

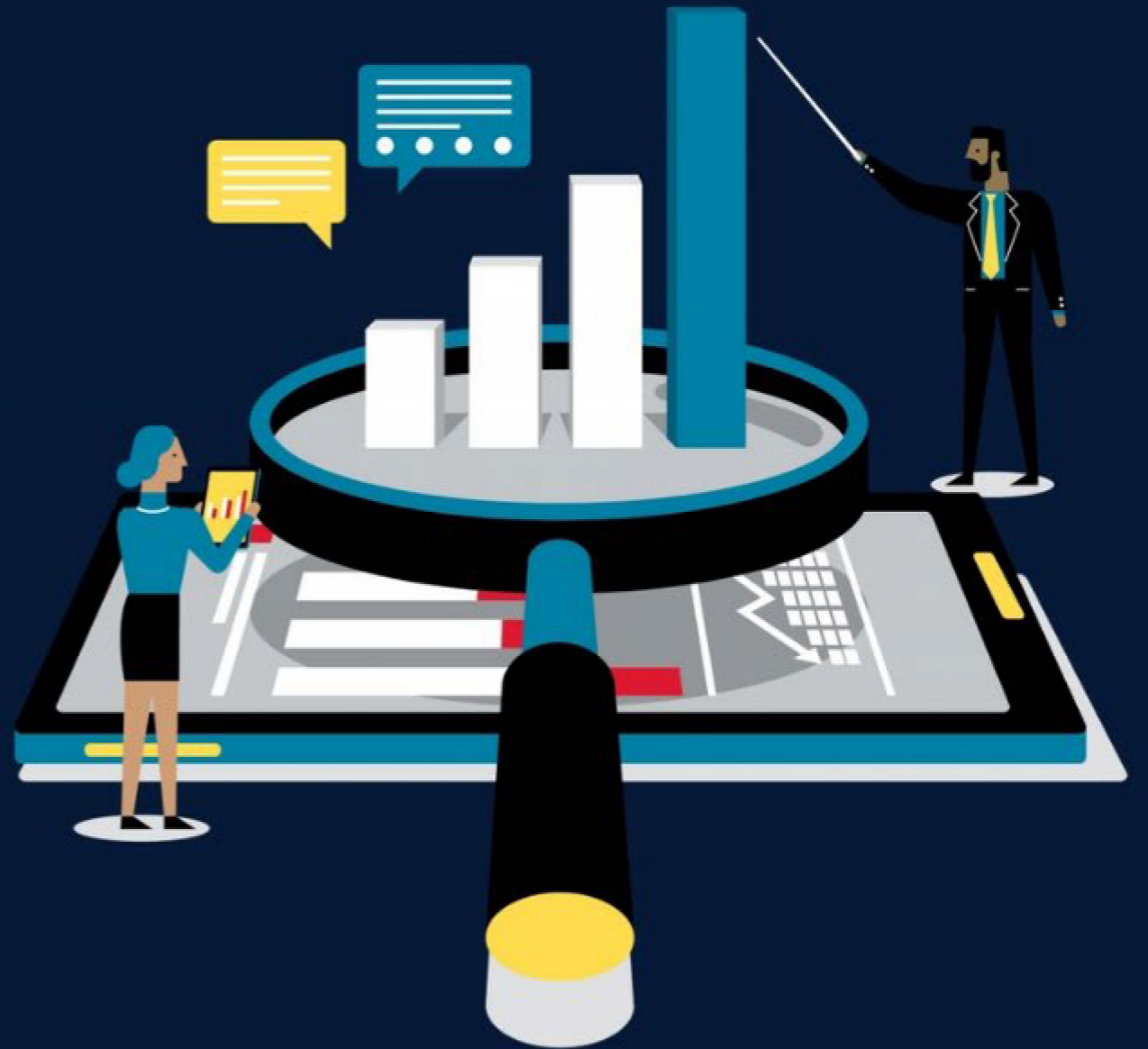
Budget 2023-24

and Long Range Budget Guidelines
2023-24 to 2027-28



UNIVERSITY OF
TORONTO

1 Budget Overview



2023-24

Balanced Budget

\$3.36 BILLION

\$124 million increase
over 2022-23 Budget

REVENUES

68%

TUITION & FEES

20%

OPERATING GRANTS

12%

OTHER REVENUE

EXPENDITURES

60%

FACULTY & STAFF
COMPENSATION

12%

OTHER EXPENSES

11%

STUDENT AID

7%

OCCUPANCY COSTS

7%

CAPITAL & EQUIPMENT

3%

PENSION CONTINGENCY

Compensation is up from 58% and Student Aid from 10% in 2022-23 Plan. Other Expenses down from 14%.

MOVING FORWARD FROM THE COVID-19 PANDEMIC



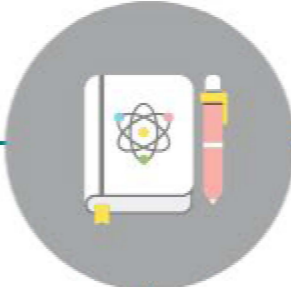
INNOVATION & RESILIENCY

SUPPORTING OUR STUDENTS



- biggest back to school ever
- Mental Health Services Transformation & MySSP
- hybrid models for student service delivery
- redesign of UTAPS bursary program

TEACHING & LEARNING



- Online by Design
- tools for virtual learning and discussion of lecture material
- new Experiential Learning Commons

ACADEMIC OPERATIONS



- enrolment demand remains strong
- improving communications & crisis response
- reimagining work spaces for hybrid work
- opening of new student study space in Robarts

ANCILLARY OPERATIONS



- residences back to full occupancy
- new residences planned for all three campuses
- supporting recovery of Food & Transportation Services as campus activity increases.

PROJECTED REVENUE GROWTH RATES

IS OUR REVENUE GROWTH COVERING OUR COSTS?

