

*The University of Western Ontario*

**2001-02 Operating Budget**

**April 2, 2001**



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## **2001-02 Operating Budget**

April 2, 2001

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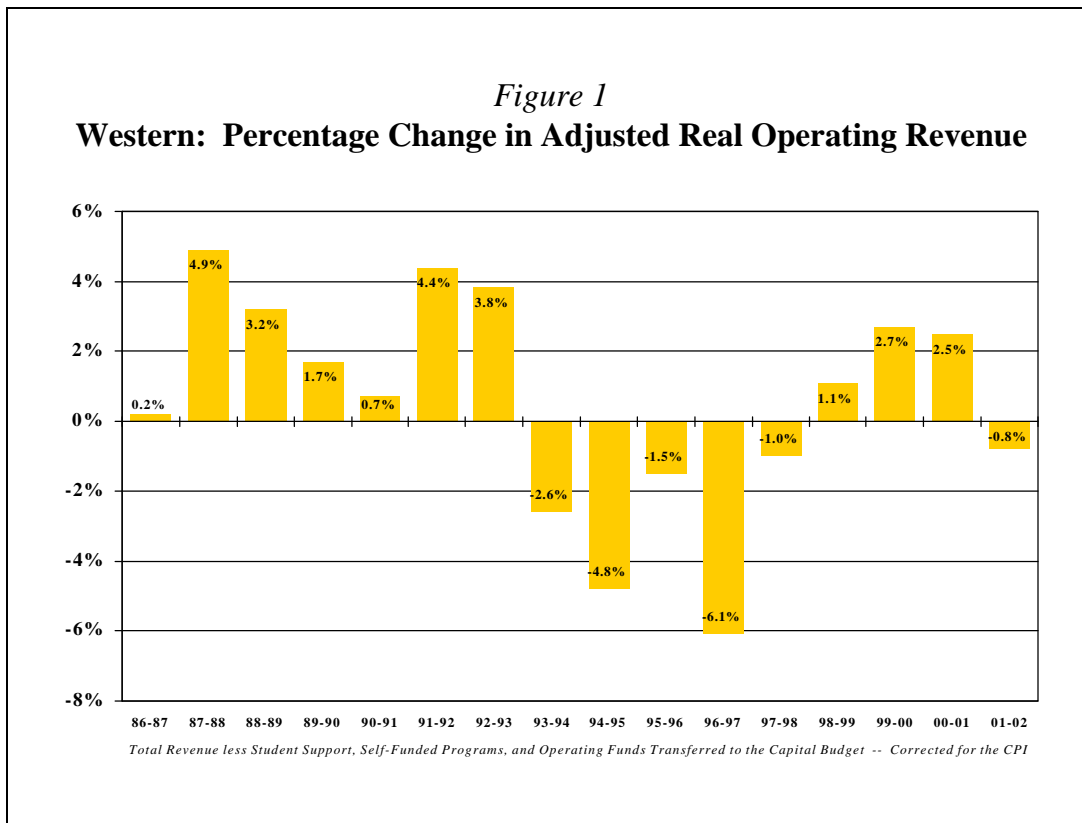
### **A. The Planning Environment: Staying Focussed on Strengths and Opportunity Amidst Underfunding and Uncertainty**

This document is the product of six months of operational and budgetary planning at Western, beginning with the release of the University Planning Guidelines in October 2000, involving activity at all levels of the institution. As this extensive budget plan reveals, the task of charting a course for the coming year is increasingly marked by striking diversity across academic and non-academic units, each with its own particular challenges. Despite this diversity, one theme united the planning process in all domains: on the one hand, our faculty, staff, and students have made remarkable progress in furthering the objectives of the University under difficult circumstances; on the other hand, Western's fundamental ability to offer its teaching programs and to sustain its research mission is threatened by systemic underfunding. Related contradictions arise across domains. The new research funding programs that provide unprecedented opportunity for our researchers in medicine, the sciences, and engineering add substantially to the unsustainable pressures on our already inadequate annual operating budget. At the same time as we celebrate the infrastructure renewal promised by the provincial SuperBuild program, we agonize over the question of the sources of the large portion of funding not provided by the SuperBuild program required to meet increasing construction and operating costs. The sense of satisfaction the community justifiably feels at the substantial increase in number and quality of applicants to Western's undergraduate programs is tempered by the realization that, without full government funding, we cannot possibly accommodate the additional students that will be swelling our application pool within the next two years. The pride our faculty and staff feel in sustaining growth and innovation in a period of extraordinary fiscal challenge is tempered by the realization that our student/faculty and student/staff ratios have increased over the last decade to unsustainable levels.

The challenge of planning and allocating very limited resources in an environment characterized by such conflicting considerations is compounded by unprecedented fiscal uncertainty and volatility. Looking at the longer term, several years of active discussion between the university sector and the Ontario government have failed to clarify the Province's intentions regarding the provision of resources required to sustain a quality university system, let alone to accommodate the bulge in enrolment arising from the elimination of the OAC year and the 25-40% increase in steady state demand attributable to demographic changes, including the echo of the baby boom. On a much shorter time scale, we find ourselves planning for the next budget year with no information regarding our government grants. In fact, final resolution of the allocation of the \$16.5 Million Accessibility fund for the current year, 2000-01, was not achieved until very recently. The difficulties arising from uncertainty regarding our primary source of funding support was compounded in the current planning cycle by unexpected, massive increases in fuel costs and by a downturn in the financial markets that

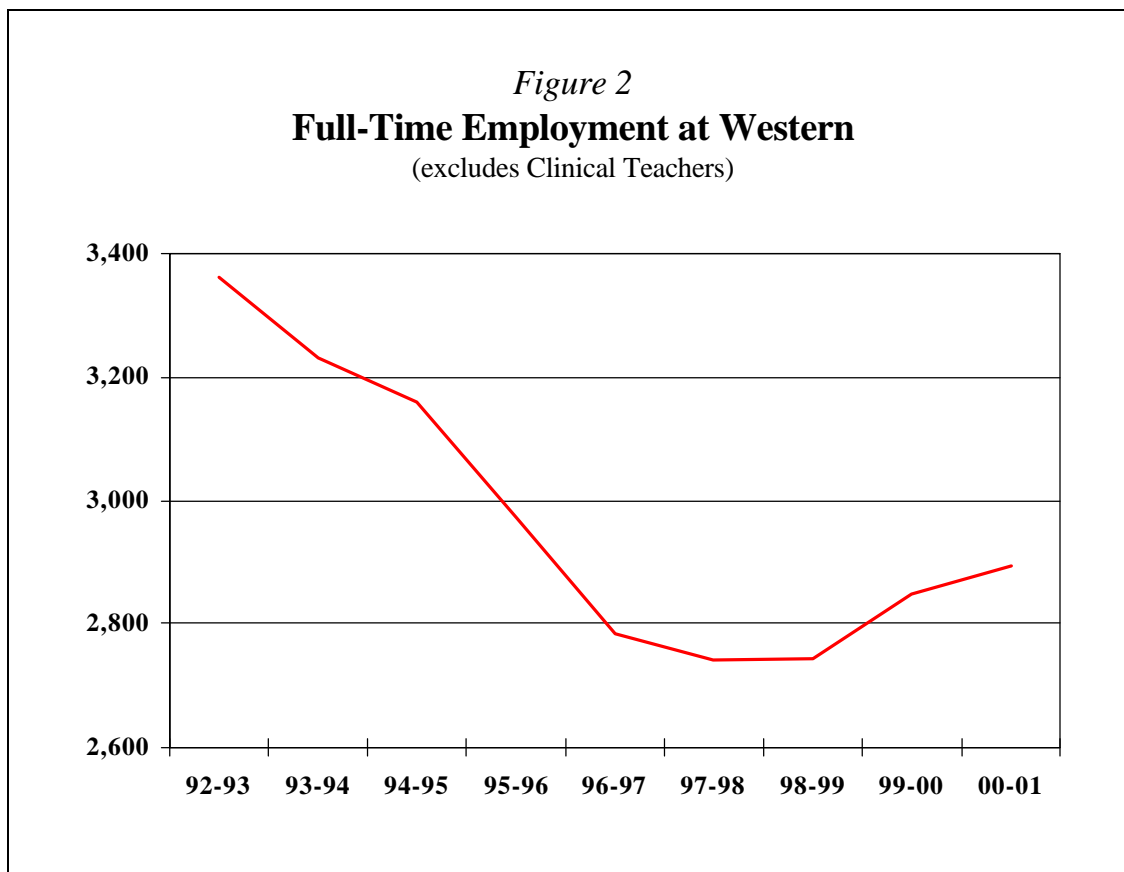
now seriously threatens one of our few remaining sources of increases in revenue, our unallocated investment earnings.

Thus the current budget proposals reflect an austerity arising from systemic underfunding that has left Ontario's universities with a student/faculty ratio more than 20% higher than the average of those in other Canadian provinces and 35% higher than U.S. public universities (Figure 1 shows a history of changes in Adjusted Real Operating Revenues, expressed in constant dollars). Despite legitimate pressures to invest in preparation for increased enrolment, and in response to our success in major research initiatives, profound uncertainty regarding government funding, investment income, and escalating real operating costs demands a conservative approach that ensures our spending does not outstrip a prudent estimate of our revenues. Even given these efforts, we will fall short of the target of operating reserve mandated by the Board of Governors and see the level of our unallocated investment reserve move dangerously close to the minimum level specified by the Board of Governors. As a result, should our efforts to attract government funding investment bear fruit in the Provincial budget in May, the first calls on those funds would be to reduce our transfer from the undistributed investment fund and to increase our year-end operating reserve in line with Board policy. Any remaining additional funds could be set aside in the capital budget to reduce future borrowing on the SuperBuild projects or expended selectively through the operating budget with a determined focus on strength and priority.



Western's faculty and staff -- whose numbers have declined substantially over the past decade -- have risen to meet the challenges of inadequate and uncertain resources with remarkable accomplishments in all areas of our operations. In large part, these accomplishments can be traced to a single-minded commitment to focus personal energies and collective resources on those tasks most critical to our mission, be they in teaching, scholarship and research, or the core support operations of the university. Such selective investment has been critical as the margin between our resources and our responsibilities narrowed and disappeared. Even as we strive for new investment in the University, this commitment to selectivity will become increasingly important to our success.

This budget plan reflects our commitment to selective investment through differential allocations to areas of strength and particular priority. Funds for this reinvestment are not easily found but arise from budget reductions in other domains and from differentially increased tuition in selected programs. As such decisions become more difficult and painful, it is critical that Western establish a firmer and more transparent foundation that will establish selective investments reflecting continuity across successive years.



## **B. Differential Investment in Areas of Strength and Priority**

### **1. Selective Budgetary Decisions -- An Established Practice and Future Imperative**

A central theme of the University's Strategic Plan, *Leadership in Learning*, was a commitment to selective budgetary decisions, whether reductions, re-allocation of existing funds, or investment of new monies. The University's Strategic Plan argued that decisions at all levels must differentially support activities that are most critical to Western's scholarly objectives in teaching and research. The unprecedented reductions in government funding in the mid-1990s reinforced and accelerated selective budgetary decisions. Although the most dramatic differential decisions appeared in the budgets that followed these reductions in government funding, the University's planning processes and budgetary recommendations have been shaped importantly by the principle of selectivity in each of the past five years; this differentiation will be reflected again in this year's recommendations. In addition to the more obvious selectivity visible in actual changes to unit base operating funding, a number of important mechanisms have become established elements of the annual planning process. Most obvious among these is the Enrolment Contingent Funding (ECF) that has seen the selective reallocation of more than \$7 million to provide the resources required to maintain the quality of our undergraduate and graduate programs. The Special Faculty Renewal Initiative (SFRI) has periodically been employed to support university-wide strategic objectives in teaching and research.

It is not possible, in a university as diverse as Western, to specify a single funding algorithm which could sensibly be applied to academic units as diverse as Music and Engineering Science. This said, a number of broad considerations have shaped differential budgetary decisions since the 1996-97 budget planning process, including:

- ***Relative contribution to the University mission: Resources relative to responsibilities and accomplishments***

During a period of dramatic reduction in resources, increasing workload, and higher expectations in teaching, research, and academic administration, it has been necessary to examine closely the relation between a unit's responsibilities and contributions to its available resources. The ECF process provides an ongoing selective budgeting mechanism reflecting this principle in the area of teaching. Many other differential budget decisions also have been shaped by similar considerations regarding the extent, costs, and value of a unit's research relative to its existing resource base.

- ***Qualitative Considerations of Strength and Priority***

The annual planning process has maintained a clear focus on identifying and supporting areas of strength and priority in teaching and research. It must be acknowledged, however, that the critical resource shortage of recent years often creates forces that tend to draw this focus away from quality towards need. In the absence of any clear signal of fiscal relief, Western must take explicit steps to provide a counterbalance to this

understandable and necessary dynamic, focussing our allocation decisions on the strategic support of areas of strength and priority. One step towards this objective will be a call for the compilation of academic plans, identifying areas of strength and priority at all levels of the University.

- ***Innovation in teaching, scholarship, and research***

Western's response to the threatening fiscal circumstances of the past decade has been characterized by creativity, change, and a quest for new ways of pursuing our core objectives in education and scholarship. Examples of such innovation include the creation of three new Faculties, the introduction of a range of new undergraduate programs, and an unprecedented commitment to pursuing new research funding opportunities.

- ***Effective interdisciplinary/inter-Faculty initiatives***

Scholarship, expressed in both education and research, has expanded beyond the traditional disciplinary boundaries reflected by the academic units that characterize the Departmental and Faculty administrative structures. In both teaching and research, many of the most interesting questions for students and faculty require an interdisciplinary and collaborative approach. The forces associated with this reality have been compounded by financial constraints demanding that Western utilize expertise wherever it is to be found on campus and avoid the inefficiencies of duplication across units to achieve teaching and research goals. In education, selective budgetary decisions have been made in support of Faculties which have actively become involved in teaching students in programs based in other units or in mounting degree programs that explicitly cross Faculty boundaries. Similar considerations have prompted support of research initiatives that bring together researchers from across campus to form groups of national and international strength.

- ***Targetted Government Programs***

The past five years have been marked by significant selective investments in various parts of the University resulting from targetted government programs in teaching, e.g. Access to Opportunities (ATOP), Education, Collaborative Nursing, Medicine, and in research, e.g. CFI, OIT, ORDCE. In each case, the initiative has been pursued at Western only after concluding that it was consistent with our institutional objectives. Such consideration will continue to be critical.

- ***Educational Programs with Substantially Higher Tuition Fee Levels***

Western's policy in the initial rounds of tuition increases was to give no special consideration to those Faculties whose students contributed disproportionately to incremental fee revenues, reasoning that higher fees did not systematically reflect greater relative needs for operational funding and citing the fact that many of the Faculties featuring higher tuition fees already were substantially subsidized by tuition fees of students in lower cost programs. In the current series of tuition increases in the highest fee programs, a substantial share of the increased revenue has been selectively directed at the students= Faculty of registration, reflecting a recognition of provincial and national



competitive factors and of the students' expectation to see concrete evidence of the educational benefits of their increased investments.

These categories are neither exclusive nor inclusive: many other considerations inevitably arise in the planning process and it is impossible to separate such categories in a neat, non-overlapping manner. Nor would it be possible or appropriate to assign a consistent priority ranking to these considerations.

## **2. Identifying Areas of Strength and Priority -- A Touchstone for Effectiveness and Consistency in Selective Decisions**

The environmental pressures that prompted the adoption of a more selective budgetary process and the abandonment of any semblance of an across-the-board budget adjustment model are even more urgent now than they were six years ago. Foremost among these is the reality of underfunding: only the determined differential support of areas of strength and priority holds any promise of sustaining or enhancing Western's status as a nationally prominent, research-intensive university. Failure to make selective choices in such an environment risks a slide towards mediocrity. Our ability to attract and retain the best faculty demands that we build and sustain areas of national and international strength. The past five years have seen the emergence of dramatic opportunities in research at both the national and provincial level with reinvestment in the granting councils, the creation of the Canadian Institutes of Health Research and, most notably, of the Canadian Foundation for Innovation (CFI), the Ontario Innovation Trust (OIT), the Ontario Research and Development Challenge Fund (ORDCF), and the Canada Research Chairs (CRC). In all cases, the unambiguous goal of the programs is to recognize and foster areas of national and international strength and excellence. These programs have largely excluded most areas of the arts and social sciences and, as a result, the effectiveness of these programs is greatly diminished, but the imperative to focus our resources is as critical in the arts and social sciences as it is in the sciences. National infrastructure programs or not, competition for the best faculty, graduate students, and undergraduate students will be great. A B average or satisfactory accomplishments in many areas of scholarship is no solution.

Given these considerations, the University must increase its selectivity in planning at all levels. Although past planning guidelines have encouraged differential decisions in Departments and Faculties and promised a relation between such actions and central budgetary allocations, more explicit evidence of such decisions at these levels is now called for. Selective decisions that will consistently support particular scholarly directions over time require the touchstone that can only be provided by academic plans, plans that identify areas of real strength and priority within each academic unit. Such plans will help us maintain the important balance between responding to simple resource shortages and investing in maintaining and strengthening areas of excellence and strategic priority.

The CRC process required such plans to be developed by all universities reflecting areas of research strength. Western's CRC institutional plan reflected the individual plans completed by all Faculties last year. Although an important step, these plans were narrowly-based and more or less tactically structured around particular CRC nominations. To be useful in future budgetary and planning decisions, these plans must be broadened and reviewed with this more general purpose in mind. **Under the direction of the Provost and the Vice-President (Research), all Faculties, Departments, and Schools were invited in early February to develop Academic Plans. Faculty Academic Plans are to be submitted no later than June 1, 2001.** Deans will develop a timetable for the submission of Departmental and School plans allowing them to be considered in the development of the Faculty Academic Plans. The Provost and Vice-President (Research) will use the Academic Plans as a basis for the development of overall priorities for the University. Academic Plans at all levels will serve as the guiding scaffolding for future selective resource allocations including those made in the annual planning process, the allocation of incremental operating funds, and the CRC process. The Provost and the Vice-President (Administration) are asking the non-academic support units to develop parallel documents for their units, leading to complementary priorities for those units.

Academic units are encouraged to employ consultative processes and to develop plans that reflect the local practice and disciplinary factors, but the following points should be taken into consideration in all cases:

- The overriding priority of these plans is to identify areas of existing strength at a national or international level.
- The plans should seek to identify specific areas of priority and emerging strength where selective investment would serve the strategic objective of developing new areas of excellence in education and research. Care must be taken, however, to observe the reality that financial circumstances dictate that only a very few such areas can be supported in any Faculty.
- The Academic Plans should seek to establish an integration of scholarly objectives, embracing research, graduate and undergraduate programs, and professional education.
- Plans should not be restricted to areas that are entirely represented within a single academic unit but must identify, with significant weighting, areas in education and research that involve the collaboration across units or, indeed, across universities. Planning at the Faculty level is expected to actively facilitate and encourage the identification of areas that cross Departments and Schools, and that the University-level planning will do the same for areas that cross Faculties.
- Academic Plans may be updated on a regular basis to reflect changing circumstances and the success or failure of particular directions.

- Academic Plans will play an important role in future selective budgetary decisions. They will be a reference for future internal decisions, including faculty complement planning (replacement and additional positions). Central allocation decisions will reflect the plans' priorities. Of course, they will also shape future CRC nominations. Assuming eventual success in addressing the University's inadequate resource situation, the Academic Plans will form the framework for investment of new funds.
- Units that choose not to identify areas of strength and priority will contribute less to the substance of plans at the Faculty- and University-level and will be disadvantaged in future resource allocation processes.

### **C. The 2001-02 Quality Improvement Plan**

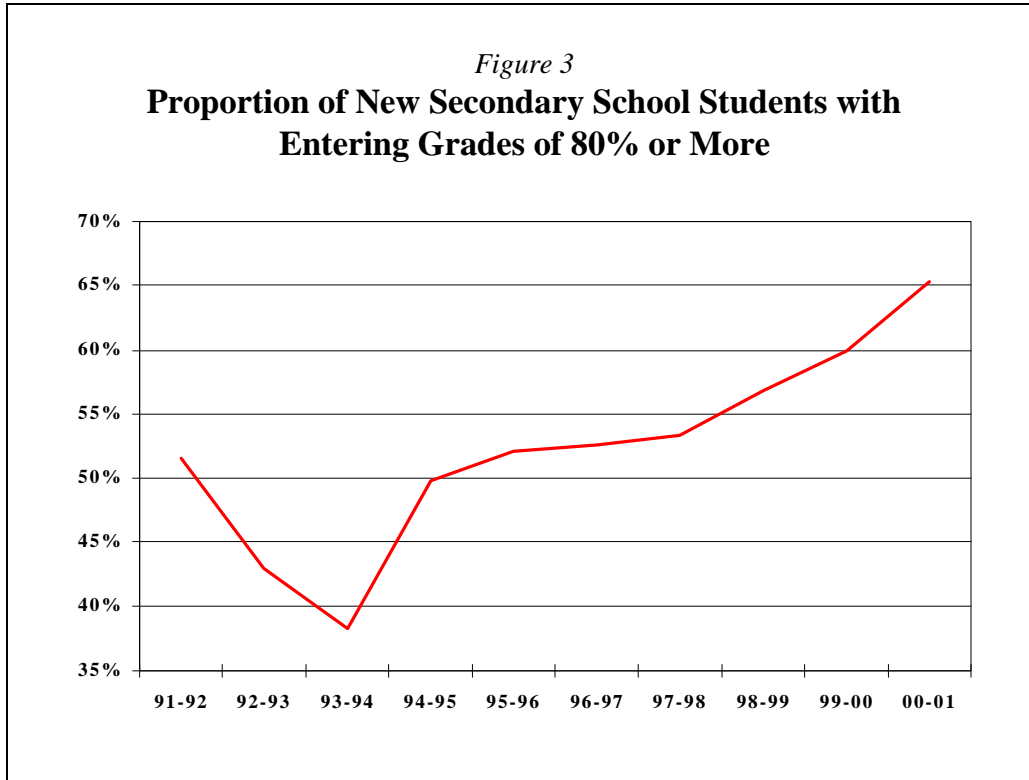
The 2001-02 Quality Improvement Plan follows the model established two years ago and reflects the academic priorities identified through the annual planning process (see Appendix A for a report on the 2000-01 Quality Improvement Plan). The primary focus of this year's planning process was the need for additional faculty and staff to maintain and expand the quality of our scholarly and educational activities. The specific components of the 2001-02 Quality Improvement Plan are:

#### **1. Student Support**

Tuition Set-Aside for Needs-based Student Aid. As has been the case since 1996-97, 30% of incremental tuition revenue, or over \$1.5 million in 2001-02, is being set-aside for needs-based undergraduate and graduate student support, ensuring that qualified students are able to enter and continue their studies at Western irrespective of their financial circumstances.

