

UNIVERSITY OF TORONTO

BUDGET REPORT 2008-09

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University of Toronto

Budget Report 2008-09

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For the past two decades, the University's budget was prepared based on five- or six-year planning cycles. A new cycle started when the previous cycle ended, sometimes sooner if financial circumstances changed significantly. Last year's report provided long-range budget guidelines for the period 2007-08 to 2011-12. At the same time, it signalled that the University intended to begin using a rolling, five-year, budget-planning window. The proposed approach is described in Section I.

Consistent with the new approach, this report introduces the proposed Long-Range Budget Guidelines for the five-year budget cycle 2008-09 to 2012-13 and the detailed annual budget for fiscal year 2009. The Guidelines also constitute the framework in which the University's budget will be prepared for fiscal years 2010 to 2013.

Section II of the report describes the fiscal context in which the Guidelines have been prepared. The remainder of the report describes the budgetary assumptions, the budget guidelines for the next five years, the budget details for 2008-09 and the divisional allocations.

The University implemented a new internal budget allocation model in 2007-08. The new model and the transition process are described in Section III. Under the budget model used prior to 2007-08, cost containment measures were implemented by introducing an across-the-board expense control measure for all academic and administrative divisions. This process is unnecessary under the new budget model. Section VII on Budget Impact describes the approach to cost containment according to the new methodology.

I. Planning Cycle

Over the last few decades, long-range budget planning at the University of Toronto was based on a fixed budget cycle. At the beginning of a cycle, revenue and expense projections were prepared for a period five or six years forward. These projections were updated in subsequent years, but no projections were prepared past the end of the cycle until a new cycle was started. Thus, the number of years for which projections were prepared became smaller as the cycle progressed. Governing Council policy required a balanced budget in the final year of the cycle and the accumulated deficit to be within 1.5% of gross revenue by the end of the cycle.

The fixed-cycle approach is somewhat inflexible when the financial circumstances in which the University finds itself are changing rapidly. Often, it was felt necessary to start a new planning cycle before the previous cycle ended, and deficit containment was deferred. Furthermore, under the new budget model, the University and each of its divisions need to look several years forward to properly assess their financial circumstances. Revenue and expense patterns change as divisions update enrolment plans, as tuition levels change, and so on. The availability of projections over a reasonably long horizon is needed to inform decisions on long-term commitments, such as hiring faculty and staff.

It is proposed that starting in fiscal 2009 the University adopt a budget planning policy based on a five-year rolling window. Each year, the budget assumptions used in the Budget Guidelines of the year before would be updated and new assumptions prepared for one additional year. Revised revenue and expense projections would then be prepared for the new cycle based on these assumptions. This approach should provide a more realistic horizon for the University for the purpose of planning and decision making in a fast-changing environment.

Surplus/Deficit Management

One of the important features of the fixed budget cycle previously used is that it provided a framework for setting targets for the University's in-year deficit and for the accumulated deficit over the planning period. As mentioned, according to Governing Council Policy, the University was required to exit each planning period with a balanced budget and an accumulated deficit that did not exceed 1.5% of gross revenue.

The proposed mechanism for deficit management under the new budget model and the rolling-window planning cycle would require that the accumulated deficit be reduced to zero by the end of any five-year planning period. This implies that the average annual surplus/deficit over the five years of the planning period must be zero or positive. Most of the time, the University will plan on the basis of a balanced budget. A deficit may be allowed in some years to facilitate planning, recognizing the fluctuations that often occur in enrolments, government grants, investment income, etc. When this happens, the University must plan surpluses in subsequent years to ensure that the average over the five years is zero or positive to reduce the accumulated deficit to zero.

Under the new budget model, the University's budget is prepared as an aggregation of the expense budgets of individual divisions. Budget plans for the divisions are reviewed and approved annually by the President and the Provost, with the assistance of appropriate advisory committees. The deficit or surplus in the University's integrated budget is a result of the aggregated plans of individual divisions. These tighter management control mechanisms make it possible for the University to operate with a balanced budget in the manner described above.

II. Fiscal Context

The primary sources of revenue for the University of Toronto are the Provincial government grant and tuition fees, both of which are a function of student enrolment. We have experienced a period of over fifteen years in which enrolments on the three campuses increased significantly. The concomitant increase in revenue has helped mitigate somewhat the impact of the lack of growth in per-student government funding relative to inflation during that period and of the government-imposed constraints on tuition fees.

Demographic projections anticipate a continuing rise in demand for university places, particularly in the GTA. However, no substantial increases in undergraduate enrolment are planned at the University of Toronto for the next five years. The University is planning to increase graduate enrolment by about 40%. These plans are a result of the academic planning process, the funding opportunities arising from the Province's

Reaching Higher plan, and space availability on the three campuses. However, it should be noted that while graduate expansion will increase revenue, it will also increase expenditures to educate and provide financial support for students. It does not necessarily increase the expendable funds available to the University.

Tuition and Provincial Grant

Historically, the provincial grant represented the largest portion of the University's revenue. With the full onset of the economic recession in 1992 through 1994, operating grants were frozen and then reduced. Tuition fees increased by 8 to 10 per cent annually to partially compensate for the loss of grant revenue.

In 1995 the University experienced a further loss of \$54 million in government grants. Again, as a partial offset to the loss of grant revenue, the government permitted significant increases in tuition fee rates; 20 per cent in 1996-97 and 10 per cent on average in each subsequent year up to and including 1999-2000. Tuition fees were deregulated for international students, and for students in some professional and all graduate programs.

The University's operating grant revenue has risen to \$565M in 2007-08, mostly as a result of the introduction of a number of new targeted funding envelopes to support undergraduate and graduate enrolment increases. However, government operating funding per student, including the Quality funds introduced in recent years, has decreased in absolute terms by over 5% and in real terms by almost 30% relative to 1992-93.

The drop in the Provincial grant has dramatically altered the size and composition of the operating budget. Government grants now represent about 42 per cent of total University revenue, down from 70 per cent in 1991-92. Tuition revenue has doubled in proportional terms, from 16 per cent to 35 per cent of the total. The practical effect of the Government funding policy has been that the University has had to introduce expense containment measures to absorb a significant portion of cost increases for compensation, library acquisitions, graduate student funding, and utilities. Over the past ten years, cost containment measures have taken over \$200M out of the University's operating budget.

Student Aid

In 1996-97 the Government mandated that 10% of revenue from tuition fee increases be spent on student aid; this was increased to 30% in 1997-98 and subsequent years.

In 2006-07, the Government introduced a tuition framework for tuition and student aid, which sets limits for annual tuition fee increases. The OSAP program was also modified, relieving some of the financial pressure on universities. The framework does not mandate a specific amount to be set aside by universities for student aid. Instead, it requires universities to ensure accessibility, regardless of the students' financial means.

At the University of Toronto, student aid is guided by the University's policy on accessibility, which contains the following Statement of Principle:

"No student offered admission to a program at the University of Toronto should be unable to enter or complete the program due to lack of financial means."

In accordance with this commitment, expenditures on student aid have increased dramatically, from \$7.7 million in 1991 to \$115 million in 2007-08, making the University of Toronto one of the most accessible in the country.

Federal Funding

Funding from the Federal government is provided to universities primarily to support research and is not generally part of the university's operating budget. However, it interacts with the University's operating budget in three important areas; namely Canada Research Chairs, the indirect cost of research and graduate student support.

The Canada Research Chairs program introduced in 2000-01 provides salary and research support for outstanding university researchers on a competitive basis. A number of research chairs is awarded to each university based on its share of research funding by the Federal Granting Councils. This program is of tremendous value to the University of Toronto. It has helped us maintain faculty complement despite the expense containment measures introduced over the years. As a result of redistribution of funding in the program, the University has lost 11 of its chairs, effective 2008-09.

Since the CRC program was introduced, inflation has reduced the effective value of Chair funding by over 20%. An appropriate adjustment to Chair funding is overdue.

The funds received from the Federal Granting Councils must be used exclusively to cover the direct costs of research, such as personnel and supplies. The indirect expenses incurred as a result of research activity are very significant and are borne by the universities' operating budgets. At the University of Toronto, they have been estimated to be well in excess of 50% of direct expenditures on research.

As a long-standing subject of government advocacy, universities have been requesting that the Federal Government recognize the full cost of research in its research funding policy, with a 40% rate as a minimum target. The government started to provide IDC funding in 2001-02. The effective rate for the University of Toronto is slightly less than 20%. This is currently contributing about \$20M to the University's operating budget, which, while helpful, continues to be considerably short of the actual full costs of research.

The Federal Government supports graduate students by providing fellowships directly to graduate students on a competitive basis. Although these funds do not flow through the University's budget, they provide indirect budget relief to the academic divisions by freeing up funds that would otherwise have to be used for graduate student support. There are other forms of student support that the Federal Government provides, including student aid under the Canada Scholarship program.

Other Sources

There are several other sources of revenue at the University of Toronto, including endowment payout, interest income, application fees and divisionally-generated income.

The University of Toronto has been successful in its fund raising efforts, with a total endowment that is now well in excess of \$1.8B. Endowment income is highly targeted. Most of this income is directed to student aid and to the support of Endowed Chairs.

Endowment revenue, though important, is still a modest component of total University operating revenue, representing about 3%.

In addition to the long-term returns reflected in the endowment revenue, the University also receives interest on short- and medium-term investments. These tend to be rather small as a percentage of total operating revenue (about 1.5%), and fluctuate with market conditions.

Academic divisions also generate significant revenues from activities such as continuing education offerings or full cost-recovery programs that do not receive government support. This is a valuable source of revenue because of its flexibility but such activities are coupled with expenses.

Together, these sources now represent about 17 per cent of the revenue base. As a result, the University is much less dependent upon a single dominant source of revenue, but at the same time is exposed to a wider array of risks such as stock market performance.

III. New Budget Model

The University of Toronto adopted a new approach to budgetary allocations, which was used for the first time for the 2007-08 fiscal year. The new approach and the reasons for its adoption have been recommended by a Provostial Task Force that was struck in April, 2004 and presented its final report in February, 2006, and have been the subject of extensive discussions and consultations across the University over the past four years. The report of the Task Force, the Provost's response and related material are available on the Provost's web page, at <http://www.provost.utoronto.ca/English>.

The final report of the Task Force states:

“The budget allocation process is a primary tool for the implementation of the university's academic plans and academic priorities.”

This has been the fundamental guiding principle underlying the development of the new budget model. To best support the university's academic priorities, the new model has three basic objectives:

- to provide a high degree of transparency, enabling all levels of university administration and governance to have a clear understanding of university revenues and expenses,
- to introduce broadly-based incentives to strengthen the financial health of the university by creating incentives for increasing revenues and reducing expenses, and
- to encourage a higher level of engagement of all senior levels of administration in budget planning for academic divisions and in recommending priorities and budgetary allocations for shared services.

The new model introduced a simple methodology for attributing revenues and the costs of shared services to all divisions. According to this model, a major portion of the budgetary allocation to an academic division is its *Net Revenue*, which is equal to its

share of the University's gross revenue less its share of expenses and its contribution to student aid and to a university-wide fund called the University Fund. A division's net revenue reflects its programs, student enrolments, fund raising activities, research, etc. Hence, divisions benefit as these activities bring more revenue. Divisions also benefit when, in cooperation with central service units, they are able to make more efficient use of the shared resources.

The remainder of the divisional budget is the allocation a division receives from the University Fund. This allocation is entirely non-formulaic, and is intended to provide funding in support of the university's academic priorities. In part, it ensures that the total budget of a division is determined by the university's own priorities rather than by those of an external body. It also enables the university to recognize differences in the cost of delivery of various programs or to support particular activities that it considers to have high academic priority.

The process of attributing revenues and costs to divisions has been designed to minimize administrative costs. For example, no transaction accounting is used to attribute the cost of a particular service. Instead, revenues and costs are attributed using simple, readily available and verifiable parameters that provide a reasonable basis for the distribution of revenue or a suitable measure of the extent to which a division uses a particular resource or service. These measures are referred to as revenue drivers and cost drivers. They include such parameters as number of students, number of faculty, space area occupied, etc.

A detailed description of the methodology used in the new budget model and the revenue and cost drivers used in the attribution process can be found on the Provost's web page mentioned above.

An essential component of the new budget model, and possibly one of its most valuable innovations, is the development of a new process for budgetary reviews for both academic and service divisions. Two review committees have been established, the first for shared services and the associated university-wide costs. The second is a review of the expense budgets of the academic divisions.

Each service division prepares a multi-year budget plan for their service offerings. These plans are reviewed by the Budget Planning and Priorities Committee (BPP), which is a committee chaired by the President. The purpose of the review is two-fold. The first is to ensure that any proposed changes in service are aligned with the needs and priorities of the academic enterprise; the second is to establish spending priorities and to ensure that all possible cost reductions have been examined. Recommendations for funding allocations to the service divisions are prepared based on these reviews. The work of this committee will be supported by several advisory committees that each service unit establishes.

Budgetary plans for the academic divisions are reviewed by a Provostial advisory committee. Each division submits a multi-year budget plan based on the University's Long-Range Budget Guidelines and its own academic plans. Revenue projections are based on the division's enrolment plans, new program offerings, etc. Similarly, expense projections take into account, cost increases, changes in faculty and staff complement,

and so on. The academic reviews inform the approvals of academic appointments and lead to recommendations on the allocation of the University Fund as well as any other special allocations that may be needed from the University's academic reserve funds. The review also identifies capital priorities and supports the development of advancement priorities.

The review processes, whether for academic or for administrative divisions, amount to a higher level of engagement by all members of the senior University administration in the budget process. As a result, budgetary allocations are informed not only by the overall budget situation of the University but also by the circumstances of individual divisions. Cost containment measures, which are often necessary because of the constraints on revenue, are applied by each division based on its own circumstances.

The review process also promotes a better alignment of the University-wide services provided and the needs of the academic divisions. The involvement of members of the senior administration in the budget and review processes should lead to a deeper understanding of the nature of the University's expenses and where and how savings may be realized.

Transition to the New Model

The new budget model differs significantly from the model that has been in use for budgetary allocations at the university prior to 2007-08. Hence, it was essential to develop a smooth transition process from the old model to the new model. Two important criteria guided this process:

- that no division experiences a sudden change in its budget as a result of the transition, and
- that historical integrity is maintained.

The latter of these guidelines meant that funding allocation decisions made in previous years should not be changed simply as a result of the transition to the new budget model.

The transition process that was adopted and used was based on the preparation of a "Shadow Budget" for fiscal year 2006-07 based on the new model. The actual budget for that year was presented to and approved by Governing Council in the spring of 2006 based on the old budget model. The Shadow Budget was prepared under the new model in such a way as to yield exactly the same budgetary allocation to each division as that division has received under the old model. This was possible because of the flexibility afforded by the University Fund. Each division received a University Fund allocation in the Shadow Budget that brought its net expense budget in 2006-07 to the same level as its actual budget.

The University Fund allocation made in the Shadow Budget captures the aggregated history of budgetary allocations to each division, represented in the language of the new budget model. To maintain historical integrity, it will be used as a reference in making future University Fund allocations, and as such, has been dubbed the University Fund Reference Level. Barring extraordinary circumstances, no division will receive a University Fund allocation in future years that is lower than its Reference Level.

Preliminary calculations of the Reference Level for each division were first made based on the budgeted revenues and expenses for 2006-07 and were included in the Budget Report of 2007-08. Actual revenues and expenses for that transition year became known in May of 2007, after end-of-year accounting was completed and the University's financial report for 2006-07 was released. Because of their important role as a record of the budget history of the academic divisions, the Reference Levels for University Fund allocations were updated based on end-of-year results. The final values are given in Appendix A.

IV. Long Range Budget Guidelines

The University is entering the 2008-09 budget year with an accumulated deficit of \$55M. The budget framework proposed for the next five years is based on a balanced budget each year, including a payment schedule that would reduce the accumulated deficit to zero by 2012-13.

Projected revenues over this five-year budget cycle remain highly constrained. The Provincial government has not announced any changes in the funds available for post-secondary education. As a result, the University will continue to receive discounted funding for undergraduate enrolment increases since 2004-05. The long-awaited increase in funding for the full cost of research has not materialized, and limited new scholarship funding is being provided, either provincially or federally, to support graduate expansion.

Achieving a balanced budget under these circumstances requires significant reductions in expenses, both in the administrative and academic divisions. As pointed out earlier, cost containment measures are no longer implemented across the board. Instead, each academic division has developed its own cost containment plan as part of the budget planning and review process described in Section III above. For administrative divisions, a blend of individual plans and across-the-board reductions is being recommended.

Budget Framework

The budget schedules are given in Appendix B. Budget projections for the period 2008-09 to 2012-13 are given in Schedules 1 to 3. An analysis of the impact of the budget on the University is given in Schedule 4. The expense budgets of the academic divisions are presented in Schedules 5 and 6.

Budget projections are dependent on many factors external to the university, including government policy, market behaviour, and so on. Hence, many assumptions must be made to estimate revenues and expenses over the five-year budget planning window. Key assumptions are described in Section V, and a complete list is given in Appendix C.

Appendix D provides more detailed information on the University's contractual commitments. These include such items as the cost of electricity or contractual commitments to other institutions. Only essential expenditures that are beyond the University's control are included in this list. All expenditures are subject to review by the Budget Planning and Priorities Committee.

Schedule 1 – Budget Summary

Schedule 1 provides a summary of projected revenue and expense, as well as the planned accumulated deficit repayment schedule.

Revenue Projections

Revenues are projected to increase by \$289M over the next five years — an average of 4% per year. The government has not announced any increase in university funding beyond 2008-09, and none has been assumed. As a result, only a modest increase of about \$40M is projected for the operating grant over the next five years, which is primarily due to graduate expansion. During the same period, tuition revenue is projected to increase by \$216M. Revenue from tuition and provincial operating grants contribute about 77% of total operating revenue.

Divisional income, which consists of revenues collected directly by the academic divisions, is the next highest contributor to University revenue, representing about 12%. This source of revenue varies considerably from year to year. For budget purposes, actual earnings in any given year are used as the projected value for the following year. For the outer years, divisional revenue is assumed to increase with inflation.

According to the new budget model, each academic division contributes 10% of its revenues to the University Fund. However, not all revenues are subject to the University Fund assessment, as this fund is not intended to redistribute revenues earned directly by the divisions. The portion of revenue that contributes to the University Fund is clearly delineated in the schedule.

Expenditure Projections

There is considerable uncertainty about government funding. With no additional grant revenue, the University continues to be forced to apply stringent expense containment measures.

Major budgeted expense items are described briefly below.

Centrally-Administered Student Aid

Part of the financial aid provided to students is administered centrally, and the remainder is provided by the academic divisions. The centrally administered portion includes:

- Funds set aside from the operating budget; and
- Funds available from endowments.

Flow-through of revenue to other institutions

Several university programs include joint activities with other institutions. This expense category captures those portions of university revenue that flow to collaborating institutions. It includes:

- Canada Research Chair revenue flowing to hospitals;
- Provincial grant revenue flowing to the Toronto School of Theology; and
- Grant and tuition revenue flowing to colleges with which the University offers joint programs.

Shared Services

This section includes the central funds that support university-wide services to the academic divisions and the central library. They include:

- Occupancy costs, such as utilities, maintenance and caretaking;
- Shared services, such as human resources, financial services, advancement, procurement, computing services, etc;
- General university-wide expenses, including debt service, legal fees and fees for membership in organizations such as AUCC and COU;
- Central library expense, including acquisitions and operating expenses; and
- Federated block grant, which supports services in the Federated Colleges

Academic Divisions

This category includes all the funds that flow to the academic divisions, presented in three components, as follows:

- Divisional expense budgets: These make up the bulk of the funding provided to the academic divisions from the operating budget. Under the new budget model, these consist of each division's net revenue and an additional allocation from the University Fund, as described earlier.

In the case of UTM and UTSC, their expense budgets include their academic budgets, which are equivalent to those provided to all other Faculties. They also include funding to support various campus services, such as the cost of utilities, building and grounds maintenance, student services, and so on. These services are provided centrally for Faculties on the St. George campus, and hence are not included in the divisional budgets.

The academic and campus services components of the expense budgets of UTM and UTSC are not delineated. Each campus receives an overall budget, which it manages locally to best suit its own circumstances. Historically, UTM and UTSC have allocated about 70% of their budgets to the academic operation and the remaining 30% has been used to support campus-wide services.

- Academic funds: These are funds held centrally to be allocated to the academic divisions for specific purposes, usually on a competitive basis. Some funds are used to facilitate transitional changes at times of severe budget difficulties or significant academic restructuring. The academic funds include the Academic Initiatives Fund, the Transitional Fund, the Provost's Contingency Fund, the Student Experience Fund, and the Graduate Expansion Incentive Fund.
- Pension amortization expense: This is the academic divisions' share of the total pension loss amortization payment made by the University. The share of this payment belonging to the administrative divisions is included in the cost of shared services described above.