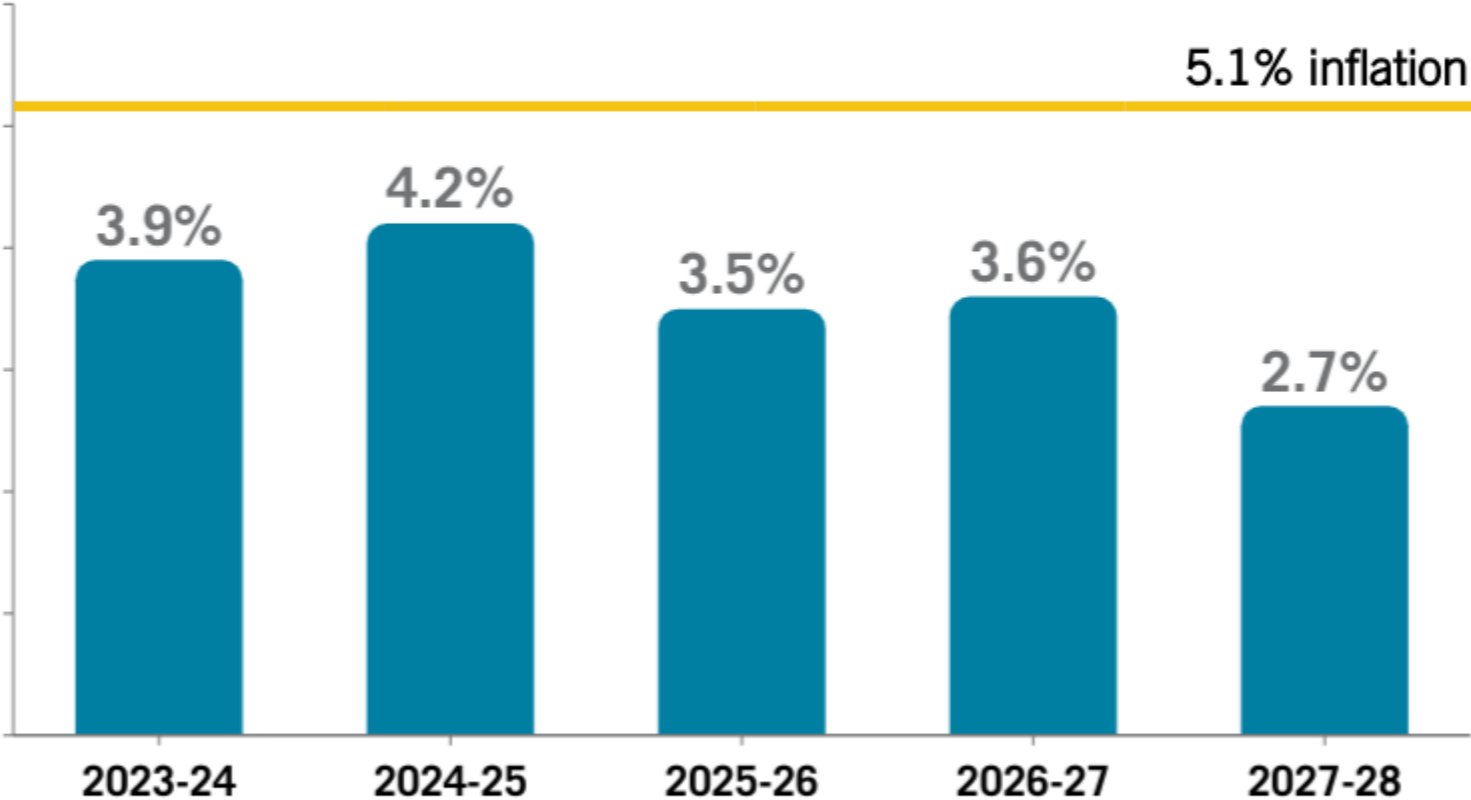


3.9% average

BUT GROWTH RATE VARIES
WIDELY BY DIVISION

-3.9% ↔ **13.4%**

Annual Revenue Growth



COMPENSATION

ACADEMIC COMPENSATION



\$846 MILLION
FACULTY & LIBRARIANS



\$50 MILLION
SESSIONAL LECTURERS



\$90 MILLION
TEACHING ASSISTANTS

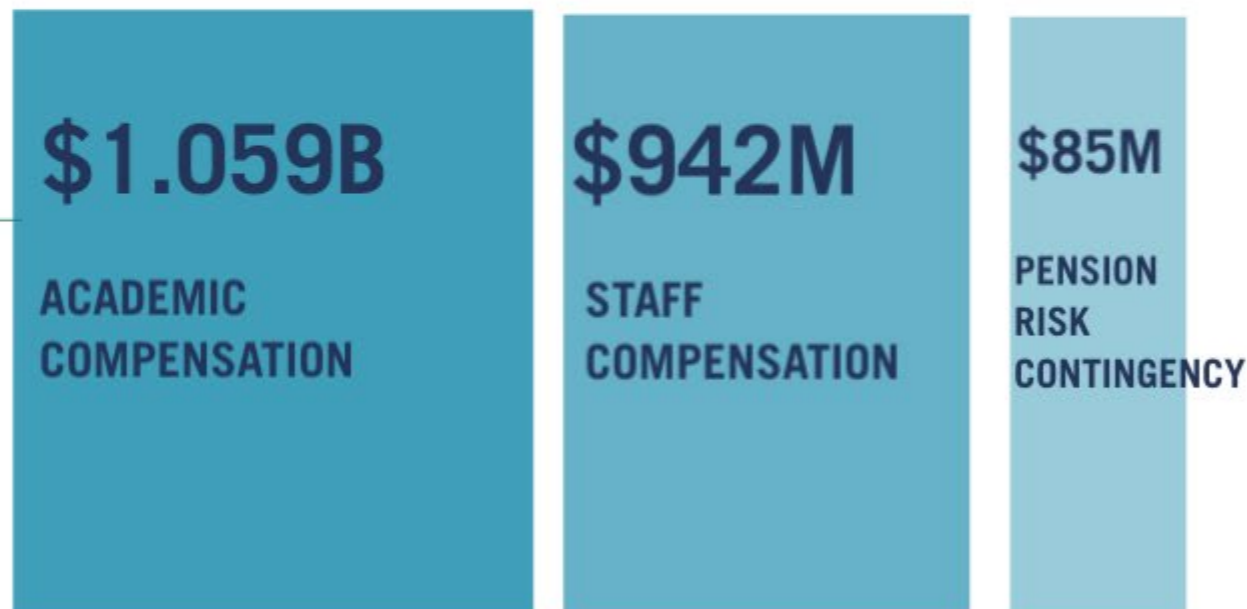


\$44 MILLION
TEACHING STIPENDS



\$29 MILLION
OTHER ACADEMIC

\$2.09 BILLION (estimated)
2023-24 BUDGET

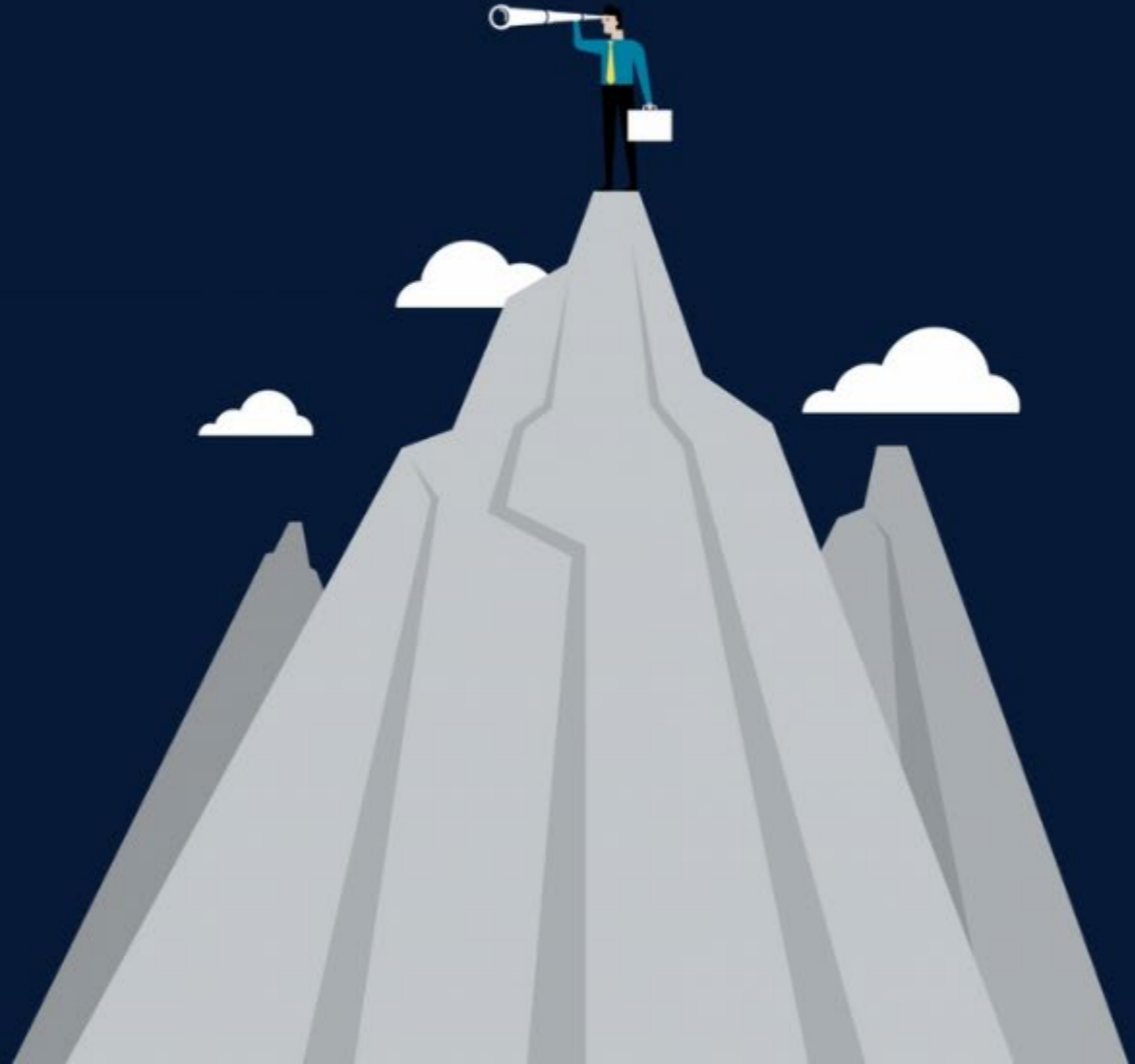


2022-23
BUDGET
\$2.02 BILLION
+
2023-24
BUDGET INCREASE
\$70 MILLION

Bill 124 salary restraint period completed.

Potential budget pressure from future agreements.

2 Changing Financial Landscape



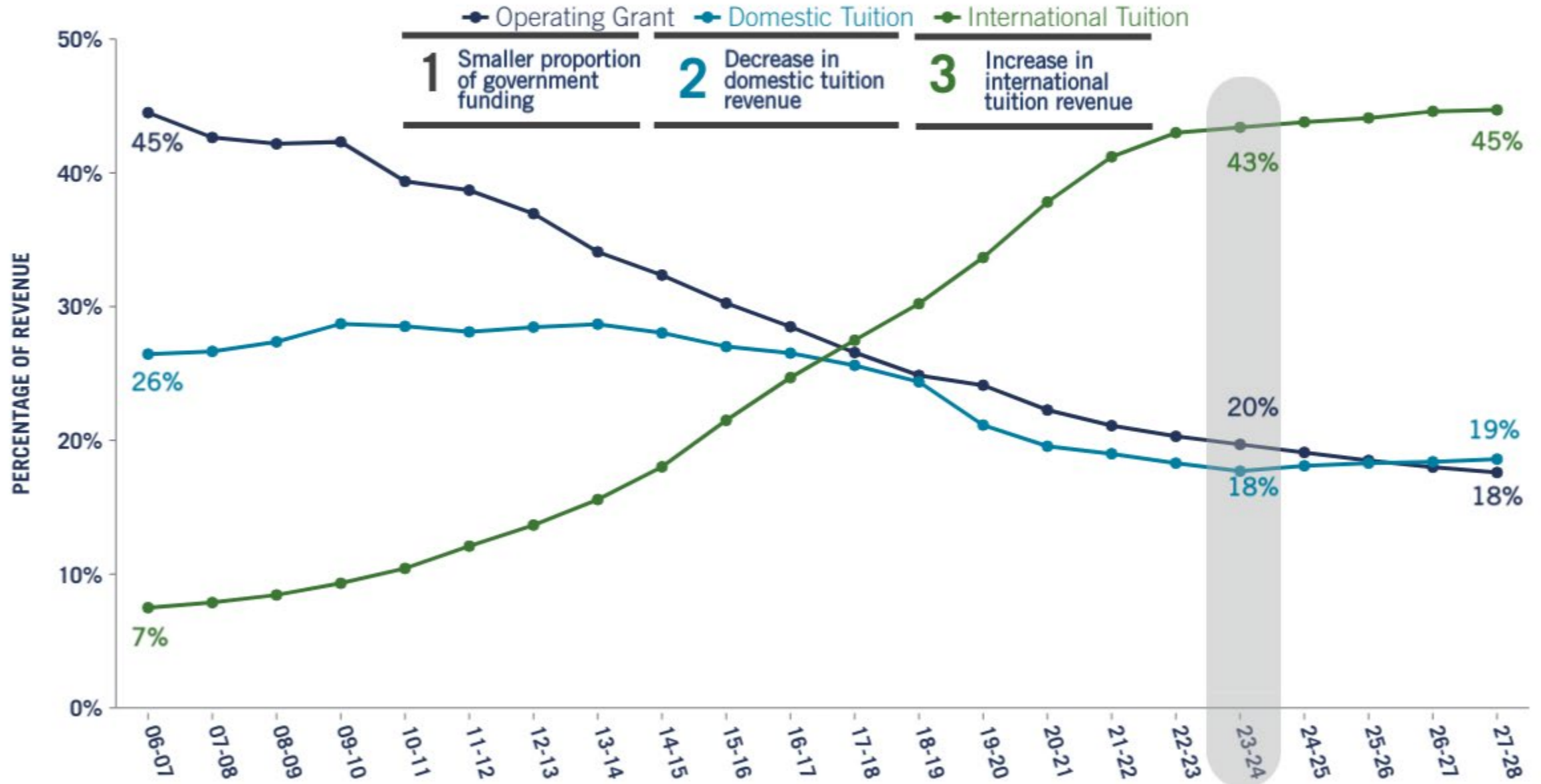
PROVINCIAL TUITION FEE FRAMEWORK



Budget assumes an extension of the domestic tuition freeze with Out of Province domestic undergraduate fees increasing by 5%.

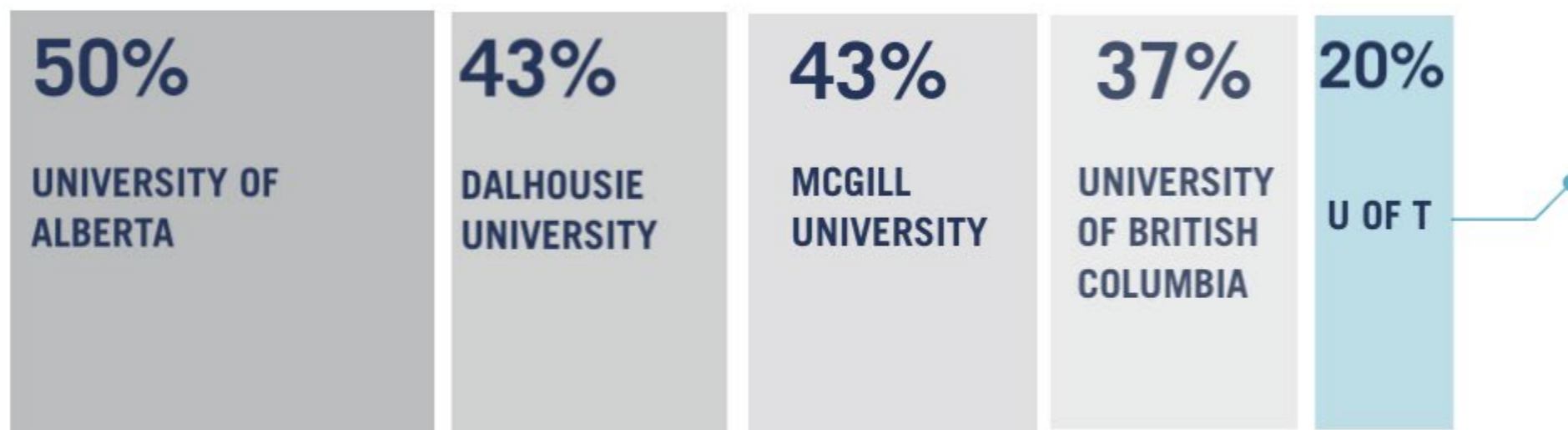
Alternative tuition schedules proposed with 3% increase in case Province makes late announcement allowing more flexibility for next year.

