

Budget 2026-27

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



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

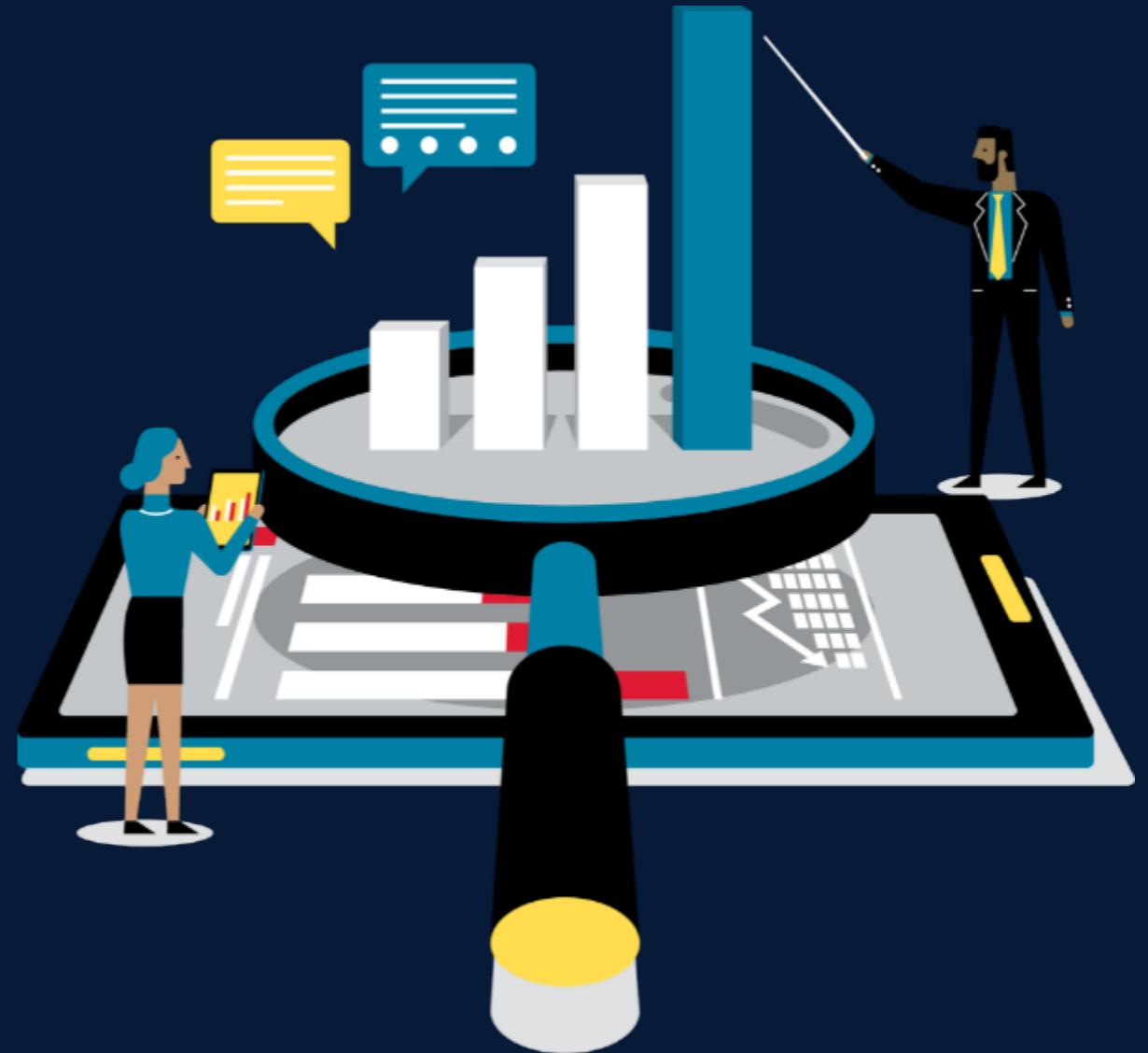
Pressures from recent settlements
Planned complement reduction



FINANCIAL AID

Graduate funding, need-based
bursaries, international scholarships.

