

# Budget 2025-26

and Long Range Budget Guidelines  
2025-26 to 2029-30



UNIVERSITY OF  
TORONTO

# BUDGET HIGHLIGHTS

Balanced budget of \$3.62 billion but in a new planning environment with headwinds.



## DOMESTIC ENROLMENT

Very strong demand but limited by Government funded corridor.



## TUITION

Domestic tuition remains frozen for Ontario residents.  
2.9% average increase in int'l tuition.



## FINANCIAL AID

Graduate funding, need-based bursaries, international scholarships.



## INTERNATIONAL ENROLMENT

Changing immigration policies.  
New cap on international students



## COMPENSATION

Continued pressure from post-Bill  
124 decisions



## INSTITUTIONAL

Information security, administrative systems. Operational Excellence.

# 1 Budget Overview



2025-26

# Balanced Budget

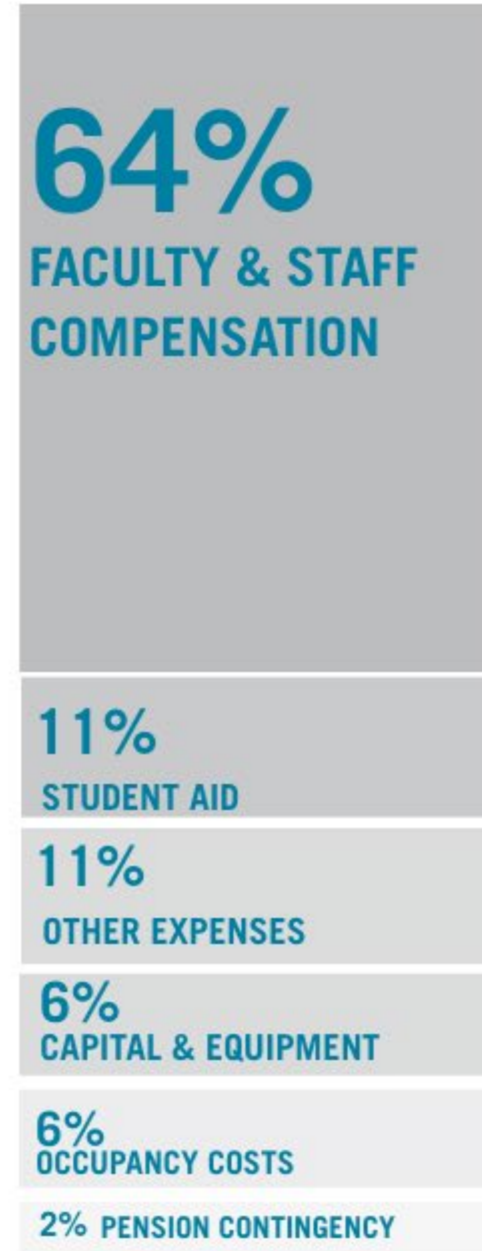
**\$3.62 BILLION**

\$98 million increase  
over 2024-25 Budget

## REVENUES



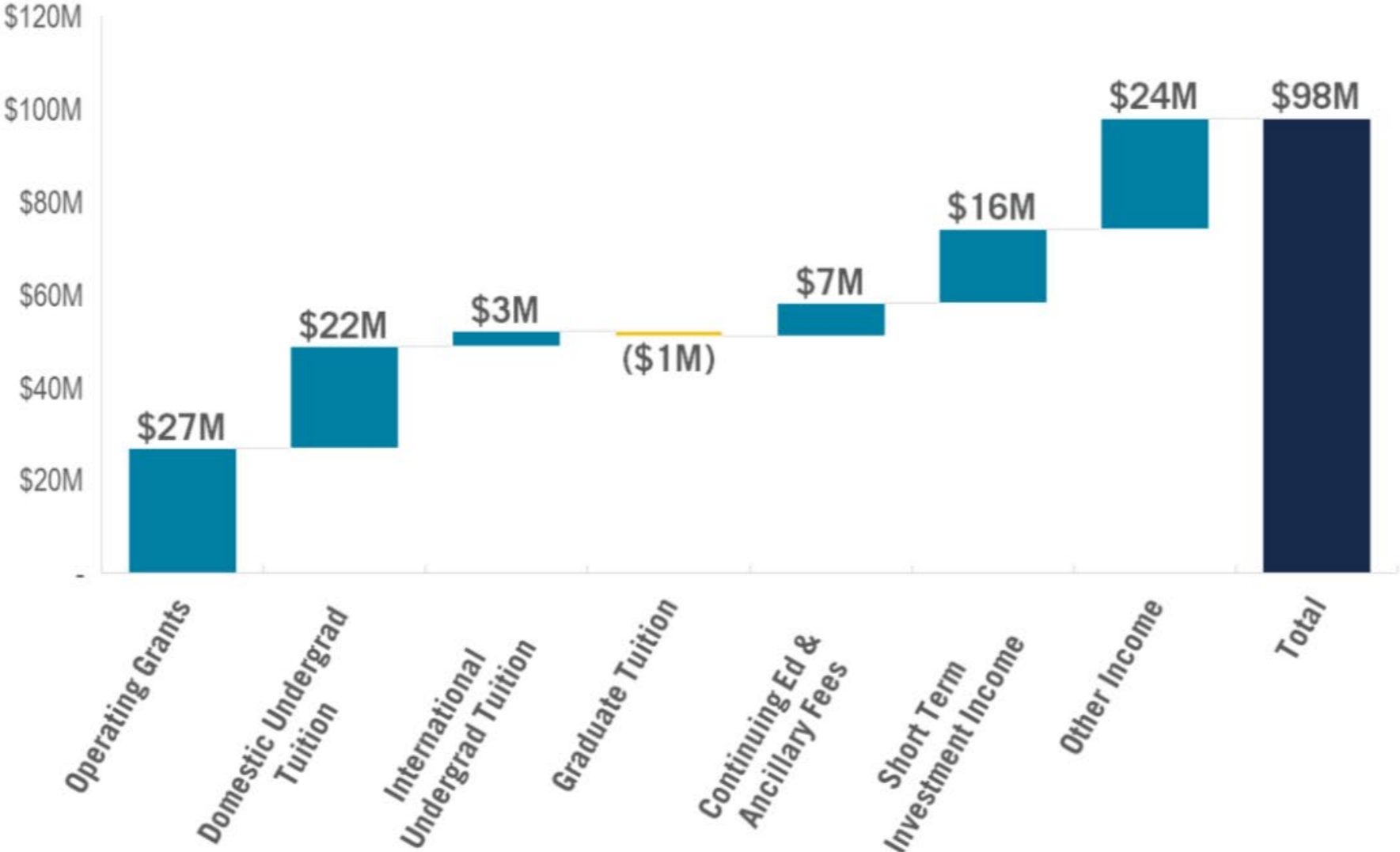
## EXPENDITURES



# 2025-26 REVENUE GROWTH BY SOURCE

Planned Growth over 2024-25 Budget

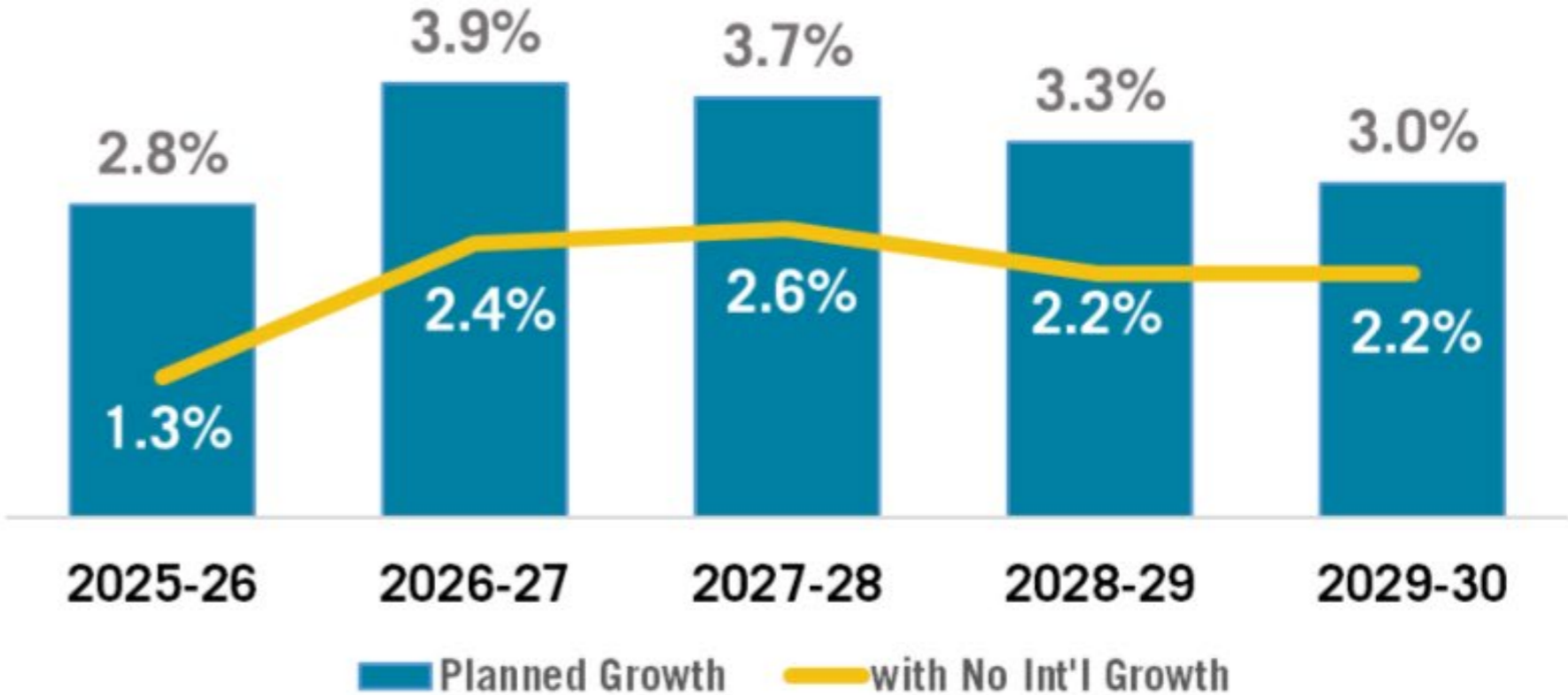
■ Increase ■ Decrease ■ Total



**\$98M**  
Overall Increase  
in Operating  
Revenue

# SLOWING REVENUE GROWTH

Annual Revenue Growth



# PROJECTED REVENUE GROWTH RATES






**2.8% average**

BUT GROWTH RATE VARIES WIDELY BY DIVISION

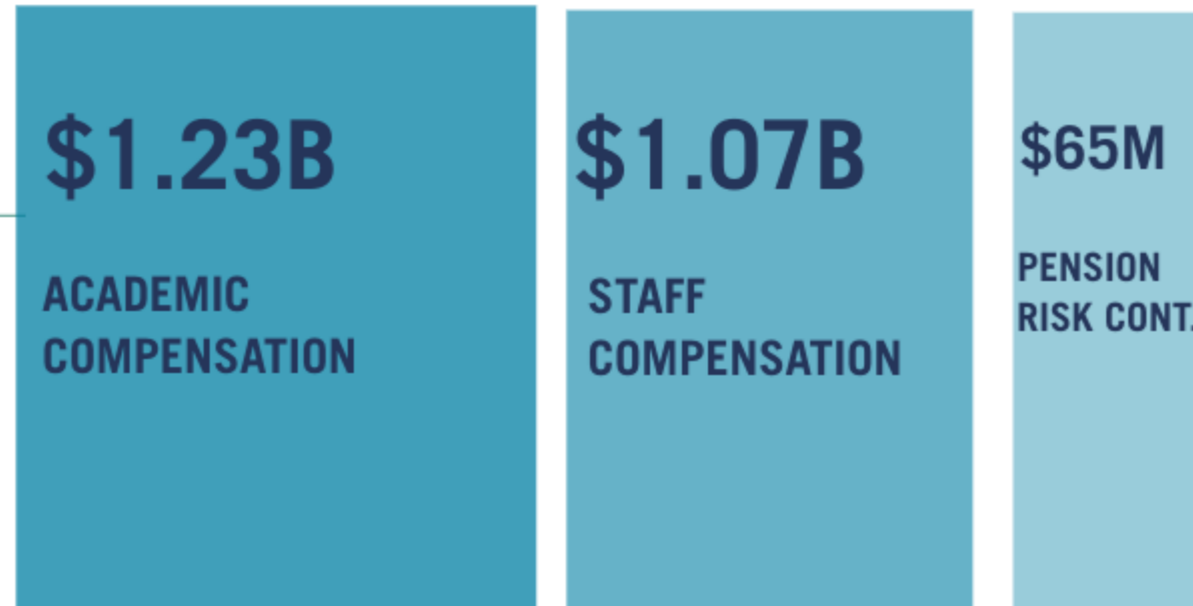
-1% ↔ 18%

# COMPENSATION

## ACADEMIC COMPENSATION

-  \$984 MILLION  
FACULTY & LIBRARIANS
-  \$54 MILLION  
SESSIONAL LECTURERS
-  \$98 MILLION  
TEACHING ASSISTANTS
-  \$47 MILLION  
TEACHING STIPENDS
-  \$47 MILLION  
OTHER ACADEMIC

