

**BOARD OF GOVERNORS**  
**Audit & Finance Committee (A&F)**

**April 23, 2026**  
**2:00 p.m. - 4:00 p.m.**  
**Via Videoconference**  
[Public Registration Link](#)

**Members:** Susanna Zagar (Chair), Nolan Bederman, Carla Carmichael, Joe DeSario, Cynthia Domjancic, Laura Elliott, Mitch Frazer, Laura Money (Vice-Chair), Steven Murphy

**Staff:** Kirstie Ayotte, Nicola Crow, Sandra Grouette, Krista Hester, Lori Livingston, Brad Maclsaac, Jennifer MacInnis, Pamela Onsiong, Sarah Thrush

**AGENDA**

No.	Topic	Lead	Allocated Time	Suggested Start Time
<b>PUBLIC SESSION</b>				
<b>1</b>	<b>Call to Order</b>	Chair	5	2:00 p.m.
<b>2</b>	<b>Agenda (M)</b>			
<b>3</b>	<b>Conflict of Interest Declaration</b>			
<b>4</b>	<b>Chair's Remarks</b>	Chair	5	2:05 p.m.
<b>5</b>	<b>President's Remarks</b>	Steven Murphy	10	2:10 p.m.
<b>6</b>	<b>Finance</b>			
6.1	2024-2025 University Financial Accountability Framework* (I)	Brad Maclsaac	5	2:20 p.m.
6.2	2026-2029 Budget Approval* (M)	Lori Livingston Brad Maclsaac Sarah Thrush	25	2:25 p.m.
<b>7</b>	<b>Risk Management</b>			
7.1	Annual Risk Report* (I)	Brad Maclsaac Jackie Dupuis	15	2:50 p.m.
<b>8</b>	<b>Consent Agenda (M):</b>	Chair		
8.1	Public Session Minutes of the February 19, 2026 Meeting* (M)			
8.2	Investment Oversight: Annual Endowment Disbursement* (M)			
8.3	Compliance Reports:			
	8.3.1 Annual Compliance Report* (I)			

No.	Topic	Lead	Allocated Time	Suggested Start Time
	8.3.2 Fighting Against Forced Labour and Child Labour in Supply Chains Annual Report* (M)			
9	Adjournment (M)	Chair		3:05 p.m.
<b>NON-PUBLIC SESSION</b> (material not publicly available)				
10	Call to Order	Chair	5	3:10 p.m.
11	Conflict of Interest Declaration			
12	Chair's Remarks			
13	President's Remarks	Steven Murphy	10	3:15 p.m.
14	Finance			
14.1	Non-Public Budget Items (I)	Lori Livingston Brad Maclsaac Sarah Thrush	15	3:25 p.m.
15	Risk Management			
15.1	Non-Public Risk Items (I)	Brad Maclsaac	5	3:40 p.m.
16	Consent Agenda (M):	Chair	5	3:45 p.m.
16.1	Non-Public Session Minutes of the February 19, 2026 Meeting* (M)			
16.2	A&F 2026-27 Workplan Development* (I)			
16.3	2025-2026 A&F Workplan Update* (I)			
17	<i>In Camera</i> Session (M)			
17.1	<i>In Camera</i> with General Counsel	Jennifer MacInnis	5	3:50 p.m.
17.2	Committee <i>in Camera</i>	Chair	5	3:55 p.m.
18	Termination (M)			4:00 p.m.

Nicola Crow, University Secretary

## COMMITTEE REPORT

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**SESSION:**

**Public**   
**Non-Public**   
**Consent**

**ACTION REQUESTED:**

**Decision**   
**Discussion**   
**Information**

**TO:** **Audit & Finance Committee (A&F)**

**MEETING DATE:** **April 23, 2026**

**FROM:** **Brad MacIsaac, Vice President, Administration**

**SUBJECT:** **Agenda Item 6.1: 2024-2025 University Financial Accountability Framework**

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**EXECUTIVE SUMMARY:**

The Ministry of Colleges, Universities, Research Excellence and Security (MCURES) implemented the **University Financial Accountability Framework** in 2023/24 to measure the financial health and long-term sustainability of the sector in Ontario. The Framework consists of 7 financial indicators (liquidity, sustainability and performance ratios), associated risk thresholds from which an overall risk rating and action plan for each university is derived.

On March 11, 2026, the University received its 2024-25 financial health risk assessment, in which Ontario Tech was classified as medium-risk, consistent with its rating of the previous two years and as reported to the Board at the June 2025 review of financial statements. This assessment is mainly due to the level of debt on the University's books. As we pay down the debenture this risk category will reduce. It is important to note that if the debt was adjusted for the amount the Ministry flowed the University to offset the debenture, we would be in the low action plan category.

An internal recovery plan submission is required by June 11, 2026, and includes:

- Multi-year budget and cash-flow projections.
- An in-depth explanation and analysis of the causes of the financial metric results.
- Steps to improve results and restore elevated metrics to an acceptable level including the impact of the new Funding Model on your projected financial health.
- Implementation plan from the Efficiency and Accountability review.

With the medium-risk rating, the University remains committed to continuing with prudent financial planning that will strengthen its financial position over the long-term and which reaffirms its position as being **financially sustainable in the short-term**.

## KEY CONSIDERATIONS:

- Consistent with prior years', the University will submit a report demonstrating that the medium-risk ranking is largely attributable to its current outstanding debenture. The report will also include disclosure of "adjusted" sustainability metrics that reflect the impact of the annual provincial funding support of \$13.5M associated with this debt. This assessment will be mitigated as we pay debt down.
- This assessment marks the University's third consecutive year with a Medium Action plan rating. As a result, the escalation protocol prescribed by the Province will trigger escalation to a High Risk in 2025-26. The action plan calls for external review; however, the University is actively working with Ministry officials to alter this requirement since we have an approved plan in place.

## ANALYSIS

### Financial Implications

The Management Report on the University's 2024-2025 financial health ratios, was presented to the Audit & Finance Committee at its June 2025 meeting as part of the audited financial statements. As set out in Appendix 1:

- **Liquidity ratios** (primary reserve and working capital) measure the ability of the University to pay off its short-term liabilities. **The primary reserve ratio at 57 days and the working capital ratio at 1.1 are in the medium-risk category.** Primary reserve ratio is unfavourable driven by the operating investment in the University's infrastructure in the fiscal year. Working capital ratio is also unfavourable due to a guaranteed investment certificate ("GIC") that is redeemable after 1 year, and, therefore accounted for in the financial statements as a long-term asset.
- **Sustainability (or debt) ratios** measure the University's debt capacity and affordability, as measured by its viability, debt, debt to revenue and interest burden ratios. Although the debt ratios have consistently improved over the years as the University continues to pay back its various debt obligations, **these ratios all fall within the medium-risk and high-risk categories** (total debt as at March 2025 = \$173.5M which includes an outstanding \$120.8M debenture debt).
- **Debt affordability is supported by the annual debt service grant of \$13.5M from the province** which covers over 80% of the University's annual debenture repayment. Adjusting for the impact of the debt funding by the Province, the University's debt ratios improve significantly and fall outside of the risk thresholds, except for the interest burden which, at 2.3%, still presents as a medium-risk (see "Adjusted" ratios as highlighted in Appendix 1).

In conclusion, the University is **financially sustainable in the short-term** and remains committed to continuing with prudent financial planning that will strengthen its financial position over the long term, which in turn will help mitigate the risk of a higher risk rating for the University.

## SUPPORTING REFERENCE MATERIALS:

- Appendix 1: 2024-2025 Financial Ratios and Thresholds Schedule

## Appendix 1

Financial Ratios and Thresholds					Thresholds		2024/2025 Results vs Thresholds	
		2022/23	2023/24	2024/25	Medium-risk threshold	High-risk threshold	Medium risk	High risk
<b>LIQUIDITY RATIOS</b>								
Primary reserve (days)	(Expendable net assets / Total expenses) x 365 days	70	70	57	< 90	< 30	Yes	No
Working capital	Current assets / Current liabilities	1.3	1.4	1.1	< 1.25	< 1	Yes	No
<b>SUSTAINABILITY RATIOS</b>								
Viability ratio	Expendable net assets / Long-term debt	24.2%	26.4%	25.9%	< 60%	< 30%	Yes	Yes
	<b>Adjusted Viability ratio</b>	<b>55.6%</b>	<b>60.9%</b>	<b>59.3%</b>			Yes	No
Debt ratio	Total liabilities - DCC / Total assets	48.5%	47.3%	46.7%	> 35%	> 55%	Yes	No
	<b>Adjusted Debt ratio</b>	<b>29.1%</b>	<b>27.8%</b>	<b>29.9%</b>			No	No
Debt to revenue ratio	Long-term debt / Total revenue	78.3%	70.5%	59.0%	> 35%	> 50%	Yes	Yes
	<b>Adjusted debt to revenue ratio</b>	<b>34.1%</b>	<b>30.5%</b>	<b>27.1%</b>			No	No
Interest burden ratio	Interest expense / Total expenses less amortization	6.1%	5.2%	4.5%	> 2%	> 4%	Yes	Yes
	<b>Adjusted interest burden ratio</b>	<b>2.6%</b>	<b>2.3%</b>	<b>1.9%</b>			No	No
<b>PERFORMANCE</b>								
Net income / (loss) ratio	Net income (loss) / Total revenues	1.1%	2.5%	2.6%	< 1.5%	< 0%	No	No
Net operating revenue ratios	Cash flow from operations / Total revenues	7.7%	7.1%	12.5%	< 7%	< 2%	No	No
<b>Credit Rating</b>								
Moodys		A1 stable	A1 stable	A1 stable			No	No
DBRS		A low	A stable	A stable			No	No

## COMMITTEE REPORT

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**SESSION:**

Public   
Non-Public   
Consent

**ACTION REQUESTED:**

Decision   
Discussion   
Information

**TO:** Audit & Finance Committee (A&F)

**MEETING DATE:** April 23, 2026

**FROM:** Brad Maclsaac, Vice-President, Administration  
Lori Livingston, Provost and Vice-President, Academic  
Sarah Thrush, AVP Planning & Strategic Analysis

**SUBJECT:** Agenda Item 6.2: 2026-2029 Budget Approval

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**EXECUTIVE SUMMARY:**

This paper presents Ontario Tech's 2026-2027 budget framework in an environment characterized by constrained public funding, inflationary pressures and policy changes affecting student mobility and affordability. The budget is balanced and includes planned reserves to begin addressing space and maintenance requirements.

While the Province's recent multi-year funding announcement and lifting of the tuition freeze provides an important stabilization opportunity, key implementation details on the grant commitments remain unknown currently. As we expect this provincial infusion to be a once in a decade or more event, the University's long-term sustainability continues to rely on differentiated growth, expansion of alternate revenue sources, and new models of administrative support and program delivery.

The foremost structural pressure for the University continues to be labour costs, reinforcing the need for continued growth, operational efficiencies and revenue diversification. The plan also recognizes material risks, especially international study-permit constraints, increased domestic competition, and opportunities for the expansion of nontraditional learner markets.

**Motion for consideration:**

*Pursuant to management's recommendation, the Audit & Finance Committee hereby recommends to the Board of Governors the approval of the 2026-2027 budget, and the approval in principle of the budgetary projections for 2027-2029.*

## **KEY CONSIDERATIONS:**

- Balanced 2026-2027 budget, but not a return to abundance: projected revenues of ~\$310.8M and expenses of ~\$306.4M, with \$5.6M in planned reserves for space and maintenance requirements.
- This budget was set in advance of the provincial funding announcement and key details are still unknown. It is most likely that the provincial funding changes may provide short-term consolidated grant funding stabilization and a move away from the previous practice of annual special grant fund announcements. New investments are expected to support core student services.
- Differentiated growth remains the primary sustainability strategy: the University has increased its 2030 enrollment target to at least 20,000 students and is advancing “Differentiated Growth 2.0,” including non-traditional learners and 24/7/365 access to learning and learning supports.
- Labour cost growth is the dominant structural pressure: labour represents approximately 61% of all budget expenses and salaries/benefits are rising by approximately \$6M annually. For this reason, the University will start with higher capital projects and phase the funds into base over the next five years.
- Capital/space needs are foundational to growth and the “sticky campus” strategy. The University aims to add at least 300,000 gsf (gross square feet) of core space (estimated at >\$250M in 2025 dollars) using a phased approach supported by operating contributions, fundraising and partnerships.
- Governance-level risk: the University is currently rated medium risk under the Ministry’s Financial Framework primarily due to the debt/liquidity metrics. Even with our balanced budget this will lead to a third consecutive year below the threshold and will trigger high-risk status and increased oversight.

## **Questions for A&F consideration**

- How does this budget support our strategic priorities and long-term plan and are we funding the right things?
- Does this budget support long-term financial sustainability?
- What are the biggest financial risks in this budget?
- What must go right for this budget to succeed, and what’s our plan if it doesn’t?

## **NEXT STEPS:**

- April 28: Presentation to Academic Council for information
- April 29: Townhall for information
- May 7: Board of Governors for approval

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## **ATTACHMENTS:**

- Budget Paper 2026-2029
- Budget Presentation (ppt)



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# ONTARIO TECH UNIVERSITY '2026-2029' Multi-Year Rolling Budget

Budget Working Group, March 2026

## Introduction

Post-secondary education (PSE) institutions around the globe are at a crossroads, caught in a world that is transitioning from a relatively stable world order to a new fractured, multipolar order characterized by countries competing for talent and global influence.<sup>1</sup> This shift, which began with the events of the global pandemic, has today resulted in strife, war, and an inability to count on our southern neighbour.

Ontario Tech has long positioned itself around energy, advanced manufacturing and artificial intelligence (AI) to achieve alignment with government funders and secure as much limited funding as possible. Little did we know that Canada would now find itself looking to us, through new funding opportunities in research and dual-purpose innovation to contribute to our country's defense and national sovereignty.

From a fiscal point of view, the Bank of Canada is forecasting that the Canadian economy will get worse before it gets better with the current climate leading to an anticipated recession.<sup>2</sup> This amplifies our already precarious fiscal position with funding cuts and tuition freezes having taken Ontario's universities to the brink of insolvency. Public sector institutions (i.e., universities, colleges, hospitals) have no option but to reinvent themselves and to find new business models so as not to become obsolete. *AI will be a key in supporting this transition.*<sup>3</sup> AI has rapidly and forever changed the post-secondary landscape. From research norms to how we teach and learn, *we must adapt or be left behind.* Being a static purveyor of content in a time of free and ubiquitous information is not a place of strength. We must dare to imagine, be bold, take chances and redefine learning and research opportunities to take full advantage of AI while implementing the appropriate safeguards.

It is only within this macro-outlook that a short-term budget framework and analysis (i.e., 2026-2029) can be placed into a proper perspective which includes broad sweeping global challenges and opportunities.

In previous versions of this budget paper, forecasted budget deficits in the near term were a reality for Ontario Tech, yet these have not materialized for several reasons. First, by focusing on differentiated growth, we have exceeded our projected enrolment targets each year over the past five years, and second, we have actively managed expenses by deferring investments in capital projects and not growing our financial reserves. We now must focus on providing enhanced supports for this growth through additions to our physical and virtual infrastructure and student assistance programming. This requires us to get serious about reimagining our future with the use of AI in the classroom and reconfiguring learning spaces for an AI world – all of which will require investment.

The provincial government's recent funding announcement – including the reworking of the funding formula – has provided a moment of relief for the post-secondary education sector in this province. With the exact details of how this new formula will be applied and what that means for Ontario Tech still unknown, we have no alternative to being comfortable with living in the uncertainty of that “moment.” In the short term, this government commitment will translate into more financial and budgetary certainty for Ontario Tech. An important caveat to note is that the government has made it very clear that these new investments must be used to support *core student services* such as high-quality academic programs, mental health supports, and expanded work-integrated learning opportunities that align with labour-market needs. We also need to be

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<sup>1</sup> Kirk, T. (2025). Re-imagining global higher education in an era of global realignment. Posted online: October 21, 2025. <https://www.globalpolicyjournal.com/blog/21/10/2025/re-imagining-global-higher-education-era-geopolitical-re-alignment>

<sup>2</sup> Bergeron-Oliver, A. (2026). BoC holds interest rate but warns of downstream effects of Iran war. Posted online: March 18, 2026. <https://www.ctvnews.ca/business/article/boc-holds-interest-rate-but-warns-of-downstream-effects-of-iran-war/>

<sup>3</sup> Murphy, S.A. (2025). Artificial intelligence for good – Canada's niche? Post online: November 24, 2025. <https://nationalpost.com/opinion/steven-a-murphy-ai-for-good-canadas-niche>

honest with ourselves and realize that we will still only be keeping our head above water.

Looking into the near future, our fiscal situation may be stabilized because of our continued commitment to differentiated growth strategies and prudent budgetary decision making, as well as the province's recently announced funding changes. This once-in-a-decade provincial funding injection provides short-term stabilization but going forward the university will not be able to rely on this measure alone. We will need to continue to grow student enrolments to remain fiscally sustainable and we must continue to plan prudently as inflationary increases on salaries alone will add more than \$6 million annually to the expense side of our ledgers. We will also need to diversify our revenue sources and develop our reserves to support existing student and program needs, as well as expand our capital infrastructure to meet future needs.

The [2023–2028 Integrated Academic Research Plan](#) (IARP) reaffirms our commitment to four strategic priority areas: Tech with a conscience, Learning re-imagined, Creating a sticky campus, and Partnerships supported by differentiated enrolment growth to elevate our reputation, achieve economies of scale and increase revenues. We will continue to focus on actions to further advance the IARP such as creating distinctive programs with hands-on learning opportunities, offering flexible options for *traditional* and *non-traditional learners*, and prioritizing initiatives that build job readiness while promoting ongoing upskilling and reskilling. We are intentionally committed to strengthening our brand and appeal to students, scholars and partners, to continue to yield high application numbers from both domestic and international markets. The university's innovative approach to program delivery, adaptability, and strong industry partnerships, aligned with government priorities, will drive continued growth and success.

## Enrolment Assumptions

A key element in the IARP is the differentiated growth strategy and the need to continuously monitor and adapt to the ever changing regional, provincial, and global landscapes that impact enrolment trajectories and trends. The university's Strategic Enrolment Management (SEM) strategies constantly evolve and pivot to respond to opportunities to grow in our areas of strength that align to industry needs, student demand and government priorities.

The 2023-2028 IARP identifies student enrolment growth to 18,000 students by 2030, through expanded enrolment in both degree and non-degree programs and enhanced student retention. To date, deployed SEM strategies have resulted in strengthening reputational brand, multi-year record application number increases, improved student retention, and achievement of our Strategic Mandate Agreement's (SMA) areas of strength performance targets. Building on this success and capitalizing on future funded growth opportunities aligned with our priorities, we have updated our enrolment target to at least 20,000 students by 2030.

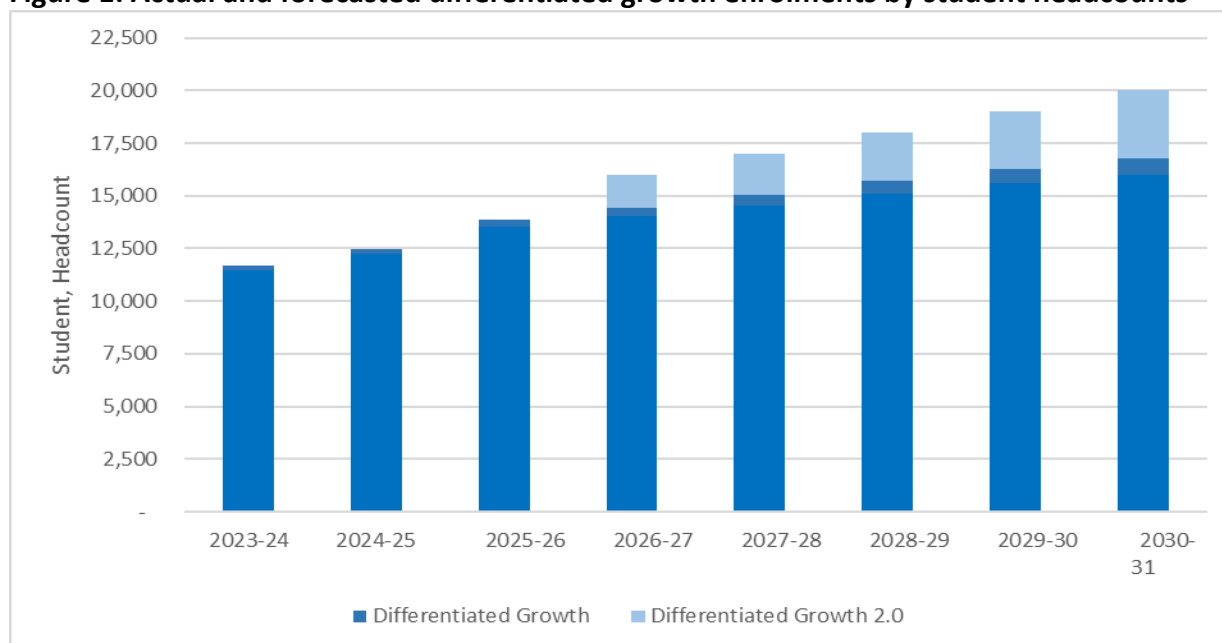
The new, expanded concept of *Differentiated Growth 2.0* has also been introduced and discussed at a variety of meetings—the Fall Townhall session, Academic Council, and the Board's Audit and Finance and Strategy and Planning Committees – just to name a few. Differentiated Growth 2.0 goes beyond simply increasing our market share of traditional students; that is, it reflects opportunities to maximize growth related to regional demographics, program innovation and delivery, non-traditional delivery of innovative programs and targeting expansive growth in high demand areas. It is also about the university making its programs and services available [24/7/365](#), to meet the needs of tomorrow's students while providing flexible access to and essential supports (e.g., mental health and well-being) for diverse student cohorts. Importantly, the revised enrolment trajectory also incorporates new program offerings and addresses the increased demand from non-traditional students for reskilling, upskilling and career transitions to meet the labour needs of industry and certain public sectors such as health care and education.

