



FOR INFORMATION

PUBLIC

OPEN SESSION

TO: Campus Affairs Committee

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DATE: September 6, 2018 for September 13, 2018

AGENDA ITEM: 3

ITEM IDENTIFICATION:

Current Year Campus Budget

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] (September 13, 2018)
2. UTM Campus Council [For information] (October 3, 2018)

PREVIOUS ACTION TAKEN:

At the October 31, 2017 meeting of the Campus Affairs Committee received for information a presentation on the Current Year Campus and Institutional Operating Budget.

HIGHLIGHTS:

The attached presentation is 'step one 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 provides the context for the 2018-19 Budget in preparation for the discussion of UTM's proposed budget plans, which occurs in the next cycle. The current presentation includes information about the budget process and context, funding sources, enrolment, University Wide Costs, the University Fund, UTM divisional expenses, and opportunities and risks.

This "step one" discussion at the CAC will support UTM's annual budget preparations and the integration of campus budget plans into the University's budget.

FINANCIAL IMPLICATIONS:

n/a

RECOMMENDATION:

For information.

DOCUMENTATION PROVIDED:

Presentation: Current Year Campus Budget



UNIVERSITY OF
TORONTO

Budget 2018-19

UTM Campus Affairs Committee

September 13 2018





Agenda

