ACADEMIC COUNCIL REPORT

SESSION:		ACTION REQUESTED:	
Public	☒	**Decision**	☐
Non-Public	☐	**Discussion/Direction**	☒
		Information	☐

TO: Academic Council

DATE: November 22, 2022

PRESENTED BY: Brad MacIsaac, Vice-President, Administration
Lori Livingston, Provost and Vice-President, Academic

SUBJECT: Budget 2023-2024 Assumptions and Priorities

BACKGROUND/CONTEXT & RATIONALE:

At this point in time, the 2022 – 2023 Ontario Tech budget is trending to balance but will only deliver on the desired surplus of over $3M for future reserves if the winter has greater enrolment than anticipated and/or units have less expenditures than currently forecasted.

As we start to plan for 2023 – 2024, we have updated our three-year rolling enrolment target based on this year's results. The intent of the attached budget paper is to provide the Board, and the university community, with a general understanding of the revenues we expect and the expenses that are already accounted for in the coming budget year.

As Academic Council members review the budget framework we welcome feedback with a particular emphasis on the assumptions and priorities:

Do you feel comfortable with the current revenue and expense assumptions?

Do you believe the priorities for funding are in line with the university's strategic priorities?

a) Enrolment Revenue; The preparation of the operating budget involves the use of projections and estimates. This major revenue driver includes enrolment assumptions which include a year-over-year domestic student enrolment increase of about 100 students and international student enrolment increase of about 30 students.

b) Tuition Revenue: The assumptions include the government continuing the freeze on domestic tuition rates as we have not heard anything to the contrary.

c) Expenses: We must first deal with mandated salary increases and prioritized hiring plans which will be explained further in the final budget proposal. The first draw on the ~$217M budget is a reallocation to invest $8M more in personnel costs compared to 2022-2023

The risks are low in the sense that this is a planning framework. As we get closer to setting the budget we expect to have more clarity on student application numbers and a response from the government on a proposed tuition hike. In every year there is a level of overall risk of not achieving the desired enrolment results (e.g. a 1% deviation in enrolment will lead to ~$1M variance, positive or negative, from tuition fee revenues). Note that the university is normally within ±3% when predicting enrolment totals.

The bigger risk may be what is not included in the budget framework. We recognize that inflation and supply issues continue to wreak havoc on some operating expenses. At this time, we have not placed an inflationary increase into the budget. Instead we are asking for units to put in an ask for us to prioritize or reallocate from within their existing budgets.

We are currently anticipating $1.2M to invest in our key priorities that are outlined in the paper.

ALIGNMENT WITH MISSION, VISION, VALUES:
The suggested directions are made with an eye on the Mission of the university and an investment in the priorities laid out in the Integrated Academic Research Plan. They will allow Ontario Tech to continue to provide high quality undergraduate and graduate services and experiences to its students.

COMPLIANCE WITH POLICY/LEGISLATION:
The assumptions are to be compliant with provincial tuition fee policy and Ontario Tech's ancillary fee protocol.

NEXT STEPS:
The paper will be released to all employees. Academic Council consultation on November 22nd and a hy-flex Townhall Meeting for the Ontario Tech community on November 29th.

Budget holders are to complete and submit their budget by December 16th. The leadership team will review the formal winter count data and finalize the budget submission. This will be presented to the Audit & Finance Committee in April 2023.

SUPPORTING REFERENCE MATERIALS:

Fiscal Blueprint 2023-2024, November 2022

ONTARIO TECH'S FISCAL BLUEPRINT 2023-2024

Budget Working Group, November 2022

Executive Summary

This document outlines the overarching context in developing the university's 2023-2024 budget, as well as to highlight the key assumptions and risks that have been identified as part of this process. After years of budget uncertainty related to COVID-19, we forecast a relatively stable yet lean three-year balanced budget position. At the initial stages of developing this budget, our current assumptions estimate revenues to be more than $217M for 2023-2024, which is an increase of $8.5M from the prior budget year. Our total revenues trend upward, primarily due to international enrolment growth and directed other revenues that have corresponding offsetting expenses (e.g., Brilliant Catalyst and food services). The revenue picture is positive as we plan for the next fiscal year, yet we need to be diligent in making choices that ensure ongoing financial sustainability.

Initial expenses, not including prior year reserves, have increased approximately $6M from the prior year. These increases are the result of existing contractual obligations such as salary increases, lease obligations and student financial aid commitments. Full-time salary and benefits are expected to increase by almost $8M compared to last year, offset by other reductions, thus consuming almost 95% of our estimated revenue increase.

This leaves an estimated $1.2M for strategic allocation in the 2023-2024 budget year (Figure 1). This number may increase if we exceed enrolment projections or the provincial government allows higher tuition levels, but both notions have a high degree of uncertainty attached to them. A longer list of priority action items will be developed and put in place, should additional funds become available. As we look to the outyears, we have accounted for inflation and a capital fund as equipment ages. We will continue to plan for a surplus above $3M as we must build reserves for deferred maintenance expenses. This leaves limited discretionary dollars for new spending and the focus remains on funding strategic initiatives that reflect our values and provide opportunities for differentiation from other universities.

With somewhat unpredictable limited net revenues, numerous expenditures and rising inflation rates, we must stay laser-focused on the university's core priorities outlined in the Integrated Academic-Research Plan (IARP). We ask our campus community the following question: With the IARP in mind, what key priorities we must invest in? Please submit feedback to budget@ontariotechu.ca.