1 Budget Overview



2026-27

Balanced Budget

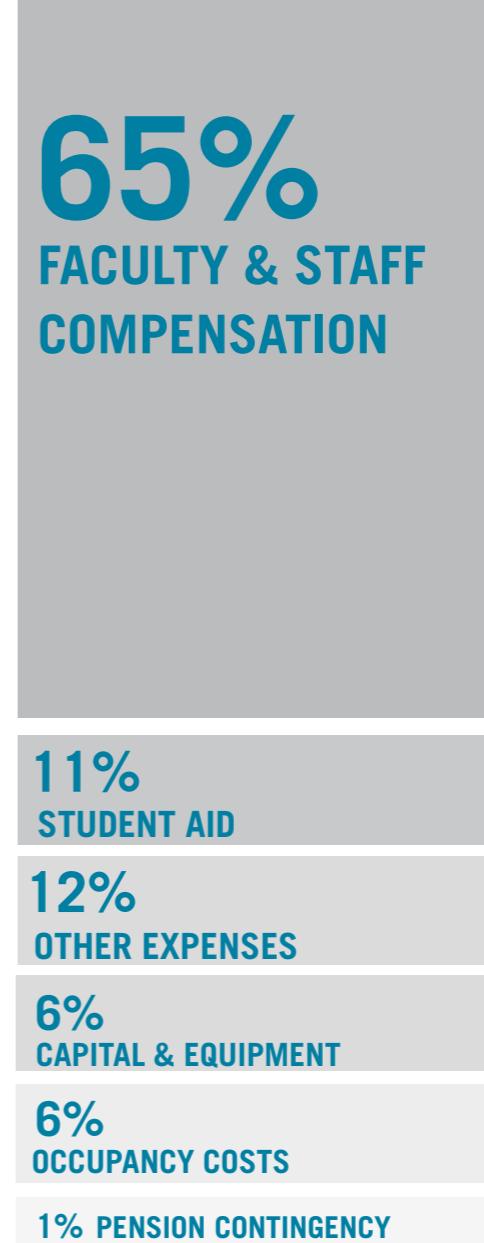
\$3.66 BILLION

\$39 million increase
over 2025-26 Budget

REVENUES



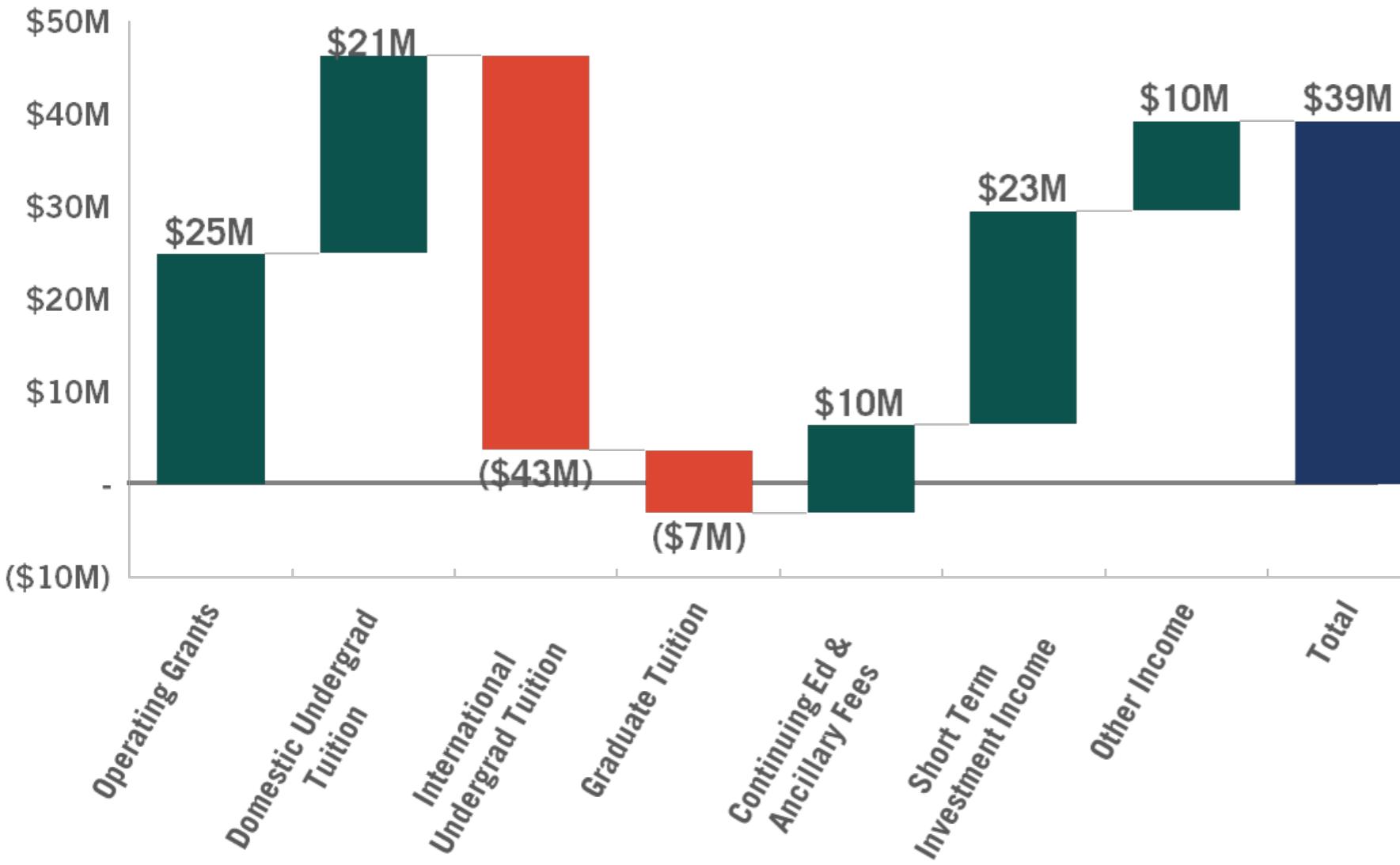
EXPENDITURES



2026-27 REVENUE GROWTH BY SOURCE

Planned Growth over 2025-26 Budget

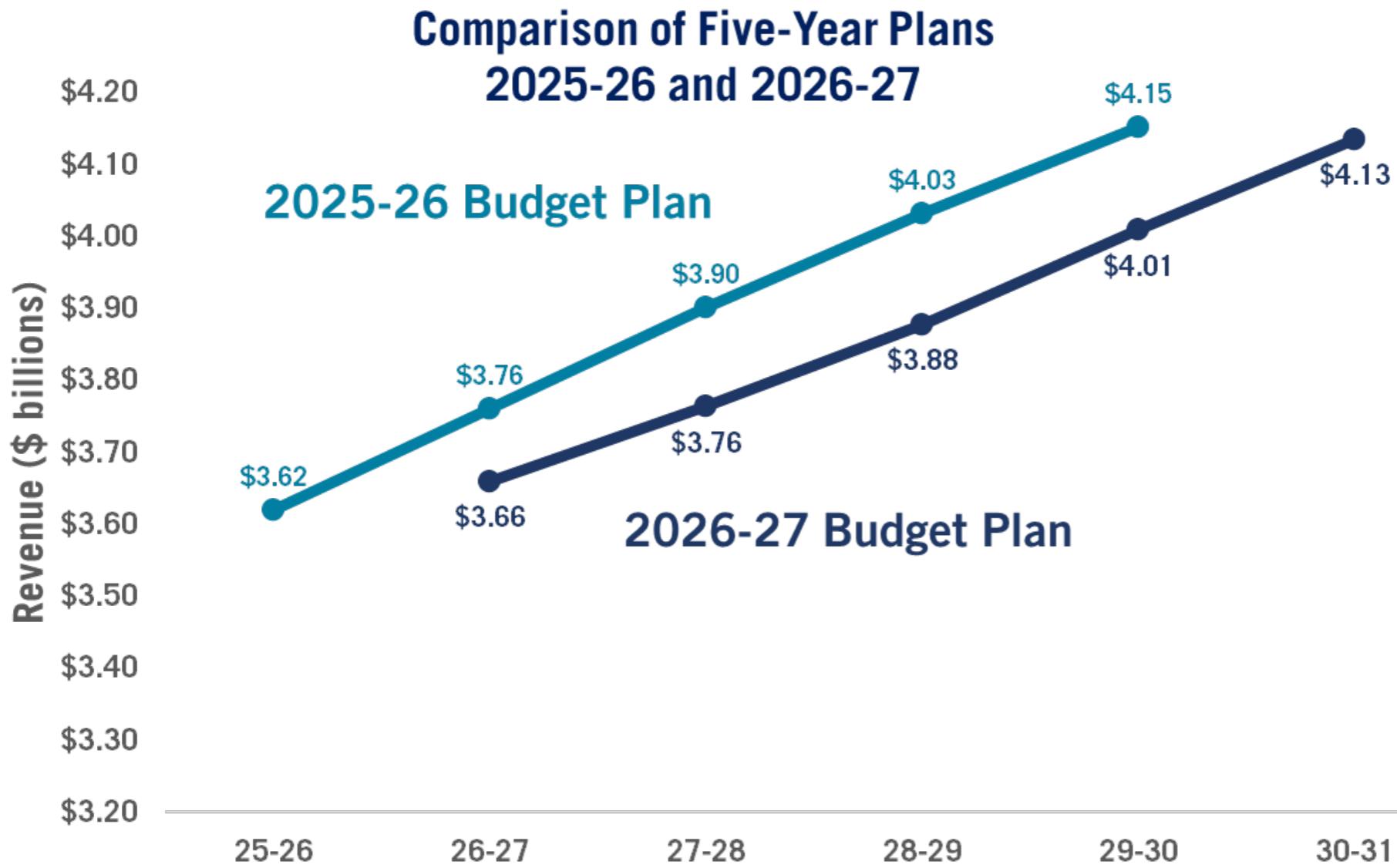
■ Increase ■ Decrease ■ Total



**\$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

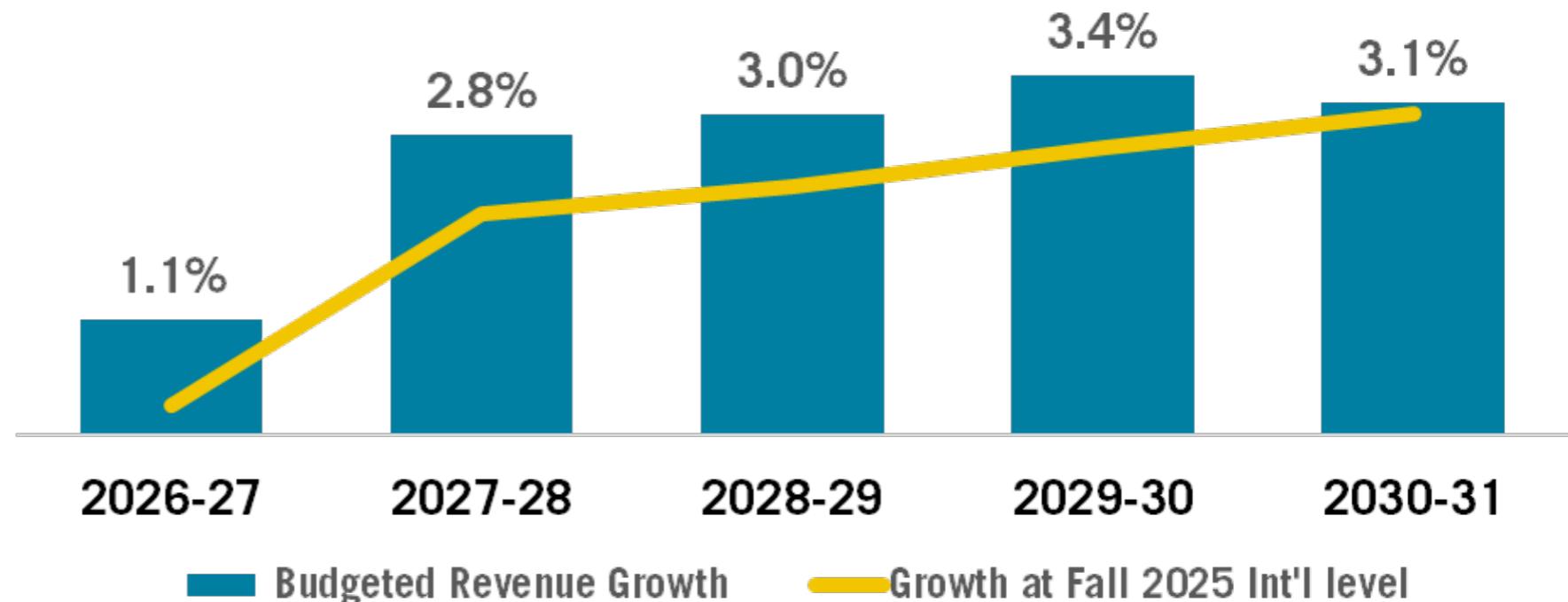
BUT GROWTH RATE VARIES
WIDELY BY DIVISION

-2% ↔ 8%



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

Annual Budgeted Revenue Growth

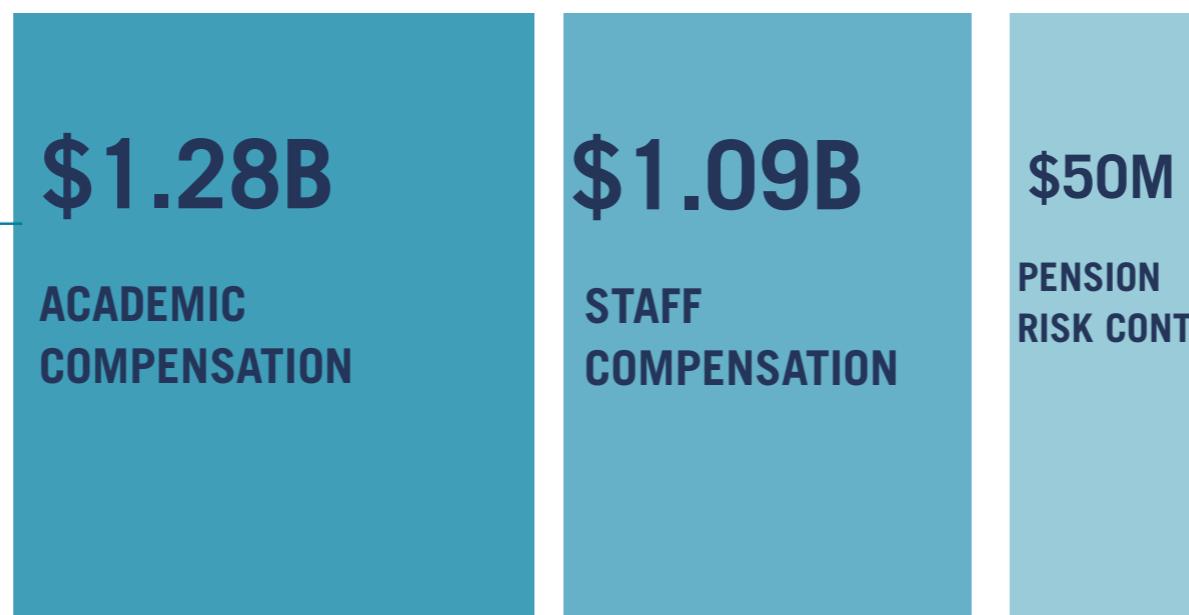


COMPENSATION

\$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



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)

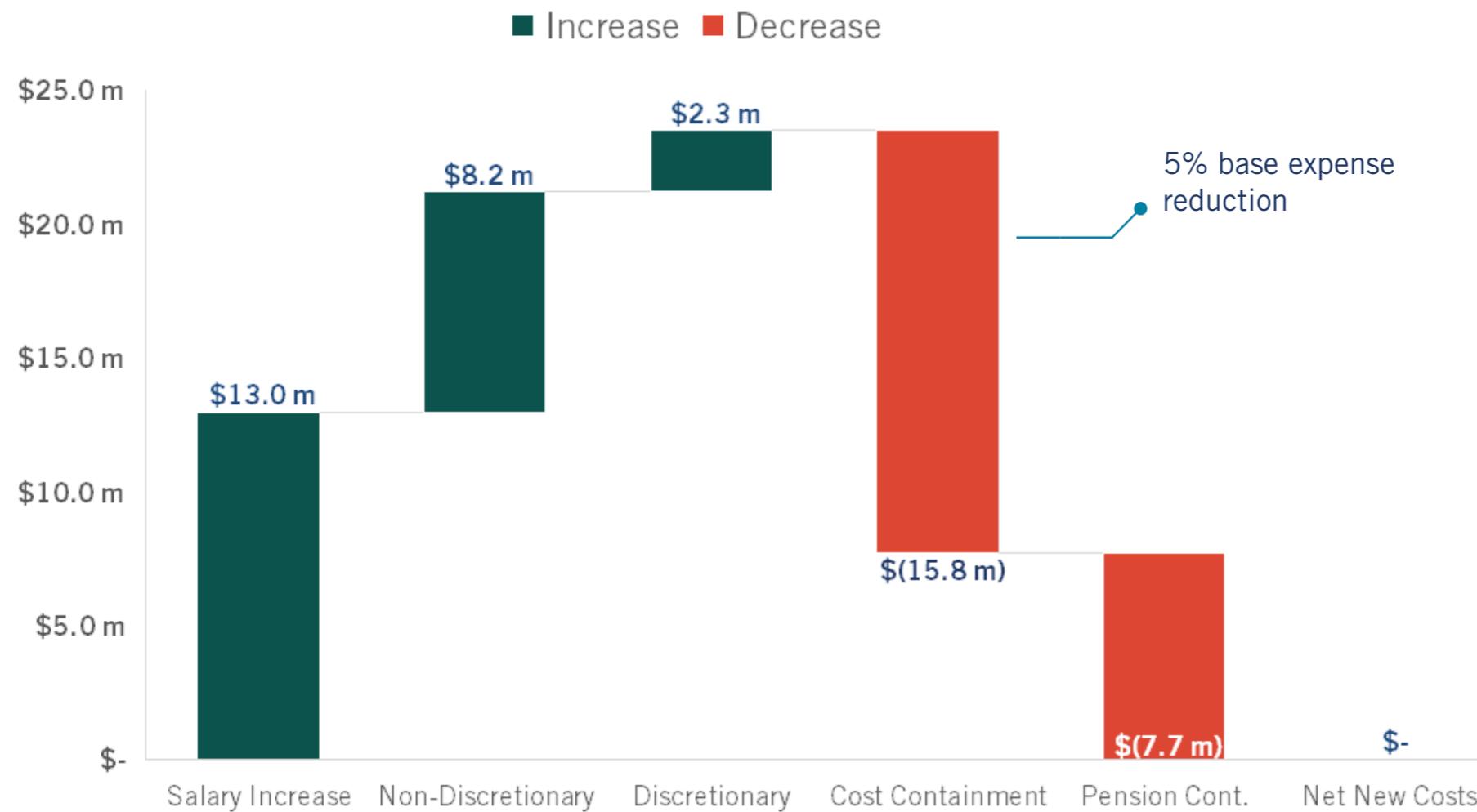
**PENSION RISK CONT.
REDUCTION**

(\$15 MILLION)