Accumulated Deficit Repayment

The University entered the 2007-08 fiscal-year with an accumulated deficit of \$66.3M, and a planned in-year balanced budget. The University has made a deficit repayment of \$11.2M in 2007-08. Hence, the projected accumulated deficit at the end of 2007-08 is \$55.1M. The budget plan allocates a repayment of \$11.2M each year over the next four years, and a final payment of \$10.3M in 2012-3, to reduce the accumulated deficit to zero by the end of the planning cycle, as prescribed in Section I above.

Schedule 2 – Incremental Shared Expense

Schedules 2 and 3 of the budget provide two different views of the breakdown of expenses. Schedule 2 shows line-by-line, year-over-year increases of various university-wide expenses and funds, grouped in the following four categories:

- *Contractual Obligations:* This category comprises the contractual obligations detailed in Appendix D. All expenditures, including contractual, are now subject to review by the Budget Planning and Priorities Committee.
- *Capital and Maintenance:* These expenses include debt service for capital projects as well as costs related to the University's caretaking and maintenance.
- *Funding for Administrative/Academic Service Divisions:* Under the principles of the new budget model, academic divisions are no longer funded centrally for salary and benefit increases, nor are they assigned cost containment measures from the centre. Salary and benefit increases will continue to be funded for administrative and academic service divisions as these divisions do not generally generate revenue. Funding for library acquisitions is also included in this section. A cost containment measure will be applied to administrative divisions as a result of cost constraints across all divisions in the University.
- *University-wide Funds:* This group of expenses includes the university-wide academic funds described under Schedule 1 as well as several targeted funds to support priority areas in university-wide services. Allocations to major projects from the Academic Initiatives Fund come before Governing Council separately for approval.

Schedule 3 – Cost Bins

Expense information is summarized in Schedule 3 using the 12 cost bins defined in the new budget model, which are the basis for cost attribution to divisions. The following is a brief description of expenses in each cost bin. Further information on the cost bins and what each bin covers is contained in the Task Force reports mentioned in Section III of this report.

| Cost Bin | Description |
|--------------------------|---|
| Occupancy | Utilities, caretaking, maint., space mgmt. (St George) |
| Information Technology | Computing & Network Services, Systems management |
| University Management | Gov. Council, Offices of President, Provost, some VPs |
| Financial Management | Office of CFO, Financial Services, Internal Audit |
| Human Resources | All HR offices and related funds |
| Pension Amortization | Amortization of pension losses |
| University Advancement | Alumni Relations, Development |
| Central Library | Acquisitions and services |
| Research Administration | Research administration |
| Student | Admissions & Awards, recruitment, SGS, student services |
| University-wide Academic | Academic funds (AIF, SEF, Transitional, Contingency) |
| University-wide general | Legal fees, memberships, insurance, debt service |

Schedule 4 – Budget Impact

Schedule 4 presents an alternative high-level view of the budget projections that enables an assessment of the impact of the budget on the University's operation. It is organized to show aggregated year-over-year changes in revenue and expense. Section VII on budget impact provides further discussion of this schedule.

Schedules 5 and 6 – Allocations to Academic Divisions

Schedule 5 contains a detailed summary of revenue attributions and deductions by division for 2008-09. Multi-year projections by division for the entire budget cycle are given in Schedule 6. These two schedules are discussed in more detail in Section VIII on divisional allocations.

V. Planning Assumptions for 2008-2013

A complete list of updated assumptions on revenue and expense is given in Appendix C. The following is a summary of key assumptions.

Revenue

The budget projections are based on the most recent divisional enrolment plans and the information available about government funding. Enrolment increases will primarily take place at the graduate level. The University's graduate expansion calls for an increase of 4400 FTE (Full-Time Equivalent) students over the planning period. Full funding for the University's graduate expansion plans is assumed. Undergraduate enrolment is projected to increase by 100 students over the same period. This is the net result of a reduction in domestic undergraduate enrolment of 1100 students and an increase in international undergraduate enrolment of 1200 students. Full average funding for undergraduate expansion beyond 2004-05 is discounted at approximately 13% (\$4M) in 2008-09. It is assumed that funding will continue at this level until the final year of the budget period, when enrolment is projected to decrease further.

Tuition fee increases are assumed to be 4.27% on average for domestic students and about 6% for international students each year.

The Federal government has made changes to the allocation of Canada Research Chairs and the University's allocation has been reduced by 11 chairs. Projected revenue has been adjusted accordingly.

Total revenue from indirect cost recovery on research grants and contracts is projected to remain essentially constant over the planning period. No assumptions have been made on increases in the IDC rate. The provincial Research Performance Fund will be terminated in 2008-09. However, the Ministry of Research and Innovation has indicated a commitment to funding indirect costs at 40%. The net effect is a slight reduction in provincial funding.

Student Aid

The University remains committed to its Policy on Student Financial Support and to the provincial government's Student Access Guarantee. Expenditures on student are estimated to rise by \$4.3M in 2008-09 and by an average of \$2M a year after that. The remainder of the student-aid budget is derived from government scholarship grants and allocations made by the divisions from their expense budgets.

University-wide Expenditures

Compensation increases for all university employees are assumed to be as per negotiated agreements. Beyond that, increases are assumed to be equal to CPI plus merit.

Occupancy costs are projected to increase an average of 4.5% per year over the next five years. The increase is primarily a result of:

- utility costs, which are projected to remain unchanged in 2008-09 as a result of a decrease in utility prices offset by growth in volume. Utilities are projected to increase by 3% each year thereafter.

- an allocation of funds over the next two years to improve the level of caretaking service;
- the continuation of building a utility infrastructure reserve over the next two years
- projected increases in salary and benefit costs (salary increases based on negotiated agreements, otherwise CPI plus PTR or merit);

The costs of shared services and other general expenses are projected to increase an average of 3.4% per year over the next five years. The increase is primarily a result of:

- continuing support for shared services associated with graduate expansion and student experience
- projected increases in salary and benefit costs in administrative divisions;

Central library expense will increase by \$12M over the next five years. The increase is primarily a result of:

- approximately \$1.1M per year for library acquisitions:
- projected increases in salary and benefit costs

Consistent with the methodology of the new budget model, no further base allocations will be made from the Academic Initiatives Fund. Instead, multi-year one-time-only allocations will be made according to the needs of each project.

VI. 2008-09 Budget

The previous section introduced a budget framework for the next five years. This section describes the revenue and expense components of the 2008-09 budget in more detail.

VI.1. 2008-09 Revenue

Total revenue is projected to increase by 5.2%, from \$1,334M in 2007-08 to \$1,404 in 2008-09. In addition, the 2008-09 budget includes \$12M of provincial scholarship grants that have flowed to the University in prior years but had not been included in the budget before. Total revenue for 2008-09 is projected to be \$1,416. (The 5.2% increase excludes the impact of the inclusion of government scholarship grants.)

The main assumptions underlying these projections are:

- The budget projections do not include funding for capital expansion.
- The provincial government operating grants will not include an inflationary increase.
- The University will receive discounted operating funding for undergraduate enrolment growth over 2004-05, a shortfall of \$4.3M
- Enrolment in professional masters and doctoral stream programs will grow by 2321 eligible FTEs over 2004-05 levels.

- Funding from the provincial Access to Higher Quality Education Fund remains constant.
- Clinical Education funding of \$3M is included in the budget.
- Tuition fees in 2008-09 will rise by an average of 4.27% for domestic students and 6.6% for international students.
- Investment income will increase by \$3M in 2008-09 as a result of an increase in average capital available, offset by a decrease in returns from UTAM invested funds and in other short-term investment rates.
- Income from other sources will increase by \$0.6M, primarily as a result of increases in application fee revenue.
- Canada Research Chair revenue will decrease by \$1.9M as a result of a re-allocation of chairs by the federal government.
- Divisional income has been adjusted to reflect prior-year actual income and is offset by an equivalent increase in divisional expense. Divisional income is projected to decrease by \$1M, as a result of a projected increase of \$14M, offset by a decrease of \$15M due to the transfer of services previously offered through IMG-Ontario now being provided by CEHPEA and HealthForceOntario's Access Centre for Internationally Educated Health Professionals.

VI.2. 2008-09 Expenditures

Total expenditure is projected to increase by 5.2%, from \$1,334M in 2007-08 to \$1,404 in 2008-09. In addition, the 2008-09 budget includes \$12M of provincial scholarship grants that have flowed to the University in prior years but had not been included in the student aid budget before. Total expenditure for 2008-09 is projected to be \$1,416. (The 5.2% increase excludes the impact of the inclusion of government scholarship grants.)

This is after a \$4M (2.8%) cost containment has been applied to the administrative divisions. Under the new budget model, academic divisions are responsible for their own increases in expense, including salary increases. They will implement internal cost containment measures according to their individual circumstances. The major factors contributing to increases in university-wide expenditure are:

Shared Services

- Utility costs are projected to remain constant. This is a result of increased load, offset by favourable rates.
- The University continues to build the utilities infrastructure reserve, with an addition of \$1.3M
- An additional \$2.4M is provided for increased caretaking and annual maintenance costs, resulting from new space as well as planned improvements in caretaking service for academic programs.

- An allocation of \$0.8M is made toward deferred maintenance.
- Pension deficit amortization remains at the 2007-08 level of \$27.3M. This amount includes the pension deficit amortization for both academic and administrative divisions.
- Compensation costs in administrative and academic service divisions are projected to rise by \$4.3M. Salary increases are assumed to be as per negotiated agreements. Otherwise they are assumed to be CPI (2%) plus merit. The standard benefit rate is 22.5% for appointed employees and 10% for non-appointed employees.

University-Wide Funds

This section includes both academic and administrative funds. Note that previous budgetary allocations of \$7.4M from these funds have been transferred to academic divisions. In addition, transfers have been made from funds to shared-service divisions.

- *Academic Initiatives Fund:* The University continues its academic planning initiative, guided by *Stepping Up*. No new awards have been made from this fund for 2008-09
- *Student Experience Fund:* The Student Experience Fund will increase by \$3.3M in 2008-09. This fund is intended to support both university-wide and divisional initiatives that aim to create a better learning environment and to enhance first-entry student life in general. The total funds available in 2008-09 are \$9.9M.
- *Provost's Contingency:* The sum of \$3M will be transferred to the Provost's Contingency fund in 2008-09. This fund is primarily available to assist academic divisions with unanticipated expenses.
- *Transitional Fund:* An amount of \$3M is allocated to the Transitional Fund to support academic divisions as they transition to managing resources under difficult budget circumstances.
- *Graduate Expansion Incentive Fund:* This fund is intended to assist divisions achieve their targets for increased graduate enrolment and attract top applicants against increased competition. An allocation of \$6.2M is made based on projected enrolment increases.
- *Academic Services Fund:* The sum of \$1.5M will be transferred to the Academic Services fund from general university revenue in 2008-09. This fund supports such services as libraries (other than book acquisitions) and academic computing.
- *Graduate Expansion Services:* The additional amount of \$1.9M will be used to extend shared services to support graduate enrolment growth.
- *Information Technology:* An additional amount of \$2M is allocated to this fund to support University-wide information technology initiatives and upgrades, such as the electronic classroom project, the learning management system and the implementation of Exchange. In addition, the University will be creating the position of a Chief Information Officer in 2008-09, as a result of the Information Technology Services Review.

- *Administrative Priorities Fund:* The sum of \$3M is allocated to the Administrative Priorities Fund for new initiatives in administrative divisions. Allocations from this fund are guided by the recommendations of the Budget Planning and Priorities Committee.

VII. Budget Impact

Schedule 4 of the budget (see Appendix B) presents a high-level view of the budget projections that is meant to provide an assessment of the impact of the budget on the University's operations. It provides a summary of year-over-year changes in revenue and expense, and shows the expendable funds available to the divisions after accounting for projected compensation increases. This view is helpful in assessing the extent to which expense containment measures are needed and how they may be apportioned between administrative and academic divisions.

University revenues in 2008-09, excluding divisional income and funds that flow to other institutions, will be \$68.3M higher than in 2007-08. Of this, \$11.5 is due to the inclusion of the provincial scholarship grants and is offset by an increase in student aid. Total expenses, including student aid, are projected to increase by \$34.4M, before implementing the proposed cost containment for 2008-09. This figure includes salary increases in the administrative divisions, but does not account for salary increases in the academic divisions. According to the provisions of the new budget model, the latter are to be funded from the expense budgets of the academic divisions. Thus, the incremental net revenue available to the University in 2008-09, without any expense reductions, is \$33.9M

Increases in compensation costs, graduate student support and capital debt-service support in the academic divisions are estimated to be about \$50.5M in 2008-09, based on budget assumptions and available enrolment and capital project estimates. This leaves a shortfall of \$16.3M, which is the minimum amount of cost containment that needs to be implemented to maintain a balanced budget. Of this amount, \$4M will be absorbed by the administrative divisions, as Schedule 2 of the budget shows. Academic divisions will need to reduce their internal expenditures by \$12.6M to cover increased expenditures.

Additional reductions in spending will be needed to cover other division-specific increases in operational costs and to cover individual shares of the accumulated deficit repayment.

VIII. Divisional Allocations

This section describes the expense budgets for individual academic and administrative divisions.

VIII.1. Academic Divisions

According to the methodology of the new budget model, the expense budget of an academic division consists of the Net Revenue of that division plus its share of the University Fund as determined by the Provostial review and the academic planning process. The Net Revenue is equal to the sum of all the revenues attributed to the

division less its contribution to the University Fund, student aid and the cost of shared services.

Schedule 5 of Appendix B provides a summary of attributed revenues and expenses to all academic divisions. It also shows the University Fund allocations and the resulting expense budget subtotals for 2008-09. The total 2008-09 expense budgets for the academic divisions are generated after accounting for other adjustments and transfers, as detailed in Appendix F.

VIII.2. Administrative Divisions

Expense budgets for administrative divisions are determined following a review process. Recommended allocations take into account salary increases for 2007-08 and the need for cost containment in 2008-09. As salary increases for 2008-09 are not yet known, they are not included in divisional budgets. The funds needed are held centrally. The recommended allocations to administrative divisions for 2008-09 are summarized in Appendix F.

Outer year allocations to administrative divisions will be reviewed annually by the Budget Planning and Priorities Committee. In some cases BPP recommends multi-year allocations.

IX. Capital Project Funding

Prior to 2001, academic capital projects were funded from a combination of campaign donations, Federal and Provincial government capital grant allocations, and the University's operating budget. Debt financing was restricted to resolving cash-flow shortfalls during construction of academic buildings. Debt was also routinely used to provide the majority of the cost of residence construction where the debt service charges were recovered from room rental revenue. The University Infrastructure Investment Fund (UIIF) was created as the vehicle through which operating budget funds are allocated to capital projects.

Since 2001, it became clear that the traditional sources of funding were no longer sufficient to meet the capital construction demands driven by research initiatives and enrolment expansion. The 2001 update to the *Long-Range Budget Guidelines (1998-2004)* provided \$30M of funding to the UIIF in each of 2001-02, 2002-03 and 2003-04 in the form of loans, with the debt service costs charged to the operating budget. Funding shortfalls in individual project budgets, after deployment of government, campaign and UIIF funding were to be the responsibility of the occupying divisions. This was the first recognition that capital construction of academic buildings could no longer be funded on a cash basis and that the use of debt financing would be necessary in the future. The Guidelines also argued for the evolution to a budget for expenditures on capital projects separate from the Operating Budget, but where the Operating Budget would be one source of revenue for the debt service charges associated with these projects.

Capital Funds Summary

This report on capital projects and the associated borrowing is intended to provide a comprehensive summary, encompassing construction projects for academic and

administrative divisions, residences, parking garages and space for student activities. Capital projects are approved separately and are presented in this report for information only. All capital projects that have been approved by Governance have been incorporated in this summary, including those where the approval to proceed is conditional on raising campaign donations.

Appendix E, Table 1 depicts the total current costs of all approved capital projects to date. It illustrates the past and the most recently approved capital requirements for all academic, non-academic and ancillary projects and outlines their major funding sources. The total approved project costs to 2007-08 for the University amounted to \$1.16B. The University of Toronto will undertake approximately \$151.5M in new capital projects, raising its total capital project costs to just over \$1.3B.

Appendix E, Table 2 presents a detailed summary of the most recently approved capital projects, showing various sources of funding. Of the total \$151.5M in new projects, \$9M will receive central funding, \$38.88M will be funded from the divisional operating budgets, and \$103.97M from other sources such as donations and the provincial government. The table also shows the approved borrowing related to new capital projects, totalling \$58.1M.

Appendix A

2006-07 Shadow Budget – Update to Actuals

The transition process that was adopted and used was based on the preparation of a “Shadow Budget” for fiscal year 2006-07 based on the new model. The budget for that year was presented to and approved by Governing Council in the spring of 2006 based on the old budget model. The Shadow Budget was prepared under the new model in such a way as to yield exactly the same budgetary allocation to each division as that division has received under the old model. This was possible because of the flexibility afforded by the University Fund. Each division received a University Fund allocation in the Shadow Budget that brought its net expense budget in 2006-07 to the same level as its actual budget.

The University Fund allocation made in the Shadow Budget captures the aggregated history of budgetary allocations to each division, represented in the language of the new budget model. To maintain historical integrity, it will be used as a reference in making future University Fund allocations, and as such, has been dubbed the University Fund Reference Level. Barring extraordinary circumstances, no division will receive a University Fund allocation in future years that is lower than its Reference Level.

Preliminary calculations of the Reference Level for each division were first made based on the budgeted revenues and expenses for 2006-07 and were included in the Budget Report of 2007-08. Actual revenues and expenses for that transition year became known in May of 2007, after end-of-year accounting was completed and the University’s financial report for 2006-07 was released. Because of their important role as a record of the budget history of the academic divisions, the Reference Levels for University Fund allocations were updated based on end-of-year results. The final values are given in Table A2.

Most of the expendable funds available to the divisions were allocated in the 2006-07 budget report. Additional funds were flowed to the divisions during the year, mostly based on revenue-sharing agreements for government grants and tuition. Table A1 shows these two components and the resulting total expense allocation for each division.

A summary of the Shadow Budget, updated to actuals, as derived according to the new budget model is given in Table A2. Columns A to D show the gross revenue attributed to each division, the division’s contribution to the University Fund pool and its share of university-wide expenses and the centrally-administered portion of the student aid budget. Expenses in 2006-07 exceeded revenues by \$8.9M. Each division’s share of this deficit, which is shown in column E, must be added to its net revenue to arrive at its proper shadow expense budget.

The Net Revenue in column F is equal to gross revenue less the deductions in columns B, C, D and E.

The next step in the development of the Shadow Budget was to determine the University Fund allocation needed to bring the divisional expense budgets to exactly the same level shown in Table A1. The University Fund allocation needed to align the two budgets is now given by:

$$\text{UF allocation} = \text{Total expense budget, adjusted to actuals (column K)} \\ - \text{Net Revenue (F)}$$

The resulting total expense budget under the Shadow Budget (column H) is exactly the same as the total budgeted funds under the previous budget model (column K).