Figure 1 – Ontario Tech Forecasted Operating Budget

Revenue Summary	2020-21 Actual	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget*	2024-25 Budget*	2025-26 Budget*
FFTEs	***9438***	***9540***	***9389***	***9485***	***9464***	***9809***	***9745***
Tuition	81,440	89,205	94,719	93,146	100,436	110,473	118,820
Grant	82,371	89,281	82,227	85,129	84,328	84,516	83,721
Ancillary	11,155	11,971	14,081	13,509	14,574	15,105	15,007
Other Revenue	3,237	5,231	4,939	7,239	5,478	5,588	5,699
Donations	1,103	1,483	1,784	2,311	1,784	1,820	1,856
Commercial	5,751	7,041	12,095	11,433	11,293	11,519	11,749
Total Revenue	**$185,058**	**$204,212**	**$209,845**	**$212,767**	**$217,893**	**$229,021**	**$236,852**
Expense Summary							
FT Labour	97,429	99,170	113,301	106,614	121,410	126,955	131,060
PT Labour	16,855	22,255	18,766	22,439	17,310	17,977	18,437
OPEX	55,887	73,465	71,748	74,236	72,383	74,384	76,615
Capital	6,571	6,185	9,761	13,599	5,965	5,934	6,053
Total Expenses	**$176,743**	**$201,075**	**$213,576**	**$216,888**	**$217,068**	**$225,250**	**$232,165**
Funded by PY Reserves	$0	$840	$4,782	$4,782	$354		
Net Surplus / (Deficit)	**$8,315**	**$3,977**	**$1,051**	**$661**	**$1,179**	**$3,771**	**$4,687**

Planning and Budgetary Context

This paper provides an overview of anticipated revenue streams and expenses for the 2023-2024 budget year. These form the basis for a discussion on the investments and reallocations we need to prioritize in order to reach our vision and mission through working on our strategic priorities (as outlined in the Integrated Academic and Research Plan (IARP) and the Strategic Research Plan). With numerous competing demands, this paper focuses on short-term priorities. This does not eliminate the need for growth and investment in many areas but rather, focuses on tangible gains in the year ahead. Our path will help to solidify our university as a remarkable and recognized place of work and study.

The current financial context requires ongoing fiscal discipline to address budget pressures and release resources to invest in our plans. We remain committed to finding efficiencies that free up funds for reallocation along with identifying net new resources available to allocate to priority areas. While the 2021-2023 IARP remains in place, there is a process underway to set the 2023-2025 plan. This rolling plan marks continued commitment to our four priority areas (Tech with a conscience, Learning re-imagined, Creating a sticky campus and Partnerships). The following strategic areas were discussed with the Board of Governors and identified as priority areas of investment over the next fiscal year:

Learning Re-imagined/Tech with a conscience - Innovative Programming: Re-invent learning by defining and constructing high-quality pedagogical practices specifically designed for use with technological solutions and the inclusion of experiential components. Incentivize scholarship of teaching and enhancing teaching practices through the focus on being leaders in pedagogy and technology research and scholarship that is learner focused.

Learning Re-imagined/Tech with a Conscience - Differentiated Technology and Physical Space: Invest in, and utilize, an expanded array of technological platforms and assets while simultaneously exploring and identifying new opportunities in relation to the technology-pedagogy interface. Expand core research facilities involving immersive technology. Repurpose and re-imagine existing spaces to support learning, research, community engagement and sustainability.

Sticky Campus/Learning Re-imagined - Student-Centric University: Strategic Enrolment Management Framework – Long term enrolment plan aligned with institutional vision and priorities combined with enhanced retention programming. Concentration on student success and the entire student lifecycle with greater focus on digital recruiting, analytics to help student success, microcredential and continuous learning offerings and enhanced connections with alumni for lifelong learning. Increased research opportunities for undergraduate and graduate students.

Sticky Campus - Commitment to Mental Health and Equity, Inclusion and Diversity: Provide supplemental supports via increased resources for faculty, staff and students. Concentration on the evolving workplace settings to provide for flexibility. Utilize self ID survey data to inform programs and actions that strengthen positive engagement and an environment that promotes inclusion, collaboration and equity.

Partnerships – Building Community/Partnerships to Support Learning, Opportunities and Discoveries: Focus on strengthening and expanding current partnerships, philanthropy efforts, and community connections to support student learning and employment opportunities, academic programs, and research priorities.

Looking Ahead—Building Assumptions

Ensuring students have access to high-quality post-secondary education has never been more critical. For many, the learning gained through the pandemic presents opportunities as well as challenges. Our campus community will continue to come together to consider our future and to identify how we can achieve our vision through thoughtful, sustainable decisions that will strengthen our university.

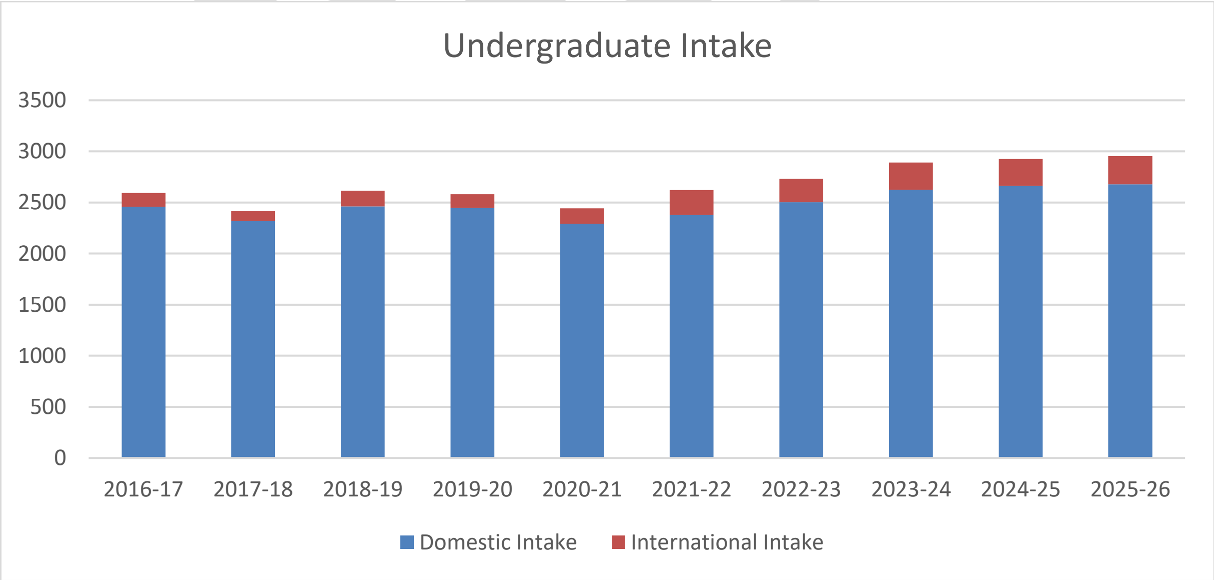
Our revenue is mostly dependent on student registration numbers and the resulting associated funds (e.g., grants, tuition and ancillary fees) linked directly to their enrolment. All, except for international student tuition, are controlled by the provincial government. With current freezes on enrolment grants and domestic tuition levels, we must continue to increase, broaden, and stabilize our revenue base to cover rising expense levels. Identifying and realizing revenues from alternative sources, continued enrolment growth via existing and new programs, and meeting our Strategic Mandate Agreement (SMA3) performance targets with the provincial government are required to ensure ongoing financial stability.