Our enrolment growth successes and future growth plans (**Figure 1**) have positioned the university well as we enter the second year of our SMA4, with the new funding formula providing funding for previously unfunded student seats. We are also situated to qualify for additional funded seats in the government’s priority program areas (i.e., STEM, Health, and Education).

**Domestic enrolment:** Our top priority continues to be growing undergraduate domestic enrolments and expanded enrolments in graduate level course-based and professional master’s programs. We will optimize enrolments in existing programs so that additional tuition revenues surpass variable expenses. This growth strategy emphasizes capturing a larger share of the traditional direct-from-high school domestic undergraduate market (which will require continued program innovation and development) *and* students from non-traditional markets. Both will require the repackaging of existing programs to attract students and to enhance our competitiveness in the post-secondary landscape. Providing students with flexibility in how they approach their education is also important. To this end, we will continue to diversify our educational offerings by utilizing multiple platforms (i.e., asynchronous and synchronous online, hybrid, and/or face-to-face modalities) and approaches (i.e., condensed course formats, micro-credential and stackable micro-credential offerings), and the provision of 24/7/365 supports and offerings. Any allocations for programs will be prioritized in these innovative offerings. In addition, scaling co-operative education and work-integrated learning to provide our students experiential learning opportunities remains a top priority, along with an investment in data-driven tools (e.g., early alert systems) and retention programs (e.g., LEAP) to support student success and retention.

**International enrolment:** Considering recent federal policies and provincial allocations that have significantly reduced international student study permits, the university has adjusted its international enrolment target down from the 2019. We will continue to invest in recruitment and strategic partnership opportunities to diversify our international enrolments, including Transnational Education programs, to mitigate the risks associated with geopolitical factors that impact our ability to convert international applications to full-time enrolment (FTE).

**Figure 1: Actual and forecasted differentiated growth enrolments by student headcounts**



## Revenue Assumptions

On February 12, the Province announced a four-year [funding package](#) for all of Ontario’s PSE institutions. For Ontario Tech, we anticipate receiving funding for unfunded student seats to 2024 as well as the conversion of

previous one-time-only (OTO) grants into continuing annual base funding. **Figure 2** provides a pictorial summary of our anticipated revenues for 2026-2027 by revenue source. Overall, we are projecting total revenues of \$310.8 M dollars.

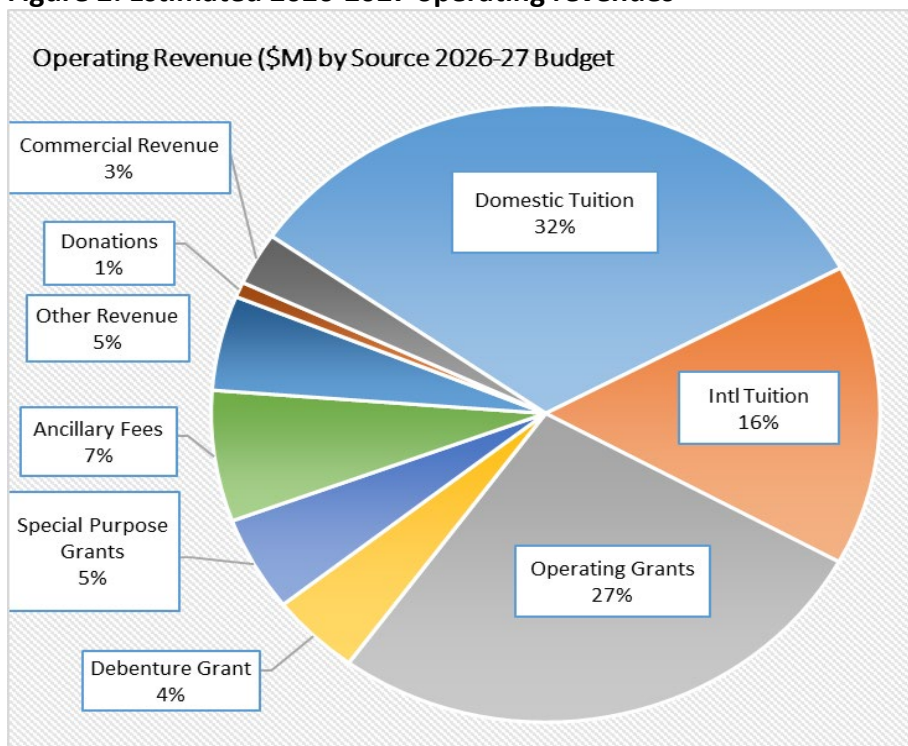
**Grants:** University operating grants were capped at the 2016 rate, which amounts to approximately a 30 per cent decrease in provincial per-student funding over the past decade when adjusted for inflation. We anticipate that our overall base funding from the government will increase, yet the details are still being worked out in conjunction with the renewal of our SMA.

**Tuition:** The tuition fee framework regulates all publicly funded programs based on program and year. In 2019, domestic tuition rates were decreased by 10% and subsequently frozen. The lifting of the tuition freeze in February of this year allows an annual 2% increase in domestic fees for the next three years. International tuition or cost recovery programs are not included in or constrained by the limits imposed by the provincial framework. Tuition fees for most Ontario Tech programs remain below the provincial system average.

**Ancillary fees:** The balance of student fee revenues comes from ancillary fees, which support pre-specified approved activities (e.g., recreation and health services, student learning and supports). These fees follow a provincial fee protocol that allows for an annual inflationary increase based on the Bank of Canada's September-to-September Consumer Price Index (CPI).

**Other:** This category, which includes items such as interest income and commercial services, is expected to remain stable. Our goal is to maintain an overall financial balance in commercial services (e.g., parking, food services). Any surplus is allocated to capital reserves for future investments, while prior-year reserves cover any anticipated deficit. This ensures that the core operating budget remains unaffected by supplementary services.

**Figure 2: Estimated 2026-2027 operating revenues**



## Expense Assumptions

Since 2020, the university has prioritized growth and investment in its employees. While other universities were cutting budgets, we continued to invest in our people and our future. This investment was a deliberate choice which meant deferring investments in AI, reconfiguring spaces to accommodate competency-based learning, or capital infrastructure and not meeting our annual capital reserve targets. Increasing operating and tuition revenues will help Ontario Tech sustain our core programs and the services that students rely on, as well as to make important capital upgrades to our facilities.

The need to plan prudently is a must as inflationary pressures add an element of the unknown to our expense assumptions. As an illustration, consider that the salaries and benefits that make up our largest expense category (i.e., full-time and part-time labour combined) are currently increasing by approximately \$6 million annually. Inflation and contractual obligations, moreover, will see this total (and a growing portion of our annual operating budget allocation) increase by about 10% in each future year. Therefore, assuming no further grant increases, the anticipated cashflow from recent changes to the funding formula would be totally consumed by our current labour obligations in less than four years.

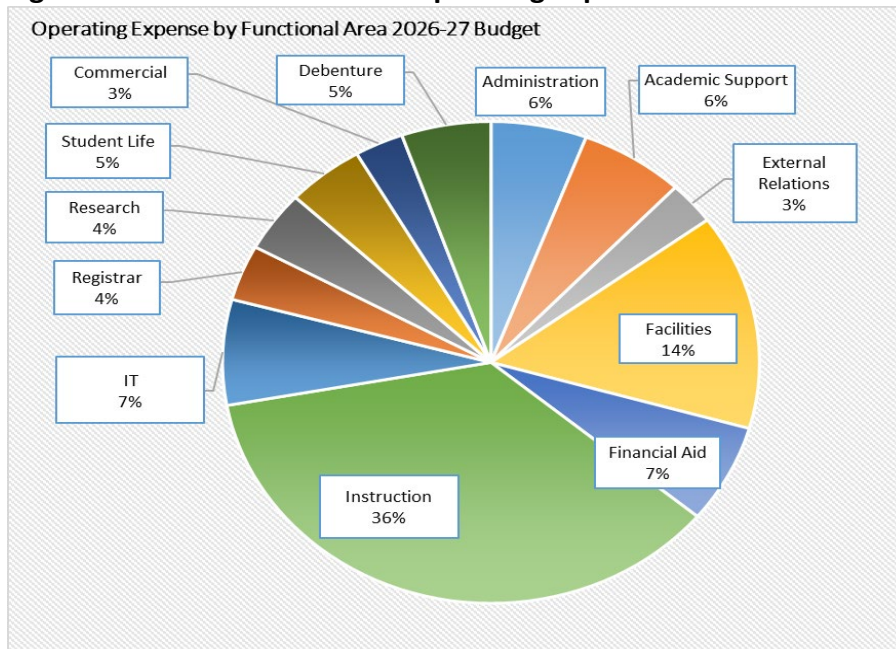
Ontario Tech has historically managed its expenses using a hybrid budgeting approach. For the fixed or ongoing portion of our expenses (e.g., salaries, licensing agreements, capital costs, reserves, etc.), mandated incremental year-over-year cost increases are automatically added to and factored into the following year's base budget. Inflationary increases for essential expenditures (e.g., utilities, essential laboratory supplies, etc.) experienced year-over-year are also factored into the base budget. Since 2021, it must be noted that inflationary increases for many essential expenditures have spiked into double digit percentages. These constraints limit the portion of the budget that can be allocated to fund IARP-aligned variable (or discretionary) requests coming forward from faculties and departments. Importantly, if revenues remain fixed but expenses rise, our ability to support new initiatives becomes extremely limited or nonexistent and may even lead to cuts.

In December 2025, faculties and departments were asked to submit new base and one-time-only (OTO) budget requests for consideration for the 2026-2027 budget year. At that time, no new funding had been announced by the province, and all units were asked to limit strategic requests to address only their most pressing needs. The following principles were used to inform strategic allocations:

- Funding growth, where revenues follow enrolment to support instructional and infrastructure needs.
- Increasing student financial supports.
- Investing in our future capital needs.
- Ensuring long-term financial stability and operational efficiencies.

In comparison to the last fiscal year, there are about \$46 million of new or reallocated expenses. **Figure 3** provides a pictorial summary of our anticipated operating expenses for 2026-2027 by expense category. Overall, we are projecting total operating expenses of \$306.4 million.

**Figure 3: Estimated 2026-2027 operating expenses**



**Labour costs: At 61% of the total budget**, these costs represent the largest share of our annual budget and the most significant increase (i.e., \$20 million) in expenses compared to last year. The key components are:

- \$16.8 million invested in annual contractual increases and the approval of 16 new faculty (i.e., with prorated hiring dates over an 18-month period) and 11 new staff members.
- \$3.2 million increase in part-time (i.e., sessional) instructors and teaching assistants.

**Operating costs: At 30% of the total budget**, these expenses are the product of several pressures, including inflation, rising costs for goods and services (e.g., software licenses, library subscriptions), and the necessary maintenance and repair of aging materials. Expenses have gone up about \$10 million compared to last year. The key components are:

- \$2 million Academic Priority Fund which will be held for review and possible allocation in September.
- \$2 million investment in enterprise software and infrastructure upgrade (i.e., Banner).
- \$1.6 million in additional Financial Aid support.
- \$1.3 million for AI capital changes and implementation.
- \$1 million set aside for investment in energy related projects
- \$600,000 start up for new hires.
- \$500,000 research software to aid grant processing and security.

With respect to financial aid, we are investing an additional \$1.6 million to support students. The provincial government has announced major changes to the OSAP program that will transform it from being primarily grant-based (i.e., 85% grant-15% loan) to loan-based (i.e., 25% grant-75% loan). To limit the effects of this change on low-income students, the Government has enhanced the Student Access Guarantee (SAG). SAG requires universities and colleges to set aside funds to support low-income students when OSAP does not fully cover educational costs. Reflecting its long-standing commitment to access, Ontario Tech annually invests about \$18 million in financial assistance.

**Capital infrastructure costs: At 9% of the total budget,** this year an additional \$16.7 million is allocated to new and infrastructure repairs such as \$2 million to increase cybersecurity and site licenses related to enterprise upgrade and \$ 8 million to complete Shawenjigewining Hall to accommodate the expansion nursing labs, flexible classrooms, modern teaching and research labs, and collaborative spaces. Combined with the current base that is offset by grants, this brings the total capital investment to about \$26.5 million.

The University has refreshed the 2015 Campus Master Plan to guide the long-term evolution the campus. This update responds to a decade of change, incorporating new data, emerging trends, and insights from campus partners. It provides a renewed framework for a unified, accessible, and sustainable shared campus that serves as a centre for activity and inspiration.

The University has internal space standards for what we believe our teaching, research and student experience needs will be in the rapidly changing age of AI. With planned growth in student numbers, we are below where we want and need to be. There are several different strategic enrolment scenarios that could get us to 20,000 students. Each of these could have multiple space requirements depending on the type of program (i.e. engineering verse business), course offerings (i.e. lab based verses executive style on weekends), the discipline of the researcher and even the location of the building as one may connect well with existing utilities while another may need a large portion of the building dedicated to services. Using current metrics, the University aims to add at least 300,000 gsf of core teaching, research, study space to support our growth plans. In 2025 dollars this equates to over \$250 million dollars in construction. The funding landscape requires us to plan to use operating, fundraising and partnerships for this build-out. For that reason, we know we will need to implement a phased in approach that corresponds with our offerings.

Today, the university stands at a pivotal moment: poised to evolve from a strong, young institution into a mature leader. The next step involves aligning the physical campus with the university's strategic vision and growth trajectory. \$75 million will be set aside over the next five years for a new academic building. Attention has been given to the site's role as a campus gateway, its prominence along Simcoe Street, and its potential to function as a clear front door to the university. Advancing Ontario Tech's next chapter of innovation, entrepreneurship, and purpose requires more than programs; it requires place - ***A Place Where Ideas Become Impact.*** Ontario Tech has built a powerful ecosystem, both physical and virtual, this project transforms that ecosystem into a visible, connected, and enduring destination. It is about making innovation tangible, giving form to the university's ambition, and creating a place where ideas move decisively toward real-world impact.

In addition, with this core space we will need ancillary services such as student housing and wellness spaces. The Wellness expansion to be completed by September 2028, with \$12 million from operating and the remainder funded through student ancillary fees. Modern health and wellness spaces are essential for student recruitment and retention, yet our current facilities are at or beyond optimal capacity. The expansion will support Ontario Tech's commitment to providing a high-quality student experience, educating the whole student, and strengthening institutional excellence.

## 2026–2027 Estimated Consolidated Operating Budget

The revenue and expense assumptions collectively project a balanced budget, with an estimated \$48 million in additional revenues offsetting an estimated \$45 million in new expenses, along with \$5.6 million of planned reserves for space and maintenance requirements (**Figure 4**).

**Figure 4: The 2026–2027 estimated consolidated operating statement**

**Ontario Tech University  
2026 - 27 DRAFT OPERATING BUDGET**

	Operating Budget	Purchased Services	Operating-REV	Ancillary Fee Budget	Infrastructure Capital	Commercial Services	2026 - 27 Proposed Budget
<b>Revenues</b>							
Operating Grants	84,025	-	-	-	13,500	-	97,525
Other Grants	8,963	-	3,099	221	3,170	-	15,452
Tuition	135,244	-	14,759	-	-	-	150,004
Student Ancillary Fees	2,834	2,953	188	12,005	2,692	651	21,322
Donations	10	-	2,268	205	-	-	2,482
Other Revenue	5,585	418	9,429	12	-	8,562	24,007
<b>Total Operating Revenues</b>	<b>236,661</b>	<b>3,371</b>	<b>29,742</b>	<b>12,442</b>	<b>19,362</b>	<b>9,213</b>	<b>310,793</b>
<b>Base Expenditures</b>							
FT Labour	(130,402)	(8,084)	(7,321)	(6,922)	-	(2,518)	(155,247)
PT Labour	(17,881)	(320)	(6,020)	(1,780)	-	(539)	(26,541)
OPEX	(34,871)	(8,764)	(16,920)	(3,299)	(16,501)	(6,061)	(86,417)
CAPITAL	(134)	-	-	(26)	(5,862)	(20)	(6,042)
<b>Approved Base Expenditures</b>	<b>(183,287)</b>	<b>(17,169)</b>	<b>(30,261)</b>	<b>(12,027)</b>	<b>(22,363)</b>	<b>(9,139)</b>	<b>(274,247)</b>
<b>Budget Surplus/(Deficit) before Asks</b>	<b>53,374</b>	<b>(13,798)</b>	<b>(519)</b>	<b>415</b>	<b>(3,001)</b>	<b>74</b>	<b>36,546</b>
Base Recommendations	(2,536)	(140)	(8)	(464)	-	-	(3,148)
OTO Recommendations	(8,148)	(292)	20	(32)	-	-	(8,452)
Capital Recommendations	358	(423)	(100)	(120)	(20,258)	-	(20,542)
<b>Total Net New Recommendations</b>	<b>(10,326)</b>	<b>(854)</b>	<b>(89)</b>	<b>(615)</b>	<b>(20,258)</b>	<b>-</b>	<b>(32,142)</b>
<b>Total Expenditures</b>	<b>(193,613)</b>	<b>(18,023)</b>	<b>(30,349)</b>	<b>(12,643)</b>	<b>(42,621)</b>	<b>(9,139)</b>	<b>(306,388)</b>
<b>Total CY Budget Surplus/(Deficit)</b>	<b>43,048</b>	<b>(14,652)</b>	<b>(607)</b>	<b>(200)</b>	<b>(23,259)</b>	<b>74</b>	<b>4,404</b>
Funded through PY restricted reserves	500	-	721	-	-	-	1,221
<b>Total Budget Surplus/(Deficit)</b>	<b>43,548</b>	<b>(14,652)</b>	<b>114</b>	<b>(200)</b>	<b>(23,259)</b>	<b>74</b>	<b>5,626</b>

In addition to the operating budget, there are externally restricted funds that are received annually and recognized in the audited financial statements. These include funds such as sponsored research and donations. As these funds have specific expense requirements attached to them, they are not included in the operating budget.

## Continuous Improvement

Ontario Tech will continue to strive for greater efficiencies, building on years of collaboration through shared services, joint procurement, digital transformation and administrative streamlining to ensure any funding received is used responsibly to deliver value and support our priorities. Along with expanding enrolment and seeking new revenue sources for priority areas, we are taking proactive measures to control costs by identifying efficiencies, implementing AI solutions and prioritizing spending. For example, upgrading our IT systems and software platforms will streamline administrative processes, allowing staff to focus on higher-impact tasks rather than high-volume, often manual, activities.

Using resources from the government’s [Efficiency and Accountability Fund](#), the university hired KPMG to assist us in finding opportunities to optimize resources while continuing to meet the evolving needs of our students, staff, faculty and local communities.

Their preliminary findings highlighted opportunities for economies of scale, alternative revenue sources and service enhancements:

**Grow to achieve economies of scale:** As a maturing university, fixed operating costs are distributed across a smaller number of students, thus negatively impacting our financial viability. As we grow, we will not maintain the same staffing ratios.

**Increase alternative revenue streams:** Ontario Tech will expand its unique learning offerings and optimize the use of specialized venue spaces to generate ancillary revenues. By offering more than just degree programs, the university will broaden its appeal and diversify its income.

**Enhance automation:** Further automation can help highly qualified personnel move away from transactional tasks to focus on student services and strategic actions. KPMG noted that areas such as human resources, information technology, and facilities would benefit from streamlined processes and clear roles. Once effective process mapping is in place, further improvements can be realized through automation and AI systems.

## Reserves

It is a common misunderstanding that accumulated reserves represent extra money that is available for the university to expend. For Ontario Tech, the reserves are revenues that are already spent or committed to specific projects. Based on best practices for working capital and deferred maintenance reserves, we are significantly under recommended levels. We must set aside funds to stabilize our budget over the multi-year period. At the [November 2021 Audit and Finance Committee meeting](#), financial sustainability and reserves were discussed, confirming the university will use these monies for future investments in large-scale repairs/replacements, the creation of a strategic category for new priorities/infrastructure, and operating contingencies to offset unanticipated external budget impacts.

