Long Range Budget Guidelines 2014-15 to 2018-19

Budget Report 2014-15

UNIVERSITY OF TORONTO

February 14, 2014

Budget Highlights

This report introduces the proposed Long Range Budget Guidelines for the five-year budget cycle 2014-15 to 2018-19, including the detailed annual budget for fiscal year 2014-15. The proposed budget is balanced at the institutional level in each year of the planning period. The institutional accumulated deficit was fully paid in 2012-13 and divisional deficit borrowing incurred in 2009-10 will be fully repaid in 2014-15. Projections for the outer years of the cycle provide the framework in which the University's budget will be prepared for fiscal years 2016 to 2019 as foreseen at the time of preparation of this report. They are provided to facilitate planning, and will be updated as appropriate each year to reflect changes in the economic conditions and the most recent information regarding the University's revenues and expenses. It is important to note that the operating budget is prepared on a cash basis, in contrast to the accrual basis of the audited financial statements. Also, the operating budget is only one, albeit the largest, of the four funds included in the financial statements; the three others are the restricted fund, the capital fund and the ancillary operations fund.

The economic climate in Canada is improving gradually, but a number of uncertainties remain, particularly for Ontario. The deficit in the province of Ontario is estimated at almost $12 billion and this deficit will be the background against which funding decisions are made for the post-secondary sector. In the report entitled *Ontario's Differentiation Policy Framework for Postsecondary Education* released by the Ministry of Training, Colleges and Universities (MTCU) in November 2013, the Ontario government states, "The economic downturn of 2008 and the ensuing precarious state of the global economy have made Ontario's fiscal environment challenging. Substantial new investment by the government at levels comparable to the previous decade is not feasible."

Deans continue to demonstrate an outstanding ability to cope with these challenges by developing strategic and creative multi-year budget plans, which maintain and enhance academic priorities while minimizing the impact of the economic slump on the student experience and the research strength of the University. Leaders of shared-service portfolios have also risen to the challenge, seeking efficiencies and collaborations wherever possible. Despite, or perhaps because of, the continued downturn in the economy, enrolment remains very strong and the University continues on its upward trajectory of attracting excellent domestic and international students. The value of post-secondary education remains high and the University of Toronto is actively pursuing a leadership role in the Province's next phase of enrolment expansion at the undergraduate and graduate levels.

The $2 billion Boundless Campaign was launched in November 2011. As at December 31, 2013 $1.411 billion has been raised against a target of $1.4 billion with $211 million raised in 2012-13.

Divisional campaigns, with support from the Division of University of Advancement, have raised these funds to support academic programs and research, the student experience, infrastructure and faculty support. A large portion of these funds, namely those directed to research, are accounted for outside the operating budget. The operating budget reflects the annual payout form the endowment directed toward student aid and endowed chairs.

Despite the context of ongoing uncertainty around provincial funding and the pressure on university cost structures, the University projects growth in total revenue of $122 million in 2014-15 (6.3% over 2013-14) and $571 million over the planning period. Projected growth in revenue stems primarily from planned increases in both domestic and international enrolments, carefully planned across our three campuses and many faculties, and moderate increases in tuition fees. The revenue growth projections have been reduced considerably (~$56 million by the final year) from those of a year ago as a result of the new provincial Tuition Fee Framework, which has lowered the overall cap on tuition increases from 5% to 3%, and additional provincial restrictions on the Program Fee model for assessing tuition. The portion of revenue from the provincial operating grant continues to decline, from 50% in 2000 to 33% in 2014-15 and projected at 28% in 2018-19.

As the University continues to bring in new students, the increased revenue comes with increased costs. Allocations to shared-services are restrained, yet recognize the importance of continued investment, and in some cases enhancement, in vital services. Expenditure plans include significant increases in student aid, funding for additional tenure and teaching stream faculty, administrative and student services staff, investments in IT infrastructure, increased spending on deferred maintenance and operating budget contributions toward capital projects. Compensation increases are planned within the provincial restraint context. Overall expenditure plans continue to assume that the University will be granted Stage 2 pension solvency relief and pension special payments will increase to $112 million per year by 2018-19. Divisional deficits arising from the cancellation of the 2009 endowment payout will be fully paid in 2014-15. This is a prudent budget which builds on cautiously ambitious strategic planning across all divisions.

Structure of the Long Range Budget Guidelines Report

The Long Range Budget Guidelines, including the 2014-15 budget, are presented in the budget schedules in Appendix A. The projections are presented in five schedules.

- **Schedule 1** provides a high-level summary of projected revenue and expense;
- **Schedule 2** provides further detail on Provincial Operating Grants and Student Fees;
- **Schedule 3** provides further detail on university-wide expenses and campus costs. University-wide expenses are grouped by the 12 cost bins defined in the budget model, which are the basis for cost attribution to divisions. It also provides further detail on Student Aid Expenditures;
- **Schedule 4** contains a detailed summary of revenue attributions and deductions by division for 2014-15;
- **Schedule 5** provides multi-year projections by division for the five-year budget cycle.

Fiscal Context

The Economic Climate

The economic climate in Canada is improving gradually, but a number of uncertainties remain, particularly for Ontario. The US economy gained momentum in the second half of 2013 and it is poised to sustain this improved momentum through 2014. When combined with the recent depreciation of the Canadian dollar, this should support stronger Canadian exports and improved business investment. This would provide a welcome boost to growth in Canada, which averaged only 1.8% last year, and is expected to be about 2.4% this year based on an average of professional forecasters.

At only 1.2%, growth in Ontario lagged the Canadian average last year. With the pick-up of the US recovery, most forecasters are suggesting Ontario will come closer to the national average growth rate this year, but will continue to be held back by weakness in manufacturing. Uncertainty remains around the trajectory of Ontario's $12 billion deficit. The depreciation of the Canadian dollar has the potential to make a Canadian education more financially attractive for international students. Interest rates are expected to remain low in the medium term. These various cross currents and uncertainties contribute to the restrained planning contained in this report.

Enrolment and Provincial Operating Grant

As mentioned in the introduction to this report, the Ministry released its new postsecondary funding framework in December 2013. The document, entitled *Ontario's Differentiation Policy Framework for Postsecondary Education,* lays out six overarching priorities:

1. Social and economic development
2. High-quality educational experience
3. Financial sustainability and accountability
4. Access
5. World-class research and innovation
6. Collaboration and pathways

The framework was accompanied by the Ministry's capital planning framework: *Major Capacity Expansion Policy Framework*. The capital policy document projects enrolment demand growth to be moderate in the near term, but to return to more rapid growth after 2020. The framework also projects the greatest demand to be for degree-level programs at the undergraduate level. Our enrolment plans are set within the context of the University's long term planning framework, *Towards 2030*, and our Strategic Mandate Agreement, submitted to MTCU in the fall of 2012 and updated slightly in December 2013 in response to the new differentiation and capital policy frameworks. The University of Toronto's Strategic Mandate Agreement submission aligns well with provincial priorities and includes the following three priority objectives:

1. Enhance efficiencies and productivity while sustaining research-intensity and enrolment differentiation;
2. Expand technology-assisted learning opportunities;
3. Enhance entrepreneurship and experiential learning opportunities for students.

The provincial government has announced funding for 60,000 new spaces in colleges and universities. This includes 6,000 graduate and 35,000 undergraduate spaces for the university sector. To date, the Ministry has announced allocation details for only 840 of the 6,000 graduate spaces. Institutional allocations from the remaining 5,160 seats will be determined within the context of the new differentiation framework. The University intends to expand graduate enrolment by about 2,000 Master's spaces and about 750 Doctoral spaces (provincially funded) over the next five years. The ability to increase the number of international doctoral students is severely limited by the lack of provincial operating funding to support these students; the University continues to advocate for a change in this policy.

With respect to undergraduate students, the University has been able to attract very high quality students. Entering averages are carefully monitored year over year and are getting stronger. Early application statistics for this year indicate that the University remains on a sound trajectory. Our plans call for most of the undergraduate growth to be on the Mississauga and Scarborough campuses, as specified in the University's *Towards 2030* plan. This growth will be accompanied by extensive capital investment on both campuses. Undergraduate enrolment in the Faculty of Arts and Science at the St. George campus will remain relatively constant over the next five years. The Daniels Faculty of Architecture and Landscape Design accepted its first direct-entry undergraduate cohort in Fall 2012 and domestic and international demand has proven to be strong; the Faculty plans to expand the undergraduate program significantly over the next few years. Moderate undergraduate increases are also planned in the faculties of Music and Kinesiology and Physical Education.

Table 1: Enrolment results 2013-14 and projections to 2018-19

	2013-14A	**2014-15P**	**2015-16P**	**2016-17P**	**2017-18P**	**2018-19P**
UG Domestic FTE	48,876	49,376	49,805	50,314	50,778	50,711
UG International FTE	9,043	9,975	10,657	10,767	11,003	11,100
Grad Domestic FTE	12,745	13,389	14,192	14,815	15,180	15,438
Grad Inter. FTE	2,414	2,446	2,418	2,427	2,464	2,508
Total FTE	73,079	75,186	77,073	78,324	79,426	79,758

The provincial grant has, in the past, represented the largest portion of the University's revenue. Per-student funding in Ontario trails behind all other provinces and this shortfall is damaging to some of Canada's finest universities. The drop in the provincial grant has dramatically altered the size and composition of the University of Toronto operating budget. This trend continues in 2014-15 with government grants expected to represent only 33% of total operating revenue in 2014-15, declining to 28% by 2018-19. To put this in perspective, in 2000-01 the comparable proportion was 50%.

