

Budget 2024-25

and Long Range Budget Guidelines
2024-25 to 2028-29



UNIVERSITY OF
TORONTO

1 Budget Overview



2024-25

Balanced Budget

\$3.52 BILLION

\$164 million increase
over 2023-24 Budget

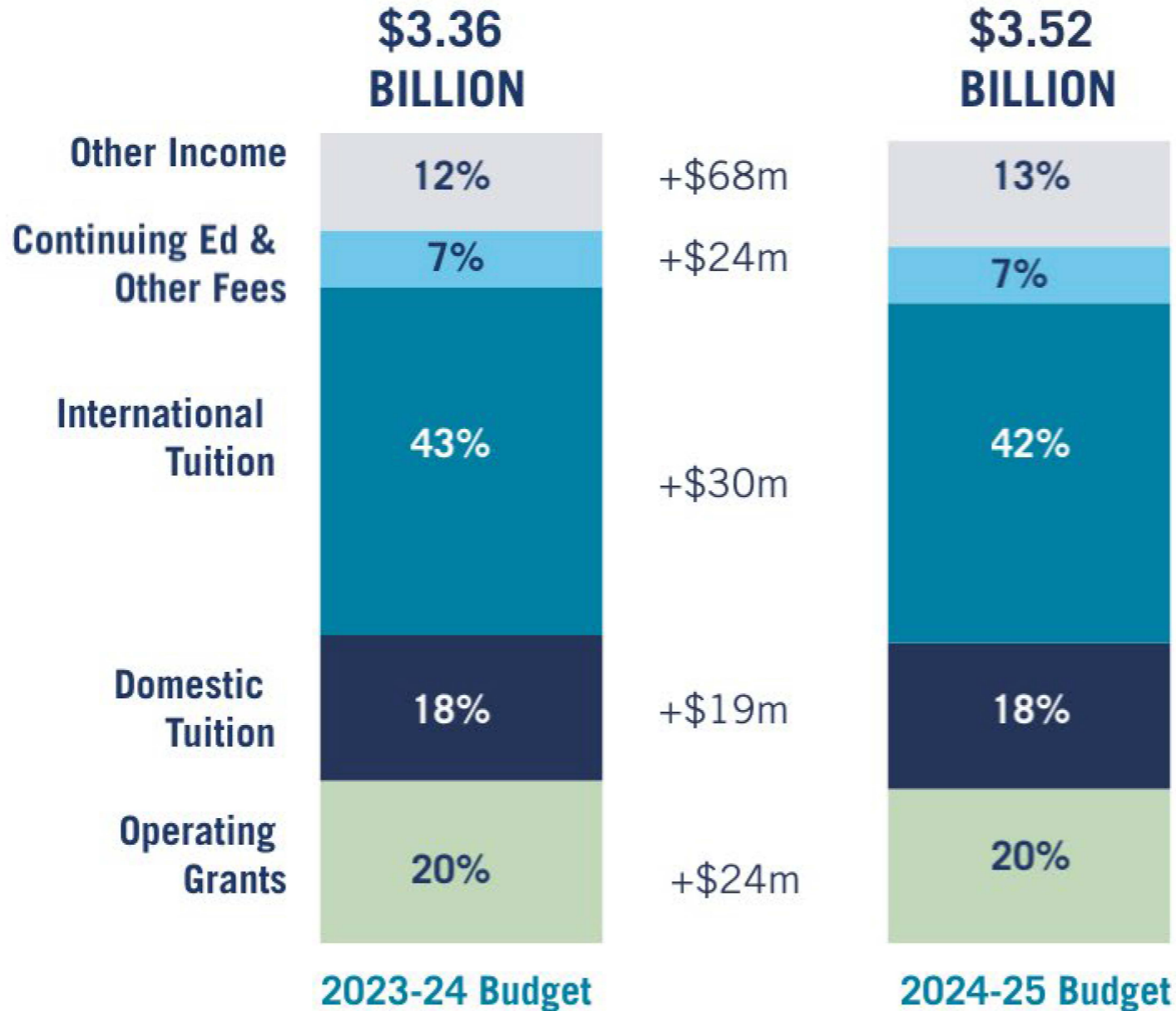
REVENUES



EXPENDITURES



REVENUE GROWTH BY SOURCE



\$164M
Overall Increase
in Operating
Revenue

PROJECTED REVENUE GROWTH RATES

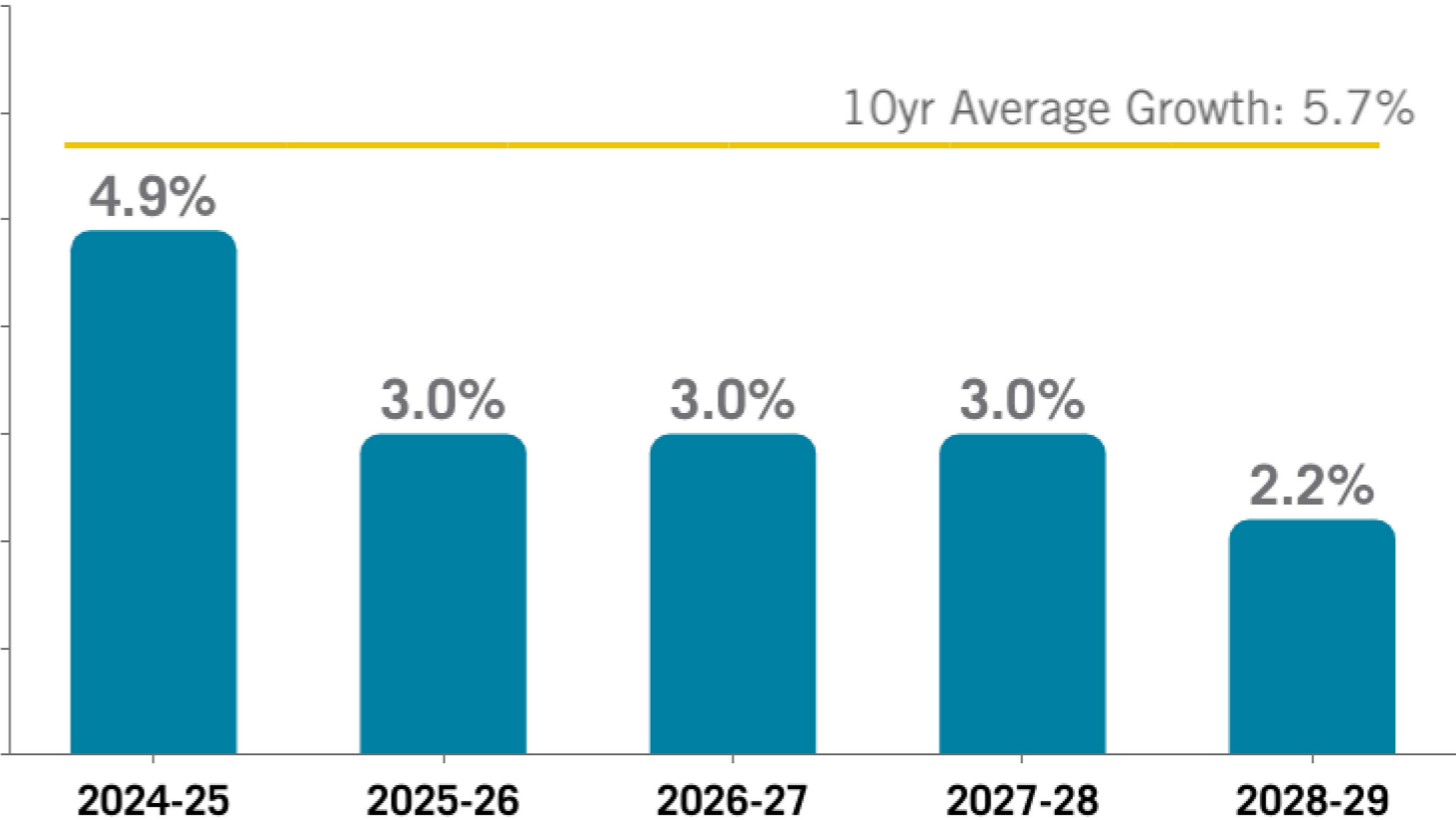
4.9% average

BUT GROWTH RATE VARIES
WIDELY BY DIVISION

-1% ↔ **16%**

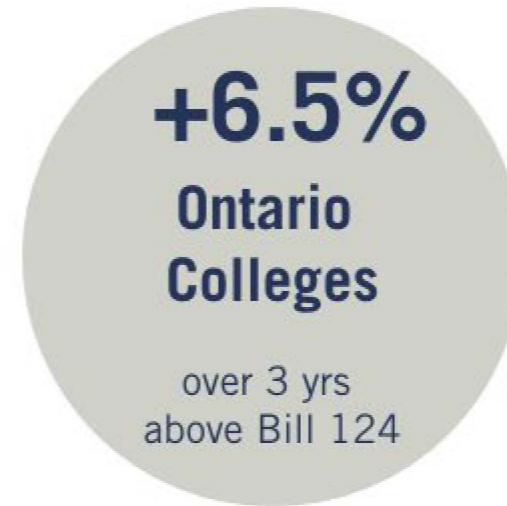
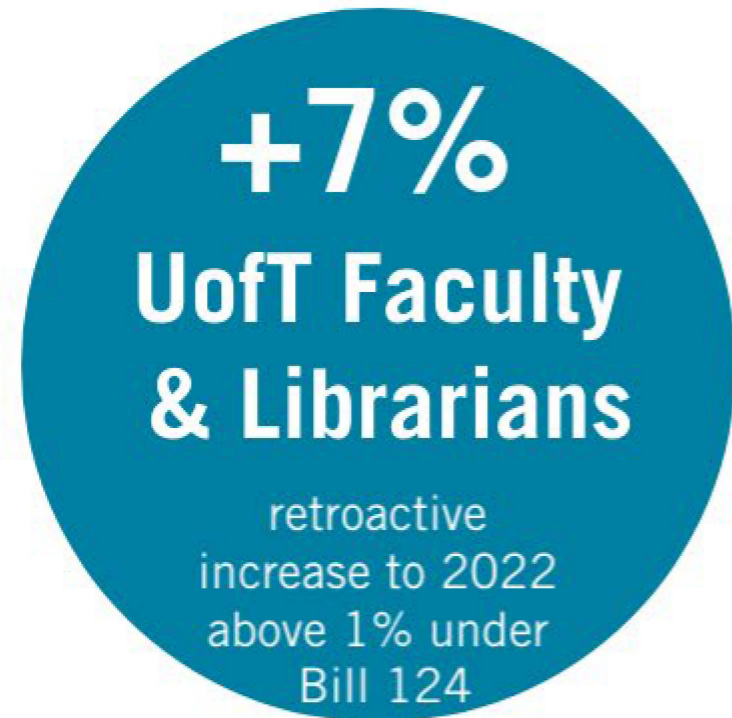
SLOWING REVENUE GROWTH

Annual Revenue Growth



3.0%
Growth Excluding
Investment Income

POST-BILL 124 COMPENSATION DECISIONS



COMPENSATION

ACADEMIC COMPENSATION



\$915 MILLION
FACULTY & LIBRARIANS



\$55 MILLION
SESSIONAL LECTURERS



\$97 MILLION
TEACHING ASSISTANTS



\$45 MILLION
TEACHING STIPENDS



\$32 MILLION
OTHER ACADEMIC

\$2.25 BILLION (estimated)
2024-25 BUDGET

\$1.14B

**ACADEMIC
COMPENSATION**

\$1.03B

**STAFF
COMPENSATION**

\$75M

**PENSION
RISK CONT.**

2023-24 BUDGET

\$2.1 BILLION

+

BUDGET INCREASE

\$164 MILLION

