



FOR INFORMATION

PUBLIC

OPEN SESSION

TO: UTM Campus Council

SPONSOR: Mr. Paul Donoghue, Chief Administrative Officer
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PRESENTER: Professor Ulli Krull, Acting Vice-President & Principal & Prof. Amy Mullin, Vice-Principal Academic & Dean
CONTACT INFO:

DATE: November 26, 2015 for December 3, 2015

AGENDA ITEM: 3

ITEM IDENTIFICATION:

UTM Proposed Operating Budget: Themes and Priorities

JURISDICTIONAL INFORMATION:

Section 5.7 of Campus Affairs Committees' Terms of Reference provides that the "annual budget is considered by the Committee for recommendation to the [UTM] Council for inclusion in the University's annual operating budget." Appendix A of the Terms notes that this responsibility is executed as part of the campus' budget planning process.

GOVERNANCE PATH:

1. UTM Campus Affairs Committee [For information] (November 16, 2015)
2. UTM Campus Council [For information] (December 3, 2015)

PREVIOUS ACTION TAKEN:

At meetings on September 14, 2015 and October 7, 2015, the Campus Affairs Committee and the Campus Council respectively received for information a presentation on the Current Year Campus and Institutional Operating Budget.

HIGHLIGHTS:

The attached presentation is 'step two' in the process for consideration of budget matters by UTM governance, which comprises four components:

- (1) an integrated budget presentation to the CCs and CACs,
- (2) an overview of the proposed campus operating budgets (themes and priorities),
- (3) the Provost's budget review meetings, and,
- (4) governance consideration of the University's operating budget.

The attached presentation explores the priorities and key trends that inform decisions about proposed uses of the financial resources available to the campus. This “step two” discussion at both the Campus Affairs Committee and Campus Council will support UTM’s annual budget discussions with the Provost and the integration of campus budget plans into the University’s budget.

FINANCIAL IMPLICATIONS:

n/a

RECOMMENDATION:

For information.

DOCUMENTATION PROVIDED:

Presentation: UTM Proposed Operating Budget: Themes and Priorities



UTM
2016-2017 Proposed Operating Budget: Themes & Priorities

UTM CAMPUS COUNCIL
DECEMBER 3, 2015

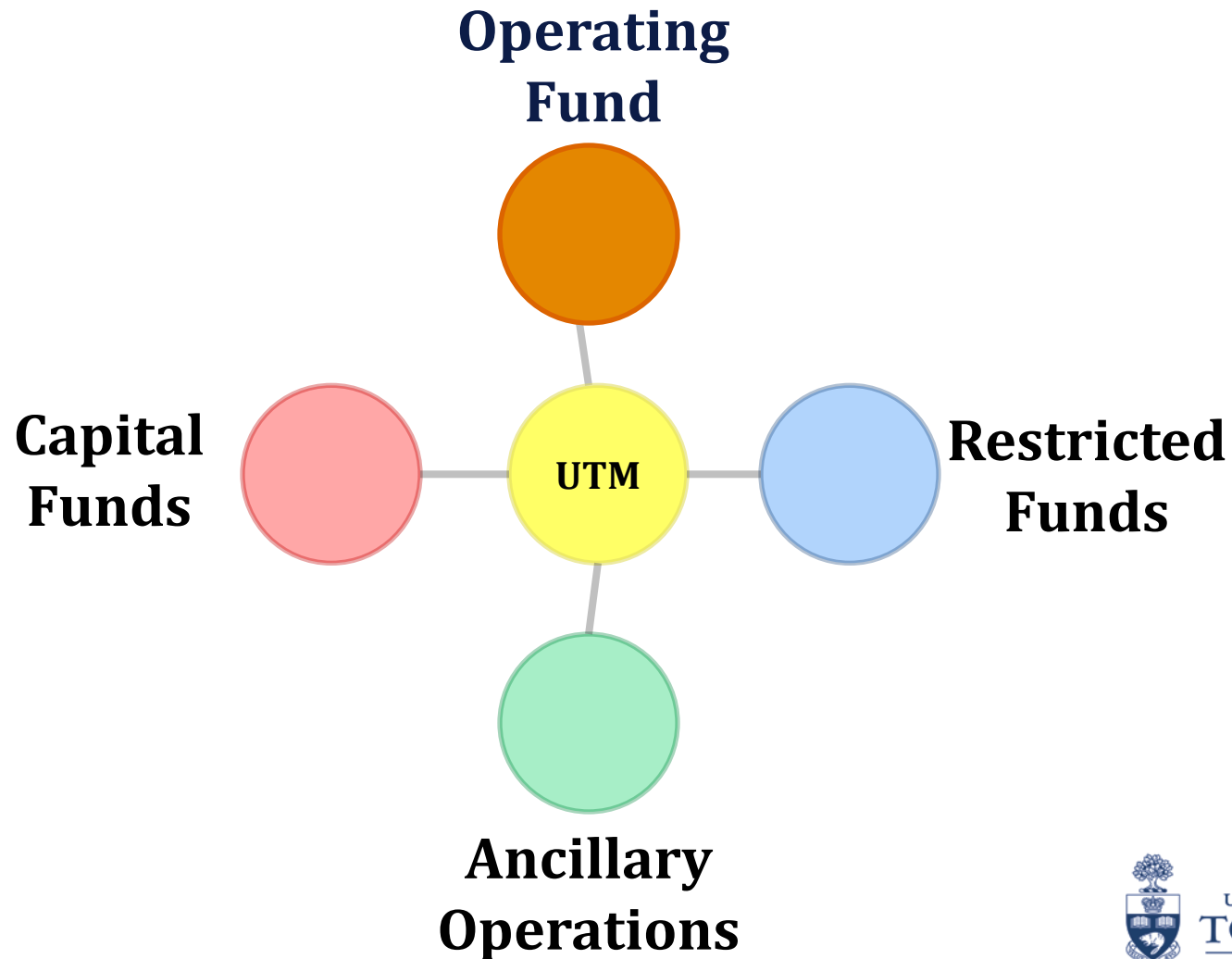
The Budget: Strategic Context



Budget Context Summary

- Provincial Grant continues to decline as overall source of revenue
- International enrolment growth is very strong
- Revenue growth rate slowing but UTM still growing slightly faster rate than average
- Source of revenues generally more dynamic and risky – divisions prioritizing OTO investments
- Incoming undergraduate entering averages continue to rise
- Continue to face a structural budget challenge but some improvement on the expense side

The Four Funds



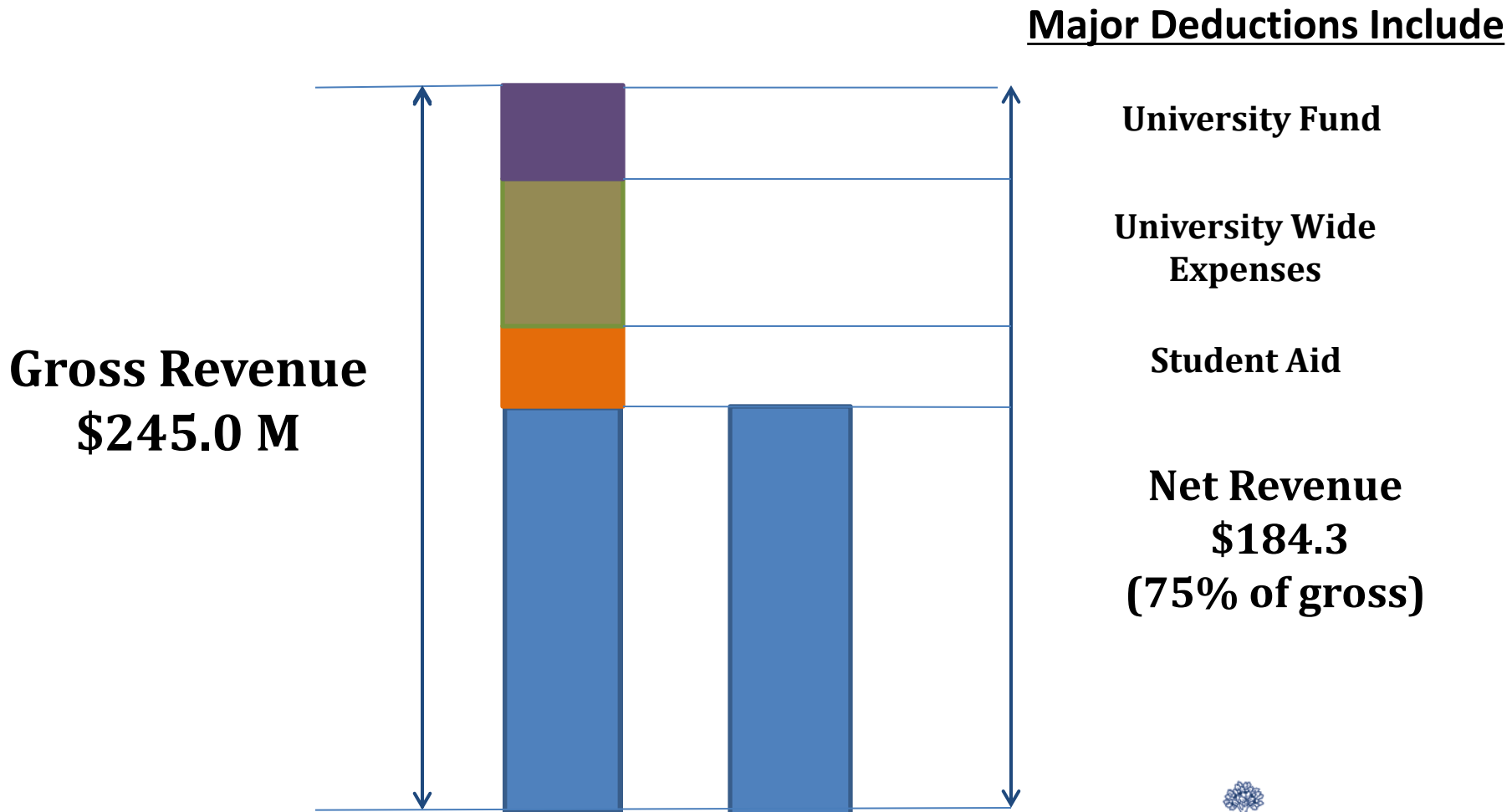
Relationship Between Four Funds

- Funds are segregated
- Most movements from Operating to Capital (via capital reserves)
- Minimal from Ancillaries to Operating
- Ancillary Budgets to CAC Jan. 7th



