



*The University of Western Ontario*

## **2002-03 Operating and Capital Budgets**

**April 9, 2002**

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## **2002-03 Operating Budget**

April 9, 2002

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### **A. The Budgetary and Planning Context**

The context of the planning process for 2002-03 that began in the fall of 2001 includes (i) the unprecedented increase in demand for university places resulting from the restructuring of Ontario's secondary school system – and sustained by demographic shifts in the province, and (ii) the significant expansion of research activity at Western, resulting from major federal and provincial government initiatives such as the Canada Foundation for Innovation (CFI), the Ontario Innovations Trust (OIT), the Ontario Research & Development Challenge Fund (ORDCF), and the Canada Research Chairs (CRCs). Given the Ontario government's explicit commitment to ensure a place for every motivated and qualified student in the province's universities, and the impending increase in university enrolment, Western's faculty and staff would be justified in anticipating the beginning of a period of provincial re-investment in our Faculties and support units.

The principal assumptions of the budgetary and planning context for 2002-03 remain largely unchanged from those described in the 2002-03 Annual Planning Guidelines in the fall of 2001. The only significant new information since the release of the Guidelines in October 2001 has been the announcement of Federal Funding for the Indirect Costs of Research (FFICR) in the December federal budget announcement. Although a welcome and much-anticipated development, the details of this funding are unspecified, except that it must now be assumed to be only one-time. A proposal for the incorporation of Western's share of the FFICR in the 2002-03 operating and capital budgets is included later in this document.

#### **Revenues**

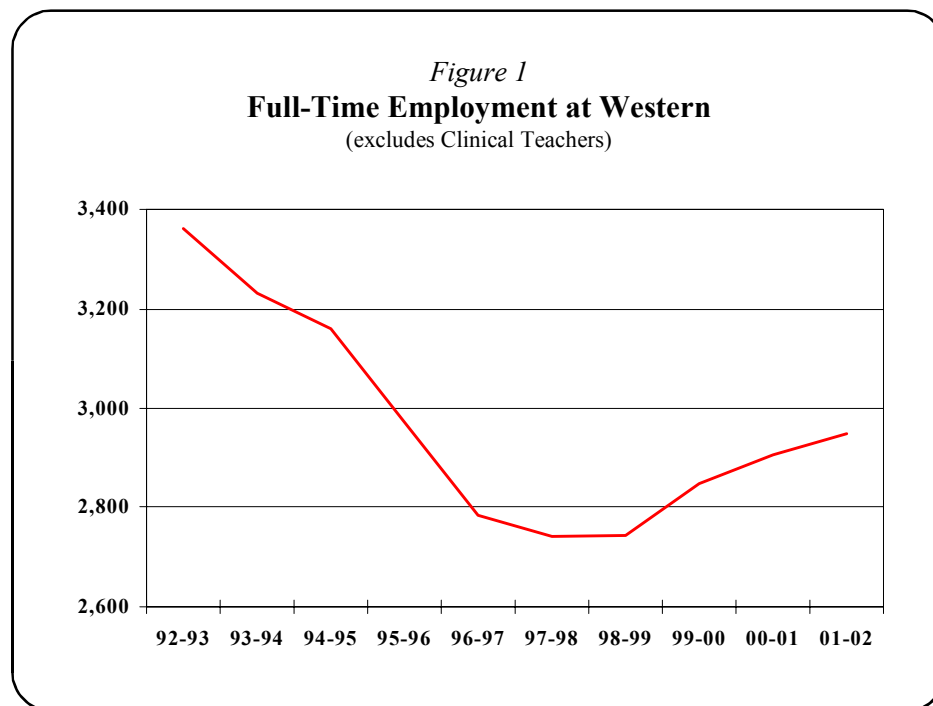
- **Government Grants.** In last May's budget the Province announced funding for additional students over a three-year period, a decision welcomed by Ontario's universities. While the intention was to fund those students at the full current grant per Basic Income Unit (BIU, a measure of the cost of various programs), system-wide enrolments were greater than expected in 2001-02. The fixed amount of money in the Budget, therefore, will in fact not provide full funding. The Council of Ontario Universities is currently urging the Province to add \$100 million to University budgets in the spring Budget this year, to provide full funding for all undergraduate and graduate students and to fund the inevitable increases in inflationary costs to which universities are subject.

The current budgetary situation follows two decades of stringency for Ontario's universities: the average student-faculty ratio has risen by over 20% in the past 12 years. At Western,

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one impact of the budgetary stringency was a decline in full-time employment of faculty and staff from 1990 to 1998. Since 1999-2000, this trend has reversed but the rate of increase in employment has lagged behind that of enrolment, such that our student-faculty and student-staff ratios have continued to rise. Our current projections for operating funding indicate that full-time employment of faculty and staff will again expand in 2002-03. This upward trend in employment is the result of enhanced Provincial operating funding, including grants for specific program expansions and for performance, and by the Canada Research Chairs program launched in 2001-02. After so many years of falling employment, the recent reversal is having a positive impact on our campus. Nonetheless, without urgently needed additional Provincial operating funding, our student-faculty and student-staff ratios will increase further during the Increased Cohort years. In the longer term, increased Provincial funding must reduce these ratios to enable us to improve the quality of teaching and service we provide to our students.



- Tuition Fees.** The 2% restriction on annual tuition increases in regulated programs, the source of the majority of Western's tuition revenue, will limit new revenue to a level well below simple inflationary cost increases in 2002-03. Net of the requirement to set aside 30% for student aid, the actual maximum increase in regulated tuition rates is only 1.4%. Recommendations for tuition fee levels for all programs are described later in this document.

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Overall tuition revenue is a function of both tuition fee rates and enrolment levels. Enrolment projections assume a first-year undergraduate intake of 4,500 in 2002-03, as approved in our Strategic Plan, *Making Choices*.

- **Investment Income.** The 2001-02 budget plan included the allocation of \$8.5 million (\$6 million regular transfer plus \$2.5 million for CFI matching) of unallocated investment income directly to operating revenues. The downturn in the equity markets dictates that only \$4 million can be allocated from investment income in 2002-03. While this is a substantial decline from the previous 5 years, it is more realistic in light of recent investment performance.
- **Faculty Turnover Recovery Funds.** Again in 2002-03, according to policy established in 2001-02, the greater of \$54,000 or 60% of each retiree's salary will be returned to the Faculty with the remainder flowing to the central budget.
- **Federal Funding for the Indirect Costs of Research (FFICR).** The December Federal budget included a one-time \$200 million fund to support the indirect costs of research; no formal assurances have been made, but those involved in lobbying for this funding over the past decade are optimistic that this initial allocation will be followed by a longer-term commitment. Until that time, however, the funds must be treated as unavailable to support on-going base operating expenses.

The recommendations for the allocation of the one-time FFICR in this budget and recommendations for continuing funding will follow the principles and assumptions that have been presented by the President and the Provost in previous discussions of the lobbying efforts for such funding. A key consideration is that, although insufficient in many areas, the indirect costs of research are already being covered within Western's expenditure budget, even in the absence of an appropriate associated revenue source. These indirect costs of research include, among others, the capital costs and annual maintenance expenses of research space, the costs of units reporting to the Vice-President (Research), and a portion of the costs of the University Libraries and Information Technology Services.

Expenditures for the indirect costs of research are currently covered from revenues that may now be directed to other activities. The approach taken here is, first, to allocate the new FFICR to cover existing expenditures on the indirect costs of research and, second, to allocate the operating funds thus released through the normal University planning processes. This said, special attention is, and will be, given to ensuring that support for research activities across the University is significantly enhanced above its current levels.

Preliminary estimates indicate that Western's share of the \$200 million FFICR would be approximately \$6.5 million – which is being allocated as follows:

- Support for research activities provided through the units reporting to the Vice-President Research, which includes the budgets allocated to Research Western, Animal Care and Veterinary Services, and the Research Promotion Fund (**\$2.1 million**).
- Information Technology related support for research activities provided through the Division of Information Technology Services (**\$400,000**).
- Support for scholarship and research provided by the University Libraries through the Libraries' operating budget and the book acquisitions budget (**\$2 million**).
- Physical Plant costs associated with the support and maintenance of research space at Western (**\$1.5 million**).
- Services provided by offices in the Divisions of Financial Services and Human Resources in support of research activity (**\$500,000**).

Note that the actual cost of the services provided by the Libraries, ITS, Physical Plant, Financial Services, and Human Resources in support of research activities at Western far exceeds the above allocations.

As noted earlier, our approach first allocates the new FFICR to cover the existing expenditures on the indirect costs of research (as listed above), and then allocates the released funds through the normal University planning processes. Our recommendations for the funds released from the above allocations (i.e. \$6.5 million) would see the FFICR applied as follows between 2001-02 and 2003-04:

	FFICR at Western (\$M)			
	<u>01-02</u>	<u>02-03</u>	<u>03-04</u>	<u>Total</u>
Transfer to Capital Budget	2.00			2.00
Reduce the 2002-03 IBA by 0.5%		1.00	1.00	2.00
Other Operating Budget Allocations		1.25	1.25	2.50
Total	2.00	2.25	2.25	6.50

*IBA = Initial Budget Adjustment to all unit budgets*



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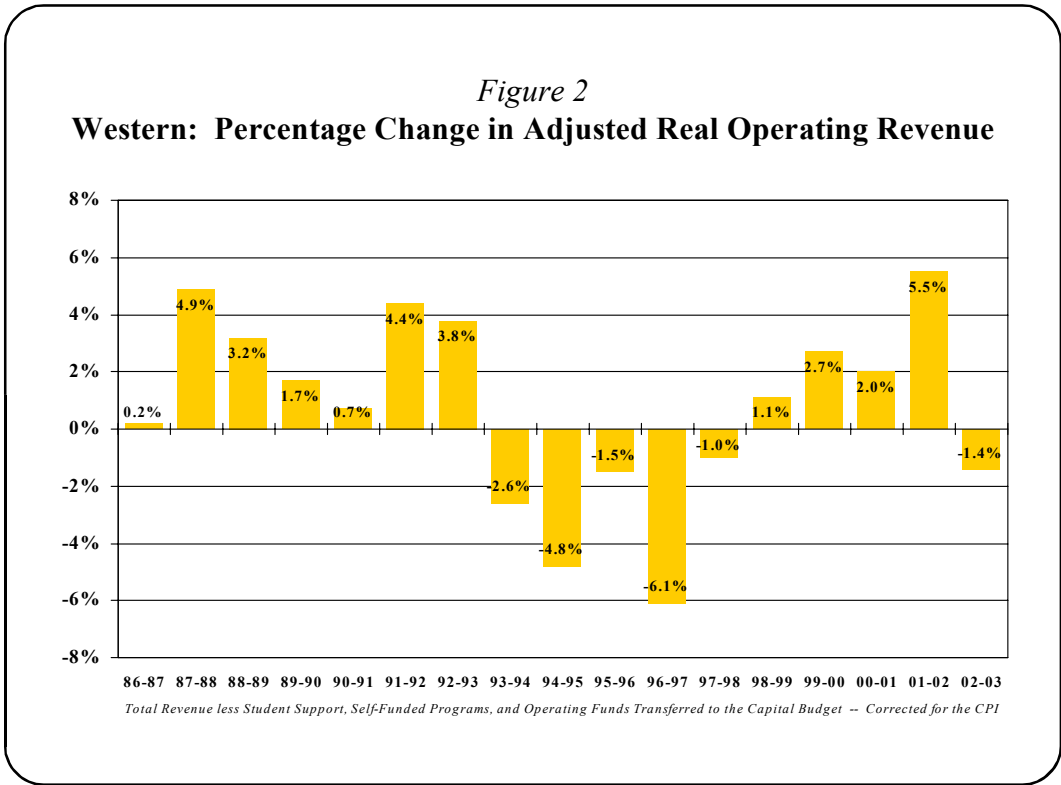
This pattern of allocation addresses a number of related objectives:

- a) It provides critical resources for capital construction and renovation that are essential to the maintenance and enhancement of Western's research activity, especially with our record of success in funding programs such as the CFI, OIT, ORDCF, and CRC. Note that if the FFICR is received after April 30, 2002, it may appear in the 2002-03 financial year.
- b) Through a reduced Initial Budget Adjustment in 2002-03, the Faculties and non-academic support units receive modest but welcome flexibility to address academic priorities in their internal budgeting and planning processes.
- c) The plan provides modest base and substantial one-time funding for priorities that emerge during the planning processes for 2002-03 and 2003-04, including teaching and research equipment, course and program development, and provision of stimulative seed funding for developing research programs, etc. In this latter area, the 2002-03 budget includes a recommendation that a significant sum from this source be allocated for the support of research in the arts, humanities, and social sciences, following suggestions made by faculty who appeared before the committee reviewing the Vice-President (Research) in 2000.

**Figure 2** summarizes the history of changes in Adjusted Real Operating Revenue, expressed in constant dollars, from 1986-87 to 2002-03.

### Expenditures

- 30% of additional tuition fee revenue attributable to increased tuition rates will be set aside for **Student Financial Aid**.
- **Employee Salaries** form the largest component of Western's Operating Budget. A provision for salary increases has been modelled.
- In addition to a wide range of areas calling for substantial new investment, the following special **University priorities** must also be accommodated in the budget model:
  - ▶ Student Recruitment
  - ▶ Deferred Maintenance
  - ▶ Additional Entrance Scholarships
  - ▶ Support for Research Initiatives and Major Infrastructure Programs
  - ▶ Library Acquisitions
  - ▶ Classroom Enhancements
  - ▶ Development of new programs and/or expansion of existing educational programs



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

### **Selective Budgetary Decisions and Academic Plans**

The budget document for 2001-02 included a lengthy section describing the rationale for differential budgetary investment in areas of strength and priority and a listing of some of the factors that have directed such investments in recent years. The same document also called for the preparation of Faculty Academic Plans to serve as stable frameworks for identifying areas of strength and priority and informing budgetary decisions across the years – both within the Faculty and at the University level.

These themes were reinforced in *Making Choices: Western's Commitments as a Research-Intensive University*, the renewal of the University's Strategic Plan, endorsed by the Board and Senate in November 2001. *Making Choices* calls for decisions at all levels that differentially support activities most critical to Western's scholarly objectives in teaching and research, whether involving reductions, re-allocation of existing funds, or investment of new monies.

All Faculties completed initial drafts of their Academic Plans in 2001, plans that contributed importantly to the current planning cycle and the recommendations included in this document. The Provost and Vice-President (Research) will be working with the Deans and members of their Faculties to develop further these plans in the coming months.

The intended connection between differential central budget recommendations and the priorities addressed in the Faculties' Academic Plans and in the Operational Plans of the non-academic support units are underscored in this budget by the grouping of differential investments under the rubric of the **University Priorities Investment Fund (UPIF)**. Past annual budgets have regularly included such allocations but the use of this title emphasizes the University's commitment to systematic support of areas of established strength and emerging priorities in research and teaching.

Many selective budgetary decisions take place within the Faculties themselves or are reflected in specific recommendations in this document. Western also has established a number of standing selective processes that serve to allocate funding according to recognized priorities and strengths. Perhaps the most notable of these mechanisms is the **Enrolment Contingent Fund (ECF)**, introduced in 1997-98 and accounting for the distribution of approximately \$25 million since that time.

The ECF will continue to provide substantial and predictable funding for increases in enrolment as Western engages the Increased Cohort in the next few years. In recognition of the special pressures that will be faced by the University in this period, this budget includes a proposal to create the **Increased Cohort Fund (ICF)**. The ICF will take a portion of the government's Accessibility Fund and apply it to the direct support of instruction of the additional first-entry

undergraduate students to be accepted at Western during the years 2002-03 through 2007-08. The allocation mechanism and the Faculty-specific allocations for 2002-03 are presented in a later section of this document.

### **Canada Research Chairs**

The Canada Research Chairs program is now moving into its third round. Of the 73 CRCs available to Western, 20 have now been appointed in the first two rounds (11 in round 1 and 9 in round 2), and we are awaiting a decision regarding two additional nominees in the second round. All Deans were given detailed feedback on their most recent submissions and were provided with an indication of the number of Chairs their Faculties might reasonably expect over the final two years of the initial phase of the program. Deans were encouraged to begin to develop proposals for those positions. A small percentage of the total number of Chairs remains undesignated to provide flexibility.

### **Faculty Retention and Recruitment**

Recruitment and retention of faculty was a central theme of the recently-completed strategic planning process and of the current annual planning cycle — the challenge promises to increase as universities across the continent enter a period of unprecedented retirements and of competitive pressure arising from enrolment-related expansion and dramatic investments in research support, including the CRCs. Although the pressures will be greater in some disciplines than in others, the need to improve our effectiveness in recruiting and retaining faculty is an objective that unites the Western community.

A report on this subject by the Deans of the Faculties of Law and Engineering was widely circulated to stimulate discussion and additional suggestions. Some early valuable feedback has already been received and more is anticipated in the coming months. The Provost and the Deans are committed to seeing the emergence of a clear package of initiatives addressing retention and recruitment that will support and enhance activities within Schools, Departments, and Faculties. Although the focus of these activities quite appropriately will remain at the level of these academic units, the Provost's Office will play an enlarged role in this area of faculty retention and recruitment.

Western continues to have lower percentages of female faculty than comparable universities in Ontario and Canada. A key element of the challenge of recruitment and retention will be increased success at attracting the best female applicants and supporting them as they pursue their careers at Western.

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The following initiatives aimed at enhancing our faculty retention and recruitment activities are proposed in this budget plan:

1. ***The Vice-Provost Position.*** A base funding allocation is being made from the University Priorities Investment Fund (UPIF) for the creation of the new Vice-Provost (Policy, Planning, and Faculty) position, for the support of this position, and other retention and recruitment initiatives.
2. ***Provost's Academic Support Fund (PASF).*** Special emphasis will be placed on providing funds from the annually recurring PASF to support the appointment and retention of female faculty. Deans also will be expected to draw on Faculty budgets and carryforward funds for this purpose. This faculty renewal initiative will be broadened to address a variety of retention and recruiting imperatives that apply equally to appointments of both genders, including: incremental funds to allow mid-career appointments; bridging funds to permit strategic hiring in advance of known retirements; and, interdisciplinary appointments. Here, again, the Provost will be especially open to requests that combine central and Faculty funding sources.
3. ***Partner/Spousal Employment.*** Spousal employment is a key issue in faculty recruitment. For spouses seeking non-academic positions, a program will be developed by the new Vice-Provost (Policy, Planning, and Faculty) to facilitate partner/spouse employment placement in the London region, including the offering of placement counselling services. Informal discussion of the following related question is increasingly taking place across the university: Can we do anything within our university community to facilitate the placement or appointment of spouses/partners who both seek an academic career at Western? Although fraught with difficult issues, any movement towards an acceptable positive response would provide the University with a clear competitive advantage in the coming years. This issue must be further resolved in the continuing discussion of recruitment and retention.
4. ***Additional Support Initiatives.*** Plans will be developed and implemented in the coming months by the new Vice-Provost (Policy, Planning, and Faculty) for:
  - central university support of faculty retention and recruitment, including assistance to Faculties, Departments, and Schools in the form of common information packages and advice/assistance regarding housing, daycare, schools, elder care, and spousal/partner employment;
  - a process to identify and promote best practices in recruitment and interviewing;
  - exit interviews of faculty resigning their positions at Western; and
  - mentoring programs for junior faculty in all areas of academic responsibility through existing and expanded programs in the Educational Development Office, Research Western, the Instructional Technology Resource Centre within ITS, the University Libraries, and in the Faculties, Departments, and Schools.

