



**BOARD OF GOVERNORS  
Audit & Finance Committee**

**Wednesday, April 17, 2019**

**2:00 p.m. to 5:00 p.m.**

**North Campus, ERC 3023**

**Toll-Free: 1-877-385-4099 Participant Passcode: 1028954#**

**Members:** Nigel Allen (Chair), Doug Allingham, Stephanie Chow, Dale MacMillan, Steven Murphy, Dietmar Reiner

**Staff:** Robert Bailey, Craig Elliott, Becky Dinwoodie, Cheryl Foy, Justin Gammage, Doug Holdway, Brad MacIsaac, Pamela Onsiang

**AGENDA**

No.	Topic	Lead	Allocated Time	Suggested End Time
	<b>PUBLIC SESSION</b>			
<b>1</b>	<b>Call to Order</b>	Chair		
<b>2</b>	<b>Agenda (M)</b>	Chair		
<b>3</b>	<b>Conflict of Interest Declaration</b>	Chair		
<b>4</b>	<b>Chair's Remarks</b>	Chair		2:05 p.m.
<b>5</b>	<b>President's Remarks</b>	S. Murphy	5	2:10 p.m.
<b>6</b>	<b>Finance</b>			
6.1	2019-2020 Budget* (M)	C. Elliott & R. Bailey	35	2:45 p.m.
6.2	10-Year Financial Plan* (U)(P)	C. Elliott	10	2:55 p.m.
6.3	2019-2020 Tuition Fees Amendment* (M)	B. MacIsaac	10	3:05 p.m.
6.4	2019-2020 Ancillary Fees Breakdown* (U)	B. MacIsaac	10	3:15 p.m.
<b>7</b>	<b>Project Updates</b>		30	3:45 p.m.
7.1	New Building* (U)	B. MacIsaac & C. Elliott		
7.2	Land Exchange (U)	C. Elliott		
7.3	ACE Enhancement* (U)	C. Elliott		

No.	Topic	Lead	Allocated Time	Suggested End Time
7.4	Campus Recreation & Wellness Centre Expansion* (U)	C. Elliott		
7.5	AVIN* (U)	J. Gammage		
<b>8</b>	<b>Risk, Compliance &amp; Policy</b>			
8.1	<b>Policy:</b>			
(a)	Student Sexual Violence Policy & Procedures* (M)	R. Bailey & O. Petrie	10	3:55 p.m.
8.2	Compliance & Risk Management Update* (U)	C. Foy	10	4:05 p.m.
<b>9</b>	<b>Consent Agenda (M):</b>	Chair		
9.1	Minutes of Public Session of Meeting of February 20, 2019*			
<b>10</b>	<b>For Information:</b>			
10.1	Policy Activity Update*			
<b>11</b>	<b>Other Business</b>	Chair		
<b>12</b>	<b>Adjournment (M)</b>	Chair	5	4:10 p.m.
<b>BREAK</b>				
	<b>NON-PUBLIC SESSION (material not publicly available)</b>			<b>4:20 p.m.</b>
<b>13</b>	<b>Call to Order</b>	Chair		
<b>14</b>	<b>Conflict of Interest Declaration</b>	Chair		
<b>15</b>	<b>President's Remarks</b>	S. Murphy	10	4:30 p.m.
	• Debenture Update			
<b>16</b>	<b>Finance</b>			
16.1	Confidential Aspects of Finance Report (U)	C. Elliott & R. Bailey	10	4:40 p.m.
<b>17</b>	<b>Consent Agenda (M):</b>	Chair	5	4:45 p.m.
17.1	Minutes of Non-Public Session of Meeting of February 20, 2019*			
<b>18</b>	<b>Other Business</b>			
<b>19</b>	<b>In Camera Session (M)</b>			
<b>20</b>	<b>Termination (M)</b>			5:00 p.m.

Becky Dinwoodie, Secretary



**2019-20 Draft Operating Budget  
Audit & Finance Committee - April 17, 2019  
Presented by: Craig Elliott, Chief Financial Officer  
and Robert Bailey, Provost**

## 1 Strategic planning

- ▶ Ontario Tech University strategic plan
- ▶ Update on 2018-19 strategic initiatives
- ▶ Strategy and values focus
- ▶ Strategic initiatives for 2019-20
- ▶ Core performance targets
- ▶ Integrated strategic planning and financial cycle

## 2 Budget framework

- ▶ Budget process
- ▶ Tuition framework - Strategic institutional reductions
- ▶ Tuition framework - Strategic unit reductions

## 3 Financial overview

- ▶ Key budget assumptions
- ▶ Budget metrics
- ▶ Draft operating budget
- ▶ Operating revenue/expense analysis
- ▶ Budget summary by functional area
- ▶ Risks & opportunities/mitigation

## 4 Conclusion

- ▶ Next steps
- ▶ Questions and discussion



- ▶ Ontario Tech University strategic plan
- ▶ Update on 2018-19 strategic initiatives
- ▶ Strategic and value focus
- ▶ Strategic initiatives for 2019-20
- ▶ Core performance targets
- ▶ Integrated strategic planning and financial cycle



# Strategic initiatives 2018-19

Agenda Item 6.1

Stronger Academic Programs - strategic hires (10 TTT, 7 TF)	\$2.8M
Increased Technology Enhanced Learning Environment	\$0.5M
Research – increased scholarly activity and dissemination	\$0.6M
Partnerships that increase student and programmatic diversity	\$1.3M
Improving Student Success	\$0.6M
Investment in physical building and IT infrastructure	\$2.3M
Unite our community by increasing awareness	\$1.0M



# Strategy and values focus

**Subject:** Update on university's budget and priorities

**Date:** Wednesday, February 20, 2019 at 2:29:59 PM Eastern Standard Time

**From:** president@uoit.ca

Dear colleagues,

Last month, I communicated with all of you about the recent announcement regarding the Ministry of Training, Colleges and Universities' new tuition framework and the effect this announcement will have on the university. As indicated, the university will experience a \$9-million shortfall in 2019-2020 and \$12 million in the following year within this new framework.

Over the past several weeks, we've worked with all budget holders to propose budget efficiencies that will generate the required savings to help the university navigate this new fiscal reality. We're on track to formulate our recommended budget that will follow our normal consultation process, prior to being presented to the Board of Governors for approval at the end of April.

We are approaching all of our recommendations in a principled manner, consistent with the following values:

- **Students:** We are committed to providing an excellent learning environment and student experience.
- **Faculty and staff:** We are committed to minimizing the impact on people by finding efficiencies.
- **Access:** We are committed to maintaining and enhancing a diverse and inclusive campus community.
- **Communication:** We are committed to communicating regularly with our campus community about the budget process as it progresses.

Our university is well-positioned for the future as we remain focused on our [mission](#) and strategic priorities. Through our strategic priorities we have started on a path that will help solidify our university as a remarkable and recognized place of scholarly endeavor, phenomenal student experiences and tight-knit community.

As part of our commitment to regular communication, [this video](#) shares more about our focus on providing a quality learning experience as we finalize our 2019-2020 budget.

Sincerely,

Steven



Dr. Steven Murphy  
President and Vice-Chancellor



	Strategic Investment	Reallocation
<b>Sticky Campus</b>		
New Programs (BTech/ Liberal Studies/Nursing)	\$0.5M	
Student Supports (work/study; bursaries; recreation)	\$0.9M	
Library - creating new space	\$0.4M	
<b>Entrepreneurship</b>		
Brilliant & Co-op 3.0	\$0.5M	
<b>Partnerships</b>		
New Partnership Office	\$0.1M	X
Continuing Education/ EAP/ International	\$1.1M	X
<b>Tech Focus</b>		
Virtual Campus (LMS Renewal, Mobile App)	\$1.3M	X
Mobile Ride; Math videos	\$0.1M	X
<b>Storytelling</b>		
Branding	\$0.7M	X

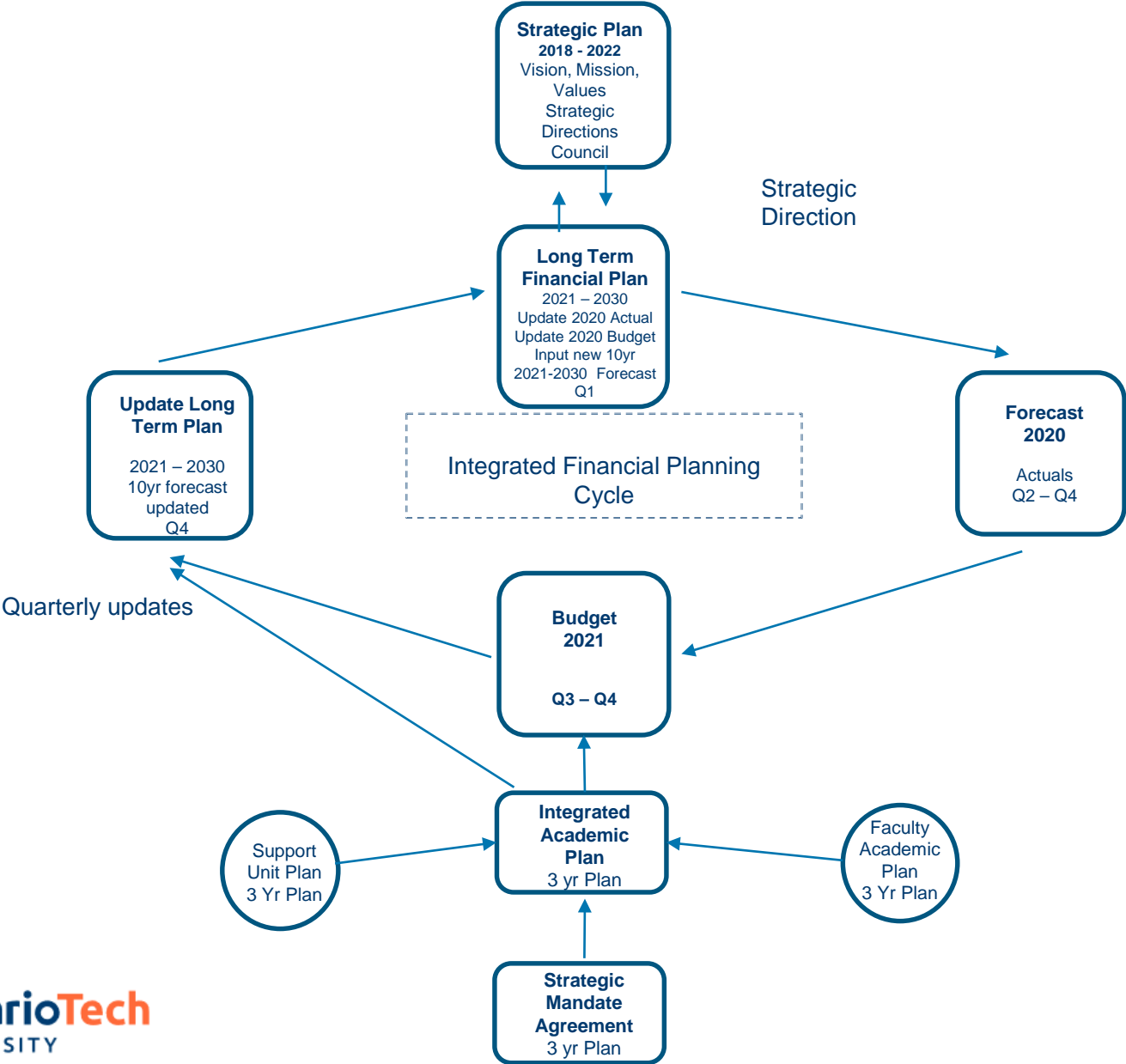
# Core performance targets

SMA Performance Targets				
Indicator	Initial SMA2 Level	Current Level	Target 2019-20	Long Term Objective
Composite score on NSSE questions related to students' perceived gains in higher order learning outcomes	28	28	27-30	↔
% UG students graduating with Experiential Learning	54%	72%	90%	↑
Graduate Employment Rates (2 years)	94.3	94.2	94-96	↔
Student Success Rates	79.9%	82.5%	79-81%	↑
Andragogy (Hybrid and online offerings)	20.5%	23.2%	20-22%	↑
Total Sponsored Research	\$9.6M	\$11.3M	\$9.5-11.5M	↑
Total Tri-Council Funding - share of total Ontario universities	0.61	0.60	0.60	↔
Number of papers per faculty member (cummulative over 5yrs)	1536	1800	1800-2000	↑
Percentage of undergraduate students accessing peer support programs	28	39	30-35	↑
Proportion of operating expenditures on student services	6.6	6.6	5-7	↔

	Improvement
	Maintain

Full SMA Metrics are available online in the [SMA Metrics 2017-18 to 2019-20 Dashboard Report](#).

# Integrated strategic planning and financial cycle



# Budget Framework



- ▶ Budget process
- ▶ New tuition framework
- ▶ Strategic institutional reductions
- ▶ Strategic unit reductions

# Budget process

The University budget model is an incremental model:

In Sep 2018 – Dec 2018,

- Base costs rolled forward and fixed cost increases applied
- Excess of revenues > expenses allocated strategically through the ASK process in conjunction with Senior Leadership Team (SLT).

In Jan 2019, the Province announced a 10% tuition reduction for 2019-20 with a freeze in tuition for 2020-21.

Impact: shortfall of \$9M for 2019-20 and \$12M for 2020-21

- Units submitted proposals for budget reductions
- Budget Working Group (BWG) reviewed unit proposals which included process efficiencies, and balanced the 2019–20 and 2020-21 budgets

The 2019-20 budget process is outlined in the appendix on the Development of Draft Budget flowchart

# Tuition framework – Strategic institutional reductions


Agenda Item 6.1

	<u>2019-20</u>	<u>2020-21</u>
	<u>\$ Mil</u>	<u>\$ Mil</u>
Total budget (fixed and variable costs)	\$191.0	\$197.0
Total variable costs only	\$136.0	\$141.0
<hr/>		
<b>Total Tuition Decrease, offset by:</b>	<b>(\$9.0)</b>	<b>(\$12.0)</b>
University Priority Fund decrease	\$1.0	\$1.0
International tuition increase	\$0.9	\$2.6
Capital investment decrease	\$1.0	\$0.0
Moving Ground Plane investment	\$0.0	(\$2.0)
New hire assumptions	\$1.0	\$3.9
Other strategic items	(\$0.5)	(\$0.3)
<hr/>		
<b>Net unit reduction required</b>	<b>(\$5.6)</b>	<b>(\$6.8)</b>
<hr/>		

# Tuition framework – Strategic unit reductions

in 000's Dept	2019-20 variable budget expenses	Budget Reductions		Total Reduction %	
	Total	19/20	20/21	19/20	20/21
Faculty of ESNS	4,126	(161)	(242)	(3.9%)	(5.9%)
Faculty of Business and IT	13,200	(447)	(389)	(3.4%)	(2.9%)
Fac. of Social Science & Hum	10,636	(392)	(579)	(3.7%)	(5.4%)
Faculty of Education	4,992	(163)	(236)	(3.3%)	(4.7%)
Faculty of Health Sciences	13,696	(351)	(408)	(2.6%)	(3.0%)
Faculty of EAS	14,318	(459)	(699)	(3.2%)	(4.9%)
Faculty of Science	13,001	(334)	(501)	(2.6%)	(3.9%)
Graduate Studies	1,919	(73)	(73)	(3.8%)	(3.8%)
Outsourced Electives	490	(198)	(350)	(40.4%)	(71.4%)
<b>Total Academic/ACRU</b>	<b>76,377</b>	<b>(2,578)</b>	<b>(3,478)</b>	<b>(3.4%)</b>	<b>(4.6%)</b>
Office of the Provost	665	(54)	(54)	(8.1%)	(8.1%)
Planning and Analysis	4,236	(734)	(698)	(17.3%)	(16.5%)
Research, Innovation	2,250	(73)	(124)	(3.3%)	(5.5%)
Registrar	6,754	(287)	(396)	(4.2%)	(5.9%)
Tuition Set Aside	-	-	-		
Student Life	1,886	(202)	(138)	(6.7%)	(5.2%)
Library	4,538	(160)	(276)	(3.5%)	(6.1%)
IT - TELE	-	-	-		
<b>Total Academic Support</b>	<b>20,330</b>	<b>(1,510)</b>	<b>(1,685)</b>	<b>(7.4%)</b>	<b>(8.3%)</b>
Secretariat/ General Counsel	1,697	(94)	(94)	(5.5%)	(5.5%)
President	964	(77)	(77)	(8.0%)	(8.0%)
Finance	3,314	(121)	(166)	(3.7%)	(5.0%)
Central Operations	3	-	-		
OCIS/Leased Space	6,767	(241)	(338)	(3.6%)	(5.0%)
IT (excluding TELE)	3,422	(70)	(58)	(2.1%)	(1.7%)
External Relations	4,696	(231)	(231)	(4.9%)	(4.9%)
Human Resources	2,560	(96)	(71)	(3.7%)	(2.8%)
<b>Total Administrative</b>	<b>23,424</b>	<b>(931)</b>	<b>(1,036)</b>	<b>(4.0%)</b>	<b>(4.4%)</b>
<b>Total Purchased Services</b>	<b>14,890</b>	<b>(595)</b>	<b>(596)</b>	<b>(4.0%)</b>	<b>(4.0%)</b>
ACE - Non-Commercial	493	(26)	(41)	(5.2%)	(8.2%)
<b>Total Ancillary/Comm Exp</b>	<b>493</b>	<b>(26)</b>	<b>(41)</b>	<b>(5.2%)</b>	<b>(8.2%)</b>
<b>Total base variable budget</b>	<b>135,513</b>	<b>(5,640)</b>	<b>(6,834)</b>	<b>(4.2%)</b>	<b>(5.0%)</b>