Undergraduate Scholarships. To improve the quality of incoming students, the University continues its emphasis on student recruitment. The number of entering first-year students eligible for admissions scholarships continues to increase and, as a result, the scholarships base budget for 2001-02 is being increased by \$250,000

Graduate Student Support. The policy of allocating 75% of total graduate student tuition revenue (excluding self-funded programs) to graduate student support will result in an additional \$725,000 in 2001-02 B bringing total graduate student support funding to nearly \$12.5 million.



## 2. Faculty Renewal

As an outcome of the 2001-02 planning process, about \$6 million is being selectively invested in our Faculties. The focus of these investments is much-needed faculty renewal, and the Provost has approved about 65 tenure-track faculty appointments for 2001-02.

## 3. Quality Enhancement of Academic Programs

In addition to the \$6 million base investment in our Faculties, the Enrolment Contingent Fund (ECF) will provide an additional \$3.8 million in direct funding to our Faculties. These substantial investments in academic initiatives include:

- a joint Arts/FIMS/Music multi-media instructional facility;
- enhancement of undergraduate programs in Business, Education, Engineering, Health Sciences, Law, Dentistry, Medicine, Science, and Social Science;
- the Environment Centre and Ecology initiative in the Faculty of Science; and
- 11 Canada Research Chairs

In addition, a number of one-time allocations to our Faculties will support the following initiatives:

- technology-improvements to the Language Learning Lab in the Faculty of Arts (\$135,000);

- expansion and enhancement of the innovative writing program in the Faculty of Arts (\$309,000);
- the new Centre for Research in Environmental Science and Engineering B a joint initiative between the Faculties of Engineering and Science (\$84,225);
- development of the distance studies version of the human resources stream of the BACS program (\$90,000);
- incremental space for Engineering in the Advanced Technology Centre (\$250,000); and
- investment in facilities for Dentistry (\$500,000).

#### **4. Staff Renewal**

Similar to the selective investment in our Faculties, a sum of nearly \$1.5 million is being selectively invested in our support units. The focus of these investments is much-needed staff renewal in these units which provide direct support to the academic mission of the University.

#### **5. Student Recruitment**

Undergraduate and graduate student recruitment continues to be a top priority for Western; over \$700,000 is being allocated in direct support of recruitment initiatives in 2001-02.

#### **6. Increase to the Library Acquisitions Budget**

The acquisitions budget within the Libraries is being increased by over \$448,000, or 5%, in recognition of the University's commitment to maintaining and improving a resource vital to all areas of education and scholarship.

#### **7. The Canada Foundation for Innovation (CFI) and Ontario Innovations Trust (OIT) Initiatives**

The CFI and the OIT programs, introduced in 1998-99, provide the University with unprecedented opportunities to obtain much-needed funding for the renewal and expansion of infrastructure necessary for resource-intensive research and graduate education. An additional \$2.5 million of matching funds is being allocated in 2001-02, bringing the total over four years to \$10 million.

#### **8. Deferred Maintenance and Renewal of Instructional Facilities**

As recommended in the University's Strategic Plan, the operating budget commitment to deferred maintenance is being increased by a base amount of \$750,000 B bringing the total base budget to \$5 million in 2001-02. In addition to addressing overall deferred maintenance issues, these funds will be used in 2001-02 to fund the renewal of instructional and research facilities across campus. A sum of \$870,000 is being set aside in the Capital Budget in support of instructional facility renewal and to enhance technology in many classrooms across campus.

In addition, there is a direct one-time allocation of over \$250,000 from the operating budget to upgrade two General University computer labs.

## **9. Academic Support Initiatives**

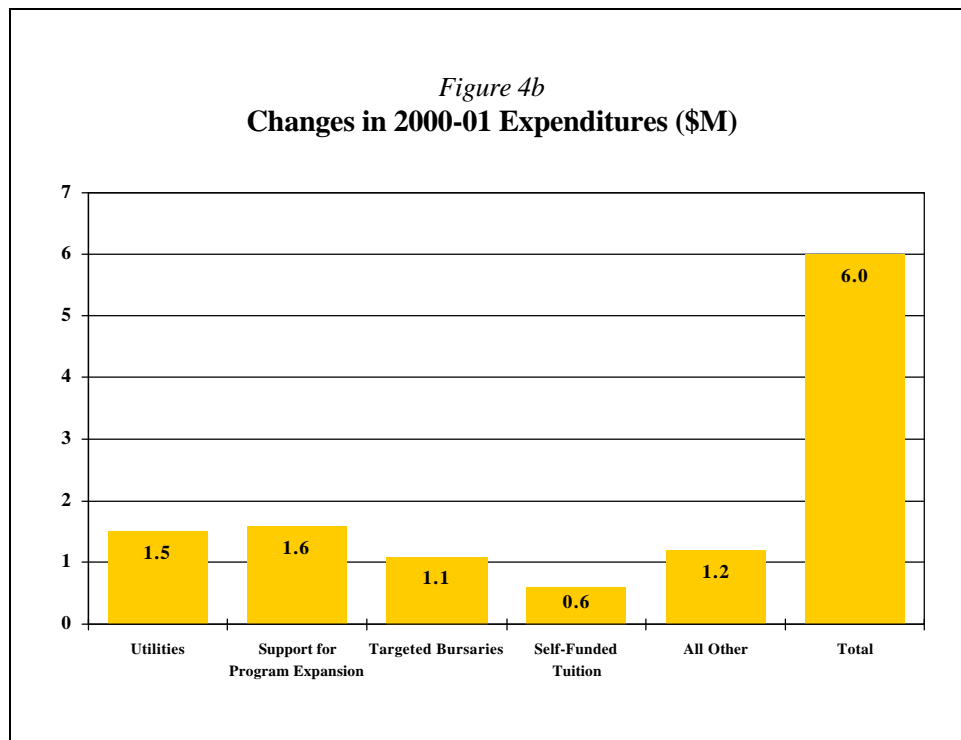
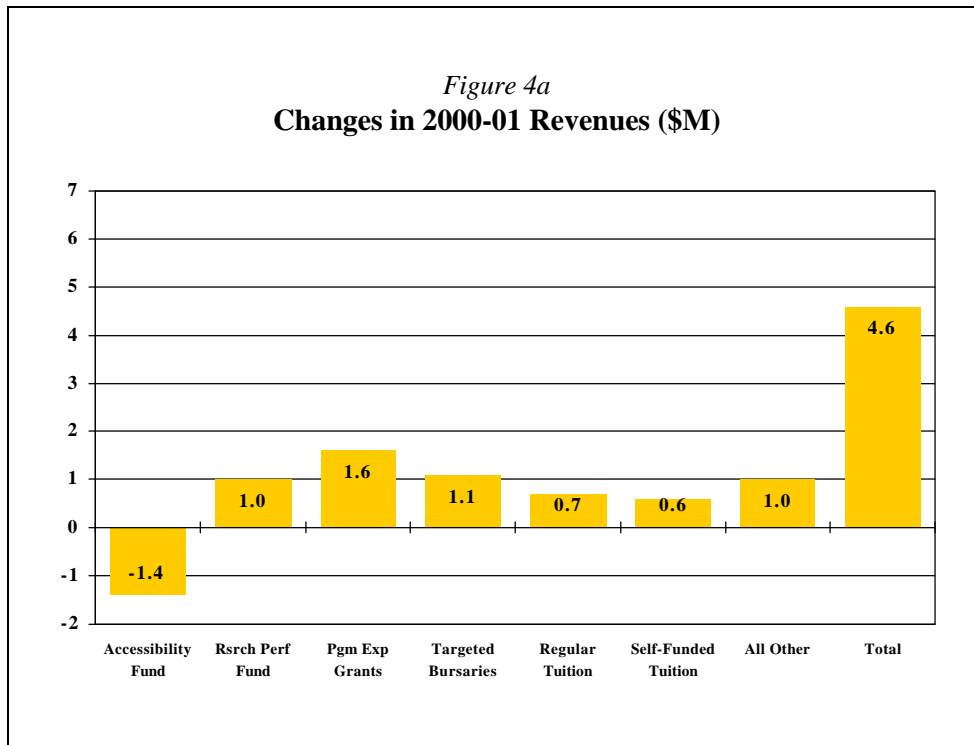
As an outcome of the annual planning process, many instruction and research related initiatives will be funded from the 2001-02 Provost's Academic Support Fund (PASF). The range of projects includes instructional technology initiatives, new program development, and faculty development/training. Total funding for these initiatives amounts to over \$1.1 million.

## **D. Update on Current Year's Budget (i.e. 2000-01)**

Figures 4a and 4b summarize the changes in the 2000-01 operating revenues and expenditures B i.e. the variance between the 2000-01 revenues and expenditures approved by the Board of Governors in April of 2000, and current estimates of revenues and expenditures for 2000-01.

### Revenues

- Last year, when the 2000-01 budget was approved, we had anticipated that Western would receive a share of the government's Accessibility Fund. This did not materialize. However, partly offsetting this change, the government introduced (mid-year, in 2000-01) the Research Performance Fund, intended to cover central university overhead costs associated with provincially-funded research. In addition, targeted program expansion grants were introduced in-year to support expansion of programs in Education, Medicine, and Nursing. The government also increased its allocation to targeted student support programs -- these allocations fluctuate significantly each year. The net result is that government grants increased by \$2.2 million.
- Regular tuition revenues are \$700,000 higher than the amount projected due to higher-than-anticipated international student enrolments. In addition, tuition revenue from the self-funded MBA and Executive/Video MBA programs were higher (by \$600,000) as a result of higher-than-projected enrolments. Note that self-funded tuition revenues flow directly to the Faculties offering the programs.
- The net change in all other revenues was an increase of \$1 million and the result is that total revenues for 2000-01 are estimated to be \$4.6 million higher than the amount approved by the Board in April 2000.



### Expenditures

- The increase of \$1.1 million in one-time government funding for targeted student support programs was transferred directly to the student support budget.
- Physical Plant utilities costs increased by \$1.5 million.
- A total of \$1.6 million of targeted government program expansion grants were allocated directly or through the Enrolment Contingent Fund in support of expansions in Medicine, Education, Nursing, and ATOP programs.
- The \$600,000 additional tuition revenue from the self-funded MBA programs were transferred directly to the Richard Ivey School of Business.
- The net change in all other expenditures was an increase of \$1.2 million and the result is that total expenditures for 2000-01 are estimated to be \$6 million higher than the amount approved by the Board in April 2000.

## **E. Operating Revenues**

Total Operating Revenues are projected to increase by 2.8% as shown in Table 1.

### **1. Government Grants**

In the absence of any indication of the government's intentions regarding base operating grants, a modest increase in base grants has been modelled based on the experience of recent years. The modelled increase in funding is very much below that necessary to meet our current needs and clearly inadequate to accommodate the additional students who will be seeking university places as a result of Ontario's Double Cohort.

In 2000-01, the government introduced two new funding envelopes -- the Accessibility Fund and the Performance Indicators Fund. As indicated earlier, as a result of a badly misguided allocation mechanism, Western did not receive its share of the Accessibility Fund B resulting in a shortfall of \$1.4 million budgeted in 2000-01. Western's share of the Performance Indicators Fund is expected to decline from the 2000-01 level of \$1.8 million to \$1.5 million in 2001-02 B due to anticipated changes in the distribution mechanism.

A number of targeted AProgram Expansion Grants@ will provide Western with over \$5 million in 2001-02. These grants include the on-going Access to Opportunities (ATOP) Grant, the Teacher Education Expansion Grant, and the M.D. Program Expansion Grant. The reduction in Program Expansion Grants in 2001-02, from the 2000-01 level, is due to Collaborative Nursing and ATOP one-time start-up funds which were provided in 2000-01 and are not available in 2001-02.



During the 2000-01 budget year (after the approval of the 2000-01 Operating Budget), the government introduced the Research Performance Fund<sup>®</sup> which is intended to cover central overhead costs associated with provincially-funded research. Western's share of the Research Performance Fund is expected to be \$1 million in on-going funds.

## **2. Tuition Fees**

The recommended tuition fees for 2001-02 are shown in Tables 10a, 10b, and 10c.

### **Undergraduate First-Entry Programs**

The Ontario government has restricted annual tuition fee increases in all regulated programs to 2% in the five years, 2000-05; 30% of the resulting revenue must be allocated to needs-based student aid. It is recommended that tuition fee increases in first-entry undergraduate programs (excluding Engineering) be increased by 2%. Current tuition fees at Western in all of these programs are at levels that are competitive with those at other Ontario universities.

The Faculty of Engineering Science has recommended that the tuition fee rate for undergraduate Engineering be increased by \$500 and a further 5% in each of 2002-03 and 2003-04, resulting in the following tuition fee rates: \$4,960 in 2001-02, \$5,210 in 2002-03, and \$5,470 in 2003-04. Approximately 65% of the incremental tuition revenue (net of set-aside for student aid) will be directed to fund much-needed additional space for the Faculty of Engineering Science in the Advanced Technology Centre (ATC).

### **Undergraduate Communication Sciences/Disorders (CSD), Physical Therapy (PT), Education (BEd), and Continuing Teacher Education**

It is recommended that tuition for these programs be increased by 2%, with the exception of the Continuing Teacher Education Program where the Faculty of Education has proposed a 3.1% increase.

### **Business (HBA)**

Western's Ivey School of Business offers a unique, year-3 entry undergraduate business program, the HBA. The HBA is offered in the same format and with the same standards of quality as our world-ranked MBA, using primarily probationary and tenured members of faculty within the School. MBA fees will be set at \$22,000 in 2001-02. Despite these high fee levels (by Canadian standards), Western's MBA was ranked as the best value<sup>®</sup> MBA program worldwide by the Financial Times of London. The HBA tuition fee is now at \$9,000 (2000-01). It is recommended that entry year (year 3) tuition in the HBA be set at \$14,000 in 2001-02 and year 4 tuition be increased by 20% to \$10,800 on the basis of the following considerations:

- The costs of the program are high, comparable to those of the MBA. Operating expenses have escalated dramatically beyond those anticipated when a fee schedule was considered three years ago. In particular, the salary costs required to attract new faculty members to Ivey have increased at a rate and to a level that far exceeds any other discipline.
- The Ivey School has concluded that it will have no choice but to eliminate one of the three HBA sections in 2001-02 if additional revenue is not identified. This move would substantially reduce access to this very high-demand program and virtually eliminate access for any students not already conditionally accepted under Ivey's Academic Excellence Opportunity (AEO) program, including the many students attracted to Western in the hope of gaining entrance to the HBA program. All students conditionally accepted into the HBA must attend Western in years 1 and 2, and all have grades in excess of 90%.
- Given the high quality of the program, the Ivey School is convinced that the HBA would continue to be competitive in recruiting students at the higher fee level. When making comparisons with other universities, it should be noted that at certain other Ontario universities the higher differential fees of the undergraduate business program must be paid for four years, as opposed to two years at Western.
- The HBA holds outstanding value for its graduates. The most recent average starting salary of Ivey HBA graduates is \$50,000 -- plus an average signing bonus of \$7,500. Most do not go on to take an MBA, thus beginning their careers immediately following an undergraduate degree and eliminating the costs and foregone income of two years of a graduate program.
- Given the expected earnings of graduates and available financial aid for students in need, access to the HBA can be maintained for all students, regardless of individual financial circumstances.

This recommendation has been discussed and endorsed by the Ivey Faculty Council. Approximately 65% of the additional net revenue (after the 30% set-aside for student aid) from these proposed tuition increases will be directed to the Ivey School of Business operating budget, and the 30% set-aside will be directed to the financial support of HBA students in need. The Dean is committed to using the additional funds to maintain the unique character and quality of the HBA program, and to maintain current levels of enrolment.

### **Dentistry (DDS)**

Dental tuition fees have been frozen at their current level for 3 years. Expenses continue to rise in this high-cost program where the School has taken on the challenge of a new operational plan and a major building expansion and renovation plan aimed at increasing the quality of its programs. In view of these considerations, a 12% increase in tuition to \$15,680 is being recommended, leaving Western's fee at about the same level as at the University of Toronto – Ontario's only other undergraduate dental program. Approximately 65% of the additional net revenue (after the 30% set-aside for student aid) from these proposed tuition increases will be directed to the Faculty of Medicine & Dentistry operating budget.

### **Law (LLB)**

The Faculty of Law has recommended that tuition fees for year 1 students in Law increase to \$7,500; year 2 tuition would rise to the same level (less than a 20% increase for students entering second year); and for year 3 to \$6,335, a 20% year-to-year increase. This fee level is competitive with other leading Ontario law programs and significantly lower than the highest fees in the province.

This tuition increase has been discussed within the Faculty of Law and with the Provost. Approximately 65% of the incremental net revenue (after the 30% set-aside for financial aid) will be allocated to the Faculty's operating budget where it will be directed to maintaining and enhancing the quality of the educational program, especially in attracting and retaining outstanding members of faculty, and the 30% set-aside will be directed to the financial support of Law students in need. Several other Law programs in the province received substantial investments through higher tuition in advance of Western; this operating budget injection is necessary to protect Western's ability to attract the best students and faculty.

### **Medicine (MD)**

The Faculty of Medicine & Dentistry has recommended that entry year tuition fees in Western's MD program be increased to \$14,000 in 2001-02; tuition for students progressing to years 2 through 4 will increase by 5% to \$10,500. These increases will place Western's tuition fees within the range of other Ontario medical programs – neither the highest nor lowest fees in the province.

Tuition fees in the MD program have been frozen at their current level for the past 3 years. Tuition levels have been under intensive discussion within the Faculty of Medicine and Dentistry since the arrival of the present Dean in the fall of 1999. MD students have been deeply involved in these discussions and have made presentations to the Campus and Community Affairs Committee of the Board annually for several years. The recommended increase arises from the recognition that the high costs of an outstanding medical education program cannot be sustained without a source of revenue supplemental to operating funds

currently available. Approximately 65% of the incremental net revenue (after the 30% set-aside for student aid) from these proposed tuition increases will be directed to the Faculty of Medicine & Dentistry's operating budget, and the 30% set-aside will be directed to the financial support of MD students in need. The Dean has been working with students and faculty to develop a plan for the allocation of these funds that will maximize its positive impact on the quality of the educational experience in the program.

### **Graduate Programs**

It is recommended that tuition fees for Category 1 research-based Master's programs and all PhD programs be increased by 1.9% in 2001-02 -- consistent with our practice in recent years of setting moderate increases in this group, remaining competitive with those at other Ontario Universities.

It is recommended that tuition fees for most Category 2 programs, largely professional, be increased by 1.9%. Fees in these programs at Western are similar to most comparable programs in Ontario and higher than some. Additional increases could threaten competitiveness and access in some programs.

Note that 75% of all graduate tuition revenue is directed to financial support of graduate students.

### **International Student Tuition Fees**

As shown in Table 10b, modest increases are recommended for all international student tuition fees, leaving almost all fees at one of three levels -- \$9,300, \$12,400, or \$14,400. International fees were rationalized several years ago and the number of international students attending Western has grown steadily since that time.

### **Tuition Fees for Concurrent Programs**

The number of concurrent programs at Western continues to increase, and tuition fees for these must be set in a consistent and rational manner. A set of proposals which rationalizes and simplifies tuition fees for concurrent programs is shown in Table 10c. The recommended tuition fee rates will result in a total tuition fee for the two programs involved that is less than the cost of taking the two programs in sequence. In addition, students have the advantage of obtaining two degrees in a shorter time frame.

The proposed tuition fees apply to students newly entering the concurrent programs. Students already in a program will be grand-parented through the current tuition fee arrangements.

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**Projected Enrolment Levels**

Tuition revenue is determined both by fee rates and enrolment levels. The enrolment projections approved by SUEPP (SCUP's Subcommittee on Enrolment Planning and Policy) are shown in Table 11. Full-time undergraduate enrolment is projected to increase by 2.1% in 2001-02 B as a result of flowthrough of intakes in recent years, and of expansions in Engineering, BHSc, Nursing, Information and Media Studies, and Medicine. Full-time graduate enrolments are projected to increase by 5.4%.

**Tuition Revenues**

Overall tuition revenue is projected to increase by 6.8%. Tuition revenue from self-funded programs flows directly to these full-cost-recovery programs and is not available for general expenditures. Regular undergraduate tuition revenue is expected to increase by 8.1% and regular graduate tuition revenue is expected to increase by 7.1%.

**Access and Financial Aid in the HBA, DDS, LLB, and MD Programs**

In each of the four programs where substantially higher fees are recommended, the University is committed to allocating at least the 30% of the additional tuition revenue set aside for financial aid to the support of students in each program B conditional only on sufficient demand from students whose financial need meets provincial eligibility criteria.