=

**NET GROWTH
\$69 MILLION**

UNIVERSITY WIDE COSTS

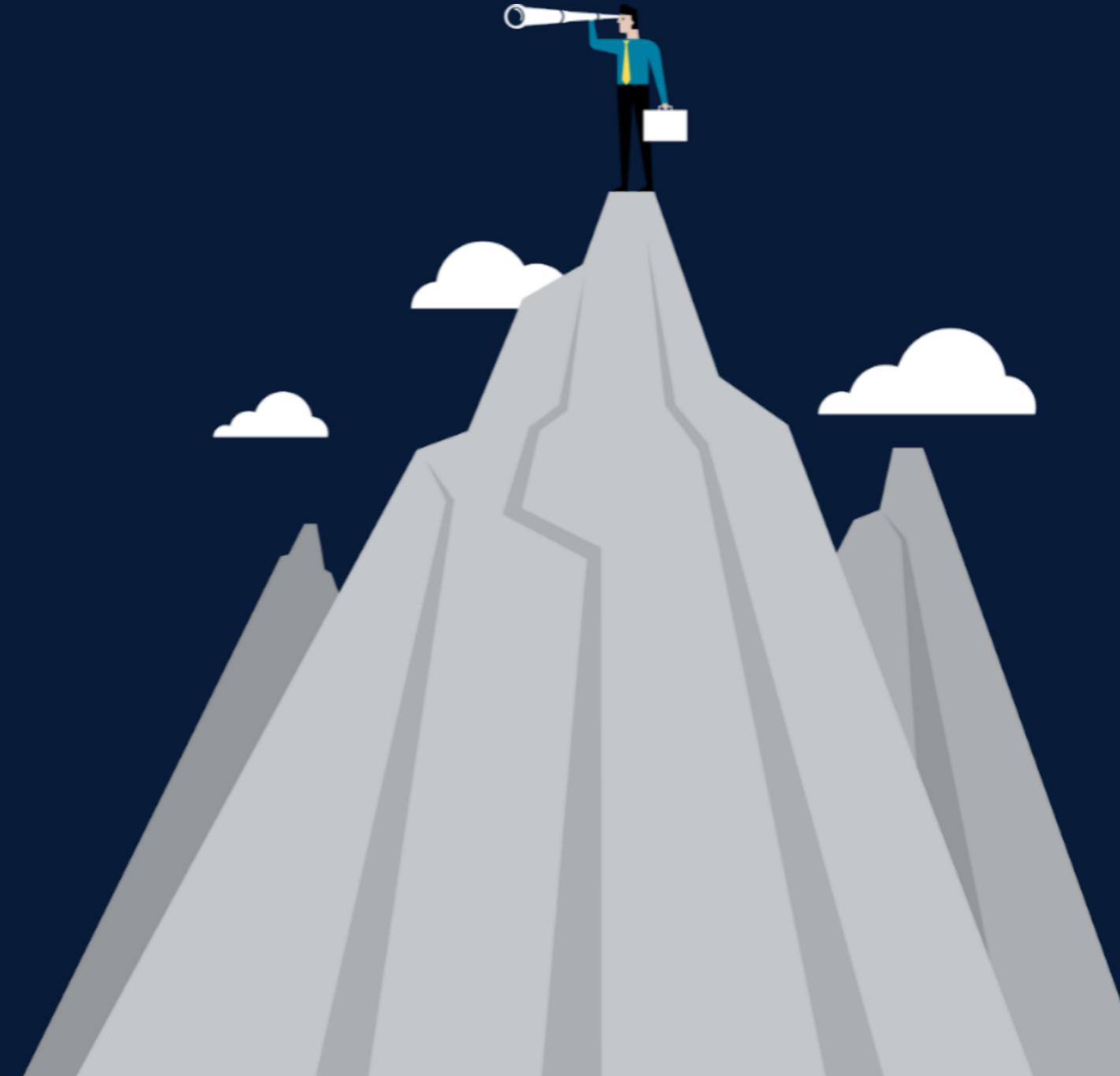


2026-27 UWC has
\$0
GROWTH
over last year
at \$749.5m



Additional
\$163.9m
in campus costs at
UTM and UTSC
planned to remain flat

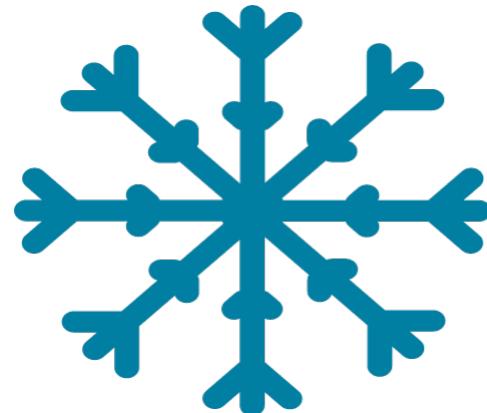
2 Changing Financial Landscape



PROVINCIAL TUITION FEE FRAMEWORK

Freeze assumed for 2026-27

3% annual fee increases assumed starting 2027-28



FREEZE
Ontario Residents

5% Increase
Undergraduate
Non-Ontario Residents

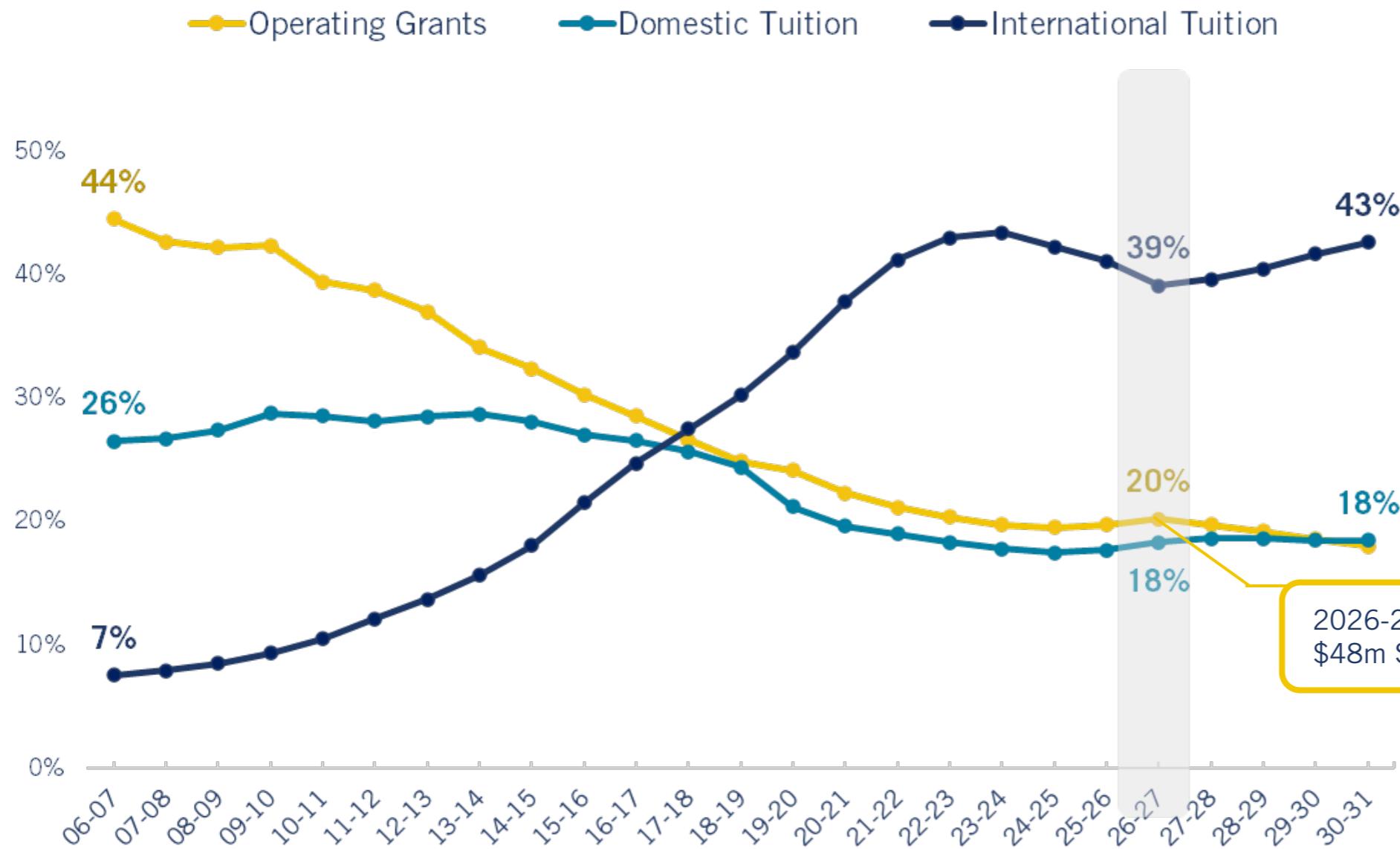
Current fees are 27% lower than 2018-19 when adjusted for inflation

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

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)

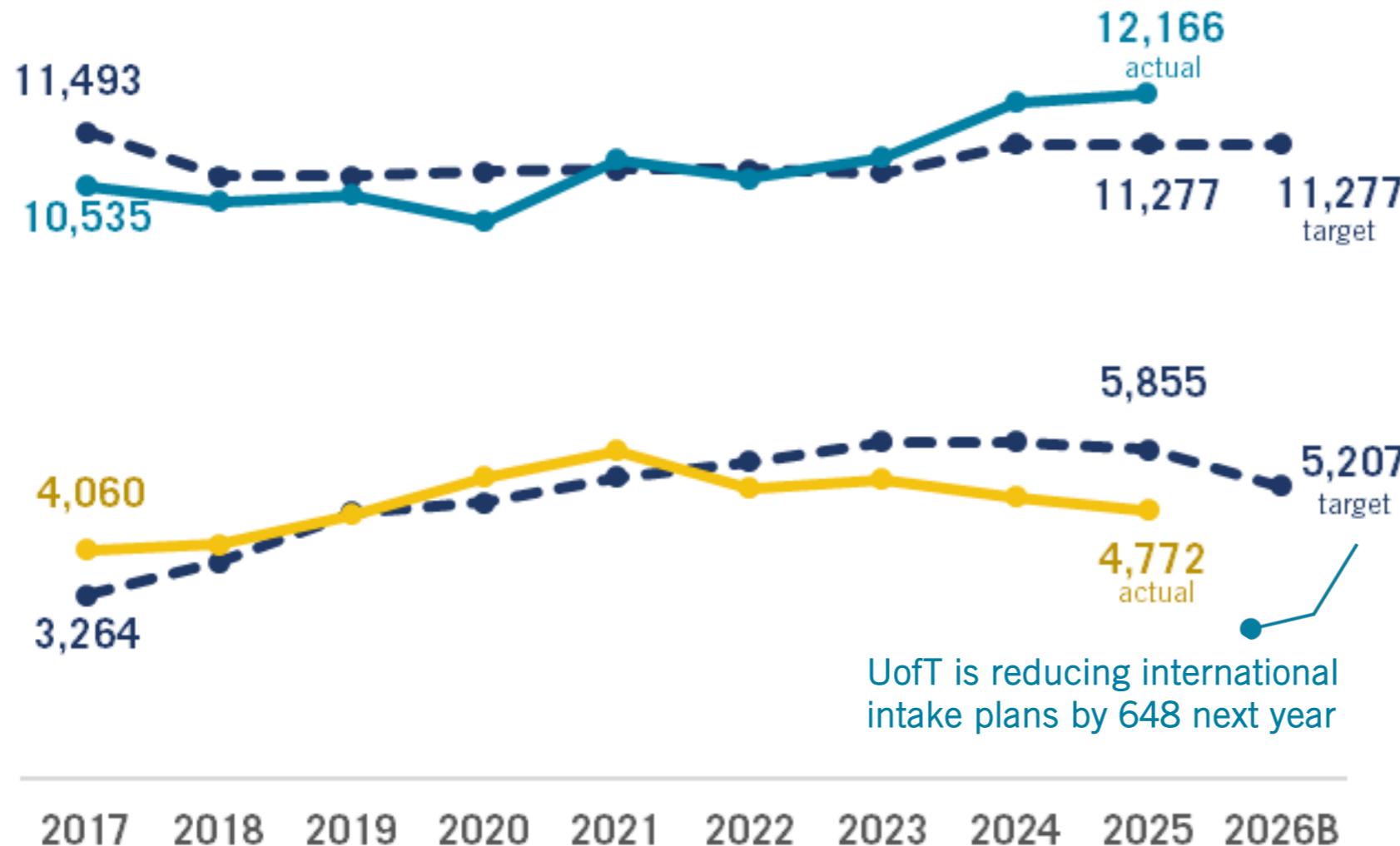


UofT met or exceeded SMA3 targets in all five years of the agreement.

