



University of Guelph

2012-2017 Integrated Plan
and
Preliminary 2012/2013 MTCU Operating Fund
Budget

[April 11, 2012]

Table of Contents

1 Vision.....	4
2 Integrated Planning.....	5
2.1 About this Integrated Plan	6
3 Planning Environment and Context	7
3.1 Fiscal Challenges.....	7
3.2 Enrolment Trends.....	8
3.3 Accountability.....	9
3.4 Differentiation	10
3.5 Areas of Strategic Focus	11
3.5.1 Food	12
3.5.2 Health	12
3.5.3 Environment	13
3.5.4 Community	13
4 Goals.....	14
4.1 Student Success.....	14
4.1.1 Strategies and Initiatives	14
4.1.2 Metrics and Assessment.....	16
4.2 Engagement.....	16
4.2.1 Strategies and Initiatives	17
4.2.2 Metrics and Assessment.....	18
4.3 Knowledge Creation, Mobilization, and Impact.....	18
4.3.1 Strategies and Initiatives	19
4.3.2 Metrics and Assessment.....	20
4.4 Transformative Program Innovation	21
4.4.1 Strategies and Initiatives	21
4.4.2 Metrics and Assessment.....	23
4.5 Institutional Capacity and Sustainability.....	23
4.5.1 Strategies and Initiatives	24
4.5.2 Metrics and Assessment.....	25
5 Resource Allocation	26
5.1 Multi-Year Plan: Summary.....	27
6 Implementation Process	28
7 Conclusion and Next Steps.....	29
Appendices:	
8 Multi-Year Plan (MYP2).....	A1
8.1 MYP2 Objectives.....	A1
8.2 University Financial Context.....	A1
8.3 Key Financial Risks.....	A2
8.4 Major University Funds and MYP2 Assumptions	A5
8.5 The Operating Fund.....	A9
8.5.1 Revenues.....	A12
8.5.2 Expenses	A13
8.6 Summary	A16
9 2012/2013 Preliminary MTCU Operating Fund Budget.....	B1

9.1 Budget Objectives	B1
9.2 Budget Assumptions.....	B1
9.3 Major 2012/2013 Budget Revenue Assumptions	B2
9.3.1 Provincial Grants.....	B2
9.3.2 Tuition Revenues (Enrolment and Fees):.....	B4
9.3.3 Other Institutional Revenues and Recoveries:	B5
9.4 Expenditure Assumptions.....	B7
9.4.1 Provision for Compensation (Salaries and Benefits) Increases	B7
9.4.2 Post-Employment Benefits	B7
9.4.3 Other Institutional Expenses:	B10
9.4.4 Capital Infrastructure Debt Servicing	B10
9.4.5 Academic Investment and Integrated Planning	B11
Multi-Year Plan (MYP1) Deficit.....	B12
9.5 Summary of Preliminary 2012/2013 MTCU Operating Fund Budget.....	B13
9.6 Preliminary 2012/2013 MTCU Operating Fund Budget Tables.....	B14
9.6.1 Table A: 2012/2013 Preliminary Budget by Unit and Expense Category	B15
9.6.2 Table B: MTCU Forecast Results 2011/2012	B18
9.6.3 Table C: Full-time Equivalents (FTE's) for MTCU Budgeted Position.....	B20
9.7 Proposed Tuition Fees and Non-Tuition Compulsory Student Fees	B22
9.7.1 2012/2013 Schedule of Proposed Tuition Fees.....	B22
9.7.2 2012/2013 Schedule of Non-Tuition Compulsory Student Fees	B26
10 Inventory of College/Unit Initiatives.....	C1
10.1 Student Success.....	C1
10.2 Engagement.....	C1
10.3 Knowledge Creation, Mobilization, and Impact.....	C1
10.4 Transformative Program Innovation	C1
10.5 Institutional Capacity and Sustainability	C1

1 Vision

An initial vision statement for the University of Guelph was its 1964 Act of incorporation, in which the government of Ontario charged the new University with two broad “objects and purposes”:

- a) the advancement of learning and the dissemination of knowledge, including, without limiting the generality of the foregoing, the advancement of learning and the dissemination of knowledge respecting agriculture; and
- b) the intellectual, social, moral and physical development of its members and the betterment of society. (1964, c.120, s.3; 1965, c.136, s.1.)

From this somewhat dry and legalistic exhortation, our self-conception has evolved and elaborated through a number of important milestones. In 1972, a report on Aims and Objectives of the University was prepared. In 1985, the University published *Toward 2000*, a strategic plan which recognized the broadened focus of the University across seven areas of knowledge, each forming the organizing principle of a constituent college: agriculture, arts, biological science, family and consumer studies, physical science, social science, and veterinary medicine. The next ten years were a period of rapid development and expansion of high quality graduate and undergraduate programs in all these areas.

In 1995, it was time once again to re-examine the essential vision of the University. The result was a major defining report, *Making Change*, which established the five core strategic directions that continue to guide us: learner-centredness, research-intensiveness, internationalism, collaboration, and open learning. The first two directions are pre-eminent in every aspect of the University, and the connection between the two—“the research-teaching link”—is a fundamental pillar of the Guelph approach. Our vision of active, engaged, intentional learning involves a learner who differs from an established research chair only in level of experience, not attitude toward the as-yet unknown.

Making Change set forth a formal mission statement for the University, reflecting the objects and purposes of the *University of Guelph Act*, and asserting that “our core value is the pursuit of truth,” and “our aim is to serve society and to enhance the quality of life through scholarship.” The mission statement acknowledges our special responsibility for agriculture and veterinary medicine, and assigns us the institutional responsibility of providing our students, faculty, and staff with an exceptional intellectual environment across a wide range of disciplines, and a caring social community. The statement ends with a pledge of accountability to the people of Ontario.

Shortly after the publication of *Making Change*, however, the University’s environment went through a series of drastic changes. Funding cutbacks, the arrival of the double cohort, and other challenges meant that despite having just articulated a bold new vision, the University found itself expending most of its planning effort on survival and the preservation of vital programs and services, while simultaneously and significantly expanding enrolment.

By 2004, with urgent expansion pressure abating, the President signalled the beginning of a new phase of strategic development in a document titled *Moving From a Time of Making Change to a Time of Making Choices*. In it, he reaffirmed the core vision and mission as expressed in *Making Change*. At the same time, the provost recognized the need, in an era of growing uncertainty, for a more comprehensive and intentional approach to strategic planning and resourcing, and ushered in the era of Integrated Planning. Our first five-year plan confronted further fiscal strictures, including a global economic downturn and its provincial aftershocks, and was extended two years to coincide with a fiscal

Integrated Plan 2012/2013 to 2016/2017

plan to address structural deficits that had become critical. Those plans are now complete, and this document is the second Integrated Plan for the University.

Strategic planning is an ongoing process, and while *Making Change* will eventually be superseded, it has proven to be remarkably far-sighted and adaptable to numerous upheavals in the educational environment. At this time, its statements of purpose, mission, direction, and goals continue to define the larger intentions of the University of Guelph. This Integrated Plan complements the strategic plan by providing an operational framework for translating those intentions into concrete practice. It specifies how decisions will be made, how conflicting priorities can be resolved, how our limited resources should be distributed, how we will emphasize our core strengths and continue to use our uniqueness as an advantage.

This plan is thus guided by, and serves, a vision of the University that has been remarkably consistent over the years. That vision is grounded in a firm and dedicated sense of mission, and is informed by a set of fundamental values and principles that include social awareness and responsibility; intellectual curiosity, innovation and entrepreneurship; breadth of understanding; tolerance of diversity and freedom of expression; and a commitment to accessibility. These values, our five strategic directions, and our dedication to the pursuit of truth in the service of society, are the foundation upon which the plan is built.

2 Integrated Planning

Integrated Planning is a multi-year approach to institutional planning which emphasizes transparency, predictability, accountability, and effectiveness. The ‘integration’ inherent in this method operates on a number of dimensions, each serving a basic goal of the process. These include:

- systematizing distributed planning efforts into a well-defined, dynamic, and repeatable procedure
- ensuring a match between resource allocations and objectives
- supporting the innovation and creative agenda of the institution
- enhancing accountability by measuring and reporting tangible progress and results
- focusing on longer-term forecasts and effects

The ultimate intent is to build a more efficient and more reliable planning process at all levels, with broad, overall institutional priorities both guiding and emerging from the more specific intentions and opportunities arising in the many individual units.

One key medium-to-long-term benefit will be more predictable alignment of planning and budgeting. Plans are not budgets: plans express what units would like to do; budgets express what they can afford. As a creative, progressive and intellectually adventurous institution it is important that our reach continue to exceed our grasp, and that we devise possibilities that may not all be simultaneously achievable. In the past, however, the processes of elaborating our intentions (planning) and applying constraints (budgeting and resource allocation) have been conducted independently and on disconnected schedules. Given the scope of the challenges we face, it is also important to have a framework that supports and encourages multi-year approaches to budgetary issues that cannot be solved in a single fiscal year.

What distinguishes Integrated Planning is not only that it integrates planning at all levels, but also that it links planning with resource allocation and comprehensive assessment—measuring progress in terms of

Integrated Plan 2012/2013 to 2016/2017

achieving articulated goals—and views them all as components of an integrated process, rather than separate activities. Integrated Planning is a continuous pathway: a closed loop rather than a collection of associated activities. Effective planning identifies key priorities—for the institution as a whole, for the colleges, and for each individual unit. Those priorities drive allocation, directing limited resources toward where they will be most effective. But priority is not just a matter of assertion—it must be demonstrated. If allocation is based on specific plans, then accepting resources means accepting responsibility for execution of those plans.

Both planning and resource allocations are inherently future-focused processes: they govern what might, can, and will be done by the institution. But both are also inevitably imperfect, and require the feedback of retrospective measurement and evaluation in order to be reliable and accurate. Careful assessment of performance helps to improve the accuracy of planning forecasts, and thus limit the misallocation of resources. As a public institution, we are accountable to the people of Ontario for our activities, few of whom will assume that investment in higher education is an inherent and invaluable good. Clear accountability and demonstrable return on investment is critical if we are to continue to make such investment a social and political priority.

2.1 About this Integrated Plan

In the First Plan we dealt with these three components sequentially: first goals and plans, then resource allocations and budgets, and finally assessment. Throughout the first planning cycle it became clear that the most difficult challenge was to close the loop so that assessment is tightly coupled to the plan. Admittedly we began the IP process with assessment as a known weak point—procedurally and operationally, and a key emphasis during that cycle was relentlessly building not just an infrastructure but also a culture of assessment. This plan will emphasize that link, by specifying key metrics and assessment strategies in line with the elaboration of planning goals and targets.

The First Plan was also charged with not only documenting and explaining the very process of Integrated Planning, but also advocating for its as-yet-unproven value. It was therefore weighed down by an amount of exposition that should no longer be necessary, now that IP processes and practices are familiar and generally embedded. This plan will be more compact, and focus more clearly on the input and outputs rather than the actual planning mechanisms.

The key goals identified here arise from an interaction between the strategic directions of the University as a whole and the emergent tactics, proposals, and strengths of the individual component plans. Moreover, this is an ‘integrated’ plan, not just an ‘aggregated’ plan. The bulk of the First plan was essentially organized around five rubrics that represented institutional strengths and interests, but within each area, there was a multitude of initiatives at many different scales—from the creation of a new University Research Centre all the way to the hiring of a single Chair. This Plan will focus on major strategies and initiatives of institutional scope. To keep this document crisp, detailed descriptions of specific initiatives—apart from a few illustrative examples—can be found in the individual College and Unit plans.

Accordingly, this plan is organized as follows:

- Section 3 will review the context and constraints within which this plan has been devised: the problems it is intended to address, the challenges it must face, and the opportunities that it targets.

Integrated Plan 2012/2013 to 2016/2017

- Section 4 will cover the five primary planning goals, and for each goal, outline the key strategies by which that goal will be pursued as well as the primary methods of assessment to be used in measuring accomplishment.
- Section 5 will outline the framework for resource allocation, which will be detailed in the Multi-Year Fiscal and Capital Plan (Appendix A).
- Section 6 will provide a preliminary overview of the process and phasing for implementation of this plan.

Enhancing institutional quality requires *Making Choices*—choices about priorities, resources, and goals. Guelph has always benefited from strong and effective strategic planning; now we must build on that legacy and extend it to address the challenges and opportunities that confront us over the next decade. Integrated Planning is the decision framework we will use to make more informed and considered choices so that we may better fulfill our institutional mission.

3 Planning Environment and Context

Plans are ultimately choices, but not all choices can be made freely. Some choices are forced by external constraints or conditions, so that there really is no choice. Some choices are made easier by extenuating or exceptional circumstances, but then again unusual scenarios can demand new choices of their own. In order to establish meaningful priorities, a plan must also acknowledge and reflect the controlling factors that shape those options and affect their costs, benefits, desirability, and impacts. These planning considerations include problems that must be solved, commitments that must be maintained, special opportunities that can be exploited, and other contextual issues. This section outlines the various mandates—both external/environmental and internal/institutional—which affect and constrain our planning goals and choices.

3.1 Fiscal Challenges

As in prior years, this Integrated Plan is strongly constrained by the continuing fiscal challenge of lower real provincial funding for not only the University of Guelph but also the whole Ontario university system. At the same time, the cost side of our ledger continues to present difficulties ranging from increasing personnel costs (salaries and benefits), to pension liabilities and other post-employment benefit costs, to deferred maintenance of our facilities and spaces. Every initiative and strategy outlined in this plan must necessarily be subject to harsh fiscal scrutiny.

Given the current status and long-term outlook of both the federal and provincial governments it would be unwise to count on or even imagine that the flow of funds to Ontario universities will increase meaningfully. We need to contain costs or increase revenue—ideally both at once where possible. Cost-containment is never easy, because it requires change and the making of difficult choices. Previous rounds of cuts—as part of the Multi-Year Plan (MYP) to address the structural deficit—have already taken \$46 million out of the institution; there is not a lot of discretionary spending left to trim away without impacting quality. And yet the message from government is still a consistent and relentless drumbeat of cost-reduction, efficiency, and “bending the cost curve”, and thus the status quo is not a viable option in any part of the campus. Another multi-year effort (MYP2) will be required to ensure that we meet this challenge with a sustainable, balanced budget.

Integrated Plan 2012/2013 to 2016/2017

We must therefore continue to focus on transformative change to enhance efficiency across the institution and in all areas of endeavour—in the way we deliver the curriculum and our support programs, the way we do our research, and the way we conduct our business practices and operations. It is understood that such change does not come without initial investment, and to this end, we are resurrecting an enhanced Priority Investment Fund (PIF) as part of the Integrated Planning process, as a means of spurring innovation and fostering creative solutions to this difficult problem. As we rebuild PIF to a critical mass for investment, we will defer consideration of requests for PIF support until 2013, and the first expenditures will be made in the 2013-14 budget year.

3.2 Enrolment Trends

Over the past decade demand among Ontario high school students for a university undergraduate education in Ontario increased by more than 46%. Over the past five years Guelph's main campus has experienced the largest growth in registered secondary school applicants of any university in the Ontario system but the external environment for higher education in Ontario is changing. We are entering a period where Canada's university-age population will be falling (by a projected 5.1% between 2011 and 2016) as a result of a smaller cohort of 17 and 18 year olds in Ontario and the rest of Canada. Moreover, this decline will not be distributed evenly across the province: the post-secondary age population in the Greater Toronto Area (GTA) will continue to grow, but it has been difficult for us to exploit this growth given our geographical location—close enough to be tempting, but too far to be truly 'local' to the GTA. Guelph-Humber clearly offers an effective means of addressing GTA demand increases, but not all programs can or should be mounted at Guelph-Humber. At the University of Guelph-Humber, it is anticipated that undergraduate enrolment will reach the planned capacity of 4,000 FTE's within the next two years although growth has slowed as a number of the most popular programs are constrained by their enrolment ceilings. Meanwhile, continued growth is planned in the Associate Diploma programs at the regional campuses (Kemptonville, Alfred and Ridgeway).

Enrolment numbers have increasingly become the primary drivers for government funding grants. Our strategy is therefore to maintain overall total enrolments—and thus funding—at current levels: approximately 19,000 undergraduates with a first-year intake of 4,400. To do so, we will need to expand our recruitment efforts beyond the main '101' pool (recent high-school graduates), and step up efforts to attract students from the '105' pool (transfers from colleges and other institutions, out-of-province, and international students). Fortunately, this imperative coincides with explicit government-announced support for a new credit-transfer system and better inter-institution mobility, so the challenge we face is primarily one of competing with other universities and colleges: we do not need to simultaneously struggle against systemic friction.

The government will dedicate almost \$74 million over the next five years to support the implementation of the new credit transfer system and the development of 'pathways' for college-to-university degree program mobility. The University of Guelph is either leading or participating in more than half of the current initiatives designed to provide comprehensive pathways strategies to college students enrolled in a wide variety of programs. These are based on several key principles that include the clear and simple recognition of transfer equivalency, a commitment to reducing duplication, and supporting student success through the provision of bridging and transitional programs. These credit transfer pathways will, over the next five years, provide access to several hundred college pathway students each year thereby reducing our reliance on students applying directly from high school.

Over the next several years, we will be trying to balance an undergraduate population that is relatively static, albeit with an increasing number of college transfer and international students, with the need to

Integrated Plan 2012/2013 to 2016/2017

expand graduate capacity. We will need to maintain an appropriate and dynamic balance among disciplines at both levels. As a research-oriented institution, Guelph relies upon the contributions of magisteriate and doctoral students to an ever-growing research agenda, just as those students rely upon the University to offer a wide variety of distinctive opportunities. Graduate growth is a vital part of our commitment to knowledge creation and an essential element in the growth of our research enterprise although it is not a net contributor to institutional revenues after reinvestment to support graduate programs is taken into account. Expansion of graduate enrolment capacity has therefore been a strategic priority for several years.

As part of their innovation agenda and plan for the knowledge-based economy, the Ontario government has acknowledged the continuing need for system-wide expansion of domestic graduate-level enrolment. We expect that final 2011-12 results will show that we have achieved our adjusted graduate enrolment target for the initiative begun in 2008. In July 2011 the government announced support for 6,000 additional graduate spaces by 2015-16 as one component of the new Putting Students First Plan for postsecondary education in Ontario. Guelph's notional share of the funded graduate growth will likely be approximately 275 -300 additional students during this period.

Experience has shown that the majority of enrolment growth occurs through the introduction of new programs. New graduate inter-collegiate, inter-disciplinary programs, both research-based and course-based, aligned with our strategic areas of focus of research-based will help attract additional students to Guelph. We will need to ensure we retain those new students, but at the graduate level there is also the issue of how time-to-completion affects graduate funding. Currently nearly one in five domestic students on campus has passed their period of funding eligibility. Notionally, these students occupy places that might otherwise be filled with new eligible, students.

We have been making progress on reducing our times-to-completion, and we have some of the best rates in the system, but there is more that can be done, especially in our Magisteriate programs.

3.3 Accountability

An obvious trend over the life of the First Plan was rapidly increasing demands for more detailed accountability in all aspects of the University's activities. That trend continues to evolve, and affect program and financial reporting requirements, research operations, capital projects, enrolment, and performance metrics in many different ways. While not as immediate an impact as a fiscal rollback, allocation of effort toward ever increasing bureaucratic reporting does have a cost. It is only natural and reasonable for government—our primary source of funding—to demand better documentation of how its investment is put to use and better demonstration of palpable return. It is only natural and reasonable for students and parents—to whom we regularly characterize education as an 'investment'—to take the same kind of interest.

Indeed, we have tried to embed stronger notions and constraints of accountability within our own internal processes, in addition and complementary to these external pressures. Enhanced accountability was a primary motivator of the original adoption of Integrated Planning, and a key change in the structure of this new planning cycle is to make the link between plan and performance assessment against plan more direct and transparent. We also are continuing to emphasize the effort already underway to demonstrate better accountability in our core function by documenting and reporting on learning outcomes as measurable evidence of educational value delivered.

As the fiscal situation in the province deteriorated over the last several years, and as the government has attempted to reduce costs and balance its budget, there have been renewed calls for efficiencies,

Integrated Plan 2012/2013 to 2016/2017

cost savings, and productivity improvements throughout the entire public sector, including the university system. This has inevitably led to an interest in public-sector wages, and a constraint directive for unionized employee groups combined with a two-year salary freeze for those that we do not collectively bargain with.

In the 2011 budget the provincial government created a commission on the reform of Ontario's public services, which tabled its report on 15 February 2012 (The “Drummond Report”). Notable provisions that affect the post-secondary sector include limiting annual funding increases to no more than 1.5%, reduction of compensation increases to align with the broader public sector, and implementation of rigorous performance assessment systems where they are not already in place. It also advocates increased differentiation in services and programs to reduce duplication of effort, and multi-year strategic mandate agreements with each institution that would play a strong role in affecting future funding decisions.

The Drummond Report, in essence, re-emphasizes the link between fiscal constraint and accountability, and yet that link encapsulates an important opportunity: institutions that can demonstrate unambiguous fulfilment of a clear and well-defined mission will be more successful than those that resist the demand for accountability and transformative change. At the same time, the Ontario Auditor General (AG) is undertaking a value-for-money audit of university teaching effectiveness. The AG is especially interested in teaching productivity and the assessment of teaching quality—in other words the effectiveness of our own accountability processes, as well as their overall results and deliveries to stakeholders in the Ontario university system.

A corollary of both fiscal strictures and this emphasis on accountability is that the University must continue to make progress on the systematic identification, quantification, and management of risk. In this Plan, priorities and initiatives will be subjected to formal risk-based assessment, and this high-level approach will be complemented by the work of the Risk Management Steering Committee (RMSC), which will continue to direct risk management in the University's routine operations and decision-making processes. The RMSC will also provide ongoing reports to the Audit Committee of the Board of Governors.

3.4 Differentiation

Over the past few decades, partly in reaction to shrinking budgets and a shift to incentive-based and narrowly-targeted grants, many institutions found themselves widening their programmatic and disciplinary offerings in order to compete in more arenas for limited, enrolment-based funding. The pendulum is now swinging back, and much of the recent discussion of the future of Ontario's post-secondary educational system has revolved around the notion of increasing differentiation. Further differentiation between institutions was a key recommendation of the Drummond report, as a means of reducing duplication of services and regaining focus. Drummond called for universities to be more clearly articulated their institutional missions and be held accountable to them; and in return expect support and reward for demonstrated mission fulfillment.

Others have gone so far as to argue that the university system itself should be fractured into a two-tier amalgam of research universities and teaching universities (with the college system retained in parallel as a third tier). Although there are clearly historical and well-established differences of emphasis at different institutions, we believe this notion to be fundamentally flawed. In part, this is because Guelph has always seen it as mission-critical to maintain and indeed promote a synergistic balance between teaching and research activity. This is in fact a fundamental characteristic of our core vision, as embodied in our two primary strategic directions: learner-centredness and research-intensiveness. We

Integrated Plan 2012/2013 to 2016/2017

believe that these goals are compatible and mutually reinforcing: placing the learner at the centre demands that he or she engage in the process of discovery as a foundation of the learning process.

Many of the other institutional characteristics that distinguish and differentiate the University of Guelph arise from this balance and its implications. Our emphasis on and leadership in the supported learning environment arises from the need to sustain and foster not just knowledge absorption and accumulation, but active and participatory learning in an environment of challenge and engagement. Our focus on the whole student's personal as well as academic growth; our continued commitment to a residential campus, in particular for first-year students undergoing a complex and challenging transition; our legacy of service and outreach to the community and the public, here at home and around the world; our strategic directions of internationalism, lifelong and open learning, and collaboration: these are all reflections of our balanced approach and the importance of the teaching-research link. We will continue to value this balance and promote it an advantage of Guelph (perhaps an increasingly salient one, depending on the response of other institutions).

But this core balance does not mean that we are unwilling to make choices about what we teach and what we research. Not every university needs to provide every program, and attempting to do so is a quick pathway to diluted and dissipated effort. Educational resources should be applied selectively to enhance effectiveness and exploit economies of scale and specialization; this is true within individual institutions as well as across the system as a whole. Guelph takes pride in having the breadth and capacity and comprehensive range of programs, face-to-face and on-line, to provide a balanced and complete education, and our multi-campus nature means we can extend this breadth and provide additional depth through local specialization and inter-campus collaboration.

We cannot, however, attempt to serve every educational need; nor can we afford to maintain programs and activities that are unsustainable and of peripheral value to our core mission. We also take special pride in areas of particular strength, emphasis, responsibility, and in many instances globally-recognized leadership, and these areas help define Guelph's institutional character. Some of these areas build off of our exceptional institutional history and role in the province, as illustrated for example by our important collaborative partnership with Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). Some represent more recently-developed areas of renown, such as biodiversity, or studio art. The spectrum of our expertise is not evenly dispersed like a prism; it is not monochromatic like a laser—it is and should be unique to Guelph; it is and should be a source of strength and competitive advantage.

