



UNIVERSITY OF
TORONTO



A Process Overview

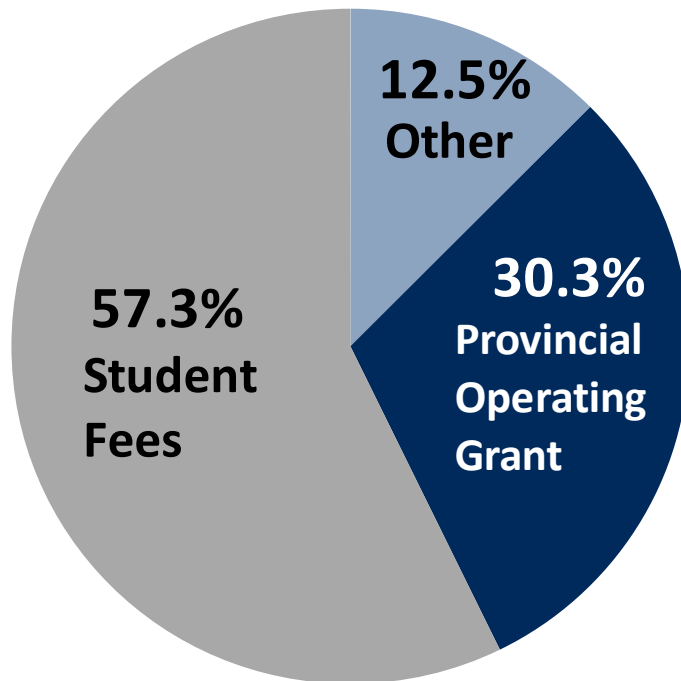
January 28, 2016

“The Budget”

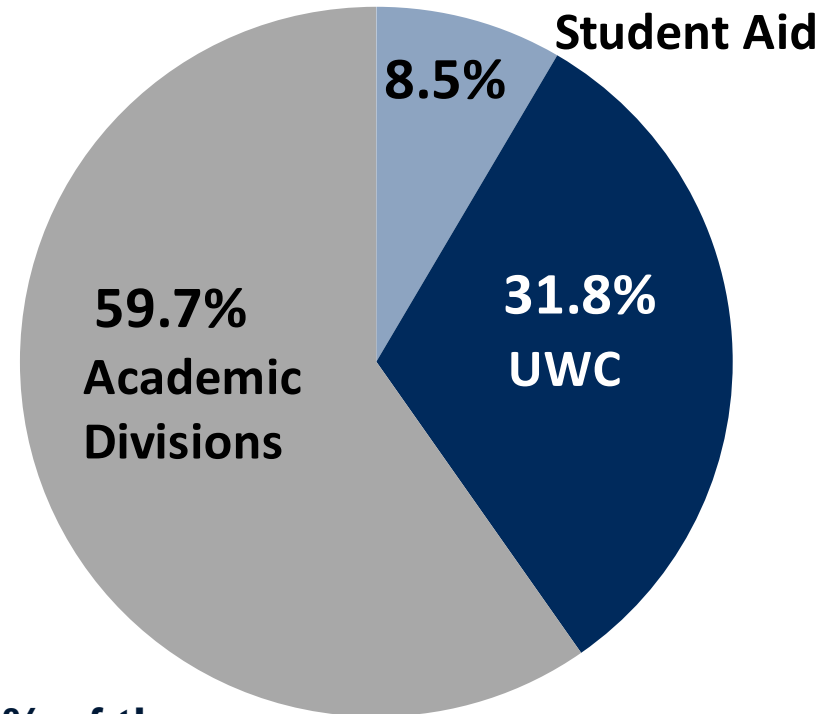
Operating	Restricted	Ancillary	Capital
\$2.2B	\$481M	\$161M	\$76M
“The Budget”	X	X	X

