

Changing Priorities – Acadia by Numbers
by
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Last year I wrote an article for the Communicator taking a look at spending by budget sector at Acadia. The initial impetus for that analysis was an article written in 2001 by the AUFA President Soren Bondrup –Nielson. I feel that this type of analysis must be done on an annual basis by AUFA so that we are all kept aware of these trends. To that end, we look at the most recent data that is available to us.

The data used in this current analysis was extracted from Schedules A and B of the audited financial reports of Acadia University for the years 1999-2000 through 2006-2007.¹ The raw data from Schedule B, dealing with expenditures, are given in Table 1 and plotted in Figure 1. I have assumed that there has been consistent budget reporting over this time period.

Year	Academic	Physical			Student		Ancillary	Total
		Plant	Admin	Library	Services	Other		
2000	27964	3974	3754	2152	2534	2828	10776	53982
2001	29832	4450	4740	2264	2624	2840	10923	57673
2002	31661	4495	4978	2338	2848	2986	11857	61163
2003	33536	5254	5084	2364	2884	2685	13811	65618
2004	34499	5202	5859	2438	2964	3717	16111	70790
2005	33583	5288	6915	2513	3279	3492	15172	70242
2006	36210	5707	6616	3012	3970	4260	15279	75054
2007	36884	5791	7711	3047	3709	4433	15020	76595

Table 1 – Expenditures for the period 2000-2007 Extracted from Schedule B of the Audited Financial Reports of Acadia University. All amounts are in thousands of Dollars.

¹Available online at http://admin.acadiu.ca/busioff/financial_report.htm

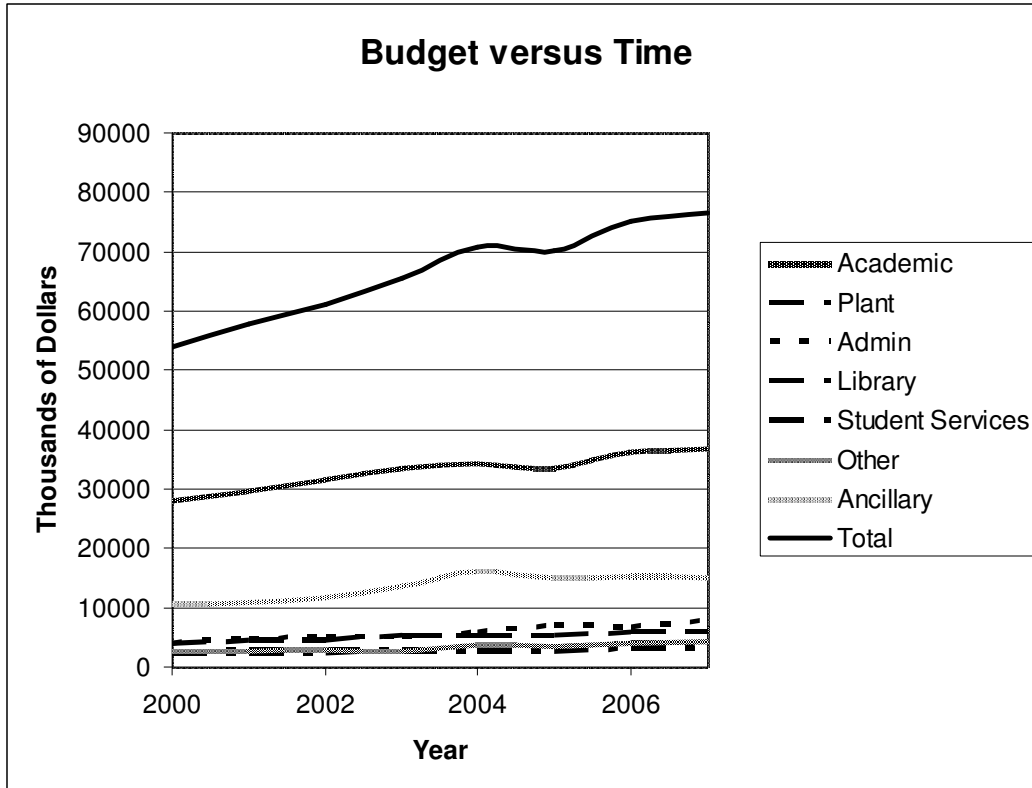


Figure 1 – Budget Data from Table 1 Plotted versus Time

Clearly the overall budget has increased during this time period. In order to get a better picture of any changes in how the budget has been allocated to the various sectors of the university, it is useful to examine what percentage of the total budget has been allocated to each sector. These data are given in Table 2 and plotted in Figure 2.