3 Students: Affordability, Access & Outcomes



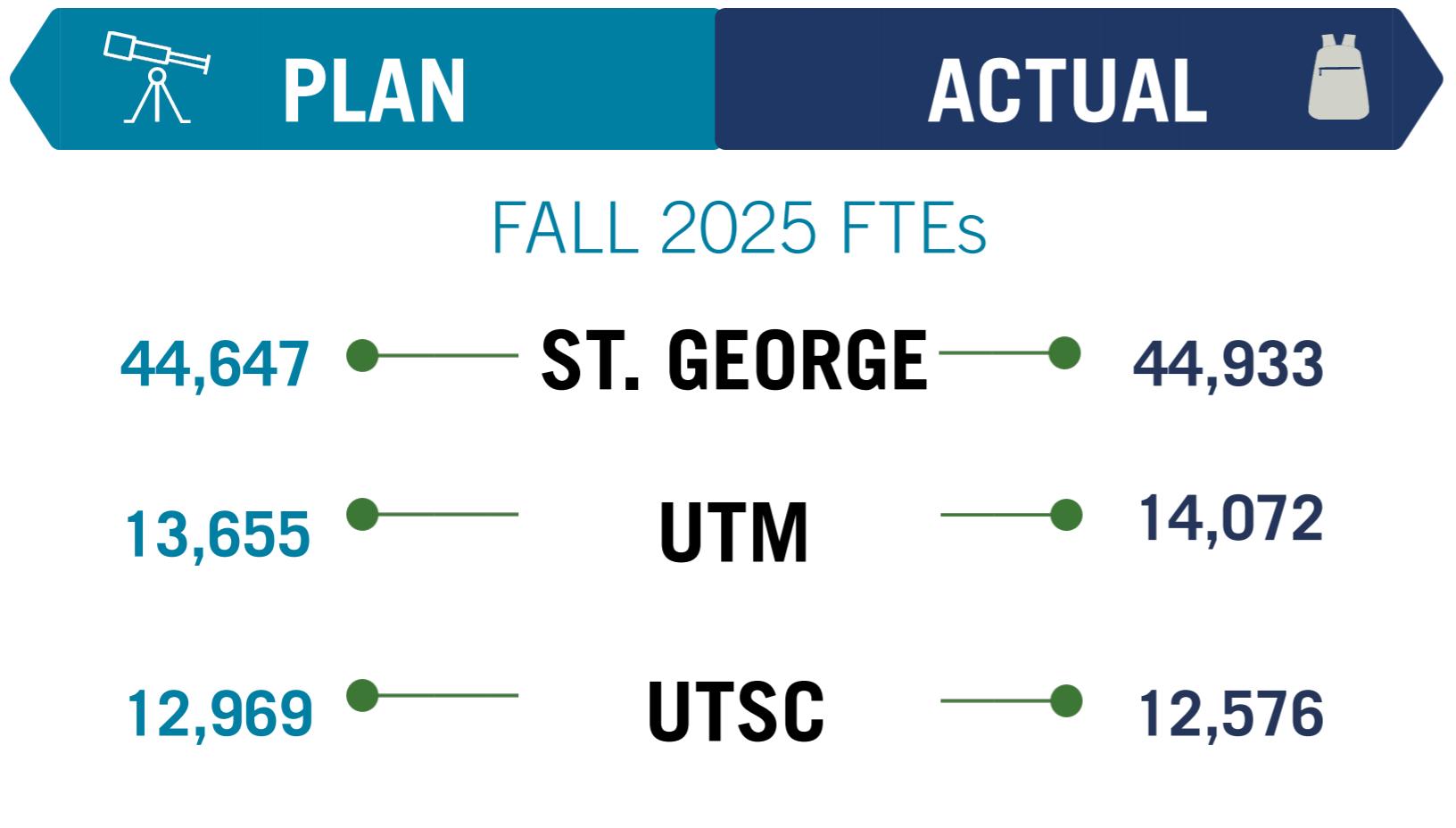
UNDERGRADUATE DIRECT ENTRY PROGRAM INTAKE



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

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

UNDERGRADUATE ENROLMENT RESULTS



**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%

2025-26

29.8%

2030-31

International
undergraduate
student FTEs
20,507

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



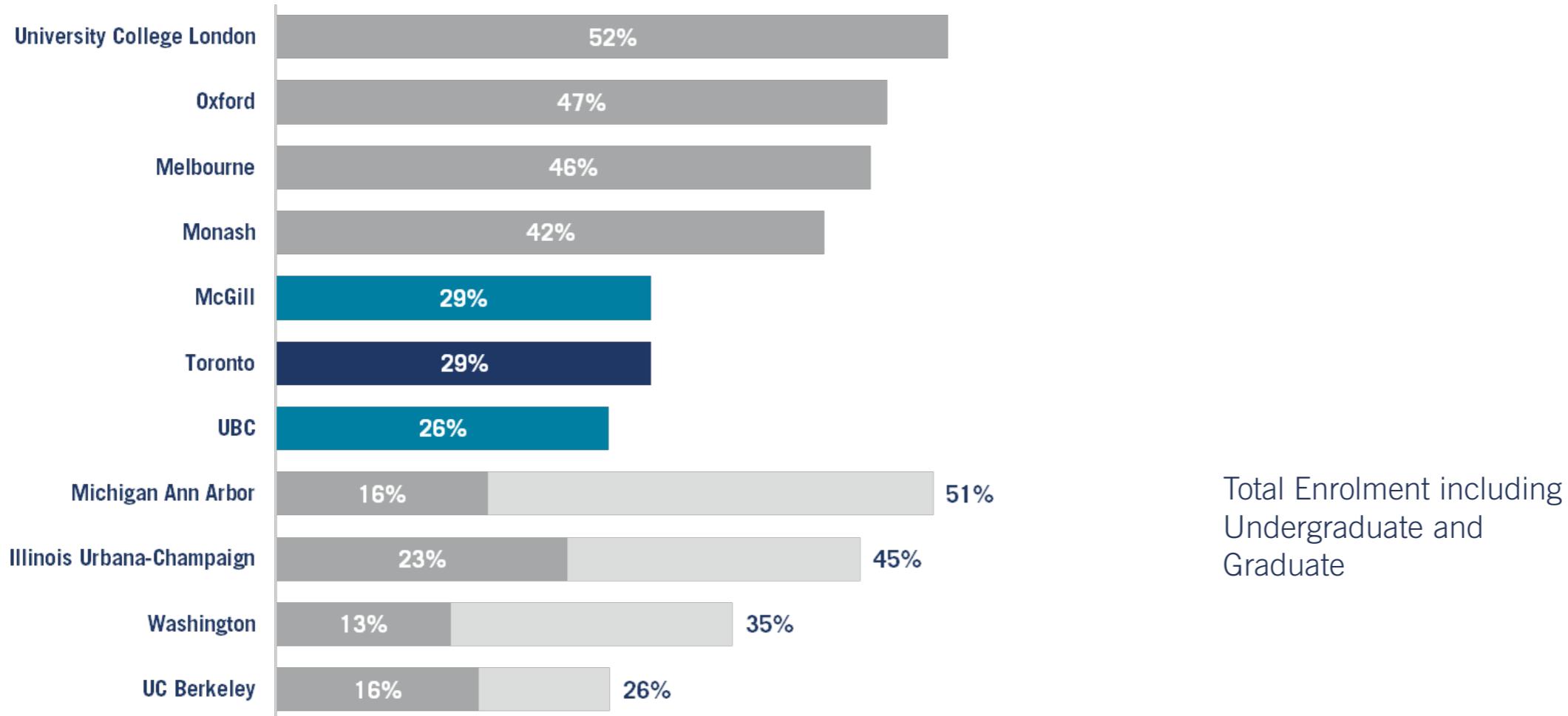
International
undergraduate student
FTEs will increase to
21,218 (711 growth)