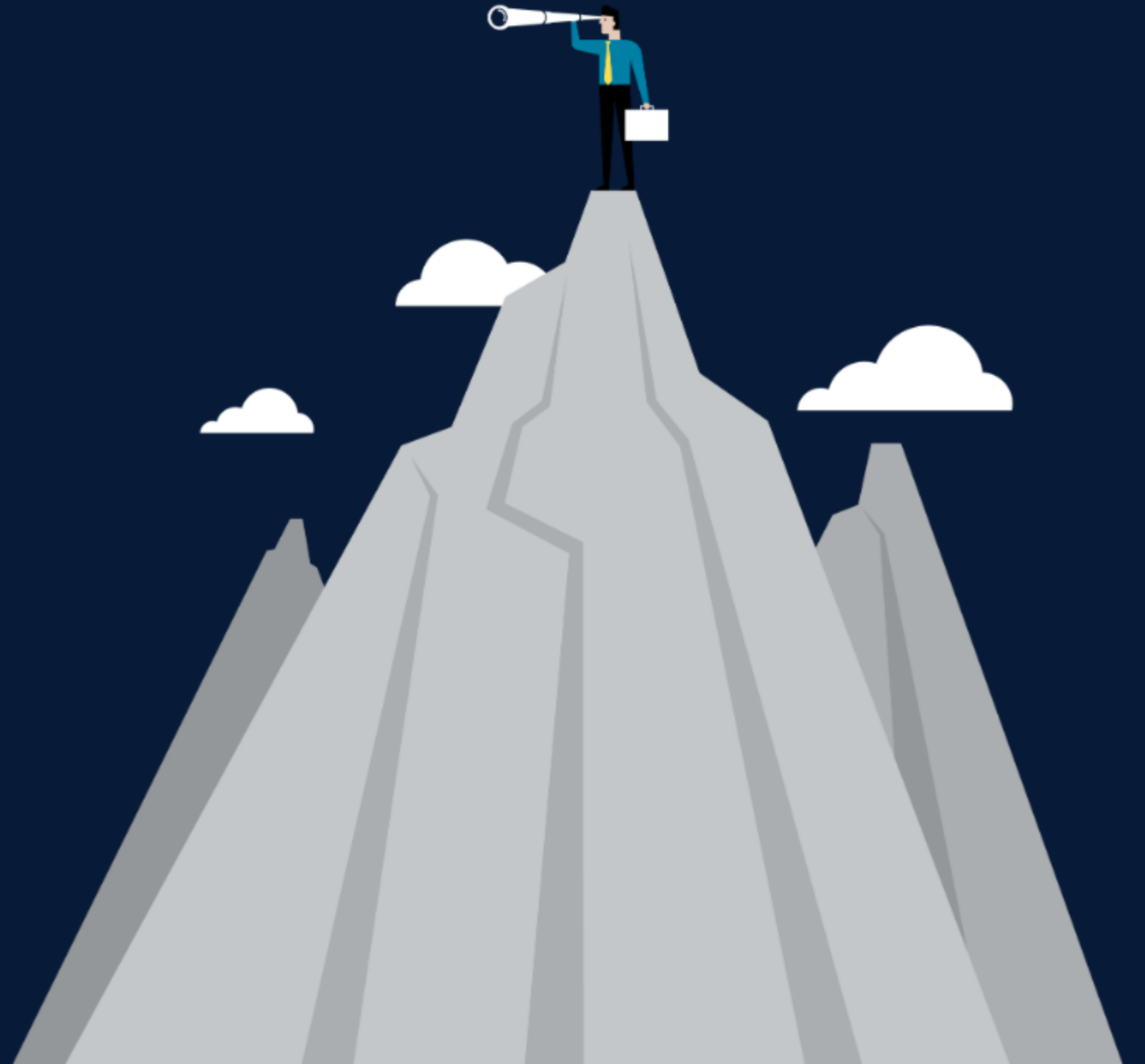
**\$2.37 BILLION (estimated)**  
**2025-26 BUDGET**



2024-25 BUDGET  
**\$2.28 BILLION**  
+  
BUDGET INCREASE  
**\$95 MILLION**  
-  
PENSION RISK CONT.  
REDUCTION  
**(\$10 MILLION)**

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

# 2 Changing Financial Landscape

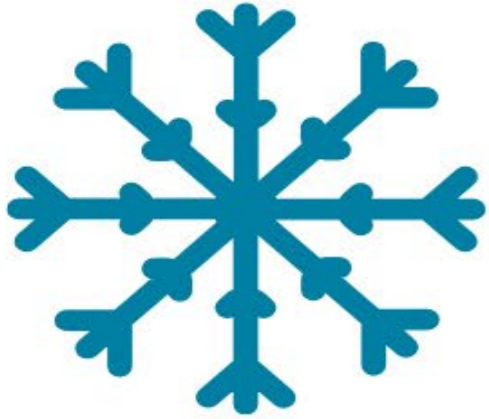




# PROVINCIAL TUITION FEE FRAMEWORK

Freeze extended until **AT LEAST 2026-27**.

Ontario Resident tuition frozen since the 10% cut in 2019-20.



**FREEZE**  
**Ontario Residents**

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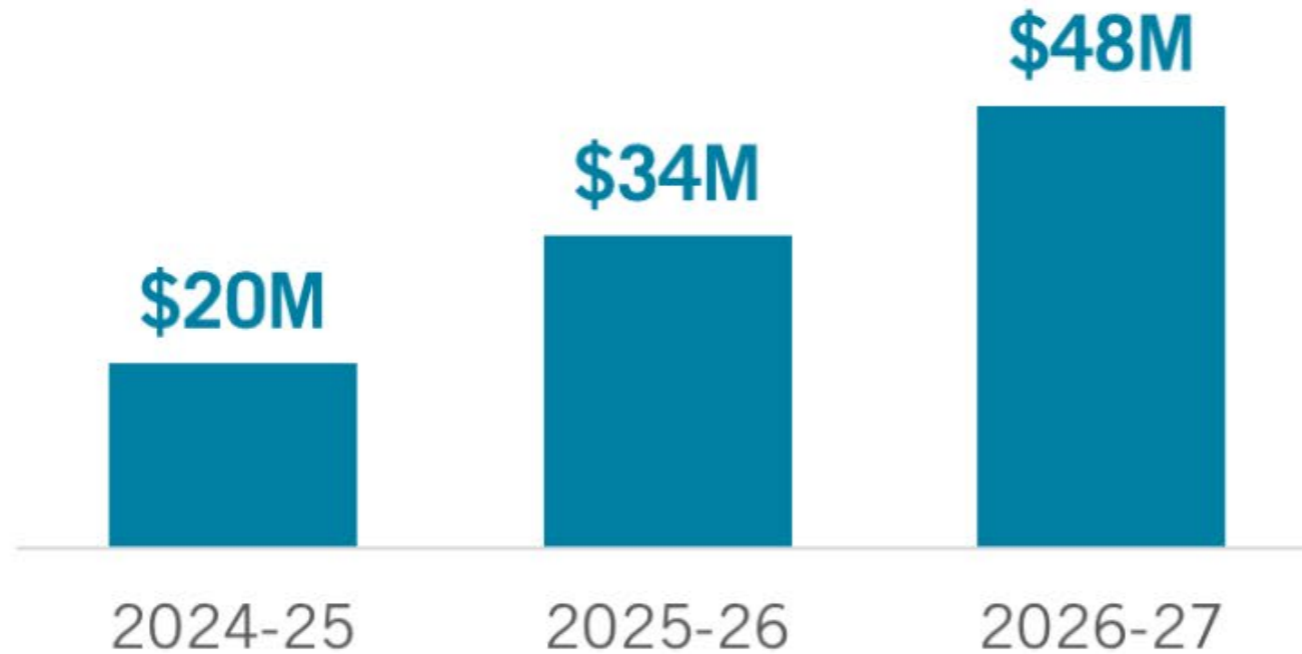
**5% Increase**  
**Undergraduate**  
**Non-Ontario Residents**



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

# PROVINCIAL OPERATING GRANTS

## PSE Financial Sustainability Fund



7% increase  
to operating  
grants phased  
in over three  
years



No commitments to continue Sustainability Funding beyond 2026-27.  
MCU funding review planned to inform decision.

