

# Budget 2026-27

and Long-Range Budget Guidelines  
2026-27 to 2030-31



UNIVERSITY OF  
TORONTO

# BUDGET HIGHLIGHTS

**\$3.66B balanced budget in tight planning environment, with resources to invest in priorities and focus on operational excellence**



## INTERNATIONAL ENROLMENT

Global recruitment market has shifted  
Smaller planned cohorts & revenues



## INSTITUTIONAL

Operational Excellence, Talent  
Recruitment, Digital Strategies



## TUITION

Domestic tuition remains frozen  
3.9% average increase in int'l tuition.



## DOMESTIC ENROLMENT

Very strong demand but limited by  
Government funded corridor.



## COMPENSATION

Pressures from recent settlements  
Planned complement reduction



## FINANCIAL AID

Graduate funding, need-based  
bursaries, international scholarships.

# 1 Budget Overview



2026-27

# Balanced Budget

\$3.66 BILLION

\$39 million increase  
over 2025-26 Budget

## REVENUES

**65%**  
TUITION & FEES

**20%**  
OPERATING GRANTS

**15%**  
OTHER REVENUE

## EXPENDITURES

**65%**  
FACULTY & STAFF  
COMPENSATION

**11%**  
STUDENT AID

**12%**  
OTHER EXPENSES

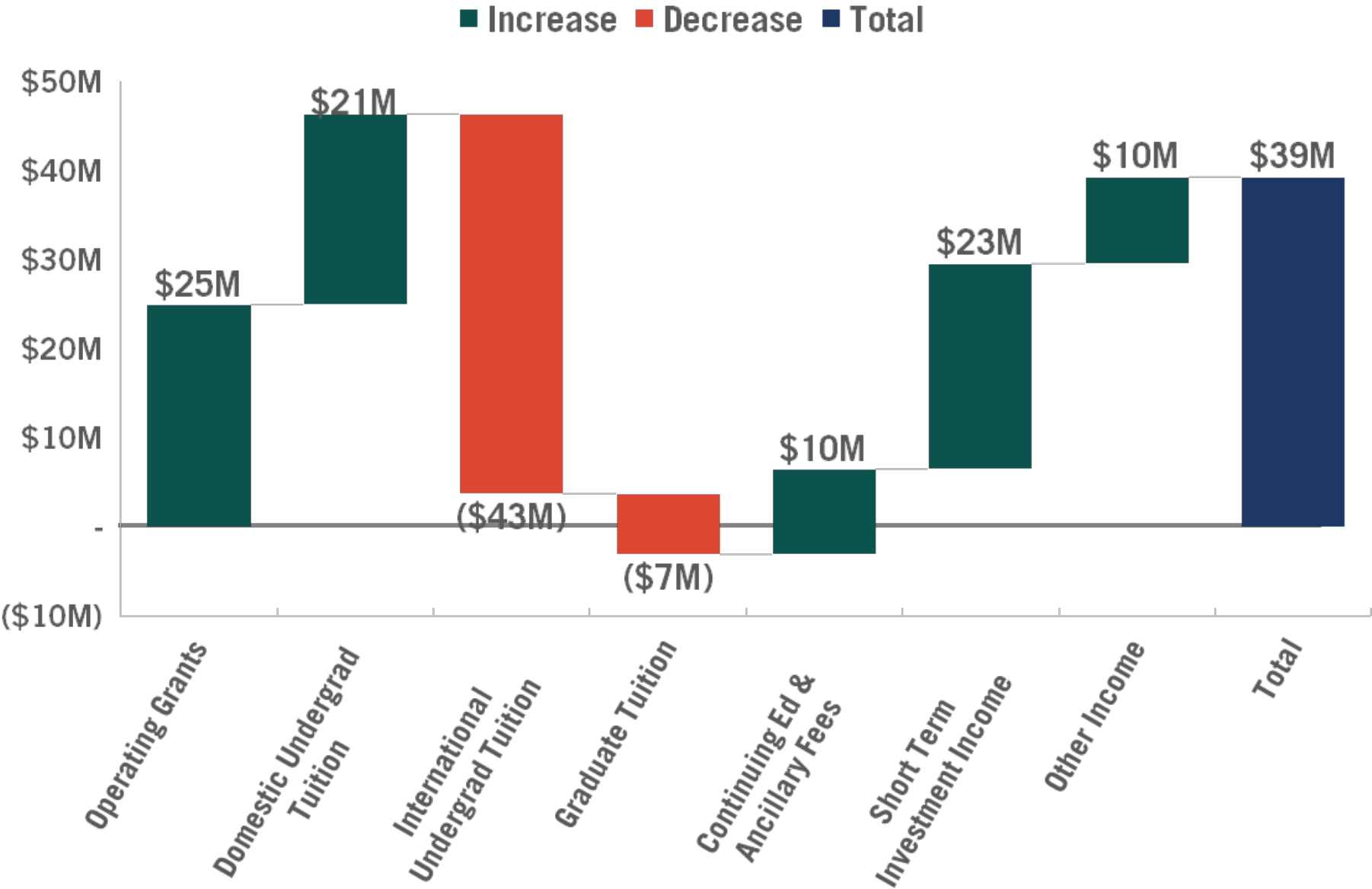
**6%**  
CAPITAL & EQUIPMENT

**6%**  
OCCUPANCY COSTS

**1%** PENSION CONTINGENCY

# 2026-27 REVENUE GROWTH BY SOURCE

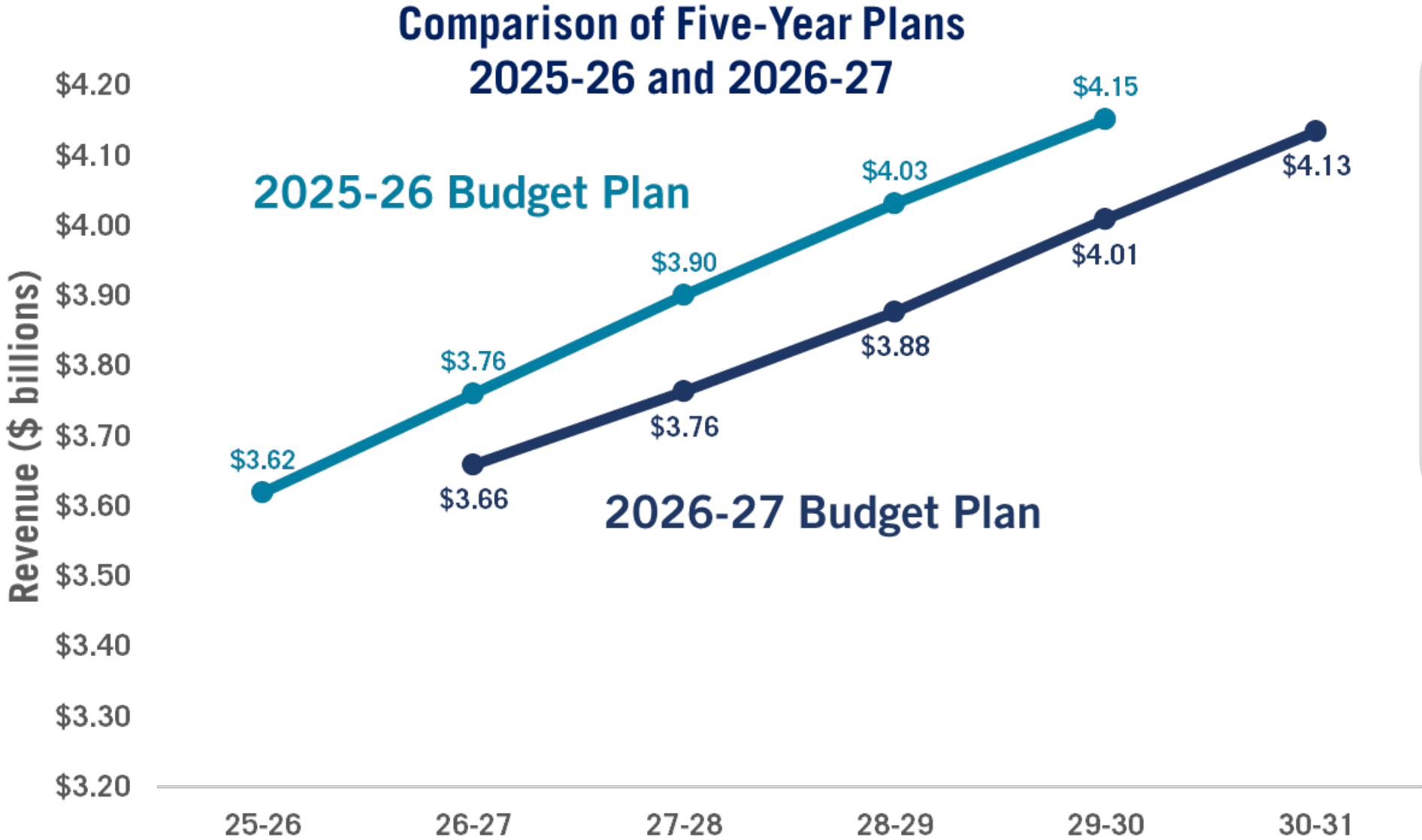
Planned Growth over 2025-26 Budget



**\$39 MILLION  
GROWTH**

In budgeted revenues  
compared to 2025-26

# 2026-27 Five-Year Plan in Context



2026-27 budgeted  
revenues

**\$101 MILLION  
DECREASE**

compared to what was  
planned for last year

# PROJECTED REVENUE GROWTH RATES

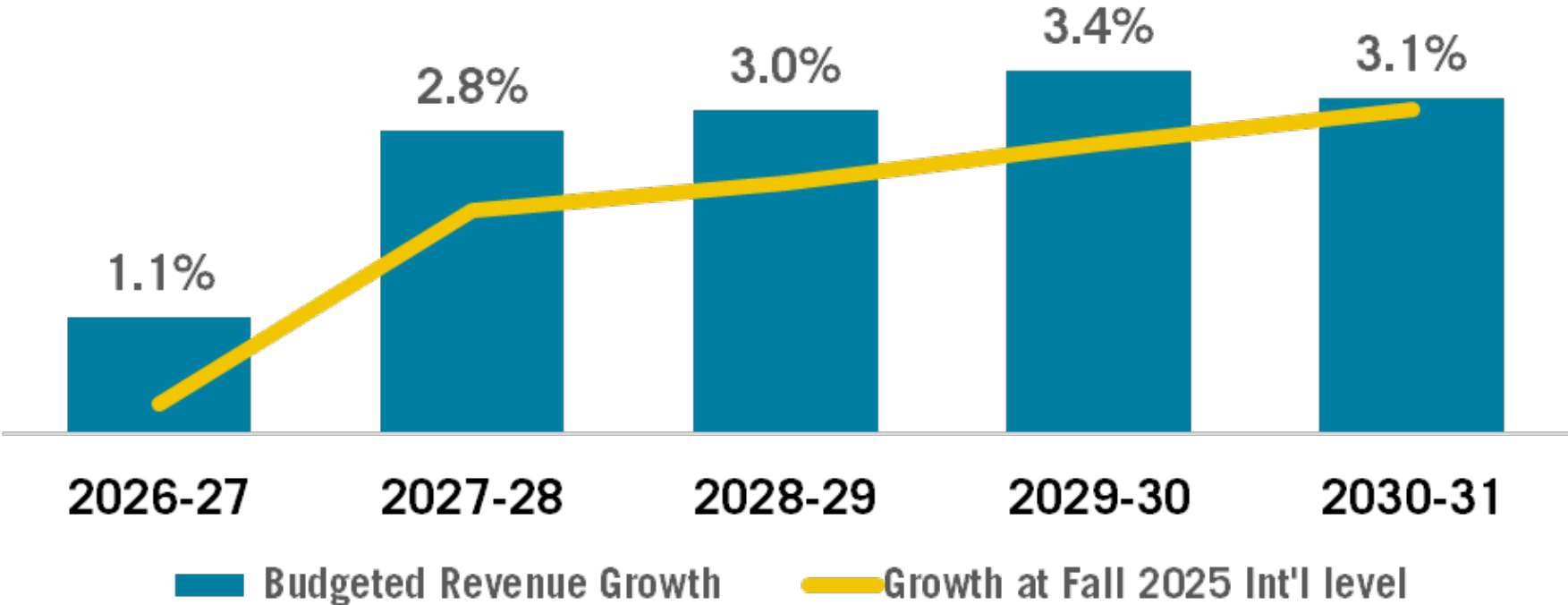
1.1% average  
BUT GROWTH RATE VARIES  
WIDELY BY DIVISION

