

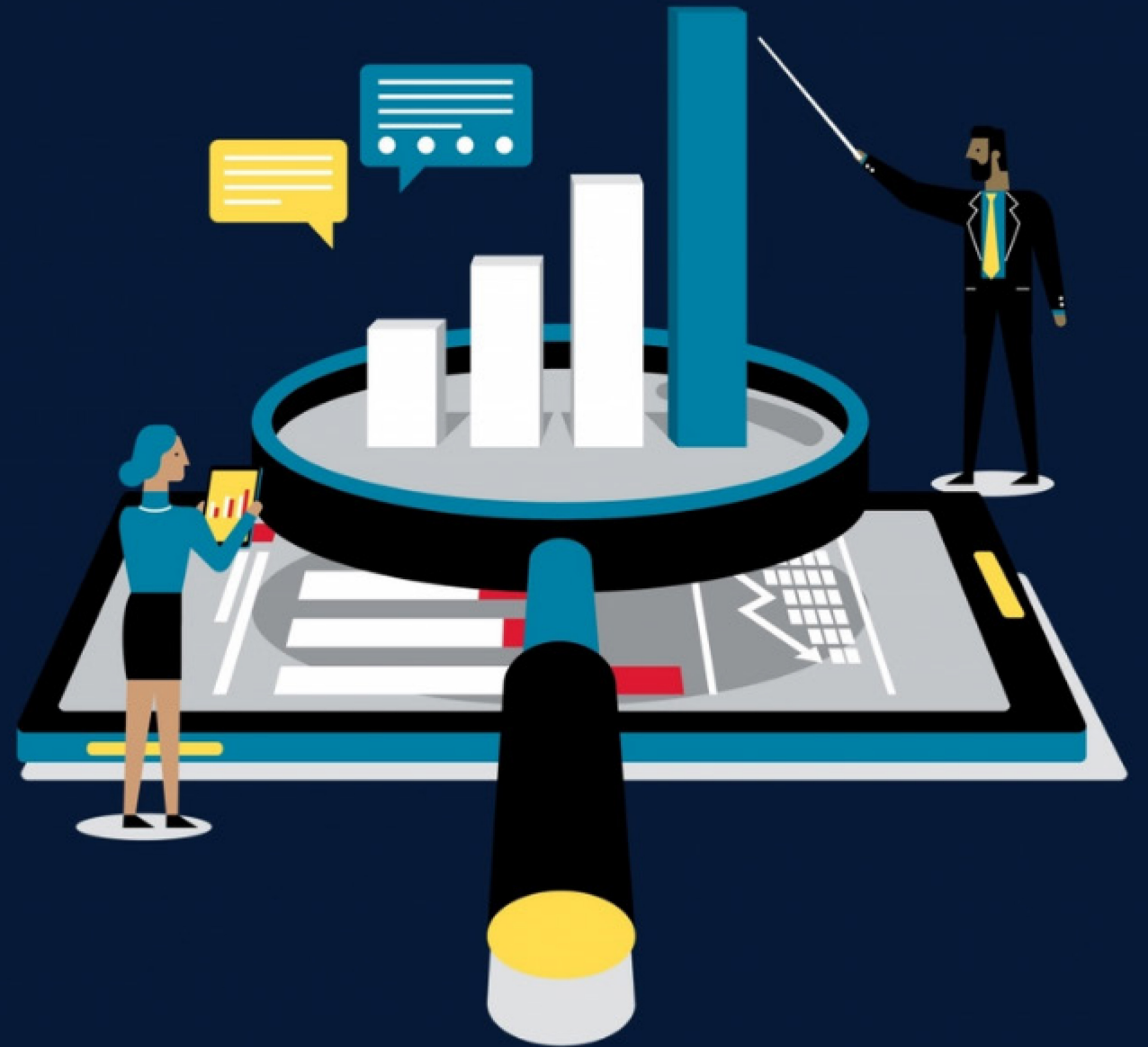
Budget 2022-23

and Long Range Budget Guidelines
2022-23 to 2026-27



UNIVERSITY OF
TORONTO

1 Budget Overview



2022-23

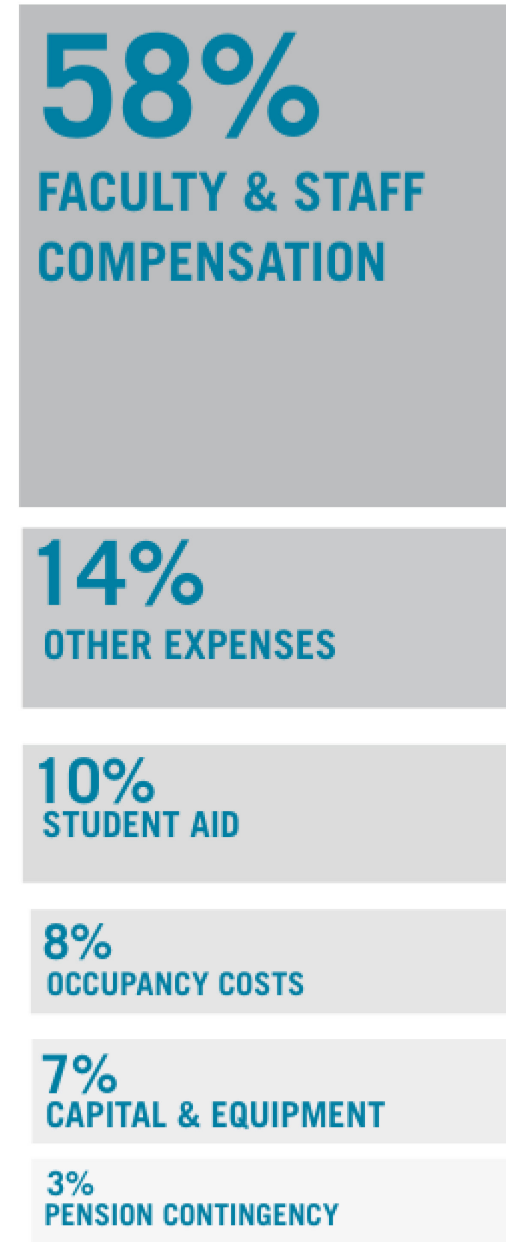
Balanced Budget

\$3.23 BILLION

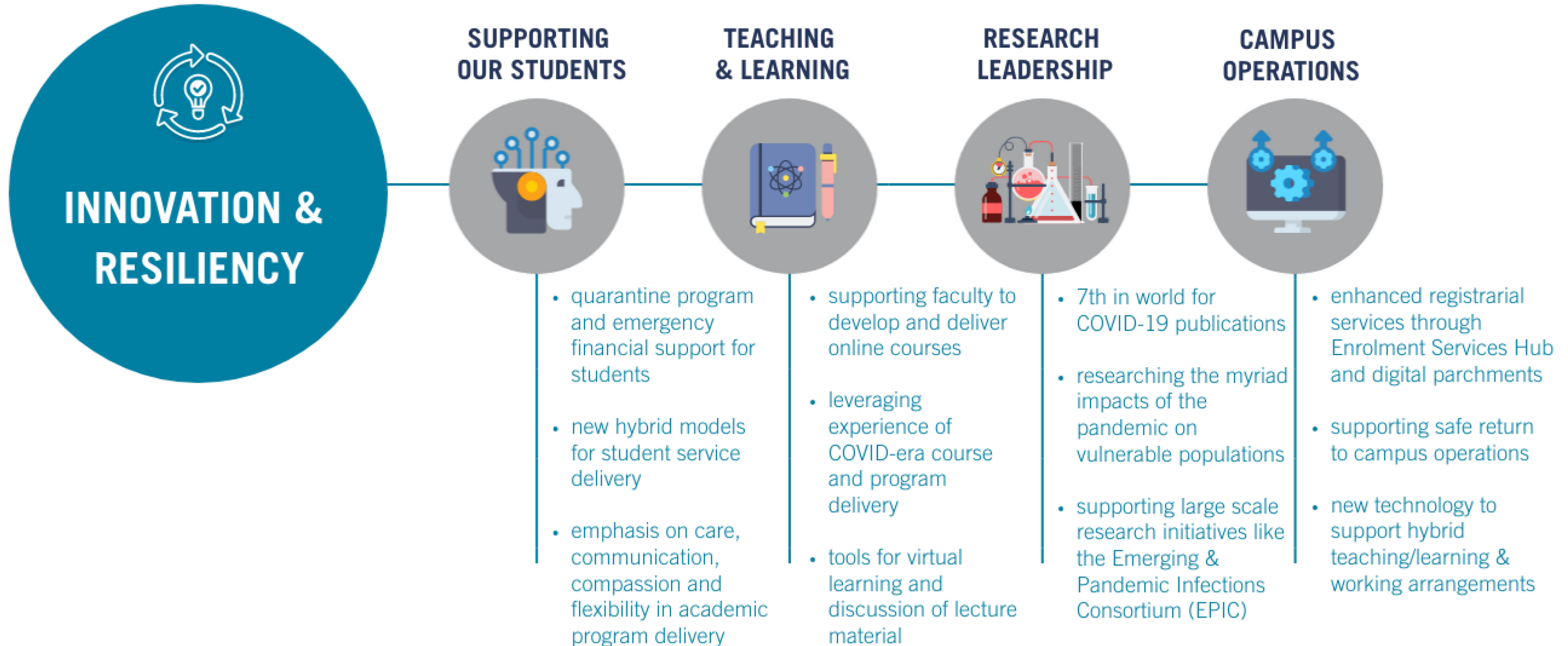
REVENUES



EXPENDITURES



INNOVATING IN A TIME OF CRISIS: COVID-19



BUDGETARY IMPACTS OF COVID-19

OPERATING BUDGET



Demand for programs remains strong. Fall 2021 incoming undergraduate class is 11% larger than in Fall 2020.