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Other elements of the programs aimed at enhancing Western's success in faculty retention and recruitment will emerge following further consultation via vehicles such as unit Academic Plans and the multi-year planning process.

### **Small Grants Support for Research in the Arts, Humanities, and Social Sciences**

This budget proposes a base allocation to the Vice-President (Research) to support research in the arts, humanities, and social sciences. The significant increases in research funding over the last five years from programs like the Canada Foundation for Innovation (CFI), the Ontario Innovations Trust (OIT), and the Ontario Research & Development Challenge Fund (ORDCF) have been directed largely to the laboratory sciences. From these three programs alone, awards to Western have been over \$100 million. Moreover, over the past decade, increases to the SSHRC have been less in percentage terms than to the two other major granting councils. Western is seeking to use its internal funds to provide a very modest offset to these external trends.

#### **1. Base Funding to be Allocated by the Vice-President (Research) in Support of Scholarship/Research in the Arts, Humanities, and Social Sciences**

A base transfer of \$250,000 to the Vice-President (Research) is proposed for 2002-03, to support research in the arts, humanities, and social sciences. Within the arts, humanities, and social sciences, preference in the allocation of the new funds will be given to disciplines and fields which have not had broadly-based access to the major new federal and provincial research funding programs. The new funding has three primary objectives: to provide better internal research support in the arts, humanities, and social sciences; to promote external grant applications and external research funding in those areas; and to strengthen the recruitment of new faculty, who will have a significant interest in internal research funding as they begin their careers at Western.

The current annual internal funding provided to the research programs in the arts, humanities, and social sciences at Western includes about \$120,000 from the Social Sciences and Humanities Research Council (SSHRC) for support of research grants and travel; about \$80,000 from the VP (Research) to match Research Time Stipends and partially fund approved but not funded SSHRC grants (the 4A rated grants); and at least \$200,000 from the Academic Development Fund (ADF) programs for support of exciting, new research programs. The University is now committing an additional \$250,000 annually to fund research programs in the SSHRC-related areas. These funds will support new programs -- such as enhanced travel grants to visit archives and scholarly colleagues, and International Research Seed Grants -- as well as providing additional funding for current programs which we intend to expand, such as the Research Time Stipends and 4A rated SSHRC grants. The new programs will be developed in consultation with the SSHRC research community at Western.

It is intended that this be \$250,000 of new funding for this research community. Accordingly, the Vice President (Research) will design the programs to enhance existing high-quality research in the arts, humanities, and social sciences, and to promote new research programs and opportunities in these disciplines while ensuring that this new funding does not adversely affect the competitive success enjoyed by this community in existing programs, such as the ADF. When fully implemented, the SSHRC community at Western would have access to at least \$650,000 annually from programs adjudicated locally and funded by SSHRC, ADF, and the Vice President (Research).

**2. An Endowed Dean's Research Support Fund in the Faculties of Arts and Social Science**

The fundraising campaigns for both the Faculties of Arts and Social Science included a high priority for funds which would provide the Dean with a discretionary budget to support research by providing small grants in a timely fashion. Neither campaign has raised significant funds for this purpose. Both Deans made strong statements in 2000 to the Review Committee for the Vice-President (Research) on the importance of such funding. The Budget proposes to take a part of the proceeds from the sale of the Gibbons property and endow the funds under the Gibbons name, creating a permanent legacy to honor a family which has played an important role in the University's history.

Two \$1 million dollar endowments would be created, one each in the Faculties of Arts and Social Science, to create an Arts Gibbons Research Fund and a Social Science Gibbons Research Fund. The annual grants to faculty, which would total \$50,000 initially in each Faculty, would be designated as Gibbons Research Grants. The funds would be used for support of scholarship and publication, at the discretion of the Dean. An annual report on the use of the funds would be submitted by the Dean of each Faculty to the Vice-President (Research). These funds would have the same purposes as those set out for the \$250,000 transfer to the Vice-President (Research): improving internal research support, promoting external research funding, and strengthening the recruitment of new faculty.

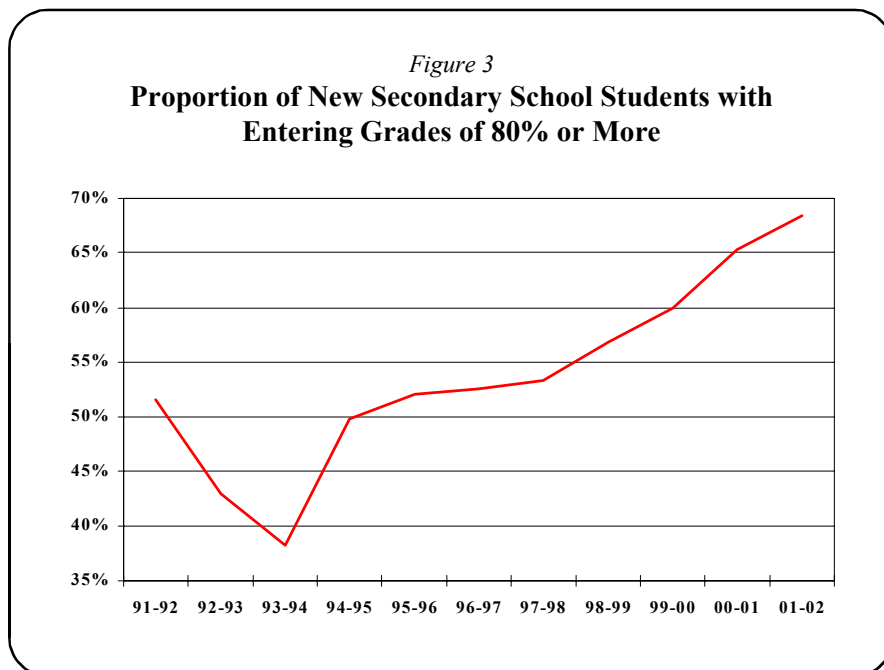
## C. The 2002-03 Quality Improvement Plan

The 2002-03 Quality Improvement Plan follows the model from previous years and reflects the academic priorities identified through the annual planning process (see [Appendix A](#) for a report on the 2001-02 Quality Improvement Plan). The primary focus of this year’s planning process was the need for investment in our Faculties and support units to address the pressures associated with the Increased Cohort and expanding research activity across campus. The specific components of the 2002-03 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 nearly \$1.2 million in 2002-03, 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 admission scholarships continues to increase and, as a result, the scholarships base budget for 2002-03 is being increased by \$250,000.





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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 \$790,000 in 2002-03 – bringing total graduate student support funding to more than \$13.2 million.

## **2. Faculty Renewal**

As an outcome of the 2002-03 planning process, about \$5.9 million is being selectively invested in our Faculties. The focus of these investments is much-needed faculty renewal, and the Provost has approved about 75 tenure-track faculty appointments for 2002-03.

## **3. Quality Enhancement of Academic Programs**

In addition to the \$5.9 million base investment in our Faculties, the Enrolment Contingent Fund (ECF) will provide an additional \$6.5 million in direct funding to our Faculties. These substantial investments in academic initiatives include:

- a mid-career faculty appointment in the expanding film program;
- support for the new Western/Fanshawe collaborative initiative in media studies;
- enhancement of academic programs in all Faculties; and
- 9 Canada Research Chairs

In addition, a number of one-time allocations to our Faculties from the Provost's Academic Support Fund (totalling \$886,000) will support the following initiatives:

- information technology initiatives in Arts, Business, and Education;
- recruitment initiatives in Engineering;
- equipment upgrades and faculty development in Health Sciences;
- acquisition of new teaching equipment in Medicine & Dentistry;
- enhancement of the opera program in Music;
- undergraduate teaching initiatives and faculty support in Science; and
- new course development in Social Science.

## **4. Increased Cohort Teaching-related Support**

The upcoming Increased Cohort will place additional teaching pressures on our undergraduate first-entry programs. In recognition of this, we have introduced the Increased Cohort Fund (ICF) which will allocate a sum of \$825,000 in 2002-03 to our Faculties involved in the teaching of direct-entry undergraduate students.

## **5. Support Units and Staff Renewal**

Similar to the selective investment in our Faculties, a sum of about \$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, which include:

- funding in support of the University Archives initiative;
- additional staffing to support increased activities in Financial Services, Human Resources, and Physical Plant;
- maintain and enhance staffing levels in support of the University's expanding research activity; and
- additional staffing in the development area in support of our fundraising activities.

## **6. Student Recruitment**

Undergraduate and graduate student recruitment continues to be a top priority for Western; nearly \$780,000 is being allocated in direct support of recruitment initiatives in 2002-03.

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

The acquisitions budget within the Libraries is being increased by more than \$470,000, or 5%, in recognition of the University's commitment to maintaining and improving a resource vital to all areas of education and scholarship.

## **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 – bringing the total base budget to \$5.75 million in 2002-03. In addition to addressing overall deferred maintenance issues, these funds will be used in 2002-03 for the renewal of instructional and research facilities across campus. A sum of \$1.2 million 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 \$65,000 in the operating budget to upgrade General University computer labs.

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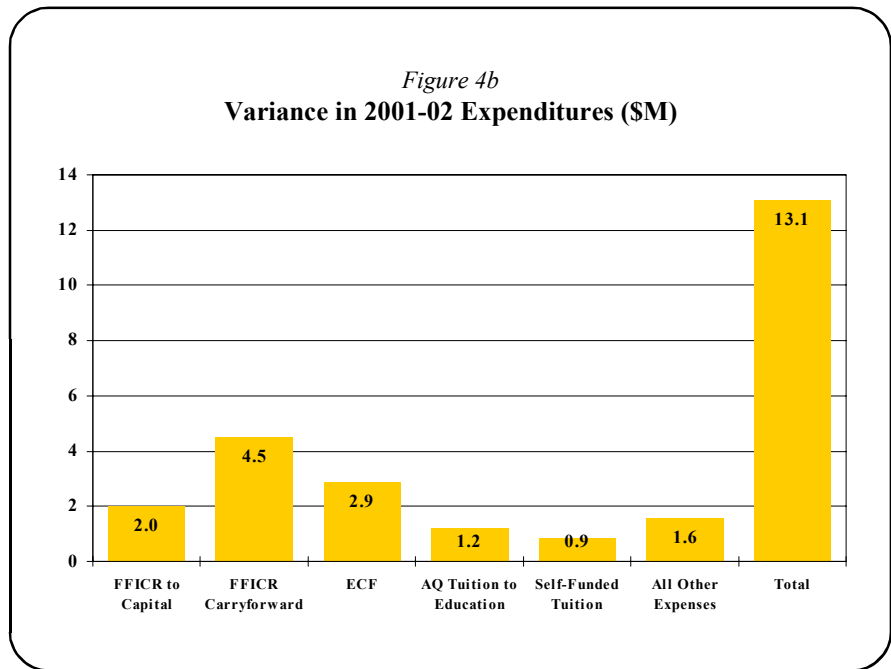
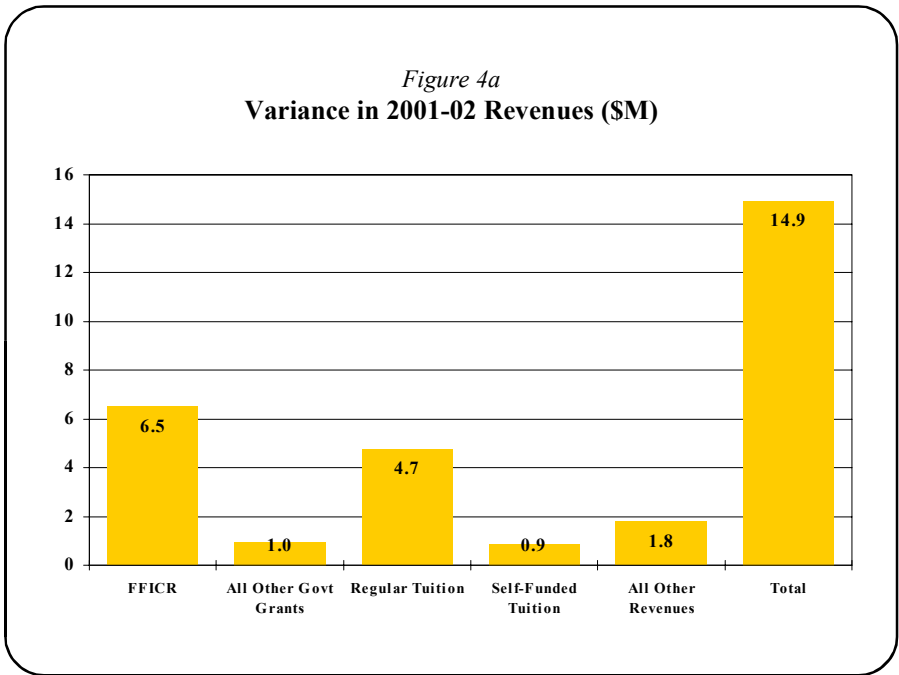
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## D. Update on Current Year's Budget (i.e. 2001-02)

**Figures 4a** and **4b** summarize the variance in the 2001-02 operating revenues and expenditures: the difference between current estimates of 2001-02 revenues and expenditures and the 2001-02 revenues and expenditures approved by the Board of Governors in April of 2001.

### Revenues

- Last year, when the 2001-02 budget was approved, we had anticipated an increase in our base grant. This did not materialize – however, offsetting this is our anticipated share of the government's Accessibility Fund. In addition, there were modest "in-year" increases in targeted program expansion funding in Medicine and Nursing directly related to further enrolment increases. The major change to government funding in 2001-02 was, as described earlier in this document, the introduction of the Federal Funding for Indirect Costs of Research (FFICR) which is estimated to provide Western with \$6.5 million in 2001-02. The net result is that government grants increased by \$7.5 million.
- Regular tuition revenues are \$4.7 million higher than the amount projected due to substantially higher-than-projected enrolments. Our full-time first-year undergraduate intake was 190 more than the planned figure of 4,350 and total undergraduate and graduate enrolment was 860 FTEs more than the projected figures, largely due to increases in year-to-year retention rates and a greater proportion of students pursuing a 4-year undergraduate degree. International student enrolments were also higher than projected, by 76 students. In addition, tuition revenue from the self-funded programs was higher (by \$870,000) 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 \$1.8 million, resulting in total revenues for 2001-02 estimated to be \$14.9 million higher than the amount approved by the Board in April 2001.



### Expenditures

- From the new \$6.5 million FFICR revenue, \$2 million has been transferred to the capital budget and the remaining \$4.5 million is being carried forward into 2002-03 – to be used over two years (i.e. 2002-03 and 2003-04) as described earlier in this document.
- A total of \$2.9 million in additional Enrolment Contingent Funding has been allocated to the Faculties in direct response to the teaching pressures that resulted from the higher-than-anticipated enrolments.
- A sum of \$1.2 million in additional funding was transferred to the Faculty of Education as a result of the substantially higher-than-planned Additional Qualification (AQ) course enrolments. The current arrangement calls for 88% of AQ tuition to be flowed directly to the Faculty. Note that AQ tuition is included in the regular tuition revenue figures.
- The \$870,000 additional tuition revenue from the self-funded programs was transferred directly to the Faculties offering those programs.
- The net change in all other expenditures was an increase of \$1.6 million, resulting in total expenditures for 2001-02 estimated to be \$13.1 million higher than the amount approved by the Board in April 2001. Note that this includes the \$4.5 million from the FFICR that is being carried forward into 2002-03 – if this \$4.5 million is excluded, then total expenditures are \$8.6 million more than the amount approved by the Board in April 2001.

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## E. 2002-03 Operating Revenues

Total Operating Revenues are projected to increase by 2.2% as shown in [Table 1](#).

### 1. Government Grants

As indicated earlier, in last May's budget, the Province announced funding for additional students over a three-year period through the "Accessibility Fund". As shown in line 3 of Table 1, we anticipate our share of this fund to be nearly \$4.9 million in 2002-03 – which is based directly on our enrolment plan shown in [Table 12](#). In addition, a number of targeted "Program Expansion Grants" will provide Western with over \$6 million in 2002-03. The Federal Funding for Indirect Costs of Research (FFICR) is shown as a one-time grant in 2001-02. As mentioned earlier, we are hopeful that a longer-term commitment will be made regarding federal support for the indirect costs of research.

### 2. Tuition Fees

The recommended tuition fees for 2002-03 are shown in [Tables 11a, 11b, and 11c](#).

#### Undergraduate First-Entry Programs

The Ontario government has restricted annual tuition fee increases, averaged over all regulated programs, to a maximum of 2% per year for the five-year period, 2000-05; 30% of the resulting incremental revenue must be allocated to needs-based student aid. The proposed tuition fees at Western in the first-entry programs are at levels that are competitive with those at other Ontario universities. The proposed 2002-03 tuition fee for Engineering was approved by the Board as part of the 2001-02 Operating Budget.

#### Business (HBA)

It is recommended that, for 2002-03, entry year (year 3) tuition in the HBA program be set at \$16,000 and year 4 tuition be set at \$15,000. Western's HBA program is a unique third-year entry undergraduate business program, which is offered in the same format and with the same standards of quality as our internationally-ranked MBA.

Given the high quality of the HBA program, the Ivey School is convinced that the HBA would continue to be competitive in recruiting students at the higher fee level. The HBA holds outstanding value for its graduates. The most recent average starting salary of Ivey HBA graduates is over \$56,000 – plus an average signing bonus of \$9,000. Most do not go on to pursue 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 arises from planning discussions with the Dean. A significant portion of the additional net revenue (after the 30% set-aside for student aid) from the proposed tuition increases will be allocated 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.