Tuition and Student Assistance

A full discussion of tuition fees is contained in the annual *Tuition Fee Report* which accompanies this report when presented to the Business Board of Governing Council. Key highlights are noted below.

Tuition fees at the University of Toronto are determined in accordance with the University's Tuition Fee Policy, the Statement of Commitment Regarding International Students and the Provincial Government's Tuition Framework. A new Tuition Framework was introduced last year and runs for a four-year period. Under the Framework, domestic tuition fees are regulated and increases are allowed, subject to accessibility guarantees. The impact of lowering the regulated rate of increases is estimated at $15 million in 2014-15, growing to $56 million (in base funding) by the end of the planning period. The new Tuition Framework has also altered the way in which universities are permitted to charge students under the Program Fee methodology, resulting in the potential annual loss of up to $15 million in tuition fee revenue for the Faculty of Arts and Science once the changes are fully phased in.

The tuition framework is accompanied by a Student Access Guarantee (SAG.) The SAG requires universities to provide sufficient financial aid to every OSAP-eligible student to cover expenses directly related to his or her program, including books, tuition and mandatory fees, which are not fully met by OSAP.

The University of Toronto is independently committed to student aid and is guided by the 1998 Governing Council policy on accessibility, which predates the government's framework, and will continue to drive our funding for needs-based student aid. The policy 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."

At the University of Toronto approximately 46% of full time domestic undergraduate students receive support from the provincial needs-based assistance program (OSAP). Within that population many students also receive funding from the University's needs-based aid program (UTAPS). Needs-based aid, through UTAPS, is also provided to eligible students within many Master's programs. In addition, many undergraduate students benefit from the provincial Ontario Tuition Grant program which provides $865 per term for up to two terms in 2013-14. When taking all of these grant and bursary programs (not loans) into consideration, the portion of total tuition paid by OSAP-eligible students, on average in 2012-13 was 48% of the posted rate. The combination of these robust student financial aid programs greatly enhances access to the University's excellent education opportunities for a wide array of students.

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: Canada Research Chairs, the institutional 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. Research chairs are awarded to each university based on its share of research funding by the federal granting councils. The recent decline in the number of CRC chairs at the University is reversing as we increase our share in tri-council funding competitions. Since the CRC program was introduced, inflation has reduced the effective value of Chair funding by over 20%. An appropriate adjustment to government funding is long overdue.

Funds received from the federal granting councils must be used exclusively to cover the direct costs of research, such as personnel and supplies. The less direct, but equally necessary, 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 for the indirect costs. The government started to provide institutional costs of research (ICR) funding in 2003-04, with an effective rate for the University of Toronto now at 17.4%. This is currently contributing about $21 million to the University's operating budget, which continues to be considerably short of the actual institutional cost of research, and of what sister institutions in the U.S., U.K. and Europe receive. There has been no signal from the government that they will address this long-standing issue of alleviating the financial burden of the hidden costs of conducting research. A doubling of the federal ICR rate to over $40 million would put us somewhat closer to our competitors and would have a significant impact on allowing the research intensive divisions to close the gap on their structural deficits. Without a change in the funding formula, each additional dollar of research funding places a higher burden on the University's operating funds.

The federal government supports graduate students by providing fellowships 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. The support for graduate students has not kept pace with the rapid growth in graduate enrolment.

Compensation

The Province continues to expect broader public sector employers to exercise compensation restraint, both in collective bargaining, and in setting compensation for individuals who do not bargain collectively. In July 2012 the Finance Minister issued a letter setting out the Government's expectations for renewal bargaining, indicating that renewal agreements should be for a term of at least two years, with no net increase in compensation. The letter is still in effect. The general thrust of the Government's policy in this area has been to emphasize that institutions need to operate within their budgets in an era of ongoing compensation restraint. In addition, a number of senior staff at the University are affected by the Broader Public Sector Accountability Act, which remains in effect. Finally, there is the possibility that the Government may introduce further compensation restraint legislation, likely affecting executives, in the next few months. The

University will be engaged in negotiations with the majority of its unions, as well as the Faculty Association, over the next six to eight months and it will conduct its bargaining in light of and in compliance with the foregoing.

Pension

Like almost every other Canadian and US public sector institution that sponsors a defined benefit pension plan, the University is facing a pension deficit. Both the overall economic and financial climate and the regulatory landscape continue to be very uncertain with respect to pensions. Interest rates continue to be at historic lows, affecting investment returns and risk taking, and making it much more difficult to achieve investment returns. The strategy continues to assume that the U of T plans will be accepted to stage 2 of the Ontario Government's temporary solvency relief program. The University has fulfilled the requirement for acceptance by increasing member contributions and expects Stage 2 acceptance. Further details are included in the *Overview of Key Planning Assumptions* section of this report.

Other Future Liabilities

The University has many future liabilities, not currently funded directly through the operating budget.

Deferred maintenance across the three campuses is estimated at just over $500 million ($435 million at the St. George campus). The operating budget sets aside approximately $14 million annually (growing to about $18 million in a few years) for deferred maintenance at St. George. Additional funds are set aside at UTM and UTSC. This funding, in addition to provincial Facilities Renewal Program (FRP) funds ($3.1M in 2013-14), attempts to at least sustain the current conditions of the buildings and minimize the chance of unforeseen major expenditures.

The ancillary operations' cumulative deficit is projected to be $66 million at April 30, 2014. The ancillary operations deficit is primarily due to the internal financing of capital projects, which has the impact of increasing both the University's overall deficit and the investment in capital assets. Multi-year plans are in place and are managed carefully by divisions and a review committee. All ancillary services are required to put in place a plan to eliminate deficits over a reasonable time horizon; most are well on their way toward this objective.

The capital fund cumulative deficit is projected to be $42 million at April 30, 2014. The capital fund deficit is also primarily due to the internal financing of capital projects, which has the impact of increasing both the University's overall deficit and the investment in capital assets. Divisional plans include realistic multi-year strategies to repay internal loans.

The Budget Process

The Planning Process

This budget represents the culmination of many months of planning and the decisions of many academic and administrative units. An essential and major part of the annual budget process is the process for budgetary reviews for both academic and shared-service divisions. Two review processes are conducted annually, one for shared-services and the associated university-wide costs, and the other for the academic divisions.

Each shared-service division prepares multi-year budget plans for its units. These plans are reviewed by the President, who takes advice from the Divisional Advisory Committee, which includes the Vice-Presidents at UTM and UTSC, and representative deans of faculties. The purpose of the review is two-fold. First, the review ensures that any proposed changes in service are aligned with the needs and priorities of the academic enterprise. Second, the review establishes spending priorities and ensures that all possible cost reductions have been examined.

The annual academic division budget reviews take place throughout the autumn term. Each division submits a multi-year budget plan to the Provost based on its academic plans. Revenue projections are based on enrolment plans, new program offerings, advancement outcomes, etc. Expense projections take into account cost increases, changes in faculty and staff complement, student financial support, etc. These plans are discussed in individual review meetings with a Provostial committee that includes the Vice President University Operations and senior staff in Planning and Budget. The reviews inform approvals of academic appointments, allocations from the University Fund, and academic reserve funds. The reviews also identify capital priorities, support the development of advancement priorities, and are instrumental in problem-solving and divisional strategic planning.

The review process, whether for academic or administrative divisions, amounts to a high level of engagement by deans, directors and all members of the senior 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 and by their academic values and priorities. Cost containment measures, which are often necessary because of the constraints on revenue, are applied by each academic division based on its own circumstances.

The review process also promotes a better alignment of the University-wide services with the needs of the academic divisions. The involvement of members of the senior administration leads to a deeper understanding of the nature of the University’s expenses, how services can be best delivered, and where and how savings may be realized.

The University's Budget Model

The University of Toronto adopted a new approach to budgetary allocations in 2007-08.

The fundamental guiding principle underlying the budget model is *"The budget allocation process is a primary tool for the implementation of the university's academic plans and academic priorities."* The model has three basic objectives:

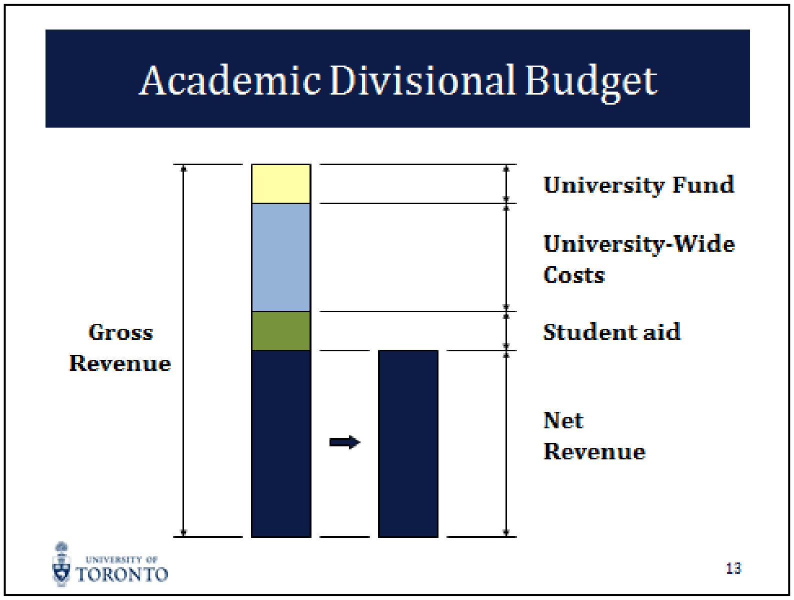
- to provide a high degree of transparency, enabling all levels of university administration and governance to have a clear understanding of university revenues and expenses,
- to introduce broadly-based incentives to strengthen the financial health of the university by increasing revenues and reducing 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 infrastructure.