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

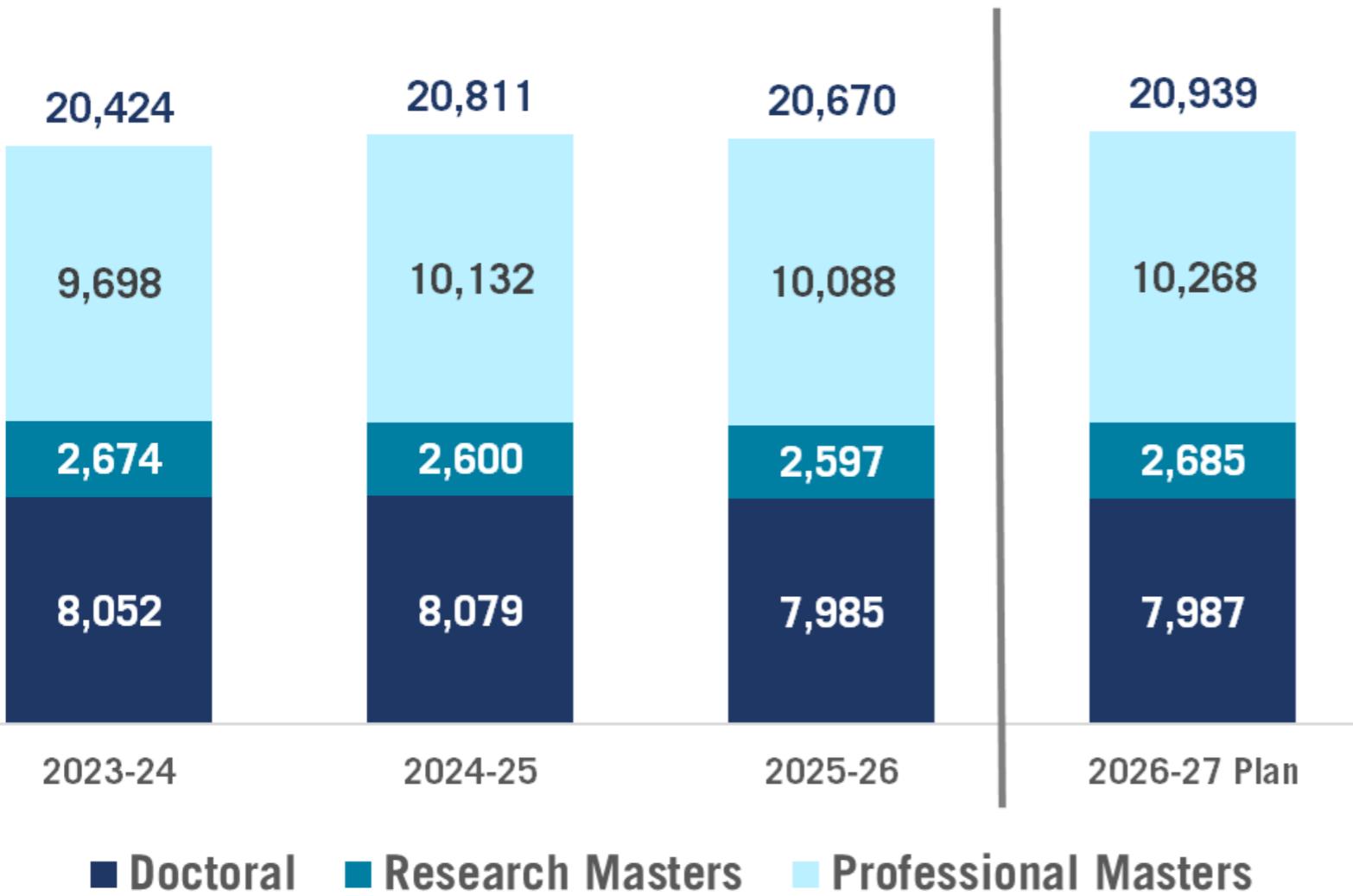


*Monash figures are for Fall 2023

■ International ■ Out of State

GRADUATE PROGRAMS

Graduate FTE Enrolment

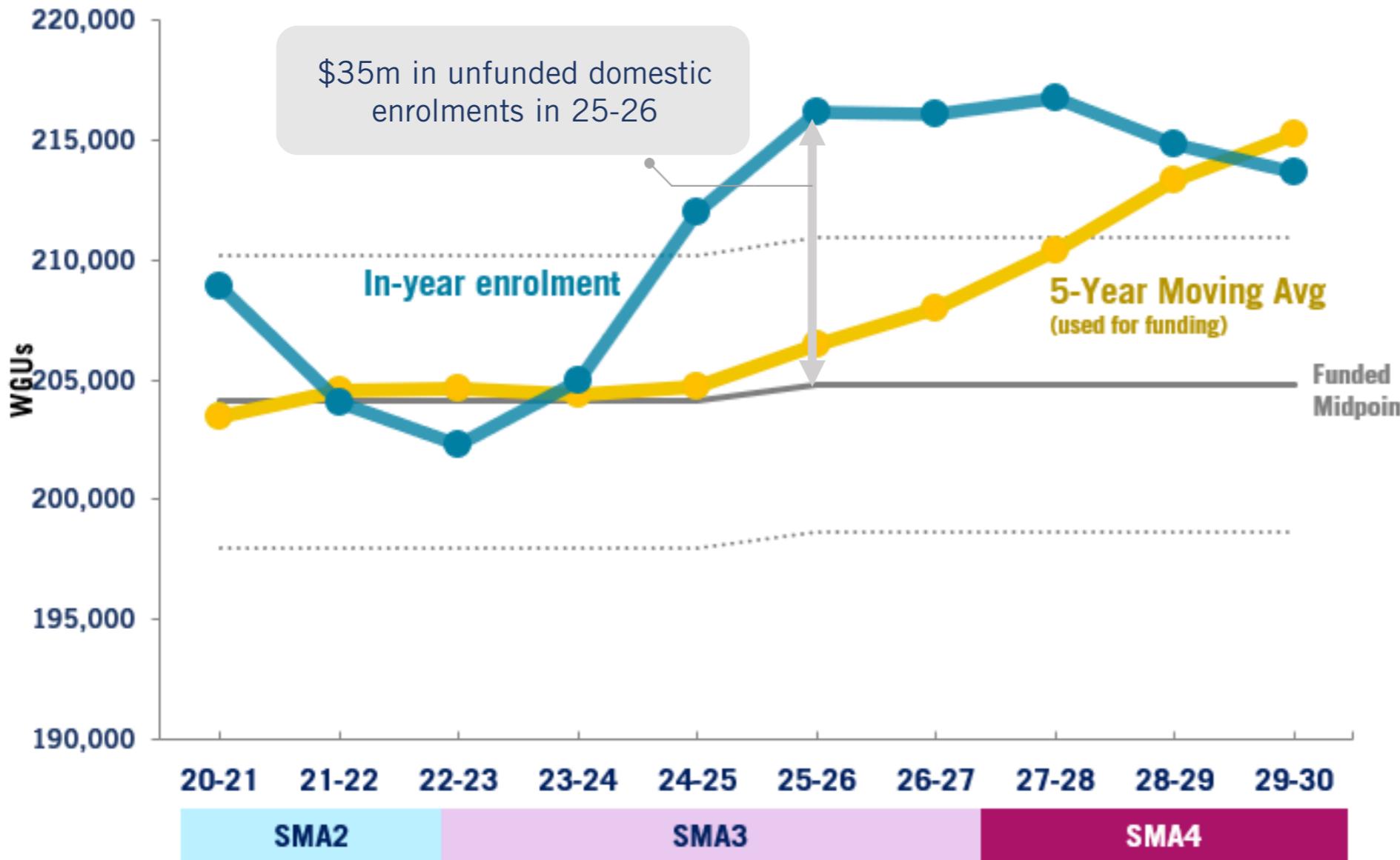


**Minimum \$40,000
base funding
commitment for
doctoral students**



26% of graduate students are
international in 2025-26

SMA4 Enrolment Corridor



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

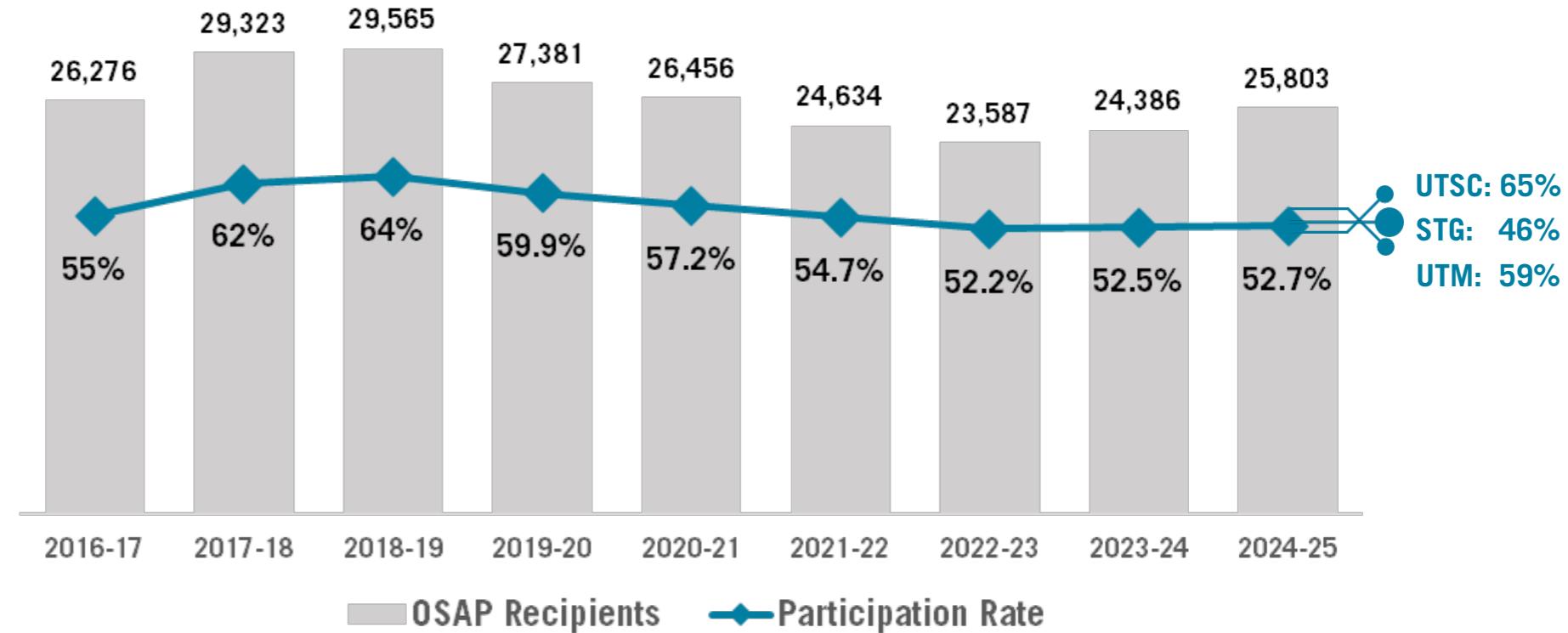
Stronger domestic demand and retention rates over last two years will push the University above ceiling in 28-29 based on 5-year average used for funding

OSAP CHANGES AND PARTICIPATION

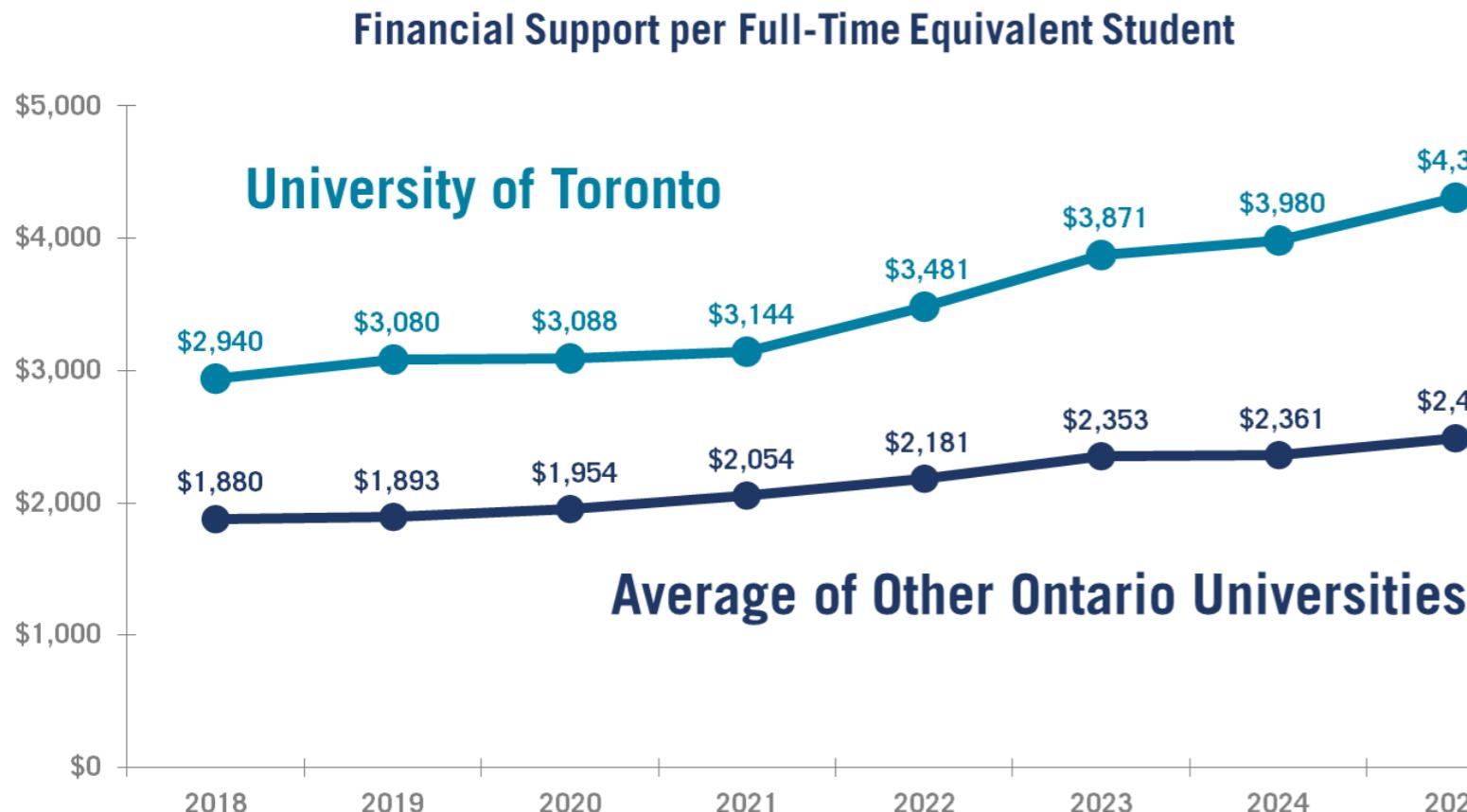
OSAP is targeted at lower-income families, those with no parental support, and students living away from home. All recipients receive at least 10% of their award as a repayable loan.