**The Investment of Incremental Revenue from Increased Tuition in HBA, Dentistry, Law, and Medicine B in Support of Academic Priorities**

In contrast to many other Ontario universities, for the first several years of deregulated tuition and at the time of the largest tuition increases, Western retained all additional tuition revenue (net of that set aside for financial aid) as part of general revenue available for allocation in the annual planning process to all Faculties and non-academic support units. This practice was true even for the initial very large increases in fees in Medicine, Dentistry, and other professional programs, i.e. the Faculties supporting these high-fee programs had no preferential access to the associated tuition revenue. This policy recognized the complex inter-relationship of tuition revenue and program costs: because of inadequate weights in the BIU system of government funding, many professional programs could not be supported with the BIU funding and the regulated tuition fees of the period before 1996, requiring transfers from the revenues associated with other programs. In last year's budget document, a recommendation was introduced that modified this practice by allowing that, once a program's tuition fees reach a level markedly higher than in regulated programs, revenue associated with any further substantial increases (i.e. greater than the annual increase to Category 1 graduate programs and regulated undergraduate programs) should be disproportionately allocated to the support of those high-tuition programs. This evolution of practice recognizes competitive factors that demand that students paying these higher fees see a direct benefit of additional increases. This practice, in fact, has been used at other Ontario universities from the time that fees were initially deregulated.

As detailed above, the budget recommendations for the coming year will include tuition increases for four higher fee programs B HBA, DDS, LLB, and MD. In each of these cases, about 65% of the incremental tuition revenue -- over and above the base increase in regulated programs and net of the 30% set aside for financial aid -- will be returned to the operating budgets of the Faculties involved. The remaining funds will be retained for allocation in the central planning process. This sharing of the revenues reflects the fact that a substantial portion of the costs of educating our students lies outside of the home Faculty, even in relatively self-contained professional programs.

### **3. All Other Revenues**

Major items to note in other revenues include: the Canada Research Chairs (CRCs), Affiliate Service Fees, Investment Income, and Contributions from Ancillaries and Other Operations.

- During the first round of the CRC program, 11 members of Western's faculty were awarded Chairs. In the steady-state, Western's share of the total CRC awards is projected to be 71. The CRC program provides substantial operating funds to the University, and the first round amount is \$1.7 million.
- Affiliate Service Fee revenues are expected to increase because of higher enrolments in the Affiliated Colleges.
- The 2001-02 budget plan includes the allocation of \$8.5 million of unallocated investment income directly to operating revenues. This level is the same as originally planned in 2000-01, before an incremental \$2.5 million was added -- as a special one-time appropriation -- to account for the variance between the actual increase in government grants and that modelled during the planning process. *Note that this year-to-year reduction in investment-based revenue represents a base revenue/expenditure shortfall that must be accommodated in the 2001-02 budget.*
- The projected growth in Occupancy Revenues is due to increases in rental rates resulting directly from substantial increases in physical plant utilities costs.
- Western's ancillary units generate substantial revenue to the University Operating Budget by way of direct contributions and charges for facilities and services. In the current year (i.e. 2000-01), our retail operations provided an additional one-time contribution of \$600,000.

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## F. Budget Allocations to Faculties

Table 2 presents a summary of the base budget allocations for Western's Faculties in 2001-02. Final 2001-02 base budgets for Faculties are the net result of the following:

- faculty turnover recovery;
- an Initial Budget Adjustment (IBA) that reduces by 3% the base budgets of most Faculties;
- selective new investments;
- flowthrough of government grants targetted towards program expansion;
- conversion of ECF funds to base budget; and
- the allocation of funds associated with the Canada Research Chairs (CRCs).

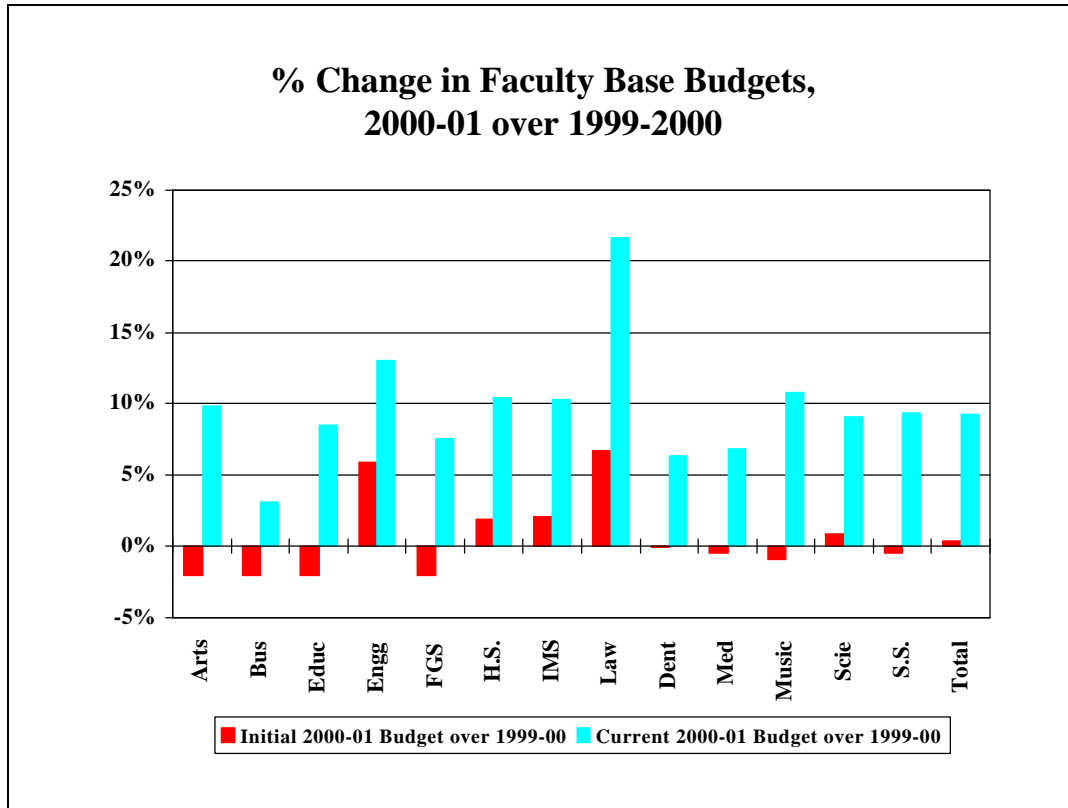
The net result of the various selective investments is an overall allocation to the Faculties that is 0.6% higher than 2000-01 (see line 20 of Table 2). These final allocations, therefore, will provide most Faculties with greater flexibility for internal allocation of funds in 2001-02 than anticipated in their original planning submissions (modelled on a 3% reduction).

- 1. The Faculty Turnover Recovery Policy.** An outcome of the 2000-01 planning process, the Faculty Turnover Recovery Policy, is being applied in 2001-02. As initially established, the greater of \$50,000 or 60% of the retiree's salary was to be returned to the Faculty, with the remainder flowing to the central budget. As a result of the recently-negotiated increases to faculty salary floors, the policy is being revised such that the greater of \$52,500 or 60% of the retiree's salary will return to the Faculty.
- 2. Initial Budget Adjustment (IBA).** The overall revenue/expenditure picture calls for a final set of budget recommendations which begins with an Initial Budget Adjustment that reduces by 3% the base budgets of most Faculties and non-academic support units (the 3% reduction was modelled in the planning process). The unit planning submissions and the recently-completed planning meetings, however, revealed that operational pressures and priorities in some units were greater than in others. A number of critically important opportunities across the university were identified as requiring investment. As a result, funds stemming from the 3% reductions which are not required to cover increased annual expenses are being reallocated selectively.

A complete understanding of the annual budgeting process requires the recognition that the initial 3% reduction in operating budgets is only a first, albeit critical step, in the compilation of the final budget for Faculties and non-academic support units. The IBA is in large part necessitated by increased annual university costs, many of which will ultimately serve to buffer the final budget reduction to the units. For example, ECF monies and negotiated staff and faculty salary/benefit increases will move to unit budgets. A comparison of last year's IBA with the 2000-01 base budgets as they stand now illustrates this point (see graph below)

Despite the 2% reduction in unit operating budgets at the time of the approval of the 2000-01 budget, actual base budgets have increased overall by 9.3% in 2000-01 relative to

1999-2000. This difference between final budget allocations and the initially announced reduction is largely related to delayed increases in faculty salaries associated with the new agreement with UWOPA. Similarly, it is anticipated that most Faculty operating budgets will experience an increase from 2000-01 to 2001-02 when salary increases are added to the Faculty budgets shown in column j of Table 2.



### 3. Selective Budget Allocations

#### a. Enrolment Contingent Fund (ECF)

**A Brief History.** The ECF is now a well established feature of Western's annual budgeting process and over the past three years has had a substantial differential impact on the allocation of funds across Faculties as a result of shifts in undergraduate teaching and graduate enrolment patterns across campus.

The ECF was introduced in 1997-98 to respond to shifts in enrolment/teaching across the University and to recognize efforts by academic units to attract and accommodate students in their classes, irrespective of their programs of registration. The ECF provides annual funds to the academic units based on growth in Weighted Teaching Units (WTUs) over pre-established baseline WTUs for each Faculty. The baseline for each Faculty is the lower of:



(a) the average of the 1994-95, 1995-96, and 1996-97 WTUs or (b) the 1996-97 WTUs. In recognition of recent enrolment/teaching patterns within the Faculties of Arts and Social Science, the ECF baseline for these Faculties was further reduced, providing them with a greater opportunity to receive funds from ECF.

Weighted Teaching Units (WTUs) capture overall teaching activity within the Faculties. WTUs incorporate graduate enrolments from programs residing within each Faculty, undergraduate enrolments in professional Faculties, and undergraduate teaching B which is measured by course registrants, irrespective of the students= Faculty/program of registration. During the first three years of the ECF program, the specific weights assigned to the various enrolment categories have been:

|                                     |     |                          |
|-------------------------------------|-----|--------------------------|
| First-Year-Level Course Registrants | 0.2 | (equates to 1.0 per FTE) |
| General-Level Course Registrants    | 0.2 | (equates to 1.0 per FTE) |
| Honours-Level Course Registrants    | 0.4 | (equates to 2.0 per FTE) |
| HBA, Education, Law FTEs            | 2.0 |                          |
| Medicine (MD) FTEs                  | 4.0 |                          |
| Medical Residents                   | 1.0 |                          |
| Dentistry (DDS) FTEs                | 4.0 |                          |
| Master=s FTEs                       | 3.5 |                          |
| PhD FTEs                            | 7.0 |                          |

The following self-funded and full-cost-recovery programs are excluded from WTU calculations: MBA, Executive/Video MBA, International Medical Residents, Medicine=s Malaysian Exchange Program, National Dental Examining Board Qualifying Program, Additional Qualification Enrolments in the Faculty of Education, and all non-credit program/courses.

An important feature of the ECF is recognition of cross-Faculty teaching by individual members of faculty. If a course offered by a program in Faculty A is taught by a member of Faculty B (i.e. cross-Faculty teaching), the WTUs will be credited to Faculty B and an additional 20% of the WTUs associated with the course will be credited to Faculty A.

Two modifications to the ECF funding formula were offered for discussion in the 2001-02 Planning Guidelines. On the basis of the positive responses from Faculties, these are being included as formal recommendations in the final 2001-02 budget:

1. The incorporation of Distance Studies courses into ECF -- similar to summer undergraduate courses;
2. The assignment of the same weights to all undergraduate course registrations. At present, first-year and general-level course registrations are assigned a weight of 0.2 and honours-level course registrations a weight of 0.4. It is proposed that all undergraduate course registrations be assigned a weight of 0.4. Faculty-specific ECF baselines will have to be adjusted in a Revenue neutral@ manner for each Faculty.

**Final 2000-01 ECF Allocations.** Table 9 shows final 2000-01 ECF allocations.

**Conversion of ECF Funds to Base Budget.** It has been our intention from the outset that, where changes in enrolment patterns stabilize at higher levels, ECF funding would be converted to base operating allocations; such conversions were made in 2000-01, as follows:

|                             |                   |
|-----------------------------|-------------------|
| Engineering                 | \$ 300,000        |
| Health Sciences             | \$ 400,000        |
| Information & Media Studies | \$ 150,000        |
| Medicine                    | \$ 100,000        |
| Music                       | \$ 50,000         |
| Science                     | \$ 500,000        |
| Social Science              | <u>\$ 250,000</u> |
| Total                       | \$1,750,000       |

For 2001-02 it is being proposed that an additional \$1.6 million of ECF funding be incorporated into Faculty base budgets, as follows:

|                             |                   |
|-----------------------------|-------------------|
| Business                    | \$ 200,000        |
| Education                   | \$ 200,000        |
| Engineering                 | \$ 150,000        |
| Health Sciences             | \$ 400,000        |
| Information & Media Studies | \$ 100,000        |
| Dentistry                   | \$ 50,000         |
| Medicine                    | \$ 250,000        |
| Science                     | <u>\$ 250,000</u> |
| Total                       | \$1,600,000       |

Column h in Table 2 shows the \$1.6 million in ECF funds which are being incorporated in Faculty base budgets. With this conversion of ECF funds to base budgets, there will be a corresponding increase in the ECF baselines for the appropriate Faculties. In interpreting column h, it is important, therefore, to remember that in all cases, base budget transfers will be offset by a reduction in ECF for 2001-02 relative to that which otherwise would have been allocated; it may well be that these base budget transfers may reduce ongoing ECF funding in 2001-02 below the 2000-01 level. Current estimates of 2001-02 enrolments and the associated ECF funds indicate that such an offset will occur in all of the Faculties listed above.

The Provost's 2001-02 budget recommendation letters to the Faculties included an estimate of the reduction in ongoing ECF funds to the Faculties identified above. As line 16 of Table 2 shows, the estimate of ongoing ECF for 2001-02 (excluding the amounts converted to base budget) is \$3.8 million, about \$780,000 less than the amount in 2000-01. In line 20, which adds ECF and SFRI to the Faculty base budgets in line 15, total Faculty budgets increase by about \$800,000.

**Enrolments and Teaching Activity.** Enrolments, teaching activity, and WTUs have changed at very different rates in the various Faculties over the past decade. During the severe budgetary stringency of this period, all Faculties have been hard-pressed to manage their budgets and teaching requirements. Figure 1 in Appendix B shows changes in WTUs over the last decade. The Faculties are distributed into four groups according to the value of WTUs in 2000-01, shown on the vertical axis.

Funds from ECF provide only a partial offset to the full cost of additional students. This is sometimes misunderstood by those who assume that expanding Faculties are having the full costs of their expansion covered by ECF. Figure 2 in Appendix B shows percentage change in WTUs, budgets (measured as base budget + ECF), and budget per WTU between 1991-92 and 2000-01. As the figure illustrates, in the case of Health Sciences and Information & Media Studies, rapid enrolment expansion during the past decade was only partly offset by greater than average budget increases, so that budget per WTU was **reduced** in those Faculties. Conversely, the three Faculties which experienced reduction in enrolments/teaching (Arts, Law, and Social Science) saw their budget per WTU **increased** during the decade. Real funding per student at Western fell by about 15% during the past decade, so that all Faculties, those expanding and those contracting, experienced very difficult budgetary constraints.

***b. Special Support for Successful CFI/ORDCF/OIT Proposals***

Western continues to achieve excellent success in the major national and provincial initiatives aimed at facilitating innovative research. Although the direct costs of these projects are funded generously, they inevitably produce a legitimate pressure from the successful investigators for additional support -- e.g. for salary support of new graduate students, post doctoral fellows, or research assistants. It is reasonable to expect that these costs ultimately can be met from additional external research funding or by within-Faculty budgetary re-allocations but, in the short term, we run the risk that researchers who are successful in these important competitions will find themselves, paradoxically, disadvantaged by their success.

In recognition of this situation, starting in 2000-01, the Vice-President (Research) has been authorized to selectively provide funding to successful investigators from the funds already set-aside for support of CFI/ORDCF/OIT proposals as follows: 1% of the total value of the grant to a maximum of \$15,000 per year for 3 years. This funding would be available only to holders of major institutional grants under CFI/OIT and comparable awards from ORDCF. This program will be continued for new successful projects on an on-going basis.

**c. Canada Research Chairs**

Western was very successful in the first round of the Canada Research Chair (CRC) program with 11 members of faculty awarded Chairs. Proposed nominations for the next round of appointments were received as part of each Faculty's planning submission. The University's nominations have been announced in confidential letters to the Deans.

The Office of the Vice-President (Research) will begin immediately to work with the Deans associated with those nominations selected for support in this round to compile full proposals. Where possible, nominations were forwarded to Ottawa to meet the March 31, 2001 deadline. Others will be submitted for the June 2001 deadline. The Vice-President (Research) will follow-up with each Dean providing detailed feedback on nominations in this round, and commentary/advice on the overall approach taken to CRCs and mid- to longer-term strategy for CRC nominations in the Faculty.

Several aspects of the CRC process require clarification.

- First, at Western, as at most universities across Canada, the first round of CRC nominations emphasized internal candidates. The unambiguous expectation of the CRC review process is that future nominations will include a large proportion of external nominations, including those from outside Canada. We have been informed that the central reviewers will not hesitate to deny nominations if this expectation is not met, irrespective of the qualifications of individual internal nominees.
- Second, both our own internal selection process and national review will continue to expect nominations to be based primarily on the reinforcing of areas of institutional priority, strength, and opportunity -- rather than the accomplishments of the nominee. That is, the CRC program is not a program of personal awards for personal scholarship but is intended to build or reinforce areas of real research strength. Many outstanding members of faculty, therefore, will not be appropriate nominees because Western has greater strength and opportunity in another area. Such difficult strategic decisions will inevitably provoke tensions but our success in this program will demand that we observe this clear policy intention.
- Finally, now that the first round of tier 1 and 2 CRCs is completed, we must underscore the funding responsibilities of the Faculties, that is, the Faculty must accommodate any additional salary costs that will arise should CRC support end for any reason, including non-renewal at the end of a term, the mandatory termination after a second term of a tier 2 Chair, or retirement or resignation of the Chair holder. Western's CRC policy is that the Chair returns for central reallocation in all such cases and the responsibility for funding the salary costs of any faculty member previously supported by the CRC funds remains with the Faculty. Note that CRC allocations now form part of each unit's operating budget.

**d. Faculty-Specific Allocations**

**Faculty of Arts.** The Faculty of Arts has been awarded a tier 1 CRC (a \$170,000 allocation) from the first round of the program. In addition, a base allocation of \$35,000 is being made in support of a joint Arts/FIMS/Music multi-media initiative. Western's Faculty of Arts maintains its position among Canada's foremost teaching and research units and is working determinedly to restore enrolment levels in its fine undergraduate programs. These efforts saw a modest year-to-year increase in both program enrolments and teaching levels in 2000-01. In contrast to many other Faculties, the ratio of budgetary resources to teaching activity in Arts has increased substantially over the past decade (see Figure 2 in Appendix B).

**The Richard Ivey School of Business.** Facing the reality of a major withdrawal of public funding from the Ontario university system in the mid-90s, Western constructed an operational and financial plan aimed at providing the Ivey School of Business the opportunity to sustain a first-tier international school of business. The plan involved several key elements:

- rapid and substantial increase of MBA tuition fees to levels approaching full-cost-recovery (FCR).
- withdrawal of all central university operating funding for the MBA over a period of four years B as required by government.
- the addition of a third section of the MBA.
- the application of a financial levy on all revenue generated by Ivey's operations not funded from the University operating budget to cover non-direct operating costs of the FCR operations.
- aggressive marketing of Ivey programs and enhancement of quality in all aspects of the student experiences (e.g. instruction, placement, IT).
- recruitment of the most qualified faculty, competing with the best international schools of business to sustain and enhance Ivey's education programs and research activities.
- recognition of the costs of these quality initiatives, setting ambitious targets to raise additional revenue by way of alumni and corporate donations, executive programs, consulting, and publications.

More recently, an additional section of the cornerstone HBA program was added, ensuring that the popularity of the 3<sup>rd</sup> year-entry program's Academic Excellence Opportunity (AEO) initiative did not remove the opportunity for other Western students to gain entry to the popular HBA program.

Ivey is a source of great pride to the University -- which recognizes the popularity of the School's programs, the quality of its students, increased research activity, outstanding new faculty appointments, unprecedented growth in donations, and rankings among the best business schools in the world. Despite this success, a number of factors have changed substantially since the original plan was constructed. Most significantly, the costs of

attracting and retaining the best members of faculty have grown enormously over the past five years C more so than in any other discipline. The challenges of meeting the expenses associated with sustaining a first-tier international school of business continue to grow. Even with the most optimistic model of Ivey=s existing and projected revenue, competitive pressures threaten the future success of Ivey=s programs.

The budget recommendations impact Ivey=s budget in three areas:

1. Revisions to the central University levy on revenues. The plan originally struck to support the move to a full cost-recovery plan for Ivey=s MBA involved a levy on all non-operating grant revenues to recognize the indirect costs incurred by the University in support of the MBA. The original estimates of these revenues were substantially less than actual, i.e. the rate of the levy is now projected to generate a substantially greater absolute dollar value than was anticipated in the original plan, justifying an adjustment to the levy formula involving a capping of the levy.
2. Revenue from increased HBA tuition fees. As indicated earlier, 65% of the incremental revenue (net of the 30% set-aside for student aid) arising from increased HBA tuition -- estimated at \$450,000 -- is being allocated to the Ivey operating budget in 2001-02. Further base investments will be made in 2002-03, as the proposed tuition fee levels reach steady-state. Note that this investment is contingent on the Board of Governors= approval of the HBA tuition fee increase for 2001-02.
3. Operating budget allocation. Given pressing budgetary needs within Ivey, an additional operating budget allocation (\$250,000) is being recommended -- to strengthen the finances of the School and to help fund the full costs of the HBA and PhD programs.

**Faculty of Education.** Enrolment in the BEd program has increased by over 20% since 1998-99 -- to 824 students. This level is expected to continue in 2001-02 and is being supported by substantial ECF funds. The Faculty also successfully introduced an expanded graduate program with its stand-alone PhD program and collaborative PhD program in Educational Studies with three other Ontario universities.