### **Law (LLB)**

The Faculty of Law has recommended that tuition fees for students in Law increase to \$8,500 in 2002-03. This fee is competitive with other leading Ontario Law programs, yet is significantly lower than the highest fee in the province.

The proposed increase to \$8,500 has been discussed both with members of faculty and with the Students' Legal Society. A significant portion of the incremental net revenue (after the 30% set-aside for student aid) will be allocated to the Faculty's operating budget where it will be directed to enhancing the quality of the LLB program, and the 30% set-aside will be directed to the financial support of Law students in need. This operating budget investment is necessary to protect and enhance Western's ability to attract and retain the best students and faculty.

### **All Other Undergraduate Programs**

Tuition fees for all other undergraduate programs are recommended to increase by 2%, with the exception of Dentistry which has a recommendation of no increase for 2002-03.

### **Graduate Programs**

It is recommended that tuition fees for all graduate programs be increased by 1.8% in 2002-03 – which will keep these tuition fees at levels competitive with other Ontario universities. It should be noted that the University's policy is to direct 75% of all graduate student tuition revenue to the financial support of graduate students.

### **International Student Tuition Fees**

As shown in **Table 11b**, higher increases are recommended for international student tuition fees. These fees have been set at levels substantially above those of Canadian students to reflect the fact that these students and their parents do not contribute to the provincial and federal tax bases that fund the universities of Ontario and Canada; it is appropriate that these students should pay a relatively higher portion of the cost of their educational programs. The tuition fees proposed for 2002-03 reflect this consideration and, at the undergraduate level, approximate the net of the tuition paid by an average Canadian student and the nominal level of government funding. The graduate tuition fees are set somewhat lower in relative terms in consideration of the multi-faceted role played by graduate students at Western and the competitive environment for the recruitment of the best graduate students. These increases will leave Western's international student tuition fees at levels competitive with other Ontario universities, as the following table indicates:

	<u>2001-02 Tuition Fees</u>	
	<u>Arts</u>	<u>Grad Cat 1</u>
McMaster	\$10,950	\$12,045
Ottawa	\$11,000	\$11,700
Queen's	\$11,220	\$10,600
Waterloo	\$12,666	\$12,486
Western	\$ 9,300	\$ 9,300
Western (2002-03)	\$11,000	\$10,500

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

In last year's budget, a set of proposals which rationalized and simplified tuition fees for concurrent programs was approved by the Board. **Table 11c** shows the recommendations for concurrent programs for 2002-03, which continue on the approach introduced last year.

### **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 12**. For 2002-03, full-time undergraduate enrolment is projected to increase by 1.2% and full-time graduate enrolments are projected to increase by 6.0%. Total enrolment – both full- and part-time – is projected to grow by 2.2%.



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### **Tuition Revenues**

Overall tuition revenue is projected to increase by 8.8%. 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 7.3% and regular graduate tuition revenue is expected to increase by 8.5%.

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

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

- Last year's budget included the funding associated with 11 CRCs, and for 2002-03 funding for an additional 9 CRCs is anticipated – for a total of \$2.8 million in 2002-03.
- As indicated earlier in this document, due to the downturn in equity markets, we can only allocate \$4 million from investment income in 2002-03 – which is a more realistic allocation in light of recent investment performance.
- As a result of the Increased Cohort, applications to first-year entry continue to increase – and application fee revenue will correspondingly increase.
- The Vice-President Research facilitates the transfer of technology based on invention disclosures from our faculty, students, and staff. Over the past few years, the University has sought to increase the patent portfolio, royalty incomes, and licensing revenues. Revenue from these sources has grown significantly. In the period prior to 1997 the average annual revenue from royalties and licences was about \$5,000. Between 1997 and 2000 the annual revenue averaged about \$50,000. These improvements are continuing with gross revenue in 2000-01 of about \$200,000, and about \$650,000 in the current year. It is estimated that the revenue from this source will be about \$800,000 in 2002-03.
- Western's ancillary units generate substantial revenue to the University Operating Budget by way of direct contributions and charges for facilities and services. In 2002-03, these units will contribute nearly \$10.5 million.

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## F. 2002-03 Base Budget Recommendations for the Faculties

**Table 2** shows the 2002-03 base budget recommendations for Western's Faculties. Final 2002-03 base budgets for Faculties are the net result of the following:

- faculty turnover recovery;
- an Initial Budget Adjustment (IBA) that reduces by 2.5% the base budgets of all Faculties;
- selective new investments, including allocations from the University Priorities Investment Fund (UPIF) and tuition-based investments in high-tuition programs;
- flowthrough of government grants targetted towards program expansions;
- conversion of ECF funds to base budget; and
- the allocation of funds associated with the 9 Canada Research Chairs (CRCs) appointed in the second round of the program.

In addition, Faculties teaching students in first-entry undergraduate programs will be allocated one-time funding from the new Increased Cohort Fund (ICF) for the years 2002-03 through 2007-08. The ICF is described later in this section.

**The net result of the various selective investments is an overall allocation to the Faculties that is 1.1% higher than 2001-02** (see line 21 of **Table 2**). These final allocations, therefore, will provide most Faculties with greater flexibility for internal allocation of funds in 2002-03 than anticipated in their original planning submissions (modelled on a 3% reduction).

### 1. The Faculty Turnover Recovery Policy

Introduced in 2001-02, the Faculty Turnover Recovery Policy continues in 2002-03. The policy returns the greater of \$54,000 or 60% of the retiree's salary (plus benefits) to the Faculty budget.

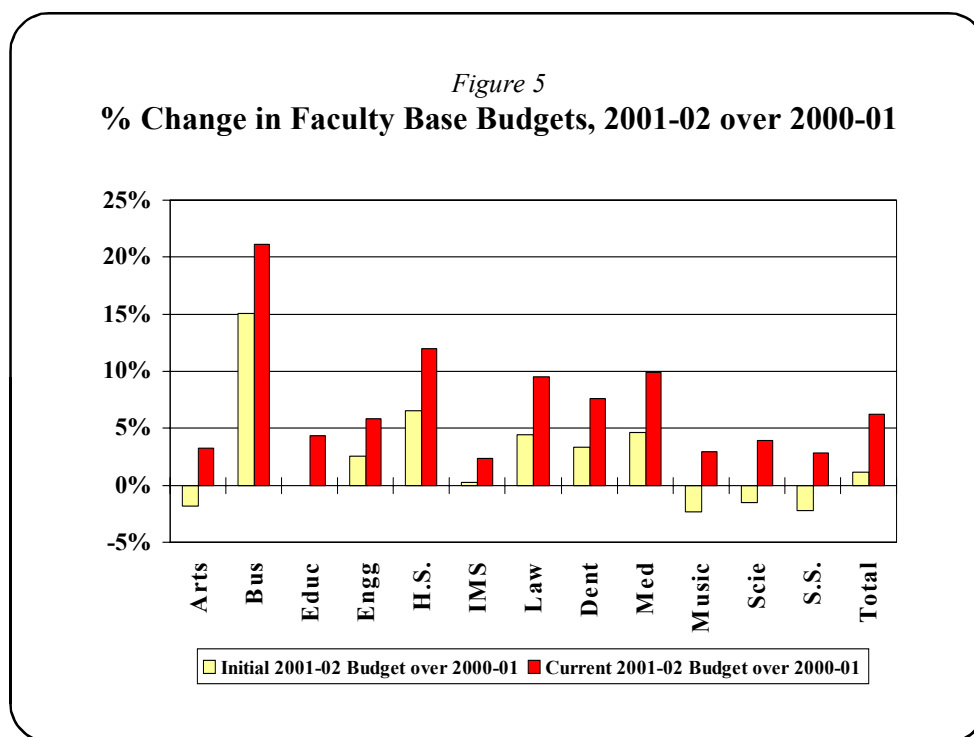
### 2. Initial Budget Adjustment (IBA)

An integral element of Western's budget process continues to be the Initial Budget Adjustment (IBA), this year set at -2.5%. Part of the IBA is required to cover the costs of negotiated salary increases and inflation in non-salary costs; the remainder is being reallocated selectively through the Enrolment Contingent Fund and the University Priorities Investment Fund, as described later in this document. The recommendations in this budget include significant allocations to support units to sustain University priorities and allow our hard-working staff to offer high-quality service to students and faculty.

The IBA plays a critical role in allowing the reallocation of funds in support of University priorities and should not be seen as a bottom line cut to unit budgets. Indeed, except in years of reductions in our Provincial operating grant, the IBA is returned to Faculty budgets

through ECF, selective investments, and negotiated salary increases. The 2001-02 budget affords a good example of the process (see [Figure 5](#) and [Appendix D](#)). While the 2001-02 IBA involved a 3% reduction, the actual change in total Faculty base budgets when the year ended was a 6.2% **increase**. If we include ECF in the calculation (see [Appendix D](#)), the increase in the total of base budget plus ECF was 7.5%.

As shown in column d of [Table 2](#), the budget recommendations begin with an IBA which reduces all Faculty budgets by 2.5%. As noted earlier, the IBA is needed to fund salary increases, inflation in non-salary costs, and selective investments in priority areas and, except in years of reductions in the Provincial operating grant, all of the IBA is returned to the Faculties.



### 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 four 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 was set as 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.

Two modifications to the ECF funding formula were implemented in 2001-02:

- i. The incorporation of Distance Studies courses into ECF -- similar to summer undergraduate courses; and
- ii. the assignment of the same weights to all undergraduate course registrations. Prior to 2001-02, first-year and general-level course registrations were assigned a weight of 0.2 and honours-level course registrations a weight of 0.4. Effective 2001-02, all undergraduate course registrations are being assigned a weight of 0.4. ECF baselines have been adjusted in a "revenue neutral" manner for each Faculty.

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 – which is measured by course registrants, irrespective of the students' Faculty/program of registration. The specific weights assigned to the various enrolment categories are:

Undergraduate Course Registrations	0.4	(equates to 2.0 per FTE)
HBA, Education, Law FTEs	2.0	
Medicine (M.D.) FTEs	4.0	
Medical Residents	1.0	
Dentistry (D.D.S.) FTEs	4.0	
Master's FTEs	3.5	
Ph.D. FTEs	7.0	

The following self-funded programs are excluded from WTU calculations: MBA, Executive/Video MBA, International Medical Residents, Faculty of Medicine's Malaysian Exchange Program, National Dental Examining Board Qualifying Program, International Dentistry (DDS) Students, Additional Qualification Enrolments in the Faculty of Education, and all non-credit programs/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.

**Final 2001-02 ECF Allocations.** **Table 10** shows final 2001-02 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 be converted to base operating allocations; such conversions were made in 2000-01 (\$1.75 million) and 2001-02 (\$1.6 million). For 2002-03 it is being proposed that an additional \$2.05 million of ECF funding be incorporated into Faculty base budgets, as follows:

**Proposed ECF to Base Conversion in 2002-03**

Arts	\$ 150,000
Business	\$ 200,000
Education	\$ 100,000
Engineering	\$ 200,000
Health Sciences	\$ 200,000
Information & Media Studies	\$ 100,000
Medicine	\$ 100,000
Music	\$ 50,000
Science	\$ 250,000
Social Science	<u>\$ 700,000</u>
Total	\$2,050,000

These conversions, with those of the previous two years, represent a total transfer of \$5.4 million to Faculty base budgets over three years, in addition to the on-going levels of annual ECF.

Column h in **Table 2** shows the \$2.05 million in ECF funds which are being incorporated into 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 2002-03 relative to that which otherwise would have been allocated; it may well be that these base budget transfers may reduce on-

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going ECF funding in 2002-03 below the 2001-02 level. Current estimates of 2002-03 enrolments and the associated ECF funds indicate that such an offset will occur in Arts, Business, Health Sciences, Information & Media Studies, Music, and Social Science. The Provost's annual budget recommendation letter 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 2002-03 (excluding the \$2.05 million converted to base budget) is \$6.5 million, about \$100,000 less than in 2001-02. In line 21, which adds ECF, ICF, and SFRI to the Faculty base budgets in line 15, total Faculty budgets increase by about \$1.7 million.

**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 since 1991-92. The Faculties are distributed into four groups according to the value of WTUs in 2001-02, 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 2001-02. 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 decreased substantially during the past decade, so that all Faculties, those expanding and those contracting, experienced very difficult budgetary constraints.

**b. Increased Cohort Fund (ICF)**

Ontario's universities will be faced with an unprecedented increase in demand for university places because of the elimination of the OAC year and demographic shifts, most notably the coming of age of the echo of the baby boom generation. As part of last year's budget process, Western's Senate approved an enrolment plan that includes first-year undergraduate enrolment levels of 4,500 in 2002-03, 4,700 in 2003-04, and 4,735 in 2004-05. As these high first-year intake levels flow-through to upper-years, overall undergraduate enrolment will increase substantially in coming years. These increases will in turn place increased teaching pressures on our undergraduate first-entry programs – pressures which will require the allocation of additional resources.

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The Enrolment Contingent Fund (ECF) will allow us to provide additional funding to Faculties and departments which are faced with increased teaching pressures during the Increased Cohort years between 2002-03 and 2007-08. However, as indicated earlier, ECF provides only a partial offset to the full cost of additional students. In recognition of the special strains the Increased Cohort will place on Western's first-entry undergraduate programs, it is proposed that a new fund – **the Increased Cohort Fund (ICF)** – be introduced in 2002-03, and be allocated in direct support of enrolment and teaching growth in first-entry undergraduate programs.

The proposed mechanism for the ICF is as follows.:

- The ICF will be allocated to Faculties teaching first-entry undergraduate students, excluding programs that are funded by direct targeted government program expansion grants. At present, Computer Science, Engineering, and Nursing are in this group excluded from the ICF.
- The funding will be allocated as one-time funds in each of 2002-03 through 2007-08. The ICF will end in 2008-09.
- The overall level of the ICF in each of the six years will be equal to 25% of the forecast for the following year's undergraduate component of the government's Accessibility Fund. Based on current estimates of enrolments and the Accessibility Fund, the ICF is being set at \$825,000 for 2002-03.
- In recognition of the need for increased Graduate Teaching Assistants (GTAs) to support teaching needs associated with the increased undergraduate enrolments, 20% of the ICF (i.e. 20% of the \$825,000 in 2002-03, or \$165,000) will be allocated to the GTA budget in the Faculty of Graduate Studies.
- The remaining 80% of the ICF (i.e. \$660,000 in 2002-03) will be allocated to Faculties on a slip-year basis, as follows:
  - ▶ for the years 2002-03 to 2005-06: 35% based on growth in full-time first-year enrolment over the 2000-01 level and 65% based on growth in total undergraduate course registrations over the 2000-01 level; and
  - ▶ for the years 2006-07 and 2007-08: 100% based on growth in total undergraduate course registrations over the 2000-01 level.
- The slip-year approach will result in allocation of funds in year X using growth in year X-1 over the baseline year of 2000-01. For example, the 2002-03 ICF allocations will be based on growth (in first-year enrolments and overall undergraduate course registrations) in 2001-02 over the baseline year of 2000-01.

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**Table 9** summarizes the Faculty-specific one-time ICF allocations for 2002-03. It should be noted that the ICF, unlike the ECF, is short-term funding – for the six-year period from 2002-03 through 2007-08. Therefore, the Provost has indicated to Faculties that the primary objective of the ICF is to provide resources to cover the costs of incremental teaching associated with the Increased Cohort. Specifically, Faculties are being asked to direct the funds at faculty bridging appointments and/or part-time faculty and staff hirings.

**c. Faculty-Specific Recommendations for 2002-03**

**Faculty of Arts.** The Faculty of Arts has been awarded a tier 2 CRC (\$90,000 allocation) from the current round of the program. In addition, a base allocation of \$100,000 from the UPIF is being made in support of a new mid-career faculty appointment in the high-demand and expanding Film program. The provision of funding for a mid-career appointment will provide an important investment in the scholarly and research foundation of the program. Overall, teaching activity in the Faculty, which declined in the 1990s, has begun an upswing – and is expected to increase substantially during the Increased Cohort years. In recognition of this, a sum of \$150,000 is being converted from ECF to base budget. The Faculty of Arts will also receive a share of the ICF.

**The Richard Ivey School of Business.** The Ivey School continues to be among the world leaders in Business education and has made substantial advances in research in recent years. As indicated earlier, in order to maintain and enhance the high quality of the HBA program, 65% of the incremental tuition revenue (net of the 30% set-aside for student aid) is being allocated to the Ivey operating budget (\$550,000). Note that this investment is contingent on the Board of Governors' approval of the HBA tuition fee increase for 2002-03. An additional amount of \$150,000 in base funding from the UPIF is being allocated to strengthen the HBA program and an expanding Ph.D. program. Finally, a sum of \$200,000 is being converted from ECF to base budget, and the Ivey School will also receive a share of the ICF.

Discussions are currently underway with the Ivey School regarding further expansion of the HBA program. A final decision on the timing of the expansion (either fall 2002 or fall 2003) will be made in the near future. If the decision is to begin the expansion in the fall of 2002, then additional base budget allocations will be made to the Ivey School in 2002-03 based on the level of expansion. Note that the additional allocations will be directly linked to additional tuition revenue from the expanded enrolments and will not affect the operating budget presented in this document.

**Faculty of Education.** Enrolment in the Faculty's undergraduate and graduate programs continues to expand. Enrolment in the B.Ed. program has increased over the past few years as part of a government initiative to expand teacher education in the province. The Faculty's new Ph.D. programs – a stand-alone program and a collaborative program in



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Educational Studies – continue to move towards steady-state enrolments. These enrolment expansions are being supported by substantial ECF funding. In addition, a sum of \$100,000 is being converted from ECF to base budget.

**Faculty of Engineering.** Graduate and undergraduate enrolment in the Faculty continues to expand as a result of the Government of Ontario's ATOP initiative, and is supported through targeted government funding as well as ECF. This funding and University investments over the past five years have enabled a remarkable level of faculty renewal and growth with outstanding new appointments in all Departments. The Faculty's growing stature in research is reflected by its success in the initial rounds of the CFI/ORDCF/OIT competitions. Engineering is aggressively pursuing additional opportunities in the upcoming competitions. In recognition of continued increases in enrolment, a sum of \$200,000 is being converted from ECF to base budget. The Faculty is also being supported with substantial capital funds -- which is being invested in the new Advanced Technology Centre (ATC).