-2% ↔ 8%



Planned annual revenue  
growth well below **5.6%**  
average over the last 10 years






Annual Budgeted Revenue Growth



# COMPENSATION

**\$2.43 BILLION (estimated)**  
**2026-27 BUDGET**

**ACADEMIC COMPENSATION**

-  \$1,028 MILLION  
FACULTY & LIBRARIANS
-  \$48 MILLION  
SESSIONAL LECTURERS
-  \$112 MILLION  
TEACHING ASSISTANTS
-  \$49 MILLION  
TEACHING STIPENDS
-  \$45 MILLION  
OTHER ACADEMIC

**\$1.28B**

**ACADEMIC  
COMPENSATION**

**\$1.09B**

**STAFF  
COMPENSATION**

**\$50M**

**PENSION  
RISK CONT.**



Planned 2% savings in staff compensation  
through vacancy management and workforce planning

**2025-26 BUDGET**

**\$2.36 BILLION**

**+**

**SALARY INCREASE**

**\$105 MILLION**

**-**

**COMPLEMENT  
REDUCTION**

**(\$20 MILLION)**

**-**

**PENSION RISK CONT.**

**REDUCTION**

**(\$15 MILLION)**

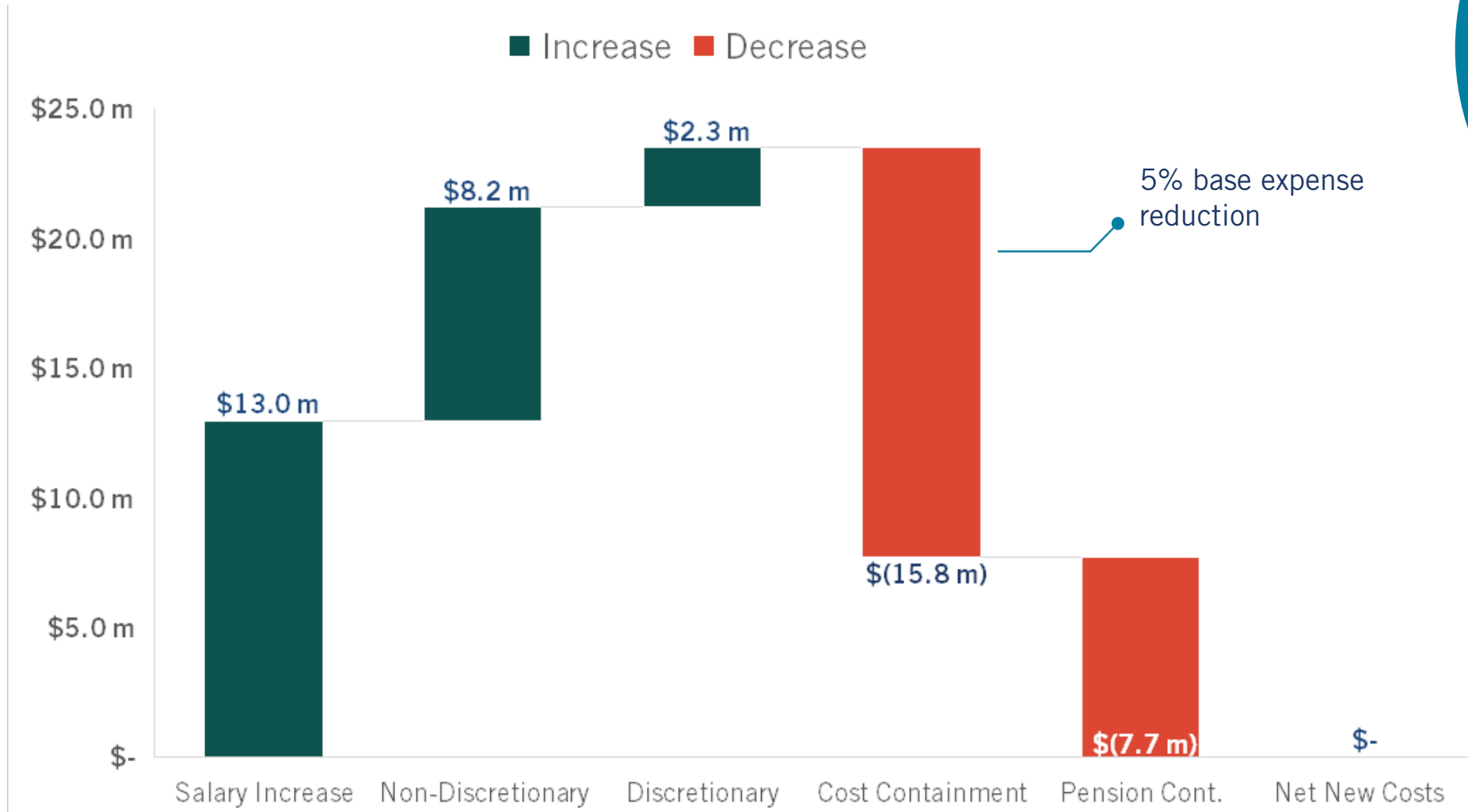
**=**

**NET GROWTH**

**\$69 MILLION**



# UNIVERSITY WIDE COSTS



2026-27 UWC has

**\$0**

**GROWTH**

over last year  
at \$749.5m

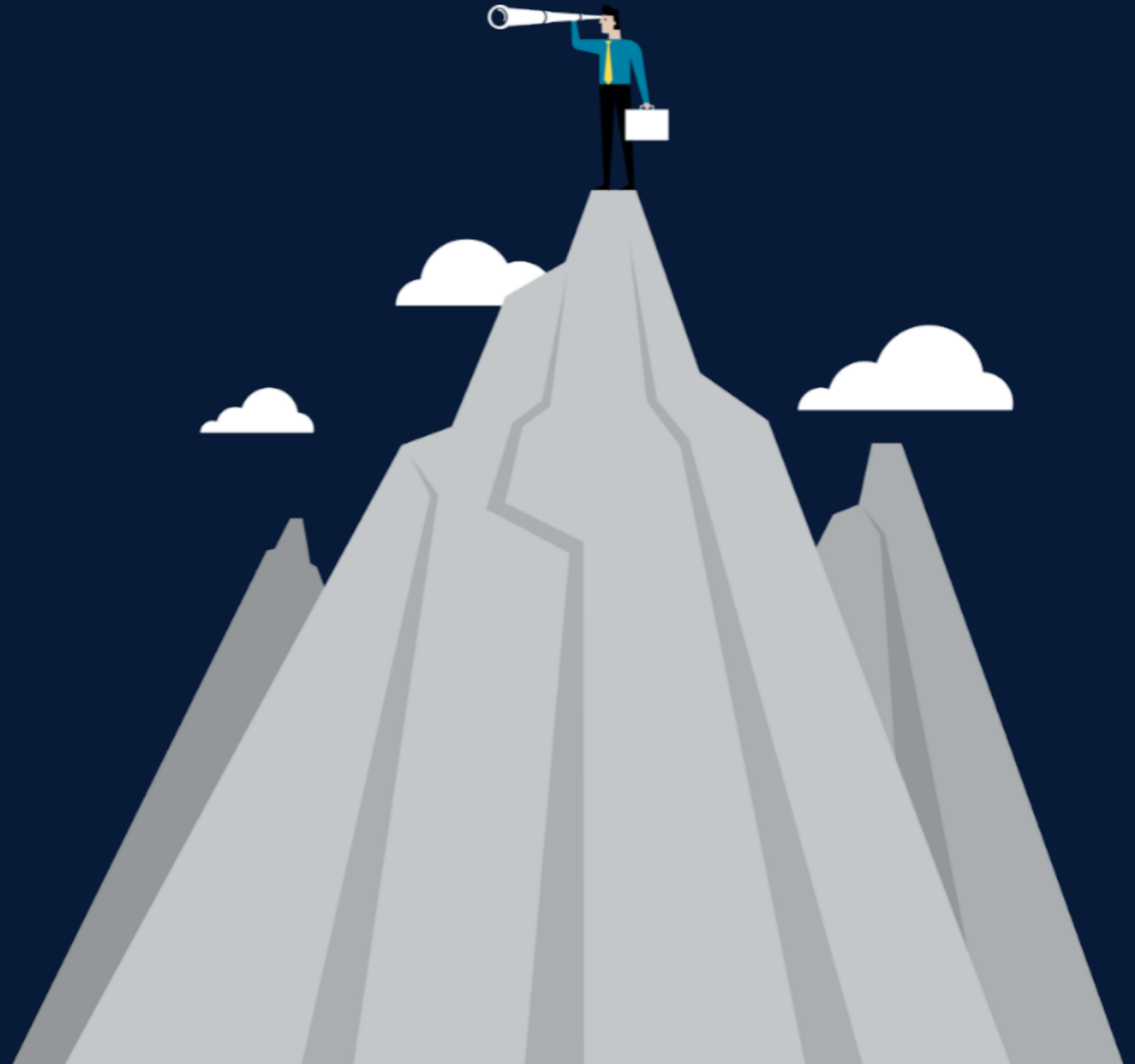


Additional  
**\$163.9m**

in campus costs at  
UTM and UTSC

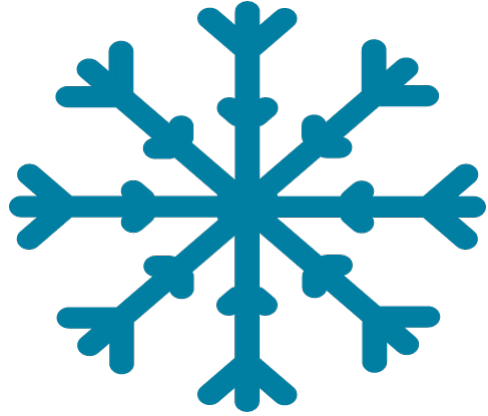
**planned to remain flat**

# 2 Changing Financial Landscape



# PROVINCIAL TUITION FEE FRAMEWORK

**Freeze assumed for 2026-27**  
**3% annual fee increases assumed starting 2027-28**



**FREEZE**  
**Ontario Residents**

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

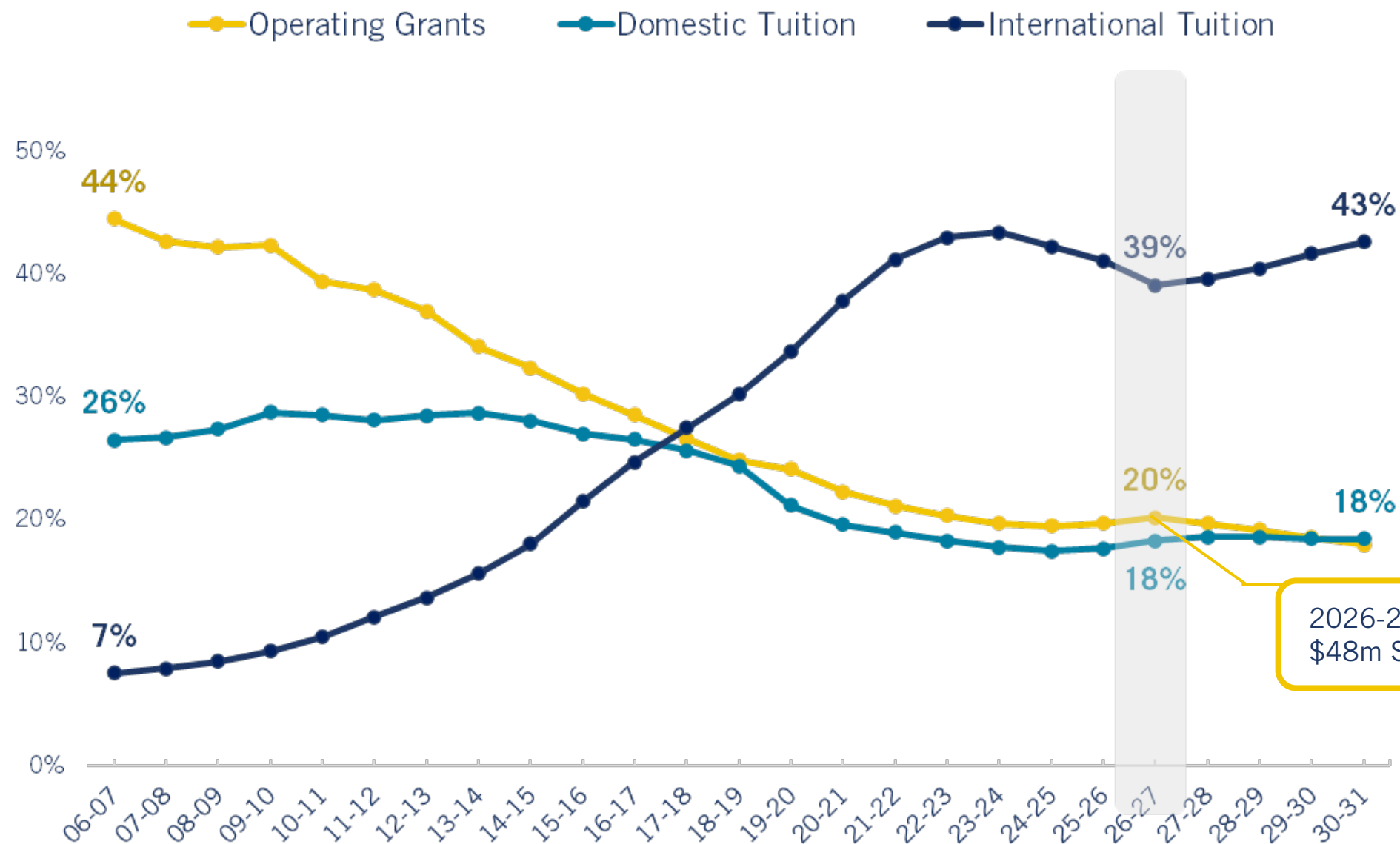
Current fees are 27% lower than 2018-19 when adjusted for inflation

The University is committed to student affordability, and continues to increase its student aid budget to help support students with financial need



Incoming tuition for MA & MSc will increase 3.1% and MScAC will increase by 7.5% under Government's anomaly adjustment program.