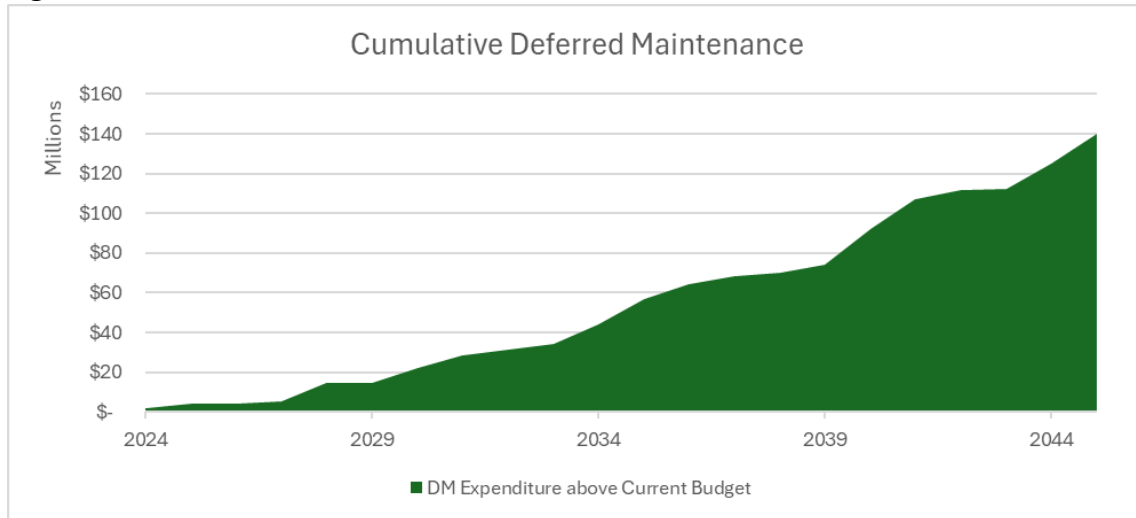
For context, the facilities portfolio consists of 24 buildings, covering more than 1.3 million gross square feet of space, with an estimated 2025 replacement value of \$440 million. Industry practice suggests investing 0.5-1.5% of current replacement value in annual maintenance and setting aside 1.5-2.5% for future capital renewal/maintenance<sup>4</sup>. For Ontario Tech, that equates to \$6.6 million per year in maintenance and \$11 million in recommended savings. At our current annual maintenance investment of \$2 million, deferred maintenance costs could exceed \$40 million by 2034 and grow at an even faster pace thereafter (**Figure 5**).

**Operating/Contingency reserve strategy:** Some organizations calculate and identify their base level of unrestricted funds as a working capital reserve. This implies that all funds beyond those needed for working capital will be specifically employed for predetermined purposes. Determining an ideal level of reserve is one that is high enough to allow the organization to maintain sufficient liquid assets without being considered excessive. The Ministry's Financial Accountability Framework calculates a Reserve Ratio as Expendable Net Assets /Total Expenses \* 365, an amount which outlines a university should have over 90 days to be outside of the medium risk category. Based on 2025 statements, and based on the calculation, Ontario Tech would need almost \$70 million in reserves compared to the \$6 million it has today. The university must allocate more resources to reserves to finance future projects and safeguard our financial future.

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<sup>4</sup> National Research Council. 1990. *Committing to the Cost of Ownership: Maintenance and Repair of Public Buildings*. Washington, DC: The National Academies Press.

**Figure 5: Estimated cost of cumulative deferred maintenance**



Our current reserves position as of March 31, 2025, is outlined in Note 20 of the [2025 Annual Financial Statements](#). These funds, designated for purposes such as mandated working capital (\$6M), internally funded research (\$10M), and ancillary reserves, which leaves only \$8 million (29%) for strategic initiatives, including support for the Deans' Priority Fund, academic strategies, and upgrades to the university's digital and physical infrastructure.

## Managing Key Budget Risks

The university maintains a proactive approach to risk mitigation and focuses on long-term strategic planning and decision-making to sustain financial responsibility. Overall, this budget presents low to moderate risk based on the likelihood and potential consequences of major factors. Our main budget risks and corresponding mitigation strategies include:

- **Maintaining academic quality and student success in an AI driven age:** Investments in student well-being and academic support continue to grow, but as our student body diversifies, demands often outpace resources. We will invest in high-impact initiatives while acknowledging the individuality of our community members. This year, we continue our pilot work on AI technology to support students in the classroom, but this is only the starting point. A commitment to using AI as an effective tool in teaching, research and administrative activities is a must and it must happen quickly. This will require us to support all members of the university community to become AI literate while at the same time demanding it be used ethically.
- **Achieving enrolment targets:** The university typically meets its enrolment projections within  $\pm 2\%$ . However, government caps on international students introduce a degree of uncertainty. We have lowered our revenue forecasts tied to international enrolment and will rely on any surplus if needed.
- **Financial indicators:** In the 2023 the Ministry implemented a Financial Framework, defining metrics and thresholds in liquidity, sustainability, performance, and credit rating. We currently carry a medium-risk rating, mainly due to high-debt obligations. Next year will be our third consecutive year in medium risk category and an automatic move to high-risk which will trigger further government oversight.

- **Proper Space and Equipment to accommodate growth:** To achieve strategic academic objectives, Ontario Tech is facing increased pressures to provide dynamic on-campus space. The University needs to balance reductions in public funding and concerns about overall affordability with the need for high-quality facilities. For this reason, we must be laser focused on what the most efficient and effective use of our limited resources might be in today's technology driven environment.

## Summary

The balanced 2026–2027 budget represents a defining moment for Ontario Tech University. After more than a decade of constrained public funding, the province's recent investment provides a short-term measure of stability and an opportunity to reposition the institution for its next phase of growth. This budget responds deliberately to that moment—balancing optimism with realism, and growth with discipline.

While forecasted revenues increase, this is not a return to abundance. In real terms, the funding environment remains tight, inflationary pressures persist, and labour costs continue to rise at a pace that will quickly absorb new funding. For these reasons, this budget prioritizes short-duration and strategic investments, protects core academic and student services, and begins the necessary work of rebuilding reserves that are essential to long-term financial resilience.

At the same time, this is unequivocally a budget for growth – but it isn't growth for growth's sake – it is meeting the moment given the federal and provincial priorities and our changing world. Ontario Tech is a maturing institution with strong demand, a differentiated academic mission, and a proven ability to execute. Investments in academic programs, student supports, digital infrastructure, and capital renewal are aligned with the university's Integrated Academic Research Plan and its commitment to delivering flexible, high-quality, career-ready education and an enriching and supportive student experience. Enrolment growth—particularly domestic growth—remains central to sustainability, enabling the university to achieve economies of scale while strengthening its impact on students, industry, and the region. If we want to attract students to our campus, we must provide them with modern day facilities (e.g., student residence, recreation facilities).

Critically, this budget recognizes that growth must be supported by space, systems, and infrastructure aligning with our 24/7/365 strategy. Years of deferred capital investment and underfunded maintenance have created real risks that can no longer be postponed. We need to invest in new buildings now and set a reserve for a feature academic building by 2030. Strategic investments in IT modernization, learning and research spaces, athletic and wellness facilities, and future capital planning signal a clear transition from stabilization to intentional capacity building.

The path forward will require continued discipline, adaptability, and collaboration. Uncertainty remains, and external pressures will not diminish. However, with a clear strategy, prudent financial management, and a shared commitment to purpose-driven growth, Ontario Tech is well positioned to move confidently into its next chapter—strengthening its foundation today while building the capacity required for tomorrow.

# 2026-2029 DRAFT OPERATING BUDGET

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**Audit & Finance Committee**

**April 2026**

- **Lori Livingston, Provost and Vice-President, Academic**
- **Sarah Thrush, AVP Planning and Strategic Analysis**
- **Brad Maclsaac, Vice-President Administration**

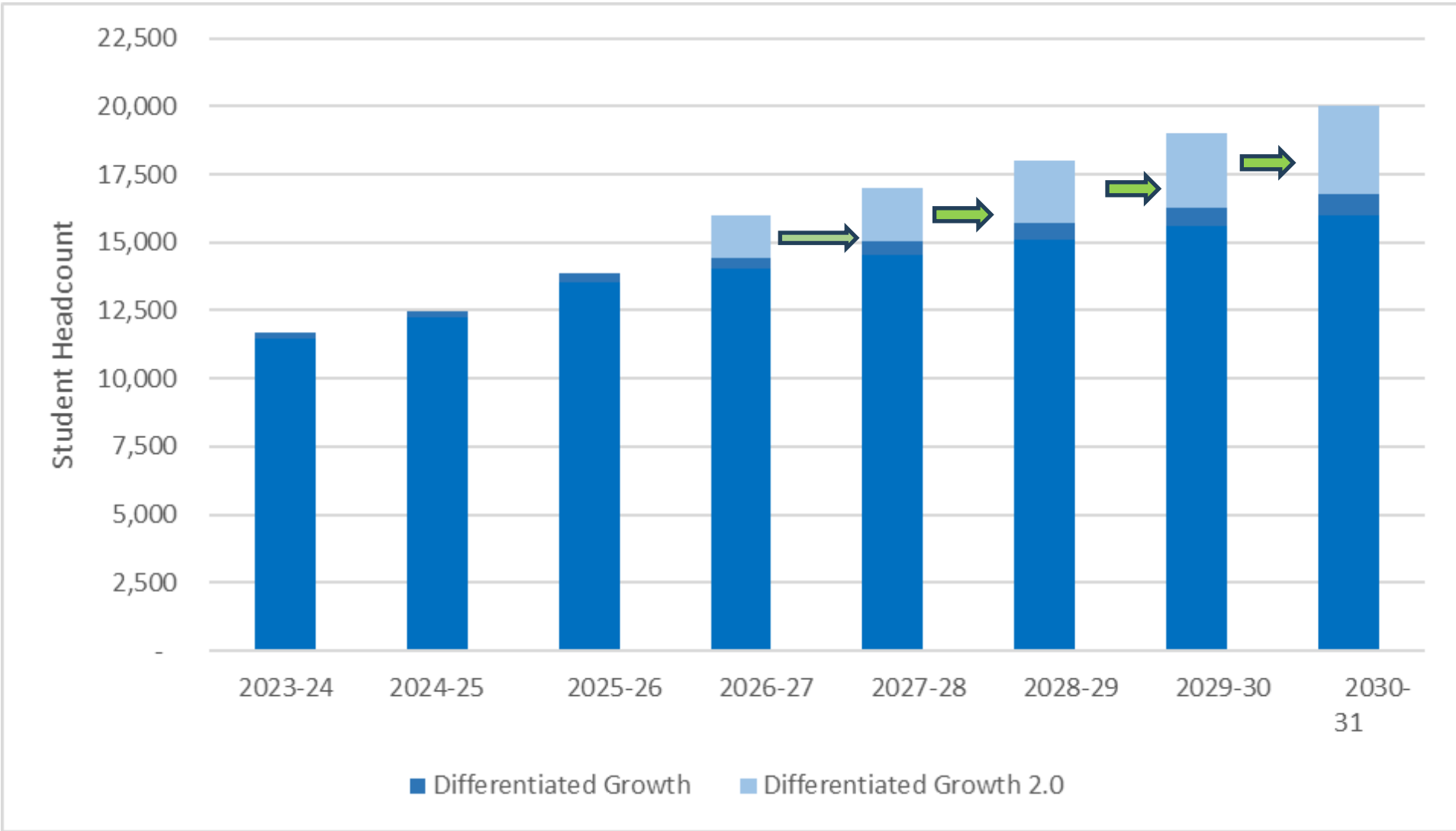




WHERE DO WE GO FROM HERE?

- **New funding model**
- **World filled with uncertainty**
- **Moment of reinvention, change**
- **Time for long-term vision, strategic investments**

# Differentiated Growth Enrolment Plan – Budget Assumptions



# Budget Accounting Summary

- Consolidated operating budget is prepared on a “modified-cash” basis, v/s the year-end published financial statements that are prepared on Generally Accepted Accounting Principles
- Presentation does not include items such as:
  - amortization on capital assets and grants
  - investment unrealized gains/losses
  - restricted funds (\$17M for research and \$12M for donations).

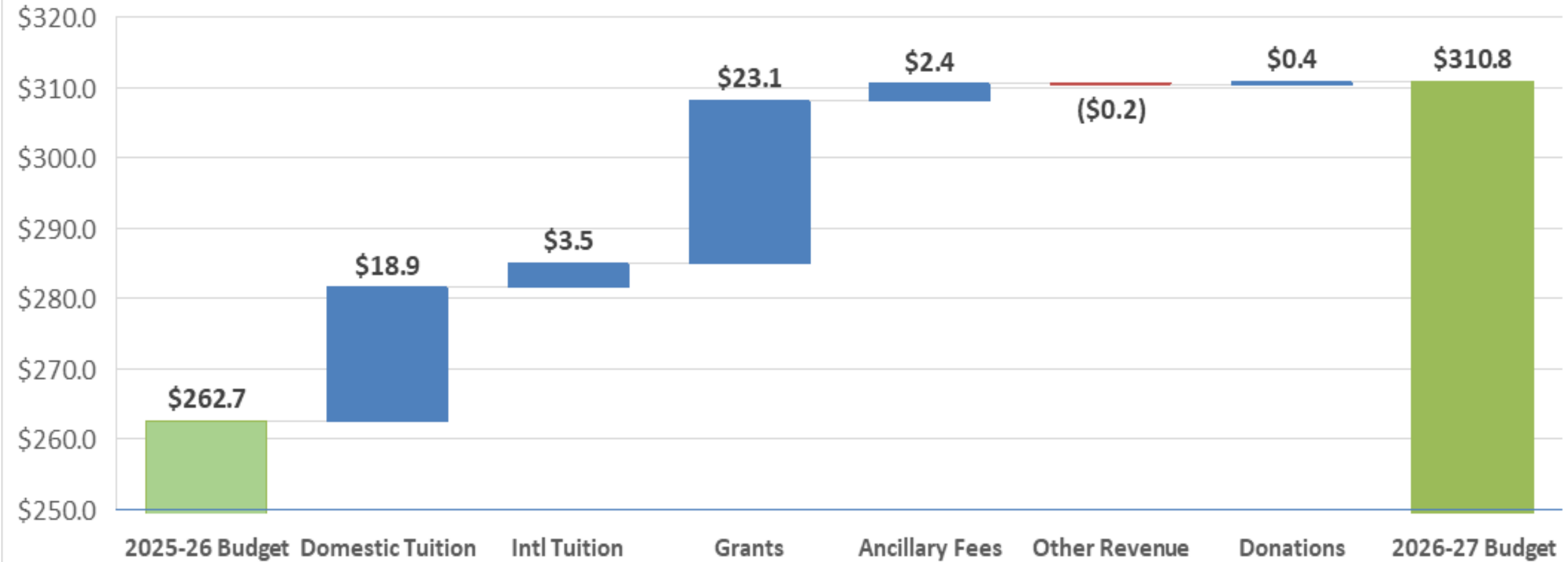
# 2026 – 2027 Budget Summary

## Ontario Tech University 2026 - 27 DRAFT OPERATING BUDGET

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Base Recommendations	(2,536)	(140)	(8)	(464)	-	-	(3,148)
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<b>Total CY Budget Surplus/(Deficit)</b>	<b>43,048</b>	<b>(14,652)</b>	<b>(607)</b>	<b>(200)</b>	<b>(23,259)</b>	<b>74</b>	<b>4,404</b>
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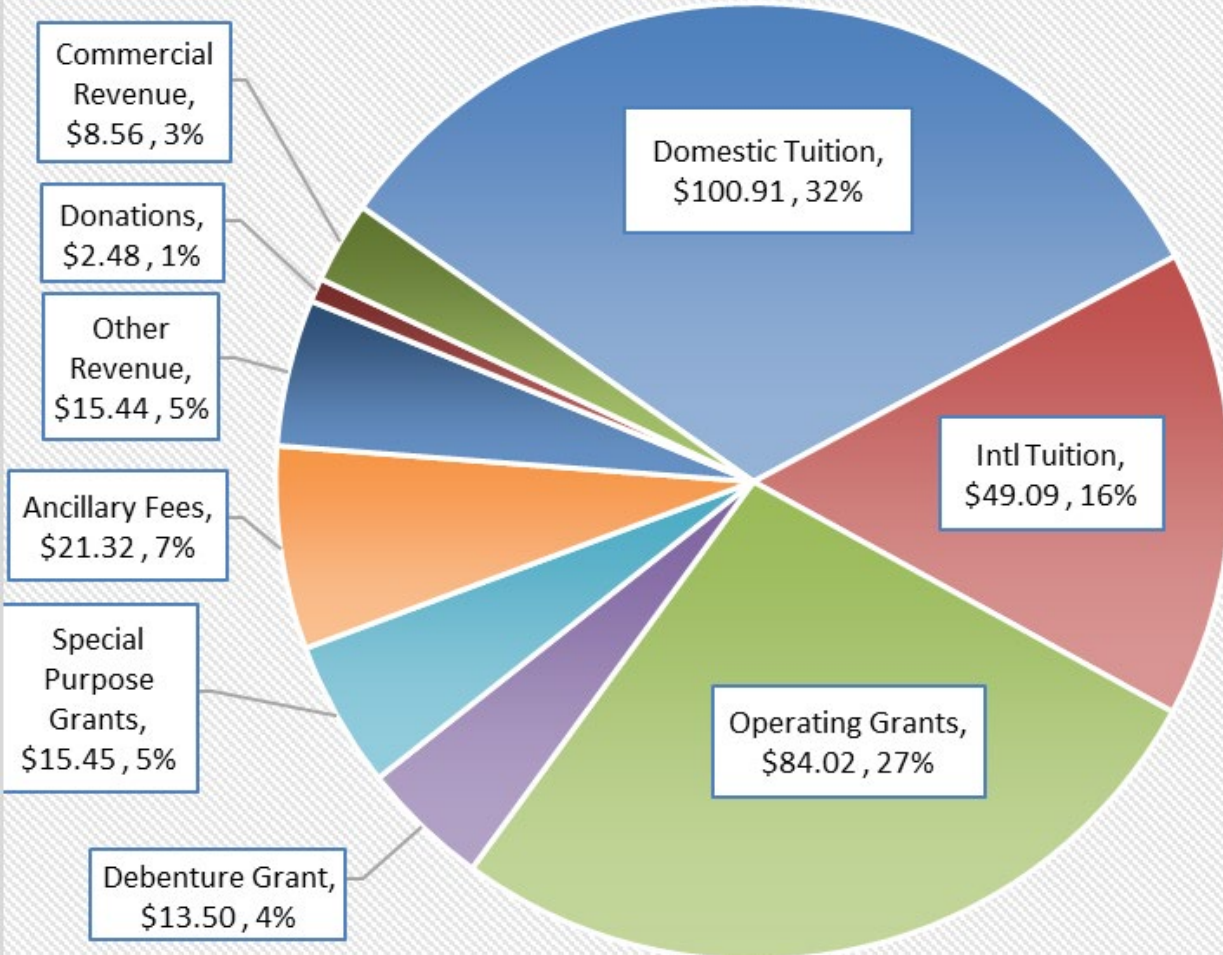
# Revenue YOY Changes