- 
- ▶ Key budget assumptions
  - ▶ Budget metrics
  - ▶ Draft operating budget
  - ▶ Operating revenue/expense analysis
  - ▶ Budget summary by functional area
  - ▶ Risks & opportunities/mitigation

1. **Enrolment**
  - ▶ Total FTE increase of 160 or 2% to 9,013
  - ▶ FTE for 2019-20 is within the Ministry approved corridor
2. **Government Grants**
  - ▶ Set at the 2016-17 level as per new funding formula, except for growth in core operating grant in collaborative nursing (\$0.3M) and in graduate grant (\$0.3M)
3. **Tuition set at new 2019/20 rates**
  - ▶ Domestic tuition decreases net \$7.4M or 10%
  - ▶ International average tuition increases \$0.9M or 6%
4. **Salary/wage estimates are based on current and planned contracts, as well as the non-union compensation plan**
5. **Standard COU space measurement averages 8.3 Net Assignable Space Meters per Full Time Equivalent (NASM/FTE) for Ontario universities**
  - ▶ 2019-20 budget is 4.7 NASM/FTE
6. **The strategic target set for Student/Faculty ratio is 31:1**
  - ▶ 2019-20 budget is at 30:1
7. **Operating budget includes building reserves of \$2M, deferred maintenance of \$0.5M, and \$1.0M of general operational reserves**

# Budget metrics

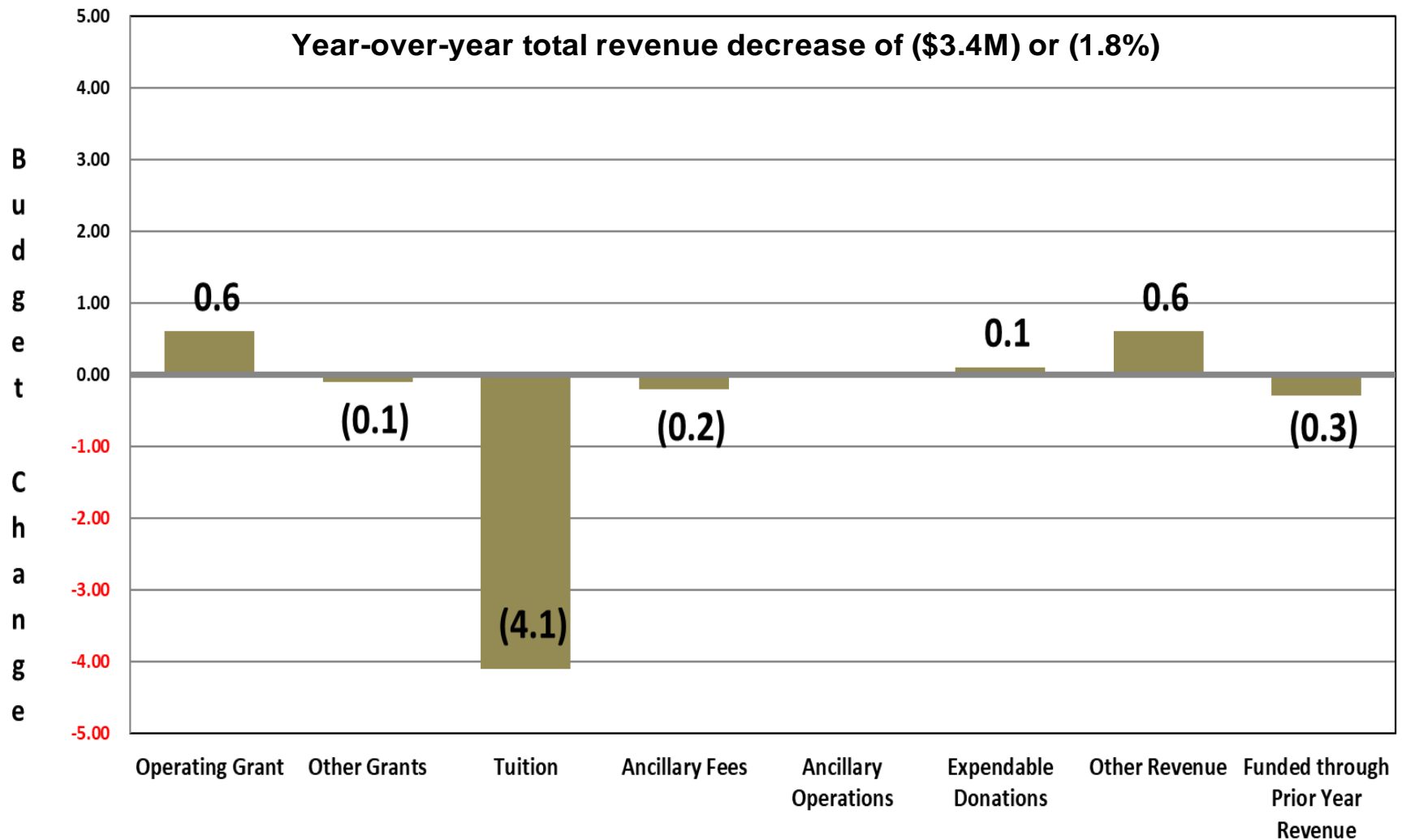
2019-20 budget vs 2018-19 budget	Metric	2019-20 Budget/Target	2018-19 Budget	2018-19 Forecast	2019-20 budget vs 2018-19 forecast
↑	Enrolment	9,013	8,853	8,933	↑
↑	Undergraduate Domestic	7,922	7,834	7,950	↓
↑	Undergraduate International	488	468	405	↑
↑	Graduate Domestic	414	379	430	↓
↑	Graduate International	189	172	148	↑
↑	Basic Operating Grant	\$57.4M	\$56.8M	\$57.0M	↑
↓	Student/Faculty Ratio	30:1	29:1	31:1	↑
↓	Domestic Tuition Rate	-10.0%	3.0%	3.0%	↓
↑	International Tuition Rate	6.0%	4.0%	4.0%	↑
→	NASM/FTE	4.7	4.7	4.7	→
↑	Student Success Rate	82.5%	80.3%	82.5%	→
↓	Positions Filled	98.9%	100.0%	94.6%	↑

# Draft operating budget

	2019- 20 Proposed Draft Budget (in \$'000 s)								
	2019-20 Draft Operating Budget	Purchased Services	Debenture	TELE	ACE	Regent Theater	Campus ChildCare	Campus Field House and Arena	Total 2019 - 20 Draft Budget
<b>REVENUES</b>									
Operating Grants	\$ 57,438		\$ 13,500						\$ 70,938
Other Grants	\$ 10,146						\$ 211		\$ 10,357
Student Tuition Fees	\$ 79,944								\$ 79,944
Student Ancillary Fees	\$ 5,283	\$ 2,357		\$ 3,721					\$ 11,360
Revenues from Ancillary Operations	\$ 225	\$ 3,558							\$ 3,783
Expendable Donations	\$ 854			\$ -					\$ 854
Other Revenues	\$ 5,108		\$ -	\$ 39	\$ 5,143	\$ 632	\$ 812	\$ 1,714	\$ 13,448
<b>Total Revenues</b>	<b>\$ 158,997</b>	<b>\$ 5,915</b>	<b>\$ 13,500</b>	<b>\$ 3,760</b>	<b>\$ 5,143</b>	<b>\$ 632</b>	<b>\$ 1,024</b>	<b>\$ 1,714</b>	<b>\$ 190,684</b>
Funded through Prior Year Revenue	\$ 191			\$ (65)					\$ 126
<b>Total Revenue</b>	<b>\$ 159,188</b>	<b>\$ 5,915</b>	<b>\$ 13,500</b>	<b>\$ 3,695</b>	<b>\$ 5,143</b>	<b>\$ 632</b>	<b>\$ 1,024</b>	<b>\$ 1,714</b>	<b>\$ 190,810</b>
<b>EXPENDITURES</b>									
FT Labour	\$ (86,980)	\$ (7,023)		\$ (1,110)	\$ (2,087)	\$ (103)	\$ (365)	\$ (629)	\$ (98,297)
PT Labour	\$ (15,659)	\$ (288)		\$ (410)	\$ (107)	\$ (295)	\$ (400)	\$ -	\$ (17,159)
Operating Expenses	\$ (42,746)	\$ (6,461)	\$ (16,501)	\$ (1,390)	\$ (2,877)	\$ (223)	\$ (259)	\$ (978)	\$ (71,435)
Capital Expenses	\$ (2,195)	\$ (939)		\$ (785)	\$ -	\$ -	\$ -	\$ -	\$ (3,919)
<b>Total Expenditures</b>	<b>\$ (147,580)</b>	<b>\$ (14,712)</b>	<b>\$ (16,501)</b>	<b>\$ (3,695)</b>	<b>\$ (5,071)</b>	<b>\$ (621)</b>	<b>\$ (1,024)</b>	<b>\$ (1,607)</b>	<b>\$ (190,810)</b>
<b>Budget Surplus/(Deficit)</b>	<b>\$ 11,608</b>	<b>\$ (8,797)</b>	<b>\$ (3,001)</b>	<b>\$ 0</b>	<b>\$ 72</b>	<b>\$ 11</b>	<b>\$ (0)</b>	<b>\$ 108</b>	<b>\$ 0</b>

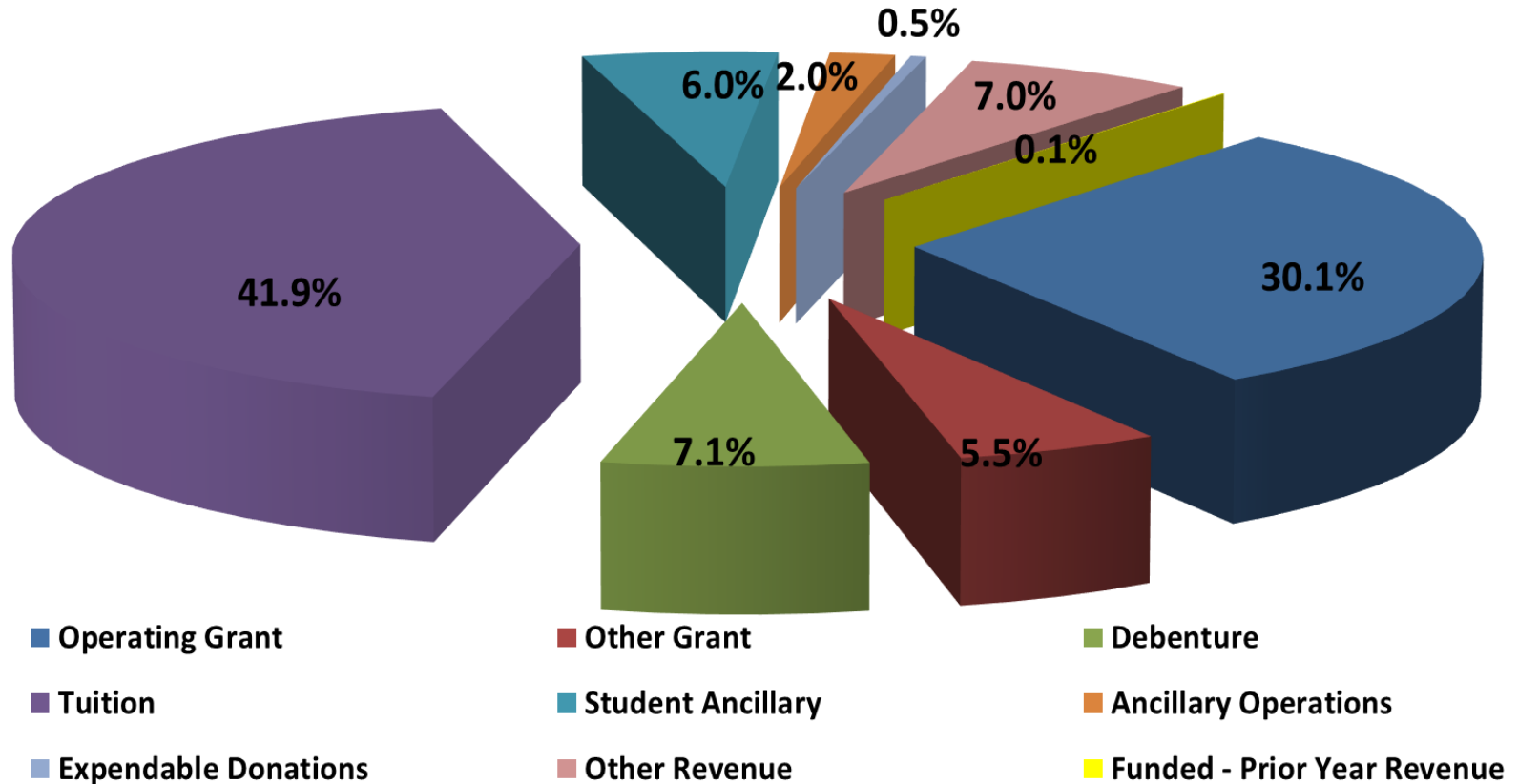
\* Expendable donations relate to the expendable and interest portion of endowed funds that will be disbursed as awards and scholarships in the budget year. It does not include endowed principal or the new capital campaign.