**Faculty of Engineering Science.** The Faculty continues to expand as a result of the government=s ATOP initiative -- increased funding is provided through direct ATOP grants as well as ECF. In addition, the Faculty has been awarded a tier 2 CRC (a \$90,000 allocation) from the first round of the program. Engineering has also been successful in early CFI/ORDCF competitions and is expected to submit additional applications to the upcoming competitions.

As indicated earlier, 65% of the incremental revenue (net of the 30% set-aside for student aid) arising from increased Engineering tuition -- estimated at \$250,000 B is being allocated to the capital budget to fund additional space in the Advanced Technology Centre (ATC). This is a 10-year commitment which will see the transfer to capital increase in each of 2002-03 and 2003-04 as the proposed tuition fee levels reach steady-state. Note that this investment is contingent on the Board of Governors' approval of the Engineering tuition fee increase for 2001-02 through 2003-04.

**Faculty of Graduate Studies.** The Faculty of Graduate Studies plays a central role in graduate student recruitment which is a university priority. Additional administrative load in FGS is being met by funds arising from a variety of sources, including the administrative component of the 30% student support tuition set-aside (estimated at over \$30,000 in 2001-02) and interest on national scholarship funds now administered locally (estimated at over \$75,000 in 2001-02).

**Faculty of Health Sciences.** Enrolments in the BHSc program, introduced in 1997-98, continue to approach steady-state levels. The Nursing program continues to expand, and attracts high quality students. Substantial ECF funds are being allocated in support of the growing enrolments. Figure 1 in Appendix B shows the growth in the Faculty's WTUs and Figure 2 shows the substantial decline in relative funding over the last decade. A base allocation of \$350,000 is being recommended in 2001-02 to fund additional faculty appointments and GTAs in support of the BHSc program. The Faculty of Health Sciences also has been successful in early CFI/ORDCF competitions and is expected to submit additional applications to the upcoming competitions.

**Faculty of Information and Media Studies.** A base allocation of \$35,000 is being made in support of a joint Arts/FIMS/Music multi-media initiative. Enrolments in the MIT program, also introduced in 1997-98, continue to approach target steady-state levels and are being supported by substantial allocations from the ECF. The Faculty is also in the process of developing a collaborative degree/diploma initiative in multi-media studies with Fanshawe College.

**Faculty of Law.** Western's Faculty of Law is among the national leaders in legal education. The recommended budget allocation for Law in 2001-02 recognizes the need to invest in the Faculty, especially in view of investments in other Ontario Law programs with funds arising from increasing tuition fees. As stated earlier, about 65% of the incremental LLB tuition revenue (net of the 30% set-aside for student aid) is being allocated to the Faculty in 2001-02. Further base investments will be made in 2002-03, as the proposed tuition fee levels reach steady-state. This investment will provide Western's Law school with a solid foundation from which to sustain and promote its programs. Note that this investment is contingent on the Board of Governors' approval of the Law tuition fee increase for 2001-02.

**Faculty of Medicine and Dentistry.** The School of Dentistry is continuing with a multi-year plan which includes revenue generation through increases in international student enrolments, clinic activities, and continuing education offerings. As part of this multi-year plan, base funding is being allocated to support faculty appointments B and this allocation is the final phase of the University's investment as part of the multi-year plan. In addition, as stated earlier, about 65% of the incremental DDS tuition revenue (net of the 30% set-aside for student aid) is being allocated to the Faculty in 2001-02. Note that this investment is contingent on the Board of Governors' approval of the DDS tuition fee increase for 2001-02.

The Faculty has been awarded three tier-1 and two tier-2 CRCs (a \$690,000 allocation) from the first round of the program. Western's Faculty of Medicine and Dentistry is among our most important cornerstones in resource-intensive research and professional education. As tuition fees for its programs increase, investment is necessary to sustain the quality of its programs and its competitiveness in the province and the country C the proposed allocation of \$600,000 in 2001-02 (i.e. 65% of the incremental MD tuition revenue, net of the 30% set-aside for student aid) responds to this imperative. Further base investments will be made in 2002-03, 2003-04, and 2004-05 as the proposed tuition fee levels reach steady-state. Note that this investment is contingent on the Board of Governors' approval of the MD tuition fee increase for 2001-02. Finally, the Faculty also receives government funding in support of the expansion of the MD program.

**Faculty of Music.** A base allocation of \$35,000 is being made in support of a joint Arts/FIMS/Music multi-media initiative. The Faculty of Music is a national leader in music education offering a full range of undergraduate and graduate programs, attracting high quality students. Recent increases in enrolments and teaching activity are being supported by ECF.

**Faculty of Science.** The Faculty has been awarded one tier-1 and one tier-2 CRC (a \$260,000 allocation) from the first round of the program. Teaching levels in the Faculty continue to increase substantially B primarily due to the ATOP expansion in Computer Science and Engineering. These expansions are being financially supported through direct ATOP grants as well as ECF. In addition, a base allocation is being made to fund a probationary faculty appointment in support of the innovative Environment Centre and Ecology initiative. The Faculty of Science has also been successful in early CFI/ORDCF competitions and is expected to submit additional applications to the upcoming competitions.

**Faculty of Social Science.** The Faculty has been awarded one tier-1 and one tier-2 CRC (a \$260,000 allocation) from the first round of the program. The introduction of new streams in the Bachelor of Administrative and Commercial Studies program (BACS) and the conversion of the BACS program to a four-year program have helped to reverse the downward trends in undergraduate enrolments and teaching. A sum of \$60,000 in base funds is being allocated in support of the BACS program.



#### **4. Special Faculty Renewal Initiative (SFRI)**

Some of the positions approved as part of the Special Faculty Renewal Initiatives (SFRI) in 1997-98 and 1998-99 have not yet been filled. The Provost has informed the Deans that funding for the SFRI positions not filled by April 2002 will be cancelled.

#### **5. Provost's Academic Support Fund (PASF)**

The PASF continues in 2001-02 and base fund is being increased by nearly \$410,000. The PASF is the source of annual one-time funds intended to support specific instructional and research initiatives within the Faculties. Table 12 outlines the initial recommended 2001-02 PASF allocations, which are all one-time funds. Other academic initiatives will be considered for PASF funding during the year. For information, a detailed accounting of the PASF for 2000-01 is shown in Table 13.

#### **6. Continuing Studies: Trois-Pistoles**

In November 2000, the President wrote to the Director of the Trois-Pistoles program informing him that the University's subsidy would be phased out over the next two years.

### **G. Scholarships and Bursaries**

Base budget allocations for student support are shown in Table 3. Overall student support funding is being increased by \$2.5M in 2001-02. The cumulative impact of this 9.6% increase is shown in Figure 5, and reflects Western's continuing commitment to the financial support of graduate and undergraduate students. Total student support funding has increased from 4.9 million in 1992-93 to \$28.3 million in 2001-02.

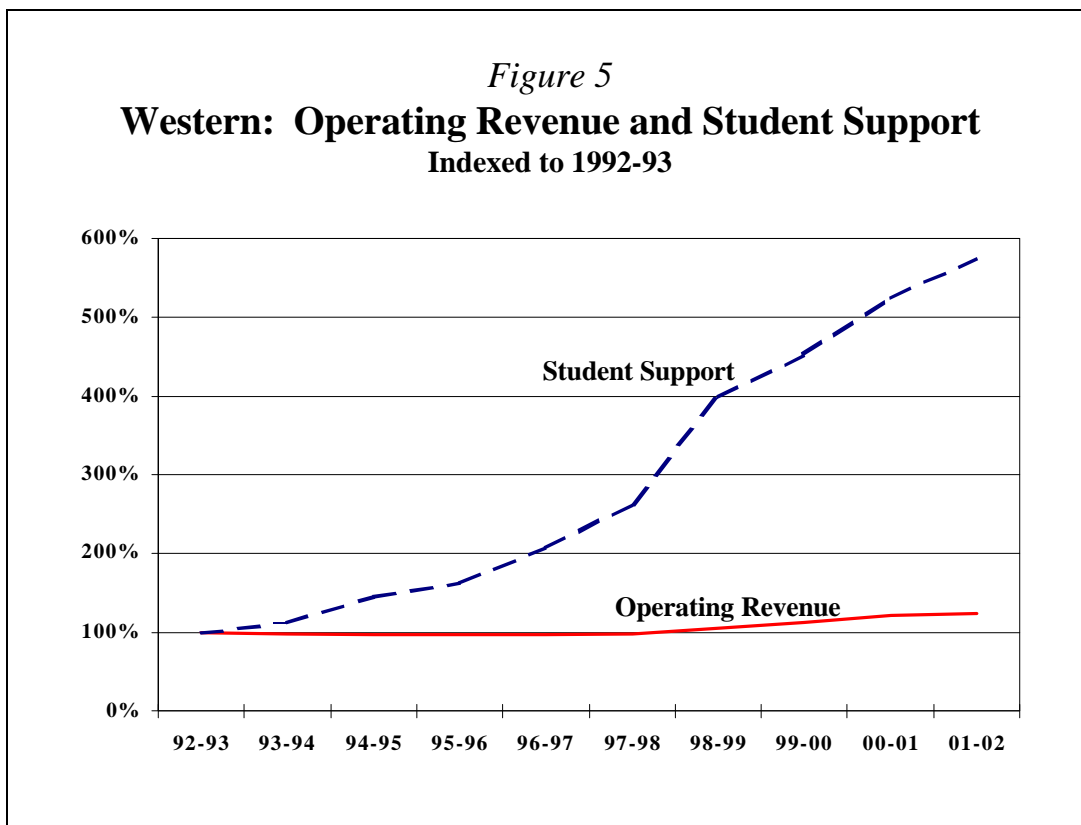
- 1. Undergraduate Scholarships.** The base budget for undergraduate scholarships is being increased by \$250,000, reflecting the projected increase in scholarship-eligible first-year students.
- 2. Needs-based Undergraduate Student Support.** The requirement to set-aside 30% of incremental tuition revenues will generate an additional \$1.5 million, bringing the total funding available for needs-based undergraduate student support to over \$9.5 million in 2001-02. These funds will be allocated to students in financial need through the University's work/study program and direct needs-based bursaries.

The needs-based student support funds resulting from the tuition set-aside will be supplemented by other funding sources, including donations and special programming funding from the government B and will be distributed by the Financial Aid Office according to prescribed criteria.

As described earlier, the University is committed to directing the 30% set-aside funds resulting from the high tuition fee programs (e.g. HBA, LLB, MD, DDS) back to students in those programs B conditional only on sufficient demand from students whose financial need meets provincial eligibility criteria.

Under the government's guidelines for the disposition of tuition set-aside funds for student financial aid, 5% will be used to cover the administrative costs of the service.

- 3. **Graduate Student Support.** There will be an addition of over \$725,000 to overall graduate student support as a result of allocating 75% of graduate student tuition revenue (excluding self-funded programs) back to graduate student support. Total graduate student support now amounts to nearly \$12.5 million.



## H. Budget Allocations to Support Units

Base budget allocations to support units are shown in Table 4. These allocations reflect differential decisions involving investment in areas of priority. It should be noted that the funds required for the selective investments are derived from the initial budget adjustments that reduced unit budgets by 3%. This initial budget adjustment will place extraordinary pressures on staff members who already are carrying a heavy workload B the cumulative impact of budget cuts over the past decade.

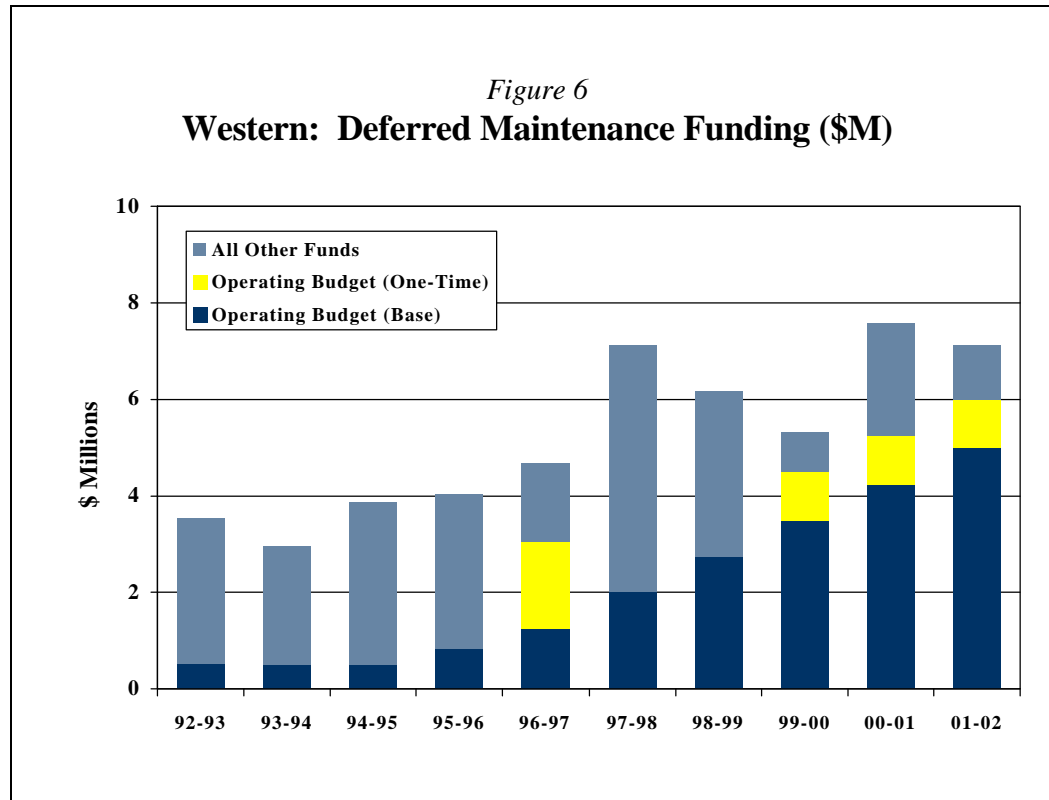
- A sum of \$115,000 is being allocated to **Information Technology Services** in support of additional staffing in the area of information security and to cover the on-going costs of a new university-wide virus protection software. One-time funding from the Provost's Academic Support Fund (PASF) is also being provided to cover the one-time purchase costs of the virus protection software.
- The investment in the **Libraries** (\$130,000) will support the University Archives Initiative as well as new information technology initiatives, including digitization projects.
- The **Registrar's Office** base budget has been protected from the initial budget reduction applied to all other support units. In addition, the Registrar's Office budget is being supplemented by one-time allocations for additional information systems staffing.
- Over the past four years, an average of nearly \$2 million in one-time funds has been allocated to support the implementation of the University's new database systems. Starting with 2001-02, the special funding is being eliminated. However, there is a need to continue with strategic projects that will enable us to take advantage of the full capabilities of the new systems. A sum of \$300,000 in base funding is being provided to support these strategic projects and for additional staffing in the **Office of Institutional Planning and Budgeting**.
- A sum of \$120,000 is being allocated to **Financial Services** in support of additional staffing required to accommodate increased workload resulting from new initiatives such as the CFI, OIT, and the CRCs. One-time funding is also being provided for additional short-term staffing.
- The **Human Resources** base budget is being increased by \$75,000 to support additional staffing in the areas of disability management, staff development, and hazardous waste management. One-time funding is also being provided for additional short-term staffing.
- A sum of \$125,000 is being allocated to **Physical Plant** to cover the on-going costs of a new computer system and expansion of the fumehood inspection program.
- The \$100,000 increase to the **Research Western** base budget is in support of additional staffing.

- The **Advancement Services** base budget is being increased by \$45,000 to support additional staff and the \$55,000 base allocation to **Communications and Public Affairs** is targeted at the continuation of the Faculty newsletter program.
- The increase of \$360,000 in the base budget for the **Office of the President and Vice-Presidents** is in support of additional staffing to support the Vice-President (Administration), the new Associate Vice-President (Research), and previous funding shortfalls.
- A sum of \$52,000 is being allocated to the **University Secretariat** in support of additional staffing.

## I. Corporate Expenditures

Table 5 summarizes Corporate Expenditures B central operating expenditures that extend across all areas of the University.

- **Corporate Contingency** is being set at over \$800,000 B 0.25% of Operating Revenues.
- The base budget for **Library Acquisitions** is being increased by 5% (or \$448,000), reflecting the University's commitment in this area.
- **Student Recruitment** continues to be a University priority, and the base budget is being increased by \$25,000 B bringing the total to \$450,000. In addition, substantial one-time allocations are also being made in support of student recruitment.
- As recommended in the University's Strategic Plan, the operating budget commitment to the capital budget in support of **Deferred Maintenance** is being increased by another \$750,000 B bringing the total allocation in 2001-02 to \$5 million. These funds will be used to address the University's deferred maintenance backlog and for the renewal of instructional and research facilities across campus. The University's ancillary units also provide additional support to deferred maintenance projects. Overall expenditures on deferred maintenance in 2001-02, which includes funds from sources other than the University's operating budget, total \$7.1 million B and are detailed in Table 15 of the Capital Budget.
- A portion of each CRC award is retained in the central operating budget to support University-wide overhead costs B \$30,000 from each Tier 1 award and \$10,000 from each Tier 2 award. As shown in line 15 of Table 5 (**CRC Transfer to SuperBuild**), 80% of this central overhead fund is being transferred to the Capital Budget in support of SuperBuild projects B in recognition of the fact that the new SuperBuild facilities will either directly or indirectly accommodate the space pressures created by the CRC program.



- Physical Plant **Utilities** costs increased substantially in the current year; further increases are projected for 2001-02, primarily due to increases in the cost of natural gas.
- The reduction in **Professional Fees** is the result of anticipated reduction in annual legal fees because responsibilities which currently rest with external legal firms will be transferred to new staff working under the Vice-President (Administration).
- The **University Systems Replacement Fund** base budget is being increased by \$250,000 reflecting increased annual maintenance costs associated with the University's corporate database systems, including hardware and software maintenance and purchase costs.

## J. One-time Allocations

Table 6 summarizes one-time allocations for 2001-02. The allocations, totalling over \$6.2 million, include targeted funding for specific initiatives critical to the functioning of the University.

- The University will continue to compete aggressively for funds from the Canada Foundation for Innovation (CFI) initiative. An additional \$2.5 million is being earmarked as matching funds for the CFI program.

- Funding is included to support Western's 125<sup>th</sup> Anniversary Fundraising Campaign. The \$1.9 million shown in Table 6 is derived from an administrative fee on endowments and donations (shown as fundraising revenue in Table 1, line 29) and not from general University operating revenues.
- The commitment to invest operating budget funds to improve and expand facilities in Dentistry continues in 2001-02 B with this being year 3 of a 5-year commitment.
- A sum of \$252,000 is being allocated to Information Technology Services to cover the costs of upgrading two General University student computer labs.
- As indicated earlier, approximately 65% of the incremental (net of set-aside for student aid) undergraduate Engineering tuition revenue is being transferred to the capital budget in support of the expansion of the Advanced Technology Centre, to create additional space for Engineering.
- A sum of \$150,000 is being allocated to support the commercialization of intellectual property. These funds finance the costs of legal protection of intellectual property by means of patent and copyright, and support some of the requirements for early-stage commercialization activities, such as proof-of-principle, market evaluation, and prototype development.
- Additional one-time funds of \$150,000 are being allocated to support new student recruitment initiatives.
- A sum of \$135,000 is being allocated to the Faculty of Arts to upgrade outdated computing equipment in the Language Learning Lab.
- A sum of \$100,000 is being allocated to Physical Plant in support of Emergency Response initiatives.
- An \$80,000 one-time allocation to Human Resources is in support of additional short-term staffing.
- The Libraries are being provided with \$75,000 in one-time funds to purchase compact shelving for increased and more efficient storage of books.
- A sum of \$65,000 is being allocated to the Registrar's Office in support of additional information systems staffing.

- The collaborative Engineering/Science Centre for Research in Environmental Science and Engineering is being funded at a rate of \$42,113 to each Faculty. Note that this funding will be repeated in 2002-03.
- The \$20,000 one-time allocation to Financial Services is in support of additional short-term staffing.
- The increase in applications to first-year entry into Western's programs has resulted in additional processing and postage costs in the Registrar's Office. A sum of \$10,025 is being provided to cover these costs.

## **K. Summary**

Table 7 provides a summary of the University's Operating Budget for 2001-02. Line 7 shows the provision of an additional \$5.3 million in support of anticipated cost increases. This amount is the net result of a provision for employee salary increases and benefit cost variations.