**Faculty of Graduate Studies.** The Faculty of Graduate Studies continues to play a central role in graduate student recruitment, funding, and overall planning of graduate programs and enrolments at Western. Recent years have been marked by the development and introduction of a number of exciting new programs in diverse disciplinary and interdisciplinary areas across campus. The Faculty's additional budget needs are being met by funds arising from a variety of sources, including the administrative component of the 30% tuition-based set-aside for student aid (estimated at more than \$30,000 in 2002-03) and interest on national scholarship funds now administered locally (estimated at \$75,000 in 2002-03). As indicated earlier, 20% of the ICF (or \$165,000) will be allocated to the Faculty's GTA budget in 2002-03.

**Faculty of Health Sciences.** Overall enrolments in the Faculty continue to increase rapidly. The BHSc program is approaching steady-state enrolment levels and the Collaborative Western/Fanshawe Nursing Program is also expanding. **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. In last year's budget, a sum of \$350,000 in base funding was allocated in support of the enrolment expansion in the Faculty. Even with this infusion of funds, the Faculty's relative funding per student is substantially lower than the University average. Therefore, for 2002-03, it is being recommended that an additional \$500,000 in base budget funds from the UPIF be allocated to support the continued expansion of the Faculty; these funds are being targeted towards additional faculty appointments and GTAs. Although stimulated by increased enrolment, the additional funding is necessary to ensure that members of faculty are able to devote sufficient time to the research and scholarly activities that form the critical foundation of the Faculty's undergraduate and professional programs and its recently-introduced Ph.D. program. This research is particularly important to Western given the centrality of the work represented in the Faculty to current issues in

health care and the expanded focus of the Canadian Institutes for Health Research (CIHR). The Provost and Vice-President (Research) will work with the Dean of Health Sciences to develop the program of investment of these new funds that will focus on additional strategic faculty appointments. This substantial base allocation should position the Faculty's overall base funding level in a stable situation for 2002-03 and beyond. The Faculty will also receive \$126,200 in targetted government funding in support of the Collaborative Nursing Program. In addition, a sum of \$200,000 is being converted from ECF to base budget, and the Faculty will receive a share of the ICF.

***Faculty of Information & Media Studies.*** A base allocation of \$50,000 from the UPIF is being recommended in support of the Western/Fanshawe collaborative initiative in media studies. Planning is underway for additional faculty appointments in support of further expansion of the MIT program, to be funded through substantial allocations from the ECF. The Faculty is in the process of developing new Master's and Ph.D. programs in media studies. In recognition of the continued growth in enrolments/teaching, a sum of \$100,000 is being converted from ECF to base budget, and the Faculty will also receive a share of the ICF.

***Faculty of Law.*** Our Faculty of Law continues to be a leader in legal education and scholarship, and additional resources are necessary to maintain and enhance the quality of its academic programs. 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 (\$285,000). Note that this investment is contingent on the Board of Governors' approval of the Law tuition fee increase for 2002-03.

***Faculty of Medicine & Dentistry.*** The Faculty of Medicine & Dentistry has been awarded one tier 1 and three tier 2 CRCs (\$440,000 allocation) from the current round of the program. Western's Faculty of Medicine & Dentistry is central to our aspiration to be a leading research university. The Faculty has been successful in the initial rounds of the CFI/ORDCF/OIT competitions, and is pursuing additional opportunities in the upcoming competitions. The Faculty is being allocated tuition-based investment funds (\$100,000) resulting from the phasing-in of tuition increases approved last year. As indicated in last year's budget document, further base investments will be made in 2003-04 and 2004-05, as the tuition fees move towards steady-state levels. The Faculty also continues to receive targetted government funding in support of the expansion of the MD program. Finally, a sum of \$100,000 is being converted from ECF to base budget, and the Faculty will also receive a share of the ICF. The University is also making a substantial capital investment in the Faculty of Medicine & Dentistry, through the funding of the major deferred maintenance and renewal renovations to the Medical Sciences building.

***Faculty of Music.*** The Faculty of Music offers a full range of undergraduate and graduate programs which are among the best in the country and sustains several areas of leading scholarship and performance. The requirement for intensive, one-to-one and small group

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learning in performance areas constrains cost efficiencies in the Faculty and limits internal expense flexibility. A base allocation of \$75,000 from the UPIF, therefore, is being recommended in support of the expansion of courses for non-Music students. In recognition of recent increases in teaching activity, a sum of \$50,000 is being converted from ECF to base budget, and the Faculty will also receive a share of the ICF.

**Faculty of Science.** The Faculty of Science has been awarded one tier 1 and two tier 2 CRCs (\$350,000 allocation) from the current round of the program. Overall teaching levels in the Faculty of Science continue to increase, partly due to ATOP expansion in Computer Science and Engineering. These expansions are being directly funded by targeted government funding as well as ECF. The Faculty has also recently created a new Department of Biology, and a sum of \$40,900 from the UPIF is being provided in support of student academic counselling activities in the new Department. In addition, a base allocation of \$120,000 from the UPIF is being made to fund increased teaching needs in expanding academic programs. In recognition of the continued growth in the Faculty's teaching activity, a sum of \$250,000 is being converted from ECF to base budget; the Faculty also will receive a share of the ICF. The Faculty of Science has been very successful in the initial rounds of the CFI/ORDCF/OIT competitions, and is pursuing additional opportunities in the upcoming competitions.

**Faculty of Social Science.** The Faculty of Social Science has been awarded a tier 2 CRC (\$90,000 allocation) from the current round of the program. The successful BACS program, now a four-year program, continues to expand rapidly -- with enrolment doubling over the past 5 years from 835 in 1996-97 to 1,612 in 2001-02 -- and is being funded through substantial ECF allocations. In recognition of significant increases in teaching activity over the past two years, a sum of \$700,000 is being converted from ECF to base budget. The Provost is working with the Dean to develop a multi-year program of investment of these substantial additional funds. This program will be directed at both the direct support of the BACS program and faculty appointments that will serve both to support the teaching demands of the BACS and to promote faculty renewal within the Social Science Departments. The Faculty also will receive a large share of the ICF.

#### **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 June 2002 will be cancelled.

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

The PASF is the source of annual one-time funds intended to support specific instructional and research initiatives within the Faculties. [Table 13a](#) outlines the initial recommended

2002-03 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 2001-02 is shown in **Table 13b**.

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

As indicated in last year's budget, the University's subsidy to the Trois-Pistoles program is being phased out. The 2002-03 allocation to Trois-Pistoles reflects only the flowthrough of targetted government funding.

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## G. 2002-03 Scholarships and Bursaries

Base budget allocations for student support are shown in **Table 3**. Overall student support funding is being increased by \$3M in 2002-03. The cumulative impact of this 10.6% increase is shown in **Figure 6**, 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 \$31.3 million in 2002-03.

- 1. Undergraduate Scholarships.** The base budget for undergraduate scholarships, which was increased by \$350,000 in 2001-02, is being increased again in 2002-03 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 \$1.2 million, bringing the total funding available for needs-based undergraduate student support to nearly \$10.7 million in 2002-03. These funds will be allocated to students in financial need through the University's work/study program and direct needs-based bursaries.

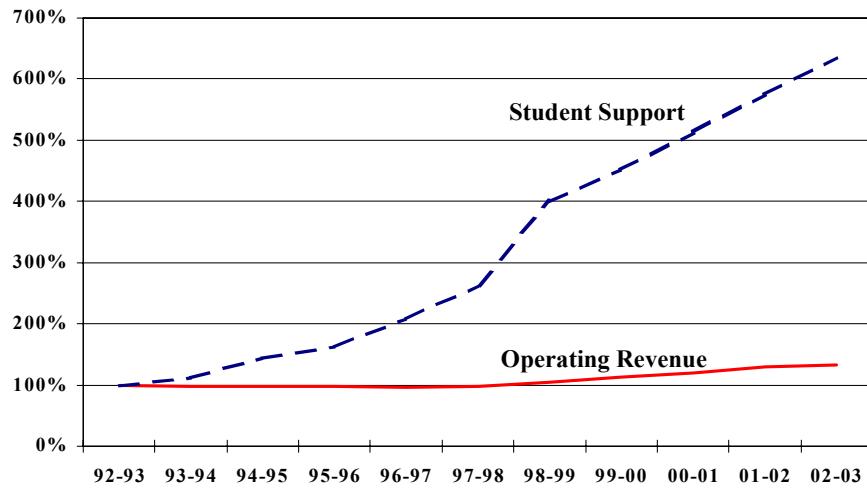
The needs-based student support funds resulting from the tuition set-aside will be supplemented by other funding sources, including donations and special programming funding from the government – and will be distributed by the Financial Aid Office according to prescribed criteria.

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 – 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 more than \$790,000 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 \$13.2 million.

*Figure 5*  
**Western: Operating Revenue and Student Support**  
Indexed to 1992-93



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## H. 2002-03 Base Budget Recommendations to Support Units

**Table 4** shows the 2002-03 base budget recommendations for support units. Final 2002-03 base budgets for support units are the net result of:

- the Initial Budget Adjustment (IBA) that reduces by 2.5% the base budgets of all units; and
- selective new investments from the University Priorities Investment Fund (UPIF).

As described earlier in this document, the IBA – required to cover the costs of negotiated salary increases and inflation in non-salary costs – should not be seen as a bottom line cut to unit budgets. The IBA is returned to unit budgets through selective investments and negotiated salary increases.

**Information Technology Services.** A sum of \$45,000 in base funds from the UPIF is being allocated to ITS to purchase additional hardware/software in support of the University's e-mail system.

**The Libraries.** The UPIF investment in the Libraries includes the final phase of funding associated with the University Archives Initiative (\$90,000) and new base funding (\$45,000) in support of a new initiative aimed at enhancing Teaching and Learning through the use of information technology. The Teaching and Learning initiative is being developed by the Libraries in collaboration with ITS and the Educational Development Office – and will focus on assisting faculty and students in integrating technology and digitized information resources into teaching, learning, and scholarship/research.

**The Registrar's Office.** The allocation to the Registrar's Office consists of \$60,000 from the UPIF in support of cost increases in the admissions and recruitment areas resulting from the Increased Cohort, and \$13,750 for additional part-time staffing in the International Exchange Office. In addition, the Registrar's Office budget is being supplemented by substantial one-time allocations in support of recruitment activities and cost increases associated with expanding enrolments.

**Financial Services.** Base funding of \$60,000 from the UPIF is being provided to hire additional staff in the areas of capital accounting and e-commerce.

**Human Resources.** A sum of \$50,000 in base funding from the UPIF has been allocated to Human Resources in support of staff development initiatives, and an additional \$40,000 from the UPIF has been allocated for additional staffing in the employee rehabilitation area of the Pensions & Benefits Office.

**Physical Plant.** The \$390,000 base allocation to Physical Plant consists of: \$100,000 from the UPIF in support of maintaining legislated requirements, \$125,000 from the UPIF for additional

staffing in the area of capital project management, and \$165,000 in support of operating costs associated with new facilities.

**Research Western.** A sum of \$250,000 from the UPIF is being allocated in support of additional staffing in the research infrastructure support area. Over the past 4 years, staffing in this area – initially established to handle the work associated with the CFI and ORDCF initiatives – has been accommodated from one-time funding set aside in support of the CFI/ORDCF initiatives. We now know that the CFI program has been extended to the year 2010 and the mandate of the research infrastructure support area has been extended to handle the work associated with the OIT, CRC, and PREA programs. Therefore, base funding from the UPIF is being allocated to continue the funding for staffing in the area. In addition, the Vice-President Research is being allocated substantial one-time funding in support of various initiatives in research development, promotion, and support.

**Small Grants Support for Research in the Arts, Humanities, and Social Sciences.** As described earlier, a sum of \$250,000 in base funding is being allocated in support of scholarship/research in the Arts, Humanities, and Social Sciences – and will be allocated annually by the Vice-President (Research).

**Alumni Relations and Development.** A base investment of \$250,000 from the UPIF is being made to maintain the staffing levels of development officers working in the Faculties, and to maintain various programs of communications with our alumni. This base funding is also being supplemented by one-time allocations.

**Office of the President and Vice-Presidents.** The \$200,000 base allocation from the UPIF is in support of the new position of Vice-Provost (Policy, Planning, and Faculty). One aspect of this position's broad role in developing and implementing University-level policy will be to oversee faculty retention- and recruitment-related initiatives at Western – and this \$200,000 base funding is a first step in supporting an area of high priority to the University.



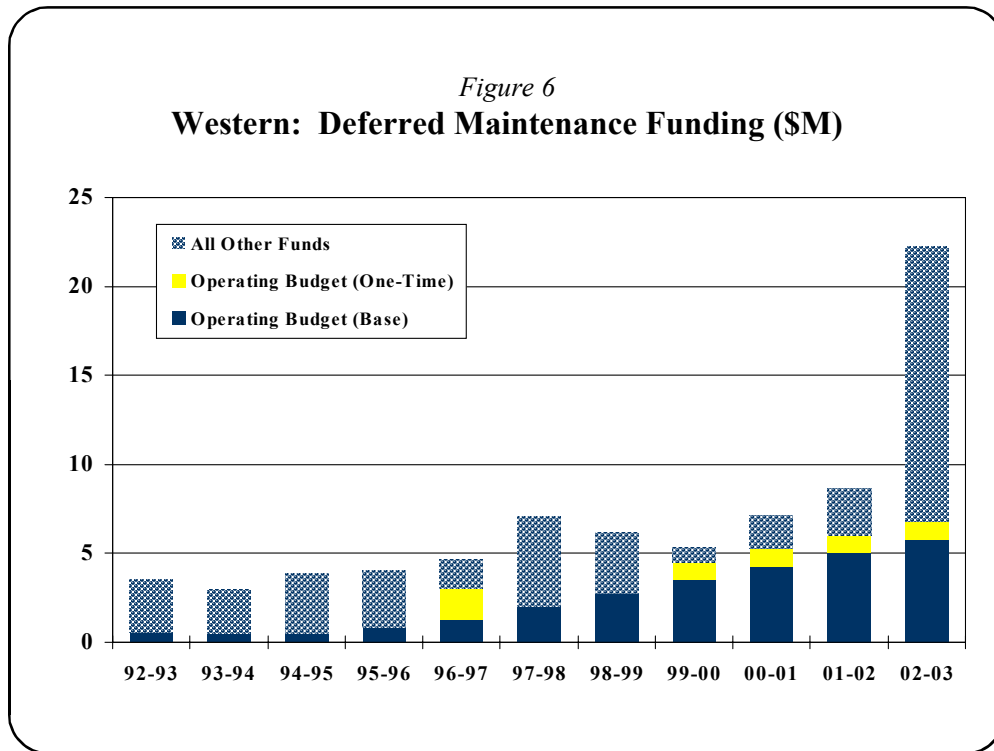
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## I. 2002-03 Corporate Expenditures

**Table 4** summarizes Corporate Expenditures – central operating expenditures that extend across all areas of the University.

- Physical Plant **Utilities** costs are projected to increase substantially in 2002-03, primarily due to increases in the cost of electricity and additional overall utilities costs associated with new facilities on campus.
- The base budget for **Library Acquisitions** is being increased by 5% (or about \$470,000), reflecting the University's commitment in this area.
- 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 – bringing the total allocation in 2002-03 to \$5.75 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 2002-03, which includes funds from sources other than the University's operating budget, total more than \$22 million – and are detailed in **Tables 15** and **19** of the Capital Budget.
- A portion of each CRC award is retained in the central operating budget to support University-wide overhead costs – \$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 – in recognition of the fact that the new SuperBuild facilities will help accommodate the space pressures created by the CRC program.
- The **University Systems Replacement Fund** base budget is being increased by \$150,000 reflecting increased annual maintenance costs associated with the University's corporate database systems, including hardware and software maintenance and purchase costs.
- **Corporate Contingency** is being set at more than \$858,000 – 0.25% of Operating Revenues.
- The increase in the **Insurance** Budget is a direct result of cost increases.
- **Student Recruitment** continues to be a University priority, and the base budget is being maintained at \$450,000. In addition, substantial one-time allocations are also being made in support of student recruitment.



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## J. One-Time Allocations in 2002-03

**Table 6** lists the one-time budget allocations for 2002-03. These allocations, totalling more than \$6.2 million, include targetted funding for specific priority initiatives.

- A sum of \$2.1 million is allocated in support of Western's 125<sup>th</sup> Anniversary Fundraising Campaign. This funding 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.
- Between the years 1997 and 2000, we successfully implemented the PeopleSoft corporate database systems – which are now operating in a stable mode. In the fall of 2002, we will begin upgrading these systems to the next version (i.e. PeopleSoft 8) and the upgrade process will last just over 2 years. A sum of \$1 million is being allocated for this upgrade, which includes upgrading of hardware and temporary staffing. Additional one-time allocations will be made in each of the next two years.
- The Vice-President Research is being provided with one-time funding of \$725,000 in 2002-03, in support of research development, commercialization of intellectual property, and a new database system. This allocation is calculated as the sum of (a) 50% of the anticipated revenues from royalties and licences in 2001-02 plus (b) 50% of the projected 2002-03 revenues from those sources (see line 32 in **Table 1** for the revenues). It is our intention to use a similar approach in the future: the distribution in 2003-04, for example, would be (a) 50% of the forecast revenues for 2003-04, plus (b) the balance of the revenues from 2002-03 not already distributed in that year. Should this source of revenue increase very significantly in the future, the allocation to the Vice-President Research from other University sources may be reduced, to reflect the University's past investment in support of technology transfer and to maintain the spending of units reporting to the Vice-President Research at acceptable levels.
- The previously-approved commitment to invest operating budget funds to improve and expand facilities in Dentistry continues in 2002-03 – with this being year 4 of a 5-year commitment.
- As indicated in last year's budget document, 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 expansion of the Advanced Technology Centre, to create additional space for Engineering.
- The Registrar's Office is being provided with additional one-time funding to cover the costs of high school visits and the on-campus recruitment program.