The following assumptions were determined with the information we have currently and will be revised throughout this budget cycle as new information becomes available. Any shift in the assumptions, positive or negative, will impact the budget. As we look to the next three years, our assumptions include the following:

Revenues

Enrolment: We have long-term plans to grow to 20,000 students including near-term enrolment commitments as set out in our current SMA3. Looking at new students, Ontario is seeing small increases in the university-aged population demographics, with an increase in the GTA and decreases in other parts of the province. While this is a positive trend in comparison to previous years, there is also increased competition for these students. All provincial publicly funded universities and colleges, must increase their enrolments going forward to remain fiscally sustainable. Many university and college programs are being expanded or newly created to recruit more students to every campus. We must do the same, as well as to diversify our recruitment efforts to include new and enhanced pathways for non-traditional learner populations, locally and globally. Our domestic undergraduate intake is estimated to grow above 2%, a little higher than the population increase. While we still aspire to realize an undergraduate international intake of 400 students, our budget is predicated on growing from 225 in 2022 to 275 in 2025 (Figure 2).

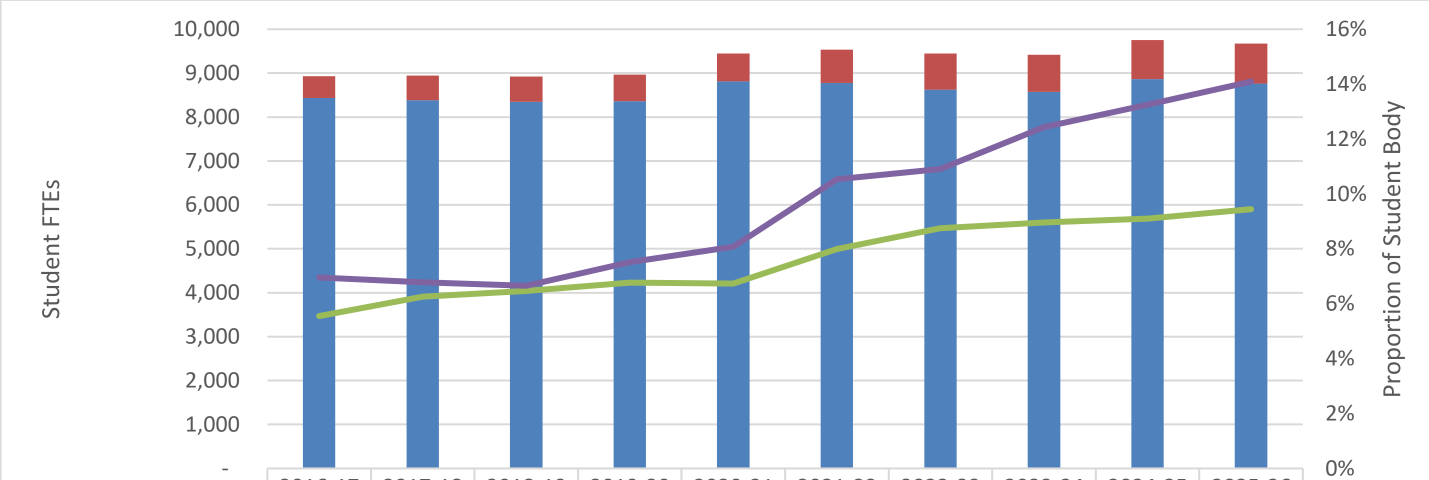
Figure 2: Forecasted Undergraduate Intake



Our overall student enrolment numbers will decrease next year as a result of having a lower student intake in 2020. This is directly attributable to the pandemic, an event which led to reduced in-person domestic recruitment events (e.g., cancellation of the Ontario Universities Fair and high school recruiting visits). There were also unexpected mobility challenges for international students. These shortfalls will have an impact on these numbers over the next four to five years.

The good news is that our strategic enrolment management (SEM) tactics, supported by an increasingly popular new brand, are working as we saw record applications in 2022. The university is moving to strengthen its domestic student population and to continue its growth in international student numbers (Figure 3). Our plans for increases in international student registrations show a trend towards the system average (about 20%).

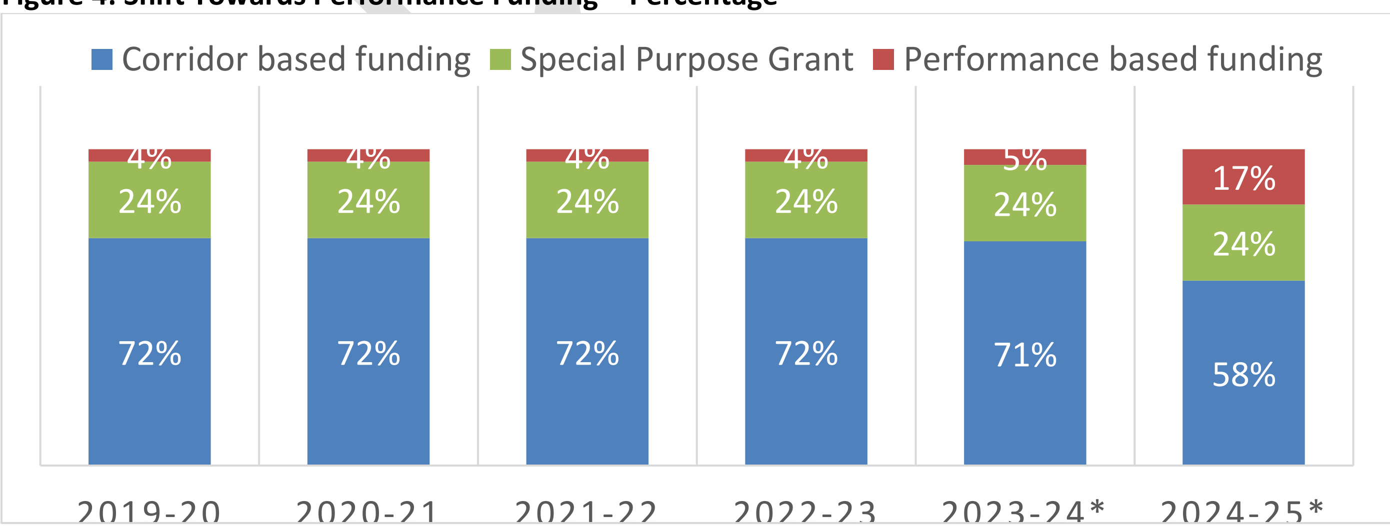
Figure 3: Forecasted Student Enrolment (FTEs)