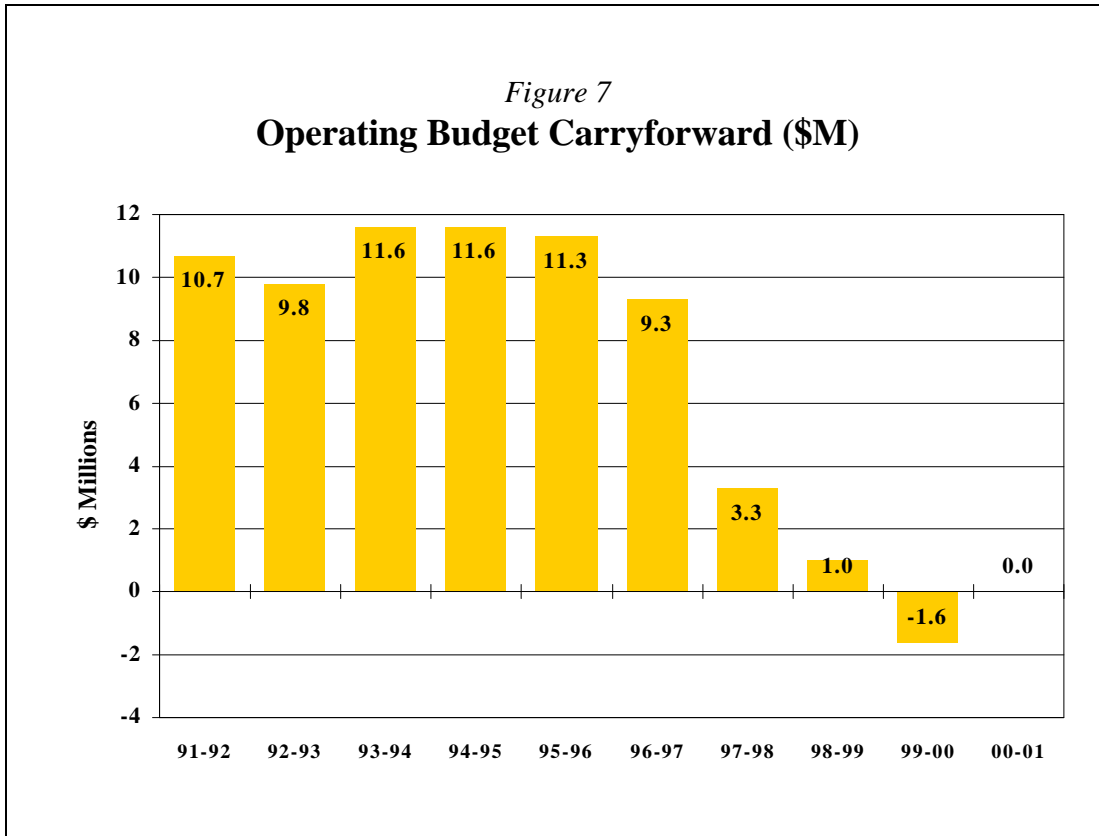
The net position for the current year and 2001-02 is shown in line 15 B a surplus of \$1.6 million is expected in the current year and a surplus of \$0.3 million is projected for 2001-02. The Operating Reserve, summarized in Table 8, is projected to be at \$1.4 million B \$1.1 million below the Board-mandated level of \$2.5 million.

Another important item to note in Table 7 is that net carryforward is projected to be zero in 2001-02, which is the result of the cumulative impact of budget reductions experienced by Western's Faculties and support units.

## **L. Conclusion**

Returning again to the contradictions that so mark Western's current situation -- as we contemplate the coming year, our community is faced with the task of constructing a picture of our future in which we must reconcile compelling evidence of growing strengths and accomplishments with underfunding and an absence of a commitment to the operating funding of the Province's universities that threaten to undermine even our best efforts. While we remain hopeful that a significant multi-year increase to university operating budgets will be made in the Provincial Budget in May, as noted above the first calls on those funds, in line with Board policy, would involve accommodating the Board's targets for investment reserves and the year-end operating reserve. We must continue to argue the case that the critical contributions made by our educational and research activities to the social and economic future of the province demand reinvestment. Until those new resources are forthcoming, however, it is essential that we optimize the use of the resources already at our disposal, through the identification and support of areas and activities of strength and priority in education, research, and non-academic operations. The current planning process amply

demonstrated that these areas of strength exist across the campus, and that our community is prepared to defend and promote them in the interests of the University's mission, recognizing the difficult choices involved. As painful as this process will be, it provides us with a control over our destiny that we can ill-afford to abdicate to forces beyond Western's walls.





|    |  | 2000-2001          |                    |                  |              |
|----|--|--------------------|--------------------|------------------|--------------|
|    |  | Budget             |                    | Increase /       |              |
|    |  | Forecast           | 2001-2002          | (Decrease)       |              |
|    |  | (@ Feb 28, 2001)   | Budget             | Amount           | % Change     |
|    |  | (1)                | (2)                | (3)              | (1) to (2)   |
| 1  | <b>Government Grants</b>                                     |                    |                    |                  |              |
| 2  | Base Grants  | 126,277,787        | 128,726,124        | 2,448,337        | 1.9%         |
| 3  | Accessibility Fund   | 0                  | 0                  | 0                | 0.0%         |
| 4  | Performance Indicator Fund                                   | 1,817,265          | 1,517,265          | -300,000         | -16.5%       |
| 5  | Program Expansion Grants                                     | 6,874,476          | 5,028,119          | -1,846,357       | -26.9%       |
| 6  | Research Infrastructure                                      | 2,772,927          | 2,828,386          | 55,459           | 2.0%         |
| 7  | Research Performance Fund                                    | 1,000,000          | 1,000,000          | 0                | 0.0%         |
| 8  | Accessibility for the Disabled                               | 558,236            | 558,236            | 0                | 0.0%         |
| 9  | MTCU Student Bursary Grant                                   | 1,770,534          | 1,770,534          | 0                | 0.0%         |
| 10 | Targetted Government Grants                                  | 3,098,481          | 3,127,956          | 29,475           | 1.0%         |
| 11 | <b>Sub-Total Government Grants</b>                           | <b>144,169,706</b> | <b>144,556,620</b> | <b>386,914</b>   | <b>0.3%</b>  |
| 12 | <b>Tuition Revenue</b>                                       |                    |                    |                  |              |
| 13 | Undergraduate  | 88,554,075         | 95,769,961         | 7,215,886        | 8.1%         |
| 14 | Graduate   | 11,715,492         | 12,547,933         | 832,441          | 7.1%         |
| 15 | <i>Sub-Total Regular Programs</i>                            | <i>100,269,567</i> | <i>108,317,894</i> | <i>8,048,327</i> | <i>8.0%</i>  |
| 16 | MBA, Executive/Video MBA                                     | 19,912,000         | 20,127,000         | 215,000          | 1.1%         |
| 17 | International Medical Students                               | 1,236,000          | 1,236,000          | 0                | 0.0%         |
| 18 | NDEB Qualifying Program                                      | 648,000            | 720,000            | 72,000           | 11.1%        |
| 19 | <i>Sub-Total Self-Funded Programs</i>                        | <i>21,796,000</i>  | <i>22,083,000</i>  | <i>287,000</i>   | <i>1.3%</i>  |
| 20 | Miscellaneous Fees   | 1,050,000          | 1,050,000          | 0                | 0.0%         |
| 21 | <b>Sub-Total Tuition Revenue</b>                             | <b>123,115,567</b> | <b>131,450,894</b> | <b>8,335,327</b> | <b>6.8%</b>  |
| 22 | <b>Other Revenues</b>  |                    |                    |                  |              |
| 23 | Canada Research Chairs (CRCs)                                | 0                  | 1,700,000          | 1,700,000        | ***          |
| 24 | Affiliate Service Fees                                       | 1,869,727          | 2,089,701          | 219,974          | 11.8%        |
| 25 | Affiliate Cross Teaching                                     | 381,024            | 593,800            | 212,776          | 55.8%        |
| 26 | Recoverable Salaries   | 17,799,943         | 17,799,943         | 0                | 0.0%         |
| 27 | Investment Income  | 8,500,000          | 8,500,000          | 0                | 0.0%         |
| 28 | Appropriation from Investment Fund                           | 2,500,000          | 0                  | -2,500,000       | ***          |
| 29 | Fundraising - Unrestricted                                   | 1,450,012          | 1,884,259          | 434,247          | 29.9%        |
| 30 | Application Fees   | 700,000            | 735,000            | 35,000           | 5.0%         |
| 31 | Research Overheads   | 1,200,000          | 1,250,000          | 50,000           | 4.2%         |
| 32 | Miscellaneous Revenues                                       | 270,000            | 270,000            | 0                | 0.0%         |
| 33 | <b>Sub-Total Other Revenues</b>                              | <b>34,670,706</b>  | <b>34,822,703</b>  | <b>151,997</b>   | <b>0.4%</b>  |
| 34 | <b>Contributions from Ancillaries &amp; Other Operations</b> |                    |                    |                  |              |
| 35 | Administrative Fees  | 5,286,669          | 5,170,000          | -116,669         | -2.2%        |
| 36 | Occupancy Charges  | 2,867,293          | 3,220,000          | 352,707          | 12.3%        |
| 37 | Direct Ancillary Contributions                               | 2,000,000          | 1,600,000          | -400,000         | -20.0%       |
| 38 | <b>Sub-Total Contributions</b>                               | <b>10,153,962</b>  | <b>9,990,000</b>   | <b>-163,962</b>  | <b>-1.6%</b> |
| 39 | <b>TOTAL REVENUES</b>  | <b>312,109,941</b> | <b>320,820,217</b> | <b>8,710,276</b> | <b>2.8%</b>  |

**Table 2**  
**FACULTIES**  
**2001-2002 BASE BUDGETS**

|    |  | <a>   | <b>  | <c>                             | <d>                             | <e>                       | <f>               | <g>                            | <h>                        | <i>                                 | <j>                                   | <k>                            | <l>                           |
|----|--|---|--|---------------------------------|---------------------------------|---------------------------|-------------------|--------------------------------|----------------------------|-------------------------------------|---------------------------------------|--------------------------------|-------------------------------|
|    |  | 2000-2001<br>Base Budget<br>(@ May 1, 2000) | 2000-2001<br>Base Budget<br>(@ Feb 28, 2001) | Faculty<br>Turnover<br>Recovery | Initial<br>Budget<br>Adjustment | \$ Value of<br>Adjustment | New<br>Investment | Program<br>Expansion<br>Grants | ECF to Base<br>Conversions | Canada<br>Research<br>Chairs (CRCs) | Resulting<br>2001-2002<br>Base Budget | \$ Change<br>from<br>2000-2001 | % Change<br>from<br>2000-2001 |
| 1  | <b>Faculties</b>                             |   |  |                                 |                                 |                           |                   |                                |                            |                                     |                                       |                                |                               |
| 2  | Arts   | 12,010,096                                  | 13,466,755                                   | -49,933                         | -3.0%                           | -402,505                  | 35,000            |                                |                            | 170,000                             | 13,219,317                            | -247,438                       | -1.8%                         |
| 3  | Business                                     | 4,453,255                                   | 4,687,142                                    | -51,873                         | -3.0%                           | -139,058                  | 700,000           |                                | 200,000                    |                                     | 5,396,211                             | 709,069                        | 15.1%                         |
| 4  | Education                                    | 6,088,059                                   | 6,739,931                                    |                                 | -3.0%                           | -202,198                  |                   |                                | 200,000                    |                                     | 6,737,733                             | -2,198                         | -0.0%                         |
| 5  | Engineering                                  | 9,972,892                                   | 10,645,520                                   |                                 | -3.0%                           | -319,366                  |                   | 342,332                        | 150,000                    | 90,000                              | 10,908,486                            | 262,966                        | 2.5%                          |
| 6  | Graduate Studies                             | 709,297                                     | 778,511                                      |                                 | -3.0%                           | -23,355                   |                   |                                |                            |                                     | 755,156                               | -23,355                        | -3.0%                         |
| 7  | Health Sciences                              | 10,508,689                                  | 11,400,303                                   | -12,635                         |                                 |                           | 350,000           |                                | 400,000                    |                                     | 12,137,668                            | 737,365                        | 6.5%                          |
| 8  | Information & Media Studies                  | 3,737,603                                   | 4,039,330                                    |                                 | -3.0%                           | -121,180                  | 35,000            |                                | 100,000                    |                                     | 4,053,150                             | 13,820                         | 0.3%                          |
| 9  | Law  | 3,301,993                                   | 3,765,734                                    |                                 | -3.0%                           | -112,972                  | 280,000           |                                |                            |                                     | 3,932,762                             | 167,028                        | 4.4%                          |
| 10 | Medicine & Dentistry: Dentistry              | 3,929,135                                   | 4,180,254                                    |                                 | -3.0%                           | -125,408                  | 215,000           |                                | 50,000                     |                                     | 4,319,846                             | 139,592                        | 3.3%                          |
| 11 | Medicine & Dentistry: Medicine               | 19,835,387                                  | 21,300,471                                   | -49,719                         | -3.0%                           | -637,523                  | 600,000           | 116,429                        | 250,000                    | 690,000                             | 22,269,658                            | 969,187                        | 4.6%                          |
| 12 | Music  | 4,332,242                                   | 4,842,156                                    |                                 | -3.0%                           | -145,265                  | 35,000            |                                |                            |                                     | 4,731,891                             | -110,265                       | -2.3%                         |
| 13 | Science                                      | 26,928,998                                  | 29,117,757                                   | -293,973                        | -3.0%                           | -864,714                  | 75,300            | 126,750                        | 250,000                    | 260,000                             | 28,671,120                            | -446,637                       | -1.5%                         |
| 14 | Social Science                               | 22,951,423                                  | 25,220,919                                   | -113,949                        | -3.0%                           | -753,209                  | 60,000            |                                |                            | 260,000                             | 24,673,761                            | -547,158                       | -2.2%                         |
| 15 | <b>Sub-Total Faculties</b>                   | <b>128,759,069</b>                          | <b>140,184,783</b>                           | <b>-572,082</b>                 |                                 | <b>-3,846,753</b>         | <b>2,385,300</b>  | <b>585,511</b>                 | <b>1,600,000</b>           | <b>1,470,000</b>                    | <b>141,806,759</b>                    | <b>1,621,976</b>               | <b>1.2%</b>                   |
| 16 | Enrolment Contingent Fund (ECF)              | 4,494,333                                   | 4,552,467                                    |                                 |                                 | -1,097,380                |                   | 314,913                        |                            |                                     | 3,770,000                             | -782,467                       | -17.2%                        |
| 17 | Special Faculty Renewal Initiative (SFRI)    | 846,597                                     | 377,993                                      |                                 |                                 |                           |                   |                                |                            |                                     | 377,993                               | 0                              | 0.0%                          |
| 18 | Ctr. for Women's Studies & Feminist Rsrch    | 222,224                                     | 183,921                                      |                                 | -3.0%                           | -5,518                    |                   |                                |                            |                                     | 178,403                               | -5,518                         | -3.0%                         |
| 19 | Graduate Interdisciplinary Programs          | 202,898                                     | 205,546                                      |                                 | -3.0%                           | -6,166                    |                   |                                |                            |                                     | 199,380                               | -6,166                         | -3.0%                         |
| 20 | <b>Total, with ECF and SFRI</b>              | <b>134,525,121</b>                          | <b>145,504,710</b>                           | <b>-572,082</b>                 |                                 | <b>-4,955,817</b>         | <b>2,385,300</b>  | <b>900,424</b>                 | <b>1,600,000</b>           | <b>1,470,000</b>                    | <b>146,332,535</b>                    | <b>827,825</b>                 | <b>0.6%</b>                   |
| 21 | <b>All-Other</b>                             |   |  |                                 |                                 |                           |                   |                                |                            |                                     |                                       |                                |                               |
| 22 | Provost's Academic Support Fund              | 1,653,327                                   | 1,653,327                                    |                                 |                                 |                           | 409,700           |                                |                            |                                     | 2,063,027                             | 409,700                        | 24.8%                         |
| 23 | Academic Development Fund                    | 1,000,000                                   | 1,000,000                                    |                                 |                                 |                           |                   |                                |                            |                                     | 1,000,000                             | 0                              | 0.0%                          |
| 24 | Summer Course Instructor Stipends            | 1,396,752                                   | 1,404,827                                    |                                 |                                 |                           | 281,000           |                                |                            |                                     | 1,685,827                             | 281,000                        | 20.0%                         |
| 25 | Distance Studies Instructor Stipends         | 700,000                                     | 735,000                                      |                                 |                                 |                           | 51,000            |                                |                            |                                     | 786,000                               | 51,000                         | 6.9%                          |
| 26 | Continuing Studies: Trois-Pistoles           | 690,983                                     | 821,846                                      |                                 |                                 | -95,571                   |                   |                                |                            |                                     | 726,275                               | -95,571                        | -11.6%                        |
| 27 | Education: Continuing Education for Teachers | 1,636,800                                   | 1,886,800                                    |                                 |                                 |                           | 146,000           |                                |                            |                                     | 2,032,800                             | 146,000                        | 7.7%                          |
| 28 | Business: MBA,Executive /Video MBA           | 19,273,000                                  | 19,912,000                                   |                                 |                                 |                           | 215,000           |                                |                            |                                     | 20,127,000                            | 215,000                        | 1.1%                          |
| 29 | Dentistry: NDEB Qualifying Program           | 0   | 648,000                                      |                                 |                                 |                           | 72,000            |                                |                            |                                     | 720,000                               | 72,000                         | 11.1%                         |
| 30 | Medicine: International Medical Students     | 0   | 1,236,000                                    |                                 |                                 |                           |                   |                                |                            |                                     | 1,236,000                             | 0                              | 0.0%                          |
| 31 | Faculty Share of Research Overheads          | 620,000                                     | 620,000                                      |                                 |                                 |                           | 30,000            |                                |                            |                                     | 650,000                               | 30,000                         | 4.8%                          |
| 32 | Medicine: Primary Care                       | 349,806                                     | 349,806                                      |                                 |                                 |                           |                   |                                |                            |                                     | 349,806                               | 0                              | 0.0%                          |
| 33 | Recoverable Salaries: T&R                    | 3,851,343                                   | 3,851,343                                    |                                 |                                 |                           |                   |                                |                            |                                     | 3,851,343                             | 0                              | 0.0%                          |
| 34 | Recoverable Salaries: Other                  | 14,233,645                                  | 13,948,600                                   |                                 |                                 |                           |                   |                                |                            |                                     | 13,948,600                            | 0                              | 0.0%                          |
| 35 | <b>Sub-Total</b>                             | <b>45,405,656</b>                           | <b>48,067,549</b>                            | <b>0</b>                        |                                 | <b>-95,571</b>            | <b>1,204,700</b>  | <b>0</b>                       | <b>0</b>                   | <b>0</b>                            | <b>49,176,678</b>                     | <b>1,109,129</b>               | <b>2.3%</b>                   |
| 36 | <b>Total Academic Units</b>                  | <b>179,930,777</b>                          | <b>193,572,259</b>                           | <b>-572,082</b>                 | <b>-2.6%</b>                    | <b>-5,051,388</b>         | <b>3,590,000</b>  | <b>900,424</b>                 | <b>1,600,000</b>           | <b>1,470,000</b>                    | <b>195,509,213</b>                    | <b>1,936,954</b>               | <b>1.0%</b>                   |

| <b>Table 3</b>  |  |  |                   |                                       |                                |                               |
|---|--|--|-------------------|---------------------------------------|--------------------------------|-------------------------------|
| <b>SCHOLARSHIPS and BURSARIES</b>   |  |  |                   |                                       |                                |                               |
| <b>2001-2002 BASE BUDGETS</b>   |  |  |                   |                                       |                                |                               |
|   |  | <a>  | <b>               | <c>                                   | <d>                            | <e>                           |
|   |  | 2000-2001<br>Base Budget<br>(@ Feb 28, 2001) | New<br>Investment | Resulting<br>2001-2002<br>Base Budget | \$ Change<br>from<br>2000-2001 | % Change<br>from<br>2000-2001 |
| 1   | <b>Undergraduate Student Support</b>           |  |                   |                                       |                                |                               |
| 2   | Scholarships                                   | 3,976,703                                    | 250,000           | 4,226,703                             | 250,000                        | 6.3%                          |
| 3   | UWO Bursaries                                  | 250,375                                      |                   | 250,375                               | 0                              | 0.0%                          |
| 4   | Senior Citizen Bursaries                       | 76,170                                       |                   | 76,170                                | 0                              | 0.0%                          |
| 5   | MTCU Work Study Program and Bursaries          | 1,770,534                                    |                   | 1,770,534                             | 0                              | 0.0%                          |
| 6   | Tuition Re-Investment                          | 7,999,535                                    | 1,515,334         | 9,514,869                             | 1,515,334                      | 18.9%                         |
| 7   | <b>Sub-Total Undergraduate Student Support</b> | <b>14,073,317</b>                            | <b>1,765,334</b>  | <b>15,838,651</b>                     | <b>1,765,334</b>               | <b>12.5%</b>                  |
| 8   | <b>Graduate Student Support</b>                |  |                   |                                       |                                |                               |
| 9   | UWO Scholarship for Graduate Study             | 820,000                                      |                   | 820,000                               | 0                              | 0.0%                          |
| 10  | Scholarships                                   | 5,208,193                                    | 673,820           | 5,882,013                             | 673,820                        | 12.9%                         |
| 11  | Graduate Teaching Assistantships **            | 5,147,476                                    |                   | 5,147,476                             | 0                              | 0.0%                          |
| 12  | Tuition Re-Investment                          | 580,462                                      | 51,865            | 632,327                               | 51,865                         | 8.9%                          |
| 13  | <b>Sub-Total Graduate Student Support</b>      | <b>11,756,131</b>                            | <b>725,685</b>    | <b>12,481,816</b>                     | <b>725,685</b>                 | <b>6.2%</b>                   |
| 14  | <b>Total Scholarships and Bursaries</b>        | <b>25,829,448</b>                            | <b>2,491,019</b>  | <b>28,320,467</b>                     | <b>2,491,019</b>               | <b>9.6%</b>                   |
| <p>** Includes only those GTAs administered through the Faculty of Graduate Studies. This represents roughly 2/3rds of the total GTAs available to UWO graduate students.<br/>Includes GTA expenses previously funded directly by the Faculties of Arts (\$1,061,208) and Social Science (\$2,009,658).</p> |  |  |                   |                                       |                                |                               |