CHANGE IN SOURCES OF REVENUE



PROVINCIAL FUNDING PEER COMPARISON

2020-21



PROVINCIAL OPERATING GRANT AS A PROPORTION OF TOTAL OPERATING REVENUE

DID YOU KNOW...

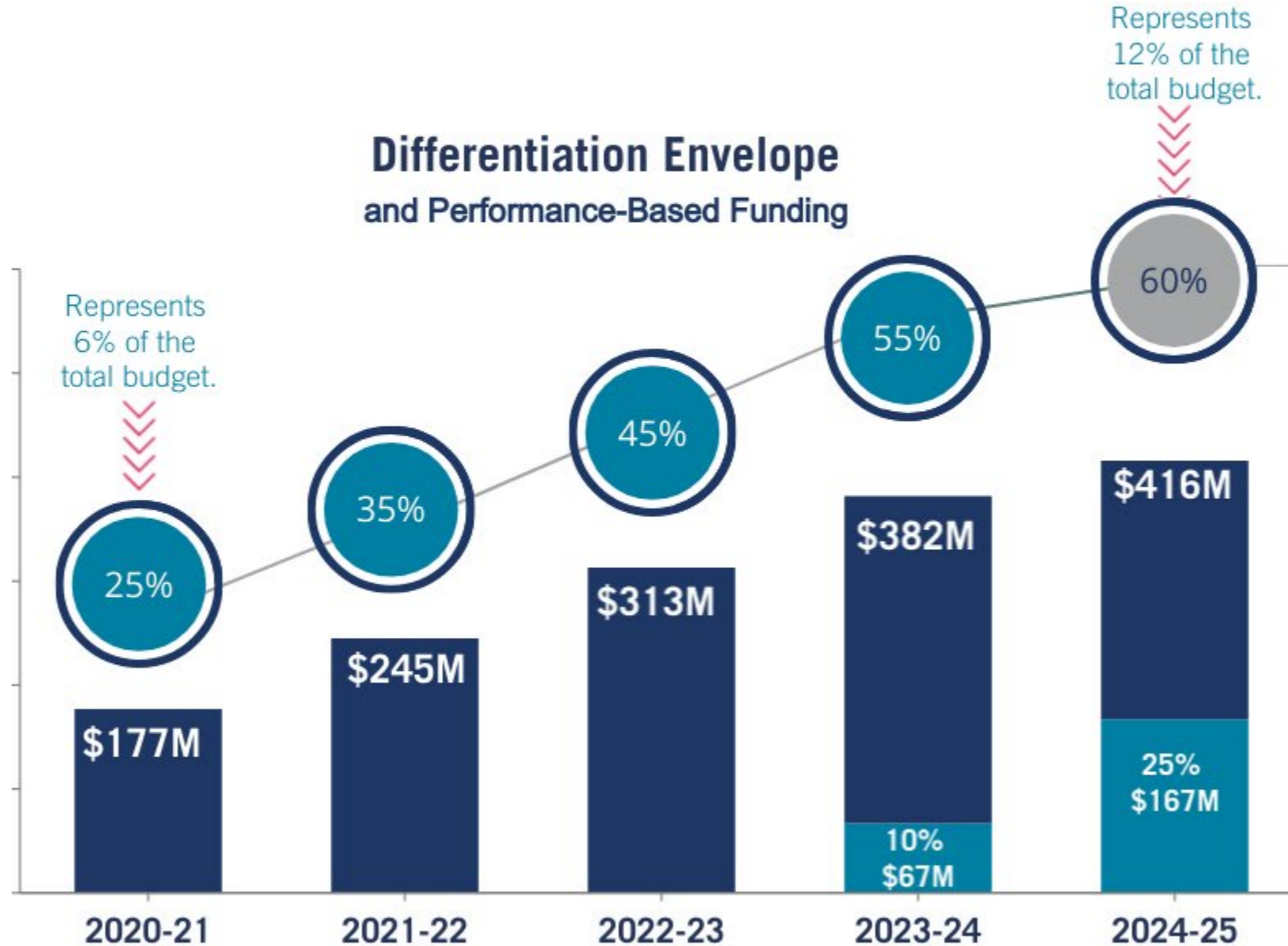
The University of Toronto receives the lowest amount of per-student government funding among peers.

58%

OF THE PER STUDENT FUNDING AT U of A.

STRATEGIC MANDATE AGREEMENT

Differentiation Envelope and Performance-Based Funding



Represents 12% of the total budget.

Represents % of total provincial funding. The SMA3 is shifting funding to the Differentiation Envelope and phasing in the proportion linked to metrics.



ACTIVATION OF PERFORMANCE-BASED FUNDING

Funding decoupled from metrics for first three years because of potential COVID impacts. Metrics may be linked to 10% of funding next year and 25% in 24-25.

3 Students: Affordability, Access & Outcomes



UNDERGRADUATE ENROLMENT RESULTS



FALL 2022 FTEs

41,477 ● — **ST. GEORGE** — ● 41,840

13,414 ● — **UTM** — ● 12,754

11,690 ● — **UTSC** — ● 11,176

**TOTAL FTE ENROLMENT
2022-23**

65,771

Total undergraduate FTE enrolment including both domestic and international students.

VARIANCE TO PLAN

-810 (-1.2%)



364 growth over 2021-22

UNDERGRADUATE ENROLMENT RESULTS

2022-23

DOMESTIC ENROLMENT VARIANCE TO PLAN



ST GEORGE



UTM



UTSC

OVERALL VARIANCE OF
-1.5%
IN DOMESTIC
ENROLMENT TO
PLAN

INTERNATIONAL ENROLMENT VARIANCE TO PLAN



ST GEORGE



UTM



UTSC

OVERALL VARIANCE OF
-0.5%
IN INTERNATIONAL
ENROLMENT TO
PLAN



International undergraduate student FTEs **20,343**

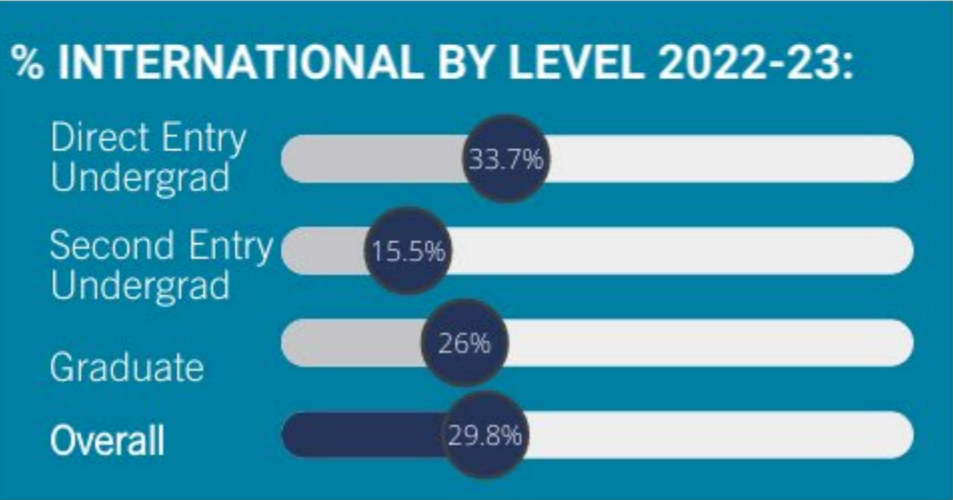
2022-23



International undergraduate student FTEs will increase to **22,641**

2027-28

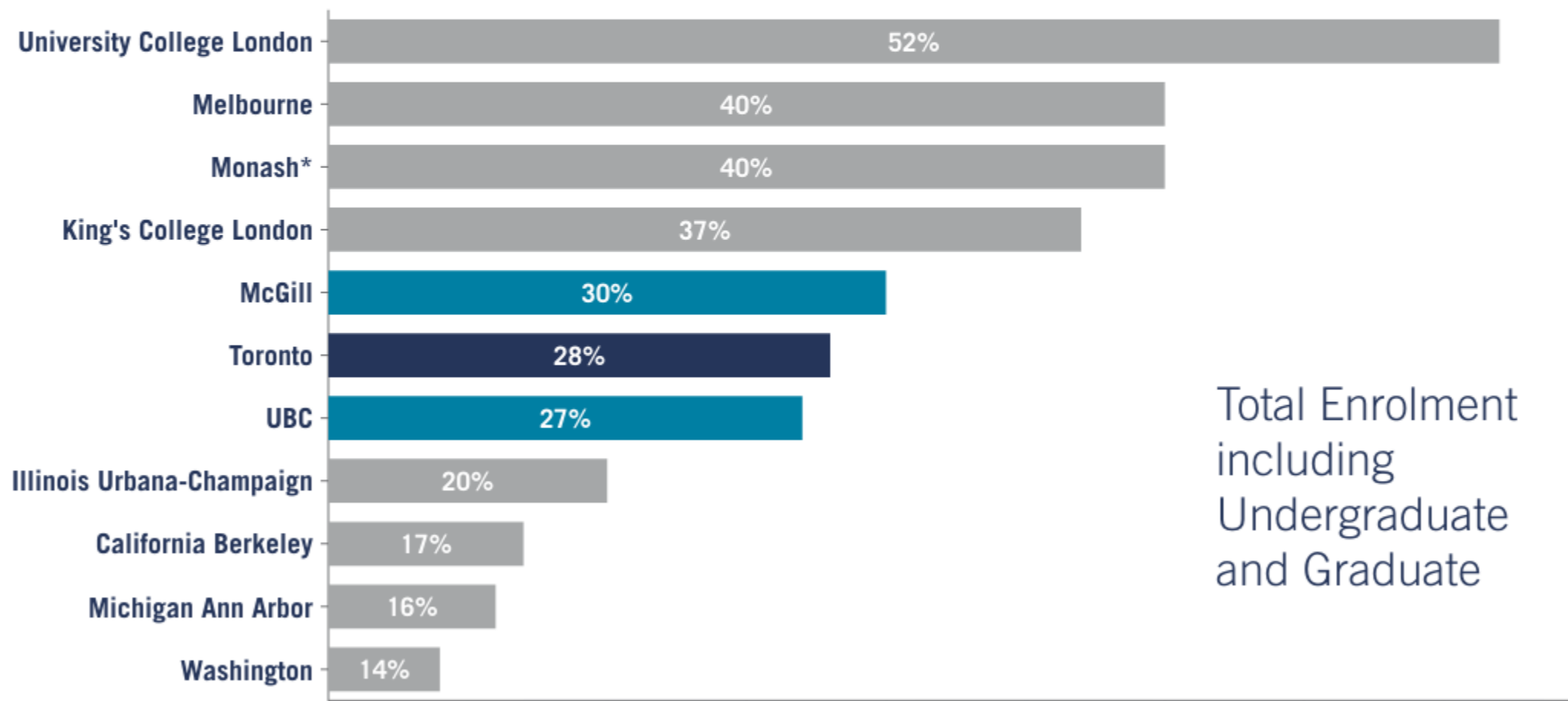
UofT is also adding **3,700** domestic students over this period