Increased summer session enrolment as students are more interested in taking courses across all three terms.



Increased costs for learning technology, cleaning, and student supports. Savings from lower occupancy and travel restrictions.

ANCILLARY BUDGET



University residences have rebounded quickly and occupancy rates are high, but still limited in some buildings due to public health measures.



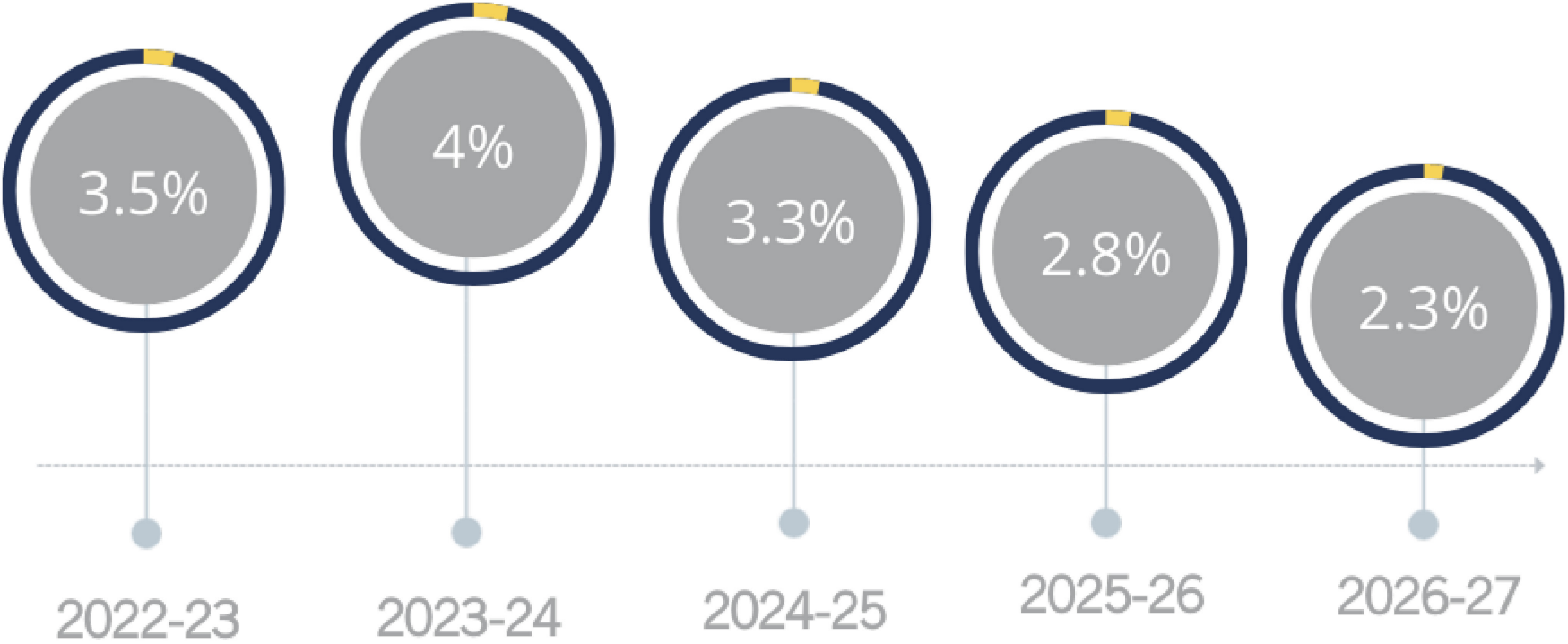
Food and transportation services have been significantly impacted due to reduced campus occupancy.



Ancillary services are normally self-sustaining, but may need financial support until fully recovered.

PROJECTED REVENUE GROWTH RATES

IS OUR REVENUE GROWTH COVERING OUR COSTS?



AVERAGE REVENUE INCREASE



3.5%

EVEN THOUGH THE AVERAGE GROWTH RATE IS 3.5%, THERE IS A WIDE RANGE IN BUDGET CHANGES BY DIVISION.



COMPENSATION

ACADEMIC COMPENSATION



\$822 MILLION
FACULTY & LIBRARIANS



\$44 MILLION
SESSIONAL LECTURERS



\$83 MILLION
TEACHING ASSISTANTS

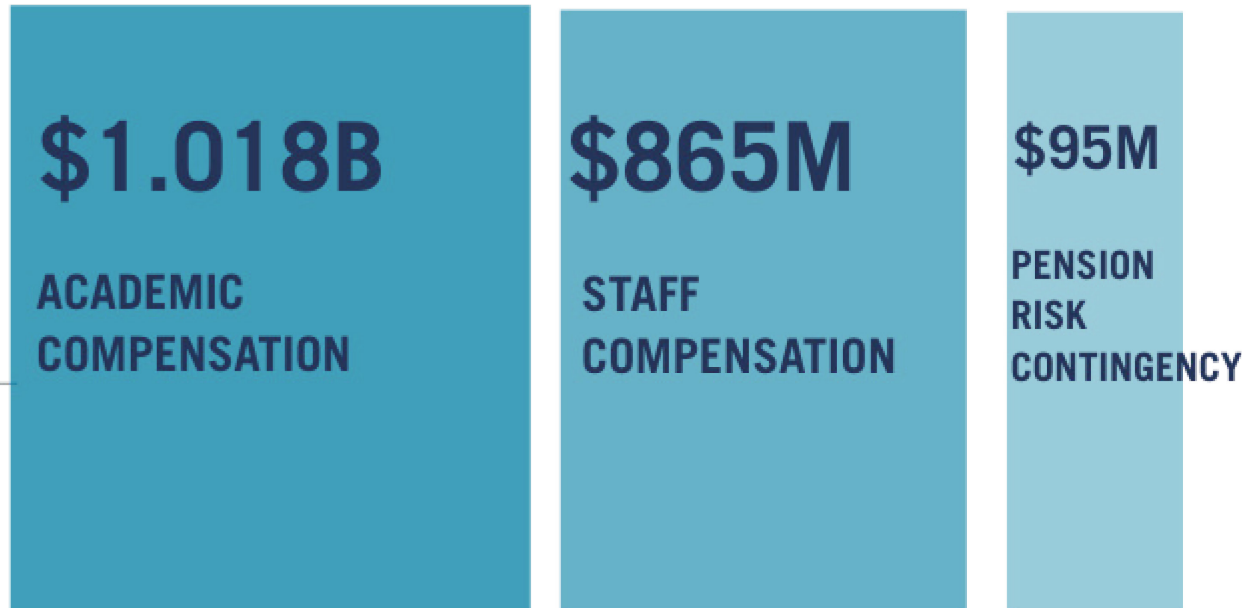


\$46 MILLION
TEACHING STIPENDS



\$23 MILLION
OTHER ACADEMIC

2022-23



COMPENSATION BUDGET

\$1.98 BILLION (estimated)

2021-22
BUDGET
\$1.92 BILLION
+
2022-23
BUDGET INCREASE
\$62 MILLION

BILL 124

- Protecting a Sustainable Public Sector for Future Generations Act, 2019
- Imposes restraint on increases for a 3-year period.