UTM: Gross to Net Revenue

(\$ Millions 2015-16)



UTM Net Revenue 2015-16

(\$ Millions 2015-16)

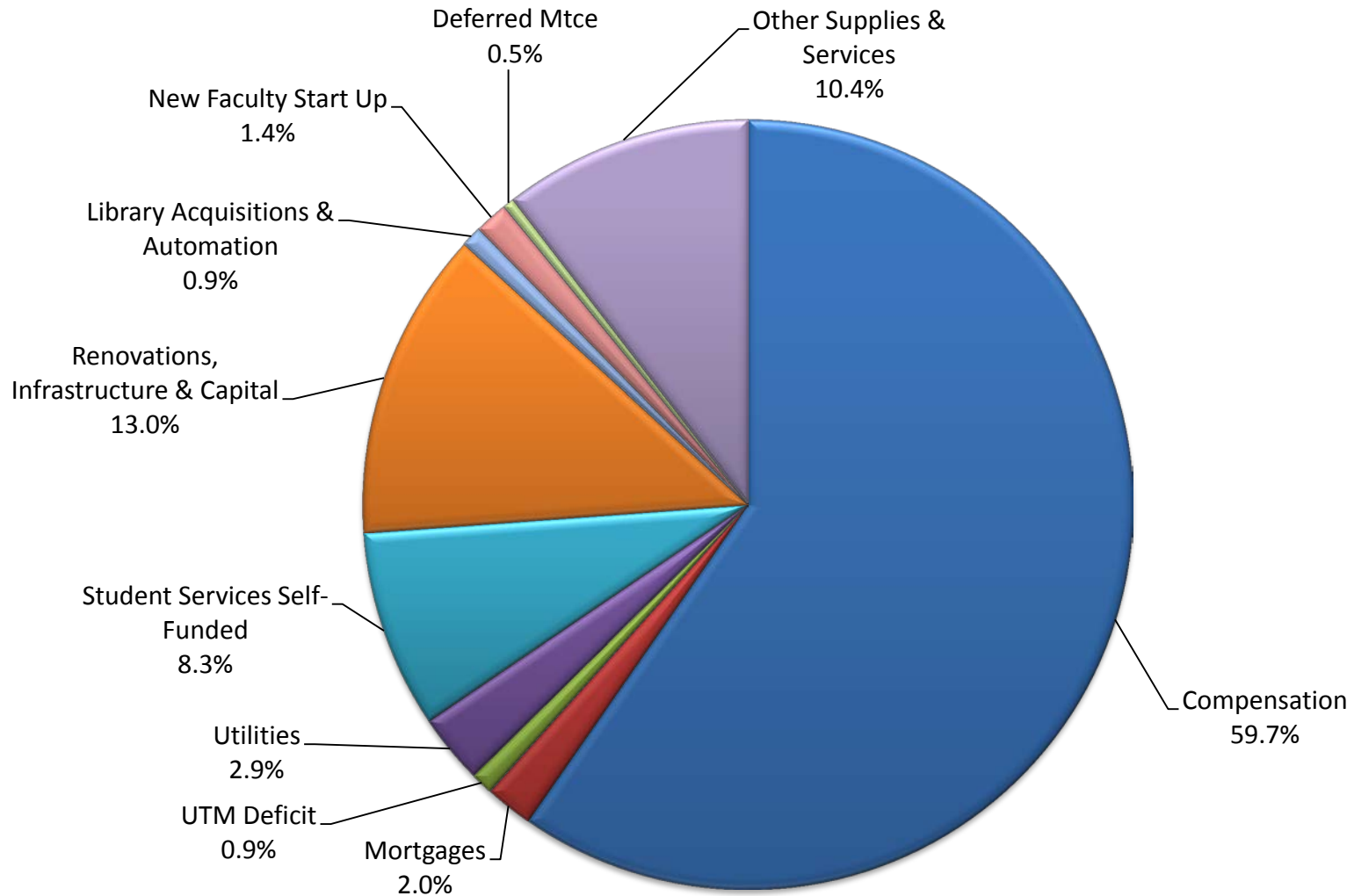
Tuition and Grant revenue	\$238.9
Investment and other income	<u>6.1</u>
Subtotal	\$245.0
University Fund Contribution (10%)	(24.4)
Other attributed revenue (net)	1.8
University-wide costs	(34.8)
Student Aid	(10.6)
University Fund Allocation*	7.2
Other adjustments	<u>0.1</u>
“Net revenue” to UTM	\$184.3

* The current UF Allocation represents the cumulative total of \$6.6M as at the previous year, plus an incremental allocation of \$0.6M from the Provost in 2015-16.