3.5 Areas of Strategic Focus

Our spectrum of expertise is an emergent and complex pattern, and its details are not something that can or should be defined in a plan at this level. However, institutional plans over the last decade have guided and fostered some broad trends. The First Integrated Plan was organized around five planning themes, which emerged from the interaction between our strategic focus and the college and unit plans. These themes proved to be a very good encapsulation of institutional priorities and strengths, and in fact they informed the development of the primary themes of the Better Planet Project campaign. Those themes—evolved through BPP to the quartet of Food, Health, Environment, and Community—remain strategic areas of focus in this Plan, and they represents areas toward which, in all facets of our academic endeavours, we will direct particular emphasis and effort. Each of these areas represents in a sense an aspect of the more general notion of 'well-being': of organisms, of individuals, of societies and cultures, of the processes that sustain those entities at all scales.

Integrated Plan 2012/2013 to 2016/2017

3.5.1 Food

As Canada's Food University, the University of Guelph has provided global leadership in supporting food innovations, effective knowledge translation, and meaningful educational programs for a wide and diverse range of disciplines for well over a century. At its core, the University has an unmatched capacity in food, which includes its longstanding commitment to environmental sustainability in agriculture and food production systems, food processing and packaging technologies, food composition, food quality and safety, nutrition and health, hospitality, supply chains management, food culture and global food policy. All of this expertise and leadership is encapsulated in the newly established Canada's Food Institute.

The University has been instrumental in supporting both fundamental and applied food research, enabling educational leadership in food systems and providing important service roles that support our evolving food value chain needs throughout the province of Ontario and throughout the world. In particular, through the University of Guelph- OMAFRA partnership agreement, the University works to provide collaborative leadership that helps to return more than a billion dollars a year to the economy of Ontario.

The University will continue expand its strengths and strategic position in food while also providing effective leadership in addressing new food-related challenges and opportunities throughout the world. This will include uncovering enhanced markets for food products, supporting the creation of new knowledge in food systems, and continuing to be a globally recognized as a source for the next generation of leadership in the food sector.

3.5.2 Health

One of the primary lessons of contemporary science and society is that the notion of 'health' cannot be understood adequately within a narrow silo. The University of Guelph's founding mission was to focus on the health of plants and animals, but if only because we are what we eat, that mission has increasingly required the development of competencies and expertise in the area of human health, as well as the intricate interaction between human and non-human illness and wellness. All organisms on this planet share a common environment—food, water, air, climate. No one species can be an island, and there is no shortage of diseases which fail to respect rigid taxonomic boundaries. The Green Revolution, medical 'miracle drugs' and treatments, and other forms of technological progress have led us to a point where "lifestyle diseases" such as diabetes and cardiovascular illness have become more salient than man's traditional microbial or environmental predators. Environmental diseases—like some cancers and occupational hazards—are health challenges of our own making. Are they the price we necessarily pay for other forms of progress? And is that price paid disproportionately by those least able to find help or treatment—the poor, the oppressed, the far away out-of-sight and out-of-mind?

Guelph is able to take advantage of its significant strengths in agriculture and veterinary medicine, combined with world-class expertise in basic physical, biological, and social sciences, to develop new strategies to maintain wellness across the lifespan in both people and animals. Through the BetterPlanet Project (BPP), the university is also moving forward with a Health for Life initiative focusing on preventative approaches to maintaining human health both on and off campus. With an emphasis on nutrition, fitness, lifestyle and wellness, Health for Life is positioned to positively impact the delivery of health care services in Ontario and beyond through the reduction in rates of obesity and heart disease. For example, behavioural studies focusing on nutrition education for youth in relation to climbing rates of obesity, or the social-psychological aspects of appetite for seniors at risk, will serve to improve physical health throughout the lifespan. This integrated approach to health is key to creating

Integrated Plan 2012/2013 to 2016/2017

high impact outcomes from our research and also benefits for our students who help transform the landscape as the next generation of health professionals.

3.5.3 Environment

Our long-term existence depends on sustaining the delicate balance between the resource needs of our growing global population and nature's ability in adapting to evolving environmental challenges. This challenge of balancing our human and societal needs through effective environmental stewardship remains a key pillar in the university's Integrated Plan. Guelph's multi-disciplinary capacity in supporting our environment has at its foundation a deeply rooted understanding of life, from single molecules to complex ecosystems as well as the social considerations inherent in the management of these systems. The delivery of Guelph's environmental research, teaching and service programs involves a longstanding commitment in supporting local sustainability opportunities and innovations while also enhancing our global consciousness in the management of our natural resources. Whether it is the preservation of our soil, water and air resources or in our ability to assess the impacts or adapt to climate change, the university is providing effective leadership for both today and tomorrow.

In academic units such as the newly established School of Environmental Sciences, we have internationally recognized expertise in the life and physical sciences to address the key substrates of life—water, soil, air—and their complex interactions within living ecosystems. We have designed our social science, environmental engineering, sciences and management programs to foster the development of sustainable solutions that mitigate environmental degradation and remediate existing ecological challenges. Beyond this focus Guelph is also a leader in linking these technical fields and disciplines with notions and processes of environmental governance and policy and the ways in which decisions are made that affect our environment.

3.5.4 Community

The University of Guelph describes itself as a 'community'—a grouping of people who acknowledge and celebrate their shared history, experiences, and interests. Membership is not exclusive: students, faculty and staff all participate in the civic community of Guelph, as citizens or residents of Canada, and ultimately citizens of a world which is rapidly growing smaller and more interdependent. We have always prided ourselves on the dedication our members show toward community engagement, and the results and leadership they are renowned for contributing. This involvement remains one of our key communal values.

Our approach to working with communities is defined by our efforts to understand and engage with partners outside the University in the interests of positive, transformative change. Through all of our disciplines and programs of activity, with our partners, we seek to understand the dynamics of community: how it functions, and how life within communities can be enhanced through analysis and critical reflection. As a university, we draw on our expertise in these areas and position ourselves in ways that respect history, tradition, and local knowledge and expertise, while recognizing that our external partners also have a depth and wealth of knowledge about communities—that dialogue and exchange of knowledge is key to advancing the engaged citizenship that will make this a Better Planet.

To engage effectively with communities, we believe that it is necessary to participate in research *with* communities as opposed to research *on* or *for* communities. Our core purpose in doing so is to support the development of healthy and sustainable communities that can benefit from and contribute to advancements in and understanding of issues especially in the areas of Food, Health, and Environment. This synergy among areas of focus characterizes our interactive, practical, goal-oriented approach.

Integrated Plan 2012/2013 to 2016/2017

Positive transformation is about understanding and acting on our values, origins and aspirations, and focusing on questions and problems that have the potential to advance knowledge and improve everyday life in communities, here and around the globe.

4 Goals

The goals for this Integrated Plan emerge from the interaction of the Environmental challenges and opportunities discussed in the previous section and the initiatives and proposals developed in the various College and Unit plans. The integration process has factored out five primary plan goals for this cycle:

- Student Success
- Engagement
- Knowledge Creation, Mobilization, and Impact
- Transformative Program Innovation
- Institutional Capacity and Sustainability

This section will discuss each of these goals in more detail, and itemize the key **strategies** we will employ in order to make progress toward the goal, as well as the key **metrics** we will use to assess that progress and measure performance against plan.

4.1 Student Success

Education is as much about the journey as the destination, but ultimately we must, as an institution and an element of an entire system, be consistently accountable for the success attained by our students, on the main campus, the regional campuses, and at the University of Guelph-Humber. ‘Success’ in this sense needs to be considered broadly: not just the personal success of good grades or career advancement, but also the development of the whole student and the indirect success of enhanced contributions back to society and community. University is an investment—of time, of resources, and of money; in the current economy it is an investment that needs to demonstrate better its return.

Too often the learning experience is measured by inputs such as hours spent in class, rather than actual outputs like skills acquired. We need to invert this focus and develop a more results-oriented approach. When we measure outputs, we can more directly improve the process and the experience to enhance those outputs; and we can better show students, parents, and funding sources the value obtained in the Guelph experience.

4.1.1 Strategies and Initiatives

Clarify learning objectives and expectations: for all our students in their various programs. The Ontario Quality Assurance Framework (QAF) outlines expectations with respect to demonstrated accomplishments at various levels of learning: diploma, BA, MA, PhD. We need to elaborate and ‘personalize’ these expectations, specifying what it means *at Guelph* to have reached these levels of achievement. We will be assisted in providing this clarity by the creation of curriculum maps in all programs, which clearly outline for students their progression through their degrees, including core courses, distribution requirements, and electives. These should be provided for both majors and secondary areas of study. These learning objectives will also enhance the mobility of our students

Integrated Plan 2012/2013 to 2016/2017

between institutions (both emigrants and immigrants) and facilitate the credit transfer of completed course work.

Emphasize assessment of learning outcomes: using multiple assessment tools, both qualitative and quantitative. We need to provide demonstrable and documented evidence that students have met these stated learning objectives—evidence that students can use practically in pursuing further studies as well as careers in the knowledge economy. If we are increasingly forced to argue that a university education is a valuable investment, we need to develop better ways to demonstrate that value to potential employers, to governments, and to the students themselves (as well as family members who contribute to the investment). We need to focus not just on the acquisition of knowledge and core competencies and skills, or the satisfactory accumulation of the ‘right’ number of course credits, but also on the students’ abilities to apply their learning to complex, real world problems.

Promote and expand highly effective learning opportunities: it is well-documented in the literature that certain types of highly effective practices facilitate active and engaged learning. These practices have been shown to support student retention, enhance levels of student achievement, and promote timely program completion. Such practices that increase the effectiveness and efficiency of the undergraduate learning experience include:

- First-year seminars
- Common intellectual experiences (core courses)
- Learning communities
- Writing-intensive courses
- Collaborative assignments and projects
- Undergraduate research opportunities
- Diversity-oriented and globally-focused learning
- Service learning and community-based learning
- Internships/co-op/practicums
- Capstone courses/projects.

Research shows that while these practices ‘matter’, only a fraction of students actually participate in one or more of these practices as part of their undergraduate program (Kuh 2008).

Enhance and sustain our commitment to a supportive learning environment: in response to sliding retention rates and changes in our student population—especially the increase in commuter students, transfer students, and international students—we need to ensure that we have appropriate academic and non-academic support programs in place to support student achievement and success, as well as mental and physical well-being. We know from extensive research that early-intervention strategies are especially valuable, and much more cost-effective than trying to unwind a problem of disengagement or disappointing progress after it has begun to cascade. Similarly, prompt and earnest academic engagement of students by faculty is tremendously effective. This includes early and frequent feedback on performance. If students receive little indication of how they are doing in their courses until the end of the semester, it is much more difficult for them to seek out additional support and assistance, and more difficult for the university to provide effective help. We need to revise the model that directs the majority of support resources to deal with students already in difficulty, toward a ‘healthy campus’—one that supports and promotes the health and wellness of all members of our community.

Integrated Plan 2012/2013 to 2016/2017

4.1.2 Metrics and Assessment

We will know if we have reached our goal of enhancing student success if by the end of the planning cycle in 2016-17 we have done the following:

- Establish a baseline, create, and post curriculum maps in 100% of academic units for students in their programs, including majors, secondary areas of study, and distribution requirements. These maps will indicate program objectives and expectations, and specify which courses focus on particular knowledge and skills/competencies, for example which courses are writing-intensive, research-intensive, foster global literacy, are inquiry-based, and so on.
- In accordance with the QAF, articulate learning outcomes for both graduate and undergraduate programs. All departments and schools will document their learning objectives in this manner as they come up for review under the QAF.
- Establish a baseline, and then document student learning with evidentiary measures. This will involve increasing the number of programs using e-learning portfolios by 25%; adopting and using university-wide, senate-approved learning outcomes, and completing and analyzing exploratory results from the HEQCO-sponsored project using the CLA.
- Establish a baseline and increase by 15% the number of students participating in highly effective learning practices. The proportion of faculty providing these opportunities in their courses should increase by 10%. The stretch goal is to work toward ensuring graduates of Guelph have experienced at least three of these practices during their program of study and to be able to demonstrate that this is in fact the case.
- Using the results from the last NSSE survey as a baseline, improve our NSSE ratings on learning environment, level of interaction with faculty, and academic challenge.
- Improve retention rates from 89% to 92% and develop a comprehensive early warning system that pre-emptively identifies students in academic jeopardy.
- Develop a wellness portal with an increase in hits of 10% in every year of the plan
- Increase the number of faculty and staff engaging in mental health or suicide prevention programs by 5% each year of the plan

4.2 Engagement

The University of Guelph prides itself on its strong sense of community involvement, and has drawn upon a long tradition of outreach and extension to foster a broad network of active participants and partners. Teaching, learning, and scholarship at Guelph are strongly driven by interest in real-world issues, and mobilized toward real-world solutions. We must continue to encourage this kind of engagement—locally, nationally, globally.

Ensuring that we are graduating active, caring, and highly-competent citizens is core to our mandate. A long-term commitment to social justice and our democratic process both here at home and around the world is part of our institutional identity. As we nurture the next generation of leaders, we must see to it that our academic and non-academic programs equip them with the critical skills they need. And perhaps more important, we must ensure that those future leaders can draw upon the active contributions and the critical scrutiny of informed and insightful followers. Building a Better Planet is a task that requires not just exceptional contributions—new ideas, creative approaches, the will to confront seemingly daunting problems—but also the routine contributions of social responsiveness, everyday good citizenship and democratic responsibility.

4.2.1 Strategies and Initiatives

School of Civil Society: Building on our strengths in community engagement and international development, the university is poised to create and develop a new structural unit on campus focusing on ‘Civil Society’. This is a term that is contentiously defined but which we use to signify the nexus of organizations and structures and principles—outside of but interacting with government and commerce—that manifest the will and spirit of a community, people, or nation. This new unit will be interdisciplinary and collaborative and will consolidate campus wide strengths in a structural unit with core faculty and global engagement research infrastructure. We will work in partnership with NGOs, and public and private sector entities to strengthen the capacity of societies to face complex challenges and take advantage of extraordinary opportunities. This new unit will be the site of teaching and research excellence dedicated to the production and exchange of applied knowledge in such areas as women and girls in development, the environment, global food security, health, and community resilience. Key to the establishment of the School will be the establishment of five chairs, each of which will be involved in the expansion and management of partnerships and networks, the mobilization of applied knowledge, and most important, engagement with organizations at home and around the globe to bring about transformative improvements in solving the complex issues facing our world.

Community-engaged scholarship: Scholarly work needs to be about more than just the accumulation of academic knowledge. Guelph has always had a strong tradition of community outreach, but that term implies a primarily one-sided relationship, focusing on publication and dissemination from academy to community rather than a true mutual exchange of information, ideas, and expertise. We are committed to building a reciprocal partnership with the community, and encourage collaboration and shared decision-making between academics and individuals outside the academy who benefit from, are affected by, and can enrich or enhance our activities on campus. We will measure our success in community engagement by the degree to which those impacted by the applications of our work are represented in the research process, and that the feedback loop is closed, so that these impacts guide subsequent investigations. We are employing knowledge mobilization professionals to extend the reach of our academic outputs, and also to broaden our inputs by accommodating and soliciting additional perspectives and experiences. We need to acknowledge that we can be proud of our ability to find answers to critical problems, but that we do not always have the answers, and may not always recognize the questions: the external community can be a valuable source of important questions. Collaboration is at the root of community engaged scholarship and we are placing priority on the engagement of communities and citizens in helping to create, design, implement, and apply scholarship to meet their needs.

Global literacy: Our mission is to help our students discover a world of knowledge far more vast than anything they might have previously imagined. This is not just an abstraction—the world itself may be getting ‘smaller’ in terms of interconnections, but it is still an environment of constantly surprising diversity and variety. Many students, especially those in technical and scientific fields, can too easily become enmeshed in the specialized modes of thinking their fields of study require, and develop a worldview which gives an indistinct view of the actual world. Global literacy is a means of building awareness of global impact and context into students’ approaches to problem solving and decision-making. It extends the notion of ‘liberal education’ beyond analytic knowledge and canonical texts, to the vital competencies that individuals need in order to make responsible, globally-informed decisions. We need to embed a global dimension in subject-matter courses across the disciplines.

Integrated Plan 2012/2013 to 2016/2017

Sustainability: How we engage with one another and human beings is inseparable from how we interact with the environment that sustains and nurtures our activities and our lives. In a world of finite resources, economic and ecologic distortions will inevitably spill over into the human realm, and vice-versa. Understanding and enhancing human lives requires an understanding of the environment and a willingness to ask hard questions about stewardship. Sustainability is a value that should pervade our studies and research—if not as a goal, at least as a key consideration. ‘Unsustainable’ should be recognized as a criticism just as damning as the Socratic ‘unexamined. ‘Sustainability also must be a value that is respected, demonstrated, and drives continuous improvement in our own physical space, on our campuses, and in our routine operations.

4.2.2 Metrics and Assessment

We will know if we have reached our goal of fostering engagement if by the end of the planning cycle in 2016-17 we have done the following:

- Consistent with our strategic direction of internationalism, complete a global literacy process, modeled on the process followed at Carnegie Mellon University, which ensures that we have defined global literacy outcomes, and have ensured that we are promoting global awareness.
- Launch a new certificate in Civic Engagement and Global Citizenship. Establish a baseline using the initial expectation of 35 students in the first year, and increasing by 25% each year the number of students enrolled.
- Create and maintain a sustainable School of Civil Society, with at least 125 students enrolling annually in programming offered by the School—with increases of 10% per year over the five-year planning period. Secure at least three of five planned Chairs in support of the School.
- Establish a baseline and increase by 25% the number of students engaged in community-engaged, service-learning in Canada and abroad.
- Establish a baseline and increase the number of scholarships on campus to support experiential learning activities by 5% per year.
- Establish a baseline and increase by 25% the number of students engaged in “sustainability” courses across the university.

4.3 Knowledge Creation, Mobilization, and Impact

As a research-intensive university, Guelph has a responsibility to foster discovery, to relate and transfer new knowledge to both new and existing challenges, and to mobilize understanding to create positive impact on the world. The University’s mandate is to be a leader in Canada in community-engaged scholarship, working with local and global partners and focusing on responsive research, knowledge mobilization and social impact. Over the last planning cycle, we established the groundwork for a strategy that will increase our research accomplishments and improve our positioning in rankings of research-intensive universities in Canada and the world. We are recruiting top talent—including CRCs, Premier’s Research Chairs, industry-supported research chairs, and others; we need them to succeed and to exceed even our lofty expectations, and to do so we must ensure that they have appropriate support and resources. Investment in research enhances student teaching and learning through incorporating research techniques and discovery into the curriculum, through involving students in research design and execution, and through mobilization and transfer of knowledge.

Yet even given our current research reputation and accomplishments we still have concerns about our total research funding and standings in international rankings. Guelph has a strong research presence

Integrated Plan 2012/2013 to 2016/2017

and for its size competes well for research funding, but this profile is heavily dependent on a single source: the OMAFRA contract. We need to broaden our base of research and scholarship, and use the singular advantage of the OMAFRA contract as a nucleus for building a more pervasive and more sustainable culture of research throughout the university. Building on the contract's estimated ROI (return on investment) of 20 to 1, our partnerships need to be extended and expanded leveraging our existing research positioning and capacity. We need to provide the proper climate which will allow our top researches to flourish while at the same time provide our young researchers with an environment which will allow them to develop national and international reputations. Given current provincial and federal budget outlooks, granting council budgets will shrink over the next 5-year period, we must find ways to increase our share of available funding. We need to enhance our research productivity and more importantly, its associated impact to maintain both our competitive position and our ability to pursue the kinds of research that informs and fulfills our institutional mission.

4.3.1 Strategies and Initiatives

Recruit and retain excellent faculty and graduate students: this is crucial to our aspirations to remain a research-intensive university and to enhance and grow our research enterprise. We need to increase our percentage of tri-council funding, even as the pool available is shrinking and competition is increasing. Several units are performing above the national average for tri-council success, but most units on campus have grant support well below the national average. We must focus on providing encouragement to apply for available grants, suitable mentoring for successful grant preparation, improved post-award administration and opportunities for creating impact from the results of the research. We need to diversify and thus stabilize the sources from which we attract funding and support, and in particular increase the level of support we obtain from our many strategic industry partners. We need to coordinate our international partners and increase the profile of our research undertaken with these partners, as this part of our research program is crucial to securing a high position in any of the recognized ranking systems (such as the Times rankings).

We need to continue to grow our number of graduate students: high quality graduate students drive high quality research and innovation. There are opportunities to provide innovative programming to attract new graduate students especially in interdisciplinary areas like the environment, food and health, bio-economy and bio-products. Additional spaces will be provided by the government and we need to stake out an appropriate growth target; reaching that target will require a combination of traditional research programs as well as course-based/research project based Masters programmes, or alternative entry level programs like three year honours degree and one year Masters in four years.

Cultivate focused networks/clusters of research expertise: Success in today's competitive research environment requires the creation of strategic mechanisms to ensure collaborative and integrated research, across all units on campus but also with key national and international partners (academic, governmental and private sector). We will continue to assess existing Centres and Institutes and aid in the focused creation of new, financially-sustainable ones, which enhance our potential to attract research funding, and the creation of impact within the communities we wish to engage. We will also engage federal funding opportunities to develop high-impact strategic networks and centres of excellence built around our identified areas of strength, such as the University of Guelph Food Institute and the Southern Ontario Water Consortium. The development of research clusters and focus areas also allows for the creation of enhanced research infrastructure through several mechanisms. Strategic allocations of provincial and federal infrastructure programs (such as Canadian Foundation for Innovation) can be made to ensure our researchers have access to top quality research facilities, such as the university-supported Advanced Analytical Centre

Integrated Plan 2012/2013 to 2016/2017

Enhanced partnerships: In our efforts to succeed we will need to leverage existing partnerships as well as cultivate new ones in the public and private sector, as well as the not-for profits. We also recognize that we need to form strong meaningful partnerships with academic institutions, government and non-government organizations and private industry provincially, nationally and internationally. These partnerships can provide our researchers with opportunities for research support, opportunity and funds, can increase the reputation of the institution and its researchers and help generate the impact required to move the University of Guelph into a desired position among the top ranked universities in the world. Over the next 5-year cycle we will strengthen and operationalize key partnerships, including Canadian Light Source, TRIUMF, iBOL, the Canadian Space Agency ,and the Institute for Food Research in Norwich, England

Research Quality and Impact: Often, an institution provides focus on conventional metrics assessing the quantity of output. Given the breadth and depth of research undertaken on campus and recognizing that success in research can be measured using many different techniques and metrics, we will develop over the next two years a series of customized metrics to assess both the quality of the research and the impact that our research has on our communities of practise. This will include examination of research quality and relevance performed by peer review, and examination of the impact and utility of the research performed by external assessors from a user perspective. The results of the evaluation are intended to provide guidance for strategic decisions, which may help to improve research quality and the impact of UoG's research, thus strengthening UoG's standing. This applies at all levels, from individual researchers to research teams, departments, faculties and UoG as a whole. The evaluation also intends to clarify UoG's areas of strength so that others can identify them as a basis for joint value creation and mutual benefit.

4.3.2 Metrics and Assessment

We will know if we have reached our goal of creating, mobilizing, and increasing the impact of knowledge if by the end of the planning cycle in 2016-17 we have done the following:

- Meet or exceed national average faculty performance in tri-council competitions on a panel-by-panel basis,
- Successfully renewed our partnership with OMAFRA
- Increase our base CRC allocation, which is closely tied to tri-council performance; meet or exceed the national average for performance metrics at major grant competitions (ORF, Genome Canada, NSERC CRD's)
- Increase the institutional average number of grants per faculty member from the current 1.8 to 3.0 or above
- Increase the number of graduate students per FTE from two to at least three.
- Improve our rank in research output to at least 12th place in Canada overall and first among comprehensive universities (from 15th in Canada overall, and 2nd among comprehensives in 2011).
- Achieve a ranking in the top 200 universities in the Times annual ranking. This can only be accomplished by increasing our international activities and reputation
- Establish a baseline and increase by 10% the recruitment of top scholarship students for graduate studies
- Establish a baseline and increase by 15% the number of undergraduate students engaged in independent research.

Integrated Plan 2012/2013 to 2016/2017

- Increase our external reputation by winning a number of major research awards each year such as NSERC Steacie Prize, appointment to the Royal Societies, nominations for Gairdner awards and other such external validation / recognition
- Increase the number of disclosures and patents awarded to our innovative research by 20% over current levels
- Establish a baseline and increase our knowledge mobilization capacity by having 20% of annual research outputs converted to web-posted, plain language summaries, with a 5% increase each year.

4.4 Transformative Program Innovation

Post-secondary education is changing; it has always been changing, but the pace of change is accelerating, and contemporary technological and social trends are driving that acceleration. The UofG has been an important innovator in the development of new programs and program delivery methodologies; we must do more. We must understand how the fundamentals of education are evolving in a knowledge economy and a pervasively-connected world, and adapt our approaches and techniques accordingly. We must question received and conventional wisdom, and explore structural and methodological possibilities with open minds and clear acknowledgment of the risks of inertia.

And in order to do more, we must also do less. We cannot have the capacity to innovate and support new, more appropriate models and curricula if we cling tightly to programs and processes and modes of operation simply because of familiarity or tradition. Our history and past practice are rich and valuable sources of experience and excellence, but not every choice is necessarily good when made, and fewer still remain appropriate as conditions change and the world evolves. We enjoy in our current success the fruits of many wise choices; we need to continue *making choices* to continue and extend that success in the future.