# CHANGE IN SOURCES OF REVENUE



Government grant funding represents 20% of the University's overall operating revenues in 2026-27.

UofT receives lowest amount of per-student government funding among Canadian peers, just 56% of McGill and 75% of uAlberta

2026-27 full phase-in of \$48m Sustainability Funding;

# STRATEGIC MANDATE AGREEMENT (SMA4)

2025-26 to 2029-30

No major changes from SMA3. Performance metrics reduced to 8 from 10

25% of funding tied to metrics, growing to 40% by Year 5

5% of funding tied to reporting deadlines, research security attestations, and new metric development

Enrolment corridor remains in place with no material change

40%  
Research

Total Sponsored Research Funding

Economic Impact (Start-ups)

60%  
Teaching

Community Impact (dom only)

Employment in a Related Field (dom only)

Institutional Focus (dom only)

UG Graduation Rate

Experiential Learning (dom only)

Graduate Earnings (dom only)

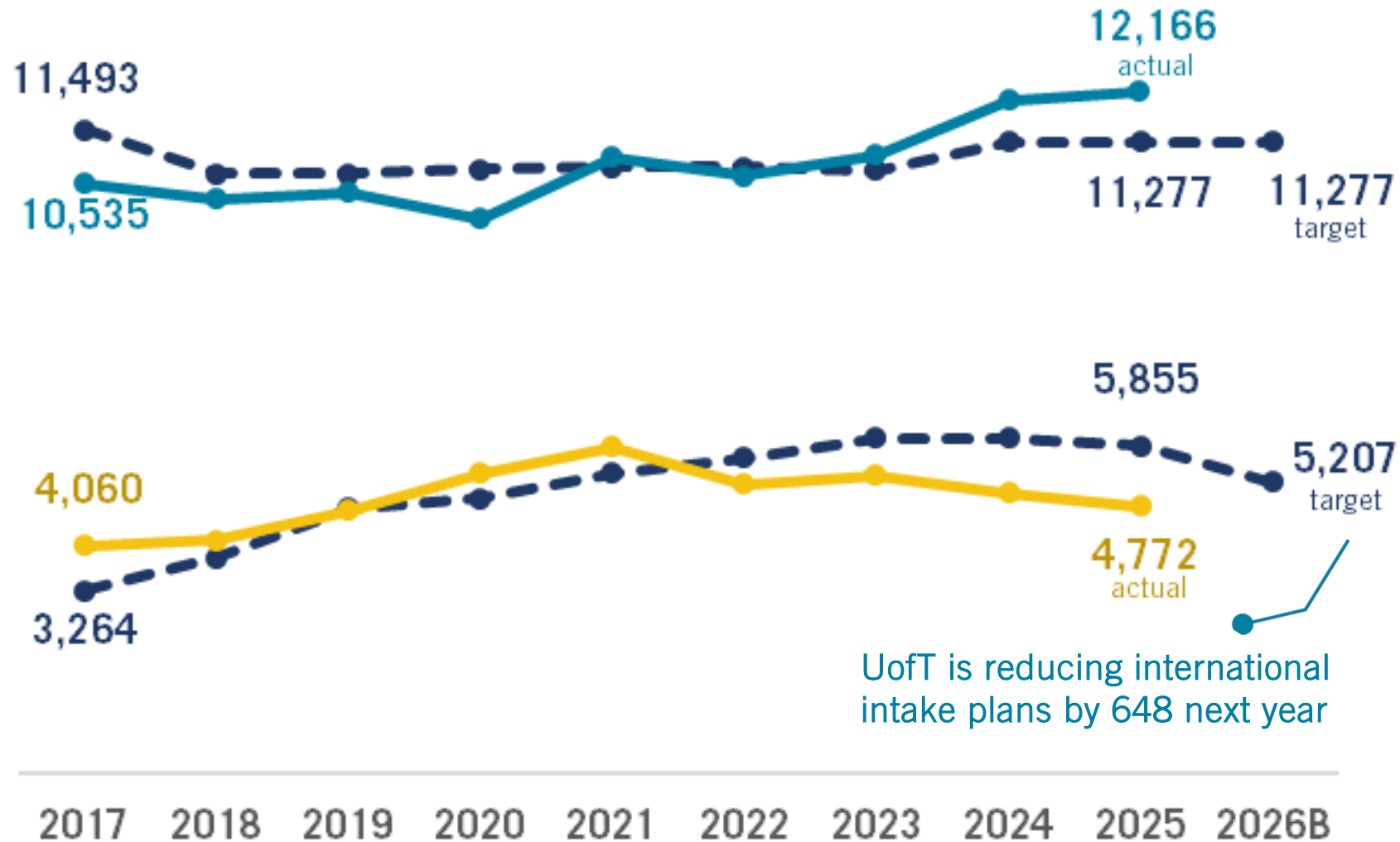


UofT met or exceeded SMA3 targets in all five years of the agreement.

# 3 Students: Affordability, Access & Outcomes



# UNDERGRADUATE DIRECT ENTRY PROGRAM INTAKE



## DOMESTIC

student intake  
+889 to target  
(1.3% over 2024)

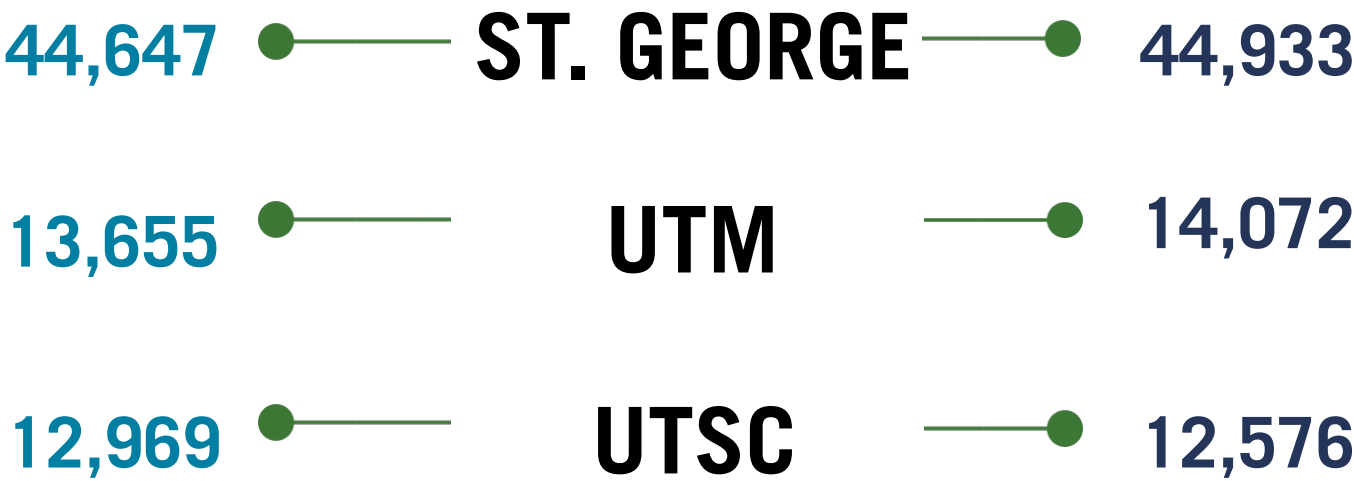
## INTL

student intake  
-1,083 to target  
(4.8% below 2024)

# UNDERGRADUATE ENROLMENT RESULTS



FALL 2025 FTEs



TOTAL UNDERGRADUATE ENROLMENT 2025-26

71,581

VARIANCE TO PLAN  
+1,159 (+1.6%) 

1,146 growth over 2024-25



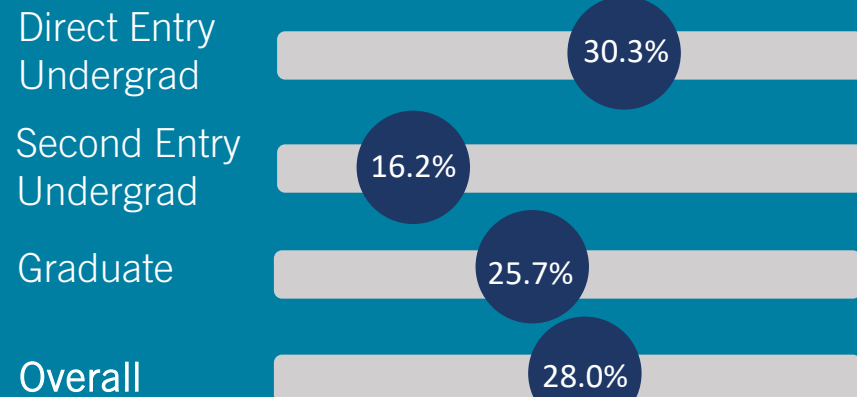
**2025 - 2030**

PLANNED INTERNATIONAL SHARE  
OF TOTAL

**UNDERGRADUATE**

ENROLMENT

**% INTERNATIONAL BY LEVEL 2025-26:**



**28.6%**

International  
undergraduate  
student FTEs  
**20,507**

**2025-26**

International students  
have reduced by  
1,120 (from 31.1%  
share) since 2023-24



**29.8%**

International  
undergraduate student  
FTEs will increase to  
**21,218** (711 growth)