Year	Academic	Physical Plant	Admin	Library	Student Services	Other	Ancillary
2000	51.8%	7.4%	7.0%	4.0%	4.7%	5.2%	20.0%
2001	51.7%	7.7%	8.2%	3.9%	4.5%	4.9%	18.9%
2002	51.8%	7.3%	8.1%	3.8%	4.7%	4.9%	19.4%
2003	51.1%	8.0%	7.7%	3.6%	4.4%	4.1%	21.0%
2004	48.7%	7.3%	8.3%	3.4%	4.2%	5.3%	22.8%
2005	47.8%	7.5%	9.8%	3.6%	4.7%	5.0%	21.6%
2006	48.2%	7.6%	8.8%	4.0%	5.3%	5.7%	20.4%
2007	48.2%	7.6%	10.1%	4.0%	4.8%	5.8%	19.6%

Table 2– Percentage of Total Budget Allocated to Each Sector.

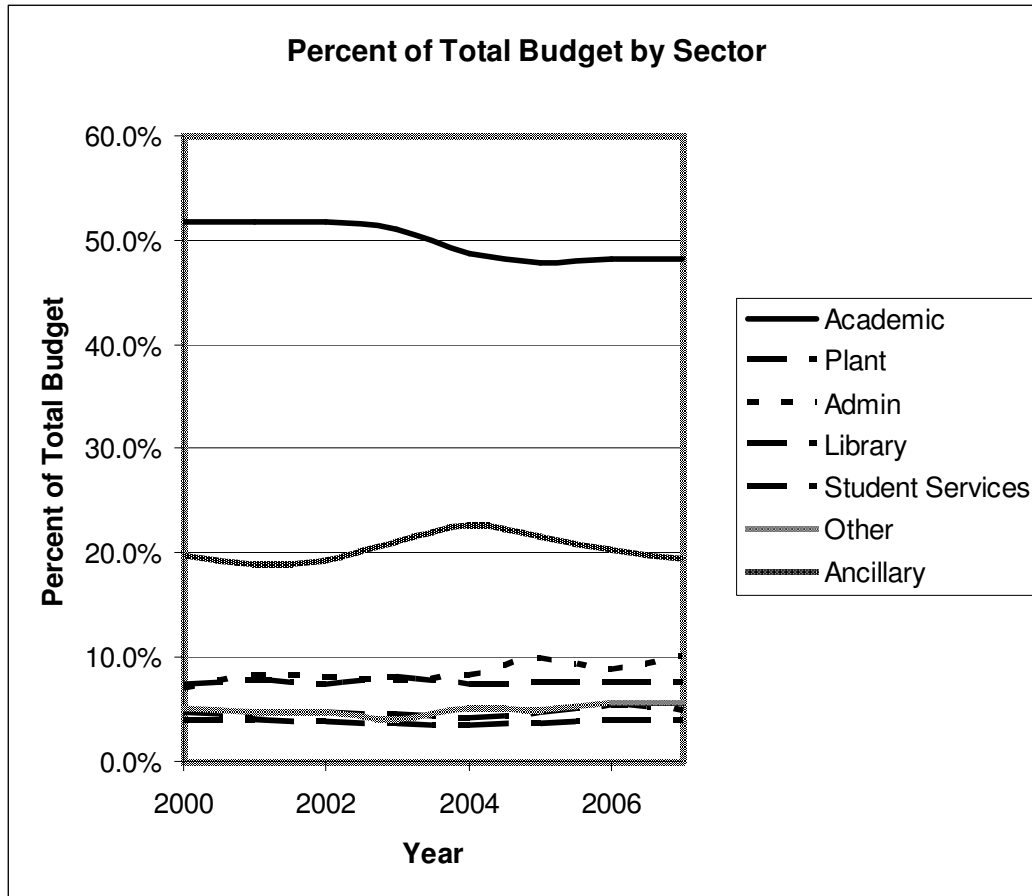


Figure 2– Percentage of Total Budget Allocated to Each Sector

Another useful way of examining these trends is to look at the percentage increase in each sector relative to the 2000 budget for that sector. These data are given in Table 3 and plotted in Figure 3.