2 Changing Financial Landscape



PROVINCIAL TUITION FEE FRAMEWORK

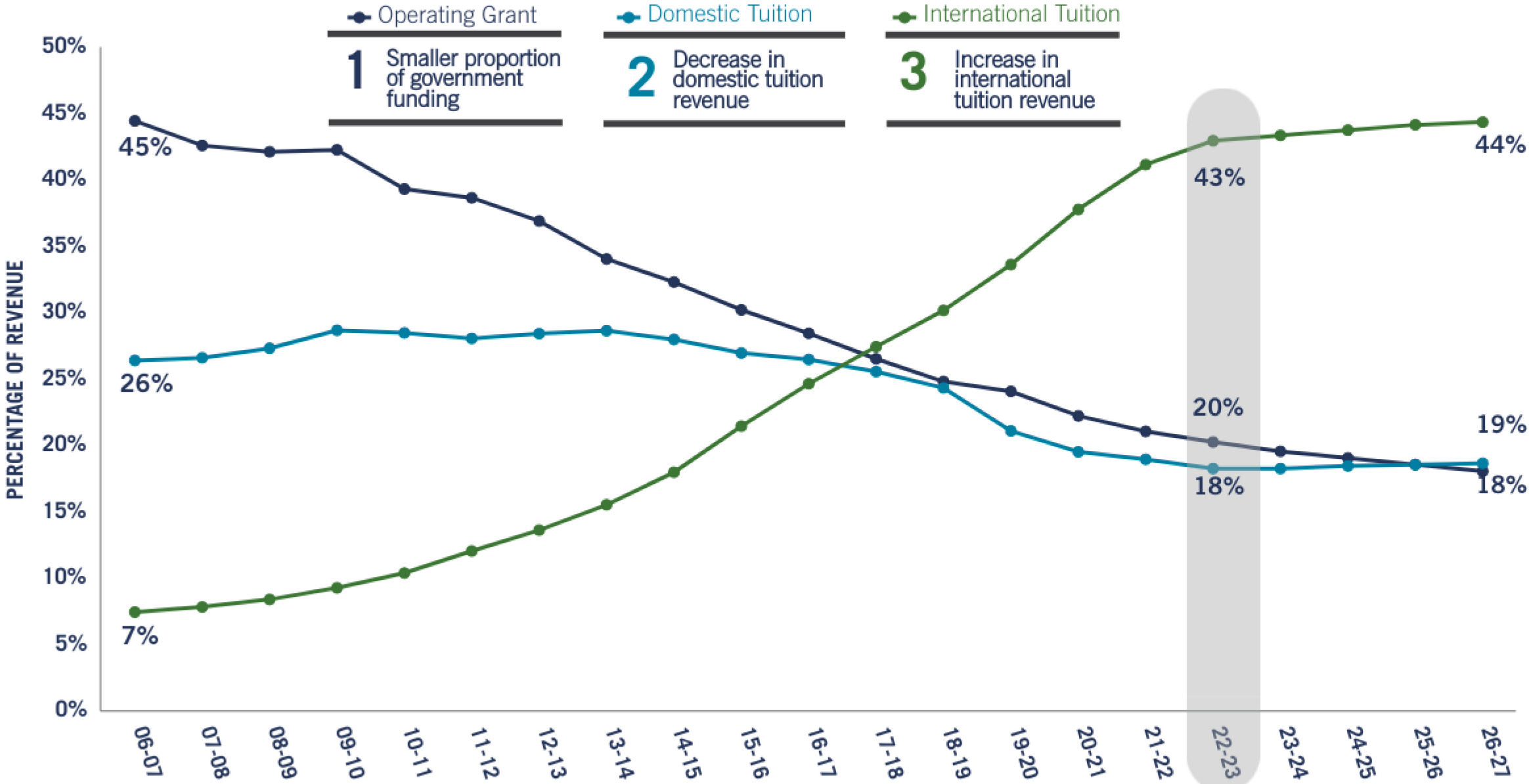


*2022-23 TUITION FEE FRAMEWORK NOT YET CONFIRMED

For the purposes of the budget, divisions have been asked to consider a scenario in which the tuition fee freeze continues for the upcoming 2022-23 year.

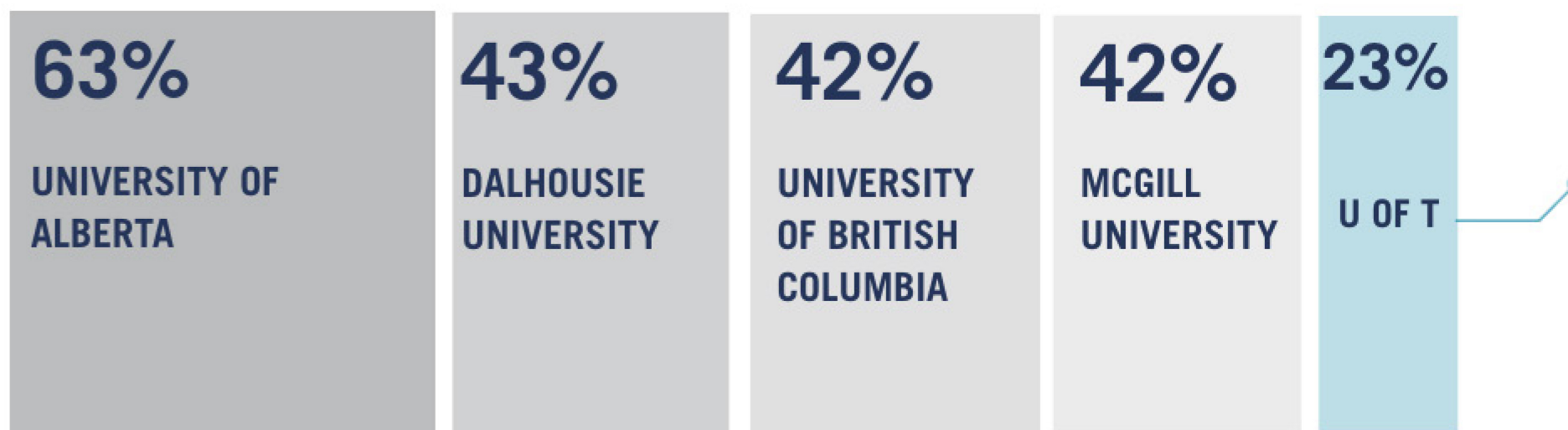
The University will also establish differential fees for non-Ontario resident undergraduate students if the current government policy continues for 2022-23.

CHANGE IN SOURCES OF REVENUE



PROVINCIAL FUNDING PEER COMPARISON

U15 University Data Exchange, 2019-20



PROVINCIAL OPERATING GRANT AS A PROPORTION OF TOTAL OPERATING REVENUE

DID YOU KNOW...

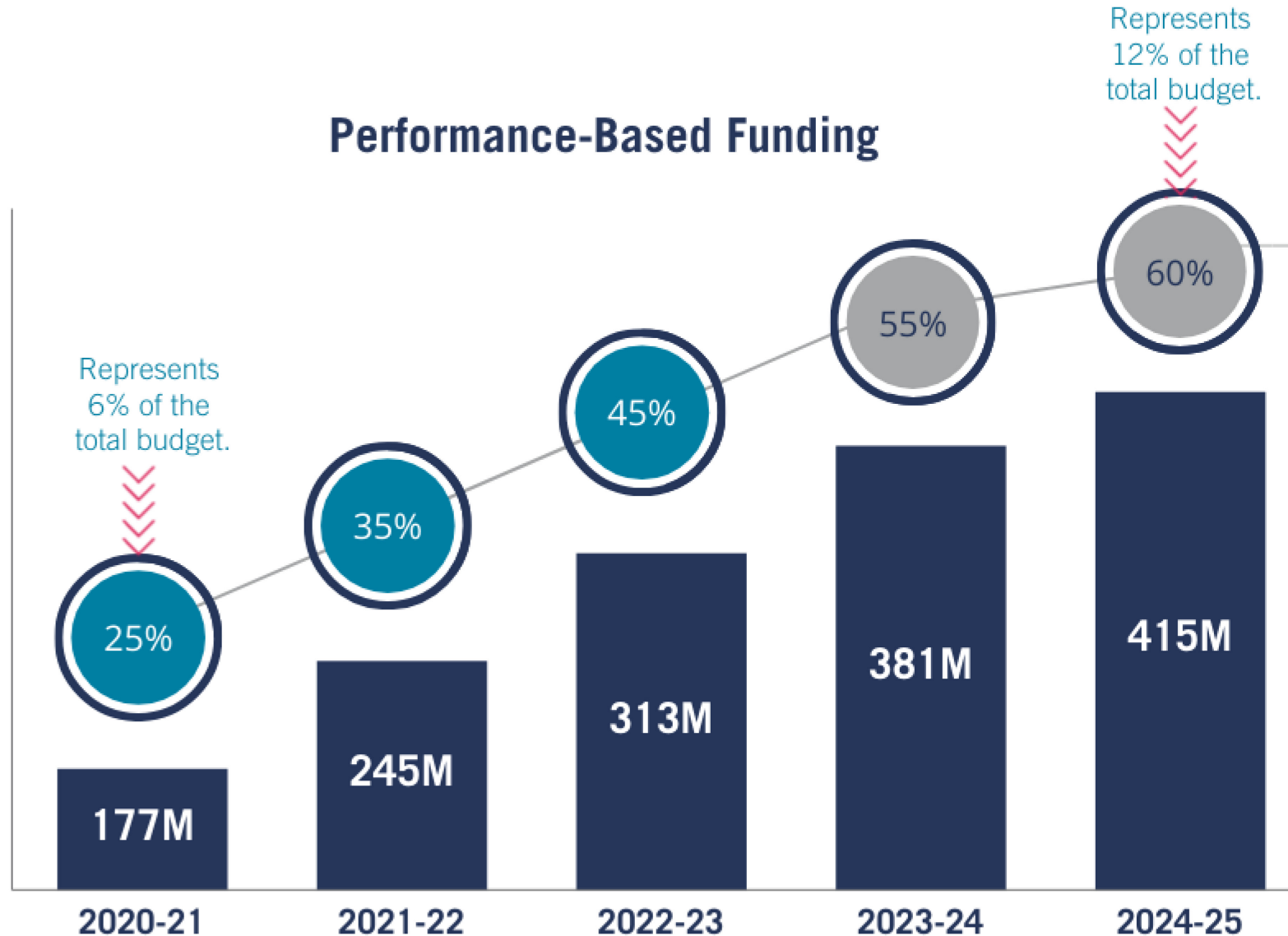
The University of Toronto receives the lowest amount of per-student government funding among peers.