# PLANNING FOR SMA4

2025-26 to 2029-30

## Funding Model

No changes for  
**Years 1 & 2.**  
Review ahead of  
Year 3

**Years 3 to 5:**  
Performance  
Funding  
increases from  
25% to 40%

## Metrics

Reduced from  
10 to 8

Fewer research  
& innovation  
metrics

## New 5% Conditions

- ✓ Reporting deadlines.
- ✓ Research Security attestation.
- ✓ Development of Efficiency Metrics and Skills & Competencies Assessment.

## Enrolment

Potential for  
STEM growth.

**UofT Proposal:**  
+4,850 UG  
+565 Masters



**UofT met or exceeded SMA3 targets  
in all five years of that agreement**

# 3 Students: Affordability, Access & Outcomes



# UNDERGRADUATE DIRECT ENTRY PROGRAM INTAKE

			2024 vs 2023	
DOMESTIC	11,041	11,277	+8%	11,277
INTERNATIONAL	5,320	5,990	-6%	5,855
	16,361	17,267		17,132
	FALL 2023 ACTUAL	FALL 2024 PLAN	FALL 2024 ACTUAL	FALL 2025 PLAN

# UNDERGRADUATE ENROLMENT RESULTS



FALL 2024 FTEs

43,484 ● — **ST. GEORGE** — ● 44,487

13,683 ● — **UTM** — ● 13,835

12,366 ● — **UTSC** — ● 12,112

TOTAL UNDERGRADUATE  
ENROLMENT 2024-25

**70,434**

VARIANCE TO PLAN

**+901** (+1.3%)



2,207 growth over 2023-24

**2024 - 2029**

PLANNED INTERNATIONAL SHARE  
OF TOTAL

**UNDERGRADUATE**

ENROLMENT



International  
undergraduate  
student FTEs  
**21,240**

**2024-25**

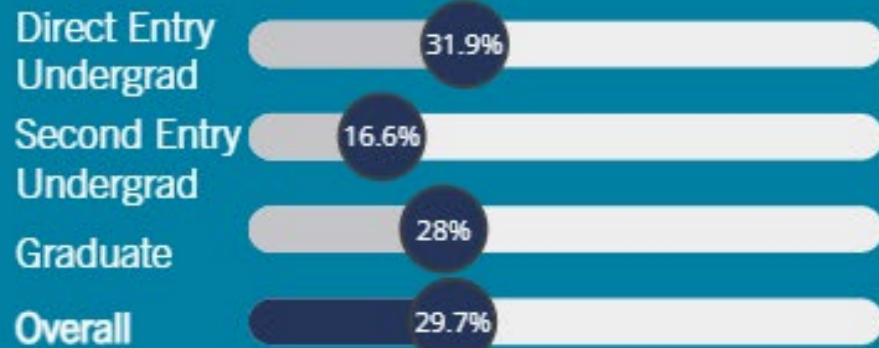


International  
undergraduate student  
FTEs will increase to  
**22,937** (1,697 growth)

**2029-30**

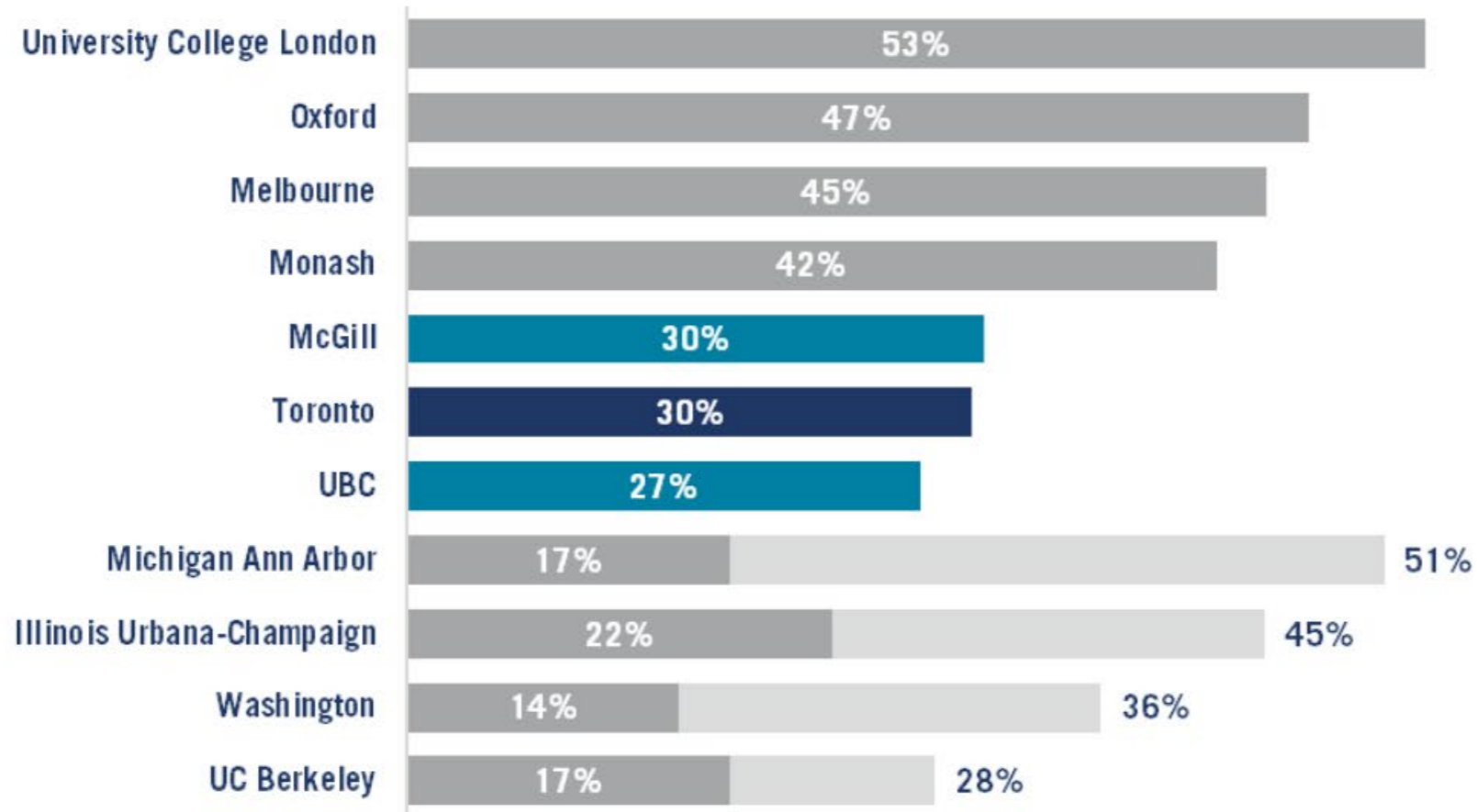
UofT is also adding 519  
domestic students over  
this period

**% INTERNATIONAL BY LEVEL 2024-25:**



# International Enrolment - Fall 2023

## International Percentage of Enrolment - Fall 2023



■ International ■ Out of State

Total Enrolment including Undergraduate and Graduate



# GRADUATE PROGRAMS

## Graduate FTE Enrolment



**New \$40,000 base funding commitment for doctoral students**

 28% of graduate students are international in 2024-25.