# Budget summary - revenue

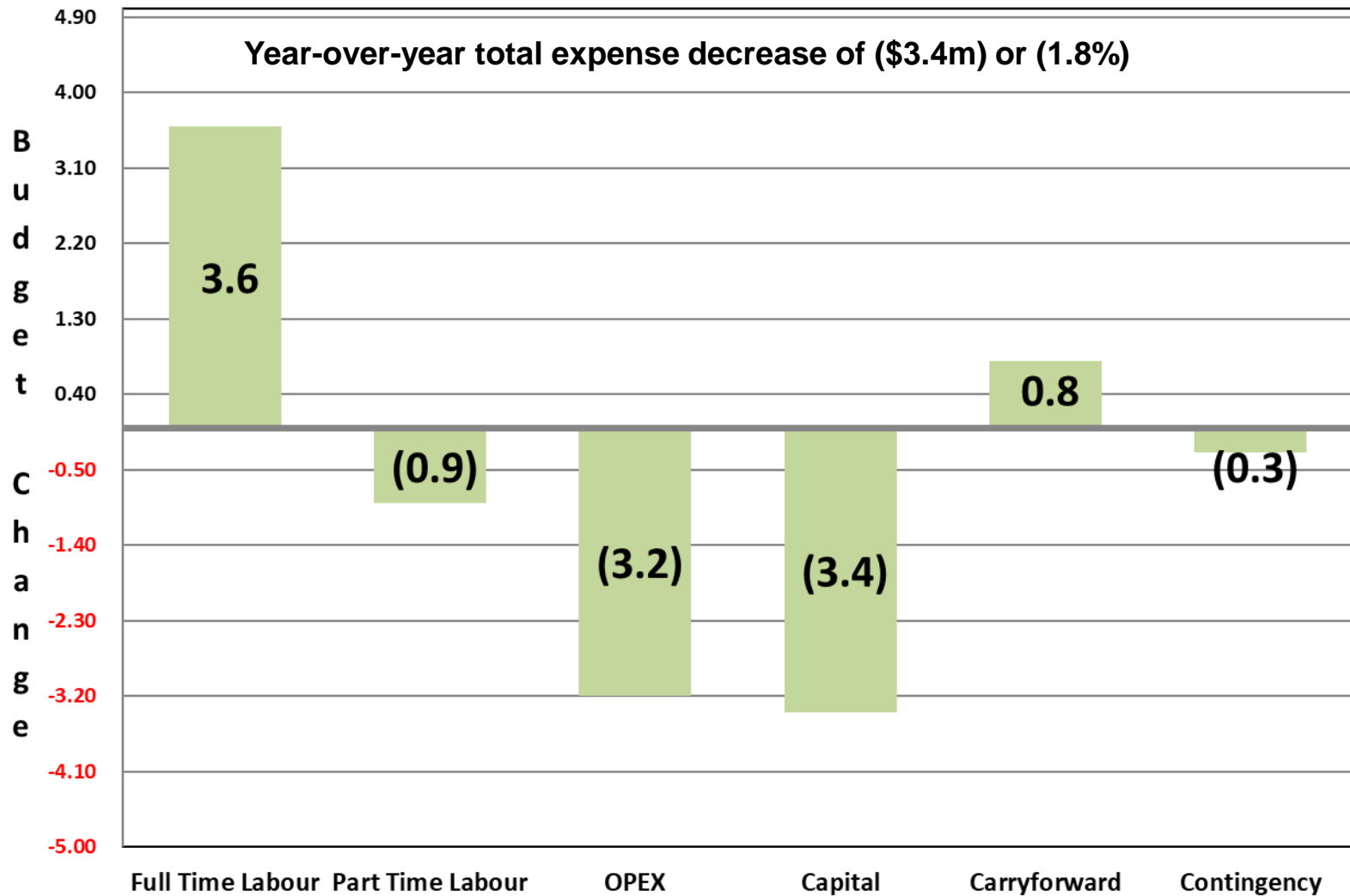


# Revenue components

Revenue Components as a % of Total Revenue



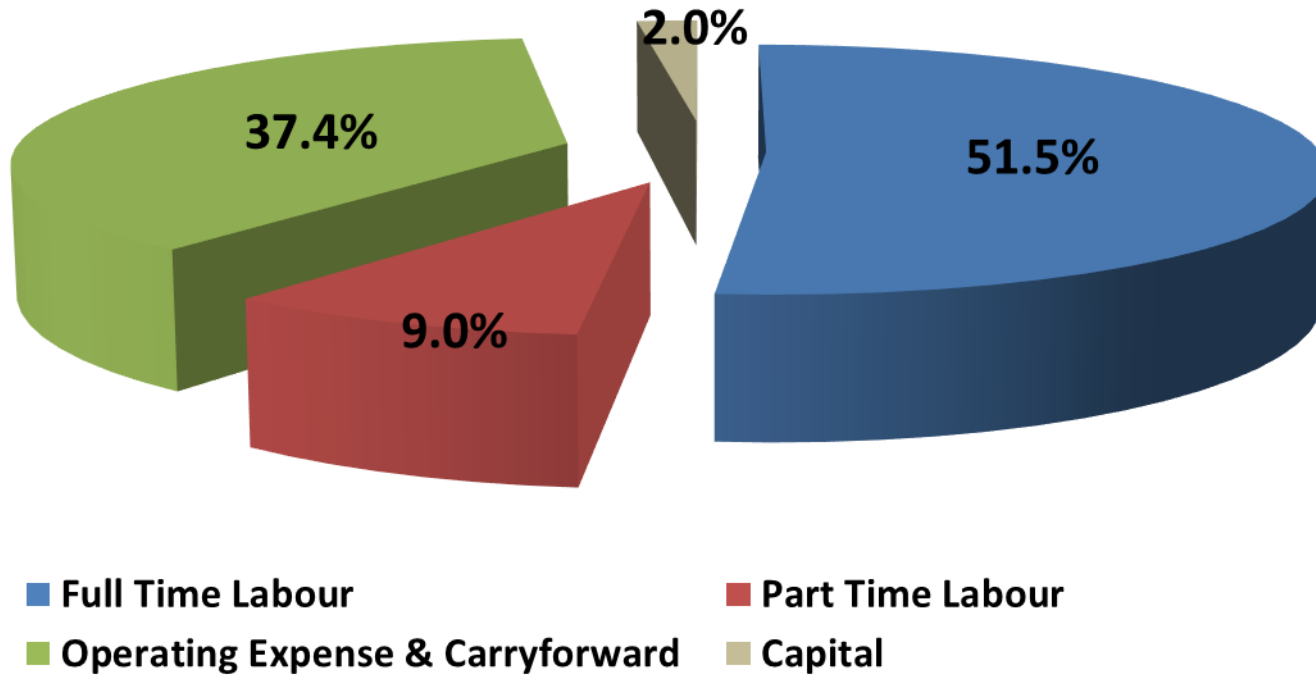
# Budget summary - expense





# Expense components

## Expense Components as a % of Total Expense



# Academic operating expenses

Department	2019/20 Budget	2018/19 Budget	Year-over-year change	
	\$'000's	\$'000's	\$'000's	%
Energy Systems and Nuclear Science	\$4,985	\$4,996	(\$11)	(0.2%)
Business and Information Technology	\$13,067	\$12,939	\$128	1.0%
Social Sciences and Humanities	\$10,272	\$10,028	\$244	2.4%
Education	\$4,914	\$5,345	(\$431)	(8.1%)
Health Sciences	\$13,213	\$12,991	\$222	1.7%
Engineering	\$14,480	\$14,442	\$38	0.3%
Science	\$13,200	\$12,939	\$261	2.0%
Graduate Studies	\$2,895	\$3,202	(\$306)	(9.6%)
Outsourced Electives	\$292	\$490	(\$198)	(40.4%)
<b>Total Academic</b>	<b>\$77,319</b>	<b>\$77,371</b>	<b>(\$52)</b>	<b>(0.1%)</b>

# Academic Support operating expenses

Department	2019/20 Budget	2018/19 Budget	Year-over-year change	
	\$'000's	\$'000's	\$'000's	%
Office of the Provost	\$916	\$1,205	(\$289)	(24.0%)
Planning	\$1,131	\$2,160	(\$1,029)	(47.6%)
Research, Innovation & International	\$2,551	\$2,489	\$62	2.5%
Teaching & Learning	\$3,648	\$3,620	\$29	0.8%
Registrar	\$6,634	\$6,745	(\$110)	(1.6%)
Tuition Set Aside	\$7,472	\$6,889	\$583	8.5%
Student Life	\$7,432	\$7,043	\$389	5.5%
Library	\$4,415	\$4,479	(\$63)	(1.4%)
IT - TELE	\$3,695	\$4,794	(\$1,099)	(22.9%)
<b>Total Academic Support</b>	<b>\$37,895</b>	<b>\$39,423</b>	<b>(\$1,528)</b>	<b>(3.9%)</b>

# Administrative operating expenses

Agenda Item 6.1

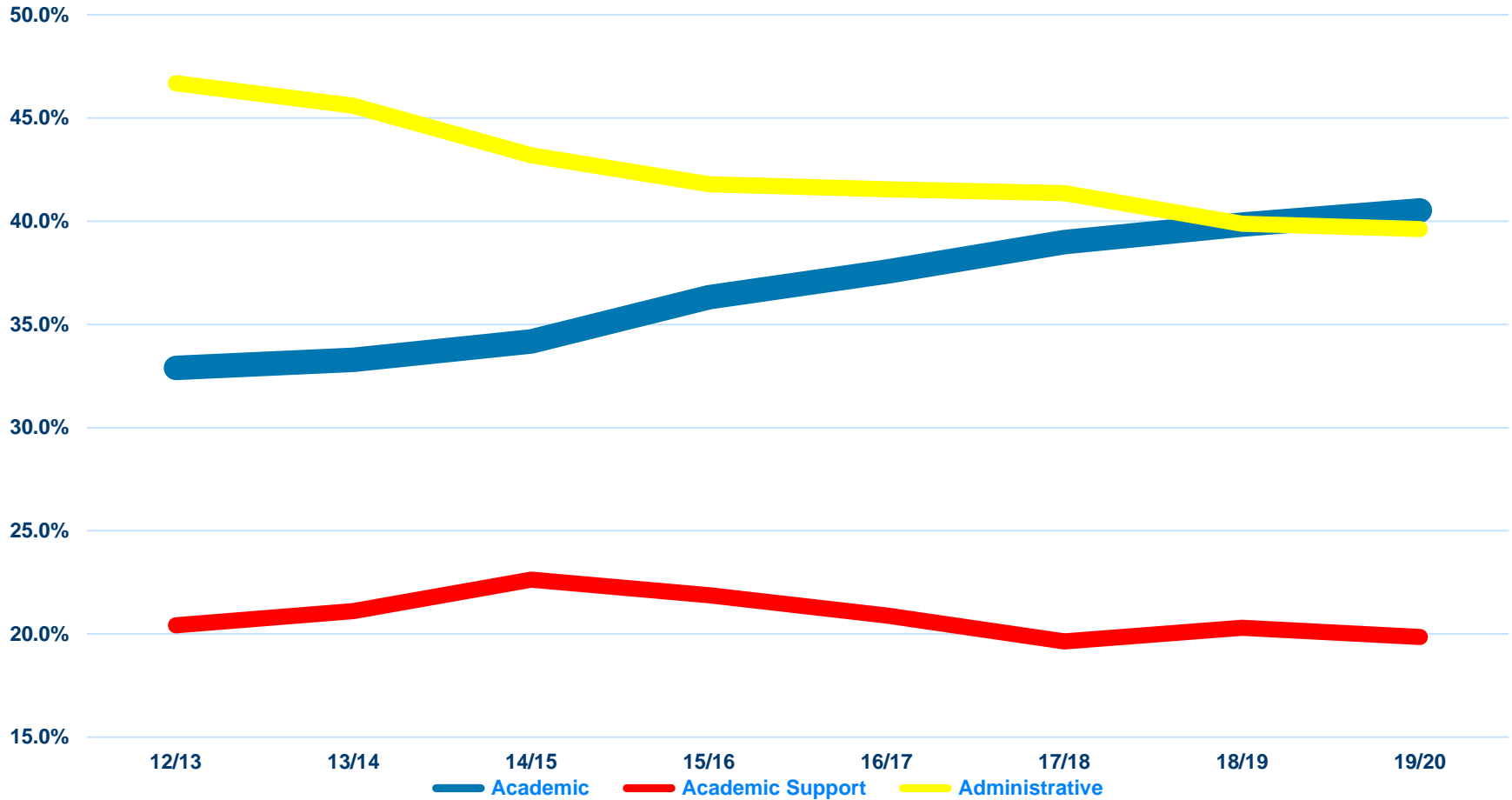
Department	2019/20 Budget	2018/19 Budget	Year-over-year change	
	\$'000's	\$'000's	\$'000's	%
University Secretariat and General Counsel	\$2,093	\$1,691	\$402	23.7%
President	\$955	\$1,037	(\$82)	(7.9%)
Finance	\$3,301	\$3,252	\$49	1.5%
Central Operations	\$4,905	\$5,369	(\$464)	(8.6%)
OCIS/Leased Space	\$12,963	\$13,759	(\$796)	(5.8%)
IT (excluding TELE)	\$3,893	\$3,762	\$130	3.5%
External Relations	\$4,637	\$4,772	(\$135)	(2.8%)
Human Resources	\$2,538	\$2,566	(\$28)	(1.1%)
<b>Total Administration</b>	<b>\$35,285</b>	<b>\$36,209</b>	<b>(\$925)</b>	<b>(2.6%)</b>

# Commercial and other operating expenses

Department	2019/20 Budget	2018/19 Budget	Year-over-year change	
	\$'000's	\$'000's	\$'000's	%
ACE	\$5,045	\$4,981	\$64	1.3%
Campus Ice /Campus Tennis Centre	\$1,607	\$1,595	\$11	0.7%
Daycare	\$1,026	\$959	\$67	7.0%
Regent	\$621	\$599	\$22	3.6%
Purchased Services	\$15,512	\$16,613	(\$1,102)	(6.6%)
Deventure	\$16,501	\$16,501	\$0	0.0%
<b>Total Commercial and other</b>	<b>\$40,311</b>	<b>\$41,249</b>	<b>(\$937)</b>	<b>(2.3%)</b>

# Budget Summary by functional area Agenda Item 6.1

% of Total Budget



# Risks and opportunities/mitigation

Agenda Item 6.1

<u>Risks</u>	<u>Est. Impact</u>	
	<u>2019-20</u> \$'000s	<u>2020-21</u> \$'000s
Compensation	\$480	\$1,250
Tuition, as per new tuition framework	150	225
	-----	-----
<b>Total risks</b>	<b>\$630</b>	<b>\$1,475</b>
	-----	-----
 <u>Opportunities/Mitigation</u>		
Ancillary Fee Changes	\$300	\$310
ConEd development (net)	150	250
Delay in OPEX and hiring	180	-
Increase in revenue/decrease in expenses beyond current budget plan for 2020-21	-	915
	-----	-----
<b>Total opportunities/mitigation</b>	<b>\$630</b>	<b>\$1,475</b>
	-----	-----



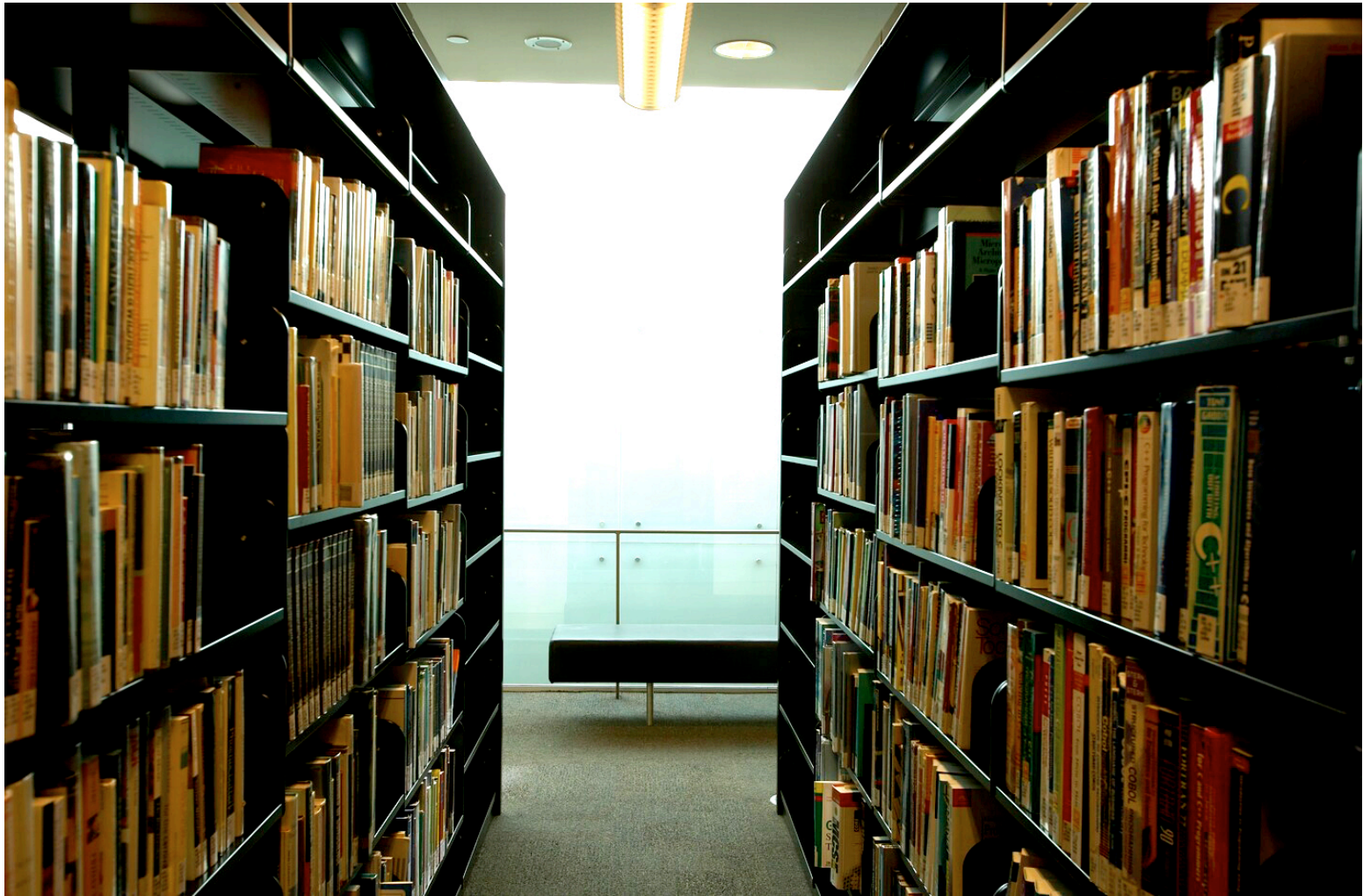
# Conclusion



- ▶ Next steps
- ▶ Questions and discussion

- Draft budget presentation to Audit & Finance Committee April 17, 2019
- Budget recommendations to the Board of Governors April 24, 2019
- Budget presented to Academic Council June 25, 2019

➤ Any questions or comments ?