50%

RELATIVE TO PER STUDENT FUNDING AT U of A.

STRATEGIC MANDATE AGREEMENT

Performance-Based Funding



Represents % of total provincial funding. The SMA3 will phase in the proportion of funding tied to metrics throughout the term of the agreement.



IMPACT OF COVID-19

Funding will not be at risk until at least 2023-24. Metrics will be re-evaluated annually to assess potential impacts of COVID on performance outcomes.

3 Students: Affordability, Access & Outcomes



UNDERGRADUATE ENROLMENT RESULTS



FALL 2021

40,518 ● — **ST. GEORGE** — ● 40,136

13,199 ● — **UTM** — ● 13,684

11,895 ● — **UTSC** — ● 11,587

**TOTAL ENROLMENT
2021-22**

65,407

Total undergraduate enrolment including both domestic and international students.

VARIANCE TO PLAN

-205 (0.3%)



UNDERGRADUATE ENROLMENT RESULTS

2021-22

DOMESTIC ENROLMENT VARIANCE TO PLAN



ST GEORGE



UTM



UTSC

OVERALL VARIANCE OF
-1.4%
IN DOMESTIC
ENROLMENT TO
PLAN

INTERNATIONAL ENROLMENT VARIANCE TO PLAN



ST GEORGE



UTM



UTSC

OVERALL VARIANCE OF
2.3%
IN INTERNATIONAL
ENROLMENT TO PLAN

2021 - 2026
PLANNED INTERNATIONAL SHARE
OF TOTAL
UNDERGRADUATE
ENROLMENT



2021-22

Total international student FTE is **19,809**



2026-27

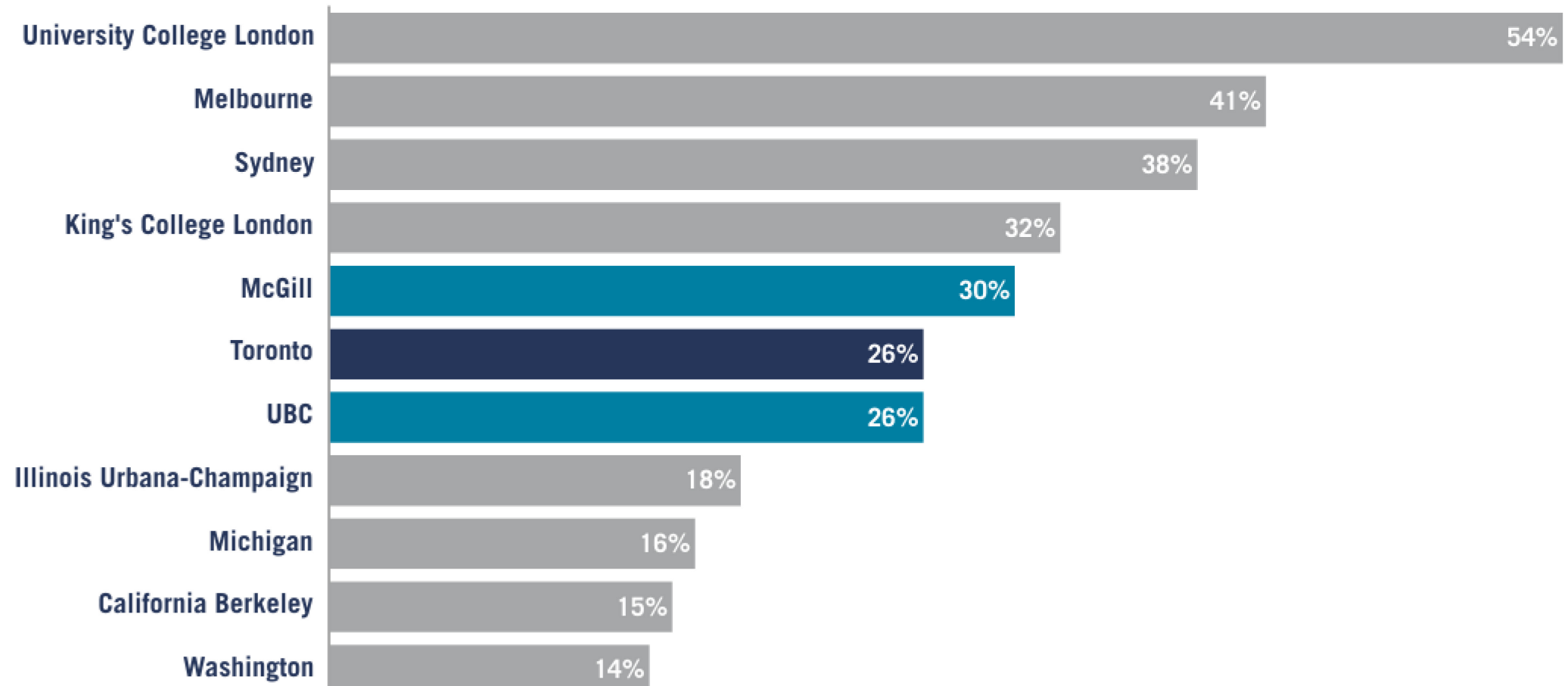
Planned international student FTE will increase to **21,575**



UofT is also adding **1,900** domestic students within our SMA3 enrolment corridor.

International Enrolment - Fall 2020

International Percentage of Total Enrolment - Fall 2020
International & Canadian Peer Institutions



PROVINCIAL FEE FRAMEWORK & OSAP CHANGES

1

DECREASE IN STICKER PRICE & FREEZE

10% reduction and freeze to domestic tuition fees in all undergraduate and graduate programs

