University of Guelph

2009/2010 Preliminary MTCU (Ministry of Training, Colleges and Universities) Operating Budget

For the fiscal year May 1, 2009 to April 30, 2010

For presentation to the Board of Governors

April 15, 2009

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Impact of the March 26th Provincial Budget

The Ontario Budget announced that the post-secondary education sector (PSE – includes colleges and universities) will be receiving an increase in funding for 2009/2010. This is an unexpected reversal of previous provincial announcements which indicated a "freeze" on operating grants. In that context, it is very welcome. At the time of the release of the provincial budget, the preparation of the University's 2009-10 MTCU Preliminary Operating budget was well underway and, for the most part, completed. It is recognized that while certain University budget assumptions will require adjustment over the course of the fiscal year as the provincial budget details are clarified, the University's view is that the new funding may provide additional opportunities and flexibility but not fundamentally alter the need to continue with the multi-year plan to address the structural deficit. Therefore, at this time, the assumptions underlying the University's budget proposal for 2009/2010 have not been altered to reflect possible changes to provincial funding. As confirmation of provincial funding is received (including amounts, levels, restrictions), this information will be factored into both the 2009/2010 budget and into the remaining years of the multi-year plan to eliminate the structural deficit. The following is a brief discussion of the reasons for that position.

The provincial budget, as in the past, comes in the form of a number of high-level announced capital, research and operating envelopes of funding. In terms of impact on the University's operating budget, it must be assumed that research and capital funding will be restricted to use on specific research and capital projects. This funding will provide a welcome support for these areas but it cannot be expected to directly address our structural deficit in the operating budget.

For operating support, $150 million for the PSE sector is clearly designated in the provincial budget as one-time year-end funding. These funds will not address the structural deficit but may be available to support one-time costs. Also, it is unknown if these funds were part of previous announcements or if there are any restrictions on the use of these funds. In the past, the province has linked grants of this nature to incremental (and as yet unplanned) spending. Also announced was $200 million of new funding for the final year of the government's "Reaching Higher" program. It is already known that this amount includes the previously announced multi-year graduate growth funding ($35 million). This graduate program funding is already factored into the University's budget assumptions for 2009/2010 and beyond. As yet, no details on the distribution of this support (e.g., how much will be allocated to colleges versus and universities), the nature of these funds (base or one-time), or the possible restrictions on the use of these funds, is known. "Quality, growth and sustainability" was the context in which this funding was announced, strongly indicating some conditions will apply and that use of new funding will be subject to demonstrated investments and/or performance outcomes. The conclusion is that there is significant uncertainty in the amount and possible restricted nature of any new provincial funding (consistent with assumptions in the following budget presentation). Therefore the likelihood is that there will be limited opportunity for use of these funds to help with the University's current structural deficit.

In summary, the Provincial Budget offers welcome news. It is a clear retreat from the previous funding "freeze" and is a positive signal going forward. Nonetheless, the fundamental risks to the University's current fiscal situation remain; provincial pension funding rules are effectively unchanged, this is unlikely to be general funding relief for cost increases on the University's expenditure base, and increased funding support for critical deferred maintenance is uncertain. At this time, there is no expectation that the new funding will remove those fundamental risks. It however, may provide a measure of re-investment that will only be effective if the University continues with its efforts to stabilize the University's fiscal foundation.

A: Budget Context and the Structural Deficit:

The 2009/2010 MTCU Operating budget reflects the continuation of two major initiatives begun over the past several years; Integrated Planning, and the Multi-Year Plan.

The Integrated Plan was initiated in 2005/2006 to develop an effective framework for the allocation of resources in the face of a continuous erosion of provincial funding and increasing demand for limited resources within the University. The 2009/2010 Integrated Plan (available on the University's Website; www.uoguelph.ca) documents the overall University planning priorities and links these to college/division objectives, priorities and accomplishments. The Multi-Year Plan was created in the 2008/2009 budget as a means to implement multi-year unit financial targets necessary to address the University's structural deficit. The 2008/2009 Integrated Plan, while presented as a separate document, contains key priorities that have guided certain budget allocations and the Multi-year Plan forms the financial framework to establish and monitor overall budget objectives while the University aligns structural revenues and expenses. Both are critical in the development of 2009/2010 budget assumptions and consequently will be referred to throughout this presentation.

This year's Integrated Plan (IP) reflects the fiscal challenge faced by not only the University of Guelph but the whole Ontario university system. This is despite investments in postsecondary education (such as the provincial government's 2005 "Reaching Higher" commitment). Over the past decade, the University has been asked to educate more students, produce more research, and improve our service with few incremental resources to meet basic or structural cost increases (utilities, salaries and retirement benefits and building maintenance). These competing demands for limited funding have created a serious shortfall between core income and expenses. While this shortfall sometimes has been masked by one-time provincial year end funding, the underlying "structural deficit" remains a serious risk to the fiscal stability of the University. Budgetary challenges—which in the past were manageable within annual financial plans containing what now seem like minor adjustments—have become so significant that major structural changes are required if the University is to achieve basic financial stability.

Provincial grants, our traditional source of funding are still critical for our long term success especially in competing with other post-secondary jurisdictions; but they can no longer be counted on to cover basic cost increases. What provincial funding does flow is targeted toward specific provincial objectives such as growing enrolments or improving "quality", often necessitating incremental spending. Such funding is also encumbered with demands for more comprehensive demonstrations of actual return on investment, and more detailed accountability procedures, frequently oriented toward short-term horizons which further restrict flexibility. Funding eligibility is often tied to achievement of targets, with failure to meet specific goals often resulting in automatic "clawbacks". Ontario universities are now required to establish a multi-year agreement with the government, specifying benchmarks, metrics, and targets for the measurement of quality improvements.

This increasingly targeted provincial funding is also becoming unstable and unpredictable and driven or affected by short-term political considerations. Vital funding announcements—whether involving grants or regulations affecting allowable tuition levels—can be delayed for any number of reasons. It is now the norm to receive annual provincial operating grant commitments well after a fiscal year is underway (often in March or April of a fiscal year that ends on April 30). Uncertainty over whether the resources will actually materialize creates significant risk and disrupts planning. When resources are ultimately determined, the result is often one-time-only support or semi-restricted funding that does not support basic cost increases and often entails more expenses.

This targeted and often soft funding, which does not recognize ongoing cost increases or general depreciation of our building and service infrastructures, has serious financial consequences. On the expense side, the University experiences cost increases in the range of 4-6% per year. These are largely for compensation commitments including salaries and benefits and the need to invest in our physical space, technology and teaching infrastructures. The gap between core expenses and reliable funding creates a University structural deficit[1] in the MTCU Operating Budget that in 2008/2009 reached $16.1 million per year.

B: The Multi-Year Plan and Integrated Planning:

In 2008/2009 it was recognized that the size of the fiscal problem coupled with the inflexible nature of expenditures meant that year-by-year incremental budget adjustments to maintain a balanced budget were no longer feasible. In addition, if the University is to advance quality and system capacity beyond what is in place today more *effective* investment is required. It was recognized that a problem of this scale could not be resolved in one year therefore a multi-year plan including a deficit-financing proposal was developed for Board of Governor's consideration as part of the University's 2008/2009 MTCU Operating Budget. The University is now entering the second year of that plan. The key fiscal objectives in the Plan are to reallocate existing resources to eliminate the structural deficit, meet anticipated cost increases and provide for repayment of any one-time deficits. Operationally this meant establishing initial budget targets for major operating units to remove $36.2 million in net MTCU base costs over the period of the plan (2008-2012).

When developing any multi-year plan it is necessary to make assumptions. While some elements of the budget are more predictable than other, the most critical revenue components remain provincial grants (50% of revenues) and tuition/enrolment (30% of revenues). In April 2008, when the initial multi-year assumptions were set, it was assumed a general structural reinvestment would be made by the province on the order of 3.5% to 4% of our grants starting in 2009/2010. Subsequent provincial economic updates suggest that the post-secondary system will at best receive no incremental base funding (non-targeted) for at least the next two years. This amounts to a net projected loss of $10 million relative to initial assumptions. As a consequence, eliminating the structural deficit will now require units to find a total of $46.2 million in internal cost savings or external net revenues by 2012. This equates to just over 19% of our personnel cost base budget.

In order to achieve these levels of savings it will be necessary to focus and prioritize limited resources while preserving the overall capacity of graduate and undergraduate programs. This is where the Integrated Planning framework will assist in making the necessary and difficult decisions that are required. IP metrics, while not yet fully developed, guided the allocation of the $46.2 million overall University target to individual colleges/divisions. While no unit remains unaffected by these reductions, differential allocations have been made.

[1] Structural deficit refers to the shortfall between long-term revenue and expense budget assumptions comprising the Operating budget. Structural deficits typically arise when major components of revenue (provincial grants and tuition) are insufficient to cover major on-going expense increases such as compensation, utilities and debt servicing. In the past, this shortfall has been temporarily covered in a fiscal year with cyclical savings/revenues such as one-time grants and unspent contingency funds as well as weather-related utility savings. Structural deficits can only be eliminated through active policy/program change either by the province (e.g., grants, tuition regulation) or by the University, through program cost reductions/ net revenue increases.

To date approximately 70% of the total target of $46.2 million has been identified or committed to by Deans or Division heads. While this represents a major effort, perhaps the most difficult portion of the challenge remains. Priorities articulated in the Integrated Plan (over the past three years) now have become the focus for resource allocations and activities of low demand or low productivity will need to be curtailed. The next steps in the process will be the continued prioritization of our resources especially in the delivery of the undergraduate curriculum.

Many of the key 2009/2010 budget allocation decisions have been made in the context of the 2009/2010 Integrated Plan. It is the University's objective that, as the Integrated Plan evolves and develops more comprehensive metrics these will become a key component of the decision making framework in which the budget is prepared. (Refer to Section H for more detailed discussion of the Multi-Year targets by unit and progress to date in meeting those targets.)

C: The 2009/2010 Budget Process:

The University starts its annual budget preparation process with a review of strategic budget objectives. In setting these objectives it is recognized that there is a continuing challenge to manage the competing demands of investing in the improvement of facilities, programs and services and maintaining a balanced budget. For 2009/2010 these two major demands are presented as;

1) To continue the development of resource allocation decisions in the context of objectives and priorities including:
    - Setting and meeting University undergraduate enrolment objectives and graduate enrolment growth targets in the context of increasing competitive pressures
    - Incorporating IP metrics and priorities in annual resource allocation processes and decisions
    - Sustaining the quality of teaching, research and the student learning experience
    - Maintaining critical University infrastructures and services in support of the academic mission.
2) To fiscally balance and stabilize the budget including:
    - managing any deficit repayment requirement
    - achieving the University's Multi-Year Plan targets

There remain a number of critical assumptions made in the Preliminary MTCU Operating Budget that will not be confirmed until later in the fiscal year. These assumptions include enrolment and provincial funding[2] (e.g., provincial funding dependent on fall enrolments is not confirmed by the province until after November). As the University receives confirmation of the financial impact of these events, they will be factored into the budget.

The following sections of this presentation contain the detailed assumptions used for the 2009/2010 Preliminary MTCU Operating Budget and the key elements of our Multi-Year Plan (and targets) to eliminate the structural deficit. While significant uncertainty remains, the 2009/2010 assumptions reflect the continuation of goals the University set for itself in 2008/2009 and the commitment to completing the strategic restructuring needed to meet our objectives and return to a sustainable fiscal position.

[2] As noted on page 2, the impact of the March 26th provincial budget remains uncertain and no changes to the University's current budget assumption have been made at this time. Normally it takes several weeks/months to determine the impact of provincial budgets on both post-secondary system and the University of Guelph.

D: Provincial Grants:

Provincial grants (50% of our MTCU Operating Budget revenue) are based on provincial funding announcements that contained a general commitment to provide "full-cost" grant funding per student[3] for enrolment growth and under the "Reaching Higher"[4] program of 2005, to respond to the need to improve the quality of existing programs. In terms of envelopes there are many (approximately 15-20) specific grants that constitute provincial operating grants in the University's MTCU budget. Many of these grants are targeted and may not be used for general operating purposes. Others are less restricted but are awarded based on incremental enrolment growth. Still others are allocated only for demonstrated incremental expenses (e.g., for "quality" improvements). No grant increases have been provided in recent years for general cost increases. In 2008/2009 incremental provincial operating funding has flowed under the two enrolment-based "accessibility" envelopes.

Enrolment Based Grants (Accessibility): In the 2001 Ontario Budget, the Province announced special measures to alleviate anticipated enrolment pressures emerging from the double cohort (elimination of grade 13 in Ontario in 2003), including an increase in operating grants to universities. The critical working assumption made by the University in estimating the Accessibility grants is that "full-cost" grant funding will be provided for all eligible[5] incremental growth. Normally accessibility funding is distributed to each university in Ontario based upon actual year-over-year increases in eligible enrolment at each university. 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 actual 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).

Total actual demand for undergraduate programs for the university system have usually exceeded Ministry estimates (and therefore funding provided in that year) which has resulted in "discounting". Discounting refers to a less than full-cost grant provided for student increases because the fixed dollars provided in annual Ministry budgets for growth in any year are spread over more students than anticipated. Discounting not only reduces funding but creates uncertainty in our planning as it is not known when the province will meet the full-cost grant funding promised. To date the MTCU has attempted to fund fully past enrolment growth although it may be several years before this is actually realized in the University's transfer payments.

Undergraduate Accessibility: Historically, all accessibility funding has been "base" or permanent to each institution that earned it. During 2007/2008 the province announced the undergraduate component of accessibility funding would become one-time only meaning that funding in any one year could be lost the next depending upon total enrolments. It is assumed that until this continuing one-time funding is rolled into our base grant allotment by the province, it will not form part of the University's structural solution. Given the provincial funding situation it is not considered prudent to rely on funds that may be

[3] "Full cost" funding refers to the commitment by the Province to fund new student enrolments at a level reflecting the total provincial grant income per student in accordance with the established funding formula. Prior to this commitment, provincial grants were effectively fixed and universities received only tuition revenue for new enrolments effectively discounting provincial grants received per student. 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] In this 2004/2005 program the province announced the commitment of $6.2 billion over six years in new investments in post-secondary education (colleges and universities and student assistance) in Ontario. 2009/2010 is the final year of this program in which most of the funds were targeted for incremental activities (e.g., growth in graduate students).

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

withdrawn or converted into other funding priorities to fund our structural costs. In 2008/2009 the University experienced continued demand for most of its programs and undergraduate enrolments exceed budget expectations[6]. Additional tuition and grant revenues were realized (refer to section J – 2008/2009 Forecast). It is expected and assumed for budget purposes that the province will continue its current practice of funding undergraduate growth annually albeit at the 80% discounted rate and that with the "flow-through" effect of 2008/2009 growth, additional grant funding of $2.6 million will flow to the University This will be recognized as one-time funding.

Graduate Accessibility: In its 2005 "Reaching Higher" budget, the province announced that the "accessibility" grant funding priority would shift from undergraduate to graduate student growth. Funding is flowed to universities that achieve their negotiated and approved growth targets for graduate enrolments. In 2005, the University of Guelph established targets for an increase of 330 FTES[7] (202 masters and 128 doctoral) graduate enrolments relative to 2004 levels. In 2008/2009 the University had exceeded it masters targets by 46 FTES (this over-target growth was not initially funded) and met all but 34 doctoral FTE's. This resulted in approximately $6 million in new funding over the course of two fiscal years (2007/2008 and 2008/2009), a significant portion of which has been designated for new allocations for both department teaching expenses and student support.

During fiscal 2008/2009, the province announced that the 2005 program would be extended to fund additional graduate growth of 3,300 spaces province-wide. Under this extended program the University of Guelph was allocated an increased target of 218 masters (including the unfunded growth from 2008/2009) and 13 doctoral students to be achieved over the next three years. If this growth is achieved, new funding would be $3.6 million. (Under the University's current resource allocation guidelines a significant portion of this funding will be flowed to colleges in proportion to their sustained graduate growth). As these revised targets were just recently confirmed, only funding which recognizes growth already achieved (i.e., the masters "overshoot" growth in 2008/2009) has been factored into the Preliminary MTCU Operating Budget. Enrolment growth funding beyond these levels, while incorporated into internal enrolment targets, will be reflected in future budget updates. The University has three years in which to attain the full allotment of funded graduate growth. Unlike the undergraduate accessibility funding, graduate accessibility grants are rolled into the University's base budget once targets are met. For the 2009/2010 budget, $0.600 million has been added to the base assumption for graduate accessibility payments (recognition of growth already achieved).