-

PENSION RISK CONT.

REDUCTION

(\$10 MILLION)

Anticipate
returning to more
historical annual
increases after
large increases in
2023-24.

2 Changing Financial Landscape



BLUE RIBBON PANEL RECOMMENDATIONS

Unfreeze Tuition

5% undergrad
8% professional

then linked to CPI
annually

Operating Grants

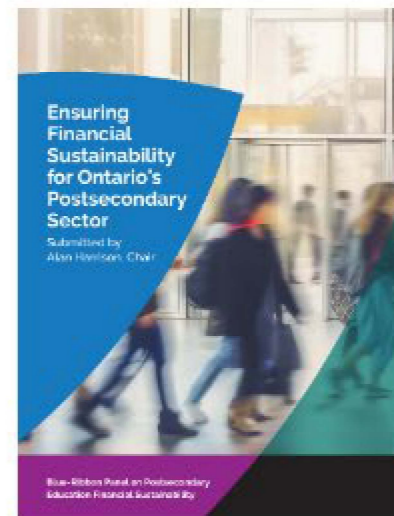
10% increase

then linked to CPI
annually

Enrolment

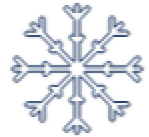
Fungibility
between UG and
Graduate within
corridor

Growth funding in
future



+ BRP Chair
recommended
special
consideration for
the University of
Toronto

PROVINCIAL TUITION FEE FRAMEWORK



Indications that freeze will be extended to a **FIFTH** year following the 10% cut in 2019-20.

2024-25 Budget assumes:

FREEZE
Ontario Residents

offset by \$15 million in
operating grant support

5%
Undergraduate
Non-Ontario Residents

\$195
million

Impact of 10%
cut in 2019-20
and four year
freeze on
annual revenue
as of 2023-24.

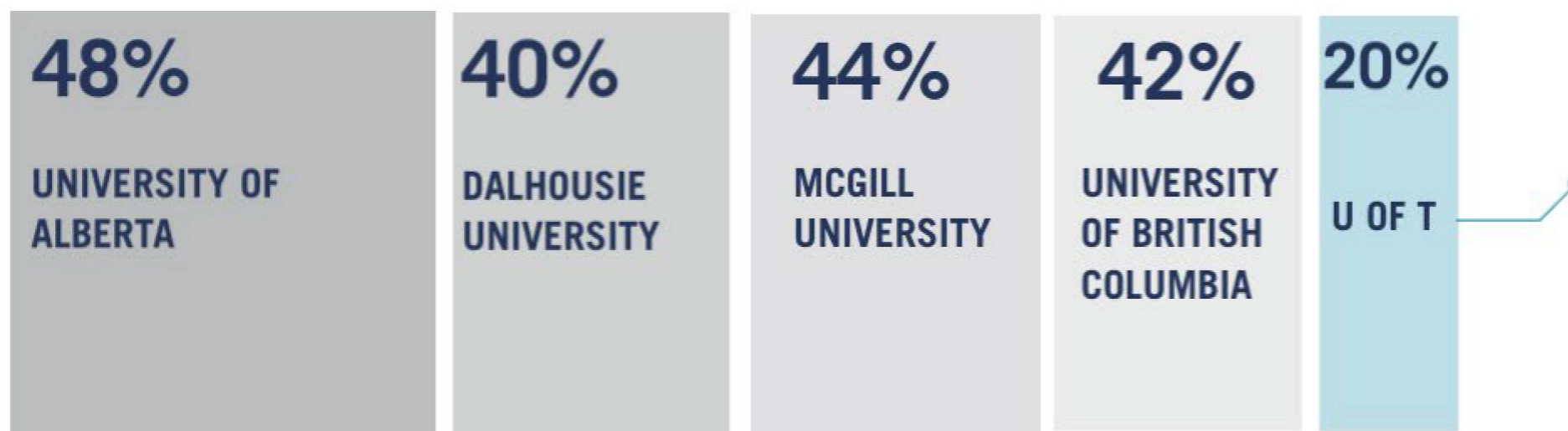


Incoming tuition for MA, MSc, and MScAC will increase by 7.5% under Government's anomaly adjustment program.