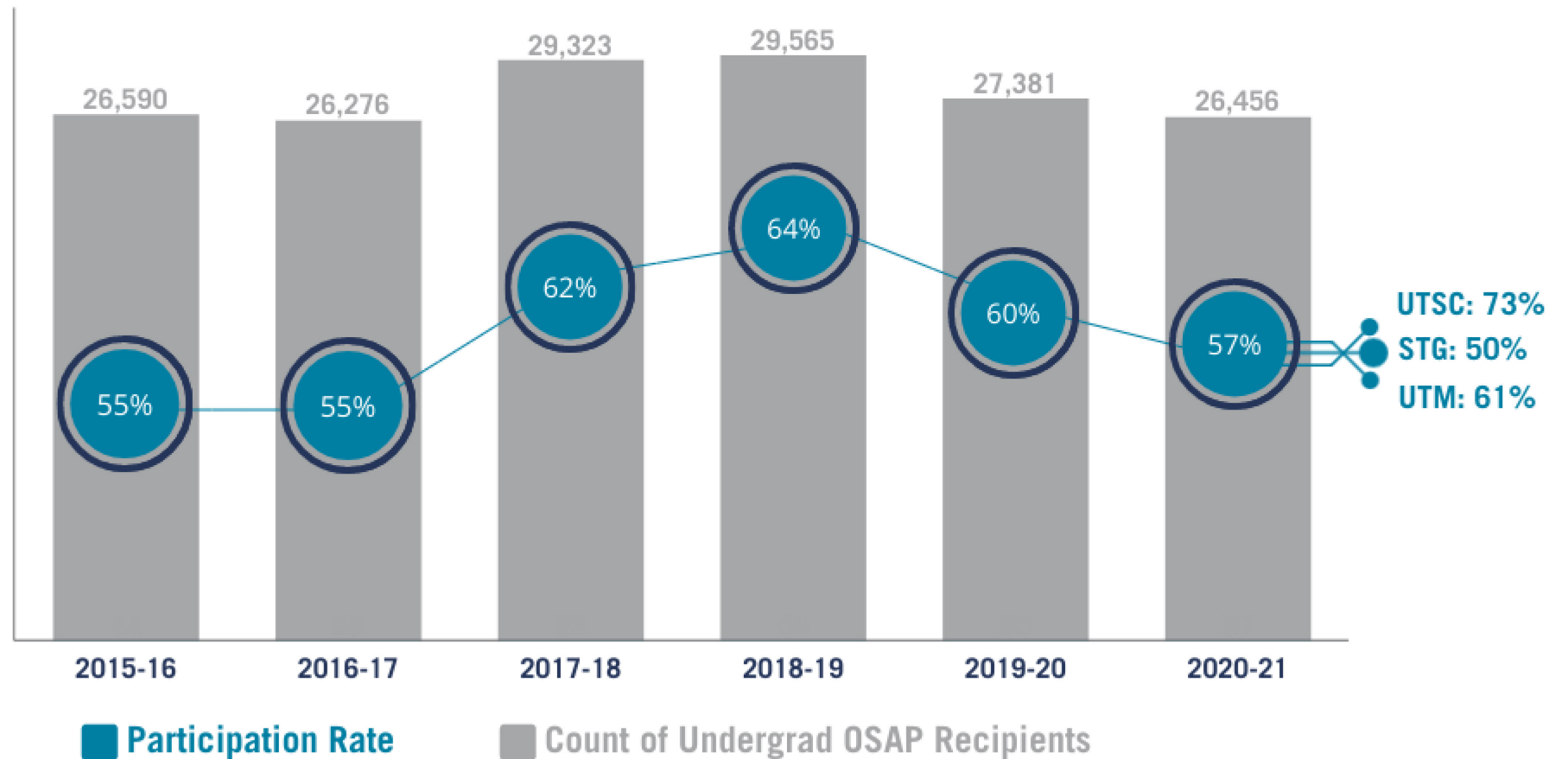
2

CHANGES TO PROVINCIAL OSAP CRITERIA

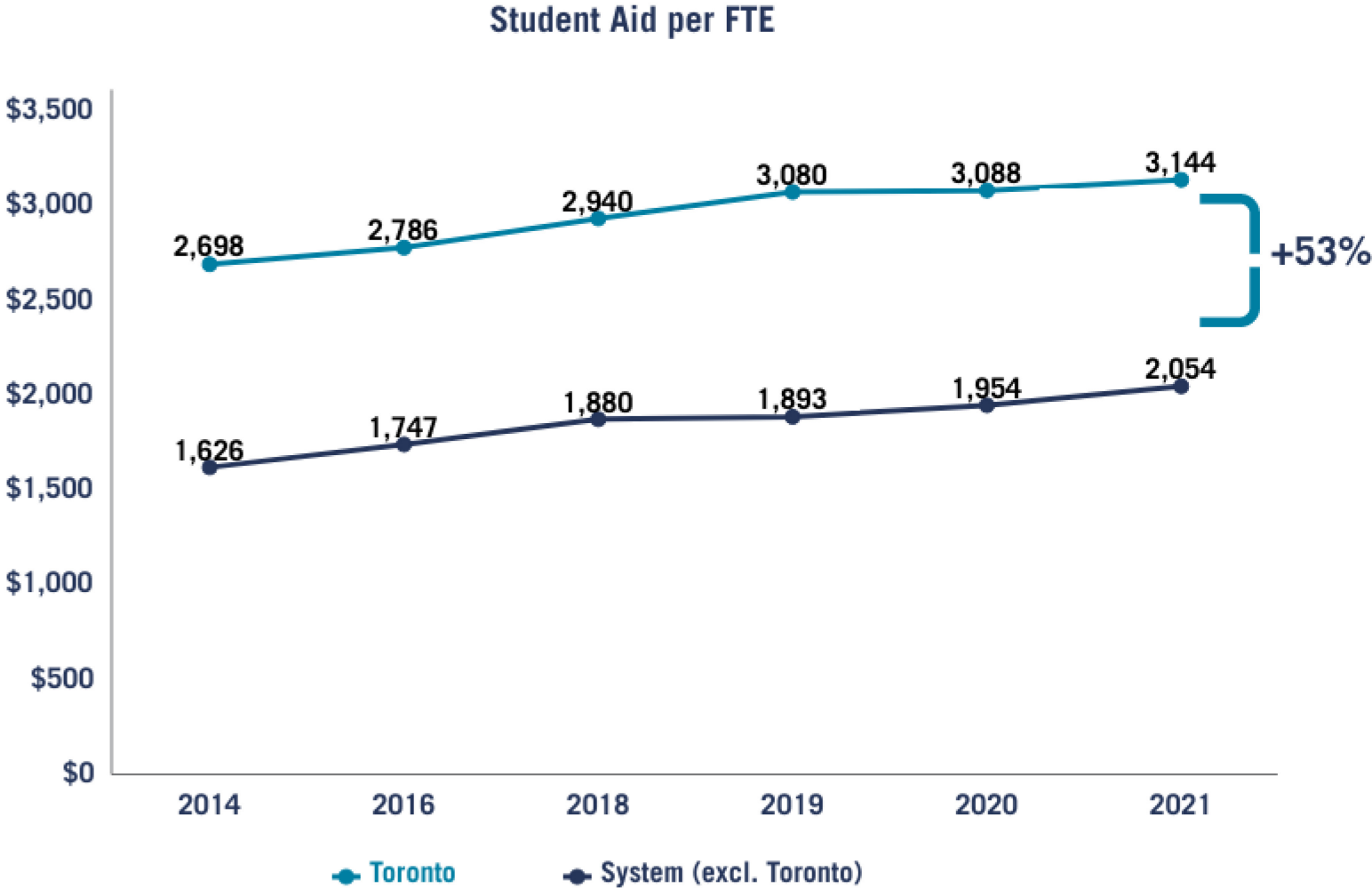
Requires a larger contribution from parents with a maximum household income of \$140K.

Undergraduate OSAP Participation Rates

University of Toronto



STUDENT AID EXPENDITURES



\$331 MILLION
Financial Aid Budget
2022-23

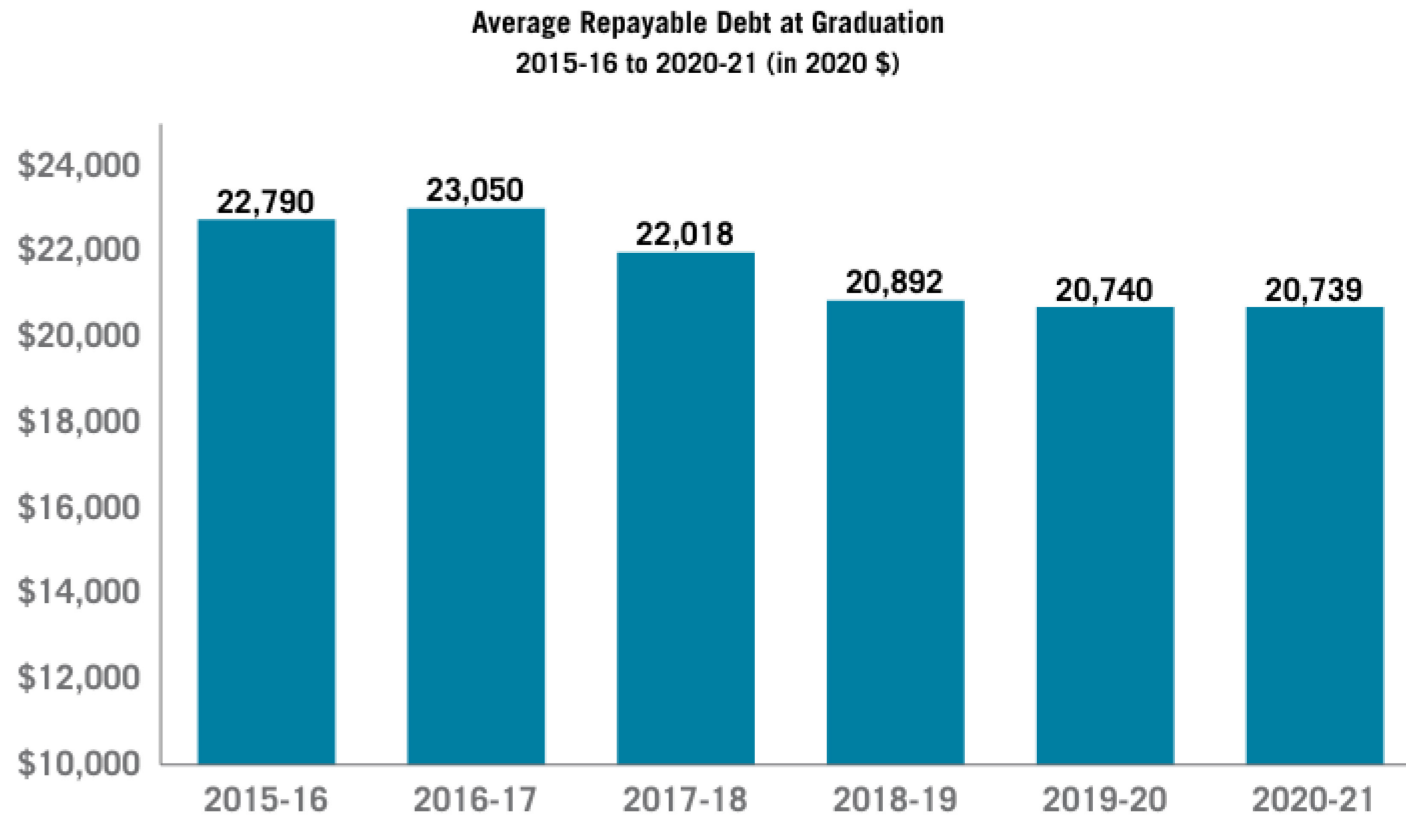
UofT's COMMITMENT TO FINANCIAL AID REMAINS

“ *No student offered admission to a program at the University of Toronto should be unable to enter or complete the program due to lack of financial means.* ”

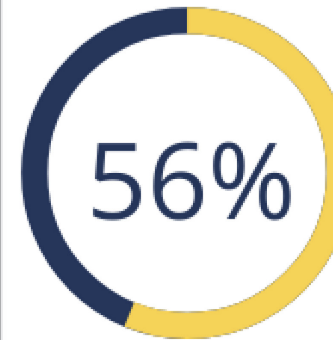
*University of Toronto
Policy on Student
Financial Support (1998)*

STUDENT DEBT LOAD 2015 - 2021

(OF THOSE WITH OSAP DEBT)



DID YOU KNOW...