In particular, we need to ensure that our limited resources remain focused on areas and programs where we can succeed and ideally excel, and are not dissipated on half-hearted efforts. A university that offers a comprehensive range of programs should not be a jack-of-all-trades, but master-of-none; it must be an institution that does not skimp or shy away from the full breadth of knowledge, but still knows and respects its strengths and specializations.

Transformational change will occur, whether we participate or not. We should lead that transformation, and help to define it, by putting our strengths and creativity into innovation at all levels of program structure and delivery. The challenges our students will face—now and in their future lives and careers—will not be the simple, decoupled, easily-bound challenges we have traditionally been used to. They will be complex, cross-disciplinary, intertwined problems that demand integrative and deeply insightful solutions.

4.4.1 Strategies and Initiatives

Focused enrolment management: In order to maintain total enrolment as the 101 pool shrinks, we will need to establish enrolment targets for transfer students, as well as other applicants in the 105 pool, including out of province and international students. No overall net growth is planned, but we will need to rebalance programs as demographic and demand trends evolve, and employ other strategies as needed to hold enrolment at current levels. The introduction of a range of summer semester course offerings in support of the bridge program, in concert with proposed changes to re-emphasize a summer

Integrated Plan 2012/2013 to 2016/2017

academic semester in many co-op programs, opens significant opportunities to reinvigorate our flagging Summer semester and increase summer enrolments especially in face-to-face classes. This expanded summer course offering also opens significant opportunities for synergies with the University's ESL/Open Learning program to increase international student enrolment by helping students to develop their English language skills and, for those who have been conditionally admitted, preparing them academically for success during the summer term.

Science @ Guelph: From its inception, the University of Guelph has had a focus on science, applied science, and the social and cultural aspects of science. We have grown from our founding colleges and now have science embedded in every college across the institution in a wide variety of programs and activities. This breadth of influence and commitment consumes resources and generates benefit throughout the entire university, albeit not symmetrically. But with this breadth comes the challenge to ensure that we are focused in our efforts to teach and research about science in an effective and coordinated way. We need to ask ourselves critical questions about the strategic vision for ongoing development and pursuit of science teaching and research at Guelph. We need to ensure that there is appropriate planning, support and coordination of activities needed to sustain a contemporary scientific enterprise, and we need to determine how to specialize and focus to maintain global leadership in key areas. Scientific progress accelerates constantly—how do we keep pace? How do we best structure our activities to ensure that the education our students receive is contemporary and relevant, and the research we produce is innovative and significant? An external 'Science @ Guelph' review committee will be appointed to advise on these concerns and develop recommendations.

Ensure OVC's pre-eminence in clinical education: Our facilities are out-dated and have begun to impact our ability to deliver the kind of high-quality clinical education our faculty want to teach and our students deserve. In order to meet requirements for an accreditation site visit in 2016, it will be critical to invest in facilities and infrastructure renewal, especially in areas already highlighted as deficient, such as biosecurity, hazardous waste removal, cadaver storage and management, and perimeter security. New clinical facilities are required in the Small Animal Teaching Hospital, both to replace and expand 60-year-old space, and also to support the college's creation of a globally-recognized model for integrated learning. We also need to ensure stable access to facilities for Large Animals that cannot easily be provided on campus (such as pastures and paddocks).

Emerge as leaders in the creation of pathways programs to facilitate credit transfer: Inter-institution and inter-system mobility is a key priority of the government. Guelph has already been recognized as a leader in nine programs, in part acknowledging our unique initiatives at Guelph-Humber. We must deliver on the promise of this leadership status and use it to help shape the evolution of the emerging credit-transfer economy. This will require the creation of programming and identification of bridge courses and curriculum foundations in focused areas, including engineering, computing, environmental, and health professions. In addition to our successful partnership with Humber College, we need to cultivate partners at other colleges to ensure applicant pools, especially in programs for which demographic data suggest there will be shortages in the direct-from-high-school enrolment pool. As those demographic trends play out, pathways, will become increasingly important as part of a coordinated, overall enrolment-management strategy.

Adopt new curriculum delivery models: There has been much discussion—centred around the 21st Century Curriculum Committee—of implementing new delivery models that enhance both the effectiveness and efficiency of student learning. We need to move beyond initial experiments and isolated projects and begin rolling out significant and demonstrable change. The First Integrated Plan focused on intensification in the first year and final capstone experiences—we need to build on that emphasis and start transforming the curriculum more generally, adapting new models, building

Integrated Plan 2012/2013 to 2016/2017

accelerated programs, and critically examining assumptions that may no longer hold or be tenable. This includes moving away from relying on credit hours as the basis for building programs; exploring the feasibility of block-oriented curriculum plans; development of hybrid, problem/inquiry-based, and other learner-centred delivery models. We need to foster the proposal and assessment of new models that represent even further innovation. And we need to renew and sharpen our focus so that limited resources are most effectively applied. Our capacity to sustain the highest quality student learning experience critically depends on our ability to deliver effective and accountable progress.

Introduce new innovative graduate programs: The First IP recognized that the need to increase graduate enrolment was not only crucial to expanding our research capacity, but also represented a key external mandate. This remains the case, but we have not yet been able to fully meet our expansion targets; and we anticipate that the number of government funded graduate enrolments available will be increased. In order to accelerate progress while supporting other strategic goals, we will create new graduate programs that are aligned with our strategic areas of focus. These programs will be inherently interdisciplinary, reflecting the cross-cutting nature of those areas. These might include Food Security, Alternative Energy, Bio-product Innovation, and the Bio-Economy.

4.4.2 Metrics and Assessment

We will know if we have reached our goal of transformative program innovation if by the end of the planning cycle in 2016-17 we have done the following:

- Set and meet our established transfer target and maintain overall total enrolment. To do this will need to establish and begin utilizing 10 pathways programs with community colleges, including the degree completion program at UofG-Humber
- Streamline admissions processes to facilitate seamless credit transfer
- Complete, digest, and have an action plan following the provost's external review of science on campus
- Develop a plan and secure external/internal funding to invest in the redevelopment of the OVC teaching hospital, or invest in other ways to deliver the clinical education required to preserve the quality of the learning experience
- Undertake a program prioritization process in order to provide focus on transformation and innovation. This includes continuous review of low-enrolment courses, programs, majors, and secondary areas of study
- Create innovative approaches to program delivery in at least two program areas that are truly transformative
- Create and receive approval for at least five new focused graduate programs that are inter-collegiate in nature and attract increased numbers of students to the university

4.5 Institutional Capacity and Sustainability

The ability to deliver a diverse and complex range of programs effectively is dependent on having equally effective physical spaces, technologies and administrative support services in place. In addition, in the past, reducing the environmental costs of our operations was a consideration. It is now a requirement. Advancements in technologies, increasing energy and commodity costs and the growing awareness of our impact on the environment, will mean we can and need to build and operate more sustainable facilities and services.

With the increased use of more sophisticated technologies, greater need for adaptable space and demand for responsive services, the lines between direct and overhead costs is further blurring.

Integrated Plan 2012/2013 to 2016/2017

The University of Guelph is known for excellence in a number of core student and campus services ranging from its library to food services. It also has over two hundred buildings some of which, while attractive and historically significant, also carry with them significant deferred maintenance liabilities. The added demands of research-intensive programs particularly in the sciences mean major investments in infrastructure and buildings to operate facilities from greenhouses and veterinary hospitals to supporting multi-million dollar NMR's (Nuclear Magnetic Resonance). In addition, the application of new technologies of teaching, both in delivery and information services require continuous attention to be able to maintain both our competitive position and efficiencies of our teaching programs.

4.5.1 Strategies and Initiatives

Enterprise Resource Planning for Human Resources: The University's most importance resource is its people. Over the course of any year, thousands of employees ranging from part-time students to tenured faculty are employed across multiple types of appointments and contractual terms. The current business processes used to manage human resources across the University have evolved incrementally through many iterations of older technologies, procedures and practices. The result has been a layered and complex 'system' that is, at times, as difficult to understand as it is to change. The Division of Human Resources has begun a formal review to identify opportunities for investment in fundamental process change and application of new technologies (e.g. a new Human Resource Management Information System). The objective will be to replace current processes with more efficient and effective technologies and practices that will include principles such as employee self-service, data gathering to assist in continuous analysis of trends, costs and resource management and distributed on-line data entry and reporting.

Campus Health and Safety: At its peak during a year, the University is now a community of over 25,000 individual students, employees, and visitors. The University of Guelph has always had a reputation for being a safe, caring and healthy environment for students, faculty, and staff. We need to ensure that reputation is remains deserved and is enhanced. As the University population grows, the requisite services need to keep pace and respond. Several initiatives are underway, including increased building security to additional resources for Campus Community Police.

Risk Management: The principles of Enterprise Risk Management (ERM) include having good planning, assessment and monitoring for major activities, especially those that can put the University at risk. We know that there are already significant "risk management" activities that occur throughout the University; in most cases, however, each unit retains ownership for managing its specific risks, at times disconnected from assessing their risk from a University-wide perspective. The University has taken several steps toward improving risk accountability and ownership, but this is a continuous process and needs to be considered in all decision making. Implementation of ERM involves a number of activities and projects including education of managers on the benefits of a sound risk management culture for all University stakeholders. In addition, the University's overall recognition and assessment of key operations need to include a formal consideration of not only the potential risks and impact of adverse events but the potential cost of lost opportunities as they arise. Over the course of this Plan the University will continue to inject risk management into standard decision-making practice.

Campus Master Plan and Capital Planning: With the increasing demand for spending on capital projects including deferred maintenance, classrooms and academic teaching, and research facilities, it is important that limited financial capacity be rationed in the most cost-effective manner consistent with the overall vision for the University's main campus. A key initiative will be to ensure that the University's "Campus Master Plan" will be the strategic guide determining the location, impact and incorporation of

Integrated Plan 2012/2013 to 2016/2017

future major building additions and changes. Capital projects will be part of a coordinated building strategy that has established priorities and is consistent with the longer term view of the campus as articulated in the Campus Master Plan.

Environmental Responsibility: Contributing to sound environmental practices is an ongoing effort across campus, and in addition to initiatives launched in various units the student-contributed Student Energy Retrofit fee has helped support a number of capital projects that have significantly improved the energy efficiencies of our buildings. The University has environmental sustainability working groups, a director of sustainability, a sustainability coordinator, a commitment to LEED standards in construction and a commitment to resource use reduction. We will build on this foundation and establish programs to reduce energy consumption and greenhouse gas emissions; improve sustainable business practices; conduct a campus-wide energy retrofit study leading to a guaranteed energy savings contract; and ensure the Campus Master Plan supports, promotes and enables environmental sustainability.

Sustain and Build Donor and Alumni Relationships: Institutionally-driven fund-raising efforts are increasingly crucial in the current fiscal environment. The BetterPlanet Project campaign—developed in part as an outgrowth of the first Integrated Plan—is scheduled to complete in 2014 as we mark the University’s 50th Anniversary. We will continue to put special emphasis on the need for large-scale transformative gifts of \$1m or more. A key priority for AA&D during this Plan will be to create a post-campaign fundraising platform of priorities and directions, based on careful consideration of BPP analytics and industry best-practice assessment. The 50th anniversary will also be a lead-in for a new “Guelph Forever” program to promote life-long reciprocal engagement with alumni in active and participatory networking, learning, mentoring, and advisory roles.

Extend and Secure Information Technology and Resources: The information context for higher education is rapidly evolving, as technology accelerates quantitative and qualitative change in how information is produced, distributed, shared, accessed, protected, and even defined. The Office of the CIO will develop an information architecture and infrastructure that leverages IT systems, data, resources, and technology. This strategy will identify academic, research, and administrative information management and technology requirements, and incorporate information governance, policy, security, and accessibility. The Library will continue to grow and sustain research collections and create a Virtual Learning Commons to provide low-friction access to online learning services and objects as an extension to the successful physical Commons, and pilot online delivery models for writing consultation, supported learning groups, and other services at the point-of-need. The Library will also undertake a master plan for space reorganization and the creation of more much-needed student learning space.

4.5.2 Metrics and Assessment

We will know if we have reached our goal of ensuring sustainable institutional capacity if by the end of the planning cycle in 2016-17 we have done the following:

- Complete the implementation of a new HRMIS including the redesign of current human resource business processes across the campus.
- Implement a new policy/procedures/system controls on building access
- Increase resource commitment to overall campus security including new training, education and formal documented response plans for identified events.
- Develop an ongoing comprehensive capital plan with supporting procedures and ensure major capital project development is consistent with Campus Master Plan priorities.

Integrated Plan 2012/2013 to 2016/2017

- Establish specific metrics for environmental sustainability that track the University's progress toward improving/mitigating its environmental impact, including a 7% overall reduction in energy consumption (further to those already made).
- Ensure all divisions have plans that can contribute to the achievement of University environmental goals.
- Improve disability case management practices to increase effectiveness in successfully supporting early and safe return to work, and enhance programmatic support for mental health and physical well-being for faculty, staff and students.
- Meet or exceed the BPP target of \$200 million (by campaign end in 2014); maintain a similar rate of giving through the post-campaign period through the IP planning period.
- Create a physical and virtual "Alumni Hall of Fame" as a centrepiece of the "Guelph Forever" engagement program; attain at least 25% participation from alumni.
- Complete upgrade of key IT systems and implement new Content Management and Enterprise Risk Management Systems.
- Establish the Virtual Learning Commons with sustained participation levels; increase overall LC student engagement through expanded online service delivery to diverse student populations (e.g. distance education, transfer students from colleges, transitioning students from high school, commuter students, mature students, international students, EAL students).
- Increase student learning space in the Library over five years by 17,000 square feet, 23% over today's baseline of 73,500 square feet.

5 Resource Allocation

The three primary resources that Integrated Planning seeks to allocate are People, Space, and Dollars. The goals and strategies outlined in this Plan all require some mix of these resources, none of which is in abundance. Reallocation of resources will be necessary, as availability of resources for new investment will be limited. Thus all that we do will necessarily be subjected to careful scrutiny for alignment with the Plan and for efficient, effective, and sustainable use of resources.

Resource allocation is an integrated activity: like planning it occurs at multiple levels and scales throughout the institution. As the First Integrated Plan evolved quickly to a cadence of significant yearly updates and course corrections, we eventually decided to acknowledge the link between planning and resource allocation by rolling the university's MTCU Budget into the Plan document itself. This new Plan's higher-level focus on strategies means it is not intended to require such regular updates; accordingly, the Budget—which changes annually—can be found in the Appendix to the Plan.

Also during the First Plan, the emergence of a threatening structural deficit required the creation of a Multi-Year Plan (MYP) to address it through systematic and carefully-timed and allocated rollbacks; the MYP in turn led us to extend the First Plan's period of coverage by two years, so that we could at least begin this new planning cycle without that deficit looming overhead. That effort to extinguish the structural deficit was successful, (at the institutional level, although some colleges have needed longer time to achieve their reduction targets) but as discussed above, other dangers still lurk, and we cannot relax our fiscal discipline.

The fundamental resource allocation strategy to be undertaken in this planning cycle will be to craft a second MYP, synchronized with the five-year Integrated Planning cycle to govern the longer-term budgetary allotments and adjustments that will be necessary to maintain fiscal sustainability and the re-

Integrated Plan 2012/2013 to 2016/2017

emergence of future structural issues. “MYP2” will encapsulate most of the resource allocation strategies we use at the level of the overall Integrated Plan, and guide the development of annual budgets during this planning cycle. The full MYP2 appears as an Appendix 8. The rest of this section summarizes its key aspects.

5.1 Multi-Year Plan: Summary

Overall the University’s revenues can be measured at \$700 million, but many of these funds are “restricted” by their many sponsors and do not support either core infrastructure or the inevitable cost increases from major expenditures such as compensation (salaries and benefits) and necessary capital maintenance. The final funding “backstop” for many of these costs is the MTCU Operating budget. It is therefore critical that close attention be paid to managing this budget and that the base revenue and costs components remain balanced. University fiscal planning for MYP2 also includes consideration of a variety of global, federal and provincial conditions. These range from the continuing global economic downturn, which limits the University’s ability to rely on major asset pools (pension and endowment) to fund obligations, to the very clear objectives/directives of our federal and provincial governments to balance budgets and improve accountability for the use of public dollars.

Assumptions for the development of MYP2 include consideration of major financial risks, grants and tuition revenues and infrastructure and compensation costs. While making multi-year assumptions is in itself a risk, the assumptions used do not reflect major revenue increases or unrealistic cost commitments. The results signal what we have experienced in the past and should expect in the future: cost increases that exceed provincial capacity to fund them. Allowing a structural deficit to re-emerge is not an option. This means that we will have to continue to internally reallocate our resources, reduce costs, and grow only in areas consistent with our priorities as expressed in the plan, and only when we can generate net revenues.

The total target for these actions ranges from 2.5% to 4% per year. It is acknowledged that meeting this challenge is going to be difficult as the University has just completed four years of targeted reductions of \$46 million—leaving little flexibility in most units. The ideas and methods used to meet that target will be of limited use in meeting MYP2 targets and thus a combination of new ways of delivering programs and focussing only on plan priorities will be necessary.

While we are constantly entering new periods of fiscal constraints and challenges, as a result of the past achievements of MYP1, the University has achieved a balanced fiscal situation, created some budget flexibility and, at least temporarily, addressed a major financial risk in the form of provincial solvency funding requirements for its pension plans. With the need for further re-allocations projected, a key decision has been made to use some of our budget contingency funds to create a brief period of relative stability. Although unlikely to last more than a year, this period will create the necessary breathing room to develop plans for implementing the change across both academic and administrative programs necessary to maintain the current fiscal stability.

In recognition of the need for units to prepare, scope, schedule, and lay the groundwork for the restructuring and reallocation efforts that will be required, no net change will be imposed during the first year of MYP2 (the 2.5-4% will take effect over the four subsequent years). This means that cuts do not need to begin immediately (where cuts turn out to be required), but also that opportunities for priority, plan-supported investment will be limited during this preparation year, and begin in earnest only once the targets come into effect.

Integrated Plan 2012/2013 to 2016/2017

The Integrated Plan, along with its pervasive focus on accountability, transparency, and measurable outcomes, will provide the major criteria for setting priorities for resource allocation. These priorities will be supported through the reallocation of existing college/division budgets or through the use of central funds set aside explicitly for investing in selective projects/initiatives. This reallocation will be implemented via an enhanced Priority Investment Fund (PIF). The first step in MYP2 will therefore be to develop specific metrics and criteria for making the difficult but necessary reallocation of resources. The first part of fiscal 2012/2013 will be used to initiate an open, transparent and coordinated process of prioritization of all programs and activities in all academic and non-academic units.

6 Implementation Process

Without an implementation process, planning and goal-setting goals will not deliver intended outcomes. In the first Integrated Plan, when resources permitted, funding in the form of a modest Priorities Investment Fund (PIF) was used to “seed” certain initiatives. This effort was limited due to the need to reduce costs and balance the budget. That imperative is still important, but progress on the structural deficit. We are now at a different position both fiscally and in terms of the new external challenges and internal goals facing us over the next five years. While the need for fundamental change has never been greater, in contrast to the first Integrated Plan and the fiscal limitations of those times, we have more time and resources to make that change. This is confirmed in major assumptions in the MYP2 to maintain as much budget flexibility as possible and designate 2012/2013 as an implementation planning period in which proposals, generated under the Integrated Plan, can be converted to actions.

Performance assessment in the First Integrated Plan was dominated by institutional-level measures. This Plan has focused on identifying specific metrics linked directly to high-level goals and strategies. This is not to say that those metrics and processes created in the first plan will no longer be relevant. In fact they will be enhanced. Assessment tools such as the Delaware Study and other benchmarking analysis will be expanded in support of overall decision making. In addition a new process of prioritization will be developed for all programs. Guided by expert assistance and procedures developed in other jurisdictions, internal criteria will be developed that will inform decisions on the more effective and efficient use of limited resources; which programs can be strengthened and those that we cannot afford. It is planned to use existing academic and administrative governance structures to enable the prioritization process.

MYP2 has set some initial University-wide fiscal savings targets. The process of prioritization and associated metrics will be a key component of determining individual college/division targets. With so much uncertainty in sector-wide provincial policies (e.g., funding levels and tuition frameworks), we need to be flexible yet prepared to make the difficult choices required to meet our budget objectives.

Ultimately resource allocation comes down to making decisions. The annual budget process and associated procedures such as our Resource Allocation Guidelines capture the major budget allocations we make. Over the past four years the focus of the annual budget has been the savings targets set in our first multi-year plan; there was very little room for new initiatives other than those in support of the overriding fiscal objective of removing \$46 million from unit spending. We are now at a different point and we need a different process. We need to focus on investments that support the goals and strategies of the Integrated Plan and are consistent with the constraints of our fiscal realities.

During 2012/2013 we will plan for change and commit to carrying it out through measurable action. We will establish a more formal budget allocation process that is both transparent and rigorous. Units

Integrated Plan 2012/2013 to 2016/2017

proposing initiatives, projects, or expenditures will be required to prepare business plans that describe not only the details of the proposal but also how it supports the appropriate strategies and initiatives of a specific Integrated Planning goal, the nature and timing of all resource impacts, accountabilities (who and how), risk assessments and management, and outcomes and performance measures. We will aid this process by providing guidelines and templates to assist in the preparation of submissions. In support of this process will be an enhanced PIF that will encompass all incremental funding requests. There will be no requirement that the PIF will be spent.

No planning process would be complete without reporting results. As proposals are approved and implemented a new annual University Report Card will be developed that will track results and ensure both accountability and transparency. It cannot be assumed that all initiatives will be successful. An important part of reporting will also be the assessment of results to determine if projects are being successful in achieving their stated outcomes. Reporting will need to not only be timely but reflect realities. The consequence of forcing a project to a completion is often more expensive and less effective than recognizing that resources are better employed elsewhere.

Our success in implementation will not only rely on strategies, plans, and process but also our most important resource, the people delivering our programs and services. Being objective, creative and collaborative as possible will be important as we develop our plans and resource allocation decisions. This Integrated Plan needs the full engagement of the University community to deliver an accountable and transparent implementation of its direction, ideas and commitments.

7 Conclusion and Next Steps

The University of Guelph has a proud and impressive history. This Integrated Plan continues to be an attempt to ensure that it continues to have an exciting and successful future. A synthesis of institutional aspirations, intentions, constraints, and opportunities, it represents an expression not only of where we hope to find ourselves in five years, but also a guide toward that destination. This University Plan is a large-scale map; the college and unit plans from which it was integrated form successive more magnified layers of guidance. Together they provide a detailed atlas of institutional development, and all members of the university community are encouraged to become familiar with at least those plans that pertain directly to them and their contributions.

As anticipated in the final annual update to the last Integrated Plan, this new cycle has been taken as the opportunity to recast the format and presentation of the Plan. While the underlying strategic directions and areas of focus remain largely coherent with the last Plan, this document reflects what we have learned from the multiyear process of building and maintaining an integrated plan and it represents an attempt to keep the focus—at least in this document—on the strategic priorities and goals which will provide high-level guidance to the University's activities over the coming five years. This maturation of the University-level Plan is matched by more stability and consistency in the college and unit plans, as templates and best practices have been devised, documented, and shared. One key change is that we have finally made good on the intentions embodied in the first Plan to 'close the loop' and link assessment and accountability metrics more directly to initiatives and strategies.

The cyclical nature of Integrated Planning is an important model to keep in mind: it anticipates and assumes change and evolution, and attempts to guide that evolution in a careful and effective matter. It is a challenging time for the University of Guelph: the status quo is not a viable option, and difficult choices will have to be made. In the current economic climate, many organizations of all types are

Integrated Plan 2012/2013 to 2016/2017

struggling to adapt and redefine their roles. Some have already failed and more will undoubtedly fail, for reasons that range from inability or unwillingness to change, to ineffective or incautious management, to simple bad luck. But those organizations that can evolve, and that manage to update and execute their goals effectively, will emerge stronger and more capable from even a deep disruption.

Throughout the world, governments are emphasizing that the way out of recession is innovation, and that the harsh conditions of a slowdown are the ideal incubator for significant advances. No societal institution better epitomizes that spirit than the university, and Guelph's global leadership provides us not only an opportunity but also an obligation to contribute what we can to the recovery effort. We must do our best—which means that we cannot simply do as we have done in the past.

This plan will help us make forward progress, but decisions guided by the plan will still reflect the core values and vision on which it is founded. The Integrated Plan itself, and indeed the very processes by which it has been developed and through which it will be implemented, have all been devised as a means of reaffirming those values and realizing that vision. It is a means of *Making Choices* that still results in *Making Change*.

And as a record of those choices—or at least as a statement of how we will organize the task of making those choices—this plan represents the integration of contributions from the many individuals who have participated in its development. We especially thank those who have participated more actively in the construction of the plan—the process has demanded a great deal of work, but has been energizing and helped to focus our efforts and set a hopeful course through often-troubled waters. It is only through the amazing dedication of our faculty, staff, students, and alumni that the University of Guelph has built our record of achievement, and it is through this kind of commitment that we will continue to build a bright and promising future.