Plans will be revisited, if required, when Government announces their 2024-25 tuition fee framework.

PROVINCIAL FUNDING PEER COMPARISON

2021-22



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.

2/3rds
OF THE PER
STUDENT
FUNDING AT
U of A

STRATEGIC MANDATE AGREEMENT

All targets achieved in 2023-24

25% OF FUNDING
LINKED TO SMA
METRICS IN 2024-25
FINAL YEAR OF SMA3



50%
Research

106.4%

Tri-Agency
Research
Funding

126.1%

Private Sector
Research
Funding

125.8%

Economic
Impact
(Start-ups)

50%
Teaching

105.3%

Community
Impact

101.3%

Employment in
a Related Field

106.0%

Institutional
Focus

100.1%

UG Graduation
Rate

122.3%

Experiential
Learning

111.5%

Graduate
Earnings

No Target

Skills &
Competencies

3 Students: Affordability, Access & Outcomes



UNDERGRADUATE DIRECT ENTRY PROGRAM INTAKE FALL 2023

-2.3%
388 STUDENTS
BELOW INTAKE
PLAN FOR FALL
2023

3.4% GROWTH OVER
FALL 2022
532 STUDENTS

				VARIANCE TO 2023 PLAN
DOMESTIC	10,667	10,772	11,041	+2.5% 269 students
INTERNATIONAL	5,162	5,977	5,320	-11% (657) students All three campuses under on int'l
	15,829	16,749	16,361	
	FALL 2022	FALL 2023 PLAN	FALL 2023 ACTUAL	

UNDERGRADUATE ENROLMENT RESULTS



FALL 2023 FTEs

43,062 ● — **ST. GEORGE** — ● 43,149

12,797 ● — **UTM** — ● 13,460

11,602 ● — **UTSC** — ● 11,619

**TOTAL FTE ENROLMENT
2023-24**

68,228

Total undergraduate FTE enrolment including both domestic and international students.

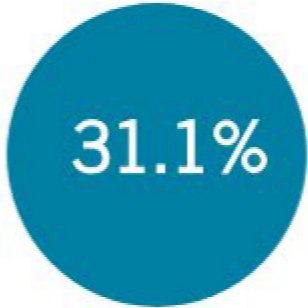
VARIANCE TO PLAN

+767 (+1.1%)



2,457 growth over 2022-23

2023 - 2028
PLANNED INTERNATIONAL SHARE
OF TOTAL
UNDERGRADUATE
ENROLMENT



International undergraduate student FTEs
21,240

2023-24

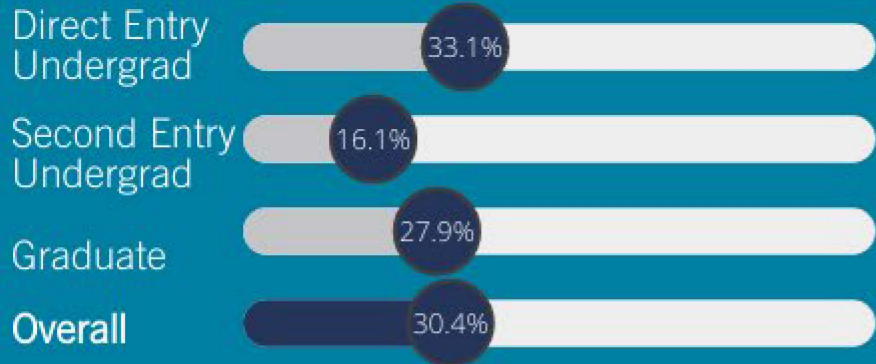


International undergraduate student FTEs will increase to
22,424

2028-29

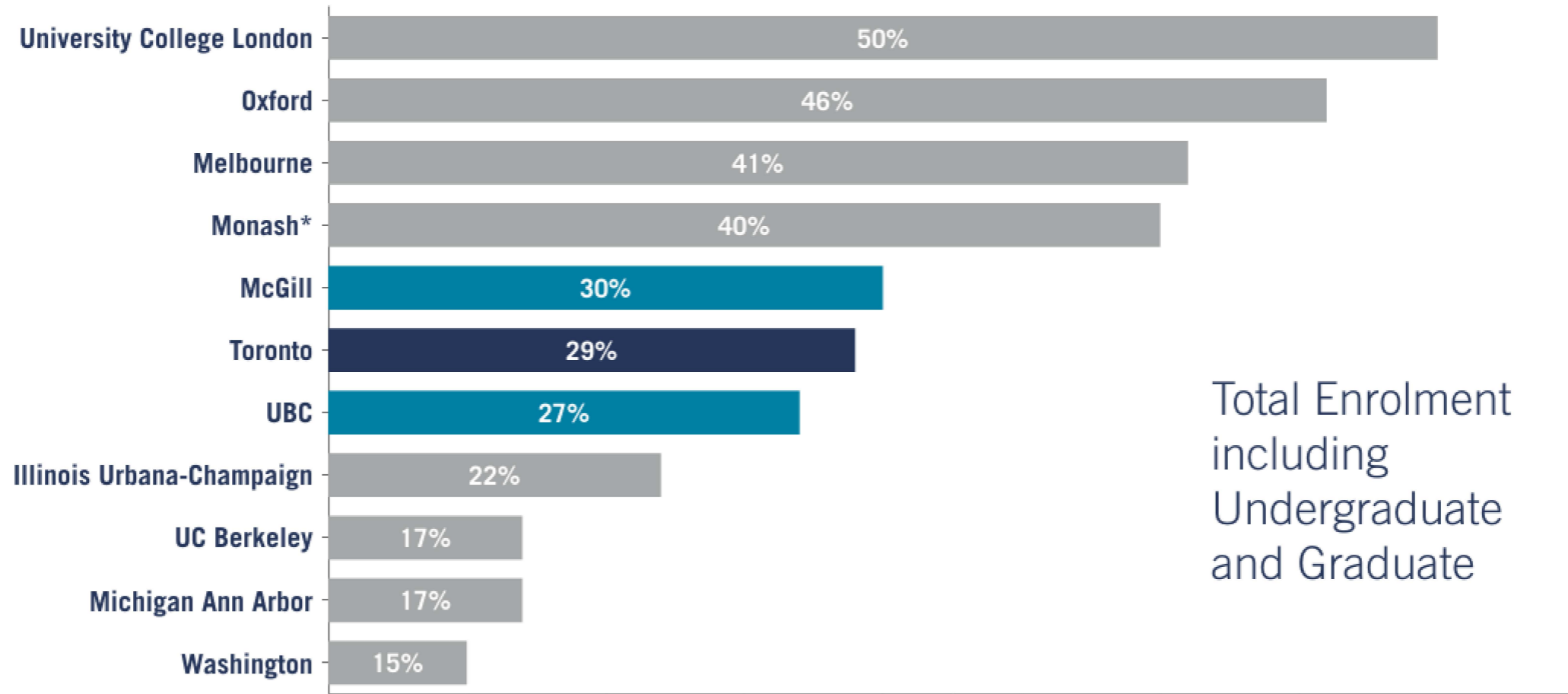
UofT is also adding **2,500** domestic students over this period