OF DIRECT ENTRY UNDERGRADUATE STUDENTS HAVE NO OSAP DEBT UPON GRADUATION.



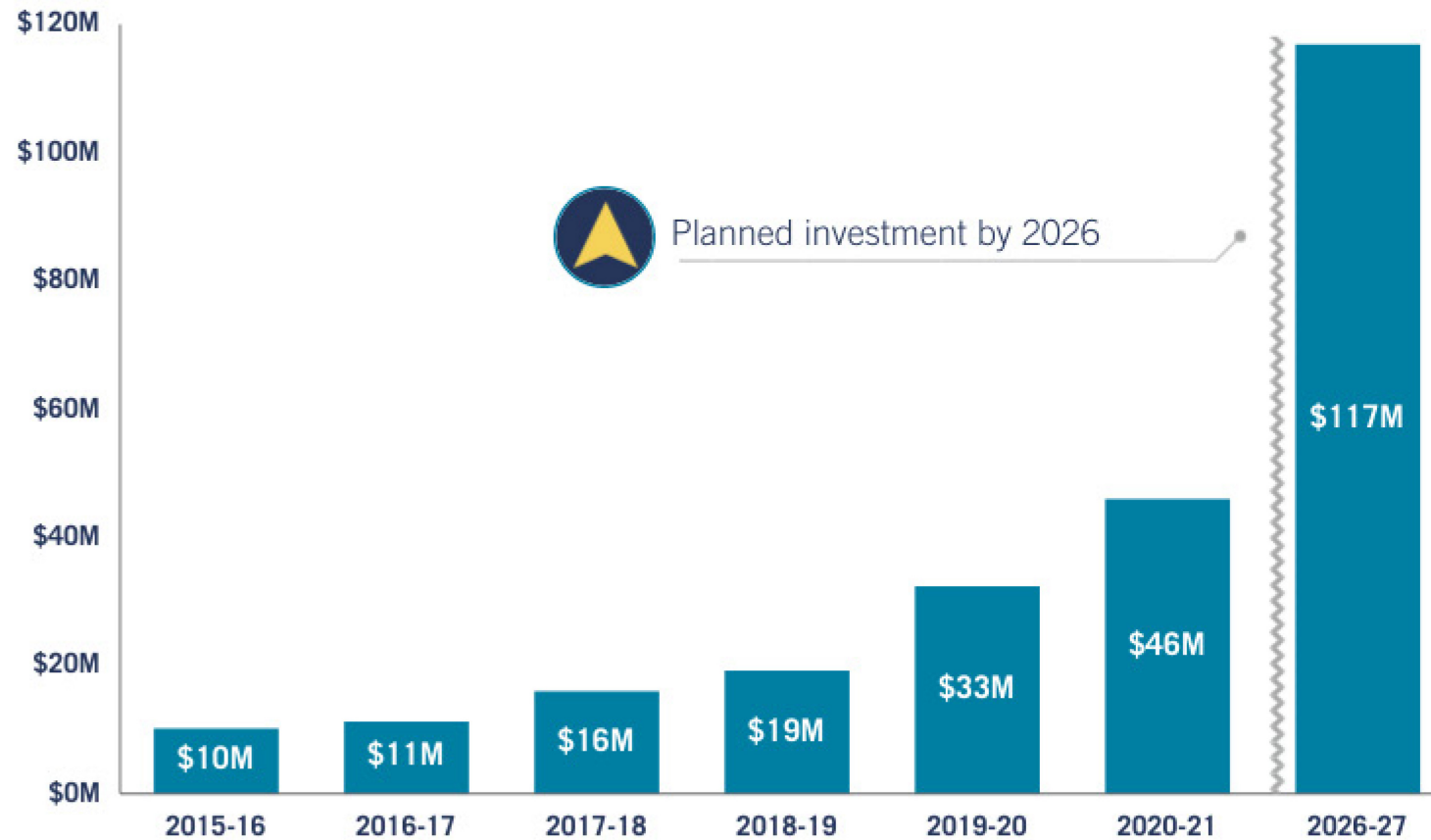
2020-21 AVERAGE REPAYABLE DEBT HAS DECLINED 9% IN REAL TERMS SINCE 2015-16 REPAYABLE AVERAGE DEBT AT GRADUATION



RATE OF DEFAULT ON OSAP LOANS VERSUS 2.7% FOR OTHER ONTARIO UNIVERSITIES

INTERNATIONAL SCHOLARSHIP PROGRAMS

International Student Scholarship Funding



**+\$84
MILLION**

Total increase in scholarships
funded from re-investment of
international fee revenue.

GLOBAL RANKINGS - GRADUATE EMPLOYABILITY



12th

OVERALL IN
THE WORLD



1st

OUT OF ALL
PUBLICLY FUNDED
INSTITUTIONS IN
NORTH AMERICA



6th

OUT OF ALL
PUBLICLY FUNDED
INSTITUTIONS
GLOBALLY



*based on Times Higher Education Rankings (2021)

4 Strategic Priorities



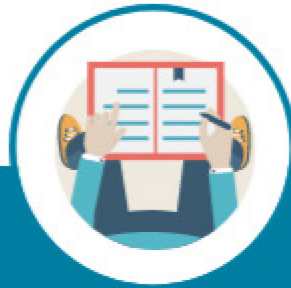
BUDGET PRIORITY: STUDENTS

MENTAL HEALTH



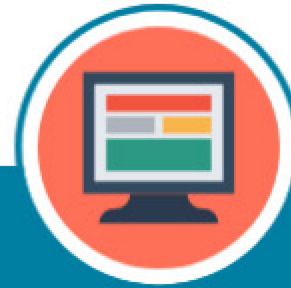
Mental health service redesign, expanded counselling options, mental health literacy and education, research focus on youth mental health. New partnership with CAMH for high need students, new Health & Wellness Centre, more accessible counsellors.

ENRICHING LEARNING



Experiential learning and research experiences; academic advising and student success initiatives; new Global Scholar and Citizen programs; program delivery innovations.

BUILT ENVIRONMENT



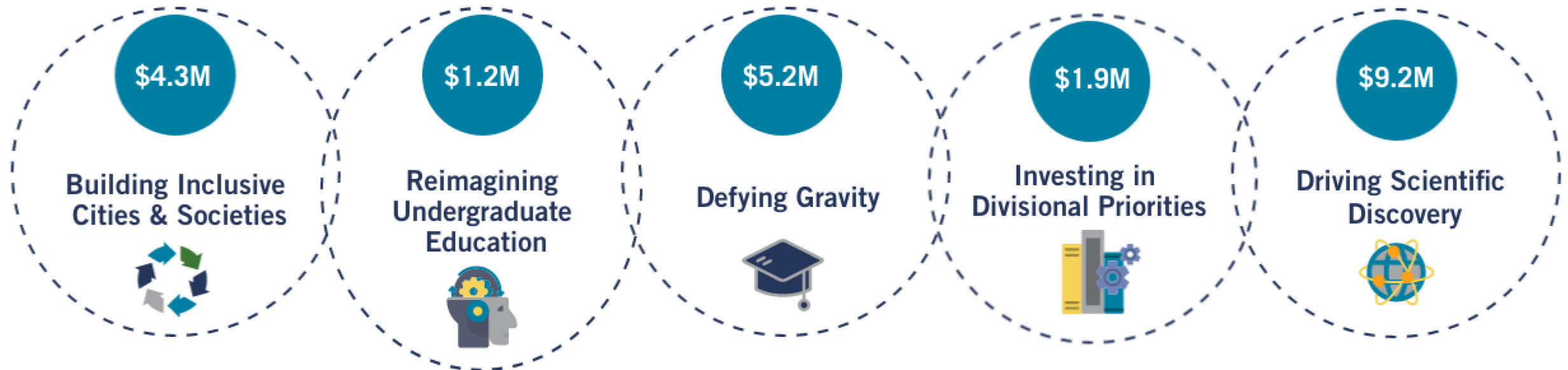
Climate Positive Campus plan, renewal of classroom infrastructure, improvements to IT infrastructure to facilitate remote and on-campus learning, upgrading facilities for AODA compliance. Creating new non-academic and co-curricular spaces for student use.

STUDENT SUPPORTS



Investments in undergraduate financial aid and graduate student funding packages; redesign of bursary program; innovation in online student service delivery; expanding access to academic advising; focus on retention and student academic success.

UNIVERSITY FUND ALLOCATION



- Support for 30 additional Black and Indigenous faculty hires.
- Innovations in embedding EDI principles into curriculum and program designs.
- Sexual Violence Prevention & Support Centre.
- International recruitment in emerging markets to enhance diversity & extend global networks.

- Personalized student mental health services.
- Support for student surveys and data to improve institutional services.
- Experiential Learning Commons to expand work-integrated learning opportunities.