International Enrolment - Fall 2021

International Percentage of Total Enrolment - Fall 2021

International & Canadian Peer Institutions



Total Enrolment
including
Undergraduate
and Graduate

* as of Fall 2020 for Monash

PROVINCIAL FEE FRAMEWORK & OSAP CHANGES

1

DECREASE IN STICKER PRICE & FREEZE

2019-20 10% reduction and freeze to domestic tuition fees in all undergraduate and graduate programs

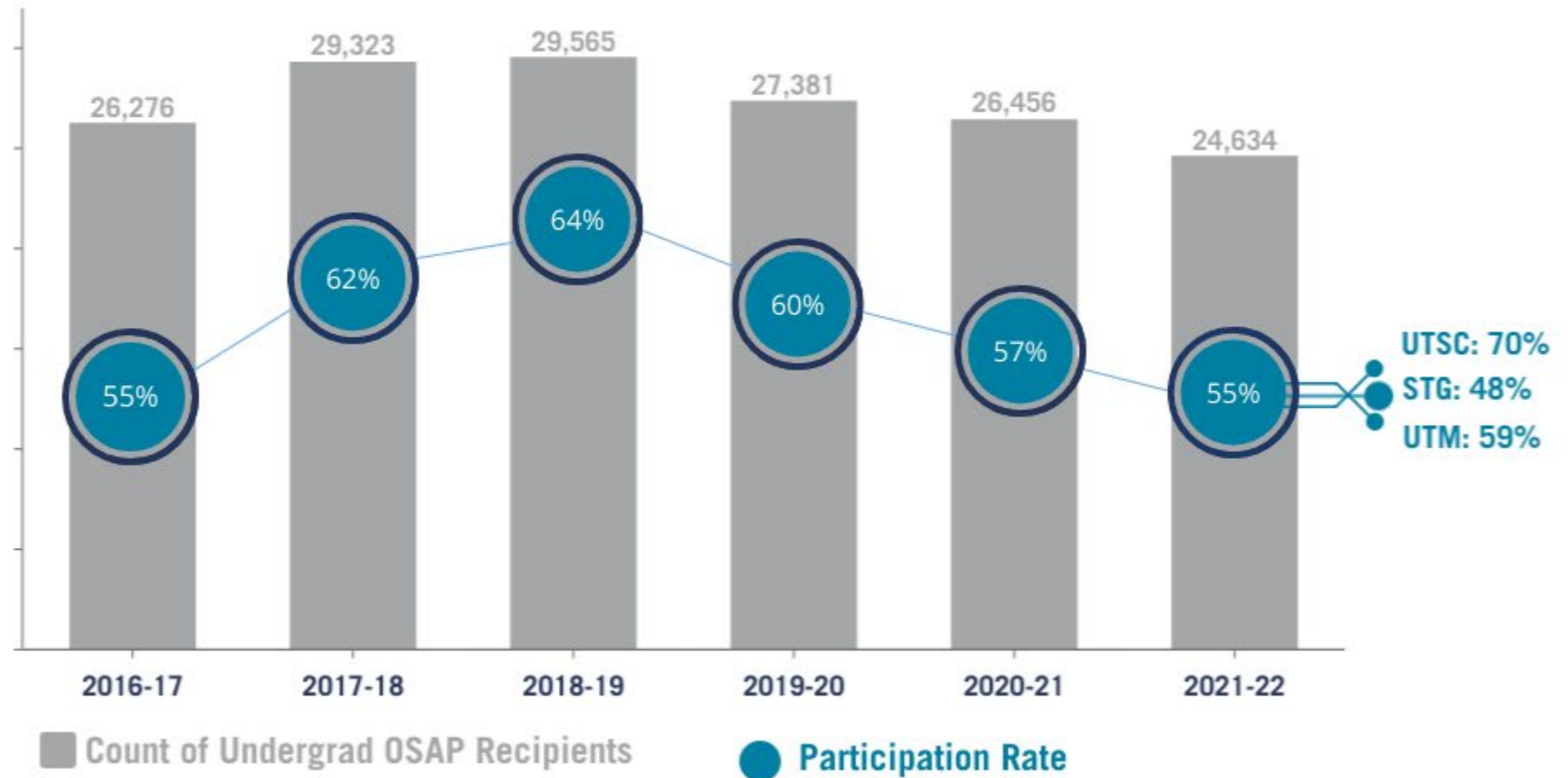
2

CHANGES TO PROVINCIAL OSAP CRITERIA

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

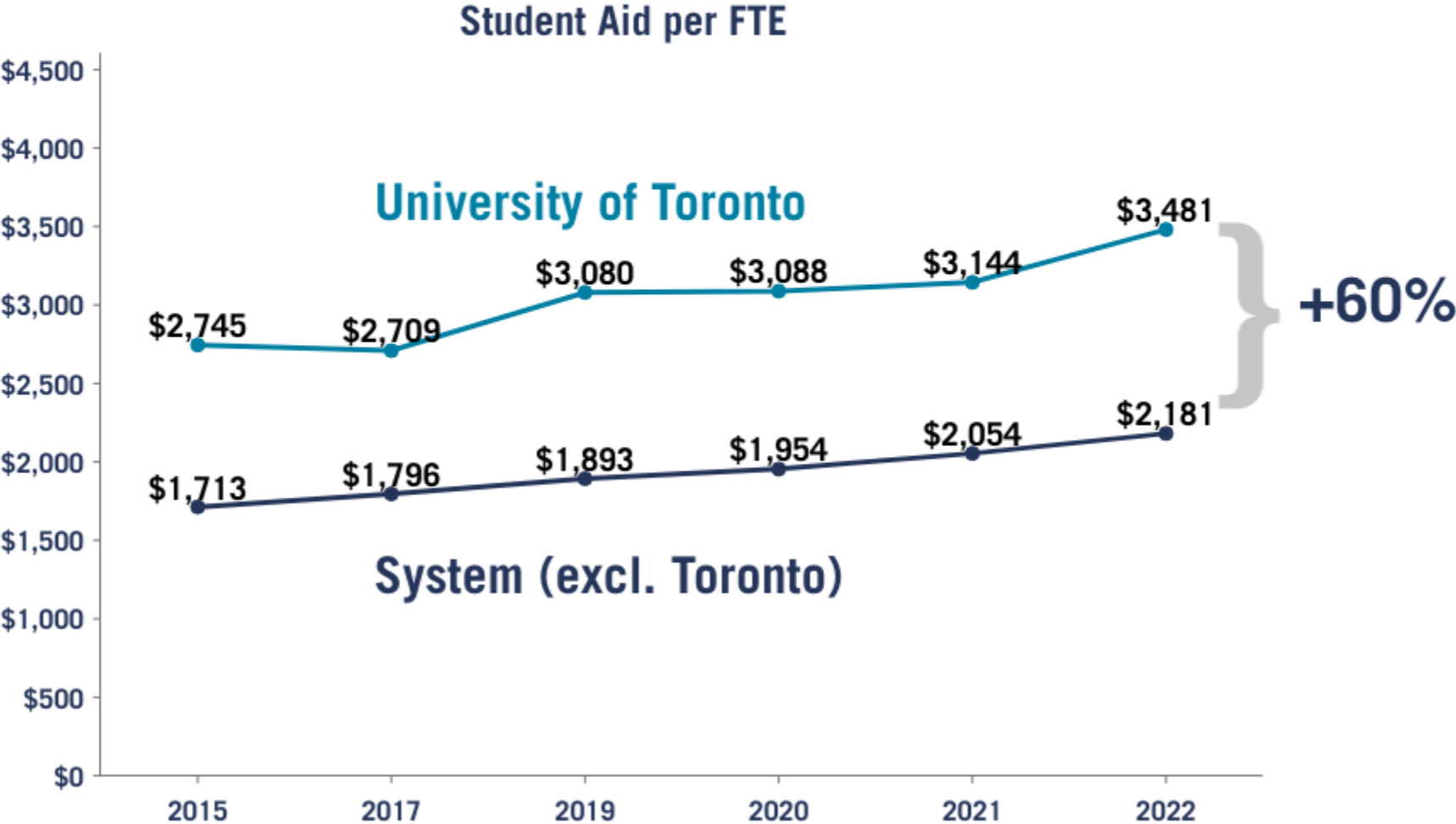
Undergraduate OSAP Recipients & Participation Rates

University of Toronto



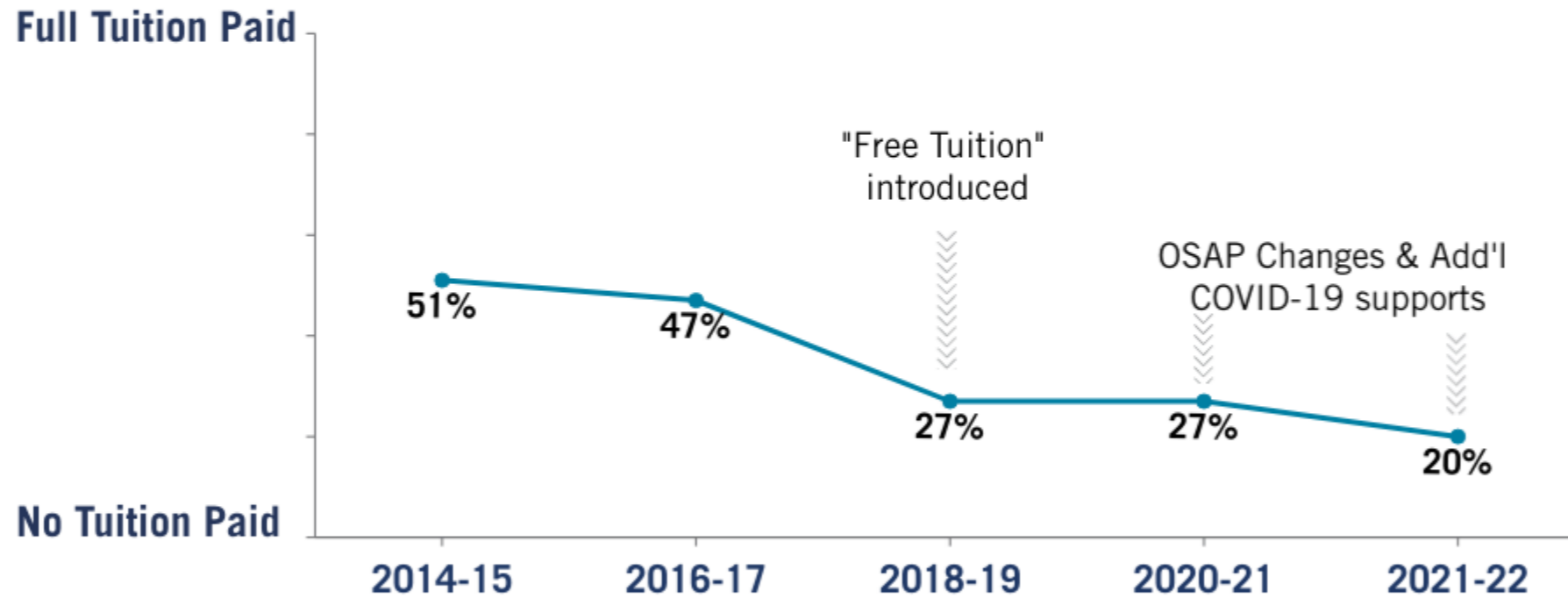
STUDENT AID EXPENDITURES

\$1.36B Endowed Funds for Student Support
(43% of total Endowment)