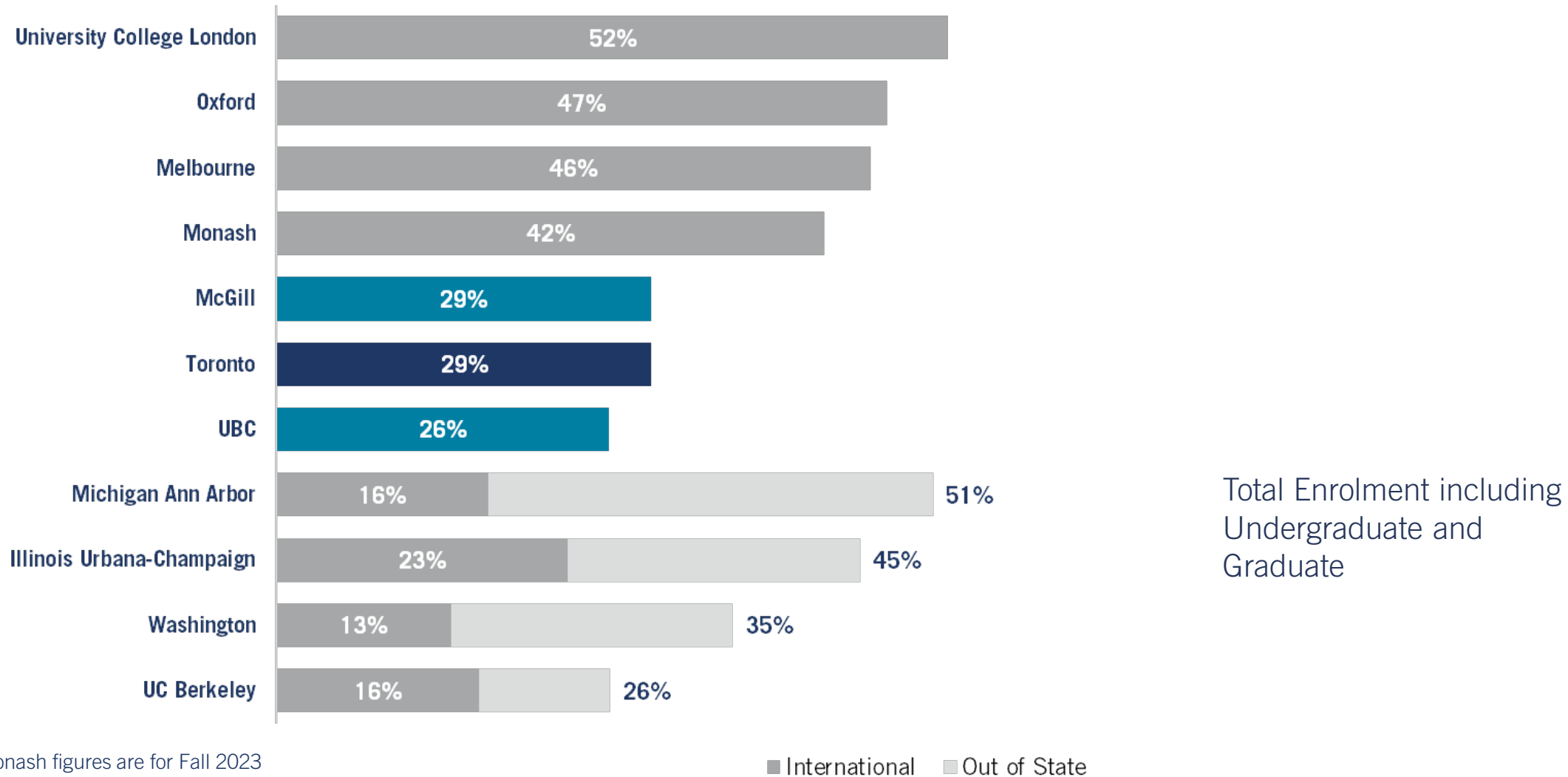
**2030-31**

UofT is reducing  
domestic students by  
990 over this period to  
return to funded levels



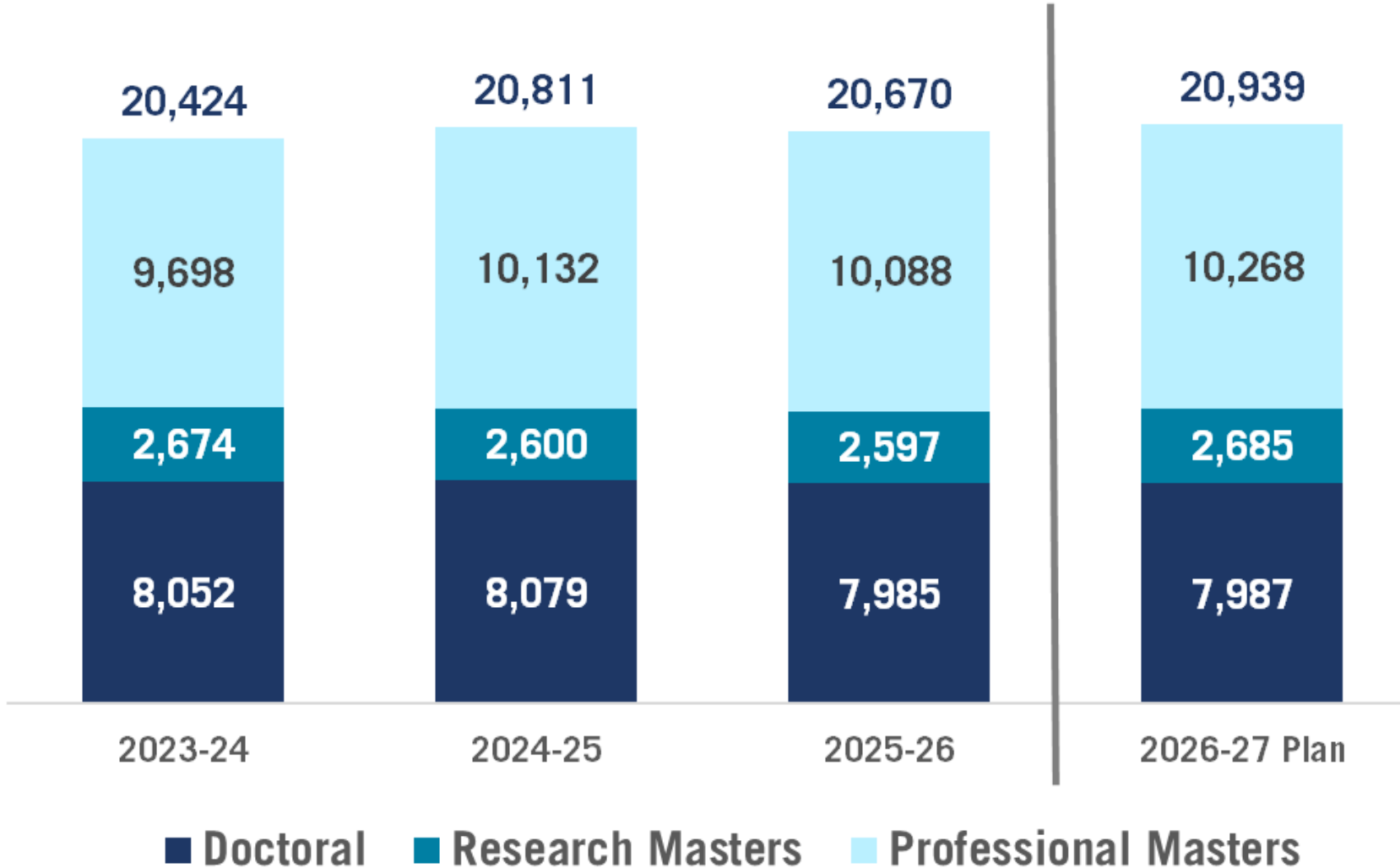
# International Enrolment - Fall 2024

## International Percentage of Enrolment - Fall 2024



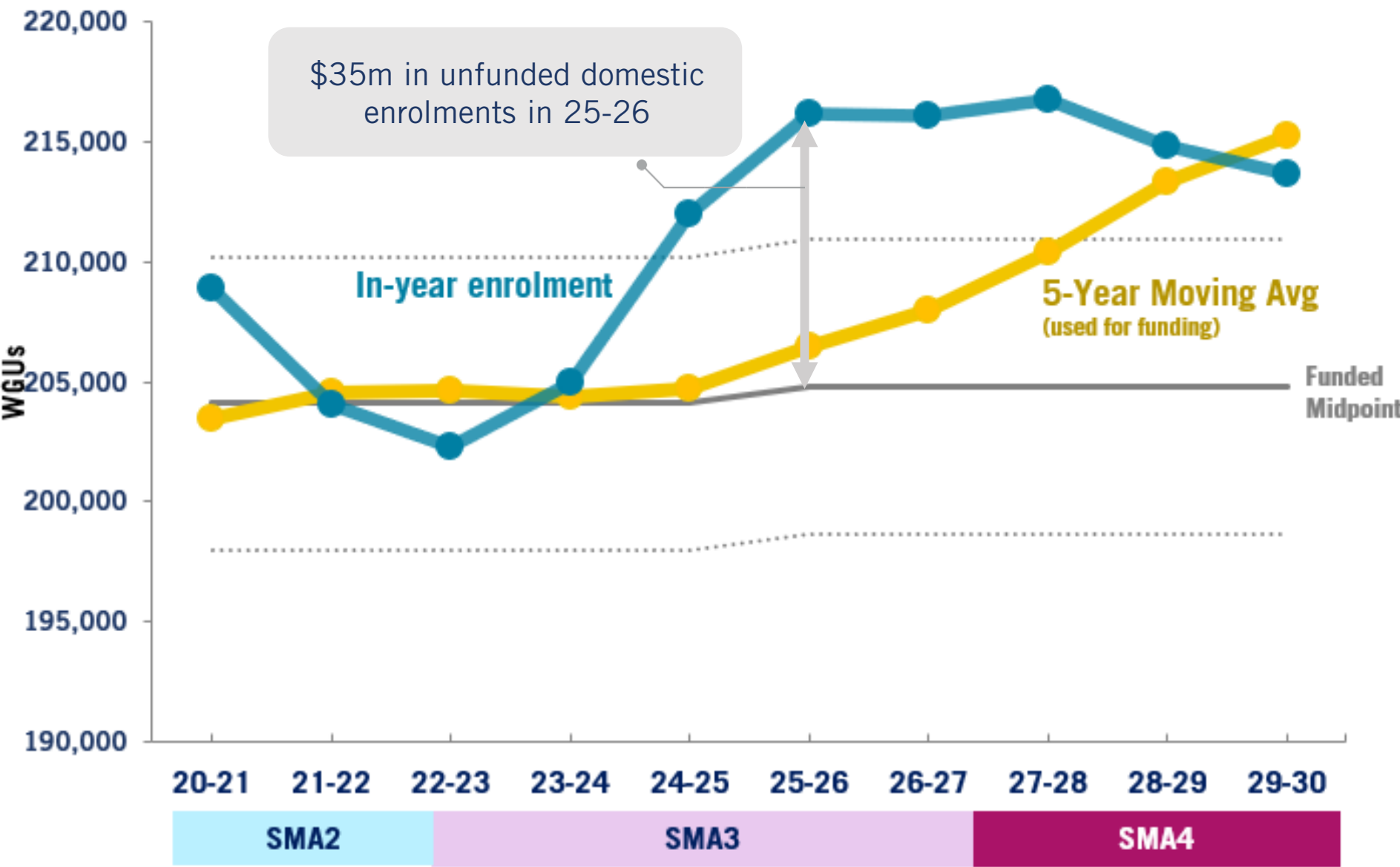
# GRADUATE PROGRAMS

## Graduate FTE Enrolment



26% of graduate students are international in 2025-26

# SMA4 Enrolment Corridor



University in-year enrolment is 5.5% above the funded midpoint.