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



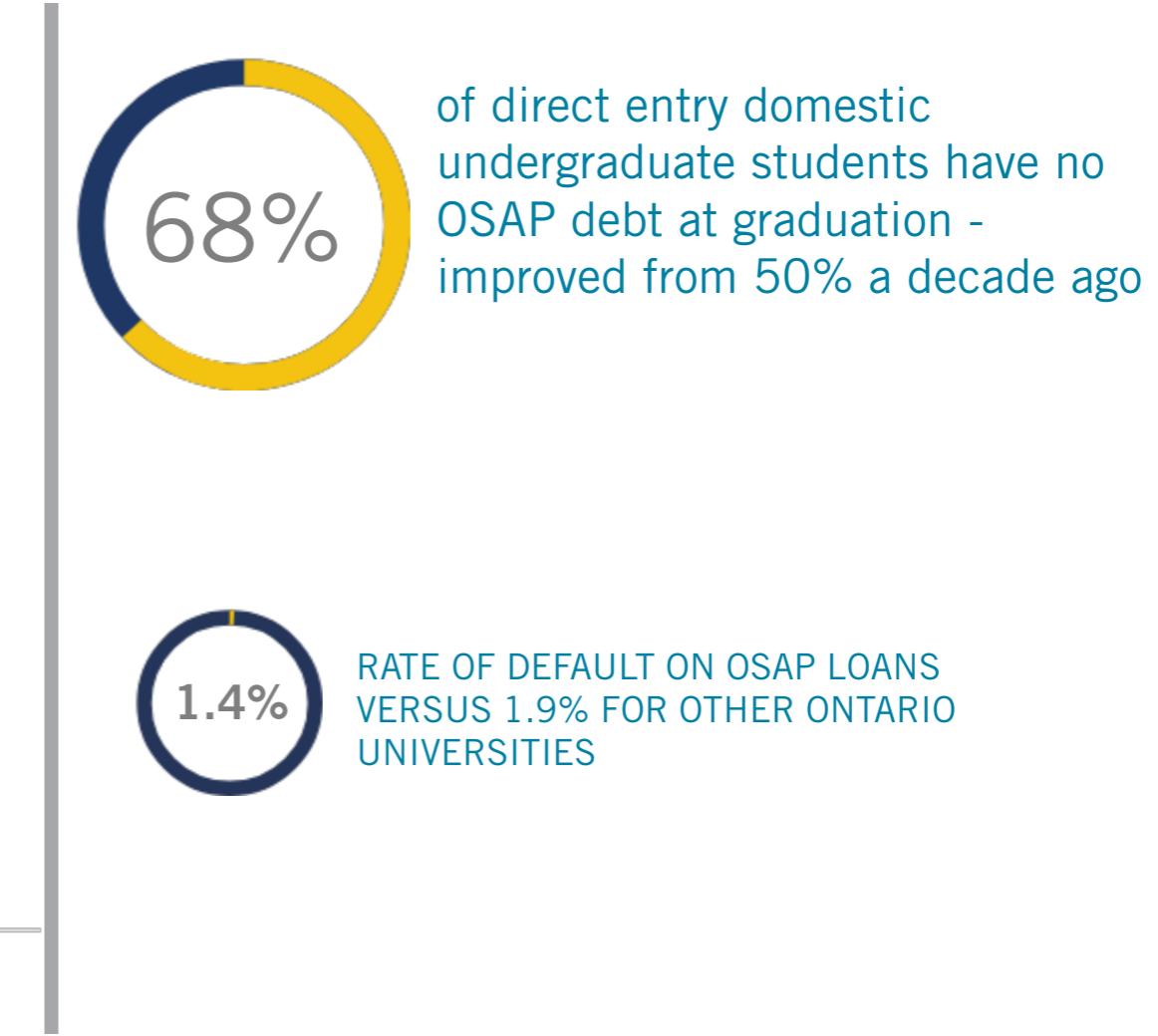
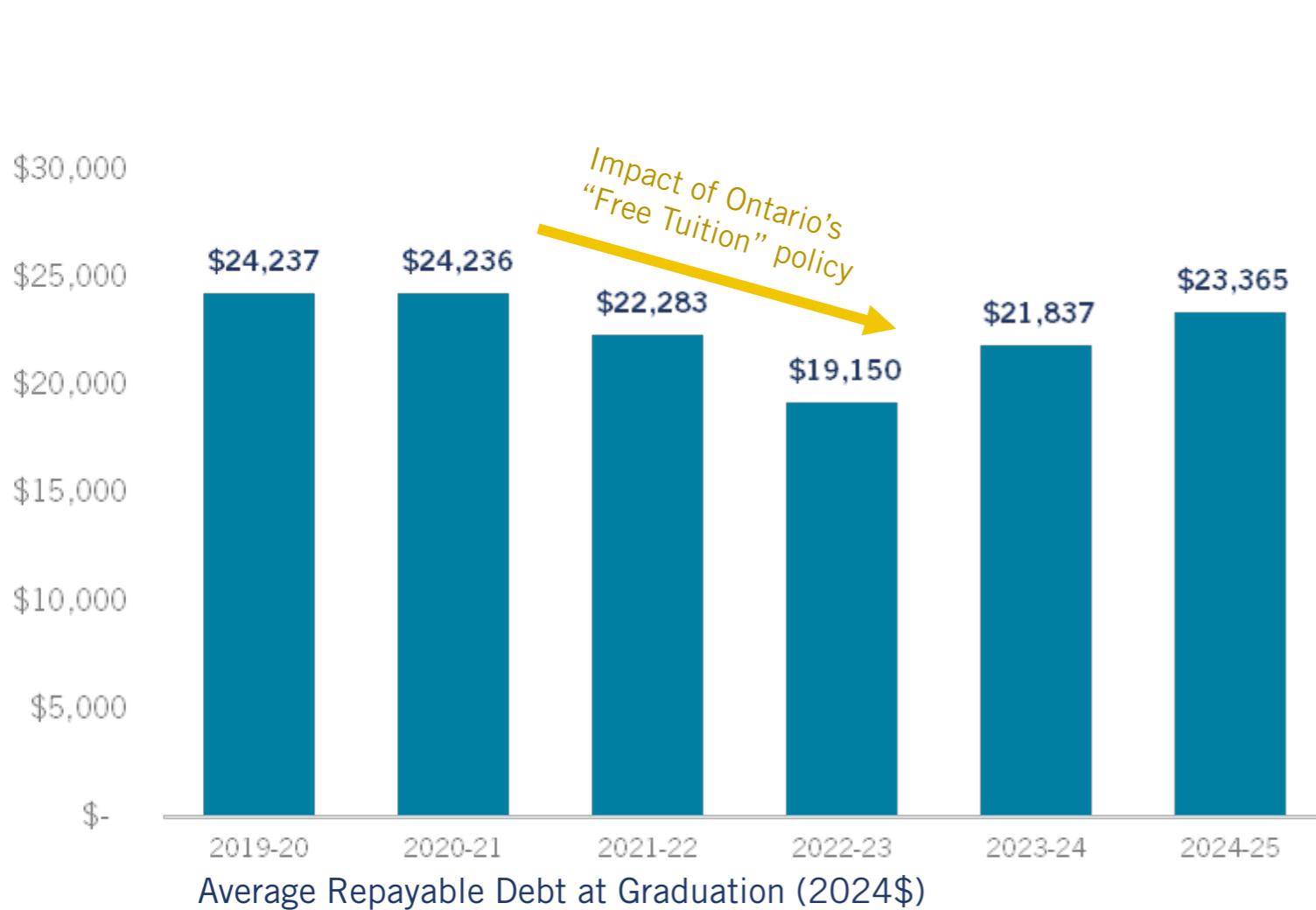
\$1.7B Endowed
Funds for Student
Support
(43% of total Endowment)

+73%



STUDENT DEBT LOAD 2018 - 2023

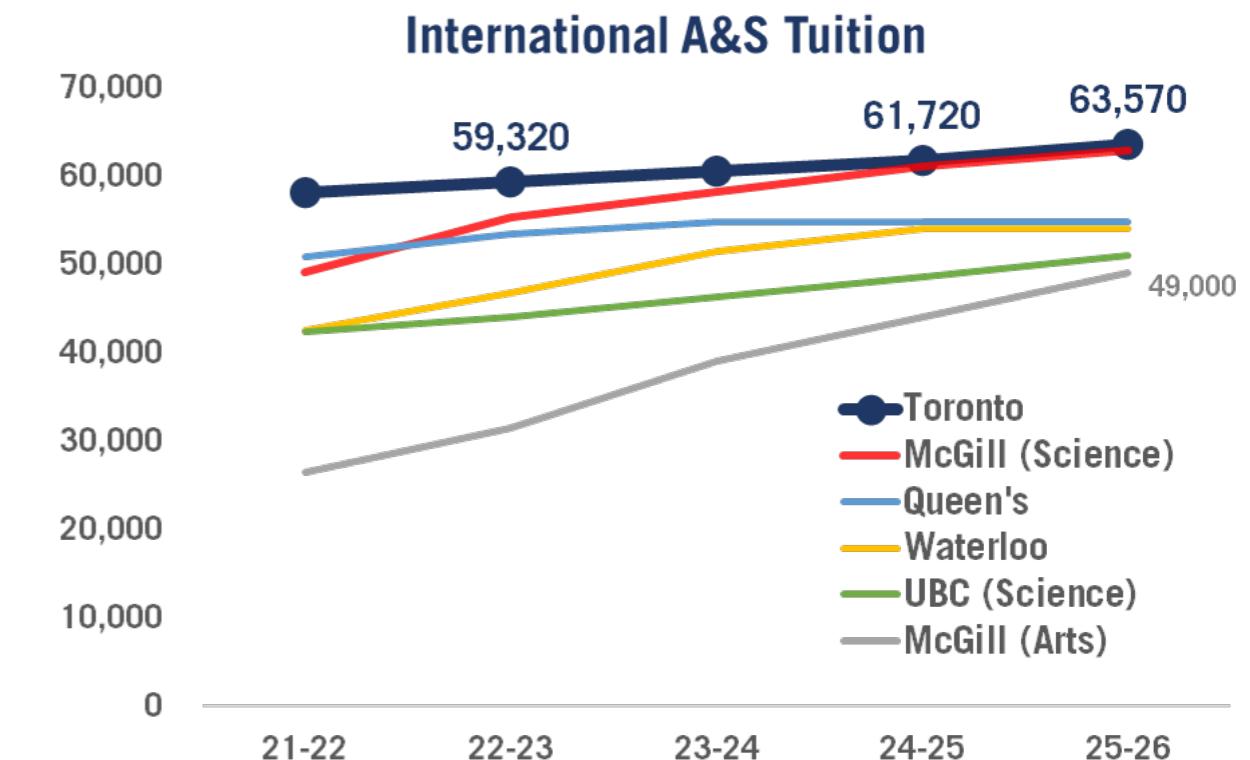
(OF THOSE WITH OSAP DEBT)



INTERNATIONAL ARTS & SCIENCE TUITION

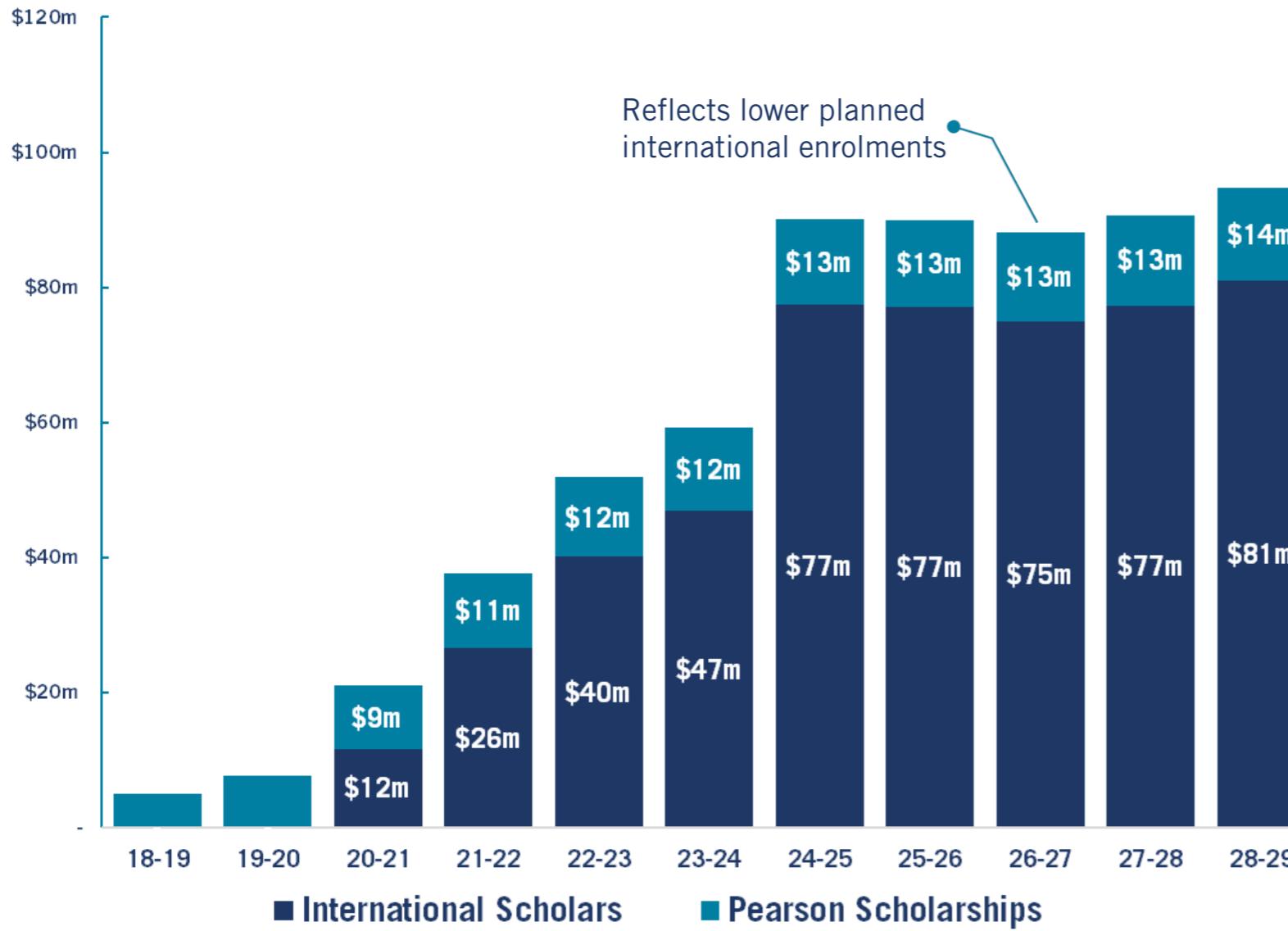
	2025-26 TUITION	PERCENTAGE INCREASE IN 2025-26
Univ. of Michigan*	\$87,000	5%
U of T	\$63,570	3%
McGill Science	\$62,899	3%
Queen's	\$54,808	0%
Waterloo	\$54,020	0%
UBC Science	\$51,041	5%
McMaster Science	\$47,535	0%

4% increase in 2026-27



*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

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



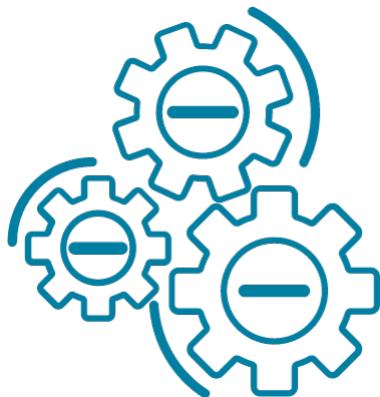
- Innovative management grad programs (M.Mgt)
- Flexible delivery models to expand student access
- New academic programs in emerging areas and to respond to student demand