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- A sum of \$150,000 is being allocated in support of a Market Research Study, which will be coordinated by the Vice-President External.
  - Funding for the student recruitment-related advertising program continues in 2002-03 – with this being the final year of a 3-year commitment.
  - Costs associated with the undergraduate curriculum reform initiatives, which are coordinated by the Registrar's Office, are being funded on a one-time basis in 2002-03. Additional one-time funding will also be allocated in 2003-04.
  - Targetted government funding in support of start-up costs associated with the Western/Fanshawe Collaborative Nursing Program flows through to the Faculty of Health Sciences.
  - The substantial increase in applications for first-year entry into Western's programs has resulted in additional processing and postage costs in the Registrar's Office. A sum of \$106,515 is being allocated to cover these costs. The Increased Cohort will require us to allocate similar one-time funding in future years.
  - As indicated earlier, a base budget allocation is being made in 2002-03 (to the Vice-President External) to maintain development staffing levels in a number of areas – and this base funding is being supplemented by a one-time allocation of \$100,000. This level of one-time funding will be repeated in 2003-04.
  - A sum of \$99,000 is being allocated to ITS to upgrade Web-CT, a software package used to deliver course materials through information technology.
  - Human Resources is being allocated one-time funding (\$75,000) for career development initiatives.
  - The Libraries are being provided with \$75,000 in one-time funds to purchase compact shelving for increased and more efficient storage of books.
  - The University's General Use Computer Labs are being upgraded at a cost of \$64,600.
  - The growth in Internet use requires us to provide additional funding (\$43,000) to support the expansion of Internet Bandwidth.
  - As indicated in last year's budget document, funding for the collaborative Engineering/Science initiative in Environmental Science and Engineering is being funded at a rate of \$42,113 to each Faculty.
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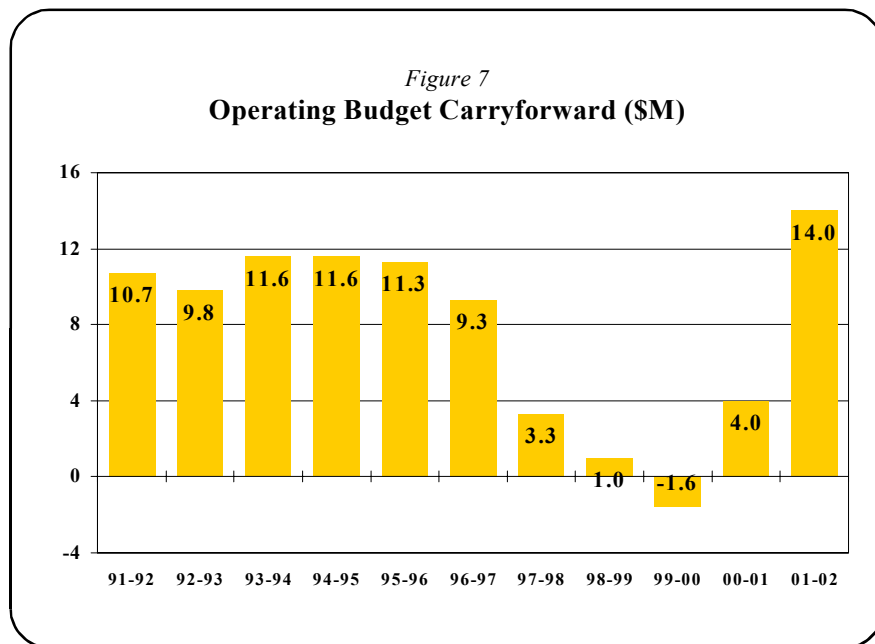
- One-time funding (\$40,000) is being provided to Human Resources in support of E-Recruitment initiatives – which will focus on the recruitment of outstanding staff to Western.
- Following-up on last year's investments, a sum of \$35,000 is being allocated to Physical Plant in 2002-03 in support of Emergency Response initiatives.
- The Libraries are being allocated \$28,000 for a pilot project that would explore ways in which web-based software can be leveraged to provide efficient real-time information services that complement existing information services within the Libraries.
- A sum of \$21,000 is being allocated to the Educational Development Office in support of workshops for faculty in the area of teaching large classes.
- Advancement Services is being provided one-time funding (\$20,096) for temporary staffing during the implementation of the PeopleSoft Advancement System.
- The University Secretariat is being allocated \$5,000 to cover technology-related costs.

**K. Summary**

**Table 7** provides a summary of the University’s Operating Budget for 2002-03. Line 7 shows the provision of an additional \$6 million in support of anticipated cost increases. This amount is the net result of provision for employee salary increases and benefit cost variations.

The projected year-end positions for 2001-02 and 2002-03 are shown in line 15. In the current year, a surplus of \$6.7 million is expected. Of this \$6.7 million, \$4.5 million is the carryforward of the FFICR revenue remaining in the Operating Budget after the \$2 million transfer to the Capital Budget. The year-end projection for 2002-03 is an “in-year” deficit of \$2.6 million which is the planned spending of FFICR being carried forward. The Operating Reserve, summarized in **Table 8**, is projected to be at \$4.5 million in 2002-03 – which includes the \$2.25 million of FFICR being carried forward for allocation in 2003-04.

Another important item to note in **Table 7** is that net carryforward into 2002-03 is projected to be \$14 million -- of which \$7.5 million is the result of the carryforward from the \$10 million set aside in the Operating Budget at a rate of \$2.5 million per year in the years 1998-99 through 2001-02, in order to provide matching funds for CFI and ORDCF grants. **Figure 8** shows historical carryforward patterns.



## L. Conclusion

The 2002-03 Operating Budget focuses on the immediate challenges of the upcoming year as well as the medium- to longer-term recommendations outlined in the University's Strategic Plan. The budget recommendations respond to the upcoming Increased Cohort and provide resources necessary to support the expanding research activity at Western. The Government of Ontario's commitment to provide the resources to maintain access to the province's universities for every qualified and motivated student is central to our ability to maintain and enhance the quality of education we offer our students, especially during the years of the enrolment bulge.

## M. Multi-Year Planning and Budgeting

### Background

Many of the most critical planning issues at the University operate on timelines that far exceed the single year scope of our annual planning process, including: faculty renewal planning, implementation of targeted government programs (e.g. ATOP, collaborative Nursing, and expansion of the MD program), tuition changes, support of unit academic plans, and major changes to undergraduate and graduate programs. In fact, many of these planning/budget elements are, of necessity, awkwardly overlaid on our annual budget plans. The ability of academic and support units and of the University as a whole to budget and plan in a systematic and innovative fashion would be greatly enhanced by a multi-year span. Recent multi-year announcements on government grants and tuition provide the University with a firm basis for taking such an approach.

The over-riding objective of a multi-year budgeting process will be to facilitate effective strategic planning and its implementation at all levels of the University. To be successful, the initiative must weave together a number of critical planning elements:

- A University level multi-year budget
- Western's Strategic Plan, *Making Choices*
- Academic Plans within Schools, Departments, and Faculties
- Operational Plans within all non-academic support units
- A University-wide Academic Plan reflecting both the Strategic Plan and unit-level Academic/Operational Plans
- Budgetary and planning decisions within academic and non-academic units and at the University level that directly reflect unit Academic/Operational Plans and the University Strategic Plan

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## **Components of the Multi-Year Planning Process**

- a. **A 5-Year University Budget, 2003-2008.** This budget specifies expense and revenue elements for a 5-year period for the University as a whole and for Faculties and other budget units. A central element of this budget model will include a 5-year University Priorities Investment Fund (UPIF) supported by a combination of new revenue (e.g. FFICR) and the annual redistribution component of the Initial Budget Adjustment (IBA) applied to all unit budgets.
- b. **5-Year University Priorities Investment Fund (UPIF).** This fund will be allocated differentially to University priorities across the five years of the plan, on the recommendation of the Provost and Vice-President (Administration), arising from a consideration of proposals in unit plans and their relation to unit and University Academic and Operational Plans. These central allocations will reinforce planning decisions taken within the Faculties, reflected by differential commitments of internal resources.

Although revenue for the fund will arise from various sources across the five years, the pattern of allocations need not match this revenue flow, allowing, for example, investments that could not be supported with revenue from a single year.

- c. **Formal Academic and Operational Plans.** All Faculties and most non-academic support units have developed initial iterations of their Academic and Operational Plans as called for in the 2001-02 University Budget. Unit Academic/Operational Plans figured prominently in the University's Strategic Plan where they were identified as the foundation for differential support of areas and activities of prominence and priority. The early stages of the multi-year planning process will include a renewed focus on these Plans, their refinement and revision, enabling them to serve as an explicit reference for decisions in the budget planning process itself, both within Faculties/Units and at the University-level.
- d. **5-Year Unit Planning Submissions.** Each Faculty and non-academic support unit will make an initial submission in response to the multi-year guidelines. These submissions will include the well-established elements of current annual plans except for specific proposals for support under the UPIF. Unit plans, however, should include internal differential plans in support of unit Academic/Operational Plans that are intended to be reinforced by UPIF investments. A key element of these submissions will be faculty complement plans, especially in view of the unprecedented number of retirements occurring during the next five years; these retirements provide Western with a unique opportunity for renewal and investment in strategic directions.
- e. **Annual Planning Updates.** Although the basic framework for planning will be established in the approved 5-year plan, an annual cycle of budget updates will be performed at the



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University and unit level. A portion of the 5-year UPIF will also be held back for annual allocations.

The details of these planning components will be developed by the Provost and Vice-President (Administration) in the coming months, in consultation with Deans and budget unit heads, the Senate Committee on University Planning, and the Board's Property and Finance Committee.

### **A Tentative Timeline**

- |                                    |                                                                                                                 |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| May 2002 through December 2002     | → Development of unit budget and planning guidelines<br>→ Refinement of unit Academic/Operational Plans         |
| October 2002                       | → Distribution of unit planning guidelines                                                                      |
| October 2002 through December 2002 | → Development and submission of planning and budget proposals by units (excluding UPIF proposals)               |
| February 2003                      | → Release of preliminary recommendations for Faculty budgets (excluding UPIF) and tuition fees                  |
| January 2003 through March 2003    | → Development of 5-year University-level budget and UPIF recommendations                                        |
| April 2003                         | → Consideration of 5-year University-level budget and UPIF recommendations by Senate and the Board of Governors |
| Fall 2003 – Annual Cycle Begins    | → Distribution of annual planning update guidelines and initiation of annual cycle                              |

**Table 1**  
**2002-03 OPERATING REVENUES**

		2001-02 Budget Forecast (@ Feb 28, 2002) (1)	2002-03 Budget (2)	Increase / (Decrease) Amount (3)	% Change (1) to (2)
1	<b>Government Grants</b>				
2	Base Grants	126,618,475	126,618,475	0	0.0%
3	Accessibility Fund	2,331,492	4,883,880	2,552,388	109.5%
4	Performance Indicator Fund	2,079,168	2,079,168	0	0.0%
5	Program Expansion Grants	5,344,878	6,081,215	736,337	13.8%
6	Research Infrastructure	2,764,700	2,764,700	0	0.0%
7	Research Performance Fund	835,000	835,000	0	0.0%
8	Fed Funding for Indirect Costs of Rsrch (FFICR)	6,500,000	0	(6,500,000)	-100.0%
9	Accessibility for the Disabled	585,274	585,274	0	0.0%
10	MTCU Student Bursary Grant	995,035	1,124,257	129,222	13.0%
11	Targetted Government Grants	3,965,180	4,504,405	539,225	13.6%
12	<b>Sub-Total Government Grants</b>	<b>152,019,202</b>	<b>149,476,374</b>	<b>(2,542,828)</b>	<b>-1.7%</b>
13	<b>Tuition Revenue</b>				
14	Undergraduate	100,660,000	107,991,253	7,331,253	7.3%
15	Graduate	12,400,600	13,455,266	1,054,666	8.5%
16	<i>Sub-Total Regular Programs</i>	<i>113,060,600</i>	<i>121,446,519</i>	<i>8,385,919</i>	<i>7.4%</i>
17	MBA, Executive/Video MBA	20,590,835	24,090,175	3,499,340	17.0%
18	International Medical Students	1,500,000	1,500,000	0	0.0%
19	International Dental Students	859,000	1,035,000	176,000	20.5%
20	<i>Sub-Total Self-Funded Programs</i>	<i>22,949,835</i>	<i>26,625,175</i>	<i>3,675,340</i>	<i>16.0%</i>
21	Miscellaneous Fees	1,200,000	1,240,000	40,000	3.3%
22	<b>Sub-Total Tuition Revenue</b>	<b>137,210,435</b>	<b>149,311,694</b>	<b>12,101,259</b>	<b>8.8%</b>
23	<b>Other Revenues</b>				
24	Canada Research Chairs (CRCs)	1,700,000	2,800,000	1,100,000	64.7%
25	Affiliate Service Fees	2,164,842	2,346,100	181,258	8.4%
26	Affiliate Cross Teaching	593,800	434,955	(158,845)	-26.8%
27	Recoverable Salaries	18,238,205	18,668,645	430,440	2.4%
28	Investment Income	8,500,000	4,000,000	(4,500,000)	-52.9%
29	Fundraising - Unrestricted	1,884,259	2,141,668	257,409	13.7%
30	Application Fees	788,890	925,444	136,554	17.3%
31	Research Overheads	1,460,000	1,530,000	70,000	4.8%
32	Royalties and Licences	650,000	800,000	150,000	23.1%
33	Miscellaneous Revenues	270,000	270,000	0	0.0%
34	<b>Sub-Total Other Revenues</b>	<b>36,249,996</b>	<b>33,916,812</b>	<b>(2,333,184)</b>	<b>-6.4%</b>
35	<b>Contributions from Ancillaries &amp; Other Operations</b>				
36	Administrative Fees	5,452,480	5,452,480	0	0.0%
37	Occupancy Charges	3,220,000	3,420,000	200,000	6.2%
38	Direct Ancillary Contributions	1,600,000	1,600,000	0	0.0%
39	<b>Sub-Total Contributions</b>	<b>10,272,480</b>	<b>10,472,480</b>	<b>200,000</b>	<b>1.9%</b>
40	<b>TOTAL REVENUES</b>	<b>335,752,113</b>	<b>343,177,360</b>	<b>7,425,247</b>	<b>2.2%</b>

**Table 2**  
**FACULTIES**  
**2002-03 BASE BUDGETS**

	<a>	<b>	<c>	<d>	<e>	<f>	<g>	<h>	<i>	<j>	<k>	<l>	
	2001-02 Base Budget (@ May 1, 2001)	2001-02 Base Budget (@ Feb 28, 2002)	Faculty Turnover Recovery	Initial Budget Adjustment	\$ Value of Adjustment	New Investment	Program Expansion Grants	ECF to Base Conversions	Canada Research Chairs (CRCs)	Resulting 2002-03 Base Budget	\$ Change from 2001-02	% Change from 2001-02	
1	<b>Faculties</b>												
2	Arts	13,219,317	13,902,479	(185,398)	-2.5%	(338,677)	100,000	150,000	90,000	13,718,404	(184,075)	-1.3%	
3	Business	5,396,211	5,677,269	(223,247)	-2.5%	(136,351)	700,000	200,000		6,217,671	540,402	9.5%	
4	Education	6,737,733	7,032,489	(51,449)	-2.5%	(174,526)		100,000		6,906,514	(125,975)	-1.8%	
5	Engineering	10,908,486	11,264,056	(102,988)	-2.5%	(276,777)	330,000	200,000		11,414,291	150,235	1.3%	
6	Graduate Studies	755,156	907,121		-2.5%	(22,678)				884,443	(22,678)	-2.5%	
7	Health Sciences	12,137,668	12,770,592	(102,877)	-2.5%	(316,693)	500,000	126,200	200,000	13,177,222	406,630	3.2%	
8	Information & Media Studies	4,053,150	4,137,340	(47,241)	-2.5%	(102,252)	50,000	100,000		4,137,847	507	0.0%	
9	Law	3,932,762	4,123,362		-2.5%	(103,084)	285,000			4,305,278	181,916	4.4%	
10	Medicine & Dentistry: Dentistry	4,319,846	4,499,750	(93,851)	-2.5%	(110,147)				4,295,752	(203,998)	-4.5%	
11	Medicine & Dentistry: Medicine	22,269,658	23,404,304	(72,908)	-2.5%	(566,035)	100,000	365,920	440,000	23,771,281	366,977	1.6%	
12	Music	4,731,891	4,984,490		-2.5%	(124,612)	75,000	50,000		4,984,878	388	0.0%	
13	Science	28,671,120	30,260,361	(301,502)	-2.5%	(742,471)	160,900	91,000	350,000	30,068,288	(192,073)	-0.6%	
14	Social Science	24,673,761	25,931,141	(109,712)	-2.5%	(639,036)		700,000	90,000	25,972,393	41,252	0.2%	
15	<b>Sub-Total Faculties</b>	<b>141,806,759</b>	<b>148,894,754</b>	<b>(1,291,173)</b>		<b>(3,653,339)</b>	<b>1,970,900</b>	<b>913,120</b>	<b>2,050,000</b>	<b>970,000</b>	<b>149,854,262</b>	<b>959,508</b>	<b>0.6%</b>
16	Enrolment Contingent Fund (ECF)	3,770,000	6,630,279				(263,832)	164,332		6,530,779	(99,500)	-1.5%	
17	Increased Cohort Fund (ICF)						825,000			825,000	825,000	***	
18	Special Faculty Renewal Initiative (SFRI)	377,993	265,962							265,962	0	0.0%	
19	Ctr. for Women's Studies & Feminist Rsrch	178,403	240,343		-2.5%	(6,009)				234,334	(6,009)	-2.5%	
20	Collaborative Graduate Interdisciplinary Pgms	199,380	201,276		-2.5%	(5,032)				196,244	(5,032)	-2.5%	
21	<b>Total , with ECF, ICF, and SFRI</b>	<b>146,332,535</b>	<b>156,232,614</b>	<b>(1,291,173)</b>		<b>(3,664,380)</b>	<b>2,532,068</b>	<b>1,077,452</b>	<b>2,050,000</b>	<b>970,000</b>	<b>157,906,581</b>	<b>1,673,967</b>	<b>1.1%</b>
22	<b>All Other</b>												
23	Provost's Academic Support Fund	2,063,027	2,063,027							2,063,027	0	0.0%	
24	Academic Development Fund	1,000,000	1,000,000							1,000,000	0	0.0%	
25	Summer Course Instructor Stipends	1,685,827	1,304,597				72,109			1,376,706	72,109	5.5%	
26	Distance Studies Instructor Stipends	786,000	962,952				48,361			1,011,313	48,361	5.0%	
27	Continuing Studies: Trois-Pistoles	726,275	726,275			(84,400)				641,875	(84,400)	-11.6%	
28	Education: Continuing Education for Teachers	2,032,800	3,274,920				55,440			3,330,360	55,440	1.7%	
29	Business: MBA,Executive /Video MBA	20,127,000	20,590,835				3,499,340			24,090,175	3,499,340	17.0%	
30	Dentistry: International Dental Students	719,000	859,000				176,000			1,035,000	176,000	20.5%	
31	Medicine: International Medical Students	1,236,000	1,500,000				0			1,500,000	0	0.0%	
32	Faculty Share of Research Overheads	650,000	845,000				40,000			885,000	40,000	4.7%	
33	Medicine: Primary Care	349,806	349,805							349,805	0	0.0%	
34	Recoverable Salaries: T&R	3,851,343	3,890,205							3,890,205	0	0.0%	
35	Recoverable Salaries: Other	13,948,600	14,348,000				430,440			14,778,440	430,440	3.0%	
36	<b>Sub-Total</b>	<b>49,175,678</b>	<b>51,714,616</b>	<b>0</b>		<b>(84,400)</b>	<b>4,321,690</b>	<b>0</b>	<b>0</b>	<b>55,951,906</b>	<b>4,237,290</b>	<b>8.2%</b>	
37	<b>Total Academic Units</b>	<b>195,508,213</b>	<b>207,947,230</b>	<b>(1,291,173)</b>	<b>-1.8%</b>	<b>(3,748,780)</b>	<b>6,853,758</b>	<b>1,077,452</b>	<b>2,050,000</b>	<b>970,000</b>	<b>213,858,487</b>	<b>5,911,257</b>	<b>2.8%</b>