8 Multi-Year Plan (MYP2)

8.1 MYP2 Objectives

In 2008/2009, the University initiated a formal multi-year financial plan (MYP1) with the express purpose of bringing into balance its annual MTCU Operating Fund budget over a four-year period (2008/2009 to 2011/2012). Used in concert with the University's first Integrated Plan which guided both the allocation of differentiated unit targets and program priorities during that period, the University not only successfully balanced its MTCU Operating Fund budget but created flexibility in the form of base contingency funds, establishing a positive fiscal position from which to begin the next planning cycle.

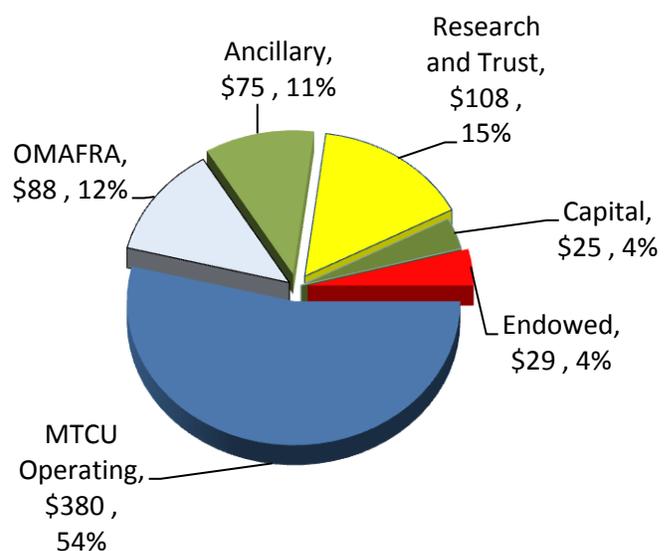
As the University begins its second Integrated Plan, a new multi-year financial plan (MYP2) will be prepared. MYP2 will cover the same timeframe of the University's Second Integrated Plan (2012/2013 to 2016/2017) and will provide an overall financial framework to support the directions and priorities of that Plan. While MYP1 focussed primarily on eliminating a structural deficit in the MTCU Operating Fund budget, MYP2 will build our current balanced financial position and evolve to expand consideration of all major University funds, factors and financial risks to provide a more complete view of the University's financial planning context and constraints. With most major University commitments being "backstopped" by the MTCU Operating Fund, MYP2 assumptions will recognize the potential impact of total operations and create multi-year targets that we need to meet to cover our base cost commitments. The next step, implementation of plans to meet these targets, will be developed as part of Integrated Planning and annual budget processes.

8.2 University Financial Context

Funds Structure

The University of Guelph is a \$700 million annual enterprise (Chart A) encompassing a wide range of activities with an equally wide range of funding sources. Many of these funds are from a variety of external sponsors and are designated by them for specific purposes that do not include funding basic operating costs or cost increases. This is particularly the case for almost all external research, capital and OMAFRA (Ontario Ministry of Agriculture and Rural Affairs) Agreement funding. While a portion of these restricted funds are used for central support services (e.g., physical and administrative infrastructure), typically they do not provide funds for general incremental costs (e.g., price increases or capacity maintenance). This leaves the primary responsibility for funding most core University operations to the

CHART A



**Total University Funds ~ \$700M
(2010/2011)**

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

MTCU (Ministry of Training Colleges and Universities) Operating Fund budget.

Comprising over 50% of total University funding, the MTCU Operating Fund budget, is out of necessity, the main focus of University planning efforts. This budget supports almost 90% of all faculty and 80% of regular full time staff appointments as well as the costs for the main campus infrastructure including physical plant, library, technology and administrative support costs.

Economic Conditions

The University is impacted by a number of external macro-economic factors including the financial markets, federal and provincial government deficits and the outlook for global recovery from 2008. The recovery of global markets continues to lag early expectations and the continued worries over the sovereign debt crisis in Europe, weak growth in the US and persistent unemployment in many of the world economies are unlikely to be resolved in the near future. The end of a number of government stimulus programs could extend this period of “sideways” recovery. With government deficits continuing to rise it is unlikely that we will see major spending programs of the sort which in the past have directly benefited universities in Ontario through major capital improvement programs. Conditions are not only volatile but continue to result in very low interest rates, equity returns and increasing government and household debt. While the University is not directly impacted by these factors, its pension plans are. Lower equity returns and interest rates mean higher funding requirements for defined-benefit pension plans. Once considered to represent aberrant, “historically” low levels, from which an offsetting recovery could be eventually expected, these conditions persist and are becoming, at least for the medium term, the new ‘normal’.

Ontario, which is the main source of University revenue, has been particularly hard hit with its manufacturing-oriented economy experiencing lower growth than commodity-based provinces; this translates into lower provincial revenues. Provincial cost challenges, however, have not declined, especially those associated with health care, aging infrastructure and an aging population. All of this could mean reductions in total funding for post-secondary education similar to those experienced in the mid-1990s. However it is clear that the current provincial government sees post-secondary education as an important component of its recovery and has indicated that there could be additional conditional funding available.

The University of Guelph is unique in the province for its special agreement with OMAFRA (Ontario Ministry of Agriculture, Food and Rural Affairs). Through this agreement the University receives about one-third of its research funding, including support of a significant portion of its faculty, staff and infrastructure. There is no indication, to date, as to what impact the provincial deficit will have on this funding arrangement.

Another one-third of the University’s research funding comes from the federal government, particularly through tri-agency funding (SSHRC, NSERC and CHIR). Faced with its own deficit, the federal government could apply pressure on this funding both in terms of total funding and increased competition from other institutions all chasing fewer dollars with more restrictive conditions.

8.3 Key Financial Risks

In the context of many external forces and internal factors, the University will face a number of financial risks over the course of MYP2. Each risk carries a different level of impact and probability of occurring. While identification of the impact of a possible negative event can be estimated with some certainty, determining its probability is more difficult and actions which can fully mitigate those events are limited due to operational, governance and fiscal capacities. The following have been identified as

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

the current major financial risks likely to present the greatest overall risk to the University over the course of this plan. (Management of these financial risks is considered in each of the relevant sections of the MYP and the University's overall annual budget processes.)

Compensation:

Total compensation for University employees currently comprises over 60% of total University expenses and 70% of the MTCU Operating budget. In some academic units over 90% of total costs are for compensation. In addition, most employees are represented by one of 14 different unions (12) or associations (2). These groups range in sizes from 8 to 900 and cover a variety of salary and benefit structures, skills, professions and contractual requirements. The diversity and complexity of managing employee relations is also increasing due to provincial legislations including "wage constraint" and pension contribution requirements. The University manages compensation and the associated issues of employee relations as a constant priority.

Post-Employment Benefits

Post-employment benefits are commitments to University retirees for both pension and non-pension (health and dental) benefits. At the end of fiscal 2011, liabilities of post-employment benefits totalled \$1.4 billion (per 2010/2011 audited financial statements). Due to a combination of difficult financial markets, increasing medical costs and an aging workforce, the cost of post-employment benefits constitutes one of the fastest growing expense categories for the University. Not only is the rate of increase dramatic, but post-employment expenses and liabilities are currently the largest combined liability facing the University. While funding all non-pension benefit liabilities is not required (they are on pay-as-you-go, cash only basis), pension plans under current provincial legislation are projected to require levels of funding (for the wind-up measurement) that could force the University into a financial exigency that would be catastrophic to many of our programs. Strategies to manage these costs are complex and demand continuous attention. The longer term solutions require both restructuring these benefits (through labour negotiations) and in the case of pension plans, legislative changes (to reduce the volatility of pension solvency payment requirements). In the short term the University will identify and structurally fund the going concern requirements of its pension plans and continue to develop one-time solutions (as part of our annual budget process) to meeting solvency requirements.

Provincial Operating Grant Funding

The Ministry of Training, Colleges and Universities (MTCU) is the provincial ministry responsible for the administration of grants and regulating university-credit program tuition fees for all post-secondary institutions in the province. In addition, for compulsory non-tuition student fees (such as athletics and student health fees), MTCU requires that University and student groups agree on a protocol for fee increases. MTCU is also the ministry that allocates the operating grant programs for universities, many of which are for designated programs or are contingent on institutions achieving negotiated targets (e.g., enrolment growth). In addition these operating grants may not be used for certain purposes such as capital construction or ancillary services. Together tuition fees and MTCU operating grants comprise 70% of the total revenue in the MTCU Operating Budget. With this level of control over a major portion of the University's Operating budget, changes in government funding and tuition fee policy will have a material impact on University funding.

OMAFRA Agreement (Ontario Ministry of Agriculture, Food and Rural Affairs):

The University of Guelph has, since its inception, had an agreement for the delivery of specific research and services with OMAFRA. This contract, which is unique in the Ontario university system, earned total revenues of \$88.0 million consisting of \$68.9 million in provincial payments and \$19.1 million in fees and

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

revenues from the sale of goods and services (in fiscal 2010/2011). Included in the total contract are \$22.8 million, transferred each year to the University's MTCU Operating budget to pay for 50 research faculty full-time equivalents (\$11.8 million) and fixed infrastructure costs such as physical plant, academic and administrative services (\$11.0 million). In total, OMAFRA funding supports over 100 University faculty and Veterinarian positions, 400 full-time University staff and provide major infrastructure support funding a number of research stations and support services. All funding received from OMAFRA is not only restricted to designated activities and programs, but is fixed over the set period of the contract. This means incremental cost increases (inflation and compensation) must be absorbed within the overall funding envelope, eroding the real level of funding each year. Normally the contract is renegotiated every five years; the next period for renegotiation is fiscal 2013/2014. At that time there is always the risk that funding will be restructured (from current program allocations) or reduced. However while there are risks associated with the size and uncertainties of the OMAFRA contract, this long-standing partnership is a major differentiator for University of Guelph, placing it at the forefront of agri-food research in the province.

Enrolment

Revenues derived from students are earned throughout a number of major University operations. It is estimated that about 26% (\$190 million in 2011) of total University income is earned directly from student fees that range from tuition to housing fees. Students also contribute other income through sales of goods and services earned by auxiliary University activities. At total enrolment of 22,000, changes in enrolment can impact a wide range of University operations. In any year, enrolments cannot be predetermined by University. There are many variables that must be considered including estimating "intake" (new students choosing to come to Guelph) and retention rates (students remaining or returning to Guelph) and thus setting enrolment budgets is about predicting a range of possible outcomes. Further complicating planning for estimating overall revenue from tuition is the provincially-controlled tuition framework which sets actual tuition fee increases each year for most of our programs. As a consequence continuous enrolment planning takes place in a number of University operations particularly in the Registrar's Office and food and housing ancillary services. In setting annual budget estimates, consideration is given ensuring conservative targets in the context of the many risks (variables) before actual results are known.

Capital

The University of Guelph has a major investment in its physical assets including land, buildings and equipment. With a combined insured value of \$2.2 billion, maintaining these assets is a significant commitment. Buildings and supporting utilities infrastructure currently present a major challenge based on an estimated deferred (accumulated) maintenance cost of \$300 million. We have many older and historically significant buildings, some dating back to the 1870's, which present additional challenges, along with, increasing program demands both in terms of capacity and capabilities. Traditional sources of funding for capital requirements have been mainly provincial/federal program grants. Over the past decade or more, the funding from these programs has been insufficient to maintain either basic capital infrastructure or the demands for more effective space for expanded teaching and research programs. The University's response has been to finance capital projects, including critical deferred maintenance costs, using external debt. Historically University debt was almost entirely associated with residences. In 2002 the University issued its first debenture, a \$100 million 40 year bond the proceeds of which were used mainly to finance a new science complex. Since then, in almost every year the University has issued some form of new debt mainly for deferred maintenance projects. In 2011, new debt was issued to expand engineering buildings in order to accommodate new programs and enrolment growth. Total University debt is expected to be \$225 million by the end of fiscal 2013, 75% of which is now serviced

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

from the MTCU Operating budget. While funds have been budgeted for repaying this debt, debt capacity is limited and will need to be rationed to the highest priority purposes.

8.4 Major University Funds and MYP2 Assumptions

As noted above, the University receives funding from many external sources, the majority of which come with limitations or restrictions on how these funds may be spent. To ensure these restrictions are met the University follows the well-established practice used by many non-profit organizations of “fund accounting”. The following identifies these major funds and provides some context, overall impact on University operations and major financial assumptions including any major risk assessments over the course of the next five years. The final Fund presented will be the MTCU Operating Fund in which major revenue and expenses assumptions will be presented, setting the initial University-level multi-year targets.

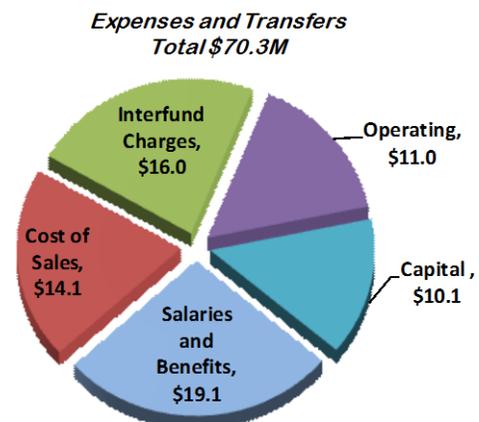
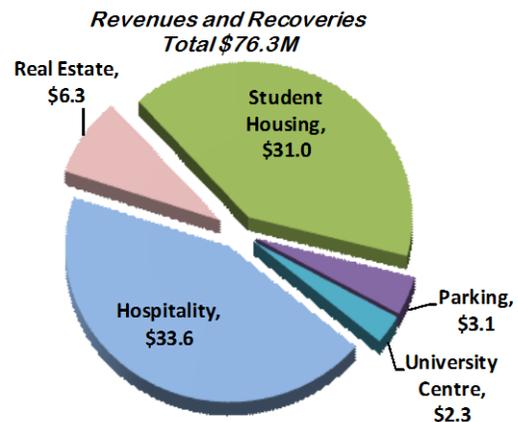
Ancillary Fund

Ancillary operations are self-funded operations managed by the University to provide services (mainly to students) that are not permitted to be funded from university credit program tuition fees or MTCU operating grants. Total 2010/2011 revenues of \$76.3 million (refer to chart below) or 11% of total University revenues, for the five University Ancillary Operations, are derived mainly from the sales of goods and services. Being self-funded, these units fund their own capital debt servicing charges and all support services including utilities, rent and administration provided by the MTCU Operating fund. Ancillary units were charged approximately \$10 million for such services in 2010/2011. In addition, Hospitality Services and Parking Services annually contribute net income to fund certain academic capital projects (\$0.200 million and \$0.442 million respectively) and Student Housing contributes \$0.540 million annually to support student services. In addition, these units may (subject to availability) assist the MTCU Operating budget in meeting its overall budget target (Parking Services contributes \$0.400 million annually for this purpose).

Ancillary Units face many of the same challenges and risks as the core academic and administrative units of the University. However, their fees are not restricted and operations are managed without significant restrictions. Despite a great level of flexibility in managing operations, most ancillary units face major challenges including increasing costs, compensation, operating costs (e.g. cost of sales) and the need to continually invest in capital improvements. Over the next five years it is expected that both Hospitality (food) and Student Housing Services will face increasing competition from external service providers as the City of Guelph continues to grow and new

**Ancillary Units
2010/2011 Actuals**

CHART B



Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

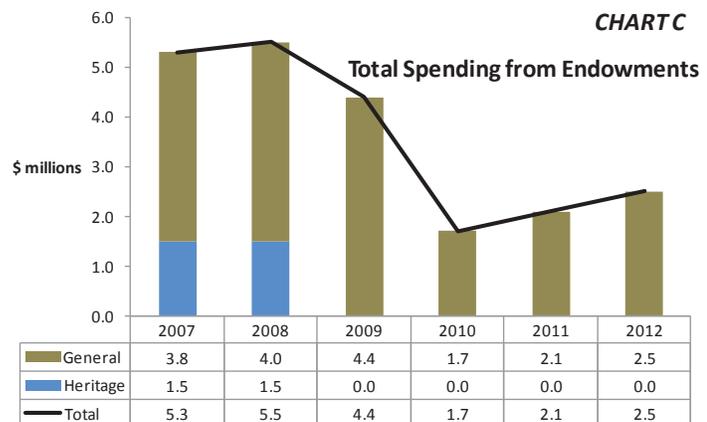
housing and food options become available. In addition, many residences were built in the 1970s or earlier, presenting Student Housing with both capital maintenance costs and demands for more current configurations (e.g., more single or suite-style options). Hospitality will need to continue to cover increasing food and compensation costs typically not faced by many of its off-campus competitors. Currently all ancillary units are covering their costs and in some cases continue to support other University operations. The Real Estate division has a unique function in being the operational arm of the Heritage Fund¹. It is expected that Real Estate will continue to generate about \$5 million annually for transfer into the Heritage Fund Endowment. Individual budgets for each designated ancillary operation are approved by the Board of Governors annually.

Over the course of the next five years the assumption is that these units will continue to balance revenues and expenses and the only change in transfers to other University operations will be inflationary increases on current charges.

Endowment Fund

Since 1990 the University's total endowments have grown from \$22 million to \$214 million. University of Guelph endowments consist of two major designations; the General Endowment fund (market value of \$137 million at December 31, 2011)

and the Heritage Endowment Fund (market value of \$77 million at December 31, 2011). This growth is the result of both contributions and investment returns, net of spending for designated purposes. Contributions to University endowments are derived from a variety of sources including donations, governments and internal University sources such as income derived from Board of Governors designated land assets. Spending from endowments is directed to a number



of specific purposes that include student assistance, faculty chairs, research and infrastructure support. While endowments have grown significantly, total support from endowments is less than 1% of all University income. Over the past decade even this relatively small position has been eroded due to poor and volatile equity market returns. Chart C shows this decline with a recovery trend for the General Endowment Fund. The Heritage Fund, due to the specific nature of its payout formula is not expected to be able to contribute to University operations for several years. With the General Endowment portfolio being over 80% designated for student assistance, donors and the University have responded to both protect the endowment capital by restricting spending and to ensure overall spending on student assistance has not declined during this difficult period.

¹ The University of Guelph Heritage Fund began operations on July 1, 1991 under a Declaration of Trust approved by the University of Guelph's Board of Governors. The purpose of the Heritage Fund is to monetize designated University-owned real properties and to invest those proceeds into a segregated endowment (The Heritage Fund Endowment). The Real Estate Division operates for the purpose of managing any sales, land leases or other related activities of Heritage Fund designated properties. Net proceeds of Real Estate operations are transferred into the Heritage Fund Endowment.

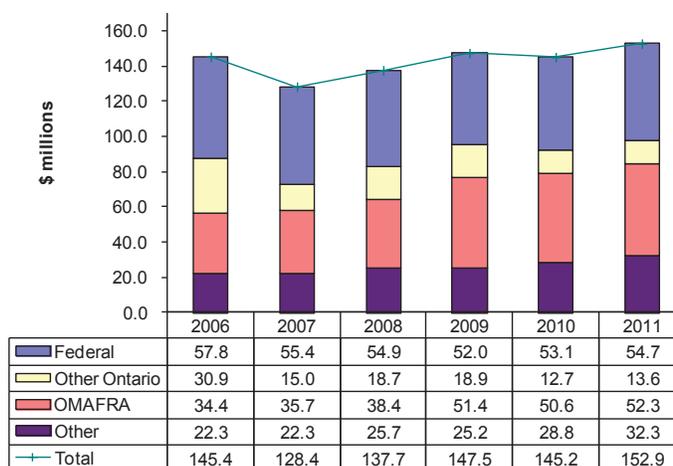
Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

It is expected that over time as markets recover, total spending from endowments will provide a greater level of support for their designated objectives; however as in the past, no significant funds are expected from endowment to support general University operations. In the meantime the University will continue with its conservative approach to managing these funds for the longer term.

Research Fund

Revenue in this fund includes dollars received from all external sources in support of research, including funding from federal Tri-Council, and non Tri-Council sources. Federal Tri-Council funding includes revenue from the three granting councils (CIHR, SSHRC, and NSERC). Non Tri-Council funding includes any other federal or provincial research funding, non-government revenue from grants, gifts, and sponsorship, and investment income. Funding consists of both direct (program) and to varying levels of support, indirect (support) costs. For example, all post-secondary institutions are supported by the federal indirect costs of research program (FICP). Institutional shares are determined by the FICP based on our relative share of Tri-Council funding. In terms of multi-year planning a key objective will be to grow overall research funding both in terms of our peers and in total. Chart D indicates that 34% of our total research funding is derived from the OMAFRA contract. In addition our share on the total amount of funding from the federal government, mainly the Tri-Council agencies, is at best flat. Challenges to meeting our objectives in research will be further increased given federal and provincial government deficits, which often have targeted research spending for cuts over the politically higher priorities of education and health. In terms of financial impact, research activities absorb a significant component of University physical plant and administrative support services. It is generally recognized that the overall indirect cost of research is 40% of direct research costs. Of total University of Guelph research funding, \$21 million is provided for research indirect support costs, about 16% of total direct costs. About 50% (\$10.3 million) of this indirect cost funding is part of the OMAFRA contract and a further 30% (\$6.4 million) is provided under the FICP program. The balance is mainly earned on a wide variety of industrial and non-governmental contracts. The University has recently applied policies that will attempt to increase the recovery of indirect costs especially from this source. This action has already resulted in some growth in indirect cost recoveries.

Research Funding by Major Source **CHART D**



For the purposes of the University's Multi-Year Plan, the University will continue to invest in the growth of research competitiveness. This will require that funding is directed to services that will both support our researchers' success in grant applications and will meet the necessary (and growing) compliance requirements in a cost-effective manner. The assumption is that any additional indirect cost recoveries that are generated will be directed for this purpose. The result of this approach will be reviewed each year in the context of the integrated Plan and the annual budget.

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

The Capital Fund

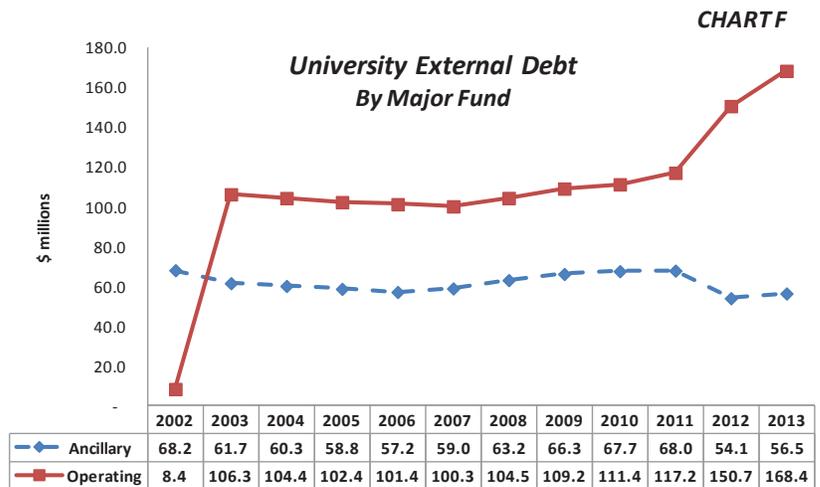
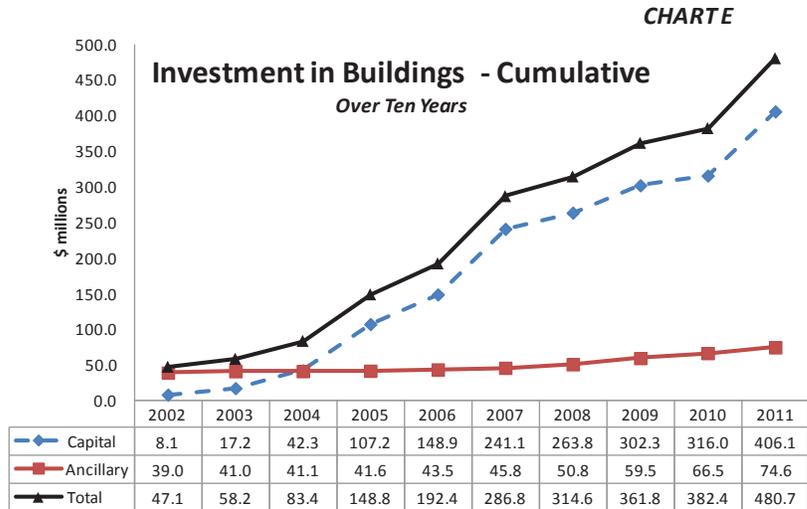
This fund captures revenues and expenses of major non-ancillary buildings and equipment. In terms of recent history the University has seen the disbursement of almost \$500 million toward the major repair, improvement or the new construction of buildings (Chart E). The majority (85%) of this spending has been for academic buildings, campus infrastructure and deferred maintenance. Ancillary capital spending is almost exclusively for residence buildings. Funding for ancillary expenses is derived from housing operations or debt which is fully serviced from student residence fees. The remaining portion of capital expenses is provided from a combination of capital grants from both federal and provincial governments and targeted for specific building/projects or debt.

This debt which is serviced entirely from the MTCU Operating Fund is projected to be 75% of total University debt (Chart F). Almost all of this has been added in the last ten years. Increases in 2012 and 2013 are due to a combination of both deferred maintenance requirements and the expansion of engineering facilities to accommodate the effective doubling of enrolment in these programs.