	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Graduate	496	560	578	607	636	760	827	844	888	914
Undergraduate	8,434	8,383	8,347	8,362	8,813	8,778	8,621	8,574	8,863	8,762
% Graduate	6%	6%	6%	7%	7%	8%	9%	9%	9%	9%
% International	7%	7%	7%	8%	8%	11%	11%	12%	13%	14%

Grants: Government-funded enrolment-related grants are expected to remain flat until at least 2024. In 2016, the provincial government announced an enrolment-based funding formula where institutions receive a fixed operating grant if their five-year moving enrolment average stays within 3% of an established target (or corridor mid-point). The new funding model was designed to provide equitable, predictable and stable funding for all institutions and greater certainty for planning. In 2019, as part of the SMA3, the funding allocation moved to being heavily tied to performance measures. Due to the pandemic, the government decoupled results and grant funding through to 2022-2023. However, performance funding will move to 5% in 2023-2024 fiscal year and will continue growing to a total of 47% over the coming years (Figure 4). The budget assumes we will receive full grant funding, including the almost $4M in performance in the future years.

Figure 4: Shift Towards Performance Funding – Percentage



Government funding is becoming increasingly focused with additional dollars being issued as targeted grants that are allocated to specific activities rather than broad institutional supports. For example, in 2022-2023, the university received $800K in additional grant funding for facilities renewal that could only be used to cover capital costs related to existing buildings. Succinctly put, the institution does not have any choice on where to allocate the funds and is subject to strict accountability and reporting measures.

Tuition: Tuition fee levels for our undergraduate domestic students are currently nearing, yet are still below, the median for Ontario universities. In February 2019, the government announced a 10 per cent cut to domestic student tuition fees for the 2019-2020 academic year and a subsequent tuition freeze for domestic students for the 2020-2021 academic year. For Ontario Tech, this meant a revenue reduction of $9.4M (2019-2020) and $12M (2020-2021) relative to what we had expected. The tuition freeze remains in effect, and at present, we do not have any information on the domestic tuition framework for future years. We assume the domestic tuition freeze will continue for the 2023-2024 budget. This is unfortunate, given that for each 1% increase to the domestic tuition rate we would realize an estimated $500K increase to our total revenues. Universities are currently asking the government to discontinue its tuition freeze policies, but it would be a risk to assume this will becoming reality. Instead, we will budget conservatively and have a longer list of priorities to move forward should extra funds be realized.

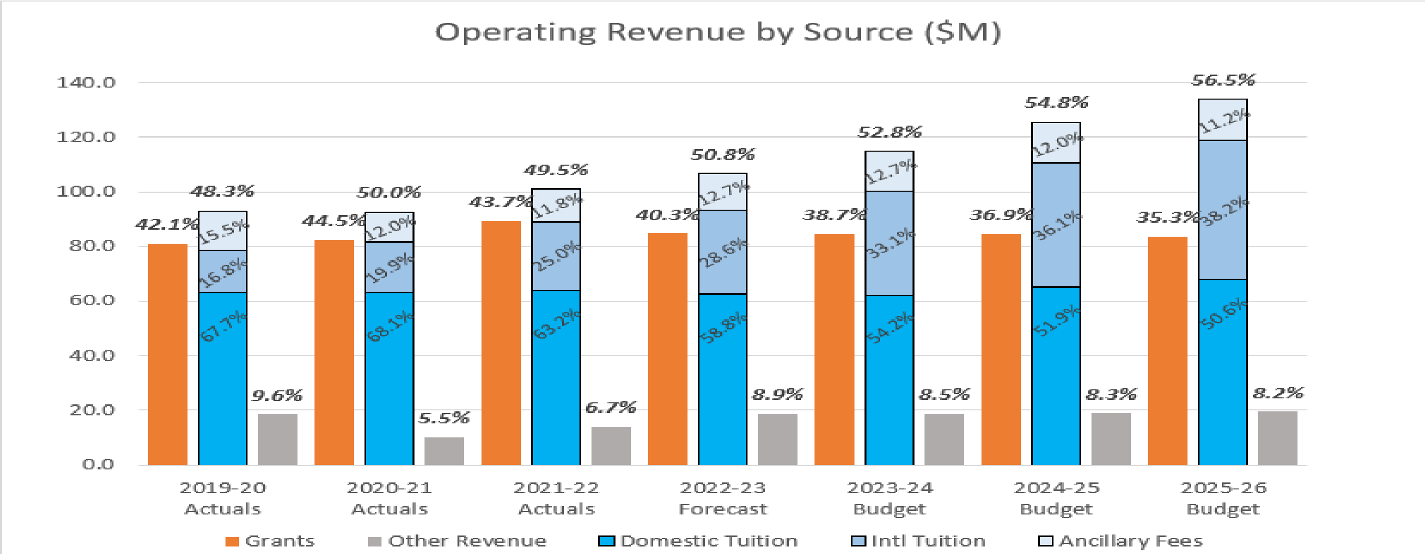
For 2023-2024, we have assumed an average of a 5% increase in international undergraduate tuition fees. Even with these increases, our international tuition fees remain among the lowest in the system and below the system median. However, due to competition for international students, the potential impact of this number is being closely reviewed. In the fall term there was a large delay in international students obtaining their study visas. A number of these student visas are currently being processed. As a result, we may see more students enrolling in the winter term, which will have a positive impact on tuition revenues. We must balance the increases to tuition with investments in student support as noted below.