UNDERGRADUATE NET TUITION

Net Tuition Paid by Students Receiving OSAP (including UofT grants)



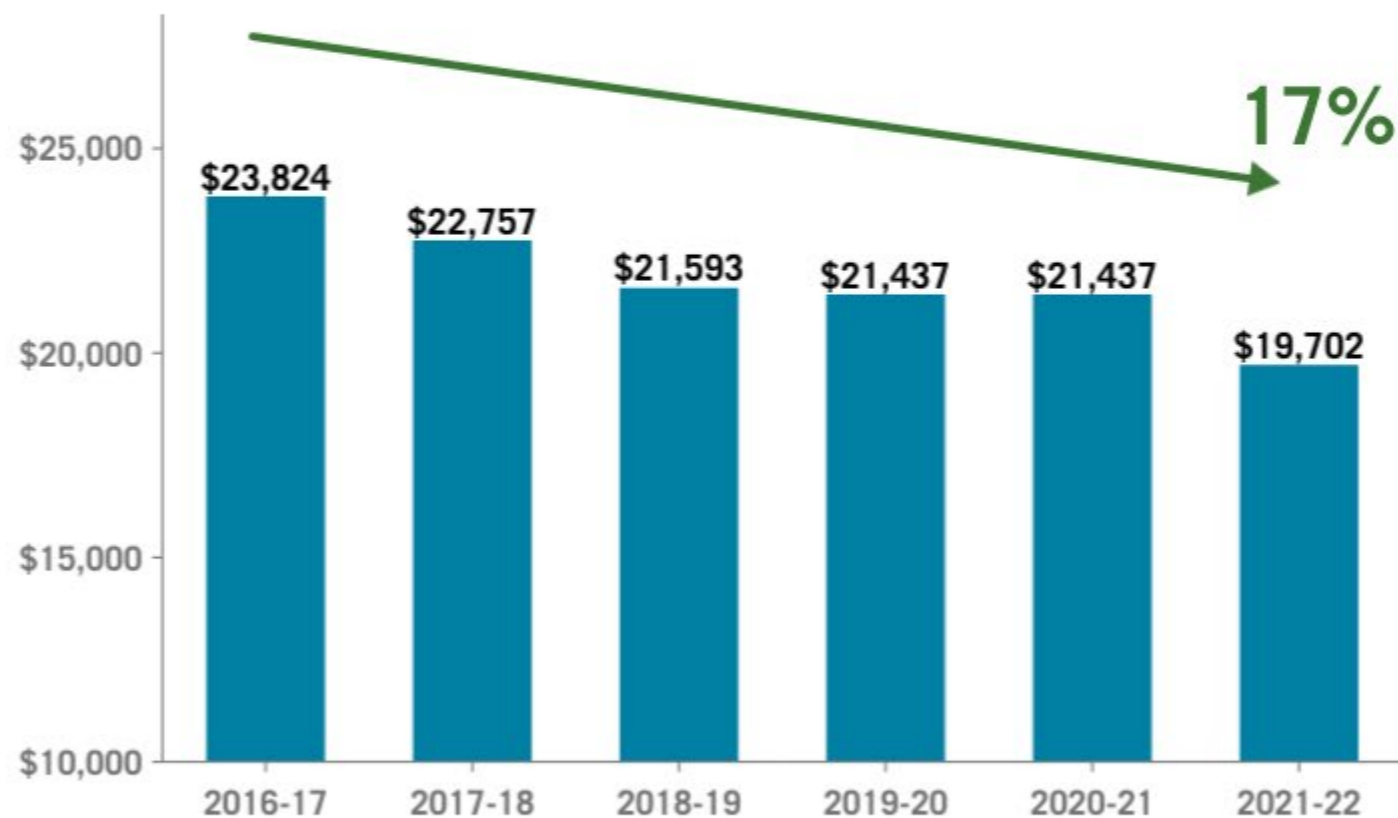
In 2021-22 Engineering tuition and fees were \$15,900 but the average student paid **\$4,700** after OSAP and UofT grants



Net tuition is expected to return closer to 2016-17 levels in the coming years as special pandemic supports wind down and 2019-20 OSAP policy changes take effect.

STUDENT DEBT LOAD 2017 - 2022

(OF THOSE WITH OSAP DEBT)



Average Repayable Debt at Graduation (2021\$)

DID YOU KNOW...