## Total Revenue (\$M) Trending: FY25-26 to FY26-27



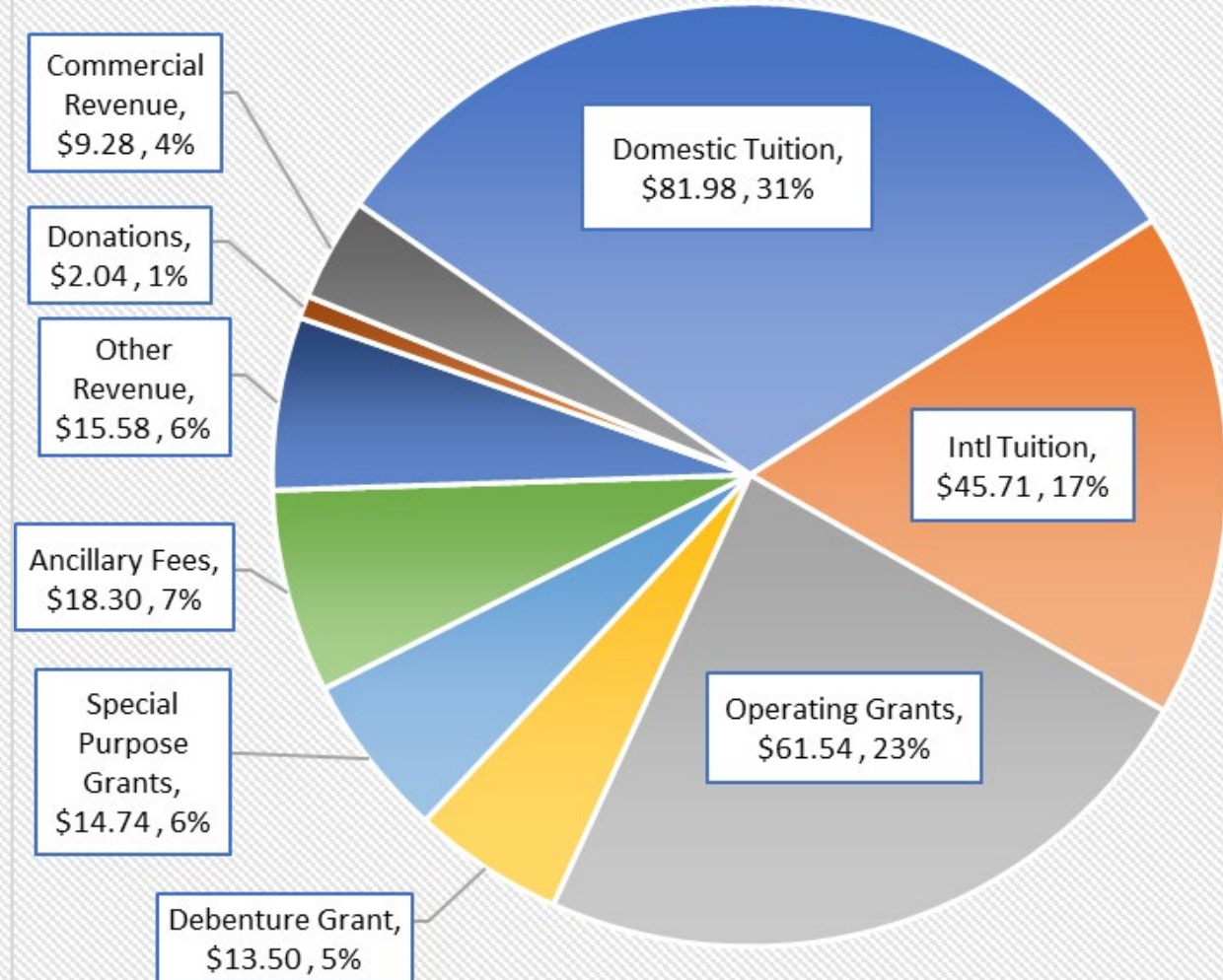
# Revenue Summary

Operating Revenue (\$M) by Source 2026-27 Budget



Total 26/27 Revenue: \$310.8M

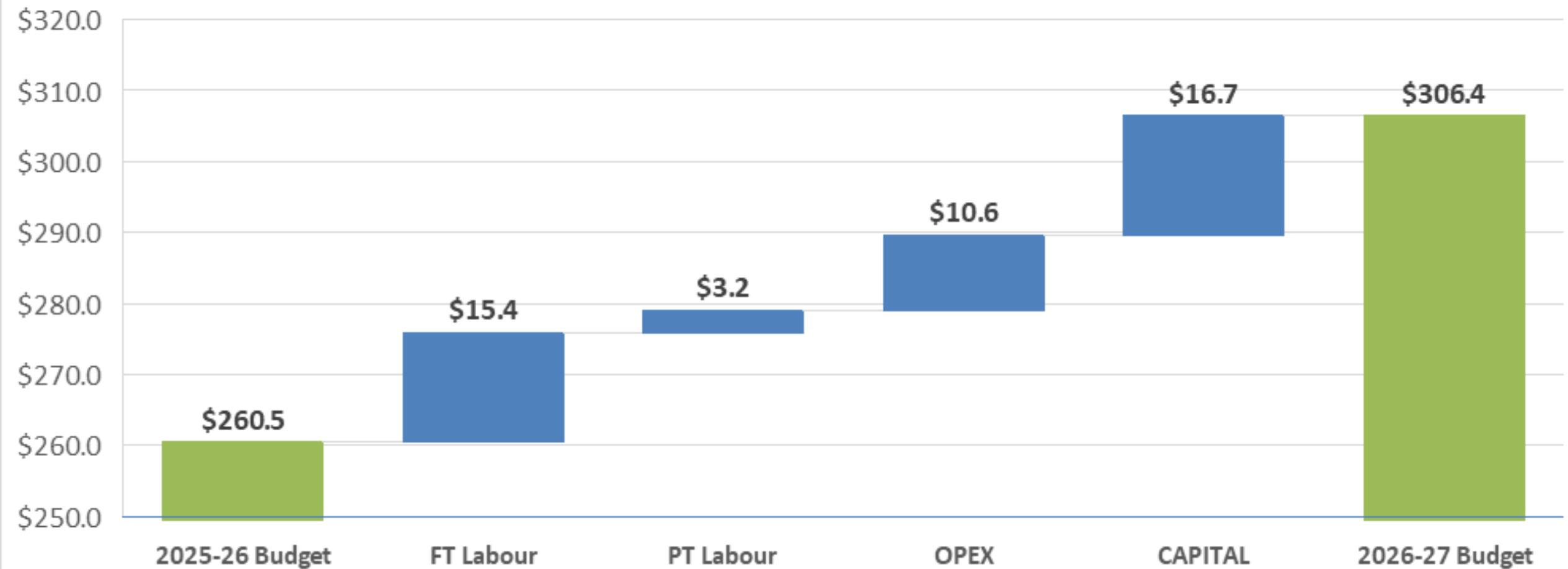
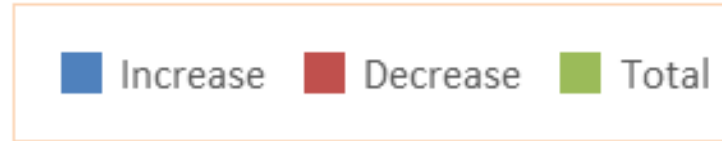
Operating Revenue (\$M) by Source 2025-26 Budget



Total 25/26 Revenue: \$262.7M

# Total Operating Expenses YOY Changes

## Total Expense (\$M) Trending: FY25-26 to FY26-27



## Expenses: Investments over 2025-2026

**Labour** ~\$18.6M for existing contracts and new.

\$11.0M for existing contracts

\$2.9M for new positions

\$3.6M for PT teaching support (shifted from to OTO to Base)

\$1.1M for revenue-funded PT staff

### **AI & Banner Transformation:**

\$2.0M investment to pilot process automation/ enhancements

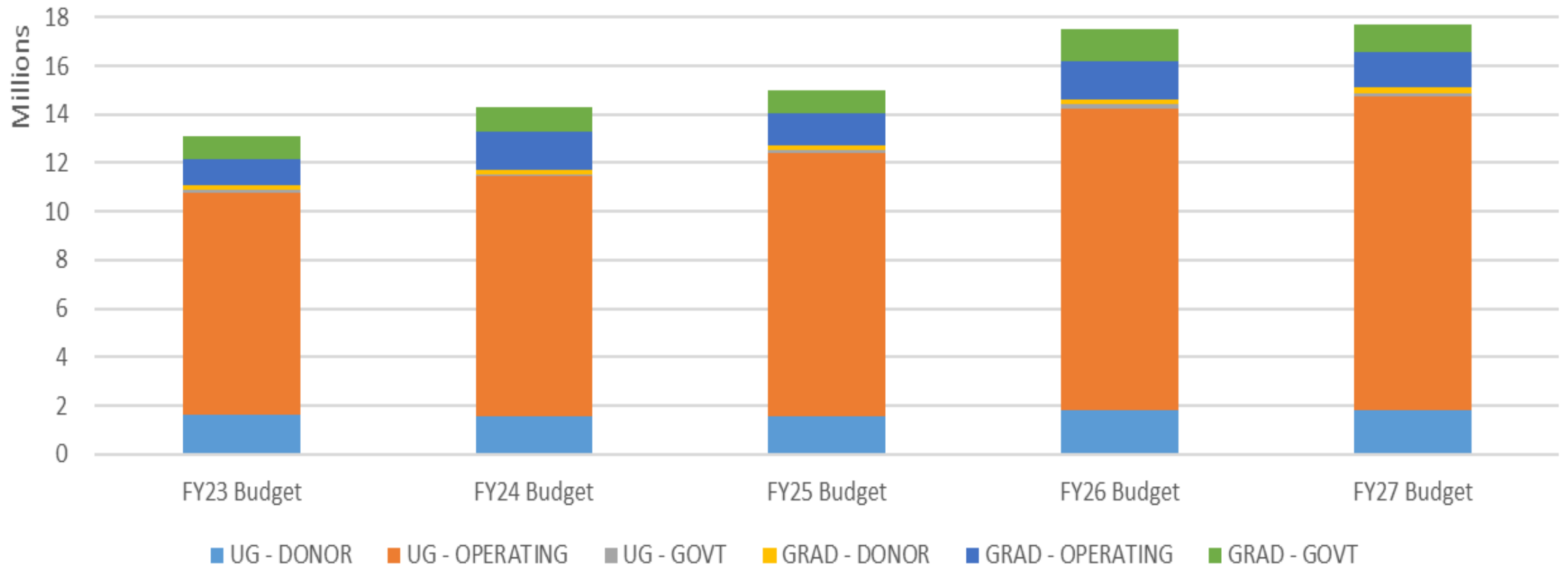
\$2.4M for Banner Transformation licenses

### **Capital Infrastructure:**

\$19M invested in 2 major projects: SHA 5<sup>th</sup> Floor & Recreation Expansion

# Financial Aid Investment Trending

## Financial Aid Distribution Trending



# Capital Investments – Campus Improvements

<b>2026-27 Capital Project Budget Summary - Campus Improvements</b>	
<b>Description</b>	<b>Project Budget</b>
<b>Accessibility - AODA Compliance</b>	<b>\$ 54,043</b>
<b>Deferred Maintenance</b>	<b>\$ 2,965,736</b>
<b>Equipment</b>	<b>\$ 260,593</b>
<b>Facilities Modernization</b>	<b>\$ 155,115</b>
<b>Renovation</b>	<b>\$ 1,668,639</b>
<b>Construction</b>	<b>\$ 19,000,000</b>
<b>Other Projects</b>	<b>\$ 135,930</b>
<b>TOTAL</b>	<b>\$24,240,056</b>

# Capital Investments - IT

<b>2026-2027 Capital Project Budget Summary - IT</b>	
<b>Description</b>	<b>Project Budget</b>
<b>Software</b>	<b>\$34,098</b>
<b>Infrastructure</b>	<b>\$110,442</b>
<b>Equipment</b>	<b>\$584,088</b>
<b>TOTAL</b>	<b>\$728,628</b>

# Capital Investments – Other Projects

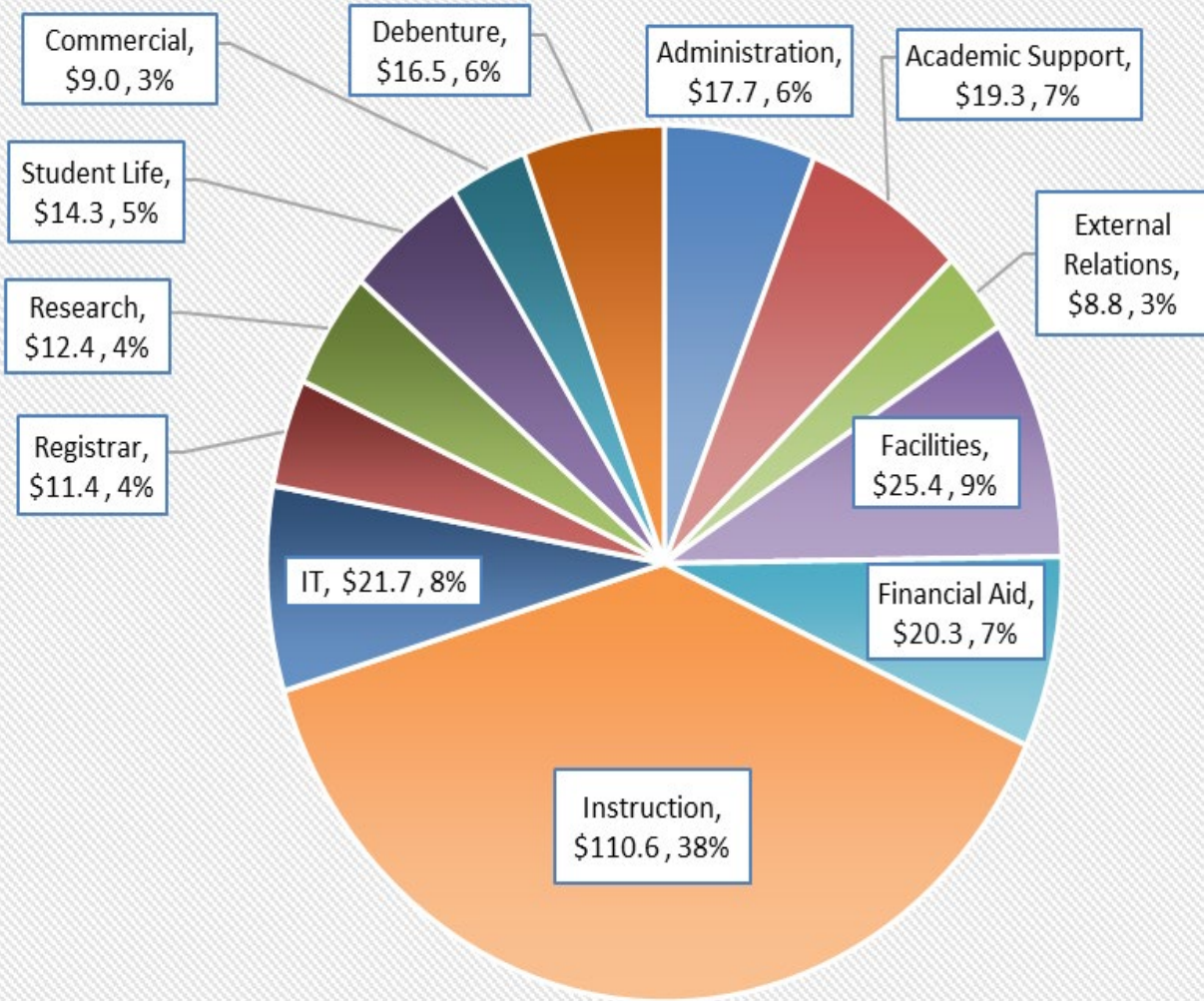
<b>2026-2027 Capital Project Budget Summary - Other Projects</b>	
<b>Description</b>	<b>Project budget</b>
<b>Academic Equipment</b>	<b>\$209,179</b>
<b>Academic Building</b>	<b>\$1,055,000</b>
<b>Athletics</b>	<b>\$209,000</b>
<b>Campus Wayfinding</b>	<b>\$100,000</b>
<b>Regent Theatre</b>	<b>\$20,000</b>
<b>TOTAL</b>	<b>\$1,593,179</b>

# Commercial Services Summary

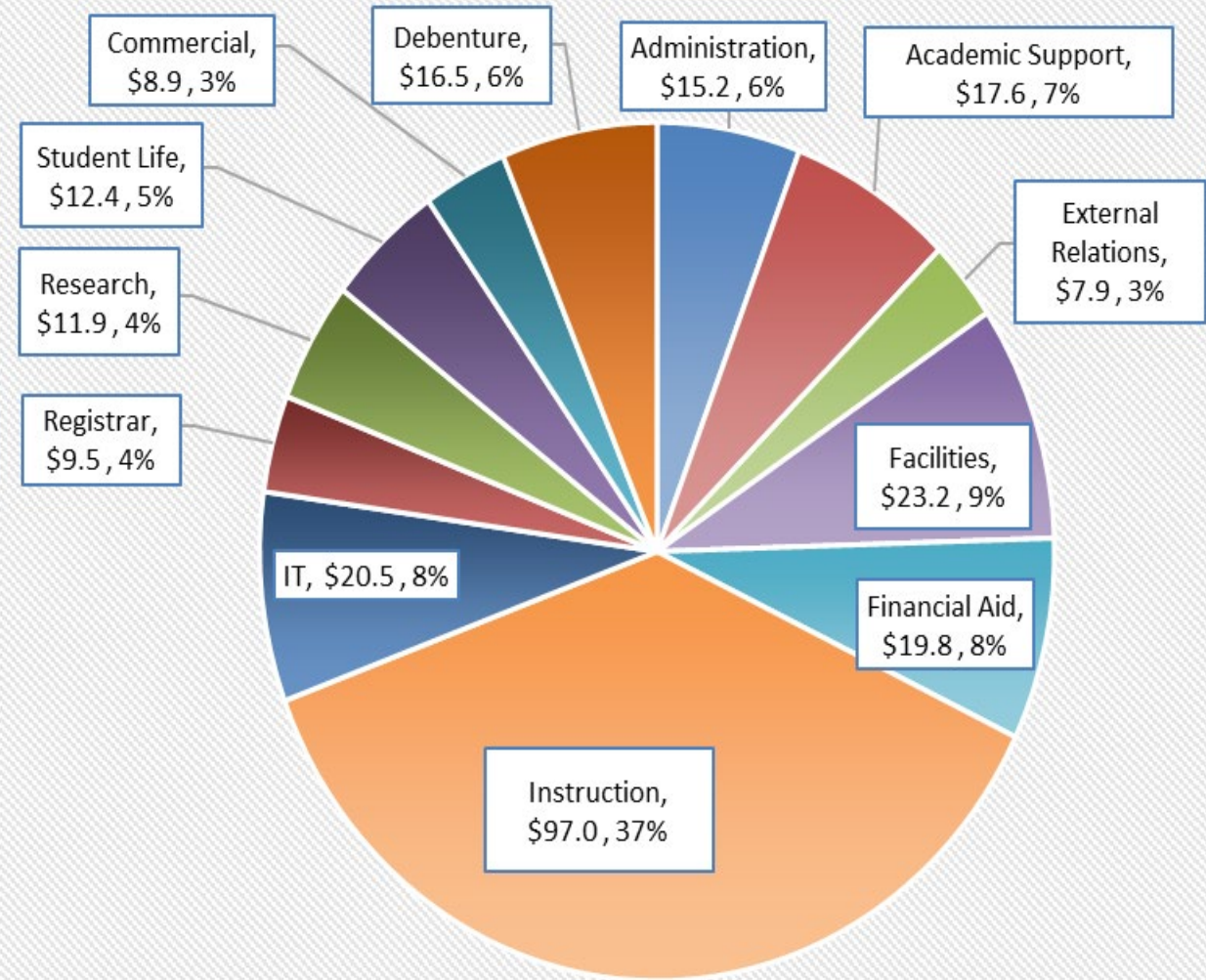
	24/25 Actuals	25/26 Budget	25/26 Forecast	26/27 Budget	27/28 Forecast	28/29 Forecast
<b>TOTAL</b>						
<b>Net Surplus/(Deficit)</b>	\$ (89)	\$ 258	\$ (178)	\$ 93	\$ 228	\$ 352
<b>Bookstore</b>						
<b>Net Surplus/(Deficit)</b>	\$ (67)	\$ (352)	\$ (257)	\$ (261)	\$ (259)	\$ (256)
<b>Campus Fieldhouse &amp; Ice Centre</b>						
<b>Net Surplus/(Deficit)</b>	\$ 143	\$ 367	\$ 227	\$ 66	\$ 94	\$ 125
<b>Food Services</b>						
<b>Net Surplus/(Deficit)</b>	\$ (1,008)	\$ (770)	\$ (1,251)	\$ (621)	\$ (611)	\$ (599)
<b>Parking</b>						
<b>Net Surplus/(Deficit)</b>	\$ 648	\$ 897	\$ 848	\$ 780	\$ 829	\$ 881
<b>Regent</b>						
<b>Net Surplus/(Deficit)</b>	\$ 77	\$ 23	\$ 33	\$ (24)	\$ 10	\$ 25
<b>UCard</b>						
<b>Net Surplus/(Deficit)</b>	\$ 118	\$ 93	\$ 222	\$ 154	\$ 164	\$ 176

# Total Operating Expenses by Functional Area\*

Operating Expense by Functional Area 2026-27 Budget



Operating Expense by Functional Area 2025-26 Budget



Total 26/27 Expenses: \$287.4M\*

Total 25/26 Expenses: \$260.5M

# Ontario Tech University

## North Campus Master Plan (CMP) Update Feb 2026

DRAFT



## South of Conlin

### - SHA 5<sup>th</sup> floor 2027

- A campus gateway at Conlin & Simcoe
- Flexible buildings to support the ever-changing needs of learners
- Shops, services, that anchor a year-round community engagement
- Pedestrian friendly by shifting parking to outskirts and a new bus loop



# North of Conlin

New 450 Bed Residence  
Opening Sept 2027

- reflect new Vision, Principles, and Goals using landscaping
- Focus on engagement with vibrant residence and recreation
- Engage partners to help leverage land assets and advance institutional objectives