The University manages its debt through both policies that limit total debt (relative to revenues and expenses) and adherence to a separate Five-Year Capital Financing Plan approved separately by the Board of Governors. The current Plan includes the allocations for deferred maintenance (estimated to require \$15 to \$20 million annually), student housing capital improvements and the engineering expansion project.

The major limitation to current capital spending is our ability to carry debt. While well within our

ability to service our current debt, we are approaching levels that are considered high (among our peers and credit rating level). The demands for further capital investments however continue to be driven by both our growing enrolment but also the need to invest to remain competitive and provide space required for new and evolving teaching activities.



Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

The following is a list of the major priorities for capital investment;

- Replacement of aging teaching hospital facilities in the OVC (Ontario Veterinary College),
- Classroom expansion and reconfiguration to accommodate growth and the need for more innovative teaching
- Creation of additional student learning space
- New space for the College of Management and Economics
- Athletics facilities particularly for fitness and intramural activities for the increased student population
- Funding for the Campus Master Plan including transportation, pathways, building removals and other general campus ranging from signage to green space improvements
- Funding for a major campus-wide retrofit project

For the multi-year plan, there is a base allocation of an additional \$1.5 million each year, for deferred maintenance debt servicing (and the Five-Year Capital Financing Plan). At this time no other provision has been made for funding (or financing) any of the above projects.

8.5 The Operating Fund

Responsible and integrated fiscal planning for the Operating budget requires that we establish a multi-year framework for the University's Operating budget, and consideration of all of its major funding sources and the impact that changes on other funds may have on it (e.g. Capital Fund requirements). In addition our unique relationship with OMAFRA requires our Operating Budget to have two "heads": MTCU and OMAFRA. Adding to the planning complexity is the recent practice of the province to target grants for specific purposes/programs resulting in the further partitioning of the Operating Fund budget into different envelopes each with spending restrictions and reporting requirements.

The following Table summarizes some of the major features of the MTCU and OMAFRA components of the Operating Fund including some of the restrictions and further partitioning of funding sources. It highlights the diversity/complexity of funding that supports University positions, including faculty. Each of these sources has its own risks in terms of both nominal (total support) and real support: each fund has a number of challenges including covering incremental costs all of which must be managed within a fixed grant allocation. As might be expected with over 70% of most funds allocated to compensation, incremental costs (mainly compensation related) contribute to the bulk of University cost pressures.

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

Grant Name	Rev. \$M	Purpose/Restriction	Positions				Risks/Limitations
			Fac	Staff	Tem.	Total FTE's	
OMAFRA – New Initiatives (Fund 111)	\$11.20	Created from \$56 million in one-time funds in 2008/2009. Used for one-time support within the OMAFRA agreement.			72	72	One-time funding due to be completed by 2013/2014. Major source of funding support for graduate education.
OMAFRA – Core (Fund 110)	\$76.10	Mainly for research and related infrastructure at stations and for regional campuses. Of the \$76.1M, \$59M is an annual direct transfer from the province. Funding of 65 faculty is based on a fixed dollar “pool”	74	383	138	595	A major source of funding for core University faculty and staff and support costs. Revenue is 80% provincial funding fixed over the contract period. Incremental costs reduce real spending power. Contract due for renegotiation in 2014.
VCEP (Part of Fund 110)	\$6.20	Source is the OMAFRA Agreement. Restricted to OVC for veterinary clinical education. Funding for all positions is based on fixed dollar “pools”.	12	29	6	47	Fixed grant funding. Incremental costs fall to the MTCU- Core (100% annual provincial funding) . Fund is totally allocated to the OVC.
TOTAL OMAFRA	\$93.50		86	412	216	714	
OVC- Special Grant (Fund 102)	\$6.50	Source is MTCU grant. Restricted for OVC in support of teaching and related infrastructure.	19	-	3	22	Fixed grant funding. Incremental costs fall to the MTCU- Core (100% annual provincial funding)
MTCU- Ag Diploma (Fund 104)	\$17.60	Result of transfer in 2008/2009 of all education from OMAFRA diploma (credit) and non-credit programs at regional campuses to MTCU. Most revenue is enrolment based and all is allocated to the OAC.	5	79	78	162	Fixed grant funding. Only sources for incremental cost are growth and tuition increases. (30% annual provincial funding and over 50% of revenue non-credit activity. This fund is totally allocated to the OAC.
MTCU- Core (Fund 100)	\$349.60	Revenues and recoveries fund main campus University teaching programs and research infrastructure. Is the main source of unrestricted University funding.	671	1,459	675	2,805	Fund of final resort if funding issues arise in other funds.
TOTAL MTCU	\$373.70		695	1,538	756	2,989	
TOTAL OPERATING	\$467.20		781	1,950	972	3,703	

OMAFRA Budget and MTCU:

Because of contractual restrictions the OMAFRA Fund requires its own budget (for approval by the Board of Governors). While the scope of this document does not include the details of OMAFRA budget, changes in OMAFRA funding levels can have an important impact on the MTCU Operating Budget. With almost 90 faculty positions and 400 staff funded under this contract on mainly fixed funding, maintaining a balanced OMAFRA budget involves a number of actions that include the

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

transfer/elimination of positions from the contract base. In the case of faculty, this can mean a transfer of costs to the MTCU Operating Fund budget – for staff the result could mean work reassignments affecting an employee group (regardless of funding). In addition there is \$11 million in indirect support costs credited to the MTCU operating budget annually. This recovery is built into the base of the MTCU Operating budget and any changes to that transfer will require equivalent structural adjustments. In MYP2, the current assumption is for no major changes in the current OMAFRA funding base. This is based on indications from OMAFRA of no major changes coming in 2012/2013 and plans that negotiations for renewal will begin in the upcoming year.

MTCU Operating Fund

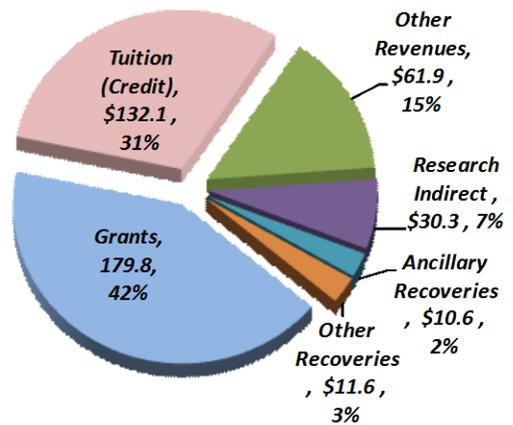
Planning Context

The MTCU Operating Fund, which includes the University's core teaching and research support activities, depends on a variety of revenues (earned from external sources) and cost recoveries, (transfers from other University funds), in order to support expenses mainly in the form of salaries and benefits. (Refer to Charts G and H).

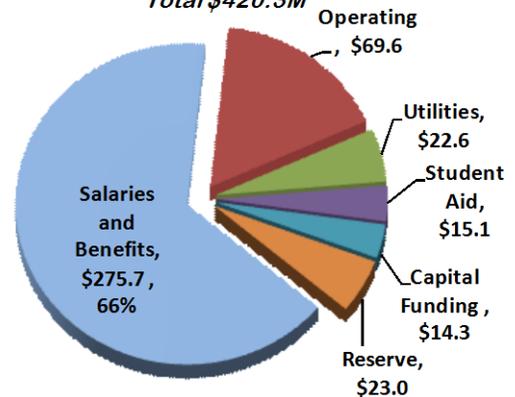
The university sector received a tuition announcement for 2012/2013 only. Thus beyond next year there is no framework and there is uncertainty regarding the funding of enrolment changes. We expect further clarity as an outcome of the next provincial budget; however, past experience would indicate it may take months before specific allocation announcements are realized at the ministry level. With over 70% of the MTCU Operating revenues derived from grants and tuition, there is a major gap in what is required to establish a well-informed estimate of revenues. Regardless of this uncertainty, not planning is a greater risk. Given the current unknowns in key revenue components from (lack of) provincial directives, we need to be responsive to the moment when we do hear what some of those announcements will yield. This alone will mean the continued need for flexibility in our budget planning.

The following section presents the current general assumptions that have been made to create the first iteration of MYP2.

**MTCU Operating Fund
2011/2012 Base Budget**
Revenues and Recoveries Total \$426.3M **CHART G**



**Expenses and Transfers
Total \$420.3M** **CHART H**

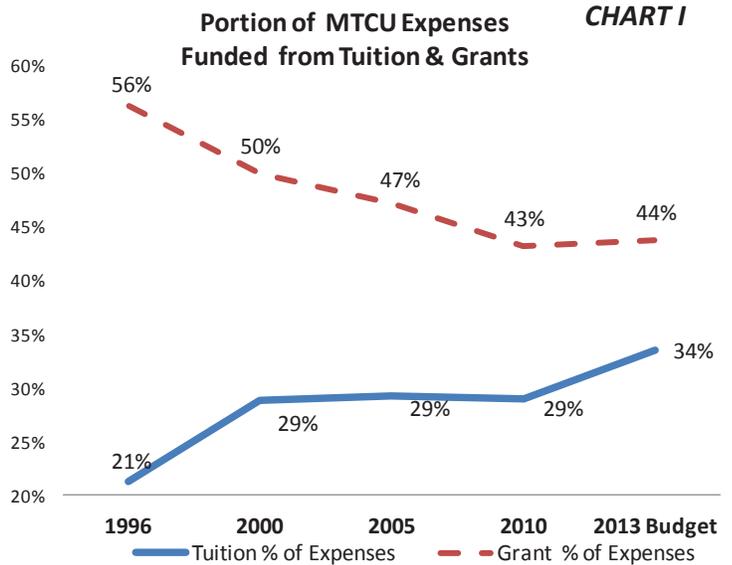


Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

8.5.1 Revenues

The focus of revenue assumptions is on major institutional accounts (e.g. grants and tuition) that could assist in funding general cost increases (e.g. compensation and infrastructure). Chart I indicates both the concentration of funding in grants and tuition but also the shifting portion of funding to tuition revenues from grants. Even with this shift in distribution the overall portion of expenses funded from these two sources remains about the same at just over 75% making estimating these two components a major part of any planning process.

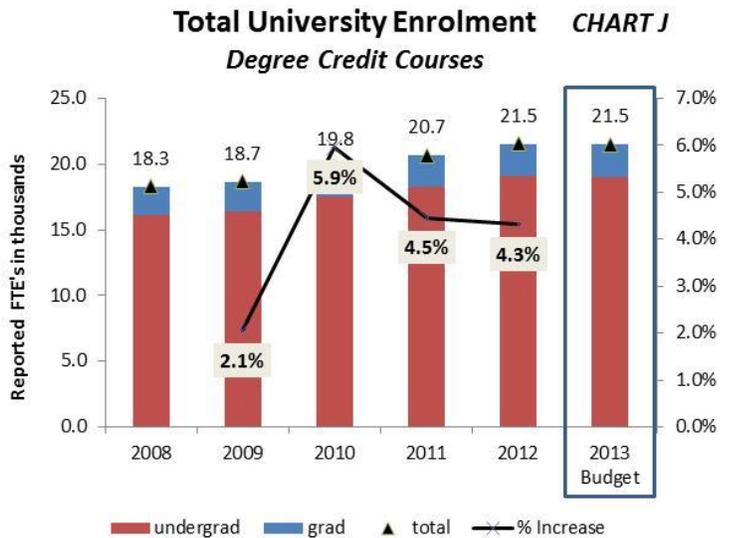
MTCU Operating Grants – While there has been a decrease in the portion of expenses funded by the MTCU operating grant, it remains the single largest revenue component of the operating budget. It is now standard practice by MTCU that there will be no general cost-of-living increases in grants and any increases will be based on performance metrics, the primary ones being increased enrolments and quality enhancements. Some good news is that there are no current signals that the grant will be reduced as the province deals with their deficit and that post-secondary education is a priority in the provincial strategy to strengthen its economy. This will mean a relatively flat grant going forward unless enrolment changes and it is likely that any grant increase will be targeted to deliverables (and cost increases) not reflected in this scenario.



Tuition Fees- Credit – The University earns tuition revenue (\$140 million in total) from a variety of different programs 90% of which is generated from University-degree programs. Most of the tuition rates in this category are set by the province normally under multi-year frameworks that often include a requirement that a certain portion be “set aside” for needs-based student assistance. Determining total tuition incomes requires that both enrolment numbers and tuition rates be considered.

For fiscal 2012/2013 the university system received an announcement that the current tuition framework (maximum overall increase of 5%) would be continued for one more year, however, no announcements has been made with respect to future years. For these MYP, the working assumption for the remaining four years of the plan will be an overall increase of 3%.

In terms of enrolment, over the past four years the University has experienced enrolment growth of almost 18% (Refer to Chart J). This enrolment growth not only received full eligible grant funding from province but also has now been established as



Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

the University's total enrolment target. For future years it is assumed enrolment levels will be maintained at this level and any changes will need to be managed with the annual budget process.

Other Revenue Components - Grant and Tuition make up over 90% of institution based revenues. With the exception of recoveries from ancillary units which have been increased by 2% annually in this MYP, changes to all other recovery and revenue categories will be assumed to be managed within existing allocations. While in the budget process all revenue lines are reviewed annually, it is normal practice to assume most revenues or recoveries generated as part of departmental mandates are restricted for particular purposes are absorbed within overall college/division allocations. Major examples of these revenues include those generated by the OVC teaching hospital, non-degree credit tuition fees in the Office of Open Learning and non-tuition related student fees for student support services such as counselling, medical services and athletics.

The University of Guelph-Humber: In 1999 the University of Guelph entered into a joint venture with the Humber College Institute of Technology and Advanced Learning with the objective of delivering joint programs (and degrees) in focused undergraduate programs. With MTCU approval, the funding for these enrolments is based on university funding and tuition rates/regulations. The programs are delivered jointly at the Humber College campus at a dedicated facility funded by MTCU for this purpose. Students graduate with both college and university degrees. The first cohort graduated in 2006. Guelph-Humber enrolments are currently approaching capacity at 4,000 with revenues reaching steady state at about \$47 million annually.

Guelph-Humber's financial impact on the University of Guelph is measured in two ways: funding received by colleges/divisions for services provided such as course delivery (\$7.5 million per year) and the University's share (50%) of the joint venture's overall net income/expense. For the purpose of MYP2 it is assumed that the services recovery will continue to flow to colleges/divisions to offset costs and the University's 50% share will be set at a long-term steady state target of \$4.5 million.

8.5.2 Expenses

Salaries and Benefits - In estimating expenses it is important to focus efforts on compensation. Consisting of both salaries and benefits, total compensation comprised over 70% of total MTCU Operating Fund costs. As a result of the recent round of negotiations, most major groups will have agreements in place over the next 2-3 years. The estimated cost of these settlements has been built into MYP2.

Pension Contributions – As discussed under Financial Risks, the immediate risk of major unfunded pension contribution increases has been deferred until 2015 after the current temporary solvency relief period ends and current University funding to fully fund solvency has been fully contributed. At that time, about 40% of total current estimates for future pension contributions of \$70 million have been built into MYP2.

Consistent with past practice, the University will review year end results to identify remaining solvency contributions on an annual one-time basis. This is based on the realization that to fully fund the currently estimated level of contribution would require extreme actions such as the disposition of assets (lands and endowments) and the elimination of major programs that would fundamentally impair the University's long-term ability to continue to operate. As the issue of solvency payments is systemic in the province, discussions with provincial regulators continue as the impact of solvency payments on the university section in Ontario is potentially devastating.

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

Infrastructure Costs- this category includes utilities, information and technology funds that are considered core to University operations. General allocations ranging from 3% to 5% have been provided.

Capital Financing – with a five-year capital plan in place including debt requirements, a \$1.5 million per year increase has been included to cover both principal and interest costs on any new debt (this excludes any new buildings).

Student Aid and Awards – a small provision has been added to recognize the tuition add back requirement from a 2% increase in tuition rates included in this scenario.

University Contingency – The creation of \$23 million in contingency funding was the result of four years of managing to increase enrolments and contain costs. It is planned to use \$11.2 million of this contingency in 2012/2013 to avoid the need for any targeted reduction in that year. The remaining base contingency will be used for both investments and if required, to ensure overall budget targets are met (e.g., unexpected loss of revenues during the fiscal year).

Unallocated MYP1 Targets – this account shows the estimated timing of savings from MYP1 targets for those colleges that have not yet completed all of their savings plans.

In terms of expenses there are no other major assumptions made at this point. Any other major allocation or reallocations within this budget are assumed to be internal or funded from incremental revenues not assumed in this scenario.

Multi-Year Plan (MYP2) 2012/2013 to 2016/2017

MYP2 Results: The following table (with notes) is the result of application of the above assumptions.

MYP 2 - MTCU OPERATING FUND BASE BUDGET

Summary of Funds 100, 102 & 104

(\$ millions)

	Notes	11/12	12/13	% Chg	13/14	% Chg	14/15	% Chg	15/16	% Chg	16/17	% Chg
Revenues and Recoveries:												
MTCU Operating Grants		179.8	179.3	-0.3%	179.3		179.3		179.3		179.3	
Tuition Fees - Credit		132.1	137.6	4.2%	141.7	3.0%	146.0	3.0%	148.9	2.0%	151.9	2.0%
Other Revenues	1	61.8	62.3		62.3		62.3		62.3		62.3	
Recoveries - Research	2	30.3	30.7	1.3%	30.7		30.7		30.7		30.7	
Recoveries - Other	3	22.3	23.5	5.2%	23.6	0.7%	23.8	0.7%	23.9	0.7%	24.1	0.7%
Total Revenues and Recoveries		426.3	433.4	1.7%	437.6	1.0%	442.1	1.0%	445.1	0.7%	448.3	0.7%
Total Expenses												
Salaries and Benefits	4	275.7	285.4	3.5%	296.2	3.8%	304.1	2.7%	311.0	2.3%	318.6	2.4%
Operating Costs		68.0	69.3	1.8%	68.8		68.7		68.4		68.2	
Internal Recoveries		(18.7)	(18.7)		(18.7)		(18.7)		(18.7)		(18.7)	
Infrastructure Costs	5	33.9	35.2	3.9%	36.3	3.3%	37.5	3.3%	38.7	3.3%	40.0	3.3%
Capital Financing Costs	6	14.3	15.8	10.5%	17.3	9.5%	18.8	8.7%	20.3	8.0%	21.8	7.4%
Student Aid and Awards	7	15.1	15.7	3.6%	16.1	2.5%	16.5	2.5%	16.8	1.8%	17.1	1.8%
Integrated Planning		14.1	15.9		15.9		15.9		15.9		15.9	
University Contingency	8	23.0	11.8		11.8		11.8		11.8		11.8	
Restructuring Deficit Repayment	9	6.0	6.0		6.0		6.0		6.0		6.0	
Unallocated MYP1 Targets	10	(5.1)	(3.0)		(1.2)		(0.5)					
Total Expenses		426.3	433.4	1.7%	448.5	3.5%	460.1	2.6%	470.2	2.2%	480.7	2.2%
CUMMULATIVE ANNUAL SHORTFALL					(10.9)		(18.0)		(25.1)		(32.4)	
ANNUAL INCREMENTAL SHORTFALL					(10.9)		(7.1)		(7.1)		(7.3)	
Annual Adjustment Required to Balance *					-	4.1%	2.6%	2.5%	2.5%			

* Expressed as a % of Compensation

Notes

- Other Revenues** are mainly departmental or restricted funds directly supporting the units providing the services such as non-credit program and student fees or are restricted for a special purpose.
- Recoveries - Research** support indirect research costs in the MTCU operating budget from varied sponsors including the OMAFRA agreement and federal Tri Council research programs.
- Recoveries - Other** are received from Ancillary operations, Guelph Humber and other program sources in support of services (utilities, space, administrative) provided from the MTCU operating budget.
- Salaries and Benefits** include the budgeted costs of employee salaries for regular full time (approx. 2,339 FTE's) and temporary appointments for staff and students plus their current costs of benefits and pension going concern contributions.
- Infrastructure Costs** are a grouping of institutional support costs including utilities, information technology services (networking, servers, applications) and library information resources.
- Capital Financing Costs** support the borrowing costs associated with financing the University's investment in capital maintenance and expansion guided by the board approved 5 Year Capital Financing plan.
- Student Aid and Awards** are the operating funds awarded to students as scholarships and bursaries including funds set aside from tuition increases (\$8.3M) and entrance awards (\$4.4M).
- University Contingency** funds are set aside from growth of grant and tuition revenues exceeding enrolment targets in view of multiple uncertainties in the current environment (provincial budget, pension). For 2012/2013, approximately \$11.2 million is designated to balancing the budget.
- Restructuring Deficit Repayment** are funds to repay the one-time deficit (currently \$41M) incurred from the original MYP1. This deficit will be retired over the next 7 years.
- Unallocated MYP1 Targets** are savings targets that two colleges need to complete as part of their commitments under MYP1. Identified saving plans are in place and these targets will be met over the next 3 years.

8.6 Summary

The challenge of making any long term plans is that estimations invariably do not match actual results. There is a greater risk, however, in not preparing for probable budget adjustments in a planned and strategic manner. While there are many outcomes to many scenarios especially with the challenge of uncertain provincial funding and no tuition framework beyond 2013, based on past patterns and with what we know, planning for further reductions is the most prudent approach. The results of MYP2 indicate that, while 2012/2013 can be balanced with the use of accumulated base contingency funds, the following years will require annual cost reductions/net revenue increases in the range of 2.5 to 4% of the total compensation budget if the overall budget is to remain balanced. The only good news is that we have one year to get ready.

Next steps are now to begin a process to determine how the overall target will be allocated by college/division and how those targets will be achieved. During 2012/2013 MYP2 outcomes will be reviewed throughout the course of the next fiscal year both to test some of the current assumptions and to finalize overall and unit targets for years' 2-5 of the plan. Parallel to this process will be the completion of the 2012/2013 annual MTCU Operating Fund budget which will include reviewing specific proposals from colleges/divisions for their initiatives/projects in the context of the University's Integrated Plan and the preparation for realizing anticipated further savings targets.

9 2012/2013 Preliminary MTCU Operating Fund Budget

9.1 Budget Objectives

The 2012/2013 budget marks the beginning of the University's new Integrated Plan and is, in effect, the annual resource plan for the first year of that plan.

The annual budget's first objective is to ensure there is a financial plan to meet the University's overall budget targets including those for core cost commitments. These include costs for salaries, benefits, utilities, and other services; long-term debt requirements (e.g., deferred maintenance, renovation, and capital replacement); post-employment benefit costs.

In addition and unique to 2012/2013, the budget presented in this document is the starting point for a further more detailed resource allocation process. This process will include the setting of college/division targets under multi-year planning assumptions contained the MYP² and the review of detailed initiatives to be received for consideration toward meeting Integrated Planning goals. (As a consequence, initially, there are no allocations to units beyond those necessary to meet University infrastructure requirements.) It is estimated that this critical activity will take most of fiscal 2012/2013. As decisions are made they will be reflected in an updates to this budget over the course of the year.

9.2 Budget Assumptions

The following sections of this presentation contain the major assumptions used for the 2012/2013 Preliminary MTCU Operating Fund Budget. The financial impact of these assumptions is presented in terms of *incremental changes* to the current budget.

Revenue assumptions reflect impacts on major institutional-level revenues. Within college/division allocations are an estimated \$70 million in revenues credited directly to individual unit budgets. These revenues are earned from a wide variety of sources including many that are restricted for a specific purpose (e.g., specific MTCU grants restricted to support diploma education or students with disabilities), student fees assigned for specific support services (e.g., student health services fees) or specialized service fees (e.g., the OVC Veterinary teaching hospital client fees). For preliminary budget planning, it is assumed that any changes to these departmental revenues are the responsibility of the local unit. It is important to note that in many cases earning revenues constitutes an important component of a unit's ability to both deliver key services and to meet their overall budget targets including those of the MYP.

In addition key revenue assumptions include those for annual provincial funding and overall University enrolment. Enrolments, which not only yield tuition revenues but also drive a significant portion of University provincial funding, not confirmed (under provincial reporting guidelines) until November for fall enrolments and February (2013) for winter enrolments. Further uncertainty currently exists as it is unclear what the impact of the new provincial budget (March 27, 2012) will have on post-secondary

² Refer to Section 8. Multi-Year Plan (MYP2), page A-1 through A-16

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

funding. As a consequence it is the University practice to update the budget as it receives confirmation of both actual enrolments and provincial funding during the course of a fiscal year.

9.3 Major 2012/2013 Budget Revenue Assumptions

9.3.1 Provincial Grants

Provincial grants contribute approximately 42% of MTCU Operating Fund Budget revenue. This funding comes from 15 to 20 specific grants (also known as funding envelopes) which have various allocation mechanisms. Many of these funding envelopes are targeted to specific Ministry goals (e.g., undergraduate and graduate enrolment growth, quality improvement) and some are specifically precluded from being used to cover general University operating costs. No grant increases have been provided in recent years for general cost increases. Most incremental provincial operating funding is now earned under the two enrolment-based “Accessibility” envelopes (one for undergraduate and one for graduate enrolments). A key component of planning for the entire university sector is whether/when the MTCU funds enrolment, under the Accessibility envelopes, are levels of the full-cost grant funding per student³. Recent provincial practice has been to ultimately fully fund eligible⁴ enrolments and subsequently include the prior year’s growth funding in the basic grant.