Ancillary Fees: The remaining student fees are classified as ancillary fees. Ancillary fees are restricted for the activities for which they are approved (e.g., recreation services, health services, student success centre, and a variety of other student-centred supports). These represent about 12 per cent of total student fees. These fees are governed by a provincially imposed fee protocol that allows for an annual inflationary increase based on the Bank of Canada Consumer Price Index ("CPI") (September over September). The current CPI is 6%. However, noting the long-term average rate of inflation is closer to 2%, we ask units to hold at that level in setting the ancillary fees for the coming year.

Commercial Revenues (e.g., parking, food sales, and facility rentals)**:** We anticipate that these will begin to increase above pandemic levels going forward. Our goal in this area is to be balanced overall. Any positive carry forward will be put in capital reserves for future investments. Conversely, any deficit will be covered by prior years' reserves. This ensures the core operating budget is not impacted by supplemental services.

Revenue Assumption Outlook: In Ontario, government grant funding as a proportion of total revenues has consistently decreased, while income from international students has grown. In 2019-2020, our tuition and student fees represented 48% of our total revenues. With grants remaining frozen, the percentage of budget covered by students is estimated to grow to 53% next year (Figure 5), which aligns with the provincial system average of 55% (system *ranges from 40 to 70%*). This shows a greater reliance on increasing student fees to offset growing expenses.

Figure 5: Ontario Tech Revenue Source Percentages



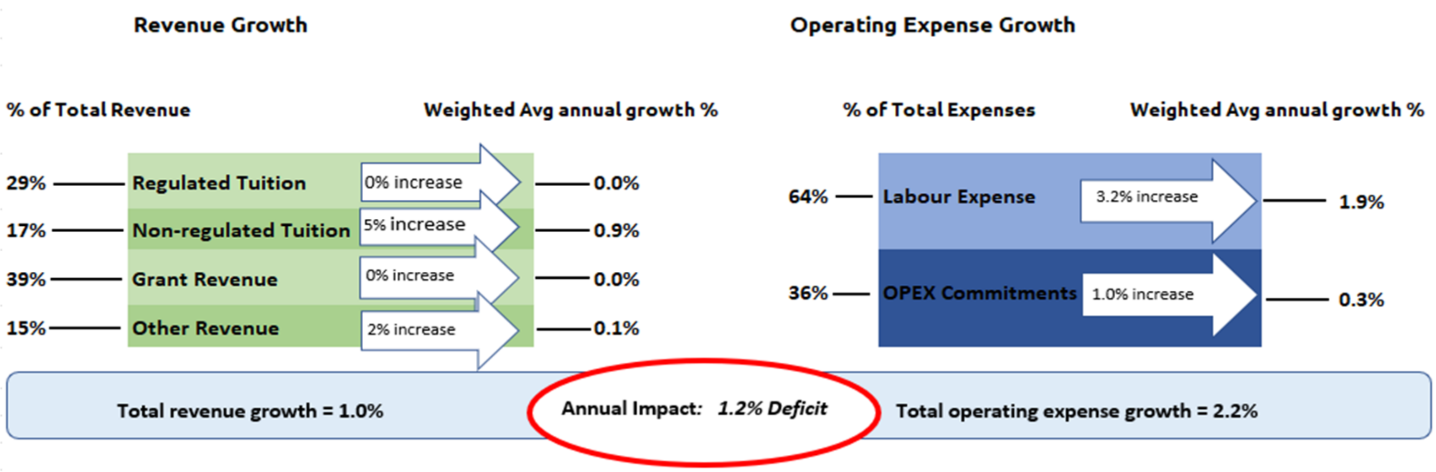
Expenses

A number of services are mandated for increases, which are automatically added to the base budgets. This may be required by government, external agreements or existing university policies. For example, we have restricted funds that are collected from students, donated, or provided to us via designated granting programs. The university monitors the collection of these funds and automatically provides the money to the associated service departments. For example, Campus Health Services fee collected from students applies directly to the operational expenses of this service and cannot be used for any other purpose. Some monetary government grants are also restricted such as the debenture grant, which is valued at $13.5M annually and covers a portion of the $16.5M annual debenture repayment.

Operating expenditures influence a several factors including, but not limited to, inflation, the escalating costs of key goods and services (e.g., software licenses, library subscriptions), and the cost of maintaining and servicing aging facilities. Prior to the pandemic, the Ontario university system experienced annual increases of about 4% annually, but now some of these required expenditures have surged into the double digits. With known increases in cleaning supply costs, required lab kits and food costs, we anticipate limiting operational expense increases will be difficult and units may have to cover them from within their current budget through reallocations. Each unit must look at the IARP and discern if there are activities that must be continued versus others that must be discontinued.

The core financial challenge influencing the fiscal blueprint is a result of the current government's frozen domestic tuition fees and no additional funding for domestic growth policies. This means that 68% of our total revenues (i.e., 29% regulated tuition and 39% grant revenue) are subject to no increase. **Without enrolment growth**, total revenue is projected to increase by a mere 1.0%. With our very conservative expense assumptions, our expenses are growing at an average of 2.2% annually. This includes a 3.2% increase attributable to annual mandated salary increases once we include across-the-board and annual progression factors. To limit the growth in expenses, we ask most units to cover inflationary and contract increases through the reallocation of existing budget dollars. Stated another way, the university is faced with a budget that is contingent upon continuous enrolment growth to fund base operating expenses (Figure 6). To provide some context, salary increases have annually grown above $3M in each of the past few years. Given that grant and tuition revenues remain flat for the foreseeable future, we need to enrol more than 300 more students per year to just to cover existing year-over-year mandated salary costs.

Figure 6: Structural Comparisons – Without Enrolment Growth



As we look at the 2023-2024 budget compared to the previous year, there is a projected $3.5M increase in expenses ($217M compared to $213.5M). It must also be noted that in 2022-2023 our expenses were higher than revenues as we had projects funded through prior year reserves. A few areas to highlight, as it relates to expenses in the current budget, include the following:

Personnel Costs: We must consider investing in the faculty and staff complement to bolster new and existing program capacity, to enhance our ability to move toward the highest quality of hybrid learning, boost co-operative education offerings, and to strengthen supports for teaching and learning, technology and our student recruitment efforts.