Quality Improvement Grants: In the 2004 "Reaching Higher" budget, the province announced that a new fund (QIF - Quality Improvement Fund) was to be created with the objective of improving the quality of post-secondary education in the province. Allocation of this grant to individual institutions was based upon a measure of each institution's relative share of total system enrolments using a complex formula of program-weighted enrolments and total funding available. Universities are required to account for these funds each year in a separate report (Multi-Year Agreement) to MTCU demonstrating spending on improvements using the provincial funds. This category of grants, when initiated in 2005/2006 was considered to be the major source of new funding to support cost increases and improvements in overall

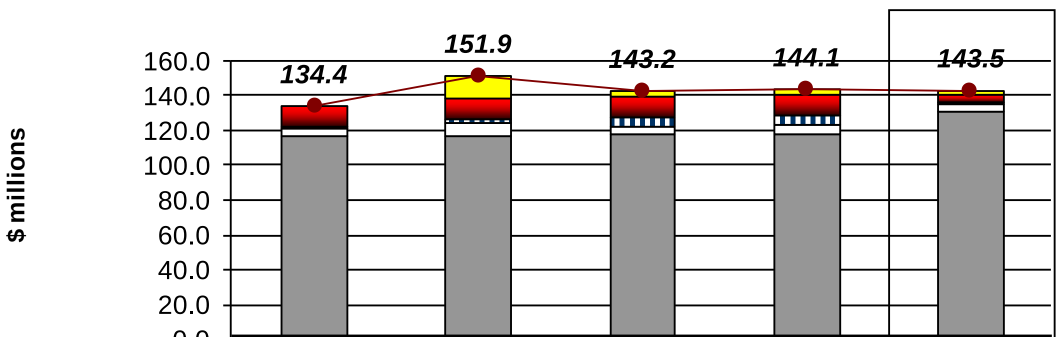
[6] Full-time domestic enrolment was approximately 250 FTE's over the 2008/2009 budget assumption accounting for most of this increase. In addition there was an increase in part-time undergraduate enrolments. Part-time enrolments are very unpredictable and may increase/decrease significantly in any single year.

[7] FTE or Full-Time Equivalent in the context of enrolment refers to the conversion of actual head counts (part-time, graduate and undergraduate in each semester) into common equivalents. For example a full-time undergraduate student registered for 2 semesters in a year is considered 1 FTE and a full-time graduate student registered for 1 semester is considered 1 FTE. MTCU uses FTE's as its measure of enrolment across institutions.

program quality. Since that time however, the grant has remained essentially unchanged. It however has been the label assigned to one-time funds in 2006/2007 ($12.7 million) 2007/2008 ($3.3 million) for which the University has had to account for in terms of "improvements in quality".

It is clear that the provincial funding environment has changed to reflect the use of more targeted and one-time grants and the continuing absence of funding for basic cost increases. The University is assuming there will be no increase to funding for inflation on existing costs and any additional provincial funding we receive will be dependent on either enrolment growth or improvements in quality under the terms of the Quality Improvement Fund. There is a small reduction of $0.300 million reflected in the 2009/2010 budget assumptions reflecting an adjustment to the quality improvement grant. The following chart plots the progression of the changes in MTCU funding over the course of four fiscal years as well as budget assumptions for 2009/2010. The increased use of one-time allocations is clearly demonstrated in recent years. As noted, recent provincial practice has been to flow funds late in their fiscal year (March 31) and with the added complexity of what the March 26th provincial budget may bring, confirmation of the 2008/2009 grants remains incomplete. As information is received it will be factored into the MTCU Operating Budget during the course of the current and coming fiscal year.

MTCU Operating Grants- History and 2009/2010 Budget



	05/06 Actual	06/07 Actual	07/08 Actual	08/09 Forecast	09/10 Budget
One-Time	0.0	12.7	2.9	3.2	2.6
Other	12.0	11.9	12.0	11.8	3.8
Accessiblity	0.6	2.8	5.1	5.8	1.0
"Quality"	4.7	7.5	5.0	5.1	4.8
Basic	117.1	117.0	118.2	118.2	131.3
Total	134.4	151.9	143.2	144.1	143.5

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., "Tax" grant (flowed to the City of Guelph in lieu of property taxes). Overall, it is expected that these grants will remain relatively unchanged at 2008/2009 levels.

The following table summarizes the grant assumptions for 2009/2010 relative to 2008/2009 budget assumptions. Note that confirmation has not been received on 2008/2009 grants at this point and estimates for 2009/2010 are based on current (incomplete) information received to date. Many factors will influence the realization of actual grants including the new (March 26th) provincial budget enrolments and provincial year-end adjustments. The "rolled into base" column reflects the provincial practice of consolidating older program funding into the "Basic Grant". There is no new funding as a result however reporting requirements are often removed for those funds transferred to the Basic Grant envelope. The following do not reflect the impact of the March 26th provincial budget which remain uncertain at this time.

MTCU OPERATING GRANTS (2009/2010 Preliminary Budget)

Name	*Start Year*	**Current** *Base $*	*Rolled Into Base $*	**2009/2010** *Assumptions*	**2009/2010** *Base $*
Quality Assurance Fund	2004	4.0	(4.0)		-
Accessibilty- Undergraduate	2001	-		2.6	2.6
Accessibilty- Graduate	2001	5.2	(4.8)	0.6	1.0
Quality Improvement Fund	2006	5.4	(0.3)	(0.3)	4.8
Performance grants	2001	1.3			1.3
Tuition Compensation	2005	4.0	(4.0)		-
Restricted Operating Grants		2.5			2.5
Basic Grant	Base	118.2	13.1		131.3
TOTAL		**140.6**	**-**	**2.9**	**143.5**

E: Tuition Revenues (Enrolment and Fees):

Overall, tuition increases and the net impact of enrolment (graduate and undergraduate) combined are expected to generate $8.100 million in additional revenues ($4.300 million due to tuition fee increases and $3.800 million due to enrolment increases including growth in targeted areas such as the engineering program). Estimating the financial impact of enrolment and tuition fees is a very challenging task. Complexities of fees structures (e.g., program and cohort fees) as well as the volatility of demand can influence the realization of tuition income. The following presents the basis of the major assumptions used in arriving at the 2009/2010 budget assumptions.

Enrolment: Enrolment planning plays an important part in meeting the University's overall strategic objectives. In preparation for the double cohort, the University established a strategic enrolment target of 18,000 students for the main campus. This was determined to be the approximate number of students that could be accommodated effectively by the main campus physical infrastructure under existing program delivery assumptions and residence accommodation. There are no plans to materially shift from this overall goal although emphasis on growth is planned in certain areas consistent with planning priorities including the opportunity to grow enrolments in areas where there is capacity and in areas of strategic priority.

The complexity of the enrolment planning is compounded by several issues: (1) the impact of flow-through enrolment where first year intakes do not flow evenly through to graduation affected by attrition rates, transfers, international entry and advanced standing (2) the extended time line for aligning resources with program demand e.g., faculty availability and recruitment and access to appropriate teaching facilities; (3) the variability of program demand and competition for students which means there can be significant shifts in the applicant pool between academic programs and institutions from year to year and (4) shifting provincial priorities which redirect funding towards varying levels and types of education programs. In this last example with the elimination of grade 13 (the double cohort) in 2004/2005 the province actively supported undergraduate growth and in 2006/2007 there was a major provincial policy shift to graduate enrolment growth.

For 2009/2010, the University of Guelph has set undergraduate intake levels [8] with the objective of holding overall undergraduate degree program enrolment at approximately last year's levels except in Engineering where new growth[9] is planned. This equates to a general objective of 4,250 new undergraduate students. Provincial funding for undergraduate growth currently is on a continuous one-time only basis (renewed each year and not reflected in base funding) and at funding levels that as yet are unconfirmed.

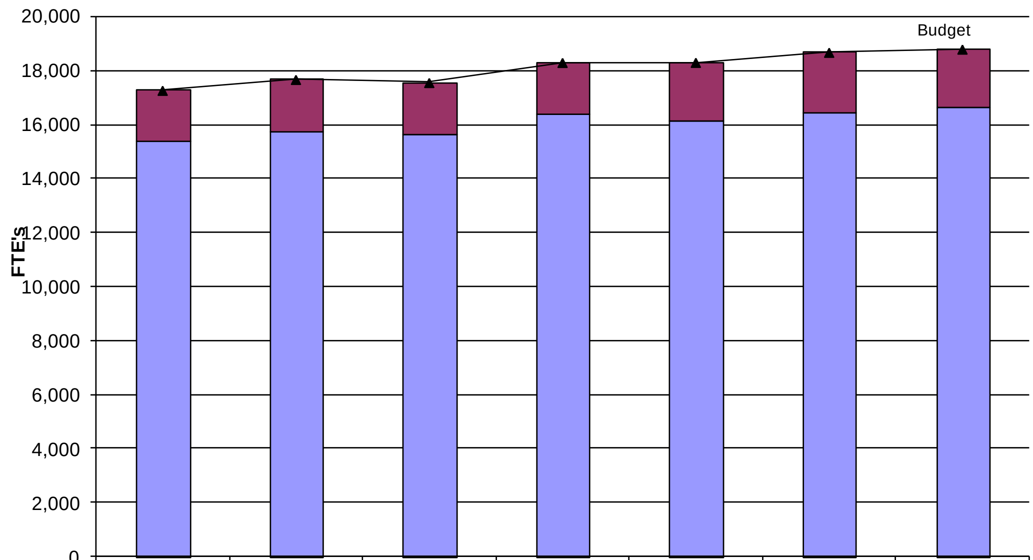
For graduate enrolment the objective will be for the University to achieve the new three year long-term targets described under section D - Provincial Grants. For 2009/2010 budget the estimates are based on a small decease reflecting potential loss due to graduating students and the difficulty in determining precise graduate enrolments. The potential growth from the new targets has not been factored into the budget at this time. This is a cautious assumption based on the lateness of the provincial funding announcement and University targets confirmed in late February 2009 which is well into the 2009/2010 recruitment cycle. It is expected that the major effort on growth will be focused on years 2 and 3 of the new graduate growth plan. The University allocates new funding to the colleges specifically in support of graduate enrolments for both departmental support and for graduate student awards with the objective of encouraging the attraction of high quality students to our programs. This is necessary given the increased competition created in Ontario as a result of the provincial funding for graduate growth.

The following chart shows total (domestic and international, eligible and ineligible) FTE student enrolments at the University. Fall 2009 reflects the recent increases in graduate growth consistent with University and provincial targets and the impact of the small increase in undergraduates (relative to 2007) reflecting targeted growth and the flow through effect of the fall 2008 increases. (Numbers exclude Guelph-Humber enrolments.)

[8] 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 enrol) vary significantly from year to year. For example in 2006/2007, the University set its undergraduate intake target at 3,400 students and just over 4,200 actually enrolled , much of the increase due to an increase in the yield rate.

[9] Intake will be focused on programs where new growth areas are indentified in the University's Integrated Plan. Currently those areas include Engineering and international DVM or areas where capacity exists.

Full-Time Equivalent (FTE) Enrolment



	Fall 2003	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
Graduate	1,890	1,958	1,949	1,946	2,199	2,256	2,183
Undergraduate	15,357	15,730	15,589	16,340	16,091	16,408	16,600
Total	17,247	17,653	17,538	18,286	18,290	18,664	18,783

Tuition Fees (History): Until 1996, MTCU controlled tuition fee increases for all degree programs through strict formulas that removed grant income from an institution should a fee increase exceed the maximum allowed. At that time the province embarked on the creation of a complex fee framework of; deregulated (institutions could set the fee for program for which they received no funding), partially deregulated (Institutions could set fees within limits) and fully regulated fees (increases were proscribed). At the time of these changes the province also mandated that up to 30% of fee increases be set aside for needs-based student financial assistance. In 2000/2001, the province announced a new five-year “cap” (to 2004/2005) on all regulated tuition fees that limited annual increases to no more than 2% of the 1999/2000 maximum regulated fee. The 30% set-aside applied to those increases. In the fall of 2003, the province announced that post-secondary fees would be “frozen” at current levels. The freeze applied to all regulated programs (programs which received some amount of provincial grant support). To offset the lost revenues associated with this freeze the province allocated a compensating grant to each institution based on projected lost income net of the 30% set-aside for student aid.

Tuition Fees (Current Framework): In fiscal 2006/2007 the freeze was lifted and a new framework was introduced limiting increases to between 4% and 8% with an overall increase in revenue from tuition increases on provincially regulated programs, not to exceed 5% at the institutional level. For 2009/2010, the University is proposing fee schedules for both regulated and deregulated programs as well as compulsory non-tuition student fees consistent with the maximum allowable under provincial rules with the exception of graduate (entering) rates where the increase will be 4.5% (maximum allowable is 8%[10]). Detailed tuition and non-tuition compulsory fee schedules have been prepared for 2009/2010 and provided as part of this budget (refer to Appendix A). The following tables summarize tuition fee increases for major tuition classifications in 2009/2010.

Provincially Funded Programs		
Full-time per semester fees	Entering	Continuing
Undergraduate – regular	4.5%	4.0%
Undergraduate - professional[11]	8.0%	4.0%
Graduate – all programs	4.5%	4.0%

International Programs		
Full-time per semester fees	Entering	Continuing
Undergraduate – regular	4.5%	0%
Undergraduate -professional[12]	0% to 8.0%	0%
Graduate – all programs	8.0%	0%

Associate Diploma Programs		
Full-time per semester fees	Entering	Continuing
Undergraduate – regular	4.5%	4.0%
International – all programs	8.0%	0%

Cost-Recovery Programs		
Full-time per program	Entering	Continuing
MBA	0.3%	0%
MBA- International	0.2%	0%
MA- Leadership	7.9%	0%
MA- Leadership- International	7.1%	0%

[10] In order to remain competitively positioned with other institutions, the University is not going to the maximum in this category.

[11] Professional programs include: business, commerce, veterinary medicine, computing science, engineering and landscape architecture.

[12] Professional programs include: business, commerce, veterinary medicine, computing science, engineering and landscape architecture. In 2009/2010, landscape architecture, engineering and veterinary medicine fees will not be increased to remain competitively positioned in these programs.

F: Provision for Compensation (Salaries and Benefits)

In comparison to MTCU Operating revenues, 80% of which are earned from provincial grants and tuition, compensation costs comprise 70% of total operating budget expenses. Of the total compensation budget of approximately $250 million, 20% is allocated for employer benefit costs. In the 2009/2010 budget a provision of $12.675 million has been made to cover the estimated costs of salary and benefit increases. For 2009/2010, agreements have been confirmed with 6 of the 10 major employee groups comprising 90% of all salary costs. This category of expense also includes estimates for temporary and contractual labour and all associated employer benefit costs. Estimates include a provision for the increased salary costs of all negotiated agreements and adjustments to cover projected changes to employer benefits costs. Employer benefit costs include both statutory benefits such as CPP (Canada Pension Plan) and EI (Employment Insurance), and other benefits such as pension (refer to following note on post-employment benefits), extended health and dental coverage for current and retired employees. Final allocation in the budget of 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.

F.1 Post-Employment Benefits

Post-employment benefits are commitments to University retirees for both pension and non-pension (health and dental) benefits. Rapidly increasing medical costs, especially for prescription drugs, and the worst financial market performance in decades are rapidly escalating the cost of these benefits, especially pension plan contribution costs.

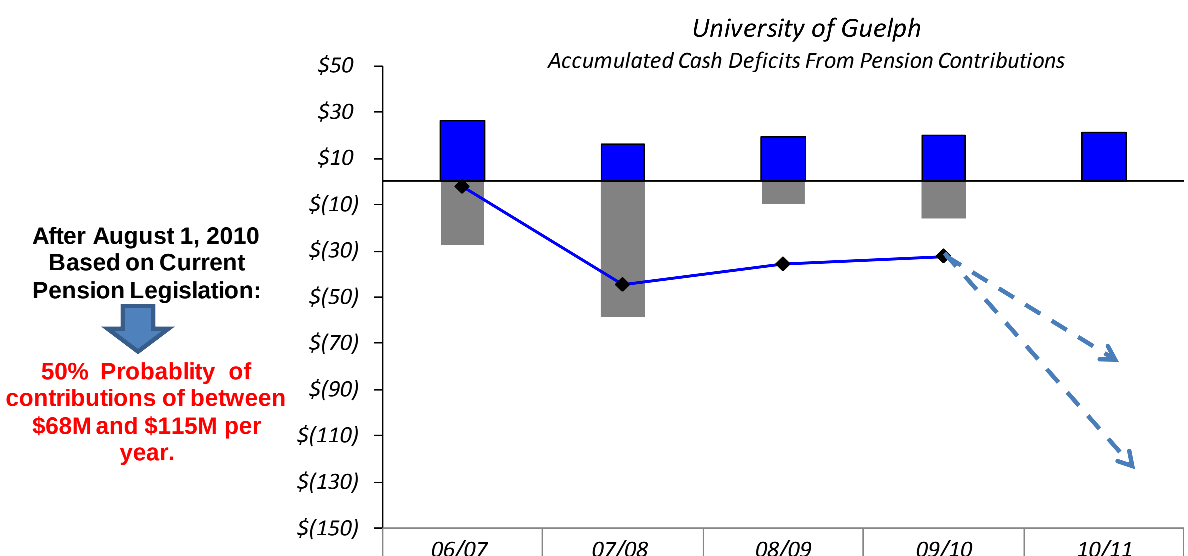
Non-pension post-employment: These benefits have grown to an unfunded liability of over $250 million. While there is no legal requirement to fund this liability immediately, cash requirements (currently at $4 million per year) are projected to increase at over 10% per year over the next decade. The budget assumption provides for this increase in 2009/2010.