1) Budget Process & Context

2) Funding Sources

3) Enrolment

4) University Wide Costs

5) University Fund

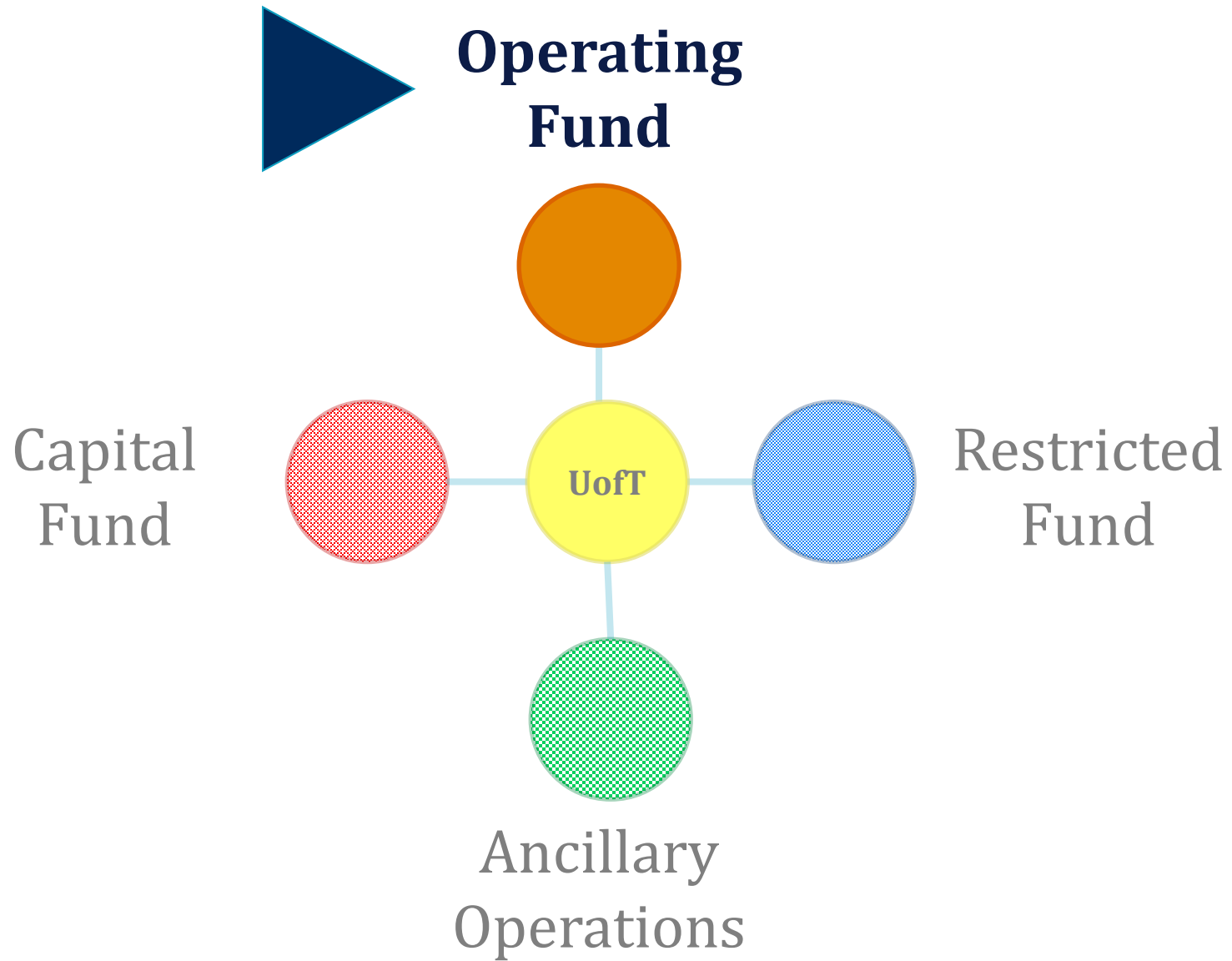
6) UTM Divisional Expenses

7) Opportunities & Risks

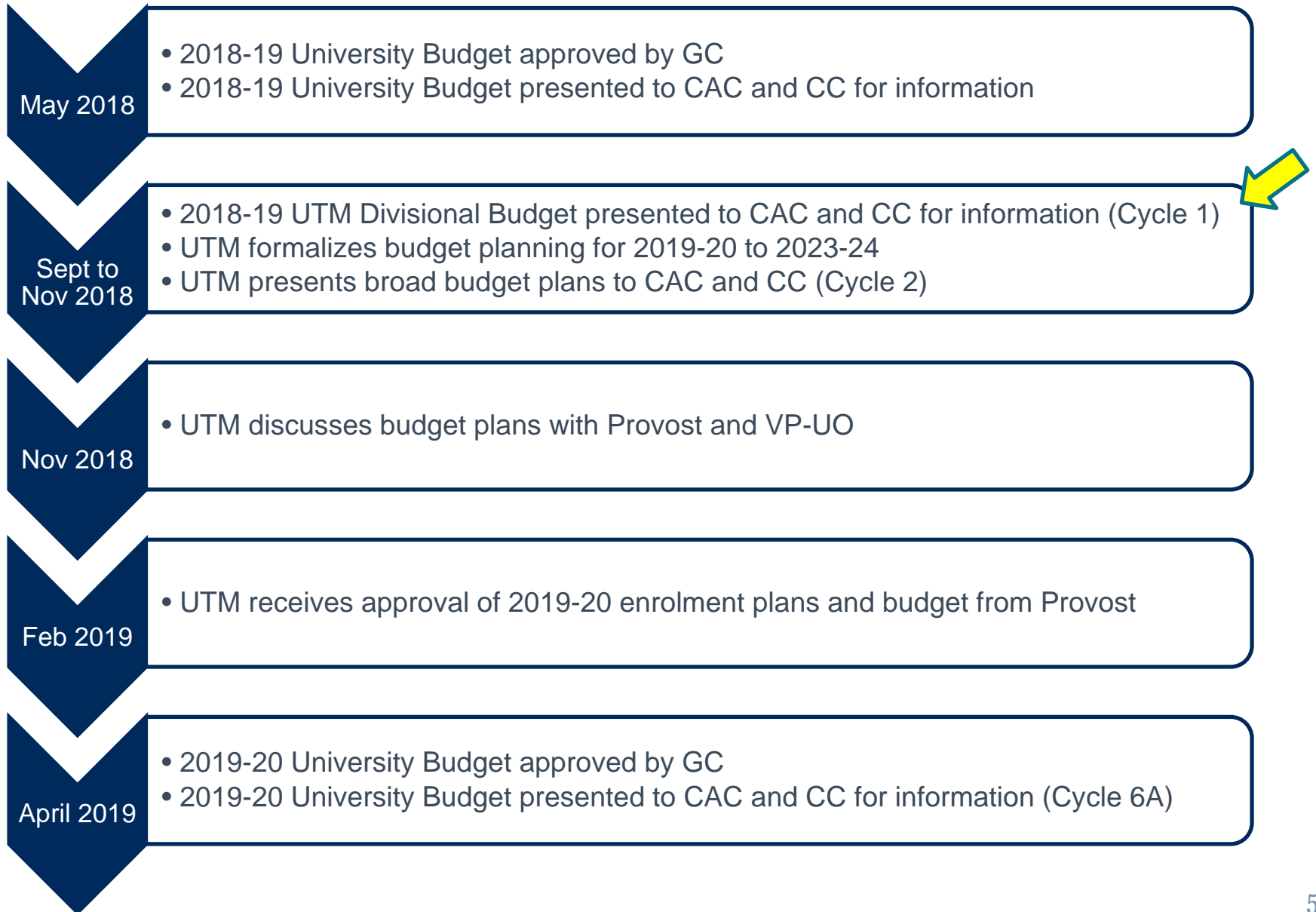
8) Summary

1) Budget Process & Context

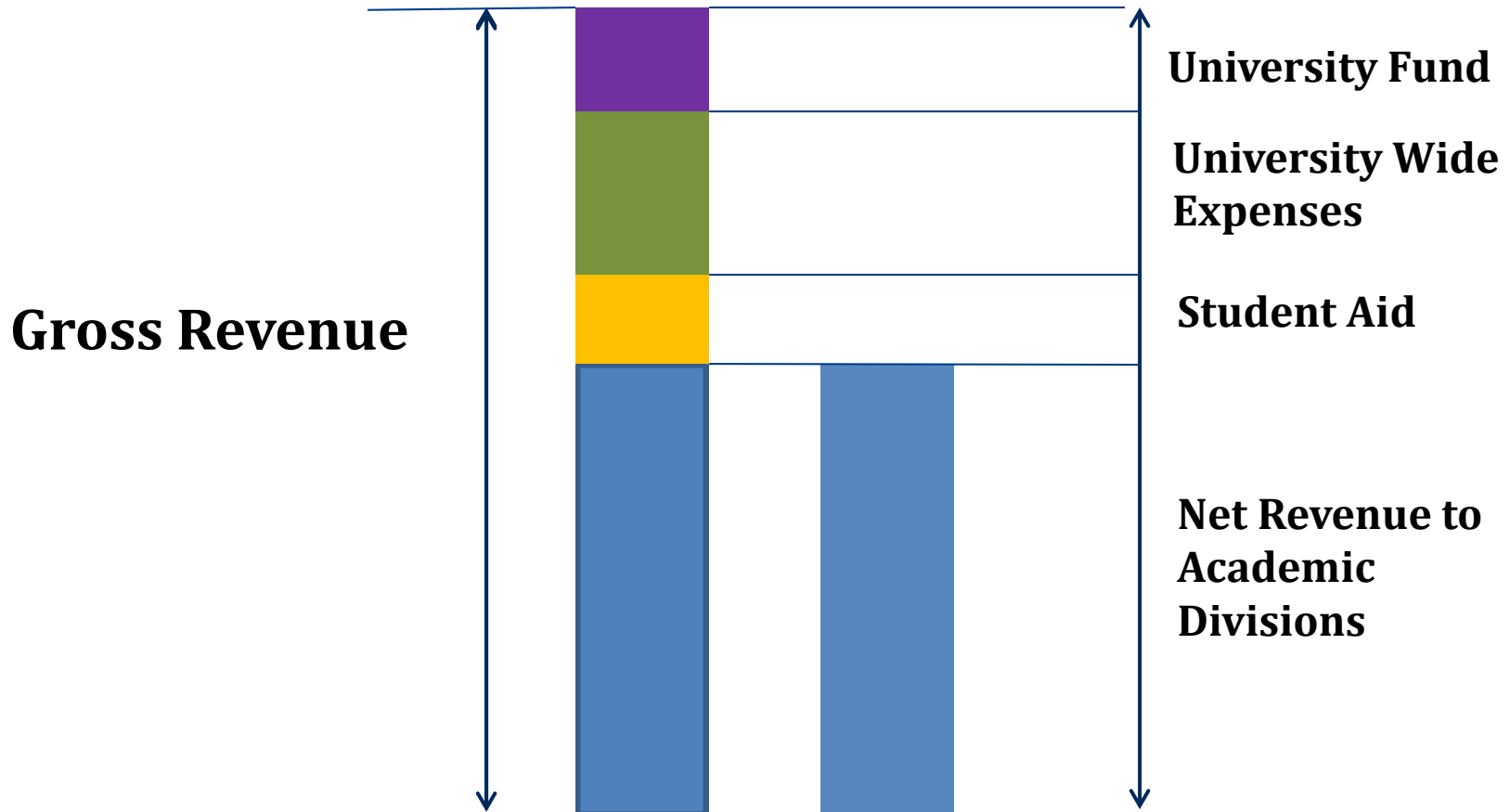




Budget Timeline



Net Revenue to Academic Divisions



UTM

2018-19 Budget (in \$M)

Tuition and Grant revenue	\$321.6
Investment and other income	<u>10.8</u>
Subtotal	\$332.4
University Fund Contribution (10%)	(33.2)
Other attributed revenue (net)	2.2
University-wide costs	(44.7)
Student Aid	(13.7)
University Fund Allocation ^	10.9
Other adjustments	<u>0.1</u>
“Net revenue” to UTM	\$254.0