The 2015-16 operating budget - \$2.16B

Operating Revenue

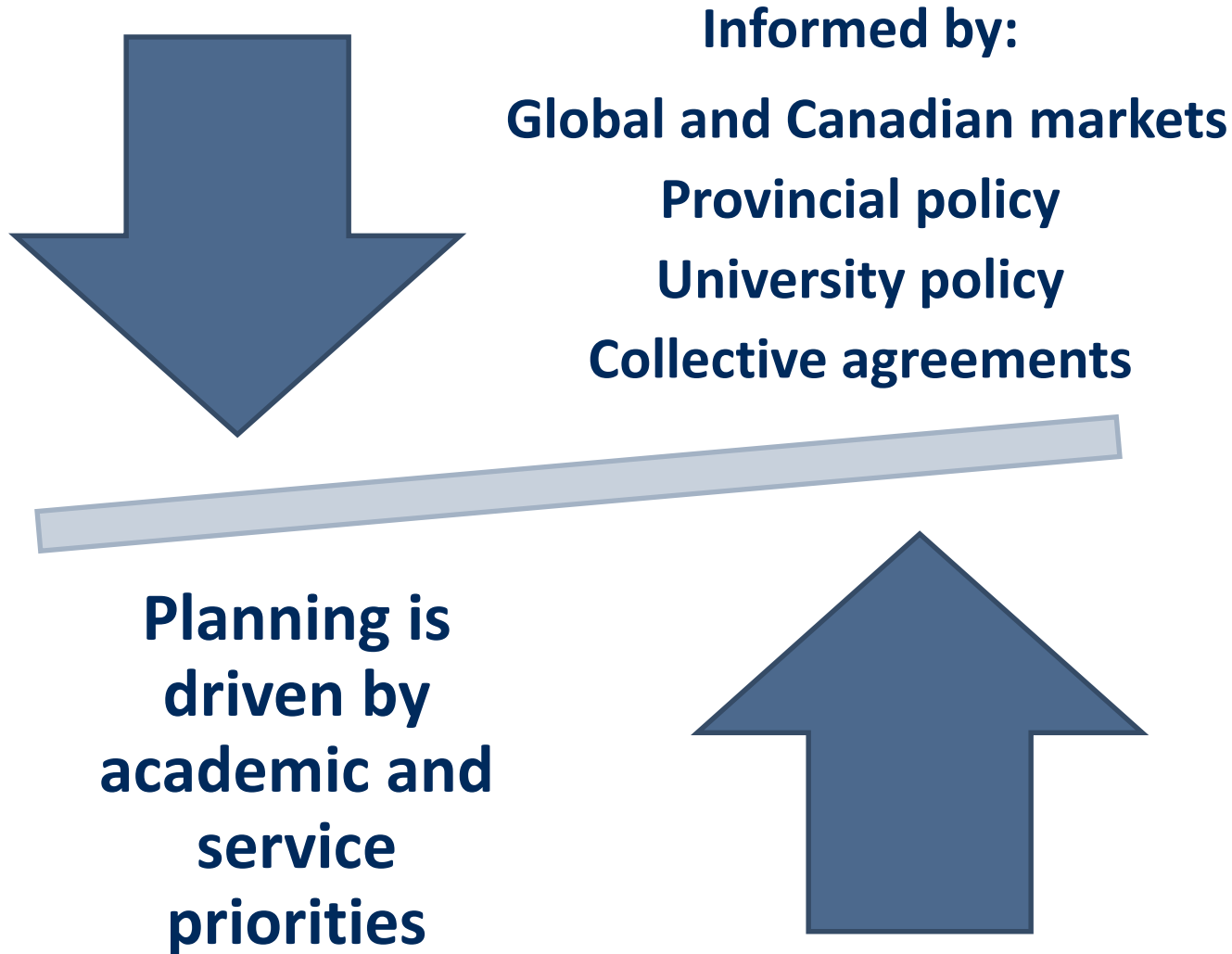


Operating Expense



Approximately 70% of the expense budget is allocated to compensation

The budget is primarily a bottom-up process



Planning in the divisions

**Monitoring
and
forecasting**

**Fiscal year begins
May 1**

**Budget approval by
governance: Cycle 4**

University-level consolidation

Provostial/Presidential review

Divisions prepare multi-year plans

The Annual Budget Process

(Preparing the 2016-17 budget as an example)





ENVIRONMENTAL SCAN



MTCU changes (tuition, grant, capital...)