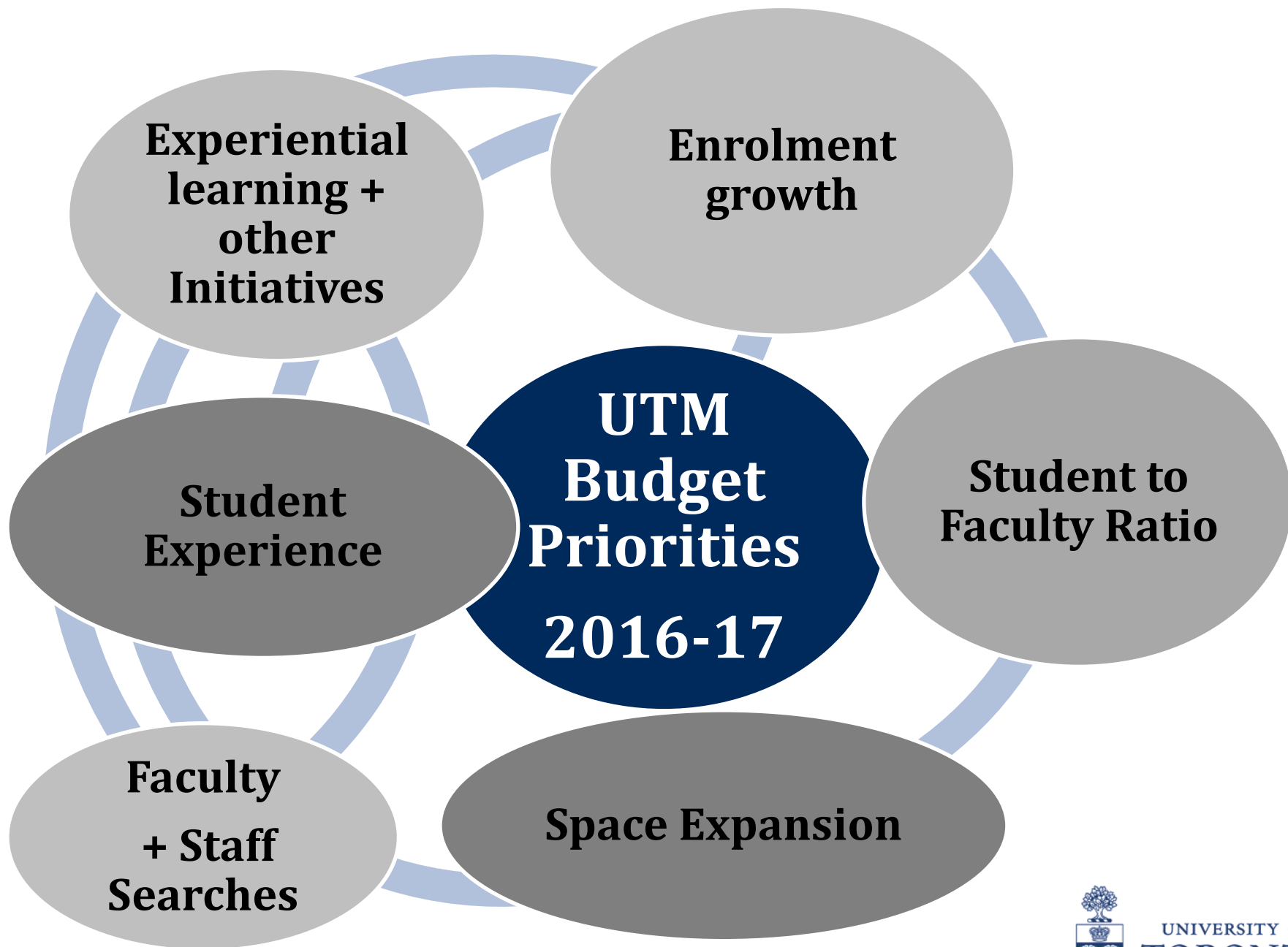
University Fund Allocation

	2014-2015 Balance	2015-2016 Increase	2015-16 Balance
UF Contribution (deduction)	\$ (22.4)	\$ (2.0)	\$ (24.4)
UF Allocation	<u>6.6</u>	<u>0.6</u>	<u>7.2</u>
Net UF Contribution	\$ (15.8)	\$ (1.4)	\$ (17.2)