Table A1. Total Divisional Budgets in 2006-07 (Adjusted to Actuals)

| DIVISION | Net Expense Budget as per Budget Report | In Year Allocations (Actuals) | Total Divisional Budget, adjusted to actuals |
|---------------------------------|---|-------------------------------|--|
| | (I) | (J) | (K = I + J) |
| Arts & Science (incl. Colleges) | 186,374,932 | 33,702,428 | 220,077,360 |
| UTSC | 66,354,303 | 12,410,887 | 78,765,190 |
| UTM | 64,060,811 | 11,737,446 | 75,798,257 |
| Dentistry | 17,551,616 | 5,403,529 | 22,955,145 |
| Medicine | 72,551,976 | 22,551,371 | 95,103,347 |
| Nursing | 8,632,409 | 807,035 | 9,439,444 |
| Pharmacy | 10,154,074 | 440,148 | 10,594,222 |
| Physical Education & Health | 3,465,815 | 433,357 | 3,899,172 |
| Applied Science & Engineering | 54,558,928 | 10,344,176 | 64,903,104 |
| Architecture | 4,630,218 | 429,135 | 5,059,353 |
| OISE/UT ¹ | 11,772,799 | 35,543,782 | 47,316,581 |
| Forestry | 2,767,873 | 588,357 | 3,356,230 |
| Law | 13,855,421 | 3,978,328 | 17,833,749 |
| Information Studies | 4,654,616 | 1,396,285 | 6,050,901 |
| Music | 7,843,226 | 1,476,480 | 9,319,706 |
| Social Work | 4,656,907 | 1,258,480 | 5,915,387 |
| Management | 29,694,175 | 6,431,779 | 36,125,954 |
| Transitional Year Programme | 1,340,594 | 89,466 | 1,430,060 |
| Graduate Institutes & Centres | 4,642,109 | 553,581 | 5,195,690 |
| Total | \$ 569,562,802 | \$ 149,576,051 | \$ 719,138,853 |

¹ OISE in-year allocation includes \$28.2M transfer from divisional revenue to university-wide revenue as a result of the end of the integration agreement

Table A2. Restated Shadow Budget for 2006-07 Under New Model (Adjusted to Actuals)

| DIVISION | Attributed Operating Revenue | 10% Contribution to University Fund | Share of University Wide Expense | Student Aid Set-Aside | Share of Deficit | Net Revenue | University Fund Allocation | Expense Budget |
|---------------------------------|------------------------------|-------------------------------------|----------------------------------|-----------------------|------------------|--------------------|----------------------------|--------------------|
| | (A) | (B) | (C) | (D) | (E) | (F = A-B-C-D+E) | (G = K - F) | (H) |
| Arts & Science (incl. Colleges) | 366,500,419 | 33,622,269 | 115,531,032.7 | 22,091,752 | 2,967,227 | 198,222,593 | 21,854,767 | 220,077,360 |
| UTSC | 115,582,995 | 11,259,217 | 17,478,135.1 | 5,965,756 | 935,773 | 81,815,659 | (3,050,469) | 78,765,190 |
| UTM | 113,972,985 | 11,052,557 | 18,920,292 | 5,674,270 | 922,738 | 79,248,604 | (3,450,348) | 75,798,257 |
| Dentistry | 22,330,791 | 1,935,664 | 7,728,737 | 956,921 | 180,793 | 11,890,261 | 11,064,884 | 22,955,145 |
| Medicine | 156,987,625 | 12,541,031 | 65,068,947 | 7,362,189 | 1,270,989 | 73,286,447 | 21,816,900 | 95,103,347 |
| Nursing | 14,101,004 | 1,284,212 | 4,293,908 | 736,779 | 114,163 | 7,900,269 | 1,539,175 | 9,439,444 |
| Pharmacy | 22,379,392 | 2,036,120 | 7,133,332 | 1,825,956 | 181,186 | 11,565,171 | (970,949) | 10,594,222 |
| Physical Education & Health | 7,123,863 | 700,379 | 2,397,354 | 362,298 | 57,676 | 3,721,508 | 177,664 | 3,899,172 |
| Applied Science & Engineering | 118,826,327 | 10,066,369 | 41,180,986 | 7,729,356 | 962,031 | 60,811,647 | 4,091,457 | 64,903,104 |
| Architecture | 5,012,941 | 475,499 | 1,797,796 | 365,531 | 40,585 | 2,414,700 | 2,644,653 | 5,059,353 |
| OISE/UT 2 | 57,267,909 | 5,300,059 | 15,677,142 | 3,934,617 | 463,647 | 32,819,739 | 14,496,842 | 47,316,581 |
| Forestry | 2,555,326 | 183,443 | 1,651,342 | 115,356 | 20,688 | 625,873 | 2,730,357 | 3,356,230 |
| Law | 18,632,758 | 1,635,694 | 4,939,328 | 1,231,750 | 150,853 | 10,976,839 | 6,856,910 | 17,833,749 |
| Information Studies | 7,159,426 | 654,152 | 2,449,318 | 382,823 | 57,963 | 3,731,096 | 2,319,805 | 6,050,901 |
| Music | 10,237,106 | 957,278 | 3,541,051 | 1,001,333 | 82,881 | 4,820,325 | 4,499,382 | 9,319,706 |
| Social Work | 8,365,699 | 738,176 | 2,344,883 | 525,059 | 67,730 | 4,825,311 | 1,090,076 | 5,915,387 |
| Management | 44,026,248 | 3,983,637 | 9,110,695 | 1,310,192 | 356,441 | 29,978,166 | 6,147,788 | 36,125,954 |
| Transitional Year Programme | 516,685 | 42,512 | 384,459 | 122,875 | 4,183 | (28,978) | 1,459,038 | 1,430,060 |
| Graduate Institutes & Centres | 4,454,441 | 336,702 | 2,245,919 | 199,228 | 36,064 | 1,708,656 | 3,487,035 | 5,195,690 |
| Total | 1,096,033,940 | 98,804,968 | 323,874,656 | 61,894,042 | 8,873,610 | 620,333,885 | 98,804,969 | 719,138,853 |

Long Range Budget Guidelines
2008-09 to 2012-13
(\$ millions)

Budget Model Summary

| | Assump.# | 2007-08 | 2008-9 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|--|----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>Projection of Operating Revenue</u> | | | | | | | |
| Provincial Operating Grants | 4 - 9 | \$ 565.2 | \$ 583.5 | \$ 593.2 | \$ 602.2 | \$ 605.5 | \$ 605.9 |
| Tuition Fees | 10,11 | 460.7 | 506.9 | 550.5 | 592.5 | 632.8 | 676.6 |
| Subtotal Grants plus Fees | | 1,025.9 | 1,090.4 | 1,143.7 | 1,194.7 | 1,238.3 | 1,282.5 |
| Investment Income | 12, 13 | 22.0 | 25.1 | 24.7 | 28.2 | 29.8 | 30.9 |
| Amortization of Investment Losses | 13 | - | - | - | - | - | - |
| Other Income | 14 | 9.4 | 10.0 | 10.5 | 10.9 | 11.4 | 11.9 |
| Subtotal - Revenue for University Fund Contribution | | 1,057.3 | 1,125.5 | 1,178.9 | 1,233.8 | 1,279.5 | 1,325.3 |
| Endowment Revenue for Chairs and Student Aid | 15 | 40.3 | 45.9 | 46.9 | 48.3 | 49.8 | 51.4 |
| Provincial Scholarship Grants | 16 | - | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |
| Canada Research Chairs | 17 | 40.2 | 38.3 | 38.3 | 38.3 | 38.3 | 38.3 |
| Indirect Cost Recovery on Research Grants and Contracts | 18-21 | 30.5 | 29.2 | 29.8 | 30.2 | 30.4 | 29.7 |
| Subtotal General University Revenue | | 1,168.3 | 1,250.4 | 1,305.4 | 1,362.0 | 1,409.5 | 1,456.1 |
| Divisional Income - Government Grants | 22 | 3.8 | 1.9 | 1.9 | 1.9 | 2.0 | 2.0 |
| Divisional Income - Student Fees | 22 | 44.6 | 49.6 | 50.6 | 51.6 | 52.6 | 53.7 |
| Divisional Income - Ancillary Fees | 22 | 50.1 | 56.2 | 57.3 | 58.5 | 59.7 | 60.9 |
| Divisional Income - External Revenue | 22 | 67.7 | 57.4 | 58.6 | 59.8 | 61.0 | 62.2 |
| Subtotal Divisional Revenue | | 166.1 | 165.1 | 168.4 | 171.8 | 175.2 | 178.7 |
| Total Operating Revenue | | \$ 1,334.4 | \$ 1,415.5 | \$ 1,473.8 | \$ 1,533.8 | \$ 1,584.7 | \$ 1,634.9 |

**Long Range Budget Guidelines
2008-09 to 2012-13
(\$ millions)**

| Projection of Operating Expenditures | Assump.# | 2007-08 | 2008-9 | 2009-10 | 2010-2011 | 2011-2012 | 2012-2013 |
|---|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Expenditures, Beginning of Year | | 1,283.8 | 1,348.0 | 1,428.4 | #REF! | #REF! | |
| University Wide Student Aid Set-Aside | 23 | \$ 62.5 | \$ 90.1 | \$ 92.2 | \$ 94.6 | \$ 97.1 | \$ 99.7 |
| Flow-through to Other Institutions (Hospitals, Colleges, TST) | 24 | 20.1 | 21.3 | 22.1 | 22.7 | 23.3 | 23.8 |
| Shared Services | | | | | | | |
| Occupancy Costs (Cost Bin 1) | | 84.5 | 88.3 | 92.2 | 96.4 | 100.0 | 103.7 |
| Shared Services | | 106.8 | 99.9 | 113.4 | 116.5 | 119.9 | 123.1 |
| University-wide General Expense (Cost Bin 12) | | 33.8 | 34.3 | 37.0 | 39.2 | 39.7 | 40.9 |
| Central Library Expense (Cost Bin 8) | | 62.4 | 65.6 | 67.4 | 69.1 | 71.5 | 74.0 |
| Federated Block Grant | | 9.9 | 10.9 | 11.4 | 11.9 | 12.4 | 12.9 |
| Sub-total | | 297.4 | 299.0 | 321.5 | 333.1 | 343.5 | 354.8 |
| Academic Divisions: | | | | | | | |
| Academic Expense Budget (excluding University Fund | | 794.6 | 825.7 | 854.8 | 908.1 | 940.1 | 970.5 |
| University Fund | | 103.8 | 110.5 | 115.9 | 121.4 | 125.9 | 130.4 |
| Pension Amortization (Cost Bin 6) | | 21.5 | 21.5 | 21.5 | 21.5 | 21.5 | 21.5 |
| Academic Funds (Cost Bin 11) | | 34.6 | 47.3 | 45.8 | 32.5 | 33.3 | 34.2 |
| Sub-total | | 954.5 | 1,005.0 | 1,038.0 | 1,083.4 | 1,120.8 | 1,156.6 |
| Total Expenditure | | \$ 1,334.4 | \$ 1,415.5 | \$ 1,473.8 | \$ 1,533.8 | \$ 1,584.7 | \$ 1,634.9 |
| Annual Planned Deficit | | - | - | - | - | - | - |

| | | | | | | | |
|--|-----------|--------|--------|--------|--------|--------|------|
| Accumulated deficit per 2006-07 Financial Statements | \$ (66.3) | | | | | | |
| Projected current year deficit over budget level | | | | | | | |
| Projected recovery of new space costs | | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 10.3 |
| Repayment of accumulated deficit | | (55.1) | (43.9) | (32.7) | (21.5) | (10.3) | - |
| Projected accumulated deficit, end of year | | | | | | | |

Long Range Budget Guidelines
2008-09 to 2012-13
Incremental Expenditure Summary of University Wide Expense

| Year-Over-Year Increases | Assump.# | 2007-08 | 2008-9 | 2009-10 | 2010-2011 | 2011-2012 | 2012-2013 |
|---|-----------|--------------|--------------|-----------------|-----------------|-----------------|-----------------|
| University-Wide Expense | | | | | | | |
| University Wide Expense, Beginning of Year | \$ | 330.9 | 353.5 | \$ 367.8 | \$ 377.3 | \$ 375.2 | \$ 385.9 |
| Contractual Obligations | | | | | | | |
| Federated Block Grant | 25 | 2.0 | 1.0 | 0.5 | 0.5 | 0.5 | 0.5 |
| Utilities | 25 | (4.4) | - | 1.2 | 1.3 | 1.3 | 1.3 |
| Prior year budget adjustments and other expenses approved by Budget Planning & Priorities | 25 | 0.7 | (1.7) | 0.5 | 0.8 | (0.1) | 0.7 |
| Pension Deficit Amortization | 26 | - | - | - | - | - | - |
| Capital and Maintenance | | | | | | | |
| Facilities and Services: Caretaking, Annual Maintenance | 27 | 0.3 | 2.4 | 1.0 | 1.5 | 1.0 | 1.0 |
| Utilities Infrastructure Reserve | 28 | 1.0 | 1.3 | 1.0 | - | - | - |
| Operating Fund Debt Service Support of Capital Budget | 29 | 2.8 | - | 0.5 | - | - | - |
| Deferred Maintenance Funding | 30 | 0.6 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Funding for Administrative/Academic Service Divisions | | | | | | | |
| Library Acquisitions | 31 | 1.0 | 1.1 | 1.1 | 1.2 | 1.2 | 1.3 |
| Student Aid: transfer from costs bins to student aid line | 32 | - | (3.5) | - | - | - | - |
| Research Reserve: transfer to academic divisions | 33 | (4.8) | (3.2) | - | - | - | - |
| Cost of Compensation Settlements (incl. benefits) | 34 | 7.1 | 4.3 | 4.3 | 4.4 | 4.6 | 4.7 |
| Expense Containment Requirement | | (4.0) | (4.0) | (3.0) | (2.0) | (1.0) | (1.0) |
| University-Wide Funds | | | | | | | |
| Academic Initiatives Fund (AIF) | 35 | 5.0 | (0.5) | (0.5) | (5.5) | - | - |
| Student Experience Fund | 36 | 3.3 | 3.3 | (6.6) | - | - | - |
| Provost's Contingency | 37 | 2.0 | 3.0 | 2.0 | 0.3 | 0.2 | 0.2 |
| Transitional Funding - Academic | 38 | 2.0 | 3.0 | 0.3 | 0.2 | 0.2 | 0.2 |
| Allocation of funds to academic divisions | 39 | - | (7.4) | - | - | - | - |
| Graduate Expansion Incentive Fund | 40 | - | 6.2 | 2.7 | (8.8) | - | - |
| Academic Service Initiatives | 41 | 0.5 | 1.9 | 0.6 | 0.6 | 0.4 | 0.5 |
| Graduate Expansion - University-Wide Services | 42 | 1.0 | 1.5 | 0.4 | 0.4 | 0.4 | 0.5 |
| Information Technology Initiatives and Upgrades | 43 | 0.5 | 2.0 | 1.4 | 0.9 | 0.7 | 0.5 |
| Administrative Priorities | 44 | 3.0 | 3.0 | 1.4 | 1.4 | 0.6 | 0.5 |
| University Wide Expense, End of Year | \$ | 353.5 | 367.8 | \$ 377.3 | \$ 375.2 | \$ 385.9 | \$ 397.5 |

Cost Bins
2007-08 to 2012-13

| Bin # | Shared Services | 2007-08 | 2008-9 | 2009-10 | 2010-2011 | 2011-2012 | 2011-2013 |
|-------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1 | Occupancy | \$ 84.5 | \$ 88.3 | \$ 92.2 | \$ 96.4 | \$ 100.0 | \$ 103.7 |
| 2 | Information Technology | 18.7 | 19.9 | 21.4 | 22.5 | 23.5 | 24.4 |
| 3 | University Management | 12.6 | 15.1 | 15.1 | 15.3 | 15.6 | 15.9 |
| 4 | Financial Management | 5.6 | 6.0 | 6.1 | 6.2 | 6.4 | 6.6 |
| 5 | Human Resources | 16.6 | 15.1 | 15.1 | 15.7 | 16.3 | 16.8 |
| 7 | University Advancement | 15.7 | 15.5 | 15.7 | 15.9 | 16.2 | 16.5 |
| 8 | Central Library | 62.4 | 65.6 | 67.4 | 69.1 | 71.5 | 74.0 |
| 9 | Research Administration | 12.4 | 9.2 | 9.2 | 9.3 | 9.5 | 9.7 |
| 10 | Student Recruitment, Registrarial & Services | 25.2 | 19.1 | 19.3 | 19.5 | 19.9 | 20.4 |
| 12 | University-wide General | 33.8 | 34.3 | 37.0 | 39.2 | 39.7 | 40.9 |
| | Direct - Federated Block Grant | 9.9 | 10.9 | 11.4 | 11.9 | 12.4 | 12.9 |
| | Sub-total | 297.4 | 299.0 | 310.0 | 321.2 | 331.1 | 341.8 |
| | Academic | | | | | | |
| 11 | University-wide Academic | 34.6 | 47.3 | 45.8 | 32.5 | 33.3 | 34.2 |
| 6 | Pension Amortization (academic portion) | 21.5 | 21.5 | 21.5 | 21.5 | 21.5 | 21.5 |
| | Total University Wide Expense | \$ 353.5 | \$ 367.8 | \$ 377.3 | \$ 375.2 | \$ 385.9 | \$ 397.5 |

Budget Impact

2008-09 to 2012-13

2007-08 2008-9 2009-10 2010-11 2011-12 2012-13

Revenue

| | | | | | | |
|---|---------|---------|---------|---------|---------|---------|
| Increase in revenue (excluding divisional income) | \$ 40.8 | \$ 69.6 | \$ 55.0 | \$ 56.7 | \$ 47.5 | \$ 46.6 |
| Less: increase in revenue flowing to other institutions | (0.6) | (1.3) | (0.8) | (0.6) | (0.6) | (0.5) |
| Revenue available to University | 40.2 | 68.3 | 54.2 | 56.1 | 46.9 | 46.1 |
| A | | | | | | |

Expense

| | | | | | | |
|---|------|------|------|-------|------|------|
| Increase in shared services and academic fund prior to cost containment | 26.7 | 18.3 | 12.5 | (0.1) | 11.7 | 12.6 |
| Increase in Student Aid (operating and endowed) | 4.5 | 16.1 | 2.1 | 2.4 | 2.5 | 2.6 |
| Total | 31.1 | 34.4 | 14.6 | 2.3 | 14.2 | 15.2 |
| B | | | | | | |

Net new revenue available to academic divisions

| | | | | | | |
|---------------|-----|------|------|------|------|------|
| C= A-B | 9.1 | 33.9 | 39.6 | 53.8 | 32.6 | 30.9 |
|---------------|-----|------|------|------|------|------|

Estimated cost increases for academic divisions: compensation, graduate expansion, capital projects (07-08 incl only compensation)

| | | | | | | |
|----------|------|------|------|------|------|------|
| D | 26.3 | 50.5 | 42.8 | 36.6 | 38.9 | 40.1 |
|----------|------|------|------|------|------|------|

Total expense containment required

| | | | | | | |
|--------------|-----------|-----------|----------|---------|----------|----------|
| E=C-D | \$ (17.3) | \$ (16.6) | \$ (3.2) | \$ 17.2 | \$ (6.3) | \$ (9.3) |
|--------------|-----------|-----------|----------|---------|----------|----------|

Annual repayment of accumulated deficit (not cumulative)

| | | | | | | |
|----------|------|------|------|------|------|------|
| F | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 10.3 |
|----------|------|------|------|------|------|------|

Annual repayment assigned to administrative divisions

| | | | | | | |
|--|-----|-----|-----|-----|-----|-----|
| | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.4 |
|--|-----|-----|-----|-----|-----|-----|

Annual repayment assigned to academic divisions

| | | | | | | |
|--|-----|-----|-----|-----|-----|-----|
| | 8.6 | 8.6 | 8.6 | 8.6 | 8.6 | 7.9 |
|--|-----|-----|-----|-----|-----|-----|

Summary of Projected Revenue and Expense Allocations for 2008-09

| DIVISION | Attributed Operating Revenue | 10% Contribution to University Fund | Share of University Wide Expense | Student Aid Set-Aside | Net Revenue | less: Revenue in Restricted Funds and Div Income | Adjusted Net Revenue | University Fund Allocation | Expense Budget |
|------------------------------------|------------------------------|-------------------------------------|----------------------------------|-----------------------|--------------------|--|----------------------|----------------------------|--------------------|
| | (A) | (B) | (C) | (D) | (E = A-B-C-D) | (F) | (G=E-F) | (H) | (I = G+H) |
| Arts & Science (incl. Colleges) | 399,368,456 | 36,357,937 | 131,839,940.7 | 29,531,383.9 | 201,639,193.7 | 15,196,258 | 186,442,936 | 24,086,310 | 210,529,246 |
| UTSC | 129,484,655 | 12,515,448 | 21,338,264.7 | 7,453,220.4 | 88,177,722.0 | 1,224,166 | 86,953,556 | (807,798) | 86,145,757 |
| UTM | 130,541,605 | 12,615,632 | 22,885,612 | 7,086,924 | 87,953,438 | 1,268,303 | 86,685,135 | (1,022,403) | 85,662,731 |
| Dentistry | 24,801,262 | 2,161,104 | 9,271,890 | 1,443,782 | 11,924,486 | 1,688,012 | 10,226,474 | 11,712,829 | 21,939,303 |
| Medicine | 171,884,597 | 13,805,574 | 71,105,854 | 14,023,151 | 72,950,018 | 12,733,144 | 60,216,874 | 22,020,344 | 82,237,218 |
| Nursing | 15,341,445 | 1,401,375 | 5,188,963 | 1,010,865 | 7,740,243 | 435,548 | 7,304,694 | 1,845,123 | 9,149,817 |
| Pharmacy | 25,827,336 | 2,352,585 | 7,474,593 | 2,279,046 | 13,721,111 | 580,434 | 13,140,677 | (358,750) | 12,781,927 |
| Physical Education & Health | 8,282,659 | 803,663 | 2,627,147 | 540,439 | 4,311,409 | 7,184 | 4,304,225 | 256,644 | 4,560,869 |
| Applied Science & Engineering | 132,333,400 | 11,193,761 | 44,307,203 | 11,166,550 | 65,665,886 | 9,102,526 | 56,563,360 | 5,358,009 | 61,921,369 |
| Architecture | 6,772,902 | 636,827 | 2,324,958 | 518,134 | 3,292,982 | 101,169 | 3,191,814 | 2,688,415 | 5,880,229 |
| OISE/UT | 65,400,539 | 6,016,410 | 18,053,091 | 4,675,568 | 36,655,470 | 2,216,581 | 34,438,889 | 14,893,315 | 49,332,204 |
| Forestry | 2,963,828 | 209,664 | 1,809,084 | 384,721 | 560,358 | 364,502 | 195,856 | 2,881,314 | 3,077,170 |
| Law | 20,097,468 | 1,738,539 | 5,413,476 | 3,701,290 | 9,244,163 | 1,048,882 | 8,195,281 | 6,906,233 | 15,101,514 |
| Information Studies | 9,862,529 | 901,877 | 3,001,642 | 650,654 | 5,308,355 | 259,406 | 5,048,949 | 2,445,012 | 7,493,961 |
| Music | 13,251,812 | 1,209,691 | 4,422,266 | 1,471,611 | 6,148,244 | 102,974 | 6,045,270 | 4,770,645 | 10,815,915 |
| Social Work | 10,709,780 | 947,261 | 2,470,029 | 755,610 | 6,536,881 | 517,438 | 6,019,443 | 1,196,147 | 7,215,590 |
| Management | 56,079,110 | 5,166,180 | 11,593,096 | 2,820,780 | 36,499,053 | 2,809,350 | 33,689,704 | 6,714,576 | 40,404,279 |
| Transitional Year Programme | 625,148 | 46,598 | 381,686 | 164,689 | 32,175 | 220 | 31,955 | 1,462,391 | 1,494,347 |
| Graduate Institutes & Centres | 5,430,930 | 439,389 | 2,317,252 | 409,769 | 2,264,521 | 256,576 | 2,007,945 | 3,491,159 | 5,499,104 |
| Total | 1,229,059,460 | 110,519,517 | 367,826,047 | 90,088,187 | 660,625,709 | 49,922,672 | 610,703,037 | 110,519,516 | 721,222,553 |
| Flow-through to Jt. Progr. and TST | 7,411,776 | | | | 7,411,776 | | | | 7,411,776 |
| Flow-through to hospitals for CRCs | 13,900,000 | | | | 13,900,000 | | | | 13,900,000 |
| Total | 1,250,371,236 | 110,519,517 | 367,826,047 | 90,088,187 | 681,937,485 | 49,922,672 | 610,703,037 | 110,519,516 | 742,554,329 |

¹ The 10% contribution to the UF is calculated on a sub-set of total attributed revenue in column A.