# OSAP CHANGES AND PARTICIPATION

## PROVINCIAL OSAP CRITERIA CHANGES IN 2019-20

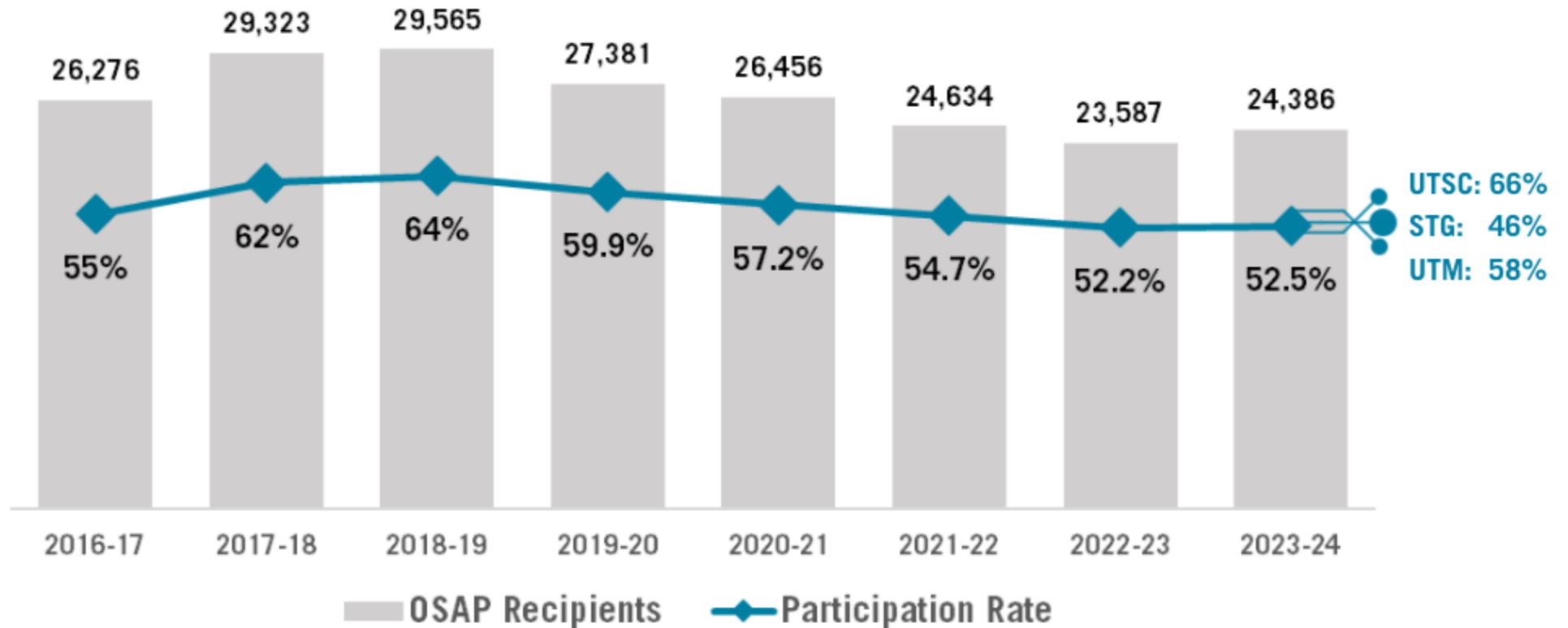
More targeted to low income support.

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

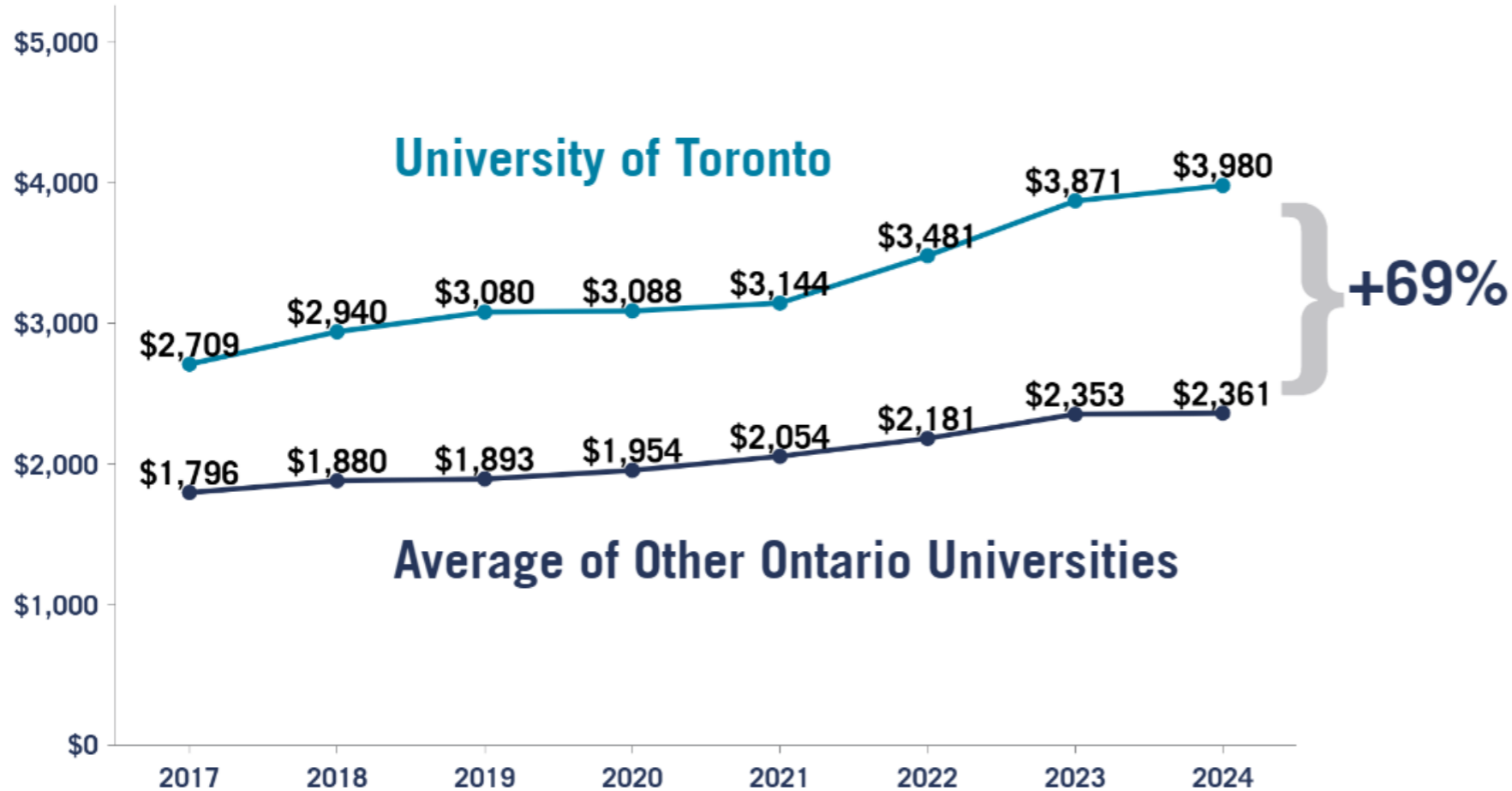
## Undergraduate OSAP Recipients & Participation Rate