Year	Academic	Plant	Admin	Library	Student Services	Other	Ancillary	Total
2000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2001	6.7	12.0	26.3	5.2	3.6	0.4	1.4	6.8
2002	13.2	13.1	32.6	8.6	12.4	5.6	10.0	13.3
2003	19.9	32.2	35.4	9.9	13.8	-5.1	28.2	21.6
2004	23.4	30.9	56.1	13.3	17.0	31.4	49.5	31.1
2005	20.1	33.1	84.2	16.8	29.4	23.5	40.8	30.1
2006	29.5	43.6	76.2	40.0	56.7	50.6	41.8	39.0
2007	31.9	45.7	105.4	41.6	46.4	56.8	39.4	41.9

Table 3– Percentage Growth in Budgets by Sector, Relative to 2000

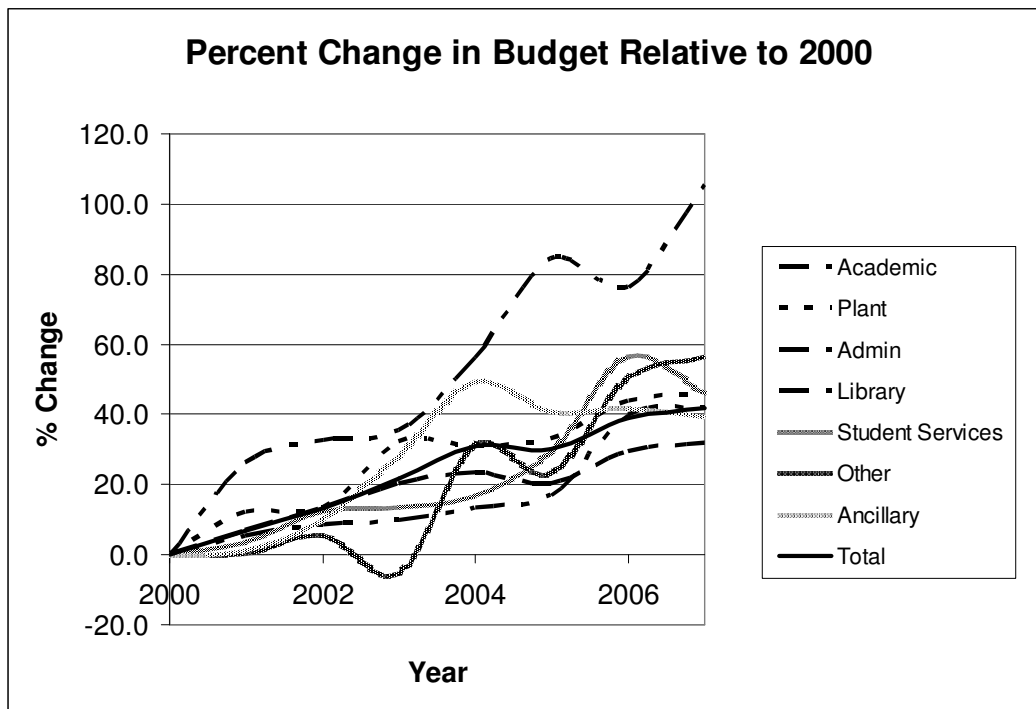


Figure 3– Percentage Growth in Budgets by Sector Relative to 2000

In order to determine if these shifts in spending priorities are appropriate, it is useful to examine how other universities in Canada allocate their resources relative to Acadia. Figure 4 and Figure 5 show the General Operating Expenditures by Function for all Canadian Universities and Acadia University respectively. These figures were drawn from a report generated by the Canadian Association of University Teachers (CAUT).² The CAUT purchased the data used in their report from the Statistics Canada Centre for Educational Statistics, who collected the data from the Canadian Association of University Business Officers (CAUBO). These data are from the 2005-2006 academic year.

It is important to note that the CAUBO data does not correspond directly to the categories used in the Acadia Financial statements. We do not see the same set of categories and a quick comparison of the CAUBO Acadia numbers in categories with the same name with the data in Table 2 for 2006 reveals that the numbers are not the same. However, for the purposes of comparison between Acadia and the rest of Canada, we assume that the CAUBO data were reported in a consistent fashion and any comparisons between CAUBO sets are valid.