| <b>Table 4</b>                |   |   |  |                                 |                           |                   |                                       |                                |                               |
|-------------------------------|---|---|--|---------------------------------|---------------------------|-------------------|---------------------------------------|--------------------------------|-------------------------------|
| <b>SUPPORT AREAS</b>          |   |   |  |                                 |                           |                   |                                       |                                |                               |
| <b>2001-2002 BASE BUDGETS</b> |   |   |  |                                 |                           |                   |                                       |                                |                               |
|                               |   | <a>   | <b>  | <c>                             | <d>                       | <e>               | <f>                                   | <g>                            | <h>                           |
|                               |   | 2000-2001<br>Base Budget<br>(@ May 1, 2000) | 2000-2001<br>Base Budget<br>(@ Feb 28, 2001) | Initial<br>Budget<br>Adjustment | \$ Value of<br>Adjustment | New<br>Investment | Resulting<br>2001-2002<br>Base Budget | \$ Change<br>from<br>2000-2001 | % Change<br>from<br>2000-2001 |
| 1                             | <b>Reporting to the Provost</b>                       |   |  |                                 |                           |                   |                                       |                                |                               |
| 2                             | Educational Development Office                        | 221,216                                     | 231,251                                      | -3.0%                           | -6,938                    |                   | 224,313                               | -6,938                         | -3.0%                         |
| 3                             | Effective Writing Program                             | 169,733                                     | 174,734                                      |                                 |                           |                   | 174,734                               | 0                              | 0.0%                          |
| 4                             | Information Technology Services                       | 4,683,172                                   | 4,770,584                                    | -3.0%                           | -143,118                  | 115,000           | 4,742,466                             | -28,118                        | -0.6%                         |
| 5                             | Libraries   | 9,330,124                                   | 9,612,609                                    | -3.0%                           | -288,378                  | 130,000           | 9,454,231                             | -158,378                       | -1.6%                         |
| 6                             | Office of the Registrar                               | 3,589,653                                   | 3,833,477                                    |                                 |                           |                   | 3,833,477                             | 0                              | 0.0%                          |
| 7                             | Institutional Planning & Budgeting                    | 2,721,961                                   | 2,772,279                                    | -3.0%                           | -83,168                   | 300,000           | 2,989,111                             | 216,832                        | 7.8%                          |
| 8                             | <b>Sub-Total</b>                                      | <b>20,715,859</b>                           | <b>21,394,934</b>                            | <b>-2.4%</b>                    | <b>-521,602</b>           | <b>545,000</b>    | <b>21,418,332</b>                     | <b>23,398</b>                  | <b>0.1%</b>                   |
| 9                             | <b>Reporting to the Vice-President Administration</b> |   |  |                                 |                           |                   |                                       |                                |                               |
| 10                            | Financial Services                                    | 3,014,187                                   | 3,109,393                                    | -3.0%                           | -93,282                   | 120,000           | 3,136,111                             | 26,718                         | 0.9%                          |
| 11                            | Human Resources                                       | 2,607,250                                   | 2,685,365                                    | -3.0%                           | -80,561                   | 75,000            | 2,679,804                             | -5,561                         | -0.2%                         |
| 12                            | Pensions and Benefits Administration                  | 831,886                                     | 946,988                                      | -3.0%                           | -11,816                   |                   | 935,172                               | -11,816                        | -1.2%                         |
| 13                            | Staff/Faculty Health Services                         | 106,689                                     | 107,531                                      |                                 |                           |                   | 107,531                               | 0                              | 0.0%                          |
| 14                            | Physical Plant  | 11,628,727                                  | 11,975,229                                   | -3.0%                           | -308,125                  | 125,000           | 11,792,104                            | -183,125                       | -1.5%                         |
| 15                            | Internal Audit  | 83,675                                      | 87,269                                       |                                 |                           |                   | 87,269                                | 0                              | 0.0%                          |
| 16                            | <b>Sub-Total</b>                                      | <b>18,272,414</b>                           | <b>18,911,775</b>                            | <b>-2.6%</b>                    | <b>-493,784</b>           | <b>320,000</b>    | <b>18,737,991</b>                     | <b>-173,784</b>                | <b>-0.9%</b>                  |
| 17                            | <b>Reporting to the Vice-President Research</b>       |   |  |                                 |                           |                   |                                       |                                |                               |
| 18                            | Animal Care/Vet Services - Subsidy                    | 497,603                                     | 497,603                                      |                                 |                           |                   | 497,603                               | 0                              | 0.0%                          |
| 19                            | Research Western                                      | 1,178,753                                   | 1,224,397                                    | -3.0%                           | -36,732                   | 100,000           | 1,287,665                             | 63,268                         | 5.2%                          |
| 20                            | Research Promotion Fund                               | 250,000                                     | 250,000                                      |                                 |                           |                   | 250,000                               | 0                              | 0.0%                          |
| 21                            | <b>Sub-Total</b>                                      | <b>1,926,356</b>                            | <b>1,972,000</b>                             | <b>-1.9%</b>                    | <b>-36,732</b>            | <b>100,000</b>    | <b>2,035,268</b>                      | <b>63,268</b>                  | <b>3.2%</b>                   |
| 22                            | <b>Reporting to the Vice-President External</b>       |   |  |                                 |                           |                   |                                       |                                |                               |
| 23                            | Advancement Services                                  | 615,701                                     | 641,056                                      | -3.0%                           | -19,232                   | 45,000            | 666,824                               | 25,768                         | 4.0%                          |
| 24                            | Communications and Public Affairs                     | 1,002,846                                   | 912,230                                      | -3.0%                           | -27,367                   | 55,000            | 939,863                               | 27,633                         | 3.0%                          |
| 25                            | Alumni Relations and Development                      | 1,742,646                                   | 1,795,881                                    | -3.0%                           | -53,876                   |                   | 1,742,005                             | -53,876                        | -3.0%                         |
| 26                            | McIntosh Gallery - Subsidy                            | 191,129                                     | 168,629                                      |                                 |                           |                   | 168,629                               | 0                              | 0.0%                          |
| 27                            | <b>Sub-Total</b>                                      | <b>3,552,322</b>                            | <b>3,517,796</b>                             | <b>-2.9%</b>                    | <b>-100,475</b>           | <b>100,000</b>    | <b>3,517,321</b>                      | <b>-475</b>                    | <b>-0.0%</b>                  |
| 28                            | <b>General Administration</b>                         |   |  |                                 |                           |                   |                                       |                                |                               |
| 29                            | Office of the President/Vice-Presidents               | 2,338,436                                   | 2,502,997                                    |                                 | 0                         | 360,000           | 2,862,997                             | 360,000                        | 14.4%                         |
| 30                            | University Secretariat                                | 432,809                                     | 451,765                                      |                                 | 0                         | 52,000            | 503,765                               | 52,000                         | 11.5%                         |
| 31                            | <b>Sub-Total</b>                                      | <b>2,771,245</b>                            | <b>2,954,762</b>                             | <b>0%</b>                       | <b>0</b>                  | <b>412,000</b>    | <b>3,366,762</b>                      | <b>412,000</b>                 | <b>13.9%</b>                  |
| 32                            | <b>Total Support Areas</b>                            | <b>47,238,196</b>                           | <b>48,751,267</b>                            | <b>-2.4%</b>                    | <b>-1,152,593</b>         | <b>1,477,000</b>  | <b>49,075,674</b>                     | <b>324,407</b>                 | <b>0.7%</b>                   |

|    |  | <a>  | <b>               | <c>              | <d>                                   | <e>                            | <f>                           |
|----|--|--|-------------------|------------------|---------------------------------------|--------------------------------|-------------------------------|
|    |  | 2000-2001<br>Base Budget<br>(@ Feb 28, 2001) | New<br>Investment | Other<br>Changes | Resulting<br>2001-2002<br>Base Budget | \$ Change<br>from<br>2000-2001 | % Change<br>from<br>2000-2001 |
| 1  | Accessibility for the Disabled   | 558,236                                      |                   |                  | 558,236                               |                                | 0.0%                          |
| 2  | Corporate Contingency  | 768,763                                      |                   | 33,288           | 802,051                               | 33,288                         | 4.3%                          |
| 3  | Convocation and Diplomas   | 150,922                                      | 15,000            |                  | 165,922                               | 15,000                         | 9.9%                          |
| 4  | Ombudsperson   | 68,799                                       |                   |                  | 68,799                                |                                | 0.0%                          |
| 5  | Insurance  | 486,614                                      |                   |                  | 486,614                               |                                | 0.0%                          |
| 6  | Library Acquisitions   | 8,966,447                                    | 448,322           |                  | 9,414,769                             | 448,322                        | 5.0%                          |
| 7  | Student Recruitment  | 425,000                                      | 25,000            |                  | 450,000                               | 25,000                         | 5.9%                          |
| 8  | London Museum of Archaeology - Subsidy                                   | 40,000                                       |                   |                  | 40,000                                |                                | 0.0%                          |
| 9  | Athletic Injury Clinic - Subsidy   | 154,092                                      | 8,219             |                  | 162,311                               | 8,219                          | 5.3%                          |
| 10 | Inter-Collegiate Athletics - Subsidy                                     | 55,000                                       |                   |                  | 55,000                                |                                | 0.0%                          |
| 11 | The Centre for Research on Violence Against Women and Children - Subsidy | 55,000                                       |                   |                  | 55,000                                |                                | 0.0%                          |
| 12 | University Surveys & Teaching Evaluations                                | 75,000                                       |                   |                  | 75,000                                |                                | 0.0%                          |
| 13 | Deferred Maintenance: Operating  | 4,250,000                                    | 750,000           |                  | 5,000,000                             | 750,000                        | 17.6%                         |
| 14 | Deferred Maintenance: Ancillaries  | 600,000                                      |                   |                  | 600,000                               |                                | 0.0%                          |
| 15 | CRC Transfer to SuperBuild   | 0  | 184,000           |                  | 184,000                               | 184,000                        | ***                           |
| 16 | Institutional Memberships  | 510,000                                      |                   |                  | 510,000                               |                                | 0.0%                          |
| 17 | Utilities  | 9,750,000                                    | 1,000,000         |                  | 10,750,000                            | 1,000,000                      | 10.3%                         |
| 18 | Professional Fees  | 690,890                                      |                   | -80,000          | 610,890                               | -80,000                        | -11.6%                        |
| 19 | Property Taxes   | 1,493,550                                    | 48,975            |                  | 1,542,525                             | 48,975                         | 3.3%                          |
| 20 | Siebens-Drake Institute - Subsidy  | 225,000                                      |                   |                  | 225,000                               |                                | 0.0%                          |
| 21 | Costs Associated with Employee Contracts                                 | 131,000                                      | 25,000            |                  | 156,000                               | 25,000                         | 19.1%                         |
| 22 | University Systems Replacement Fund                                      | 1,226,607                                    | 250,000           |                  | 1,476,607                             | 250,000                        | 20.4%                         |
| 23 | <b>Total Corporate Expenditures</b>                                      | <b>30,680,920</b>                            | <b>2,754,516</b>  | <b>-46,712</b>   | <b>33,388,724</b>                     | <b>2,707,804</b>               | <b>8.8%</b>                   |
| 24 | Employee Benefit Plan Costs  | 52,806,200                                   |                   | 4,807,400        | 57,613,600                            | 4,807,400                      | 9.1%                          |
| 25 | Employee Benefit Recoveries  | -52,614,611                                  |                   | -4,135,389       | -56,750,000                           | -4,135,389                     | 7.9%                          |
| 26 | <b>Net Employee Benefits</b>   | <b>191,589</b>                               |                   | <b>672,011</b>   | <b>863,600</b>                        | <b>672,011</b>                 | <b>350.8%</b>                 |
| 27 | <b>Net Corporate Expenditures</b>  | <b>30,872,509</b>                            | <b>2,754,516</b>  | <b>625,299</b>   | <b>34,252,324</b>                     | <b>3,379,815</b>               | <b>10.9%</b>                  |

| <b>Table 6</b>                      |   |                  |
|-------------------------------------|---|------------------|
| <b>2001-02 ONE-TIME ALLOCATIONS</b> |   |                  |
| 1                                   | Canada Foundation for Innovation "Matching" (Year 4 of 4)                             | 2,500,000        |
| 2                                   | 125th Anniversary Campaign  | 1,884,259        |
| 3                                   | Dentistry: Investment in Facilities (Year 3 of 5)                                     | 500,000          |
| 4                                   | Information Technology Services: General Computer Lab Upgrades                        | 252,483          |
| 5                                   | Engineering: Investment in Facilities (Year 1 of 10)                                  | 250,000          |
| 6                                   | Research Development and Patent Support   | 150,000          |
| 7                                   | Student Recruitment: Special Initiatives (Year 2 of 3)                                | 150,000          |
| 8                                   | Arts: Language Learning Lab   | 135,000          |
| 9                                   | Physical Plant: Emergency Response  | 100,000          |
| 10                                  | Human Resources: Additional Staffing  | 80,000           |
| 11                                  | Libraries: Compact Shelving (Year 3 of 4)   | 75,000           |
| 12                                  | Office of the Registrar: Technical Resource Appointment                               | 65,000           |
| 13                                  | Engineering: Centre for Research in Environmental Science & Engineering (Year 1 of 2) | 42,113           |
| 14                                  | Science: Centre for Research in Environmental Science & Engineering (Year 1 of 2)     | 42,113           |
| 15                                  | Financial Services: Additional Staffing   | 20,000           |
| 16                                  | Office of the Registrar: Increased Applications Support                               | 10,025           |
| 17                                  | <b>Total One-Time Allocations</b>   | <b>6,255,993</b> |

|    |  | <a>  | <b>                      | <c>                            |
|----|--|--|--------------------------|--------------------------------|
|    |  | 2000-2001<br>Base Budget<br>(@ Feb 28, 2001) | 2001-2002<br>Base Budget | \$ Change<br>from<br>2000-2001 |
| 1  | <b>Total Revenues</b>                              | <b>312,109,941</b>                           | <b>320,820,217</b>       | <b>8,710,276</b>               |
| 2  | <b>Expenditure Budgets</b>                         |  |                          |                                |
| 3  | Faculties (Table 2)                                | 193,572,259                                  | 195,509,213              | 1,936,954                      |
| 4  | Scholarships & Bursaries (Table 3)                 | 25,829,448                                   | 28,320,467               | 2,491,019                      |
| 5  | Support Areas (Table 4)                            | 48,751,267                                   | 49,075,674               | 324,407                        |
| 6  | Corporate Expenditures (Table 5)                   | 30,872,509                                   | 34,252,324               | 3,379,815                      |
| 7  | Provision for Cost Fluctuations                    | 1,822,361                                    | 7,088,000                | 5,265,639                      |
| 8  | One-Time Allocations                               | 9,652,354                                    | 6,255,993                | -3,396,361                     |
| 9  | <b>Sub-Total</b>                                   | <b>310,500,198</b>                           | <b>320,501,671</b>       | <b>10,001,473</b>              |
| 10 | Carryforward from Previous Year                    | -1,578,785                                   | 0                        | 1,578,785                      |
| 11 | Overspending                                       | 0  | 0                        |                                |
| 12 | <b>Total Expenditures</b>                          | <b>308,921,413</b>                           | <b>320,501,671</b>       | <b>11,580,258</b>              |
| 13 | <b>Surplus / (Deficit) before Reserve Transfer</b> | <b>3,188,528</b>                             | <b>318,546</b>           |                                |
| 14 | <b>Transfer to Carryforward Reserve</b>            | <b>-1,578,785</b>                            |                          |                                |
| 15 | <b>Surplus / (Deficit) after Reserve Transfer</b>  | <b>1,609,743</b>                             | <b>318,546</b>           |                                |
| 16 | <b>Carryforward Reserve:</b>                       |  |                          |                                |
| 17 | Carryforward from Previous Year                    | -1,578,785                                   | 0                        |                                |
| 18 | Less: Transfer from Operating Budget               | 1,578,785                                    | 0                        |                                |
| 19 | <b>Year End Carryforward Reserve</b>               | <b>0</b>                                     | <b>0</b>                 |                                |

**Table 8****PROJECTED VALUE OF OPERATING RESERVE AT YEAR-END**

|  | 2000-2001<br>Budget Forecast<br>(@ Feb 28, 2001) | 2001-2002<br>Budget |
|--|--|---------------------|
| <i>Beginning Operating Reserve Balance</i> | -530,582   | 1,079,161           |
| Surplus / (Deficit) -- from Table 7        | 1,609,743  | 318,546             |
| <i>Closing Operating Reserve</i>           | 1,079,161  | 1,397,707           |
|  |  |                     |
| Operating Reserve Target                   | 2,500,000  | 2,500,000           |



**Table 9**

**Final 2000-2001 Enrolment Contingent Fund (ECF) Allocations**

|    |                                     | ECF<br>Baseline<br>WTUs | Actual<br>WTUs   | WTUs<br>minus<br>Baseline | ECF Funds @ \$1,<br>500/WTU | Cross-Faculty<br>Teaching<br>Adjustment | Total ECF<br>Allocation |                  |
|----|-------------------------------------|-------------------------|--|---------------------------|-----------------------------|---|-------------------------|------------------|
| 1  | Arts                                | 4,350.0                 | 4,400.4  | 50.4                      | \$75,600                    | \$25,652                                | <b>\$101,252</b>        |                  |
| 2  | Business                            | 1,423.3                 | 1,761.1  | 337.8                     | \$506,700                   |   | <b>\$506,700</b>        |                  |
| 3  | Education                           | 1,640.3                 | 1,997.1  | 356.8                     | \$535,200                   |   | <b>\$535,200</b>        |                  |
| 4  | Engineering                         | 2,546.6                 | 2,814.9  | 268.3                     | \$402,450                   | -\$6,720                                | <b>\$395,730</b>        |                  |
| 5  | Health Sciences                     | 3,386.9                 | 3,865.3  | 478.4                     | \$717,600                   | TBD                                     | <b>\$717,600</b>        |                  |
| 6  | Information and Media Studies       | 969.9                   | 1,139.0  | 169.1                     | \$253,650                   | -\$4,900                                | <b>\$248,750</b>        |                  |
| 7  | Law                                 | 948.2                   | 883.1  | -65.1                     | \$0                         | \$4,573                                 | <b>\$4,573</b>          |                  |
| 8  | Medicine and Dentistry (Dentistry)  | 609.3                   | 690.7  | 81.4                      | \$122,100                   |   | <b>\$122,100</b>        |                  |
| 9  | Medicine and Dentistry (Medicine)   | 4,588.7                 | 4,925.4  | 336.7                     | \$505,050                   | TBD                                     | <b>\$505,050</b>        |                  |
| 10 | Music                               | 890.6                   | 999.3  | 108.7                     | \$163,050                   | \$7,800                                 | <b>\$170,850</b>        |                  |
| 11 | Science                             | 8,131.3                 | 8,460.8  | 329.5                     | \$494,250                   | \$8,400                                 | <b>\$502,650</b>        |                  |
| 12 | Social Science                      | 8,367.0                 | 8,531.7  | 164.7                     | \$247,050                   | \$5,902                                 | <b>\$252,952</b>        |                  |
| 13 | Graduate Interdisciplinary Programs | 181.0                   | 241.2  | 60.2                      | \$90,300                    |   | <b>\$90,300</b>         |                  |
| 14 | Sub-Total                           | 38,033.1                | 40,710.0   |                           | \$4,113,000                 | \$40,707                                | <b>\$4,153,707</b>      |                  |
| 15 | Women's Studies                     | n/a                     | Funding provided for 20% of 178.8 WTUs                 |                           |                             |   |                         | <b>\$53,700</b>  |
| 16 | Distance Studies                    | n/a                     | Funding based on summer/fall/winter course registrants |                           |                             |   |                         | <b>\$63,000</b>  |
| 17 | Writing Program                     | n/a                     | Funding based on course offerings                      |                           |                             |   |                         | <b>\$282,060</b> |
| 18 | Total                               |                         |  |                           |                             |   | <b>\$4,552,467</b>      |                  |