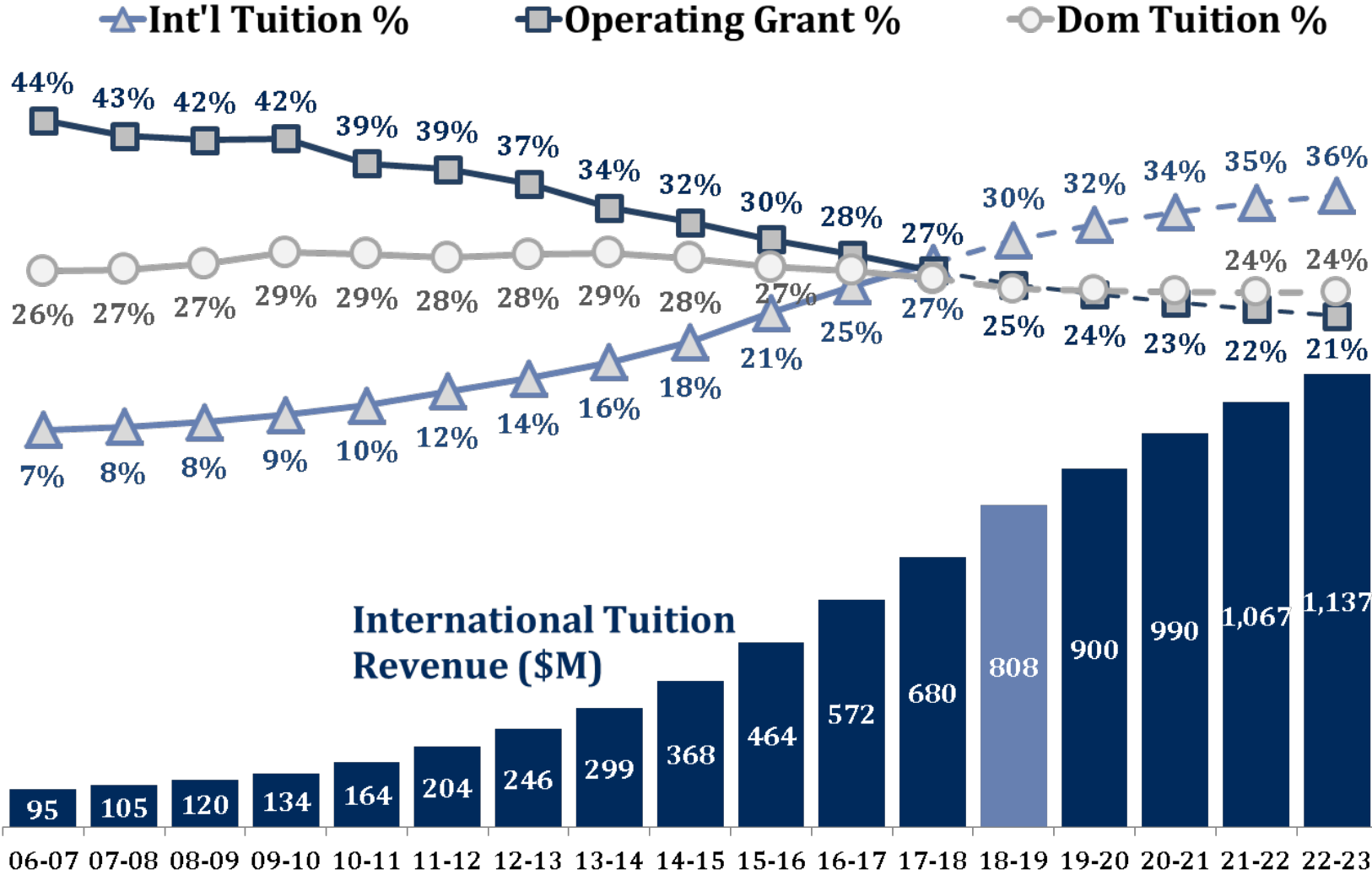
^ The current UF Allocation represents the cumulative total of \$8.96M as at the previous year, plus an incremental base allocation of \$1.25M from the Provost in 2018-19. It also includes an additional UF adjustment of \$0.69M in 2018-19 to offset budget model changes related to UWC's and gov't grant conversion from BIU's to WGU's.