² Includes student aid in the operating fund (administered central through admissions & Awards) and student aid which is administered through restricted funds, but reflected in the operating fund.

Long Range Academic Divisional Projections

| Arts & Science | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 377,928,035 | 399,368,456 | 412,395,088 | 426,418,699 | 437,214,782 | 446,788,376 |
| Deductions ¹ | (181,159,384) | (197,729,262) | (203,304,051) | (204,907,056) | (210,221,057) | (215,731,456) |
| Revenue adjustments ² | (15,512,789) | (15,196,258) | (15,379,688) | (15,465,791) | (15,526,656) | (15,317,595) |
| University Fund Allocation ³ | 20,483,144 | 24,086,310 | 24,086,310 | 24,086,310 | 24,086,310 | 24,086,310 |
| Expense Budget | 201,739,007 | 210,529,246 | 217,797,659 | 230,132,162 | 235,553,380 | 239,825,636 |

| UTSC | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 120,022,504 | 129,484,655 | 134,319,710 | 137,869,738 | 141,203,282 | 145,803,375 |
| Deductions ¹ | (38,165,264) | (41,306,933) | (42,372,746) | (42,374,295) | (43,468,862) | (44,669,567) |
| Revenue adjustments ² | (1,078,528) | (1,224,166) | (1,234,011) | (1,238,932) | (1,238,912) | (1,234,128) |
| University Fund Allocation ³ | (827,043) | (807,798) | (807,798) | (807,798) | (807,798) | (807,798) |
| Expense Budget | 79,951,669 | 86,145,757 | 89,905,154 | 93,448,712 | 95,687,710 | 99,091,882 |

| UTM | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 123,758,228 | 130,541,605 | 141,781,081 | 150,839,152 | 159,199,956 | 166,033,227 |
| Deductions ¹ | (40,733,333) | (42,588,168) | (44,472,742) | (45,335,783) | (47,708,135) | (49,693,703) |
| Revenue adjustments ² | (1,197,716) | (1,268,303) | (1,278,311) | (1,283,089) | (1,283,898) | (1,280,266) |
| University Fund Allocation ³ | (2,895,263) | (1,022,403) | (1,022,403) | (1,022,403) | (1,022,403) | (1,022,403) |
| Expense Budget | 78,931,916 | 85,662,731 | 95,007,624 | 103,197,876 | 109,185,521 | 114,036,855 |

| Dentistry | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 21,396,741 | 24,801,262 | 25,712,972 | 27,111,413 | 28,226,313 | 29,421,161 |
| Deductions ¹ | (11,263,802) | (12,876,776) | (13,397,166) | (13,545,503) | (13,986,277) | (14,520,045) |
| Revenue adjustments ² | (1,648,945) | (1,698,012) | (1,724,401) | (1,728,045) | (1,742,879) | (1,699,173) |
| University Fund Allocation ³ | 10,784,447 | 11,712,829 | 11,712,829 | 11,712,829 | 11,712,829 | 11,712,829 |
| Expense Budget | 19,268,442 | 21,939,303 | 22,304,234 | 23,550,694 | 24,209,986 | 24,914,772 |

Notes:

1. Includes: UF contribution, student aid set-aside and university-wide costs
2. Adjustments to reflect revenue included in restricted funds and divisional income
3. Includes reference level, incremental OTO allocations for 2007-08 and 2008-09. Flattened for outer years.

Long Range Academic Divisional Projections

| Medicine | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 164,339,336 | 171,884,597 | 176,035,370 | 180,286,204 | 184,090,422 | 186,566,873 |
| Deductions ¹ | (89,036,590) | (98,934,579) | (101,103,078) | (100,657,107) | (102,896,562) | (105,277,571) |
| Revenue adjustments ² | (11,902,997) | (12,733,144) | (12,412,129) | (12,459,058) | (12,548,739) | (12,220,008) |
| University Fund Allocation ³ | 25,463,273 | 22,020,344 | 22,020,344 | 22,020,344 | 22,020,344 | 22,020,344 |
| Expense Budget | 88,863,023 | 82,237,218 | 84,540,508 | 89,190,383 | 90,665,466 | 91,089,639 |

| Nursing | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 14,712,759 | 15,341,445 | 16,204,195 | 16,884,940 | 17,458,743 | 17,932,017 |
| Deductions ¹ | (6,550,383) | (7,601,203) | (7,812,648) | (7,878,747) | (8,111,672) | (8,326,019) |
| Revenue adjustments ² | (267,610) | (435,548) | (439,726) | (443,703) | (443,627) | (441,496) |
| University Fund Allocation ³ | 1,580,306 | 1,845,123 | 1,845,123 | 1,845,123 | 1,845,123 | 1,845,123 |
| Expense Budget | 9,475,072 | 9,149,817 | 9,796,944 | 10,407,612 | 10,748,567 | 11,009,625 |

| Pharmacy | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 24,687,544 | 25,827,336 | 27,011,994 | 28,338,409 | 29,477,673 | 30,553,483 |
| Deductions ¹ | (12,535,377) | (12,106,224) | (12,524,606) | (12,746,714) | (13,196,075) | (13,664,523) |
| Revenue adjustments ² | (727,395) | (580,434) | (585,337) | (587,394) | (587,956) | (586,424) |
| University Fund Allocation ³ | (580,025) | (358,750) | (358,750) | (358,750) | (358,750) | (358,750) |
| Expense Budget | 10,844,746 | 12,781,927 | 13,543,300 | 14,645,550 | 15,334,891 | 15,943,785 |

| PE&H | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 7,264,772 | 8,282,659 | 8,778,992 | 9,177,407 | 9,633,235 | 9,890,724 |
| Deductions ¹ | (3,627,198) | (3,971,250) | (4,129,542) | (4,264,524) | (4,449,728) | (4,596,917) |
| Revenue adjustments ² | (5,717) | (7,184) | (7,215) | (7,245) | (7,277) | (7,308) |
| University Fund Allocation ³ | 60,052 | 256,644 | 256,644 | 256,644 | 256,644 | 256,644 |
| Expense Budget | 3,691,910 | 4,560,869 | 4,898,880 | 5,162,282 | 5,432,875 | 5,543,143 |

Notes:

1. Includes: UF contribution, student aid set-aside and university-wide costs
2. Adjustments to reflect revenue included in restricted funds and divisional income
3. Includes reference level, incremental OTO allocations for 2007-08 and 2008-09. Flattened for outer years.

Long Range Academic Divisional Projections

| APSE | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 125,233,418 | 132,333,400 | 135,830,771 | 140,714,163 | 142,010,102 | 145,658,084 |
| Deductions ¹ | (62,755,042) | (66,667,513) | (68,493,006) | (69,133,363) | (70,508,712) | (72,419,389) |
| Revenue adjustments ² | (8,196,324) | (9,102,526) | (9,188,805) | (9,387,697) | (9,430,614) | (9,354,141) |
| University Fund Allocation ³ | 4,587,161 | 5,358,009 | 5,358,009 | 5,358,009 | 5,358,009 | 5,358,009 |
| Expense Budget | 58,869,213 | 61,921,369 | 63,506,970 | 67,551,112 | 67,428,784 | 69,242,563 |

| Architecture & L.D. | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 5,422,631 | 6,772,902 | 6,545,392 | 6,456,159 | 7,089,372 | 7,285,909 |
| Deductions ¹ | (2,974,018) | (3,479,919) | (3,504,593) | (3,529,101) | (3,630,272) | (3,703,056) |
| Revenue adjustments ² | (101,148) | (101,169) | (101,169) | (101,169) | (101,169) | (101,169) |
| University Fund Allocation ³ | 2,636,437 | 2,668,415 | 2,668,415 | 2,668,415 | 2,668,415 | 2,668,415 |
| Expense Budget | 4,983,902 | 5,860,229 | 5,608,046 | 5,494,305 | 6,026,347 | 6,150,099 |

| OISE/UT | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 58,304,947 | 65,400,539 | 69,202,988 | 71,607,463 | 73,227,643 | 74,480,061 |
| Deductions ¹ | (25,417,289) | (28,745,069) | (29,824,780) | (30,060,991) | (30,948,791) | (31,709,696) |
| Revenue adjustments ² | (1,998,316) | (2,216,581) | (2,219,226) | (2,221,361) | (2,223,237) | (2,224,743) |
| University Fund Allocation ³ | 13,508,920 | 14,893,315 | 14,893,315 | 14,893,315 | 14,893,315 | 14,893,315 |
| Expense Budget | 44,398,262 | 49,332,204 | 52,052,297 | 54,218,426 | 54,948,929 | 55,438,937 |

| Forestry | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 2,875,785 | 2,963,828 | 3,157,300 | 3,396,136 | 3,494,613 | 3,675,924 |
| Deductions ¹ | (2,291,641) | (2,403,470) | (2,471,030) | (2,538,610) | (2,624,506) | (2,725,121) |
| Revenue adjustments ² | (339,470) | (364,502) | (370,294) | (377,238) | (377,302) | (374,463) |
| University Fund Allocation ³ | 2,636,771 | 2,881,314 | 2,881,314 | 2,881,314 | 2,881,314 | 2,881,314 |
| Expense Budget | 2,881,445 | 3,077,170 | 3,197,289 | 3,361,602 | 3,374,119 | 3,457,653 |

Notes:

1. Includes: UF contribution, student aid set-aside and university-wide costs
2. Adjustments to reflect revenue included in restricted funds and divisional income
3. Includes reference level, incremental OTO allocations for 2007-08 and 2008-09. Flattened for outer years.

Long Range Academic Divisional Projections

| Law | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 19,921,455 | 20,097,468 | 21,270,582 | 22,764,812 | 24,066,931 | 25,370,605 |
| Deductions ¹ | (8,398,788) | (10,853,305) | (11,214,350) | (11,442,201) | (11,852,768) | (12,317,053) |
| Revenue adjustments ² | (834,669) | (1,048,882) | (1,070,902) | (1,068,662) | (1,081,846) | (1,037,495) |
| University Fund Allocation ³ | 7,186,439 | 6,906,233 | 6,906,233 | 6,906,233 | 6,906,233 | 6,906,233 |
| Expense Budget | 17,874,438 | 15,101,514 | 15,891,563 | 17,160,182 | 18,038,549 | 18,922,289 |

| Information Studies | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 8,135,659 | 9,862,529 | 11,197,142 | 12,980,229 | 14,507,861 | 15,321,856 |
| Deductions ¹ | (3,876,904) | (4,554,174) | (4,824,104) | (5,163,501) | (5,553,425) | (5,937,435) |
| Revenue adjustments ² | (250,659) | (259,406) | (261,900) | (263,005) | (263,099) | (262,033) |
| University Fund Allocation ³ | 2,208,071 | 2,445,012 | 2,445,012 | 2,445,012 | 2,445,012 | 2,445,012 |
| Expense Budget | 6,216,167 | 7,493,961 | 8,556,150 | 9,998,734 | 11,136,350 | 11,567,400 |

| Music | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 11,918,176 | 13,251,812 | 13,760,030 | 14,338,440 | 14,458,920 | 14,706,209 |
| Deductions ¹ | (6,232,365) | (7,103,568) | (7,307,799) | (7,525,976) | (7,727,676) | (7,964,183) |
| Revenue adjustments ² | (922) | (102,974) | (102,974) | (102,974) | (102,974) | (102,974) |
| University Fund Allocation ³ | 4,233,641 | 4,770,645 | 4,770,645 | 4,770,645 | 4,770,645 | 4,770,645 |
| Expense Budget | 9,918,530 | 10,815,915 | 11,119,903 | 11,480,136 | 11,398,916 | 11,409,697 |

| Social Work | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 9,345,531 | 10,709,780 | 11,247,976 | 11,459,519 | 11,652,781 | 11,812,453 |
| Deductions ¹ | (4,003,194) | (4,172,899) | (4,280,587) | (4,341,952) | (4,466,228) | (4,548,575) |
| Revenue adjustments ² | (604,330) | (517,438) | (517,558) | (517,680) | (517,803) | (517,927) |
| University Fund Allocation ³ | 1,166,538 | 1,196,147 | 1,196,147 | 1,196,147 | 1,196,147 | 1,196,147 |
| Expense Budget | 5,904,546 | 7,215,590 | 7,645,978 | 7,796,034 | 7,864,898 | 7,942,099 |

Notes:

1. Includes: UF contribution, student aid set-aside and university-wide costs
2. Adjustments to reflect revenue included in restricted funds and divisional income
3. Includes reference level, incremental OTO allocations for 2007-08 and 2008-09. Flattened for outer years.

Long Range Academic Divisional Projections

| Management | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 47,494,629 | 56,079,110 | 61,856,823 | 71,255,731 | 81,326,143 | 92,843,595 |
| Deductions ¹ | (17,019,600) | (19,580,056) | (20,530,382) | (21,697,473) | (23,391,587) | (25,559,745) |
| Revenue adjustments ² | (2,599,942) | (2,809,350) | (2,811,460) | (2,811,220) | (2,812,474) | (2,808,157) |
| University Fund Allocation ³ | 6,659,087 | 6,714,576 | 6,714,576 | 6,714,576 | 6,714,576 | 6,714,576 |
| Expense Budget | 34,534,174 | 40,404,279 | 45,229,557 | 53,461,613 | 61,836,658 | 71,190,269 |

| Trans. Year. Prog. | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 544,671 | 625,148 | 638,667 | 658,128 | 676,492 | 704,707 |
| Deductions ¹ | (583,874) | (592,974) | (607,097) | (650,023) | (669,053) | (691,063) |
| Revenue adjustments ² | - | (220) | (220) | (220) | (220) | (220) |
| University Fund Allocation ³ | 1,546,989 | 1,462,391 | 1,462,391 | 1,462,391 | 1,462,391 | 1,462,391 |
| Expense Budget | 1,507,786 | 1,494,347 | 1,493,742 | 1,470,277 | 1,469,611 | 1,475,815 |

| SGS (Inst. & Centres) | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Attributed Revenue | 4,936,834 | 5,430,930 | 5,839,203 | 6,294,511 | 6,699,876 | 6,987,768 |
| Deductions ¹ | (3,106,467) | (3,166,410) | (3,263,991) | (3,336,326) | (3,465,059) | (3,592,413) |
| Revenue adjustments ² | (177,193) | (256,576) | (257,838) | (259,113) | (260,400) | (261,700) |
| University Fund Allocation ³ | 3,325,324 | 3,491,159 | 3,491,159 | 3,491,159 | 3,491,159 | 3,491,159 |
| Expense Budget | 4,978,498 | 5,499,104 | 5,808,533 | 6,190,232 | 6,465,576 | 6,624,814 |

| Incremental University Funds Available to be Allocated | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | 6,755,250 | 5,425,633 | 5,430,454 | 5,430,454 | 4,513,641 | 4,524,093 |

Notes:

1. Includes: UF contribution, student aid set-aside and university-wide costs
2. Adjustments to reflect revenue included in restricted funds and divisional income
3. Includes reference level, incremental OTO allocations for 2007-08 and 2008-09. Flattened for outer years.