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

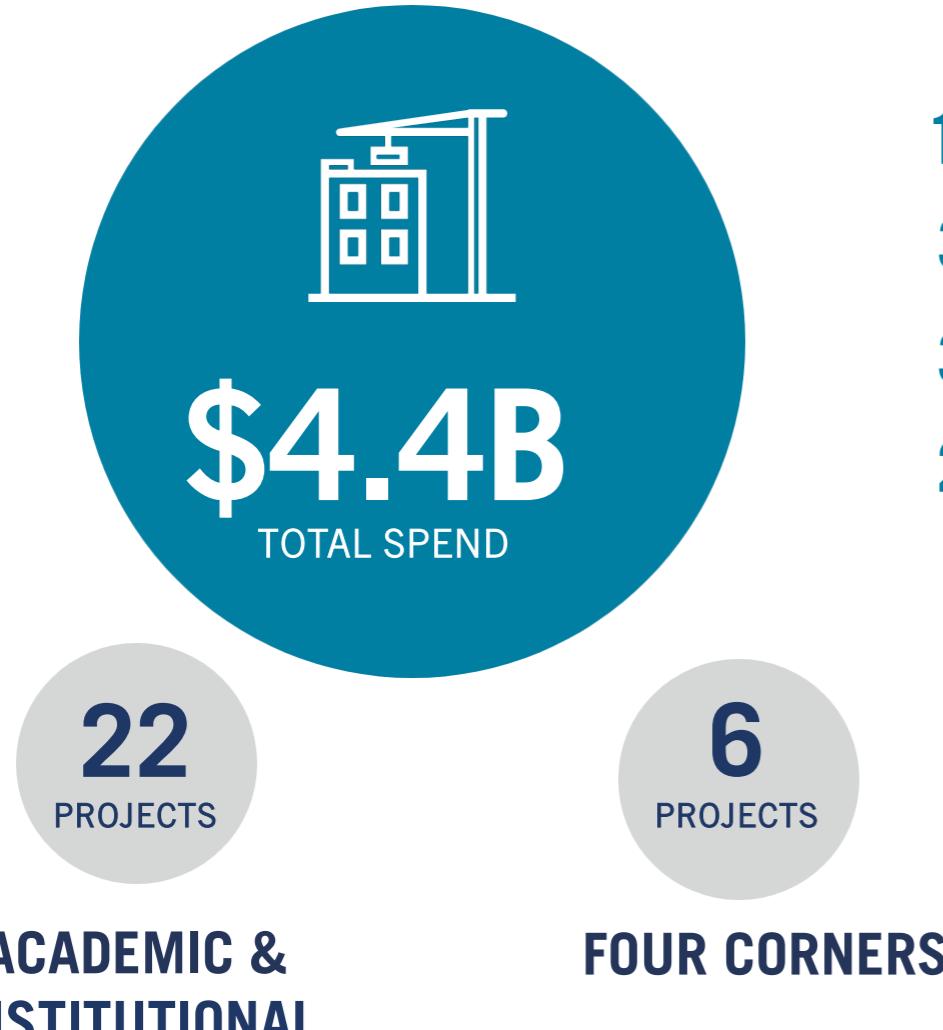
Communications
initiatives to help
student and talent
recruitment



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



- 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

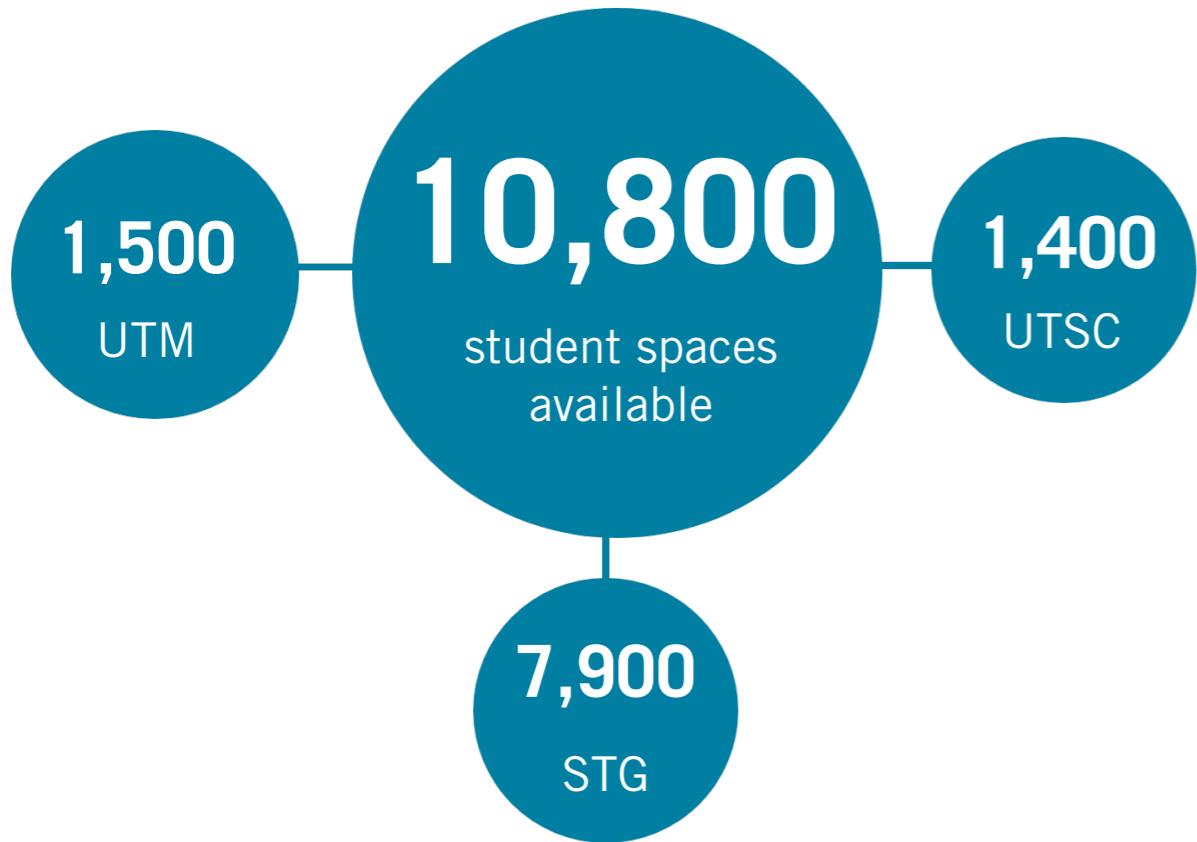
Budget plan includes international intake growth of 435 students over 2025

\$29M RISK



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

STUDENT HOUSING

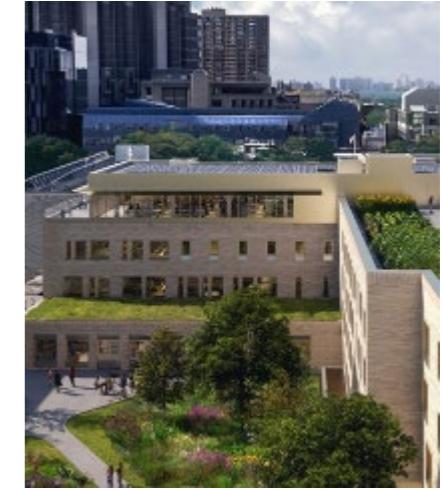


Build More Housing Initiative to meet demand for up to 5,500 additional beds. Two initial on-campus sites under planning (~1,200 beds)

+750 beds under construction



New Residence
UTM



Lawson Centre for
Sustainability
Trinity

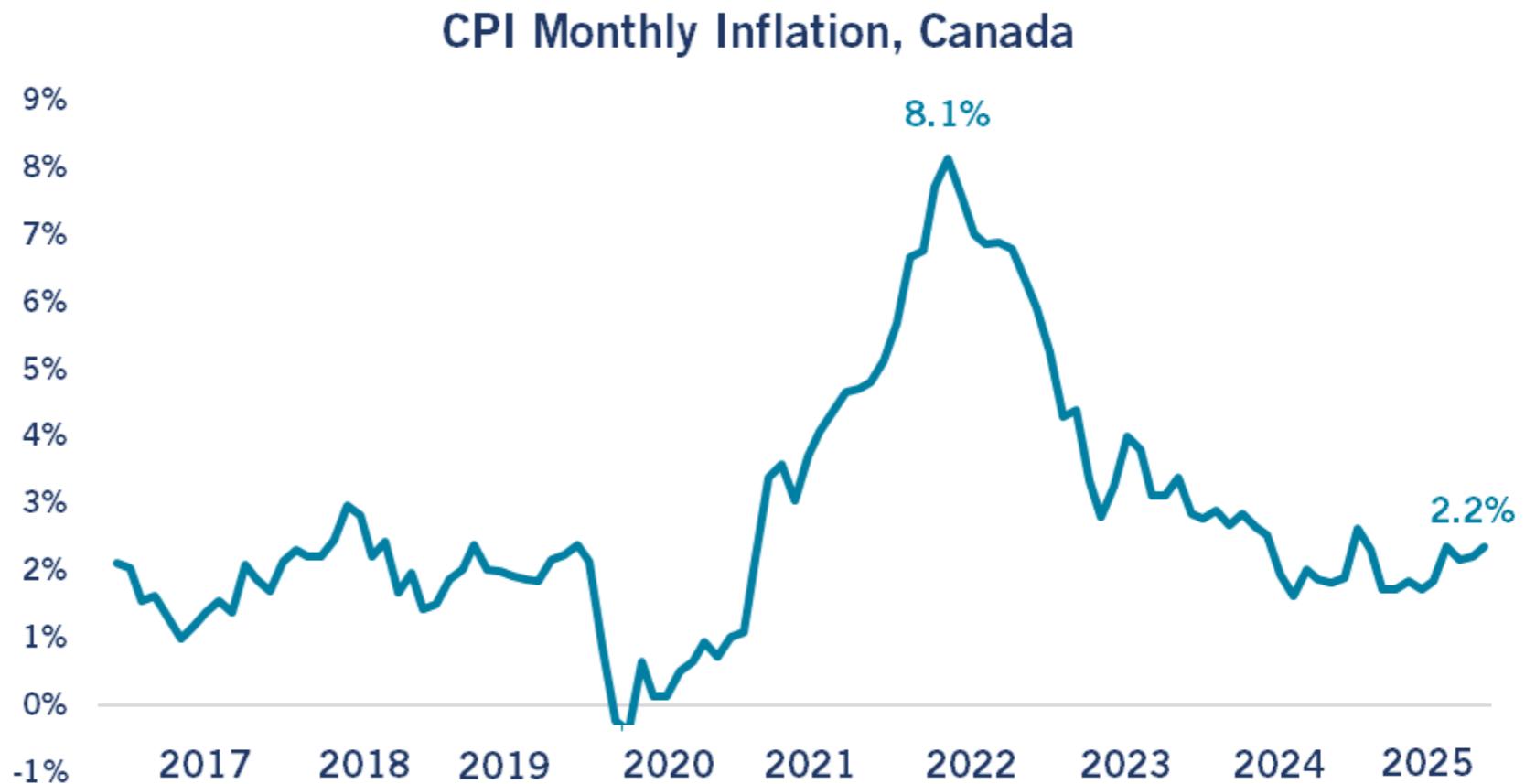


INFLATION

2.2%
PER YEAR

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

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



PENSION PLAN RISK CONTINGENCY



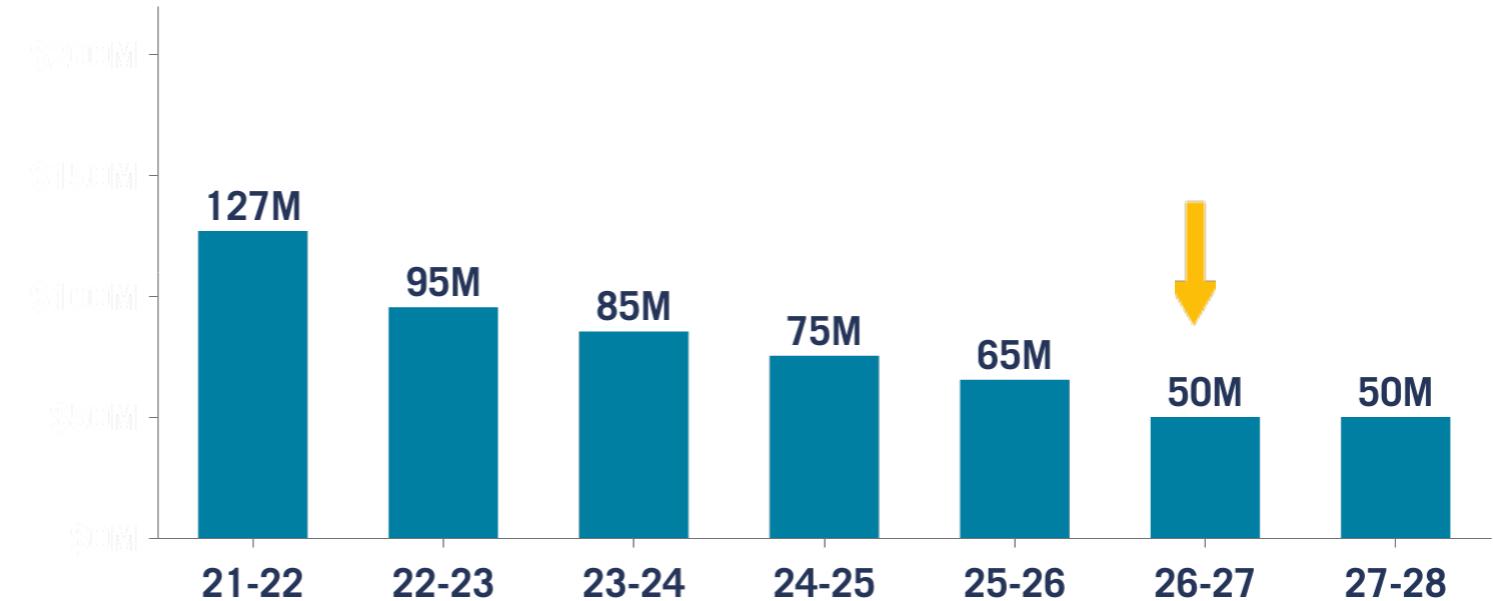
Pension transferred to new UPP Ontario in 2021. However, University responsible for any future deficits for 10 years.