Pension Plans: The University is the sponsor of three defined benefit pension plans. Due to provincially-legislated funding requirements for all defined benefit plans in Ontario, the University of Guelph is required to make cash contributions to its pension plans based on assumptions that the University will cease operations and must have funds available to meet all accumulated pension obligations at specified valuation “filing” dates (a minimum of every three years). Because these assumptions are based upon financial market conditions at the time of the valuation, results are very volatile, exposing the University to major changes in cash requirements. On September 30, 2006 the University was required to file a valuation using the prescribed formula and rules. The result was the requirement to contribute cash at the rate of $45 million annually to its pension plans (for at least three years to 2009). In the base budget was an annual contribution provision of $16 million. In November 2007, a further contribution of $28 million was made as part of a formal “filing” to provincial authorities based on an August 1, 2007 valuation date. The result of this tactical decision was to stabilize University contributions for three years until August 2010 (the date of the next required measurement and filing).

While pension contributions are stable for the 2009/2010 fiscal year, on August 1st 2010, contributions will be recalculated based on market conditions at that time. The exact amount of money required cannot be determined until that time, however the actuaries for the pension plans are projecting that there is a 50% probability that under current provincial pension funding rules, cash requirements will range between $65 million and $115 million per year, at that time. This is the result of a combination of factors including falling market values of assets held to fund pension liabilities, declining interest rates (used to determine "wind up" obligations to be paid for) and the design of the plan themselves (employee contribution levels and benefit levels such as early retirement). With our current annual base budget provision of only $20 million, the deficit will grow rapidly. In a short time this deficit could erode the University's ability to meet daily cash requirements, threaten its credit rating and the capability to raise either capital or short term financing.

At the end of fiscal 2009/2010 the University will be carrying a $33 million deficit[13] in the operating budget for its three sponsored pension plans. The current deficit status of the pension plans is presented in the graph on the following page. The most significant unknown remains the pending August 1, 2010 valuation impact on University cash flows.

Many universities and other institutions in the province are facing similar conditions. At this time, the province appears unmoved by the advocacy efforts of Ontario universities to request relief in the form of revised valuation requirements (as has been the response in most other provinces and jurisdictions). It seems almost inconceivable that the government would allow the kind of system-wide devastation of post-secondary educational capacity that would result under the current plan. Nevertheless, full elimination of liabilities is just as unlikely, and as efforts to press the province for some feasible relief from these rules continue, planning is underway to determine what options remain for responding to the possibility of cash requirements at projected or altered levels



	06/07	07/08	08/09	09/10	10/11
Contributions (Current Valuation)	$(28)	$(59)	$(10)	$(17)	
Budget Provision	$26	$16	$19	$20	$21
Accumulated Deficit	$(2)	$(45)	$(36)	$(33)	

[13] Rather than fund the 100% of actual contributions from the Operating Budget when they are paid, any cash requirement greater than the Operating Budget base provision ($20 million in 2009/2010) is borrowed and repaid using the budget provision. The budget provision is based on the University's Normal Actuarial Costs (NAC) of the pension plans. The assumption is that over the long term, NAC funding is sufficient to fund the cash requirements of plans. This practice "cushions" the Operating budget from often volatile contribution requirements due to provincial funding legislation and the global market conditions.

G: Other Incremental Budget Assumptions:

The following sections complete the major assumptions for the Preliminary 2009/2010 Operating Budget. Primarily they are focused on incremental institutional assumptions required to meet University budget objectives. Budget adjustments, internal to college/divisions are managed within their overall targets and are not itemized in this presentation.

G.1 Other Institutional Revenues and Recoveries:

Provincial grants and tuition together comprise 80% of the University's revenues. The remaining 20% 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 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 service. These units are accountable for achieving any revenue targets set 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 Multi-Year budget targets. Major examples of these revenues include veterinary hospital revenues and student service and athletic fees.

For 2009/2010 the following summarizes the major incremental changes to institutional revenues and recoveries:

Cost Recoveries from Ancillaries: A 3.5% increase in the general cost recovery charges to Ancillaries will be made in 2009/2010 to help offset increases in centrally provided services. These increases were factored into approved 2009/2010 budgets of each ancillary unit. The combined increase in cost-recoveries from Ancillaries is $0.275 million.

Investment Income: As part of normal day-to-day operations, the University invests any temporary positive cash flow (from all non-endowment funds including grant, tuition, research and ancillaries) in high quality short term investments. Income from these investments has formed part of the institutional revenue base in the MTCU Operating Budget for many years. A number of factors will reduce the expected return on these funds in 2009/2010 including a reduction in short-term investment returns which have dropped significantly due to general market conditions and a reduction in overall positive cash flows projected due to cash requirements of operating deficits as part of the multi-year plan to address the structural deficit. Investment income is expected to decline by $0.150 million in fiscal 2009/2010.

Research Indirect Cost Recoveries: Over the past several years, the federal government has recognized the importance of investing in fundamental research in all disciplines. Much of the necessary infrastructure (space, library, administrative support) to support research has for many years been absorbed in operating budgets. OMAFRA, under the agreement with the University has for many years provided significant support for the indirect costs of research. This was reinforced in the 2008/2009 renewal of the long-standing agreement with OMAFRA in which $11.0 million was secured to support these costs. In addition, recent federal government budgets have provided funding to support the indirect costs of research from federal granting councils at the 25% level. This is a start, but globally countries committed to innovation, cultural and economic development generally provide greater levels of support. It is important therefore that university advocacy efforts continue to press the federal government first to maintain and ideally increase that indirect cost support to a more appropriate level (roughly 40% or more). At the provincial level certain major provincial projects contain indirect costs as a standard component. In addition, efforts continue to increase indirect costs components on industry-support research.

Specifically the federal government has provided funds for tri-council related research under its Federal Indirect Cost Program (FICP). Currently the FICP covers approximately 25% of the costs of related research in a consistent manner since it formal creation in 2002. In 2000/2001 the province of Ontario also began to recognize these costs in the context of their research activities initially under the Research Performance Fund (RPF). RPF support has been less stable and has shifted between ministries over several years. Combined, these two funds have provided $9.0 million in base support of infrastructure costs (in addition to OMAFRA support) related to research at the University of Guelph. Funds are flowed to the University based on the level of direct research dollars awarded. Funds are restricted for use in support of eligible infrastructure costs.

In 2008/2009, the University introduced a new Resource Allocation Guideline (#4) on the Indirect Costs of Research. A key principle in that guideline was the expansion of the distribution of indirect cost recoveries to colleges in recognition of their growing research funding. It is planned to continue the development of this principle and where feasible expand the allocation of indirect cost recoveries for research as research activity increases. Forecasting research indirect costs is difficult given the variable nature of research and related cash flows. In 2009/2010 the University, while not formally recognizing changes in indirect cost recoveries for research in budget assumptions, will review actual results after fiscal year end and expand Resource Allocation Guideline (#4) based on those results.

Other Targeted Grants: The costs of certain University programs or activities are sometimes funded by the province with the transfer of targeted (restricted) grants. Examples include the OMAFRA Agreement, the special funding for the Associate Diploma program in the Ontario Agricultural College (OAC) and the Special grant in support of clinical education in the Ontario Veterinary College (OVC). While these grants do not directly support core programs, they can support capacity, increase economies of scale or more fully cover the full costs of a program or activity. In 2008/2009, the province announced that the "OVC Special Grant" would be increased to $6.5 million after many years of having been fixed at the $5.0 million level. This increase was allocated both to increase absolute support and to more fully recover the costs of the clinical teaching of veterinary students (in effect recovering past inflationary cost increases). The result is to provide <u>$0.500 million in cost-recovery</u> to the main MTCU Operating budget

G.2: *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.

- **Information Technology Fund:** This centrally supported account (base funding of $3.0 million) will receive an increased allocation of $0.300 million reflecting costs of centrally provided computing and communications infrastructure. This cost increase consist of mainly "price" increases on external contracted services in support of central support hardware and software (e.g., the networking services, campus services including network security, university-wide licenses for administrative and academic support systems.) — $0.300M
- **Insurance premiums:** The University's centrally managed insurance account ($1.5 million base budget) is subject to increasing rates as a result of the global financial markets impacting insurance providers. In addition, recent University-specific claims mean an additional allocation will be required for the University insurance coverage to be maintained. — $0.100M
- TOTAL Cost Increase IT and Insurance — $0.400M

Central Utilities (Budget of $21.545 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. — ($1.200)M

- Central Utilities (One-Time): The University undertakes regular reviews of both hydro and natural gas (campus heating) rates with the objective of reducing exposures to possible significant rate changes. This is accomplished through locking in prices for future supply, participating with other universities in bulk buying where possible. The current contract rates (locked in several years ago) reflect lower prices than currently available (and in the base budget) therefore rate savings estimated at $1.200 million will be reflected as one-time as this rate advantage is expected to expire over the course of the next several years.
- Central Utilities (Base); Over the past several years the university has been investing in a number of on-going energy conservation programs funded from external borrowing, provincial grants and a special contributions from students. While very difficult to quantify, in 2009/2010 $0.250 million in savings relative to the base will be recognized as a result of these investments and related energy conservation efforts across the campus. It is expected, that as these investments continue to improve the efficiency of utility supply and consumption including new steam lines, energy distribution controls and retrofitting of building components future savings will be realized. — ($0.250)M
- TOTAL Utility Savings — ($1.450)M

G.3: Incremental Investments and Initiatives:

This section contains the estimated incremental budgetary impact of new investment proposals and including capital debt obligations. A total of $8.850 million in new funding has been targeted for new expenses including funds for academic planning to address some of the priorities identified in the Integrated Plan. Other provisions have been made for investments in fund raising and an increase to the University's Contingency Account.

G.3.1: Academic Investment and Integrated Planning

The 2009/2010 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.

G.3.1.1: Academic Investments

***Student assistance** (scholarships, bursaries) at the University of Guelph (approximately $25 million in total) is funded from several different sources. 50% is funded from the MTCU Operating budget with the balance coming from a variety of annual restricted contributions and donation (33%) and finally endowment funds (17%).*

The 2009/2010 budget contains a $0.300 million (base) increase for undergraduate student awards. These are mainly for entrance awards and are considered necessary based on the increased competition for quality undergraduate students. In addition, there is a provision of $1.500 million for a one-time increase to ensure the University meets its requirements under the "Student Access Guarantee". The objective of the provincially sponsored program is to support access to post-secondary education by funding any unmet need for tuition, books, and mandatory fees, as calculated (at the institutional level) by the Ministry through the OSAP system. Normally with funding from endowments providing up to $4 million in student assistance the University met the Student Access Guarantee requirements within normal annual funding support. While not confirmed at this time, given current global financial conditions (particularly losses in equity values), many endowments will not be in a position to make payments in 2009/2010. This provision is to provide contingency funds should additional student aid to meet the guarantee be required.

- TOTAL Increase to Student Assistance — $1.800M

Library "acquisitions": The definition of library acquisitions has evolved over recent years to shift from the acquisition of paper-based collections and periodicals to on-line based information and "e-learning" delivery of critical research and teaching information. Inflation and the demands for more accessible information constantly reduce the purchasing power for library information resources. It is proposed to partially address this with the addition of $0.250 million in base funding — $0.250M

Total Academic Investments — $2.050M

G.3.1.2: Integrated Planning

Graduate Growth/ Support Funds (Base): A key priority in the University's multi-year planning has been to grow graduate enrolments. This is in response to a number of factors, the most critical being the provincial funding support making growth feasible (refer to provincial graduate accessibility grants). In the context of increased competition for graduate students, new funds must be directed to graduate students (aid or employment based income) and to colleges to recognize success in achieving and maintaining growth targets. Under Integrated Planning resource allocation guidelines, funds will be transferred to colleges annually, based on actual confirmed eligible enrolments. The allocation in the Preliminary budget of $0.750 million recognizes both growth that has occurred and a preliminary estimate of what may occur as a result of targets re-negotiated with MTCU. Allocations to units are made based on actual confirmed eligible enrolments (i.e., if there is no growth, no funds will be transferred to colleges from this allocation).	$0.750M
Undergraduate Enrolment funds (Base): A longer term objective of the Integrated Planning process is to continue to develop resource allocation guidelines for major revenue/resource activities. One of those activities is increased undergraduate enrolment in targeted areas (such as engineering, international undergraduate)[14]. An allocation increase of $1.700 million is proposed to begin to address this overall objective. These funds will be used to not only support the direct academic program delivery costs but related academic service costs including recruitment and teaching infrastructure. Funds will be transferred based on predetermined milestones such as enrolments achieved and maintained.	$1.700M
Research Growth Funds (Base): An objective of the University's initial Integrated Plan was the development of a process to allocate funds in support of real research growth especially in areas of strategic strength. In 2008/2009 this objective was started with the development of the formal Resource Allocation Guideline (#4). It is proposed to continue to develop this initiative with the investment of $0.250 million most of which will be transferred (renewable annually) to colleges based upon their success in increasing research activity/funding.	$0.250M
• **Sub-Total Integrated Planning:**	$2.700M
• **TOTAL Academic Investments and Integrated Planning**	$4.750M

[14] Provincial funding for undergraduate growth is currently one-time (subject to change) and there are risks associated with committing base expenses in this context, however engineering is an area the University has targeted for growth where both capacity and demand exist (applications for 2009 University engineering programs exceeded estimates by significant margins).

G.3.2: Capital Infrastructure Debt Servicing

In May 2006, a plan[15] was presented to the Board of Governors in which the University sought approval to borrow external funds over a five-year period (2007 to 2011) for the purpose of financing specific capital (building and utilities infrastructures) maintenance expenditures. These expenditures are required to address the repair/replacement of critical capital infrastructure that can no longer be deferred. It is estimated that the University's total deferred maintenance liability (excluding residences) on the Guelph campus is $300M and requiring spending of $15M-$20M per year to maintain building and utility delivery systems safely and effectively. Against this need, the province for many years has provided only $1.6M annually. As part of the five-year plan the University made provision on each annual budget for debt servicing necessary in any new debt incurred that year. For example in the 2007/2008 Budget, $1.0 million in base funding was provided for debt servicing related to the unfunded costs of projects approved under the plan. In February and April 2008, the province allocated a total of $20 million in one-time funding restricted for "campus renewal". The arrival of these funds negated the need to borrow those funds, however, the need to continue to invest remains unmet. In recent years, driven by continuously mounting evidence of a serious deferred maintenance problem, the lack of investment is being acknowledged in the form of ad hoc provincial funding. More recently, with the deepening impact of the global recession, both federal and provincial governments, anxious to address increasing unemployment, have promised increased funding for capital renewal. The federal government recently announced $2 billion in capital renewal funding for the Canadian post-secondary sector, but the process for the allocation of these funds has not yet been determined. In response to a provincial request, the University has submitted a number of proposals outlining our major capital priorities (see the Integrated Plan, section 3.2.1 for more details). There is no response to these plans as yet.

<u>$1 million (base)</u> has been added to the existing $10.8 million base allocation for capital funding and debt servicing. These funds will be used to provide for any debt servicing required in 2009/2010 (subject to federal-provincial funding announcements) and to completing funding for the VOIP (Voice Over Internet Protocol) capital project[16] Should new funding become available that would be eligible to support the projects currently scheduled under the Plan, borrowing (and related debt servicing costs) will be reduced.

In addition to these critical deferred maintenance projects there are a number of other major capital projects underway on campus. The OVC Redevelopment project has two phases: the Pathobiology Animal Health Laboratory Building, funded from federal and provincial grants; and the Primary Care Hospital, funded from donations and a provincial grant. The Axelrod redevelopment project is being

[15] The request was summarized in a document entitled "The Capital Renewal Financing – Five year plan 2006/2007 to 2010/2011" (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. The most current approved update of this Plan was presented and approved by the Board of Governors at its meeting on January 14, 2009 included total spending for non-residence buildings of $78 million of which $30 million would need to be borrowed. This Operating Budget proposal is consistent with the approved Plan.