**2019-20 Draft Budget Appendix  
April 17, 2019**

- ▶ Accounting policies
- ▶ Financial principles
- ▶ Budget process flowchart
- ▶ SMA enrolment corridor
- ▶ FTE enrolment summary
- ▶ Budget operating summary
- ▶ Operating revenues analysis
- ▶ Operating expenses analysis
- ▶ Capital expenditures
- ▶ Expenses by component
- ▶ Allocation of human resources
- ▶ Restricted funds

# Accounting policy

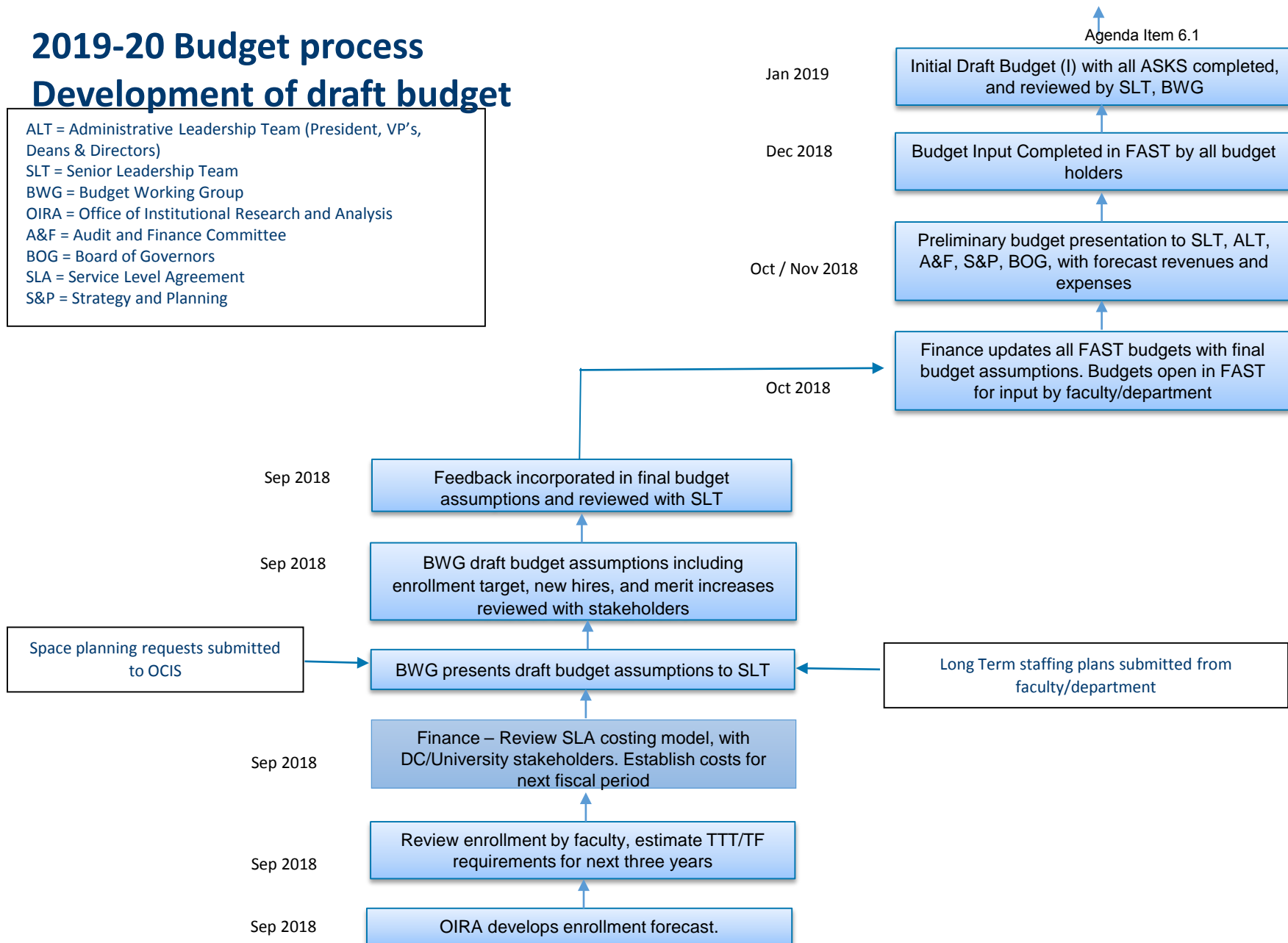
- The University's operating budget is prepared on a "modified-cash" basis, v/s
- The University's GAAP (generally accepted accounting principles) financial statements (FS), are prepared on an "accruals" basis, and includes items not in the budget, e.g.
  - amortization on capital assets and grants
  - externally funded research revenues and expenses
- As part of the quarterly reporting to Audit and Finance, Finance reconciles the operating results to the GAAP FS.

1. Provide career-oriented programs that focus on innovation in a cost effective and efficient manner.
2. Align the allocation of resources with strategic priorities, providing transparency and accountability.
3. Ensure long-term financial sustainability.
4. Combine long term planning, budgeting, and forecasting into a comprehensive integrated process.
5. Manage capital assets to maximize their useful life.
6. Maintain reserves at appropriate levels.
7. Demonstrate prudent investment management.

# 2019-20 Budget process

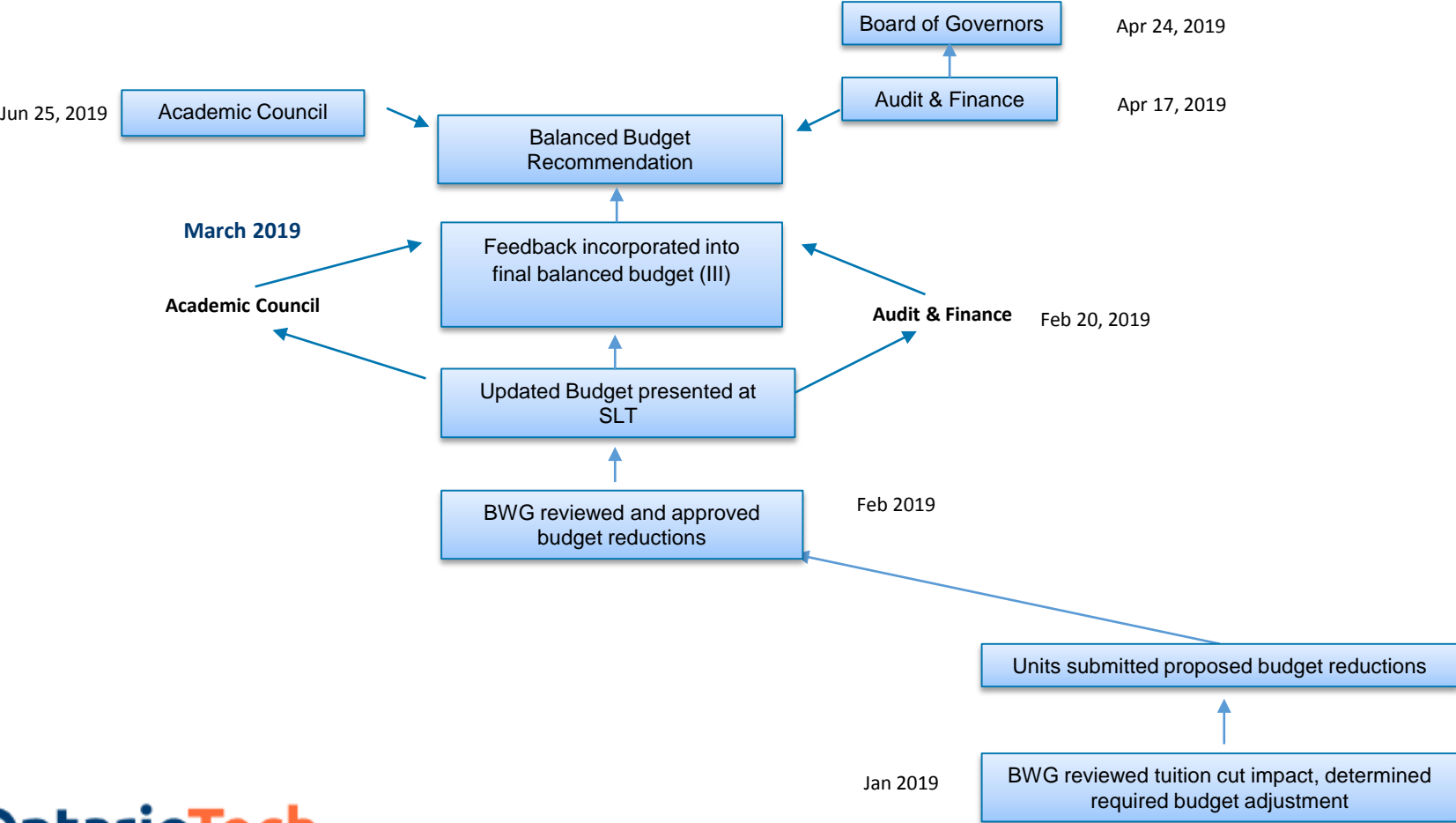
## Development of draft budget

ALT = Administrative Leadership Team (President, VP's, Deans & Directors)  
 SLT = Senior Leadership Team  
 BWG = Budget Working Group  
 OIRA = Office of Institutional Research and Analysis  
 A&F = Audit and Finance Committee  
 BOG = Board of Governors  
 SLA = Service Level Agreement  
 S&P = Strategy and Planning

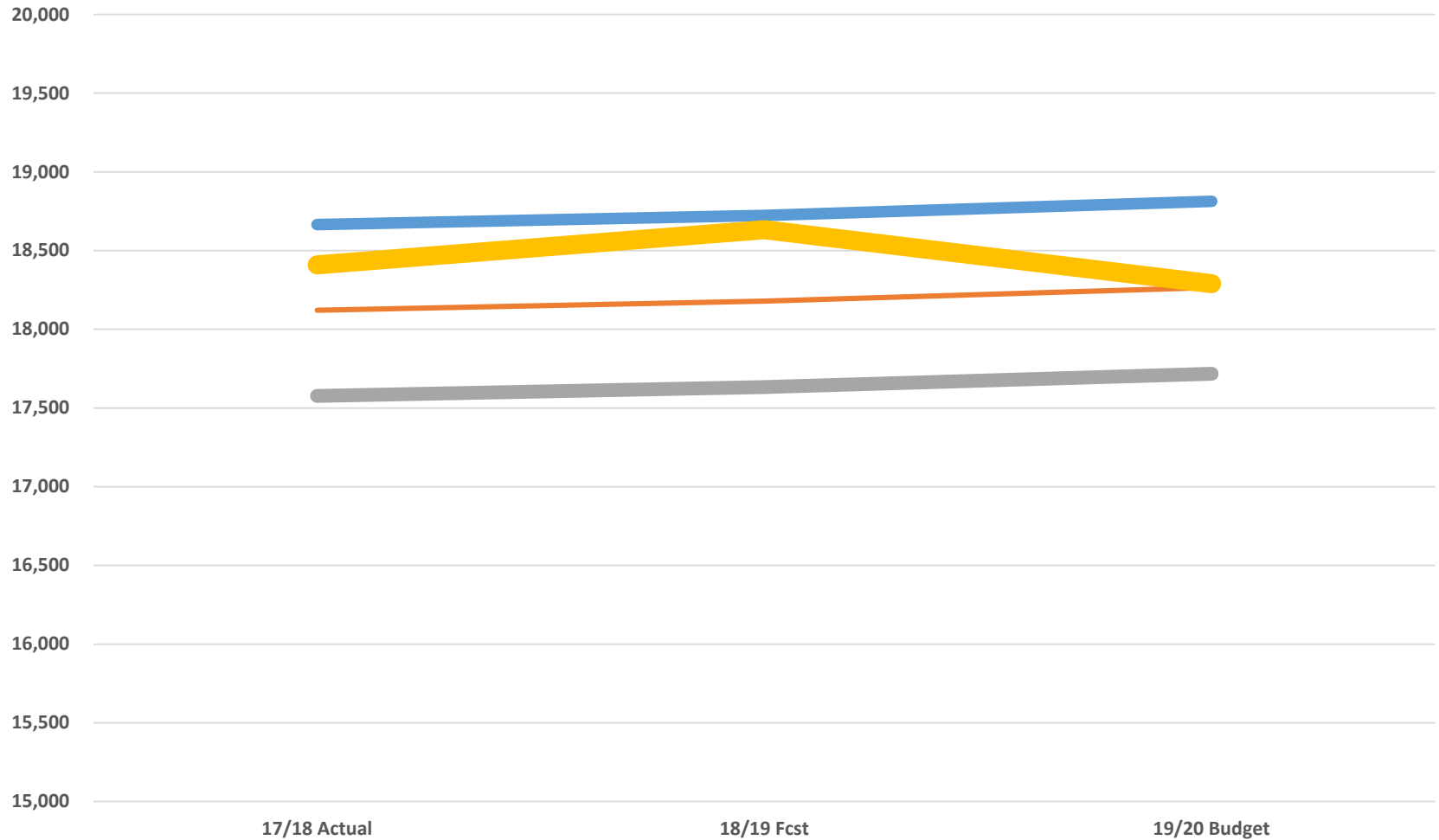




# 2019-20 Budget process Review and final budget presentation



# SMA 2 enrolment corridor



# FTE enrolment summary

Total Enrolment FTE's							
Total FTE (Full Time Equivalent) Dept	2019-20 Budget	2018-19 Budget	2018-19 Fcst	Variance to Budget		Variance to Forecast	
	Total	Total	Total	#	%	#	%
Faculty of ESNS	327	325	335	2	1%	(8)	(2%)
Faculty of Business and IT	1,769	1,665	1,767	103	6%	1	0%
Fac. of Social Science & Humanities	1,504	1,531	1,491	(28)	(2%)	13	1%
Faculty of Education	417	378	400	40	11%	18	4%
Faculty of Health Sciences	1,893	1,838	1,838	55	3%	55	3%
Faculty of EAS	1,985	2,051	2,029	(65)	(3%)	(44)	(2%)
Faculty of Science	1,119	1,066	1,074	53	5%	45	4%
<b>Total</b>	<b>9,013</b>	<b>8,853</b>	<b>8,934</b>	<b>160</b>	<b>2%</b>	<b>79</b>	<b>1%</b>

Under Grad Domestic Dept	2019-20 Budget	2018-19 Budget	2018-19 Fcst	Variance to Budget		Variance to Forecast	
	UG	UG	UG	#	%	#	%
Faculty of ESNS	250	252	243	(2)	(1%)	6	3%
Faculty of Business and IT	1,607	1,552	1,654	55	4%	(47)	(3%)
Fac. of Social Science & Humanities	1,409	1,456	1,406	(47)	(3%)	3	0%
Faculty of Education	353	317	327	36	11%	26	8%
Faculty of Health Sciences	1,793	1,737	1,749	55	3%	43	2%
Faculty of EAS	1,528	1,589	1,609	(61)	(4%)	(82)	(5%)
Faculty of Science	982	931	961	52	6%	21	2%
<b>Total</b>	<b>7,922</b>	<b>7,834</b>	<b>7,950</b>	<b>88</b>	<b>1%</b>	<b>(28)</b>	<b>(0%)</b>

