Ideals

Connect revenues & activity
Allocate support costs
Support central initiatives
Provide clarity
PRINCIPLES

- Academic excellence
- Clarity
- Collaboration
- Efficiency
- Long term budget planning
- Risk management and flexibility
- Strategic alignment
- Support for strategic initiatives
- Transparency and accountability
ALLOCATION PROCESS

Operating Revenues
- Tuition
- Provincial Grants
- Operating Research
- Student and Co-op Fees
- Other Income

Inter-divisional Teaching
- Revenues adjusted for teaching between divisions (Faculties and AFIW*)

Faculty Space Cost
- Standard cost rate

Academic Support Units Cost
- Student Administration
- General Administration
- Information System & Technology
- Library
- Research Administration
- Advancement
- Finance & Administration
- University Relations
- Human Resources Administration

University Fund
- Strategic Planning
- Request-based Temporary Agreements
- Salary Increases and Benefit Changes
- Pre-determined Ongoing Agreements
- Budget Transition Support Fund

Budget Allocation
- Faculty Net Revenue
- University Fund Allocation to Faculties, ASUs** and AFIW*

*AFIW: Affiliated and Federated Institutions of Waterloo
**ASUs: Academic Support Units
OPERATING REVENUES 2016/2017

- Tuition: 57%
- Provincial Grants: 33%
- Operating Research: 3%
- Other Income: 3%
- Student & Co-op Fees: 4%
OPERATING REVENUES
2016/2017 ($720.8 MILLION)

• Direct revenue to Faculty, ASU and AFIW
• ASU base budgets are charged to the Faculties
• University Fund is later allocated to Faculties and ASUs and AFIW

ASU: Academic Support Unit
AFIW: Affiliated and Federated Institutions of Waterloo
Revenues adjusted for teaching between Faculties and AFIW

- Grant stays with registering Faculty/AFIW
- 20% base tuition stays with registering Faculty/AFIW; 80% transferred to teaching Faculty/AFIW
- Any tuition beyond base stays with registering Faculty/AFIW
FACULTY SPACE COST

- Plant Operations costs including utilities
- Standard cost rate for all space
- Attributed to Faculties based on assignable space occupied by each Faculty
47 Academic Support Units (e.g. Finance, Human Resources, Counselling)

The Academic Support Units costs are grouped into 10 cost bins

The cost bins are allocated to the Faculties based on a group of cost drivers
## SAMPLE COST BINS, ACADEMIC SUPPORT UNITS AND COST DRIVERS

<table>
<thead>
<tr>
<th>Academic Support Units and/or Cost</th>
<th>Cost Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration</td>
<td>Faculty Operating Expenses</td>
</tr>
<tr>
<td>Associate Provost Resources; Corporate; Institutional Analysis &amp; Planning; Leased/Rental Properties; President’s Office; Uw Police Services; Safety; Secretariat &amp; Office of General Counsel; Vice-President, Academic &amp; Provost</td>
<td></td>
</tr>
<tr>
<td>Human Resources Administration</td>
<td>Faculty &amp; Staff Complement FTEs</td>
</tr>
<tr>
<td>Associate Provost Human Resources; Human Resources</td>
<td></td>
</tr>
<tr>
<td>Organizational &amp; Human Development</td>
<td>Undergraduate &amp; Graduate FTEs, Faculty &amp; Staff Complement FTEs</td>
</tr>
<tr>
<td>Information Systems &amp; Technology</td>
<td></td>
</tr>
<tr>
<td>Information Systems &amp; Technology</td>
<td>Undergraduate &amp; Graduate FTEs, Faculty &amp; Staff Complement FTEs</td>
</tr>
<tr>
<td>Library</td>
<td></td>
</tr>
<tr>
<td>Library - Acquisitions</td>
<td>Undergraduate &amp; Graduate FTEs</td>
</tr>
<tr>
<td>Library - Operations</td>
<td>Undergraduate &amp; Graduate FTEs</td>
</tr>
<tr>
<td>Research Administration</td>
<td></td>
</tr>
<tr>
<td>Office Of Research</td>
<td>Total Value of Research Awarded, Total number of Grant Applications</td>
</tr>
</tbody>
</table>
UNIVERSITY FUND 2016/2017

Portion of Tuition and Provincial Enrolment Grants

Quality Improvement Fund (Provincial Grant)

Interest

Accountability Board

President & Provost

18% Strategic Planning
19% Request-based Temporary Agreements
16% Salary Increases and Benefit Changes
18% Pre-determined Ongoing Agreements
11% Request-based Ongoing Agreements
18% Budget Transition Support Fund

UNIVERSITY OF WATERLOO
BUDGET TRANSITION SUPPORT

FIRST YEAR IMPACT: FACULTIES

• Faculties’ budgets will not be lower than the baseline
• Faculties that generate more net revenue than baseline contribute to the Budget Transition Support Fund
• Budget Transition Support ends once all Faculties’ Net Revenue exceeds the baseline

Faculty "X"  Faculty "Y"

- BASELINE -- established 2016/17
- REVENUE -- based on model
For additional information:

- Website (https://uwaterloo.ca/waterloo-budget-model)

- Contact: Institutional Analysis and Planning