- Major gift officers in divisions (OTO).
- Major gift matching funds for the **Defy Gravity** Campaign.

- Support for divisional priorities in light of continued domestic fee freeze and other budget pressures.

- Support for indirect costs of research.
- Support for large scale research projects and possible CFREF priorities.
- Inclusive interdivisional research networks support.
- Support for interdisciplinary research projects (Institutional Strategic Initiatives).

BUDGET PRIORITIES: ACADEMIC DIVISIONS



BUILDING INCLUSIVE CITIES & SOCIETIES

- Scholarship programs for international students from diverse global regions.
- Equity, Diversity & Inclusion initiatives including student outreach, learning spaces, mental health & wellness initiatives.



SUPPORTING STUDENT SUCCESS

- New IT tools & infrastructure for learning support including simulation-based learning.
- Online summer academies.
- Resources for faculty to share innovations in teaching & pedagogy.



DRIVING SCIENTIFIC DISCOVERY

- Experiential learning & research opportunities.
- New degree programs, continuing professional development, micro credentials, flex programs.
- Cross-divisional research networks to enhance training and UG research experiences locally and abroad.



FACULTY HIRING

- Hiring of up to 90 incremental faculty positions.
- Faculty hiring with a view to expand diversity, build new programs, and increase quality of the student experience.

BUDGET PRIORITIES: SHARED SERVICES



SUPPORTING STUDENT SUCCESS

- Staff support for student recruitment and registrarial services.
- Research staff to support growing number of grants and partnerships.
- Staffing for advancement and communications to support brand building and the Defy Gravity campaign.



POWER INNOVATION & ENTREPRENEURSHIP

- Information security program to address risks facing university systems.
- IT tools & infrastructure for learning support.
- Upgrades to NGSIS system to provide new tools for students.
- Modernization of administrative systems (SAP).



INFRASTRUCTURE

- Addressing deferred maintenance and AODA compliance.
- Renewal of aging utilities infrastructure.



BUILDING INCLUSIVE CITIES & SOCIETIES

- Support for Equity, Diversity & Inclusion (EDI) initiatives in all aspects of the University community.
- Ensure learning and work spaces are free of discrimination and harassment.
- Ensure EDI principles are reflected in the Defy Gravity campaign and other advancement activities.

CAPITAL PROJECTS & PLANNED INVESTMENTS

5 YEAR PROJECTION



5 Risk



International Students by Geographic Region

FALL 2021
TOTAL ENROLMENT



UofT brings in 40+ students from 14 countries, up from 7 countries in 2016

Africa

2%

Asia Pacific Other

14%

Caribbean & Latin America

3%

China (PRC)

61%

Europe

4%

India/Pakistan

8%

Middle East

5%

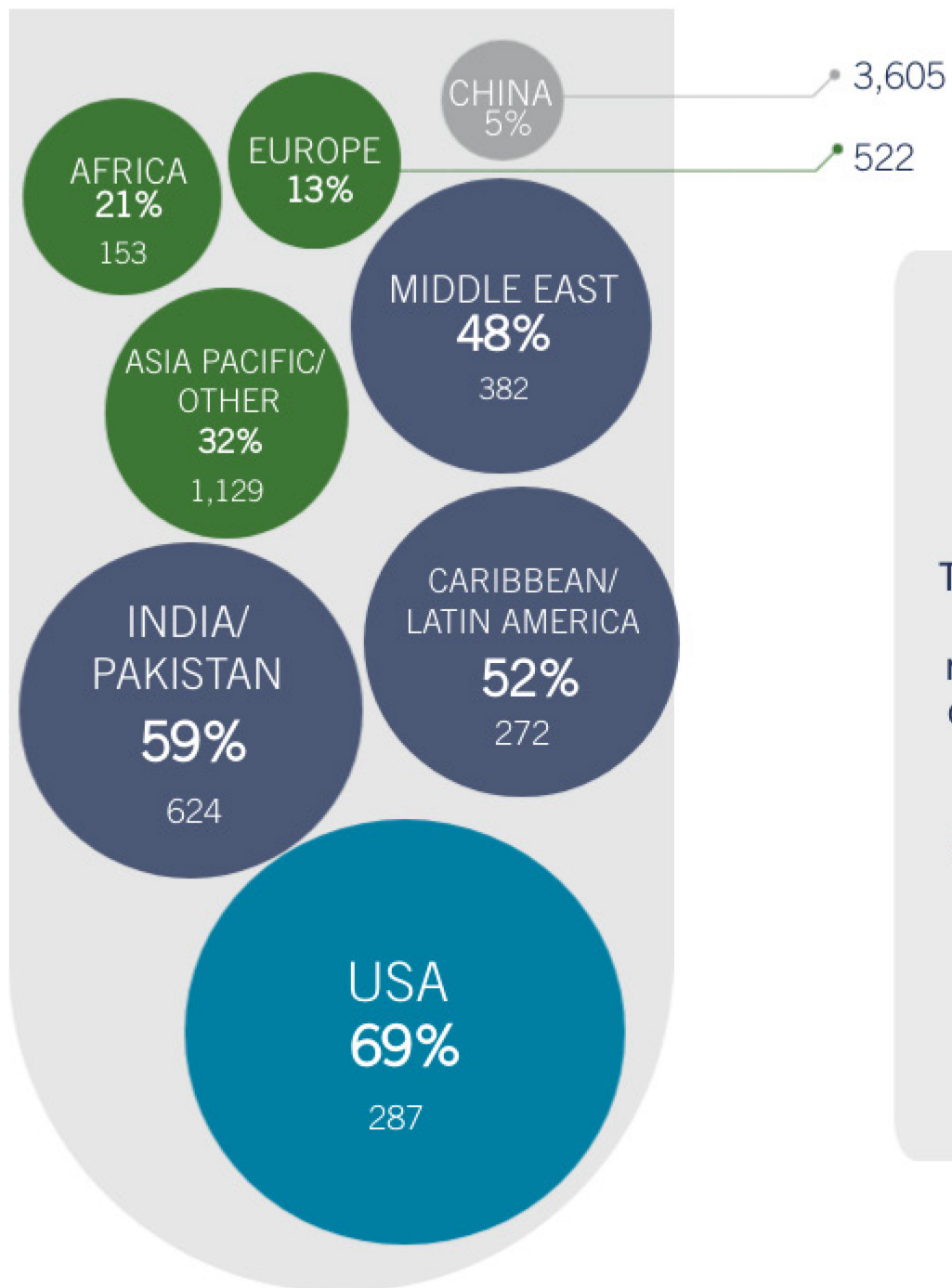
USA

3%

% INCREASE IN INTERNATIONAL UG ENROLMENT INTAKE (NEW ADMITS)

BY SOURCE REGION

FALL 2021 vs FALL 2019
WITH FALL 2021 TOTAL ENROLMENT



The University has made significant progress in recruiting students from diverse regions over the last two years.

69% increase in intake from US and 59% increase from India/Pakistan since 2019.

PENSION PLAN RISK CONTINGENCY



\$792M plan surplus on July 1, 2021 for transfer to the new UPP Ontario. University responsible for any future deficits for 10 years.

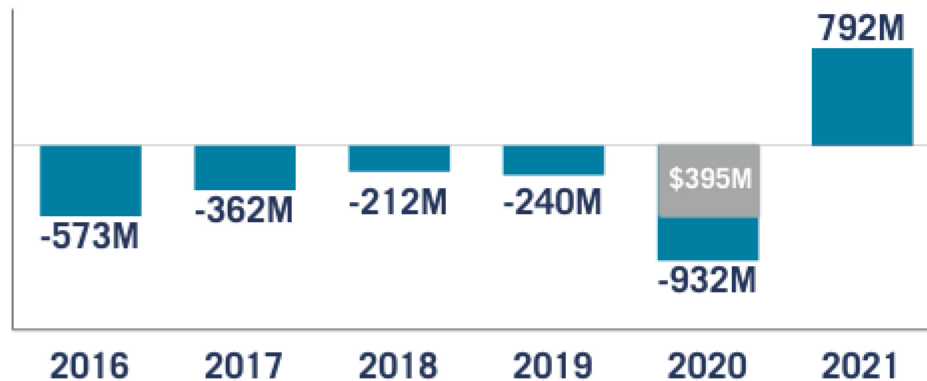


Sensitivity:
Two years of zero returns would eliminate surplus.

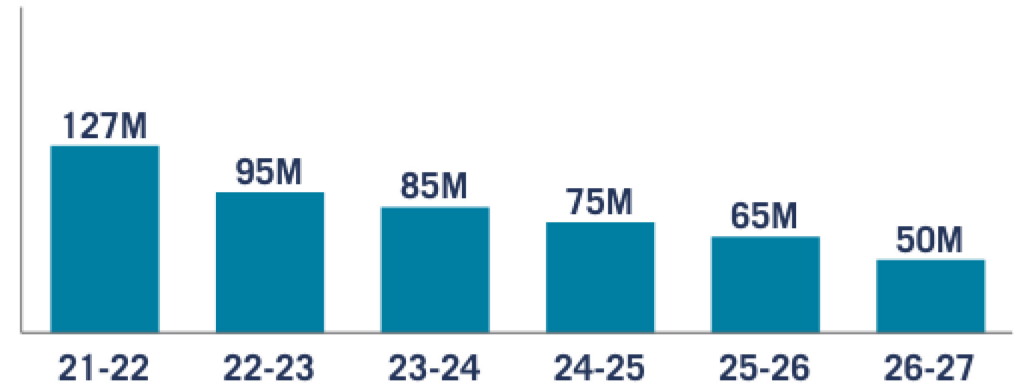


Pension special payments not currently required. Reduce budget and build contingency reserve to mitigate against future risk.