*Note: Faculty of Arts 2000/2001 WTUs exclude the Writing Program.*

Table 10a

| RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2001-2002 <a,c> |   |                          |         |          |                          |
|---|---|--------------------------|---------|----------|--------------------------|
| <i>Canadian and Exempt International Students</i>                   |   |                          |         |          |                          |
|   |   | 2000-2001                |         | Proposed | 2000 to 2001<br>% Change |
|   |   | Number of<br>FT Students | Tuition | Tuition  |                          |
| <b>Undergraduate ANNUAL Tuition</b>                                 |   |                          |         |          |                          |
| 1   | <b>First-Entry Programs</b>   |                          |         |          |                          |
| 2   | Arts, Science, Social Science   | 9,620                    | 3,920   | 4,000    | 2.0%                     |
| 3   | BMedSci Program   | 0                        | n.a.    | 4,000    | n.a.                     |
| 4   | Engineering   | 1,317                    | 4,460   | 4,960    | 11.2%                    |
| 5   | Health Science  | 962                      | 3,920   | 4,000    | 2.0%                     |
| 6   | Kinesiology   | 1,038                    | 3,920   | 4,000    | 2.0%                     |
| 7   | M.I.T.  | 386                      | 3,920   | 4,000    | 2.0%                     |
| 8   | Music   | 398                      | 3,920   | 4,000    | 2.0%                     |
| 9   | Nursing   | 304                      | 3,920   | 4,000    | 2.0%                     |
|   |   | 14,025                   |         |          |                          |
| 10  | <b>Second-Entry Programs</b>  |                          |         |          |                          |
| 11  | C.S.D./P.T.   | 217                      | 5,100   | 5,200    | 2.0%                     |
| 12  | Business  |                          |         |          |                          |
| 13  | Year 3  | 208                      | 9,000   | 14,000   | 55.6%                    |
| 14  | Year 4  | 193                      | 9,000   | 10,800   | 20.0%                    |
| 15  | Dentistry   |                          |         |          |                          |
| 16  | Year 1  | 52                       | 14,000  | 15,680   | 12.0%                    |
| 17  | Year 2  | 53                       | 14,000  | 15,680   | 12.0%                    |
| 18  | Year 3  | 51                       | 14,000  | 15,680   | 12.0%                    |
| 19  | Year 4  | 50                       | 14,000  | 15,680   | 12.0%                    |
| 20  | Continuing Teacher Education <b>  | 549                      | 4,000   | 4,125    | 3.1%                     |
| 21  | Education (B.Ed.)   | 824                      | 4,690   | 4,780    | 1.9%                     |
| 22  | Law   |                          |         |          |                          |
| 23  | Year 1  | 154                      | 6,400   | 7,500    | 17.2%                    |
| 24  | Year 2  | 144                      | 5,280   | 7,500    | ****                     |
| 25  | Year 3  | 142                      | 5,280   | 6,335    | 20.0%                    |
| 26  | Medicine  |                          |         |          |                          |
| 27  | Year 1  | 102                      | 10,000  | 14,000   | 40.0%                    |
| 28  | Year 2  | 98                       | 10,000  | 10,500   | 5.0%                     |
| 29  | Year 3  | 95                       | 10,000  | 10,500   | 5.0%                     |
| 30  | Year 4  | 102                      | 8,350   | 10,500   | ****                     |
|   |   | 3,034                    |         |          |                          |
| <b>Graduate ANNUAL Tuition</b>                                      |   |                          |         |          |                          |
| 31  | <b>Master's Category 1</b>  |                          |         |          |                          |
| 32  | Arts  | 107                      | 4,815   | 4,905    | 1.9%                     |
| 33  | Engineering (M.E.Sc.)   | 101                      | 4,815   | 4,905    | 1.9%                     |
| 34  | Kinesiology   | 35                       | 4,815   | 4,905    | 1.9%                     |
| 35  | Medicine (Basic Health Sciences)  | 191                      | 4,815   | 4,905    | 1.9%                     |
| 36  | Music   | 33                       | 4,815   | 4,905    | 1.9%                     |
| 37  | Nursing   | 14                       | 6,300   | 6,300    | 0.0%                     |
| 38  | O.T./P.T. (M.Sc.)   | 7                        | 5,700   | 5,700    | 0.0%                     |
| 39  | Science   | 154                      | 4,815   | 4,905    | 1.9%                     |
| 40  | Social Science  | 133                      | 4,815   | 4,905    | 1.9%                     |
|   |   | 775                      |         |          |                          |
| 41  | <b>Master's Category 2</b>  |                          |         |          |                          |
| 42  | C.S.D./O.T. (M.Cl.Sc.)  | 170                      | 6,300   | 6,420    | 1.9%                     |
| 43  | Dentistry (Orthodontics)  | 6                        | 15,000  | 15,750   | 5.0%                     |
| 44  | Education   | 39                       | 6,300   | 6,420    | 1.9%                     |
| 45  | Engineering (M.Eng.)  | 1                        | 6,300   | 6,420    | 1.9%                     |
| 46  | L.I.S. <d>  | 100                      | 6,300   | 6,420    | 1.9%                     |
| 47  | Journalism  | 41                       | 6,300   | 6,420    | 1.9%                     |
| 48  | Medicine (Family Medicine)  | 2                        | 7,875   | 8,025    | 1.9%                     |
|   |   | 359                      |         |          |                          |
| 49  | <b>All Ph.D. Programs</b>   | 671                      | 4,815   | 4,905    | 1.9%                     |
| <a>   | Part-time undergraduate tuition (per full course) will be set at one-fifth (20%) of full-time tuition for each program/category.<br>Tuition for auditing a course (per full course) will be set at (10%) of full-time tuition for each program/category.<br>Part-time graduate tuition and part-time undergraduate Law tuition will be set at 50% of full-time tuition for each program/category. |                          |         |          |                          |
| <b>   | Continuing Teacher Education enrolments are FTEs (i.e. part-time enrolments converted to Full-Time Equivalents).  |                          |         |          |                          |
| <c>   | Grandparenting: Anyone currently "in-program" will not have more than a 20% increase.   |                          |         |          |                          |
| <d>   | MLIS students registered in one MLIS course only will pay \$650 registration fee (plus ancillary fees)  |                          |         |          |                          |

**Table 10b**

| <b>RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2001-2002 &lt; a, c &gt;</b> |                                  |  |         |               |
|---|----------------------------------|--|---------|---------------|
| <b>Non-Exempt International Students</b>  |                                  |  |         |               |
|   |                                  | 2000-2001  |         | Proposed      |
|   |                                  | Number of  |         | 2001-2002     |
|   |                                  | FT Students  | Tuition | Tuition       |
|   |                                  |  |         | 2000 to 2001  |
|   |                                  |  |         | % Change      |
| <b>Undergraduate ANNUAL Tuition</b>   |                                  |  |         |               |
| <b>1 First-Entry Programs</b>   |                                  |  |         |               |
| 2   | Arts, Science, Social Science    | 510  | 9,000   | 9,300 3.3%    |
| 3   | BMedSci Program                  | 0  | n.a.    | 9,300 n.a.    |
| 4   | Engineering                      | 59   | 12,000  | 12,400 3.3%   |
| 5   | Health Science                   | 4  | 9,000   | 9,300 3.3%    |
| 6   | Kinesiology                      | 4  | 9,000   | 9,300 3.3%    |
| 7   | M.I.T.                           | 4  | 9,000   | 9,300 3.3%    |
| 8   | Music                            | 10   | 9,000   | 9,300 3.3%    |
| 9   | Nursing                          | 0  | 12,000  | 12,400 3.3%   |
|   |                                  | 591  |         |               |
| <b>10 Second-Entry Programs</b>   |                                  |  |         |               |
| 11  | C.S.D./P.T.                      | 1  | 12,000  | 12,400 3.3%   |
| 12  | Business < b >                   |  |         |               |
| 13  | Year 3                           | 3  | 14,000  | 14,000 US *** |
| 14  | Year 4                           | 4  | 14,000  | 14,000 US *** |
| 15  | Education (B.Ed.)                | 0  | 12,000  | 12,400 3.3%   |
| 16  | Law                              |  |         |               |
| 17  | Year 1                           | 0  | 12,000  | 12,400 3.3%   |
| 18  | Year 2                           | 0  | 12,000  | 12,400 3.3%   |
| 19  | Year 3                           | 0  | 12,000  | 12,400 3.3%   |
|   |                                  | 8  |         |               |
| <b>Graduate ANNUAL Tuition</b>  |                                  |  |         |               |
| <b>20 Master's Category 1</b>   |                                  |  |         |               |
| 21  | Arts                             | 12   | 9,000   | 9,300 3.3%    |
| 22  | Engineering (M.E.Sc.)            | 22   | 9,000   | 9,300 3.3%    |
| 23  | Kinesiology                      | 1  | 9,000   | 9,300 3.3%    |
| 24  | Medicine (Basic Health Sciences) | 9  | 9,000   | 9,300 3.3%    |
| 25  | Music                            | 2  | 9,000   | 9,300 3.3%    |
| 26  | Nursing                          | 0  | 14,000  | 14,400 2.9%   |
| 27  | O.T./P.T. (M.Sc.)                | 0  | 9,000   | 9,300 3.3%    |
| 28  | Science                          | 28   | 9,000   | 9,300 3.3%    |
| 29  | Social Science                   | 13   | 9,000   | 9,300 3.3%    |
|   |                                  | 87   |         |               |
| <b>30 Master's Category 2</b>   |                                  |  |         |               |
| 31  | C.S.D./O.T. (M.Cl.Sc.)           | 0  | 14,000  | 14,400 2.9%   |
| 32  | Dentistry (Orthodontics)         | 3  | 30,000  | 30,900 3.0%   |
| 33  | Education                        | 2  | 14,000  | 14,400 2.9%   |
| 34  | Engineering (M.Eng.)             | 0  | 14,000  | 14,400 2.9%   |
| 35  | L.I.S.                           | 1  | 14,000  | 14,400 2.9%   |
| 36  | Journalism                       | 1  | 14,000  | 14,400 2.9%   |
| 37  | Medicine (Family Medicine)       | 0  | 14,000  | 14,400 2.9%   |
|   |                                  | 7  |         |               |
| 38  | <b>All Ph.D. Programs</b>        | 122  | 9,000   | 9,300 3.3%    |
| < a >   |                                  | Part-time undergraduate tuition (per full course) will be set at one-fifth (20%) of full-time tuition for each program/category.<br>Tuition for auditing a course (per full course) will be set at (10%) of full-time tuition for each program/category. |         |               |
| < b >   |                                  | Part-time graduate tuition and part-time undergraduate Law tuition will be set at 50% of full-time tuition for each program/category.<br>International HBA tuition will be billed in Canadian funds.   |         |               |
| < c >   |                                  | Grandparenting: Anyone currently "in-program" will not have more than a 20% increase.  |         |               |
| < d >   |                                  | International student tuition for undergraduate Medicine and Dentistry are set by special arrangements.  |         |               |

| <i>Table 10c</i>  |                    |                   |                     |  |
|---|--------------------|-------------------|---------------------|--|
| <b>RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2001-2002:<br/>CONCURRENT PROGRAMS</b> |                    |                   |                     |  |
| <i>Canadian and International Exempt Students</i>   |                    |                   |                     |  |
|   |                    | Actual<br>2000-01 | Proposed<br>2001-02 | <i>Notes</i>                             |
| 1   | <b>LLB / BES c</b> |                   |                     | <i>entry after 2 undergraduate years</i> |
| 2   | Year 1             | 6,400             | 6,865               |  |
| 3   | Year 2             | 5,280             | 6,865               |  |
| 4   | Year 3             | 4,460             | 4,960               |  |
| 5   | Year 4             | 5,280             | 6,335               |  |
| 6   | <b>LLB / HBA</b>   |                   |                     | <i>entry after 2 undergraduate years</i> |
| 7   | Year 1             | 9,000             | 12,375              |  |
| 8   | Year 2             | 6,400             | 7,500               |  |
| 9   | Year 3             | 7,140             | 9,150               |  |
| 10  | Year 4             | 5,280             | 6,335               |  |
| 11  | <b>LLB / MBA</b>   |                   |                     |  |
| 12  | Year 1             | 6,400             | 14,750              |  |
| 13  | Year 2             | 20,000            | 14,750              |  |
| 14  | Year 3             | 5,280             | 7,500               |  |
| 15  | Year 4             | 5,280             | 6,335               |  |
| 16  | <b>LLB / BA</b>    |                   |                     | <i>entry after 2 undergraduate years</i> |
| 17  | Year 1             | 6,400             | 6,625               |  |
| 18  | Year 2             | 4,600             | 5,750               |  |
| 19  | Year 3             | 4,600             | 5,750               |  |
| 20  | Year 4             | 4,600             | 5,165               |  |
| 21  | <b>HBA / BES c</b> |                   |                     | <i>entry after 2 undergraduate years</i> |
| 22  | Year 1             | 9,000             | 11,740              |  |
| 23  | Year 2             | 4,460             | 4,960               |  |
| 24  | Year 3             | 9,000             | 10,800              |  |
| 25  | <b>HBA / BSc</b>   |                   |                     | <i>entry after 2 undergraduate years</i> |
| 26  | Year 1             | 9,000             | 11,500              |  |
| 27  | Year 2             | 6,460             | 7,400               |  |
| 28  | Year 3             | 6,460             | 7,400               |  |
| 29  | <b>BEd / BSc</b>   |                   |                     | <i>entry after 1 undergraduate year</i>  |
| 30  | Year 1             | n.a.              | 4,195               |  |
| 31  | Year 2             | n.a.              | 4,195               |  |
| 32  | Year 3             | n.a.              | 4,195               |  |
| 33  | Year 4             | n.a.              | 4,195               |  |

**Table 11**

| <b>SUMMARY OF ENROLMENT FORECAST</b> |  |                   |                   |                   |                   |                   |                        |
|--------------------------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
| <b>Constituent University</b>        |  |                   |                   |                   |                   |                   |                        |
|                                      |  | Actual<br>1996-97 | Actual<br>1997-98 | Actual<br>1998-99 | Actual<br>1999-00 | Actual<br>2000-01 | Projected<br>2001-2002 |
| 1                                    | <i>Undergraduate Full-Time</i>                       |                   |                   |                   |                   |                   |                        |
| 2                                    | Arts   | 1,535             | 1,448             | 1,370             | 1,392             | 1,422             | 1,435                  |
| 3                                    | Business (HBA)                                       | 282               | 295               | 291               | 342               | 409               | 419                    |
| 4                                    | CSD, Physical Therapy                                | 326               | 324               | 222               | 204               | 218               | 165                    |
| 5                                    | Dentistry  | 190               | 192               | 214               | 219               | 229               | 235                    |
| 6                                    | Education (BEEd)                                     | 662               | 688               | 680               | 794               | 824               | 820                    |
| 7                                    | Engineering  | 983               | 1,058             | 1,132             | 1,324             | 1,375             | 1,447                  |
| 8                                    | Health Science (BHSc Program)                        | 0                 | 149               | 382               | 647               | 966               | 1,145                  |
| 9                                    | Kinesiology  | 943               | 1,186             | 1,148             | 1,166             | 1,042             | 985                    |
| 10                                   | Law  | 441               | 438               | 445               | 447               | 443               | 450                    |
| 11                                   | Medicine   |                   |                   |                   |                   |                   |                        |
| 12                                   | BMedSci  | 0                 | 0                 | 0                 | 0                 | 0                 | 20                     |
| 13                                   | MD Program   | 389               | 391               | 395               | 401               | 410               | 432                    |
| 14                                   | Music  | 329               | 370               | 362               | 381               | 402               | 405                    |
| 15                                   | M.I.T.   | 0                 | 80                | 233               | 321               | 408               | 450                    |
| 16                                   | Nursing  | 277               | 294               | 297               | 306               | 304               | 350                    |
| 17                                   | Science  | 3,695             | 3,664             | 3,619             | 3,588             | 3,556             | 3,510                  |
| 18                                   | Social Science                                       | 5,429             | 5,240             | 5,078             | 5,070             | 5,152             | 5,250                  |
| 19                                   | <i>Sub-Total Undergraduate Full-Time</i>             | <i>15,481</i>     | <i>15,817</i>     | <i>15,868</i>     | <i>16,602</i>     | <i>17,160</i>     | <i>17,518</i>          |
| 20                                   | <i>(Year 1 -- included above)</i>                    | <i>(3,725)</i>    | <i>(4,215)</i>    | <i>(4,096)</i>    | <i>(4,358)</i>    | <i>(4,238)</i>    | <i>(4,350)</i>         |
| 21                                   | <i>(Total International Students -- incl. above)</i> | <i>(287)</i>      | <i>(377)</i>      | <i>(516)</i>      | <i>(608)</i>      | <i>(724)</i>      | <i>(800)</i>           |
| 22                                   | Interns & Residents                                  | 459               | 448               | 441               | 446               | 476               | 475                    |
| 23                                   | <i>Graduate Full-Time</i>                            |                   |                   |                   |                   |                   |                        |
| 24                                   | Masters  | 1,433             | 1,540             | 1,692             | 1,760             | 1,767             | 1,940                  |
| 25                                   | Executive/Video MBA                                  | 196               | 272               | 356               | 372               | 381               | 335                    |
| 26                                   | Doctoral   | 688               | 706               | 713               | 755               | 793               | 825                    |
| 27                                   | <i>Sub-Total Graduate Full-Time</i>                  | <i>2,317</i>      | <i>2,518</i>      | <i>2,761</i>      | <i>2,887</i>      | <i>2,941</i>      | <i>3,100</i>           |
| 28                                   | <i>(Total International Students -- incl. above)</i> | <i>(197)</i>      | <i>(216)</i>      | <i>(278)</i>      | <i>(296)</i>      | <i>(340)</i>      | <i>(350)</i>           |
| 29                                   | <b>Total Constituent Full-Time</b>                   | <b>18,257</b>     | <b>18,783</b>     | <b>19,070</b>     | <b>19,935</b>     | <b>20,577</b>     | <b>21,083</b>          |
| 30                                   | <i>Part-Time FTE</i>                                 |                   |                   |                   |                   |                   |                        |
| 31                                   | Undergraduate (excl. Education)                      | 2,515             | 2,333             | 2,188             | 2,111             | 2,108             | 2,050                  |
| 32                                   | Continuing Teacher Education                         | 348               | 379               | 368               | 468               | 549               | 560                    |
| 33                                   | Graduate: Masters                                    | 119               | 117               | 110               | 98                | 100               | 110                    |
| 34                                   | Doctoral   | 25                | 17                | 18                | 14                | 16                | 18                     |
| 35                                   | <i>Sub-Total Part-Time FTE</i>                       | <i>3,007</i>      | <i>2,846</i>      | <i>2,684</i>      | <i>2,691</i>      | <i>2,773</i>      | <i>2,738</i>           |
| 36                                   | <b>TOTAL CONSTITUENT FTEs</b>                        | <b>21,264</b>     | <b>21,629</b>     | <b>21,754</b>     | <b>22,626</b>     | <b>23,350</b>     | <b>23,831</b>          |
|                                      | <b>Summary</b>                                       |                   |                   |                   |                   |                   |                        |
| 37                                   | <b>Total Undergraduate FTEs</b>                      | <b>18,803</b>     | <b>18,977</b>     | <b>18,865</b>     | <b>19,627</b>     | <b>20,293</b>     | <b>20,603</b>          |
| 38                                   | <b>Total Graduate FTEs</b>                           | <b>2,461</b>      | <b>2,652</b>      | <b>2,889</b>      | <b>2,999</b>      | <b>3,057</b>      | <b>3,228</b>           |
| 39                                   | <b>Total Constituent FTEs</b>                        | <b>21,264</b>     | <b>21,629</b>     | <b>21,754</b>     | <b>22,626</b>     | <b>23,350</b>     | <b>23,831</b>          |
| <b>Affiliated Colleges</b>           |  |                   |                   |                   |                   |                   |                        |
|                                      |  | Actual<br>1996-97 | Actual<br>1997-98 | Actual<br>1998-99 | Actual<br>1999-00 | Actual<br>2000-01 | Projected<br>2001-2002 |
| 40                                   | <i>Full-Time</i>                                     |                   |                   |                   |                   |                   |                        |
| 41                                   | Brescia  | 609               | 569               | 508               | 532               | 589               | 648                    |
| 42                                   | Huron  | 779               | 825               | 823               | 927               | 884               | 888                    |
| 43                                   | King's   | 1,806             | 1,738             | 1,818             | 1,966             | 2,115             | 2,114                  |
| 44                                   | <i>Sub-Total Full-Time</i>                           | <i>3,194</i>      | <i>3,132</i>      | <i>3,149</i>      | <i>3,425</i>      | <i>3,588</i>      | <i>3,650</i>           |
| 45                                   | <i>(Year 1 -- included above)</i>                    | <i>(1,143)</i>    | <i>(1,140)</i>    | <i>(1,177)</i>    | <i>(1,381)</i>    | <i>(1,274)</i>    | <i>(1,220)</i>         |
| 46                                   | <i>Part-Time FTE</i>                                 |                   |                   |                   |                   |                   |                        |
| 47                                   | Brescia  | 42                | 55                | 48                | 45                | 38                | 40                     |
| 48                                   | Huron  | 38                | 38                | 39                | 31                | 31                | 25                     |
| 49                                   | King's   | 155               | 172               | 151               | 160               | 190               | 185                    |
| 50                                   | <i>Sub-Total Part-Time FTE</i>                       | <i>235</i>        | <i>265</i>        | <i>238</i>        | <i>236</i>        | <i>259</i>        | <i>250</i>             |
| 51                                   | <b>TOTAL AFFILIATE FTEs</b>                          | <b>3,429</b>      | <b>3,397</b>      | <b>3,387</b>      | <b>3,661</b>      | <b>3,847</b>      | <b>3,900</b>           |

**Table 12****2001-02 Provost's Academic Support Fund (PASF) Initial Allocations**

| 1  | Business  | Instructional Technology Initiatives                  | 131,000          |
|----|---|---|------------------|
| 2  | Engineering Science                               | Cisco Networking Academy                              | 50,000           |
| 3  | Health Sciences                                   | Instructional Technology Initiatives                  | 28,361           |
| 4  | Medicine and Dentistry                            | Teaching-related Initiatives                          | 127,179          |
| 5  | Music   | Technology-related Initiatives and Equipment Upgrades | 75,000           |
| 6  | Science   | Faculty Start-up Funding and New Program Development  | 291,000          |
| 7  | Social Science                                    | Program Development and Teaching Lab Upgrades         | 165,027          |
| 8  | General University                                | Faculty Development Initiatives through the EDO       | 21,000           |
| 9  | General University                                | Undergraduate Student Recruitment Initiatives         | 113,700          |
| 10 | General University                                | Information Security Initiatives                      | 150,000          |
| 11 | <b>Total PASF Initial Allocations for 2001-02</b> |   | <b>1,152,267</b> |

**Table 13**  
**Provost's Academic Support Fund (PASF): 2000-2001**

| <b>Funds Available</b>                 |  |                  |
|--|--|------------------|
|  | 2000-2001 Base   | 1,653,327        |
|  | Unallocated S.F.R.I. Funds                                     | 464,396          |
|  | Carryforward from 1999-2000                                    | 446,722          |
|  | <b>Total PASF Funds Available</b>                              | <b>2,564,445</b> |
| <b>Allocations</b>                     |  |                  |
| <b>Arts</b>                            | Computer-Aided Instruction in Film Studies                     | 22,500           |
|  | Pre-Professional BA in Philosophy                              | 15,000           |
|  | Tours Exchange   | 11,452           |
|  | Other Academic Support Initiatives                             | 27,700           |
|  | Sub-Total Arts   | 76,652           |
| <b>Business</b>                        | Instructional Technology Initiatives (HBA Program)             | 75,000           |
| <b>Engineering</b>                     | Workstations for On-Line Access to Library Services            | 28,000           |
| <b>Health Sciences</b>                 | Academic Equipment Upgrades in Occupational Therapy            | 24,500           |
|  | Internet-based Courses in CSD                                  | 67,824           |
|  | Health Sciences: Nursing Expansion (year 2 of 2)               | 20,000           |
|  | Faculty Development Initiatives                                | 50,000           |
|  | Sub-Total Health Sciences                                      | 162,324          |
| <b>Information &amp; Media Studies</b> | Technology Initiatives in Journalism                           | 17,750           |
|  | Faculty Development Initiatives                                | 94,750           |
|  | Sub-Total IMS  | 112,500          |
| <b>Medicine &amp; Dentistry</b>        | Faculty Development -- Use of Computers in Classroom           | 19,700           |
|  | Instructional Technology Upgrades                              | 57,700           |
|  | Dentistry: Data links to Clinical Teaching Operatories         | 40,600           |
|  | Biochemistry: Macromolecular Informatics                       | 24,102           |
|  | Start-up Funding for BMedSci Program                           | 50,000           |
|  | Dentistry - Salary Supports New Clinic Director ( year 1 of 5) | 87,850           |
|  | Other Academic Support Initiatives                             | 31,600           |
|  | Sub-Total Medicine & Dentistry                                 | 311,552          |
| <b>Music</b>                           | Teaching Equipment   | 13,350           |
| <b>Science</b>                         | Internship Program for Undergraduate Students                  | 40,000           |
|  | Alternate Delivery Mode for CS 031a/b (to on-line instruction) | 58,000           |
|  | Faculty Development  | 27,770           |
|  | Sub-Total Science  | 125,770          |
| <b>Social Science</b>                  | BACS: Equipment, Staffing, Program Development                 | 195,763          |
|  | Politics: Distance Modules for MPA                             | 10,000           |
|  | History: Computer-aided Tutorials for History 030E             | 8,000            |
|  | Psychology: Faculty Start-up Funding                           | 74,000           |
|  | Sub-Total Social Science                                       | 287,763          |
| <b>Women's Studies</b>                 | Part-Time Instructor Stipends                                  | 148,678          |
| <b>General University</b>              | GU Computer Labs - New Equipment & Upgrades                    | 384,747          |
|  | Backbone Network Infrastructure Improvements                   | 200,000          |
|  | Special Recruitment Support                                    | 93,700           |
|  | Faculty Development Initiatives through the EDO                | 21,000           |
|  | General University Classroom Technology Upgrades               | 101,532          |
|  | Graduate Appraisals  | 45,000           |
|  | Other Academic Support Initiatives                             | 436,071          |
|  | Carryforward to 2001-2002                                      | -59,194          |
|  | <b>Total PASF Allocations in 2000-2001</b>                     | <b>2,564,445</b> |

## *Appendix A*

### *The University of Western Ontario*

## **Report on The 2000-01 Quality Improvement Plan**

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Since 1998-99, the Ontario government has called upon universities to report annually on the manner in which tuition fee increases enhance the quality of education for students and provide for expansion in areas of high student demand. Last year's operating budget document included a section on Western's Quality Improvement Plan. This appendix provides an update on that plan, using the same categories as last year's budget document.

