



Consumer Price Index Adjustment Policy

Policy owner: Accounting Manager
Audience: URSU Staff, URSU Executive, URSU Board of Directors, Student Centres, clients, members
Approved: Board of Directors (Board Meeting September 24, 2019)
Last Reviewed: July 27, 2017
Review Schedule: July 2021

1. Introduction

Inflation has an impact on the many goods and services URSU acquires and on levies and dues URSU is obligated to pay. Furthermore, URSU is signatory to a variety of agreements that include clauses that adjust revenues and/or costs based the Consumer Price Index (CPI) but are vague as to how the CPI should be calculated and applied. Therefore, it is reasonable for URSU to increase Student Fees, employees' salaries/wages and applicable student centre levies accordingly from time to time. This policy sets out the period of time the CPI should be observed, the effective date for the CPI increase and the procedure of applying the increase to applicable items.

2. Definitions

CPI - the Consumer Price Index, Regina All-items as published by Statistics Canada
CPI Percentage Increase - the percentage of increase in the CPI from March of one year to March of the following year.
U of R - University of Regina

3. Roles & Responsibilities

- 3.1. The Accounting Department is responsible for obtaining the appropriate CPI table and to calculate the CPI percentage change. A detailed procedure of how the CPI percentage change is calculated follows in the Procedure section of this policy.
- 3.2. The General Manager is responsible for approving the CPI percentage change calculation. The General Manager is also responsible for requesting the CPI increase to be applied to the following academic year's URSU Student Fees.
- 3.3. The Accounting Department is responsible to calculate the Salary and Wage increases as a result of the CPI increase.
- 3.4. The Accounting Department is responsible to notify Student Centres of any resulting adjustment to levies collected.
- 3.5. The Accounting Department is responsible to ensure that any CPI increases are applied as required by any contractual obligations of URSU and/or its clients.

4. Procedure

4.1. Calculation of the CPI Percentage Increase

- 4.1.1. The CPI table can be found on the following website:
<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1810000401>

(a sample table is shown in Figure 1)

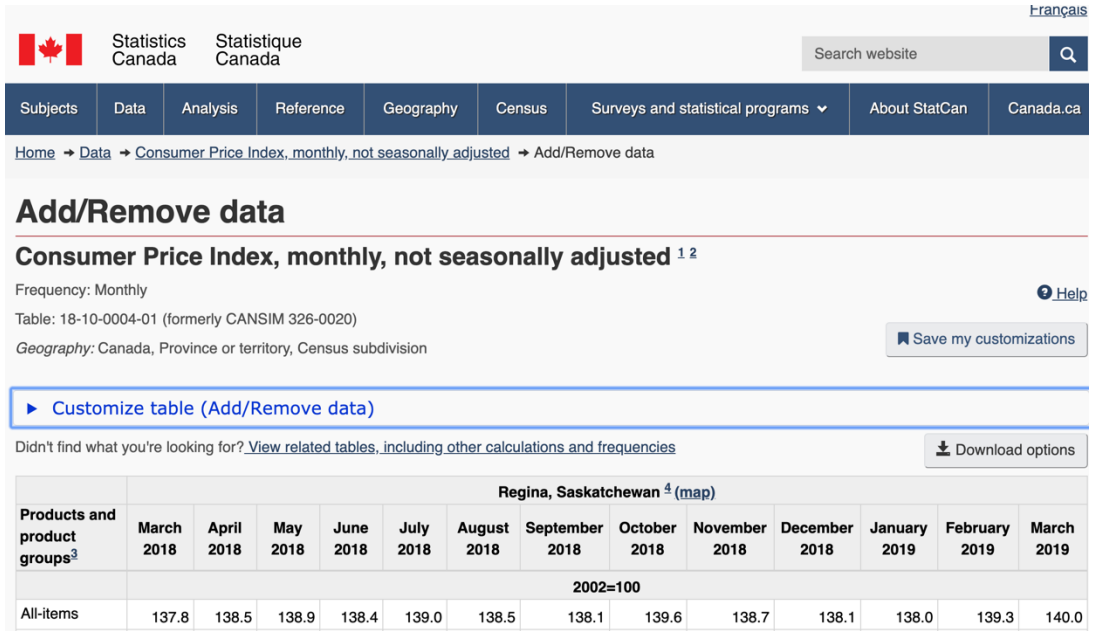


Figure 1

4.1.2. The settings required to retrieve the proper data are illustrated in Figure 2:

Add/Remove data

Consumer Price Index, monthly, not seasonally adjusted ^{1 2}

Frequency: Monthly

Help

Table: 18-10-0004-01 (formerly CANSIM 326-0020)

Geography: Canada, Province or territory, Census subdivision

Save my customizations

Customize table (Add/Remove data)

Geography Products and product groups ³ Reference period Customize Layout ⁱ

Filter Select "Geography" tab

1 of 30 items selected | [Clear All](#)

Select all items

Select specific levels only

-
- Canada [11124] Unselect "Canada"
 - Select all
 - Newfoundland and Labrador [10]
 - Prince Edward Island [11]
 - Nova Scotia [12]
 - New Brunswick [13]
 - Quebec [24]
 - Ontario [35]
 - Manitoba [46]
 - Saskatchewan [47] Select "Regina"
 - Select all
 - Regina, Saskatchewan [705]
 - Saskatoon, Saskatchewan [725]
 - Alberta [48]
 - British Columbia [59]
 - Whitehorse, Yukon [6001009]