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----------------------------|---------------------------------|--|---|--|---|--|
| 1 | Period of Budget Guidelines | 2004-05 to 2009-10 | | | 2007-08 to 2011-12 | 2008-09 to 2012-13 |
| 2 | Format of Budget Guidelines | | | | The format of the LRBG has been revised to reflect the transition to the new budget model. | The format of the LRBG continues to be refined to reflect the transition to the new budget model. |
| 3 | General Rate of Inflation (CPI) | CPI assumed to be 2.0% annually. While the CPI for 2002-03 was greater than 2%, the projections from the Provincial and Federal Governments and the Institute for Policy Analysis range between 1.97 and 2.04 for the period 2004-10. | Updated CPI projections from 3 economic forecasting agencies indicate that 2% remains an appropriate assumption. | No change | No change | No change – 2%. |
| Revenue Assumptions | | | | | | |
| 4 | Domestic U/G Enrolment | Enrolment is assumed to follow the plans described as Phases 1 and 2 in <i>Update on Enrolment Expansion</i> , which has received Governing Council approval. A further increase of 750 was added in Phase 3 of this plan. Two additional increases in intake of 750 and 85 students in 2003-04 were included in the March 2003 and April 2003 Enrolment Target Agreements with the Provincial Government. | Enrolment will continue to grow according to plan to 2006-07 as a result of the flow through of the double cohort. In 2007-08 and beyond, domestic undergraduate enrolment will decline as a result of a planned reduction in overall total undergraduate enrolment. At the same time there will be increase in international enrolment (see #4.) | Minor adjustments in domestic undergraduate enrolment projections to reflect most recent divisional plans. | Enrolment is assumed to decrease by approximately 2500 students by the end of the planning period, reflecting the most recent divisional plans. | Enrolment is assumed to decrease by approximately 1100 students by the end of the planning period, reflecting the most recent divisional plans |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|---|-----------------------------|---|---|--|---|--|
| 5 | International U/G Enrolment | International enrolment intake assumptions will be maintained at least at the 2000-01 level. In 2003-04 international enrolment increased. Flow through of this increase is reflected in outer year projections. | International enrolment intake assumptions have been updated to reflect higher the 2004-05 level. Additional growth beyond this level is projected for some divisions. | International undergraduate enrolment projections have been updated to reflect most recent divisional plans. Growth is planned for some divisions. | International undergraduate enrolment projections have been updated to reflect most recent divisional plans. Plans call for an increase of about 1500 students by the end of the planning period. | International undergraduate enrolment projections have been updated to reflect most recent divisional plans. Plans call for an increase of about 1200 students by the end of the planning period. |
| 6 | Graduate Enrolment | For the purposes of budget projections, modest growth has been assumed. Domestic and international doctoral stream enrolment targets and revenue sharing arrangements will be negotiated as part of new Divisional plans. | For the purposes of budget projections, modest growth has been assumed. Domestic and international doctoral stream enrolment targets and revenue sharing arrangements will be negotiated as part of new Divisional plans. | The Provincial Government announced in the May 2005 budget that additional funding will be provided for graduate expansion. Graduate enrolment in professional masters and doctoral stream programs is assumed to grow by 4400 eligible FTEs by 2009-10. | Graduate enrolment is assumed to increase as per most recent divisional plans. The total planned increase in graduate enrolment in 2007-08 is 2,330 FTEs, relative to 2004-05. This is composed of 2140 eligible FTEs and 150 international FTEs. | Graduate enrolment is assumed to increase as per most recent divisional plans. The total planned increase in graduate enrolment in 2008-09 is 3590 FTEs, relative to 2004-05. This is composed of 3290 domestic FTEs and 300 international FTEs. Of the 3590 total, 3247 are eligible FTEs. It is assumed that the University will receive allocations in Phase 2 of the program to provide full funding for the planned expansion. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|---|-----------------------------|--|---|---|--|---|
| 7 | Government Operating Grants | <p>It is assumed that Government will continue to provide full funding for increased enrolment associated with the double cohort and its flow through the system. Funding per student will be held at the same level as in 2003-04, but beyond 2006-07, the revenue from Government Operating Grants will increase year over year by CPI to cover increased costs. This increase will be in addition to any revenue from enrolment increases.</p> <p>It is also assumed that there will be no change in the cap on graduate funding over the period of the guidelines. As a result, some graduate BIUs will continue to be unfunded. Only tuition revenue will be realized for any increase in graduate enrolment.</p> | <p>Undergraduate Accessibility Fund projections have been updated to reflect the latest enrolment projections.</p> <p>The Provincial Government announced in the March 2004 budget that the ATOP fund would be reduced by approximately 12%. The university's portion is projected to decrease in 2005-06 and beyond from \$10.2M to \$9.0.</p> <p>The OGSST grant (\$1.7M) and the Special Medical Research Grant from the Ministry of Health and Long term Care (\$3.5M) are projected to end in 2007-08.</p> | <p>Undergraduate Accessibility Fund projections have been updated to reflect the latest enrolment plans.</p> <p>Graduate Accessibility Fund Projections have been updated to reflect planned expansion of 4400. (\$62M by 2009-10)</p> <p>Unfunded BIUs will be funded by MTCU over the next three years.</p> | <p>Undergraduate Accessibility Fund projections have been updated to reflect the latest enrolment projections. Full average funding is assumed.</p> <p>Graduate Accessibility Fund projections have been updated to reflect divisional plans. The annual incremental grant for graduate expansion is projected at: \$21M in 07-08, \$14M in 08-09, \$12M in 09-10, \$7M in 10-11 and \$4M in 11-12.</p> <p>OGSST of \$1.6M projected to end after 2008-09.</p> | <p>Graduate and Medical capital expansion grants are not included in the operating budget.</p> <p>Undergraduate Accessibility Fund projections have been updated to reflect the latest enrolment projections. Full average funding for undergraduate expansion beyond 2004-05 is discounted by approximately \$4M (13%) in 2008-09. It is assumed that funding will continue at this level until the final year of the budget period, when enrolment is projected to decrease.</p> <p>Clinical Education funding of \$3M is included, starting 2008-09.</p> <p>Graduate Accessibility Fund projections have been updated to reflect divisional plans. See also assumption #6 for more detail.</p> |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|---|--|--|--|---|---|--|
| 8 | Ontario Quality Assurance/Quality Improvement Fund | The Double Cohort Quality Assurance Fund will be maintained at the levels announced last year. The University will receive its pro-rata share of this Fund, starting at \$14.7M in 2003-04 and rising to steady state of \$39.1M by 2006-07. | The Provincial Government announced in the March 2004 budget that the Quality Assurance Fund would be capped at 2003-04 levels (\$14.7M for UofT). The University assumes that the provincial government will announce new funding to replace the Quality Assurance Fund to achieve the steady state planned amount of \$39.1M by 2006-07. | The Provincial Government announced in the May 2005 budget the creation of the Quality Improvement Fund to replace the capped Quality Assurance Fund. Projections have been estimated based on information currently available (\$63M by 2009-10). | <p>a) Correction of per student funding is assumed to continue at \$8.3M for 2007-08 and beyond</p> <p>b) general quality funding is projected at \$17M in 2007-08 and \$18.2 beyond</p> <p>c) No further quality funding included in projections</p> | No further quality funding is projected. |
| 9 | MD Expansion and Enhancement Grant | | | The Provincial Government has announced that it will provide additional funding for 98 new undergraduate medical students by 2009-10. In addition, enhancement funding will be provided on the 84 previous expansion spaces. Total MD grant revenue for the 2 phases of expansion plus the enhancement is projected to reach \$9M by 2009-10. | No change. | No change |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|----------------------------------|---|---|--|---|---|
| 10 | Tuition Fee Rates: Domestic | Fees in all programs are assumed to be frozen in 2004-05 and 2005-06 at 2003-04 levels. However, flow through of previous increases is allowed. Fees to be increased by CPI (estimated to be 2%) in 2006-07 and beyond. | Fees in all programs are assumed to be frozen in 2004-05 and 2005-06 at 2003-04 levels. However, flow through of previous increases is allowed. Fees to be increased by CPI (estimated to be 2%) in 2006-07 and beyond. | As a result of the Provincial Government's release of the new multi-year tuition policy framework, tuition fees are assumed to increase on average approximately 4.1% per year for 2006-07 and beyond. | Tuition fees have been updated to the latest draft tuition fee schedule. Tuition fees are assumed to increase on average 4.28% in 2007-08 | Tuition fees have been updated to the latest draft tuition fee schedule. Tuition fees are assumed to increase on average 4.27% in 2008-09. |
| 11 | Tuition Fee Rates: International | A new tuition fee schedule for international students will be introduced, with a 5% increase in 2004-05 and further increases in 2005-06. | A new tuition fee schedule for international students will be introduced, with a median increase in 2005-06 of 23 %. In 2006-07 it is assumed international fees will increase by 5%. In 2007-08 and beyond, the increase assumption remains unchanged at 2%. | International tuition fees are assumed to increase by 5% per year in 2006-07 and beyond. | Tuition fees have been updated to the latest draft tuition fee schedule. Tuition fees are assumed to increase on average approximately 5% in 2007-08. | Tuition fees have been updated to the latest draft tuition fee schedule. Tuition fees are assumed to increase on average approximately 6.6% in 2008-09. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|-----------------------------------|--|--|--|--|---|
| 12 | Investment Income | <p>UBS Cash-in-Action: 2.93% for 2004-05 and beyond</p> <p>Investments managed by UTAM: 4.5% for 2004-05 and beyond</p> <p>Internal loans with signed agreements: 5.76% for 2004-05, 6.11% for 2005-06, 6.31% 2006-07, 6.34% for 2007-08 and beyond.</p> | <p>UBS Cash-in-Action: 2.93% for 2004-05 and beyond</p> <p>Investments managed by UTAM: 4.5% for 2004-05 and beyond</p> <p>Internal loans with signed agreements: 5.76% for 2004-05, 6.11% for 2005-06, 6.31% 2006-07, 6.34% for 2007-08 and beyond.</p> | <p>Investment income is projected to increase as made a year ago. The increase is due to: average capital available for investing and decrease in distribution to participants, offset by lower investment rates of return. Total rates of return: 3.74% for 2006-07, 4.57 for 2008-09, 4.71% for 2008-09 and 4.88% for 2009-10.</p> | <p>Investment income is projected to increase as made a year ago. The increase is due to: increases in short-term and UTAM returns, increase in average capital available for investing, improved ancillary services projections, slower cash outflow projections, offset by an increase in distribution to participants due to increase of the 3-month T-bill rate which is used to calculate the distribution. Total rates of return: 4.72% for 2007-08, 4.91% for 2008-09, 4.99% for 2009-10, 5.02% for 2010-11 and 5.03 for 2011-12.</p> | <p>Investment income is projected to increase as made a year ago. The increase is due to: decreases in short-term and UTAM returns, offset by an increase in average capital available for investing and by an increase in distribution to participants due to increase of capital balances of funds invested and the Provostial ad hoc approval of interest to be provided to two research funds (SciNet and MRI). Total rates of return: 4.33% for 2008-09, 4.57% for 2009-10, 4.54% for 2010-11, 4.62 for 2011-12 and 4.68% for 2012-13.</p> |
| 13 | Amortization of Investment Losses | <p>The recent market loss in EFIP investment is being amortized at \$10.6M a year for 3 years.</p> | <p>Amortization of the market loss in EFIP investments has been reduced from \$10.6M to \$4.8M in 2006-07.</p> | No change | <p>Amortization of the market loss in EFIP investments has been completed.</p> | <p>Line has been removed from the budget.</p> |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--|--|--|------------------------------|---|---|
| 14 | Other Income | <p>This includes revenue from:</p> <ul style="list-style-type: none"> • Surcharge on unpaid fees • Application fees • Central overhead charges to self-funded academic programs <p>Projections for the surcharge and application fees are calculated based on projected enrollment levels. Projections for overhead revenue are based on an established overhead model.</p> | <p>This includes revenue from:</p> <ul style="list-style-type: none"> • Surcharge on unpaid fees • Application fees • Central overhead charges to self-funded academic programs <p>Projections for the surcharge and application fees are calculated based on projected enrollment levels. Projections for overhead revenue are based on an established overhead model.</p> | | <p>Investment management fees are now included with other income and are projected at \$.6M for 2007-08. It is anticipated that this fee will be discontinued beyond 2007-08.</p> <p>Central overhead charges to self-funded academic programs are no longer being charged as a result of the transition to the new budget model.</p> | <p>Investment management fees have been discontinued, as signaled last year.</p> <p>The other income budget is comprised primarily of application fees and service charges on unpaid fees. These fees are projected to rise by 6.9% in 2008-09.</p> |
| 15 | Endowment Revenue for Chairs and Student Aid | <p>The endowment income is based on projected payout rates of \$6.73 for 2003-04, rising by 2% a year to \$7.58 by 2009-10. Revenue includes endowment income from student aid and divisional income from endowed chairs.</p> | <p>The endowment income is based on projected payout rates of \$6.73 for 2003-04, rising by 2% a year to \$7.58 by 2009-10. Revenue includes endowment income from student aid and divisional income from endowed chairs.</p> | No change. | <p>No change to payout projections to 2009-10. Payout rate projections extended to 2010-11 (\$7.73) and 2011-12 (\$7.89)</p> | <p>It is anticipated that payout rates will be increased as follows: 2008-09: 7.80 2009-10: 7.96 2010-11: 8.12 2011-12: 8.28 2012-13: 8.45</p> <p>A final decision will be confirmed later this year.</p> |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---|---|---|--|---|---|
| 16 | Provincial Scholarship Grants | | | | | Provincial scholarship grants include Aim for the Top (\$5.4M) and OGS (\$6.1M). These funds have flowed to the University in prior years but were not included in the operating budget. They are included now for completeness (offset on the expense side in student aid) |
| 17 | Canada Research Chairs Program | The Canada Research Chairs program will be renewed with the same terms after its expiry in 2007-08, and the University of Toronto will maintain its current share of the program. | The Canada Research Chairs program will be renewed with the same terms after its expiry in 2007-08, and the University of Toronto will maintain its current share of the program. | The CRC program will be renewed at the same level of funding | The federal government has indicated a potential redistribution of CRC chairs but no details are available. No changes have been assumed. | The total number of CRC positions has been reduced by 11 chairs as a result of redistribution across the program. |
| 18 | Indirect Cost Recovery on Research Grants and Contracts | Revenue from indirect cost recovery flows to general university income, from : | Revenue from indirect cost recovery flows to general university income, from : | Beginning in 2007-08 the Ontario Research Fund (ORF) will replace ORDCF. | See details below. | See details below. |
| 19 | Other Grants and Contracts | Revenue projected to increase by approximately 1% per year. | Revenue projected to increase by approximately 1% per year. | Revenue projected to increase by approximately 1% per year. | Revenue projected to increase by approximately 1% per year. | Revenue projected to increase by approximately 1% per year. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--|--|--|--|--|---|
| 20 | Ontario Research Performance Fund | This is projected to be \$5.4 M in 2004-05 through to 2009-10. | The RPF program is expected to end in 2006-07. A conservative estimate has been made of funding to be received from the newly created Ontario Research Fund. | The RPF program is expected to end in 2007-08. A conservative estimate has been made of funding to be received from the newly created Ontario Research Fund. | Funding from ORF has been reduced to \$2.4M per year to reflect the change in distribution mechanism through MRI. | Funding from ORF has been reduced to zero to reflect the final change in distribution mechanism by MRI. |
| 21 | Federal Government Indirect Cost of Research Program | The Federal Government confirmed a fund of \$225M for the indirect costs of federally supported research in 2003-04 and beyond. The University's share, excluding the affiliated teaching hospitals, is projected at \$15.1M. The program is a 3-year program with an IDC rate of 20% based on a 20% rate. | In their last budget the Federal Government announced an increase to the fund of \$20M. Due to the distribution formula for the additional funding, it is projected that the university's share will not increase materially and projected revenue has been held constant at the 2004-05 budget level. | | The Federal Government confirmed increased funding starting in 2006-07. Projected IDC revenue is \$19.8M for 2007-08 and beyond, a slight increase driven by volume. | Projected IDC revenue is \$20.5M for 2008-09 and flat-lined beyond. |
| 22 | Divisional Income | Increased divisional revenues are offset by increased divisional expense allocations. Divisional income is projected to increase at 2% a year. | Increased divisional revenues are offset by increased divisional expense allocations. Divisional income is projected to increase at 2% a year. | Divisional income has been adjusted in 2006-07 reflect prior year actual income. It is projected to increase at 2% a year in 2007-08 and beyond | Divisional income has been adjusted in 2007-08 to reflect prior year actual income. It is projected to increase at 2% a year in 2008-09 and beyond. | Divisional income has been adjusted in 2008-09 to reflect prior year actual income. It is projected to increase at 2% a year in 2009-10 and beyond. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|-------------------|--|--|--|---|--|
| 23 | Student Aid | <p>A portion of tuition revenue will continue to be set aside for undergraduate student aid. The retained portion consists of 30% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze.</p> <p>The Stepping Up academic plan includes as an important objective a substantial increase in student aid. The amount set aside from incremental tuition fee revenue will form part of this increase. In addition, the University will strive to achieve its objectives in this area through the OSOTF program and other development efforts.</p> | <p>A portion of tuition revenue will continue to be set aside for undergraduate student aid. The retained portion consists of 30% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze.</p> <p>The Stepping Up academic plan includes as an important objective a substantial increase in student aid. The amount set aside from incremental tuition fee revenue will form part of this increase. In addition, the University will strive to achieve its objectives in this area through the OSOTF program and other development efforts.</p> | <p>The University remains committed to the goal of accessibility and to ensuring that no student is denied access for financial reasons. The University also supports the Provincial Government's Student Access Guarantee, as outlined in the recently announced multi-year tuition policy framework. In this regard, the University will continue to set aside sufficient funds so as to be able to achieve these goals.</p> | <p>Student aid will increase by \$4.5M in 2007-08 and an average of \$3.5M per year beyond. These amounts have been assessed to ensure sufficient funding to meet the Student Access Guarantee.</p> | <p>Student aid increases by \$4.3M in 2008-09. The budgeted amount shows an increase of \$27.6M in 2008-09, of which \$1.5M is due to the inclusion of government scholarship grants. These funds have flowed to the University in prior years but were not included in the operating budget. They are included now for completeness in revenue and expense. In addition, for reporting purposes only, \$8.8M in student previously held divisionally has been transferred to central funds, and \$3M has been transferred from cost bins to student aid.</p> <p>Student aid will increase by an average of \$2M per year beyond 2008-09.</p> <p>These amounts have been assessed to ensure sufficient funding to meet the Student Access Guarantee.</p> |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--|---|---|--|---|---|
| 24 | Flow through to other institutions | | | | The University receives grant and /or tuition revenue on behalf of other institutions for the CRC program, the joint programs with colleges and the Toronto School of Theology. Funds are flowed directly to these institutions when they are received. | No change. |
| 25 | Contractual Obligations: federated Block Grant, Utilities and other expenses | This section includes expenditures which are protected because they are required through contractual obligations or policy. For further detail, refer to the 2004-05 COPC Report. | This section includes expenditures which are protected because they are required through contractual obligations or policy. For further detail, refer to the 2005-06 COPC Report. | For further detail, refer to the 2006-07 COPC Report in Appendix B | For further detail, refer to the 2007-08 COPC Report in Appendix D | For further detail, refer to the 2008-09 Contractual Commitments Report in Appendix D (previously called the COPC Report) |
| 26 | Pension Deficit Amortization | The deficit in the pension fund is being amortized at \$26.5M a year for 15 years. | The deficit in the pension fund is being amortized at \$26.5M a year for 15 years. | The annual amortization has been increased by \$.8M starting in 2006-07 to reflect the costs of recent agreements. | The annual amortization continues at \$27.3M a year. | The annual amortization continues at \$27.3M a year. |
| 27 | Caretaking and Annual Maintenance | | | | Funding has been provided to increase level of caretaking services at the St. George campus and to establish a utility infrastructure capital reserve fund. | Funding has been provided to increase level of caretaking and annual maintenance at the St. George campus. |
| | | | | | | 44104 |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---|--|---|--|---|---|
| 28 | Utilities Infrastructure Reserve | | | | | Funding continues to be provided to establish a utility infrastructure capital reserve fund. The reserve will reach \$3.5m by 2009-10. |
| 29 | Operating Fund Debt Service Support of Capital Budget | | The operating fund supports the debt service costs relating to capital projects funded from the operating budget through the UIIF. Net debt service costs related to the centrally funded portion of the Medical Arts Building will increase in 2006-07 as lease revenue declines when the final tenants vacate the building. The operating fund will increase over the next two years as lease revenue declines when current tenants vacate the building. | Net debt service costs related to the centrally funded portion of the Medical Arts Building will increase in 2006-07 as lease revenue declines when the final tenants vacate the building. The operating fund will support the debt service costs relating to the Varsity Centre, the Multifairth Centre, and the Exam Centre, starting in 2007-08. | | Debt service costs will increase by \$0.5M in 2009-10 related to the Exam Centre. |
| 30 | Deferred Maintenance | About 1% of the Operating Budget has been allocated to renovations and deferred maintenance on all campuses, \$3.7M in base in 2004-05 and a further \$4.7M in 2005-06. This is in addition to funding expected from the Provincial regulations. | The allocation to renovations and deferred maintenance will increase by \$.1M to \$4.8M in 2005-06. | The allocation to renovations and deferred maintenance will increase by \$1.2M in 2006-07 as per original plan. | About 1% of the increase in total operating revenue has been allocated to deferred maintenance on the St. George campus, each year. | \$0.8M has been allocated to deferred maintenance on the St. George campus, each year, bringing the fund to \$12.4M by the end of the period. |
| 31 | Library Acquisitions 44104 | | | | | Acquisitions continue to be protected at the rate of 4.15% annually. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--|-----------------------|------------------------------|------------------------------|------------------------------|---|
| 32 | Student Aid: transfer from cost bins to student aid line | | | | | Amounts related to student aid had previously been included in shared-service cost bins. For presentation purposes, these funds are now being grouped together on the student aid line on Schedule 1. This does not impact the funding available to academic divisions. |
| 33 | Research Reserve: transfer to academic divisions | | | | | The contract research reserve will be removed from the budget and set up on an OTO basis annually. This does not impact the funding available to academic divisions. |

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Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---|---|---|--|--|--|
| 34 | Compensation: salaries and benefits for administrative/academic service divisions | The following assumptions are for modeling purposes only and do not represent a strategy for salary negotiations. | The following assumptions are for modeling purposes only and do not represent a strategy for salary negotiations. | <p>The following assumptions are for modeling purposes only and do not represent a strategy for salary negotiations.</p> <p>Compensation increases for all university employees are assumed to be as per negotiated agreements or, in the case of ongoing negotiations, as per the University's offer. Beyond that, increases are assumed to be CPI plus PTR or merit.</p> <p>Cost increases associated with the provision of the existing level of employee benefits are captured in assumption # 26.</p> | <p>No change in salary increase assumptions.</p> <p>Compensation increases for all university employees are assumed to be as per negotiated agreements or, in the case of ongoing negotiations, as per the University's offer. Beyond that, increases are assumed to be CPI plus PTR or merit.</p> <p>The standard benefit rate will remain at 22.50% for appointed employees and at 10% rate for non-appointed employees.</p> | <p>No change in salary increase assumptions.</p> <p>Compensation increases for all university employees are assumed to be as per negotiated agreements or, in the case of ongoing negotiations, as per the University's offer. Beyond that, increases are assumed to be CPI plus PTR or merit.</p> <p>The standard benefit rate will remain at 22.50% for appointed employees and at 10% rate for non-appointed employees.</p> |

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**Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008**

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--------------------------|--|--|---|--|--|
| 35 | Academic Initiative Fund | \$5M in base is allocated for academic planning program initiatives under Stepping Up. | \$5M in base is allocated for academic planning program initiatives under Stepping Up. | No change | To date approximately \$8M has been committed in base. Remaining funding commitments will be made on an OTO basis. Base funds will be withdrawn from the fund over the next three years, leaving \$5M in the fund after 2009-10. Round 5 of the competition will be cancelled. | To date approximately \$8M has been committed in base. Remaining funding commitments will be made on an OTO basis. Base funds will be withdrawn from the fund over the next two years, leaving \$5M in the fund after 2009-10. The 2008-09 round of the competition was cancelled. |
| 36 | Student Experience Fund | | | OTO allocations of \$3.3M in 2006-07, \$6.6M in 2007-08 and \$9.9M in 2008-09 (totaling approximately \$20M) have been made in support of enhancing the student experience. | OTO allocations of \$3.3M in 2006-07, \$6.6M in 2007-08 and \$9.9M in 2008-09 (totaling approximately \$20M) have been made in support of enhancing the student experience. \$3.3M will remain in the fund beyond 2008-09. | An OTO allocation of \$9.9M is made in 2008-09. \$3.3M will remain in the fund beyond 2008-09. |

Appendix C

Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---------------------------------|---|---|---|--|---|
| 37 | Provost's Contingency | | | | An additional \$2M will be allocated to the Provost's Contingency to ensure adequate funds are available for a stable transition to the new budget model. An additional \$3M will be allocated over the remaining four years. | An additional \$3M will be allocated to the Provost's Contingency in 2008-09 and an additional \$2.7M will be allocated over the remaining four years. These funds generally flow back out to academic divisions to meet unanticipated needs. |
| 38 | Transitional Funding - Academic | This fund is used to assist a limited number of divisions who are in transition. The provision of funding will be dependent on attainment of transitional objectives developed by agreement with the Provost. | This fund is used to assist a limited number of divisions who are in transition. The provision of funding will be dependent on attainment of transitional objectives developed by agreement with the Provost. | An additional \$1.2M has been allocated over four years in support of graduate expansion. | An additional \$2M will be allocated to the Transitional Fund in 2007-08 in anticipation of increased funding requirements related to the transition to the new budget model. \$4.5M is allocated over the remaining four years. | An additional \$3M will be allocated to the Transitional Fund in 2008-09 to continue to meet increased funding requirements related to the next stage of the transition to the new budget model. \$0.9M is allocated over the remaining four years. |