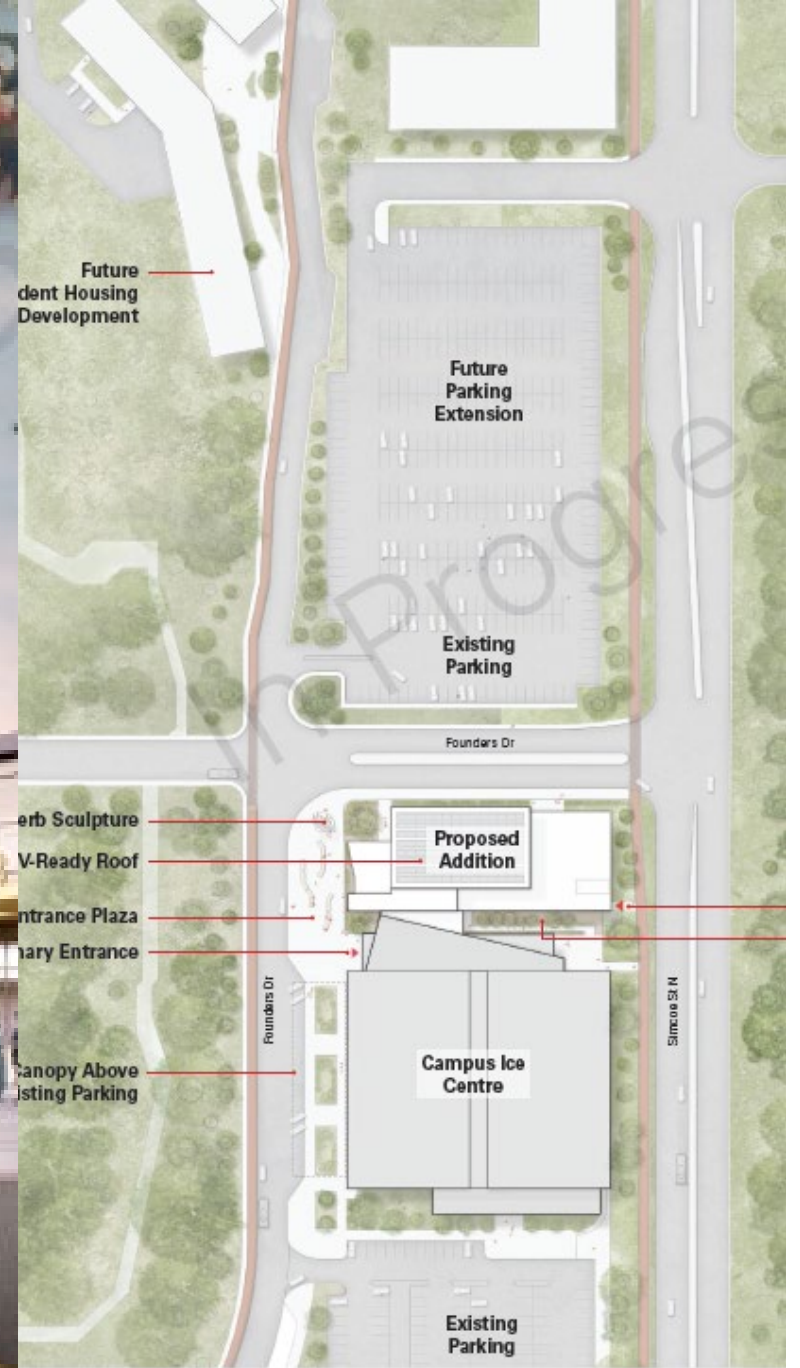
# North of Conlin

**Athletic  
Expansion**

**Opening  
Summer 2028**



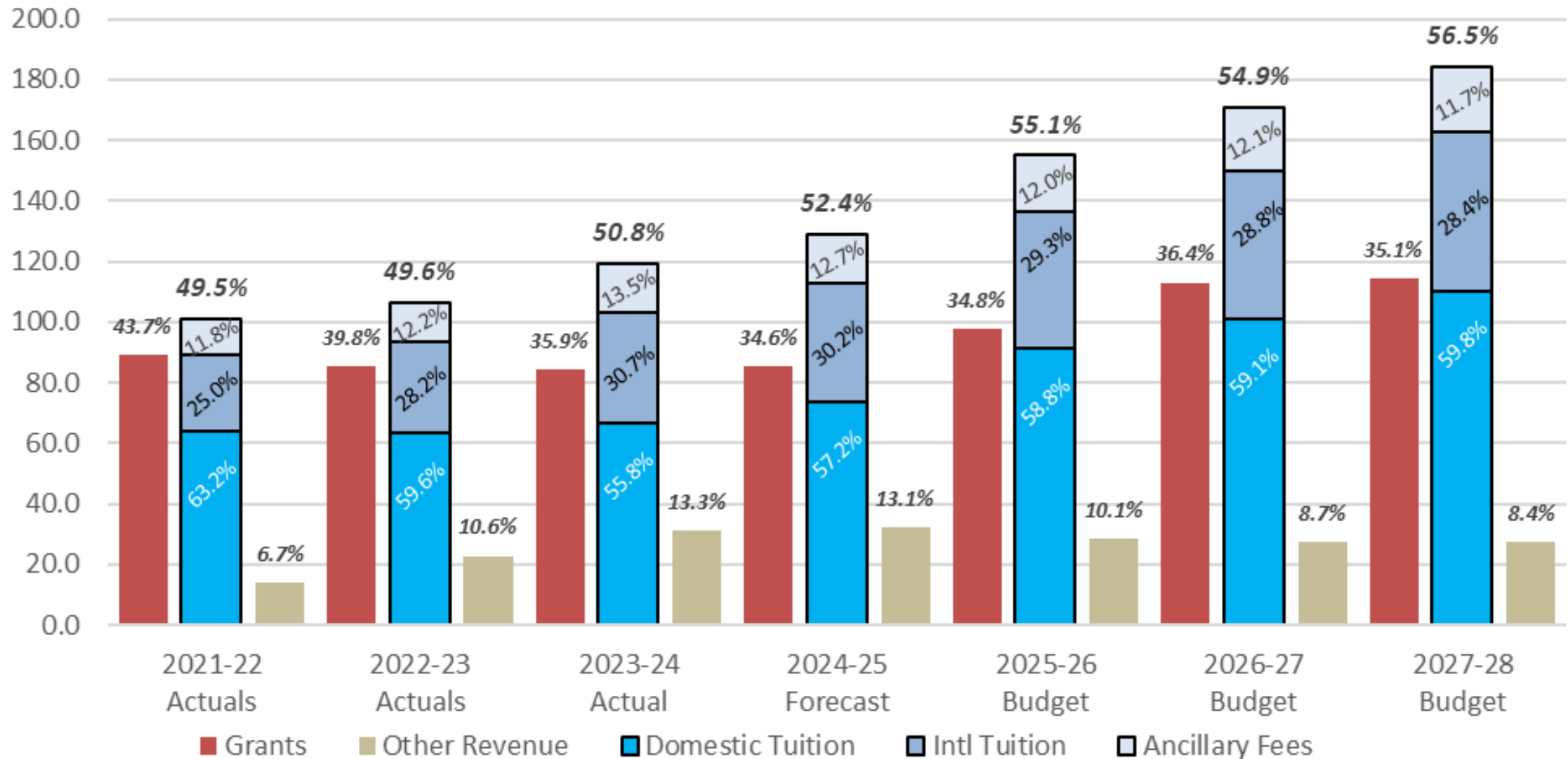
New Athletic Space



QUARTERLY CASH FLOW (in thousands)	Apr - Jun 2026 (Q1)	Jul - Sep 2026 (Q2)	Oct - Dec 2026 (Q3)	Jan - Mar 2027 (Q4)	Total for the year	
<b>Operating Beginning Cash Balance</b>	<b>A</b>	\$ 40,612	\$ 12,418	\$ 44,243	\$ 15,141	\$ 40,612
<b>Operating Inflows</b>						
Tuition		22,823	78,370	10,140	59,415	170,748
Operating and Capital Grants		23,078	24,147	26,018	26,678	99,921
Debenture Grant		6,750	-	6,750	-	13,500
Other Revenues		3,947	2,339	2,366	6,399	15,051
Transfers from other accounts		3,897	4,064	5,457	4,915	18,333
<b>Total Operating Inflows</b>	<b>B</b>	<b>60,495</b>	<b>108,920</b>	<b>50,731</b>	<b>97,407</b>	<b>317,553</b>
<b>Operating Outflows</b>						
Payroll		(42,547)	(46,100)	(45,504)	(44,923)	(179,074)
Capital expenditures		(9,934)	(7,707)	(6,164)	(6,281)	(30,086)
Net payment to Durham College for purchased services		(5,200)	(4,200)	(4,200)	(3,443)	(17,043)
Operating expenses		(22,395)	(18,725)	(15,352)	(15,356)	(71,828)
Debenture & other loan principal repayments		(8,613)	(363)	(8,613)	(363)	(17,952)
<b>Total Operating Outflows</b>	<b>C</b>	<b>(88,689)</b>	<b>(77,095)</b>	<b>(79,833)</b>	<b>(70,366)</b>	<b>(315,983)</b>
<b>Net Monthly Operating Cash Flows</b>	<b>D = B-C</b>	<b>(28,194)</b>	<b>31,825</b>	<b>(29,102)</b>	<b>27,041</b>	<b>1,570</b>
<b>Total Operating Cash Available</b>	<b>E = A + D</b>	<b>12,418</b>	<b>44,243</b>	<b>15,141</b>	<b>42,182</b>	<b>42,182</b>
<b>Operating Short-term Investments</b>	<b>F</b>	<b>18,705</b>	<b>18,000</b>	<b>18,128</b>	<b>18,256</b>	<b>18,256</b>
<b>Other Externally Cash and Short-term Investments</b>	<b>G</b>	<b>34,136</b>	<b>34,112</b>	<b>33,860</b>	<b>34,815</b>	<b>34,815</b>
<b>Closing Consolidated Cash &amp; ST Investments</b>	<b>H = E+F+G</b>	<b>\$ 65,259</b>	<b>\$ 96,355</b>	<b>\$ 67,129</b>	<b>\$ 95,253</b>	<b>\$ 95,253</b>

# Revenue Summary

## Operating Revenue by Source (\$M)

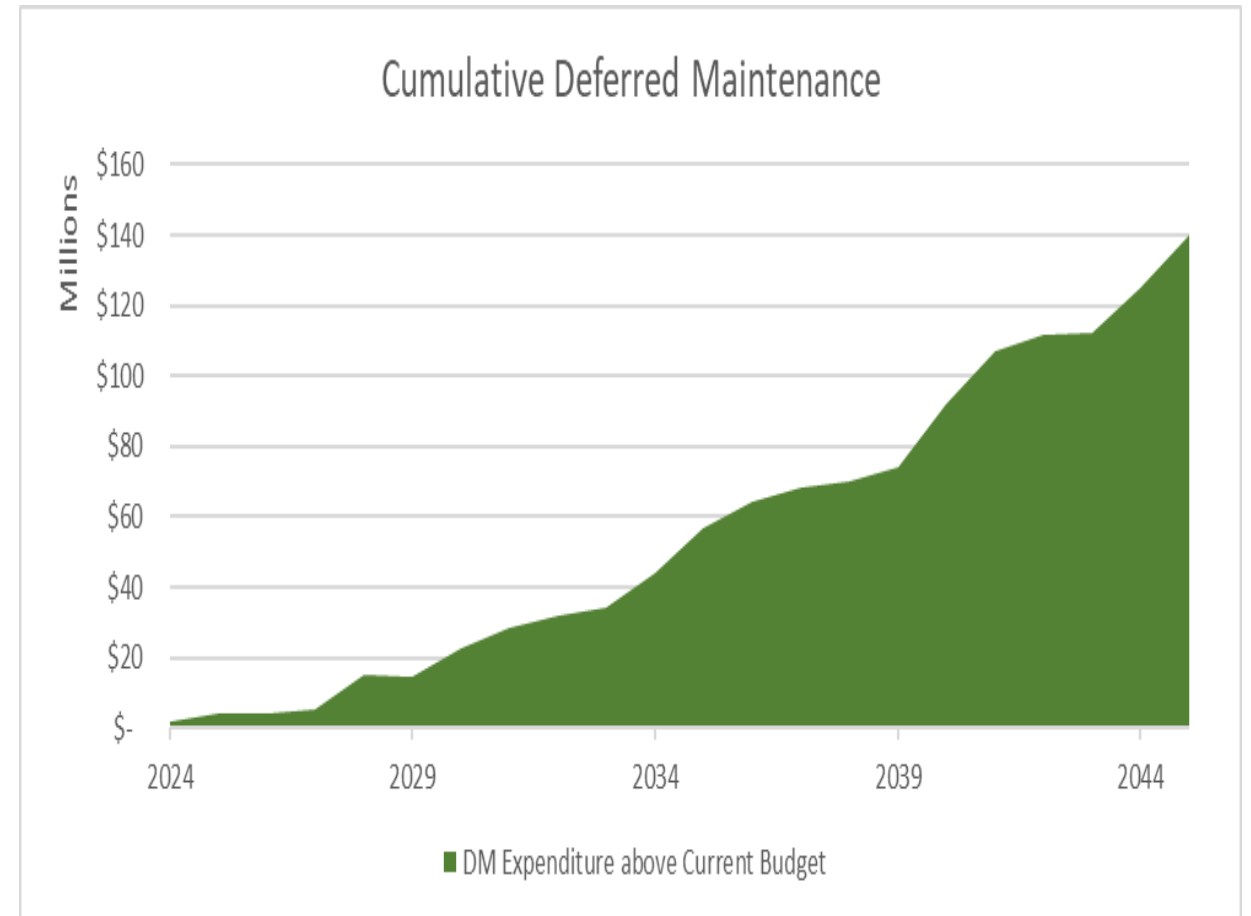


# Multi-Year Budget Forecast

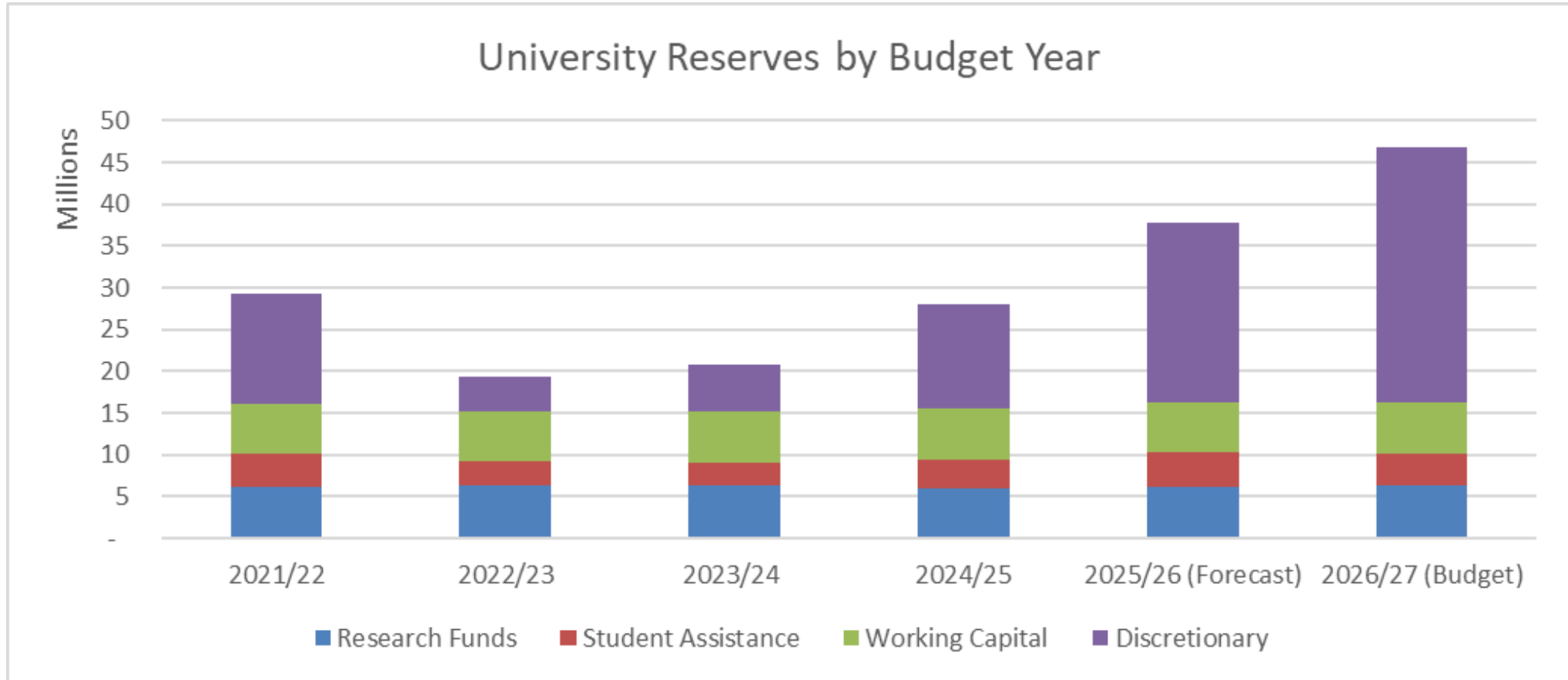
	Budget	Budget	Budget	Budget	Budget
	2025-26	2026-27	2027-28	2028-29	2029-30
<b>Total Revenue</b>	<b>\$ 262,664,682</b>	<b>\$ 310,792,610</b>	<b>\$ 326,004,777</b>	<b>\$ 336,442,515</b>	<b>\$ 346,395,706</b>
<b>FT Labour</b>	138,384,756	153,755,100	160,000,000	167,000,000	174,000,000
<b>PT Labour</b>	27,612,152	30,787,126	32,000,000	33,000,000	34,500,000
<b>OPEX</b>	84,612,286	95,261,594	105,000,000	114,000,000	120,000,000
<b>CAPITAL</b>	9,855,730	26,584,481	25,000,000	18,000,000	14,000,000
<b>Total Expenses</b>	<b>\$ 260,464,924</b>	<b>\$ 306,388,301</b>	<b>\$ 322,000,000</b>	<b>\$ 332,000,000</b>	<b>\$ 342,500,000</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ 2,199,758</b>	<b>\$ 4,404,309</b>	<b>\$ 4,004,777</b>	<b>\$ 4,442,515</b>	<b>\$ 3,895,706</b>

# Reserves

- Best practice: 1.5-2.5% for future capital renewal/maintenance. For Ontario Tech, that equates to \$7 – 11M
- Reserve Ratio outlines a university should have over 90 days. For Ontario Tech would need almost \$70 million in reserves



# Reserves – Current State



## Efficiency & Accountability Fund

**Grow to achieve economies of scale:** the business model is broken. frozen grant and tuition combined with rising costs will render certain programs unsustainable without growth, course consolidation, etc.

**Increase alternative revenue streams:** must become less reliant on government restricted levers - broaden the diversify our income.

**Enhance automation:** help highly qualified personnel to move away from transactional tasks and focus on student services and strategic actions.

# Budget Risk/ Risk Mitigation

- **Achieving enrolment targets:** the university normally realized enrolments within  $\pm 2\%$  of its annual estimates. Government policies on international student caps present a significant challenge
- **Achieving SMA4 performance targets and accountability measures:** The university risks losing part of its funding if we fail to meet annual performance targets.
- **Maintaining academic quality and student success:** investments in student well-being and academic success supports continue to grow, but the diversity of our students and their expanding needs outpace the investment.
- **Financial indicators:** the university is rated lower by credit agencies than our sister institutions based on: (i) Liquidity (ii) Sustainability (iii) Performance which impacts borrowing rates.
- **Aging equipment:** the first budget areas to be reduced over the last few years was the repair and replacement of equipment. The chances of equipment failure only increase as the equipment ages.

## Looking Forward .....

**This is a defining moment for Ontario Tech.**

- **Budget pressures still exist (i.e., rising labour costs, inflation)**
- **Time of maturation, growth for the institution**
  - Continue to grow programs, enrolments
  - Investments in academic excellence, students, campus infrastructure
    - **New faculty, staff hires**
    - **Increased financial support for students**
    - **Expanding campus infrastructure**

# MOTION

Using the best available information the following motion is proposed:

*Pursuant to management's recommendation, the Audit & Finance Committee hereby recommends to the Board of Governors approval of the 2026-2027 budget, and approval in principle of the budgetary projections for 2027-2029.*

Questions??



## COMMITTEE REPORT

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**SESSION:**

Public   
Non-Public   
Consent

**ACTION REQUESTED:**

Decision   
Discussion   
Information

**TO:** Audit & Finance Committee (A&F)

**MEETING DATE:** April 23, 2026

**FROM:** Brad MacIsaac, Vice-President Administration

**SUBJECT:** Agenda Item 7.1: Annual Risk Report

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**EXECUTIVE SUMMARY:**

Risk management at Ontario Tech has continued to evolve from a foundational University Risk Management (URM) approach toward a mature and integrated Enterprise Risk Management (ERM) model. While overall risk exposure remains balanced, several cross-cutting areas continue to warrant Board attention due to their institutional impact and interconnected nature.

The report emphasizes the following heightened or priority focus areas for the Board: Artificial Intelligence risk, Differentiated Growth Strategy, Government Policy/Funding, Global Trends, Reputation & Campus Climate, and Operational Resilience.

As part of the ERM the University has strengthened its integration with key enabling functions, including insurance and compliance. The insurance program continues to be actively managed to ensure appropriate coverage, financial protection, and alignment with the University's evolving risk profile, while responding to external market pressures and emerging exposures. In parallel, compliance practices have been formalized to support adherence to legislative, regulatory, and institutional requirements, reducing exposure to legal, financial, and reputational risk.

**KEY CONSIDERATIONS:**

- Board governance expectations are framed through six measures of progress (framework sustainability, leadership accountability, routine top-risk discussion, integration into Audit & Finance work planning, Board training, and annual Board assessment/direction) and all areas have been met.
- The 2024 strategic reassessment identified opportunities to enhance clarity, consistency through standardizing terminology and clarifying responsibilities. The University refined

its approach to aligning operating and enterprise risk through the implementation of ten thematic Enterprise Risk Buckets, which now underpin institutional risk reporting.

- The 2025–2026 cycle reflects continued advancement, including improved alignment between operational and enterprise risks and greater stability in mitigation strategies. Key Risk Indicators (KRIs) have been developed and are being validated with Risk Owners to ensure alignment with existing reporting structures and strategic priorities.
- The 2025–2026 risk dashboard indicates continued maturity: fewer identified risk causes, more established controls, and less year-over-year change to mitigation strategies—suggesting controls are operating as intended and treatments are becoming embedded.
- Significant progress has been made in strengthening institutional resilience through the advancement of Business Continuity Planning (BCP). These efforts have progressed materially (guidebook and toolkits distributed; institutional access requirements formalized; SLT delegate coverage identified), with ongoing work to finalize, validate, and embed plans.

**Questions for A&F consideration:**

- How do our top risks align with our strategic priorities?
- Are there any emerging risks that could materially impact our long-term plan?
- What controls or mitigation strategies are in place for each key risk and how do we know these controls are effective?
- Where should governance be strengthened for cross-functional initiatives to ensure consistent delivery and accountability?

**NEXT STEPS**

*Risk Management:* The next phase will focus on finalizing Key Risk Indicators (KRIs) and aligning them with existing reporting structures to enhance clarity, reduce duplication, and strengthen data-driven oversight. In parallel, the university will continue to advance project governance, knowledge retention, and business continuity planning to support operational resilience and consistent execution. These efforts will further embed risk management into institutional decision-making and sustain ongoing program maturity.