2) Funding Sources

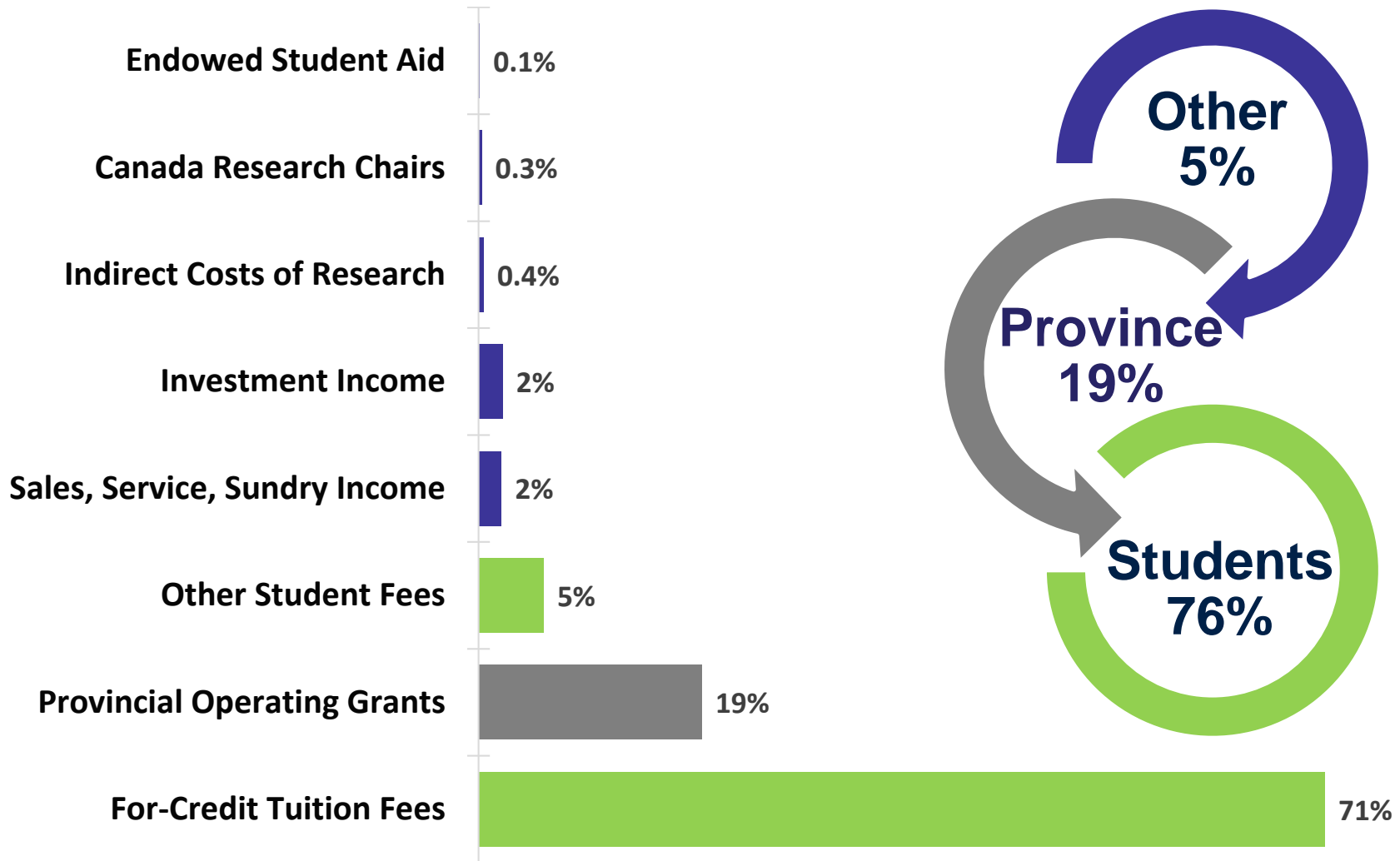


UofT

The changing revenue landscape (excludes divisional income)