Actual enrolment results

Pension, interest rates, other

Compensation



DISTRIBUTE
BUDGET
TEMPLATES

20 Academic Divisions

10 Shared Service Divisions



REVIEW PROCESS

ABR

Academic
Divisions prepare
5-year financial
plans

Meetings:
Provost + deans

DAC

Shared Service
Divisions prepare
5-year financial
plans

Meetings:
President +
portfolio leaders

Planning – academic divisions

ACADEMIC BUDGET REVIEW

- Enrolment and academic programs

- Tuition fees and student aid

- Complement plans

- Space and capital plans

- Operating reserves

- Cost containment and surplus/deficit plans

- Ancillary operations (if applicable)

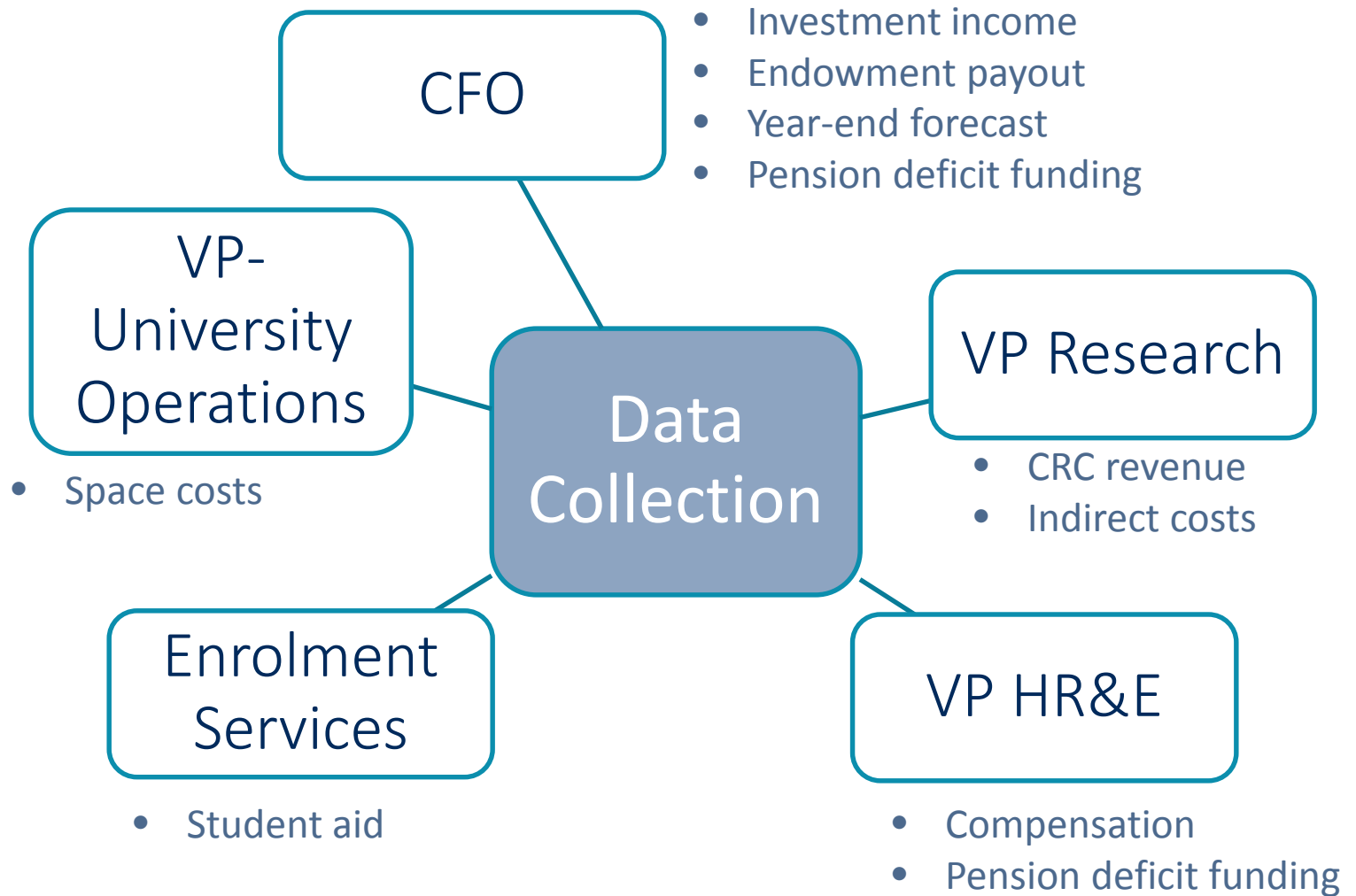
- Advancement and government relations

DIVISIONAL ADVISORY COMMITTEE

- Student experience
- Service levels
- Consultation with academic divisions
- Regulatory and legal requirements
- New technology
- Enrolment growth
- New space
- Institutional expenses (pension, audit, etc.)