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**ATTACHMENTS:**

- Annual Risk Report 2025-2026



# ANNUAL RISK MANAGEMENT REPORT

April 2026

Prepared by:  
Brad MacIsaac - Chief Risk Officer  
Jackie Dupuis - Director of Risk Management

# BACKGROUND AND MATURITY

Established in June 2014, the University Risk Management (URM) framework was developed through collaboration between faculty and administrative units, culminating in a comprehensive institutional risk register in 2017. This foundation has been critical in systematically identifying, assessing, and mitigating risks across the university, reinforcing a strong commitment to safeguarding operations and strategic objectives.

The University Risk Management Policy was subsequently enhanced to designate Risk Owners and Risk Leads at the Director level, strengthening accountability and leadership engagement. By 2021, this expansion increased active risk registers from 27 to 36, broadening participation and enhancing institution-wide awareness of risk exposures and mitigation strategies.

In 2023, targeted risk bulletins further advanced the university's risk maturity, driving a measurable increase in stakeholder inquiries and clarity requests, and reflecting stronger engagement in risk-informed decision-making.

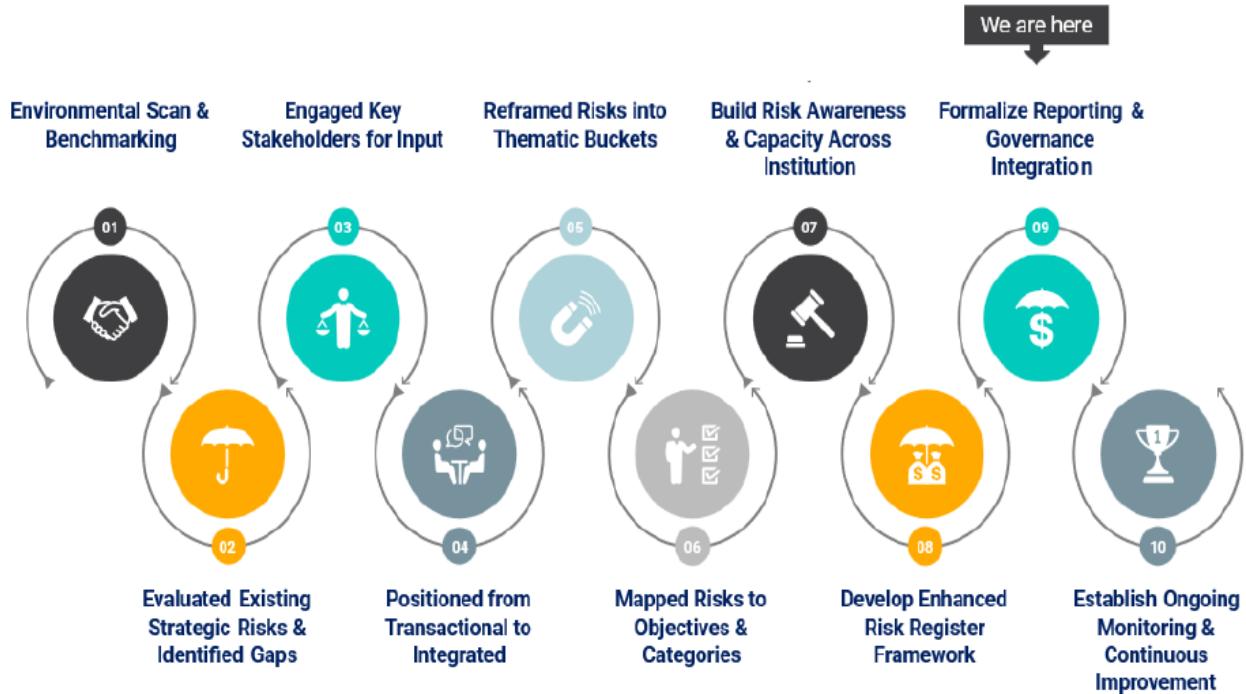
As reported to the Board in April 2024, recent operational challenges prompted a strategic reassessment of the university's approach. This review identified key barriers, including inconsistent terminology, limited differentiation between enterprise and operational risks, integration challenges, and ambiguity in roles and responsibilities. In response, management initiated enhancements to transition toward a more mature Enterprise Risk Management (ERM) model, including the development of refined thematic "Enterprise Risk" categories aligned with institutional priorities.

Through environmental scanning, stakeholder engagement, and structured risk evaluation, these thematic risk categories have been established to:

- Align risk identification and oversight with institutional objectives
- Reframe risks within a broader enterprise context
- Identify and address gaps in current risk oversight practices
- Strengthen integration with strategic planning and decision-making processes

Key Risk Indicators (KRIs) have been developed and shared with Risk Owners for validation against existing reporting structures and strategic priorities. These thematic categories have also been integrated into an enhanced risk register, improving alignment between operational risks and enterprise-level oversight.

## ADVANCEMENT OF THEMATIC BUCKETS



### Next Steps

*The final phase of implementation is underway, with a focus on embedding risk management into institutional culture and governance structures. Key initiatives include:*

- *Finalizing Key Risk Indicators (KRIs), associated reporting and governance structures*
- *Establishing a continuous feedback loop to support ongoing risk refinement, responsiveness, and alignment with emerging risks*

## BUSINESS CONTINUITY PROGRESSION

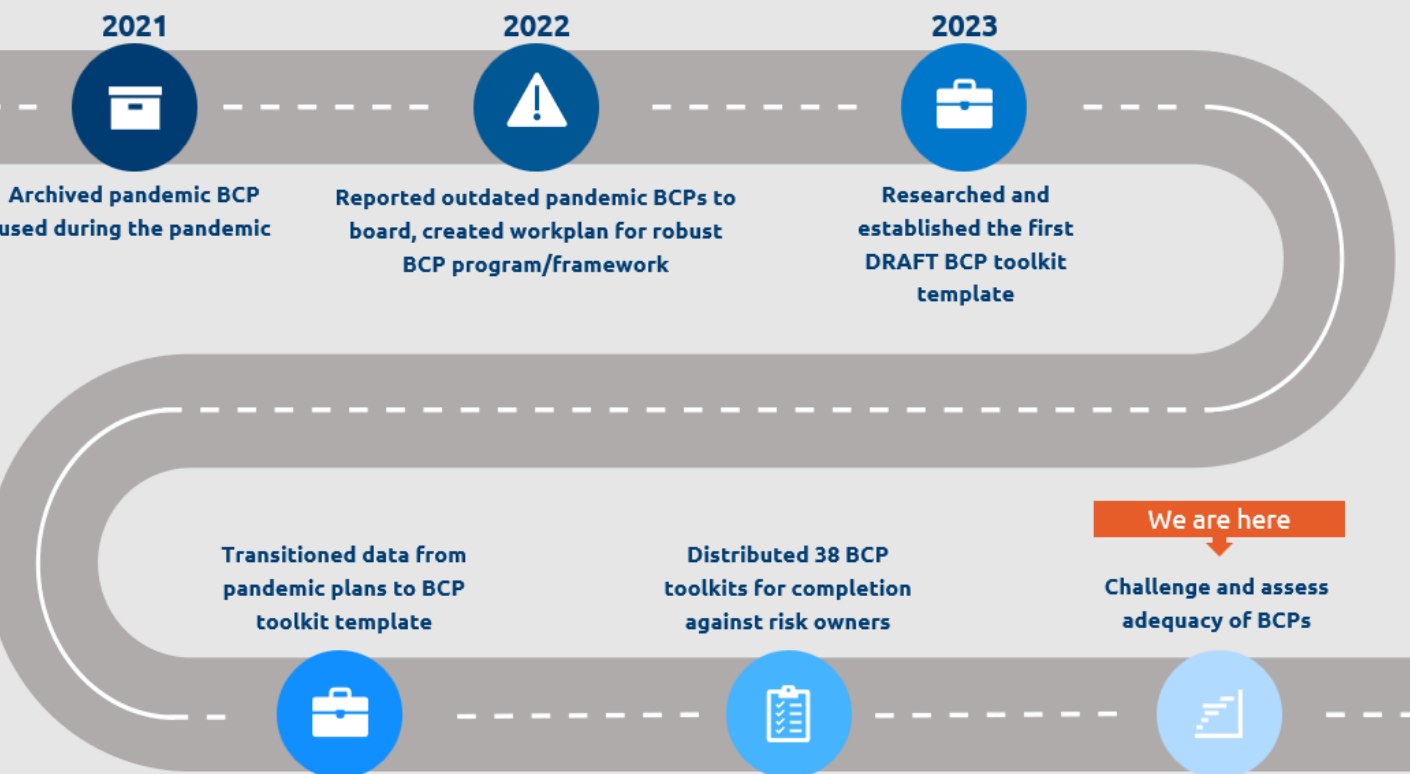
The Business Continuity Planning (BCP) program has made significant progress, with key foundational elements now established across the institution.

A [Business Continuity Plan Guidebook](#) has been developed and shared with the university community, providing standardized direction and expectations for continuity planning. In support of plan development, thirty-eight (38) [Business Continuity Plan toolkits](#) have been distributed to Risk Owners and their delegates across the university.

Institutional access requirements have been formalized, with the CIO, CRO, and Chief of Staff identified as requiring access to all BCPs to enable coordinated response and decision-making during disruptions. In addition, members of the Senior Leadership Team (SLT) have identified both primary and secondary delegates to support [continuity of leadership](#) in the event of unavailability.

Collectively, these actions establish a consistent institutional framework for business continuity and strengthen the university's ability to respond effectively to operational disruptions. Work is ongoing to finalize, validate, and embed all plans as part of regular operations.

## Business Continuity Planning Roadmap

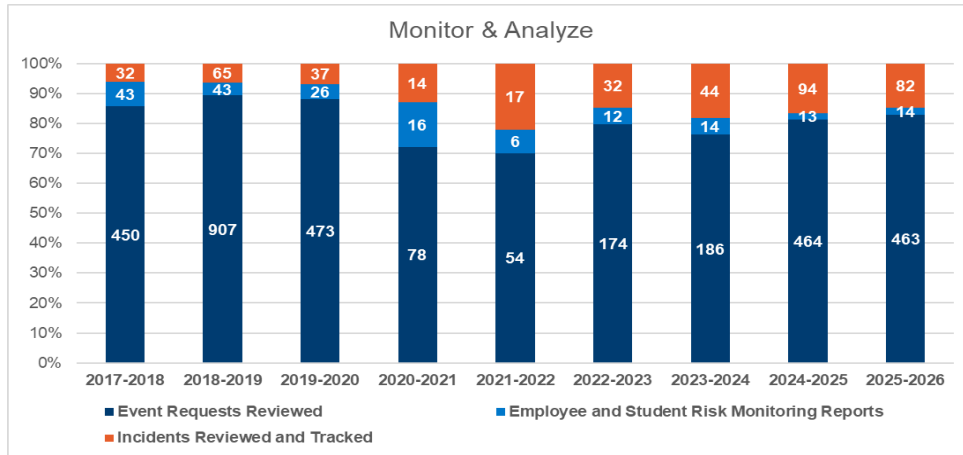


# MEASURING UNIVERSITY RISK MANAGEMENT

The Board is charged with ensuring a proper framework is in place for the university’s risk management. The university adopted the following six measures of progress as recommended by The Association of Governing Boards in partnership with United Educators<sup>1</sup> :

## Measure 1: The university demonstrates how the URM is sustained as a priority.

SLT remains unified in managing risk and setting the appropriate ‘tone at the top’ by facilitating informed decision-making regarding financial, reputational, strategic, and operational risks within their portfolios.

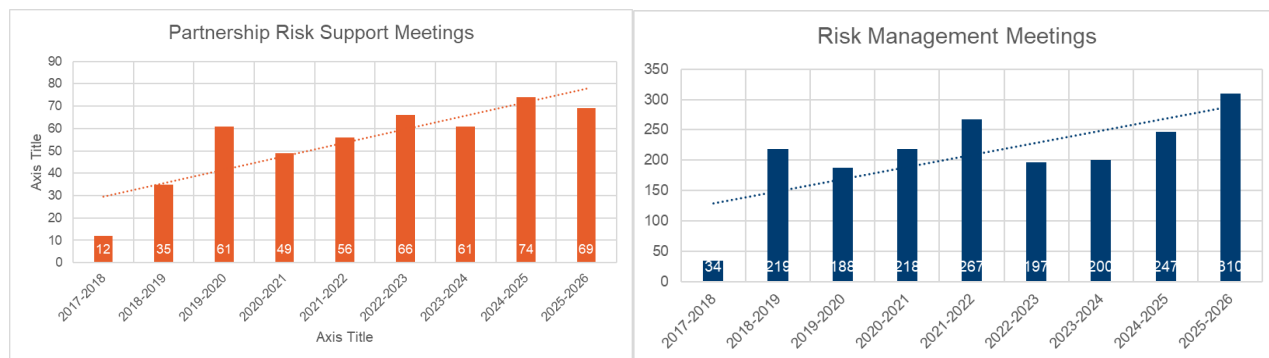


The Risk Management [website](#) continues to evolve with new tools and resources that support the university community and promote risk-informed decision-making.

The university maintains a dedicated Risk Management function, including a Director of Risk Management and a Compliance Officer, supported by the Vice-President, Administration, strengthening oversight and accountability.

## Measure 2: The Board verifies that URM is an essential objective for leadership.

The President retains overall risk responsibility for the university, all SLT members are assigned risk work in various forms within their respective portfolios. These charts serve to visually demonstrate the ongoing meetings with leadership, management, and external stakeholders.



<sup>1</sup> From “A Wake-up Call: Enterprise Risk Management at Colleges and Universities Today”, A Survey by the Association of Governing Boards of Universities and Colleges and United Educators, 2014, pp. 3 to 10

<b>Measure 3:</b> The Board discusses the top strategic and operational risks facing the University and understands how they are managed and monitored.
The Board receives an annual report, along with regular updates at each Audit & Finance Committee (A&F) meeting, highlighting emerging, high, and extreme risks requiring ongoing mitigation, as well as key emerging risks and heightened focus areas across the university.
<b>Measure 4:</b> The A&F Committee includes risk management discussions in its work plan.
URM is part of the A&F Work Plan. As noted in the Board Memo, regular talks and reports on risk management are presented quarterly, with the annual report in April.
<b>Measure 5:</b> The University engages the Board in training sessions on risk
Board professional development sessions complement general risk discussions by focusing on priority risk areas that evolve annually based on environmental changes and Board membership.
<b>Measure 6:</b> The Board assesses the URM and the success of the stated URM goals and objectives.
A&F receives an annual report that aims to secure the Board’s comments and direction on the URM process and progress.

## RISK DASHBOARD

The annual report in 2025 adopted a new direction on reporting based on the university’s ten (10) [thematic buckets](#) identified during an exercise in 2023-2024. The dashboards presented below provide a comprehensive overview of the university's risk portfolio for the 2025-2026 period.

The 2025–2026 dashboard reflects the continued maturity of the university’s risk management framework. Notably, the university has achieved measurable progress in strengthening control effectiveness. A reduction in identified risk causes, alongside an increase in established controls, demonstrates that existing controls are operating as intended and are successfully addressing underlying risk drivers.

In addition, there has been less year-over-year change to mitigation strategies, suggesting increased stability and consistency in risk treatment approaches. This indicates that previously implemented strategies are becoming embedded and effective, reducing the need for ongoing adjustment. Collectively, these trends reflect a shift from risk identification toward control optimization and sustained risk mitigation, reinforcing the continued advancement of the university’s risk maturity.

The content categories outlined below are formally [defined](#).

# 2025–2026 RISK MANAGEMENT DASHBOARD

Data Count	Local Risks	Institutional Risks (I)	Consolidated Risks (C)	Controls	Causes	Mitigation Strategies	Mitigation Strategies to Controls 2025–26	Mitigation Strategies Altered	Risk Drivers
22–23	107	189	68	256	175	518	14	211	75
23–24	105	240	10	410	409	511	21	147	106
24–25	142	294	10	410	432	497	18	202	111
25–26	151	301	10	429	407	478	19	161	104

## Master Registry Summary and Thematic Buckets

This section presents a high-level overview of the university’s ten thematic risk buckets, including key risk factors, underlying causes, mitigation strategies, and progress. It reflects the institution’s proactive approach to managing risk in support of its strategic priorities.

Figure 1 – Master Registry Summary & Thematic Buckets

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
A c a d e m i c	On Track: 33%	Academic Perform Decline	Outdated curriculum, weak support, mental health challenges	Teaching excellence and faculty development	➔
		Accreditation and Compliance Risk	Standards gaps, qualification issues	Strengthened monitoring processes	➔
		Curriculum Misalignment	Rapid industry change, weak employer links	Data-driven curriculum updates	➔
	In Progress: 67%	Faculty Workload and Quality	Large classes, admin burden	Advising and student success initiatives	➔
		Enrollment Shifts	Demographics, program saturation	Flexible delivery (hybrid, micro-credentials)	✔
		Student Engagement Decline	Ineffective teaching, limited activities	Experiential learning and innovation	✔

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
Research	On Track: 50%	Funding Sustainability	Budget cuts, reduced corporate funding, economic downturns	Diversified funding (grants, industry, philanthropy)	✓
		Research Ethics and Compliance	Weak oversight, data manipulation, conflicts of interest	Strengthened ethics frameworks and compliance oversight	✓
	In Progress: 50%	Talent Competition	Higher external salaries, limited incentives, funding constraints	Targeted recruitment and retention strategies	➔
		Research Security	Cyber risks, unauthorized access, IP theft	Enhanced cybersecurity and data protection	➔
		Commercialization and Knowledge Transfer	Bureaucracy, weak industry links, limited business skills	Innovation hubs and commercialization support	✓
		Shifting Research Priorities	Policy changes, emerging fields replacing legacy areas	Agile strategic alignment to global priorities	➔

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
Student Experience	On Track: 50%	Mental Health and Wellness Demand	Academic stress, financial pressure, societal changes	Expanded mental health and crisis support services	✓
		Campus Safety and Conduct	Security gaps, weak policy enforcement, socio-political tensions	Strengthened security, anti-harassment policies, reporting systems	✓
	Standstill: 33%	Student Expectations Gap	Misaligned marketing, shifting generational expectations	Student feedback and engagement initiatives	●
		Accessibility and Equity	Limited inclusivity, insufficient aid, lack of accommodations	Enhanced inclusive services and support programs	➔
	In Progress: 17%	Campus Infrastructure	Aging facilities, lack of study space, weak digital resources	Modernized, inclusive infrastructure upgrades	✓
		Socio-Cultural Disruptions	Activism, value shifts, misinformation	Collaboration with student groups on policy and initiatives	●

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
Enrollment	On Track: 67%	Declining Student Applications	Demographic decline, reduced international demand, rising tuition costs	Data-driven recruitment targeting high-potential markets	✓
		Competitive Pressure	Online alternatives, aggressive institutional marketing	Expanded scholarships and financial aid	➔
	In Progress: 33%	Student Retention Challenges	Financial hardship, mental health issues, academic disengagement	Strengthened advising, career, and wellness support	✓
		Program - Labor Market Misalignment	Limited employer input, slow curriculum updates	Predictive analytics for identifying at-risk students	➔
		Diversity and Inclusion Gaps	Admission barriers, affordability, campus climate	Expanded co-op and experiential learning partnerships	✓
		Student Satisfaction and Completion		Diversified, career-focused program pathways	✓

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
S u s t a i n a b i l i t y  F i n a n c i a l i t y	On Track: 100%	Funding Volatility	Declining tuition, government funding cuts, rising costs	Diversified revenue (philanthropy, industry, grants)	✓
		Rising Operational Costs	Inflation, wage increases, energy costs	Multi-year financial planning and forecasting	✓
		Macroeconomic Uncertainty	Recession risks, interest rates, currency fluctuations	Cost optimization and efficiency initiatives	✓
		Revenue Concentration Risk	Overreliance on key streams (e.g., international tuition)	Strengthened governance and financial controls	✓
		Financial Aid Sustainability	Affordability pressures, unstable funding policies	Advocacy for stable funding and tuition frameworks	✓
		Unfunded Liabilities	Long-term financial obligations without secured funding	Contingency reserves and financial buffers	✓

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
C o n t i n u i t y	On Track: 50%  Standstill: 17%  In Progress: 33%	Climate and Natural Disruptions	Climate change, geographic vulnerabilities	Emergency response planning and testing	✓
		Public Health Crises	Pandemics, poor ventilation, high campus density	Resilient infrastructure and campus safety measures	➔
		Infrastructure Failures	Aging systems, maintenance gaps	Collaboration with public health agencies and preparedness planning	✓
		Crisis Coordination and Communication	Gaps in response coordination, unclear communication channels	Strengthened vendor and partner coordination	➔
		Supply Chain Vulnerabilities	Disruptions to essential goods/services	Risk scenario planning and resilience assessments	●
		Political and Social Disruptions	Instability, policy shifts, social unrest	Business continuity and disaster recovery frameworks	✓

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress
P e o p l e	On Track: 83%  At Risk: 17%	Recruitment Challenges	Compensation gaps, work-life balance concerns	Competitive compensation and enhanced benefits	✓
		Retention Risks	Retirement, limited career growth, workload pressures	Leadership development and succession planning	↓
		Succession Planning Gaps	Lack of leadership pipeline	Investment in culture and employee engagement	✓
		Labor Relations Risks	Collective bargaining challenges	Flexible work arrangements	✓
		Employee Engagement and Culture	Workplace dissatisfaction, morale issues	Proactive labor relations and conflict resolution	✓
		Changing Workforce Expectations	Hybrid work demands, DEI expectations	Upskilling and professional development programs	✓

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress	
R e l a t i o n s  E x t e r n a l	On Track: 67%	Policy and Regulatory Shifts	Government funding changes, new regulations	Proactive advocacy and government relations	✓	
		Geopolitical Tensions	International student mobility, global partnership risks	Strengthened global and industry partnerships	✓	
		Public Trust and Reputation	Erosion of confidence in higher education institutions	Transparent outreach and community engagement	✓	
		Standstill: 33%	Indigenous Engagement and Reconciliation	Historical inequities, consultation gaps	Dedicated reconciliation and inclusion initiatives	●
			Alumni Engagement and Philanthropy	Reduced alumni involvement and donations	Robust alumni relations and fundraising campaigns	✓
			Local and Regional Economic Disruptions	Economic shifts affecting enrollment and workforce alignment	Economic impact studies and regional alignment	●

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress	
R e p u t a t i o n	On Track: 83%	Negative Media and Crisis Communication	Controversial incidents, poor crisis management	Proactive media relations and monitoring tools	✓	
		Academic Rankings and Institutional Perception	Declining rankings, perceived quality gaps	Crisis communication and brand management strategies	✓	
		Controversial Activities Scrutiny	Faculty, research, or student controversies	Strengthened thought leadership and institutional positioning	✓	
		At Risk: 17%	Misinformation and Online Attacks	Social media attacks, miscommunication	Clear policies on conduct and proactive monitoring	✓
			Alignment with Societal Expectations	Diversity, inclusion, ESG expectations	Transparency initiatives and community trust-building	✓
			Brand–Stakeholder Perception Gaps	Disparity between branding and actual perception	Reputation risk assessments and scenario planning	↓

	Overall	Risk Factor	Causes	Mitigation Strategies	Progress	
T e c h n o l o g y	On Track: 67%	Sophisticated Cyber Threats	Ransomware, phishing, weak security measures	Regular risk assessments and penetration testing	➔	
		Cybersecurity Awareness	Outdated systems, limited training and funding	Multi-factor authentication, data encryption	✓	
		Outdated IT Infrastructure	Aging systems, security gaps	Cybersecurity awareness programs for all users	✓	
		In Progress: 33%	Research Data and IP Protection	Insufficient disaster recovery and access controls	Strengthened incident response and backup strategies	✓
			Data Privacy Compliance	Regulatory obligations (PIPEDA, GDPR)	Regular audits and compliance reviews	✓
			Digital Transformation and Hybrid Learning	Hybrid learning infrastructure challenges	Strategic IT modernization and digital learning investments	➔

# RISK REGISTER AND RISK DOMAINS TO THEMATIC RISK BUCKETS

This figure illustrates the percentage of risks falling under each Thematic Bucket in the risk register

This diagram provides a visual representation of how frequently different risk domains appear in each of the Thematic Buckets.