Under Grad International Dept	2019-20 Budget	2018-19 Budget	2018-19 Fcst	Variance to Budget		Variance to Forecast	
	UG Int	UG Int	UG Int	#	%	#	%
Faculty of ESNS	13	15	15	(2)	(12%)	(2)	(10%)
Faculty of Business and IT	121	90	95	32	36%	27	28%
Fac. of Social Science & Humanities	34	25	31	8	33%	3	11%
Faculty of Education	-	1	1	(1)	(100%)	(1)	(100%)
Faculty of Health Sciences	39	40	26	(0)	(1%)	13	48%
Faculty of EAS	202	220	183	(17)	(8%)	20	11%
Faculty of Science	78	78	55	0	0%	23	42%
<b>Total</b>	<b>488</b>	<b>468</b>	<b>405</b>	<b>20</b>	<b>4%</b>	<b>83</b>	<b>20%</b>

# FTE enrolment summary (cont.)

Grad Domestic Dept	2019-20	2018-19	2018-19	Variance to		Variance to	
	Budget	Budget	Fcst	Budget		Forecast	
	Grad	Grad	Grad	#	%	#	%
Faculty of ESNS	58	49	68	9	19%	(10)	(15%)
Faculty of Business and IT	9	9	9	(1)	(9%)	(0)	(2%)
Fac. of Social Science & Humanities	53	46	48	7	14%	5	10%
Faculty of Education	64	60	71	4	7%	(7)	(9%)
Faculty of Health Sciences	61	59	62	2	4%	(1)	(1%)
Faculty of EAS	119	107	121	12	11%	(2)	(1%)
Faculty of Science	51	49	52	2	4%	(2)	(3%)
<b>Total</b>	<b>414</b>	<b>379</b>	<b>430</b>	<b>36</b>	<b>9%</b>	<b>(16)</b>	<b>(4%)</b>

Grad International Dept	2019-20	2018-19	2018-19	Variance to		Variance to	
	Budget	Budget	Fcst	Budget		Forecast	
	Int Grad	Int Grad	Int Grad	#	%	#	%
Faculty of ESNS	6	9	9	(3)	(36%)	(3)	(37%)
Faculty of Business and IT	32	14	10	18	129%	22	216%
Fac. of Social Science & Humanities	8	4	6	4	105%	2	32%
Faculty of Education	-	-	1	-	0%	(1)	(100%)
Faculty of Health Sciences	-	2	-	(2)	(100%)	0	0%
Faculty of EAS	136	135	116	1	1%	20	17%
Faculty of Science	8	8	6	(1)	(6%)	2	31%
<b>Total</b>	<b>189</b>	<b>172</b>	<b>148</b>	<b>17</b>	<b>10%</b>	<b>41</b>	<b>28%</b>

# 2019-20 draft operating summary

Agenda Item 6.1

Ontario Tech University Total Budget	19-20 Budget	18-19 Budget	18-19 Fcst	Bud-Bud	Bud-Bud	Bud-Fcst	Bud-Fcst
Revenue	(\$'000)	(\$'000)	(\$'000)	\$ Variance	%	\$ Variance	%
<i>Total Operating Grant</i>	\$57,438	\$56,818	\$57,048	\$620	1.1%	\$390	0.7%
<i>Total Other Grants</i>	10,357	10,418	11,697	(\$61)	(0.6%)	(\$1,340)	(11.5%)
<i>Total Debenture</i>	13,500	13,500	13,500	\$0	0%	\$0	0%
<i>Total Tuition</i>	79,944	83,992	82,495	(\$4,048)	(4.8%)	(\$2,551)	(3.1%)
<i>Total Student Ancillary Fees</i>	11,360	11,606	12,981	(\$246)	(2.1%)	(\$1,621)	(12.5%)
<i>Total Ancillary Operations</i>	3,783	3,832	3,877	(\$49)	(1.3%)	(\$94)	(2.4%)
<i>Expendable Donatons</i>	854	725	1,001	\$129	17.8%	(\$147)	(14.7%)
<i>Other Revenue</i>	13,448	12,806	12,885	\$642	5.0%	\$563	4.4%
<b>Subtotal Operating Revenue</b>	<b>\$190,684</b>	<b>\$193,697</b>	<b>\$195,484</b>	<b>(\$3,013)</b>	<b>(1.6%)</b>	<b>(\$4,800)</b>	<b>(2.5%)</b>
<i>Funded through Prior Year Revenue</i>	126	557	312	(\$431)	(77.4%)	(\$186)	(59.6%)
<b>Total Revenue</b>	<b>\$190,810</b>	<b>\$194,254</b>	<b>\$195,796</b>	<b>(\$3,444)</b>	<b>(1.8%)</b>	<b>(\$4,986)</b>	<b>(2.5%)</b>
<b>Expense</b>							
<i>Full Time Labour</i>	\$98,297	\$94,740	\$89,095	\$3,557	3.8%	\$9,202	10.3%
<i>Part Time Labour</i>	17,159	18,090	20,827	(\$931)	(5.1%)	(\$3,668)	(17.6%)
<i>Operating Expenses (OPEX)</i>	71,435	74,978	71,579	(\$3,543)	(4.7%)	(\$144)	(0.2%)
<i>Capital</i>	3,919	7,312	9,600	(\$3,393)	(46.4%)	(\$5,682)	(59.2%)
<i>Carry Forward Surplus</i>	\$0	(\$867)	\$0	\$867	100.0%	\$0	0%
<b>Total Expenses</b>	<b>\$190,810</b>	<b>\$194,254</b>	<b>\$191,101</b>	<b>(\$3,444)</b>	<b>(1.8%)</b>	<b>(\$291)</b>	<b>(0.2%)</b>

# Total revenue budget (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	% Change Budget-Budget	% Change Budget-Fcst
<b>Total Revenue</b>	<b>\$190,810</b>	<b>\$194,254</b>	<b>\$195,796</b>	<b>(1.8%)</b>	<b>(2.5%)</b>
<i>Funded through Prior Year Revenue</i>	126	557	312	(77.4%)	(59.6%)
<b>Subtotal Operating Revenue</b>	<b>\$190,684</b>	<b>\$193,697</b>	<b>\$195,484</b>	<b>(1.6%)</b>	<b>(2.5%)</b>
<i>Total Operating Grant</i>	\$57,438	\$56,818	\$57,048	1.1%	0.7%
<i>Total Other Grants</i>	10,357	10,418	11,697	(0.6%)	(11.5%)
<i>Total Debenture</i>	13,500	13,500	13,500	0.0%	0.0%
<i>Total Tuition</i>	79,944	83,992	82,495	(4.8%)	(3.1%)
<i>Total Student Ancillary Fees</i>	11,360	11,606	12,981	(2.1%)	(12.5%)
<i>Total Ancillary Operations</i>	3,783	3,832	3,877	(1.3%)	(2.4%)
<i>Expendable Donations</i>	854	725	1,001	17.8%	(14.7%)
<i>Other Revenue</i>	13,448	12,806	12,885	5.0%	4.4%

# Operating grant revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Operating Grant Revenue	\$57,438	\$56,818	\$57,048	\$620	1.1%	\$390	0.7%

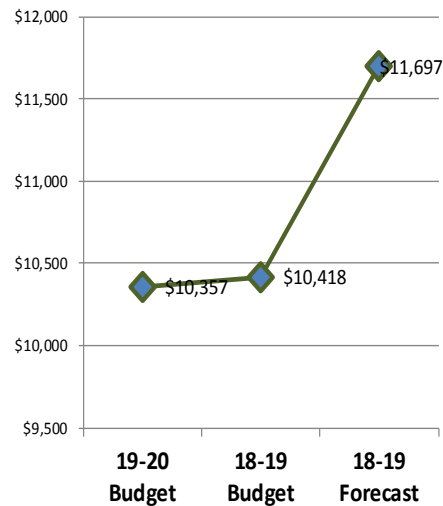


Budget: Increase in 19/20 due to growth in collaborative nursing \$0.3M, and allowed graduate growth \$0.3M

Fcst: Increase over fcst due to growth in collaborative nursing \$0.1M, and allowed graduate growth \$0.3M

# Other grant revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Other Grant Revenue	\$10,357	\$10,418	\$11,697	(\$61)	(0.6%)	(\$1,340)	(11.5%)



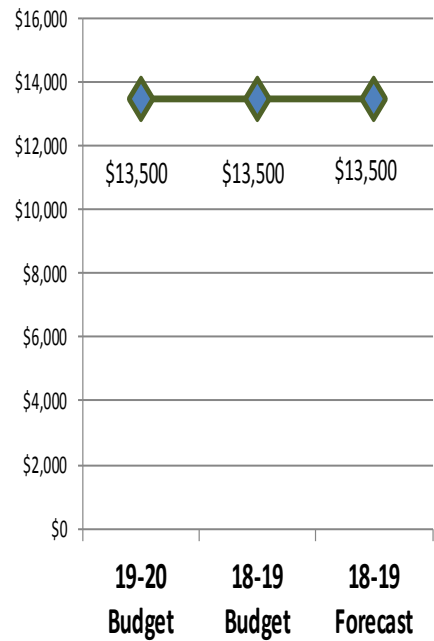
Budget: Provincial government eliminated Ontario International Education opportunity scholarship grant (\$0.1M).

Fcst: in 18/19 we received a unbudgeted GHG Campus Retrofit Grant from the ministry (\$1.1M). Provincial government eliminated Ontario International Education opportunity scholarship grant (\$0.1M). In 18/19 received a prior year payment (\$0.1M) for the indirect research grant.



# Debenture revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Debenture Revenue	\$13,500	\$13,500	\$13,500	\$0	0.0%	\$0	0.0%

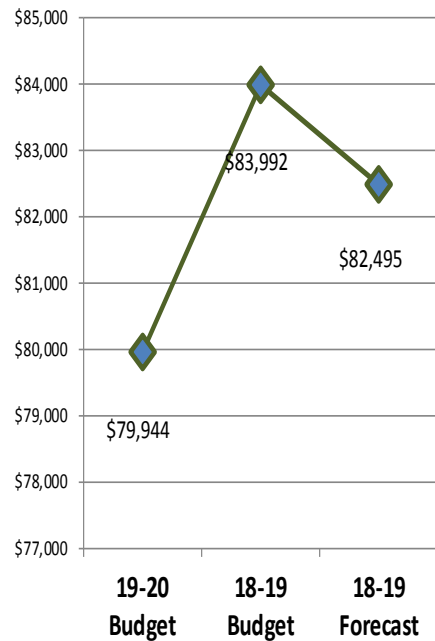


Budget: Unchanged

Fcst: Unchanged

# Tuition revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Tuition Revenue	\$79,944	\$83,992	\$82,495	(\$4,048)	(4.8%)	(\$2,551)	(3.1%)

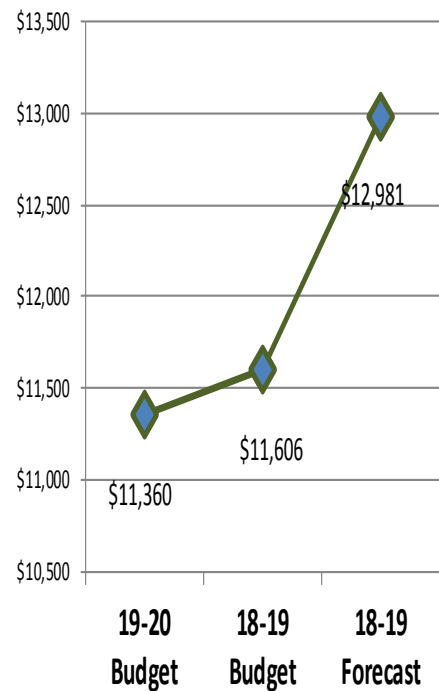


Budget: Domestic tuition reduction of ten percent resulted in a decrease of budgeted tuition (\$7.4M). International Tuition rates are up 6%, or \$0.9M. Domestic UG inflow is up 146 FTE or \$1.2M. Domestic UG flow thru is down (59) FTE or (\$0.5M). International UG inflow is up 4 FTE or \$0.1M. International flow thru is up 16 FTE or \$0.4M. Grad Domestic FTE is up 36 FTE or \$0.4M. Grad International FTE is up 17 FTE or \$0.3M. Overall enrolment mix is up \$0.2M. Increase in co-op tuition is up \$0.2M, ELC revenue is up \$0.2M

Fcst: Domestic tuition reduction of ten percent resulted in a decrease of budgeted tuition (\$7.4M). International Tuition rates are up 6%, or \$0.9M. Domestic UG inflow is up 40 FTE or \$0.4M. Domestic UG flow thru is down (68) FTE or (\$0.5M). International UG inflow is up 15 FTE or \$0.3M. Flow thru is up 68 FTE or \$1.8M. Grad Domestic is down (16) FTE or (\$0.1M). Grad International FTE is up 41 FTE or \$0.9M. Overall enrolment mix is up \$0.3M. ELC revenue is up \$0.4M. Co-op fees are up \$0.1M. The change in deferred revenue is up \$0.3M

# Student ancillary fees (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Student Ancillary Fees	\$11,360	\$11,606	\$12,981	(\$246)	(2.1%)	(\$1,621)	(12.5%)



Budget: Increased enrolment 160 FTE or \$0.2M. Ancillary fee increase \$0.2M. Tele hardware fee drop (\$0.7M).

Fcst: Increased enrolment 80 FTE or \$0.1M. Ancillary fee increase \$0.2M. Tele hardware fee drop (\$1.1M). CRCW fees used in 18/19 for equipment purchase (\$0.8M).

# Ancillary operations (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Total Ancillary Operations	\$3,783	\$3,832	\$3,877	(\$49)	(1.3%)	(\$94)	(2.4%)

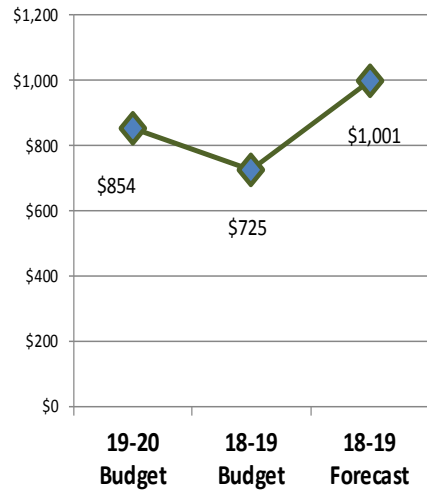


Budget: Flat

Fcst: Text book sales are down (\$0.1M)

# Expendable donations revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Expendable Donation Revenue</b>	<b>\$854</b>	<b>\$725</b>	<b>\$1,001</b>	<b>\$129</b>	<b>17.8%</b>	<b>(\$147)</b>	<b>(14.7%)</b>



Budget: \$0.1M increase in donor awards.

Fcst: 18/19 Includes; (\$0.1M) unplanned donation from the city of Oshawa

\* Expendable donations relate to the expendable and interest portion of endowed funds that will be disbursed as awards and scholarships in the budget year. It does not include endowed principal or the new capital campaign.

# Other revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Other Revenue</b>	<b>\$13,448</b>	<b>\$12,806</b>	<b>\$12,885</b>	<b>\$642</b>	<b>5.0%</b>	<b>\$563</b>	<b>4.4%</b>

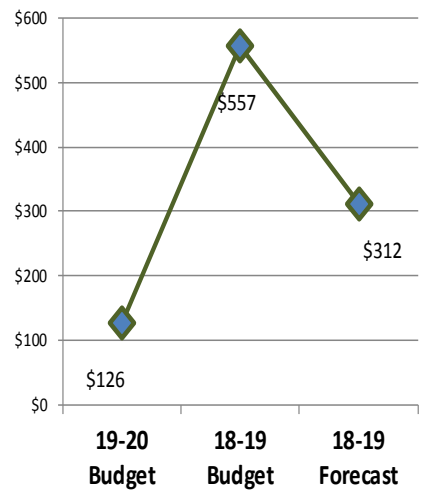


Budget: ACE volume increase \$0.2M, CIC/CFH increase \$0.2M, increase in student fees \$0.1M. New SSH research centre \$0.1M

Fcst: ACE volume increase \$0.2M, CIC/CFH increase \$0.2M, increase in student fees \$0.1M. New SSH research centre \$0.1M

# Funded through prior year revenue (\$'000)

Revenue	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
Funded through prior year revenue	\$126	\$557	\$312	(\$431)	(77.4%)	(\$186)	(59.6%)



Budget: Use of prior year (deferred) revenue is down as TELE has reduced expenses (\$0.4M) as it transitions from full TELE to BYOD.

Fcst: Use of PY (deferred) revenue is down as TELE has reduced expenses (\$0.2M) as it transitions from full TELE to BYOD.