² This is not a publicly available document. Those interested in examining it may do so by contacting Jane Longley at the AUFA Office, Huggins Science Hall, Room 211.

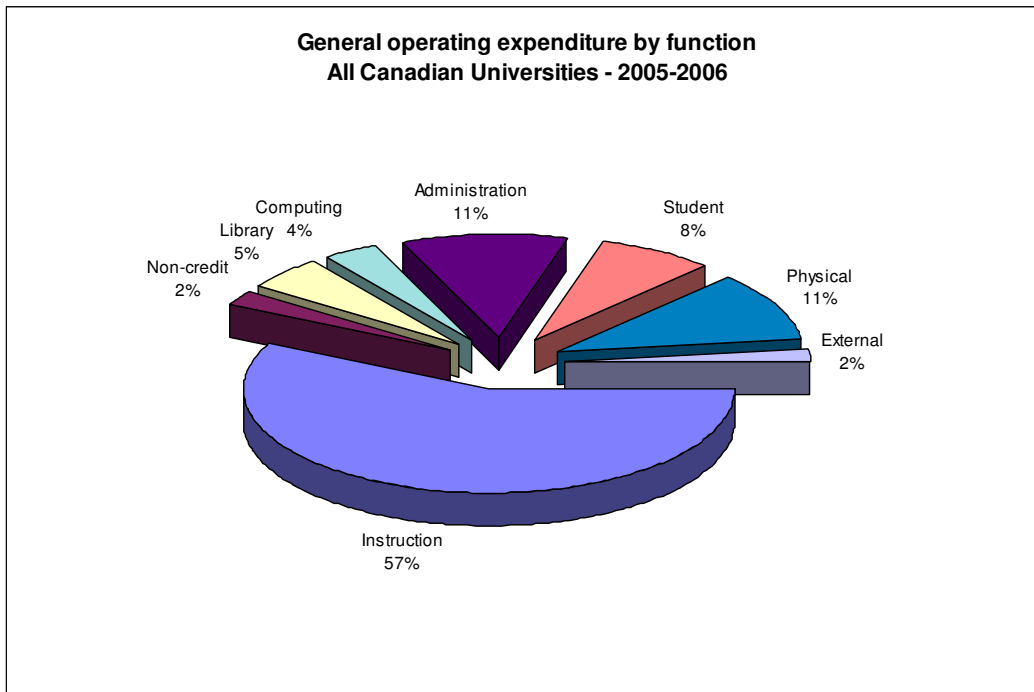


Figure 4 – Average Expenditure by Function for All Canadian Universities

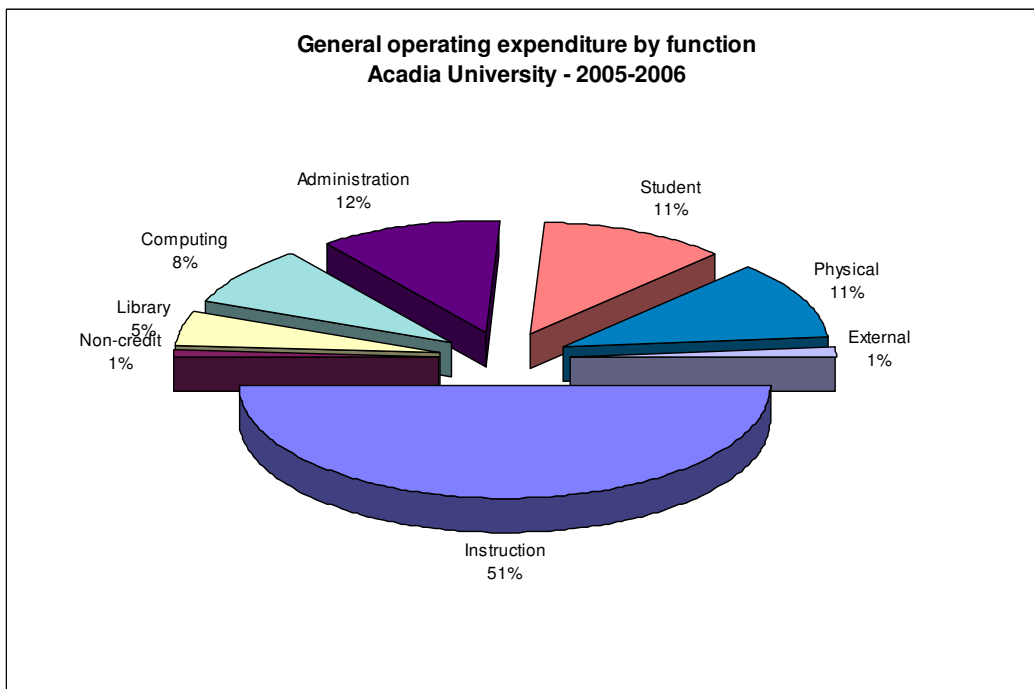


Figure 5–Expenditure by Function for Acadia University

One can also compare academic salaries with national averages. The data in **Table 4** were obtained from the 2007 CAUT Almanac, which covers the year 2005-2006.³ CAUT obtained the data from Statistics Canada.

	Full Professor	Associate Professor	Assistant Professor	Lecturer	Librarians
National Average	116 040	93 599	75 594	65 445	72 392 ⁴
Acadia Average	102 075	77 802	64 932	53 820	53 371