[16] The VOIP project (approximately $14.5 million) linked the campus with state-of the- art data and voice communications. Major funding for this project was provided from the Heritage Endowment Fund. Current projections are that this fund will not be able to complete the project funding ($3.0 million).

funded from MTCU and the multi-year graduate expansion grant. All of this activity is externally funded from grants/donations received for and restricted to capital projects.

G.3.3: Other Institutional Support Costs and Contingency Funds:

This section presents the major proposed institutional investments required to meet the 2009/2010 budget assumptions. Given the need to contain structural costs most support units will continue working toward their Integrated Plan and Multi-year Planning objectives within existing allocations. Two additional items are included in this year's budget related to fund-raising efforts and the University contingency account.

- The University is undertaking a new fund raising campaign to coincide with the University's 50th anniversary in 2014. Detailed planning is underway and in order to effectively resource efforts to achieve the targets of this campaign, $0.300 million in base funding and $0.500 million in one-time funding will be invested in Alumni Affairs and Development for the personnel and to cover operating costs. This investment will also support the enhancement of annual giving. $0.800M

- University Contingency Account: The University normally carries a $1 million contingency account in the base budget which may be supplemented with one-time institutional savings from year-end. In recognition of the very preliminary nature of many assumptions used in the budget at this time, including the status of provincial grants, enrolments and achieving Multi-year targets and the costs associated with implementing major restructuring, it is proposed to augment the existing base and one-time balance of this fund. Over the course of the year these funds will be used to assist in implementation of structural changes and if necessary assisting in meeting the University's overall deficit targets. $2.300M

H: Multi-Year Planning Targets 2009/2010

As referenced in section B incorporated into the 2008/2009 Preliminary MTCU Operating budget is an approved[17] four year (2008/2009 to 20011/2012) **Multi-Year Plan** containing four year budget targets for all major units comprising the MTCU Operating Budget including colleges, academic and administrative support units. The key objective of this plan is to eliminate the structural budget deficit of $16.1 million over the four year period while providing for expected costs increases over that period. In setting multi-year targets it was necessary first to prepare multi-year financial assumptions for the major revenue and expense components of the University's operating budget. The sole purpose of these projections is to establish a baseline against which the targets necessary to eliminate the structural deficit were set. Assumptions for this purpose were therefore focused on macro institutional revenue/expenses. Given the relatively few major components of the Operating Budget (grants and tuition and salaries and benefits) the task was focused on estimating and bringing into balance those components over a set time period.

[17] On June 8, 2008 the Board of Governors approved the 2008/2009 Preliminary MTCU Operating Budget. The full report is available at; http://www.fin.uoguelph.ca/reports/.

The current Multi-Year Planning targets for the University (updated to reflect the two year "freeze" in provincial unrestricted funding) are presented in the table below.

Fiscal Year	% of 2008/2009 Personnel Cost Base	Target Net Savings/Net Revenues
2008/2009	2.3%	$ 5.5M
2009/2010	6.8%	$16.2M
2010/2011	6.8%	$16.2M
2011/2012	3.5%	$ 8.3M
TOTAL	**19.3%**	**$46.2M**

The plan to eliminate the structural deficit was developed in the context of several key principles and considerations:

- The initial 2008/2009 structural deficit ($16.1 million) equates to about 8% of current MTCU Operating budget personnel costs. In addition to covering this structural deficit, each year the University is faced with annual cost increases, especially for compensation. Given the absence of sufficient revenue increases to cover these costs, additional reductions needed to be found in each year going forward.
- The unpredictable nature of our principal funding at this time makes multi-year planning, at best, a speculative task with many risks. Therefore we need to be as strategic and flexible as possible in determining the adjustments necessary to achieve financial goals.
- While not fully implemented Integrated Planning principles would provide a framework for making critical decisions in the context of the long term goals set for the University.
- Over 70% of Operating budget expenses are salary and benefits. Any major budget reduction will mean a reduction in our faculty and staff complement. While necessary, it will be a very difficult process given the constraints of our contractual agreements and the time required to restructure major activities, especially in academic programs. As a result it is necessary to assume a one-time deficit that would be repaid in future years with saving generated in the Multi-Year Plan.

The next step was to allocate the overall $46.2 million targets to college/divisions. A key consideration in setting these unit targets was the reality that the bulk of resources, including the more recent addition of new resources, exist within the seven major colleges. Accordingly a greater proportion of the necessary target reductions have been assigned to those colleges. The result was a clear differentiation (not "across the board") to operational units of the institutional target.

Key elements of the Integrated Plan have been used as guide posts in setting multi-year financial unit targets. These include basic undergraduate and graduate (eligible) teaching performance measures and resource allocation processes that have been developed for IP purposes. While these measures have not been applied with mathematical precision, they were a critical component in the assignment of unit targets. The most important measures were MTCU-funded teaching "productivity measures" such as undergraduate course enrolment levels, resource levels and eligible graduate student numbers. (The details of academic restructuring actions are presented in the 2009/2010 Integrated Plan itself.) The following table is the current distribution of the targeted reductions.

Multi-Year Plan : Table of College/Division Target Allocations

$thousands

College/Division	08/09	09/10	10/11	11/12	4 year TOTAL	% Target to Personnel Base Budgets
	<---ALLOCATIONS--->					
COLLEGE OF ARTS	(515)	(2,358)	(2,338)	(789)	(6,000)	**-28.6%**
COLLEGE OF BIOLOGICAL SCIENCE	(481)	(1,571)	(1,550)	(798)	(4,400)	**-22.6%**
COLL.OF SOC.& APP. HUMAN SCIENCE	(473)	(699)	(690)	(338)	(2,200)	**-10.1%**
COLLEGE OF MANAGEMENT & ECONOMICS	(245)	(288)	(284)	(134)	(950)	**-7.1%**
ONTARIO AGRICULTURAL COLLEGE	(830)	(3,493)	(3,434)	(2,292)	(10,050)	**-41.3%**
ONTARIO VETERINARY COLLEGE	(627)	(1,395)	(1,383)	(495)	(3,900)	**-12.6%**
COLLEGE OF PHYSICAL & ENGINEERING	(590)	(2,488)	(2,461)	(1,060)	(6,600)	**-28.8%**
TEACHING UNITS	**(3,761)**	**(12,292)**	**(12,140)**	**(5,907)**	**(34,100)**	-22.2%
CIO (LIB/CCS including Infrastructure)	**(338)**	**(649)**	**(641)**	**(334)**	**(1,962)**	-11.6%
ASSOCIATE V/P ACADEMIC	**(113)**	**(297)**	**(293)**	**(155)**	**(858)**	-16.4%
REGISTRAR	**(129)**	**(170)**	**(168)**	**(85)**	**(552)**	-9.4%
STUDENT SERVICES	**(225)**	**(643)**	**(634)**	**(337)**	**(1,839)**	-16.4%
OFFICE OF RESEARCH	**(113)**	**(249)**	**(245)**	**(129)**	**(736)**	-13.1%
ALUMNI AFFAIRS AND DEVELOPMENT	**-**	**(145)**	**(143)**	**(79)**	**(368)**	-9.3%
PHYSICAL RESOURCES OPERATIONS	**(427)**	**(931)**	**(919)**	**(482)**	**(2,758)**	-12.9%
CENTRAL ADMINISTRATIVE OFFICES	**(345)**	**(574)**	**(567)**	**(292)**	**(1,778)**	-11.7%
NON TEACHING UNITS	**(1,690)**	**(3,658)**	**(3,609)**	**(1,893)**	**(10,850)**	-12.7%
TOTAL UNITS	**(5,451)**	**(15,950)**	**(15,750)**	**(7,800)**	**(44,950)**	-18.8%
CAMPUS UTILITIES #	**-**	**(250)**	**(450)**	**(500)**	**(1,200)**	
TOTAL UNITS PLUS UTILITIES	**(5,451)**	**(16,200)**	**(16,200)**	**(8,300)**	**(46,150)**	-19.3%

 # Under "Campus Utilities", the University has set a target of reducing the utilities budget by approximately 5% over the four years through energy usage/price savings. This will be achieved through a combination of conservation and rates by exploring bulk purchase or other joint programs with energy providers or large users.

H.1: Progress Toward the Targets

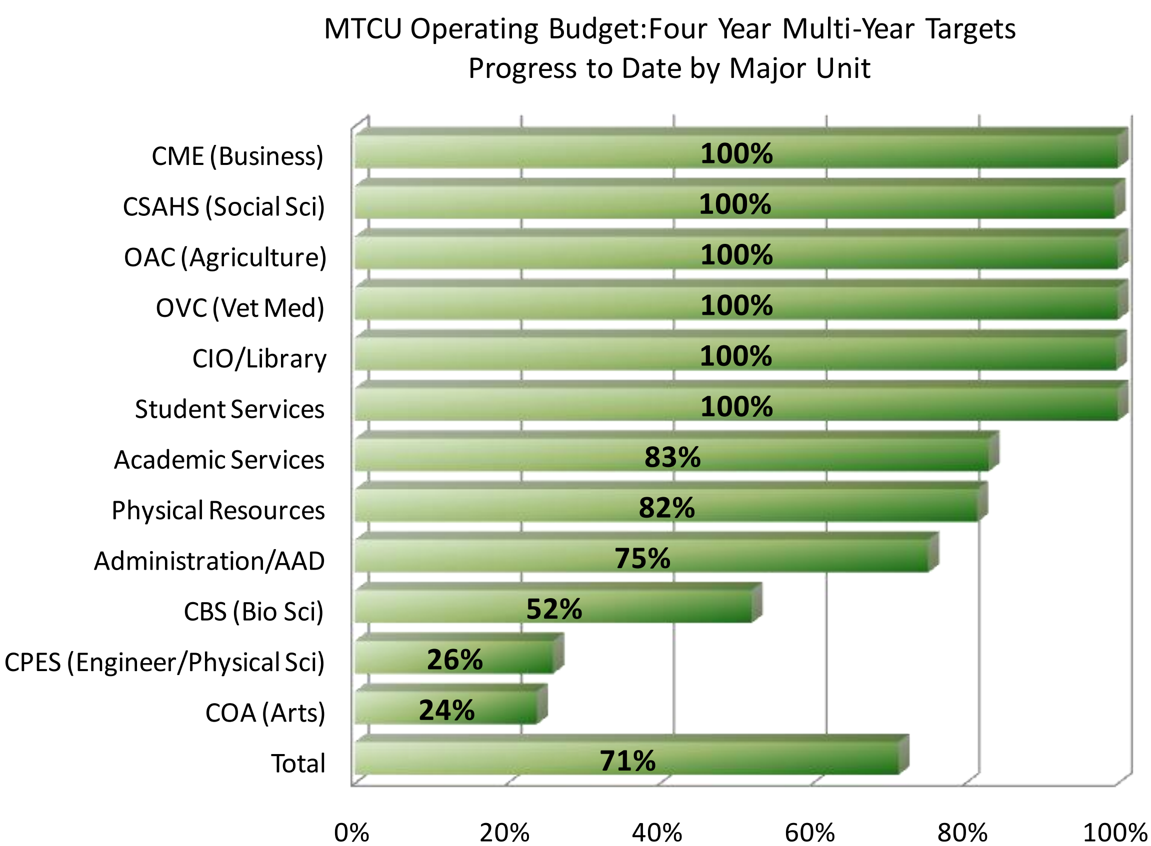
After setting unit targets, operational decisions are required to achieve the necessary saving/revenues. To date, all units have filed detailed financial plans including the current impact of the 2008/2009 VERR (Voluntary Early Resignation and Retirement)[18] programs and the on-going resignation/retirement incentive program for faculty (part of the current faculty collective agreement which expires in 2011). Both faculty and staff programs have comparable incentives.

[18] VERR was a temporary (closed September 2008) incentive program offered for staff not covered by the UGFA collective agreement. As of October 21, 2008, 142 individuals had been approved under this program. Departures have been scheduled between September 2008 and May 1, 2010. Many positions vacated will require restructuring (savings will not be dollar for dollar) and in some cases partial replacement/transfer of functions. Net funding/savings will be factored into detailed unit plans over the course of the Multi-Year Plan.

Summarizing progress to date toward achievement of the four-year target:

- $33.2 million of $46.15 million or 71% in funds have been identified or committed to (specific actions are planned but not implemented) by units, as savings.
- A total of 194 positions have been identified for reduction: 72 faculty (7.8% of total complement) and 122 staff (8.4% of total regular full-time compliment)
- 93% of 2008/2009 base target is confirmed and implemented (balance will be identified in 2009/2010). Any annual shortfall will be covered from one-time unit savings in 2008/2009.
- 74% of 2009/2010 base target is confirmed and mainly implemented (balance will be identified in 2009/2010 and 2010/2011). Any annual shortfall will be covered from one-time unit savings in 2009/2010
- The costs of buy-outs added to the deficit to date is $11.0 million (56% of the total provision of $20 million).

The chart below summarizes the progress to date (in percentage terms) for each major unit, as plans are developed to meet their total four-year targets. As expected, plans are more complete for the more current years. For units with any in-year shortfalls one-time savings to bridge through to the required base saving/revenues will be used. In addition, much of the effort to date reflects unit planning toward their targets prior to the addition of the $10 million as a result of the provincial "freeze" in grant funding (allocated in December 2008). As these unit plans are developed further, they will be reviewed as part of annual budget process, in the context of both new information and overall University fiscal requirements.



H.2: Closing the Remaining "Gap"

The chart above indicates the CPES (College of Physical and Engineering Science) and the COA (College of Arts) have the majority of their target unidentified (at the detailed commitment level). This was not unexpected and efforts are underway to finalize plans to identify the necessary savings/revenues.

- In CPES, there are a number of strategies planned to meet the target including new revenues from both graduate and undergraduate enrolment growth in the college and restructured academic programming and consolidations. These projections have not yet been recognized in the percentage completed. (There is strong confirmed demand in new engineering programs and intake targets have been set to increase enrolments in the college.) It is expected that over the course of 2009/2010 these plans will be completed and significant elements of the colleges target will be met. The college remains committed to achieving the overall target as set.

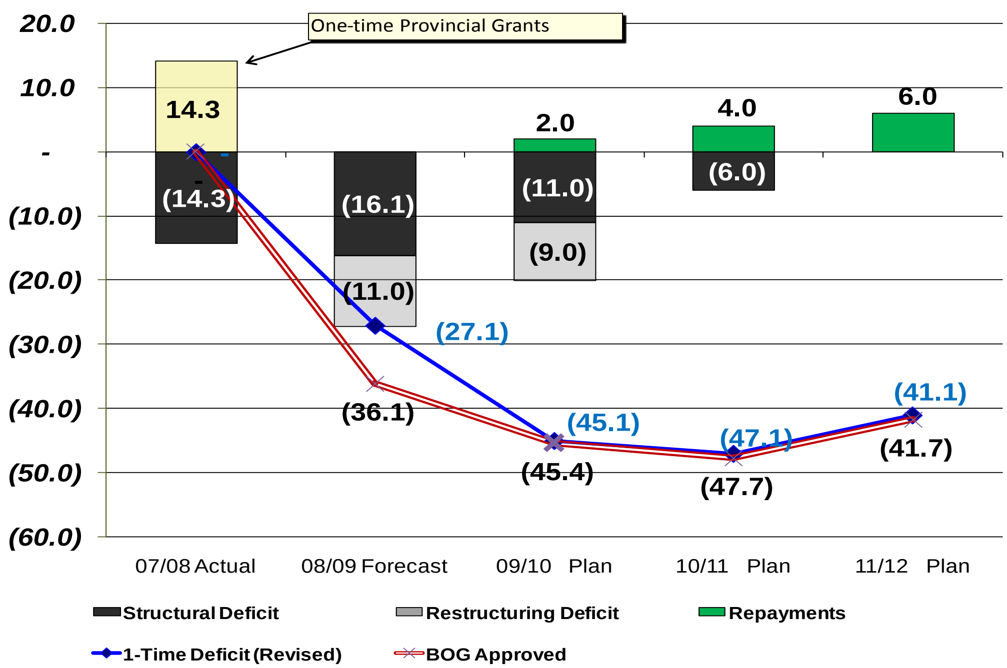
- In COA, challenges are more significant. The efforts to implement savings from academic program restructuring (elimination/concentration) especially in the college's undergraduate course/programs, while clear in planning are more difficult in implementation. Complications and restrictions to savings being realized over the four-years are mainly requirements of faculty contractual obligations and the demographic profile in the college. Efforts continue to develop detailed savings/revenue plans, however, the realization of the target, while still a planning commitment, may need to be rescheduled over a longer period. Any shortfalls in the annual target will be covered from one-time savings and will not impact the overall University budget positions or commitment.