% INTERNATIONAL BY LEVEL 2023-24:



International Enrolment - Fall 2022

International Percentage of Total Enrolment - Fall 2022
International & Canadian Peer Institutions



Total Enrolment including Undergraduate and Graduate

* as of Fall 2020 for Monash

OSAP CHANGES AND PARTICIPATION

Undergraduate OSAP Recipients & Participation Rates
University of Toronto

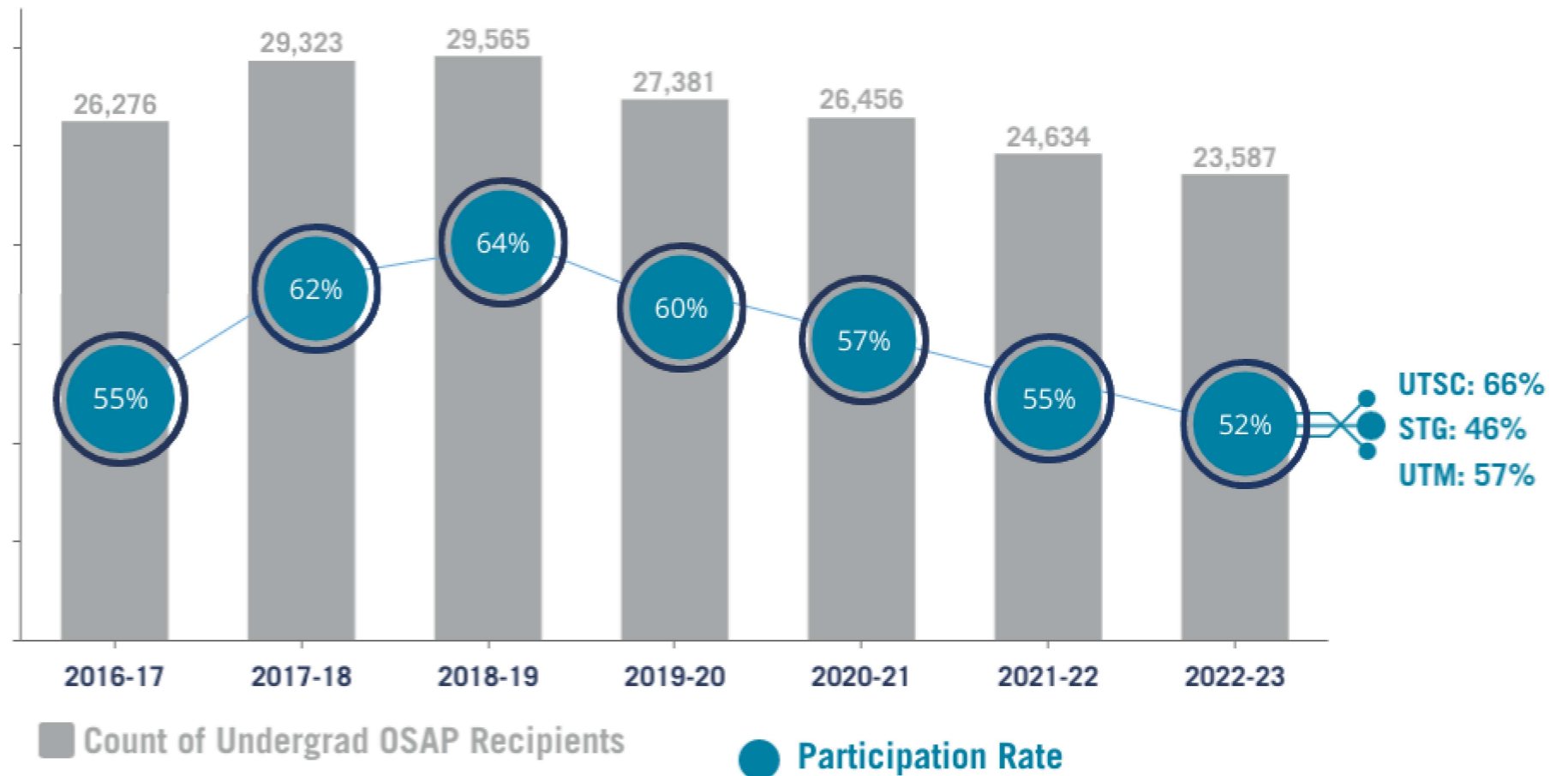
PROVINCIAL OSAP CRITERIA CHANGES IN 2019-20

More targeted to low income support.

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

All recipients now receive a portion of funding as a loan.