% Below National Average	13.7	20.3	16.4	21.6	35.6

Table 4 – Average Salary Data by Academic Rank – National and Acadia Averages. National Averages were not available for Instructors or Part-Time Faculty.

AUFA has only begun to collect this comparative data since 2006. Nevertheless, it is interesting to begin plotting it versus time to see what trends may be emerging. Figure 6 shows the trends in the CAUBO data while Figure 7 shows the percent lag of average Acadia salaries relative to National Averages.

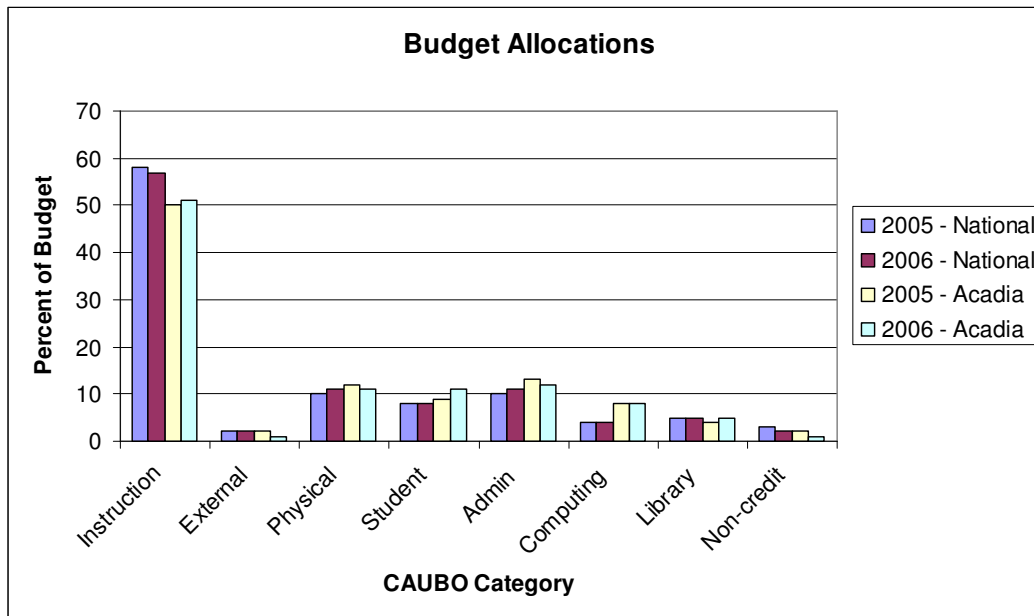


Figure 6 – CAUBO data showing National and Acadia data for 2005 and 2006.

³ Available online at http://www.caut.ca/uploads/2007_2_Staff.pdf

⁴ Estimate based on an un-weighted average of regional averages.