2018-19 sources of revenue

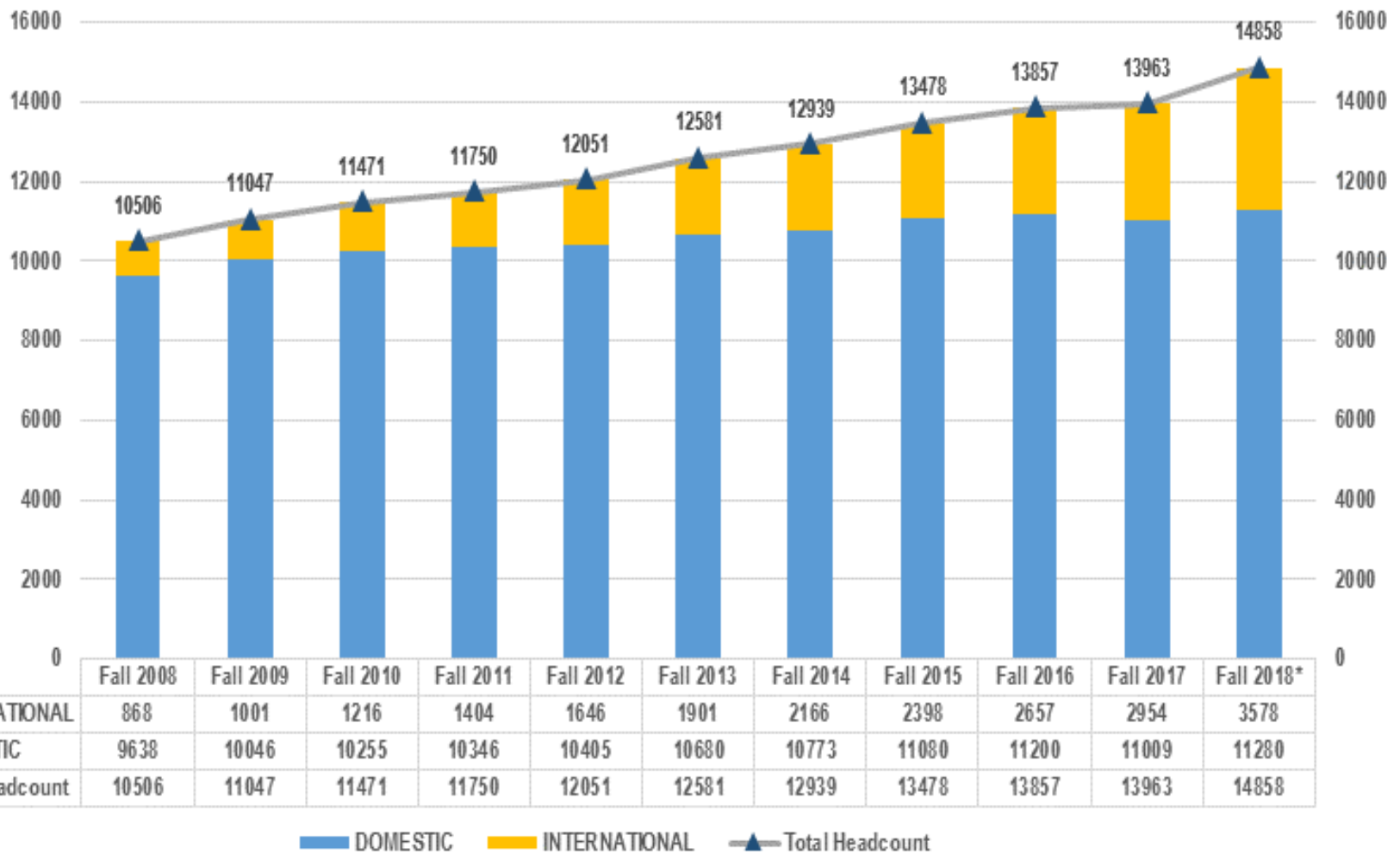


3) Enrolment



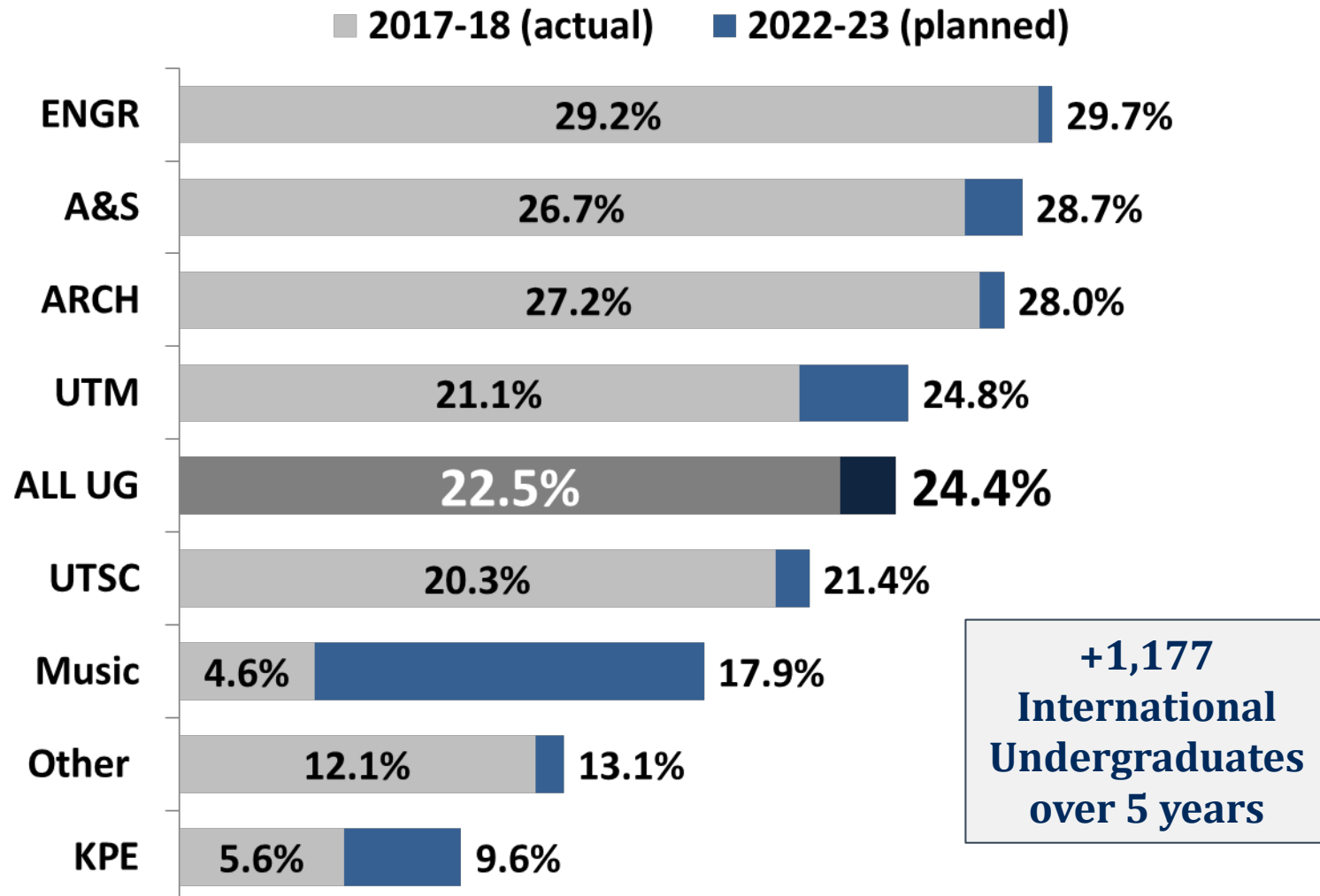
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Total Undergraduate Enrolment (FT & PT)



* Fall 2018 data is based on ROSI (REG+INVIT) as of Sept 12, 2018. All other periods based on actual ministry count data.

International Share of Total UG Enrolment (2017-18 headcount 16,069)