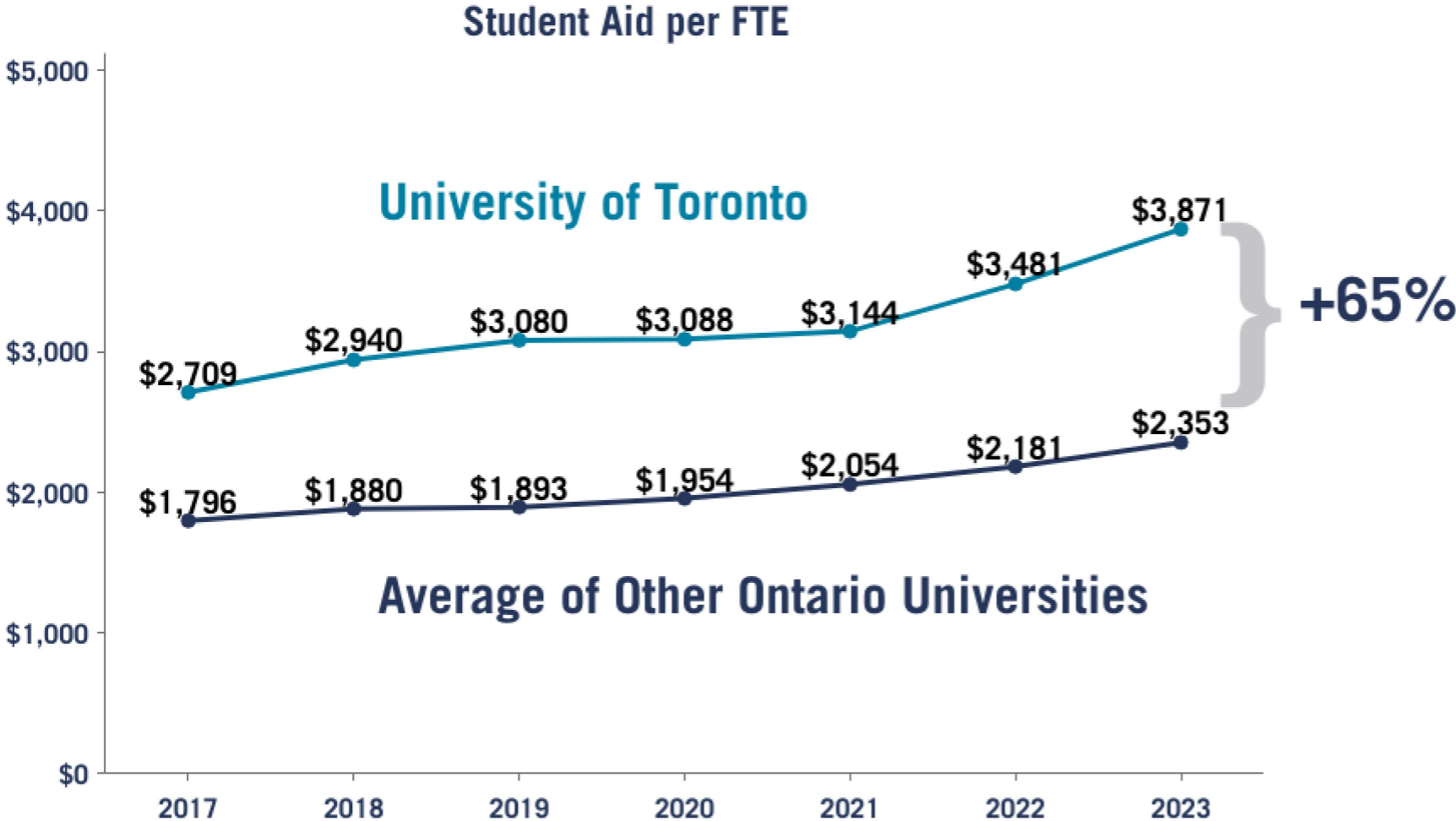
RESULT: Fewer students qualify



STUDENT AID EXPENDITURES

**\$1.4B Endowed
Funds for Student
Support**

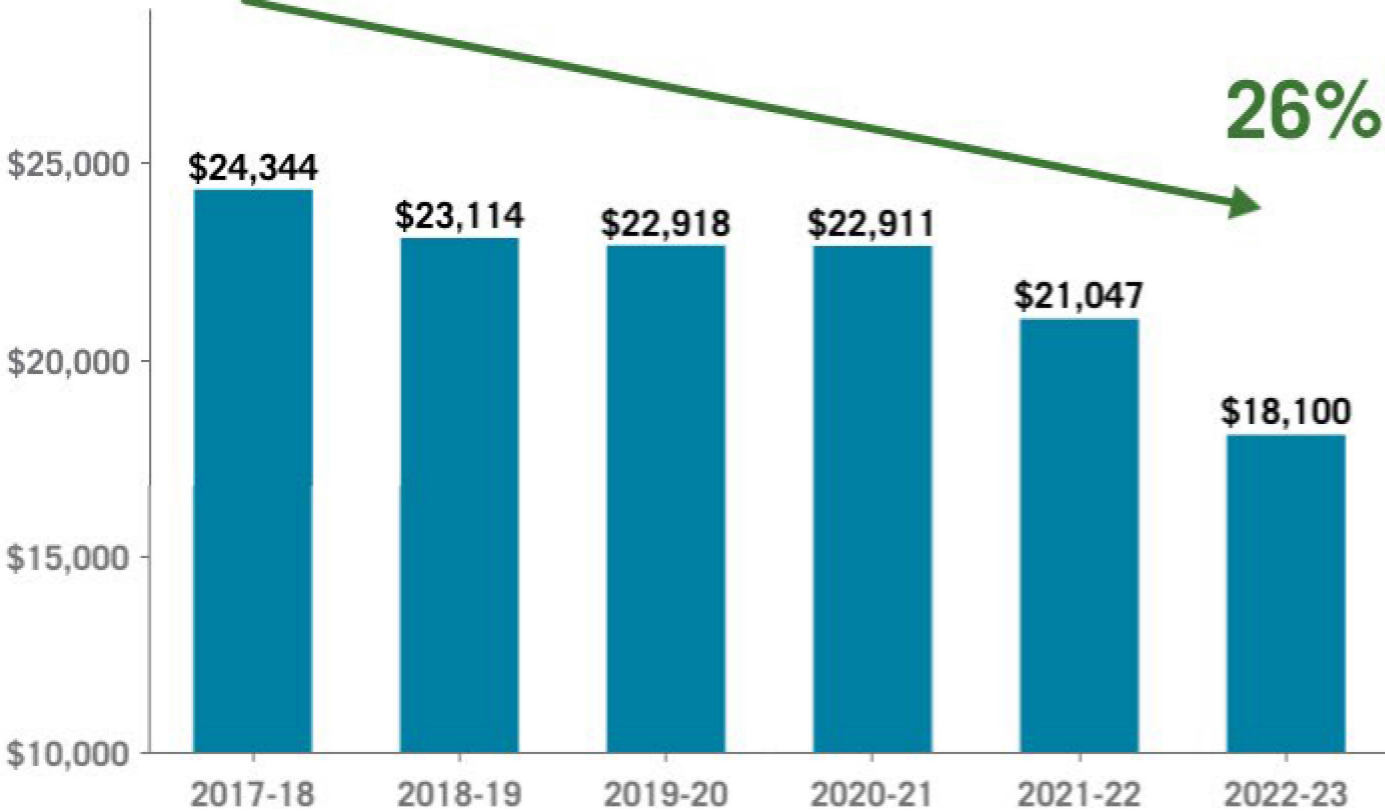
(43% of total Endowment)



**\$380
MILLION**
Financial Aid Budget
2024-25

STUDENT DEBT LOAD 2017 - 2022

(OF THOSE WITH OSAP DEBT)



Average Repayable Debt at Graduation (2022\$)



61% OF DIRECT ENTRY UNDERGRADUATE STUDENTS HAVE NO OSAP DEBT UPON GRADUATION.



AVERAGE REPAYABLE DEBT AT GRADUATION HAS DECLINED 26% IN REAL TERMS SINCE 2017-18



1% RATE OF DEFAULT ON OSAP LOANS VERSUS 1.9% FOR OTHER ONTARIO UNIVERSITIES

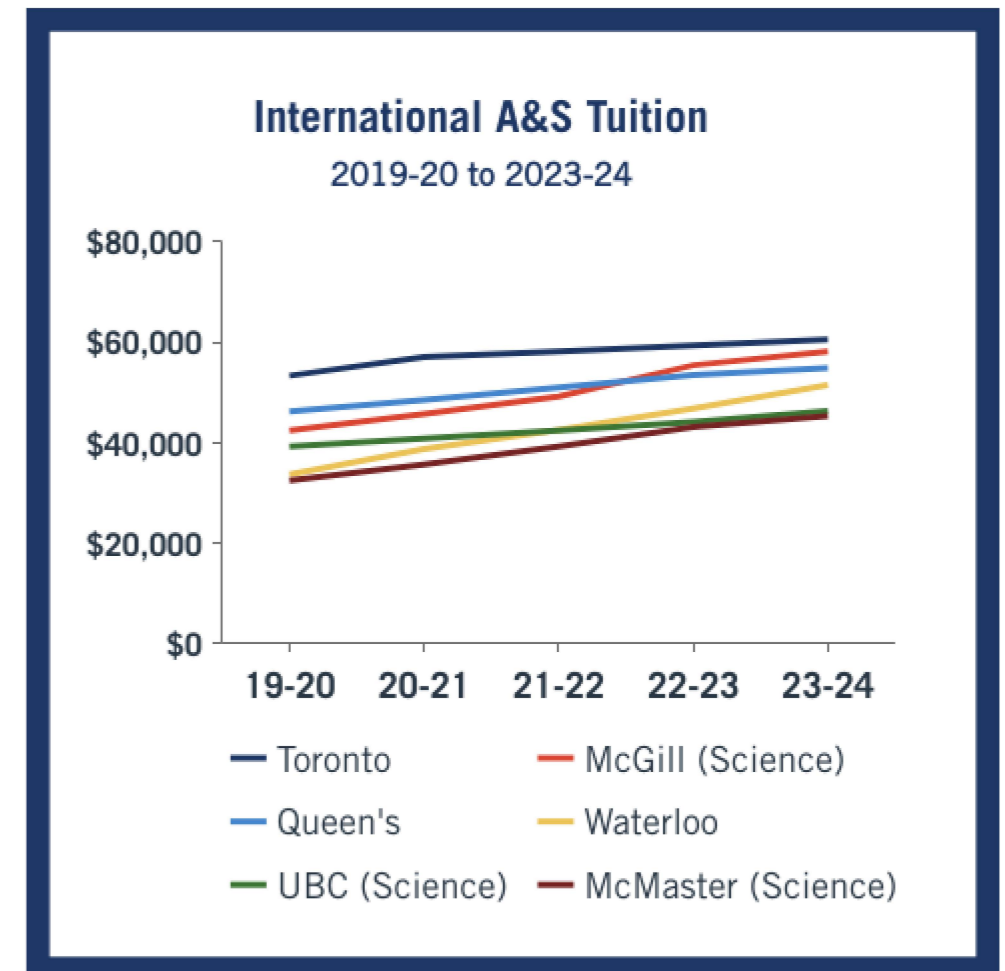
International and Out-of-state Arts & Science Tuition