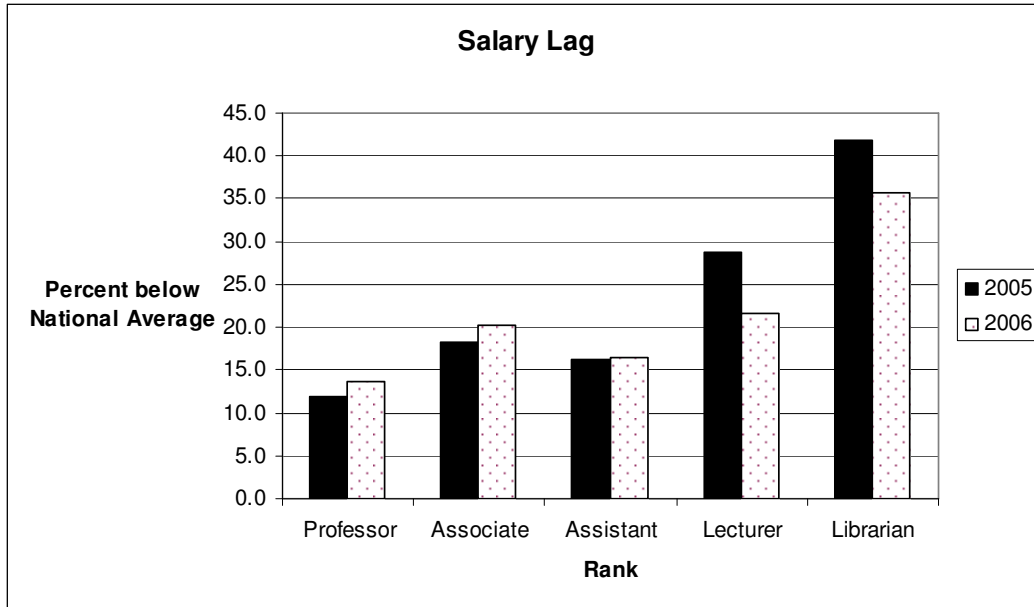


Figure 7 – The percent that Acadia salaries are below national averages. The data is drawn from Table 4.

It is also interesting to examine the sources of revenue that the university enjoys. Figure 8 and Figure 9 show the revenue by source and the percentage of the total revenue by source respectively.

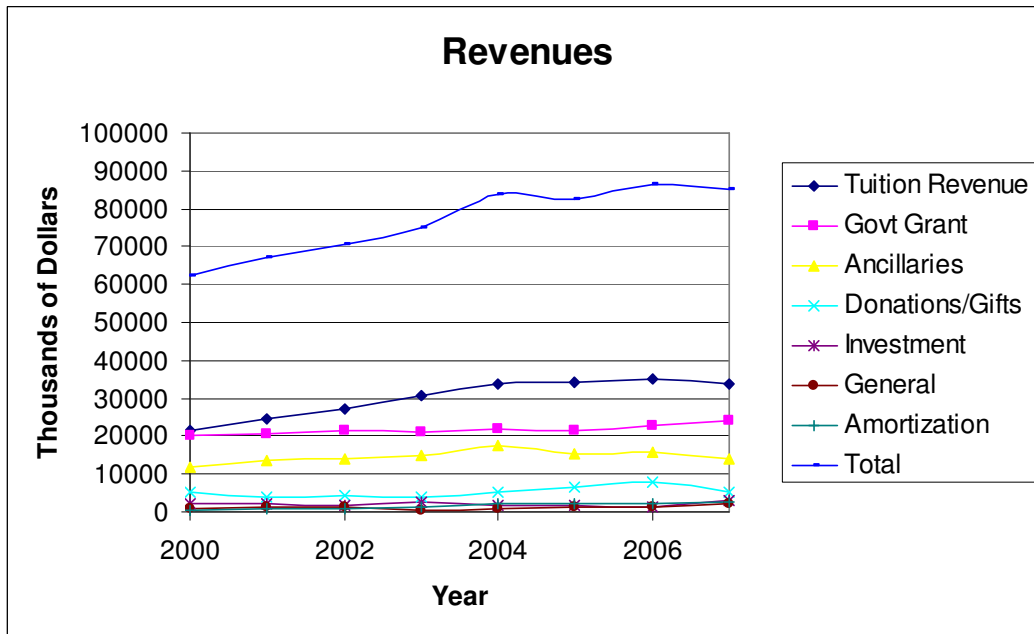


Figure 8 – Revenue by Source for Acadia University. The data are extracted from Schedule A of the audited financial statements.