Enrolment Based Grants (Accessibility): Accessibility funding is distributed among universities in Ontario based upon actual in-year increases in enrolment (in undergraduate and graduate programs) over provincially specified base levels at each university. A critical on-going working assumption made by the University in estimating the Accessibility grants is that full-cost grant funding will be provided for growth. Complicating the estimation process are two factors; first, the past practice by the province to temporarily “discount”⁵ funding and second, the actual measurement of enrolments for funding purposes. Because actual enrolments are not confirmed until November (for fall) and February (for winter), when enrolments are verified and reported to the Ministry, the University does not know the final distribution of this provincial grant until well into the fiscal year (MTCU confirmations can be as late as March; our fiscal year ends April 30th). Discounting not only reduces grant funding but creates uncertainty in our planning as it is not known when the province will meet the full-grant funding promised. To date the MTCU fully funded past enrolment growth although there were several years where this was not actually realized in the University’s transfer payments until the end of the year or during the next year.

Accessibility grants are allocated in two envelopes; one for eligible undergraduate and one for eligible graduate enrolments.

Undergraduate Accessibility: In 2011/2012, the University continued to experience strong demand for most of its programs and undergraduate enrolments have exceeded budget expectations and enrolment has grown by an average of 5.1% over the last three years.

³ “Full- cost grant” funding refers to the commitment by the Province to fund new student enrolments at a level reflecting the provincial grant income per student in accordance with the established funding formula. A full-cost grant level is on average approximately \$6,800 per undergraduate student and between \$12,000 (masters) and \$27,000 (PhD) per graduate student in the Ontario university system.

⁴ Enrolment in unregulated categories (e.g., international students), is not eligible for any provincial grant support.

⁵ Discounting refers to a less than full-grant provided for student increases. It usually occurs when total actual demand for programs in the university system exceeds Ministry estimates. Because the fixed dollars provided in annual Ministry budgets for growth in any year are spread over more students, allocated per-student income is lower than the formula.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

For the 2012/2013 MTCU Operating Fund budget purposes, the assumption is to maintain total enrolments at current (2011/2012) levels. Therefore there will be no initial amount budgeted for incremental Undergraduate Accessibility.

Graduate Accessibility: In its 2005 “Reaching Higher” budget, the province made graduate student growth a priority. The Ministry and the University negotiated targets for growth of masters and doctoral students relative to 2004 levels. Our target is a total enrolment of 1,874 which the province has agreed to fully fund. The table below shows both actual levels of MTCU eligible FTE’s achieved as of Fall 2011 compared to the University’s provincially-assigned “target”.

Enrolment management at the graduate level can be very challenging given both the level of competition and effort required to support increased graduate student numbers. Under the University’s current resource allocation guidelines a significant portion of funding from graduate growth is flowed to colleges for increased support for graduate students. While the operational objective is to continue to grow graduate enrolment to at least meet the provincial target, at this time the budget reflects no change in current graduate enrolments (and therefore no change to Graduate Accessibility funding). Actual results, relative to this assumption are not expected to be significantly different in terms of funding and will be reflected in the budget when confirmed in November.

	Base 2004/2005	Total Enrolment Target	Fall 2011 Eligible FTE’s	Variance to Target	Growth since 2004/2005
Masters	927	1,354	1,289	-65	362
Doctoral	385	520	551	31	166
Total U of G	1,312	1,874	1,840	-34	528

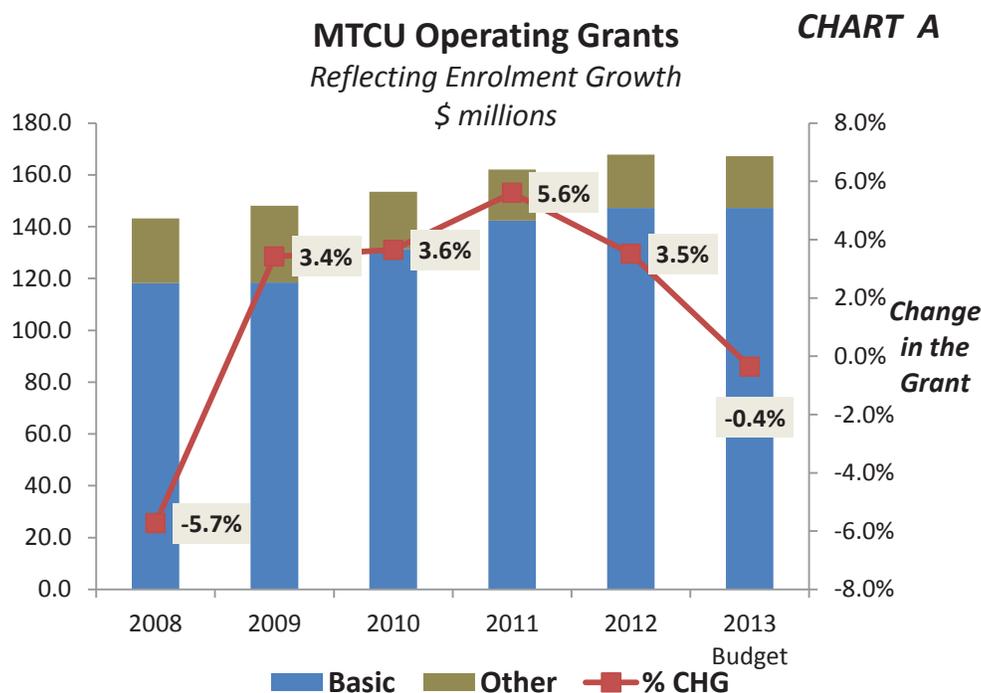
Provincial Basic Grant: The University is assuming there will be no general increase to funding for inflation on existing costs. The prior year’s graduate and undergraduate accessibility funding achieved is expected to be ‘rolled over’ and added to the Basic grant. While this is important as it means that growth achieved remains fully funded, it does not represent an increase in total funding over the prior year. Therefore, the 2012/2013 Basic Grant is the sum of the Basic grant plus the amounts earned for the two accessibility grants in 2011/2012.

The current estimate for the final amount of Undergraduate Accessibility earned in 2011/2012 is \$4.9 million. This amount is a slight decrease from the 2011/2012 base budget of \$5.4M. The adjustment is a result of recalculation with actual winter enrolments which included some variability in the total counts and mix of programs (certain programs receive more funding than others). The result is that the preliminary budget for the MTCU Basic grant in 2012/2013 is \$0.500 million less than the combined prior year base budgets for the Basic plus Accessibility grants.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

All Other Provincial Operating Grants:

The University also receives several other smaller grants such as Performance grants (funding based on overall graduation rates and the employment rates of our graduates) and the Research Infrastructure grant (based on our share of federal granting council awards) as well as several restricted funds e.g., the “Tax” grant (flowed to the City of Guelph in lieu of property taxes). Overall, it is expected that these grants will remain relatively unchanged from 2011/2012 levels. Chart A shows the progression of the changes in total MTCU grant funding over the course of six fiscal years, including estimates for the preliminary 2012/2013 MTCU Operating fund budget.



9.3.2 Tuition Revenues (Enrolment and Fees):

Overall, tuition revenues are expected to generate \$5.500 million in new funding relative to 2011/2012 budget base. Setting the total tuition revenue target involves estimating financial impact of enrolment and tuition fees. In recent years this task has been complicated due to multiple fees structures (e.g., multiple years of year-specific program and cohort fees) as well as the volatility of demand. The following presents the major assumptions used in arriving at the 2012/2013 budget assumptions.

Enrolment: For 2012/2013, the University has set budget undergraduate intake levels⁶ and overall graduate enrolment with the objective of holding overall degree program enrolment at approximately last year’s levels.

Tuition Fees (Current Framework): Since 2006/2007 a provincially-approved tuition framework has governed limits⁷ to tuition rate changes for provincially regulated programs. The permitted increases

⁶ While the University may set undergraduate intake (semester 1) targets, actual intake will vary from this target. Offers are made to students in a very competitive environment and “yield” rates (percentage of offers who actually enroll) vary significantly from year to year. .

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

under that framework are between 4% and 8%, depending on program and year of study, with an overall institutional-level increase in revenue from tuition increases, not to exceed 5%. This policy has been extended to include the 2012/2013 fiscal year. The University is proposing fee schedules consistent with that framework. The results are increases for regulated fees consistent with the maximum allowable with the exception of graduate rates where the increase will be 3.0%. For all deregulated including international programs, entering International programs rates are increasing by 3% (0% in 2011/2012) and continuing fees remain frozen at 2011/2012 levels except for the Cost Recovery Programs where all rates are not increasing. Detailed tuition and non-tuition compulsory fee schedules have been prepared and provided as part of this budget (refer to Section 9.11 Proposed Tuition Fees and Non-Tuition Compulsory Student Fees, page A-38 through A-43). The following tables summarize the tuition fee framework increases for major tuition categories in 2012/2013.

Category:	Regulated Programs		Deregulated & International Programs	
	Entering	Continuing	Entering	Continuing
Undergraduate – regular	4.5%	4.0%	3.0%	0%
Undergraduate – professional ⁸	8.0%	4.0%	3.0%	0%
Graduate – all programs	3.0%	3.0%	3.0%	0%
Associate Diploma Programs	4.5%	4.0%	3.0%	0%
Cost Recovery Programs ⁹			0% ¹⁰	0%

9.3.3 Other Institutional Revenues and Recoveries:

Provincial grants and tuition together comprise 75% of MTCU Operating Fund revenues. The remaining 25% is composed of a large number of different sources of revenue including student service fees, non-credit course fees and cost recoveries from research and ancillary services. For budget assumption purposes, these revenues/recoveries are divided between:

- **Institutional:** These are revenues and recoveries available to fund University-wide expenses e.g., investment income (earned from operating fund cash flows) research indirect cost recoveries and ancillary cost recoveries in support of institutional and physical plant support services provided from the MTCU Operating Fund budget.
- **Departmental:** Revenues earned from the delivery of specific unit goods/services or designated for specific purposes (and in some cases contractually restricted). These do not directly constitute an immediate source of funding for institutional planning purposes and operationally are credited to the unit providing the goods or services. These units are accountable for achieving any revenue targets and for controlling all costs for delivering the services. In practice these revenues form an integral part of unit budgets including sources of funds to meet their

⁷ If an institution exceeds these limits, the province will reduce that institution’s operating grant by an amount equivalent to the excess tuition revenue.

⁸ Professional: business, commerce, veterinary medicine, computing science, engineering and landscape architecture.

⁹ Cost Recovery Programs which are deregulated include MBA and MA Leadership (both domestic and international).

¹⁰ For Cost Recovery Programs, the fee being approved is for the 2013/2014 entering class.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

Multi-Year budget targets. Major examples of these revenues include veterinary hospital revenues and student service and athletic fees.

For 2012/2013 the following summarizes the major incremental changes to institutional revenues and recoveries:

9.3.3.1 Cost Recoveries from Ancillaries

A 2.0% increase in the general cost recovery charges to Ancillaries will be made in 2012/2013 to help offset increases in centrally provided services. These increases were factored into approved 2012/2013 budgets of each ancillary unit. The combined increase in cost-recoveries from Ancillaries is \$0.150 million (base).

9.3.3.2 Other Institutional Revenue

This category (total base budget of \$1.775 million) includes revenues earned in a number of small accounts such as revenues earned from investment of operating cash balances and miscellaneous fees. Investment income in the MTCU Operating Fund budget is derived from interest income earned on cash flows from all non-endowment operations. In 2012/2013, it is forecast that the University will realize an additional \$0.500 million (base). This is primarily as a result of improved University cash flow and realization of higher investment income due to rates (short term).

9.3.3.3 University of Guelph Humber

Under the joint venture called the University of Guelph-Humber (GH), the University of Guelph realizes 50% of the joint venture's annual net income for which Guelph has \$2.500 million base revenue target. In addition there is approximately \$5.500 million received annually by the Guelph for academic delivery cost-recoveries in the colleges which deliver teaching in GH programs and a \$1.0 million fee for the recovery of the costs of administrative services provided to GH. For 2012/2013, the administrative fee, which has been frozen since being initiated in 2008/2009, will be increased by \$1.000 million (base).

9.3.3.4 Research Indirect Cost Recoveries

For 2012/2013 it is assumed most major categories of indirect cost recovery will continue at their current levels with one exception. The current budget of \$3.735 million for indirect on research grants and contracts will be increased by \$0.400 million (base) in the 2012/2013 assumptions to reflect growth in research funding from those sources. Under the University's current resource allocation guidelines 45% of this funding is flowed to colleges performing the research activities with the remaining balance retained centrally for investment in research support priorities. At this time, there is no indication of a change in the indirect costs recoveries received from the OMAFRA agreement¹¹.

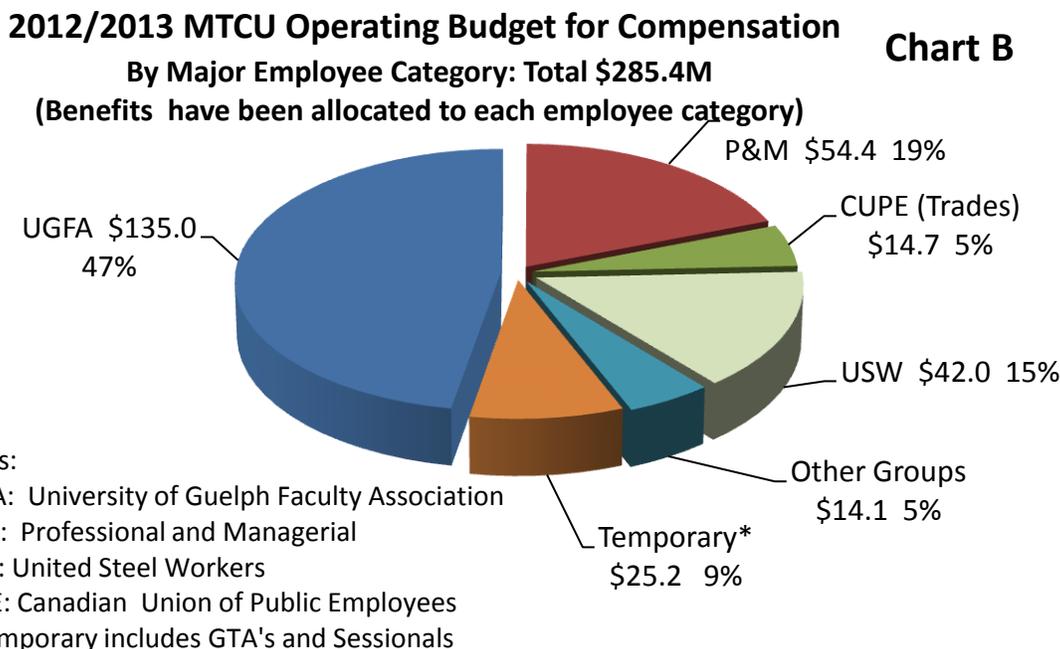
¹¹ The major impact of any reduction in OMAFRA funding will be absorbed within the OMAFRA segment of the University's operating budget. That budget is presented separately for approval. The impact in the MTCU component of the operating budget is limited to OMAFRA funded indirect costs, which are reduced in proportion to any total decrease in funding received in the overall OMAFRA Agreement funding.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.4 Expenditure Assumptions

9.4.1 Provision for Compensation (Salaries and Benefits) Increases

In comparison to MTCU Operating Fund revenues, 75% of which are earned from provincial grants and tuition, compensation costs comprise 70% of total MTCU Operating Fund budget expenses. Of the total budgeted compensation budget of approximately \$285.4 million (refer to Chart B), 20% is allocated for employer benefit costs.



In the 2012/2013 budget a provision of \$8.825 million has been made to cover the estimated costs of salary and benefit increases. Currently 6 of the largest employee groups in the MTCU Operating Fund Budget (total of 11 groups), covering 92% of full-time positions have agreements in place for 2012/2013. Estimates include a provision for the increased salary costs of all groups and categories as well as adjustments to cover projected changes to employer benefits costs.

Employer benefit costs include statutory benefits such as CPP (Canada Pension Plan) and EI (Employment Insurance), and other benefits such as post-employment (including normal costs and going concern pension payments), extended health and dental coverage for current and retired employees. Detailed allocations in the budget to cover the costs of salaries and benefits will be made to unit budgets upon the implementation of salary increases over the course of the fiscal year.

9.4.2 Post-Employment Benefits

A major component of compensation consists of post-employment benefits. Post-employment benefits are commitments to University retirees for both pension and non-pension (health and dental) benefits.

Non-Pension Post employment costs: At the end of fiscal 2010/2011 the University was carrying a \$263.5 million accrued liability for its non-pension post-employment benefits. While we are not required

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

to immediately fund this liability, with projected increases of 10% per year in cash requirements, it is estimated that paying for this accumulated liability will overtake normal pension plan contributions over the next decade. Beginning to control these costs through negotiations, education and the constant review of spending will become a major priority over the next five years.

Pension Plans: The University of Guelph is the legal sponsor for three pension plans (one of which is closed). As such, the University is required to fund any shortfalls in funding requirements as prescribed under provincial pension legislation. Under those provincial legal requirements, one key valuation which determines cash funding requirements is based on the assumption that the pension plans are to be closed (“wind up”) and all past and future obligations settled using financial market conditions at the time of the measurement. Key financial drivers used in this wind-up or “solvency”¹² calculation include long-term interest rates and pension plan asset values on the date the plans are valued (the plans “valuation” date). The most recent valuation date for the University of Guelph pension plans was August 1, 2010. Based on the results of that valuation two of the three plans, the Professional plan and the Retirement plan had solvency deficits of \$241 million and \$103 million respectively – for a combined deficit of \$344 million. Under standard provincial funding requirements we would have five years to pay this deficit – meaning there would have been an estimated \$97 million annual total cash requirement.

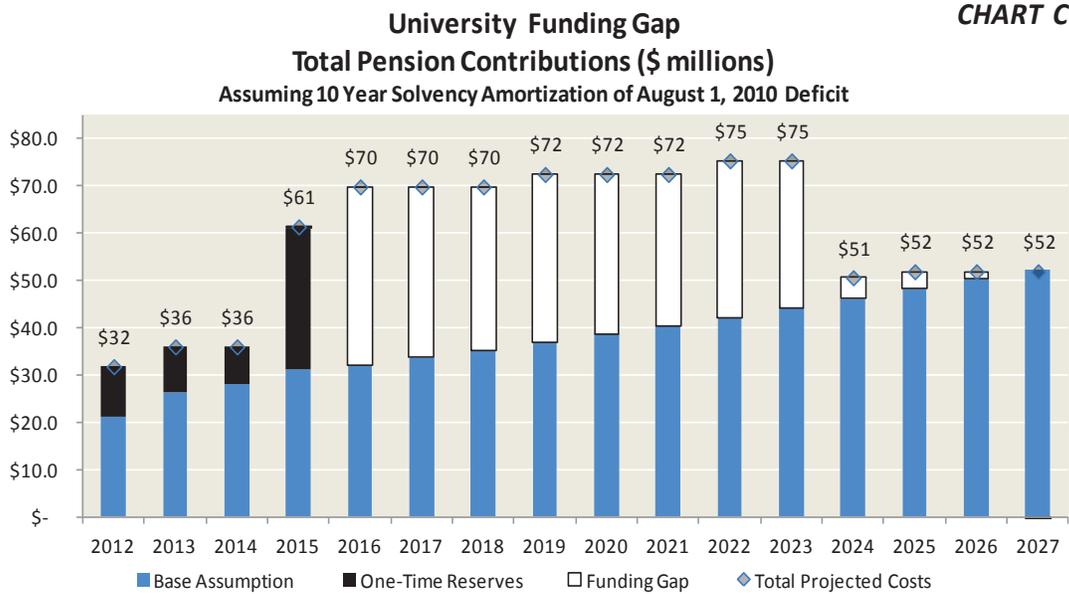
With many universities and other institutions in the province facing similar conditions and a potential for system-wide devastation of post-secondary educational capacity (that would result under the current funding rules), the province, in August 2010 announced temporary solvency relief legislation. Under the legislation, subject to specific conditions, university plan sponsors would be permitted to spread the solvency payments over a ten year period (as opposed to the current legislative requirements of five years). While not relieving universities of the requirement to fund “wind-up” based solvency deficits, the ability to spread the payments over a longer period clearly is a more feasible option.

The temporary solvency relief came in two “Stages”. Under “Stage 1”, the University was required to file a “Plan” with the province indicating both a “Savings Target” (defined in the legislation in a complex set of prescribed calculations) and a more general set of proposed options (changes to future plan benefits, contributions rates and governance structures) that could improve the long-term sustainability of the our plans. Our Stage 1 Plan was approved in May 2011, reducing the University’s total funding requirements to \$36 million per year for four years (from August 1, 2010 to August 1, 2014). “Stage 2” is the approval to amortize any solvency deficits over a ten year period (beginning August 1, 2014) as opposed to the normal five and is conditional upon the University having achieved the Savings Target for each of our plans. Over the course of the most recent round of negotiations with employee unions and associations, most groups have agreed to structural changes including employee contribution increases. With these changes, the current assumption is that the University will achieve Stage 2 relief.

¹² There are several measurements required at the time on any valuation. The two main ones are “going concern” which assumes a long term perspective of the life of the plans and “solvency” which assumes a wind-up to the plans at the valuation date. Under solvency rules it is required that the plan sponsor fund any deficit calculated as the difference between plan assets and “wind-up” pension liabilities. It, in effect, assumes the University is closing and funds need to be found to meet all future accumulated pension obligations at the date of the valuation. The solvency test is much more volatile and is the test that presents the main financial risk to the University.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

The chart below displays the current estimate of pension contributions, available funding and funding gap with Stage 2 relief using updated actuarial assumptions.



“Base Assumption” effectively matches pension normal (annual) costs.

“Total Projected Costs” indicated the current estimate for total cash contribution requirements.

“Funding Gap” indicates the current projected funding required beyond what we have identified in the Operating Budget.

It is clear, a major financial risk remains at the end of Stage 1. Even with a ten year amortization of a deficit of the size we are currently facing, we would be required to find almost \$40 million extra per year (13% of our operating budget). The current assumption is that for the Funding Gap in 2014/2015, sufficient one-time reserves will be created out of unallocated funding at fiscal 2011/2012 year end. It is recognized that the practice of employing one-time funds has limits even though the University has successfully employed this process to fund the costs of Stage 1 relief. In the longer term, as well as identifying one-time funds, the University with the Council of Ontario Universities, continues to present the case for more effective solvency relief for all universities in the province. In interim contingency planning is underway to identify further funding should there be no relief and the solvency funding requirements become immediate.

The 2012/2013 MTCU Operating Fund Budget will contribute an additional \$1.000 million (base) to the funding for both on-going costs and contingency planning for pension funding and a further \$20 million in one-time funds from the 2011/2012 forecast contingency will be designated for 2014/2015 funding requirements.

9.4.2.1 Pension and Benefits Guarantee Fund

Every employer who establishes an employment pension plan in the province of Ontario is subject to the Pension Benefits Act (PBA) and must register the plan with the Financial Services Commission of Ontario (FSCO). All registrants are assessed an annual fee payable into the Pension and Benefits Guarantee Fund (PBGF) which provides protection to Ontario members and beneficiaries of privately sponsored single-employer defined benefit pension plans in the event of plan sponsor insolvency. When pension plans

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

have funding deficits, the sponsor (in this case the University) pays the fee. In 2012 new provincial regulations increased the requirement under this provision by a factor of three. The impact in 2012/2013 will cost \$1.730 million (base). This assessment will last until the solvency deficit has been resolved.

9.4.3 Other Institutional Expenses:

Estimated Utilities and Other Institutional Operating Costs This category includes adjustments for major central University operating accounts such as utilities, insurance, legal expenses and funding for new space. All categories of institutional expenses, other than those noted below, are expected to be within existing base allocations.

9.4.3.1 Information Technology Fund

This centrally supported account (total base funding of \$4.225 million) will receive an increased allocation of \$0.590 million (base) and \$0.205 million (one-time) reflecting costs of centrally provided computing and communications infrastructure (e.g., the networking services, campus services including network security, university-wide licenses for administrative and academic support systems.). This cost increase includes investments in content management (document storage, academic activity) and expansion of the support for learning management (D2L).

9.4.3.2 Central Utilities

Central Utilities (Budget of \$22.7 million) is comprised of costs to support all centrally provided main campus energy (electricity), heating, cooling, sewage, water, other utilities and central hazardous waste management services. Actual utility costs are sensitive to climate/temperature variations (the budget assumes “normal” range over the course of the fiscal year) and the rates charged by utility providers of the energy/commodities used.

The total Utilities increase due to new space costs and price and consumption increases, net of savings from conservation programs is estimated at \$0.485 million (base) for 2012/2013.

9.4.4 Capital Infrastructure Debt Servicing

In January 2012, a Year 2 Update of the 5 year Capital Financing plan¹³ was presented to the Board of Governors in which the University sought approval to borrow external funds over a five-year period (2011 to 2016) for the purpose of financing specific capital (building and utilities infrastructures) maintenance expenditures and financing provision (net of identified funding sources) for capital expansion projects. As part of the five-year plan, the University makes provision in each annual budget for debt servicing necessary in any new debt incurred that year.