A review of the budget model was conducted in 2010-11 and the results of the review indicate that the budget model is meeting these objectives and serving the University well. In fact it has enabled the University to manage its resources with greater resilience and creativity through the recent challenging fiscal circumstances. Information on the budget model and the review report can be found on the Planning and Budget website.

The model introduced a simple methodology for attributing revenues and the costs of shared infrastructure to all divisions. A major portion of the expense budget allocated 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, including 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, advancement activities, research, etc. Divisions benefit as these activities bring more revenue and when, in cooperation with central service units, they are able to make more efficient use of the shared resources.

The remainder of a division's budget is an allocation from the University Fund. This is an entirely non-formulaic allocation, intended to provide funding in accordance with the University's academic values and priorities. It ensures that the total budget of a division is determined by the University's own priorities rather than by those of an external entities. It also enables the University to recognize differences in the cost of delivery of various programs. The following graph provides a visual presentation of how academic budgets are derived.

Figure 1: University of Toronto Budget Model



The process of attributing revenues and costs to divisions has been designed to minimize administrative overhead. For example, no transaction accounting is used to attribute the cost of a particular service. Instead, revenues and costs are attributed using 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 has access to a particular resource or service. These measures are referred to as revenue drivers and cost drivers, respectively. They include such parameters as number of students, number of faculty, usable space area occupied, etc.

The budget planning cycle is based on a five-year rolling window. Budget assumptions used in the Long Range Budget Guidelines are updated each year, and new assumptions are prepared for one additional year. Revised revenue and expense projections are then prepared for the new cycle based on these assumptions.

Surplus/Deficit Management

Governing Council guidelines for deficit control were revised in 2008 as a result of the change from a fixed to a rolling-window planning cycle. According to these guidelines, the University should strive to plan a balanced budget in every year of the cycle. In addition, any outstanding accumulated deficit from previous years should be reduced to zero by the end of the five-year planning period. An in-year deficit may be allowed in some years to facilitate planning, recognizing that fluctuations often occur in enrolments, government grants, investment income, etc. A planned deficit may also be necessary in exceptional circumstances. Planned budgetary deficits should also be repaid over five years.

The University's budget is prepared as an aggregation of the expense budgets of individual divisions. Budget plans for both the academic and administrative divisions are reviewed and approved annually by the President and the Provost, with the assistance of appropriate advisory committees, as explained above. Hence, the deficit or surplus in the University's integrated budget is a result of the aggregated plans of individual divisions. These management control mechanisms encourage divisions to operate within their budgets and to minimize the level of a planned budget deficit when one is necessary.

Overview of Key Planning Assumptions

Revenue Projections

Revenues are derived primarily from provincial operating grants and tuition fees. They also include investment income, endowment income, Canada Research Chairs, funding for the indirect costs of research, revenue from activities such as continuing education, sale of services and cost recovery and administrative ancillary fees. The University projects growth in total revenue of $122 million in 2014-15 (6.3% over 2013-14) and $571 million over the planning period. It is important to note that the rate of increase in revenue is projected to decline over the planning period as tuition increases and enrolment growth decelerate relative to the last five years.

Operating Grants

Details of operating grants are included in Appendix A, Schedule 2. An increase of $6 million is projected in the operating grant for 2014-15 and $32 million over the next five years. The modesty of this increase is explained by the fact that undergraduate and graduate growth next year is offset by the reductions stemming from the "Policy Levers Savings Target" and the International Student Recovery.

The budget assumes the following for provincial grants:

- The budget projections are based on the most recent divisional enrolment plans and the information available about government funding;
- The budget projections do not include funding for capital expansion;
- The provincial government operating grants will not include an inflationary increase;
- Undiscounted funding will be received for all undergraduate students as per divisional enrolment plans and funding for graduate expansion up to the estimated University of Toronto allocation from the provincial graduate envelope; some graduate divisional plans exceed this and tuition revenue only is assumed allocated in those cases.

Table 2: Undergraduate FTE by campus

	2013-14A	2014-15P	2015-16P	2016-17P	2017-18P	2018-19P
UTM	10,642	11,395	12,053	12,559	12,831	12,895
UTSC	9,680	10,318	10,900	11,191	11,471	11,539
St. George	37,597	37,639	37,510	37,331	37,481	37,378
Total FTE	57,919	59,351	60,462	61,081	61,782	61,812

Table 3: Graduate FTE by degree type

	2013-14A	2014-15P	2015-16P	2016-17P	2017-18P	2018-19P
Prof Masters	6,099	6,681	7,316	7,787	8,001	8,125
DS Masters	2,839	2,866	2,921	2,951	2,980	2,984
PhD	6,222	6,288	6,373	6,505	6,662	6,837
Total FTE	15,160	15,835	16,610	17,243	17,644	17,946

Tuition Fees

A breakdown of tuition fees vs. ancillary, continuing and executive education fees is included in Appendix A, Schedule 2. Tuition fees for domestic students are set within the provincial Tuition Framework. Tuition fees for international students are set at a level that takes into consideration the full cost of providing a program and with reference to fees at peer Canadian and U.S. universities. Tuition fee increases, measured at the gross level, are assumed to be 3% on average for domestic students and 6.5% for international students each year. When student financial aid is taken into account, the average increase for domestic students is about 2%. Details on proposed tuition fee increases program by program are found in the *Tuition Fee Report*, which comes to Governing Council for approval along with this report.

It is important to note that tuition revenue increases are a result of both increased tuition fees and higher enrolments. Projections for tuition revenue from domestic students have been reduced significantly from those contained in the Long Range Budget Guidelines of a year ago as a result of the new provincial Tuition Fee Framework. The estimated impact of the reduction in allowable tuition fee increases is $56 million in base funding by the end of the planning period. Under the Tuition Framework, tuition fees for entering and continuing students in Arts and Science and selected other undergraduate programs may increase by a maximum of 3%. Tuition fees for entering and continuing students in graduate and high-cost professional programs may be increased by a maximum of 5%. Overall, the average increase in tuition for all students in any institution may not exceed 3%. The projected average for gross tuition fee increases at the University of Toronto in 2014-15 is 3%. In order to fit within the overall 3% cap, the University has not been able to maximize fee increases in all programs due to the intensity of our graduate and professional programs. As a result, tuition fees for doctoral stream students will decrease by $45 in 2014-15.

The concept of "net tuition" is an important one. Net tuition is defined as the tuition paid by a student after deducting non-repayable bursaries provided by the provincial government and the University. It does not take into account student loans. Universities and the provincial government provide significant amounts of student financial support to reduce the sticker price of tuition and to ensure that academically qualified students have the resources they need to attend university.

Over the past two years the University of Toronto has completed a study of the impact of student financial support on the tuition rates actually paid by our students. The result of the analysis yields important insights into the true cost of accessing higher education at the University of Toronto. Some of the key findings for 2012-13 include:

- About 46% of UofT full-time domestic undergraduate students received support through OSAP;
- About 41% of these students also received additional support from the University of Toronto;
- When OSAP, University bursaries and the new Ontario Tuition Grant are taken into consideration, net tuition for the OSAP-eligible population of students is 48%.

Ancillary Fees

Ancillary fee revenue includes fees charged to students as permitted by MTCU Guidelines. These include fees in the following categories: student services, health services, athletics, Hart House, constituent college fees, student society fees, cost recovery fees, and administrative user fees and fines. Increases in compulsory ancillary fees are regulated by MTCU through their Guidelines and in accordance with the Memorandum of Agreement between the University and student governments (1996).

Tuition Fees for Continuing and Executive Education Programs

Most divisions offer continuing and/or executive education programs. Fees in these types of programs are not regulated by MTCU. Examples include: language, creative writing, and professional development programs in the School of Continuing Studies; and executive education programs in many professional faculties.

Endowment Income

The University of Toronto has many generous friends and benefactors, who have contributed a total endowment in excess of $1.6 billion (value at April 30, 2013.) Endowment income is highly targeted. The endowment income included in the operating budget is directed to student aid and to the support of endowed chairs and represents a modest but important part of the University's total operating revenue, approximately 3%. It is important to note that endowment revenue for research and academic program support is not reflected in the operating budget. With the launch of the Boundless campaign, it is anticipated that endowments will steadily increase over the planning period. The Long Range Budget Guidelines build in a conservative assumption of growth in endowments; this will be adjusted each year as gifts are received.

By policy, pay-outs on the University's endowed funds range from 3% to 5% of the market value of the relevant assets, with a target around 4%. The endowment payout strategy is to increase the payout per unit annually with inflation. The payout rate per unit will be determined and announced in March 2014 and the actual distribution will occur just prior to year end at April 30, 2014, following the normal process. For 2014, the payout rate is assumed to remain at the rate of $7.56 per unit, without an inflation adjustment, even though returns for 2013 were above target. At April 2013, although progress has been made to restore preservation of capital of the endowments, endowment funds were still $166 million short from full inflation protection. The University is currently conducting a comprehensive study on the endowment payout rate which we expect to conclude by the end of March. For this budget, we propose to keep the payout rate at $7.56 for the entire period of the long-range budget for planning purpose. In 2014-15 this projects $40 million for student aid and $14 million for chairs.