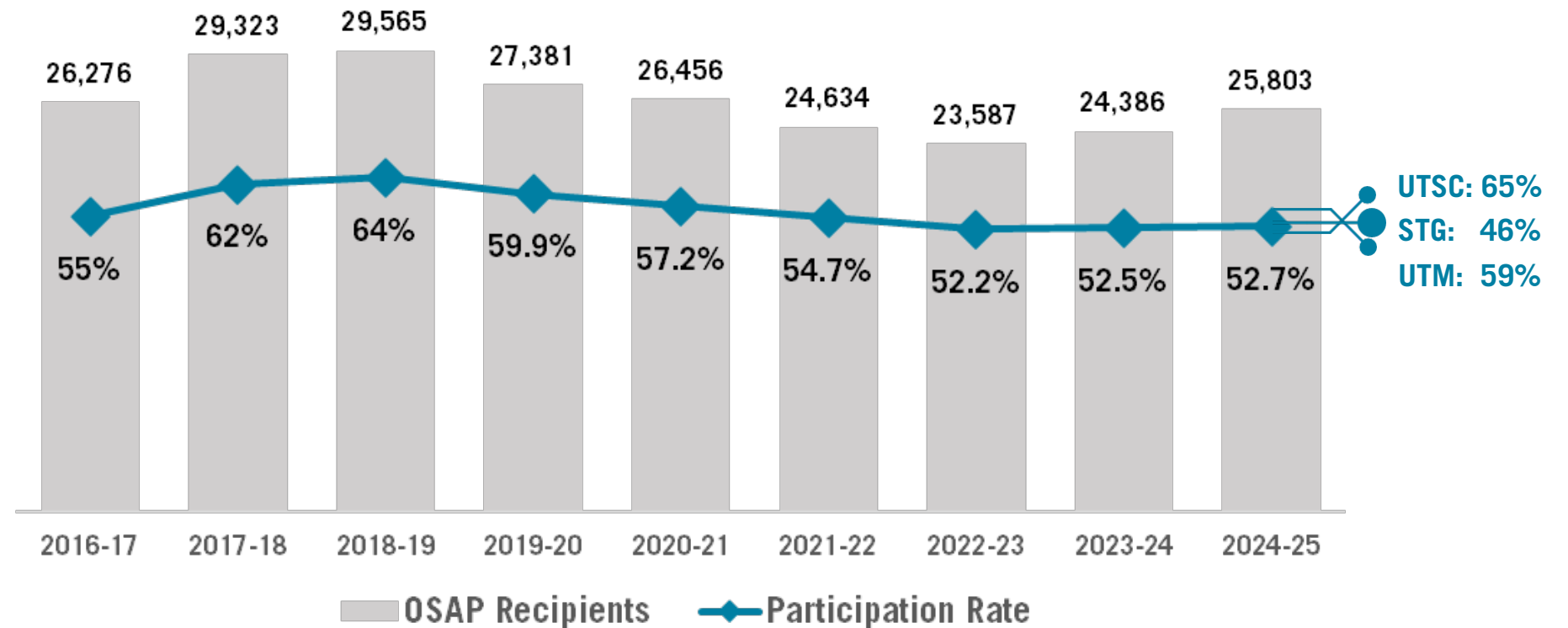
Stronger domestic demand and retention rates over last two years will push the University above ceiling in 28-29 based on 5-year average used for funding

# OSAP CHANGES AND PARTICIPATION

**OSAP** is targeted at lower-income families, those with no parental support, and students living away from home. All recipients receive at least 10% of their award as a repayable loan.

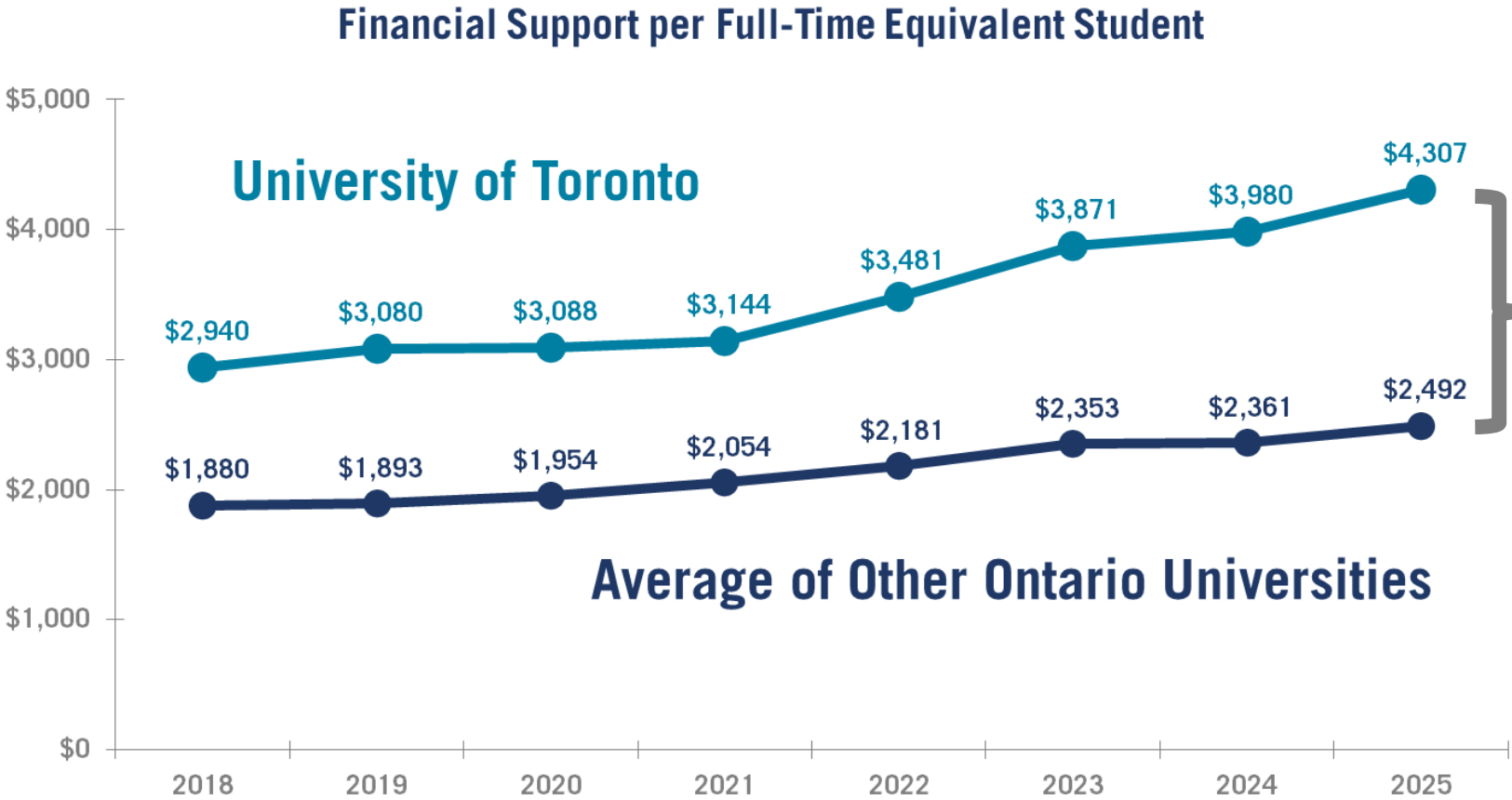
Our **UTAPS** program assesses student need independent of OSAP, recognizing higher living costs and providing additional bursaries for unmet need.

Undergraduate OSAP Recipients & Participation Rate

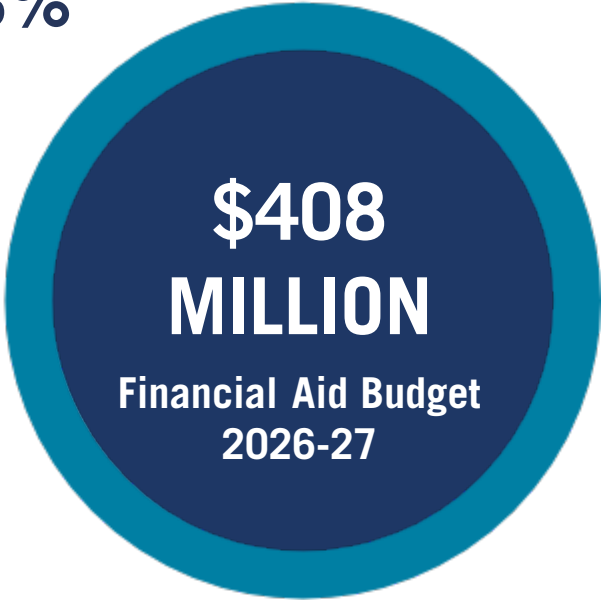


# STUDENT FINANCIAL SUPPORT

\$1.7B Endowed  
Funds for Student  
Support  
(43% of total Endowment)

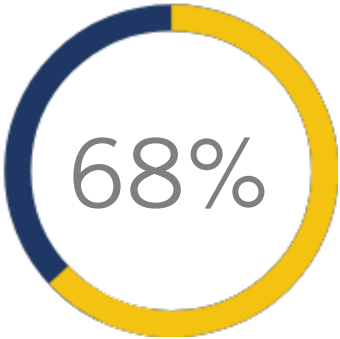
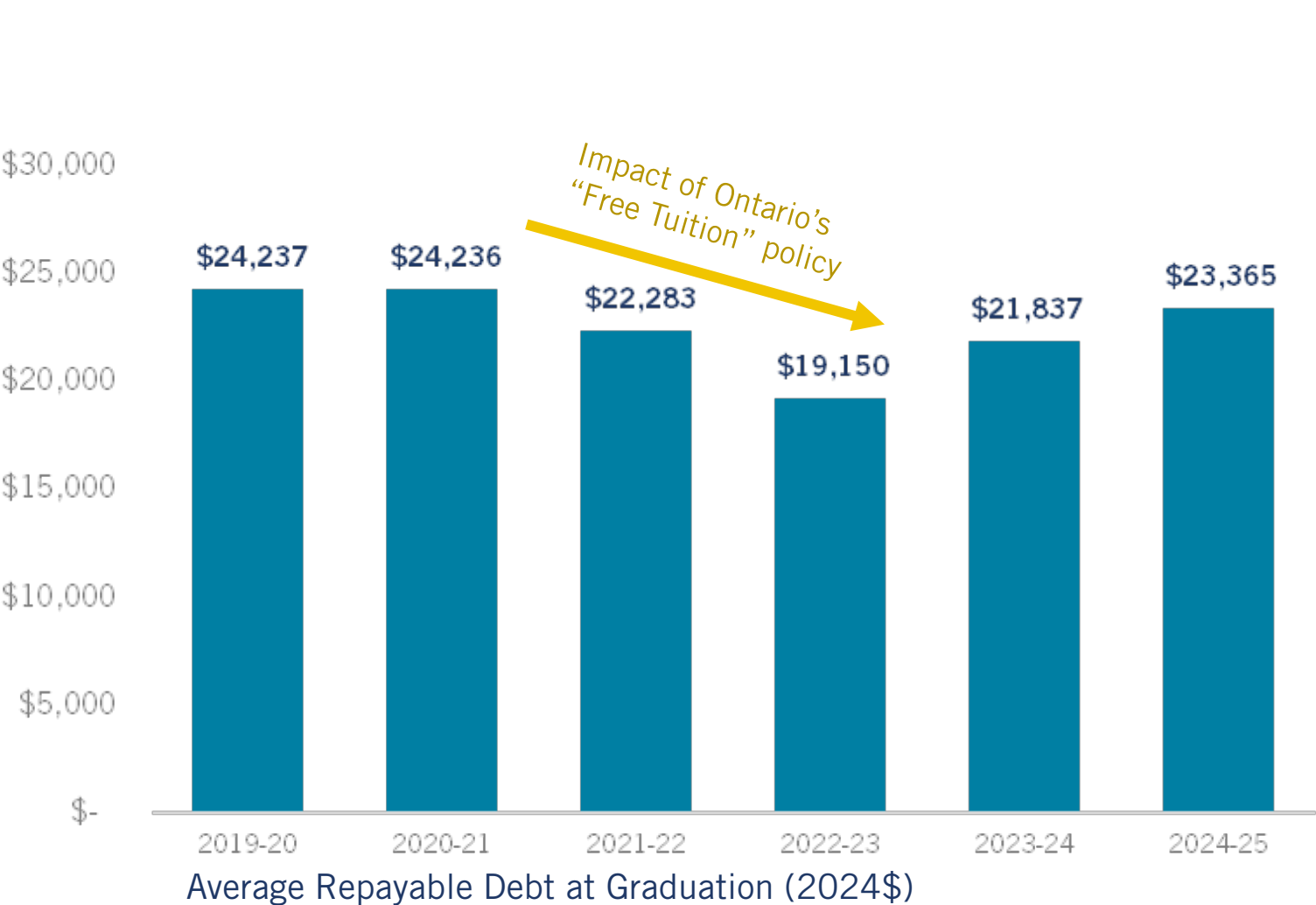