\$1.500 million (base) has been added to the existing \$14.3 million base allocation for capital funding and debt servicing. These new funds will be used to provide for any additional debt servicing required in 2012/2013.

¹³ The plan was summarized in a document entitled “The Capital Renewal Financing – Five year plan 2011/2012 to 2015/2016” (the Plan). Under the terms of the approval for spending, the University may borrow to finance the costs of the Plan with the provision that debt servicing is to be allocated from the MTCU Operating Budget annually.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.4.5 Academic Investment and Integrated Planning

The 2012/2013 Budget contains a number of investments targeted for academic programs including the continuation of the Integrated Planning process. These investments are new funds allocated for both the Integrated Planning initiatives and continuing academic commitments from earlier enrolment-related allocations.

9.4.5.1 Student assistance

Student assistance (scholarships, bursaries) at the University of Guelph (approximately \$29 million in total) is funded from several different sources. Typically 50% is funded from the MTCU Operating Fund budget with the balance coming from a variety of annual restricted contributions and donation (33%) and finally endowment funds (17%).

The 2012/2013 budget contains a \$0.550 million (base) increase for student awards used to increase the University requirements for tuition set aside¹⁴.

Note: the above allocation excludes additional graduate support funding that will be allocated under the Integrated Planning resource allocations (Refer to section 9.4.5.3 Integrated Planning, below).

9.4.5.2 Library “acquisitions”

In order for the Library maintain the purchasing power of its \$6.7 million Information Resources budget and to continue to address critical collection management and space issues, a total allocation of \$0.235 million (base) will be allocated in 2012/2013.

9.4.5.3 Integrated Planning

A key component of the Integrated Planning process has been to develop specific resource allocation guidelines for academic activities that direct funding conditional on units having achieved specific outcomes. The recent priority for these allocations has been University wide graduate enrolment growth and undergraduate growth targeted areas such as engineering. Funds have been allocated for teaching and curriculum innovation and to support programs that have experienced major increases in enrolment due to unexpected demand, exceeding the structural capacity of the teaching services in the units.

In the 2012/2013 budget these established commitments under these guidelines will continue and additional funding has been allocated to provide for the continuation of planned enrolment growth in both graduate and undergraduate programs. (Note: At this point in the annual budget process there are no new initiatives funded. As indicated in the Integrated Plan for 2012/2013 proposals will be reviewed with the objectives of meeting both Integrated Planning goals and the expected MYP2 targets.)

The following budget allocations are conditional on units reaching prescribed enrolment targets or other similar performance-related metrics.

¹⁴ Under provincial funding the current MTCU tuition framework, universities are required to contribute 10% of additional revenue from tuition fee increases to bursaries and other student financial assistance programs that provide financial aid to student most in need. This requirement is cumulative and now equals about \$8 million of the total allocation for student assistance in the MTCU operating budget. The University is required to report on these funds annually to MTCU and is subject to audit.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

Graduate Growth/ Support Funds \$0.800 million (Base): A key priority in the University's multi-year planning has been to grow graduate enrolments. Under Integrated Planning resource allocation guidelines, funds will be transferred to colleges annually, based on actual confirmed eligible enrolments. (i.e., if there is no growth, no funds will be transferred to colleges from this allocation). \$0.800M

Undergraduate Enrolment funds \$1.790 million (Base): Incremental funds have been provided to allocate to units where there is a demonstrated increase in undergraduate enrolment in targeted areas (such as engineering and international undergraduate professional programs) and high demand programs such as those in CSAHS. Funds will be transferred based only achievement of established, sustained enrolments levels. Additional funds have been set aside for teaching and curriculum enhancements. \$1.790M

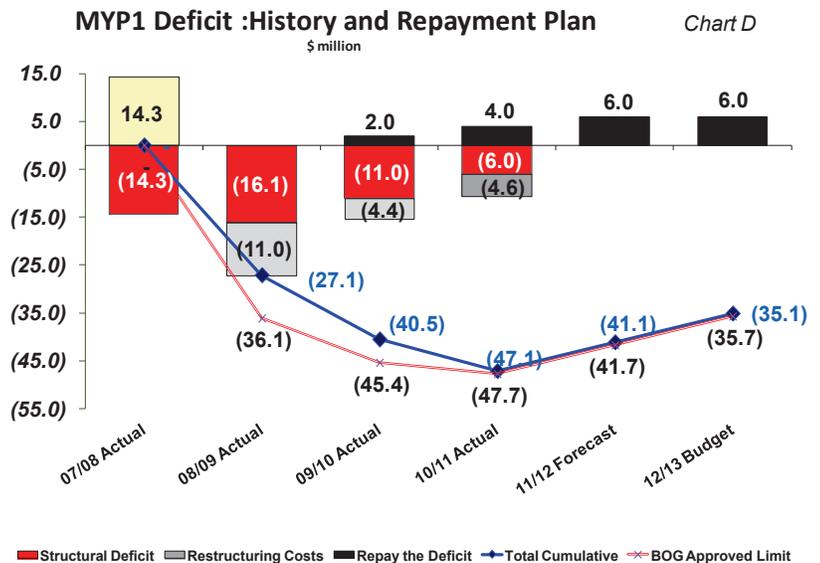
• **Sub-Total Integrated Planning:** \$2.590M

Multi-Year Plan (MYP1) Deficit

The objective of MYP1 was to eliminate the structural deficit by eliminating \$46.2 million in base or structural costs of the MTCU Operating Fund budget. With the size and nature of this target the University incurred an planned a one-time deficit. This deficit is the result of two factors: timing--eliminating the structural deficit that took several years to achieve—and costs associated with restructuring such as buyout costs for employees. A budget provision of \$6.0 million was established to repay these costs over a Board approved period.

In 2008, the Board of Governors approved the 2008/2009 MTCU Budget and Multi-Year Plan (June 2008) with a four year deficit plan containing a permissible maximum deficit of \$47.7 million. The total deficit included a \$20 million allowance for restructuring costs plus \$27.7 million incurred by budget deficits until the budget was balanced in 2011/2012. For the restructuring costs \$11.0 million was incurred in 2008/2009, \$4.4 million in 2009/2010 and the remaining \$4.6 million up to the \$20.0 million allowable maximum was incurred in 2011/2012.

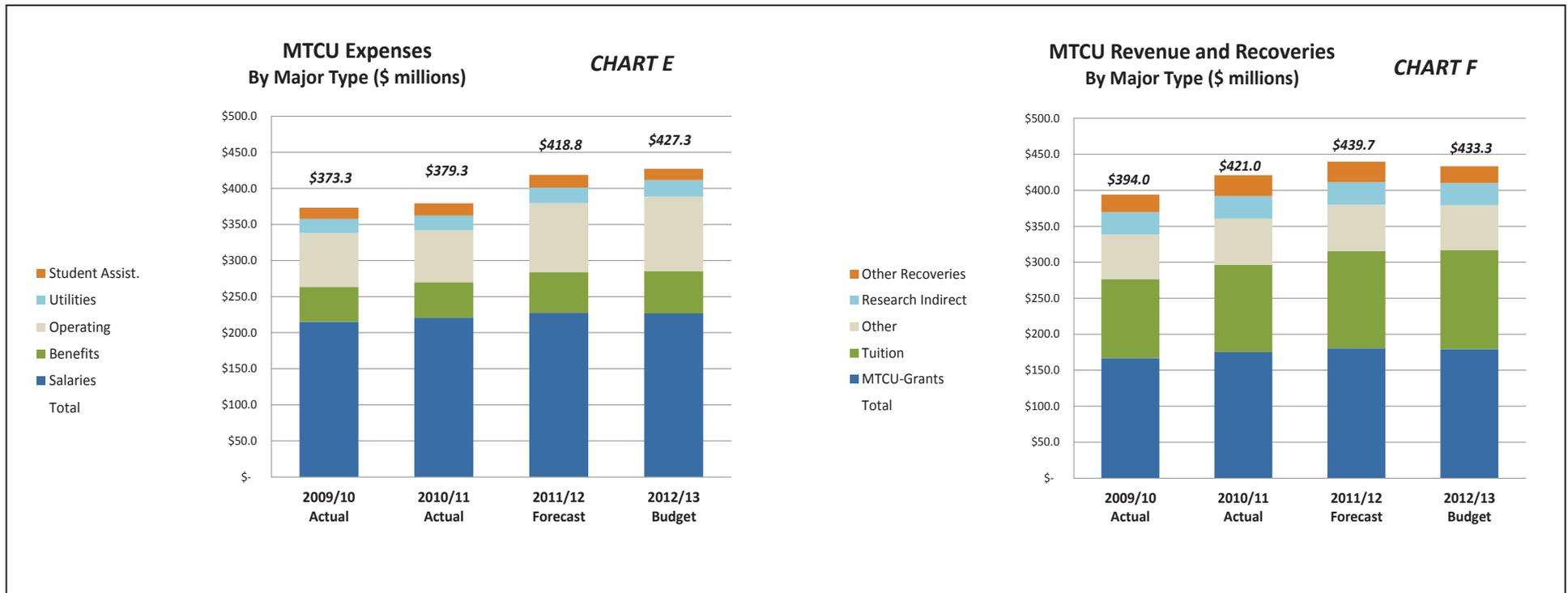
In the 2012/2013 MTCU Operating Fund Budget the \$6.0 million in base funding will be applied to the current \$41.1 million deficit over the next seven years. Refer to Chart D)



Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.5 Summary of Preliminary 2012/2013 MTCU Operating Fund Budget

The following charts present the total revenues/recoveries and expense by major category for the 2012/2013 MTCU Preliminary Operating Fund Budget in comparison to the prior three years of actual/forecast results. [Note: on the “Expenses” chart, the 2012/2013 Budget column excludes carry forward funds.]



9.6 Preliminary 2012/2013 MTCU Operating Fund Budget Tables

Table A *2012/2013 Preliminary MTCU Operating Fund Budget by Unit and Major Revenue and Expense Category:*

This table contains the 2012/2013 Preliminary MTCU Operating Fund Budget incorporating all preliminary budget assumptions, by major category of revenue, expense and organizational group.

Table B *2011/2012 Forecast Results: MTCU Operating Fund Budget Net Expenses by Unit:*

Table showing 2011/2012 Forecast results compared to 2011/2012 Budget by major organizational group, net of departmental revenues.

Table C *Full-time Equivalent (FTE's) for MTCU funded Budgeted Positions by Unit and Major Category*

Full-time Equivalent (FTE's) for MTCU funded Budgeted Positions by Unit and Major Category for the years 2008/2009 to 2012/2013 (preliminary).

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.6.1 Table A: 2012/2013 Preliminary Budget by Unit and Expense Category

	(A) Total Personnel <small>(Note #1)</small>	(B) Operating <small>(Note #2)</small>	(C) Internal Recoveries <small>(Note #3)</small>	(D) Identified MYP1 Targets (Identified Solutions) <small>(Note #4)</small>	(E) = (A)+(B)+(C)+(D) Total Expenses	(F) External Recoveries <small>(Note #5)</small>	(G) Revenues	(H) = (F)+(G) Total Recoveries & Revenues <small>(Note #6)</small>	(I) = (E)+(H) Net Budget <small>(Note #7)</small>	Notes
<u>Institutional Revenues and Recoveries</u>										
Provincial Grants							167,250	167,250	167,250	
Tuition (for credit programs only)							137,600	137,600	137,600	
Other Institutional Revenues							2,966	2,966	2,966	
Total Revenues							307,816	307,816	307,816	
<u>Cost Recoveries</u>										
OMAFRA Service Costs - Research						10,330		10,330	10,330	(Note #8)
Fed/Prov Research Indirect Cost Programs						6,670		6,670	6,670	
Research Indirect on Grants and Contracts						3,735		3,735	3,735	(Note #9)
Total Research Indirect Revenues and Recoveries						20,735		20,735	20,735	
OMAFRA Service Costs - Other						670		670	670	(Note #8)
Guelph Humber Services						4,500		4,500	4,500	(Note #10)
Ancillary Service Recoveries						8,041		8,041	8,041	(Note #11)
Other Cost Recoveries						13,211		13,211	13,211	
Total Institutional Revenues and Recoveries						33,946	307,816	341,762	341,762	(Note #12)
<u>Institutional Expenses</u>										
<u>Teaching Units</u>										
College of Arts	22,165	1,842	(2)	(1,559)	22,446	(709)	(503)	(1,212)	21,234	
College of Biological Science	22,582	(306)	(353)		21,923	(1,409)	(163)	(1,572)	20,351	
College of Social and Applied Human Science	24,750	3,449	(44)		28,155	(1,563)	(25)	(1,588)	26,567	
College of Management and Economics	16,169	3,891	(92)		19,968	(1,602)	(2,769)	(4,371)	15,597	
Ontario Agricultural College	33,975	9,826	(1,281)	(1,452)	41,068	(6,354)	(19,151)	(25,505)	15,563	
Ontario Veterinary College	39,773	8,742	(4,029)		44,486	(3,699)	(20,512)	(24,211)	20,275	
College of Physical and Engineering Science	24,487	3,833	(276)		28,044	(899)	(55)	(954)	27,090	
Integrated Planning and Academic Support	755	17,482			18,237				18,237	(Note #13)
Student Assistance	865	14,217			15,082				15,082	(Note #14)
Total Teaching Units	185,521	62,976	(6,077)	(3,011)	239,409	(16,235)	(43,178)	(59,413)	179,996	
<u>Library Operations and Information Resources</u>										
Library Operations	9,738	1,928	(287)		11,379	(302)	(590)	(892)	10,487	
Library Information Resources		6,853			6,853				6,853	
Total Library Operations and Info. Resources	9,738	8,781	(287)		18,232	(302)	(590)	(892)	17,340	

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

	(A) Total Personnel (Note #1)	(B) Operating (Note #2)	(C) Internal Recoveries (Note #3)	(D) Identified MYP1 Targets (Identified Solutions) (Note #4)	(E) = (A)+(B)+(C)+(D) Total Expenses	(F) External Recoveries (Note #5)	(G) Revenues	(H) = (F)+(G) Total Recoveries & Revenues (Note #6)	(I) = (E)+(H) Net Budget (Note #7)	Notes
<u>Academic Services</u>										
Office of Research	6,257	1,141	(631)		6,767		(121)	(121)	6,646	
Center for Open Learning and Educational Support	5,237	8,704	(289)		13,017	(309)	(9,739)	(10,048)	2,969	
Registrar	5,695	1,219	(289)		6,625		(758)	(758)	5,867	
Associate VP Academic	672	366	(1)		1,037		(32)	(32)	1,005	(Note #15)
Other Academic Services	1,846	149	(320)		1,675		(95)	(95)	1,580	(Note #16)
Total Academic Services	19,707	11,579	(1,530)		29,121	(309)	(10,745)	(11,054)	18,067	
<u>Student Services</u>										
Student Services	8,278	3,304	(111)		11,471		(8,288)	(8,288)	3,183	(Note #17)
Athletics	4,725	3,641	(384)		7,982		(7,044)	(7,044)	938	(Note #18)
Total Student Services	13,003	6,945	(495)		19,453		(15,332)	(15,332)	4,121	
Total Teaching and Academic Services	227,969	90,281	(8,389)	(3,011)	306,215	(16,846)	(69,845)	(86,691)	219,524	
<u>Physical Resources</u>										
Physical Resources Operations	21,733	5,297	(3,099)		23,931	(2,790)		(2,790)	21,141	(Note #11)
Utilities		23,197	(400)		22,797				22,797	
Total Physical Resources	21,733	28,494	(3,499)		46,728	(2,790)		(2,790)	43,938	
Capital Infrastructure Debt Servicing		15,800			15,800				15,800	
<u>Institutional Services and General Expenses</u>										
Alumni Affairs & Development	5,034	801	(1)		5,834		(875)	(875)	4,959	
Computing & Communication Services	8,486	6,377	(4,756)		10,107	(472)	(136)	(608)	9,499	
Central Administration Offices	16,817	2,043	(99)		18,761		(400)	(400)	18,361	(Note #19)
University General Expenses and Contingency	1,313	19,874	(1,296)		19,891		(210)	(210)	19,681	(Note #20)
Pension Contribution - GC Supplementary Costs	4,000				4,000				4,000	(Note #21)
Total Institutional Services and General Exp.	35,650	29,095	(6,152)		58,593	(472)	(1,621)	(2,093)	56,500	
Total Institutional Expenses	285,352	163,670	(18,040)	(3,011)	427,336	(20,108)	(71,466)	(91,574)	335,762	
Repayment of Accumulated Restructuring Costs		6,000			6,000				6,000	(Note #22)
Net Budget	285,352	169,670	(18,040)	(3,011)	433,336	(54,054)	(379,282)	(433,336)	0	

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

Notes for Table A:

1. Column A "Total Personnel" includes budgeted salary and benefit costs for all regular full-time, contract and part-time employees.
2. Column B "Operating Costs" includes the budget allocations for a variety of costs such as equipment purchases, maintaining day-to-day operations, travel and renovations.
3. Column C "Internal Recoveries" are non-cash transfers based on inter-departmental services provided such as telephone, mail, laboratory, physical resources work orders, vehicle rentals and printing.
4. Column D "Identified MYP1 Targets" are savings targets that two colleges need to complete as part of their commitments under MYP1. Identified savings plans are in place and these targets will be met over the next 3 years.
5. Column F "External Recoveries" reimburse the MTCU budget for services provided to other funds and activities. This category includes recoveries from Ancillary units, OMAFRA Agreement, and course delivery costs from Guelph Humber. See Notes 8, 9, 10 and 11 for more details.
6. Column H "Total Recoveries and Revenues" of \$433.3M includes Institutional Operating Grants of \$167.2M, Credit Tuition of \$137.6M, Other institutional revenue of \$3.0M, Cost Recoveries of \$54.0M and Departmental Revenues of \$71.5M.
7. Column I "Net Budget" is the total of departmental expenses less departmental cost recoveries and revenues for each major unit. Net budget is the total allocation that unit managers are accountable for. Any surplus or deficit at year-end is determined using this allocation and becomes part of the unit's budget as a carryforward into the following year.
8. OMAFRA Cost Recoveries of \$11.0M are for services provided by the MTCU budget (e.g., utilities and space costs). This recovery is for research related initiatives (\$10.330M) and other non-research activities (\$0.670M). In addition, OMAFRA will transfer \$11.815M (as a fixed dollar transfer) for 77 faculty full time equivalents (FTE's); 65 FTE's allocated to the colleges according to faculty time on OMAFRA research projects; and 12 FTE's for the Veterinary Clinical Education Program (VCEP), credited to OVC.
9. Research Indirect – Other, are the indirect cost recoveries from externally (including industry-funded) funded research activities.
10. The 2012/2013 Guelph Humber Services of \$4.5M consists of \$2.0M for management fees and \$2.5M for the University of Guelph's share of year-end net revenue (in addition, the colleges and other academic support units receive \$5.5M for Guelph Humber course delivery, and program support services as External Recoveries).
11. Ancillary Service Recoveries for the 2012/2013 Preliminary MTCU budget excludes the recovery related to custodial and other services performed by Physical Resources for Student Housing Services (\$2.790M reported as External Recoveries in Physical Resources).
12. Total Institutional Revenues and Recoveries include provincial operating grants, tuition, general revenues and external recoveries received for central funding purposes and exclude external departmental revenues and recoveries or funds received for restricted purposes.
13. Integrated Planning are funds held to invest in the priorities identified in the MYP2 process (see Appendix A).
14. Student Assistance has increased by \$0.550M base for 2012/2013 for Undergraduate and Graduate Scholarships and bursaries.
15. Associate VP Academic includes the Associate Vice-President's offices and the Centre for International Programs.
16. Other Academic Services includes: the Advanced Analysis Centre, Graduate Studies, War Memorial/Rozanski Hall Operations, and miscellaneous academic support funds.
17. Student Services Revenues includes: Accessibility Grant for Students with Disabilities, Student Health Services Fee, Student Support Fee, Health and Performance Centre revenues, Child Care revenues.
18. Athletics revenues include: Student Athletic Fee, Student Athletic Building Fee and user fees from athletic services and facility rentals.
19. Central Administration Offices includes: Human Resources, Executive Offices, Financial Services, Campus Community Police and Fire Prevention Services, Communications and Public Affairs, Human Rights and Equity Office and Environmental Health and Safety.
20. General Expenses include costs incurred for property taxes, memberships, legal, auditing and external services, insurance, convocation and banking charges.
21. The total university pension contributions of \$28.2M includes \$4.0M of supplemental pension contributions from the MTCU Operating budget to assist in funding the total pension contribution gap, mostly related to the Going Concern deficits in 2 of the 3 pension plans.
22. For 2012/2013, a budget of \$6.0M reflects the repayment of one-time restructuring costs for the MYP 1. This is consistent with the Board of Governors approved repayment schedule.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.6.2 Table B: MTCU Forecast Results 2011/2012

	11/12 Budget	11/12 Forecast	Surplus/ (Deficit)	Notes
<u>Institutional Revenues and Recoveries</u>				
Provincial Grants	167,750	167,740	(10)	
Tuition Revenue	132,100	134,696	2,596	
Other Revenues	2,466	2,535	69	
Total Institutional Revenues	302,316	304,971	2,655	
Total Research Indirect Revenues and Recoveries	20,335	21,361	1,026	
Other Cost Recoveries	14,141	18,341	4,200	#1
Total Institutional Revenues and Recoveries	336,792	344,673	7,881	
<u>Teaching Units</u>				
College of Arts (COA)	23,414	24,135	(721)	
College of Biological Science (CBS):	25,503	21,844	3,659	
College of Social and Applied Human Science (CSAHS)	28,787	25,311	3,476	
College of Management and Economics (CME)	19,142	16,252	2,890	
Ontario Agricultural College (OAC)	21,798	20,203	1,595	
Ontario Veterinary College (OVC)	21,699	19,437	2,262	
College of Physical and Engineering Science (CPES)	27,772	27,867	(95)	
Other Teaching Units	9,477	3,166	6,311	#2
Student Assistance	17,229	14,582	2,647	#3
Total Teaching Units	194,821	172,797	22,024	
Library Operations and Information Resources	18,192	17,473	719	
Academic Services	25,523	19,801	5,722	#4
Student Services	6,487	4,471	2,016	#5
Total Teaching and Academic Services	245,023	214,542	30,481	
Physical Resources Operations	25,847	20,792	5,055	#6
Utilities	22,312	21,380	932	#7
Capital Infrastructure Support	22,688	22,688	0	
Total Physical Plant	70,847	64,860	5,987	
Institutional Services and General Expenses	48,611	43,928	4,683	#8
University Contingency - General	11,576	443	11,133	#9
Multi Year Plan (Timing & Restructuring Costs)	43,475	1,969	41,506	#10
Total Institutional Costs	419,532	325,742	91,394	
Annual Operating Income (Expense)	(82,740)	18,931	101,671	
Transfer From Prior Year Appropriations For Departments and Contingency	88,740	88,740		
Total MTCU Operating Funds Available	6,000	107,671		
Less: Transfer to Appropriations for Departments		39,087		#11
Less: Transfer to Appropriations - Contingency/MYP		42,584		#12
Less: Transfer to Appropriations for Pension		20,000		#13
Less: Total Transfer to Appropriations		101,671		
Net Increase(Decrease) in Fund Balance	6,000	6,000		#14
Opening Unappropriated Deficit:	(47,100)	(47,100)		
Ending Unappropriated Deficit:	(41,100)	(41,100)		

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

Notes for Table B:

1. Other Cost Recoveries: The 2011/2012 budget target for the UofG share of Guelph Humber net results is \$3.3M while the current forecast is \$7.5M.

2. Other Teaching Units: Included are Integrated Planning accounts targeted to fund growth in Undergraduate and Graduate teaching linked to the Accessibility grants (\$3.0M), the Priority Investment Fund (\$1.0M) as well as accumulated support for growth in Research activity (\$1.4M) and other academic support funds. These funds will be used in future years for Integrated Planning priorities.

3. Student Assistance: Due to the timing of certain payments such as those allocated for the summer-based work study programs, it is normal to have carry-forwards funds each year in this category. All funds carried forward in this category will be expended in the following year.

4. Academic Services: Included in this group is COLES (Centre for Open Learning and Educational Support) where the Open Learning section was previously included in the Teaching Units. COLES has conserved revenues of \$3.7M, accumulated over a number of years. Other support units include the Office of the Vice President Research, Graduate Studies and the Registrarial Services.

5. Student Services: The Student Services net budget includes approximately \$16M in revenues and fees in direct support of services provided. A number of areas in Student Services are conserving one-time savings in order to plan for future investment in equipment replacement (Athletics) and for service improvements. The \$2.0M accumulated surplus represents about 8% of gross expenditures.

6. Physical Resources: In Physical Resource operations, a recent program to recover Project Management costs as part of renovations budgets and an effort to accumulate some one time savings.

7. Utilities: The Utilities budget has savings in the natural gas account primarily as a result of a mild heating season and lower than expected prices.

8. Institutional Services and General Expenses: This group of units includes a wide variety of the University's central administrative offices and support services (e.g. finance, human resources, computing and communication services, fund raising,

communications and public affairs, and senior administrative offices). Most units are reporting modest carry-forwards balances plus some institutional savings such as self-funded insurance.