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



2021-22 AVERAGE REPAYABLE DEBT AT GRADUATION HAS DECLINED 17% IN REAL TERMS SINCE 2016-17

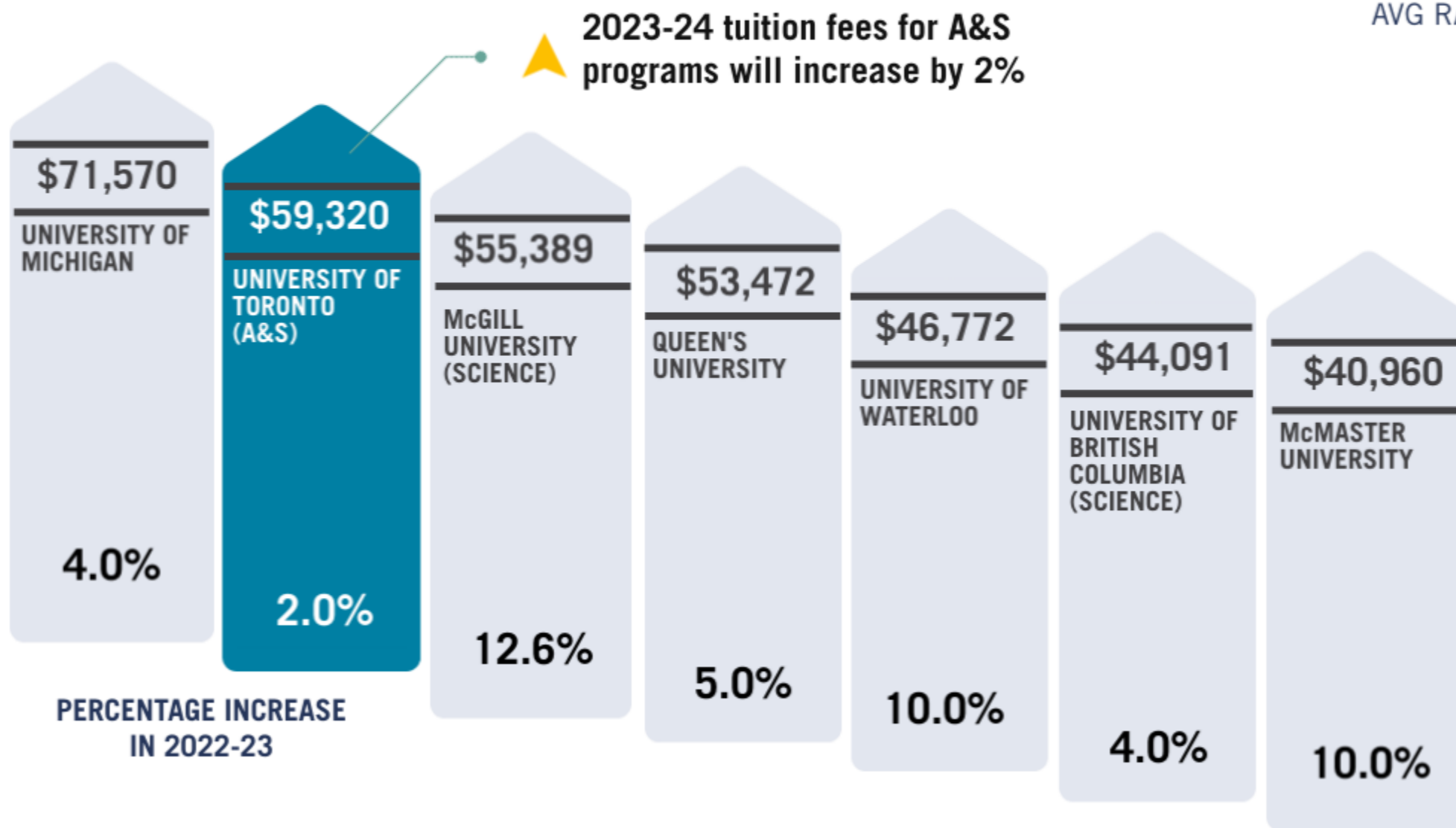


RATE OF DEFAULT ON OSAP LOANS VERSUS 2.7% FOR OTHER ONTARIO UNIVERSITIES

International and Out-of-state Arts & Science Tuition

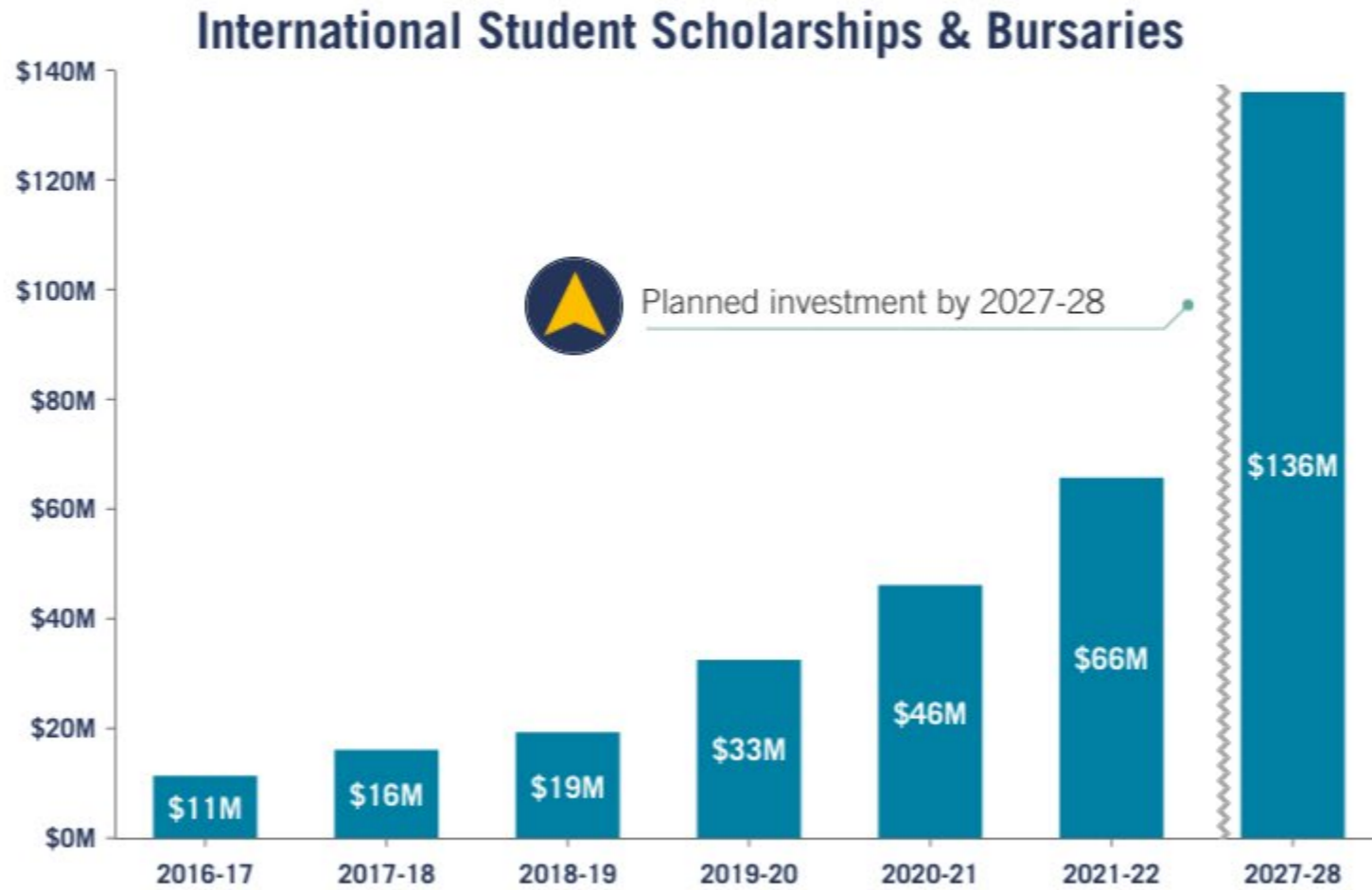
Peer Institutions (2022-23)

TUITION IN CANADIAN DOLLARS
USD CONVERTED AT 2022 BoC
AVG RATE of \$1.30



PERCENTAGE INCREASE
IN 2022-23

INTERNATIONAL SCHOLARSHIP PROGRAMS



\$89

MILLION

International Scholars
planned budget in 2027-28

In addition to the Pearson
scholarships and expanding
bursary support for
international students

GLOBAL RANKINGS - GRADUATE EMPLOYABILITY



11th

OVERALL IN
THE WORLD



1st

OUT OF ALL
PUBLICLY FUNDED
INSTITUTIONS IN
NORTH AMERICA



5th

OUT OF ALL
PUBLICLY FUNDED
INSTITUTIONS
GLOBALLY



*based on Times Higher Education Rankings (2022)

4 Strategic Priorities



UNIVERSITY FUND ALLOCATION



- Support for 30 additional Black and Indigenous faculty hires.
- Sexual Violence Prevention & Support Centre

- Mental Health services
- Classroom renewal
- Student Advising Service

- Major gift officers in divisions for the **Defy Gravity** campaign (OTO)

- Support for divisional priorities
- Support for dental clinics operating pressures

- Support for interdisciplinary research projects (Institutional Strategic Initiatives)
- Support for large scale research projects

BUDGET PRIORITIES: ACADEMIC DIVISIONS



BUILDING INCLUSIVE CITIES & SOCIETIES

- Equity, Diversity & Inclusion initiatives including student outreach, dedicated application review pathways, and scholarships.
- Increases to graduate funding and scholarship programs for international students from diverse global regions.



SUPPORTING STUDENT SUCCESS

- Improving student advising services.
- New programs in development: Bachelor of Computer Science, MA in Kinesiology, MPH in Black Health.
- Summer academies.



DRIVING SCIENTIFIC DISCOVERY

- Experiential learning & research opportunities.
- Cross-divisional research networks and industry collaborations to enhance training and UG research experiences locally and abroad.



FACULTY

- Hiring of up to 54 incremental faculty positions.
- Continued priorities to expand diversity, support new programs, and increase quality of the student experience.

BUDGET PRIORITIES: SHARED SERVICES



SUPPORTING STUDENT SUCCESS

- New technology to improve student advising services.
- Improving registrarial tools for students.
- Redesign of UTAPS bursary program.



POWERING INNOVATION

- Information security program to address risks facing university systems and community.
- Improving financial systems and processes.
- Increasing support for researchers on ethics issues.



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 and advancement activities.
- Supporting the diverse needs of the University community.
- Black Studies librarian and early career residency program.

BUDGET PRIORITY: INFORMATION SECURITY

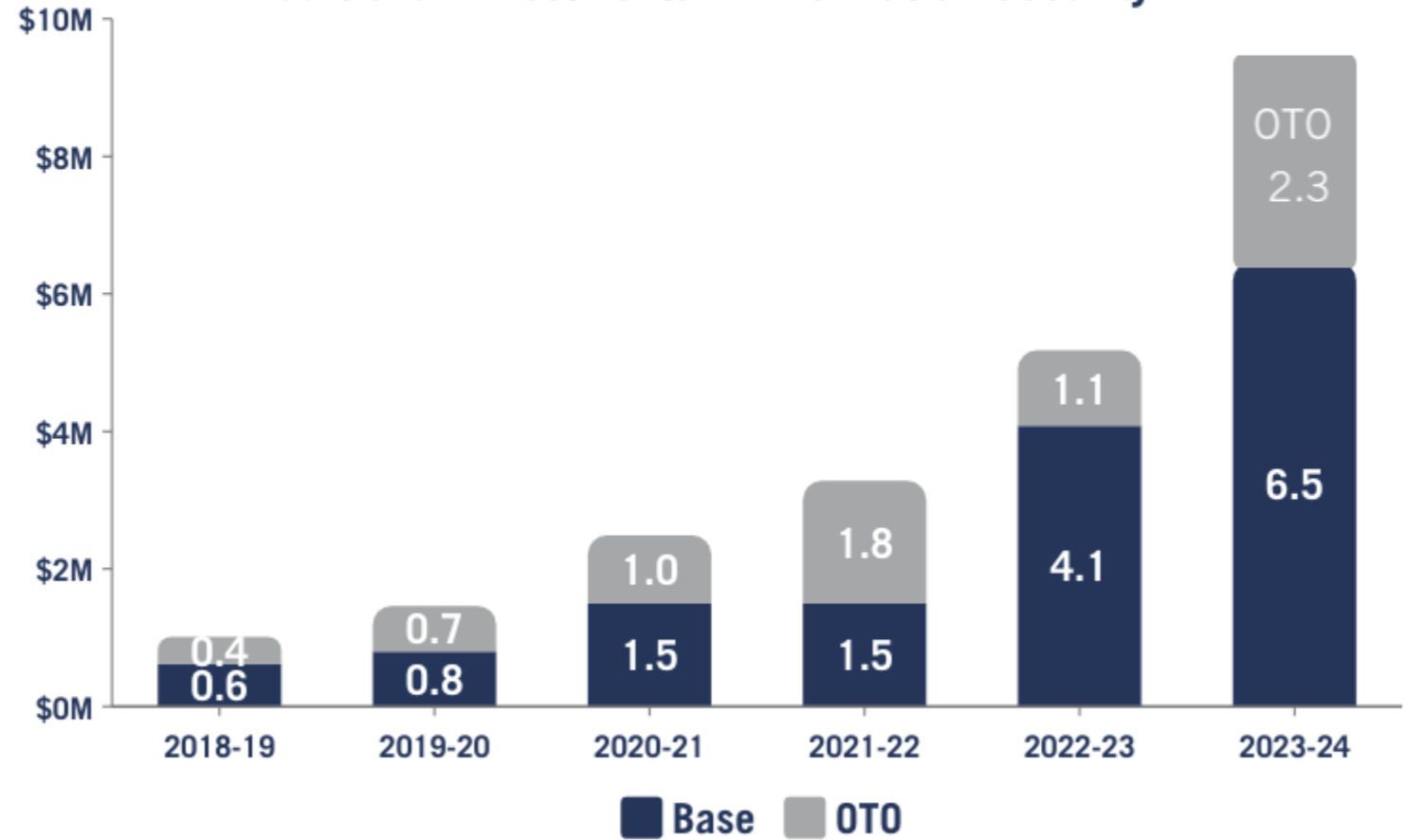
+\$2.4M BASE INCREASE
PER YEAR FOR 2023-24

+ OTO FUNDING FROM
INSTITUTIONAL RESERVES



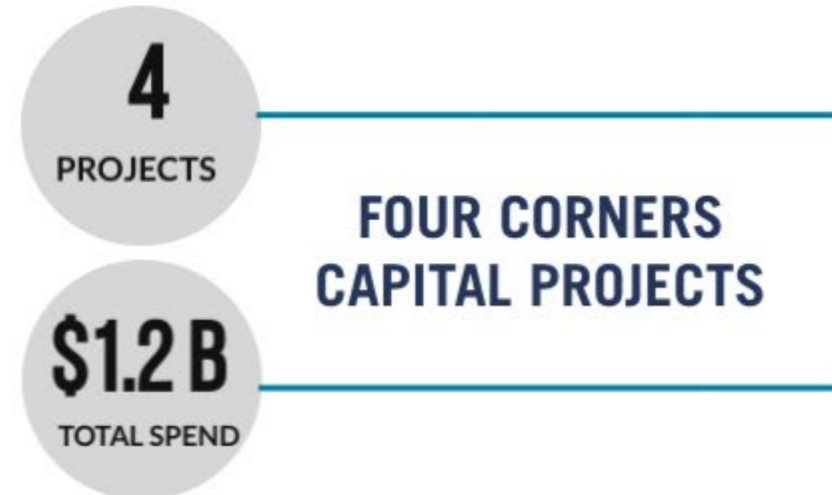
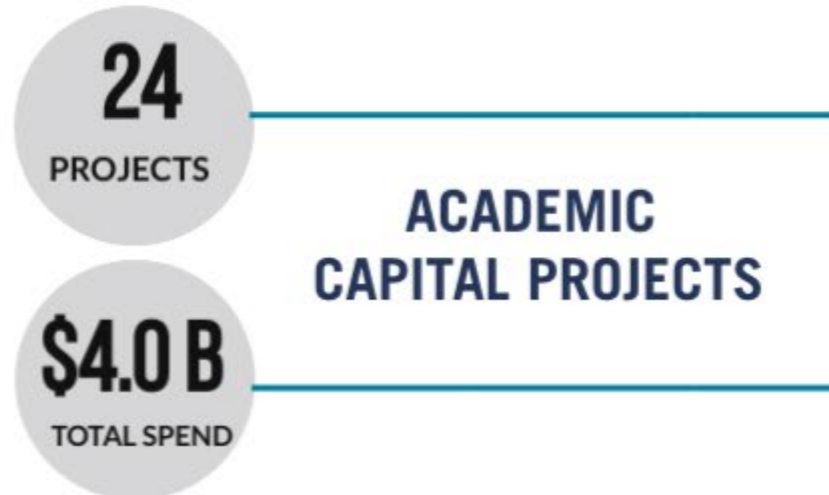
In addition to on-going program support provided by IT units across all three campuses.