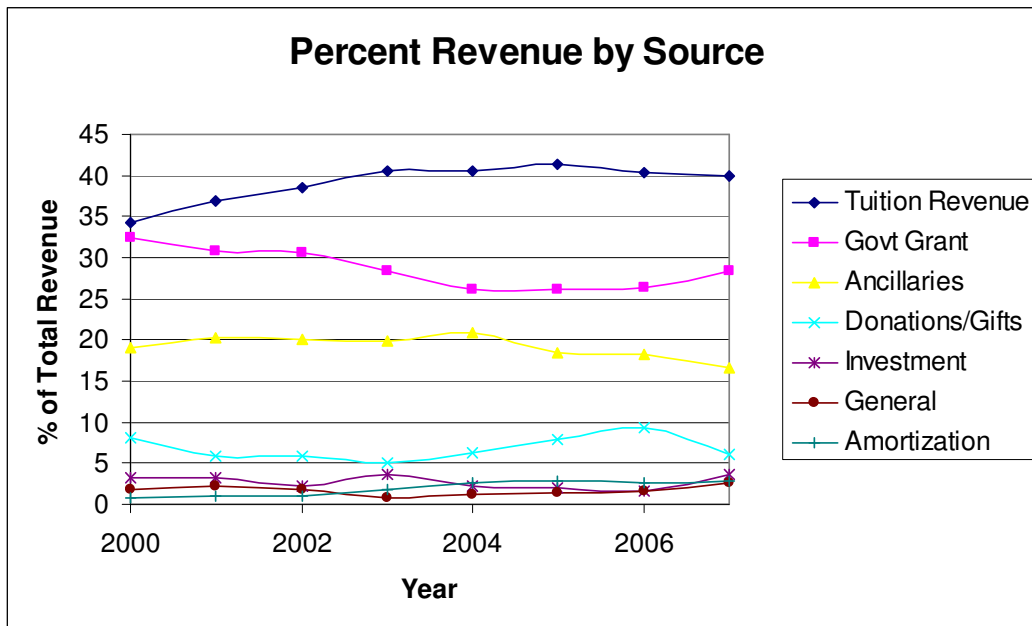


Figure 9 – Percentage of Total Revenue Represented by Each Source

Discussion – It is quite clear from the data that there has been a shift towards more spending on Administration and less spending in the Academic sector during the 8 years represented in this report. During this time period, while the overall University budget has grown by approximately 42%, spending in the Academic sector has only increased by 32% while administrative spending has grown by a total of 105%.

When we compare our spending by sector to Canadian averages, we see that while there has been some improvement in spending on instruction, we still seem to be well below the average. Of additional concern is the fact that the national average has itself slipped by 1% point in this category.

One area that stands out in the comparison is computing, with the Canadian norm at 4% while at Acadia we spend 8%. Presumably this is due to the Acadia Advantage program.

The academic salary comparison reveals that academic salaries at Acadia lag behind national averages. It is interesting to note that there seems to be a trend in that data where the ranks with lower pay appear to be catching up to the national average, while the higher paid ranks slip further below. We will need to watch this area closely to monitor the impact of our new collective agreement.

I think we should also remember that spending on instruction does not just include academic salaries. There are many non-salary items in that budget line that have a significant impact on academic life at the University that normally come from Departmental/School budgets that also are in need of increases.

The revenue side is quite complex. While there has been a general trend of increasing revenue, there have been some fluctuations in recent years. Tuition revenue began to level off in 2004 and only actually declined from 2006 to 2007, despite falling enrollment. However, the decline of tuition as a percent of revenue begins in 2005. At roughly the same time, we see the government grant begin to play a larger role in the total budget.

Conclusion – The budget of Acadia University has grown significantly since 2000, with the bulk of the additional monies coming from increases in student tuition. In 2001, Bondrup-Nielsen observed a shift in spending away from the professoriate and concluded that it was largely due to the Acadia Advantage program. It would appear from the current analysis that that shift in spending has persisted and a new shift into administrative spending, largely at the expense of the Academic Sector, has occurred. We will need to monitor this closely as we move into the new collective agreement. We also need to look closely at trends in non-salary academic sector spending.

On the revenue side, there are clearly some challenges as a result of declining enrollment. Presumably the decline in Ancillaries revenue is also a reflection of the enrollment decline.