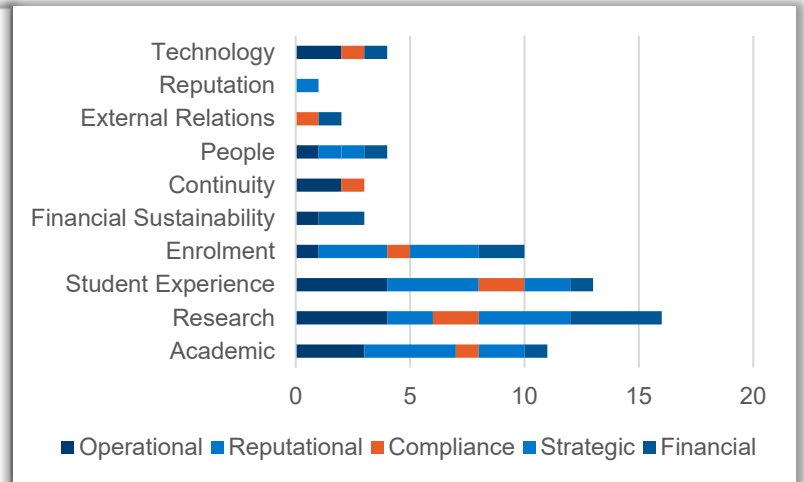
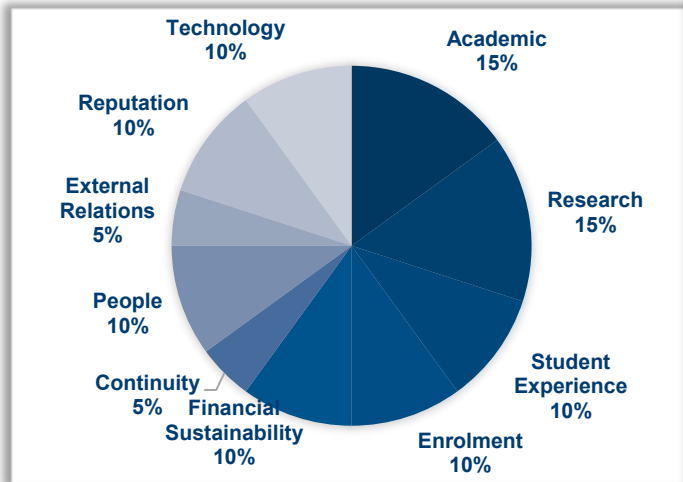


Figure 2 – Risk Register risks baked into Thematic Buckets

Figure 3 – Breakdown of Risk Domains

## HEAT MAP

This diagram illustrates year-over-year changes in the assessed likelihood and consequence of each thematic risk category. The University has made meaningful progress in strengthening its understanding, monitoring, and management of these risks, ensuring they remain a key area of focus. The directional arrows indicate movement from the prior year, highlighting shifts in risk positioning and demonstrating overall positive trajectory.

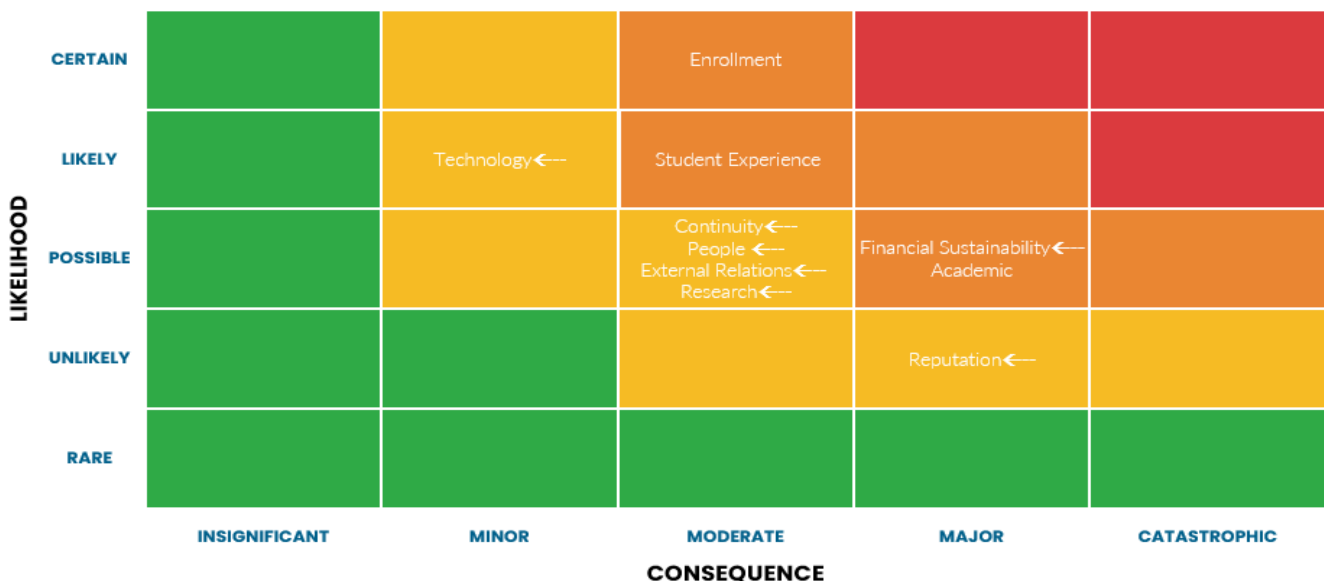


Figure 4 – Risk Heat Map of Thematic Risk Buckets

# EMERGING RISK SUMMARY



## Key Insights for the Board

**Artificial Intelligence** risk has increased, reflecting a rise in both likelihood (e.g., rapid adoption) and potential consequences (e.g., data governance, ethical, and legal considerations).

**Differentiated Growth Strategy** remains a top risk, given its continued importance to the university's long-term strategic success.

**Government Policy/Funding** risk has escalated, driven by ongoing policy shifts, funding uncertainty, and impacts to international enrolment.

**Global Trends** risk has stabilized slightly, though continued monitoring is required given ongoing geopolitical and economic variability.

**Reputation and Campus Climate** continues to evolve as an area of focus, presenting both potential reputational exposure and opportunities to strengthen engagement, trust, and institutional positioning.

**Operational Resilience** remains a key priority, with opportunities to enhance workforce capacity, modernize infrastructure, and strengthen continuity capabilities across the institution.



# EMERGING RISKS: LIKELIHOOD X CONSEQUENCE

••••• 23-24   ••••• 24-25   —●— Current Year

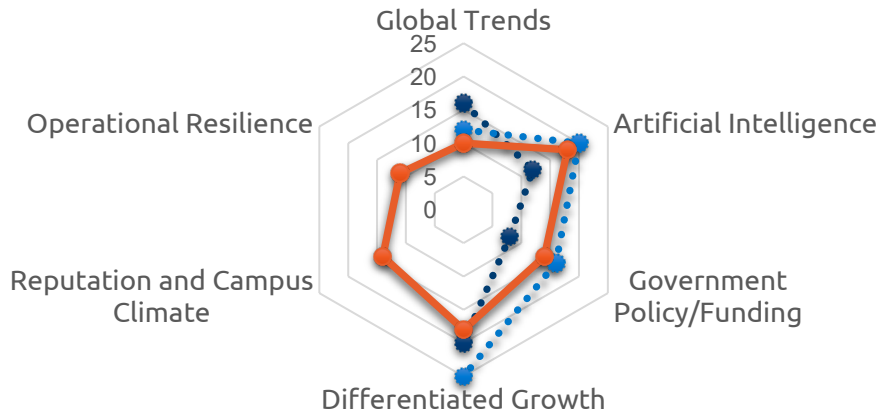


Figure 6 – Emerging Risks 2025-2026

# EMERGING RISK KRI METRICS AND TOLERANCE

Risk Category	KRI Metric	24-25 KRI Value	Current KRI Value	Threshold (Concern Level)	Trend	Risk Level
Artificial Intelligence	AI Regulation Changes	75	78	70	▲	High
	AI Ethical Concerns Reports	60	72	55	▲	High
	AI Data / Security Incidents	80	75	75	▼	High
Global Trends	Economic Instability Index	60	55	50	▼	Moderate
	Geopolitical Tension Level	70	60	65	▼	Moderate
	Inflation Rate Variability	65	58	60	▼	Moderate
Differentiated Growth Strategy	Market Competitiveness Score	85	78	80	▼	High
	Student Enrollment Trends	78	70	75	▼	Moderate
	Program Demand vs Capacity	72	76	70	▲	High
Government Policy / Funding	Policy Volatility Index	70	72	65	▲	High
	Government Funding Allocation Changes	68	68	60	▲	Moderate
	Legislative / Immigration Changes	74	74	70	▲	High
Reputation & Campus Climate	Media Sentiment Index	-	73	65	▲	High
	High-Risk Event Incidents	-	70	60	▲	High
	Complaints / Escalations	-	68	65	▲	Moderate
Operational Resilience	BCP Completion Rate (%)	-	65	70	▲	Moderate
	Critical Role Vacancy Rate	-	60	55	▲	Moderate
	Vendor / Service Disruptions	-	67	60	▲	Moderate

Figure 7 – Emerging Risk KRI Metrics and Tolerance

## LOOKING AHEAD

Ontario Tech continues to operate in a dynamic environment, requiring a risk management approach that is both adaptive and forward-looking. Building on recent progress and increasing program maturity, the next phase will focus on strengthening data-driven insights through the continued development of Key Risk Indicators (KRIs) and further refinement of the university's thematic risk framework. Ongoing engagement with Risk Owners and the SLT will support accountability and alignment with institutional priorities.

As part of this evolution, there is an opportunity to streamline KRI development further and reporting structures across the institution. Aligning KRIs with existing reporting mechanisms will help reduce duplication, enhance clarity for the Board, and ensure that key risks are monitored consistently and comprehensively without creating unnecessary reporting burden.

As the institution advances strategic and cross-functional initiatives, there is an opportunity to enhance coordination and consistency through strengthened project governance. A more structured, institution-wide approach will support alignment, reduce variability in execution, and enable more effective delivery of complex initiatives.

Additionally, as the university continues to grow and evolve, there is an opportunity to formalize knowledge retention practices further. Enhancing documentation, standard operating procedures, and role clarity – supported by the ongoing development of BCP – will strengthen continuity and reduce reliance on single incumbents in key areas.

Overall, the focus moving forward will be on sustaining effective controls, advancing risk analytics, and strengthening institutional structures to support long-term resilience and informed decision-making.

**BOARD OF GOVERNORS**  
**AUDIT & FINANCE COMMITTEE (A&F)**

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**Minutes of the Public Session of the February 19, 2026 Meeting  
via Videoconference  
2:00 p.m. - 2:28 p.m.**

**Governors Present:**

Susanna Zagar, Chair  
Laura Money, Vice-Chair  
Nolan Bederman

Carla Carmichael  
Joe DeSario  
Cynthia Domjancic

Laura Elliott  
Steven Murphy

**Regrets:**

Mitch Frazer

**Staff and Guests:**

Kirstie Ayotte  
Nicola Crow

Sandra Grouette (Secretary)  
Lori Livingston

Brad MacIsaac  
Jennifer MacInnis

**1. Call to Order and Land Acknowledgement**

The Chair called the Public Session of the Audit & Finance Committee (A&F) Meeting to order at 2:00 p.m. and provided their personal Land Acknowledgement.

**2. Agenda**

*Upon a motion duly made by L. Money and seconded by C. Carmichael, the Agenda was approved as presented, including approving and receiving the Consent Agenda and its contents.*

**3. Conflict of Interest Declaration**

None declared.

**4. Chair's Remarks**

The Chair welcomed everyone to the first A&F meeting of the Board year. She also welcomed Sandra Grouette, who joined Ontario Tech University in January as Assistant University Secretary following Kirstie Ayotte starting her new role as Assistant to the President.

The Chair noted that February marks Black History Month, with the 2026 theme being "30 Years of Black History Month: Honouring Black Brilliance Across Generations." She also acknowledged that this week marks the beginning of Ramadan and the Chinese New Year, the Year of the Fire Horse, a symbol of strength, freedom, perseverance, and energy.

## 5. President's Remarks

The President provided an update on the recent announcement of the provincial \$6.4-billion investment in the sector, describing it as a welcomed step in the right direction. He noted that the funding is a medium-term stabilization measure, as it covers the whole sector for a four year period, including a modest 2% per annum tuition increase and the continued impact of the 2019 tuition freeze. He reported that the University is currently awaiting the outcome of the Ministry technical briefings to consider how best to position the University in relation to opportunities within this announcement.

The President also shared that undergraduate applications have increased by 5.3%, more than twice the provincial average, marking the fifth year Ontario Tech leads the province in per-capita first choice applications. He acknowledged the contributions of the Senior Leadership Team, particularly the Registrar's Office and the whole University community in achieving this success.

The President reported on his recent visit to the Philippines and Indonesia related to nuclear workforce development to highlight opportunities where Ontario Tech can support countries adopting nuclear technologies, including AI-enabled systems.

He concluded by celebrating the groundbreaking of The Ridge Residence, the University's first institution-owned residence, and thanked Governors for their support in attending this event.

## 6. Finance

### 6.1 2026-2027 Tuition & Ancillary Fees\* (M)

L. Livingston referred to the President's remarks where they had shared highlights of the recent funding announcement. She advised that the newly announced 2% domestic tuition increase is now reflected in the proposed 2026-2027 tuition fees. She shared that the plan is to raise domestic undergraduate tuition by 2% and continue with the previously approved anomaly adjustments, by increasing Bachelor of Computer Science by 7.5% and the Bachelor of Commerce by 3.09%, with Engineering remaining unchanged as it had reached the allowable maximum fees limit.

She also advised that out-of-province tuition is planned to increase by 5%, and international undergraduate tuition by 3%, consistent with the University's cap on annual increases. L. Livingston added that research-based graduate tuition remains frozen, while course-based Masters' programs will increase by 2% (domestic) and 5% (international). A 2.7% inflationary adjustment to co-op fees was noted. L. Livingston also advised that Academic Council received a report on proposed tuition fee increases prior to the provincial announcement and so at its meeting next week, Academic Council will receive an update on the tuition changes arising from the recent funding announcement.

The Chair noted a minor edit to the motion to add the reference to Appendix 1.

*Upon a motion duly made by N. Bederman and seconded by L. Money, the Audit & Finance Committee hereby recommends the 2026-2027 tuition fees, as presented in Appendix 1, for approval by the Board of Governors.*

B. MacIsaac reported on the annual ancillary fee review under the University's protocol with the Ontario Tech Student Union (OTSU). He advised that the plan is to increase ancillary fees on aggregate by 3%, within the 3.2% CPI (Consumer Price Index) limit set out in management's purview under the fee protocol, with minor reallocations between existing fees to streamline categories. The Committee also received information on a proposed new OTSU fee of up to \$5 to support a nutrition access program, subject to an upcoming student referendum and further review of existing budget capacity.

Members asked questions regarding sensitivity in the international student market and what other institutions were doing with the allowable 2% tuition increase. L. Livingston shared that Ontario Tech's international tuition remains below the provincial average and competitively priced, and it is not anticipated that the proposed increases will negatively affect demand for programs. The availability of bursaries to support students from different geographic areas was also noted. B. MacIsaac advised that it is expected that every institution will apply the 2% tuition fee increase across the board as not doing so would signal the wrong message to the Province.

A discussion ensued on the competitiveness of ancillary fees as Ontario Tech's fees are higher in part due to technology-related costs, and whether sector-wide fee increases and OSAP changes might affect the University's position. B. MacIsaac responded that tuition levels remain at or slightly below sector averages and that universities have relied more on ancillary fees during the tuition freeze period. He also noted that long-term budget modelling reviews tuition scenarios over a 5-to-10-year horizon, including hypothetical increases to the 3.2% ancillary fee cap, with decisions made holistically to remain at or below that limit.

*Upon a motion duly made by C. Domjancic and seconded by N. Bederman, the Audit & Finance Committee hereby recommends the 2026-27 ancillary fees as presented, for approval by the Board of Governors.*

## **7. Consent Agenda\* (M)**

The Chair confirmed that contents of the Consent Agenda were approved and received under Agenda Item #2.

**7.1 Public Session Minutes of the November 20, 2025 Meeting\* (M)**

**7.2 Investment Oversight: Annual Investment Portfolio Report\* (I)**

**7.3 Risk Management Update\* (I)**

**7.4 Compliance Reports:**

**7.4.1 Annual Privacy Report\* (I)**

**7.4.2 Annual Student Mental Health Report\* (I)**

**7.5 Credit Rating Update\* (I)**

## **8. Adjournment (M)**

There being no other business, and upon a motion duly made by L. Money the Public Session of the A&F Committee Meeting adjourned at 2:28 p.m.

Sandra Grouette, Assistant University Secretary

## COMMITTEE REPORT

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**SESSION:**

Public   
Non-Public   
Consent

**ACTION REQUESTED:**

Decision   
Discussion   
Information

**TO:** Audit & Finance Committee (A&F)

**MEETING DATE:** April 23, 2026

**FROM:** Brad MacIsaac, Vice-President Administration

**SUBJECT:** Agenda Item 8.2: Annual Endowment Disbursement - 2026-27

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**EXECUTIVE SUMMARY:**

Ontario Tech's Endowment consists of funds, largely donations secured through Advancement, which are set aside permanently with a portion of investment returns used to support specific student awards as directed by the Donor.

The University's Endowment Committee consists of representatives from Finance, Advancement and Financial Aid. Effective oversight requires analyzing sometimes contradictory goals of maintaining a target spending rate, preserving the real value of the fund (i.e. adjusting the investment value by inflation) while operating in an environment of unpredictable shifts in markets.

Based on a review of the portfolio performance and allowing for a capital preservation of 4.1% (average inflation rates over the last 4 years), the Committee recommends a maximum disbursement of \$950k from the endowment fund which would allow support of 435 students whilst still preserving the capital of the fund.