2015-16 Major Expense Categories



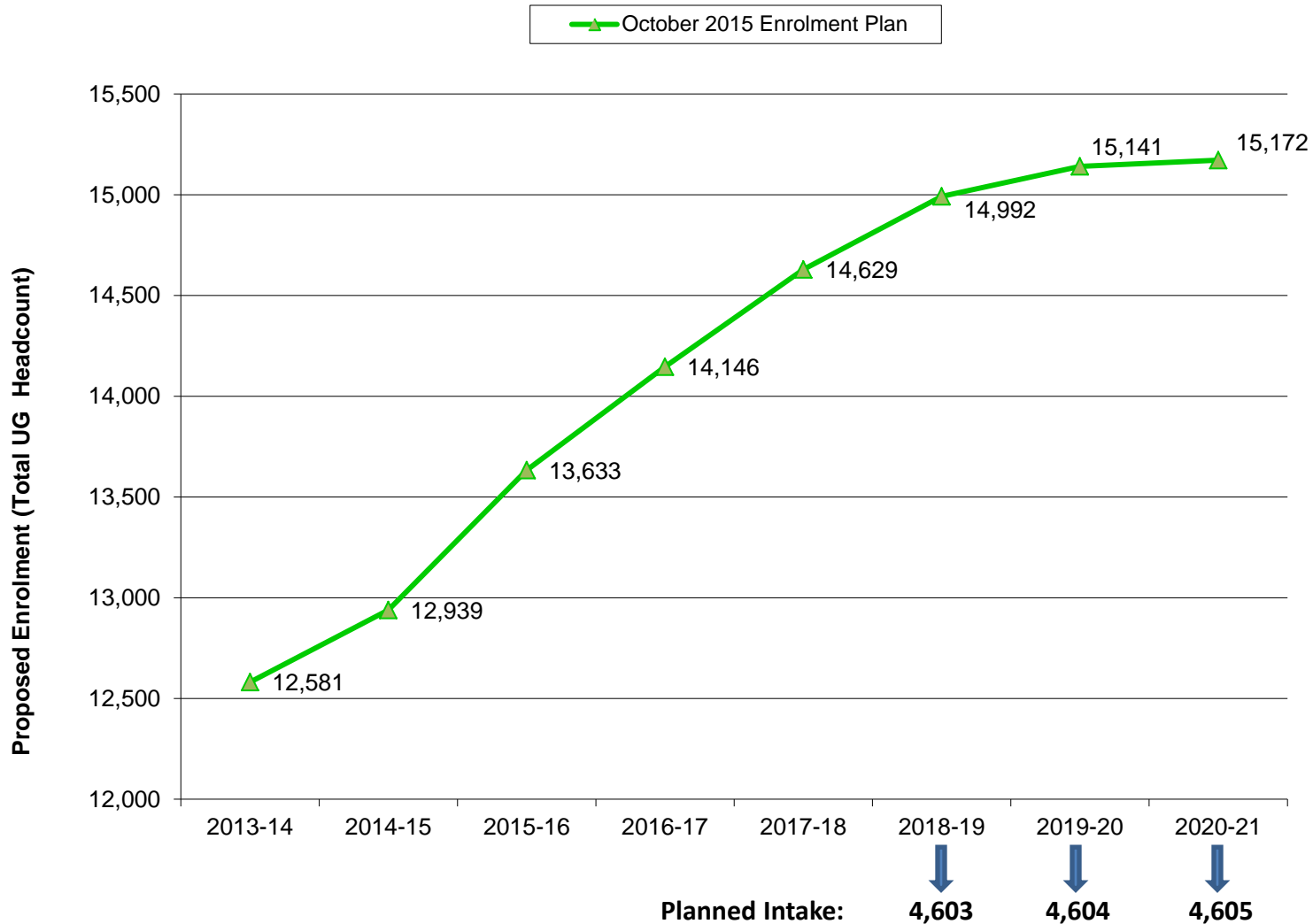
Total Expenditure: Net Operating of \$184.3 + \$31.2 in Divisional Revenue = **\$215.5 million**



Priority: Enrolment

- Enrolment Growth + “Pause” Period
- Domestic Growth Considerations
- Demographics + Western GTA
- Shifting Areas of Interest/Demand