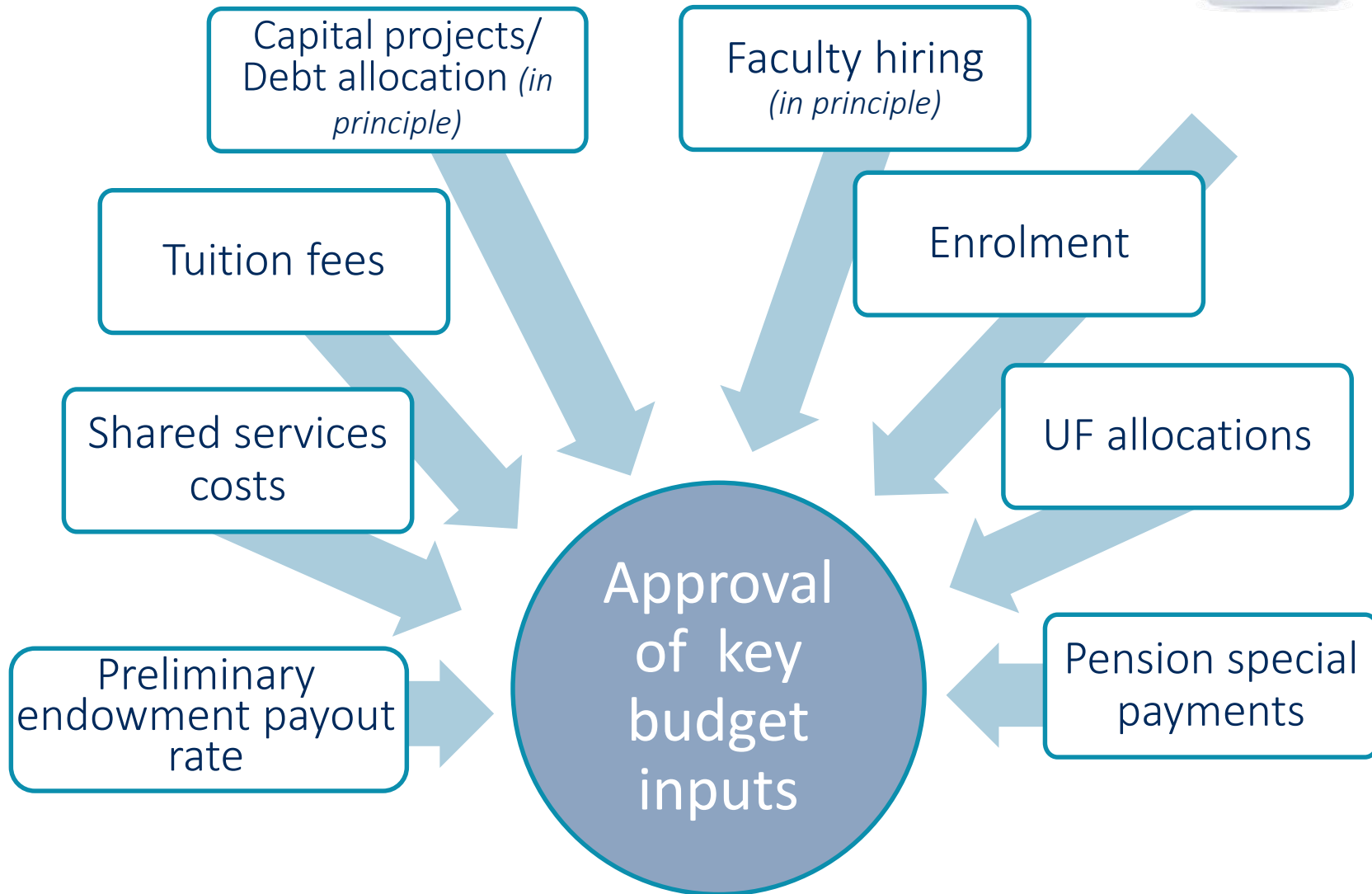


DATA COLLECTION





APPROVALS





CONSULTATION

President and Vice Presidents Committee
“TVP” (including UTM and UTSC)

Provost’s Executive Committee
(UF allocation proposals)