Appendix C

Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---|--|---|--|--|--|
| 39 | Allocation of funds to academic divisions | | | | | During the year, base allocations are made from central funds to the academic divisions. Under the new budget model, these amounts must be removed from the funds and reflected in the University Fund total of a division the year following the allocation. In 2007-08 \$7.4M was allocated to academic divisions. |
| 40 | Graduate Expansion Incentive Fund | | | | One time only funding of \$4M has been provided for 2008-09 and \$5M for 2009-10 for the Graduate Expansion Incentive Fund. The 2007-08 commitment of \$4M will be met from OTO funds at the end of 2006-07. | One time only funding of \$6.2M has been provided for 2008-09 and \$2.7M for 2009-10 for the Graduate Expansion Incentive Fund. |
| 41 | Academic Service Initiatives | \$0.5M in base will be transferred to the Academic Service Initiatives fund from general university revenue in 2004-05 and 2005-06 and \$0.25M in 2006-07. | This fund supports such services as libraries (other than book acquisition) and academic computing, and the added funding is needed to meet the increased demands resulting from enrolment expansion. | An additional \$10M has been allocated over four years in support of graduate expansion. | An additional \$4M has been allocated over five years in support of improved library and computing services. | An additional \$4M has been allocated over five years in support of improved library and computing services. |

Appendix C

Revenue and Expense Assumptions for the Period 2005-06 to 2008-09 An Update, March 2008

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|---|---|--|---|--|--|
| 42 | Graduate Expansion – University-wide Services | | | Approximately \$27M of increased revenue from graduate expansion will be used to support university wide services associated with the expansion. Approximately \$17M is allocated to services including library support, information technology, SGS, student services and student experience. The remainder is held in a central envelope to be distributed once final allocations are determined. | Funds will continue to be allocated to support university wide services associated with the expansion, including library support, information technology, SGS, student services, student experience. \$1M is allocated in 2007-08 and \$4M over the next four years. | Funds are allocated to support university-wide services associated with the expansion, including library support, SGS, student services, student experience. \$1.5M is allocated in 2008-09 and \$1.7M over the next four years. |
| 43 | Information Technology Initiatives and Upgrades | \$2M in base is allocated for administrative information technology initiatives and upgrades. | Includes an allocation for administrative information technology initiatives and upgrades. | An additional \$4M has been allocated over four years in support of graduate expansion. (See # 33 above) | An additional \$.5M in base is allocated in 2007-08 for administrative information technology initiatives and upgrades. Base funding will increase by \$6.5M over the outer years. | An additional \$2M in base is allocated in 2008-09 for administrative information technology initiatives and upgrades. Base funding will increase by \$3.5M over the outer years. |

Appendix C

**Revenue and Expense Assumptions for the Period 2005-06 to 2008-09
An Update, March 2008**

| # | Budget Model Line | Assumption March 2004 | Assumption Update March 2005 | Assumption Update March 2006 | Assumption Update March 2007 | Assumption Update March 2008 |
|----|--------------------------------|-----------------------|------------------------------|------------------------------|---|--|
| 44 | Administrative Priorities Fund | | | | <p>An additional \$3M will be allocated in 2007-08 to the Administrative Priorities Fund to fund high priority needs in various Vice-Presidential portfolios, in particular the re-establishment of core services in government and international relations and communications. \$5.5 is allocated over the remaining period.</p> | <p>An additional \$3M will be allocated in 2008-09 to the Administrative Priorities Fund to fund high priority needs in various Vice-Presidential portfolios. \$3.9M is allocated over the remaining period.</p> |

Appendix D

Contractual Commitments

2008-09

The University's budget organizes projected expenses into several generic categories, each representing a different degree of annual budgetary discretion. One of these is a section called Contractual Commitments, previously known as Contractual Obligations and Policy Commitment (COPC). This list includes contractual commitments that must be honoured. They include:

- Payments resulting from contracts with other institutions, such as for the joint programs with Sheridan College, Centennial College, TST or the affiliated hospitals
- Inevitable expenses, such as the cost of utilities or legal fees.

The projections for various commitments include a degree of uncertainty resulting from events such as negotiation with various labour unions or fluctuations in utility rates. The recommended budget for each item is based on the middle of the range of projected costs. The uncertainty is accounted for in a contingency allocation.

In the previous budget model, these items served a specific purpose. As these expenses are inevitable, they were not subject to cost containment measures. They were netted out of each division's expense budget to determine the "Relevant Base," which was then subjected to the necessary budget reduction. These items continue to be protected from cost containment under the new budget model.

However, under the new budget model, all expense items are subject to review by Budget Planning and Priorities to determine the extent to which they should be increased or decreased, taking into account the University's overall budget situation and divisional priorities.

The contractual obligation concept is still essential to the new budget process as it provides useful information about where flexibility exists in the University's budget.

Contractual Commitments List
2008-09

| | 2007-08 BUDGET | Base Changes | OTO Allocation | 2008-09 Prior year OTO Reversal | Total Increase (Decrease) | 2008-09 Budget |
|--|-------------------|------------------|-------------------|--|---------------------------------|-------------------|
| 1. CONTRACTUAL OBLIGATIONS TO AFFILIATED INSTITUTIONS | | | | | | |
| Federated Colleges Block Grant | \$ 9,932,002 | 1,882,126 | - | (882,126) | 1,000,000 | 10,932,002 |
| TST Theology Grant | 2,566,657 | (195,545) | | | (195,545) | 2,371,112 |
| Transfer Payments re Joint Programs with Colleges | 4,385,852 | 654,812 | | | 654,812 | 5,040,664 |
| TOTAL-CONTRACTUAL OBLIGATIONS TO AFFILIATED INST. | 16,884,511 | 2,341,393 | - | (882,126) | 1,459,267 | 18,343,778 |
| 2. OTHER CONTRACTUAL OBLIGATIONS | | | | | | |
| Lease Cost of Off-Campus Space | \$ 769,727 | 315,600 | | | 315,600 | 1,085,327 |
| TOTAL- OTHER CONTRACTUAL OBLIGATIONS | 769,727 | 315,600 | - | - | 315,600 | 1,085,327 |
| 3. INSTITUTIONAL STATUTORY COMMITMENTS | | | | | | |
| Membership fees : | | | | | | |
| -A.U.C.C. | \$ 233,814 | 7,692 | | | 7,692 | 241,506 |
| -COU Subscriptions | 656,884 | 31,780 | | | 31,780 | 688,664 |
| -Total Other Membership | 82,358 | (998) | | | (998) | 81,360 |
| Subtotal- Membership Fees | 973,056 | 38,474 | - | - | 38,474 | 1,011,530 |
| UTFA Negotiating Expenses * | \$ 205,037 | | 15,000 | (15,000) | - | 205,037 |
| USWA Negotiating Expenses * | \$ 15,000 | | | - | - | 15,000 |
| CUPE Negotiating Expenses * | \$ 438,100 | (2,950) | 15,000 | - | 12,050 | 450,150 |
| TA/ TATP | 50,000 | | | | - | 50,000 |
| Job Accommodation Fund/ Program | 45,000 | 20,000 | | | 20,000 | 65,000 |
| Legal Fees * | 3,092,000 | | | | - | 3,092,000 |
| Pension Consulting * | 60,000 | | | | - | 60,000 |
| EH&S - Certification Training & Release | 32,000 | - | | | - | 32,000 |
| EH&S - Waste Management Fund | 517,000 | - | | | - | 517,000 |
| EH&S - Fund * | 128,250 | 100,000 | 15,000 | | 115,000 | 243,250 |
| Crisis and Pandemic Planning | | | | (121,000) | (121,000) | (121,000) |
| TOTAL - INSTITUTIONAL STATUTORY COMMITMENTS | 5,555,443 | 155,524 | 45,000 | (136,000) | 64,524 | 5,619,967 |

* SEE CONTINGENCY

Contractual Commitments List
2008-09

| | 2007-08 BUDGET | Base Changes | OTO Allocation | Prior year OTO Reversal | Total Increase (Decrease) | 2008-09 Budget |
|--|-------------------|------------------|-------------------|-------------------------------|---------------------------------|-------------------|
| | | | | ----- 2008-09 ----- | | |
| Utilities: St George | \$ 41,083,577 | - | | | - | 41,083,577 |
| Utilities: St George - Utilities Infrastructure Reserve | | 1,257,798 | | | 1,257,798 | 1,257,798 |
| Utilities : UTSC | \$ 3,628,335 | | | | - | 3,628,335 |
| Utilities : UTM | \$ 6,026,822 | 600,000 | - | (600,000) | - | 6,026,822 |
| TOTAL - UTILITIES | 50,738,734 | 1,857,798 | - | (600,000) | 1,257,798 | 51,996,532 |
| 5. (a) ADDITIONAL COST OF NEW SPACE | | | | | | |
| 90 Wellesley | | 406,232 | 258,255 | | 664,487 | 664,487 |
| Centre for Biological Timing & Cognition (balance of 2 months) | | 54,076 | | | 54,076 | 54,076 |
| Additional funds for Cartaking - approved in 2007-08 | | 1,000,000 | | | 1,000,000 | 1,000,000 |
| Fire Code & Honeywell Maintenance contract - over 3 years | | 500,000 | | | 500,000 | 500,000 |
| Additional funds for Fire equipment- approved in 2007-08 | | 250,000 | | | 250,000 | 250,000 |
| 255 McCaul | | 266,372 | 37,250 | | 303,622 | 303,622 |
| Overall Campus Growth | | 186,980 | 104,500 | | 291,480 | 291,480 |
| Various Buildings - Changes to Building Equipment Structure | | 90,650 | | | 90,650 | 90,650 |
| Sub-Total - ADDITIONAL COST OF NEW SPACE | - | 2,754,310 | 400,005 | - | 3,154,315 | 3,154,315 |
| (b) Government regulated programs Compliance | | | | | | |
| Bio Hazard disposal packaging | | 242,300 | | | 242,300 | 242,300 |
| Comply with City Water backflow prevention | | 270,000 | | | 270,000 | 270,000 |
| Occupational Health & Safety Act - Confined Space | | 100,000 | | | 100,000 | 100,000 |
| Protecting Mail - FIPPA | | | 22,000 | | 22,000 | 22,000 |
| TSSA regulation - Monitoring mechanical systems | | | 120,000 | | 120,000 | 120,000 |
| Various reversal of prior year OTO | | | | (1,551,800) | (1,551,800) | (1,551,800) |
| Sub-Total - new programs | | 612,300 | 142,000 | (1,551,800) | (797,500) | (797,500) |
| TOTAL - 5 a & b : F&S | - | 3,366,610 | 542,005 | (1,551,800) | 2,356,815 | 2,356,815 |

Contractual Commitments List
2008-09

| | 2007-08 BUDGET | Base Changes | OTO Allocation | ----- 2008-09 ----- | | Total Increase (Decrease) | 2008-09 Budget |
|--|-------------------|-----------------|-------------------|---------------------|-------------------|---------------------------------|-------------------|
| | | | | OTO Reversal | 2008-09 Budget | | |
| \$ | | | | | | | |
| Administrative leaves | - | | 491,945 | (558,850) | (66,905) | (66,905) | (66,905) |
| UTFA Released Time * | 371,774 | 11,154 | | | 11,154 | 382,928 | 382,928 |
| USWA Released Time * | 562,380 | 30,455 | 352,007 | (284,280) | 98,182 | 660,562 | 660,562 |
| CUPE 3902 unit 1 Released Time | 20,972 | (20,972) | | | (20,972) | - | - |
| CUPE 3902 unit 3 Released Time | 10,000 | (10,000) | | | (10,000) | - | - |
| CUPE 3261 Released Time | 41,964 | 9,531 | | | 9,531 | 51,495 | 51,495 |
| CUPE 1230 Released Time | 51,953 | - | | | - | 51,953 | 51,953 |
| Teaching Assistants - Training Program | 225,000 | - | | | - | 225,000 | 225,000 |
| TOTAL- PAID LEAVE COMMITMENTS | 1,284,043 | 20,168 | 843,952 | (843,130) | 20,990 | 1,305,033 | 1,305,033 |

* SEE CONTINGENCY

7. OTHER COMMITMENTS

University Student Assistance Administration 1,613,354 1,613,354
 Insurance * 1,850,000 (200,000) (450,000) 1,400,000
 Governing Council Elections * 48,760 4,000 4,000 52,760

* SEE CONTINGENCY

TOTAL- OTHER COMMITMENTS

| | | | | | |
|------------------|------------------|----------|------------------|------------------|------------------|
| 3,512,114 | (196,000) | - | (250,000) | (446,000) | 3,066,114 |
|------------------|------------------|----------|------------------|------------------|------------------|

8. OPERATING FUND TRANSFER TO CAPITAL

Amortization of UIIF Loan and MaRS Loan

| | | | | | |
|---------------|---|---|---|---|------------|
| \$ 18,504,583 | - | - | - | - | 18,504,583 |
|---------------|---|---|---|---|------------|

9. CONTINGENCY ITEMS (see list at end)**TOTAL- ITEMS 1 TO 9**

| | | | | | |
|-------------------|------------------|------------------|--------------------|------------------|--------------------|
| 98,920,935 | 7,674,313 | 1,430,957 | (4,263,056) | 4,842,214 | 103,763,149 |
|-------------------|------------------|------------------|--------------------|------------------|--------------------|

Contractual Commitments List
2008-09

| | 2007-08 BUDGET | Base Changes | OTO Allocation | Prior year OTO Reversal | Total Increase (Decrease) | 2008-09 Budget |
|---------------------------------------|-------------------|-----------------|-------------------|-------------------------------|---------------------------------|-------------------|
| Contingency Items | | | Base | | | |
| Library books (currency fluctuations) | | | - | | | |
| Legal Fees | | | 1,000,000 | | | |
| UTFA Negotiations | | | 100,000 | | | |
| Pension Consulting | | | 15,000 | | | |
| USWA Release Time | | | 60,000 | | | |
| CUPE Negotiations | | | 40,000 | | | |
| USWA Negotiations | | | 30,000 | | | |
| Job Accommodation Fund | | | 20,000 | | | |
| EH&S Fund | | | 100,000 | | | |
| EH&S: Waste Management | | | 120,000 | | | |
| TOTAL CONTINGENCY | | | 1,485,000 | | | - |

Contingency Coverage of Risk 2008-09 @ 100%

Prior Year Contingency

Net Change in Contingency for 2008-09

| |
|-----------|
| 1,485,000 |
| 1,671,780 |
| (186,780) |

Table 1: Capital Project Summary

| | Total Capital Requirements | | |
|--|---|---------------------------|-------------------------------|
| | Approved to 2007-2008 | New Projects 2008-2009 | Total Approved Projects |
| | Capital Projects, Academic and Non-Academic | \$824,007,294 | \$151,847,590 |
| Capital Projects, Ancillaries | \$292,606,400 | \$0 | \$292,606,400 |
| Matching Funds for endowment capital | \$44,000,000 | \$0 | \$44,000,000 |
| Total Capital Projects | \$1,160,613,694 | \$151,847,590 | \$1,312,461,284 |
| Funding Sources | | | |
| Federal Government | \$55,990,000 | \$0 | \$55,990,000 |
| Provincial Government | \$214,608,190 | \$61,669,590 | \$276,277,780 |
| Campaign Donations | \$100,995,310 | \$32,300,000 | \$133,295,310 |
| Other (interest earned, municipal) | \$20,261,450 | \$10,000,000 | \$30,261,450 |
| Sub-Total | \$391,854,950 | \$103,969,590 | \$495,824,540 |
| Funded by the Central Operating Budget | \$191,044,534 | \$9,000,000 | \$200,044,534 |
| Funded by Academic Divisional Budgets | \$309,220,810 | \$38,428,000 | \$347,648,810 |
| Funded by Ancillaries Budgets and Student Levies | \$268,493,400 | \$450,000 | \$268,943,400 |
| Sub-Total | \$768,758,744 | \$47,878,000 | \$816,636,744 |
| Total Funding | \$1,160,613,694 | \$151,847,590 | \$1,312,461,284 |

Table 2: New Projects Budget Details

| | Project Cost | Sources of Funding | | | Total sources of Funding | New Projects Approved Divisional Borrowing | Projected Completion Date |
|-------------------------------|----------------------|--------------------|-----------------------------|-----------------------|--------------------------|--|---------------------------|
| | | Central | Divisional Operating Budget | Other Funding Sources | | | |
| UTSC Balcony Enclosure | \$3,620,000 | | \$3,620,000 | | \$3,620,000 | | Aug 2008 |
| UTM Medical Academy Phase II | \$36,155,000 | | \$27,518,000 | \$8,637,000 | \$36,155,000 | \$27,518,000 | May 2010 |
| UTM Storm Water | \$2,700,000 | | \$2,700,000 | | \$2,700,000 | \$1,600,000 | Aug 2008 |
| Varsity Centre South Entrance | \$9,500,000 | | | \$9,500,000 | \$9,500,000 | | Jan 2009 |
| Haultain Building | \$2,190,000 | | \$2,190,000 | | \$2,190,000 | | Sept 2007 |
| Rotman Expansion Phase I | \$91,800,000 | \$9,000,000 | \$2,850,000 | \$82,800,000 | \$91,800,000 | \$29,000,000 | Jan 2011 |
| SciNet HPC | \$5,882,590 | | \$2,850,000 | \$3,032,590 | \$5,882,590 | | Aug 2008 |
| Total New Projects | \$151,847,590 | \$9,000,000 | \$38,878,000 | \$103,969,590 | \$151,847,590 | \$58,118,000 | |

Appendix F: Divisional Budget Schedules

EXPENSE SUMMARY

DIVISIONAL BUDGET SCHEDULES

| ACADEMIC DIVISIONS | University-Wide Student Aid Set-Aside | Flow-Through to Other Institutions | Shared Services, Pension and Acad. Funds | TOTAL EXPENSE SUMMARY |
|--------------------|---------------------------------------|------------------------------------|--|-----------------------|
| | 64,404,364 | 20,052,510 | 380,897,309 | 465,354,183 |
| | 64,404,364 | 20,052,510 | 4,700,280 | 4,700,280 |
| | | | 385,597,589 | 470,054,463 |

Net Budget for 2007-08
 One-Time-Only Budget for 2007-08
TOTAL NET BUDGET FOR 2007-08

BUDGET CHANGES:

| | | | | |
|---|-------------|-------------|-------------|-------------|
| ACADEMIC DIVISIONS- | | | | |
| Adjusted Net Revenue | 610,703,039 | | | 610,703,039 |
| University Fund Allocation | 110,519,515 | | | 110,519,515 |
| SUBTOTAL | 721,222,554 | | | 721,222,554 |
| 2008-09 Allocations from Central Funds | 2,068,272 | (1,298,833) | | 769,439 |
| NON-ACADEMIC DIVISIONS- | | | | |
| Cost Containment | | | (4,000,000) | (4,000,000) |
| Balance of Prior Year's Salary/Benefit Increase | | | | |
| Adjustments: Contractual / Budget Model | 23,183,823 | 1,259,266 | 33,919,163 | 58,362,252 |
| ALL DIVISIONS- | | | | |
| Transfers in | 190,721 | | | 190,721 |
| Transfers out | (190,721) | | | (190,721) |
| Expense Offset by Additional Divisional Revenue | | | | |
| (Increase) Decrease in Divisional Revenue | | | | |
| TOTAL | 723,290,826 | 1,259,266 | 26,120,330 | 776,354,245 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | |
|---|--------------------|-------------------|--------------------|----------------------|
| Adjustments: Contractual / Budget Model | | | (3,269,323) | (3,269,323) |
| ONE-TIME-ONLY BUDGET CHANGE | | | (3,269,323) | (3,269,323) |
| Net Budget for 2008-09 | 723,290,826 | 90,088,187 | 407,017,639 | 1,241,708,428 |
| OTO Budget for 2008-09 | | | 1,430,957 | 1,430,957 |
| TOTAL NET BUDGET FOR 2008-09 | 723,290,826 | 90,088,187 | 408,448,596 | 1,243,139,385 |

Note 1

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | |
|--------------------------------------|-------------|-----------|------------|-------------|
| Endowment Income : | 12,051,176 | | 67,000 | 12,118,176 |
| External Income : | 112,001,618 | 1,900,000 | 47,975,344 | 161,876,962 |
| Internal Recoveries : | 114,467,766 | | 46,477,378 | 160,945,144 |
| External Recoveries : | 46,580,386 | | 1,104,266 | 47,684,652 |
| Negative Approp. : | 1,487,630 | | | 1,487,630 |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 286,588,576 | 1,900,000 | 95,623,988 | 384,112,564 |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | |
|--|----------------------|-------------------|--------------------|----------------------|
| | 1,009,879,402 | 91,988,187 | 504,072,584 | 1,627,251,949 |
|--|----------------------|-------------------|--------------------|----------------------|