H.3: Multi-Year Deficit Plan

In meeting the Multi-Year Planning objective of eliminating the structural deficit the University will be incurring a one-time deficit. This deficit is the result of two factors; eliminating the structural deficit will take several years to achieve and there will be one-time costs associated with restructuring e.g., buyout costs for employees. This approach is not unprecedented and in the past has been used to deal with a number of University budget challenges. In each case the University achieved its objectives and repaid all deficits. One-time deficits are repaid using savings realized in the restructuring efforts, set aside in the base budget and designated for repayment of the deficit.

In this context the Board of Governors approved, the 2008/2009 MTCU Budget and Multi-Year Plan (June 2008) with a four year deficit plan containing a deficit maximum of $47.7 million. Below is a graph illustrating the current revised Plan relative to the initial Board of Governors approved Plan. Changes relative to the initial plan include a small acceleration of the elimination of the structural deficit by $0.300 million and the deferral of $9.0 million of the one-time deficit due to restructuring costs In 2008/2009 $11.0 million was incurred versus $20 million initially presented. At this time it is expected that the remaining $9.0 million will be accessed in 2009/2010.

Multi-Year Deficit Plan: Revised



Changes in the current deficit plan compared to the initial approved plan are summarized in the table below. While changes are not significant they are positive and the University expects to eliminate the structural deficit by 2011/12 as originally planned.

TABLE OF CHANGES TO MULTI-YEAR DEFICIT PLAN – 2009/2010 Budget $M			
STRUCTURAL DEFICIT:	Initial Plan	Revised Plan	Change
2008/2009	16.100	16.100	-
2009/2010	11.300	11.000	+0.300
2010/2011	6.300	6.000	+0.300
2011/2012	-	-	-

I: *Summary of Major 2009/2010 MTCU Preliminary Budget Assumptions*

The following table summarizes the results of major assumptions and **incremental** changes included in the University's 2009/2010 MTCU Operating budget. *(Numbers in brackets indicate an increase in costs or deficit; no brackets indicate an increase in revenues or cost savings.)*

Institutional Budget Surplus/Deficit	Base	One-Time	Total
Opening Position (Base and One-Time Deficit)	**(16.100)**	**(27.100)**	**(43.200)**
Revenues and Recoveries	**Base**	**One-Time**	**Total**
Provincial Grants	0.300	2.600	2.900
Tuition Revenues (Enrolment & Fees)	8.100		8.100
Cost Recoveries from Ancillaries	0.275		0.275
Investment Income (Reduction)	(0.150)		(0.150)
Cost Recovery from OVC Special Grant	0.500		0.500
Sub-total: Revenues and Recoveries	**9.025**	**2.600**	**11.625**

Expenses and Commitments	Base	One-Time	Total
Institutional Commitments:			
Provision for Compensation (Salaries and Benefits)	(12.675)		(12.675)
IT Infrastructure	(0.300)		(0.300)
University Insurance	(0.100)		(0.100)
Central Utilities	0.250	1.200	1.450
Academic Investment & Integrated Planning:			
Student Assistance	(0.300)	(1.500)	(1.800)
Library Acquisitions	(0.250)		(0.250)
Integrated Planning	(2.700)		(2.700)
Capital Infrastructure Debt Servicing	(1.000)		(1.000)
Other Support Costs & Contingency Funds	(0.800)	(2.300)	(3.100)
Multi Year Planning Target 2009/2010:			
2009/2010 Multi Year Target (net of Utilities)	15.950		15.950
Restructuring Costs		(9.000)	(9.000)
Institutional Repayment Plan	(2.000)	2.000	0
Sub-total: Expenses and Commitments	**(3.925)**	**(9.600)**	**(13.525)**
Total Annual Changes Revenue/Expenses	**5.100**	**(7.000)**	**(1.900)**

Closing Accumulated Budget Position	**(11.000)**	**($34.100)**	**(45.100)**

J: Section: 2008/2009 Forecast (Budget versus Forecast Results)

Table C page 37, contains the forecast 2008/2009 net position for the MTCU operating budget by major organizational unit. When reviewing these results it is important to note that the University operates under a policy whereby colleges and divisions (the largest organizational groups at the University) may "carry forward" unspent funds into the following fiscal year. Under this policy, units are also responsible for any deficits incurred. Most departmental deficits are incurred as part of planned restructuring or capital purchases funded over several years. Included in total University carry-forwards are both departmental and institutional funds. Included in institutional funds are revenue and expense accounts such as provincial operating grants, tuition fees (mainly regulated programs), central utilities, general expense and contingency funds.

Departmental Carry-forward Funds:
These funds are committed for a variety of one-time expenses including outstanding purchase orders, departmental renovations, teaching equipment, professional development funds or faculty start-up funds and, if necessary assisting with meeting the units overall budget target. Historically, in each year there has been between 3% and 5% of departmental net budgets unspent at the end of each year. While departmental carry forwards are not normally available to meet overall University budget commitments (such as salary or utility increases) they do provide departments with flexibility in planning for major expenses, encourage multi-year planning and therefore form a critical part of the University's budget management policy.

The forecast results for 2008/2009 indicate total University net departmental carry forwards will be $20.221 million. This compares to $22.672 million in 2007/2008. While down slightly from prior year's results, indications are that units are reserving funds to assist in the implementation of the Multi-Year Planning targets. It is expected over the course of the next several years these funds will be used for that purpose of assisting the University in meeting its overall budget objectives.

Institutional Carry-forwards Funds:
At this time it is expected that the University (exclusive of funds allocated to departments as net carry forwards - see above) will have approximately $12.1 million in one-time funds available. These have been mainly generated as a result of one-time provincial grants (undergraduate and graduate accessibility grants) received greater than initially budgeted. The undergraduate accessibility allocation reflects a relatively small increase in enrolments (relative to budget assumptions) that the province funded during the course of the year (assumed to be at 80% of full-cost funding, still not confirmed). The graduate accessibility grant reflects the recent provincial decision to fund all growth realized to the end of 2008/2009 that exceed earlier provincial approved targets (the University exceeded its formal masters targets – this grant effectively funds that "overage"). It is assumed that the graduate accessibility portion of these grants will become base. This is reflected in the 2009/2010 budget assumptions under provincial grants (section D).

Other institutional savings reflect one-time savings from a variety of centrally managed accounts including resignation savings and allocations designated under the Integrated Planning resource allocation process and central utility savings mainly as a result of energy conservation efforts and water/sewage savings[19] (relative to budget).

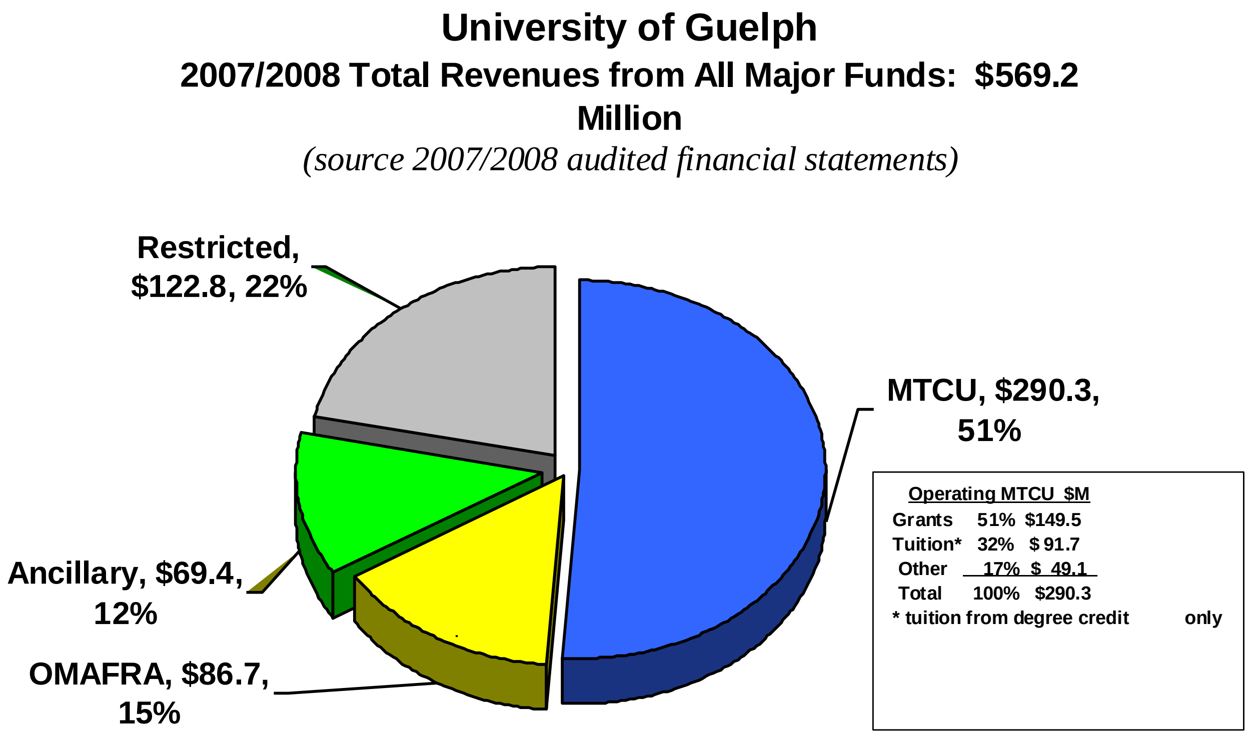
Given the many uncertainties in the Preliminary Budget at this time it is proposed to add these funds to the University's stabilization fund. In addition to the very difficult provincial funding environment (and the increased volatility of grant funding levels), a significant short term risk includes future requirements for restructuring costs and implementing Multi-year targets. With $11.0 million of the initial $20 million provision already expensed and 30% or $13 million of the University's multi-year target still to be realized, additional restructuring costs may be required. Other potential uses for these one-time funds include pension contributions which while stable until 2010, will require significant additional contributions after that time.

It should be noted that Table C is a pre-audit forecast only. Actual results including carry-forwards will not be confirmed until after the University's year-end statements are completed and audited in July.

[19] In 2008/2009 the University and City of Guelph implemented a new billing arrangement for water usage based on actual usage as opposed to the prior long standing arrangement which was based on campus population.

K: Definitions and University Financial Context

Total University of Guelph revenue is derived from a variety of sources including government grants, tuition and other fees, research contracts, donations and endowment income. In fiscal 2007/2008, revenues from all sources totaled $569.2 million. Many of these funds are restricted for specific purposes and cannot be used to support ongoing teaching, research, and infrastructure operations. All major graduate and undergraduate teaching costs are managed and funded within the **"MTCU Operating Budget".** The following chart presents all 2007/2008 University revenues by major fund:



* Note**: Restricted** funds are derived from a large variety of sources including capital, sponsored research, donations and endowments.

MTCU:

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[20]. 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 (refer to section D). Together tuition fees (most of which are regulated – refer to section E) and MTCU operating grants comprise 85% of the total revenue in the MTCU Operating Budget.

[20] The University of Guelph has such a protocol with student groups under which fees may be increased annually within certain limits (e.g., CPI based). Fee changes outside of these limits may only be implemented through a student referendum. All tuition fees and compulsory non-tuition student fees are presented to the Board for approval

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, services and education with OMAFRA. This contract, which is unique in the Ontario university system, in fiscal 2007/2008 earned total revenues of $86.7 million consisting of $54.9 million in OMAFRA contract payments and $31.8 million in fees and revenues from the sale of goods and services. Funding received under the OMAFRA contract is restricted for OMAFRA designated activities and programs. However, it is considered part of the University's total Operating Budget as it historically has funded about 90 University faculty positions, 450 full-time University staff and operating and infrastructure costs.

On April 1, 2008 a new ten year agreement (with funding set for the first five years) was signed between OMAFRA and the University which included a significant increase in funding and the transfer of the diploma education portfolio of the contract to MTCU. Provincial funding for the first five years of the contract increased significantly by $21.3 million to $76.1 million. This new funding is allocated to both maintain the structural capacity of existing facilities and to fund new initiatives in innovative research and education in agri-food, environmental sustainability, and animal and human health. Included in the total contract are funds allocated for the costs incurred in the MTCU Operating budget for research faculty full-time equivalents ($11.8 million) and infrastructure costs such as physical plant, academic and administrative services ($11.0 million) which are recovered by the MTCU Operating budget annually from contract revenues. A detailed presentation on the entire OMAFRA budget is presented separately to the Board each year for approval.

Ancillary Operations:

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 2007/2008 revenues of $69.4 million or 15% of total University revenues, for the five University Ancillary Operations, are derived mainly from the sales of goods and services. Separate budgets are prepared and approved by the Board for each Ancillary Operation. As these units are self-funded, they are charged for all support services including utilities, rent and administration provided by the MTCU portion of the Operating fund. In 2007/2008 the ancillary units were charged approximately $8.0 million for such services. Two Ancillary Services, Hospitality Services and Parking Services, also contribute a portion of their annual net income to fund special academic capital projects, $0.200 million and $0.442 million respectively. 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). Individual budgets for each designated ancillary operations are approved by the Board of Governors annually.

The University of Guelph-Humber (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 were to be delivered jointly at the Humber College campus at a dedicated facility funded by MTCU for this purpose. Students would graduate with both college and university degrees. The first cohort graduated in 2006. Revenues and related expenses for Guelph-Humber are accounted for and audited separately. The annual net income/expense is divided equally between the University and Humber College.

L: Tables

All current 2009/2010 budget assumptions, allocated by major organizational unit and expenditure type, are presented with accompanying notes on **Table A**. The 2009/2010 Preliminary MTCU Operating Budget <u>compared</u> to 2006/2007 and 2007/2008 actual results and the 2008/2009 forecast is presented in **Table B**.

<u>Table A</u>	2009/2010 *Preliminary MTCU Operating Budget by Unit and Major Revenue and Expense Category:* This table contains the 2009/2010 Preliminary MTCU Operating Budget incorporating all preliminary budget assumptions, by major category of revenue, expense and organizational group.
<u>Table B</u>	2009/2010 *Preliminary MTCU Operating Budget Revenue and Expenses by Major Category:* A time series showing the 2006/2007 and 2007/2008 actual results, 2008/2009 forecast results and the 2009/2010 Preliminary Budget by major categories of revenues, recoveries and expenses.
<u>Table C</u>	2008/2009 Forecast Results: *MTCU Operating Budget Net Expenses by Unit:* Table showing 2008/2009 Forecast results compared to 2008/2009 Budget by major organizational group, net of departmental revenues.
<u>Table D</u>	*Full-time Equivalents (FTE's) for MTCU funded Budgeted Positions by Unit and Major Category* Full-time Equivalents (FTE's) for MTCU funded Budgeted Positions by Unit and Major Category for the years 2003/2004 to 2009/2010 (preliminary).