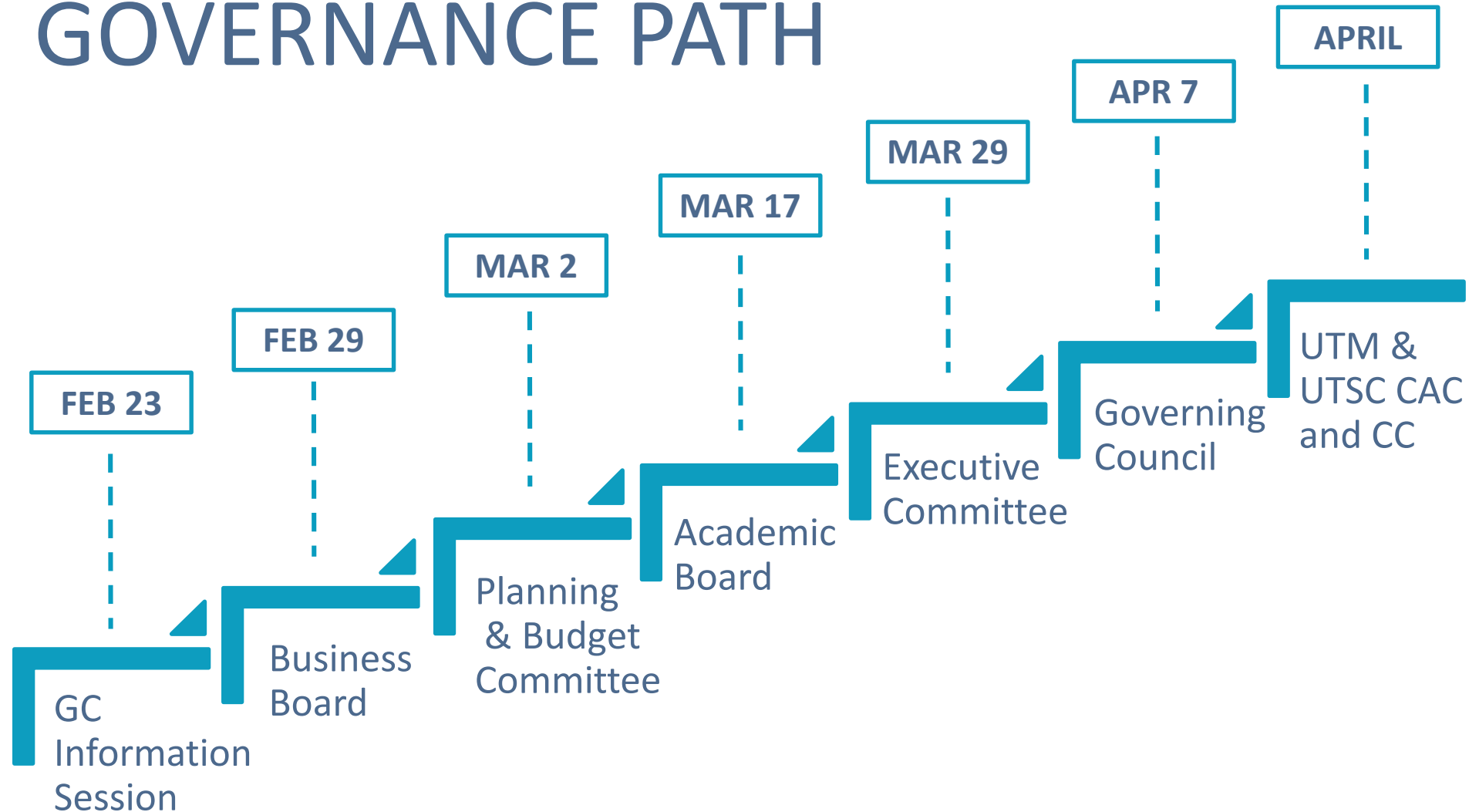
Principals and Deans Committee (P&D)

Principals, Deans, Academic Directors
and Chairs Committee (PDAD&C)

Divisional Finance Officer Committee



GOVERNANCE PATH





COMMUNICATION

March: 2016-17 Budgets communicated to divisions

(pending final approval by Governing Council)

March: Tuition fees posted after BB approval

(pending final approval by Governing Council)

March-April: Divisions prepare detailed-level budgets and upload them to the financial system



OPERATIONALIZING

May 1 – Budgets set up in financial system

June – financial statements for 2015-16 approved by Business Board

Academic Divisions assigned positive/negative year-end variances



**Release of
budgets in
the financial
system**

**We start
all over
again!**