**MOTION:**

*That the Audit & Finance Committee hereby recommends that the Board of Governors approves the disbursement of up to \$950,000 from the University's endowed fund and unrestricted expendable sources for distribution by Financial Aid in 2026-27.*

**KEY CONSIDERATIONS:**

In general, donor agreements set out a disbursement expectation of the inflation adjusted principal (original donation). Ontario Tech assumes long-term sustainability is supported by establishing a disbursement rate of approximately 3-4% based on a variety of market reports. Over time, the value of the portfolio has experienced significant growth both from new donations and market increases. A summary of the current cumulative balances (as at March 31) are as follows (all numbers in 000's):

Endowed balance as at March 31 ('000s)		2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2027 Proposed
Donations (Principal Value)	A	\$ 19,800	\$ 20,256	\$ 21,419	\$ 21,723	\$ 22,404
Realized Income (ii)	B	11,488	12,689	14,550	\$ 16,926	\$ 18,107
Awards disbursed from endowed	C	(5,356)	(5,923)	(6,699)	(7,263)	(8,213)
Total adjusted base cost	D=A+B+C	25,932	27,022	29,271	31,386	32,298
Market Value	E	33,271	36,412	40,351	41,796	
Unrealised Gains	F=E-D	\$ 7,339	\$ 9,391	\$ 11,080	\$ 10,410	

- There are currently 143 specific endowed funds.
- Realized income net of fees (i.e. interest, dividends) has averaged 4.9% since 2004.
- Global markets witnessed impressive gains over the past year, driven largely by an unprecedented AI investment boom supported by above-average earnings growth and valuation expansion. However, geopolitical tensions in the Middle East have escalated sharply over the past weeks, causing oil prices to rise materially and increasing inflationary pressures on global economies while weakening overall market conditions. Should the conflict persist longer than anticipated, total unrealized gains on the endowment fund may be lower than projected by the end of 2025/26 fiscal year.
- Some of the newer endowment funds have not generated sufficient investment income and capital gains to support the endowed disbursements.
- Due to increased donations and a stable portfolio, Ontario Tech has been able to maintain a stable level of increased disbursements over the last few years. In the current environment of the cost-of-living crisis, the Committee notes that it is even more critical than ever to continue to support our students.

**Disbursement amounts and number of awards were as follows:**

Disbursement Year	Number of awards disbursed	Amount (\$'000s)
2023	359	\$ 647
2024	391	\$ 716
2025	394	\$ 728
2026 Forecast	405	\$ 780
2027 Budget	435	\$ 950

**SUPPORTING REFERENCE MATERIALS:**

N/A

## COMMITTEE REPORT

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**SESSION:**

Public   
Non-Public   
Consent

**ACTION REQUESTED:**

Decision   
Discussion   
Information

**TO:** Audit & Finance Committee (A&F)

**MEETING DATE:** April 23, 2026

**PRESENTED BY:** Brad MacIassac, Vice-President, Administration

**FROM:** Office of Risk Management

**SUBJECT:** Agenda Item 8.3.1: Annual Compliance Report

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**EXECUTIVE SUMMARY:**

- Over the past year, the Office of Risk Management has:
  - Reviewed and refined 114 legislative requirements, enhanced compliance data with policies and reporting links, and, expanded the program to 145 tracked legislative obligations to improve oversight and accountability.
  - Successfully coordinated key annual and biennial reports, including requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, *Freedom of Expression*, and *Accessibility for Ontarians with Disabilities Act*.
  - Maintained high completion rates among full-time employees through onboarding and follow-ups, while developing targeted strategies to improve compliance among limited-term employees.
  - Improved the Audit Reporting Tool to centralize audit information, while continuing audit activities through the Audit Task Force Group and Office of Risk Management to strengthen institutional compliance and risk management.

**ANALYSIS:****Compliance Program**

Throughout the past year, we conducted a comprehensive review of the 114 legislative requirements identified in the previous year to assess their applicability to the University. This process involved consultation across various areas to determine which requirements should be retained, refined, or removed.

We also used this opportunity to enhance and standardize the information to better support the compliance program. This included incorporating relevant details such as associated policies, responsible committees, and related reporting requirements linked to each legislative obligation. These enhancements improve data quality and support more effective oversight and management of compliance activities.

As a result of this work, additional applicable legislative requirements were identified, and the compliance program now tracks a total of 145 legislative obligations, excluding municipal requirements and by-laws.

## **Annual Reporting**

- *Fighting Against Forced Labour and Child Labour in Supply Chains Act*
  - [April 2024 – March 2025 Annual Report](#)
- *Higher Education Quality Council of Ontario Act*
  - [Freedom of Expression Policy – August 2024 – July 2025 Report](#)
- *Accessibility for Ontarians with Disabilities Act*
  - [Annual Status Report May 2024 – April 2025](#)
  - [2025 Accessibility Compliance Reporting](#) (Biennially)

## **Training**

We have observed continued improvements among full-time employees, with completion rates remaining high and increased emphasis placed on completing mandatory training within the new hire onboarding period. Follow-up communications were conducted to raise awareness among individuals with outstanding training requirements and to reinforce the importance of timely completion.

Challenges remain with limited-term employees, largely due to higher turnover and the continuous onboarding of new hires. To address this, we plan to implement similar awareness and follow-up strategies that have proven effective for full-time employees, with the goal of improving training completion rates and increasing overall compliance among limited-term staff.

## **Audit**

We took the opportunity to enhance the Audit Reporting Tool using MachForm to further centralize information and improve accessibility for relevant stakeholders. This enhancement supports more consistent reporting and better visibility of audit activities across the institution.

The Audit Task Force Group continues to conduct and report on audits within their respective areas, supporting ongoing oversight and accountability. In addition, the Office of Risk Management remains actively involved in audits and inspections conducted across the institution to ensure alignment with compliance and risk management objectives.

## **COMPLIANCE CONFIRMATION:**

**Salaries and Benefits:** The University meets its obligations in respect of the payment of salaries and wages and associated remuneration obligations and legislative requirements.

**Financial Statements:** The University's financial statements as at the date of their preparation, are accurate and complete in all material aspects.

**Insurance:** As part of the University's commitment to stakeholders, governors and officers, the University maintains comprehensive insurance coverage to fulfill contractual obligations, manage financial risk, and ensure long-term financial stability. All insurance policies remain in full force and effect.

**Legislative obligations:** the University tracks a total of 145 legislative obligations, excluding municipal requirements and by-laws, with associated reporting and compliance requirements.

**NEXT STEPS:**

- Enhance and update the compliance program questionnaire to support stakeholder review, validate existing information, and gather additional data to strengthen compliance oversight.
- Prepare for the development and implementation of a Multi-Year Accessibility Plan for the institution.
- Continue to work in the membership of CURIE to ensure the University receives the appropriate insurance protection with the respective policies available.

## COMMITTEE REPORT

---

**SESSION:**

Public   
 Non-Public   
 Consent

**ACTION REQUESTED:**

Decision   
 Discussion   
 Information

**TO:** Audit & Finance Committee (A&F)

**MEETING DATE:** April 23, 2026

**PRESENTED BY:** Brad MacIassac, Vice-President, Administration

**FROM:** Office of Risk Management

**SUBJECT:** Agenda Item 8.3.2: Fighting Against Forced Labour and Child Labour in Supply Chains Annual Report

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**EXECUTIVE SUMMARY:**

- This report is prepared in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) and outlines the University’s processes, measures, and progress during the 2025-2026 fiscal year to prevent and mitigate risks of modern slavery within the University’s supply chain.
- The report also highlights actions taken to strengthen oversight, due diligence, and responsible procurement practices.
- The University remains committed to embedding ethical and responsible practices across all operations, procurement activities, and partnerships.
- Ongoing efforts focus on continuous improvement, risk mitigation, and alignment with legislative requirements and best practices.
- The Office of Risk Management, Procurement and Office of the General Counsel collaborated to complete the required annual report under this Act.

**KEY CONSIDERATIONS:**

- The report presented to A&F is now final and complete.
- Accordingly, A&F’s approval is sought to confirm the report’s adequacy and completeness to ensure alignment with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, ahead of its prescribed statutory reporting submission by May 31.
- Ahead of submission, the Board Chair and President will sign the final report.

**Motion:**

*That the Audit & Finance Committee hereby recommends to the Board of Governors the approval of the 2025-2026 Fight Against Forced Labour and Child Labour in Supply Chains Annual Report, as presented.*

**ANALYSIS:**

- The University continues to enhance awareness and understanding of modern slavery risks through internal engagement and process improvements.
- Existing policies, procedures, and governance structures support responsible sourcing and ethical supplier engagement.
- No instances of forced labour or child labour were identified through monitoring activities during the reporting period.
- Overall, the University's risk level remains low, with ongoing efforts focused on continuous improvement and alignment with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

**NEXT STEPS:**

- May 7: Board approval and attestation in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* section 11(4)(a).
- Once the report is reviewed and approved, we require the signatures and attestation from the Board Chair and President and Vice-Chancellor.
- By May 31: Annual report submitted to Public Safety Canada and published on the University's website.

**ATTACHMENTS:**

- 2025-2026 Fighting Against Forced Labour and Child Labour in Supply Chains Annual Report



# Fight Against Forced Labour and Child Labour in Supply Chains

April 2025 – March 2026 Annual Report



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## About this Report

This report is prepared pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”). It outlines Ontario Tech University’s processes, measures and progress made in the 2025-2026 fiscal year to prevent and mitigate the risks of modern slavery across the University’s supply chain. It also reaffirms the University’s commitment to prevent modern slavery, child labour, forced labour, and human trafficking in all activities and relationships with partners.

## About Us

Ontario Tech University is a forward-thinking institution, committed to embracing and shaping the future. The University is dedicated to upholding compliance through integrity, ethical behavior, and good governance. The University values integrity by promoting equity, fairness, kindness, and ethics. Encouraging innovation and striving for excellence can shape Ontario Tech University’s approach to sourcing goods and services. Furthermore, the University’s commitment to social change can impact procurement practices by seeking suppliers that adhere to ethical and sustainable standards. Integrating ethical considerations into its procurement processes contributes to the fight against forced labour and child labour.

## Structure, Activities and Supply Chains

Ontario Tech University is a public academic institution established in 2002 as a corporation without share capital by the Government of Ontario. Since its founding, the University has developed a strong reputation for integrating technology into teaching and research, with a focus on innovation, career readiness, and societal impact.

The University operates under the oversight of its Board of Governors, which is responsible for oversight of its property and finances, and the conduct of its business and affairs. This includes responsibility for strategic planning, risk management, and financial stewardship. The Board has established University policies, processes, and governance structures to ensure its effective operation, enabling it to fulfill its mandate and achieve its institutional objectives. For the 2025–2026 fiscal year, the University operated with a substantial budget supported primarily by tuition revenue, government grants, and other funding sources.

The Chancellor serves as the ceremonial head of the University and confers degrees, diplomas, and certificates. The President and Vice-Chancellor is the University’s chief executive officer and is responsible to the Board for the leadership and administration of the institution, including the implementation of academic priorities and overall strategic direction. The President is supported by a senior leadership team responsible for overseeing both academic and administrative functions. Each member of this team provides leadership and advice within their respective areas of responsibility.

Ontario Tech University generally operates at the upper end of its supply chain, with multiple intermediary layers separating it from the earliest stages of raw material extraction and manufacturing. This positioning creates inherent challenges in fully tracing and mapping all tiers of the supply chain.

In carrying out its academic, research, and operational functions, the University relies on a broad network of suppliers and service providers across a range of sectors. These relationships support the procurement of goods and services required for teaching, research, and campus operations, including facilities maintenance, construction, and capital projects.

The vast majority of the University's purchases are for internal use. A small portion of goods, primarily textbooks, apparel, and sundry items and food products, is resold through the University's retail operations. These products are largely sourced from Canadian vendors and distributors. In limited cases, a small number of textbooks are purchased directly from independent U.S. publishers that do not have Canadian distribution channels due to their size.

In the 2025-2026 fiscal year, the University's total third-party expenditure on goods and services amounted to approximately \$79 million. Approximately \$400,000, were purchased for resale through the University's campus retail operations.

The University's supplier base is diverse and includes local businesses, independent contractors, construction and engineering firms, travel and accommodation providers, security services, and vendors supplying information technology equipment and other consumables. A substantial proportion of these suppliers are based in Canada. In the 2025-2026 fiscal year, approximately 86% of the University's purchase orders, by value, were issued to Canadian suppliers.

Goods imported by the University accounted for approximately \$1.3 million. Relative to the University's overall budget, imported goods represented approximately 1.6% of the University's total spending in 2025-2026.

## Policies and Due Diligence Processes

At Ontario Tech University has comprehensive policies and due diligence processes in relation to forced labour and child labour including:

- **Procurement of Goods and Services Policy**
  - The University aspires to maintain the highest ethical, legal, environmental, managerial and professional standards in the management of resources that have been entrusted to it as a publicly funded institution. These standards can only be achieved in an environment that promotes and supports sound fiscal management and accountability, risk minimization, long-term sustainability, and social responsibility. To this end, the Procurement of Goods and Services policy is designed to define and guide in the management and control of financial expenditures in an open, fair, and transparent manner and in accordance with the broader regulatory requirements.
- **Procurement of Goods and Services Procedures**
  - The purpose of these procedures is to complement the Procurement of Goods and Services Policy by serving to define and guide individuals in fulfilling their responsibilities and obligations throughout each phase of the procurement process. These procedures are consistent with the Broader Public Sector Procurement Directive, Supply Chain Code of Ethics, Canadian Free Trade Agreement, Canada-European Union Comprehensive Economic and Trade Agreement, and have been developed to ensure that all goods and services are acquired by the University through a process that is open, fair and transparent.
- **Procurement Policy: Supply Chain Code of Ethics**
  - The purpose of the University's Supply Chain Code of Ethics is to define acceptable behaviours and standards that should be common for everyone involved with supply chain activities, such as planning, purchasing, contracting, logistics and payment. The code is not meant to supersede other University value statements or policies but rather to supplement them with supply chain-specific standards of practice.

- **Policy on Responsible Conduct of Research and Scholarship**
  - The purpose of this policy and its related procedure is to set out the standards, requirements and responsibilities that apply to the responsible conduct of research and scholarship at the University.
- **Respectful Campus Policy**
  - The Respectful Campus Policy outlines the University's commitment to promote and sustain a respectful and inclusive campus in accordance with the Ontario Human Rights Code, the Accessibility for Ontarians with Disabilities Act, and the Occupational Health and Safety Act. The purpose of the policy is to ensure the campus community is familiar with their various rights, roles, responsibilities, and obligations as they relate to preventing and responding to all forms of harassment and discrimination.
- **Ethical Conduct Policy**
  - The purpose of this policy is to promote standards of ethical conduct that advance integrity and accountability, and support the University's mission, vision and values.
- **Safe Disclosure Policy**
  - The University is committed to ethics, integrity, and compliance in all its activities. The purpose of this policy is to set out the principles for Good Faith disclosure of Improper Activity and to describe the University's response to concerns from such disclosures. The policy reflects the University's commitment to accountability and ethical conduct and supports the ability of University members to disclose concerns in good faith, without fear of reprisal. This policy is intended to address only disclosures that cannot be addressed under other policies or procedures that govern the subject matter of the disclosure.
- **Safe Disclosure Procedures**
  - The purpose of these procedures is to establish the processes for making and reviewing and/or investigating a Good Faith Disclosure under the Safe Disclosure Policy.

The University is committed to enhancing its policies and due diligence processes related forced and child labour. In support of this commitment, the University:

- Strengthened University policies and due-diligence processes related to forced and child labour.
- Further aligned the Procurement Policy and Procedure with the requirements of the Act.
- Reinforced ethical sourcing expectations across the procurement lifecycle.
- Updated internal guidance materials to support consistent consideration of human-rights in supplier evaluation, contract development, and the review of higher-risk purchasing categories.
- Completed preparatory work to integrate the forthcoming OUPPMA sector training framework once released.
- Refined supplier due-diligence measures, including stronger validation requirements for international suppliers and improvements to supplier onboarding practices aligned with emerging human-rights awareness initiatives.
- Updated competitive bidding templates and purchase order terms to clearly prohibit forced and child labour, reinforce supplier accountability and strengthen subcontractor oversight.
- Continued to support the University's commitment to ethical and transparent supply-chain management.

## Steps Taken to Assess, Manage, Prevent and Reduce Risks

Over the past fiscal year, the University continued to assess its operations and procurement activities for potential forced and child labour risks, with a review of purchasing patterns again confirming minimal exposure due to the low volume of international imports and the nature of the goods procured. No new risks were identified through this assessment.

In parallel, participation in sector initiatives led by OUPPMA and CASPAR strengthened institutional awareness of human-rights risks and enhanced the University's capacity to identify and manage potential concerns in future procurement cycles.

Over its past fiscal year, Ontario Tech University has continued to strengthen its approach to ethical procurement and the mitigation of human rights risks, including the risks of forced and child labour within its operation and supply chains. Our activities included the following key initiatives:

### (i) Collaboration with OUPPMA to Develop a Provincial Training Framework

Building on previous efforts, the University has focused on sector collaboration and the development of training and awareness initiatives designed to enhance due diligence across the institution. The University actively participated in a sector wide initiative led by the Ontario University Professional Procurement Management Association (OUPPMA) to design a common training framework for procurement professionals on forced and child labour. This work aims to build shared provincial capacity to identify, assess, and address human rights risks throughout University supply chains.

The framework is structured as a multi module program to support progressive learning and strengthen compliance with Bill S-211 and other applicable ethical sourcing requirements. Key components include:

- **Module 1: Awareness of Human Rights in Supply Chains**  
Provides foundational knowledge on procurement's role in preventing forced and child labour, outlines obligations under Bill S-211, and highlights indicators of elevated risk in global supply chains.
- **Module 2: Interacting with Internal Clients on Human Rights**  
Supports procurement professionals in advising campus clients on legal, financial, and reputational risks, identifying high risk spend categories, and integrating ethical considerations into purchasing decisions.
- **Module 3: Interacting with Suppliers on Human Rights**  
Offers guidance on setting expectations for suppliers, conducting due diligence, managing potential violations, and reinforcing the University's Supplier Code of Conduct.

This initiative represents a significant step forward in establishing consistent, sector wide standards for ethical procurement practices within Ontario's University system.

### (ii) National Collaboration on Human Rights Awareness with CASPAR

In parallel with the provincial initiative, the University also participated in a national awareness project coordinated by CAUBO-ACPAU Sustainable Procurement/Approvisionnement Responsable (CASPAR) group, a Canadian forum focused on sustainable procurement in the post secondary sector.

This project involves the development of a human rights awareness video aimed at decentralized purchasers and other campus community members involved in buying activities outside of the central Procurement office. The video will:

- Increase awareness of forced and child labour risks and modern slavery concerns.
- Provide accessible guidance on ethical supply chain management.
- Support due diligence practices across campus, particularly among individuals involved in low value or distributed purchasing.

By contributing to this national initiative, the University is helping promote consistent understanding of human rights obligations across Canadian post secondary institutions.

### (iii) Continued Integration of Ethical Sourcing into Procurement Practices

In addition to its collaborative initiatives, the University has continued to integrate ethical sourcing principles into its internal procurement processes. This included maintaining alignment of procurement templates, guidance materials, and documentation practices with the requirements of Bill S-211. Procurement staff also continued to share information with peer institutions and sector partners to support the ongoing development of best practices in ethical purchasing.

## Remediation Measures

As the University did not identify any instances of forced labour or child labour within its operations or supply chain during the past fiscal year, no remediation measures were required. Likewise, no actions were necessary to address potential loss of income to vulnerable families, as no corrective steps to eliminate forced or child labour were undertaken. The University will continue to monitor its supply chain and remains prepared to implement appropriate remediation measures should any risks be identified in future assessments.

## Training

The University continues to provide all required legislative training to employees, including guidance on ethical sourcing and procurement practices. As detailed above, the University also supported sector initiatives through OUPPMA and CASPAR to strengthen awareness of human-rights risks in supply chains, which will inform future training for procurement staff and decentralized purchasers.

## Assessing Effectiveness

To assess the effectiveness of its policies and procedures regarding forced labour and child labour, Ontario Tech University implemented measures to establish a schedule for periodic reviews or audits of its practices. These reviews ensured ongoing compliance and helped identify opportunities for improvement. The University also worked closely with suppliers to evaluate the effectiveness of their efforts in addressing forced labour and child labour. This included monitoring supplier performance indicators related to labour practices and collaborating on improvement initiatives.

Ontario Tech University assessed its effectiveness in preventing forced and child labour by:

- Continued to assess the effectiveness of its efforts to prevent forced and child labour within University operations and supply chain.
- Review procurement documentation and processes to ensure continued alignment with the requirements of the Act,

- Maintained the ongoing use of standardized ethical-sourcing language in tendering and contract documents.
- Continued monitoring practices for international suppliers, including review of import activity or supplier attestations.
  - Confirmed that no issues were identified through supplier or import reviews.
- Encouraged the use of established vendor-of-record programs, such as Ontario Education Collaborative Marketplace (OECM), which incorporate their own due-diligence measures and support responsible sourcing.
- Supported effectiveness through participation in sector-wide initiatives to strengthen procurement awareness and capacity.
- Collaborated with OUPPMA on the development of a provincial training framework.
- Participated in the national awareness project led by CASPAR.
- Enhanced institutional understanding of human-rights risks within procurement and supply chain activities.
- Used insights from sector collaboration to inform ongoing improvements to procurement practices.
- Reinforced the University's ability to identify potential concerns, maintain compliant processes, and support continuous improvement in ethical supply-chain management.

## Approval and Attestation

This report has been approved in accordance with the provisions of section 11(4)(a) of the Act by the Board of Governors of Ontario Tech University for the fiscal year ending March 31st, 2026.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity list above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

**I have the authority to bind the University of Ontario Institute of Technology.**

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Laura Elliott  
Board of Governors Chair  
May XX, 2026

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Steven Murphy  
President and Vice-Chancellor  
May XX, 2026