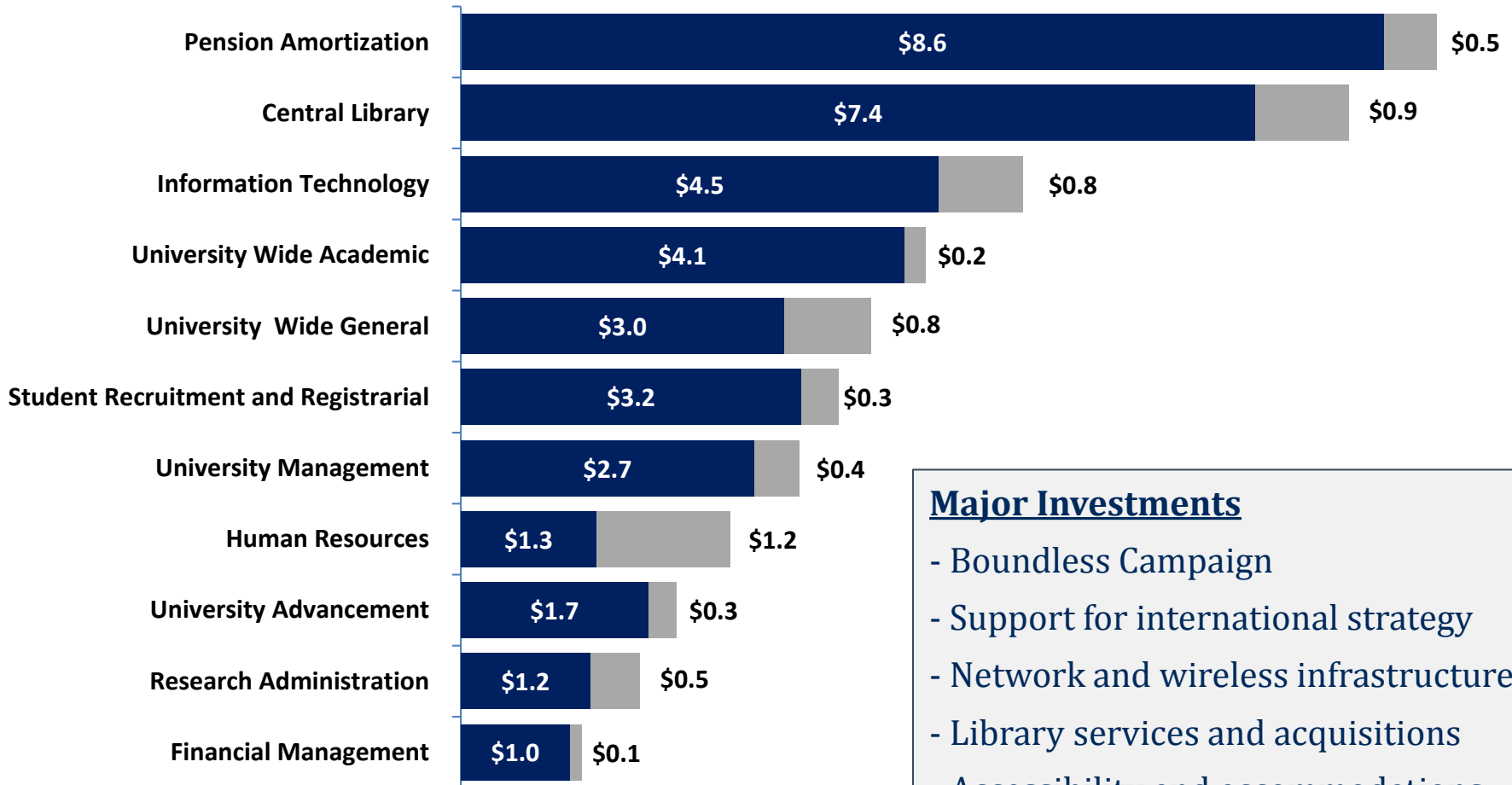
4) University Wide Costs (UWC)



UTM

2018-19 UWC Allocations (\$44.7m)

■ 2017-18 Allocation * ■ 2018-19 Incremental Allocation



Major Investments

- Boundless Campaign
- Support for international strategy
- Network and wireless infrastructure
- Library services and acquisitions
- Accessibility and accommodations
- Academic HR and research support

* Restated for structural changes made to UWC bins

UTM

UTM Must Also Fund Costs as a Campus

Campus Cost Estimates *	2018-19
Occupancy	\$ 39.6M
Library & RGASC	7.6M
Student Life	2.0M
Admin, Finance and HR *	2.3M
Information Technology *	0.8M
Total	\$ 52.3M

* Note: These costs reflect only the portion of the total expense budget that pertains to running a campus, they do not reflect the full cost of the operation.

5) University Fund





University Fund (UF):

- Created by a 10% deduction from gross revenues, excluding segregated funds
- Intended to strengthen quality and provide stability, consistent with academic priorities
- Allocations based on academic plans and institutional priorities; not tied to revenues and costs

2018-19 New UF Allocations - \$22.5m

Access & Diversity (\$3.5 million)

- Access Programs
- Accessibility Advisors
- Post-docs from Under-represented Groups
- Ongoing: recruitment of diverse faculty & staff

Re-imagining UG Education (\$10 million)

- UG Innovation Fund (LEAF)
- Int'l Student Experiences
- Interdivisional Teaching
- Ongoing: New Program Innovation Fund

Research & Innovation (\$2.5 million)

- Campus-led Accelerator Entrepreneurship Programs
- UTM/UTSC Research Support
- Ongoing: Graduate Program Innovation Fund

Structural Budget Support (\$6.5 million)

- Structural Budget Support for Academic Divisions
- Data Centre Integration

UTM

University Fund – Allocations to UTM

2018-19 Base UF Allocation

- \$1 million for research support

In-year allocations from UF central programs (over last 2 years)

- \$250k base for cities related support
- \$500k OTO for faculty start-up support
- \$230k OTO for experiential learning program support
- 7 academic diversity positions (OTO for 3 yrs @ 50%)
- 3 indigenous faculty positions (base @ 50%)
- 7 undergrad innovation projects funded through LEAF (OTO)