(in thousands of dollars)

L1: Table A - 2009/2010 Preliminary Budget by Unit and Expense Category

	(A) Total Personnel (Note #1)	(B) Operating (Note #2)	(C) Internal Recoveries (Note #3)	(D) Budget Reductions (Note #4)	(E) = (A)+(B)+(C)+(D) Total Expenses	(F) External Recoveries	(G) Revenues	(H) = (F)+(G) Total Recoveries & Revenues (Note #5)	(I) = (E)+(H) Net Budget (Note #6)	Notes
Institutional Revenues and Recoveries										
Provincial Grants							143,500	143,500	143,500	
Tuition							102,400	102,400	102,400	
Other							1,254	1,254	1,254	
Total Revenues							**247,154**	**247,154**	**247,154**	
Cost Recoveries										
OMAFRA Service Costs - Research						10,330		10,330	10,330	#7
Fed/Prov Research Indirect Cost Programs						6,800		6,800	6,800	
Research Indirect on Grants and Contracts						2,960		2,960	2,960	#8
Total Research Indirect Revenues and Recoveries						**20,090**		**20,090**	**20,090**	#9
OMAFRA Service Costs - Other						670		670	670	#7
Guelph Humber Services						1,000		1,000	1,000	#9
Executive Programs						120		120	120	
OAC Diploma Recovery						185		185	185	
Ancillary Service Recoveries						7,532		7,532	7,532	#10
Other Cost Recoveries						**9,507**		**9,507**	**9,507**	
Total Institutional Revenues and Recoveries						**29,597**	**247,154**	**276,751**	**276,751**	#11
Institutional Expenses										
Teaching Units										
College of Arts	23,760	1,537		(2,358)	22,939	(675)	(42)	(717)	22,222	
College of Biological Science	20,299	1,681	(283)	(1,571)	20,126	(1,083)	(50)	(1,133)	18,993	
College of Social and Applied Human Science	22,901	2,919	(44)	(699)	25,077	(1,509)	(25)	(1,534)	23,543	
College of Management and Economics	14,098	3,141	(92)	(288)	16,859	(1,321)	(2,229)	(3,550)	13,309	
Ontario Agricultural College	35,066	8,336	(624)	(3,493)	39,285	(7,208)	(15,424)	(22,632)	16,653	
Ontario Veterinary College	32,692	8,837	(2,049)	(1,395)	38,085	(3,795)	(16,847)	(20,642)	17,443	
College of Physical and Engineering Science	24,019	1,561	(189)	(2,488)	22,903	(472)	(55)	(527)	22,376	
Office of Open Learning	3,169	3,774	(808)		6,135	(309)	(4,402)	(4,711)	1,424	
Other Teaching Units	1,270	6,115	(448)		6,937		(96)	(96)	6,841	#12
Integrated Planning		6,133			6,133				6,133	#13
Student Assistance	700	11,637			12,337				12,337	#14
Total Teaching Units	**177,974**	**55,671**	**(4,537)**	**(12,292)**	**216,816**	**(16,372)**	**(39,170)**	**(55,542)**	**161,274**	
Library Operations and Information Resources										
Library Operations	9,325	1,815	(251)	(344)	10,545	(191)	(626)	(817)	9,728	
Library Information Resources		6,218			6,218				6,218	
Total Library Operations and Info. Resources	**9,325**	**8,033**	**(251)**	**(344)**	**16,763**	**(191)**	**(626)**	**(817)**	**15,946**	

University of Guelph
2009/2010 Preliminary MTCU Operating Budget

Table A
(in thousands of dollars)

	(A) **Total Personnel** (Note #1)	*(B)* **Operating** (Note #2)	*(C)* **Internal Recoveries** (Note #3)	*(D)* **Budget Reductions** (Note #4)	*(E) = (A)+(B)+(C)+(D)* **Total Expenses**	*(F)* **External Recoveries**	*(G)* **Revenues**	*(H) = (F)+(G)* **Total Recoveries & Revenues** (Note #5)	*(I) = (E)+(H)* **Net Budget** (Note #6)	**Notes**
Academic Services										
Office of Research	5,811	1,078	(579)	(249)	6,061		(121)	(121)	5,940	
Teaching Support Services	1,614	171	(95)		1,690		(20)	(20)	1,670	
Registrar	6,094	880	(289)	(170)	6,515		(722)	(722)	5,793	
Associate VP Academic	623	240	(1)	(297)	565		(28)	(28)	537	#15
Other Academic Services	284	195	(15)		464		(26)	(26)	438	#16
Total Academic Services	**14,426**	**2,564**	**(979)**	**(716)**	**15,295**		**(917)**	**(917)**	**14,378**	
Student Services										
Student Services	7,672	3,215	(107)	(643)	10,137		(7,067)	(7,067)	3,070	#17
Athletics	3,805	3,918	(274)		7,449		(6,310)	(6,310)	1,139	#18
Total Student Services	**11,477**	**7,133**	**(381)**	**(643)**	**17,586**		**(13,377)**	**(13,377)**	**4,209**	
Total Teaching and Academic Services	**213,202**	**73,401**	**(6,148)**	**(13,995)**	**266,460**	**(16,563)**	**(54,090)**	**(70,653)**	**195,807**	
Physical Resources										
Physical Resources Operations	22,005	3,190	(3,336)	(931)	20,928		(125)	(125)	20,803	#10
Utilities		20,345	(490)	(250)	19,605				19,605	
Total Physical Resources	**22,005**	**23,535**	**(3,826)**	**(1,181)**	**40,533**		**(125)**	**(125)**	**40,408**	
Capital Infrastructure Planning										
Renovations/Deferred Maintenance		2,000			2,000				2,000	
Capital Investment Support & Servicing		9,800			9,800				9,800	
Total Capital Infrastructure Planning		**11,800**			**11,800**				**11,800**	
Institutional Services and General Expenses										
Alumni Affairs & Development	4,140	1,226	(755)	(145)	4,466		(221)	(221)	4,245	
Computing & Communication Services	8,209	4,384	(4,419)	(305)	7,869	(336)	(73)	(409)	7,460	
Central Administration Offices	15,861	1,699	(179)	(574)	16,807		(485)	(485)	16,322	#19
University General Expenses and Contingency	420	10,830	(1,296)		9,954		(245)	(245)	9,709	#20
Total Institutional Services and General Exp.	**28,630**	**18,139**	**(6,649)**	**(1,024)**	**39,096**	**(336)**	**(1,024)**	**(1,360)**	**37,736**	
Total Institutional Expenses	**263,837**	**126,875**	**(16,623)**	**(16,200)**	**357,889**	**(16,899)**	**(55,239)**	**(72,138)**	**285,751**	
Restructuring Costs		9,000			9,000				9,000	#21
Net Budget	**263,837**	**135,875**	**(16,623)**	**(16,200)**	**366,889**	**(46,496)**	**(302,393)**	**(348,889)**	**(18,000)**	#22

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" include the budgeted amount departments have allocated for a great 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 "Budget Reductions" are budget contributions from units for the Multi Year Targets related to reducing the University's structural deficit.

5. Column H "Total Recoveries and Revenues" of $348.9 million includes Provincial Grants of $143.5 million, Credit Tuition of $102.4 million, Other revenue of $1.3 million, Cost Recoveries of $46.5 million and Departmental Revenues of $55.2 million.

6. 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 amount that unit managers are accountable for. Any surplus or deficit at year-end is determined using the Net Budget versus Net actual results and all deficits and surpluses within policy limits are charged or credited to the unit's budget as a Carryforward into the following year's budget.

7. OMAFRA Cost Recoveries of $11.0 million are for services provided by the MTCU budget (e.g., utilities and space costs). This recovery is for research related initiatives ($10.330 million) and other non-research activities ($0.670 million) In addition, OMAFRA will transfer $11.815 million (as a fixed dollar transfer) for 77 faculty full time equivalents (FTE's). Recoveries for the Research faculty, 65 FTE's, are allocated to the colleges according to faculty time awarded to OMAFRA research projects.

8. *Research Indirect – Other,* are the indirect cost recoveries from externally (including industry-funded) research activities.

9. The University of Guelph's share of the University of Guelph Humber income for 2009/2010 is $1.0 million in base recoveries.

10. Ancillary Service Recoveries for the 2009/2010 Preliminary MTCU budget excludes the recovery related to custodial and other services performed by Physical Resources for Student Housing Services. These recoveries of $2.522 million (08/09) are now reported as Internal Recoveries in Physical Resources.

11. 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.

12. Other Teaching includes: BA Counselling Office, London Semester, Advanced Analysis Centre and Academic Support funds which includes Research Support, Academic Contingency and Special Projects.

13. The Integrated Planning includes investments in graduate teaching of $2.798 million for Graduate Support; $0.755 million for Graduate Growth; $0.500 million for Undergraduate Support; $1.200 million for Undergraduate Growth and $0.880 million for

Research support.

14. Student Assistance has increased by $1.800 million for 2009/2010 related to undergraduate scholarships and meeting the Student Access Guarantee.

15. Associate VP Academic includes the Associate Vice-President's offices, Educational Research and Development Unit and the Centre for International Programs.

16. Other Academic Services includes: MacKinnon Building Mgmt, Dean of Grad 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, Office of Investment Management, 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. For 2009/2010, a budget of $9.0 million remains as the unspent portion of the $20.0 million restructuring funds established in the 2008/2009 Preliminary Budget to fund the one-time costs (such as employee buyouts) of restructuring the department budgets.

22. The $18.0 million in net budget expenses for 2009/2010 consists of $7.0 million related to one-time net restructuring costs (after a planned $2.0 million repayment) and a structural deficit of $11.0 million.

(in thousands of dollars)

L2: Table B - Summary by Major Revenue and Expense Categories

	2006/07 Actual	2007/08 Actual	2008/09 Forecast	2009/10 Budget	Notes
Revenue					
MTCU Grants - Institutional	151,875	143,165	144,056	143,500	#1
MTCU Grants - Departmental	5,909	5,897	12,559	11,665	#2
Tuition - Credit	87,181	91,501	99,160	102,400	
Tuition - Non-Credit	6,018	6,471	9,368	9,354	#3
Investment Income	2,063	1,312	526	373	#4
Other Revenue	33,098	37,982	41,805	34,970	#3
Total Revenue	286,144	286,328	307,474	302,262	
Indirect Cost Recoveries - Research					
OMAFRA Cost Transfer - Research	12,427	12,427	20,245	20,245	#5
Research Indirect Programs - FICP/RPF	9,237	10,126	6,797	6,800	#6
Research Indirect Programs - Other	2,634	3,082	3,061	2,960	
Total Reseach Indirect Revenue & Recoveries	24,298	25,635	30,103	30,005	
Other Recoveries					
OMAFRA Cost Transfer - Other	1,973	1,973	2,070	2,070	
Other Program Recoveries	120	120	305	305	
Guelph Humber Recoveries	4,380	5,126	6,659	6,715	#7
Ancillary Services Recoveries	9,864	7,039	7,304	7,532	#8
Other Institutional Recoveries	16,337	14,258	16,338	16,622	
Total Revenues and Recoveries	326,779	326,221	353,915	348,889	
Expenses					
Salaries	177,214	191,490	206,423	211,939	
Benefits	39,122	42,023	49,936	51,898	
Operating	53,893	49,533	61,162	62,445	
Utilities	19,959	20,504	18,846	19,605	
Scholarships and Bursaries	11,824	12,739	16,086	16,152	#9
Other Institutional Transfers	9,798	10,798	10,800	11,800	#10
Unallocated Multi-year Target				(15,950)	#11
Restructuring Costs			11,043	9,000	#12
Budgeted Dept. Carryforwards from Prior Year				20,221	#13
Total Expenses	311,810	327,087	374,296	387,110	
Change in Fund Balance	14,969	(866)	(20,381)	(38,221)	
Add: Funds From Prior Year - Departmental	20,941	19,150	25,569	20,221	
Add: Funds From Prior Year - Budget Relief	6,000	14,200			#14
Total Funds Available	41,910	32,484	5,188	(18,000)	
Less: For Departments	(19,150)	(25,569)	(20,221)		
Less: For Budget Relief	(14,200)				
Less: For Institutional/Contingency Purposes		(6,915)	(12,110)		#15
Less: Total Funds Transferred to Appropriations	(33,350)	(32,484)	(32,331)	-	
Net Increase (Decrease) in Fund Balance	8,560	-	(27,143)	(18,000)	
Unappropriated Fund Balance - Opening	(8,560)			(27,143)	
Unappropriated Fund Balance - Closing	-	-	(27,143)	(45,143)	#16

Notes for Table B

1. See section D of this budget document for detailed discussions of the Institutional MTCU grants. In 2007/2006, MTCU provided one-time year end grants of $12.6 million. In 2007/2008 a $3.0 million one-time year-end grant was received.

2. The MTCU grants credited directly to department budgets are targeted for specific projects and include the $6.5 million Special Grant OVC receives for clinical education (increased by $1.5 million in 2008/2009), a $4.5 million grant for OAC Diploma education formerly part of OMAFRA Agreement as well as approximately $0.6 million in other student support.

3. Non-Credit Tuition includes fees for distance learning, continuing education and executive programs. With the transfer of the Diploma Teaching and Continuing Education programs from the OMAFRA Agreement in 2008/2009, there are an additional $3.1 million in non-credit teaching tuition as well as approximately $8 million in other fees and sales revenues.

4. Interest Income credited to the MTCU budgets from earnings on the operating portfolio have declined due to cash flow demands including increased pension contributions.

5. The new OMAFRA Agreement includes additional funds transferred to the MTCU budget for support services and faculty positions. The $8.0 million increase shown includes $3.6 million that replaces the funds previously received from the Provincial research overhead funding programs as a result of the OMAFRA agreement that is now included in the base Agreement. In addition, there was $3.4 million for accumulated faculty cost increases and a $1.0 million transfer from the multi-year New Initiatives fund.

6. FICP/RPF Research support is funding from two major grants: the Federal Infrastructure Cost Program (FICP) and the provincial Research Performance Fund (RPF). These funds are restricted to funding indirect costs of research activity and are reported to funding agencies annually. Over the past several years this funding has provided significant budget assistance in covering cost increases. In 2008/2009 the RPF funding related to the OMAFRA contract was transferred to the OMAFRA agreement.

7. The Colleges and several academic support units receive recoveries from Guelph-Humber for services provided (course development and delivery, student support services). For 2008/2009, there is an additional $1.0 million of base recoveries for services provided to the University of Guelph-Humber.

8. The MTCU operating budget recovers the costs of services (primarily utilities and space charges) provided to Ancillary operations as well as contributions to specific projects in the MTCU operating budget. For 2009/2010, there is a 3.5% increase included in costs. For 2007/2008, the portion of the recovery that supported environmental services provided by Physical Resources to Student Housing Services ($2.379 million) was segregated and is being managed directly between the units. In 2006/2007, $0.7 million from Parking Services was contributed to general MTCU budget relief.

9. The Scholarships & Bursaries category has been re-stated to include the salary portion of GTA bursaries. Since 2008/2009, the Integrated Planning initiative in support of graduate enrolment included a $2 million investment in Graduate Support payments to students.

10. Other Institutional Recoveries is the support for the cost of capital infrastructure financing.

11. The 2009/2010 target in the Multi Year Plan that is unallocated in the Preliminary Budget is $15.950 million, excluding $0.25 million already reflected in the Utilities budget.

12. The 2009/2010 MTCU Preliminary Budget has $9.0 million to fund the one-time costs (such as employee buyouts) of restructuring the department budgets as part of the Multi Year Plan. In 2008/2009, $11.043 million was recorded for the costs of faculty and staff (VERR) incentives for position reductions.

13. The one-time departmental carry forwards are unspent funds in the prior year that will be upon approval, be added to unit budgets (subject to confirmation of final year end results) in 2009/2010.

14. Where possible and after annual budget targets are met the University has followed the practice of reserving one-time funds in a Stabilization Fund. When called upon, these funds absorb one-time costs such as restructuring costs, in effect providing a "cushion" in managing year over year budget changes. In 2006/2007 $6.0 million contributed to fully pay off the accumulated net restructuring costs from an earlier buy-out program. In 2007/2008, $14.2 million in one-time year end MTCU grants received at the end of fiscal 2006/2007 were used to offset (for one year only) the budgetary structural deficit in 2007/2008. (At the end of 2007/2008 $5.0 million was set aside, again, from one-time year-end provincial grants.)

15. The funds remaining at the end of the fiscal year that is not committed to departmental uses are proposed to be added to the University's Stabilization fund (see section J on page #27). In 2007/2008, the Stabilization Fund was established with $5.0 million including excess one-time MTCU grant revenues plus contributions to allowances for Self Insured Losses ($0.45 million and future benefit costs ($1.465 million).

16. The Unappropriated Fund Balance is the University accumulated deficit as a result of the structural deficit ($11 million in 2009/2010) and costs of restructuring ($9 million less the planned $2 million repayment). When added to the forecast $27.1 million from 2008/2009, a total estimated deficit of $45.1 million is within the Board of Governors approved plan limit (see section H3 on page#24).

