

2022/23 Operating Budget

Senate Finance Committee
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Vice President Academic and Provost



Operating Budget – Principle Considerations

- Balanced annual operating budget to ensure long-term financial sustainability
- Forecasting tuition and other revenue categories
- Understand and plan for salary and benefit costs
- Resources for strategic priorities - University Fund and capital project funding
- Understanding financial risks and managing them
- Looking forward and managing transitions between budget years
- Iterative and integrated processes considering revenue and expenses

Operating Budget – Challenges 2022/2023 and ahead

Constrained Revenue

- Fixed Grant
- Fixed Domestic Tuition
- Diminished International Tuition Flexibility
- Enrolment challenges domestic enrolment corridor/diminished WGU
International mobility + appetite
mix/countries of origin/less international students in ON High
School system

Government and Geopolitical Uncertainty

Operating Budget – Challenges 2022/2023 and ahead

Expense Growth

- Fixed cost increases - Predictable salary and benefit cost escalation
- Other cost escalations
- Concern to mitigate - GAP between constrained revenue and overall expense growth

Operating Budget – Challenges 2022/2023 and ahead

Budget approaches to the challenges:

Importance of balancing budget in reasonable ways

1% budget reduction (expense reduction) on eligible categories

Managing transition between 2021/22 and 2022/23 budget years

Messaging current year end spending constraint
(generate carryforward buffer where possible)

Operating Budget –2021/22 Update and 2022/23 Opening

	2021/22 Budget Update	2022/23 Opening Budget
Income	\$850,739	\$861,738
Expense	851,302	862,955
Surplus(Deficit)	(\$563)	(\$1,217)
% of Income	(.07%)	(.14%)

Note: dollar amounts are shown in thousands, unless otherwise noted

Operating Budget – Income

	2021/22 Budget Update	2022/23 Opening Budget	% of Total
Grant	\$237,526	\$237,438	27%
Tuition	550,690	558,960	65%
Other Revenue	62,523	65,340	8%
Total	\$850,739	\$861,738	100%

	2021/22 Budget Update	2022/23 Opening Budget	% of Total
Revenue related to enrolments	\$822,036	\$831,929	97%
Other revenues (not assignable to enrolments)	28,703	29,809	3%
Total	\$850,739	\$861,738	100%

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Operating Budget – Expenses

	2021/22 Budget Update	2022/23 Opening Budget	%
Salary, wages and benefits	\$611,169	\$636,037	74%
Student Support	75,737	75,967	9%
University Fund	43,100	43,100	5%
Capital Project Financing	2,000	3,300	<1%
Utilities, Insurance, Municipal Taxes	28,975	29,225	3%
Other non salary expenses and cost recoveries	90,321	80,626	9%
Budget reduction	-	(5,300)	(<1%)
Total	\$851,302	\$862,955	100%

Note: dollar amounts are shown in thousands, unless otherwise noted

Operating Budget – Year over Year

Income	2021/22 Budget Update	2022/23 Opening Budget	Change \$	Change %
Grant	\$237,526	\$237,438	(88)	(<.1%)
Tuition	550,690	558,960	8,270	1.5%
Other revenue	62,523	65,340	2,817	4.5%
Total	\$850,739	\$861,738	\$10,999	1.3%

Expenses				
Salary, wages and benefits	\$611,169	\$636,037	\$24,868	4.1%
Student support	75,737	75,967	230	0.3%
University fund and other central expenses	74,075	75,625	1,550	2.1%
Other non salary expenses	90,321	80,626	(9,695)	(10.7%)
Budget reduction	-	(5,300)	(5,300)	(100%)
Total	\$851,302	\$862,955	\$11,653	1.4%

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Strategic Plan Investments

**Confirmed for 2022/2023 operating budget
and
Multiyear commitments that begin in 2022/2023**

Strategic Investments - Developing Talent

- Teaching and Learning Incubator
- Teaching & Learning space improvements
- WatSPEED hiring and start-up funds
- Enhancing Graduate Studies
- Grad WIL
- Investments in Student Support including WE Accelerate
- Interdisciplinary Programs support fund

\$ 23 M (over multi years)

Strategic Investments - Advancing Research

- Health Innovation Arena
- Research Program Support (UW matches to Govt funding programs-current CFREF, CERC, etc.)
- Research Centres and Institutes
- University Research Chairs

\$ 9.4 M 2022/23

\$ 30.0 M capital with possible offsets

Strategic Investments – Sustainable Communities

- Cluster Hires
- Equity Data Strategy
- Equity, Diversity, Inclusion and Anti-Racism Office , and EDI-R hiring
- Construction of a new Indigenous Suite in EC5
- Indigenous Gathering Space
- Indigenous Student Services
- International Student Centre (NH 1st Floor)

\$ 21.2 M (over multi years)

Strategic Investments – Sustainable Communities

- Sustainability Office
- Living Lab coordinator hired within the Sustainability Office
- Electric Vehicle subsidies
- Submetering Pilot project
- District Energy Assessment
- Steam Trap repairs
- Faucet Aerator Upgrades
- Sustainability Action Fund

\$ 1.4 M 2022/23

Strategic Investments – Student Support

- **Operating budget support** **\$ 107 M 2022/23**
 - Scholarships, bursaries and awards (\$76M in 2022/23)
 - Student employment support in salaries (example: TA's) (\$28M in 2022/23, including benefits)
- In addition, the University invests in student support from funds **other than the operating fund**, including:
 - Research Assistants paid from **research fund** (\$8M in 2022/23, including benefits)
 - Scholarships/bursaries paid from **research fund, trust funds and endowments** (\$61M in 2022/23)

\$ 69 M 2022/23

QUESTIONS ?