6) UTM Divisional Expenses



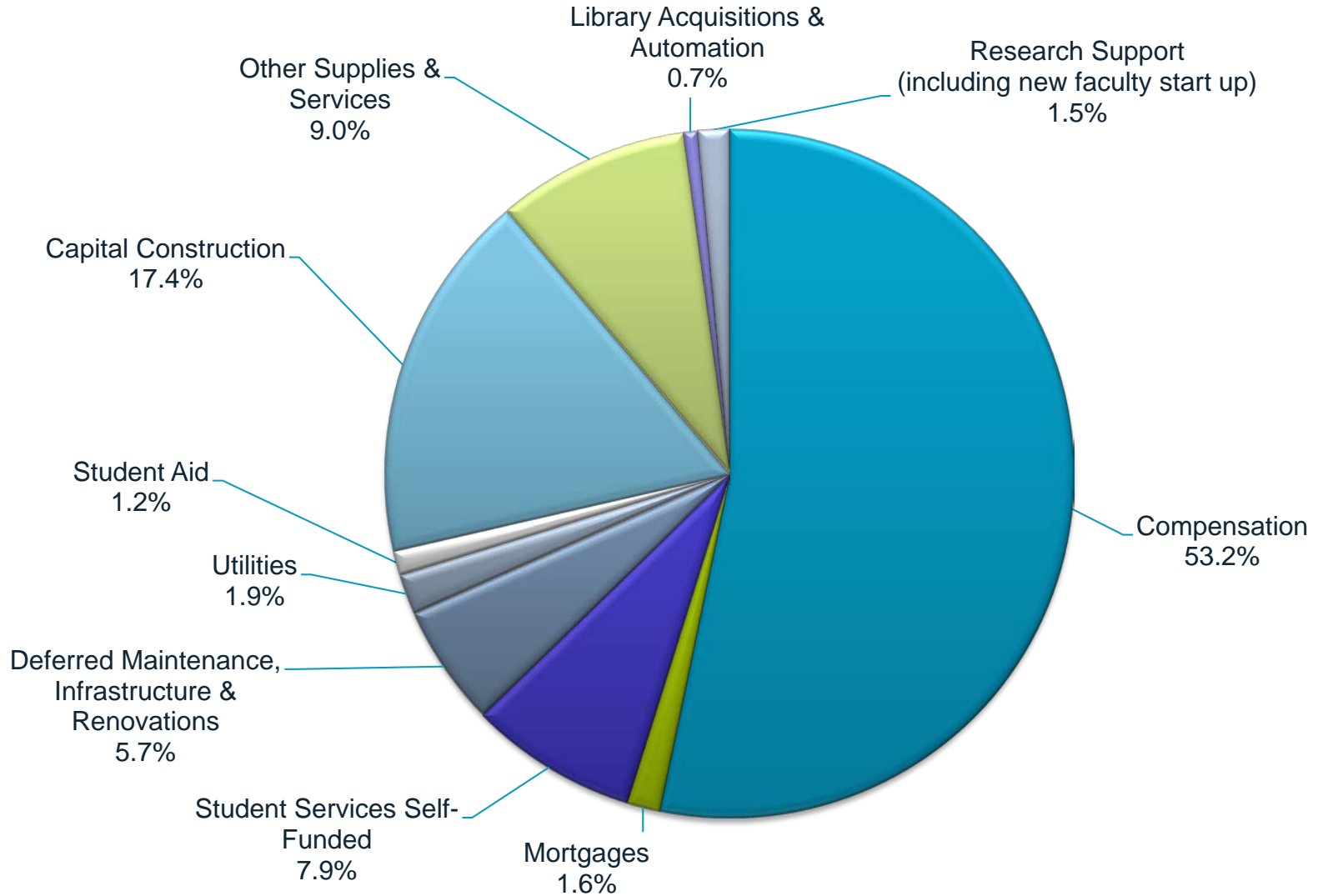
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2018-19 Budget (in \$ millions)

“Net revenue” to UTM	\$254.0
Divisional revenue & recoveries	39.9
Compensation (excluding self-funded student services)	(156.5)
Mortgages	(4.6)
Student Aid	(3.4)
Utilities	(5.5)
Self-funded student services (including compensation)	(23.2)
Capital Construction	(51.2)
Deferred Maintenance, Infrastructure & Renovations	(16.7)
Library acquisitions & automation	(2.0)
Research Support (including start-up)	(4.3)
Other supplies and services	<u>(26.5)</u>
Net result (balanced budget)	-

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2018-19 Major Expense Categories



Totals \$293.9 million (net expense budget of \$254.0M plus \$39.9M in divisional revenues)

7) Opportunities and Risks



Risks

**SMA3 Grad
Growth**

**Pension
solvency**

**Enrolment
constraints**

**Tuition fee
framework**

Opportunities

**Leverage our
location**

**International
Enrolment**

**SMA2-
Differentiation**

**Operating
reserves**

UTM Overview – In Summary



Summary

- **Balanced Budget**
- **Enrolment is strong; targets exceeded & quality improved**
- **Continue to invest in key strategic areas (academic plan, research, buildings & infrastructure)**
- **Continued cycle of reinvestment.....**