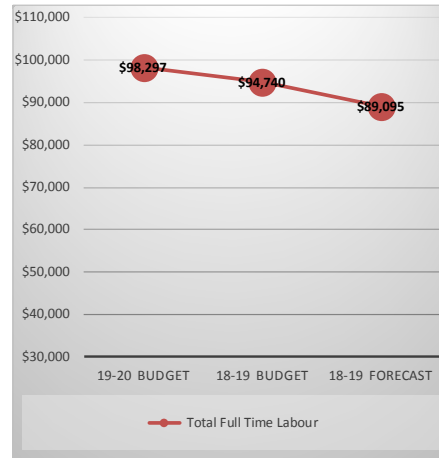
# Total expense budget (\$'000)

Expense	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	% Change Budget-Budget	% Change Budget-Fcst
<b>Total Expense</b>	<b>\$190,810</b>	<b>\$194,254</b>	<b>\$191,101</b>	<b>(1.8%)</b>	<b>(0.2%)</b>
<i>Total Full Time Labour</i>	\$98,297	\$94,740	\$89,095	3.8%	10.3%
<i>Total Part Time Labour</i>	17,159	18,090	20,827	(5.1%)	(17.6%)
<i>Total Operating Expense</i>	71,435	74,978	71,579	(4.7%)	(0.2%)
<i>Total Capital</i>	3,919	7,312	9,600	(46.4%)	(59.2%)
<i>Total Carry Forward Surplus</i>	0	(867)	0	100.0%	0%



# Full-time labour (\$'000)

Expense	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Full Time Labour</b>	<b>\$98,297</b>	<b>\$94,740</b>	<b>\$89,095</b>	<b>\$3,557</b>	<b>3.8%</b>	<b>\$9,203</b>	<b>10.3%</b>
<i>Academic</i>	\$58,227	\$56,165	\$52,230	\$2,062	3.7%	\$5,997	11.5%
<i>Academic Support</i>	17,759	17,124	16,110	\$635	3.7%	\$1,650	10.2%
<i>Administrative</i>	12,104	11,674	11,280	\$430	3.7%	\$824	7.3%
<i>Purchased Services</i>	7,023	6,940	6,697	\$83	1.2%	\$326	4.9%
<i>Business Operations</i>	3,184	2,837	2,778	\$347	12.2%	\$406	14.6%



Budget Variance:

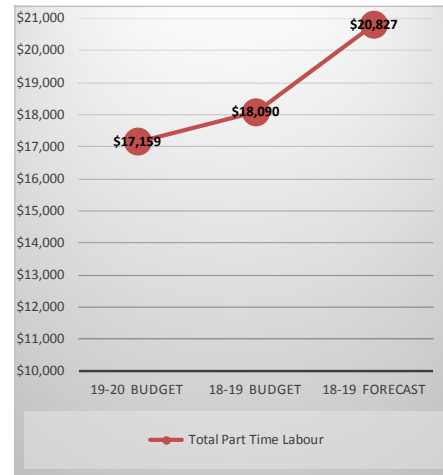
Annual increase \$3.3M. 19/20 10 FTE net new hires, \$1.2M. Conversions, 5 FTE from part time, \$0.5M. 18/19 net new in year hires of 11 FTE, \$1.0M. \$0.7M Annualization of prior year salary increases. Budget reductions (17) FTE (\$2.0M). In year planned open positions and other labour saving opportunities (\$1.1M)

Forecast Variance:

Labour Savings from open head count \$5.7M. Annual increase \$3.3M. 19/20 10 FTE net new hires, \$1.2M. Conversions, 5 FTE from part time, \$0.5M. 18/19 in year hires of 11 FTE; \$0.5M (Annualization effect). Budget reductions (17) FTE (\$2.0M).

# Part-time labour (\$'000)

Expense	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Part Time Labour</b>	<b>\$17,159</b>	<b>\$18,090</b>	<b>\$20,827</b>	<b>(\$931)</b>	<b>(5.1%)</b>	<b>(\$3,668)</b>	<b>(17.6%)</b>
<i>Academic</i>	\$11,593	\$11,987	\$13,512	(\$394)	(3.3%)	(\$1,919)	(14.2%)
<i>Academic Support</i>	4,270	4,417	5,369	(\$148)	(3.3%)	(\$1,100)	(20.5%)
<i>Administrative</i>	207	767	819	(\$560)	(73.0%)	(\$612)	(74.7%)
<i>Purchased Services</i>	288	260	372	\$28	10.8%	(\$84)	(22.6%)
<i>Business Operations</i>	801	658	755	\$143	21.7%	\$46	6.1%



Budget Variance:

Converting 5 part time to full time FTE's (\$0.3M). Reversal of reserve for bill 148 PT wage increase (\$0.4M). Budget reductions (\$0.4M). Sessional increase rate \$0.2M.

Forecast Variance:

18/19 part time backfill for open head counts (\$2.6M). Converting 5 part time to full time (\$0.4M). Reversal of reserve for bill 148 PT wage increase (\$0.4M). Budget reductions (\$0.4M). Sessional increase rate \$0.1M.

# Operating expenses (\$'000)

Expense	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Operating Expense</b>	<b>\$71,435</b>	<b>\$74,978</b>	<b>\$71,579</b>	<b>(\$3,543)</b>	<b>(4.7%)</b>	<b>(\$145)</b>	<b>(0.2%)</b>
<i>Academic</i>	\$7,036	\$8,901	\$9,158	(\$1,865)	(21.0%)	(\$2,122)	(23.2%)
<i>Academic Support</i>	15,140	15,845	16,685	(\$705)	(4.5%)	(\$1,545)	(9.3%)
<i>Administrative</i>	37,684	37,056	33,181	\$628	1.7%	\$4,503	13.6%
<i>Purchased Services</i>	7,262	8,536	8,272	(\$1,274)	(14.9%)	(\$1,010)	(12.2%)
<i>Business Operations</i>	4,313	4,639	4,284	(\$326)	(7.0%)	\$30	0.7%



**Budget Variance:**

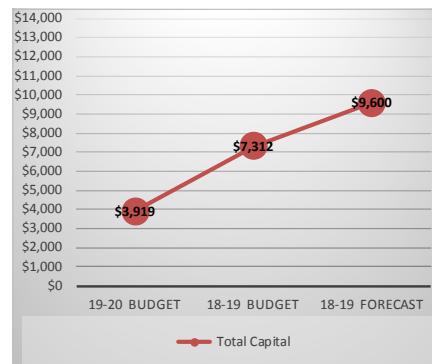
Budget reductions (\$4.0M). Established presidential priority fund from planned in year labour savings \$1.1M. Increase in disbursement and donor awards \$0.4M. Utilities savings (\$1.0M)

**Forecast Variance:**

Budget reductions (\$4.0M). Established presidential priority fund from planned in year labour savings \$1.1M. Decrease in legal expense (\$0.6M), as new hires will handle more legal work in house. \$3.5M eliminated contingencies in forecast. Utilities savings (\$0.1M), majority of savings included in forecast.

# Capital (\$'000)

Expense	19-20 Budget (\$'000)	18-19 Budget (\$'000)	18-19 Forecast (\$'000)	\$ Variance Budget-Budget	% Change Budget-Budget	\$ Variance Budget-Fcst	% Change Budget-Fcst
<b>Total Capital</b>	<b>\$3,919</b>	<b>\$7,312</b>	<b>\$9,600</b>	<b>(\$3,393)</b>	<b>(46.4%)</b>	<b>(\$5,682)</b>	<b>(59.2%)</b>
<i>Academic</i>	464	1,185	1,713	(\$721)	(60.8%)	(\$1,249)	(72.9%)
<i>Academic Support</i>	790	2,037	2,013	(\$1,246)	(61.2%)	(\$1,223)	(60.7%)
<i>Administrative</i>	1,726	2,552	4,304	(\$826)	(32.4%)	(\$2,579)	(59.9%)
<i>Purchased Services</i>	939	1,539	1,380	(\$600)	(39.0%)	(\$441)	(32.0%)
<i>Business Operations</i>	0	0	190	\$0	0%	(\$190)	(100.0%)



Budget Variance:

Reduction to capital spending to balance budget (\$0.2M). Decrease to IT and OCIS Capital spending (\$1.0M). (\$0.9M) cut back in other faculty equipment. Decrease in Tele as program converts to BYOD. (\$1.1M). CRCW new equipment purchased in 18/19 (\$0.2M) vs none in 19/20.

Forecast Variance:

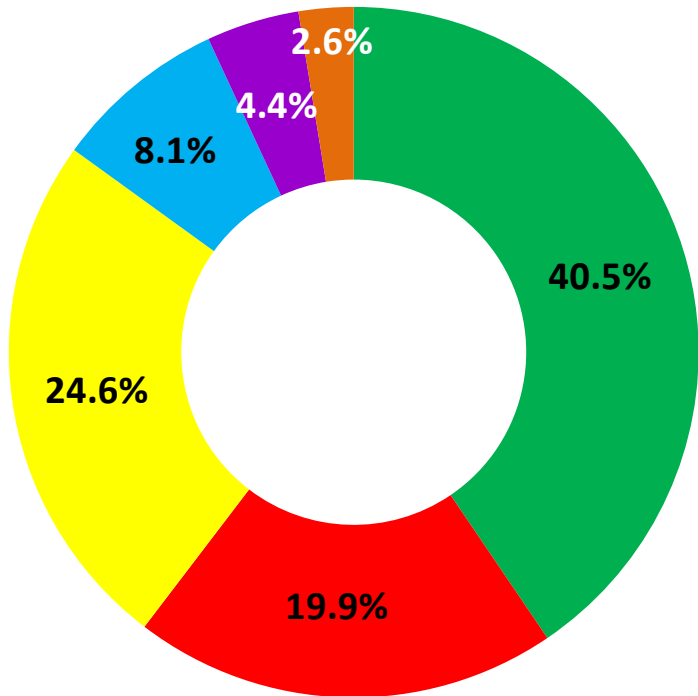
Reduction to capital spending to balance budget (\$0.2M). Decrease in Tele as program converts to BYOD. (\$1.1M). Fcst included (\$1.1M) Greenhouse Gas improvement projects. Other OCIS capital spending down (\$0.9M). Faculties were granted additional capital funds for Lab improvements in 18/19 (\$1.0M). IT equipment (servers, etc) down (\$0.6M). CRCW purchased new equipment in 18/19 (\$0.8M).

# Capital (\$'000)

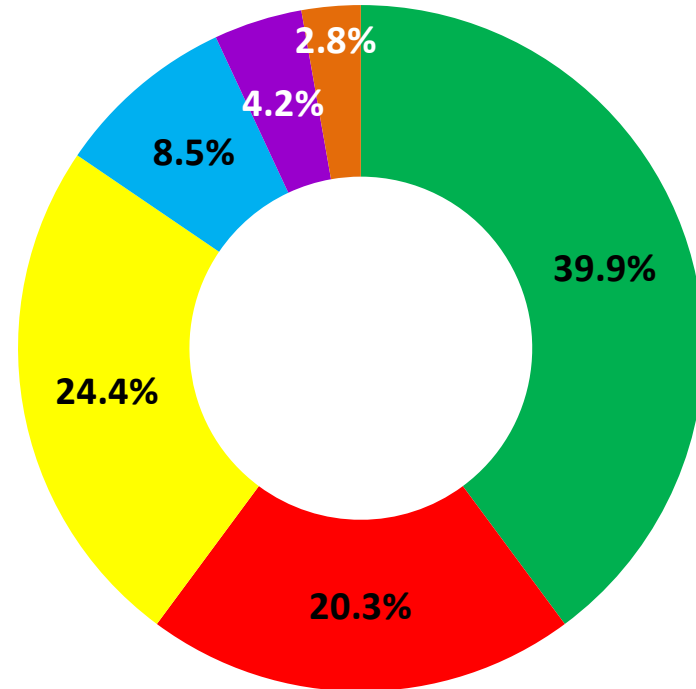
	Budget	
	2019/20	2018/19
	\$ Mil	\$ Mil
<u>Consists of:</u>		
Technology enriched learning environment (TELE)	\$0.8	\$1.9
IT Services	\$0.5	\$0.7
Purchased Services	\$0.9	\$1.5
Office of campus safety and infrastructure (OCIS)	\$1.3	\$2.0
Other equipment	\$0.4	\$1.2
<b>Total</b>	<b>\$3.9</b>	<b>\$7.3</b>