# STUDENT FINANCIAL SUPPORT

\$1.6B Endowed  
Funds for Student  
Support  
(43% of total Endowment)

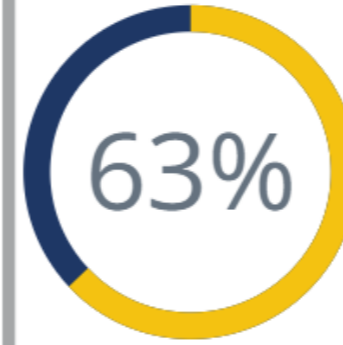
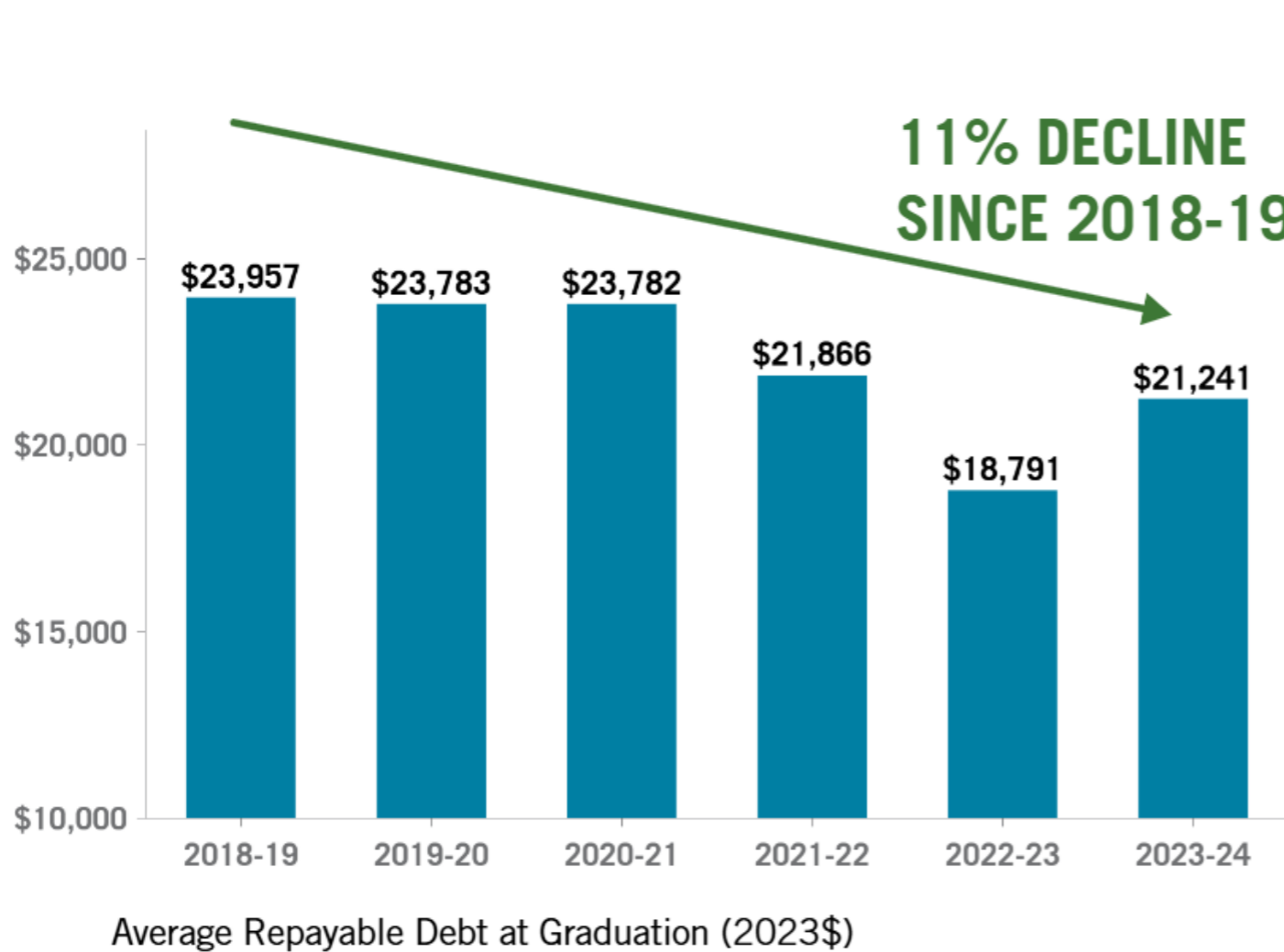
Financial Aid per Full-Time Equivalent Student



**\$405  
MILLION**  
Financial Aid Budget  
2025-26

# STUDENT DEBT LOAD 2018 - 2023

(OF THOSE WITH OSAP DEBT)



of direct entry domestic undergraduate students have no OSAP debt at graduation - improved from 50% a decade ago