Customize table (Add/Remove data)

Geography Products and product groups ³ Reference period Customize Layout ⁱ

Filter Select "Products" tab

4 of 330 items selected | [Clear All](#)

Select all items

Select specific levels only

-
- All-items Select "All - items". Deselect everything else.
 - Select all
 - Food
 - Shelter
 - Household operations, furnishings and equipment
 - Clothing and footwear
 - Transportation
 - Health and personal care
 - Recreation, education and reading

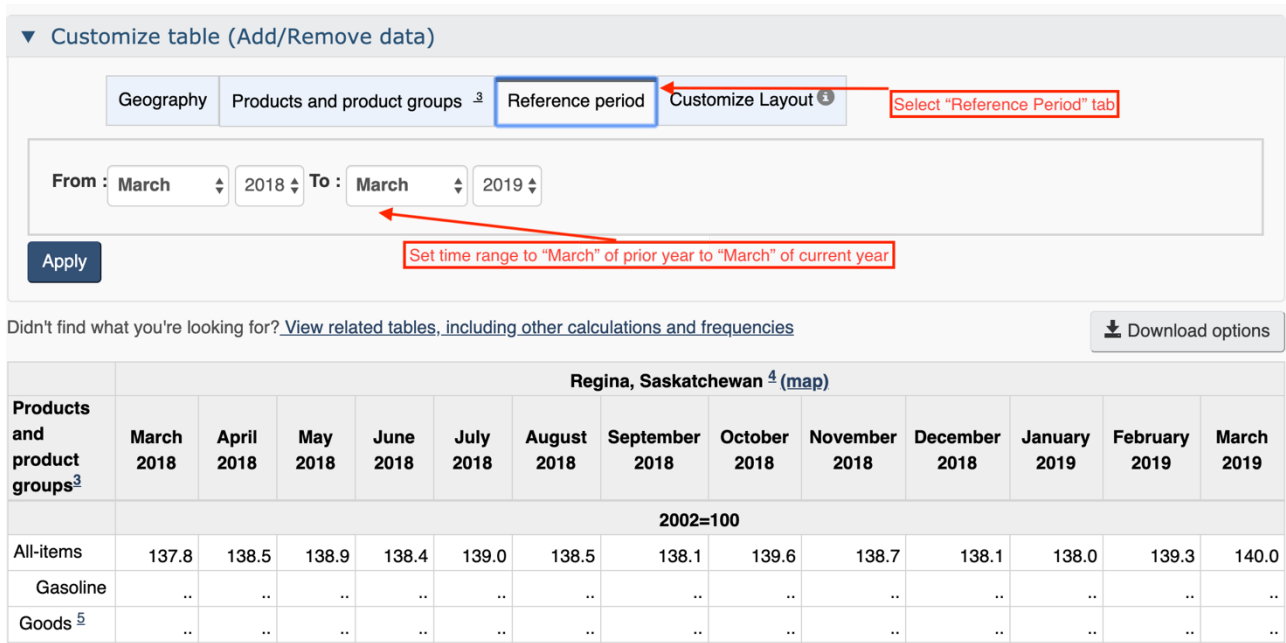


Figure 2

4.1.3. The CPI percentage change is calculated as follows:

$$\frac{(\text{March Current Year Value} - \text{March Prior Year Value})}{\text{March Prior Year Value}} \times 100 = \text{CPI Percentage Change}$$

All CPI calculations shall be rounded to one decimal.

For example, by taking the 2018 and 2019 values from the above table, the CPI increase of the observed period is:

$$(140.0 - 137.8) / 137.8 \times 100 = 1.59\%$$

4.2. Effective Dates for CPI Adjustment:

- 4.2.1. **URSU Fees:** The CPI increase shall be applied to both the Base Fee and Incremental Credit Hour Fees of the URSU Fees. The increase shall also become effective from the start of the Academic Year (September 1st of current year). The General Manager will submit a request to Associate Vice-President (Finance) of the U of R who then authorizes the increase in the UofR Financial System to enable proper assessment of URSU fees in students' accounts.
- 4.2.2. **URSU Related Levies:** The CPI increase on URSU related levies or any future levy containing a CPI increase provision as approved by membership through an AGM motion or referendum, shall follow the URSU Fees increase schedule (i.e. effective September 1 of each year). The Accounting Department will calculate the new levy and inform the General Manager and Operations Manager so that relevant updates can be made to the URSU website and publications.
- 4.2.3. **Employee Salary/Wage:** Pursuant to URSU's annual fiscal year start date of May 1, the CPI increase for salaries and wages shall become effective on May 1st of each year. The Accounting Department is responsible to calculate the new salary and wage rates in collaboration with the General Manager. The new rates will then be incorporated into the URSU Operating Budget of the year.

5. Consequences for Non-Compliance

- 5.1. Failure to follow these procedures could result in a delay of properly adjusted pay to Employees
- 5.2. Failure to follow these procedures could result in improper or inaccurate budgeting.
- 5.3. Failure to follow these procedures could result in not having necessary price or cost adjustments implemented in any given year.

6. Related Information

- 6.1. None