**Table 3**  
**SCHOLARSHIPS and BURSARIES**  
**2002-03 BASE BUDGETS**

	<a>	<b>	<c>	<d>	<e>	
	2001-02 Base Budget (@ Feb 28, 2002)	New Investment	Resulting 2002-03 Base Budget	\$ Change from 2001-02	% Change from 2001-02	
1	<b><i>Undergraduate Student Support</i></b>					
2	Scholarships	3,732,953	250,000	3,982,953	250,000	6.7%
3	Government "Aiming for the Top" Program	1,261,000	639,000	1,900,000	639,000	50.7%
4	UWO Bursaries	250,375		250,375	0	0.0%
5	Senior Citizen Bursaries	76,170		76,170	0	0.0%
6	MTCU Work Study Program and Bursaries	995,035	129,222	1,124,257	129,222	13.0%
7	Tuition Re-Investment	9,514,869	1,182,590	10,697,459	1,182,590	12.4%
8	<b><i>Sub-Total Undergraduate Student Support</i></b>	<b><i>15,830,402</i></b>	<b><i>2,200,812</i></b>	<b><i>18,031,214</i></b>	<b><i>2,200,812</i></b>	<b><i>13.9%</i></b>
9	<b><i>Graduate Student Support</i></b>					
10	UWO Scholarship for Graduate Study	820,000		820,000	0	0.0%
11	Scholarships	5,712,436	739,289	6,451,725	739,289	12.9%
12	Graduate Teaching Assistantships **	5,280,655		5,280,655	0	0.0%
13	Tuition Re-Investment	630,390	51,711	682,101	51,711	8.2%
14	<b><i>Sub-Total Graduate Student Support</i></b>	<b><i>12,443,481</i></b>	<b><i>791,000</i></b>	<b><i>13,234,481</i></b>	<b><i>791,000</i></b>	<b><i>6.4%</i></b>
15	<b>Total Scholarships and Bursaries</b>	<b>28,273,883</b>	<b>2,991,812</b>	<b>31,265,695</b>	<b>2,991,812</b>	<b>10.6%</b>

\*\* 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.  
Includes GTA expenses previously funded directly by the Faculties of Arts (\$1,086,146) and Social Science (\$2,056,885).

**Table 4**  
**SUPPORT AREAS**  
**2002-03 BASE BUDGETS**

	<a>	<b>	<c>	<d>	<e>	<f>	<g>	<h>	
	2001-02 Base Budget (@ May 1, 2001)	2001-02 Base Budget (@ Feb 28, 2002)	Initial Budget Adjustment	\$ Value of Adjustment	New Investment	Resulting 2002-03 Base Budget	\$ Change from 2001-02	% Change from 2001-02	
1	<b>Reporting to the Provost</b>								
2	Educational Development Office	224,313	231,411	-2.5%	(5,785)		225,626	(5,785)	-2.5%
3	Effective Writing Program	174,734	180,200	-2.5%	(4,505)		175,695	(4,505)	-2.5%
4	Information Technology Services	4,742,466	4,570,131	-2.5%	(114,253)	45,000	4,500,878	(69,253)	-1.5%
5	Libraries	9,454,231	9,801,746	-2.5%	(245,044)	135,000	9,691,702	(110,044)	-1.1%
6	Registrar's Office	3,833,477	3,959,186	-2.5%	(98,980)	73,750	3,933,956	(25,230)	-0.6%
7	Institutional Planning & Budgeting	2,989,111	3,203,282	-2.5%	(80,082)		3,123,200	(80,082)	-2.5%
8	<b>Sub-Total</b>	<b>21,418,332</b>	<b>21,945,956</b>	<b>-2.5%</b>	<b>(548,649)</b>	<b>253,750</b>	<b>21,651,057</b>	<b>(294,899)</b>	<b>-1.3%</b>
9	<b>Reporting to the Vice-President Administration</b>								
10	Financial Services	3,136,111	3,247,281	-2.5%	(81,182)	60,000	3,226,099	(21,182)	-0.7%
11	Human Resources	2,679,804	2,574,775	-2.5%	(64,369)	50,000	2,560,406	(14,369)	-0.6%
12	Pensions and Benefits Administration	935,172	1,051,399	-2.5%	(16,763)	40,000	1,074,636	23,237	2.2%
13	Staff/Faculty Health Services	107,531	111,991	-2.5%	(2,800)		109,191	(2,800)	-2.5%
14	Physical Plant	11,792,104	12,399,476	-2.5%	(267,377)	390,000	12,522,099	122,623	1.0%
15	Internal Audit	87,269	91,223				91,223	0	0.0%
16	<b>Sub-Total</b>	<b>18,737,991</b>	<b>19,476,145</b>	<b>-2.2%</b>	<b>(432,491)</b>	<b>540,000</b>	<b>19,583,654</b>	<b>107,509</b>	<b>0.6%</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	1,287,665	1,346,330	-2.5%	(33,658)	250,000	1,562,672	216,342	16.1%
20	Research Promotion Fund	250,000	270,000			10,000	280,000	10,000	3.7%
21	Small Grants Support for A/Hum/SS	0	0			250,000	250,000	250,000	***
22	<b>Sub-Total</b>	<b>2,035,268</b>	<b>2,113,933</b>	<b>-1.6%</b>	<b>(33,658)</b>	<b>510,000</b>	<b>2,590,275</b>	<b>476,342</b>	<b>22.5%</b>
23	<b>Reporting to the Vice-President External</b>								
24	Advancement Services	666,824	699,737	-2.5%	(17,493)		682,244	(17,493)	-2.5%
25	Communications and Public Affairs	939,863	979,612	-2.5%	(24,490)		955,122	(24,490)	-2.5%
26	Alumni Relations and Development	1,742,005	1,786,112	-2.5%	(44,653)	250,000	1,991,459	205,347	11.5%
27	McIntosh Gallery - Subsidy	168,629	168,629	-2.5%	(4,216)		164,413	(4,216)	-2.5%
28	<b>Sub-Total</b>	<b>3,517,321</b>	<b>3,634,090</b>	<b>-2.5%</b>	<b>(90,852)</b>	<b>250,000</b>	<b>3,793,238</b>	<b>159,148</b>	<b>4.4%</b>
29	<b>General Administration</b>								
30	Office of the President/Vice-Presidents	2,862,997	2,984,342	-2.5%	(74,609)	200,000	3,109,733	125,391	4.2%
31	University Secretariat	503,765	522,101	-2.5%	(13,053)		509,048	(13,053)	-2.5%
32	<b>Sub-Total</b>	<b>3,366,762</b>	<b>3,506,443</b>	<b>-2.5%</b>	<b>(87,662)</b>	<b>200,000</b>	<b>3,618,781</b>	<b>112,338</b>	<b>3.2%</b>
33	<b>Total Support Areas</b>	<b>49,075,674</b>	<b>50,676,567</b>	<b>-2.4%</b>	<b>(1,193,312)</b>	<b>1,753,750</b>	<b>51,237,005</b>	<b>560,438</b>	<b>1.1%</b>

**Table 5**  
**CORPORATE EXPENDITURES and EMPLOYEE BENEFIT COSTS**  
**2002-03 BASE BUDGETS**

		<a>	<d>	<e>	<f>	<g>	<h>
		2001-02 Base Budget (@ Feb 28, 2002)	New Investment	Other Changes	Resulting 2002-03 Base Budget	\$ Change from 2001-02	% Change from 2001-02
1	Utilities	10,600,000		1,320,000	11,920,000	1,320,000	12.5%
2	Library Acquisitions	9,414,769	470,738		9,885,507	470,738	5.0%
3	Deferred Maintenance: Operating	5,000,000	750,000		5,750,000	750,000	15.0%
4	Deferred Maintenance: Ancillaries	600,000			600,000		0.0%
5	CRC Transfer to SuperBuild	184,000	104,000		288,000	104,000	56.5%
6	University Systems Replacement Fund	1,476,607	150,000		1,626,607	150,000	10.2%
7	Property Taxes	1,542,525		70,200	1,612,725	70,200	4.6%
8	Corporate Contingency	802,051		55,892	857,943	55,892	7.0%
9	Professional Fees	610,890			610,890		0.0%
10	Accessibility for the Disabled	585,274			585,274		0.0%
11	Insurance	504,988		65,012	570,000	65,012	12.9%
12	Institutional Memberships	540,000			540,000		0.0%
13	Student Recruitment	450,000			450,000		0.0%
14	Siebens-Drake Institute - Subsidy	225,000			225,000		0.0%
15	Costs Associated with Employee Contracts	176,000			176,000		0.0%
16	Athletic Injury Clinic - Subsidy	162,311		5,670	167,981	5,670	3.5%
17	Convocation and Diplomas	165,922			165,922		0.0%
18	University Surveys & Teaching Evaluations	75,000			75,000		0.0%
19	Ombudsperson	72,140			72,140		0.0%
20	Centre for Research on Violence Against Women and Children - Subsidy	55,000			55,000		0.0%
21	Inter-Collegiate Athletics - Subsidy	55,000			55,000		0.0%
22	London Museum of Archaeology - Subsidy	40,000			40,000		0.0%
23	<b>Total Corporate Expenditures</b>	<b>33,337,477</b>	<b>1,474,738</b>	<b>1,516,774</b>	<b>36,328,989</b>	<b>2,991,512</b>	<b>9.0%</b>
24	Employee Benefit Plan Costs	55,613,600		4,353,309	59,966,909	4,353,309	7.8%
25	Employee Benefit Recoveries	(56,508,105)		(3,920,259)	(60,428,364)	(3,920,259)	6.9%
26	<b>Net Employee Benefits</b>	<b>(894,505)</b>		<b>433,050</b>	<b>(461,455)</b>	<b>433,050</b>	<b>-48.4%</b>
27	<b>Net Corporate Expenditures</b>	<b>32,442,972</b>	<b>1,474,738</b>	<b>1,949,824</b>	<b>35,867,534</b>	<b>3,424,562</b>	<b>10.6%</b>

**Table 6**  
**2002-03 ONE-TIME ALLOCATIONS**

1	125th Anniversary Campaign	2,141,668
2	Upgrade to PeopleSoft 8	1,000,000
3	Vice-President Research: Support for Research Initiatives	725,000
4	Dentistry: Investment in Facilities (Year 4 of 5)	500,000
5	Engineering: Investment in Facilities (Year 2 of 10)	350,000
6	Registrar's Office: High School Visits and On-Campus Recruitment Activities	178,700
7	Vice-President External: Market Research	150,000
8	Student Recruitment - 125th Campaign: Special Initiatives (Year 3 of 3)	150,000
9	Undergraduate Curriculum Reform	150,000
10	Health Sciences: Start-Up Grant for Collaborative Nursing	119,350
11	Registrar's Office: Increased Cohort Related Costs	106,515
12	Alumni Relations and Development: Staffing (Year 1 of 2)	100,000
13	Information Technology Services: Web-CT Upgrades	99,000
14	Human Resources: Career Development	75,000
15	Libraries: Compact Shelving (Year 4 of 4)	75,000
16	Information Technology Services: General Use Computer Lab Upgrades	64,600
17	Information Technology Services: Internet Bandwidth Expansion	43,000
18	Engineering: Centre for Research in Environmental Science & Engineering (Year 2 of 2)	42,113
19	Science: Centre for Research in Environmental Science & Engineering (Year 2 of 2)	42,113
20	Human Resources: E-Recruitment Initiative	40,000
21	Physical Plant: Emergency Response	35,000
22	Libraries: Real Time Information Pilot Project	28,000
23	Educational Development Office: Large Class Teaching Initiative	21,000
24	Advancement Services: PeopleSoft Backfill	20,096
25	University Secretariat: Technology-Related Costs	5,000
26	<b>Total One-Time Allocations</b>	<b>6,261,155</b>

**Table 7****SUMMARY OF OPERATING BUDGET: 2002-03**

	<a>	<b>	<c>	
	2001-02 Budget (@ Feb 28, 2002)	2002-03 Budget	\$ Change from 2001-02	
1	<b>Total Revenues</b>	<b>335,752,113</b>	<b>343,177,360</b>	<b>7,425,247</b>
2	<b>Expenditure Budgets</b>			
3	Faculties (Table 2)	207,947,230	213,858,487	5,911,257
4	Scholarships & Bursaries (Table 3)	28,273,883	31,265,695	2,991,812
5	Support Areas (Table 4)	50,676,567	51,237,005	560,438
6	Corporate Expenditures (Table 5)	32,442,972	35,867,534	3,424,562
7	Provision for Cost Fluctuations	1,218,118	7,248,118	6,030,000
8	One-Time Allocations	8,510,352	6,261,155	(2,249,197)
9	<b>Sub-Total</b>	<b>329,069,122</b>	<b>345,737,994</b>	<b>16,668,872</b>
10	Carryforward from Previous Year	3,990,412	14,000,000	10,009,588
11	(Under)/Over Spending	(14,000,000)	(9,000,000)	
12	<b>Total Expenditures</b>	<b>319,059,534</b>	<b>350,737,994</b>	<b>26,678,460</b>
13	Surplus / (Deficit) before Reserve Transfer	16,692,579	(7,560,634)	
14	Transfer (to)/from Carryforward Reserve	(10,009,588)	5,000,000	
15	<b>Surplus / (Deficit) after Reserve Transfer</b>	<b>6,682,991</b>	<b>(2,560,634)</b>	
16	<b>Carryforward Reserve:</b>			
17	Carryforward from Previous Year	3,990,412	14,000,000	
18	Transfer (to)/from Operating Budget	10,009,588	(5,000,000)	
19	<b>Year-End Carryforward Reserve</b>	<b>14,000,000</b>	<b>9,000,000</b>	



**Table 8**

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

	2001-02 Budget Forecast (@ Feb 28, 2002)	2002-03 Budget
<i>Beginning Operating Reserve Balance</i>	422,954	7,105,945
Surplus / (Deficit) -- from Table 7	6,682,991	(2,560,634)
<i>Closing Operating Reserve</i>	7,105,945	4,545,311
Operating Reserve Target	2,500,000	2,500,000

**Table 9**

**INCREASED COHORT FUND (ICF) ALLOCATIONS: 2002-03**

		Baselines (2000-01)		Actual 2001-02		Growth Over Baseline		Share of Growth		2002-03 ICF Allocation		
		Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Total
										<b>\$231,000</b>	<b>\$429,000</b>	<b>\$660,000</b>
1	Arts	397	13,081	393	13,624	0	543	0.0%	12.4%	0	53,308	\$53,308
2	Business (non-HBA courses)	0	2,444	0	2,662	0	218	0.0%	5.0%	0	21,403	\$21,403
3	Health Sciences	650	5,358	710	5,708	60	350	22.6%	8.0%	52,102	34,359	\$86,461
4	Information and Media Studies	140	1,566	166	1,791	26	225	9.8%	5.1%	22,578	22,089	\$44,667
5	Medicine (BHS courses)	0	3,267	0	3,410	0	143	0.0%	3.3%	0	14,037	\$14,037
6	Music	125	2,318	120	2,382	0	64	0.0%	1.5%	0	6,285	\$6,285
7	Science	1,001	18,651	1,026	19,230	25	579	9.4%	13.2%	21,709	56,838	\$78,547
8	Social Science	1,411	26,013	1,566	28,261	155	2,248	58.3%	51.4%	134,606	220,686	\$355,292
9	Sub-Total	3,724	72,698	3,981	77,068	266	4,370	100.0%	100.0%	230,995	429,005	\$660,000
10	GTA Budget	<i>The Faculty of Graduate Studies will receive 20% of total Increased Cohort Funds for additional GTA support.</i>										\$165,000
11	Total ICF	<i>Net of FGS allotment, 35% of the funds are based on share of first-year enrolment growth and 65% on share of undergraduate teaching growth.</i>										\$825,000

1. Funding is slip-year -- 2002-03 allocations are based on 2001-02 enrolments and teaching activity.

2. Music excludes Piano Technology program.

Table 10

## FINAL 2001-02 ENROLMENT CONTINGENT FUND (ECF) ALLOCATIONS

		ECF Baseline WTUs	Actual WTUs	Actual WTUs minus Baseline	ECF Funds @ \$1,500/WTU	Cross-Faculty Teaching Adjustment	Total ECF Allocation	
1	Arts	6,081.2	6,332.1	250.9	\$376,350	\$103,881	<b>\$480,231</b>	
2	Business	1,799.3	2,136.9	337.6	\$506,400		<b>\$506,400</b>	
3	Education	1,783.2	2,030.2	247.0	\$370,500		<b>\$370,500</b>	
4	Engineering	2,881.1	3,433.5	552.4	\$828,600	(\$10,800)	<b>\$817,800</b>	
5	Health Sciences	3,917.6	4,304.9	387.3	\$580,950	(\$82,210)	<b>\$498,740</b>	
6	Information and Media Studies	1,164.2	1,395.2	231.0	\$346,500	\$2,040	<b>\$348,540</b>	
7	Law	948.2	900.2	(48.0)	\$0	\$1,858	<b>\$1,858</b>	
8	Medicine & Dentistry (Dentistry)	642.6	703.5	60.9	\$91,350		<b>\$91,350</b>	
9	Medicine & Dentistry (Medicine)	5,044.6	5,303.9	259.3	\$388,950	\$25,441	<b>\$414,391</b>	
10	Music	1,066.3	1,175.3	109.0	\$163,500	\$5,700	<b>\$169,200</b>	
11	Science	11,011.5	11,514.6	503.1	\$754,650	\$9,930	<b>\$764,580</b>	
12	Social Science	11,936.3	13,022.9	1,086.6	\$1,629,900	\$9,789	<b>\$1,639,689</b>	
13	Graduate Interdisciplinary Programs	181.0	292.6	111.6	\$167,400		<b>\$167,400</b>	
14	Sub-Total	48,457.1	52,545.8		\$6,205,050	\$65,629	<b>\$6,270,679</b>	
15	Women's Studies	n/a	Funding provided for 15% of 226.4 WTUs					<b>\$50,850</b>
16	Writing Program	n/a	Funding based on course offerings					<b>\$308,750</b>
17	Total						<b>\$6,630,279</b>	

