total net impact on budget over the next three years?

#### 13. Risk Management

- Various levels of risk and uncertainty will be considered when evaluating major decisions.