Investment Income

The University receives interest on short- and medium-term investments of the Expendable Funds Investment Pool (EFIP.) The investments are primarily managed by the University of Toronto Asset Management Corporation (UTAM). Investment income makes up a small but important portion of total operating revenue (about 2 %), and fluctuates with market conditions.

In 2014-15 investment income is projected to increase to $34 million and to $57 million over the planning period. The projection is based on assumptions of cash balances, revenue and expenditure rates, and investment return rates. The UTAM return rate assumption over the next 5 years is assumed to rise from 1.7% to 3.0%.

Sales, Services and Sundry Income

This income source includes application fee revenue, service charges on unpaid fees, and revenue collected directly by divisions for general sales and services. Income from these sources is projected to increase slowly to $102 million over the planning period.

Canada Research Chairs

The federal allocation of CRC chairs is based on a rolling average of proportional shares of federal tri-council funding. Several years ago the University began to experience a reduction in our allocation of CRC Chairs, bringing the number as low as 232. Recently, commensurate with increased federal tri-council funding received by the University, the number of CRC chairs has increased to 235 and is projected to increase to 249 by the end of the planning period; projections include "flex" moves, in which two Tier II chairs can be combined to form one Tier I chair or vice versa at the discretion of the University.

Institutional Costs of Research on Grants and Contracts

This category of revenue includes funding from the federal institutional cost of research program (NSERC, SSHRC and CIHR grants) as well as indirect costs on provincial grants and various contracts. Federal indirect cost funds continue at very low rates of 17.4% and are projected to remain relatively constant over the planning period. Revenue from research overhead funding on contracts is anticipated to increase by $3 million over the planning period, a reflection of the growing volume of contract research conducted by faculty.

Expenditure Projections

Aggregated expenditure projections are included in Appendix A, Schedule 1. A more detailed view, outlining projections for each university-wide "cost bin" and UTM and UTSC campus costs, is included in Appendix A, Schedule 3.

With the requirement to fund the pension solvency deficit, general uncertainty in government funding, increased restriction under the new tuition framework, and ongoing economic instability, we must remain cautious in our allocation of resources, while ensuring we maintain standards of excellence in teaching, research and the student experience. Expenditure allocations are proposed within these competing constraints. Decisions on the allocation of resources across the institution take into consideration a balance between the rates of expenditure increase in the administrative divisions vs. the academic divisions.

Total expenditures are projected to increase by 6.3% from $1,921 million in 2013-14 to $2,043 million in 2014-15. Investments in important strategic initiatives will continue to be funded across academic and service divisions. A cost containment of $1.9 million (1%) will be applied to the service divisions in 2014-15. Academic divisions are responsible for their own increases in expenses, including the cost of compensation increases, and they will implement internal cost containment measures according to their individual circumstances.

Occupancy Costs

The occupancy cost budget shown on Schedule 3 includes the costs of the St. George campus only. Utilities budgets for UTM and UTSC are included in the UTM/UTSC Campus Costs budget line, as these divisions are directly responsible for funding their own services.

Occupancy costs include utilities, maintenance and caretaking, and deferred maintenance:

- Utility costs are projected to increase in 2014-15 primarily as a result of significant increases in hydro rates. All three campuses continue to invest in energy reduction programs thereby somewhat mitigating the impact of rising costs.
- As new space comes on line in outer years, utility and caretaking costs are projected to increase. Under the University's budget model, academic divisions are responsible for covering the operating costs of their space.
- The St. George deferred maintenance budget will increase by $1 million in 2014-15 and additional funds will be added each year, bringing the total fund to $17.5 million by the end of the period. These funds are used to manage the deferred maintenance liability, estimated at $435 million for the St. George campus. UTM and UTSC each budget for their own deferred maintenance needs, estimated at $65 million across both campuses

Pension special payments and pension-related costs

It was reported in the Budget Report for 2012-13 that the University faced a $1 billion pension solvency deficit at July 1, 2011. The planned strategy[1] for dealing with this deficit, which recognized our recent acceptance to Stage 1 and assumed acceptance to Stage 2[2] of the Ontario Government's temporary solvency funding relief programme, was as follows:

- $300 million in lump sum payments of which the first $150 million was made prior to June 30, 2011. The second $150 million payment is planned to be made by June 30, 2014, a significant portion of which is expected to be funded from a transfer of assets from the SRA fund.
- Required special payments into the pension plans were expected to be $66.6 million for each of 2012-13, 2013-14 and 2014-15 as per the actuarial valuation results at July 1, 2011 and taking into account the one year-deferral permitted under regulation.
- Based on the earlier projections done for the January 31, 2011 document to Business Board, entitled Ensuring a Sustainable Pension Plan for the University of Toronto, which included many financial assumptions, and assuming acceptance to Stage 2, the special

[1] The pension contribution strategy anticipated in the 2012-13 Budget Report was approved by the Business Board in May 2012, based on pension results to July 1, 2011. It replaced the earlier document, entitled "Ensuring a Sustainable Pension Plan for the University of Toronto" has had been provided for information. The strategy elements were unchanged and the numbers were virtually the same.

[2] The University expects to qualify for Stage 2 given the increases being made to member contribution rates.

payments would increase to $110 million per annum thereafter ($104 million adjusted by interest to reflect a one-year deferral) until July 1, 2029. Of that $110 million projected special payment, $76 million would be planned to be cash payments and $34 million, representing the net solvency deficit payments, would be planned to be addressed through utilization of non-cash letters of credit. At July 1, 2024, the annual special payment was projected to drop to $76 million per annum until July 1, 2029.

The impact of this strategy on the operating fund was an increase of $70 million per annum to the pension annual special payments budget[3], increasing it from $27.2 million per annum in 2010-11 to $97.2 million by 2015-16, via a series of base budget increases ($30 million in 2011-12, which was approved as part of the Budget Report for 2011-12, $20 million in 2012-13, $10 million in 2013-14, $5 million in 2014-15 and $5 million in 2015-16.)

This annual special payments budget was expected to remain in place at this level until at least 2029. The special payments to fund the going concern deficit were to run until 2029 and the costs related to the lump sum payments would continue for a number of years after that.

Even if interest rates were to increase and the deficit calculated on a solvency basis were to decrease, the operating budget special payments budget was not expected to decrease since the net solvency payments simply represent an acceleration of going concern special payments.

Update to July 1, 2013 pension results:

Both the overall economic and financial climate and the regulatory landscape continue to be very uncertain with respect to pensions. Interest rates continue to be at historic lows, affecting investment returns and risk taking, and making it much more difficult to achieve investment returns. Key elements of actual experience as compared to key assumptions that underpin the current pension contribution strategy have been as follows:

The actual investment return was 0.9% at July 1, 2012, compared to a target nominal return of 5.5%, and 12.1% at July 1, 2013, compared to a target nominal return of 5.2%. These actual results are reflected in the going concern deficit, together with all other actual experience over the two year period, leaving the going concern deficit virtually unchanged from 2011 at about $1 billion at July 1, 2013.

[3] This operating fund pension special payments budget is being used to fund special payments into the registered pension plans, and for other related costs, including Pension Benefits Guarantee Fund payments, the cost of issuing letters of credit, and the costs related to the lump sum payments (principal and interest payments on up to $150 million of borrowing and SRA payments to pensioners which must be funded from the operating fund once the SRA assets are utilized towards the second $150 million lump sum payment.)

Long-term bond rates have fallen since 2011. They are required to be utilized for the regulatory calculation of a solvency deficiency. The impact, together with all other actual experience over the two year period, has resulted in a $306.2 million increase in the solvency deficiency from just over $1 billion to about $1.36 billion at July 1, 2013. A key assumption, for longevity, will need to be changed in a way that will increase the pension liabilities, and thus the deficits. A 2013 study by the Canadian Institute of Actuaries (C.I.A.) has found that Canadians are living longer than Americans, and current longevity tables are based on American studies. The C.I.A. will be issuing guidance for Canadian pension plans in this regard that the University will need to follow in setting this assumption.

The strategy assumes that the U of T plans will be accepted to stage 2 of the Ontario Government's temporary solvency relief program. The University has fulfilled the requirement for acceptance by increasing member contributions and expects Stage 2 acceptance.

The Ontario Government has further refined its temporary solvency relief program. Originally, the U of T plans would have been required to commence full solvency deficiency payments at July 1, 2015 and to make those payments over a 10 –year period. A further three-year deferral – in our case to July 1, 2018 – is now permitted; however, the solvency deficiency would then have to be funded in the subsequent seven years, increasing the payments because of the shorter period. The additional relief is predicated on allowing more time for interest rates to increase which would reduce solvency liabilities. The missing piece to address the potential issue as of July 1, 2018 is the ability for the University to use a letter of credit for the net solvency deficiency payments but that ability has not yet been extended to broader public section pension plans. Discussions continue between the Government and universities, and it is not yet known what additional measures, if any, will be introduced to deal with continuing net solvency funding issues.

The Ontario Government also has initiatives underway regarding pooling of pension assets for investment purposes, although to the extent this gets off the ground, it would likely start with plans outside of the university sector. Work also continues on investigation of a university-sector-wide jointly sponsored pension plan. Both of these initiatives are forward-looking and would not address the going concern or solvency deficits, which reflect past experience.