Note: Faculty of Arts 2001-02 WTUs exclude the Writing Program

Table 11a

<b>RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2002-03 &lt;a,c&gt;</b>				
<b>Canadian and Exempt International Students</b>				
	2001-02		Proposed 2002-03 Tuition	2001 to 2002 % Change
	Number of FT Students	Tuition		
<b>Undergraduate ANNUAL Tuition</b>				
1	<b>First-Entry Programs</b>			
2	Arts, Science, Social Science	10,038	4,000	4,065 1.6%
3	BMedSci Program	12	4,000	4,065 1.6%
4	Engineering	1,421	4,960	5,210 5.0%
5	Health Science	1,029	4,000	4,065 1.6%
6	Kinesiology	1,115	4,000	4,065 1.6%
7	M.I.T.	449	4,000	4,065 1.6%
8	Music	382	4,000	4,065 1.6%
9	Nursing	320	4,000	4,065 1.6%
		14,766		
10	<b>Second-Entry Programs</b>			
11	C.S.D./P.T.	158	5,200	5,305 2.0%
12	Business			
13	Year 3	189	14,000	16,000 14.3%
14	Year 4	186	10,800	15,000 ****
15	Dentistry	210	15,680	15,680 0.0%
16	Continuing Teacher Education <b>	871	4,125	4,205 1.9%
17	Education (B.Ed.)	790	4,780	4,875 2.0%
18	Law			
19	Year 1	155	7,500	8,500 13.3%
20	Year 2	142	7,500	8,500 13.3%
21	Year 3	138	6,335	8,500 ****
22	Medicine			
23	Year 1	118	14,000	14,280 2.0%
24	Year 2	103	10,500	14,280 ****
25	Year 3	98	10,500	10,710 2.0%
26	Year 4	94	10,500	10,710 2.0%
		3,252		
<b>Graduate ANNUAL Tuition</b>				
27	<b>Master's Category 1</b>			
28	Arts	94	4,905	4,995 1.8%
29	C.S.D. (M.Sc.)	29	6,540	6,540 0.0%
30	Engineering (M.E.Sc.)	109	4,905	4,995 1.8%
31	Kinesiology	45	4,905	4,995 1.8%
32	Medicine (Basic Health Sciences)	194	4,905	4,995 1.8%
33	Music	30	4,905	4,995 1.8%
34	Nursing	19	6,300	6,300 0.0%
35	O.T./P.T. (M.Sc.)	1	5,700	5,700 0.0%
36	Science	171	4,905	4,995 1.8%
37	Social Science	125	4,905	4,995 1.8%
		817		
38	<b>Master's Category 2</b>			
39	Business (Regular MBA Only)			
40	Year 1	242	22,000	25,000 13.6%
41	Year 2	248	21,000	23,500 11.9%
42	C.S.D./O.T./P.T. (M.Cl.Sc.)	145	6,540	6,660 1.8%
43	Dentistry (Orthodontics)	7	16,050	16,350 1.9%
44	Education	46	6,540	6,660 1.8%
45	Engineering (M.Eng.)	1	6,540	6,660 1.8%
46	L.I.S. <d>	116	6,540	6,660 1.8%
47	Journalism	40	6,540	6,660 1.8%
48	Medicine (Family Medicine)	2	8,400	8,550 1.8%
		847		
49	<b>All Ph.D. Programs</b>	709	4,905	4,995 1.8%

<a> Part-time undergraduate tuition (per full course) will be set at one-fifth (20%) of full-time tuition for each program/category. Tuition for auditing a course (per full course) will be set at (10%) of full-time tuition for each program/category.  
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> MLLS students registered in one MLLS course only will pay \$665 registration fee (plus ancillary fees)

**Table 11b**

<b>RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2002-03 &lt;a,d,e&gt;</b>				
<b><i>Non-Exempt International Students</i></b>				
	2001-02		Proposed 2002-03 Tuition	2001 to 2002 % Change
	Number of FT Students	Tuition		
<b><u>Undergraduate ANNUAL Tuition</u></b>				
<b>1 First-Entry Programs</b>				
2 Arts, Science, Social Science	633	9,300	<b>11,000</b>	18.3%
3 BMedSci Program	0	9,300	<b>11,000</b>	18.3%
4 Engineering	76	12,400	<b>14,000</b>	12.9%
5 Health Science	7	9,300	<b>11,000</b>	18.3%
6 Kinesiology	7	9,300	<b>11,000</b>	18.3%
7 M.I.T.	12	9,300	<b>11,000</b>	18.3%
8 Music	5	9,300	<b>11,000</b>	18.3%
9 Nursing	<u>2</u>	12,400	<b>14,000</b>	12.9%
	742			
<b>10 Second-Entry Programs</b>				
11 C.S.D./P.T.	0	12,400	<b>14,000</b>	12.9%
12 Business <b>				
13 Year 3	2	14,000 US\$	<b>\$16,000 US\$</b>	14.3%
14 Year 4	2	14,000 US\$	<b>\$15,000 US\$</b>	7.1%
15 Continuing Teacher Education <c>	0	n.a.	<b>14,000</b>	n.a.
16 Education (B.Ed.)	2	12,400	<b>14,000</b>	12.9%
17 Law	<u>1</u>	12,400	<b>14,000</b>	12.9%
	7			
<b><u>Graduate ANNUAL Tuition</u></b>				
<b>18 Master's Category 1</b>				
19 Arts	19	9,300	<b>10,500</b>	12.9%
20 C.S.D. (M.Sc.)	0	14,400	<b>14,760</b>	2.5%
21 Engineering (M.E.Sc.)	39	9,300	<b>10,500</b>	12.9%
22 Kinesiology	2	9,300	<b>10,500</b>	12.9%
23 Medicine (Basic Health Sciences)	12	9,300	<b>10,500</b>	12.9%
24 Music	3	9,300	<b>10,500</b>	12.9%
25 Nursing	0	14,400	<b>14,760</b>	2.5%
26 O.T./P.T. (M.Sc.)	0	9,300	<b>10,500</b>	12.9%
27 Science	30	9,300	<b>10,500</b>	12.9%
28 Social Science	<u>12</u>	9,300	<b>10,500</b>	12.9%
	117			
<b>30 Master's Category 2</b>				
31 Business (Regular MBA Only)				
32 Year 1	45	22,000	<b>25,000</b>	13.6%
33 Year 2	33	21,000	<b>23,500</b>	11.9%
34 C.S.D./O.T./P.T. (M.Cl.Sc.)	1	14,400	<b>14,760</b>	2.5%
35 Dentistry (Orthodontics)	2	30,900	<b>31,680</b>	2.5%
36 Education	3	14,400	<b>14,760</b>	2.5%
37 Engineering (M.Eng.)	0	14,400	<b>14,760</b>	2.5%
38 L.I.S.	6	14,400	<b>14,760</b>	2.5%
39 Journalism	0	14,400	<b>14,760</b>	2.5%
40 Medicine (Family Medicine)	<u>0</u>	14,400	<b>14,760</b>	2.5%
	90			
<b>41 All Ph.D. Programs</b>	129	9,300	<b>10,500</b>	12.9%

<a> Part-time undergraduate tuition (per full course) will be set at one-fifth (20%) of full-time tuition for each program/category.  
Tuition for auditing a course (per full course) will be set at (10%) of full-time tuition for each program/category.  
Part-time graduate tuition and part-time undergraduate Law tuition will be set at 50% of full-time tuition for each program/category.

<b> International HBA tuition will be billed in Canadian funds.

<c> Continuing Teacher Education enrolments are FTEs (i.e. part-time enrolments converted to Full-Time Equivalents).

<d> Grandparenting: Anyone currently "in-program" will not have more than a 20% increase.

<e> International student tuition for undergraduate Medicine and Dentistry are set by special arrangements.

**Table 11c****RECOMMENDED FULL-TIME STUDENT TUITION FEE RATES FOR 2002-03  
CONCURRENT PROGRAMS*****Canadian and International Exempt Students***

		Actual 2001-02	Proposed 2002-03	Notes
1	<b>LLB / BESc</b>			<i>entry after 2 undergraduate years</i>
2	Year 1	6,865	7,680	
3	Year 2	6,865	7,680	
4	Year 3	4,960	5,950	
5	Year 4	6,335	5,950	
6	<b>LLB / HBA</b>			<i>entry after 2 undergraduate years</i>
7	Year 1	12,375	14,125	
8	Year 2	7,500	14,125	
9	Year 3	9,150	9,000	
10	Year 4	6,335	9,000	
11	<b>LLB / MBA</b>			
12	Year 1	14,750	16,750	
13	Year 2	14,750	16,750	
14	Year 3	7,500	9,000	
15	Year 4	6,335	9,000	
16	<b>LLB / BA</b>			<i>entry after 2 undergraduate years</i>
17	Year 1	6,625	7,390	
18	Year 2	5,750	7,390	
19	Year 3	5,750	6,900	
20	Year 4	5,165	6,900	
21	<b>HBA / BESc</b>			<i>entry after 2 undergraduate years</i>
22	Year 1	11,740	13,300	
23	Year 2	4,960	13,300	
24	Year 3	10,800	5,950	
25	<b>HBA / BSc</b>			<i>entry after 2 undergraduate years</i>
26	Year 1	11,500	13,000	
27	Year 2	7,400	13,000	
28	Year 3	7,400	8,880	
29	<b>BEd / BSc</b>			<i>entry after 1 undergraduate year</i>
30	All Years	4,195	4,265	

Table 12

SUMMARY OF ENROLMENT FORECAST						
Constituent University						
	Actual 1997-98	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Projected 2002-03
1 Undergraduate Full-Time						
2 Arts	1,448	1,370	1,392	1,422	1,493	1,495
3 Business (HBA)	295	291	338	390	379	395
4 CSD, Physical Therapy	324	222	204	218	158	90
5 Dentistry	192	214	219	229	238	245
6 Education (BEEd)	688	680	794	824	792	820
7 Engineering	1,058	1,132	1,321	1,375	1,497	1,518
8 Health Science (BHSc Program)	149	382	647	966	1,036	1,063
9 Kinesiology	1,186	1,148	1,166	1,042	1,122	1,163
10 Law	432	438	437	433	436	450
11 Medicine						
12 BMedSci Program	0	0	0	0	12	35
13 MD Program	391	395	401	410	425	450
14 Music	370	362	381	402	387	384
15 M.I.T.	80	233	321	408	461	508
16 Nursing	294	297	306	304	322	349
17 Science	3,664	3,619	3,588	3,556	3,559	3,495
18 Social Science	<u>5,240</u>	<u>5,078</u>	<u>5,070</u>	<u>5,152</u>	<u>5,619</u>	<u>5,689</u>
19 Sub-Total Undergraduate Full-Time	<u>15,811</u>	<u>15,861</u>	<u>16,585</u>	<u>17,131</u>	<u>17,936</u>	<u>18,149</u>
20 (Year 1 -- included above)	(4,215)	(4,096)	(4,358)	(4,238)	(4,542)	(4,500)
21 (Total International Students -- incl. above)	(377)	(516)	(608)	(724)	(876)	(915)
22 Interns & Residents	448	441	446	476	464	480
23 Graduate Full-Time						
24 Masters	1,540	1,692	1,760	1,761	1,871	1,928
25 Executive/Video MBA	272	356	372	381	346	385
26 Doctoral	<u>706</u>	<u>713</u>	<u>755</u>	<u>793</u>	<u>838</u>	<u>925</u>
27 Sub-Total Graduate Full-Time	<u>2,518</u>	<u>2,761</u>	<u>2,887</u>	<u>2,935</u>	<u>3,055</u>	<u>3,238</u>
28 (Total International Students -- incl. above)	(216)	(278)	(296)	(340)	(390)	(390)
29 Concurrent Programs	6	7	17	35	50	59
30 Total Constituent Full-Time	<b>18,783</b>	<b>19,070</b>	<b>19,935</b>	<b>20,577</b>	<b>21,505</b>	<b>21,926</b>
31 Part-Time FTE						
32 Undergraduate (excl. Education)	2,333	2,188	2,105	2,100	2,212	2,300
33 Continuing Teacher Education	379	368	468	549	871	900
34 Graduate: Masters	117	110	98	100	90	90
35 Doctoral	<u>17</u>	<u>18</u>	<u>14</u>	<u>16</u>	<u>13</u>	<u>13</u>
36 Sub-Total Part-Time FTE	<u>2,846</u>	<u>2,684</u>	<u>2,685</u>	<u>2,765</u>	<u>3,186</u>	<u>3,303</u>
37 TOTAL CONSTITUENT FTEs	<b>21,629</b>	<b>21,754</b>	<b>22,620</b>	<b>23,342</b>	<b>24,691</b>	<b>25,229</b>
<b>Summary</b>						
38 Total Undergraduate FTEs	<b>18,977</b>	<b>18,865</b>	<b>19,621</b>	<b>20,291</b>	<b>21,533</b>	<b>21,888</b>
39 Total Graduate FTEs	<b>2,652</b>	<b>2,889</b>	<b>2,999</b>	<b>3,051</b>	<b>3,158</b>	<b>3,341</b>
40 Total Constituent FTEs	<b>21,629</b>	<b>21,754</b>	<b>22,620</b>	<b>23,342</b>	<b>24,691</b>	<b>25,229</b>
Affiliated Colleges						
	Actual 1997-98	Actual 1998-99	Actual 1999-00	Actual 2000-01	Actual 2001-02	Projected 2002-03
41 Full-Time						
42 Brescia	569	508	532	589	668	726
43 Huron	825	823	927	884	907	979
44 King's	<u>1,738</u>	<u>1,818</u>	<u>1,966</u>	<u>2,115</u>	<u>2,143</u>	<u>2,208</u>
45 Sub-Total Full-Time	<u>3,132</u>	<u>3,149</u>	<u>3,425</u>	<u>3,588</u>	<u>3,718</u>	<u>3,913</u>
46 (Year 1 -- included above)	(1,140)	(1,177)	(1,381)	(1,274)	(1,280)	(1,510)
47 Part-Time FTE						
48 Brescia	55	48	45	38	49	55
49 Huron	38	39	30	31	32	32
50 King's	<u>172</u>	<u>151</u>	<u>160</u>	<u>190</u>	<u>195</u>	<u>215</u>
51 Sub-Total Part-Time FTE	<u>265</u>	<u>238</u>	<u>235</u>	<u>259</u>	<u>276</u>	<u>302</u>
52 TOTAL AFFILIATE FTEs	<b>3,397</b>	<b>3,387</b>	<b>3,660</b>	<b>3,847</b>	<b>3,994</b>	<b>4,215</b>

**Table 13a****2002-03 PROVOST'S ACADEMIC SUPPORT FUND (PASF) INITIAL ALLOCATIONS**

1	Arts	Technology Upgrades	136,000
2	Business	Information Security System	55,155
3	Education	Information Technology Initiatives	50,000
4	Engineering	Student and Faculty Recruitment Initiatives	20,000
5	Health Sciences	Equipment Upgrades and Faculty Development	82,174
6	Medicine & Dentistry	New Teaching Equipment	103,892
7	Music	New Equipment and Support for Opera Program	47,000
8	Science	Faculty Start-up Funds and Undergraduate Teaching Initiatives	313,800
9	Social Science	New Course Development	78,000
10	<b>Total PASF Initial Allocations for 2002-03</b>		<b>886,021</b>



**Table 13b****PROVOST'S ACADEMIC SUPPORT FUND (PASF): 2001-02****Funds Available**

	2001-02 Base Budget	2,063,027
	Unallocated S.F.R.I. Funds	251,187
	Carryforward from 2000-01	37,416
	<b>Total PASF Funds Available</b>	<b>2,351,630</b>

**Allocations**

<b>Arts</b>	Tours Exchange	11,450
<b>Business</b>	Instructional Technology Initiatives	131,000
<b>Engineering</b>	Cisco Networking Academy	50,000
<b>Health Sciences</b>	Clinical Course Computer Support (PT)	20,600
	Clinical Course Computer Support (OT)	7,761
	Research Support (CLLRnet)	25,000
	Faculty Development	50,000
	Sub-Total Health Sciences	103,361
<b>Information &amp; Media Studies</b>	Faculty Development	36,024
<b>Medicine &amp; Dentistry</b>	Medicine - Technology-related Teaching Initiatives	100,000
	Dentistry - Interactive Case Template	27,179
	Dentistry - Salary Support for New Clinic Director ( year 2 of 5)	87,850
	Sub-Total Medicine & Dentistry	215,029
<b>Music</b>	Technology-related Initiatives and Equipment Upgrades	75,000
<b>Science</b>	Faculty Development	29,266
	Faculty Start-up Funds	230,000
	Computer Science Internship Program	35,000
	Alternative Delivery CS 031 a/b (to on- line instruction)	26,000
	Sub-Total Science	320,266
<b>Social Science</b>	BACS: Distance Version of HR Stream	90,000
	BACS: CAM new Course Development	5,000
	Spatial Data Analysis Lab - Geography	70,027
	Sub-Total Social Science	165,027
<b>Women's Studies</b>	Part-Time Instructor Stipends	138,920
<b>General University</b>	Computer Virus Protection Software	150,000
	Internet Bandwidth Expansion	8,800
	Special Recruitment Support	113,700
	Faculty Development Initiatives through the EDO	21,000
	Graduate Appraisals	111,851
	Other Academic Support Initiatives	339,921
	Carryforward to 2002-03	360,281
<b>Total PASF Allocations in 2001-02</b>		<b>2,351,630</b>

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## *Appendix A*

*The University of Western Ontario*

### **Report on The 2001-02 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 for 2001-02. 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 \$1.5 million would be set aside in 2001-02 for needs-based graduate and undergraduate student support. This commitment was met and the \$1.5 million was allocated.

Undergraduate Scholarships. Last year's budget indicated that a sum of \$150,000 in additional funds were allocated to undergraduate scholarships. The actual allocation exceeded this commitment by \$100,000 and the funding for undergraduate scholarships increased by \$250,000 in 2001-02. The quality of Western's incoming class continues to increase.