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

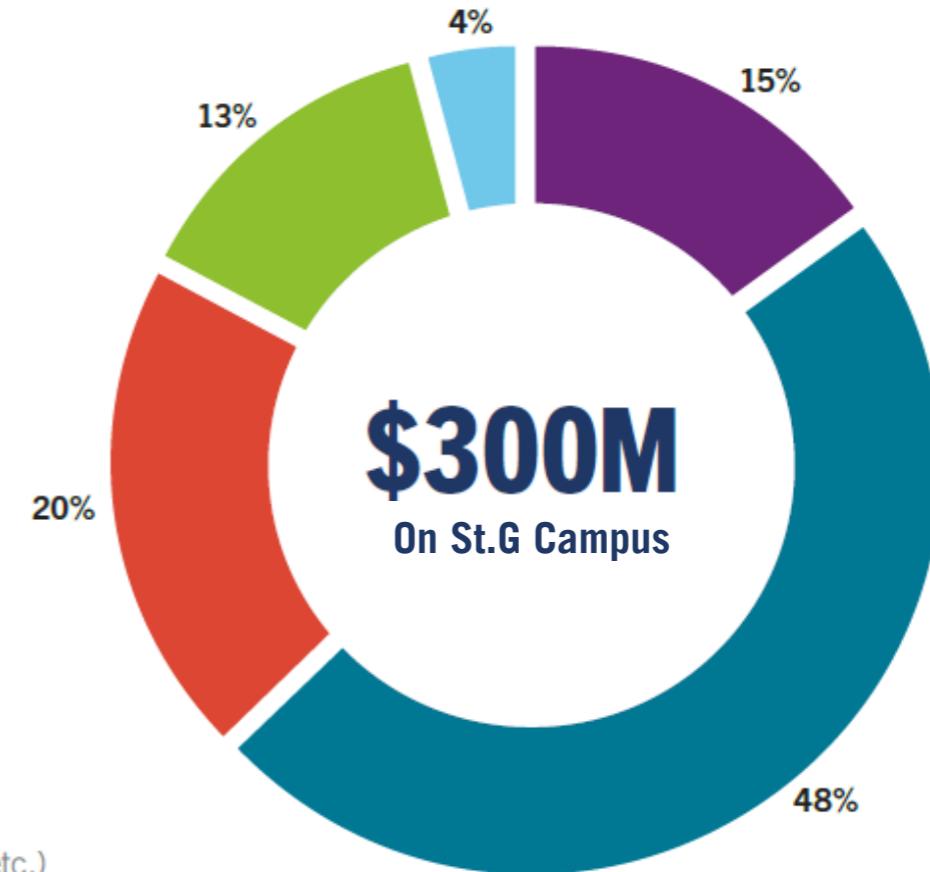
\$350M planned spend over three years to address critical immediate needs and bend the curve on Deferred Maintenance Liability growth.

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



\$1.5 Billion
CURRENT DEFERRED
MAINTENANCE LIABILITY

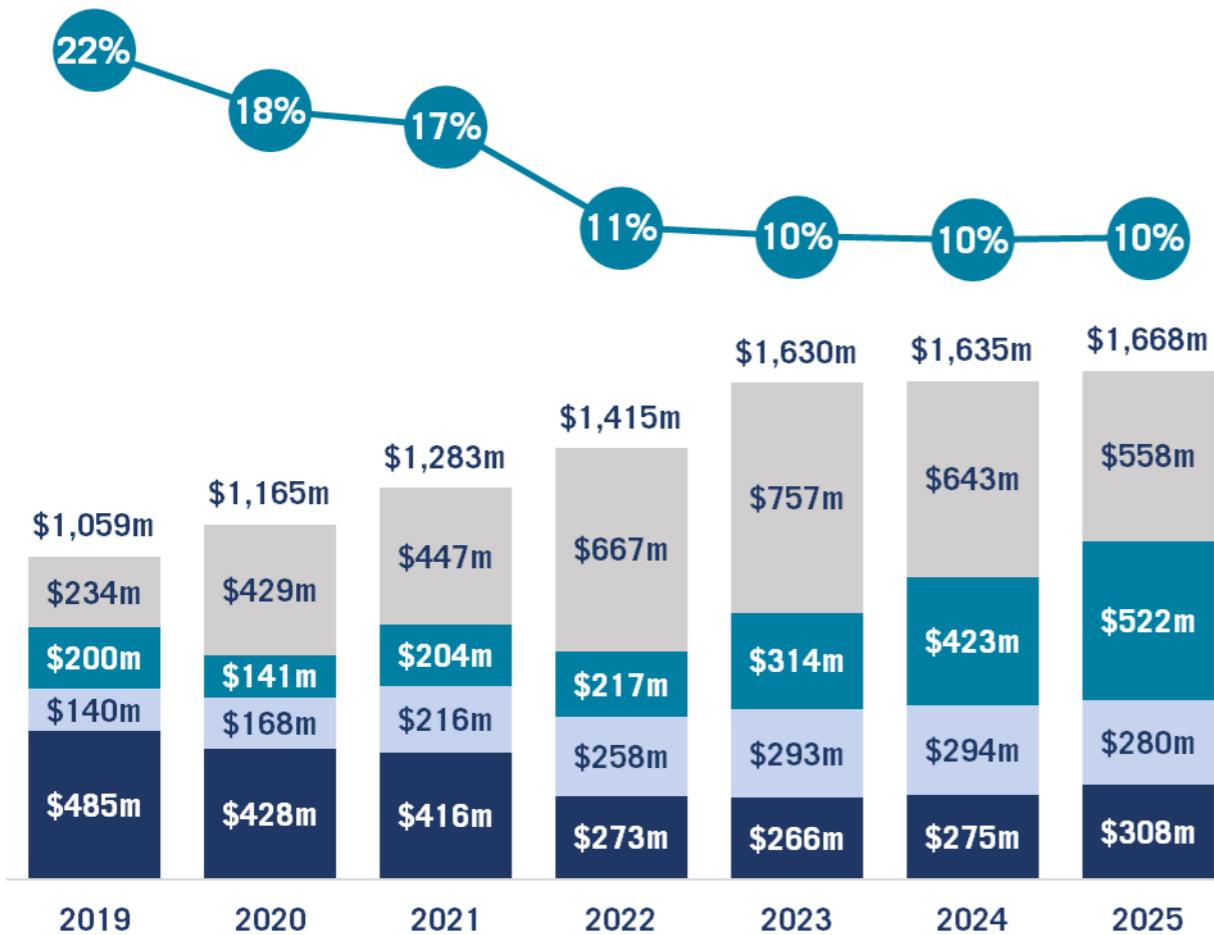
- \$145M**
Mechanical (HVAC, fire protection)
- \$59M**
Electrical (switchboards, panels, transformers)
- \$39M**
Elevators (modernize or replace 47 elevators)
- \$13M**
Roofing (repair or replace 24 roofs)
- \$44M**
Other costs (permits, project management, interest, etc.)



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

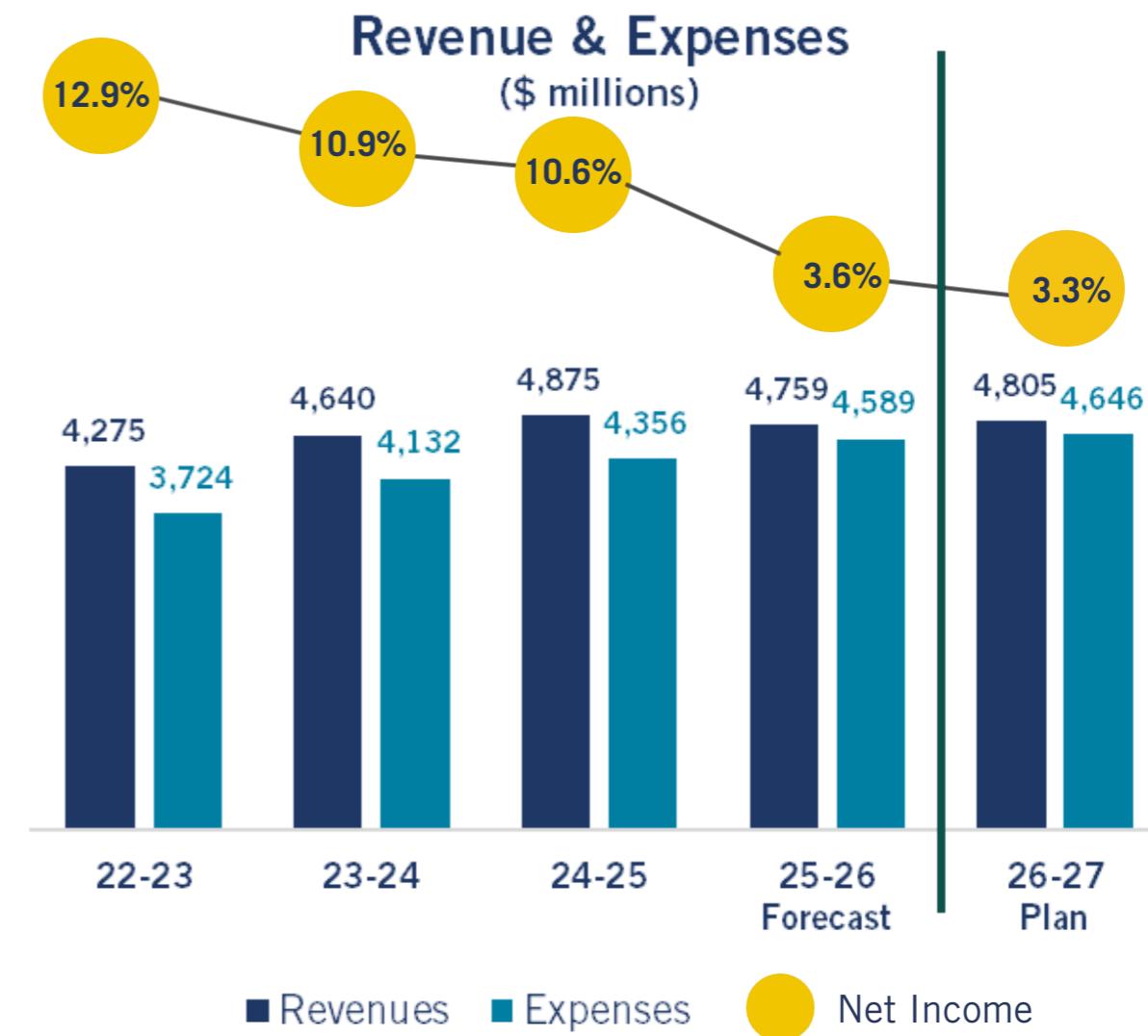
Divisional Reserves

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

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

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

Budget 2026-27