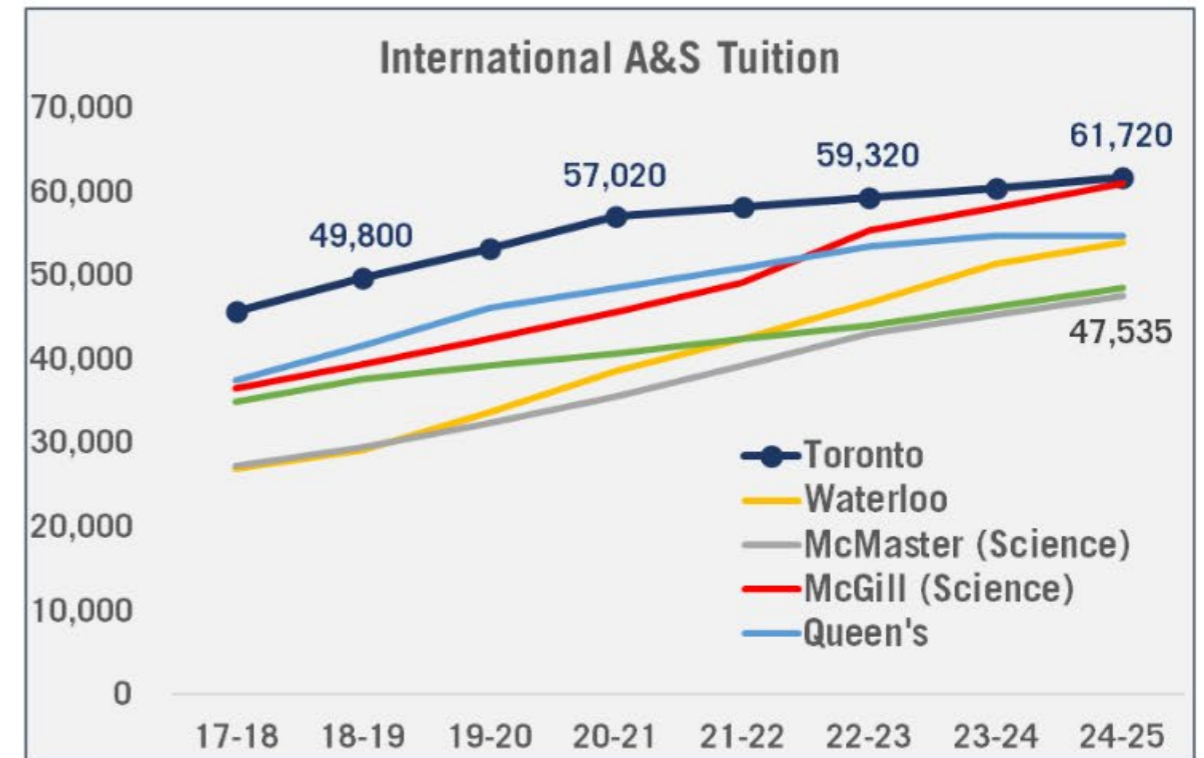


RATE OF DEFAULT ON OSAP LOANS VERSUS 1.9% FOR OTHER ONTARIO UNIVERSITIES

# INTERNATIONAL ARTS & SCIENCE TUITION

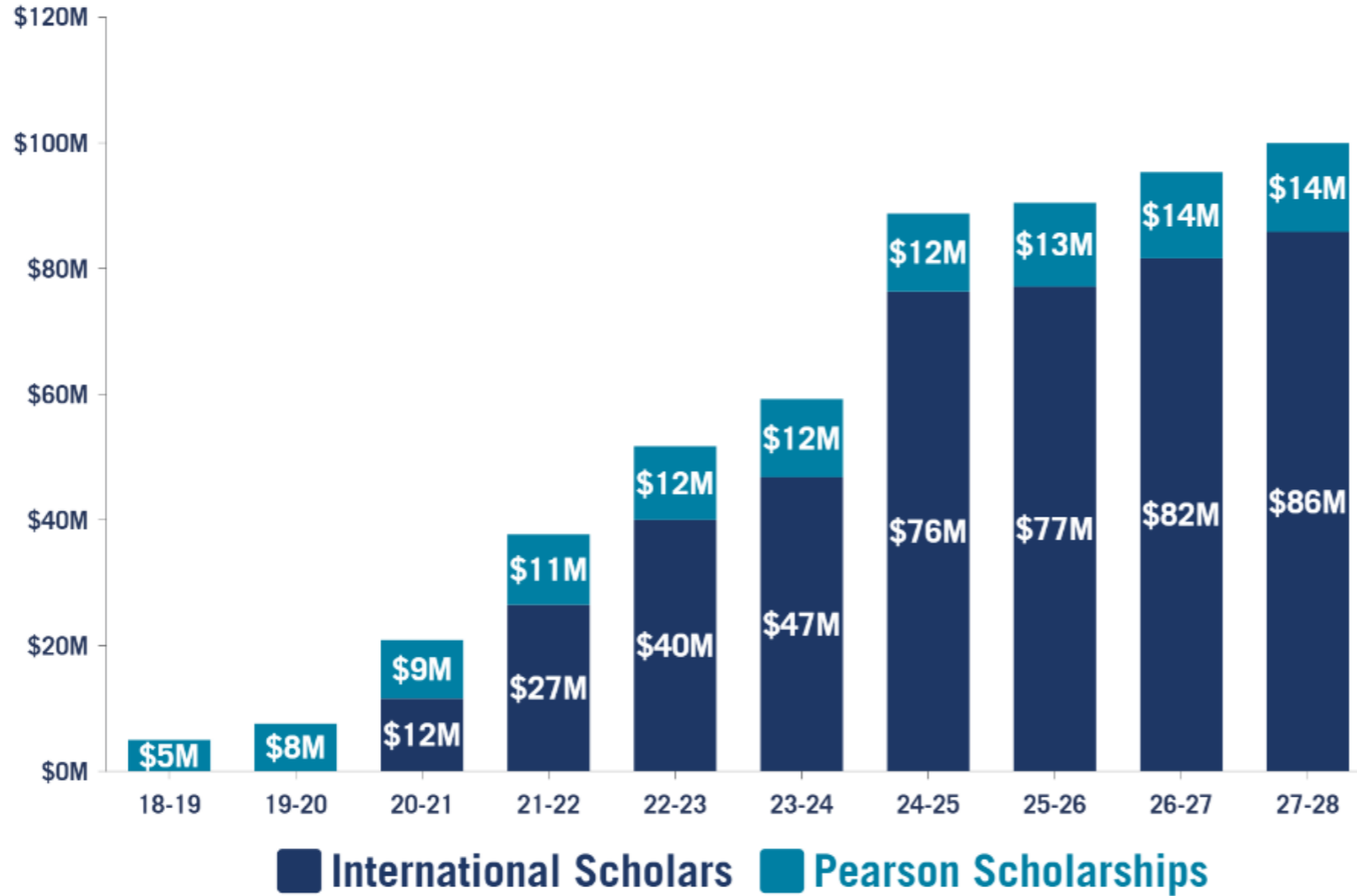
3% increase planned for 2025-26

	2024-25 TUITION	PERCENTAGE INCREASE IN 2024-25
Univ. of Michigan*	\$87,280	5%
<b>U of T</b>	<b>\$61,720</b>	<b>2%</b>
McGill Science	\$61,067	5%
Queen's	\$54,808	0%
Waterloo	\$54,020	5%
UBC Science	\$48,610	5%
McMaster Science	\$47,535	5%



\*In Canadian dollars converted at \$1.44

# INTERNATIONAL SCHOLARSHIP PROGRAMS



**\$90  
MILLION**

2025-26 Budget plan for  
International Scholars and  
Pearson Scholarship  
programs

+ Additional funding from reserves

# 4 Budget Initiatives



# UNIVERSITY FUND ALLOCATION

**\$10.7M**

**Student Success**



- Increase doctoral base funding to \$40k
- Doctoral excellence award

**\$5.7M**

**Research & Innovation**



- Support for indirect costs of research and other research supports
- New support team to improve success in grant applications
- Supports for complex international funding programs

**\$5.3M**

**Investing in Divisional Priorities**



- Support to divisions for their priorities
- New Operating Agreement with Federated Universities
- Operational Excellence Fund



# ACADEMIC DIVISIONAL INITIATIVES

## Strategic Enrolment Management



- Outreach & recruitment
- Academic advising and data-driven retention strategies
- Scholarships to attract top global talent
- Summer strategies to reach new students and give flexibility to current students

## Operational Excellence



- Improved administrative processes
- New budget models to empower local decision-makers
- Shared service hubs
- Strategic course planning
- Leveraging non-operating dollars

## Partnerships



- Cross-divisional research initiatives and academic programs
- Industry partnerships for research and professional learning
- Community engagement that supports student access
- Experiential learning

## Program Innovations



- 3-Year Compressed PharmD
- Flexible delivery models to expand student access
- New academic programs in emerging areas and to respond to student demand

# BUDGET INITIATIVES: SHARED SERVICES

Inflation on compensation costs and non-discretionary items such as institutional software licenses, utilities, service contracts, and others dominate allocations to shared services.