# Expense components by group

2019-20 Budget

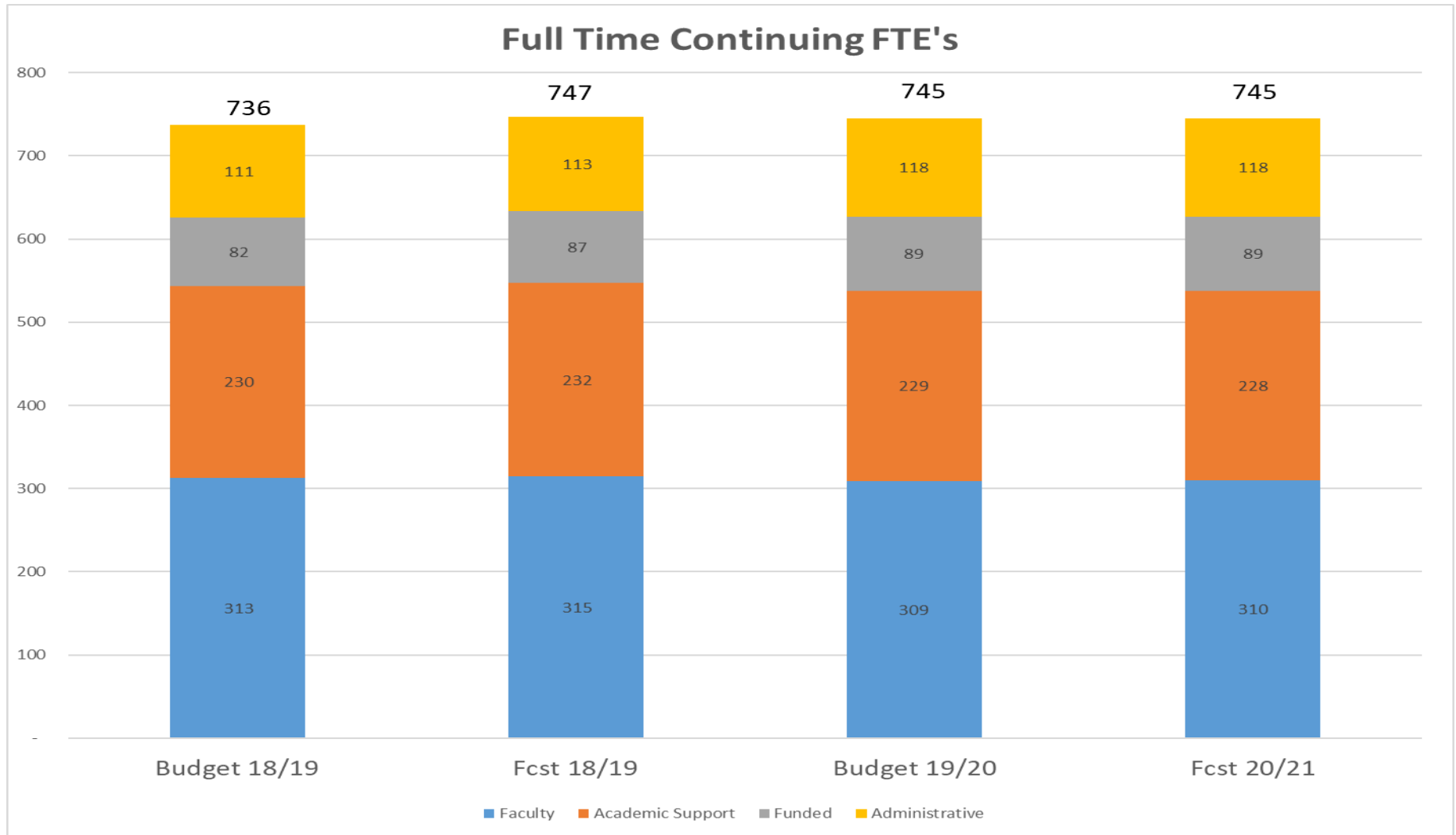


2018-19 Budget

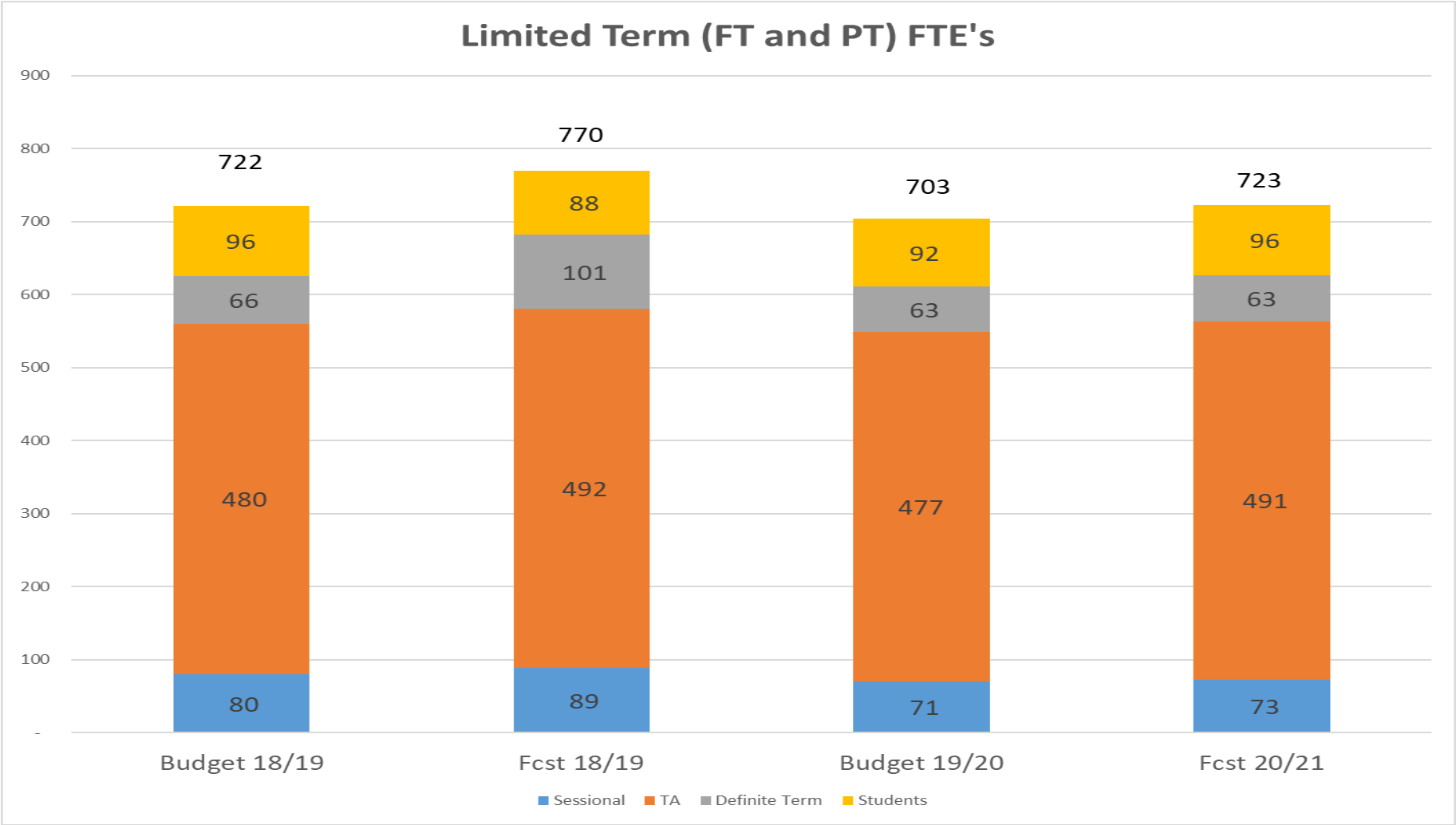


- Academic Faculty
- Academic Support
- Administration
- Purchased Services
- Business Operations
- Central Operations

# Allocation of human resources



# Allocation of human resources





## Why include restricted funds in budget planning?

1. **Provide stability from uncontrollable factors such as fluctuations in funding levels, or unforeseen economic factors**
2. **Provide financing for one-time requirements without impacting current year's operations**
3. **Ensure adequate cash flows, and provide flexibility to manage debt levels to protect the University's financial position**
4. **Provide for future liabilities**

# 2019-20 Estimated Internally Restricted Fund Schedule

<b>Internally Restricted Assets (\$'000)</b>	<b>2019 - 20 Draft Budget End Balance (\$'000)</b>	<b>2018 - 19 Forecast End Balance (\$'000)</b>	<b>2018 - 19 Budget End Balance (\$'000)</b>	<b>2017 - 18 Actual End Balance (\$'000)</b>
Research Related	\$4,800	\$4,900	\$4,700	\$4,987
Capital Related	\$16,248	\$13,748	\$14,900	\$12,593
Student Awards	\$1,000	\$1,000	\$1,000	\$1,000
Working Capital	\$6,000	\$6,000	\$6,000	\$6,000
Budget Carry Forward	\$450	\$650	\$450	\$1,708
Other	\$3,193	\$3,193	\$3,275	\$3,524
<b>Total Restricted</b>	<b>\$31,691</b>	<b>\$29,491</b>	<b>\$30,325</b>	<b>\$29,812</b>
<b>Change in Restricted</b>	<b>\$2,200</b>	<b>(\$834)</b>	<b>\$513</b>	



**Long Term Forecast**  
**Audit & Finance Committee - April 17, 2019**  
**Presented by: Craig Elliott, Chief Financial Officer**

- ① Elements of long term forecast
- ② Long term projection scenarios
- ③ Most likely scenario
- ④ Best case scenario
- ⑤ Worst case scenario

## Common elements – long term forecast

1. Student success rate has improved to 82.5%
2. Faculty ratio 31:1 (TTT and TF's). The TTT ratio is 44:1
3. Administrative hires at 1.7:1 for every new faculty hire
4. President priority fund added at \$1.0M
5. \$2.5m for building capital + \$1.0m budget contingency. Total = \$3.5m
6. Inflation at 1%

## Variable factors – long term forecast

1. Grant funding
2. Enrolment
3. Tuition rates

# Long term projection scenarios

## ONTARIO TECH UNIVERSITY - LONG TERM PROJECTION SCENARIOS

Assumption Variables 10 Yr Fcst	Most Likely					Best Case					Worst Case				
<b>1) Tuition Increase</b>	Tuition increases starting in 21/22 (FY22)					3% tuition increase starting in 21/22 (FY22)					No tuition increase				
Fiscal Year	FY 20	21	22	23	FY 24 & beyond	FY 20	21	22	23	FY 24 & beyond	FY 20	21	22	23	FY 24 & beyond
% Increase	-10%	0%	2%	2%	3%	-10%	0%	3%	3%	3%	-10%	0%	0%	0%	0%
<b>\$ impact with assumption change</b>						<b>\$19.7</b>					<b>(\$76.9)</b>				
<b>2) Student FTE Increase</b>	10 year enrolment assumption as provided by ORIA March 2019 - Yr 10: 10,880					OIRA's best case 10 year enrolment assumption as provided by ORIA March 2019 - Yr 10: 11,916					10 year enrolment assumption as provided by ORIA March 2019 - Yr 10: 10,880				
<b>\$ impact with assumption change</b>						<b>\$10.6</b>									
<b>3) Core Operating Grant Growth</b>	50% of Core Operating Grant Growth					100% of Core Operating Grant Growth					0% of Core Operating Grant Growth				
<b>\$ impact with assumption change</b>						<b>\$10.2</b>					<b>(\$10.2)</b>				
<b>TOTAL SURPLUS / (DEFICIT)</b>	<b>\$0M</b>					<b>\$40.5</b>					<b>(\$87.1)</b>				

# Most likely scenario

10 yr Forecast (in ' 000s)												
	SMA 2		SMA 3			SMA 4			SMA 5			
	19/20 Fcst	20/21 Fcst	21/22 Fcst	22/23 Fcst	23/24 Fcst	24/25 Fcst	25/26 Fcst	26/27 Fcst	27/28 Fcst	28/29 Fcst	Total 10 yr	
<b>REVENUES</b>												
Core Operating Grant, excluding CN grant <i>Uncertainty in Growth Funding</i>	57,438	\$ 57,764	\$ 58,038 \$ (137)	\$ 58,085 \$ (161)	\$ 62,244 \$ (2,080)	\$ 62,266 \$ (2,091)	\$ 62,281 \$ (2,098)	\$ 64,683 \$ (1,201)	\$ 64,698 \$ (1,208)	\$ 64,710 \$ (1,214)	\$ 612,206 \$ (10,190)	
Debenture Grant	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 135,000	
Other Grants	\$ 10,357	\$ 9,843	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 97,513	
Student Tuition Fees	\$ 79,943	\$ 86,474	\$ 92,067	\$ 96,122	\$ 99,953	\$ 103,698	\$ 108,225	\$ 112,846	\$ 117,634	\$ 123,441	\$ 1,020,403	
Student Ancillary Fees	\$ 11,485	\$ 11,370	\$ 13,045	\$ 13,470	\$ 13,916	\$ 14,840	\$ 15,571	\$ 16,203	\$ 16,834	\$ 17,464	\$ 144,196	
Revenues from Ancillary Operations	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 37,834	
Donations	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 8,537	
Other Revenues	\$ 13,449	\$ 13,449	\$ 13,718	\$ 13,992	\$ 14,272	\$ 14,558	\$ 14,849	\$ 15,146	\$ 15,449	\$ 15,758	\$ 144,639	
<b>Total Revenues</b>	<b>\$ 190,810</b>	<b>\$ 197,036</b>	<b>\$ 204,532</b>	<b>\$ 209,310</b>	<b>\$ 216,107</b>	<b>\$ 221,072</b>	<b>\$ 226,629</b>	<b>\$ 235,477</b>	<b>\$ 241,207</b>	<b>\$ 247,960</b>	<b>\$ 2,190,139</b>	
<b>EXPENDITURES</b>												
FT Labour	\$ (98,678)	\$ (101,759)	\$ (108,739)	\$ (114,185)	\$ (118,989)	\$ (123,875)	\$ (129,333)	\$ (134,486)	\$ (140,269)	\$ (146,470)	\$ (1,216,783)	
PT Labour	\$ (16,137)	\$ (15,991)	\$ (16,900)	\$ (17,521)	\$ (18,055)	\$ (18,589)	\$ (19,233)	\$ (19,872)	\$ (20,567)	\$ (21,347)	\$ (184,213)	
Operating Expenses	\$ (72,557)	\$ (75,673)	\$ (73,569)	\$ (73,492)	\$ (74,088)	\$ (74,172)	\$ (74,266)	\$ (75,183)	\$ (75,691)	\$ (75,851)	\$ (744,542)	
Capital Expenses	\$ (3,919)	\$ (4,862)	\$ (4,794)	\$ (4,358)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (44,600)	
<b>Approved Expenditures</b>	<b>\$ (191,291)</b>	<b>\$ (198,285)</b>	<b>\$ (204,002)</b>	<b>\$ (209,556)</b>	<b>\$ (215,577)</b>	<b>\$ (221,081)</b>	<b>\$ (227,276)</b>	<b>\$ (233,986)</b>	<b>\$ (240,971)</b>	<b>\$ (248,112)</b>	<b>\$ (2,190,139)</b>	
<b>Budget Surplus/(Deficit)</b>	<b>\$ (481)</b>	<b>\$ (1,249)</b>	<b>\$ 530</b>	<b>\$ (246)</b>	<b>\$ 530</b>	<b>\$ (9)</b>	<b>\$ (648)</b>	<b>\$ 1,491</b>	<b>\$ 235</b>	<b>\$ (153)</b>	<b>\$ (0)</b>	

# Best case

	10 yr Forecast (in ' 000s)										
	SMA 2	SMA 3			SMA 4			SMA 5			
	19/20 Fcst	20/21 Fcst	21/22 Fcst	22/23 Fcst	23/24 Fcst	24/25 Fcst	25/26 Fcst	26/27 Fcst	27/28 Fcst	28/29 Fcst	Total 10 yr
<b>REVENUES</b>											
Core Operating Grant, excluding CN grant <i>Uncertainty in Growth Funding</i>	57,438	\$ 57,764	\$ 58,038	\$ 58,085	\$ 62,244	\$ 62,266	\$ 62,281	\$ 64,683	\$ 64,698	\$ 64,710	\$ 612,206
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debenture Grant	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 135,000
Other Grants	\$ 10,357	\$ 9,843	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 97,513
Student Tuition Fees	\$ 79,943	\$ 86,474	\$ 94,644	\$ 101,391	\$ 107,729	\$ 113,848	\$ 120,314	\$ 126,458	\$ 132,398	\$ 139,122	\$ 1,102,321
Student Ancillary Fees	\$ 11,485	\$ 11,370	\$ 13,045	\$ 13,470	\$ 13,916	\$ 14,840	\$ 15,571	\$ 16,203	\$ 16,834	\$ 17,464	\$ 144,196
Revenues from Ancillary Operations	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 37,834
Donations	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 8,537
Other Revenues	\$ 13,449	\$ 13,449	\$ 13,718	\$ 13,992	\$ 14,272	\$ 14,558	\$ 14,849	\$ 15,146	\$ 15,449	\$ 15,758	\$ 144,639
<b>Total Revenues</b>	<b>\$ 190,810</b>	<b>\$ 197,036</b>	<b>\$ 207,247</b>	<b>\$ 214,739</b>	<b>\$ 225,963</b>	<b>\$ 233,313</b>	<b>\$ 240,815</b>	<b>\$ 250,291</b>	<b>\$ 257,179</b>	<b>\$ 264,855</b>	<b>\$ 2,282,247</b>
<b>EXPENDITURES</b>											
FT Labour	\$ (98,678)	\$ (101,759)	\$ (110,078)	\$ (116,569)	\$ (122,879)	\$ (129,270)	\$ (135,774)	\$ (142,140)	\$ (148,676)	\$ (155,337)	\$ (1,261,160)
PT Labour	\$ (16,137)	\$ (15,991)	\$ (16,900)	\$ (17,521)	\$ (18,055)	\$ (18,589)	\$ (19,233)	\$ (19,872)	\$ (20,567)	\$ (21,347)	\$ (184,213)
Operating Expenses	\$ (72,557)	\$ (75,113)	\$ (73,801)	\$ (73,966)	\$ (74,806)	\$ (75,123)	\$ (75,410)	\$ (76,487)	\$ (77,082)	\$ (77,388)	\$ (751,733)
Capital Expenses	\$ (3,919)	\$ (4,862)	\$ (4,794)	\$ (4,358)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (44,600)
											\$ -
<b>Approved Expenditures</b>	<b>\$ (191,291)</b>	<b>\$ (197,725)</b>	<b>\$ (205,573)</b>	<b>\$ (212,414)</b>	<b>\$ (220,185)</b>	<b>\$ (227,426)</b>	<b>\$ (234,862)</b>	<b>\$ (242,944)</b>	<b>\$ (250,769)</b>	<b>\$ (258,517)</b>	<b>\$ (2,241,705)</b>
<b>Budget Surplus/(Deficit)</b>	<b>\$ (481)</b>	<b>\$ (689)</b>	<b>\$ 1,674</b>	<b>\$ 2,325</b>	<b>\$ 5,778</b>	<b>\$ 5,887</b>	<b>\$ 5,954</b>	<b>\$ 7,347</b>	<b>\$ 6,410</b>	<b>\$ 6,338</b>	<b>\$ 40,542</b>