UTM Undergraduate Enrolment Planned Growth

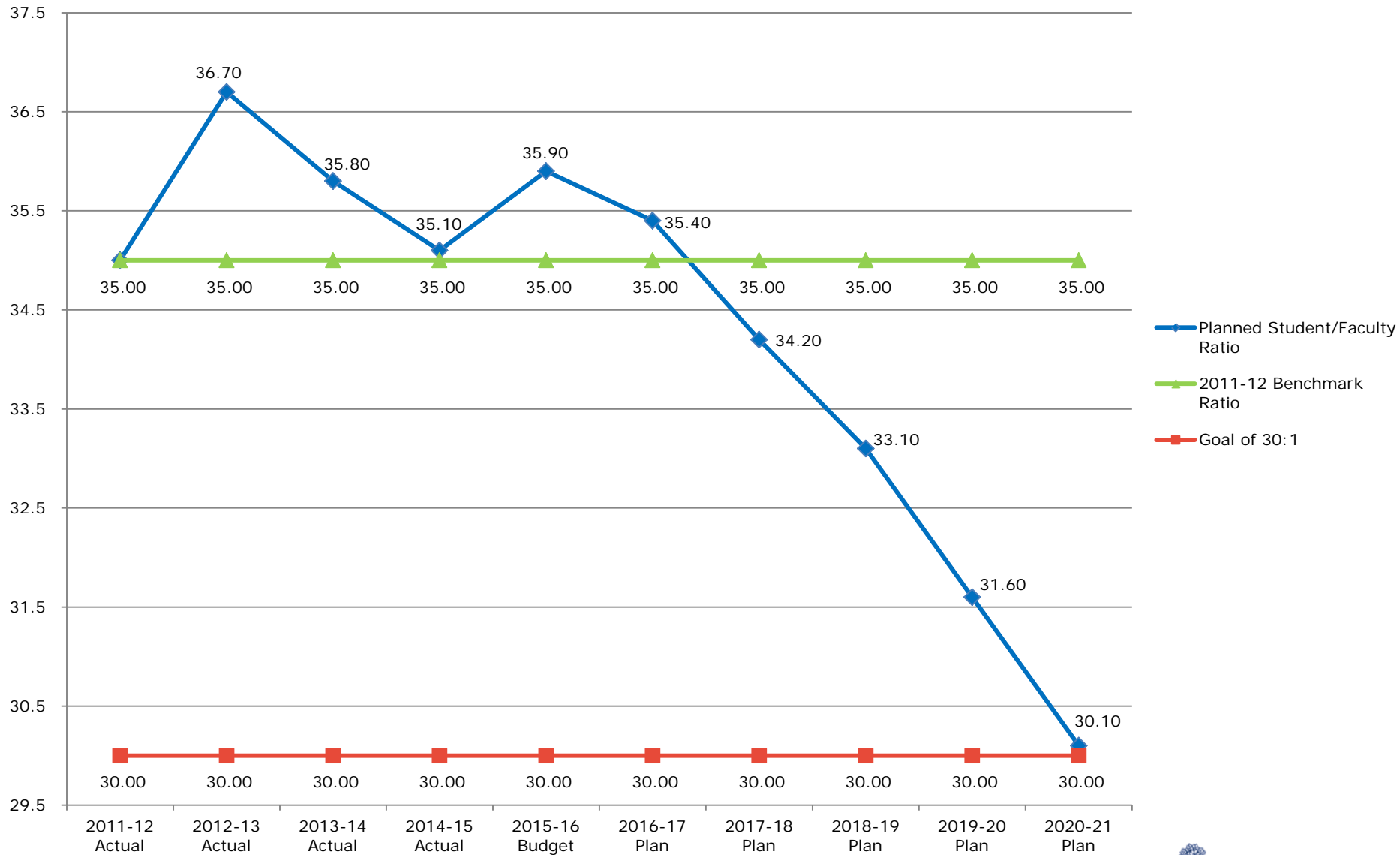


Priority: International Students

- Domestic/International Mix
 - Now at 21.1% intake; 17.8% total
- Diversification
 - Now at 61% to 66% single-source home country
- Base Budget & Vulnerability



Priority: Student to Faculty Ratio



Priority: Student to Faculty Ratio

- Fall 2013, UTM was highest across University with ratio of 35.8 (projecting 35.9 for Fall 2015)
- Long-term target: 30.0
- Target: 33 searches 2015-16 (21 “growth”)
35.5 searches 2016-17 (25.5 “growth”)



Priority: Faculty Recruitment

Division	Tenure Stream	Teaching Stream	Total	Teaching %
A&S	729.9	118.2	848.1	14%
UTSC	220.9	93.0	313.9	30%
UTM	237.1	62.4	299.5	21%

* Based on 2013-14 HR Annual Report

- Mix of Rank/Category
- Success Rate: 2011-12 = 85%; 2014-15 = 68%
- Search limitations; time and money; capacity to conduct

Priority: Enhancing the Student Experience

- Enhanced Support for Student Skill Development
- More opportunities for resource intensive forms of learning
- Greater funding for Pedagogical Research



Priority: Strengthening Research

- Continuing lab & infrastructure investments
- Enhanced Infrastructure Investment Fund & Enhanced Start-up Funding
- UTM Research Excellence Fund

Priority: Capital Plan

Opened 2014/15

- Deerfield Hall & Innovation Complex

Underway

- Teaching/Research Laboratory Renovations
- Research Greenhouse
- Supporting Infrastructure
- North2 (To open September, 2018)