Going Concern Surplus (Deficit)
2016-2020



Pension Risk Contingency Budget Plan
2021-22 to 2026-27

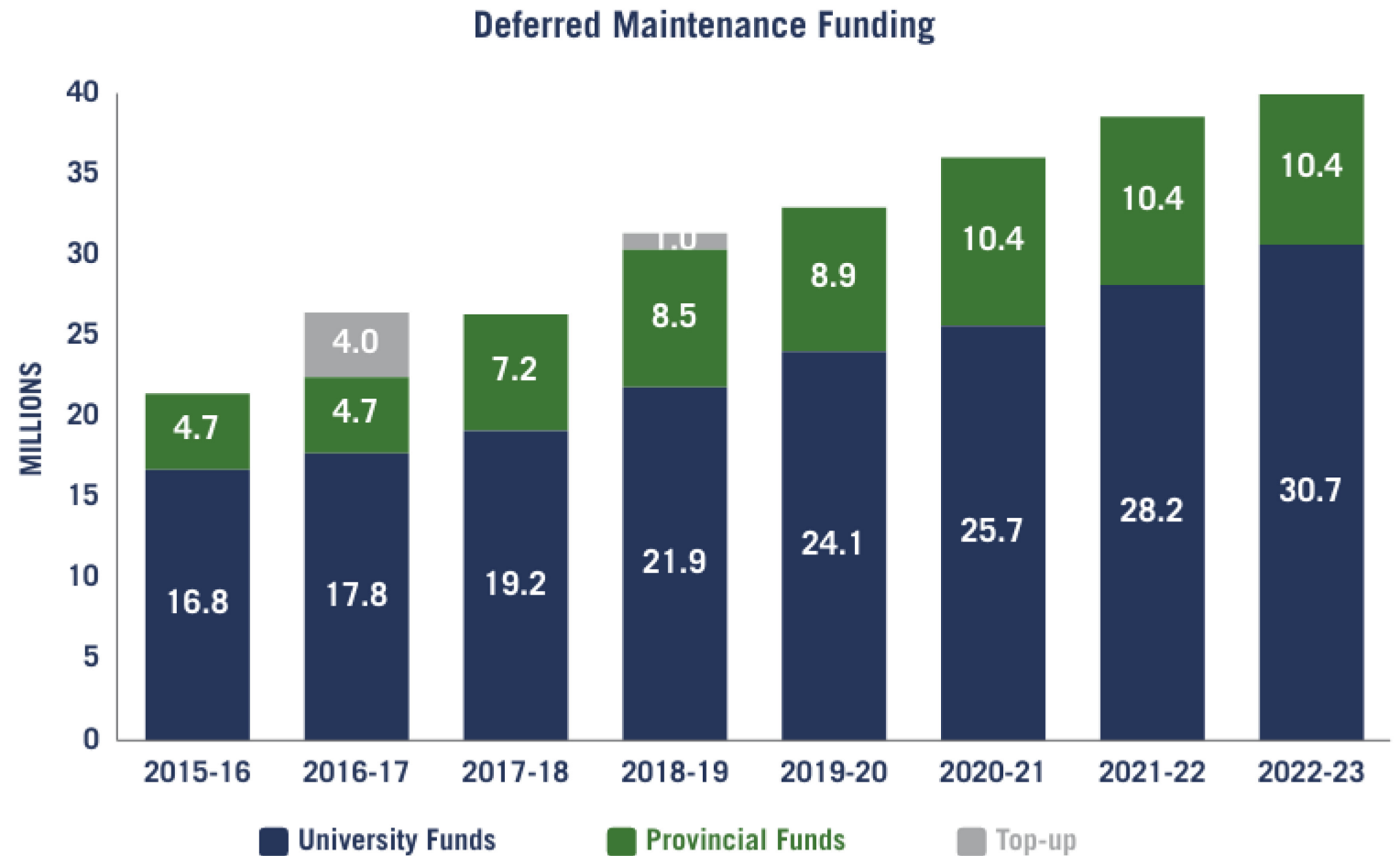


DEFERRED MAINTENANCE FUNDING TRI-CAMPUS

+\$2.5M  UNIVERSITY INVESTMENT
FOR 2022-23

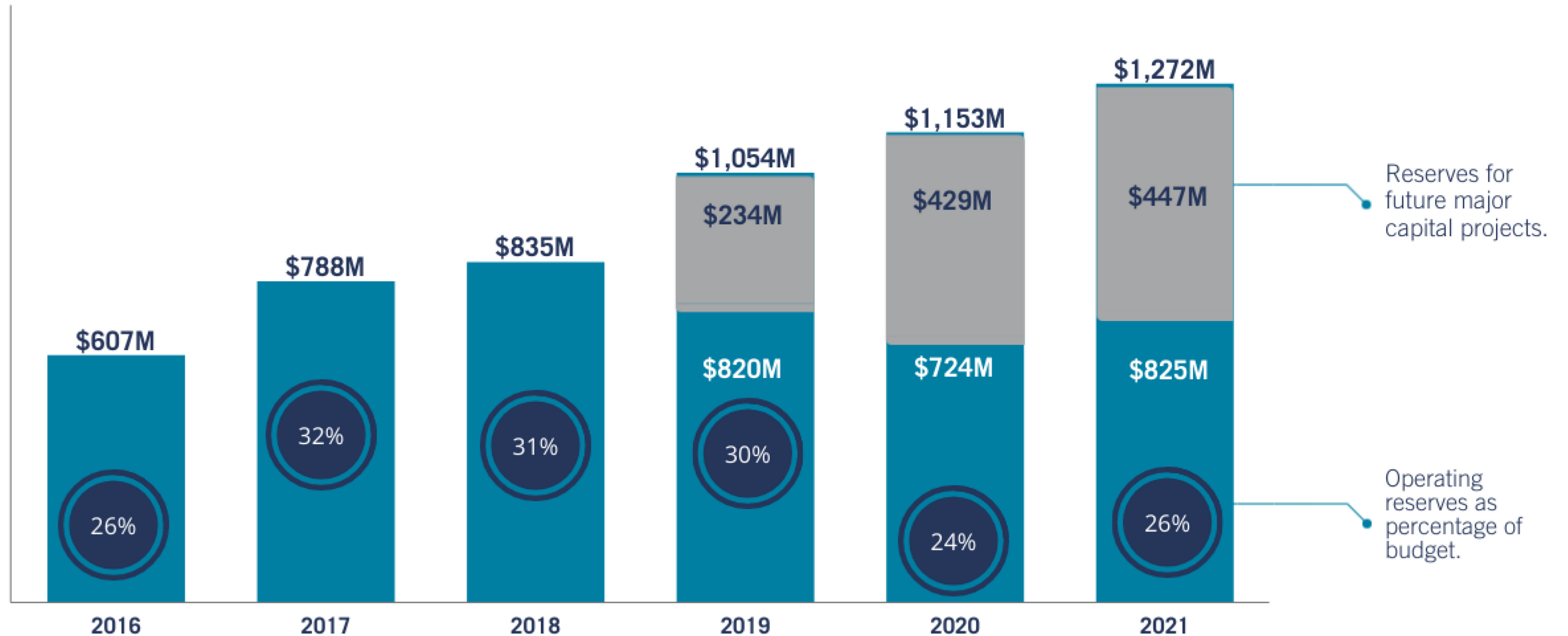
+\$40M TO MEET PROVINCIAL
PER YEAR AVERAGE

\$821M LIABILITY
OVERALL



OPERATING RESERVES

Operating Reserves
(including future capital) 2016-2021



BUDGET SUMMARY



ENROLMENT

Domestic enrolment stable within fixed enrolment corridor. Modest increase in international enrolment based on successes of Fall 2020 and Fall 2021 intakes.



IMPACT OF COVID-19

Enrolment demand remains strong. Loss of ancillary revenues due to reduction in on-campus activities - anticipate recovery in 2022-23.



TUITION

No Provincial framework in place. Budget scenario assumes constraint resulting from domestic freeze; international fees increase 2.0% average.



COMPENSATION

Compensation restraint imposed by Bill 124. Planned incremental faculty and staff hires in future years within constrained revenue growth.



FINANCIAL AID

Cuts to OSAP limit grant eligibility for those with incomes >\$140k. University's financial aid commitment remains. Redesign of UTAPS bursary program. Increases to int'l student scholarships.



INSTITUTIONAL PRIORITIES

Diversity and inclusion initiatives, student supports, innovation in teaching and learning, support for research funding opportunities and Defy Gravity campaign.