# Worst case

	10 yr Forecast (in ' 000s)										
	SMA 2	SMA 3			SMA 4			SMA 5			Total 10 yr
	19/20 Fcst	20/21 Fcst	21/22 Fcst	22/23 Fcst	23/24 Fcst	24/25 Fcst	25/26 Fcst	26/27 Fcst	27/28 Fcst	28/29 Fcst	
<b>REVENUES</b>											
Core Operating Grant, excluding CN gran <i>Uncertainty in Growth Funding</i>	\$ 57,438	\$ 57,764	\$ 58,038 \$ (274)	\$ 58,085 \$ (321)	\$ 62,244 \$ (4,160)	\$ 62,266 \$ (4,181)	\$ 62,281 \$ (4,197)	\$ 64,683 \$ (2,402)	\$ 64,698 \$ (2,417)	\$ 64,710 \$ (2,428)	\$ 612,206 \$ (20,380)
Debenture Grant	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,500	\$ 135,000
Other Grants	\$ 10,357	\$ 9,843	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 9,664	\$ 97,513
Student Tuition Fees	\$ 79,943	\$ 86,474	\$ 90,486	\$ 92,852	\$ 94,108	\$ 95,147	\$ 96,800	\$ 98,363	\$ 99,893	\$ 102,236	\$ 936,301
Student Ancillary Fees	\$ 11,485	\$ 11,370	\$ 13,045	\$ 13,470	\$ 13,916	\$ 14,840	\$ 15,571	\$ 16,203	\$ 16,834	\$ 17,464	\$ 144,196
Revenues from Ancillary Operations	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 3,783	\$ 37,834
Donations	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 854	\$ 8,537
Other Revenues	\$ 13,449	\$ 13,449	\$ 13,718	\$ 13,992	\$ 14,272	\$ 14,558	\$ 14,849	\$ 15,146	\$ 15,449	\$ 15,758	\$ 144,639
<b>Total Revenues</b>	<b>\$ 190,810</b>	<b>\$ 197,036</b>	<b>\$ 202,814</b>	<b>\$ 205,879</b>	<b>\$ 208,181</b>	<b>\$ 210,430</b>	<b>\$ 213,105</b>	<b>\$ 219,794</b>	<b>\$ 222,257</b>	<b>\$ 225,540</b>	<b>\$ 2,095,847</b>
<b>EXPENDITURES</b>											
FT Labour	\$ (98,678)	\$ (101,759)	\$ (108,739)	\$ (114,185)	\$ (118,989)	\$ (123,875)	\$ (129,333)	\$ (134,486)	\$ (140,269)	\$ (146,470)	\$ (1,216,783)
PT Labour	\$ (16,137)	\$ (15,991)	\$ (16,900)	\$ (17,521)	\$ (18,055)	\$ (18,589)	\$ (19,233)	\$ (19,872)	\$ (20,567)	\$ (21,347)	\$ (184,213)
Operating Expenses	\$ (72,557)	\$ (75,673)	\$ (73,427)	\$ (73,198)	\$ (73,580)	\$ (73,439)	\$ (73,294)	\$ (73,958)	\$ (74,196)	\$ (74,068)	\$ (737,391)
Capital Expenses	\$ (3,919)	\$ (4,862)	\$ (4,794)	\$ (4,358)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (4,445)	\$ (44,600)
<b>Approved Expenditures</b>	<b>\$ (191,291)</b>	<b>\$ (198,285)</b>	<b>\$ (203,860)</b>	<b>\$ (209,262)</b>	<b>\$ (215,069)</b>	<b>\$ (220,348)</b>	<b>\$ (226,305)</b>	<b>\$ (232,761)</b>	<b>\$ (239,477)</b>	<b>\$ (246,330)</b>	<b>\$ (2,182,987)</b>
<b>Budget Surplus/(Deficit)</b>	<b>\$ (481)</b>	<b>\$ (1,249)</b>	<b>\$ (1,046)</b>	<b>\$ (3,383)</b>	<b>\$ (6,888)</b>	<b>\$ (9,918)</b>	<b>\$ (13,199)</b>	<b>\$ (12,968)</b>	<b>\$ (17,220)</b>	<b>\$ (20,790)</b>	<b>\$ (87,140)</b>

- Are there any questions or comments?



## COMMITTEE REPORT

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**SESSION:**

Public   
 Non-Public

**ACTION REQUESTED:**

Decision   
 Discussion/Direction   
 Information

**TO:** Audit & Finance Committee

**DATE:** April 17, 2019

**PRESENTED BY:** Brad Maclsaac

**SUBJECT:** 2019-20 Tuition Fees - revised

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**COMMITTEE MANDATE:**

The committee is responsible for overseeing the financial affairs of the university, which includes reviewing and recommending approval of the tuition fees. Leadership is seeking the committee’s recommendation for approval of the updated 2019-2020 tuition fees.

**BACKGROUND/CONTEXT & RATIONALE:**

The tuition fee framework, released by the provincial government in December 2018, regulates all publically funded programs and allows for tuition fee differentiation based on program and program year. The verbal feedback from officials was that the decrease by 10% from the 2018-19 rates for all ministry eligible funded students would follow normal compliance process. Based on this feedback, the university updated the domestic tuition fees for 2019-2020 and presented them to the Board for approval at the meeting on February 28, 2019.

On March 29, 2019 the framework was released that provided a new methodology in calculating the tuition decreases. This change only affects the domestic undergraduate rates. International or cost recovery programs are not included in the limits imposed by the provincial framework.

	current tuition	current compliance	% decrease yr 1 - 2
year 1	6,650		
year 2	6,620	5,985	-10.0%
year 3	6,585	5,958	-10.0%

	current tuition	MTCU directive	% decrease yr 1 - 2
year 1	6,650	5,985	
year 2	6,620	5,958	-10.4%
year 3	6,585	5,927	-10.5%

**RESOURCES REQUIRED:**

N/A

**IMPLICATIONS:**

The decreases proposed in this document will create less revenue than originally planned for in the budget. Mitigation strategies will be outlined in the budget presentation.

**ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:**

The fees recommended will allow UOIT to continue to provide superior undergraduate and graduate programs.

**ALTERNATIVES CONSIDERED:**

The university advocated to the ministry to maintain previous compliance process.

**CONSULTATION:**

No further consultations occurred outside on this specific directive.

**COMPLIANCE WITH POLICY/LEGISLATION:**

The current fees are in compliance with the existing tuition fee framework.

**NEXT STEPS:**

Update tuition within UOITs student information system and website.

**MOTION FOR CONSIDERATION:**

*That the Audit & Finance Committee hereby recommends the updated 2019-2020 tuition fees for approval by the Board of Governors.*

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**SUPPORTING REFERENCE MATERIALS:**

- Appendix 1: Recommendations for updated 2019-20 tuition fees

**Appendix 1: Recommendations for UOIT 2019-2020 tuition fees****Undergraduate Domestic**

			Rate of Increase
	2018-2019	2019-2020	18/19 to 19/20
<b>BA, BAsC, BEd, BHSc, BSc &amp; Mgt</b>			
First Year	\$6,647.56	\$5,982.80	-10.0%
Second Year	\$6,618.22	\$5,956.38	-10.4%
Third Year	\$6,585.14	\$5,926.62	-10.4%
Fourth Year	\$6,578.64	\$5,920.76	-10.1%
Fifth Year	\$6,572.22	\$5,914.98	-10.1%
<b>BCom</b>			
First Year	\$8,986.98	\$8,088.28	-10.0%
Second Year	\$8,944.18	\$8,049.76	-10.4%
Third Year	\$8,901.60	\$8,011.44	-10.4%
Fourth Year	\$8,892.82	\$8,003.52	-10.1%
<b>BIT</b>			
First Year	\$10,034.66	\$9,031.18	-10.0%
Second Year	\$10,024.92	\$9,022.42	-10.1%
Third Year	\$10,015.20	\$9,013.68	-10.1%
Fourth Year	\$9,990.88	\$8,991.78	-10.2%
<b>BEng, BEng &amp; Mgmt, BTech</b>			
First Year	\$10,433.54	\$9,390.18	-10.0%
Second Year	\$10,423.60	\$9,381.24	-10.1%
Third Year	\$10,413.68	\$9,372.30	-10.1%
Fourth Year	\$10,314.50	\$9,283.04	-10.9%
Fifth Year	\$10,176.96	\$9,159.26	-11.2%
<b>BSc, Computer Science</b>			
First Year	\$7,044.34	\$6,339.90	-10.0%
Second Year	\$7,037.62	\$6,333.84	-10.1%
Third Year	\$7,030.94	\$6,327.84	-10.1%
Fourth Year	\$7,024.22	\$6,321.78	-10.1%
Fifth Year	\$7,024.06	\$6,321.64	-10.0%
<b>BScN</b>			
First Year	\$6,778.54	\$6,100.68	-10.0%
Second Year	\$6,771.96	\$6,094.76	-10.1%
Third Year	\$6,765.38	\$6,088.84	-10.1%
Fourth Year	\$6,758.82	\$6,082.92	-10.1%



## COMMITTEE REPORT

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### SESSION:

Public   
 Non-Public

### ACTION REQUESTED:

Decision   
 Discussion/Direction   
 Information

**TO:** Audit & Finance Committee

**DATE:** April 17, 2019

**PRESENTED BY:** Brad Maclsaac

**SUBJECT:** 2019-2020 Ancillary Fees

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### COMMITTEE MANDATE:

The committee is responsible for overseeing the financial affairs of the university, which includes reviewing and recommending approval of the ancillary fees.

### BACKGROUND/CONTEXT & RATIONALE:

At the Board's February 28, 2019 meeting, the 2019-20 ancillary fees were approved. It was noted that there would be a requirement to break the fees out further; but, the ministry guidelines had not been finalized. The breakdown of fees set out in Table 2 below reflects the new ancillary fee framework document released in March 2019.

### RESOURCES REQUIRED:

The technical requirements for the opt-out process is within the proposed 2019-20 budget.

### IMPLICATIONS:

For the university all of the fees fit within the mandatory category. Of the \$564.77 in fees we collect on behalf of the USU about half are eligible for opt-out (table 2 amount highlighted in orange). Noting that the Health Plan has always been optional this is ~\$30 per full-time student that is now at risk for the USU. If there was a 20% opt-out this would be a reduction of ~\$50,000 from the USU budget. Through consultations with the USU the mitigation strategies include:

- a) To date the services have been for full-time students. Now that the member can opt-out a prorated charge will be applied to part-time so they can have all the same benefits of the activities. This is a 40% charge or ~\$15 per part-time student that may bring in up to ~\$15,000.

- b) The majority of the costs associated with the opt out eligible services (ie clubs, societies, campus life events) are variable. Therefore, they may reduce if a greater proportion of students decide to opt-out.

### COMPLIANCE WITH POLICY/LEGISLATION:

The increases are compliant with provincial policy and UOIT's ancillary fee protocol. The fees outlined in Table 2 and description will be loaded for students.

**TABLE 1: 2019-20 Fees approved by the Board on February 28, 2019**

	2018-2019	2019-2020	% Inc
Student Life <b>USSL</b>	251.55	256.58	2.00%
Health and Wellness <b>UHLW</b>	61.72	62.96	2.00%
Campus Health Centre <b>UCHC</b>	35.75	36.47	2.00%
Infrastructure & Service Enhancements <b>UISE</b>	173.49	176.96	2.00%
Campus Access & Safety <b>UCAS</b>	139.97	142.77	2.00%
Health & Dental <b>UHTH</b>	213.06	250.32	17.50%
Athletics Complex Membership <b>UACM</b>	36.69	37.35	1.80%
Intramurals <b>UITN</b>	10.36	10.55	1.80%
Campus Recreation and Wellness <b>UEXP</b>	172.23	174.12	1.10%
Student Org. Fees <b>USOF</b>	169.36	172.75	2.00%
Varsity Fee <b>UVAR</b>	119.14	121.52	2.00%
Instructional Resource <b>UTIR</b>	112.96	115.22	2.00%
WUSC Student Sponsorship <b>UWUF</b>	2.7	2.7	
U-Pass <b>UUPS</b>	135	139	3.00%
<b>Summary USU(not including TELE or program fees)</b>	<b>520.12</b>	<b>564.77</b>	<b>8.58%</b>
<b>Summary (not including TELE or program fees)</b>	<b>1113.86</b>	<b>1134.5</b>	<b>1.85%</b>

**TABLE 2: 2019-20 Fees breakdown with description**

Title	Amount	Description
Career Services	68.63	Career services and supports that help students plan for their careers during their studies and successfully transition to work or further education. Services include career-counselling, specialist and peer advising, workshops, job portal, employer recruitment and other campus events.
Student Engagement	67.34	Engagement programming and resources that help students adjust to university life and enrich their student experience throughout their studies. Programs include orientation, peer leader program, equity awareness and education, and special events throughout the year.
Student Learning	115.93	Learning services and resources that strengthen students' academic skills and promote success in writing, mathematics, science and engineering, and English as another language. Services include peer tutoring, facilitated study sessions, specialist support, workshops and special events.
Health Services (general)	26.22	Health services that provide students with access to health care on campus. Services include medical clinic, naturopathic, chiropractic and physiotherapy services, a pharmacy and a part-time psychiatrist.
Mental Health Services	65.43	Mental health services that help all students manage the pressures of university life. Services include professional, short-term counselling and therapy services, support groups, self-help tools and resources, and referrals to community supports and services.

Health and Wellness	14.96	Health and wellness programs, activities and resources that promote positive health and well-being among students. Programs include such topics as consent and sexual violence prevention, smoking and cannabis harm reduction, addiction awareness, physical activity, nutrition and stress management.
Sport and Recreation	79.17	Recreation programs and facilities that support students' engagement in fitness activities. Recreation facilities include exercise centre, five gymnasiums, a 200-metre indoor track, aerobic/dance studios, ice rinks, field house, ball diamond and soccer/lacrosse turf field.
Intramural Sports	10.55	Intramural sports programs that enable students to participate on campus sports teams, including badminton, basketball, flag football, floor hockey and soccer.
Campus Access	74.69	General student overhead for online student supports such as "avoid the line" Qnomy registration, copyright compliance, security monitoring and Code Blue stations.
24/7 Building Access	33.08	Open access to campus buildings and facilities that enable students to study and collaborate on a 24/7 basis, including security services
Campus Safety	9.64	Campus safety programs that provide student access to 24/7 supports, including a Campus Walk program and Campus Emergency Response Team (CERT), a student first-aid response team
Student ID	18.74	Student identification services that provide a multi-year smart card that can be used for a variety of services on and off campus, including access to recreation and sports facilities, tests and exams, health plan and meal plans, the library and local transit.
Convocation	6.62	Registrarial services that document student achievement, such as the production of parchments and transcripts, as well as convocation
Infrastructure Enhancements	116.74	Space and facility improvements to student services including renovations, furniture replacements, network upgrades and other space enhancements.
Study and Activity Spaces	34.01	Support for spaces and facilities that enable students to collaborate and study in groups, including networks, maintenance and utilities.
Printer Services	26.21	Printer services that enable students to print assignments key locations on campus
Instructional Resource	115.22	Instructional resources that provide academic support for students
Campus Recreation and Wellness Centre	174.12	Supports the financing for the construction, expansion and improvement of sports facilities on campus and ensures effective maintenance and operation of the facility.
Varsity Sports	77.20	Ridgeback varsity teams compete provincially, nationally and internationally and enrich the overall student experience. Programming includes a free season pass to all home games, promotions and giveaways, pep rallies/campus activities and web streaming for fans, as well as high performance coaching, equipment, and travel for student-athletes.
<b>TOTAL UOIT FEES</b>	<b>1,134.50</b>	
Community Services	10.64	Programming and resources for students to provide recreational, health promotion and career oriented networking opportunities, as well as events such as farmers markets, blood donor clinics, sexual health awareness, and other community events.
Wellness and Support Services	11.20	Wellness and support services that focus on student equity and wellbeing, including a legal services, academic support (appeals), wellness resources, and other important student services
Student Representation and Leadership	8.89	Representation and leadership for students at the university to improve the overall student experience and provide oversight of essential student services
World University Services of Canada	2.70	Student refugee program that sponsors a student refugee and covers their living expenses during their first two years of undergraduate study.
Campus Clubs	4.80	Campus clubs that provide events and activities for students based on their interests, including informational, philanthropic, educational, religious, cultural and social purposes.
Student Societies	3.27	Student societies that operate within each Faculty and provide events and programming to enrich the academic, educational and social experience of students
Campus Life and Events	11.19	Campus life programming aimed at building a vibrant, inclusive and welcoming student community, including large campus events, cultural celebrations.



Health & Dental Plan	250.32	Health and dental plan that provides coverage to supplement the provincial health plan. This includes prescription, dental, vision, travel, and more.
Benefit Plan Coordination	23.87	Provides for the coordination of the student health and dental plan, including the negotiation and management of the plan and opt out processes.
USU Building	98.89	USU building program to finance the building of a purpose-build space to house programs and services for students, maintenance, capital refresh and operating costs.
Student Transit	139.00	Student transit pass that provides low-cost, unlimited travel on Durham Region Transit and OneFare DRT-GO Transit routes.
<b>TOTAL USU FEES</b>	<b>564.77</b>	