Over the coming year, the University will assess the extent of the change needed to the longevity assumption and will review all other actuarial assumptions as well. Actuarial assumptions are approved by the Pension Committee annually. The July 1, 2014 actuarial results, which will be required to be filed with the regulators, will form the basis for the submission to the Ontario Government for acceptance to Stage 2 of the temporary solvency relief program, and for a revision of the pension contribution strategy, which will submitted to the Business Board for approval.

In the meantime, as a placeholder until the actual required additional funding has been determined, the operating budget adds $5 million per year increase to the pension special payments budget for each of 2016-17, 2017-18 and 2018-19, increasing this budget line from $97.2 million per year to $112.2 million per year by the end of the planning period. This is an increase of $15 million over the three year period beyond what was included in last year's long-range budget.

Other Shared-Services Costs

Other shared services includes human resources, the central library system at St. George, university operations, financial services, advancement, procurement, research services and computing services, Governing Council, and the Provost's portfolio. It also includes costs such as legal and audit fees, debt service costs and centrally held contingency funds. Following are a few of the key priorities for which new funding is proposed in 2014-15:

a) Additional funding is proposed for the central library in 2014-15 for monograph and electronic acquisitions, support for the permissions office, enhanced services for undergraduate students, and matching funds for a library internship program. A comprehensive strategic planning process was completed by the Chief Librarian in 2013; budget allocations are linked to the strategic plan;

b) Additional funds are proposed to continue the research information system initiative (RAISE) and to strengthen staffing in the Research Services for compliance, education outreach, contract administration and research accounting;

a) Additional funds are proposed for the Provost's portfolio, including an allocation for staff support for the academic quality assurance process, the online course evaluation process and additional front-line staff involved in supporting international and domestic students in Student Life;

b) Additional funds are proposed to strengthen staffing in the Human Resources portfolio in order to complete and maintain the USW job evaluation project. Funds are also proposed for the next phase of the HR information system renewal project;

c) Continued investments are planned for enhanced wireless access across all three campuses as well as several other smaller IT projects. Additional funding for the new student system is proposed in outer years;

d) Funding will be provided over the next several years to support the next phases of the Boundless fundraising campaign and the implementation of a new donor information system;

e) The Federated Block Grant reimburses the Federated Universities for the provision of registrarial and library services, and the cost of space. These payments are calculated based on a methodology outlined in the Memorandum of Agreement, which includes a year-end adjustment for the actual cost of utilities.

UTM and UTSC Campus Costs

The University of Toronto Mississauga and University of Toronto Scarborough function both as campuses and as academic divisions. These costs include expenses for the offices of the Principals, occupancy costs (utilities, caretaking, grounds, etc.) and Student Life services on campus, defined in a manner parallel to the costs required to administer St. George at the campus level.

Academic Expense Budgets

This budget line includes most of the funds that flow to the academic divisions. Any additional allocation to academic division is included on the University Fund budget line. Under the budget model each division receives an expense budget equal to net revenue plus an allocation from the University Fund, as described earlier. Academic divisional plans include hiring of tenure and teaching stream faculty across many divisions, funding of all compensation increases, allocations for renovations and upgrades of laboratory and office space, debt service for divisions holding mortgages, and increased funding for research stream graduate students, as required to support the planned growth in graduate student numbers. Some examples of current academic initiatives and priorities include:

- Recent and planned enrolment growth requires many academic divisions to increase faculty complement, in order to maintain and enhance the quality of the student experience. New academic hiring is planned across many divisions;
- Divisions are actively engaged in developing new course delivery methods, including fully online courses, hybrid and inverted courses and massive open online courses (MOOCs);
- International enrolment across all arts and science programs at all three campuses is projected to increase. These divisions will invest in additional academic programming, co-curricular programming, counselling and writing services to ensure the success of our international students;
- Academic plans call for increased experiential learning opportunities for students, not just in the traditional professional programs but across a wide array of science, humanities and social science programs;
- Across many divisions, graduate student expansion remains a key priority. This will require additional funding for graduate student support. Many graduate units have a goal to raise more endowments to support graduate students, using matching funding provided by the Provost’s Office. Divisions will nonetheless have to set aside operating funds to support growth in graduate student numbers. The Provost has extended the Graduate Expansion

Incentive Fund and renewed the Provost's PhD Enhancement Fund to further support divisions as they expand graduate enrolment;

Many capital projects are planned, including renovations and expansion to create new space for the Daniels Faculty of Architecture and Landscape design at 1 Spadina, construction of a new building for the Faculty of Law, new buildings and lab renovations for both teaching and research at UTM and UTSC, and the Centre for Engineering Innovation and Entrepreneurship for the Faculty of Applied Science and Engineering. Given the lack of capital funding from the Province, divisions will provide a portion of the funds for these buildings from their operating reserves. In all cases deans continue to strive for increased support from donors toward these important projects.

Student Assistance

In 2012-13 the University provided a total of $165 million in student assistance. Some of this student aid is administered directly by academic divisions and some centrally. A breakdown of student assistance is displayed in Appendix A, Schedule 3. The largest component of this budget line is undergraduate needs-based aid, with spending last year at almost $65 million. A significant portion of student aid (~$40 million) is derived from endowments. The remainder of the student aid budget is derived from government scholarship grants; doctoral completion awards and grants, merit awards, and programs funded by the provincial government. The budget projections take into account the potential for continued pressure for needs-based student aid as the economic climate remains uncertain is likely to continue to impact many students and their families.

The provincial Queen Elizabeth II Aiming for the Top Scholarship program will be winding down, declining from $3 million in 2012-13 until eliminated in 2015-16. Additional funds will be allocated from the operating budget to compensate for this drop to ensure adequate needs-based aid is available to meet our student access commitment. The overall planned increase in UTAPS also takes into consideration growth in the number of undergraduate students and increased tuition fees.

Our graduate students receive support from several sources. Some of this is reported as part of student aid in the operating budget and some comes from other sources, such as research stipends, external awards and employment income from positions as teaching assistants. In total our graduate students received support of $243 million in 2012-13.

In 2011 the provincial government announced the Ontario Tuition Grant (OTG) program for full-time undergraduate students in direct-entry programs whose parents earn less than $160,000 per year. The grant became effective January 1, 2013 at the rate of $800 per term, up to two terms per year (maximum of $1600.) This increased to $1700 in 2013. In 2013 University of Toronto students received $35 million in grants through this program.

University Fund

As noted above, the University Fund is the non-formulaic portion of an academic division's budget, intended to provide funding in accordance with the University's academic values and priorities. Each year the Provost has 10% of incremental revenue available for distribution to academic divisions. The distribution is made after all annual budget reviews have taken place, and it takes into consideration divisional and University-wide academic priorities. The total incremental amount available in 2014-15 is projected to be $10.5 million. Over the 5-year planning period the Provost is projected to have about $50 million available for allocation. In 2014-15 allocations will be made as follows:

- $4.0 million multi-year one-time-only capital matching funds for UTM and UTSC;
- $3.3 million tri-campus Arts & Science tuition framework relief;
- $1.0 million expansion of the Undergraduate Course Development Fund;
- $0.8 million matching funds for the Faculty of Music student levy;
- $0.6 million for ongoing graduate expansion success in the Faculty of Applied Science and Engineering;
- $0.25 million for program expansion in the Faculty of Dentistry;
- $0.6 million adjustments to prior year allocations.

Flow-through 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.

Compensation Assumptions

Approximately 75% of operating budget expenditures fund salaries and benefits. Compensation expense increases are due both to negotiated increases for employees, to the hiring of additional faculty and staff needed to support the growth in students and research activity, and to increases in the cost of some benefits.

In July 2012 the Finance Minister issued a letter setting out the Government's expectations for renewal bargaining, indicating that renewal agreements should be for a term of at least two years, with no net increase in compensation. The letter is still in effect.

In addition, the *Broader Public Sector Accountability Act* contains provisions, enacted as part of the June 2012 Budget, for compensation restraint with respect to "designated executives" at listed broader public sector institutions, including the University. These restraints apply to the President, Vice-Presidents, Vice-Provosts, Principals, Deans, Assistant Vice-Presidents and a number of senior Professional Staff. There is the possibility that the Government may introduce further compensation restrain legislation, likely affecting senior executives, in the next few months.

The University's budget assumes that increases negotiated within the framework of restraint described above will be implemented.

One of the Government's priorities, shared by the University, has been to ensure the long term sustainability of pension plans. The University has been successful in requiring employee groups assume increased employee contributions to their pensions, meeting the Government's requirements for granting solvency relief. However, low interest rates are resulting in a continued and growing deficit. To enhance the prospect of long term sustainability the University will be seeking additional employee contribution increases.

Academic divisional budgets must cover the full cost of compensation increases. Shared-infrastructure divisions receive central funding to cover compensation increases.

Budgets for all divisions have been constructed based on the following assumptions:

- The standard benefit rate (SBR) will remain at 24.75% for appointed staff and 10% for non-appointed staff in 2013-14. The SBR covers legislated and negotiated benefits;
- 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.
- The Provincial Government Bill 16, the Public Sector Compensation Restraint Act, came to an end in March 2012.
- There could be further compensation restraint legislation this spring. In the meantime, the University's budget assumes that already negotiated increases will be implemented.

