

UNB Consulting Expenses 2016 and 2017

In December 2017 AUNBT requested information regarding the University's spending on consultants. In the past such a request would likely have had to involve a formal Right to Information (RTIPPA) filing. The VP Administration and Finance provided the information in February 2018 and was willing to discuss the data and offer clarifications in a meeting with AUNBT. We appreciate the work the Office of the VP Administration and Finance, RPB and Financial Services staff have put into providing the data in the format requested.

The information obtained raises a number of questions. It is cause for concern that UNB spent a total of nearly 12M from its operating fund on external consultants in the two most recent fiscal years (2016 and 2017). Sometimes consulting expenses are unavoidable, being required by bodies external to the University (e.g., independent financial audits, or environmental impact assessments). In other cases, however, spending on consultants represents choices that are not easy to understand in the context of an overarching austerity narrative advanced by the President's Executive Team.

A summary of the data we received is given in Table 1 below. Apart from correcting a small number of evident errors in categorization involving instructor costs, the summary table presents the data as received.

Table 1: Consulting Expenses by Category

Purpose	2016	2017	2yr total
Marketing/Recruitment	\$3,771,823	\$3,284,882	\$7,056,705
Instructor costs	\$591,348	\$504,061	\$1,095,409
Legal	\$575,352	\$343,068	\$918,420
Consultants retained for any other purpose	\$354,049	\$483,273	\$837,321
General mgmt, admin, and accounting	\$321,997	\$392,375	\$714,372
Executive searches	\$131,750	\$293,814	\$425,564
Space/buildings	\$174,030	\$101,902	\$275,932
Curriculum development	\$165,888	\$16,423	\$182,312
Other	\$81,566	\$68,900	\$150,466
Academic administration	\$37,215	\$55,712	\$92,928
IT, enterprise software, cybersecurity	\$51,791	\$35,284	\$87,075
Academic planning	\$13,816	\$9,849	\$23,665
Research and innovation consultancies	\$5,369	\$18,057	\$23,426
Student services	\$6,080		\$6,080
IT/Marketing		\$2,624	\$2,624
Total	\$6,282,075	\$5,610,224	\$11,892,298

Of note are significant expenses over the two years in the categories of marketing (7M), legal (918K), and executive searches (425K). The latter include several Dean searches (Arts, Computer Science, Law), searches for the VP Academic

(Fredericton), the VP Administration and Finance, and the University Treasurer, and may reflect only part of the consulting expenses of the VP Research search (completed in the current fiscal year).

Consulting expenses of a combined 1.28M on instructor costs (1.1M) and curriculum development (182K) are identified. Although most of these expenses were incurred by CEL and tend to relate to professional development programs, in some cases they seem to involve credit instruction. This raises possible concerns in relation to the Contract Academic Employee (Group 2) Collective Agreement, and AUNBT intends to seek clarification through the Joint Liaison Committee.

It should also be noted that the academic planning category does not include expenses for the consultant retained during Phase 2 of the academic planning process (completed in the current fiscal year). Finally, we note that the category of "IT, enterprise software, cybersecurity" does not reflect spending on software licenses, only the related consulting costs, such as the implementation of the software for tracking contracts issued to contract academic instructors. The VP Finance and Administration clarified that significant expenses are incurred on software licenses (including marketing and enterprise software), but this is not categorized as consulting and hence was not included in the requested dataset.

The dataset received from the VP Administration and Finance also includes information on the portfolios in which the consulting expenses were incurred. A summary of major expenses by portfolio is shown in Table 2 below.

82% of UNB's 12M consulting costs for the two years were incurred by a small number of University-Wide portfolios (Advancement, President, Administration and Finance) along with CEL and the VP Saint John.
The remaining 18% is distributed in smaller amounts across various administrative and academic units.
<ul style="list-style-type: none"> • Approximately 47% (5.6M) of all consulting expenses were incurred by Advancement, almost entirely related to marketing. • Additional consulting expenses related to marketing are recorded under President (707K) and VP Saint John (662.5K).

Table 2: Major Consulting Expenses at UNB by Portfolio

Portfolio	2016	2017	2yr total	%
Vice-President (Advancement)	\$2,900,719	\$2,718,128	\$5,618,847	47%
College of Extended Learning	\$824,130	\$564,553	\$1,388,684	12%
Vice-President (Admin. & Finance)	\$692,010	\$427,345	\$1,119,355	9%
President	\$581,390	\$316,650	\$898,040	8%
Vice President (Saint John)	\$352,697	\$380,183	\$732,880	6%
Subtotal for units above	\$5,350,946	\$4,406,860	\$9,757,806	82%
All other units	\$931,129	\$1,203,364	\$2,134,492	18%
Total consulting expenses for UNB	\$6,282,075	\$5,610,224	\$11,892,298	100%

Marketing/recruitment accounts for 95% (6.9M) of the two-year total of all consulting expenses attributed to Advancement, President, and VP Saint John.

Marketing consultancy expenses incurred by these offices account for 98% (6.9M) of all UNB expenses on marketing/recruitment consultants in the two year period.

Table 3: Major Consulting Expenses on Marketing/Recruitment

	2016	2017	2yr total
Vice-President (Advancement)	\$2,864,211	\$2,677,915	\$5,542,126
President	\$548,235	\$159,322	\$707,557
Vice President (Saint John)	\$298,014	\$364,504	\$662,519
Subtotal	\$3,710,460	\$3,201,741.39	\$6,912,202
All other units	\$61,363	\$83,140	\$144,503
Total for UNB	\$3,771,823	\$3,284,882	\$7,056,705

It is notable that spending on marketing and recruitment consultants by the offices of President, Advancement and VP Saint John has been highly concentrated, with 93% (6.45M) of expenses attributed to only two consultancies: [PHD Media Canada](#) and [Doug Partners](#). The expense of 6.45M on these two companies also represents 91% of the total (7M) UNB spending on marketing consultants in 2016 and 2017. (Marketing expenses will be discussed in more detail in a subsequent document.)

Members are reminded that the substantial spending on consultants detailed in this memo has occurred in the context of the current era of austerity, which over the last two years has been presented as a justification for budget reductions, as well as for plans to change budget processes, calculate “the cost of various programs” (see [2017-18 Consolidated Budget](#), p24) and introduce differential tuition rates that reflect “demand” and “program costs”.

These are considerations that could have significant impact on students, programs, Faculties and Departments, as well as on academic and administrative staff in academic units. They should be discussed democratically and in the broader context of the University’s spending choices.