+73%



# 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

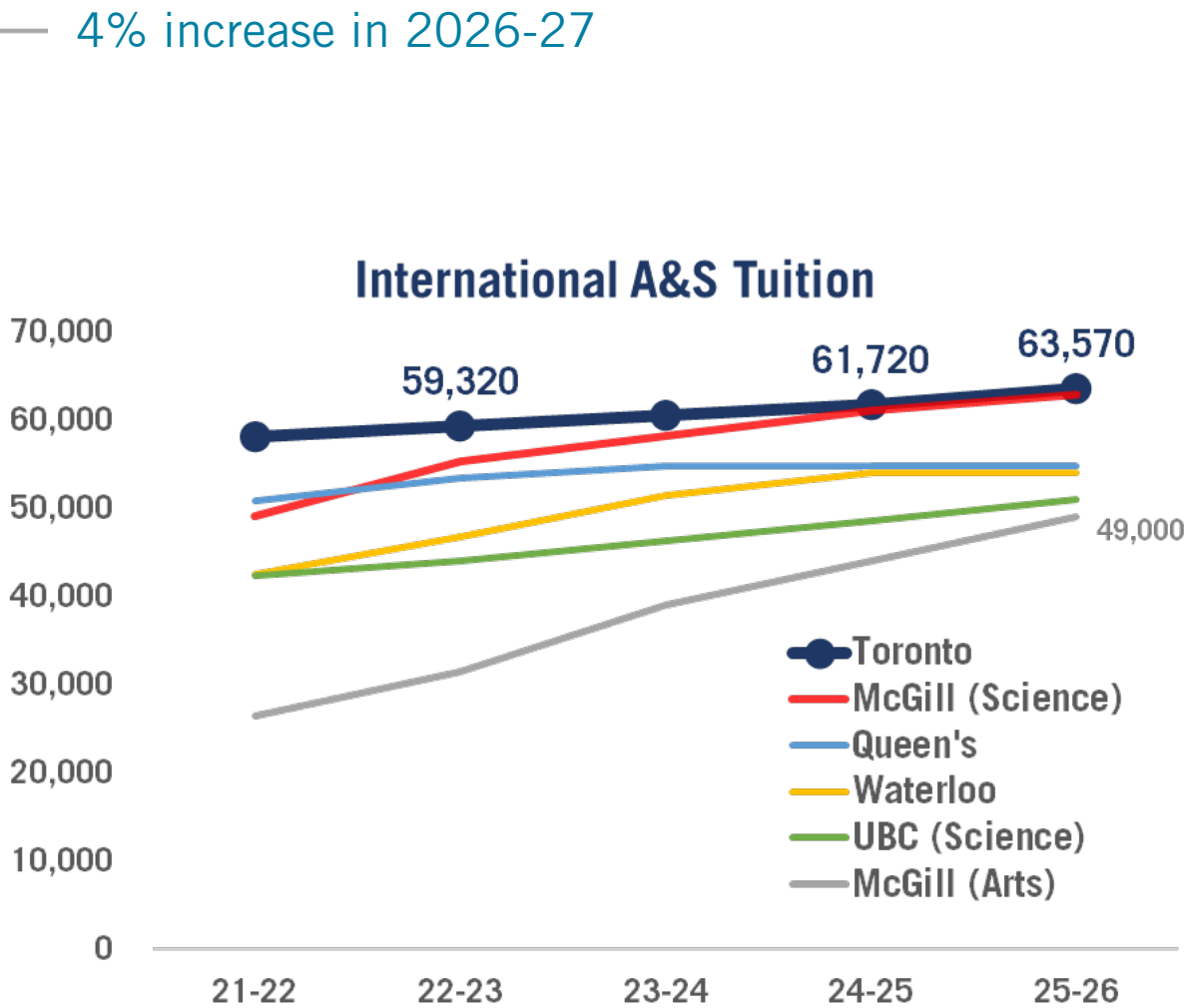


RATE OF DEFAULT ON OSAP LOANS VERSUS 1.9% FOR OTHER ONTARIO UNIVERSITIES

# INTERNATIONAL ARTS & SCIENCE TUITION

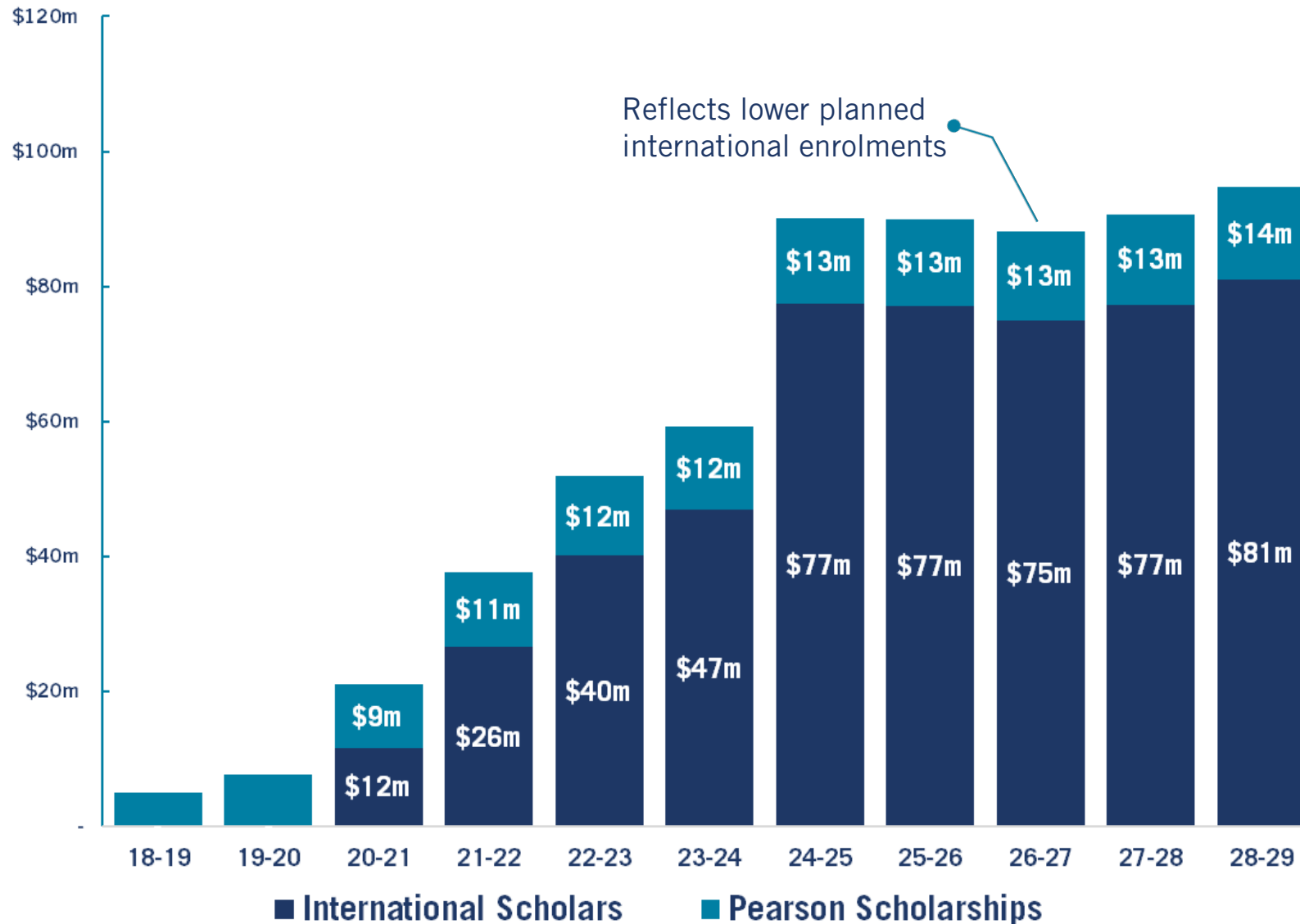
	2025-26 TUITION	PERCENTAGE INCREASE IN 2025-26
Univ. of Michigan*	\$87,000	5%
<b>U of T</b>	<b>\$63,570</b>	<b>3%</b>
McGill Science	\$62,899	3%
Queen's	\$54,808	0%
Waterloo	\$54,020	0%
UBC Science	\$51,041	5%
McMaster Science	\$47,535	0%

\*In Canadian dollars converted at \$1.37





# INTERNATIONAL SCHOLARSHIP PROGRAMS



**\$88  
MILLION**

2026-27 Budget plan for  
International Scholars and  
Pearson Scholarship  
programs

**+ Additional funding from reserves**

# GLOBAL RANKINGS - GRADUATE EMPLOYABILITY



**20th**

OVERALL IN  
THE WORLD



**2nd**

OUT OF ALL  
PUBLICLY FUNDED  
INSTITUTIONS IN  
NORTH AMERICA



**13th**

OUT OF ALL  
PUBLICLY FUNDED  
INSTITUTIONS  
GLOBALLY

\*based on Times Higher Education Rankings (2025)

# 4 Budget Initiatives



# OPERATIONAL EXCELLENCE

The University is launching a multi-year effort focused on operational excellence to evolve administrative operations. We are enhancing systems, developing new capabilities, and empowering our people so students, faculty, and staff can focus more time and talent on teaching, research, and student success

## Some examples and opportunities

### ENHANCED COLLABORATION

- Admin Service Hubs
- Re-alignment of IT, communications, and events staff across Vice-Presidential portfolios

### MODERNIZING TECHNOLOGY

- Employee Central HR system upgrade
- IT Technology Alignment Task Force
- AI Adoption Table

### PROCESS STREAMLINING

- Travel & Expense
- Procurement and Invoicing
- LEAN process reviews
- Online forms & workflows

### LEVERAGING DATA

- Identity management to facilitate system access
- Vendor data cleanup
- Administrative Reporting & Analytics

# UNIVERSITY FUND ALLOCATION

**\$4.1M**

**Support Emerging Talent**



- Salary support for global talent recruitment
- Support postdoctoral recruitment and diversification

**\$0.9M**

**Research & Innovation**



- Top-up funds for research networks
- Federal defence funding strategy

**\$4.2M**

**Investing in Divisional Priorities**



- UofT Coop expansion
- Support to divisions for their priorities
- New Operating Agreement with Federated Universities

The University Fund also continues to provide \$1.0 million annually to support our Operational Excellence program that ensures administrative resources and services are optimally aligned to support our teaching & research missions

# 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
- Experiential learning and expanding co-op opportunities

## Program Innovations



- Innovative management grad programs (M.Mgt)
- Flexible delivery models to expand student access
- New academic programs in emerging areas and to respond to student demand

# BUDGET INITIATIVES: SHARED SERVICES



Shared service costs are held flat, with operational efficiencies used to offset inflationary increases in compensation, utilities, software licenses, and service contracts

Discretionary spending was limited to the highest priorities



New  
Employee  
Central HR  
System

Library  
Acquisitions  
Funding

Enterprise  
Risk  
Management  
Leadership

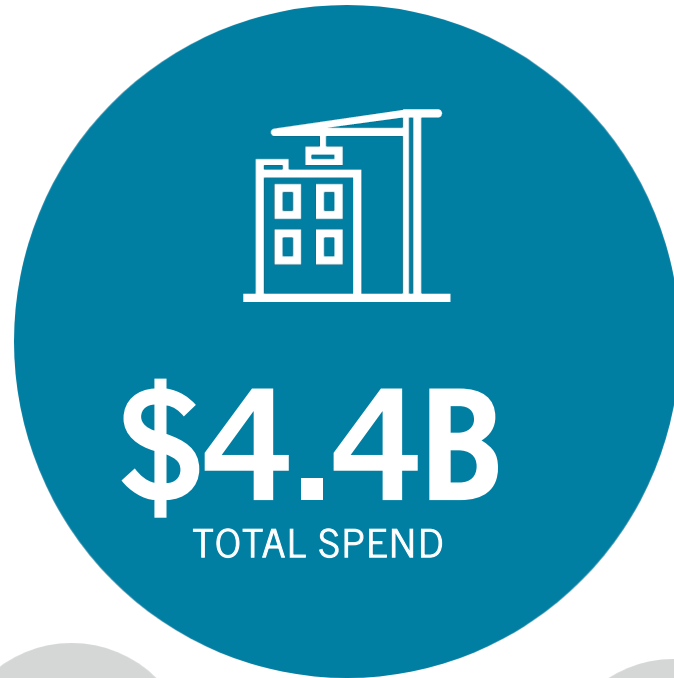
Communications  
initiatives to help  
student and talent  
recruitment



The University is also investing \$15m to advance institutional digital strategy and advance responsible AI adoption and expertise.

