Outline of the presentation

- University budget and metrics
- Political context
- Key financial issues
- Preliminary budget assumptions
- MYP2 Budget Reduction
### Comparative statistics – 5 years
*(total University)*

<table>
<thead>
<tr>
<th>Overall change in College budgets</th>
<th>2008/2009</th>
<th>2011/2012</th>
<th>2012/2013</th>
<th>1 Year % Change</th>
<th>5 year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Faculty Budgeted FTE's</strong></td>
<td>850 (Incl. 34 CL's)</td>
<td>795 (Incl 24 CL's)</td>
<td>786 (Incl. 23 CL's)</td>
<td><strong>-1.1%</strong></td>
<td><strong>-7.5%</strong></td>
</tr>
<tr>
<td><strong>Staff Complement (regular full-time FTE's)</strong></td>
<td>361 (Ex. 208 OMAF/Trust)</td>
<td>352 (Ex. 208 OMAF/Trust)</td>
<td>360 (Ex. 209 OMAF/Trust)</td>
<td><strong>+2.2%</strong></td>
<td><strong>-0.3%</strong></td>
</tr>
<tr>
<td><strong>Graduate Numbers (eligible)</strong></td>
<td>1,899</td>
<td>2107</td>
<td>2,137</td>
<td><strong>+1.4%</strong></td>
<td><strong>+12.5%</strong></td>
</tr>
<tr>
<td><strong>Graduate Numbers (ineligible)</strong></td>
<td>355</td>
<td>353</td>
<td>353</td>
<td><strong>+0.0%</strong></td>
<td><strong>-0.6%</strong></td>
</tr>
<tr>
<td><strong>Total Undergraduate Course Enrolments (CE's)</strong></td>
<td>163,789</td>
<td>187,193</td>
<td>186,665</td>
<td><strong>-0.0%</strong></td>
<td><strong>+14.0%</strong></td>
</tr>
<tr>
<td><strong>Total Grads / Total Faculty</strong></td>
<td>2.7</td>
<td>3.1</td>
<td>3.2</td>
<td><strong>+3.2%</strong></td>
<td><strong>+19.4%</strong></td>
</tr>
<tr>
<td><strong>Average Section Size (CE's / Sections)</strong></td>
<td>65</td>
<td>76</td>
<td>75</td>
<td><strong>-1.3%</strong></td>
<td><strong>+15.9%</strong></td>
</tr>
<tr>
<td><strong>Avg CE’s by Faculty Who Taught</strong></td>
<td>144</td>
<td>170</td>
<td>170</td>
<td><strong>+0.0%</strong></td>
<td><strong>+18.4%</strong></td>
</tr>
<tr>
<td><strong>Total Research $ / Total Faculty</strong></td>
<td>$136,644</td>
<td>$159,209</td>
<td>$158,899</td>
<td><strong>-0.0%</strong></td>
<td><strong>+16.3%</strong></td>
</tr>
</tbody>
</table>
Ontario Government
Political context

- **Major deficit** ($12B)
  - No new funding

- **Spring Election**
  - Continue with support of PSE?
  - Compensation restraint

- **Strategic Mandate agreement (SMA)**
  - Increasing government priority-setting
  - Metrics for funding

- **Continued pressure / emphasis**
  - Institutional “differentiation”
  - Transformation of programs
  - Economic “benefit” – jobs
  - Limited funding for enrolment
University Total Funding for last year

Total University Funds ~ $745M
(2012/2013)
MTCU- the Major Pieces

Revenues
- Tuition ~ 34%
- Grants ~ 40%
- ~ 74% budget

Expenses
- Salaries ~ 51%
- Benefits ~ 14%
- Infra/Aid ~ 13%
- Contingencies - 4%
- ~ 78% budget
Key Budget Objectives

1. Maintaining the structurally balanced budget

2. Investments are necessary
   - Infrastructure,
   - Initiatives (University Priorities Investment Fund)

3. Review targets each year as necessary and possible
   - No worse ....and
   - Try and find solutions for the $32.4M

4. Contingency Funds
   - Maintain and grow if possible

5. Begin the MYP2 Reductions
   - Need time to restructure especially in the colleges
   - Look for both institutional level and unit level solutions
Major Assumptions for coming budget cycles

- Tuition framework @ 3% (year 2 of 4)
- Enrolment stays steady
  - Deal with any revenues as they occur
- No new monies from government
  - Deal with any reductions as they occur
- Compensation
  - Negotiations
- Can achieve our budget reduction targets?
  - Starting this year
- Infrastructure costs ~ 4.6%
  - Capital debt
  - Utilities etc.
Multi-year budget Targets

- **The challenge**
  - Cover $32.4 million deficit or ~10% of all budgets
  - Differentiated allocations to units have been made;
    - In colleges based on;
      - Compensation base (50%)
      - Integrated Planning metrics (32%)
      - PPP rankings (18%)

- **2014/2015 - Year 1 of 3 implementation period**
  - Continue to review assumptions
    - Institutional revenues, negotiations, infrastructure
  - Colleges/division detailed plans underway
  - U-PIF for reinvestment
Tuition fees

- **Domestic student fees**
  - Overall framework – average 3% for all “provincial funded” programs
  - Professional undergraduate
    - allowed 5% within overall cap
    - continuing students 4%
  - Graduate 2%

- **International student fees**
  - No provincial control
  - 1% increase for entering students

- **Reviewing options/impact**
  - Maintain competitiveness
  - Increasing student aid
Questions ?