Peer Institutions (2023-24)

2024-25 tuition fees for A&S programs will increase by 2%

	2023-24 TUITION	PERCENTAGE INCREASE IN 2023-24
Univ. of Michigan*	\$77,930	5%
U of T	\$60,510	2%
McGill Science	\$58,159	5%
Queen's	\$54,808	2.5%
Waterloo	\$51,448	10%
UBC Science	\$46,293	5%
McMaster Science	\$45,272	5%

*In Canadian dollars converted at 2023 Bank of Canada average of \$1.35



INTERNATIONAL SCHOLARSHIP PROGRAMS



**\$90
MILLION**

2024-25 Budget plan for
International Scholars and
Pearson Scholarship
programs

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 (2023)

4 Budget Initiatives



UNIVERSITY FUND ALLOCATION

\$3.3M

Student Success



- Classroom technology
- Academic program innovation
- Graduate funding
- ONRamp

\$8.1M

Research & Innovation



- Interdisciplinary research projects (Institutional Strategic Initiatives)
- Institutional core facilities
- Divisional research grant officers
- Major Research Project Management Fund

\$1.7M

Building Inclusive Cities & Societies



- EDI Inclusive Research Networks
- Environment, Climate Change & Sustainability Committee

\$15.5M

Investing in Divisional Priorities



- Support to divisions for their priorities as they manage extraordinary increases in compensation costs
- Divisional initiatives that enhance teaching & research excellence

BUDGET INITIATIVES: ACADEMIC DIVISIONS



SUPPORTING STUDENT SUCCESS

- Enhancements to graduate funding packages and UG need-based aid.
- New academic programming in data science, global leadership, life sciences, and computer science.
- Flexible program delivery and more summer course options.



RESEARCH & INNOVATION

- Cross-divisional research networks and industry collaborations to enhance training and UG research experiences locally and abroad.
- Capital investments in cutting edge teaching and research space.



BUILDING INCLUSIVE CITIES & SOCIETIES

- Expansion of outreach initiatives, dedicated application pathways, and academic advising systems to support access.
- Investments in international supports to strengthen global diversification.



FACULTY

- Hiring of up to 30 incremental faculty positions.
- Continued priorities to expand diversity, support new programs, and ensure quality of the student experience.

BUDGET INITIATIVES: SHARED SERVICES



SUPPORTING STUDENT SUCCESS

- Roll-out of new student advising services.
- Improving credit transfer and absence declaration processes & tools.
- Undergraduate admissions system.



RESEARCH & INNOVATION

- Tools for scholars to manage research grants.
- Funding for library acquisitions to maintain & expand our world-class holdings.
- Expansion of support for Joint Health & Safety Committees.



INFRASTRUCTURE

- Addressing deferred maintenance and renewing aging utilities infrastructure.
- New administrative systems for process efficiencies.
- SecureTogether information security program.

CAPITAL PROJECTS & PLANNED INVESTMENTS

5 YEAR PROJECTION



15% | Cash Reserves

35% | Future Cash Contributions

25% | Donations, Gov't, Partnerships

25% | Debt

29

PROJECTS

ACADEMIC

4

PROJECTS

FOUR CORNERS

5 Risk





Ottawa announces two-year cap on international student visas

January 22, 2024

What we know:

- New cap on study permits for 2024 with a 50% reduction for Ontario.
- 1st Year housing guarantee required.
- Alignment with labour market needs.
- Program review for "quality".
- Graduate students exempted.
- Elimination of Post-Grad Work Permits (PGWP) for graduates of Public-Private Partnerships (PPP).

What we don't know:

- How will Ontario allocate their share of permits across postsecondary institutions?
- How will the changes to PGWP program impact demand for PPP programs?

Budget plan includes international intake growth of 670 students, consistent with 2023 targets.

**\$40+ million
risk in 2024-25**

Undergraduate International Students by Region



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

	% OF FALL 2023 INCOMING CLASS		% OF TOTAL CURRENT ENROLMENT
Africa	3%	↑	2%
Asia Pacific Other	19%	↑	16%
Caribbean & Latin America	4%	↑	4%
China (PRC)	46%	↓	55%
Europe	8%	↑	5%
India & Pakistan	8%	↓	9%
Middle East	7%	↑	5%
USA	5%	↑	4%