Additional Investments in Information Security



CAPITAL PROJECTS & PLANNED INVESTMENTS

5 YEAR PROJECTION



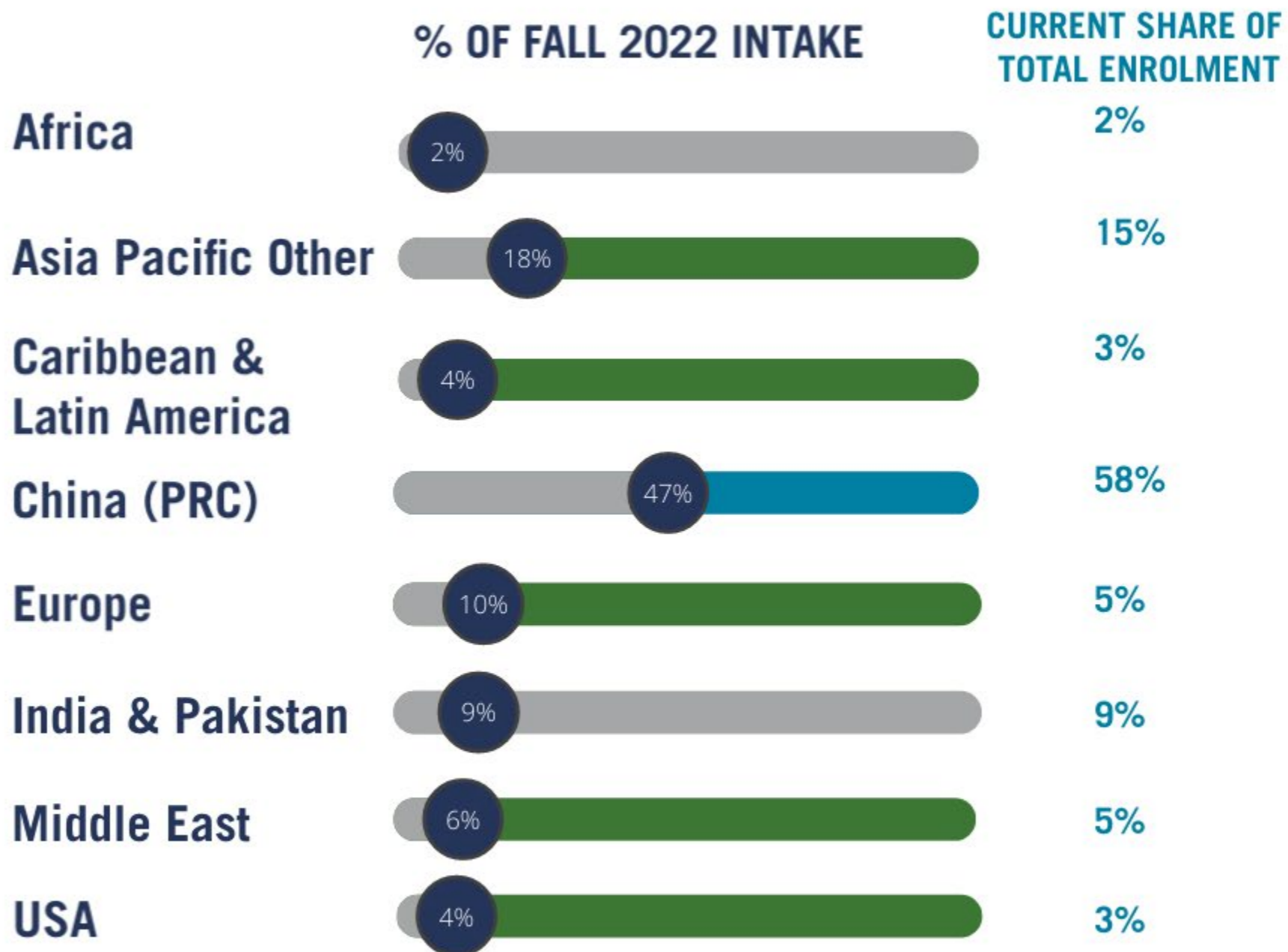
5 Risk



Incoming Undergraduate International Students by Region



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

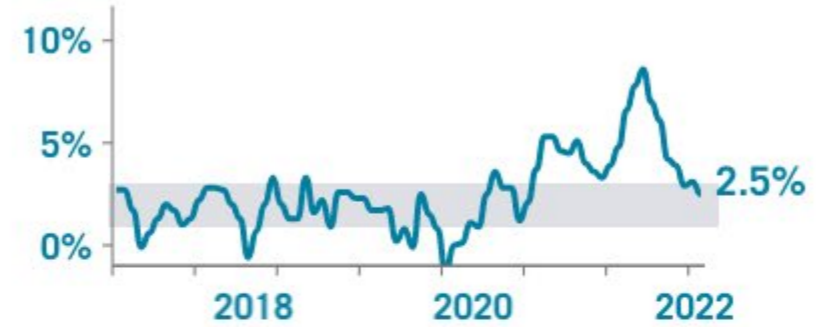


INFLATION PRESSURES

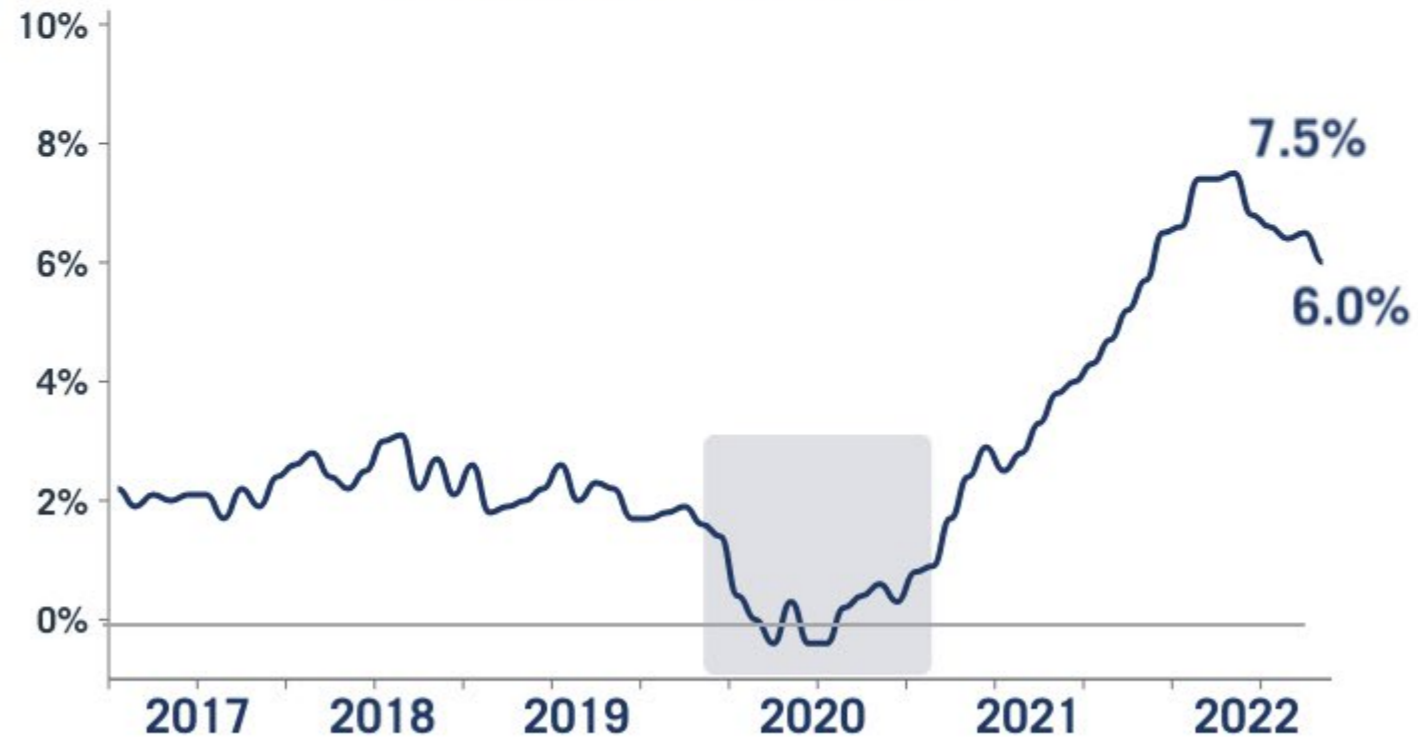
6.0% ANNUAL INFLATION
ON CPI (DEC 2022)
PER YEAR

3.6% AVERAGE OVER THE
LAST THREE YEARS
PER YEAR

3 month annualized CPI excluding energy, food, mortgage interest (CIBC)



CPI Annual Inflation, Toronto



COMPENSATION RISK: 1% SENSITIVITY

**\$19
MILLION**

Estimated cost of
every 1% increase
in Compensation

Every 1% increase is equivalent to:



150 new Assistant Professors

or



260 new USW12 staff positions

or



4.4% increase to domestic
undergraduate tuition fees

or



320 more international students

or



3,100 more domestic A&S students

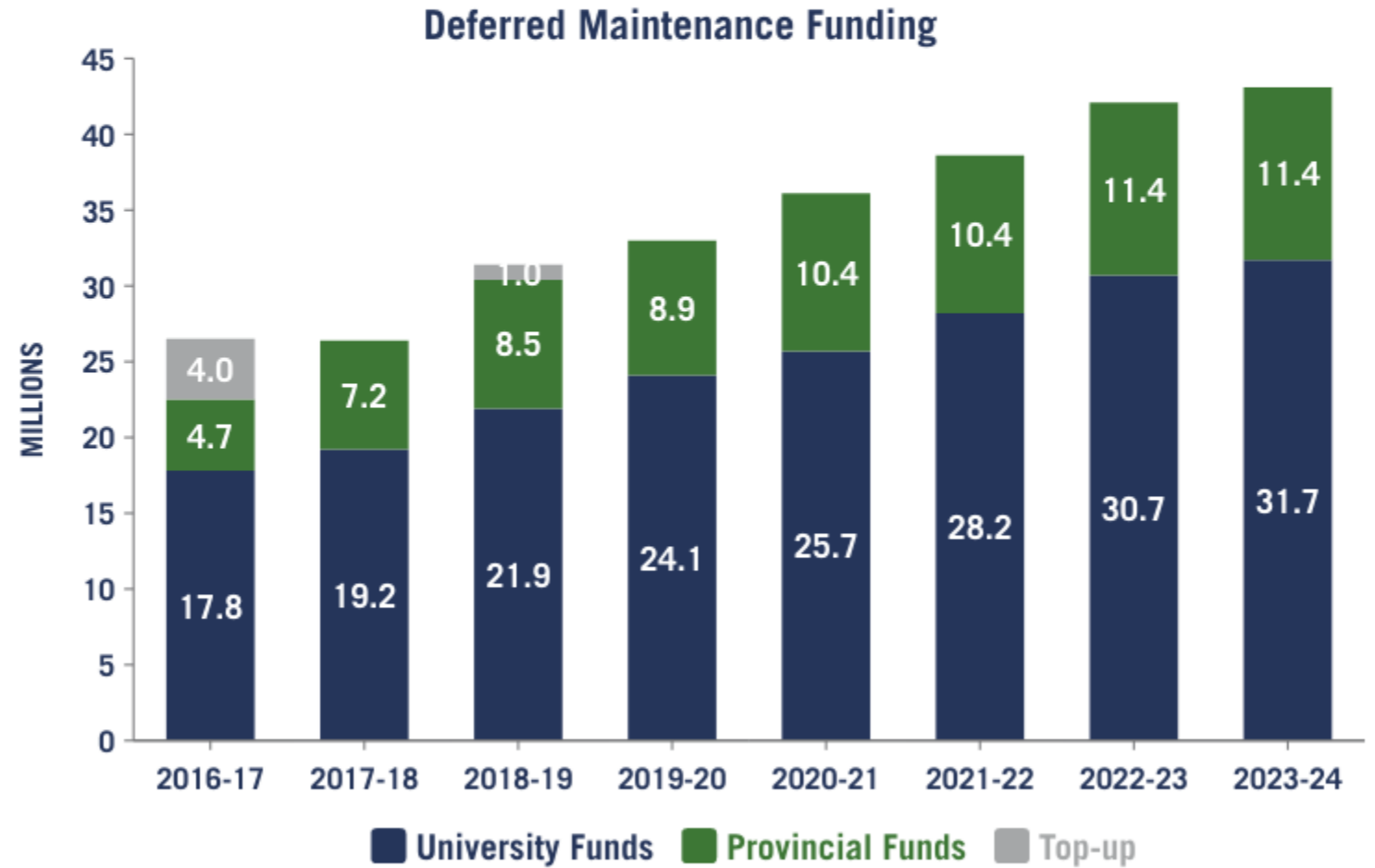
Impact of Compounding: Each 1% increase would increase annual spending by \$97M by year 5 and cost a total of \$289M over five years.

DEFERRED MAINTENANCE FUNDING TRI-CAMPUS

+\$1M  UNIVERSITY INVESTMENT
FOR 2023-24

\$43M TOTAL PLAN FOR 23-24
INCL. PROVINCIAL FUNDS

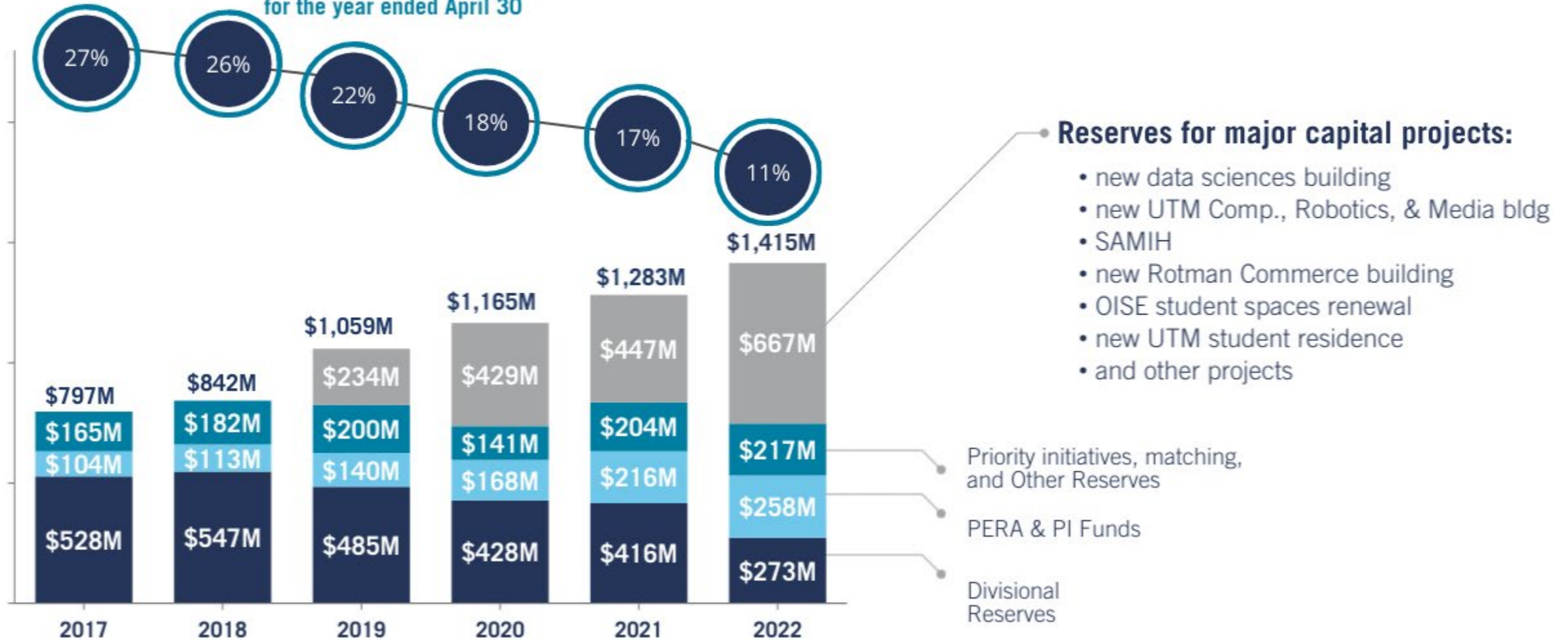
\$961M LIABILITY
OVERALL



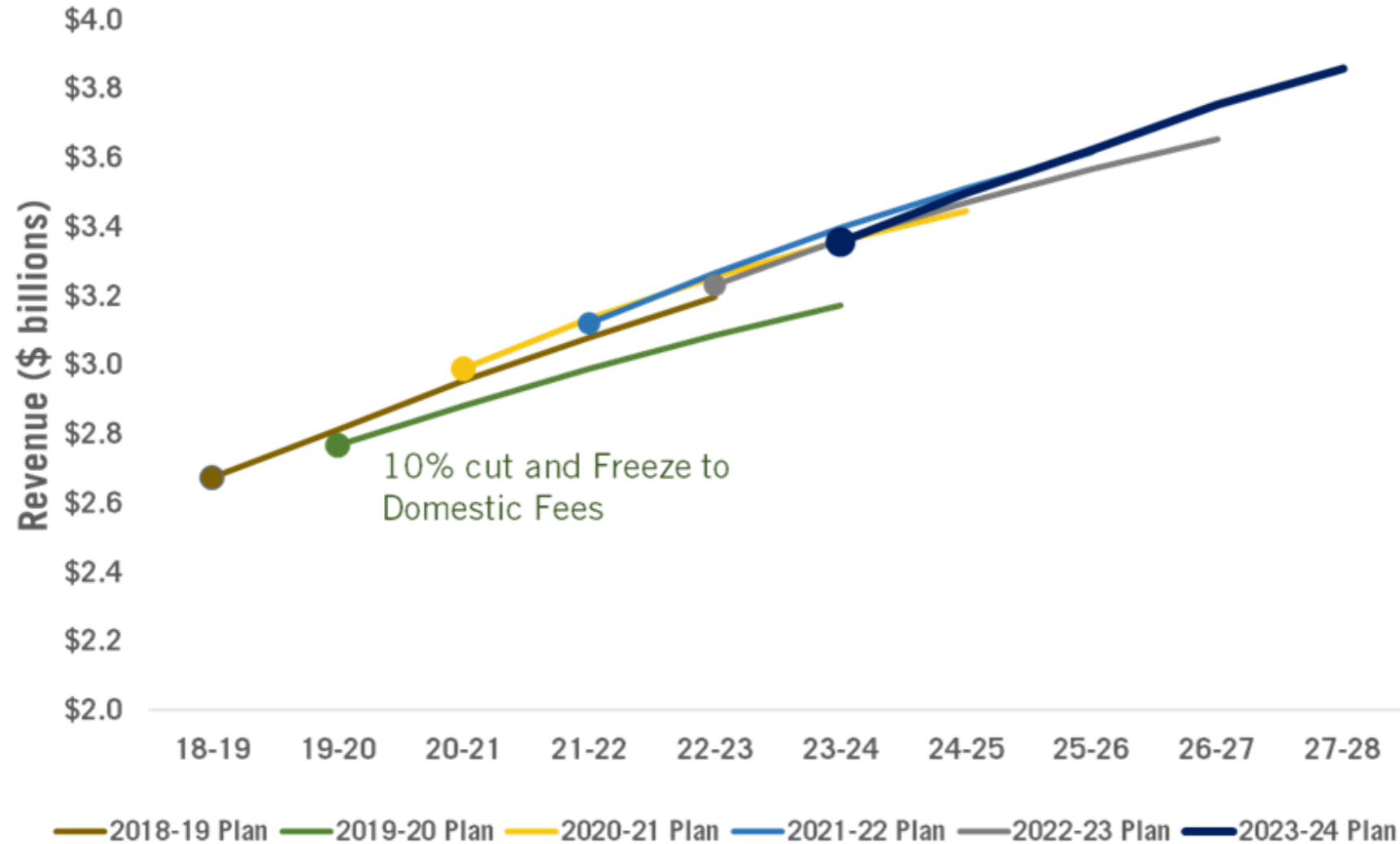
OPERATING RESERVES

Reserves in PERA & PI Funds have increased by **150%** since 2017

Operating Reserves with Divisional Reserves % of Budget
for the year ended April 30



Comparison of Long-Range Plans over Time



BUDGET SUMMARY



ENROLMENT

Domestic enrolment stable within fixed enrolment corridor + expansion for SAMIH. Modest increase in international enrolment.



IMPACT OF COVID-19

Enrolment demand remains strong. Ancillary operations recovering well with full occupancy in residences. Food and transportation services will take more time to recover.



TUITION

Domestic fees for Ontario Residents frozen for another year. 5% increase on domestic non-Ontario Resident undergraduate fees; international fees increase 2.3% on average.



COMPENSATION

Risk of higher compensation increases post-Bill 124. Planned incremental faculty and staff hires in future years within constrained revenue growth.



FINANCIAL AID

Increases to Federal support offsetting cuts OSAP funding during pandemic - uncertain for future. University's financial aid commitment remains. Redesign of UTAPS bursary program. Increases to int'l student scholarships.



INSTITUTIONAL

Diversity and inclusion initiatives, student supports and advising services, support for research initiatives. \$5 billion capital plan. Inflationary pressures.