Note 1 Reconciliation to Budget Model:

| | |
|--|---------------|
| Net Expense Budget as per Div Schedules | 1,243,139,385 |
| plus Divisional Income as per Budget Model | 165,114,501 |
| plus Endowment Income as per Budget Model | 12,118,176 |
| less Municipal Taxes not in Budget Model | (4,886,325) |
| Total | 1,415,485,737 |

Academic Divisions

DIVISIONAL BUDGET SCHEDULES

| ARTS & SCIENCE (incl Colleges) | UTSC TOTAL | UTM TOTAL | DENTISTRY | MEDICINE | NURSING | PHARMACY |
|--|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| Adjusted Net Revenue | 86,953,556 | 86,685,135 | 10,226,474 | 60,216,874 | 7,304,694 | 13,140,677 |
| University Fund Allocation | (807,798) | (1,022,403) | 11,712,829 | 22,020,344 | 1,845,123 | (358,750) |
| SUBTOTAL | 86,145,758 | 85,662,732 | 21,939,303 | 82,237,218 | 9,149,817 | 12,781,927 |
| 2008-09 Allocations from Central Funds | 118,041 | 896,594 | (246,407) | 258,021 | 179,970 | 4,410 |
| Transfers in | | | | | | |
| Transfers out | | (190,721) | | | | |
| Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue | | | | | | |
| TOTAL | 86,263,799 | 86,368,605 | 21,692,896 | 82,495,239 | 9,329,787 | 12,786,337 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | | | |
|---------------------------------------|------------|------------|------------|------------|---------|-----------|
| Endowment Income : | 2,450,000 | 82,886 | 300,000 | 2,289,883 | 225,000 | |
| External Income : | 8,823,680 | 9,692,042 | 8,918,520 | 23,672,211 | 156,546 | 1,388,580 |
| Internal Recoveries : | 35,336,267 | 5,375,087 | 3,728,323 | 11,769,485 | 85,048 | 200,293 |
| External Recoveries : | 9,847,106 | 759,710 | 233,027 | 32,063,043 | 416,500 | |
| Negative Approp. : | 295,753 | | | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 56,752,806 | 17,860,056 | 13,179,870 | 69,794,622 | 883,094 | 1,588,873 |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | | | |
|--------------------|--------------------|--------------------|-------------------|--------------------|-------------------|-------------------|
| 268,044,791 | 104,123,855 | 105,600,513 | 34,872,766 | 152,289,861 | 10,212,881 | 14,375,210 |
|--------------------|--------------------|--------------------|-------------------|--------------------|-------------------|-------------------|

Academic Divisions

| | PHYSICAL EDUCATION & HEALTH | APPLIED SCIENCE & ENGINEERING | ARCHITECTURE, LANDSCAPE, & DESIGN | OISE/UT | FORESTRY | LAW | INFORMATION STUDIES |
|---|-----------------------------------|-------------------------------------|---|-------------------|------------------|-------------------|------------------------|
| Adjusted Net Revenue | 4,304,225 | 56,563,360 | 3,191,814 | 34,438,889 | 195,856 | 8,195,281 | 5,048,949 |
| University Fund Allocation | 256,644 | 5,358,009 | 2,668,415 | 14,893,315 | 2,881,314 | 6,906,233 | 2,445,012 |
| SUBTOTAL | 4,560,869 | 61,921,369 | 5,860,229 | 49,332,204 | 3,077,170 | 15,101,514 | 7,493,961 |
| 2008-09 Allocations from Central Funds | 2,573 | 7,657 | 3,614 | 4,901 | 6,983 | 58,395 | 3,308 |
| Transfers in | | | | | | | |
| Transfers out | | | | | | | |
| Expense Offset by Additional Divisional Revenue | | | | | | | |
| (Increase) Decrease in Divisional Revenue | | | | | | | |
| TOTAL | 4,563,442 | 61,929,026 | 5,863,843 | 49,337,105 | 3,084,153 | 15,159,909 | 7,497,269 |
| DIVISIONAL REVENUE (INCL. RECOVERIES) | | | | | | | |
| Endowment Income : | | 2,412,604 | | 608,377 | 76,000 | 600,000 | |
| External Income : | 17,847,718 | 2,840,112 | 288,875 | 9,251,622 | | 631,500 | 1,639,927 |
| Internal Recoveries : | 8,396,602 | 10,459,887 | 143,544 | 11,205,119 | 256,155 | 1,696,720 | 296,233 |
| External Recoveries : | 19,237 | 451,369 | | | | 258,944 | |
| Negative Approp. : | | | 1,191,877 | | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 26,263,557 | 16,163,972 | 1,624,296 | 21,065,118 | 332,155 | 3,187,164 | 4,301,014 |
| GROSS EXPENSE BUDGET FOR 2008-09 | 30,826,999 | 78,092,998 | 7,488,139 | 70,402,223 | 3,416,308 | 18,347,073 | 11,798,283 |

Academic Divisions

| | JOSEPH L. ROTMAN SCHOOL OF MANAGEMENT | | | | | TOTAL Academic Divisions |
|---|---------------------------------------|------------------|-----------------------------|-------------------------------|--|--------------------------|
| | MUSIC | SOCIAL WORK | TRANSITIONAL YEAR PROGRAMME | GRADUATE CENTRES & INSTITUTES | | |
| Adjusted Net Revenue | 6,045,270 | 6,019,443 | 31,957 | 2,007,945 | | 610,703,039 |
| University Fund Allocation | 4,770,645 | 1,196,147 | 1,462,391 | 3,491,159 | | 110,519,515 |
| SUBTOTAL | 10,815,915 | 7,215,590 | 1,494,348 | 5,499,104 | | 721,222,554 |
| 2008-09 Allocations from Central Funds | 5,245 | 2,573 | 1,256 | 4,876 | | 2,068,272 |
| Transfers in | | | | | | 190,721 |
| Transfers out | | | | | | (190,721) |
| Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue | | | | | | |
| TOTAL | 10,821,160 | 7,218,163 | 1,495,604 | 5,503,980 | | 723,290,826 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | | | |
|---------------------------------------|-----------|---------|--------|---------|--|-------------|
| Endowment Income : | | | | | | 12,051,176 |
| External Income : | 350,500 | 450,000 | 90,000 | 86,509 | | 112,001,618 |
| Internal Recoveries : | 726,156 | 169,800 | | 197,241 | | 114,467,766 |
| External Recoveries : | 71,429 | 68,272 | | | | 46,580,386 |
| Negative Approp. : | | | | | | 1,487,630 |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 1,148,085 | 688,072 | 90,000 | 283,750 | | 286,588,576 |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | | | |
|--|-------------------|------------------|------------------|------------------|--|----------------------|
| | 11,909,245 | 7,906,235 | 1,585,604 | 5,787,730 | | 1,009,879,402 |
|--|-------------------|------------------|------------------|------------------|--|----------------------|

DIVISIONAL BUDGET SCHEDULES

| AIM FOR THE TOP SCHOLARSHIPS | UNDERGRAD STUDENT ASSISTANCE | GRADUATE FELLOWSHIPS | GRADUATE STUDENT AID | GRADUATE SCHOLARSHIPS | ONTARIO OGSST | OSOTF MATCHING | STUDENT AID REINVESTMENT | INT'L STUDENT REINVESTMENT | FUNDED FROM RESTRICTED FUNDS | TOTAL Student Aid Set-Aside |
|------------------------------|------------------------------|----------------------|----------------------|-----------------------|---------------|----------------|--------------------------|----------------------------|------------------------------|-----------------------------|
| | 5,763,411 | 931,431 | 390,393 | | | | 25,747,869 | 2,971,260 | 28,600,000 | 64,404,364 |

Net Budget for 2007-08

One-Time-Only Budget for 2007-08

TOTAL NET BUDGET FOR 2007-08

BUDGET CHANGES:

ACADEMIC DIVISIONS-

Adjusted Net Revenue

University Fund Allocation

SUBTOTAL

2008-09 Allocations from Central Funds

NON-ACADEMIC DIVISIONS-

Cost Containment

Balance of Prior Year's Salary/Benefit Increase

Adjustments: Contractual / Budget Model

ALL DIVISIONS-

Transfers in

Transfers out

Expense Offset by Additional Divisional Revenue

(Increase) Decrease in Divisional Revenue

TOTAL

ONE-TIME-ONLY BUDGET CHANGES:

Adjustments: Contractual / Budget Model

ONE-TIME-ONLY BUDGET CHANGE

Net Budget for 2008-09

OTO Budget for 2008-09

TOTAL NET BUDGET FOR 2008-09

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :

External Income :

Internal Recoveries :

External Recoveries :

Negative Approp. :

TOTAL DIV REVENUE (INCL. RECOVERIES)

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | | | | | | | |
|--|-----------|---------|---------|-----------|-----------|-------------|------------|-----------|------------|------------|
| | 5,763,411 | 931,431 | 390,393 | | | | 25,747,869 | 2,971,260 | 28,600,000 | 64,404,364 |
| | 5,763,411 | 931,431 | 390,393 | | | | 25,747,869 | 2,971,260 | 28,600,000 | 64,404,364 |
| | | | | | | | | | | |
| | | | | 6,100,000 | 2,600,000 | (1,000,000) | 5,683,823 | 100,000 | 4,300,000 | 23,183,823 |
| | | | | | | 2,500,000 | | | | 2,500,000 |
| | | | | 6,100,000 | 2,600,000 | 1,500,000 | 5,683,823 | 100,000 | 4,300,000 | 25,683,823 |
| | | | | | | | | | | |
| | 5,763,411 | 931,431 | 390,393 | 6,100,000 | 2,600,000 | 1,500,000 | 31,431,692 | 3,071,260 | 32,900,000 | 90,088,187 |
| | 5,763,411 | 931,431 | 390,393 | 6,100,000 | 2,600,000 | 1,500,000 | 31,431,692 | 3,071,260 | 32,900,000 | 90,088,187 |
| | | | | | | | | | | |
| | 1,900,000 | | | | | | | | | 1,900,000 |
| | | | | | | | | | | |
| | 1,900,000 | | | | | | | | | 1,900,000 |
| | 7,663,411 | 931,431 | 390,393 | 6,100,000 | 2,600,000 | 1,500,000 | 31,431,692 | 3,071,260 | | 91,988,187 |
| | 7,663,411 | 931,431 | 390,393 | 6,100,000 | 2,600,000 | 1,500,000 | 31,431,692 | 3,071,260 | | 91,988,187 |

Flow-through to Other Institutions

DIVISIONAL BUDGET SCHEDULES

| | TORONTO SCHOOL OF THEOLOGY | CRC Flow Through to Hospitals | JT PROGRAMS WITH COLLEGES | TOTAL Flow-through |
|-------------------------------------|----------------------------------|-------------------------------------|---------------------------------|-----------------------|
| Net Budget for 2007-08 | 2,566,657 | 13,100,001 | 4,385,852 | 20,052,510 |
| One-Time-Only Budget for 2007-08 | 2,566,657 | 13,100,001 | 4,385,852 | 20,052,510 |
| TOTAL NET BUDGET FOR 2007-08 | | | | |

BUDGET CHANGES:

| | | | | |
|--|-----------|---------|---------|-----------|
| ACADEMIC DIVISIONS- Adjusted Net Revenue University Fund Allocation SUBTOTAL | | | | |
| 2008-09 Allocations from Central Funds NON-ACADEMIC DIVISIONS- Cost Containment | | | | |
| Balance of Prior Year's Salary/Benefit Increase Adjustments: Contractual / Budget Model | (195,545) | 799,999 | 654,812 | 1,259,266 |
| ALL DIVISIONS- Transfers in Transfers out Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue TOTAL | (195,545) | 799,999 | 654,812 | 1,259,266 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | |
|--|-----------|------------|-----------|------------|
| Adjustments: Contractual / Budget Model ONE-TIME-ONLY BUDGET CHANGE | | | | |
| Net Budget for 2008-09 | 2,371,112 | 13,900,000 | 5,040,664 | 21,311,776 |
| OTO Budget for 2008-09 | 2,371,112 | 13,900,000 | 5,040,664 | 21,311,776 |
| TOTAL NET BUDGET FOR 2008-09 | | | | |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | |
|---------------------------------------|--|--|--|--|
| Endowment Income : | | | | |
| External Income : | | | | |
| Internal Recoveries : | | | | |
| External Recoveries : | | | | |
| Negative Approp. : | | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | | | | |

| | | | | |
|---|------------------|-------------------|------------------|-------------------|
| GROSS EXPENSE BUDGET FOR 2008-09 | <u>2,371,112</u> | <u>13,900,000</u> | <u>5,040,664</u> | <u>21,311,776</u> |
|---|------------------|-------------------|------------------|-------------------|

Shared Services, Pension and Acad. Funds

DIVISIONAL BUDGET SCHEDULES

| Other Academic Costs (excl CRCFlow, JtProg) | Central Library | Univ of Toronto Computing | St George C&SS | St George Fac & Srvs & Administration | Governance |
|---|-------------------|---------------------------|----------------|---------------------------------------|-------------------|
| 82,698,908 | 50,049,095 | 7,236,802 | 70,000 | 89,624,979 | 71,696,744 |
| 1,158,850 | | | | 1,551,800 | 121,000 |
| 83,857,758 | 50,049,095 | 7,236,802 | 70,000 | 91,176,779 | 71,817,744 |

Net Budget for 2007-08
 One-Time-Only Budget for 2007-08
TOTAL NET BUDGET FOR 2007-08

BUDGET CHANGES:

ACADEMIC DIVISIONS-

Adjusted Net Revenue
 University Fund Allocation
 SUBTOTAL

2008-09 Allocations from Central Funds
 NON-ACADEMIC DIVISIONS-

Cost Containment
 Balance of Prior Year's Salary/Benefit Increase
 Adjustments: Contractual / Budget Model

ALL DIVISIONS-

Transfers in
 Transfers out
 Expense Offset by Additional Divisional Revenue
 (Increase) Decrease in Divisional Revenue

TOTAL

| | | | | | |
|-------------------|------------------|----------------|-----------------|------------------|------------------|
| (959,466) | 253,806 | | | | (111,232) |
| | (800,024) | (204,459) | (1,968) | (1,146,780) | (1,721,419) |
| 2,244 | 1,113,672 | 227,432 | 1,835 | 1,204,650 | 2,213,403 |
| 19,546,443 | 911,024 | | | 5,374,408 | 124,000 |
| 3,037,966 | | 95,300 | | 1,206,750 | 2,454,989 |
| (3,849,700) | | | (69,867) | | (892,166) |
| 17,777,487 | 1,478,478 | 118,273 | (70,000) | 6,639,028 | 2,067,575 |

ONE-TIME-ONLY BUDGET CHANGES:

Adjustments: Contractual / Budget Model
 ONE-TIME-ONLY BUDGET CHANGE

| | | | | | |
|--------------------|-------------------|------------------|--|-------------------|-------------------|
| (666,905) | | | | (1,009,795) | (106,000) |
| (666,905) | | | | (1,009,795) | (106,000) |
| 100,476,395 | 51,527,573 | 7,355,075 | | 96,264,007 | 73,764,319 |
| 491,945 | | | | 542,005 | 15,000 |
| 100,968,340 | 51,527,573 | 7,355,075 | | 96,806,012 | 73,779,319 |

Net Budget for 2008-09
 OTO Budget for 2008-09
TOTAL NET BUDGET FOR 2008-09

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :
 External Income :
 Internal Recoveries :
 External Recoveries :
 Negative Approp. :

TOTAL DIV REVENUE (INCL. RECOVERIES)

| | | | | | |
|-----------|-----------|-----------|------------|------------|------------|
| 67,000 | | | | | |
| 3,109,507 | 237,580 | | 12,972,290 | 5,386,471 | 10,071,159 |
| 1,767,449 | 1,550,609 | | 1,049,158 | 27,669,162 | 11,538,549 |
| 798,755 | | | 4,070 | | 301,441 |
| 500,000 | 5,742,711 | 1,788,189 | 14,025,518 | 33,055,633 | 21,911,149 |

Shared Services, Pension and Acad. Funds

| | Gen Univ & Other (includes Mun Taxes) | Federated Block Grant | School of Graduate Studies | School of Continuing Studies | TOTAL Shared Svcs, Pension & Acad. Funds |
|-------------------------------------|--|--------------------------|-------------------------------|---------------------------------|---|
| Net Budget for 2007-08 | 66,265,209 | 9,049,876 | 4,205,696 | | 380,897,309 |
| One-Time-Only Budget for 2007-08 | 980,156 | 882,126 | 6,348 | | 4,700,280 |
| TOTAL NET BUDGET FOR 2007-08 | 67,245,365 | 9,932,002 | 4,212,044 | | 385,597,589 |

BUDGET CHANGES:

| | | | | | |
|--|--------------------|------------------|---------------|--|-------------------|
| ACADEMIC DIVISIONS- Adjusted Net Revenue University Fund Allocation SUBTOTAL | (481,941) | | | | (1,298,833) |
| 2008-09 Allocations from Central Funds | | | | | |
| NON-ACADEMIC DIVISIONS- Cost Containment | (6,168) | | (119,182) | | (4,000,000) |
| Balance of Prior Year's Salary/Benefit Increase | (4,908,546) | | 145,310 | | |
| Adjustments: Contractual / Budget Model | 6,081,162 | 1,882,126 | | | 33,919,163 |
| ALL DIVISIONS- Transfers in | 130,000 | | 3,261 | | 6,928,266 |
| Transfers out | (4,616,533) | | | | (9,428,266) |
| Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue | | | | | |
| TOTAL | (3,802,026) | 1,882,126 | 29,389 | | 26,120,330 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | | |
|---|-------------------|-------------------|------------------|--|--------------------|
| Adjustments: Contractual / Budget Model | (598,149) | (882,126) | (6,348) | | (3,269,323) |
| ONE-TIME-ONLY BUDGET CHANGE | (598,149) | (882,126) | (6,348) | | (3,269,323) |
| Net Budget for 2008-09 | 62,463,183 | 10,932,002 | 4,235,085 | | 407,017,639 |
| OTO Budget for 2008-09 | 382,007 | | | | 1,430,957 |
| TOTAL NET BUDGET FOR 2008-09 | 62,845,190 | 10,932,002 | 4,235,085 | | 408,448,596 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | | |
|--|------------------|----------------|----------------|-------------------|-------------------|
| Endowment Income : | | | | | 67,000 |
| External Income : | | | 808,500 | 14,889,837 | 47,975,344 |
| Internal Recoveries : | 2,619,350 | | 98,101 | 185,000 | 46,477,378 |
| External Recoveries : | | | | | 1,104,266 |
| Negative Approp. : | | | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 2,619,350 | 906,601 | 906,601 | 15,074,837 | 95,623,988 |

Other Academic Costs (excl CRC Flow, Jt Prog)

DIVISIONAL BUDGET SCHEDULES

| | ACADEMIC INITIATIVES (AIF) | ACADEMIC SERVICES INITIATIVES | ACADEMIC REVIEWS | Administrators ON LEAVE | CAMPAIGN EXPENSE-Divisional | EGF/ATOP | PLANNING | RECRUITMENT | FACILITIES RENOVATIONS & UPGRADES FROM PROGRAM | FACULTY | Fields Institute |
|-------------------------------------|----------------------------|-------------------------------|------------------|-------------------------|-----------------------------|-------------|-----------|-------------|--|---------|------------------|
| Net Budget for 2007-08 | 11,576,880 | 1,500,000 | 225,307 | 558,850 | 2,100,000 | (1,712,966) | 2,000,000 | 3,372,075 | 276,553 | | |
| One-Time-Only Budget for 2007-08 | | 1,500,000 | 225,307 | 558,850 | 2,100,000 | (1,712,966) | 2,000,000 | 3,372,075 | 276,553 | | |
| TOTAL NET BUDGET FOR 2007-08 | | | | | | | | | | | |