9. University Contingency - General: In recognition of the significant challenges in meeting the Multi Year Plan targets, the pension contribution requirements and future budget planning uncertainties, the University allocated significant funds to increase its contingency accounts from institutional carryforwards and revised budget revenue targets. For general contingency purposes there remains \$11.1M in one-time funds which will be carried forward (see note #12).

10. Multi Year Plan (Timing & Restructuring Costs): In the 2011/2012 MTCU Budget, funds were set aside for the continued costs for meeting the remaining Multi Year Plan targets. An estimated \$1.969M is targeted for the costs of ex-gratia payments incurred in 2011/2012. The estimated balance of \$46.2M will be added to carryforwards for these contingency purposes (see note #12).

11. Transfer to Appropriations for Departments: The total unspent budget for departments is forecast at \$34.3M (\$42.9M in 2010/2011).

12. Transfer to Appropriations – Contingency/MYP: Net savings from institutional accounts (e.g., grants, tuition, contingency accounts) of \$42.6M will be added to the University's contingency fund. This is consistent with the University's budget objective to maintain as much flexibility as possible for the completion of Multi Year Plan restructuring and to maintain the balanced budget achieved in 2011/2012.

13. Transfer to Appropriations – Pension: An additional \$20M in one-time institutional contingency savings has been designated to Pension in order to bridge the estimated required contributions to the end of the 2014/2015 fiscal year.

14. Net Increase (Decrease) in Fund Balance: The \$6M net surplus for 2011/2012 fiscal year represents the required deficit repayment for the year. The Opening Unappropriated Deficit of \$47.1M is the accumulated costs of restructuring to date plus the impact of the structural deficit at the end of the 2010/2011 fiscal year. The Ending Unappropriated Deficit is the Opening Unappropriated Deficit less the \$6.0M repayment for a remaining deficit of \$41.1M. This is within the Board approved maximum of \$41.7M.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.6.3 Table C: Full-time Equivalents (FTE's) for MTCU Budgeted Position

Unit	Type	08/09	09/10	10/11	11/12	12/13	08/09 to 12/13	Notes
College of Arts (COA)	Faculty	132.2	127.3	123.9	118.3	111.0	-16.0%	#1
	Staff	35.5	42.2	40.8	39.0	39.0	9.9%	
College of Biological Science (CBS)	Faculty	97.3	99.4	97.9	96.2	94.3	-3.1%	
	Staff	61.3	61.6	60.0	61.9	62.3	1.6%	
College of Social and Applied Human Science (CSAHS)	Faculty	123.0	120.5	120.6	118.5	118.0	-4.1%	
	Staff	43.3	43.4	42.7	44.1	43.7	1.0%	
College of Management and Economics (CME)	Faculty	73.3	73.6	74.8	78.2	78.5	7.1%	
	Staff	27.5	26.5	26.5	27.5	28.5	3.6%	
Ontario Agricultural College (OAC)	Faculty	153.5	142.7	136.9	126.9	117.4	-23.5%	
	Staff	132.7	131.8	129.7	130.8	129.4	-2.5%	
Ontario Veterinary College (OVC)	Faculty	117.6	116.2	114.4	114.4	115.0	-2.3%	#2
	Staff	168.5	167.7	201.7	204.8	206.6	22.6%	
College of Physical and Engineering Science (CPES)	Faculty	122.0	114.9	116.2	108.0	111.8	-8.3%	#3
	Staff	64.3	62.7	62.5	64.5	65.5	1.9%	
TEACHING UNITS Total		1,352.0	1,330.6	1,348.6	1,333.2	1,320.9	-2.3%	
Academic Support / Other Teaching	Faculty	6.6	5.6	5.2	7.4	7.4	11.4%	
	Staff	207.5	197.4	193.3	200.9	203.0	-2.1%	
CIO - Library / CCS	Librarians	28.0	28.0	29.6	29.0	29.0	3.6%	
	Staff	152.8	153.1	143.2	148.0	149.2	-2.4%	
Student Affairs	Staff	122.7	118.6	118.5	122.1	126.4	3.0%	
Alumni Affairs & Development	Staff	47.0	46.0	47.2	49.2	50.0	6.4%	
Physical Resources	Staff	315.8	310.2	289.0	288.0	288.0	-8.8%	
Administration + General Expenses	Faculty	4.6	4.8	4.0	3.0	3.0	-34.8%	
	Staff	167.5	161.7	161.5	164.3	165.3	-1.3%	
OTHER UNITS Total		1,052.4	1,025.4	991.5	1,011.8	1,021.3	-3.0%	
Total Faculty		858.1	833.0	823.5	800.0	785.3	-8.5%	
Total Staff		1,546.3	1,523.0	1,516.5	1,545.1	1,556.8	0.7%	
Grand Total		2,404.3	2,356.0	2,340.1	2,345.1	2,342.1	-2.6%	

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

Notes for Table C:

1. The increase of staff FTE in the College of Arts in 2009/2010 was due to the transfer of 6 staff FTE in BA Counselling and McKinnon Building Mgmt from Other Teaching Units to College of Arts
2. An increase in the Ontario Veterinary College (OVC) staff FTE in 2010/2011 resulted from the conversion of 28 OMAFRA Veterinary Clinical Education Program (VCEP) funded staff salaries to MTCU Operating OVC Health Sciences Centre recovery based salaries.
3. The College of Physical and Engineering Science (CPES) FTE's include 14 new faculty and 5 staff positions between 2009/2010 and 2012/2013 in the School of Engineering as part of their undergraduate enrolment growth plan.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.7 Proposed Tuition Fees and Non-Tuition Compulsory Student Fees

9.7.1 2012/2013 Schedule of Proposed Tuition Fees

MTCU PROVINCIALLY FUNDED PROGRAMS	2012/13		2011/12		2010/11		2009/10		2008/09	
	Entering Students		Continuing Students		Continuing Students		Continuing Students		Continuing Students	
	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13
A. Undergraduate Tuition Fees										
Full-Time - Regular Programs										
		4.5% increase		4% increase		4% increase		4% increase		4% increase
Bachelor of Applied Science	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Arts	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Arts & Science	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Applied Arts (Guelph Humber)	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Bio-Resource Management	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Science	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Science in Agriculture	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Science in Environmental Services	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Bachelor of Science in Technology (closed 2010)	-	-	-	-	-	-	\$2,804.88	\$107.88	\$2,791.36	\$107.36
Full-Time - Professional Programs										
		8% increase		4% increase		4% increase		4% increase		4% increase
Bachelor of Arts - Computing Major (closed 2009)	-	-	-	-	-	-	-	-	\$3,081.52	\$118.52
Bachelor of Commerce	\$3,584.52	\$265.52	\$3,451.76	\$132.76	\$3,323.84	\$127.84	\$3,201.12	\$123.12	\$3,081.52	\$118.52
Bachelor of Business Administration (Guelph Humber)	\$3,584.52	\$265.52	\$3,451.76	\$132.76	\$3,323.84	\$127.84	\$3,201.12	\$123.12	\$3,081.52	\$118.52
Bachelor of Computing	\$3,584.52	\$265.52	\$3,451.76	\$132.76	\$3,323.84	\$127.84	\$3,201.12	\$123.12	\$3,081.52	\$118.52
Bachelor of Applied Computing (Guelph Humber) (closed 2009)	-	-	-	-	-	-	-	-	\$3,346.72	\$128.72
Bachelor of Landscape Architecture	\$3,893.40	\$288.40	\$3,749.20	\$144.20	\$3,609.84	\$138.84	\$3,476.72	\$133.72	\$3,346.72	\$128.72
Bachelor of Science - Computing Major (closed 2009)	-	-	-	-	-	-	-	-	\$3,081.52	\$118.52
Bachelor of Engineering	\$3,893.40	\$288.40	\$3,749.20	\$144.20	\$3,609.84	\$138.84	\$3,476.72	\$133.72	\$3,346.72	\$128.72
Bachelor of Engineering (Mech / Comp / BioMed)*	\$4,939.92	\$365.92	\$4,756.96	\$182.96	\$4,581.20	\$176.20	\$4,411.68	\$169.68	-	-
Doctor of Veterinary Medicine	\$3,893.40	\$288.40	\$3,749.20	\$144.20	\$3,609.84	\$138.84	\$3,476.72	\$133.72	\$3,346.72	\$128.72
Part-Time (per 0.5 Credit)	\$568.48	\$24.48	\$565.76	\$21.76	\$563.51	\$21.67	\$560.56	\$21.56	\$557.44	\$21.44
Auditing of Courses (per 0.5 Credit)	\$320.32	\$12.32	\$320.32	\$12.32	\$320.32	\$12.32	\$320.32	\$12.32	\$320.32	\$12.32
B. Graduate Tuition Fees										
		3.0% increase		3.0% increase		3.0% increase		3.0% increase		3.0% increase
Full-Time	\$2,392.69	\$69.69	\$2,392.69	\$69.69	\$2,392.69	\$69.69	\$2,392.69	\$69.69	\$2,381.36	\$69.36
Part-Time	\$1,595.47	\$46.47	\$1,595.47	\$46.47	\$1,595.47	\$46.47	\$1,595.47	\$46.47	\$1,587.23	\$46.23
Special Non-Degree (per Course)	\$1,195.83	\$34.83	\$1,195.83	\$34.83	\$1,195.83	\$34.83	\$1,195.83	\$34.83	\$1,190.68	\$34.68

All fees are per semester except as noted

The undergraduate tuition fees (Canadian and International) as listed apply to University of Guelph and University of Guelph Humber.

*Bachelor of Engineering (Mech / Comp / BioMed): For the Mechanical, Computer, and Biomedical Engineering Majors.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

VISA (INTERNATIONAL) STUDENTS		2012/13		2011/12		2010/11		2009/10		2008/09	
		Entering Students		Continuing Students		Continuing Students		Continuing Students		Continuing Students	
		Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2011/12 to 2012/13
A. Undergraduate Tuition Fees	(Note 1)		3% increase		no increase		no increase		no increase		no increase
Full-Time - Regular Programs	(Note 2)	\$8,714.83	\$253.83	\$8,461.00	\$0.00	\$8,461.00	\$0.00	\$8,097.00	\$0.00	\$7,748.00	\$0.00
Full-Time - Professional Programs			3% increase		no increase		no increase		no increase		no increase
Bachelor of Arts - Computing Major (closed 2009)		-	-	-	-	-	-	-	-	\$8,312.00	\$0.00
Bachelor of Commerce		\$9,937.44	\$289.44	\$9,648.00	\$0.00	\$9,648.00	\$0.00	\$9,277.00	\$0.00	\$8,590.00	\$0.00
Bachelor of Business Administration (Guelph Humber)	(Note 2)	\$9,616.08	\$280.08	\$9,336.00	\$0.00	\$9,336.00	\$0.00	\$8,977.00	\$0.00	\$8,312.00	\$0.00
Bachelor of Computing		\$9,246.31	\$269.31	\$8,977.00	\$0.00	\$8,977.00	\$0.00	\$8,977.00	\$0.00	\$8,312.00	\$0.00
Bachelor of Applied Computing (Guelph Humber) (closed 2009)		-	-	-	-	-	-	-	-	\$8,312.00	\$0.00
Bachelor of Landscape Architecture		\$11,036.45	\$321.45	\$10,715.00	\$0.00	\$10,715.00	\$0.00	\$10,715.00	\$0.00	\$10,715.00	\$0.00
Bachelor of Science - Computing Major (closed 2009)		-	-	-	-	-	-	-	-	\$8,312.00	\$0.00
Bachelor of Engineering		\$11,406.22	\$332.22	\$11,074.00	\$0.00	\$11,074.00	\$0.00	\$10,254.00	\$0.00	\$10,254.00	\$0.00
Doctor of Veterinary Medicine		\$26,365.94	\$767.94	\$25,598.00	\$0.00	\$25,598.00	\$0.00	\$25,598.00	\$0.00	\$25,598.00	\$0.00
Part-Time - Regular Programs (per Course)		\$1,742.97	\$50.97	\$1,692.00	\$0.00	\$1,692.00	\$0.00	\$1,619.00	\$0.00	\$1,550.00	\$0.00
Part-Time - Professional Programs (per Course)			3% increase		no increase		no increase		no increase		no increase
Bachelor of Arts - Computing Major (closed 2009)		-	-	-	-	-	-	-	-	\$1,662.00	\$0.00
Bachelor of Commerce		\$1,987.49	\$57.49	\$1,930.00	\$0.00	\$1,930.00	\$0.00	\$1,855.00	\$0.00	\$1,718.00	\$0.00
Bachelor of Business Administration (Guelph Humber)	(Note 2)	\$1,923.22	\$56.22	\$1,867.00	\$0.00	\$1,867.00	\$0.00	\$1,795.00	\$0.00	\$1,662.00	\$0.00
Bachelor of Computing		\$1,849.26	\$54.26	\$1,795.00	\$0.00	\$1,795.00	\$0.00	\$1,795.00	\$0.00	\$1,662.00	\$0.00
Bachelor of Applied Computing (Guelph Humber) (closed 2009)		-	-	-	-	-	-	-	-	\$1,662.00	\$0.00
Bachelor of Landscape Architecture		\$2,207.29	\$64.29	\$2,143.00	\$0.00	\$2,143.00	\$0.00	\$2,143.00	\$0.00	\$2,143.00	\$0.00
Bachelor of Science - Computing Major (closed 2009)		-	-	-	-	-	-	-	-	\$1,662.00	\$0.00
Bachelor of Science (Engineering)		\$2,281.24	\$66.24	\$2,215.00	\$0.00	\$2,215.00	\$0.00	\$2,051.00	\$0.00	\$2,051.00	\$0.00
Doctor of Veterinary Medicine		\$5,273.19	\$153.19	\$5,120.00	\$0.00	\$5,120.00	\$0.00	\$5,120.00	\$0.00	\$5,120.00	\$0.00
B. Graduate Tuition Fees	(Note 3)		3% increase		no increase		no increase		no increase		no increase
Full-Time		\$5,610.41	\$163.41	\$5,447.00	\$0.00	\$5,447.00	\$0.00	\$5,238.00	\$0.00	\$4,850.00	\$0.00
Part-Time		\$3,740.27	\$109.27	\$3,631.00	\$0.00	\$3,631.00	\$0.00	\$3,492.00	\$0.00	\$3,233.00	\$0.00
Special Non-Degree (per Course)		\$2,805.21	\$81.20	\$2,724.00	\$0.00	\$2,724.00	\$0.00	\$2,619.00	\$0.00	\$2,425.00	\$0.00

All fees are per semester except as noted

Note 1: Fee guaranteed for 'length of program' as defined for Undergraduate students: Regular - 9 semesters.

Note 2: Beginning in 2006/2007 entering International students at University of Guelph Humber started to pay the same fees as University of Guelph students.

Note 3: Fee guaranteed for 'length of program' as defined for Graduate students: Magisteriate - 7 semesters; Doctoral - 10 semesters.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

CO-OPERATIVE EDUCATION

Academic or Work Term (per Semester)

2012/13 All Co-op Students	
Recommended Fee	Change 2011/12 to 2012/13
\$270.00	\$0.00

FULL COST RECOVERY PROGRAMS (Note 5)

A. CANADIAN AND PERMANENT RESIDENT STATUS STUDENTS

MBA - Distance (per Program)
MBA - Residential (per Program)
MA - Leadership (per program)

B. VISA (INTERNATIONAL) STUDENTS

MBA - Distance (per Program)
MBA - Residential (per Program)
MA - Leadership (per program)

2012/13 Continuing Students		2013/14 Entering Students	
Approved Fee	Change 2011/12 to 2012/13	Recommended Fee	Change 2012/13 to 2013/14
\$36,600.00	\$0.00	\$36,600.00	\$0.00
\$26,650.00	\$0.00	\$28,000.00	Note 6
		\$26,650.00	\$0.00
\$40,650.00	\$0.00	\$40,650.00	\$0.00
\$29,450.00	\$0.00	\$31,100.00	Note 6
		\$29,450.00	\$0.00

Note 5: Full Cost Recovery program fees for 2013/2014 has not increased from those approved for 2012/2013. Because recruitment for the programs start one year prior to the actual intake, fees must be approved one year in advance. This schedule proposes fees for 2013/2014 entering students. The fee is for the entire program and is fixed at the year of entrance. These fees are for tuition only.

Note 6: The MBA - Residential program is proposed to be offered for 2013/2014 entering students. This program has not yet received approval from MTCU.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

ASSOCIATE DIPLOMA PROGRAMS		2012/13		2011/12		2010/11		2009/10		2008/09	
		Entering Students		Continuing Students		Continuing Students		Continuing Students		Continuing Students	
		Recommended	Change 2011/12	Recommended	Change 2011/12	Recommended	Change 2011/12	Recommended	Change 2011/12	Approved	Change 2011/12
		Fee	to 2012/13	Fee	to 2012/13	Fee	to 2012/13	Fee	to 2012/13	Fee	to 2012/13
1.	ASSOCIATE DIPLOMA IN TURFGRASS MANAGEMENT Guelph Campus										
A. <u>PROVINCIAALLY FUNDED PROGRAMS</u>			4.5% increase		4% increase		4% increase		4% increase		4% increase
	Full-Time - Regular Diploma Program	\$2,845.53	\$122.53	\$2,831.92	\$108.92	\$2,818.40	\$108.40	\$2,804.88	\$107.88	\$2,791.36	\$107.36
	Part-Time - Regular Diploma Program (per Course)	\$568.48	\$24.48	\$565.76	\$21.76	\$563.68	\$21.68	\$560.56	\$21.56	\$557.44	\$21.44
B. <u>VISA (INTERNATIONAL) STUDENTS</u>			3% increase		no increase		no increase		no increase		no increase
	Full-Time - Regular Diploma Program	\$9,308.11	\$271.11	\$9,037.00	\$0.00	\$9,037.00	\$0.00	\$8,648.00	\$0.00	\$8,007.00	\$0.00
	Part-Time - Regular Diploma Program (per Course)	\$1,861.21	\$54.21	\$1,807.00	\$0.00	\$1,807.00	\$0.00	\$1,730.00	\$0.00	\$1,601.00	\$0.00
2.	ASSOCIATE DIPLOMA PROGRAMS Alfred, Kemptville, Ridgetown Campuses										
A. <u>PROVINCIAALLY FUNDED PROGRAMS</u>			4.5% increase		4% increase		4% increase		4% increase		4% increase
	Full-Time - Regular Diploma Programs	\$1,494.35	\$64.35	\$1,487.20	\$57.20	\$1,479.92	\$56.92	\$1,472.64	\$56.64	\$1,466.40	\$56.40
	Full-Time - Veterinary Technology	\$1,544.51	\$66.51	\$1,537.12	\$59.12	\$1,529.84	\$58.84	\$1,522.56	\$58.56	\$1,516.32	\$58.32
	Full-Time - Veterinary Technology (Alternative Delivery) Note 1	\$2,057.60	\$88.60	\$2,047.76	\$78.76	\$2,038.40	\$78.40	\$2,029.04	\$78.04	\$2,018.64	\$77.64
	Part-Time - Regular Diploma Programs (per Course)	\$298.87	\$12.87	\$297.44	\$11.44	\$295.36	\$11.36	\$293.28	\$11.28	\$292.24	\$11.24
	Part-Time - Veterinary Technology Regular Program (per Course)	\$308.27	\$13.27	\$306.80	\$11.80	\$305.76	\$11.76	\$304.72	\$11.72	\$302.64	\$11.64
B. <u>VISA (INTERNATIONAL) STUDENTS</u>			3% increase		no increase		no increase		no increase		no increase
	Full-Time - Regular Diploma Programs	\$4,246.69	\$123.69	\$4,123.00	\$0.00	\$4,123.00	\$0.00	\$3,946.00	\$0.00	\$3,654.00	\$0.00
	Full-Time - Veterinary Technology	\$4,551.57	\$132.57	\$4,419.00	\$0.00	\$4,419.00	\$0.00	\$4,229.00	\$0.00	\$3,916.00	\$0.00
	Full-Time - Veterinary Technology (Alternative Delivery) Note 1	\$6,069.79	\$176.79	\$5,893.00	\$0.00	\$5,893.00	\$0.00	\$5,639.00	\$0.00	\$5,221.00	\$0.00

All fees are per semester except as noted

Note 1: The Veterinary Technology diploma program is classified as a special program for tuition rate purposes. In the Alternative Delivery option, Distance Education modules are completed during the fall and winter months. Students attend the college campus from the beginning of May until the first week of August to complete their hands-on laboratory requirements. The tuition fee shown is per year.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

9.7.2 2012/2013 Schedule of Non-Tuition Compulsory Student Fees

Guelph Campus	Fee Basis	Year of Last Increase	2011/12 Approved Fees	2012/13 Recommended Fees	% Increase
<u>Athletic Fee</u>					
Full-Time (Undergraduate & Graduate)	Per semester	Note 1 2011	\$94.31	\$99.03	5.0%
Part-Time (Undergraduate only)	Per semester	2011	\$43.28	\$45.44	5.0%
<u>Capital Account: Athletic Building Fee</u>					
Full-Time (Undergraduate & Graduate)	Per semester	Note 2 2011	\$40.31	\$41.52	3.0%
Part-Time (Undergraduate)	Per semester	2011	\$20.16	\$20.76	3.0%
Part-Time (Graduate)	Per semester		-	-	
<u>Student Health Services Fee</u>					
Full-Time (Undergraduate & Graduate)	Per semester	2011	\$24.60	\$25.36	3.1%
Part-Time (Undergraduate only)	Per semester	2011	\$10.78	\$11.11	3.1%
<u>Student Support Fee</u>					
Full-Time (Undergraduate)	Per semester	2011	\$52.42	\$54.05	3.1%
Part-Time (Undergraduate)	Per 0.5 credit per semester	2011	\$10.48	\$10.80	3.1%
Full-Time (Graduate)	Per semester	2011	\$51.08	\$52.66	3.1%
Part-Time (Graduate)	30% of Full-Time fee per semester	2011	\$15.32	\$15.80	3.1%
<u>University Centre Fee</u> (Note 3)					
Full-Time (Undergraduate & Graduate)	Per Semester (to a maximum of twice a year)	2011	\$13.28	\$13.69	3.1%
Part-Time (Undergraduate & Graduate)	Per 0.5 credit per semester	2011	\$2.65	\$2.73	3.0%
<u>Graduation Fee (Convocation)</u>					
	Upon application for graduation	2011	\$34.29	\$35.35	3.1%

In accordance with MTCU regulations, non-tuition related compulsory student fees can only be introduced/changed under a protocol established and agreed to with student representatives. The University and student representatives have signed such an agreement which covers the fees shown above. The published Statistics Canada consumer price index annual average for Ontario (All Items) for 2011 is 3.1%. Please Note: Committees may approve fee increases 5% above cost of living.

Note 1: As per Athletic Advisory Committee approval on March 9, 2012.

Note 2: This is a 30 year fee initiated in Fall 2009 approved through a referendum process to increase annually by 3%.

Note 3: As per the University Centre Board approval on March 6, 2012.

Preliminary 2012/2013 MTCU Operating Fund Budget & Tuition Fees

<u>Associate Diploma Programs</u>	Year of Last Increase	2011/12 Approved Fees	2012/13 Recommended Fees	% Increase
<u>Alfred, Kemptville and Ridgetown Campuses:</u>				
<u>Athletic Fee</u>				
Full Time - Alfred	2011	\$72.51	\$74.76	3.1%
Full Time - Kemptville	2011	\$67.13	\$69.21	3.1%
Full Time - Ridgetown	2011	\$67.13	\$69.21	3.1%
<u>Student Communication Fee</u>				
Full Time - Alfred (per year)	2011	\$44.58	\$45.96	3.1%
Full Time - Kemptville (per year)	2011	\$44.58	\$45.96	3.1%
Full Time - Ridgetown	2011	\$44.58	\$45.96	3.1%
<u>Graduation Fee (Convocation) (Upon application to graduate)</u>				
Full Time - Alfred	2011	\$44.58	\$45.96	3.1%
Full Time - Kemptville	2011	\$44.58	\$45.96	3.1%
Full Time - Ridgetown	2011	\$44.58	\$45.96	3.1%
<u>Building Fee- Ridgetown</u>				
	2011	\$35.82	\$36.93	3.1%
<u>Academic Activity Fees (Field Trips/Labs/IT)</u>				
Full Time - Alfred	2011	\$324.06	\$324.06	0.0%
Full Time - Kemptville	2011	\$324.15 - \$454.33	\$324.15 - \$454.33	0.0%
Full Time - Ridgetown	2011	\$324.15 - \$966.83	\$334.20 - \$996.80	3.1%

Notes:

- 1) All fees are per semester except as noted
- 2) Associate Diploma in Turfgrass Management at the Guelph Campus - Fees are the same as Guelph campus degree programs
- 3) The published Statistics Canada consumer price index annual average for Ontario (All Items) for 2011 is 3.1%.

10 Inventory of College/Unit Initiatives

This section will be completed as individual initiatives/projects are reviewed and approved during the course of fiscal 2012/2013.

10.1 Student Success

10.2 Engagement

10.3 Knowledge Creation, Mobilization, and Impact

10.4 Transformative Program Innovation

10.5 Institutional Capacity and Sustainability