Just under 70% of our annual budget supports personnel costs, including salaries and benefits. This is higher than the Ontario system, which is at 62%. The base budget already includes almost $8.1M more for employees compared to last year's budget. This will be covered by approximately 95% of the total revenue increase. It is important to note that this year's cost is higher due to the One-Time Retirement Incentive Program for Tenured, Tenure-Track and Teaching Faculty Members outlined in the recent UOITFA Collective Agreement. In 2011, our Senior Academic Team set a goal to improve the student-to-faculty ratio from 36:1 to 31:1 in an effort to enhance the educational experience of our students and move closer to the provincial average. Our current faculty complement would keep us in this target ratio range (Figure 7).

Figure 7: Staff Complements (FTEs)

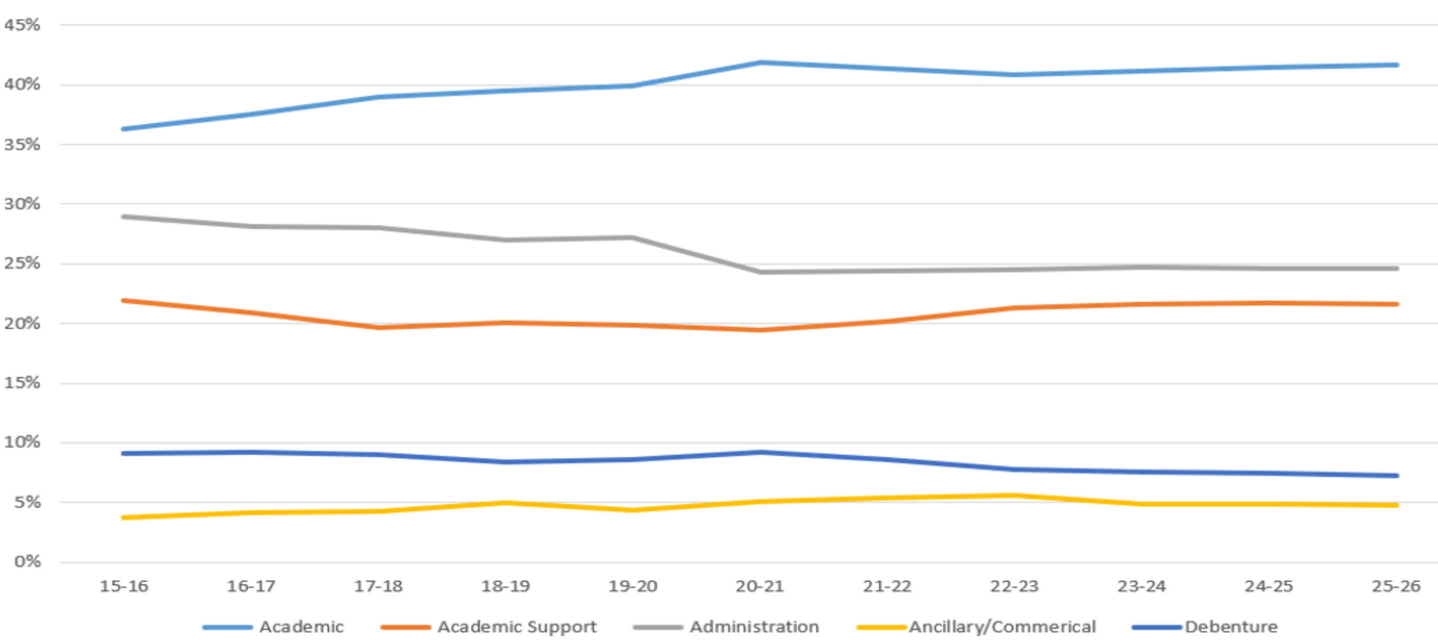
FTE COUNT - TOTAL	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Budget	2022-23 Forecast
FFTE's	8969	9449	9540	9389	9485
	1-Oct	1-Oct	1-Oct	1-Apr	1-Oct
Tenure/Tenure Track	225.5	230.5	225.0	232.0	232.0
Teaching Faculty	83.0	85.0	87.0	90.0	90.0
Support Staff - Durham College	67.2	64.0	63.3	56.5	59.9
Support Staff - OPSEU	279.0	287.0	298.0	309.0	315.5
Non-Union - Admin/Support	171.0	158.0	167.2	182.3	181.0
Total FTE	825.7	824.5	840.5	869.8	878.4
Student:Faculty	28.9	30.1	29.9	29.5	29.4
Student:Staff	18.3	19.4	19.4	18.9	18.7

Financial Aid Costs: Five per cent of our budget is allocated for scholarships, bursaries and fellowships to help students attend our university and to support our institutional access agenda. With increasing investments in entrance scholarships, graduate assistance and a new international support program, we anticipate that we will distribute more than $11M to students in 2023-2024. When the university established international student growth targets, we also created programs to set aside funds to help support our international students who come from a variety of different economic backgrounds. As we introduce a new international undergraduate entrance scholarship program in 2023, this money is set to almost double next year to $1.7M. Additionally, in 2022, we expanded an international graduate support program that provides scholarships, which essentially waives the international fee differential for 15 PhD students per year. This will grow to $750K next year.

Facilities Costs: 10% of our budgetary expenses include the costs associated with the annual upkeep of our physical infrastructure. Embedded in this number is more than $5M a year in building leases and $3M for the unfunded portion of the debenture. In November, 2021 a Strategic Reserves Discussion Paper was presented to the university's Board of Governors' Audit & Finance Committee to stimulate a review and prepare for future capital maintenance, repair and replacement needs. While more than 60% of our buildings are in great condition, funds need to be set aside for future renovations and to move from leases to university-owned buildings. Since 2012, we have planned to set aside $3.5M for future capital needs. This paper highlights a need above $4M a year for the next decade to deliver on planned activities such as normal repairs (e.g., roof replacements) and future buildings (e.g., Charles Hall and Library expansions). This full number is not in the budget as we expect annually savings of more than $3M for these purposes.