# CAPITAL PROJECTS & PLANNED INVESTMENTS

5 YEAR PROJECTION



22

PROJECTS

**ACADEMIC &  
INSTITUTIONAL**

6

PROJECTS

**FOUR CORNERS**

15% | **Cash Reserves**

30% | **Future Cash Contributions**

30% | **Donations, Gov't, Partnerships**

25% | **Debt**

The 26-27 Budget assumes divisions will contribute \$69M to capital renewal projects and set aside \$63M for future capital projects.

Capital plans are reviewed annually through the academic budget review process and divisions will reduce their capital commitments to fit within their budget.



# 5 Risk



# UNDERGRADUATE INTERNATIONAL RECRUITMENT

## RISKS

- Geopolitical tensions
  - Changing Immigration Policies
  - Provincial Attestation Letters (PALs)
- 

## STRATEGIES

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

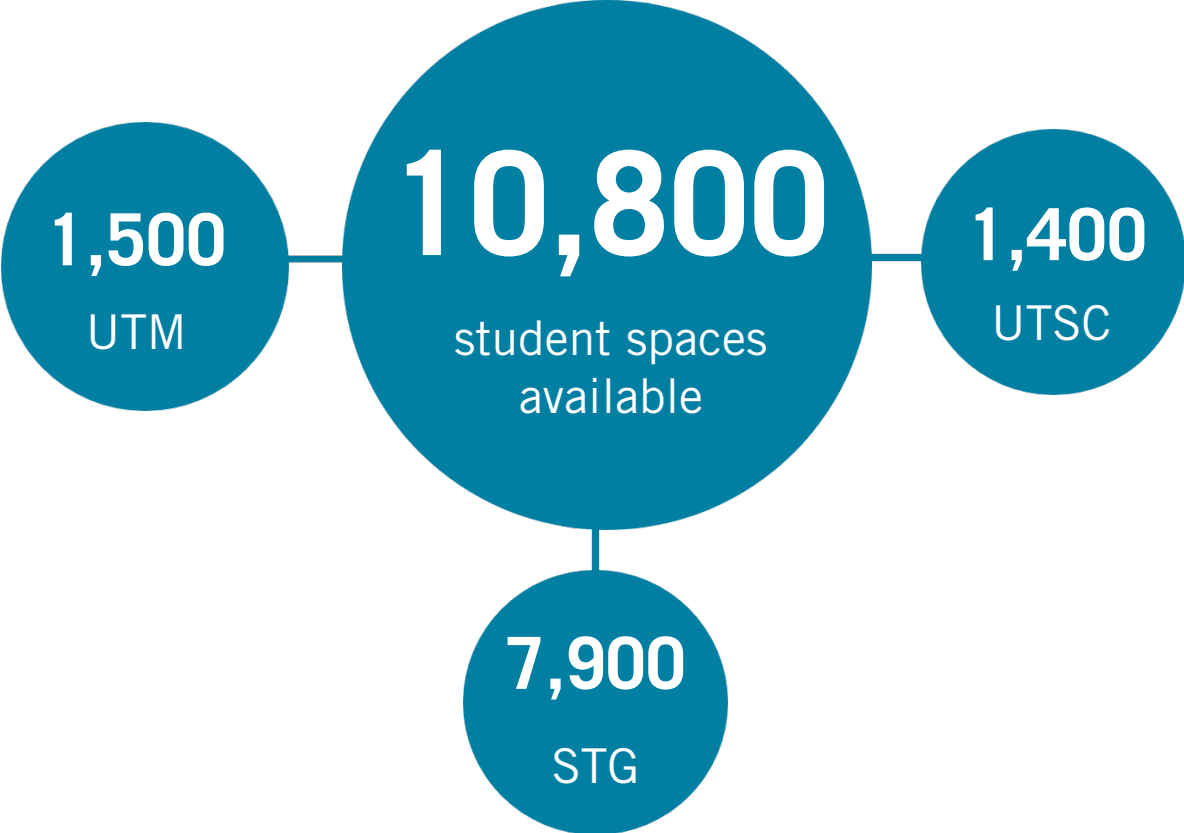
Budget plan includes  
international intake  
growth of 435  
students over 2025

**\$29M RISK**



In Fall 2025, UofT registered  
40+ new students from 15  
separate countries; and  
no single country greater  
than 50%

# STUDENT HOUSING



**Build More Housing Initiative** to meet demand for up to 5,500 additional beds. Two initial on-campus sites under planning (~1,200 beds)

+750 beds under construction



New Residence  
UTM



Lawson Centre for  
Sustainability  
Trinity



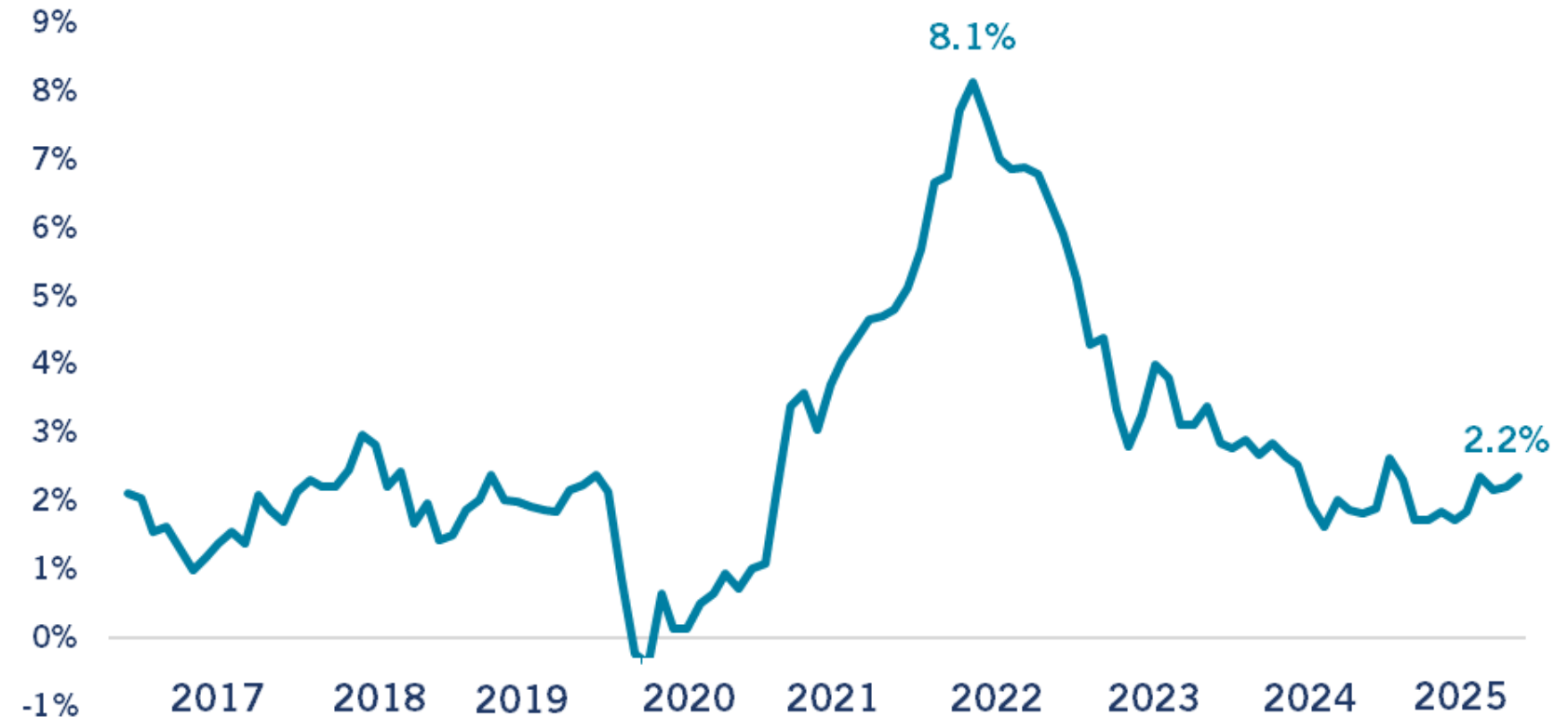
# INFLATION

Inflationary pressures and uncertainty created by US tariffs, changes to global trade networks, and geopolitical instability. CUSMA to be reviewed in June 2026

**2.2%**  
PER YEAR

**ANNUAL INFLATION  
ON CPI (DEC 2025)**

CPI Monthly Inflation, Canada



# PENSION PLAN RISK CONTINGENCY



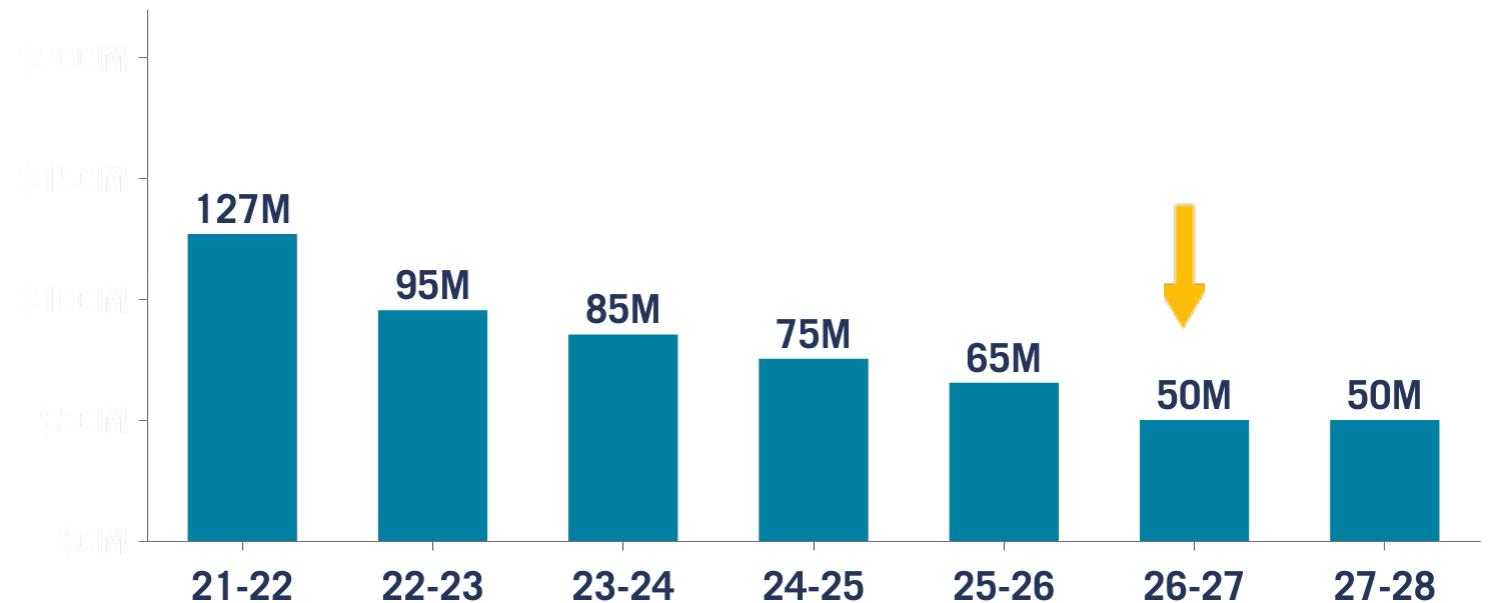
Pension transferred to new UPP Ontario in 2021. However, University responsible for any future deficits for 10 years.