Inter-fund Transfers

Within the approved budget process, the Provost has discretion to make allocations from operating funds in support of academic initiatives. In the last few years, and most recently with the launch of the Boundless Campaign, the University has sought external donations to enhance academic initiatives by establishing matching programs to create endowments and other trust funds. To meet these commitments some divisions have earmarked operating funds within their budgeting process. Others have sought to use operating funds to established or augment endowments as the most effective way to implement an initiative. An example of this includes the

College ONE program in which $500k was allocated to each of the associated colleges in support of programs for first year students in residence. Many colleges chose to endow this funding and/or use it as matching leverage for donations to their ONE program, to ensure the financial sustainability of the program. In keeping with the Policy on Inter-fund Transfers, decisions for the commitment of operating funds for restricted fund purposes do not need further approval when they are approved within the budget process. To balance the integrity of operating funds with divisional plans, the Provost is authorized to transfer operating funds to restricted and other funds up to $1 million per instance, based on requests from the budget authority for those sources.

Accumulated Deficit Repayment

The final institutional deficit repayment of $10.3 million was made in 2012-13. The divisional accumulated deficit, arising from the need to assist divisions with the cancelation of the endowment payout in 2009, will be repaid in 2014-15 with a final payment of $3.6 million. It should be noted that in-year variances do not impact the accumulated deficit as they are assigned back to academic divisions on a slip-year basis.

Long Range Budget Guidelines **Appendix A**

Projection of Operating Revenue and Expenses ($ millions) **Schedule 1**

2014-15 to 2018-19

Projection of Operating Revenues	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Prov. Gov't Grants for General Operations	$ 654.9	$ 661.0	$ 671.4	$ 678.2	$ 684.8	$ 687.1
Student Fees	1,020.0	1,122.0	1,223.9	1,329.4	1,423.8	1,505.3
Subtotal - Grants and Student Fees	**1,675.0**	**1,782.9**	**1,895.3**	**2,007.6**	**2,108.6**	**2,192.4**
Investment Income - Endowments	51.2	53.7	54.3	54.8	55.4	56.1
Investment Income - Other	31.1	34.3	38.1	45.6	52.9	57.0
Sales, Services & Sundry Income	83.7	88.7	89.4	93.3	97.5	102.1
Subtotal - Operating Revenue	**1,840.9**	**1,959.7**	**2,077.1**	**2,201.2**	**2,314.4**	**2,407.6**
Recovery from Canada Research Chair Grants	35.6	37.1	37.4	37.4	37.4	37.4
Recovery of Institutional Costs of Research	44.6	46.1	47.0	47.0	47.0	47.0
Total - Operating Revenue & Recoveries	**$ 1,921.1**	**$ 2,042.8**	**$ 2,161.4**	**$ 2,285.6**	**$ 2,398.7**	**$ 2,491.9**

Projection of Operating Expenses	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Shared Services Costs	378.3	393.3	409.3	425.0	439.9	452.4
Pension Deficit Funding	87.3	92.3	97.3	102.3	107.3	112.3
Sub-total, Net Expenses in Cost Bins	**465.6**	**485.6**	**506.6**	**527.3**	**547.2**	**564.7**
U-W costs offset by shared services income	89.9	97.5	102.4	107.5	112.9	118.5
UTM and UTSC Campus Costs	49.4	54.3	57.0	59.8	62.8	66.0
Sub-total, University-Wide Costs	**604.9**	**637.4**	**666.0**	**694.6**	**722.9**	**749.2**
Academic Expense Budgets (Excl St. Aid)	1,112.4	1,194.0	1,276.2	1,362.9	1,439.9	1,499.3
Student Aid Expenditures	173.1	178.7	185.8	193.8	202.5	211.8
University Fund (unallocated portion)	9.1	10.5	10.5	11.1	9.9	7.9
Flow-through to Other Institutions	21.6	22.3	22.9	23.2	23.5	23.8
Total - Operating Expenses	**$ 1,921.1**	**2,042.8**	**$ 2,161.4**	**$ 2,285.6**	**$ 2,398.7**	**$ 2,491.9**

Projection of Operating Fund Surplus (Deficit)	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Annual Surplus (Deficit)	**$ 3.6**	**$ 3.6**	**$ -**	**$ -**	**$ -**	**$ -**
Accumulated Surplus (Deficit)	**$ (3.6)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Long Range Budget Guidelines **Appendix A**

Details of Operating Grants and Student Fees ($ millions) **Schedule 2**

2014-15 to 2018-19

Prov. Gov't. Grants for General Operations	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Base Operating Grants	553.5	553.5	553.5	553.5	553.5	553.5
Undergraduate Accessibility	11.3	18.2	18.5	21.6	23.7	21.9
Graduate Accessibility	5.2	13.1	25.1	30.2	34.7	38.6
Medical Expansion (MD and Residents)	35.2	36.5	36.8	37.1	37.4	37.7
Undergraduate Nursing	3.6	3.6	3.6	3.6	3.6	3.6
Access to Higher Quality Education Fund	24.2	24.2	24.2	24.2	24.2	24.2
Key Performance Indicators	3.8	3.5	3.5	3.5	3.5	3.5
Clinical Education	4.0	4.0	4.0	4.0	4.0	4.0
Aiming for the Top Scholarships	1.0	0.6	0.1	-	-	-
Ontario Graduate Scholarships	11.8	9.5	9.5	9.5	9.5	9.5
Ontario Trillium Scholarships	1.2	1.6	1.6	1.6	1.6	1.6
Municipal Tax Grant	4.8	5.0	5.1	5.2	5.2	5.3
Policy Lever Savings Target	(5.2)	(10.5)	(10.6)	(10.7)	(10.8)	(10.9)
International Student Recovery	(2.5)	(4.9)	(6.7)	(8.4)	(8.8)	(9.0)
Accessibility for Students with Disabilities	3.0	3.0	3.2	3.3	3.5	3.7
Total, Gov't Grants for General Operations	**654.9**	**661.0**	**671.4**	**678.2**	**684.8**	**687.1**

Student Fees	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
For-Credit Tuition Fees	850.3	940.8	1,034.2	1,130.7	1,215.8	1,287.4
Continuing / Exec.Ed Tuition & Ancillary Fees	169.7	181.1	189.7	198.7	208.1	217.9
Total, Student Fees	**1,020.0**	**1,122.0**	**1,223.9**	**1,329.4**	**1,423.8**	**1,505.3**

Long Range Budget Guidelines
Details of Univ-Wide Costs and Student Aid Expense ($ millions)
2014-15 to 2018-19

Appendix A
Schedule 3

University-Wide Costs	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1. Occupancy	106.4	108.1	113.3	118.5	122.7	128.0
2. Information Technology	27.6	27.6	28.4	29.3	30.2	30.9
3. University Management	16.7	18.0	18.9	19.9	20.9	21.6
4. Financial Management	8.1	8.4	8.8	9.1	9.4	9.7
5. Human Resources	19.1	18.7	19.5	20.2	21.0	21.5
6. Pension Deficit Funding (Academic)	68.7	72.7	76.6	80.5	84.5	88.4
7. University Advancement	24.0	24.9	25.0	25.1	25.1	24.9
8. Central Library	77.5	81.1	84.3	87.5	90.5	93.3
9. Research Administration	13.7	16.2	16.8	17.6	18.5	19.1
10. Registrarial & Student Services	27.7	30.1	31.3	32.6	33.9	35.0
11. University-wide Academic	33.2	34.3	37.0	39.6	42.2	43.2
12. University-wide General	29.6	31.3	31.8	32.3	32.7	33.0
Federated Block Grant	13.1	14.2	14.8	15.2	15.6	16.0
Sub-total	**465.6**	**485.6**	**506.6**	**527.3**	**547.2**	**564.7**
U-W costs offset by shared services income	89.9	97.5	102.4	107.5	112.9	118.5
UTM and UTSC Campus Costs	49.4	54.3	57.0	59.8	62.8	66.0
Total University Wide Expense	**$ 604.9**	**$ 637.4**	**$ 666.0**	**$ 694.6**	**$ 722.9**	**$ 749.2**

Student Aid Expenditures	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
UofT Adv. Planning for Students (UTAPS)	33.4	41.1	44.4	48.0	51.9	56.3
Other Need-based Aid (incl Work Study)	17.1	10.1	10.3	10.5	10.7	10.9
Scholarships	5.9	6.2	6.5	6.8	7.0	7.4
Aiming for the Top Scholarships	1.0	0.6	0.1	-	-	-
Student Aid from Endowments	25.6	27.7	28.1	28.5	28.9	29.2
Subtotal, Undergraduate	**83.0**	**85.7**	**89.4**	**93.7**	**98.6**	**103.7**
Provincial Scholarship Grants	13.3	11.4	11.4	11.4	11.4	11.4
Student Aid from Endowments	11.4	12.4	12.5	12.7	12.9	13.0
Student Aid Matching Funds	1.1	1.1	1.1	1.1	1.1	1.1
SGS Graduate Fellowships	1.0	1.0	1.0	1.0	1.0	1.0
Doctoral Completion Awards	3.5	3.5	3.5	3.5	3.5	3.5
Subtotal, Graduate	**30.3**	**29.3**	**29.5**	**29.6**	**29.8**	**30.0**
Subtotal, Central Student Aid	**113.3**	**115.0**	**118.9**	**123.4**	**128.4**	**133.7**
Student Aid in Acad Divisions	59.8	63.7	66.9	70.4	74.1	78.1
Total, Student Aid Expense	**173.1**	**178.7**	**185.8**	**193.8**	**202.5**	**211.8**