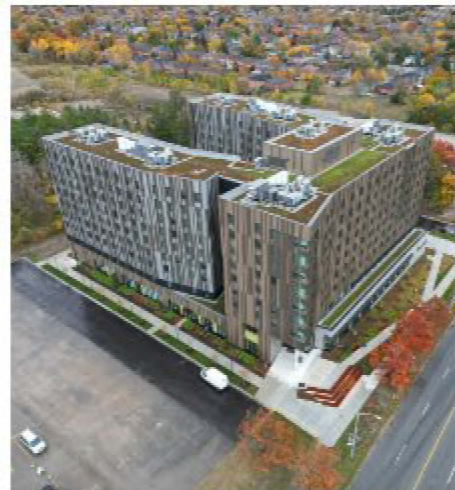
STUDENT HOUSING



10,500

Student spaces available across the three campuses and Federated Universities

+1,250 in planning & construction



Harmony Commons
UTSC



Oak House
STG



CampusOne
STG



Phase IX Residence
UTM

INFLATION PRESSURES

3.4%

PER YEAR

**ANNUAL INFLATION
ON CPI (DEC 2023)**

CPI Annual Inflation, Canada



PENSION PLAN RISK CONTINGENCY

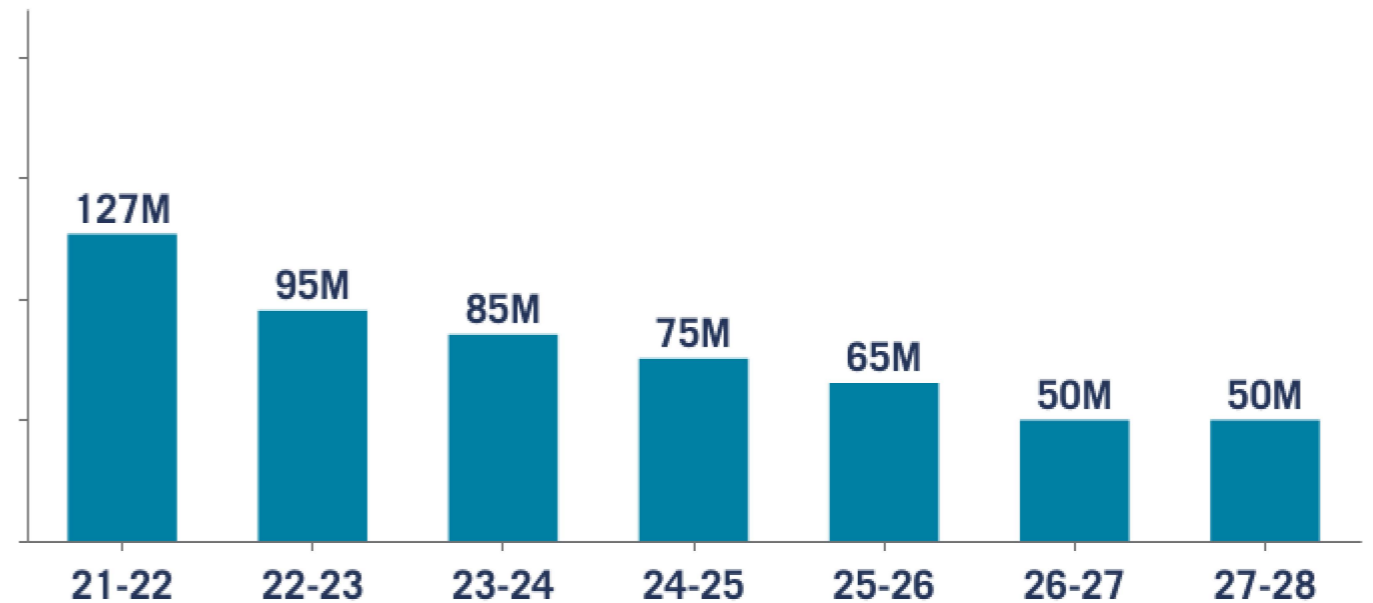


Pension transferred to new UPP Ontario in 2021. However, University responsible for any future deficits for 10 years.



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

Pension Risk Contingency Budget Plan
2021-22 to 2027-28

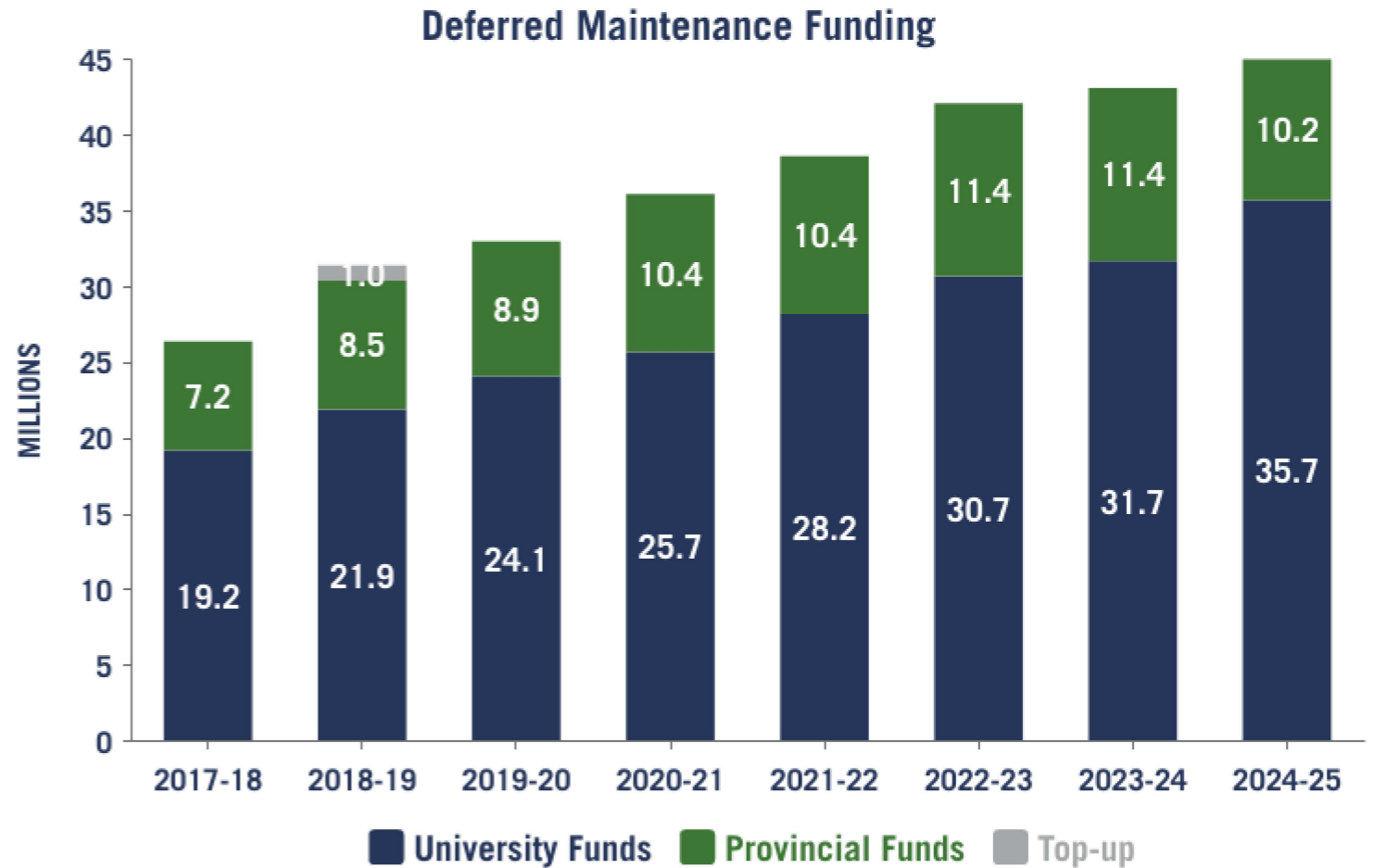


DEFERRED MAINTENANCE FUNDING TRI-CAMPUS

+\$4.0M UNIVERSITY INVESTMENT
FOR 2024-25

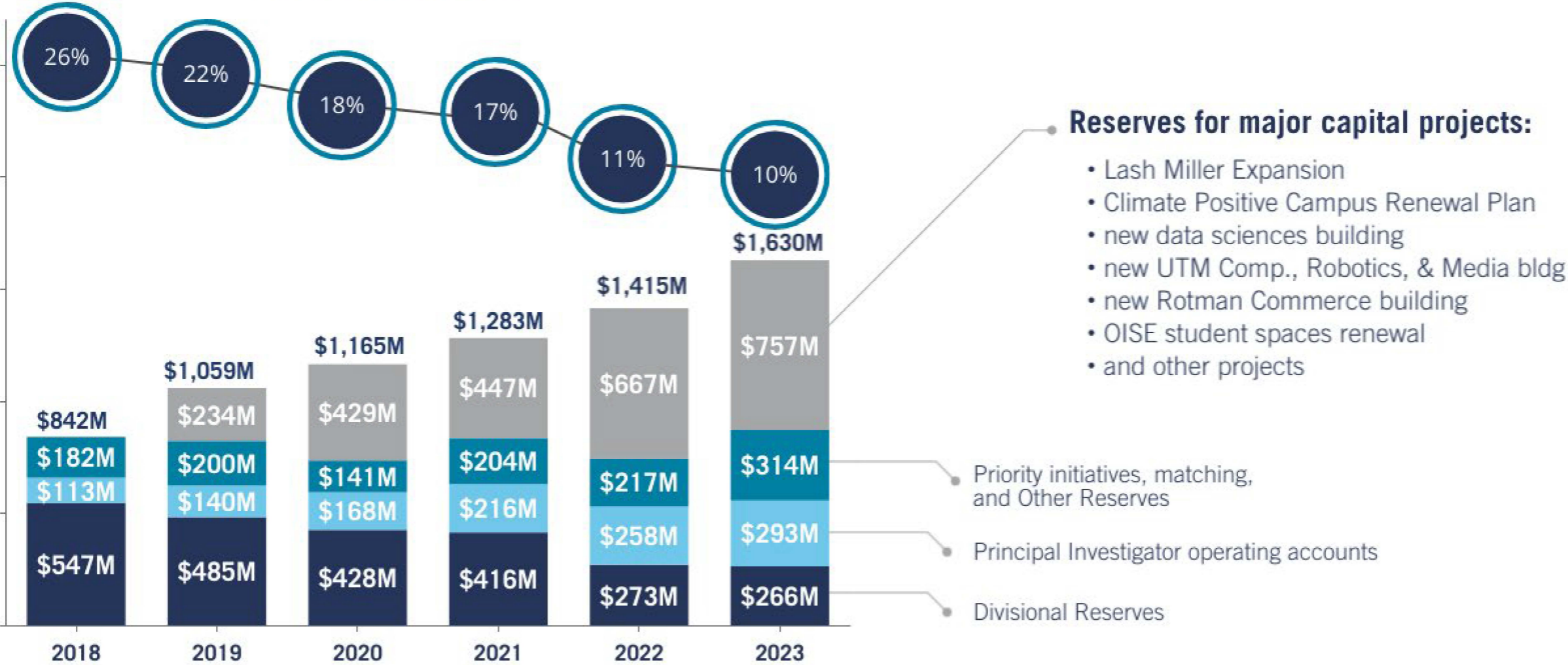
\$45.9M TOTAL PLAN FOR 24-25
INCL. PROVINCIAL FUNDS