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 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 (\$100m) and debt (\$250m), funded from existing deferred maintenance budget.



**\$1.5 Billion**  
CURRENT DEFERRED  
MAINTENANCE LIABILITY

**\$145M**

Mechanical  
(HVAC, fire protection)

**\$59M**

Electrical  
(switchboards, panels, transformers)

**\$39M**

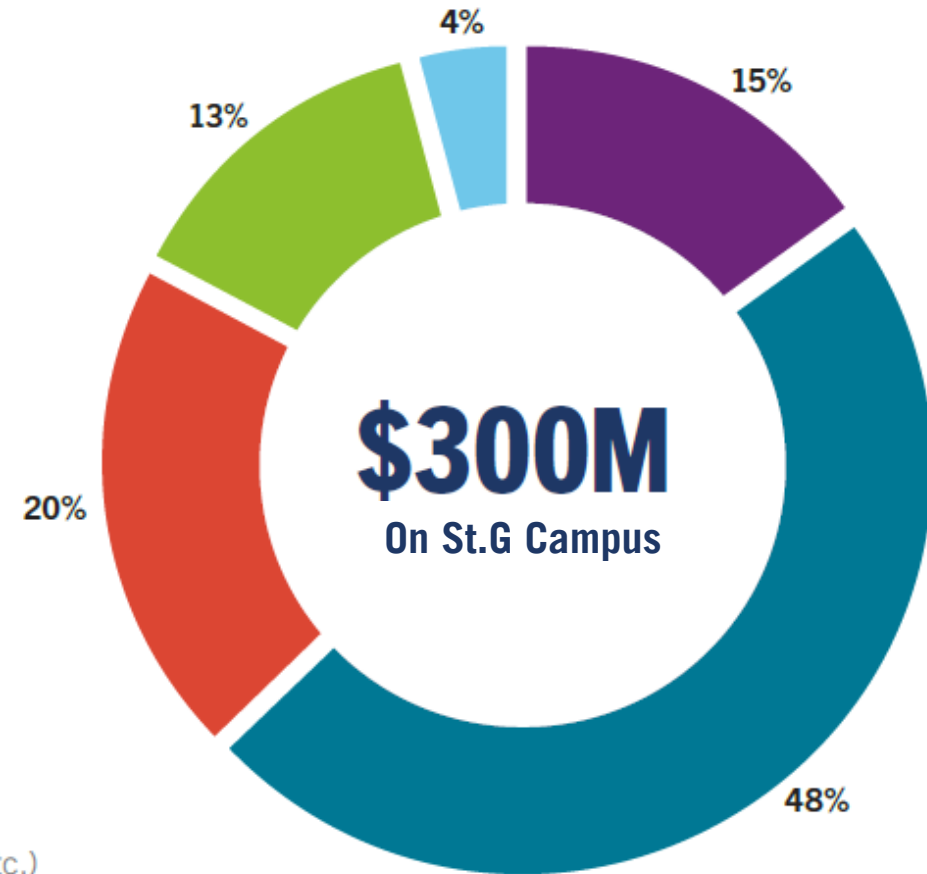
Elevators  
(modernize or replace 47 elevators)

**\$13M**

Roofing  
(repair or replace 24 roofs)

**\$44M**

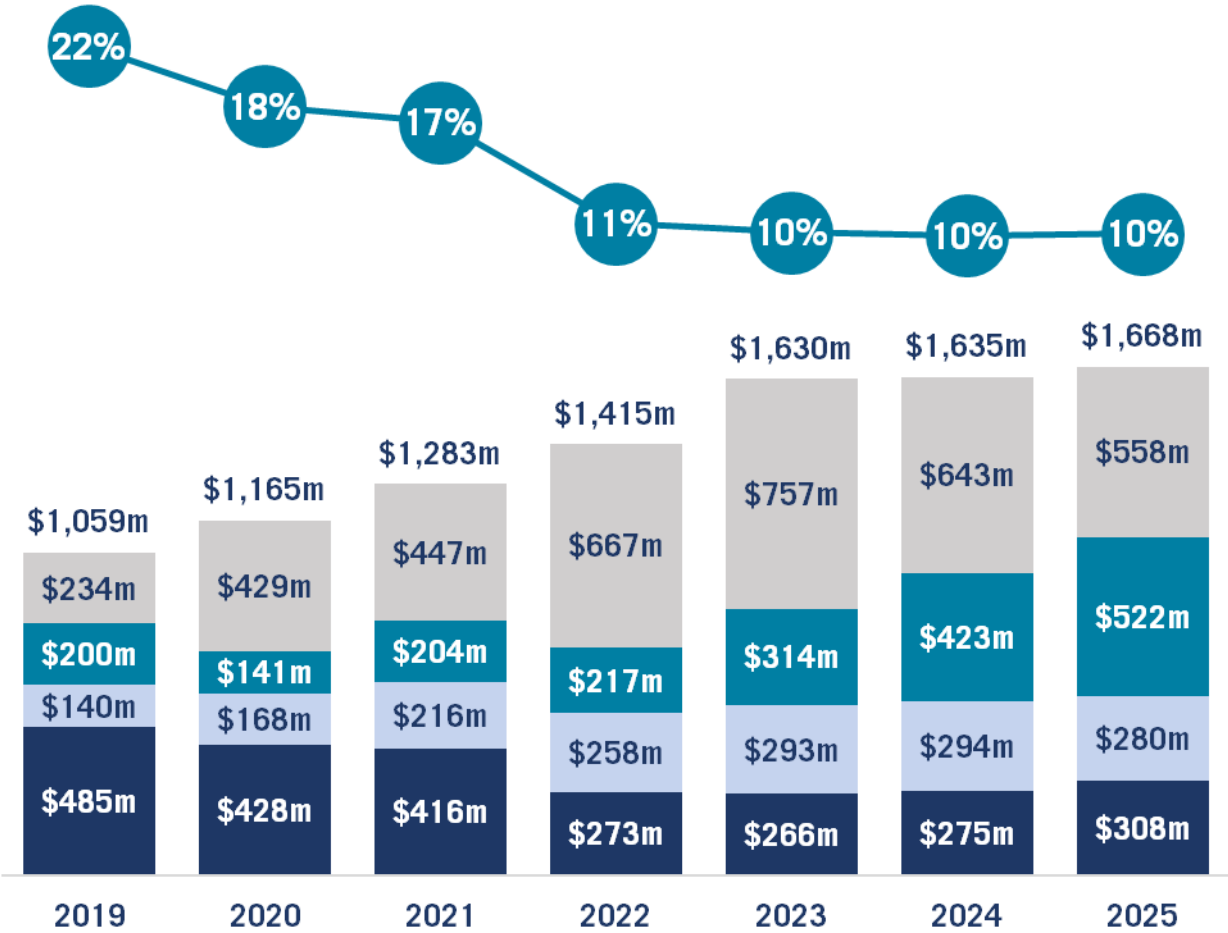
Other costs  
(permits, project management, interest, etc.)



**2026-27 DM budget is \$49M (\$36M operating; \$13M Province)**

# OPERATING RESERVES

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



## Reserves for major capital projects:

- Rotman Commerce building
- Climate Positive Campus Renewal Plan
- new data sciences building
- UTM campus heart renewal
- UTSC arts & media building
- OISE student spaces renewal
- Temerty Building (MSB west wing)
- and other projects

Investment Smoothing, Priority Initiatives, Matching, and Other Reserves

Principal Investigator operating accounts

Divisional Reserves

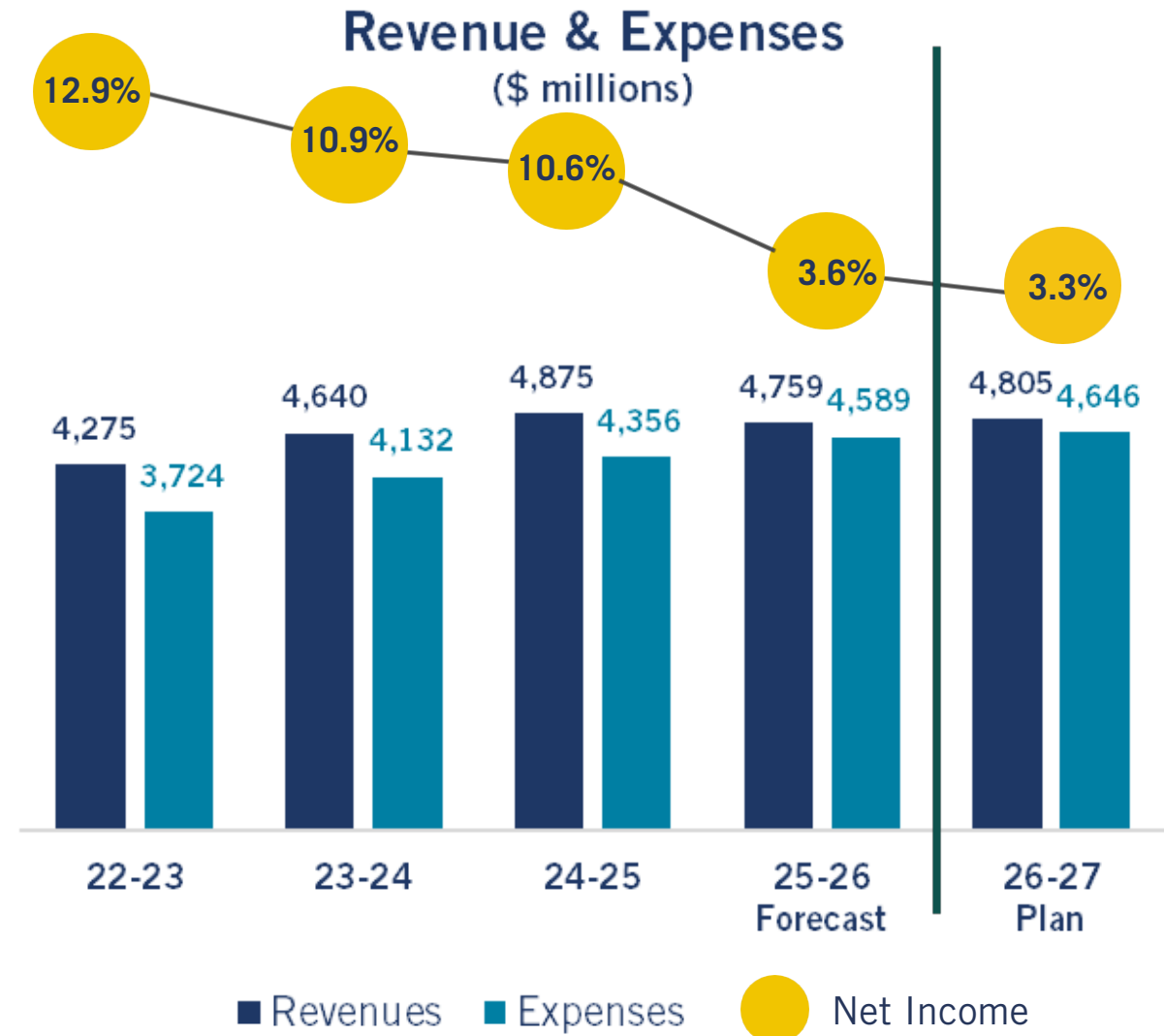


# FINANCIAL STATEMENT OF OPERATIONS

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.

**3.3%**

**Planned 2026-27  
Net Income on an  
accounting-basis  
across all four funds.**





# FOUR CORNERS: DEVELOPING A NEW SOURCE OF REVENUE

## GOAL 1

Facilitate amenity  
uses that support  
the academic  
mission

## GOAL 2

Grow “other” revenue  
while maintaining  
long-term real estate  
interests

**\$50 MILLION**

New revenue to  
operating fund by  
2033

**3.5 MILLION**

Square feet of  
new space  
development

Will return \$6m to operating fund in 26-27

## RECENT PROJECTS

- Schwartz Reisman Innovation Campus - West
- Oak House student residence

## FUTURE PROJECTS

- Schwartz Reisman Innovation Campus - East
- College Street UG student residence
- Harbord Street Grad student residence
- Build More Housing opportunities

# Budget 2026-27



UNIVERSITY OF  
TORONTO