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(in thousands of dollars)

L3: Table C - MTCU Forecast Results 2008/2009

	08/09 Budget	08/09 Forecast	Surplus/ (Deficit)	Notes
Institutional Revenues and Recoveries				
Provincial Grants	140,556	144,056	3,500	#1
Tuition Revenue	94,300	99,160	4,860	#2
Other Revenues	1,404	1,740	336	
Total Institutional Revenues	236,260	244,956	8,696	
Total Research Indirect Revenues and Recoveries	20,060	20,188	128	
Other Cost Recoveries	12,399	12,399	0	
Total Institutional Revenues and Recoveries	268,719	277,543	8,824	
Teaching Units				
College of Arts (COA)	23,220	23,306	(86)	
College of Biological Science (CBS)	22,938	19,339	3,599	
College of Social and Applied Human Science (CSAHS)	24,745	23,392	1,353	
College of Management and Economics (CME)	13,520	12,306	1,214	
Ontario Agricultural College (OAC)	20,738	19,244	1,494	
Ontario Veterinary College (OVC)	20,335	20,102	233	
College of Physical and Engineering Science (CPES)	25,799	24,099	1,700	
Office of Open Learning	3,518	1,464	2,054	
Other Teaching Units	6,308	4,144	2,164	#3
Student Assistance	12,534	11,183	1,351	#4
Total Teaching Units	173,655	158,579	15,076	
Library Operations and Information Resources	16,960	16,214	746	
Academic Services	16,518	15,981	537	
Student Services	6,324	4,513	1,811	
Total Teaching and Academic Services	213,457	195,287	18,170	
Physical Resources Operations	22,835	20,836	1,999	
Utilities	21,055	18,846	2,209	#5
Total Physical Resources	43,890	39,682	4,208	
Capital Infrastructure Planning	10,800	10,800	0	
Institutional Services and General Expenses	39,011	38,572	439	#6
University Contingency	3,230	2,540	690	
Total Institutional Costs	310,388	286,881	23,507	
Annual Operating Income (Expense)	(41,669)	(9,338)	32,331	
Transfer From Prior Year Appropriations				
From Departmental (Equip&Supplies)	25,569	25,569		
Total MTCU Operating Funds Available	(16,100)	16,231		
Less: Transfer to Appropriations - Institutional		12,110		#7
Less: Transfer to Appropriations for Departments		20,221		#8
Less: Total Transfer to Appropriations		32,331		
Net Surplus(Deficit) before Restructuring Costs	(16,100)	(16,100)		
Restructuring Costs - (Deficit)	(20,000)	(11,043)		#9
Net Increase(Decrease) in Fund Balance	(36,100)	(27,143)		#10

Summary of Major Variances:

1. Provincial Grants: Undergraduate and Graduate Accessibility grants are forecast to exceed budget due to higher enrolments than 2008/2009 budget assumptions and in-year provincial funding changes recognizing previously unfunded growth. It is expected that there will be $1.8 million in undergraduate and $1.7 million for graduate growth.
2. Tuition Revenue: are forecast to be higher than budget by 5.1% or $4.86 million. Most of the gain occurred relative to fall and winter undergraduate credit enrolment (intake and retention) experience exceeding preliminary budget assumptions.
3. Other Teaching Units: Included in this group is a unit comprised of a equipment-intensive research analytical services for which fees are charged. This unit (Advanced Analysis Centre) is accumulating funds for equipment replacement. Most of this reported carry-forward is for that purposes.
4. Student Assistance: Most of these funds are allocated for the work study programs planned for the summer of 2009.
5. Utilities: This account is expected to be $2.2 million under budget reflecting conservation efforts in electricity, water usage and natural gas as well as a new arrangement with the City of Guelph for water/sewage charges. (Under this arrangement the University is billed on actual water usage versus a flat headcount based fee.)
6. Institutional Services includes 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 small carry-forwards balances for next year targeted mainly to help deal with budget reductions.
7. The "Stabilization Fund": Any net savings from institutional accounts (e.g., grants, tuition, contingency accounts) will be added to the University's Stabilization Fund. This fund will be used to assist funding potential future one-time obligations of the University such as pension contributions or restructuring costs necessary to meet the targets of the Multi-Year Plan.
8. The total unspent budget for departments is forecast at $20.2 million ($22.7 million in 2007/2008) representing 6.5% of total operating expenses.
9. The deficit related to the one-time restructuring costs, to date, totals $11.04 million. It consists mainly of ex-gratia payments for the retirement and resignation of faculty and staff under voluntary programs. The original deficit allowance in the 2008/2009 Preliminary MTCU budget was $20.0 million. It is expected that the $9.0 million remaining allowance will be used in future years to complete the necessary Multi-Year Plan targets.
10. Net Increase (Decrease) in Fund Balance: This is the net deficit position for the MTCU budget. It reflects the Board approved deficit ($36.1 million) and the forecast deficit ($27.1 million). The difference of $9 million is the timing difference on restructuring costs (see note 9).

L4: Table D - Full-time Equivalents (FTE's) for MTCU Budgeted Positions

College/Division	Position Type	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 Preliminary	Notes
TEACHING UNITS									
COLLEGE OF ARTS	Faculty	116.2	134.7	131.0	128.4	134.1	132.2	131.4	**#1**
	Staff	27.9	29.5	29.5	31.5	33.3	35.5	33.5	
		144.1	164.2	160.5	159.9	167.4	167.7	164.9	
COLLEGE OF BIOLOGICAL SCIENCE	Faculty	87.2	100.1	100.3	99.4	95.9	96.6	98.3	**#2**
	Staff	58.1	61.0	59.0	55.6	59.2	61.1	61.1	
		145.3	161.1	159.3	155.0	155.1	157.6	159.3	
COLL.OF SOC.& APP. HUMAN SCIENCE	Faculty	170.4	183.8	177.1	116.0	122.0	123.0	117.8	**#3**
	Staff	54.6	58.0	58.7	40.6	41.3	43.3	42.9	
		225.0	241.7	235.8	156.7	163.3	166.3	160.7	**#4**
COLLEGE OF MANAGEMENT & ECONOMICS	Faculty			0.3	62.5	67.9	73.3	72.0	
	Staff				24.5	26.1	27.5	26.5	
				0.3	87.0	94.0	100.8	98.5	**#4**
ONTARIO AGRICULTURAL COLLEGE	Faculty	170.8	170.7	166.9	151.2	152.4	154.4	152.4	
	Staff	71.5	59.4	57.9	63.6	61.9	131.8	130.8	**#5**
		242.3	230.1	224.9	214.8	214.3	286.2	283.2	
ONTARIO VETERINARY COLLEGE	Faculty	100.2	115.1	117.2	115.7	119.7	122.6	124.6	**#6**
	Staff	152.3	155.2	156.8	157.7	162.0	163.5	159.8	
		252.5	270.3	274.1	273.4	281.7	286.1	284.4	
COLL OF PHYSICAL & ENGINEERING	Faculty	123.5	124.3	119.8	115.8	120.2	122.0	125.0	**#7**
	Staff	61.1	61.9	58.7	58.3	63.3	64.3	63.3	
		184.6	186.2	178.5	174.0	183.5	186.3	188.3	
OFFICE OF OPEN LEARNING	Staff	26.5	30.4	31.5	34.0	34.5	37.9	38.5	
OTHER TEACHING UNITS	Faculty	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
	Staff	8.7	8.9	8.7	12.0	12.0	12.0	12.0	
		9.7	9.9	9.7	13.0	13.0	13.0	13.0	
Total Faculty Teaching Units		769.4	829.6	813.7	790.1	813.2	825.0	822.5	
Total Staff Teaching Units		460.7	464.4	460.8	477.7	493.6	576.8	568.3	
Total Teaching Units		1230.0	1294.0	1274.6	1267.8	1306.8	1401.9	1390.8	
LIBRARY									
LIBRARY OPERATING	Faculty	23.1	25.9	26.3	27.6	28.0	28.0	28.0	
	Staff	93.1	89.5	82.3	81.6	81.3	80.1	77.4	**#8**
		116.2	115.4	108.6	109.2	109.3	108.1	105.4	

University of Guelph
2009/2010 Preliminary MTCU Operating Budget
Full-time Equivalents (FTE's) for MTCU funded Budgeted Positions by Unit and Major Category

Table D

College/Division	Position Type	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010 Preliminary	Notes
ACADEMIC SERVICES									
OFFICE OF RESEARCH	Faculty	3.3	3.9	3.7	3.8	4.0	4.9	4.9	
	Staff	38.0	45.3	51.2	54.8	49.6	51.1	50.1	**#9, #14**
		41.3	49.2	54.9	58.6	53.6	56.0	55.0	
TEACHING SUPPORT SERVICES	Staff	20.0	20.5	18.0	17.8	19.8	20.5	20.5	
ASSOCIATE V/P ACADEMIC	Staff	6.0	6.0	4.0	7.0	6.7	6.8	5.8	**#10**
REGISTRAR	Staff	69.4	70.2	67.4	66.9	76.0	77.8	74.8	**#11**
OTHER ACADEMIC SUPPORT	Faculty	1.3	1.3	1.4	1.1	1.3	0.8	0.8	
	Staff	3.0	3.0	3.0	3.0	2.1	2.1	2.1	
		4.3	4.3	4.4	4.1	3.4	2.9	2.9	
COMPUTING COMMUNICATION SERVICE	Staff	75.7	74.0	73.9	72.1	71.7	72.7	68.0	
STUDENT SERVICES									
STUDENT AFFAIRS	Staff	44.9	47.9	49.0	49.6	52.6	55.8	55.8	
STUDENT HEALTH SERVICES	Staff	17.2	17.1	17.1	17.1	18.2	17.5	17.5	
ATHLETICS	Staff	26.9	29.7	29.7	29.7	31.9	31.8	28.8	
CHILD CARE OPERATIONS	Staff	15.0	16.6	17.8	18.0	18.0	17.7	16.7	
		104.0	111.3	113.6	114.4	120.7	122.7	118.7	
ALUMNI AFFAIRS & DEVELOPMENT	Staff	32.7	37.4	38.4	41.7	46.0	47.0	46.0	**#12**
PHYSICAL RESOURCES OPERATIONS	Staff	339.0	341.0	328.4	316.0	313.1	315.8	304.8	**#13**
ADMINISTRATION									
HUMAN RESOURCES	Staff	36.0	35.0	33.3	35.0	34.0	34.0	31.0	
CENTRAL ADMINISTRATIVE OFFICES	Faculty	3.0	3.0	3.0	3.0	4.0	4.0	4.0	
	Staff	48.6	52.2	54.5	56.8	50.2	51.2	50.8	**#11**
		51.6	55.2	57.5	59.8	54.2	55.2	54.8	
FINANCE/PURCHASING/MAIL SERVICES	Staff	50.0	49.5	45.8	48.4	54.5	54.3	51.3	**#14**
CAMPUS COMMUNITY POLICE & FIRE PREVENTION	Staff	24.0	23.3	24.0	23.6	23.6	23.6	23.6	
	Faculty						0.6		
UNIVERSITY GENERAL EXPENSE	Staff	2.7	3.6	4.9	3.9	3.8	4.4	4.4	
		2.7	3.6	4.9	3.9	3.8	5.0	4.4	
Total Faculty		799.9	863.8	848.1	825.6	850.5	863.3	861.1	
Total Staff		1402.8	1426.2	1403.5	1420.5	1446.7	1540.8	1497.5	
Total Faculty and Staff		2202.8	2290.0	2251.6	2246.0	2297.2	2404.1	2358.7	

Definitions:

- **FTE** – Full time Equivalents are workforce measures of budgeted positions (normally for full time appointments).
- **MTCU-funded** positions include OVC Special Grant, OAC Diploma programs and positions in Guelph units funded by Guelph Humber programs. Also included are an estimated 77 FTE's (2009/2010) of faculty positions supported by the OMAFRA Agreement.
- **Budgeted Positions:** a Budgeted Position is a specific budget account that has been established to record the budget and expenses of individual employment appointments that are in two major categories; regular full time positions and longer term (over 1 year) contractually limited positions.
- **Faculty:** the Faculty category includes all funded positions (filled or vacant) for tenure track faculty, secured appointments, contractually limited faculty, veterinarians and librarians. This category in MTCU includes the 77 FTE's supported by cost transfer from the OMAFRA Agreement but excludes other externally supported faculty direct charged to OMAFRA (28.9 FTE's) and Research Grants (22.2 FTE's).
- **Staff:** the Staff category includes all non-faculty positions budgeted for in the MTCU operating budget.

Notes:

1. The increase of 18 faculty FTE in the College of Arts in 2004/2005 included 9 contractually limited appointments in response to undergraduate enrolment growth during the double co-hort years.
2. The increase of 13 faculty FTE in the College of Biological Science (CBS) in 2004/2005 was due to the transfer of 8 Biochemist positions from the College of Physical and Engineering Sciences (CPES) to CBS as well as 6 new growth positions.
3. The planned increase in the College of Social and Applied Human Science (CSAHS) between 2006/2007 and 2008/2009 included 7 faculty FTE for increased undergraduate enrolment (funded as part of the "OTA" plan).
4. The College of Management and Economics was formed at the beginning of the 2006/2007 fiscal year. It included the amalgamation of the business and economics capacity that already existed in other Colleges. This included the transfer of three departments from the College of Social and Applied Human Sciences (CSAHS) and the Professional Programs. The increase in the College of Management and Economics (CME) between 2006/2007 and 2008/2009 included 10 new faculty FTE and 3 staff positions for growth of the College including the new Business department.
5. The net increase of 70 staff FTE in the Ontario Agricultural College (OAC) for 2007/2008 includes 77 FTE's CARG and support staff in the Diploma Teaching program transferred from the OMAFRA agreement to MTCU. This transfer was funded with a $4.5 million special grant flowed through MTCU to OAC expressly for this purpose.
6. The net increase in the Ontario Veterinarian College (OVC) for 2007/2008 included the conversion of 5 contract Veterinarians to faculty positions.
7. The transfer of 8 Biochemists to CBS (see Note 1 above) from Chemistry was offset by faculty growth in other CPES departments.
8. The decrease of staff FTE in Library Operations since 2003/2004 reflects the acceptance of early retirements through a number of VERR Programs including an additional 14 positions expected as part of the current Multi Year Plan.
9. The increase of 7 staff FTE in the Office of Research for 2004/2005 was funded through increased research indirect cost-recoveries. The increase in 6 staff FTE in the Office of Research for 2005/2006 relates to a re-organization of Animal Care Services.
10. The Associate Vice President Academic division is comprised of several academic support units (eg; Centre for Int'l Pgms, Judicial Officer, EDRU) and including 3 positions that were previously located in Central Administrative Offices.
11. The increase in staff FTE for the Registrar in 2007/2008 resulted from the transfer of 7 staff positions in the department of Resource, Planning and Analysis from the Central Administration Offices.
12. The increase in staff FTE in Alumni Affairs and Development (AA&D) between includes additional Development positions shared between AA&D and the colleges, growth of campaign staff.
13. The decrease in total FTE in Physical Resources since 2005/2006 relates to restructuring undertaken to meet budget targets.
14. The increase in 6 staff FTE in Finance Services for 20007/2008 relates to the transfer of Research, Financial Services positions from the Office of Research.

M: Proposed Tuition Fees and Non-Tuition Compulsory Student Fees

Appendix A: 2009/2010 Schedule of Proposed Tuition Fees

MTCU PROVINCIALLY FUNDED PROGRAMS		2009/10 Entering Students		2008/09 Continuing Students		2007/08 Continuing Students		2006/07 Continuing Students		Pre 2006/07 Continuing Students	
		Recommended	Change 2008/09	Recommended	Change 2008/09	Recommended	Change 2008/09	Recommended	Change 2008/09	Recommended	Change 2008/09
A. Undergraduate Tuition Fees	Fee Basis	Fee	to 2009/10	Fee	to 2009/10	Fee	to 2009/10	Fee	to 2009/10	Fee	to 2009/10
Full-Time - Regular Programs			4.5% increase		4% increase		4% increase		4% increase		4% increase
Bachelor of Applied Science	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Arts	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Arts & Science	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Applied Arts (Guelph Humber)	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Bio-Resource Management	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Science	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Science in Agriculture	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Science in Environmental Services	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Bachelor of Science in Technology	Per Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Full-Time - Professional Programs			8% increase		4% increase		4% increase		4% increase		4% increase
Bachelor of Arts - Computing Major	Per Semester	Deleted, Continuing only		$2,740.00	$105.00	$2,640.00	$102.00	$2,541.00	$98.00	$2,448.00	$94.00
Bachelor of Commerce	Per Semester	$2,846.00	$211.00	$2,740.00	$105.00	$2,640.00	$102.00	$2,541.00	$98.00	$2,448.00	$94.00
Bachelor of Business Administration (Guelph Humber)	Per Semester	$2,846.00	$211.00	$2,740.00	$105.00	$2,640.00	$102.00	$2,541.00	$98.00	$2,693.00	$104.00
Bachelor of Computing	Per Semester	$2,846.00	$211.00	$2,740.00	$105.00	$2,640.00	$102.00	$2,541.00	$98.00	$2,448.00	$94.00
Bachelor of Applied Computing (Guelph Humber)	Per Semester	Deleted, Continuing only		$2,976.00	$114.00	$2,866.00	$110.00	$2,760.00	$106.00	$2,658.00	$102.00
Bachelor of Landscape Architecture	Per Semester	$3,091.00	$229.00	$2,976.00	$114.00	$2,866.00	$110.00	$2,760.00	$106.00	$2,658.00	$102.00
Bachelor of Science - Computing Major	Per Semester	Deleted, Continuing only		$2,740.00	$105.00	$2,640.00	$102.00	$2,541.00	$98.00	$2,448.00	$94.00
Bachelor of Science in Engineering	Per Semester	$3,091.00	$229.00	$2,976.00	$114.00	$2,866.00	$110.00	$2,760.00	$106.00	$2,658.00	$102.00
Bachelor of Science in Mechanical Engineering (New)	Per Semester	$3,922.00	New	-	-	-	-	-	-	-	-
Doctor of Veterinary Medicine	Per Semester	$3,091.00	$229.00	$2,976.00	$114.00	$2,866.00	$110.00	$2,760.00	$106.00	$2,658.00	$102.00
Part-Time	Per 0.5 Credit	$499.00	$22.00	$496.00	$19.00	$494.00	$19.00	$492.00	$19.00	$490.00	$19.00
Auditing of Courses	Per 0.5 Credit	$282.00	$12.00	$282.00	$12.00	$282.00	$12.00	$282.00	$12.00	$282.00	$12.00
B. Graduate Tuition Fees			4.5% increase		4% increase		4% increase		4% increase		4% increase
Full-Time	Per Semester	$2,190.00	$94.00	$2,180.00	$84.00	$2,100.00	$81.00	$2,022.00	$78.00	$2,012.00	$77.00
Part-Time	Per Semester	$1,460.00	$63.00	$1,453.00	$56.00	$1,400.00	$54.00	$1,348.00	$52.00	$1,342.00	$52.00
Special Non-Degree	Per Course	$1,095.00	$47.00	$1,090.00	$42.00	$1,050.00	$40.00	$1,011.00	$39.00	$1,007.00	$39.00