Planned

- Davis2 (meeting place, food court)
- Science Wing

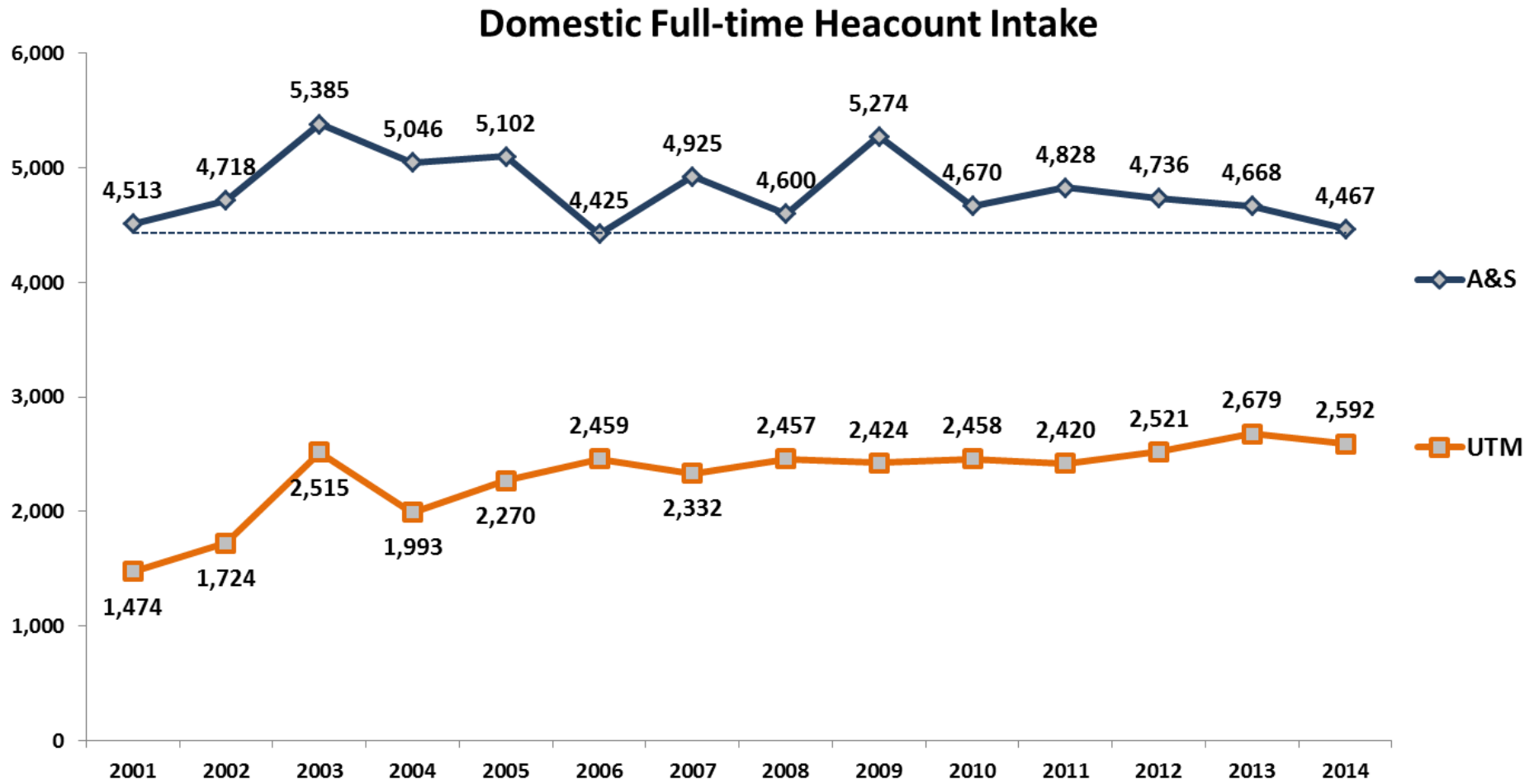


Academic Budget Review: 5-Year Plan ²⁰

(December 10, 2015)