### **1. Student Support**

Tuition Set-Aside for Needs-based Student Aid. Last year's budget indicated that an additional \$900,000 would be set aside in 2000-01 for needs-based graduate and undergraduate student support. This commitment was met and the \$900,000 was allocated.

Undergraduate Scholarships. As indicated in last year's budget, a sum of \$150,000 in additional funds were allocated to undergraduate scholarships. The quality of Western's incoming class continues to increase.

Graduate Student Support. Last year's budget indicated that total graduate student support in 2000-01 would total over \$11.6 million. The actual graduate student support budget in 2000-01 was nearly \$11.8 million.

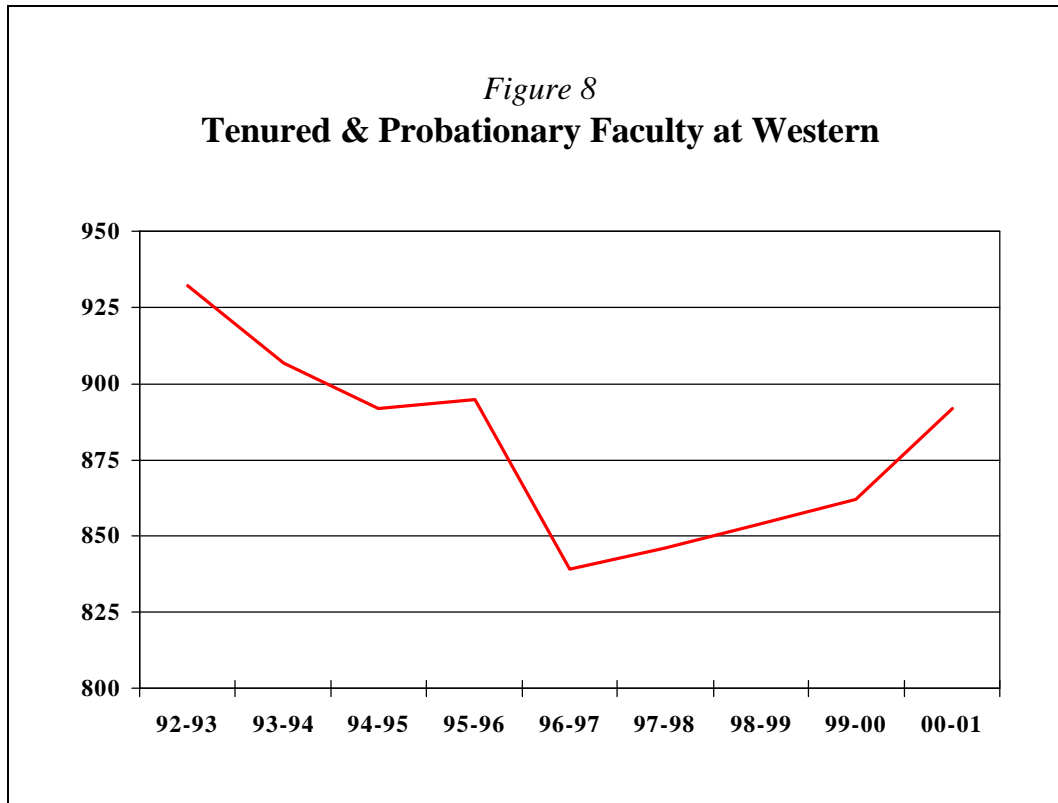
### **2. Faculty Renewal**

Last year's budget indicated that, as part of the various budget investments in our Faculties, the Provost had approved over 50 new tenure-track faculty appointments. In 2000-01, 60 new tenure-track faculty appointments have been made.

### **3. Expansion of the BACS Program**

Last year's budget indicated that a sum of \$100,000 in base funds was being allocated to support the expanding BACS program. The funds were indeed allocated and enrolment in the BACS increased by 161 B from 1,180 in 1999-2000 to 1,341 in 2000-01.





#### 4. Expansion of ATOP-based Programs

Last year's budget indicated that ATOP-based programs in Computer Science, Engineering, and Media, Information, and Technoculture continue to expand, and were being supported by over \$700,000 in direct ATOP funds as well as substantial Enrolment Contingent Fund (ECF) allocations. The funding allocations were made and enrolment in ATOP-based programs increased by 145 -- from 1,045 in 1999-2000 to 1,190 in 2000-01.

#### 5. Investment in the Faculty of Law

As indicated in last year's budget, a sum of \$270,000 in base funds was allocated to the Faculty of Law which has been directed to faculty renewal and the funding of technology-related initiatives in the Faculty.

#### 6. Student Recruitment

Student recruitment continues to be a high priority to the University. A commitment was made in last year's budget to spend \$500,000 on student recruitment. The actual final allocation was nearly \$670,000.

## **7. Increase to the Library Acquisitions Budget**

As indicated in last year's budget, the Library Acquisitions budget was increased by \$425,000 in 2000-01. This is an area of high priority for the university, and further increases are proposed for 2001-02.

## **8. The Writing Program**

Last year's budget indicated that a \$253,000 allocation was being made in support of the innovative certificate program in writing offered by the Faculty of Arts. The actual final allocation in 2000-01 was \$282,000. The program continues to expand and is being funded again in 2001-02.

## **9. The Canada Foundation for Innovation (CFI) and Ontario Innovations Trust (OIT) Initiatives**

The University's allocation of \$2.5 million as CFI/OIT Amatching@ funds has been crucial in Western's success in early rounds of the CFI competitions. The University was successful in receiving major CFI awards in Physics, Earth Sciences, Neurosciences, high-performance computing, and all disciplines of Engineering Science.

## **10. Deferred Maintenance and Instructional Facilities**

As recommended in last year's budget, the University's operating budget commitment to deferred maintenance in 2000-01 was indeed \$4.25 million. These funds were used to address overall deferred maintenance and were also used to renew instructional facilities across campus.

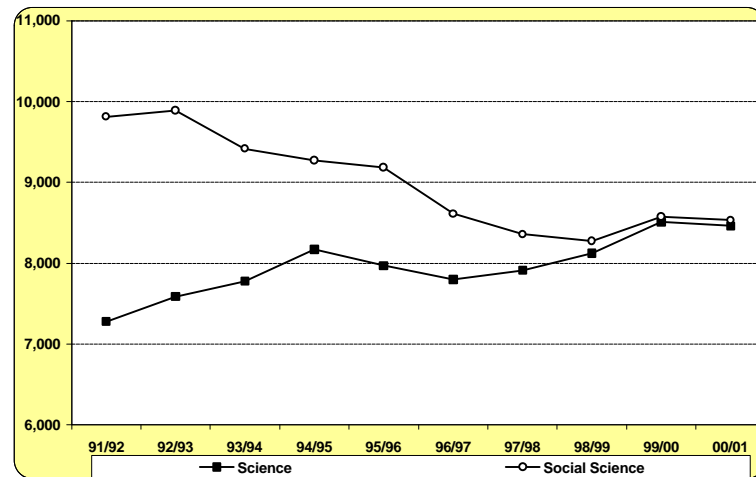
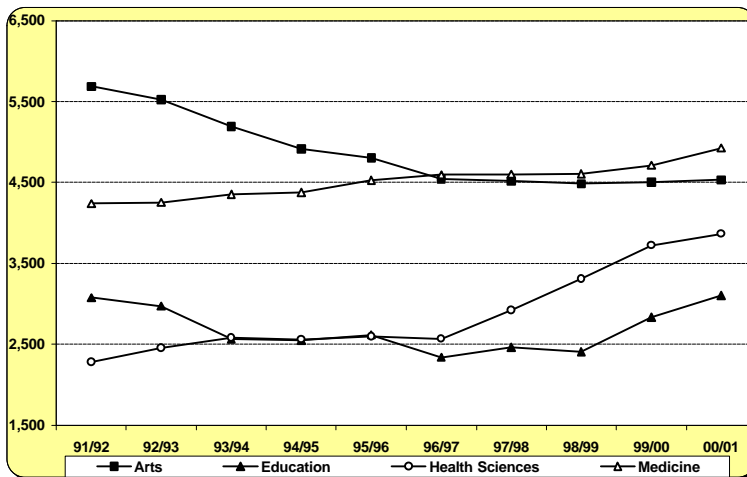
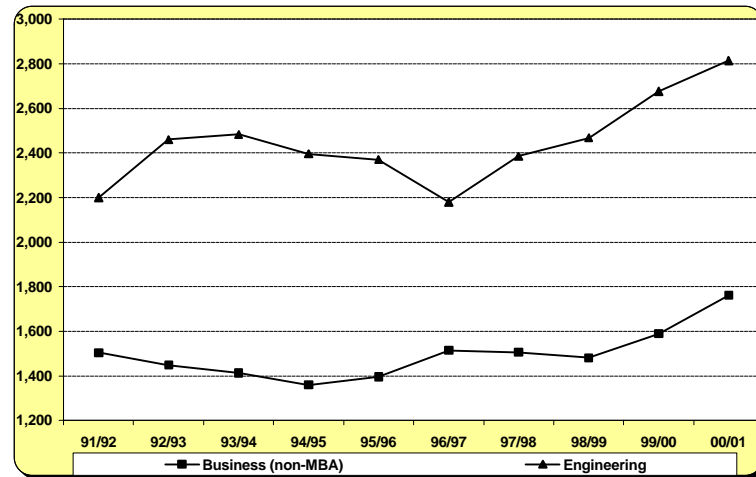
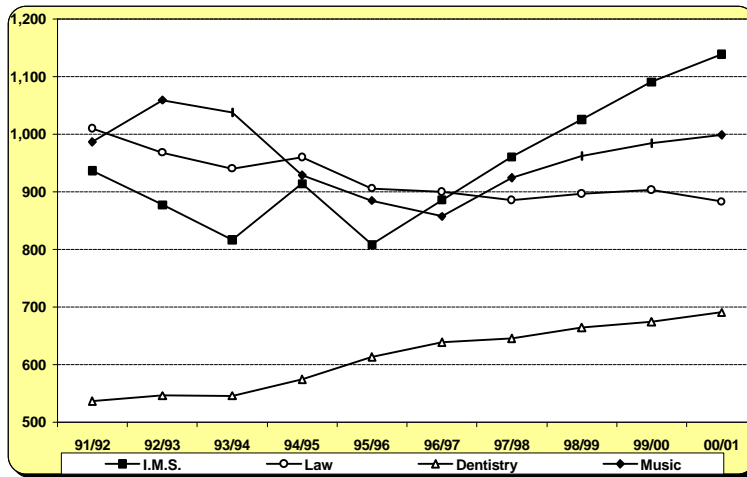
## **11. Academic Support Initiatives**

As noted in last year's budget, numerous instruction and research related initiatives were funded from the Provost's Academic Support Fund (PASF), and total funding for these initiatives exceeded the initial commitment of \$1.2 million. Examples of such initiatives include:

- academic equipment upgrades in many Faculties
- new course development in the BACS program
- faculty development B teaching of large classes
- internet-based course development in Communication Sciences and Disorders
- upgrades to General University computer labs
- computer-aided tutorials in History
- the macromolecular informatics initiative in Biochemistry
- instructional technology enhancements to courses in the Faculty of Arts

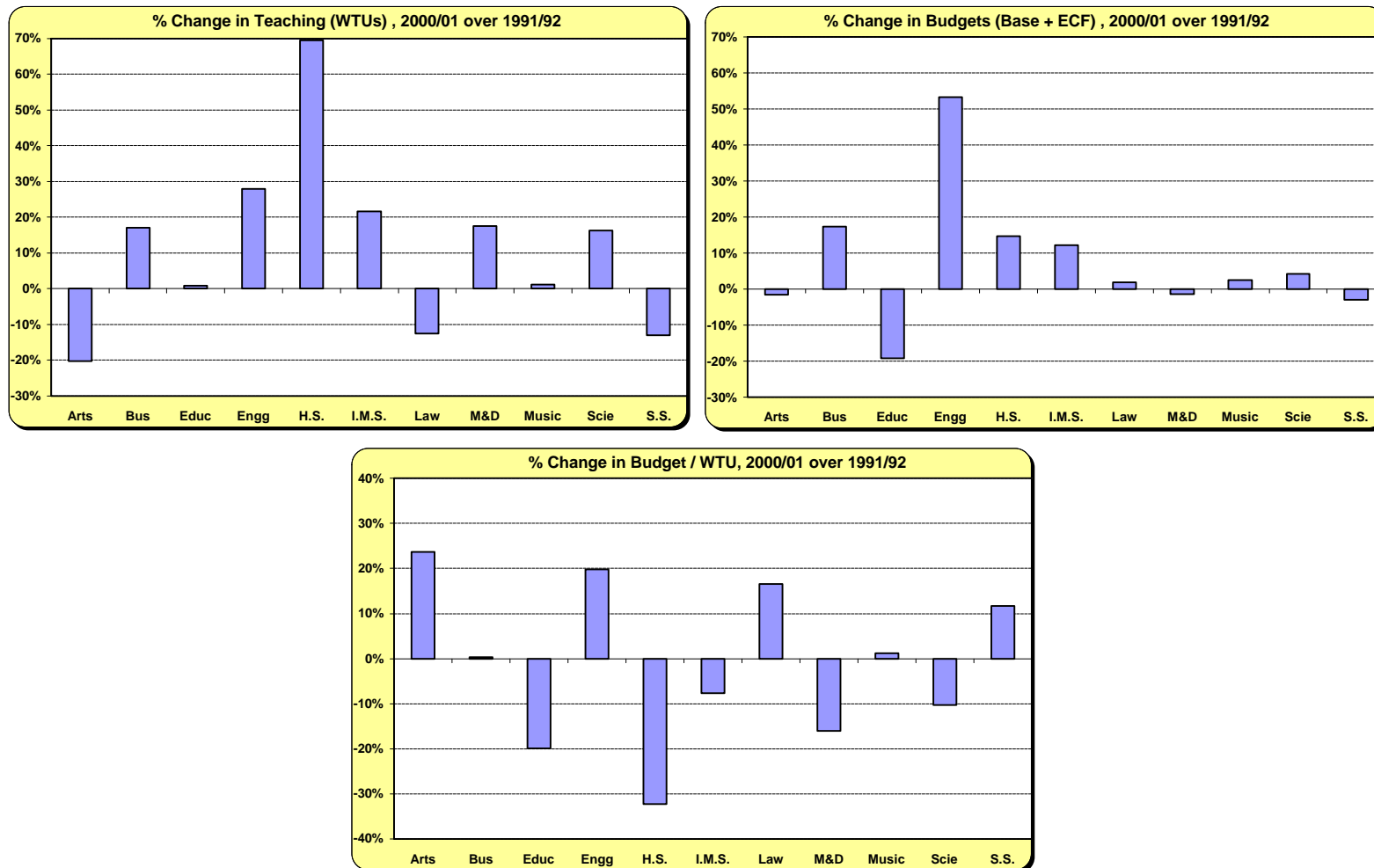
Appendix B: Figure 1

**WEIGHTED TEACHING UNITS (WTUs)**



Appendix B: Figure 2

**CHANGE in WTUs, Budgets, and Budget / WTU - 2000/01 over 1991/92**



## Appendix C

### Revenues, Expenditures, and Tuition Fees by Faculty

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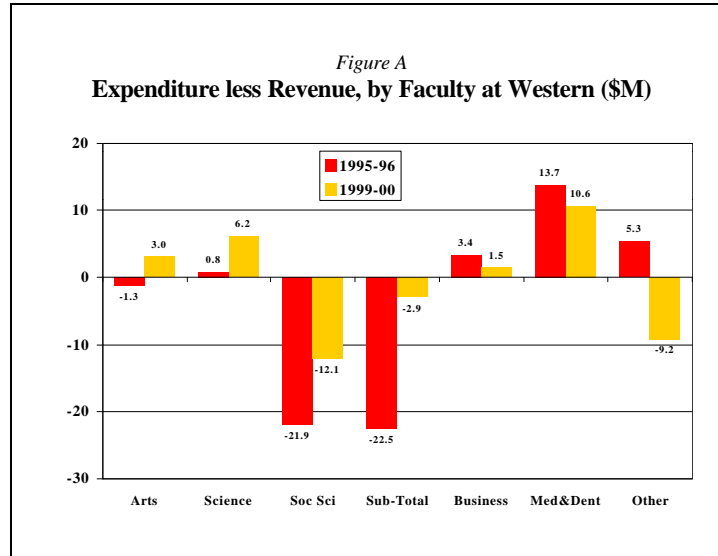
The graphs below summarize revenues, expenditures, and tuition fees by Faculty using the basic methodology developed in **Looking Forward** (April, 1996). The details of the methodology have been revised considerably since the 1996 version, as follows:

- Attribution of indirect costs (i.e. non-Faculty budgets) have been refined. In the 1996 version, indirect costs were attributed using Ashare of Faculty base budgets. In the current version, indirect costs are attributed using many variables, including enrolments, number of faculty and staff, space, number of alumni, and base budgets.
- Costing of cross-Faculty teaching (i.e. teaching of undergraduate students from other Faculties) has also been revised. In the 1996 version, a cost of \$200 per full-course-equivalent course registrant was assigned. In the current version, the figure has been doubled to \$400 per full-course-equivalent course registrant. This equates to \$28,000 for a full course of 70 students, which we believe is a fair allocation for cross-Faculty teaching. If the rate was doubled again, to \$800 per full-course-equivalent course registrant, the allocation for a full course of 70 students would be \$56,000. Our analysis has used the \$400 figure.

In the analysis below, revenues include tuition and the grant revenue which can be attributed to each Faculty by the MTCU's BIU system of grant allocation. **Figure A** compares expenditure less revenue, by Faculty, for 1995-96 (shown in grey pattern) with data for 1999-2000 (shown in black).

The Faculties shown in the graph are Arts; Science; Social Science; the subtotal of those three Faculties; Business; Medicine and Dentistry; and the total of the following six Faculties: Education, Engineering, Health Sciences, Information & Media Studies, Law, and Music. Because Western does not subscribe to the BIU system of weights, we do not aspire to an equality between expenditure by Faculty and the revenues which can be attributed by the BIU system.

Nonetheless, these figures in Figure A are important because it is sometimes asserted that universities with professional schools use revenues from those schools to subsidize the liberal arts and sciences, and that therefore grant funds should be transferred from those universities with significant professional schools to the other universities. This assertion has no foundation, as Figure A indicates. Using the BIU system to allocate grant revenue, in 1995-96, there was a net transfer from Arts, Science, and Social Science of \$22.5 million to the other Faculties; in 1999-2000 that net transfer has declined to \$2.9 million, because of differential changes in tuition fees and budget allocations.



Those in our province who argue that professional schools subsidize the liberal arts and sciences are simply wrong. If there is such a subsidy, it goes **from** the liberal arts and sciences **to** the other disciplines, and while that implicit subsidy has declined over the last four years at Western, it is still significant. Any suggestion that MTCU should tax the grant to Western on the grounds that our professional schools are subsidizing the liberal arts and sciences is entirely unacceptable.

**Figure B** shows tuition as a percent of cost, by Faculty, for 1999-2000. The figures range from a high of 52.7% for Social Science to a low of 13.3% for Medicine. Because of differential changes in tuition fees and budget allocations, these figures have also changed markedly since 1995-96.