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

Appendix A
Tuition Fees

VISA (INTERNATIONAL) STUDENTS			2009/10 Entering Students		2008/09 Continuing Students		2007/08 Continuing Students		2006/07 Continuing Students		Pre 2006/07 Continuing Students	
		Fee Basis	Recommended Fee	Change 2008/09 to 2009/10	Recommended Fee	Change 2008/09 to 2009/10	Recommended Fee	Change 2008/09 to 2009/10	Recommended Fee	Change 2008/09 to 2009/10	Recommended Fee	Change 2008/09 to 2009/10
A. Undergraduate Tuition Fees	(Note 1)			See Note 5		no increase		no increase		no increase		no increase
Full-Time - Regular Programs - Guelph		Per Semester	$8,097.00	$349.00	$7,748.00	$0.00	$7,414.00	$0.00	$6,865.00	$0.00	$4,865.00	$0.00
Full-Time - Regular Programs - Guelph Humber	(Note 2)	Per Semester	$8,097.00	$349.00	$7,748.00	$0.00	$7,414.00	$0.00	$6,865.00	$0.00	$4,691.53	$0.00
Full-Time - Professional Programs				See Note 5		no increase		no increase		no increase		no increase
Bachelor of Arts - Computing Major		Per Semester	Deleted, Continuing only		$8,312.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,865.00	$0.00
Bachelor of Commerce		Per Semester	$9,277.00	$687.00	$8,590.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,865.00	$0.00
Bachelor of Business Administration (Guelph Humber)	(Note 2)	Per Semester	$8,977.00	$665.00	$8,312.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,691.53	$0.00
Bachelor of Computing		Per Semester	$8,977.00	$665.00	$8,312.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,865.00	$0.00
Bachelor of Applied Computing (Guelph Humber)	(Note 2)	Per Semester	Deleted, Continuing only		$8,312.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,691.53	$0.00
Bachelor of Landscape Architecture		Per Semester	$10,715.00	$0.00	$10,715.00	$0.00	$10,254.00	$0.00	$9,494.00	$0.00	$6,994.00	$0.00
Bachelor of Science - Computing Major		Per Semester	Deleted, Continuing only		$8,312.00	$0.00	$7,954.00	$0.00	$7,365.00	$0.00	$4,865.00	$0.00
Bachelor of Science (Engineering)		Per Semester	$10,254.00	$0.00	$10,254.00	$0.00	$10,254.00	$0.00	$9,494.00	$0.00	$6,994.00	$0.00
Bachelor of Science in Mechanical Engineering (New)		Per Semester	$10,254.00	New	-	-	-	-	-	-	-	-
Doctor of Veterinary Medicine	(Note 3)	Per Semester	$25,598.00	$0.00	$25,598.00	$0.00	$25,598.00	$0.00	$23,702.00	$0.00	See Note 3	$0.00
Part-Time - Regular Programs		Per Course	$1,619.00	$69.00	$1,550.00	$0.00	$1,483.00	$0.00	$1,373.00	$0.00	$974.50	$0.00
Part-Time - Professional Programs												
Bachelor of Arts - Computing Major		Per Course	Deleted, Continuing only		$1,662.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$974.50	$0.00
Bachelor of Commerce		Per Course	$1,855.00	$137.00	$1,718.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$974.50	$0.00
Bachelor of Business Administration (Guelph Humber)	(Note 2)	Per Course	$1,795.00	$133.00	$1,662.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$938.31	$0.00
Bachelor of Computing		Per Course	$1,795.00	$133.00	$1,662.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$974.50	$0.00
Bachelor of Applied Computing (Guelph Humber)	(Note 2)	Per Course	Deleted, Continuing only		$1,662.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$938.31	$0.00
Bachelor of Landscape Architecture		Per Course	$2,143.00	$0.00	$2,143.00	$0.00	$2,051.00	$0.00	$1,899.00	$0.00	$1,399.00	$0.00
Bachelor of Science - Computing Major		Per Course	Deleted, Continuing only		$1,662.00	$0.00	$1,591.00	$0.00	$1,473.00	$0.00	$974.50	$0.00
Bachelor of Science (Engineering)		Per Course	$2,051.00	$0.00	$2,051.00	$0.00	$2,051.00	$0.00	$1,899.00	$0.00	$1,399.00	$0.00
Bachelor of Science in Mechanical Engineering (New)		Per Semester	$2,051.00	New	-	-	-	-	-	-	-	-
Doctor of Veterinary Medicine	(Note 3)	Per Course	$5,120.00	$0.00	$5,120.00	$0.00	$5,120.00	$0.00	$4,740.00	$0.00	See Note 3	$0.00
B. Graduate Tuition Fees	(Note 4)			8% increase		no increase		no increase		no increase		no increase
Full-Time		Per Semester	$5,238.00	$388.00	$4,850.00	$0.00	$4,491.00	$0.00	$4,158.00	$0.00	$2,825.00	$0.00
Part-Time		Per Semester	$3,492.00	$259.00	$3,233.00	$0.00	$2,994.00	$0.00	$2,772.00	$0.00	$1,883.00	$0.00
Special Non-Degree		Per Course	$2,619.00	$194.00	$2,425.00	$0.00	$2,245.00	$0.00	$2,079.00	$0.00	$1,412.00	$0.00

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: International DVM Fees are fixed at entrance for entire program (2005/06 - $22,251.50; 2004/05 - $21,457.00) .
Note 4: Fee guaranteed for 'length of program' as defined for Graduate students: Magisteriate - 7 semesters; Doctoral - 10 semesters.
Note 5: International Undergraduate fee percentage increases for 2009/2010 are: 8% for B. Comm., B.B.A. GH and B. Computing; no increase for BLA, BSc Eng and DVM; and all other programs 4.5% increase

CO-OPERATIVE EDUCATION

	Fee Basis	2009/10 All Co-op Students Recommended Fee	Change 2008/09 to 2009/10
Academic or Work Term	Per Semester	$230.00	$30.00

FULL COST RECOVERY PROGRAMS

		Fee Basis	2009/10 (Note 6) Continuing Students Approved Fee	Change 2008/09 to 2009/10	2010/11 (Note 6) Entering Students Recommended Fee	Change 2009/10 to 2010/11
A. CANADIAN AND PERMANENT RESIDENT STATUS STUDENTS						
MBA - On Campus		Per Program	$25,000.00	$0.00	Discontinued	-
- Distance	(Note 7)	Per Program	$36,500.00	$0.00	$36,600.00	$100.00
MA - Leadership	(Note 8)	Per Program	$24,000.00	$0.00	$25,900.00	$1,900.00
B. VISA (INTERNATIONAL) STUDENTS						
MBA - On Campus		Per Program	$28,000.00	$0.00	Discontinued	-
- Distance	(Note 7)	Per Program	$40,550.00	$0.00	$40,650.00	$100.00
MA - Leadership	(Note 8)	Per Program	$26,700.00	$0.00	$28,600.00	$1,900.00

Note 6: Full Cost Recovery program fees for 2010/2011 has increased from those approved for 2009/2010. 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 2010/2011 entering students. The fee is for the entire program and is fixed at the year of entrance.

Note 7: The MBA -Distance Fee is for tuition only.
Note 8: The MA -Leadership Fee is for tuition only.

Appendix A
Tuition Fees

ASSOCIATE DIPLOMA PROGRAMS (Note #1)		Fee Basis	2009/10 Entering Students Recommended Fee	2009/10 Entering Students Change 2008/09 to 2009/10	2008/09 Continuing Students Approved Fee	2008/09 Continuing Students Change 2007/08 to 2008/09	2007/08 Continuing Students Recommended Fee	2007/08 Continuing Students Change 2007/08 to 2008/09	2006/07 Continuing Students Recommended Fee	2006/07 Continuing Students Change 2007/08 to 2008/09	Pre - 2006/07 Continuing Students Recommended Fee	Pre - 2006/07 Continuing Students Change 2007/08 to 2008/09
1. ASSOCIATE DIPLOMA IN TURFGRASS MANAGEMENT Guelph Campus												
A. PROVINCIALLY FUNDED PROGRAMS				4.5% increase		4% increase		4% increase		4% increase		4% increase
Full-Time - Regular Diploma Program	per	Semester	$2,494.00	$107.00	$2,482.00	$95.00	$2,470.00	$95.00	$2,459.00	$95.00	$2,448.00	$94.00
Part-Time - Regular Diploma Program	per	Course	$499.00	$22.00	$496.00	$19.00	$494.00	$19.00	$492.00	$19.00	$490.00	$19.00
B. VISA (INTERNATIONAL) STUDENTS				8% increase		0% increase		0% increase		0% increase		0% increase
Full-Time - Regular Diploma Program	per	Semester	$8,648.00	$641.00	$8,007.00	$0.00	$7,748.00	$0.00	$7,174.00	$0.00	$5,084.00	$0.00
Part-Time - Regular Diploma Program	Per	Course	$1,730.00	$129.00	$1,601.00	$0.00	$1,550.00	$0.00	$1,435.00	$0.00	$1,018.00	$0.00
2. ASSOCIATE DIPLOMA PROGRAMS Alfred, Kemptville, Ridgetown Campuses												
A. PROVINCIALLY FUNDED PROGRAMS				4.5% increase		4% increase		4% increase		4% increase		4% increase
Full-Time - Regular Diploma Programs	per	Semester	$1,310.00	$56.00	$1,304.00	$50.00	$1,298.00	$50.00	$1,267.00	$49.00	$1,262.00	$49.00
Full-Time - Veterinary Technology (Note #2)	per	Semester	$1,354.00	$58.00	$1,348.00	$52.00	$1,342.00	$52.00	$1,309.00	$50.00	$1,262.00	$49.00
Full-Time - Veterinary Technology (Alternative Delivery)	per	Year	$1,804.00	$78.00	$1,795.00	$69.00	$1,787.00	$69.00	$1,745.00	$67.00	$1,681.00	$65.00
Part-Time - Regular Diploma Programs	per	Course	$262.00	$11.00	$261.00	$10.00	$260.00	$10.00	$253.00	$9.00	$252.00	$9.00
Part-Time - Veterinary Technology Regular Program	per	Course	$271.00	$12.00	$269.00	$10.00	$268.00	$10.00	$262.00	$10.00	$252.00	$9.00
B. VISA (INTERNATIONAL) STUDENTS				8% increase		0% increase		0% increase		0% increase		0% increase
Full-Time - Regular Diploma Programs	per	Semester	$3,946.00	$292.00	$3,654.00	$0.00	$3,535.00	$0.00	$3,273.00	$0.00	$2,332.00	$0.00
Full-Time - Veterinary Technology	per	Semester	$4,229.00	$313.00	$3,916.00	$0.00	$3,789.00	$0.00	$3,508.00	$0.00	$2,332.00	$0.00
Full-Time - Veterinary Technology (Alternative Delivery)	per	Year	$5,639.00	$418.00	$5,221.00	$0.00	$5,052.00	$0.00	$4,677.00	$0.00	$3,108.00	$0.00

*Notes

#1 - The Associate Diploma Programs are not currently subject to regulation by the Ministry of Training, Colleges and Universities (MTCU). The 2009/10 fees for the Associate Diploma are recommended by the Dean of OAC. All revenues generated from Associate Diploma Program enrolment are credited to the Associate Diploma Program budget at each location.

#2 - 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.

Appendix B: 2009/2010 Schedule of Non-Tuition Compulsory Student Fees

Guelph Campus	**Fee Basis**		**Year of Last Increase**	**2008/09 Approved Fees**	**2009/10 Recommended Fees**	**% Increase** Note 4
Athletic Fee		Note 1				
Full-Time (Undergrad & Graduate)			2008	$83.84	$87.19	4.0%
Part-Time (Undergraduate only)			2008	$38.48	$40.02	
Capital Account: Athletic Building Fee						
Full-Time (Graduate)			2007	n/a	$38.00	Note 2
Full-Time (Undergraduate)			2008	$34.00	$38.00	Note 2
Part-Time (Graduate)			2007	n/a	$19.00	Note 2
Part-Time (Undergraduate)			2008	$17.00	$19.00	Note 2
Student Health Services Fee						
Full-Time (Undergrad & Graduate)			2008	$23.36	$23.90	2.3%
Part-Time (Undergraduate only)			2008	$10.24	$10.48	
Student Support Fee		Note 3				
Undergraduates:	Full-Time (per semester)		2008	$46.51	$49.58	6.6%
	Part-Time (per 0.5 credit)		2008	$9.30	$9.92	
Graduates:	Full-Time (per semester)		2008	$45.24	$48.28	6.7%
	Part-Time (per 0.5 credit)		2008	$13.57	$14.48	
University Centre Fee (Undergraduate and Graduate)						
Per Semester (to a maximum of twice a year)			2008	$12.43	$12.72	2.3%
Part-Time (per 0.5 credit)			2008	$2.47	$2.54	
Graduation Fee (Convocation)			2008	$32.58	$33.33	2.3%

Note 1: The 4% increase was approved by the Athletic Advisory Council on March 10, 2009

Note 2: As per the letter of agreement dated March 15, 2000, the old Athletic Building Fee was discontinued for graduate students in the Spring semester of 2008 and for undergraduate students in Winter 2009. In March 2009, new 30 year agreements were presented by the Athletic Advisory Council to the CSA and GSA student body and confirmed by referendum. A new $38.00 per semester Athletic Building Fee will be charged to full-time graduate and undergraduate students ($19.00 to part-time students) beginning in 2009/2010.

Note 3: As per the Student Services Committee approval on January 19, 2009 to increase the fee by the COLA plus an additional $2.00 to support Counselling.

Note 4: The published cost of living for Ontario on a month to month average for 2008 was 2.3%.

Appendix B Non-Tuition Compulsory Fees

Associate Diploma Programs	Fee Basis	Year of Last Increase	2008/09 Approved Fees	2009/10 Recommended Fees	% Increase
Alfred, Kemptville and Ridgetown Campuses:					
Athletic Fee					
Full Time - Alfred	per Semester	2008	$66.50	$68.00	2.3%
Full Time - Kemptville	per Semester	2008	$61.00	$63.00	3.3%
Full Time - Ridgetown	per Semester	2008	$61.50	$63.00	2.4%
Student Activity Fee					
Full Time - Alfred	per Semester	2008	$66.50	$68.00	2.3%
Full Time - Kemptville	per Semester	2008	$72.00	$73.00	1.4%
Full Time - Ridgetown	per Semester	2008	$41.00	$42.00	2.4%
Student Communication Fee					
Full Time - Alfred	per Year	2008	$41.00	$42.00	2.4%
Full Time - Kemptville	per Year	2008	$41.00	$42.00	2.4%
Full Time - Ridgetown	per Year	2008	$41.00	$42.00	2.4%
Graduation Fee (Convocation)					
Alfred, Kemptville, Ridgetown		2008	$41.00	$42.00	2.4%
Building Fee- Ridgetown	per Year	2008	$32.80	$33.60	2.4%
Academic Activity Fees (Field Trips/Labs/IT)					
Full Time - Alfred	per Semester	2008	$335.75	$343.50	2.3%
Full Time - Kemptville	per Semester	2008	$297.00 - $416.00	$304.00 - $426.00	
Full Time - Ridgetown	per Semester	2008	$297.00 - $887.00	$304.00 - $907.00	
Bachelor of Bio Resource Management (BBRM)					
Ridgetown and Kemptville Campuses (in addition to those fees charged for Diploma):					
Student Services Fee	per Year	2008	$46.83	$48.00	2.5%

Note: Associate Diploma in Turfgrass Management at the Guelph Campus - Fees are the same as Guelph campus degree programs.