\$1.193 Billion LIABILITY
OVERALL



OPERATING RESERVES

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



Reserves for major capital projects:

- Lash Miller Expansion
- Climate Positive Campus Renewal Plan
- new data sciences building
- new UTM Comp., Robotics, & Media bldg
- new Rotman Commerce building
- OISE student spaces renewal
- and other projects

The BUDGET and the FINANCIAL STATEMENTS

Cash-Based

**OPERATING
BUDGET**

**\$3.52 BILLION
BALANCED**

Adjustments

- Exclude spending on capital & equipment.
- Exclude funds reserved for future capital projects & priorities.
- Other accounting adjustments.

(\$300 million)



Example

\$100 million Capital Project
 Cash Spent from Op Revenue: \$100m
 Year 1 reported expense: (\$2.5m)
 Year 1 Net Income: \$97.5m

Accounting-Based

OPERATING FUND

ANCILLARY OPERATIONS
(residences, food, etc.)

RESTRICTED FUND
(donations, research)

CAPITAL FUND
(amortization of capital)

\$234M
Projected
Net Income

\$300M

\$26M

\$15M

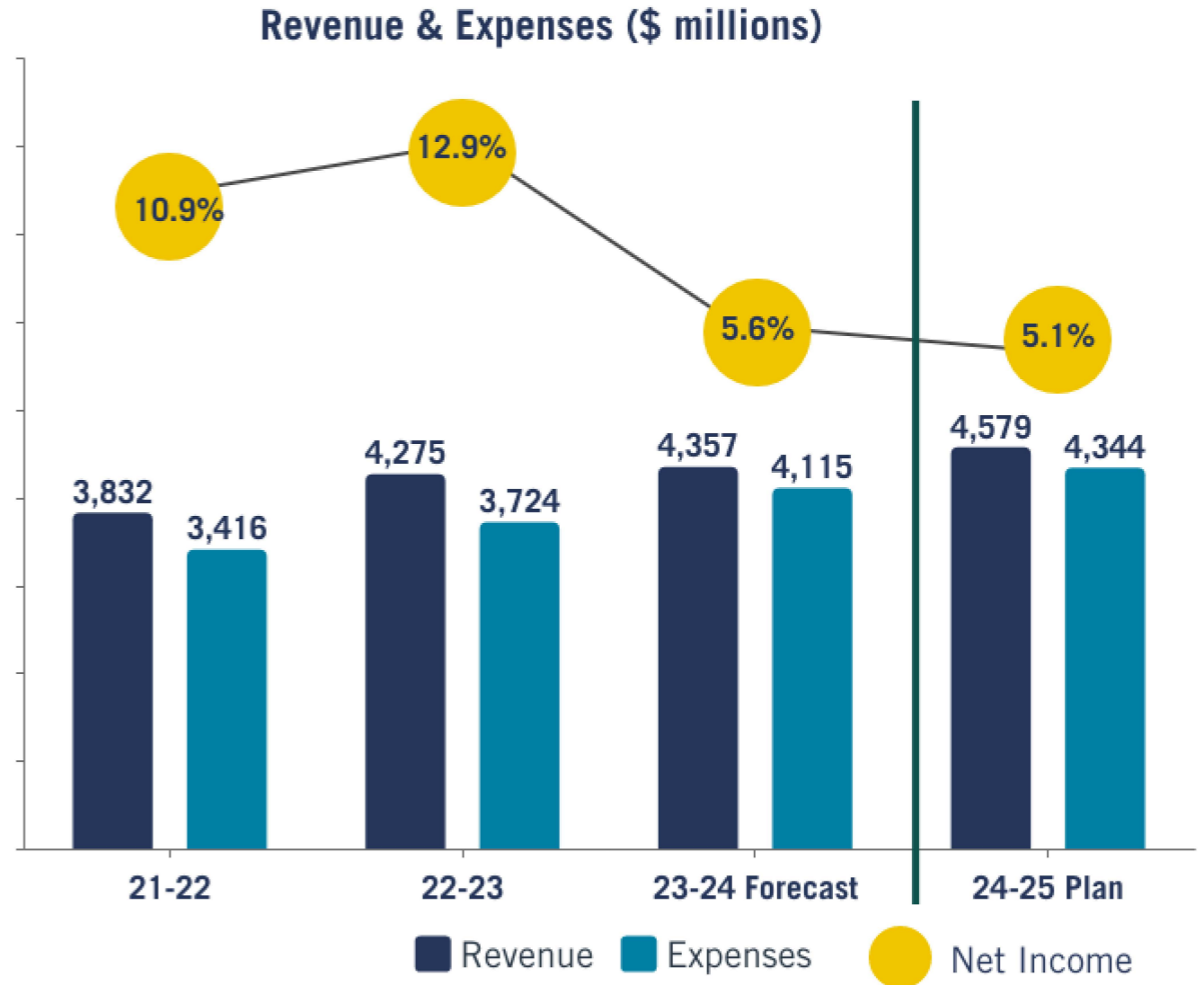
(\$107M)

FINANCIAL STATEMENT OF OPERATIONS

The University's overall Statement of Operations is an accounting view of revenues and expenses – across operating, ancillary, restricted & capital funds. It includes significant adjustments related to how capital spending is reported.

5.1%

**Planned 2024-25
Net Income on an
accounting-basis
across all four funds.**



BUDGET SUMMARY



DOMESTIC ENROLMENT

Domestic enrolment stable within fixed enrolment corridor + expansion for SAMIH.



TUITION

Extension of freeze on Ontario resident domestic fees; 5% increase to domestic non-Ontario Resident undergraduate fees; 2.1% average increase to international fees.



FINANCIAL AID

University's financial aid commitment remains. Redesign of UTAPS bursary program. Increases to int'l student scholarships.



INTERNATIONAL ENROLMENT

Modest increase in international enrolment. Uncertainty about new limits on international undergraduate student permits.



COMPENSATION

Post-Bill 124 compensation increases, requiring adjustments to divisional plans.



INSTITUTIONAL

Deferred maintenance, information security, administrative systems.
\$4.1 billion capital plan.

Budget 2024-25



UNIVERSITY OF
TORONTO