BUDGET CHANGES:

| | | | | | | | | | | | |
|---|-----------|-----------|--|--|--|-----------|--|--|--|-----------|-------------|
| ACADEMIC DIVISIONS- Adjusted Net Revenue | | | | | | | | | | | |
| University Fund Allocation | | | | | | | | | | | |
| SUBTOTAL | | | | | | | | | | | |
| 2008-09 Allocations from Central Funds | | | | | | | | | | | |
| NON-ACADEMIC DIVISIONS- Cost Containment | | | | | | | | | | | |
| Balance of Prior Year's Salary/Benefit Increase | | | | | | | | | | | |
| Adjustments: Contractual / Budget Model | (525,627) | 1,934,694 | | | | | | | | 1,000,000 | (1,000,000) |
| ALL DIVISIONS- Transfers in | | | | | | 1,712,966 | | | | | |
| Transfers out | | | | | | | | | | | |
| Expense Offset by Additional Divisional Revenue | | | | | | | | | | | |
| (Increase) Decrease in Divisional Revenue | | | | | | | | | | | |
| TOTAL | (525,627) | 1,934,694 | | | | 1,712,966 | | | | | |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | | | | | | | | |
|---|-------------------|------------------|----------------|----------------|------------------|--|------------------|------------------|----------------|--|--|
| Adjustments: Contractual / Budget Model | | | | (66,905) | | | | | | | |
| ONE-TIME-ONLY BUDGET CHANGE | | | | (66,905) | | | | | | | |
| Net Budget for 2008-09 | 11,051,253 | 3,434,694 | 225,307 | 491,945 | 2,100,000 | | 2,000,000 | 3,372,075 | 276,553 | | |
| OTO Budget for 2008-09 | | | | | | | | | | | |
| TOTAL NET BUDGET FOR 2008-09 | 11,051,253 | 3,434,694 | 225,307 | 491,945 | 2,100,000 | | 2,000,000 | 3,372,075 | 276,553 | | |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|--|---------|
| Endowment Income : | | | | | | | | | | | |
| External Income : | | | | | | | | | | | 500,000 |
| Internal Recoveries : | | | | | | | | | | | |
| External Recoveries : | | | | | | | | | | | |
| Negative Approp. : | | | | | | | | | | | 500,000 |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | | | | | | | | | | | |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | | | | | | | | |
|--|-------------------|------------------|----------------|----------------|------------------|--|------------------|------------------|----------------|--|--|
| | 11,051,253 | 3,434,694 | 225,307 | 491,945 | 2,100,000 | | 2,000,000 | 3,372,075 | 276,553 | | |
|--|-------------------|------------------|----------------|----------------|------------------|--|------------------|------------------|----------------|--|--|

Other Academic Costs (excl CRC Flow, Jt Prog)

| | GRADUATE EXPANSION- ACADEMIC | GRADUATE EXPANSION- UNIV-WIDE | Info Tech Courseware Developmt Fund (ITCDF) | INFORMATION TECHNOLOGY INITIATIVES & UPGRADES | NON- DEPARTMENTAL PROFESSORS | OSOTF MATCHING | OVERHEAD ON | | |
|-------------------------------------|------------------------------------|-------------------------------------|--|--|------------------------------------|-------------------|-------------------------------|---------------------------------------|--|
| | | | | | | | FEDERAL RESEARCH GRANTS | PROVOST'S RESERVE & CONTINGENCY | RESEARCH ALLOWANCE- EndCh/UnProf |
| Net Budget for 2007-08 | 1,400,000 | 216,422 | 2,121,886 | 156,728 | 2,500,000 | 4,942,400 | 3,627,628 | 2,000,000 | |
| One-Time-Only Budget for 2007-08 | 600,000 | | | | | | | | |
| TOTAL NET BUDGET FOR 2007-08 | 2,000,000 | 216,422 | 2,121,886 | 156,728 | 2,500,000 | 4,942,400 | 3,627,628 | 2,000,000 | |

BUDGET CHANGES:

| | | | | | | | | |
|--|------------------|------------------|------------------|---------------|--------------------|----------------|------------------|---------|
| ACADEMIC DIVISIONS- Adjusted Net Revenue University Fund Allocation SUBTOTAL | | | (92,200) | | | | (523,022) | |
| 2008-09 Allocations from Central Funds NON-ACADEMIC DIVISIONS- Cost Containment | | | | | | | | |
| Balance of Prior Year's Salary/Benefit Increase Adjustments: Contractual / Budget Model ALL DIVISIONS- Transfers in Transfers out Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue TOTAL | 6,157,617 | 1,500,000 | 2,000,000 | 2,244 | | 182,600 | 3,000,000 | 250,000 |
| | | | (349,700) | 75,000 | (2,500,000) | | | |
| | 6,157,617 | 1,500,000 | 1,558,100 | 77,244 | (2,500,000) | 182,600 | 2,726,978 | |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | | | | | |
|--|------------------|----------------|------------------|----------------|--|------------------|------------------|------------------|
| Adjustments: Contractual / Budget Model ONE-TIME-ONLY BUDGET CHANGE | (600,000) | | | | | | | |
| | (600,000) | | | | | | | |
| Net Budget for 2008-09 OTO Budget for 2008-09 | 2,900,000 | 216,422 | 3,679,986 | 233,972 | | 5,125,000 | 6,354,606 | 2,000,000 |
| TOTAL NET BUDGET FOR 2008-09 | 2,900,000 | 216,422 | 3,679,986 | 233,972 | | 5,125,000 | 6,354,606 | 2,000,000 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | |
|--|--|
| Endowment Income : | |
| External Income : | |
| Internal Recoveries : | |
| External Recoveries : | |
| Negative Approp. : | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | | | | |
|------------------|------------------|----------------|------------------|----------------|------------------|------------------|------------------|
| 6,157,617 | 2,900,000 | 216,422 | 3,679,986 | 233,972 | 5,125,000 | 6,354,606 | 2,000,000 |
|------------------|------------------|----------------|------------------|----------------|------------------|------------------|------------------|

Other Academic Costs (excl CRC Flow, Jt Prog)

| | RESEARCH ALLOWANCE- Canada Res Chairs | RESEARCH SUPPORT P.D.& D. | RESERVE FOR RESEARCH OVERHEAD | RESIDENCE FUNDING | Search Committees | STUDENT EXPERIENCE FUND | TRANSITIONAL FUNDING | CANADA RESEARCH CHAIRS | TOTAL |
|---|---------------------------------------|---------------------------|-------------------------------|-------------------|-------------------|-------------------------|----------------------|------------------------|-------------------|
| Net Budget for 2007-08 | | 340,657 | 7,875,670 | 1,860,000 | 100,152 | 6,633,333 | 2,486,183 | 27,100,000 | 82,698,908 |
| One-Time-Only Budget for 2007-08 | | 340,657 | 7,875,670 | 1,860,000 | 100,152 | 6,633,333 | 2,486,183 | 27,100,000 | 1,158,850 |
| TOTAL NET BUDGET FOR 2007-08 | | | | | | | | | 83,857,758 |
| BUDGET CHANGES: | | | | | | | | | |
| ACADEMIC DIVISIONS- | | | | | | | | | |
| Adjusted Net Revenue | | | | | | | | | |
| University Fund Allocation | | | | | | | | | |
| SUBTOTAL | | | | | | | (344,244) | | (959,466) |
| 2008-09 Allocations from Central Funds | | | | | | | | | |
| NON-ACADEMIC DIVISIONS- | | | | | | | | | |
| Cost Containment | | | | | | | | | |
| Balance of Prior Year's Salary/Benefit Increase | | | | | | | | | 2,244 |
| Adjustments: Contractual / Budget Model | 1,260,000 | | 403,826 | | | 3,333,333 | 3,000,000 | (2,700,000) | 19,546,443 |
| ALL DIVISIONS- | | | | | | | | | |
| Transfers in | | | | | | | | | 3,037,966 |
| Transfers out | | | | | | | | | (3,849,700) |
| Expense Offset by Additional Divisional Revenue | | | | | | | | | |
| (Increase) Decrease in Divisional Revenue | | | | | | | | | |
| TOTAL | 1,260,000 | | 403,826 | | | 3,333,333 | 2,655,756 | (2,700,000) | 17,777,487 |

ONE-TIME-ONLY BUDGET CHANGES:

Adjustments: Contractual / Budget Model

ONE-TIME-ONLY BUDGET CHANGE

| | | | | | | | | | |
|-------------------------------------|------------------|----------------|------------------|------------------|----------------|------------------|------------------|-------------------|--------------------|
| Net Budget for 2008-09 | 1,260,000 | 340,657 | 8,279,496 | 1,860,000 | 100,152 | 9,966,666 | 5,141,939 | 24,400,000 | 100,476,395 |
| OTO Budget for 2008-09 | | | | | | | | | 491,945 |
| TOTAL NET BUDGET FOR 2008-09 | 1,260,000 | 340,657 | 8,279,496 | 1,860,000 | 100,152 | 9,966,666 | 5,141,939 | 24,400,000 | 100,968,340 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :
 External Income :
 Internal Recoveries :
 External Recoveries :
 Negative Approp. :

| | | | | | | | | | |
|---|------------------|----------------|------------------|------------------|----------------|------------------|------------------|--|--------------------|
| TOTAL DIV REVENUE (INCL. RECOVERIES) | | | | | | | | | 500,000 |
| GROSS EXPENSE BUDGET FOR 2008-09 | 1,260,000 | 340,657 | 8,279,496 | 1,860,000 | 100,152 | 9,966,666 | 5,141,939 | | 101,468,340 |

Central Library

DIVISIONAL BUDGET SCHEDULES

| | ST GEORGE LIBRARY OPERATIONS & INFO COMMONS | ST GEORGE LIBRARY BOOK FUND | Central Library TOTAL |
|-------------------------------------|--|-----------------------------------|--------------------------|
| Net Budget for 2007-08 | 28,184,158 | 21,864,937 | 50,049,095 |
| One-Time-Only Budget for 2007-08 | | | |
| TOTAL NET BUDGET FOR 2007-08 | 28,184,158 | 21,864,937 | 50,049,095 |

BUDGET CHANGES:

| | | | |
|---|-----------|---------|-----------|
| ACADEMIC DIVISIONS- | | | |
| Adjusted Net Revenue | | | |
| University Fund Allocation | | | |
| SUBTOTAL | | | |
| 2008-09 Allocations from Central Funds | 253,806 | | 253,806 |
| NON-ACADEMIC DIVISIONS- | | | |
| Cost Containment | (800,024) | | (800,024) |
| Balance of Prior Year's Salary/Benefit Increase | 1,113,672 | | 1,113,672 |
| Adjustments: Contractual / Budget Model | | 911,024 | 911,024 |
| ALL DIVISIONS- | | | |
| Transfers in | | | |
| Transfers out | | | |
| Expense Offset by Additional Divisional Revenue | | | |
| (Increase) Decrease in Divisional Revenue | | | |
| TOTAL | 567,454 | 911,024 | 1,478,478 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | |
|---|-------------------|-------------------|-------------------|
| Adjustments: Contractual / Budget Model | | | |
| ONE-TIME-ONLY BUDGET CHANGE | | | |
| Net Budget for 2008-09 | 28,751,612 | 22,775,961 | 51,527,573 |
| OTO Budget for 2008-09 | | | |
| TOTAL NET BUDGET FOR 2008-09 | 28,751,612 | 22,775,961 | 51,527,573 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | |
|---|-------------------|-------------------|-------------------|
| Endowment Income : | 67,000 | | 67,000 |
| External Income : | 3,109,507 | | 3,109,507 |
| Internal Recoveries : | 1,767,449 | | 1,767,449 |
| External Recoveries : | 798,755 | | 798,755 |
| Negative Approp. : | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 5,742,711 | | 5,742,711 |
| GROSS EXPENSE BUDGET FOR 2008-09 | 34,494,323 | 22,775,961 | 57,270,284 |

Facilities and Services

DIVISIONAL BUDGET SCHEDULES

| | ST GEORGE & SERVICES | DEFERRED MAINTENANCE FUNDING | ST GEORGE UTILITIES | St George TOTAL |
|-------------------------------------|-------------------------|------------------------------------|------------------------|--------------------|
| Net Budget for 2007-08 | 39,954,429 | 8,586,973 | 41,083,577 | 89,624,979 |
| One-Time-Only Budget for 2007-08 | 1,551,800 | 0 | 0 | 1,551,800 |
| TOTAL NET BUDGET FOR 2007-08 | 41,506,229 | 8,586,973 | 41,083,577 | 91,176,779 |

BUDGET CHANGES:

| | | | | |
|---|-------------|---------|-----------|-------------|
| ACADEMIC DIVISIONS- | | | | |
| Adjusted Net Revenue | | | | 0 |
| University Fund Allocation | | | | 0 |
| SUBTOTAL | 0 | 0 | 0 | 0 |
| 2008-09 Allocations from Central Funds | | | | 0 |
| NON-ACADEMIC DIVISIONS- | | | | 0 |
| Cost Containment | (1,146,780) | | | (1,146,780) |
| Balance of Prior Year's Salary/Benefit Increase | 1,204,650 | | | 1,204,650 |
| Adjustments: Contractual / Budget Model | 3,366,610 | 750,000 | 1,257,798 | 5,374,408 |
| ALL DIVISIONS- | | | | 0 |
| Transfers in | 1,206,750 | | | 1,206,750 |
| Transfers out | | | | 0 |
| Expense Offset by Additional Divisional Revenue | | | | 0 |
| (Increase) Decrease in Divisional Revenue | 0 | 0 | 0 | 0 |
| TOTAL | 4,631,230 | 750,000 | 1,257,798 | 6,639,028 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | |
|---|-------------|---|---|-------------|
| Adjustments: Contractual / Budget Model | (1,009,795) | 0 | 0 | (1,009,795) |
| ONE-TIME-ONLY BUDGET CHANGE | (1,009,795) | 0 | 0 | (1,009,795) |

| | | | | |
|-------------------------------------|-------------------|------------------|-------------------|-------------------|
| Net Budget for 2008-09 | 44,585,659 | 9,336,973 | 42,341,375 | 96,264,007 |
| OTO Budget for 2008-09 | 542,005 | 0 | 0 | 542,005 |
| TOTAL NET BUDGET FOR 2008-09 | 45,127,664 | 9,336,973 | 42,341,375 | 96,806,012 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | |
|---------------------------------------|------------|---|-----------|------------|
| Endowment Income : | | | | 0 |
| External Income : | 3,662,339 | 0 | 1,724,132 | 5,386,471 |
| Internal Recoveries : | 20,525,336 | 0 | 7,143,826 | 27,669,162 |
| External Recoveries : | | | | 0 |
| Negative Approp. : | | | | 0 |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 24,187,675 | 0 | 8,867,958 | 33,055,633 |

GROSS EXPENSE BUDGET FOR 2008-09

| | | | | |
|--|-------------------|------------------|-------------------|--------------------|
| | <u>69,315,339</u> | <u>9,336,973</u> | <u>51,209,333</u> | <u>129,861,645</u> |
|--|-------------------|------------------|-------------------|--------------------|

Governance and Administration

DIVISIONAL BUDGET SCHEDULES

| | GOVERNING COUNCIL, FIPPA, OMBUDSPERSON, & INTERNAL AUDIT | OFFICE OF THE PRESIDENT | OTHER INSTITUTIONAL COSTS (incl Convocation) | OFFICE OF THE VICE-PROVOST & PROVOST (incl StrategicComp &TeachAdvancmt) | VICE-PROVOST PLANNING & BUDGET | OFFICE OF STUDENT AFFAIRS | VICE-PROVOST - STUDENTS STUDENTS OTHER |
|--|---|-------------------------------|---|--|--------------------------------------|---------------------------------|--|
| Net Budget for 2007-08 | 3,171,593 | 1,143,792 | 1,380,452 | 3,706,274 | 2,162,591 | 509,140 | 11,144,854 |
| One-Time-Only Budget for 2007-08 | | | | | | | |
| TOTAL NET BUDGET FOR 2007-08 | 3,171,593 | 1,143,792 | 1,380,452 | 3,706,274 | 2,162,591 | 509,140 | 11,144,854 |
| BUDGET CHANGES: | | | | | | | |
| ACADEMIC DIVISIONS- Adjusted Net Revenue University Fund Allocation SUBTOTAL | | | | (111,232) | | | |
| 2008-09 Allocations from Central Funds | | | | | | | |
| NON-ACADEMIC DIVISIONS- Cost Containment Balance of Prior Year's Salary/Benefit Increase Adjustments: Contractual / Budget Model | (90,333) 126,208 4,000 | (32,095) 27,905 | (27,246) 16,719 | (104,958) 125,421 | (61,533) 83,797 | (13,240) | (269,447) 305,297 |
| ALL DIVISIONS- Transfers in Transfers out Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue TOTAL | 48,760 | | (75,000) | 188,470 | | (110,416) | 69,867 |
| | 88,635 | (4,190) | (85,527) | 97,701 | 22,264 | (123,656) | 105,717 |
| ONE-TIME-ONLY BUDGET CHANGES: | | | | | | | |
| Adjustments: Contractual / Budget Model ONE-TIME-ONLY BUDGET CHANGE | | | | | | | |
| Net Budget for 2008-09 OTO Budget for 2008-09 | 3,260,228 | 1,139,602 | 1,294,925 | 3,803,975 | 2,184,855 | 385,484 | 11,250,571 |
| TOTAL NET BUDGET FOR 2008-09 | 3,260,228 | 1,139,602 | 1,294,925 | 3,803,975 | 2,184,855 | 385,484 | 11,250,571 |
| DIVISIONAL REVENUE (INCL. RECOVERIES) | | | | | | | |
| Endowment Income : | | | | | | | |
| External Income : | 99,991 | | | | | 2,521,428 | 3,342,000 |
| Internal Recoveries : | 167,648 | | | 225,097 | 57,057 | 737,152 | 1,265,000 |
| External Recoveries : | 67,021 | | | | | | |
| Negative Approp. : | | | | 225,097 | 57,057 | 3,258,580 | 4,607,000 |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 334,660 | | | | | | |
| GROSS EXPENSE BUDGET FOR 2008-09 | 3,594,888 | 1,139,602 | 1,294,925 | 4,029,072 | 2,241,912 | 3,644,064 | 15,857,571 |

Governance and Administration

| | ASST VICE PRESIDENT CAMPUS & FACIL. PLANNING | VICE PRESIDENT BUSINESS AFFAIRS | VICE PRESIDENT HUMAN RESOURCES | VICE PRESIDENT & CHIEF ADVANCE- MENT OFFICER | VICE PRESIDENT UNIVERSITY RELATIONS | VICE PRESIDENT RESEARCH & ASSOC PROVOST & Administration | TOTAL |
|-------------------------------------|---|--|---|---|--|--|------------|
| Net Budget for 2007-08 | 2,068,944 | 11,653,998 | 8,107,405 | 13,247,075 | 5,044,924 | 8,355,702 | 71,696,744 |
| One-Time-Only Budget for 2007-08 | | | 121,000 | | | | 121,000 |
| TOTAL NET BUDGET FOR 2007-08 | 2,068,944 | 11,653,998 | 8,228,405 | 13,247,075 | 5,044,924 | 8,355,702 | 71,817,744 |

BUDGET CHANGES:

| | | | | | | | |
|---|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------------------|
| ACADEMIC DIVISIONS- Adjusted Net Revenue University Fund Allocation SUBTOTAL | | | | | | | (111,232) |
| 2008-09 Allocations from Central Funds | | | | | | | |
| NON-ACADEMIC DIVISIONS- Cost Containment Balance of Prior Year's Salary/Benefit Increase Adjustments: Contractual / Budget Model | (59,040) 86,461 | (311,495) 424,582 | (216,116) 299,940 | (158,911) 354,333 | (141,620) 125,225 | (235,385) 237,515 | (1,721,419) 2,213,403 124,000 |
| ALL DIVISIONS- Transfers in Transfers out Expense Offset by Additional Divisional Revenue (Increase) Decrease in Divisional Revenue | 358,100 | 348,000 (706,750) | 1,091,743 | 90,000 | 260,049 | | 2,454,989 (892,166) |
| TOTAL | 385,521 | (245,663) | 1,295,567 | 285,422 | 243,654 | 2,130 | 2,067,575 |

ONE-TIME-ONLY BUDGET CHANGES:

| | | | | | | | |
|---|-----------|------------|-----------|------------|-----------|-----------|------------|
| Adjustments: Contractual / Budget Model | | (106,000) | | | | | (106,000) |
| ONE-TIME-ONLY BUDGET CHANGE | | (106,000) | | | | | (106,000) |
| Net Budget for 2008-09 | 2,454,465 | 11,408,335 | 9,402,972 | 13,532,497 | 5,288,578 | 8,357,832 | 73,764,319 |
| OTO Budget for 2008-09 | | | 15,000 | | | | 15,000 |
| TOTAL NET BUDGET FOR 2008-09 | 2,454,465 | 11,408,335 | 9,417,972 | 13,532,497 | 5,288,578 | 8,357,832 | 73,779,319 |

DIVISIONAL REVENUE (INCL. RECOVERIES)

| | | | | | | | |
|---|------------------|-------------------|-------------------|-------------------|------------------|------------------|-------------------|
| Endowment Income : | | | | | | | |
| External Income : | 773,000 | 417,390 | | 2,602,000 | 210,000 | 105,350 | 10,071,159 |
| Internal Recoveries : | 708,431 | 4,965,234 | 2,691,648 | 633,058 | | 88,224 | 11,538,549 |
| External Recoveries : | | 234,420 | | | | | 301,441 |
| Negative Approp. : | | | | | | | |
| TOTAL DIV REVENUE (INCL. RECOVERIES) | 1,481,431 | 5,617,044 | 2,691,648 | 3,235,058 | 210,000 | 193,574 | 21,911,149 |
| GROSS EXPENSE BUDGET FOR 2008-09 | <u>3,935,896</u> | <u>17,025,379</u> | <u>12,109,620</u> | <u>16,767,555</u> | <u>5,498,578</u> | <u>8,551,406</u> | <u>95,690,468</u> |