Long Range Budget Guidelines
Revenue and Expense Allocations by Division for 2014-15

Appendix A
Schedule 4

	Attributed Operating Revenue (A)	10% Contr. to Univ Fund (B)	Share of University Wide Expense (C)	Student Aid Set-Aside (D)	Net Revenue (E=A-B-C-D)	University Fund Allocation (F)	Academic Expense Budget (G = E+F)
Arts & Science	535,339,266	51,140,277	172,994,111	31,383,013	279,821,865	43,336,717	323,158,581
UofT Scarborough	203,270,343	20,090,576	30,716,775	8,507,021	143,955,971	5,562,008	149,517,979
UofT Mississauga	226,443,669	22,394,399	33,024,589	9,778,341	161,246,340	6,531,617	167,777,958
Dentistry	31,877,356	3,039,547	11,605,532	2,235,964	14,996,313	11,856,496	26,852,809
Medicine	198,114,091	16,696,809	78,757,567	14,875,882	87,783,834	17,381,747	105,165,581
Public Health	11,623,040	1,011,878	5,498,374	982,017	4,130,770	6,337,406	10,468,177
Nursing	19,537,882	1,807,703	5,379,443	1,939,693	10,411,044	2,029,370	12,440,414
Pharmacy	32,413,725	2,979,656	8,728,062	3,008,044	17,697,963	310,910	18,008,872
Kinesiology and Physical Education	14,984,086	1,458,391	4,629,865	883,315	8,012,514	1,203,969	9,216,483
Applied Science & Engineering	191,077,449	17,443,377	59,390,465	13,093,887	101,149,720	9,749,395	110,899,114
Architecture, Landscape & Design	20,271,354	1,962,113	5,243,218	1,464,067	11,601,956	3,813,759	15,415,715
OISE/UT	67,393,142	6,490,041	22,328,689	4,291,620	34,282,793	14,984,226	49,267,019
Forestry	3,449,612	259,009	1,997,042	517,653	675,908	2,675,532	3,351,440
Law	29,064,248	2,746,508	6,899,682	1,638,281	17,779,778	7,252,315	25,032,093
Information	11,173,582	1,062,924	4,226,006	1,153,622	4,731,030	2,725,950	7,456,980
Music	18,198,960	1,672,186	6,500,958	2,101,644	7,924,172	6,274,544	14,198,715
Social Work	12,720,692	1,153,133	3,894,393	1,640,249	6,032,917	1,417,013	7,449,930
Management	90,127,243	8,854,110	21,106,652	2,550,625	57,615,856	8,050,725	65,666,582
Transitional Year Programme	804,853	44,937	544,001	392,008	(176,093)	1,498,486	1,322,392
School of Continuing Studies	455,786	2,576,059	2,120,264	4,671	(4,245,209)	1,699,825	(2,545,384)
Subtotal	1,718,340,378	164,883,631	485,585,689	102,441,617	965,429,441	154,692,008	1,120,121,449
Divisional Income	*272,036,243*	-	*97,485,060*	-	*174,551,183*	-	*174,551,183*
Campus Costs and Divisional Aid	-	-	*54,282,678*	*68,754,533*	*(123,037,211)*	-	*(123,037,211)*
Recovery from Restricted Funds	*30,106,827*	-	-	*7,479,844*	*22,626,982*	-	*22,626,982*
University Fund OTO (Incl UCDF)	-	-	-	-	-	*10,191,623*	*10,191,623*
Subtotal (excl flow-through)	2,020,483,448	164,883,631	637,353,427	178,675,995	1,039,570,395	164,883,631	1,204,454,026
Flow-through to Other Institutions	*22,353,876*	-	*42,300*	-	*22,311,576*	-	*22,311,576*
Total	2,042,837,325	164,883,631	637,395,727	178,675,995	1,061,881,972	164,883,631	1,226,765,603

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Arts & Science	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	507,030,648	533,032,583	557,552,357	590,575,032	621,341,909	645,656,736
University Fund Contribution	(48,494,290)	(51,140,277)	(53,605,912)	(56,906,392)	(59,971,506)	(62,392,754)
University-Wide Costs	(165,331,740)	(172,994,111)	(179,166,581)	(185,489,504)	(191,826,393)	(197,655,861)
Student Aid Expense	(33,095,829)	(31,383,013)	(31,721,370)	(32,585,755)	(33,751,333)	(35,180,618)
University Fund Allocation[2]	41,182,868	43,336,717	43,336,717	43,336,717	43,336,717	43,336,717
Net Expense Budget	301,291,656	320,851,898	336,395,210	358,930,097	379,129,394	393,764,219

UTSC	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	184,615,816	203,052,371	224,881,649	243,639,430	260,026,075	271,728,735
University Fund Contribution	(18,256,372)	(20,090,576)	(22,275,099)	(24,148,264)	(25,784,227)	(26,951,775)
University-Wide Costs	(28,663,991)	(30,716,775)	(32,844,613)	(34,979,077)	(36,809,720)	(38,252,969)
Student Aid Expense	(8,405,095)	(8,507,021)	(9,561,379)	(10,489,384)	(11,435,340)	(12,408,714)
University Fund Allocation[2]	5,442,021	5,562,008	5,562,008	5,562,008	5,562,008	5,562,008
Net Expense Budget	134,732,380	149,300,008	165,762,567	179,584,713	191,558,795	199,677,286

UTM	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	203,439,675	226,296,089	250,057,040	273,531,761	291,119,635	304,370,762
University Fund Contribution	(20,107,542)	(22,394,399)	(24,770,718)	(27,114,860)	(28,869,587)	(30,191,899)
University-Wide Costs	(31,193,715)	(33,024,589)	(35,264,144)	(37,576,624)	(39,793,261)	(41,290,559)
Student Aid Expense	(8,965,181)	(9,778,341)	(10,828,809)	(11,900,932)	(12,999,069)	(14,121,661)
University Fund Allocation[2]	6,226,747	6,531,617	6,531,617	6,531,617	6,531,617	6,531,617
Net Expense Budget	149,399,984	167,630,378	185,724,986	203,470,963	215,989,335	225,298,261

Dentistry	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	27,024,525	31,613,108	34,402,770	36,380,857	37,469,900	38,509,674
University Fund Contribution	(2,576,770)	(3,039,547)	(3,317,581)	(3,514,561)	(3,622,597)	(3,725,918)
University-Wide Costs	(11,174,486)	(11,605,532)	(12,274,238)	(12,891,433)	(13,408,299)	(13,855,961)
Student Aid Expense	(1,705,724)	(2,235,964)	(2,494,416)	(2,700,144)	(2,873,878)	(3,086,420)
University Fund Allocation[2]	11,657,057	11,856,496	11,856,496	11,856,496	11,856,496	11,856,496
Net Expense Budget	23,224,601	26,588,561	28,173,031	29,131,215	29,421,622	29,697,871

Medicine	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	192,012,703	193,625,061	196,899,652	200,455,291	203,550,898	206,247,694
University Fund Contribution	(16,556,974)	(16,696,809)	(17,009,529)	(17,352,431)	(17,647,043)	(17,904,578)
University-Wide Costs	(75,758,799)	(78,757,567)	(81,260,430)	(83,896,863)	(86,432,149)	(88,582,876)
Student Aid Expense	(13,620,115)	(14,875,882)	(14,996,203)	(15,125,986)	(15,266,702)	(15,399,753)
University Fund Allocation[2]	17,270,972	17,381,747	17,381,747	17,381,747	17,381,747	17,381,747
Net Expense Budget	103,347,787	100,676,551	101,015,237	101,461,757	101,586,751	101,742,233

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Public Health	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	12,123,832	11,529,010	13,253,599	14,927,174	15,640,559	16,191,875
University Fund Contribution	(1,033,644)	(1,011,878)	(1,183,814)	(1,350,505)	(1,421,324)	(1,476,246)
University-Wide Costs	(6,054,093)	(5,498,374)	(5,738,660)	(6,112,755)	(6,438,314)	(6,618,942)
Student Aid Expense	(1,043,629)	(982,017)	(1,049,712)	(1,081,817)	(1,081,861)	(1,091,140)
University Fund Allocation[2]	5,562,521	6,337,406	6,337,406	6,337,406	6,337,406	6,337,406
Net Expense Budget	9,554,987	10,374,147	11,618,819	12,719,503	13,036,467	13,342,953

Nursing	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	18,389,903	19,355,093	21,091,028	21,588,220	22,244,353	22,705,785
University Fund Contribution	(1,713,015)	(1,807,703)	(1,979,785)	(2,028,162)	(2,092,302)	(2,137,361)
University-Wide Costs	(5,135,039)	(5,379,443)	(5,680,907)	(6,007,995)	(6,244,561)	(6,418,707)
Student Aid Expense	(1,578,859)	(1,939,693)	(2,018,133)	(2,067,592)	(2,114,353)	(2,162,753)
University Fund Allocation[2]	2,045,038	2,029,370	2,029,370	2,029,370	2,029,370	2,029,370
Net Expense Budget	12,008,029	12,257,624	13,441,574	13,513,841	13,822,507	14,016,334

Pharmacy	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	32,244,893	31,728,308	31,597,238	33,268,450	34,512,596	35,427,532
University Fund Contribution	(3,038,085)	(2,979,656)	(2,966,648)	(3,133,128)	(3,255,984)	(3,346,214)
University-Wide Costs	(8,365,009)	(8,728,062)	(9,053,955)	(9,301,281)	(9,652,481)	(9,938,898)
Student Aid Expense	(2,987,790)	(3,008,044)	(3,070,478)	(3,274,295)	(3,474,710)	(3,697,041)
University Fund Allocation[2]	356,018	310,910	310,910	310,910	310,910	310,910
Net Expense Budget	18,210,027	17,323,455	16,817,067	17,870,655	18,440,330	18,756,288