However, some specific high priority initiatives will be funded including:

Identity  
Management  
System  
(Information  
Security)

Library  
Acquisitions  
Funding

Modern Travel  
& Expense  
Claim System

New  
Employee  
Central HR  
System

# CAPITAL PROJECTS & PLANNED INVESTMENTS

5 YEAR PROJECTION



**ACADEMIC &  
INSTITUTIONAL**



**FOUR CORNERS**

- 10% | Cash Reserves
- 30% | Future Cash Contributions
- 35% | Donations, Gov't, Partnerships
- 25% | Debt

# 5 Risk



# UNDERGRADUATE INTERNATIONAL RECRUITMENT

## RISKS

Geopolitical tensions  
Changing Immigration Policies  
Provincial Attestation Letters (PALs)

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## STRATEGIES

Engaged recruitment activities in local markets  
Diversification  
International Scholars  
Melt reduction strategies  
Advocacy for Recognized Institutions Framework

Budget plan includes international intake growth of 843 students over 2024.

**\$54 million risk**



In Fall 2024, UofT registered 40 or more new students from 16 separate countries (up from 7 countries in 2016)

and less than 50% from any single country

# STUDENT HOUSING



## 10,500

Student spaces available across the three campuses and Federated Universities

+1,250 in construction and plans for up to 5,000 more spaces with private partners.



Oak House  
STG



Phase IX  
Residence  
UTM



Lawson Centre for  
Sustainability  
Trinity

# DEFERRED MAINTENANCE 3-YEAR PUSH

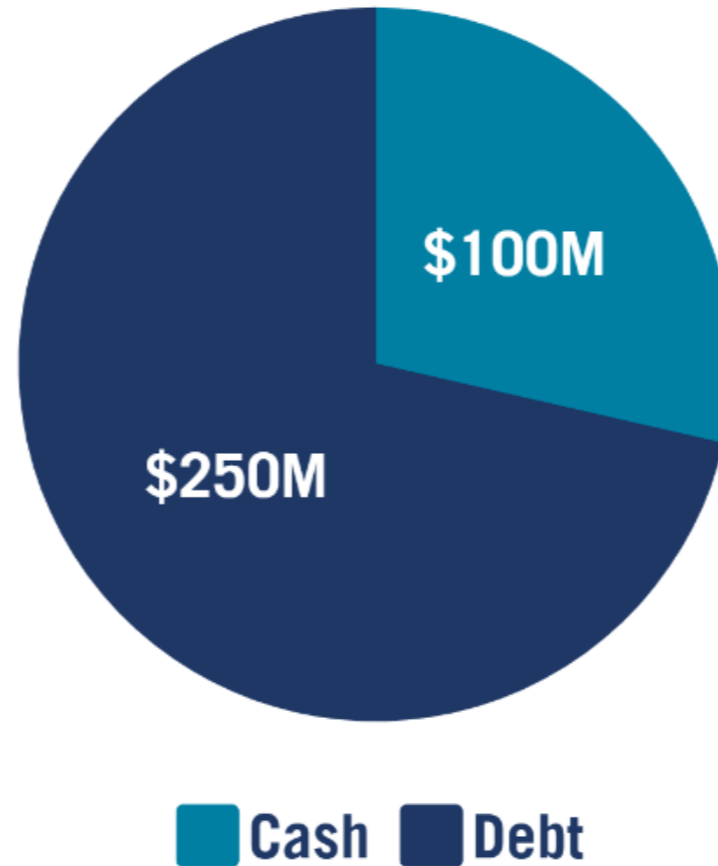
\$350M planned spend over three years to address critical immediate needs and bend the curve on Deferred Maintenance Liability growth.

Mix of cash and debt, funded from existing deferred maintenance budget.

## \$1.5 Billion

CURRENT DEFERRED  
MAINTENANCE LIABILITY

## \$350 MILLION



2025-26 DM  
Funding (\$61M)

\$12M

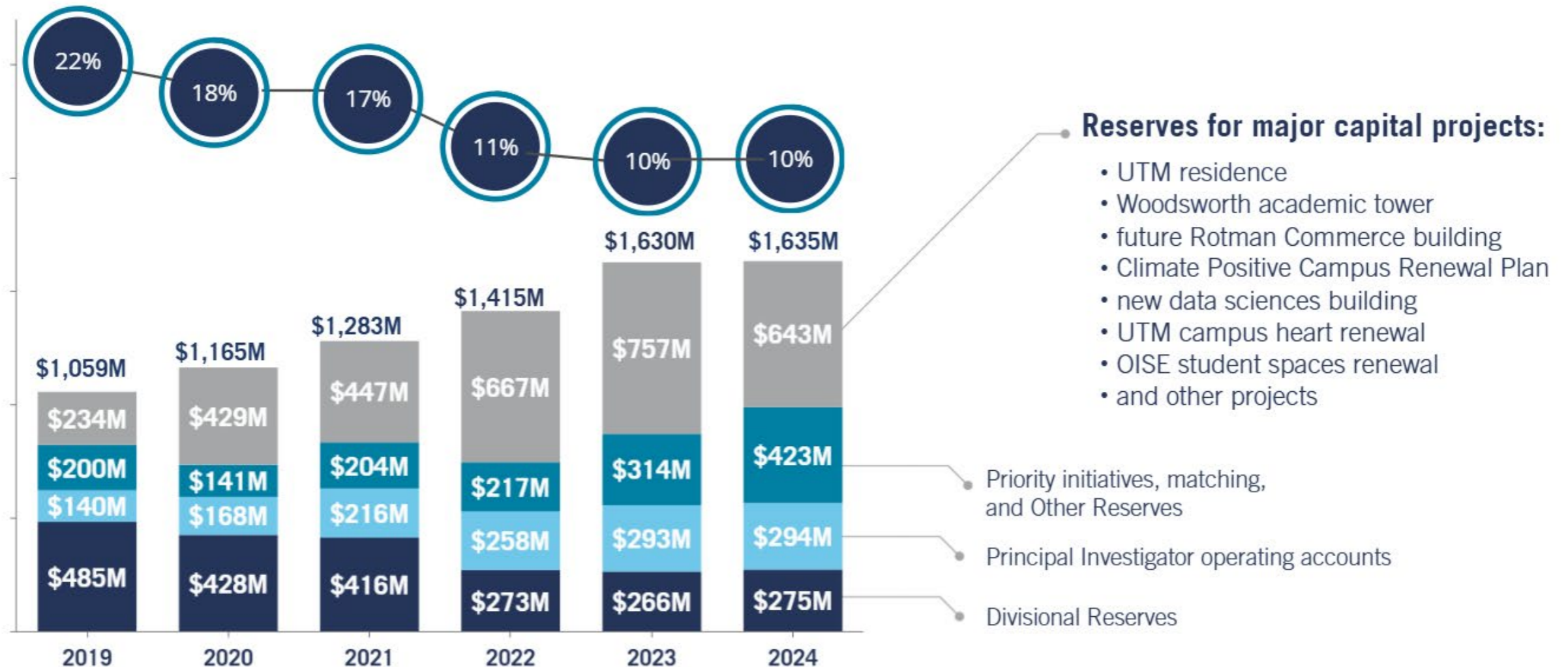
Provincial  
Grants

\$49M

Operating  
Budget

# OPERATING RESERVES

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





# STRETCHING OUR RESOURCES FURTHER

## Examples & Opportunities

- OREP finance hub
- Business hub for small shared services
- TFoM IT consolidation
- Divisional budget models
- Academic division service hubs
- Process reviews & simplification
- New tools & systems

## New Operational Excellence Fund

\$1M to support implementation of new initiatives

OpEx Initiative & UniForum Benchmarking

# Budget 2025-26



UNIVERSITY OF  
TORONTO