Expense Assumption Outlook: The budget assumptions provide about $1.2M for strategic allocations depending on the enrolment levels and anticipated program mix. Resource allocation is important to everyone who is part of the institution. Importantly, when funds are available for discretionary spending, our focus on our strategic priorities ensures that we continue to build a university where students, staff and faculty want to work and study, and they can do so in a modern, progressive environment. To this end, it is important that our discretionary investments support our key mandates, not the least of which is our academic programs and the people who are part of them. With these current allocations we see that we are slightly increasing percentages of funds that go to "academic" (e.g., faculties) and slightly decreasing percentages of funds that go to academic supports (e.g., library, teaching & learning) and administrative operations (e.g., finance), respectively (Figure 8).

Figure 8: Percentage of Total Budgeted Expenses by Functional Area



Summary

Ontario Tech strives to advance its strategic priorities while ensuring that we engage in financially responsible budgeting practices. It is important to note that our two main revenue streams (i.e., domestic tuition and provincial government grants) are currently frozen, while expenses continue to increase primarily due to annual salary increases and the costs of inflation. We have no choice but to focus on enrolment growth (especially international) and generating alternative revenue streams, while finding cost efficiencies during this time of financial constraint. This reliance on enrolment adds a layer of volatility to these planning processes as a mere 3% miss of intake could result in more than $1M in lost revenues. Therefore, a conservative budget plan is being developed to allow for potential revenue swings. With this in place there is about $1.2M for further investment in our priority areas.

The priorities we have already focused on include increases to our labour pool and student financial aid. As we look to the out years, we have accounted for a portion of inflation and a capital fund as equipment ages. We will continue to plan for a surplus above $3M as we must build reserves for deferred maintenance expenses. This leaves limited discretionary dollars for new spending and the focus remains on funding strategic initiatives that reflect our values and provide opportunities for differentiation from other universities.

We will continue to provide information so that our campus community better understands the issues and factors that must be considered when we make necessary, but also difficult, decisions in our current fiscally constrained environment. We welcome your feedback through participation in the budget information session or by emailing the Budget Working Group at budget@ontariotechu.ca.

For an alternative format of this information, contact budget@ontariotechu.ca.

Budget Kick-off 2023-2024

Academic Council Nov 22, 2023
Audit & Finance Nov 23, 2023

Q2 Budget Forecast

Q2 Budget Forecast

Revenue Summary	2021-22 Actual	2022-23 Budget	2022-23 Forecast
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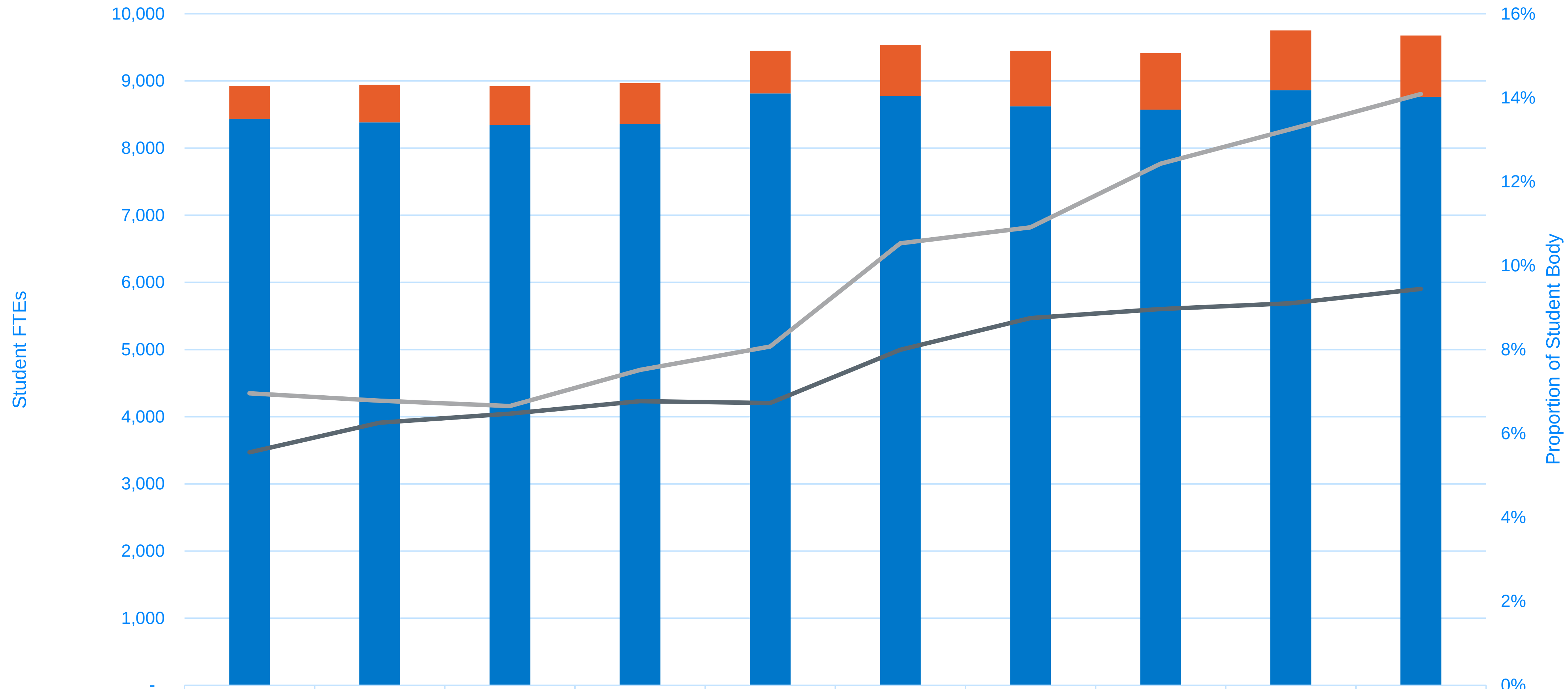
Funded by PY Reserves	$840	$4,782	$4,782
Net Surplus / (Deficit)	**$3,977**	**$1,051**	**$661**

2023 – 2024 Budget Assumptions - Revenues

Key Budget Driver - Enrolment



	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
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Undergraduate	8,434	8,383	8,347	8,362	8,813	8,778	8,621	8,574	8,863	8,762
% Graduate	6%	6%	6%	7%	7%	8%	9%	9%	9%	9%
% International	7%	7%	7%	8%	8%	11%	11%	12%	13%	14%