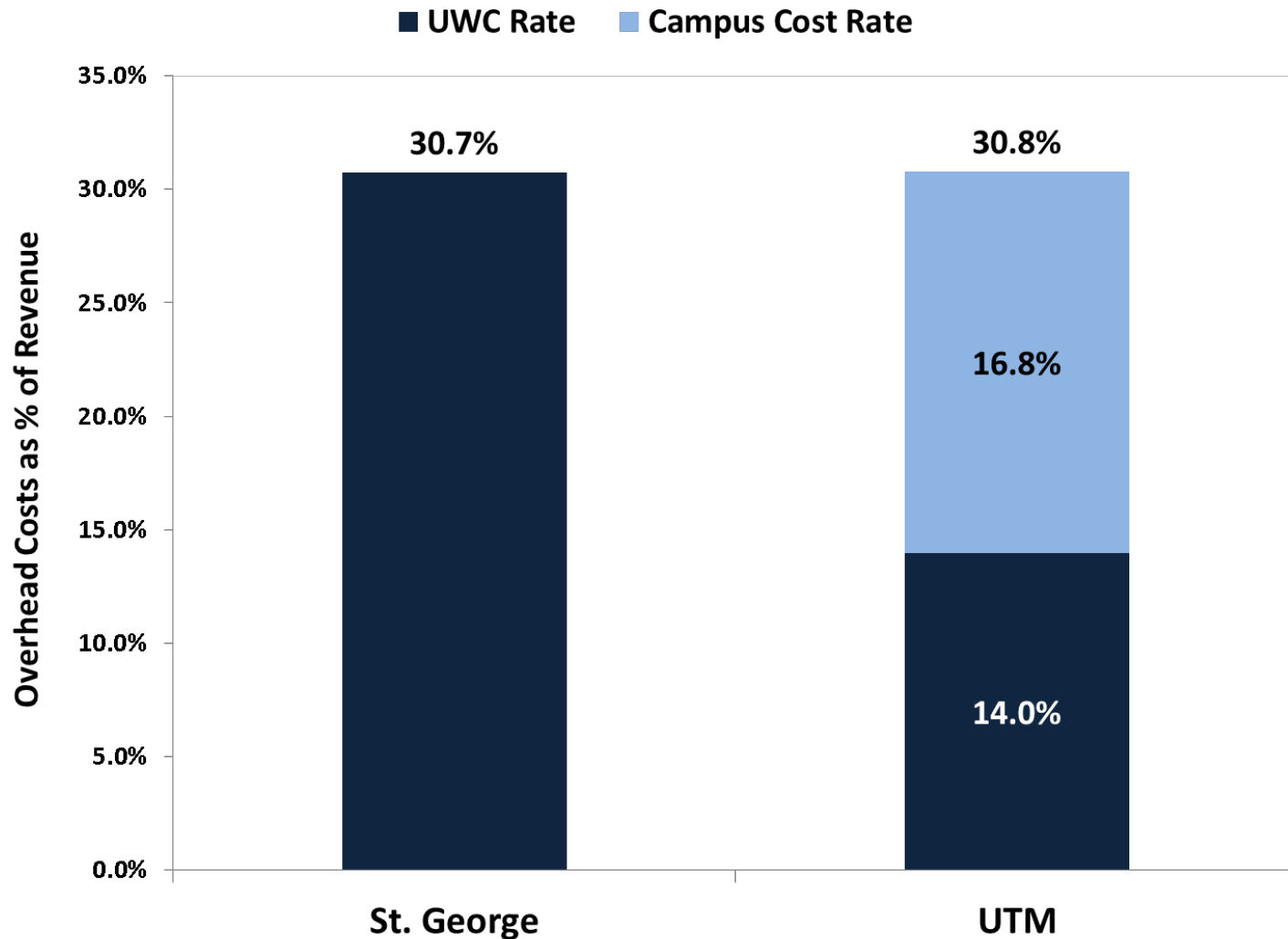
A&S and UTM Admissions 2001-2014



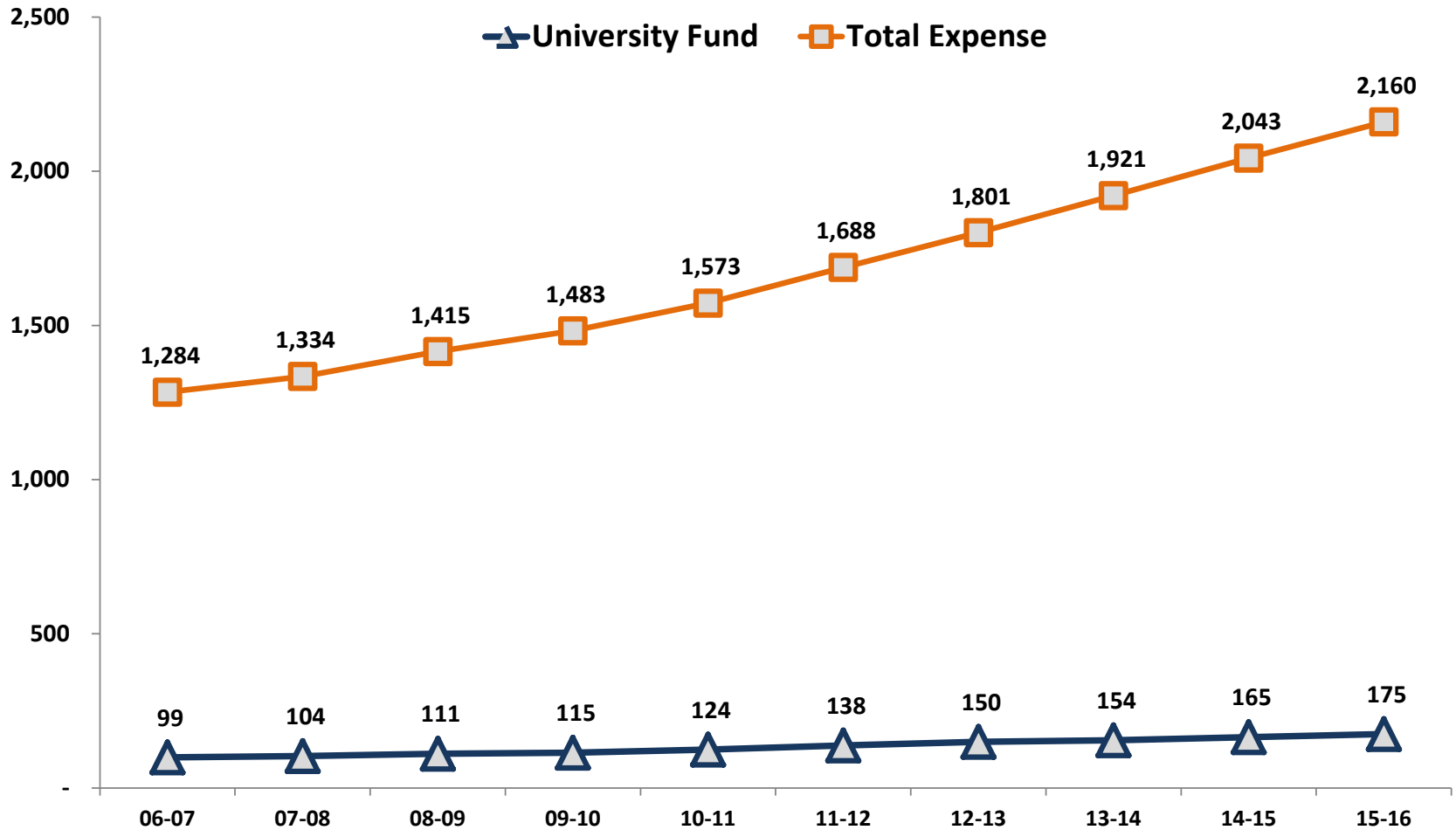
UWC Discounts to Account for Services Provided Directly by the Campus

Cost Driver	Discount re: Campus Costs	Resulting discount relative to STG divisions
Operating Revenue	Financial Mgt, Campus-Wide Debt Service	15%
Academic Staff FTE	IT, Athletics	8%
Administrative Staff FTE	IT, Athletics, Human Resources	16%
Pension Deficit Amortization		none
Undergraduate FTE	Library, Athletics, Student Life, IT	47%
Graduate FTE	Library, Athletics, Student Life, IT	41%
Research Revenue	Financial Management	3%
Degrees Awarded		none
Funds Raised		none
Occupancy (NASM)	Facilities & Services	100%

15-16 University-Wide and Campus Costs



University Fund Relative to Total Revenue (\$M)



UF Allocations to UTM (\$M)

Year	UF Base	OTO Capital
2007-08	\$1.1	
2008-09	Re-balancing \$1.5	
2009-10	\$1.2	
2010-11	\$2.7	
2011-12	\$1.8	
2012-13	\$1.7	
2013-14	\$0.8	
2014-15	\$0.4	\$2.0
2015-16	\$0.6	\$2.0
Total	\$11.9	\$4.0

UF allocations to UTM to date are 18% of total UF since 2007-08: UTM's revenue is 13% of the total university

University Fund Allocation per Student