KPE	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	13,572,516	14,910,558	15,912,764	16,517,943	16,922,144	17,250,189
University Fund Contribution	(1,325,407)	(1,458,391)	(1,558,471)	(1,618,542)	(1,658,372)	(1,690,916)
University-Wide Costs	(3,927,586)	(4,629,865)	(4,923,556)	(5,204,058)	(5,439,973)	(5,621,215)
Student Aid Expense	(863,629)	(883,315)	(980,139)	(1,072,512)	(1,146,751)	(1,215,073)
University Fund Allocation[2]	1,185,153	1,203,969	1,203,969	1,203,969	1,203,969	1,203,969
Net Expense Budget	8,641,047	9,142,956	9,654,568	9,826,799	9,881,017	9,926,953

APSE	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	173,505,659	186,578,981	195,181,961	202,532,527	213,811,258	224,676,541
University Fund Contribution	(16,167,220)	(17,443,377)	(18,302,802)	(19,033,906)	(20,155,792)	(21,235,123)
University-Wide Costs	(56,089,556)	(59,390,465)	(62,132,577)	(64,412,502)	(66,140,104)	(68,452,244)
Student Aid Expense	(12,539,417)	(13,093,887)	(13,489,559)	(13,873,292)	(14,559,050)	(15,267,618)
University Fund Allocation[2]	9,185,484	9,749,395	9,749,395	9,749,395	9,749,395	9,749,395
Net Expense Budget	97,894,949	106,400,647	111,006,417	114,962,222	122,705,706	129,470,950

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Architecture, L & D	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	15,161,787	20,112,780	22,914,718	25,409,982	27,620,718	28,652,217
University Fund Contribution	(1,470,334)	(1,962,113)	(2,240,725)	(2,489,172)	(2,709,358)	(2,811,563)
University-Wide Costs	(4,263,606)	(5,243,218)	(5,867,117)	(6,309,114)	(6,663,211)	(7,012,710)
Student Aid Expense	(882,410)	(1,464,067)	(1,515,464)	(1,610,833)	(1,732,153)	(1,784,629)
University Fund Allocation[2]	3,813,033	3,813,759	3,813,759	3,813,759	3,813,759	3,813,759
Net Expense Budget	12,358,470	15,257,141	17,105,171	18,814,623	20,329,756	20,857,073

OISE/UT	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	65,701,809	67,301,513	64,527,350	66,982,142	68,528,224	70,110,016
University Fund Contribution	(6,305,750)	(6,490,041)	(6,213,260)	(6,460,425)	(6,614,332)	(6,771,813)
University-Wide Costs	(22,116,321)	(22,328,689)	(23,068,709)	(23,251,803)	(24,145,960)	(24,822,462)
Student Aid Expense	(4,717,181)	(4,291,620)	(4,256,840)	(4,303,186)	(4,273,063)	(4,257,224)
University Fund Allocation[2]	15,044,226	14,984,226	14,984,226	14,984,226	14,984,226	14,984,226
Net Expense Budget	47,606,782	49,175,390	45,972,766	47,950,954	48,479,095	49,242,743

Forestry	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	3,105,598	3,214,797	3,524,649	3,821,628	4,020,294	4,111,077
University Fund Contribution	(248,507)	(259,009)	(289,435)	(318,588)	(337,887)	(346,518)
University-Wide Costs	(2,073,884)	(1,997,042)	(2,119,783)	(2,245,495)	(2,348,449)	(2,434,315)
Student Aid Expense	(479,645)	(517,653)	(529,917)	(532,816)	(541,119)	(543,830)
University Fund Allocation[2]	2,933,824	2,675,532	2,675,532	2,675,532	2,675,532	2,675,532
Net Expense Budget	3,237,386	3,116,625	3,261,045	3,400,261	3,468,371	3,461,946

Law	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	27,104,410	29,057,573	31,015,825	32,177,198	33,603,901	34,925,802
University Fund Contribution	(2,556,042)	(2,746,508)	(2,940,161)	(3,054,421)	(3,195,064)	(3,325,515)
University-Wide Costs	(7,654,123)	(6,899,682)	(7,183,519)	(7,493,711)	(7,724,509)	(7,950,504)
Student Aid Expense	(1,416,819)	(1,638,281)	(1,680,060)	(1,686,548)	(1,723,674)	(1,744,839)
University Fund Allocation[2]	7,235,015	7,252,315	7,252,315	7,252,315	7,252,315	7,252,315
Net Expense Budget	22,712,441	25,025,417	26,464,400	27,194,833	28,212,969	29,157,259

Information	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Attributed Revenue[1]	11,409,175	11,153,712	12,349,820	13,841,046	14,985,590	15,372,384
University Fund Contribution	(1,080,967)	(1,062,924)	(1,182,046)	(1,330,535)	(1,444,242)	(1,482,408)
University-Wide Costs	(4,102,411)	(4,226,006)	(4,416,767)	(4,700,940)	(5,015,502)	(5,263,907)
Student Aid Expense	(778,659)	(1,153,622)	(1,179,609)	(1,237,609)	(1,282,708)	(1,293,893)
University Fund Allocation[2]	2,713,351	2,725,950	2,725,950	2,725,950	2,725,950	2,725,950
Net Expense Budget	8,160,488	7,437,110	8,297,347	9,297,911	9,969,087	10,058,125

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Music	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Attributed Revenue[1]	18,197,796	18,198,960	19,757,699	20,717,664	21,610,071	22,317,354
University Fund Contribution	(1,679,104)	(1,672,186)	(1,826,220)	(1,920,267)	(2,007,370)	(2,076,627)
University-Wide Costs	(6,264,870)	(6,500,958)	(6,768,460)	(7,200,165)	(7,532,914)	(7,821,603)
Student Aid Expense	(1,961,287)	(2,101,644)	(2,193,727)	(2,259,844)	(2,294,755)	(2,327,732)
University Fund Allocation[2]	5,423,774	6,274,544	6,274,544	6,274,544	6,274,544	6,274,544
Net Expense Budget	13,716,310	14,198,715	15,243,835	15,611,931	16,049,575	16,365,935

Social Work	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Attributed Revenue[1]	12,246,117	12,689,897	12,847,792	13,033,787	13,272,620	13,480,879
University Fund Contribution	(1,121,319)	(1,153,133)	(1,167,895)	(1,185,588)	(1,208,390)	(1,228,311)
University-Wide Costs	(3,686,821)	(3,894,393)	(3,969,606)	(4,065,523)	(4,158,446)	(4,241,201)
Student Aid Expense	(1,175,744)	(1,640,249)	(1,595,948)	(1,576,867)	(1,580,342)	(1,591,685)
University Fund Allocation[2]	1,419,512	1,417,013	1,417,013	1,417,013	1,417,013	1,417,013
Net Expense Budget	7,681,745	7,419,136	7,531,356	7,622,822	7,742,454	7,836,695

Management	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Attributed Revenue[1]	84,675,743	90,067,423	100,234,573	109,309,659	117,363,345	124,038,572
University Fund Contribution	(8,330,024)	(8,854,110)	(9,868,877)	(10,774,483)	(11,577,721)	(12,243,731)
University-Wide Costs	(21,073,490)	(21,106,652)	(22,062,101)	(23,244,817)	(24,369,450)	(25,292,241)
Student Aid Expense	(2,380,286)	(2,550,625)	(2,672,563)	(2,815,529)	(2,960,347)	(3,133,361)
University Fund Allocation[2]	7,513,936	8,050,725	8,050,725	8,050,725	8,050,725	8,050,725
Net Expense Budget	60,405,879	65,606,761	73,681,757	80,525,556	86,506,552	91,419,965

Trans. Year. Prog.	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Attributed Revenue[1]	803,728	804,853	815,524	828,928	844,605	858,330
University Fund Contribution	(47,346)	(44,937)	(45,571)	(46,465)	(47,495)	(48,421)
University-Wide Costs	(577,844)	(544,001)	(534,172)	(550,728)	(566,658)	(582,274)
Student Aid Expense	(368,995)	(392,008)	(399,583)	(406,083)	(413,676)	(420,866)
University Fund Allocation[2]	1,500,844	1,498,486	1,498,486	1,498,486	1,498,486	1,498,486
Net Expense Budget	1,310,386	1,322,392	1,334,683	1,324,138	1,315,262	1,305,255

School of Cont. Studies	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Attributed Revenue[1]	376,533	455,786	491,126	569,939	648,273	695,571
University Fund Contribution	(2,235,539)	(2,576,059)	(2,655,515)	(2,741,596)	(2,829,975)	(2,917,668)
University-Wide Costs	(2,068,735)	(2,120,264)	(2,284,352)	(2,390,993)	(2,490,640)	(2,591,991)
Student Aid Expense	(3,784)	(4,671)	(4,743)	(4,803)	(4,874)	(4,934)
University Fund Allocation[2]	1,731,398	1,699,825	1,699,825	1,699,825	1,699,825	1,699,825
Net Expense Budget	(2,200,127)	(2,545,384)	(2,753,658)	(2,867,628)	(2,977,391)	(3,119,196)