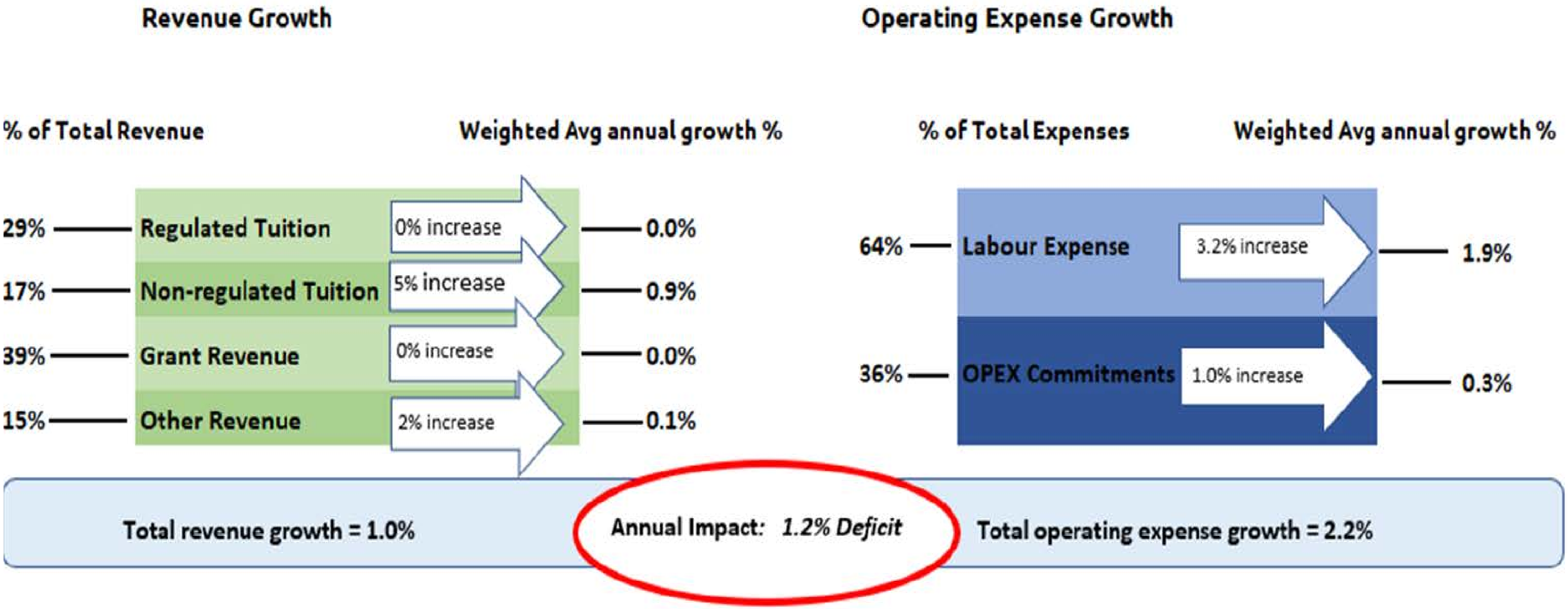
2023 – 2024 Budget Assumptions - Expenses

DRAFT Budget Forecast

Revenue Summary	2020-21 Actual	2021-22 Actual	2022-23 Budget	2022-23 Forecast	2023-24 Budget*	2024-25 Budget*	2025-26 Budget*
FFTEs	*9438*	*9540*	*9389*	*9485*	*9464*	*9809*	*9745*
Tuition	81,440	89,205	94,719	93,146	100,436	110,473	118,820
Grant	82,371	89,281	82,227	85,129	84,328	84,516	83,721
Ancillary	11,155	11,971	14,081	13,509	14,574	15,105	15,007
Other Revenue	3,237	5,231	4,939	7,239	5,478	5,588	5,699
Donations	1,103	1,483	1,784	2,311	1,784	1,820	1,856
Commercial	5,751	7,041	12,095	11,433	11,293	11,519	11,749
Total Revenue	**$185,058**	**$204,212**	**$209,845**	**$212,767**	**$217,893**	**$229,021**	**$236,852**
Expense Summary							
FT Labour	97,429	99,170	113,301	106,614	121,410	126,955	131,060
PT Labour	16,855	22,255	18,766	22,439	17,310	17,977	18,437
OPEX	55,887	73,465	71,748	74,236	72,383	74,384	76,615
Capital	6,571	6,185	9,761	13,599	5,965	5,934	6,053
Total Expenses	**$176,743**	**$201,075**	**$213,576**	**$216,888**	**$217,068**	**$225,250**	**$232,165**
Funded by PY Reserves	$0	$840	$4,782	$4,782	$354		
Net Surplus / (Deficit)	**$8,315**	**$3,977**	**$1,051**	**$661**	**$1,179**	**$3,771**	**$4,687**

Expenses

- **Revenue: If UG international went up 5% on average the weighted impact on budget is less than 1%.**
- **Expenses: Looking at current salaries alone when we include ATB and PTR they are going up over 3% a year for a weighted average of almost 2%**
- **Starting base budget DOES NOT include inflationary increase for OPEX. Most units will need to reallocate from within**



Strategic Allocation

IARP Priorities

- **Learning Re-imagined/Tech with a Conscience**

  Innovative Programming

- **Learning Re-imagined/Tech with a Conscience**

  Differentiated Technology and Physical Space

- **Sticky Campus/Learning Re-imagined**

  Student-Centric University

- **Sticky Campus**

  Commitment to Mental Health and Equity, Inclusion and Diversity

- **Partnerships**

  Building Community/Partnerships to Support Learning, Opportunities and Discoveries

Process & Timelines

Budget Process

22-Nov-2022	High level presentation of budget assumptions to AC
23-Nov-2022	Update on in-year and present budget assumptions to A&F
29-Nov-2022	High level presentation of budget assumptions to TOWNHALL
9-Dec-2022	Q3 FORECAST SUBMISSION
16-Dec-2022	2022/23 BUDGET & Workforce Planning SUBMISSION
Jan 23-25	Unit Leaders BUDGET PRESENTATIONS to Budget Working Group
12-Apr-2023	PRESENTATION OF PROPOSED BUDGET TO A&F
June 27-2023	PRESENTATION OF PROPOSED BUDGET TO AC