Graduate Student Support. The commitment in last year's budget to have total 2001-02 graduate student support at \$12.5 million was met.

#### **2. Faculty Renewal**

Last year's budget indicated that, as part of the various budget investments in our Faculties, the Provost had approved about 65 new tenure-track faculty appointments. In 2001-02, 53 new tenure-track faculty appointments have been made, and searches for the remaining 12 are still underway.

#### **3. Quality Enhancement of Academic Programs**

Last year's budget indicated that, in addition to \$6 million in base funding to our Faculties, the Enrolment Contingent Fund (ECF) would provide an additional \$3.8 million in direct funding to our Faculties in support of a number of academic initiatives. The actual ECF allocation to

our Faculties in 2001-02 exceeded the commitment substantially, by transferring a total of \$6.6 million in ECF funding.

**4. Staff Renewal**

The commitment to allocate \$1.5 million to our support units in 2001-02 was met – and the number of full-time staff at Western increased by about 25.

**5. Student Recruitment**

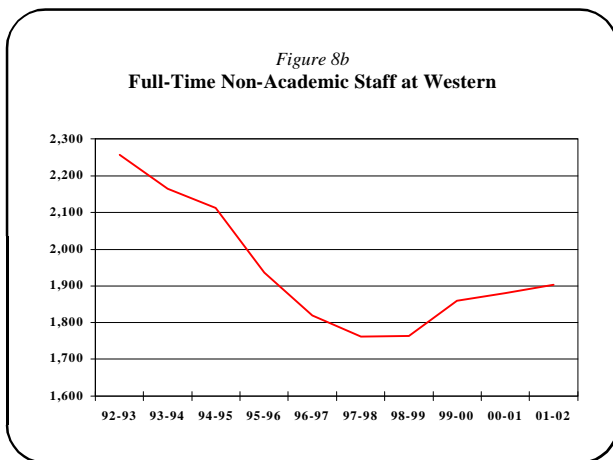
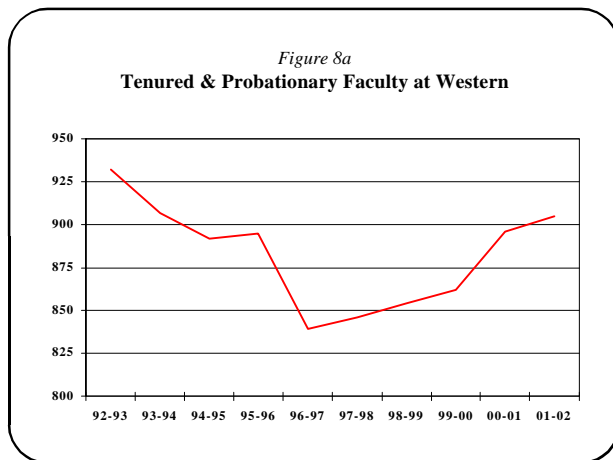
Student recruitment continues to be a high priority to the University. A commitment was made in last year’s budget to spend \$700,000 on student recruitment – this commitment was met.

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

As indicated in last year’s budget, the Library Acquisitions budget was increased by \$448,000 in 2001-02. This is an area of high priority for the university, and further increases are proposed for 2002-03.

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

The University’s allocation of \$2.5 million (bringing the total to \$10 million) as CFI/OIT “matching” 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 Medicine, Science, Health Sciences, and Engineering.

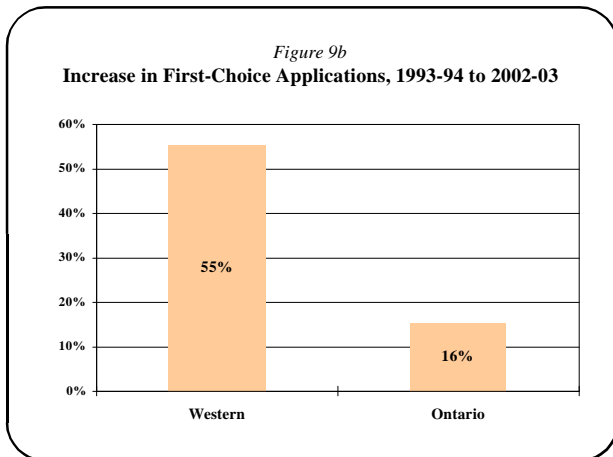
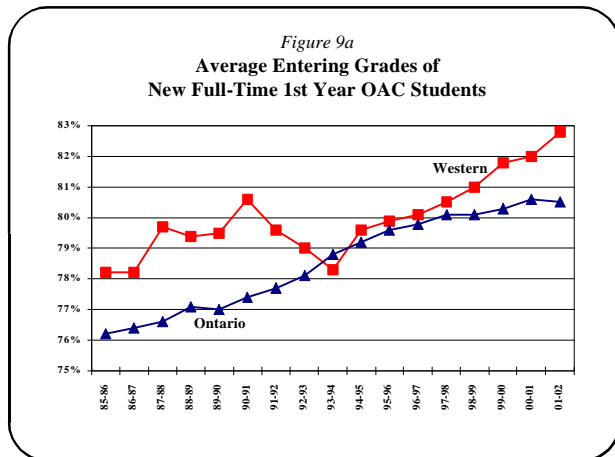


### 8. Deferred Maintenance and Renewal of Instructional Facilities

As recommended in last year’s budget, the University’s operating budget commitment to deferred maintenance in 2001-02 was indeed \$5 million. These funds were used to address overall deferred maintenance and were also used to renew instructional facilities across campus. The commitments to renew instructional facilities at a cost of \$870,000 from the Capital Budget and to upgrade two General University computer labs at a cost of \$250,000 were met.

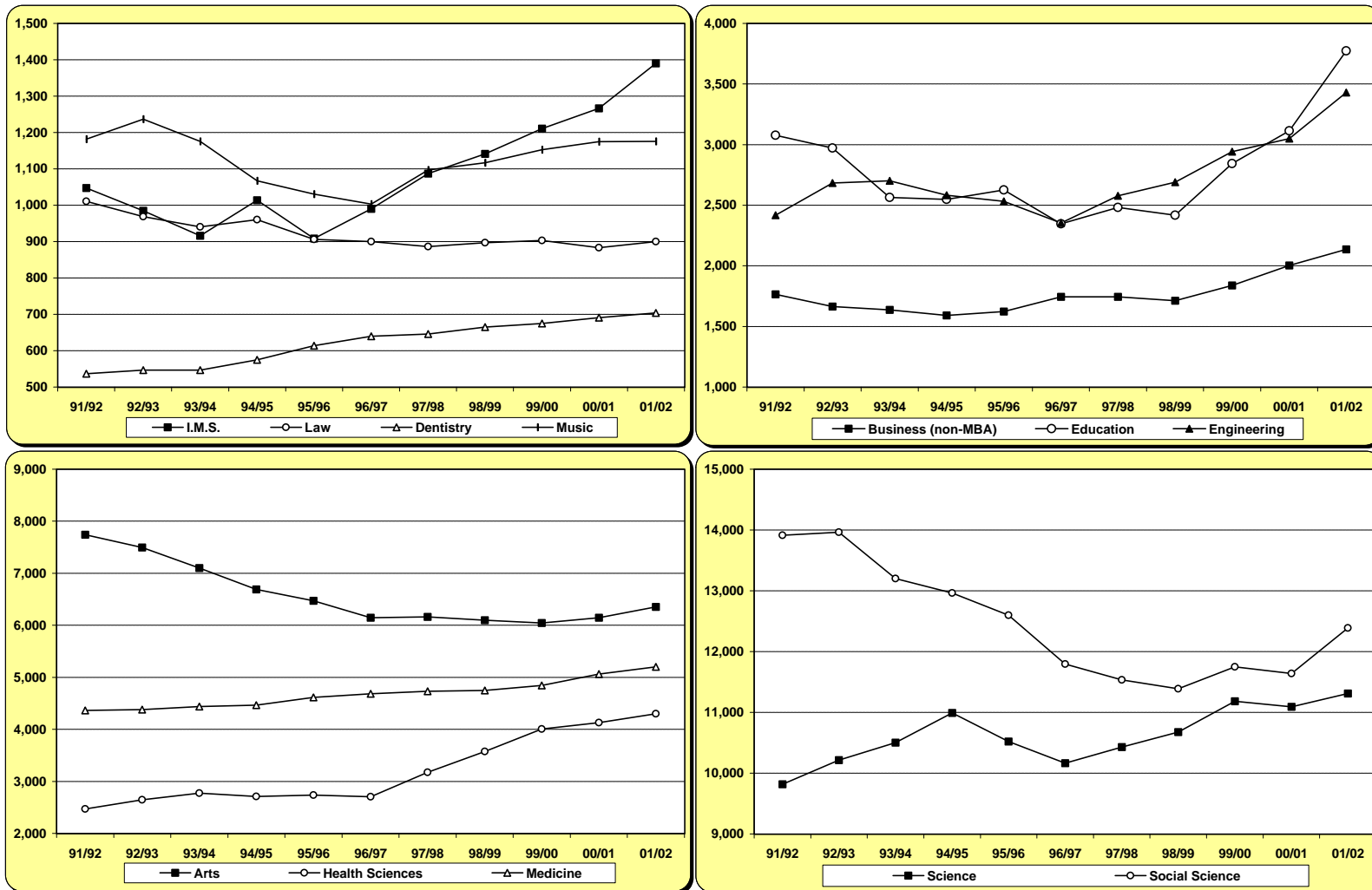
### 9. Academic Support Initiatives

Last year’s budget indicated that a total of \$1.1 million from the Provost’s Academic Support Fund (PASF) was being allocated in support of many instruction- and research-related initiatives. The final actual allocation exceeded this commitment by \$500,000 – with a total PASF allocation of \$1.6 million.



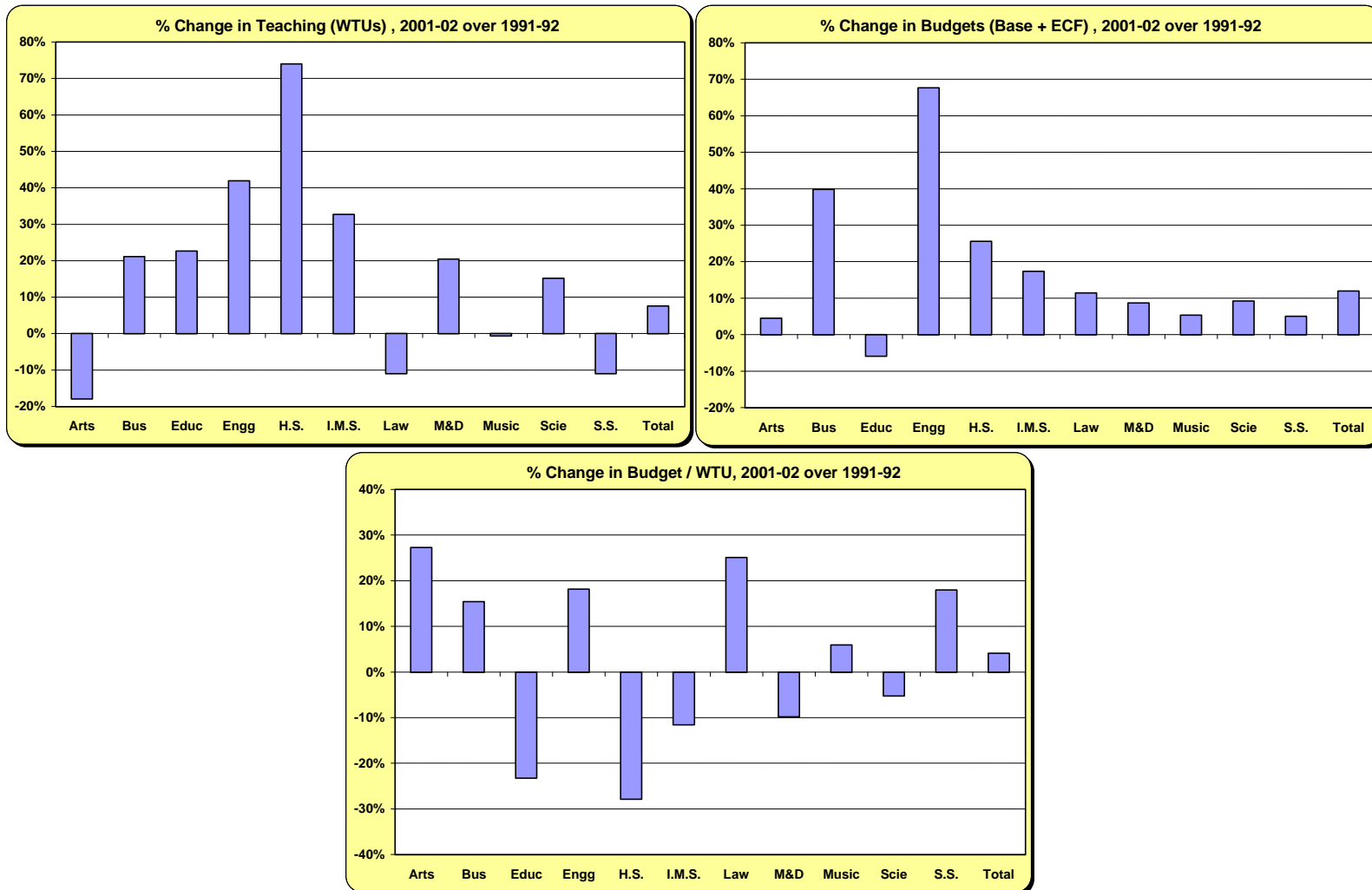
Appendix B: Figure 1

**WEIGHTED TEACHING UNITS (WTUs)**  
excluding Distance Studies



Appendix B: Figure 2

**CHANGE in WTUs, Budgets, and Budget / WTU - 2001-02 over 1991-92  
excluding Distance Studies**



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## Appendix C

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

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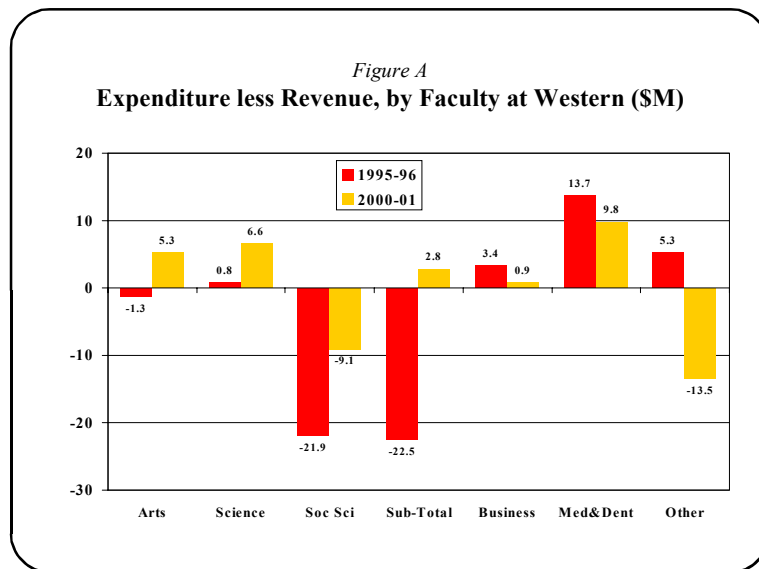
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The graphs below summarize revenues, expenditures, and tuition fees by Faculty using the basic methodology developed in **Looking Forward** (April, 1996). The details of the methodology have been revised considerably since the 1996 version, as follows:

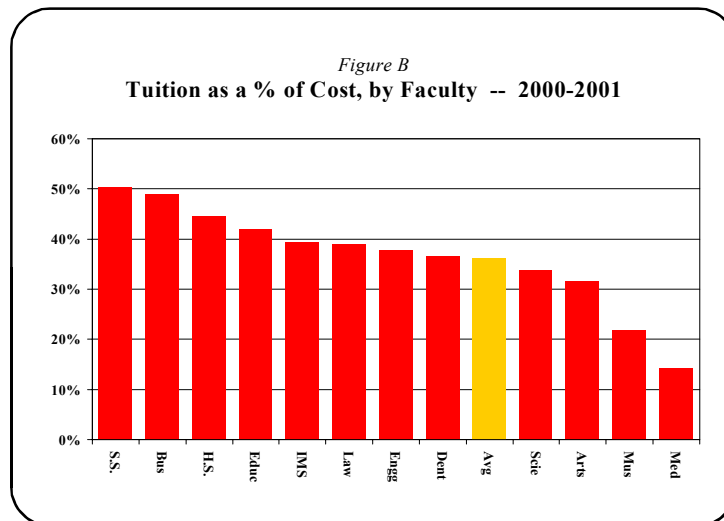
- Attribution of indirect costs (i.e. non-Faculty budgets) have been refined. In the 1996 version, indirect costs were attributed using “share of Faculty base budgets”. In the current version, indirect costs are attributed using many variables, including enrolments, number of faculty and staff, space, 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 were 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 black pattern) with data for 2000-01 (shown in grey). The Faculties shown in the graph are Arts; Science; Social Science; the subtotal of those three Faculties; Business; Medicine & Dentistry; and the total of the following six Faculties: Education, Engineering, Health Sciences, Information & Media Studies, Law, and Music. Western believes that in many cases the BIU weights do not reflect the relative costs of programs, and thus the University does not aspire to an equality between expenditure by Faculty and the revenues which can be attributed by the BIU system. Nonetheless, the University administration is frequently questioned about relative expenditures and revenues, given the Ministry’s BIU weights, and **Figure A** shows the results of our calculations.

**Figure B** shows tuition as a percent of cost, by Faculty, for 2000-01. The figures range from a high of 50.3% for Social Science to a low of 14.2% for Medicine. Because of differential changes in tuition fees and budget allocations, these figures have also changed markedly since 1995-96.



The percentages in **Figure B** refer to the *total* tuition collected in each Faculty as compared to the *total* expenditures of the Faculty, and do *not* show the tuition as a percentage of expenditure for particular *programs* within a Faculty. In Social Science, the calculations include 6,451 Full-Time Equivalent students (FTEs), with 6,126 undergraduates and 325 graduate students, in about 40 different programs. In Medicine, there were 1,176 FTEs – 400 MD students, 412 medical residents,



and 364 graduate students. Our analysis does not attempt to cost such individual programs within Faculties.



**Appendix D**

**BASE BUDGETS and ECF, by FACULTY: 2000-01 and 2001-02**

		2000-01			2001-02			% Change	
		Base Budget	ECF	Total	Base Budget	ECF	Total	Base Budget	Total
1	Arts	13,466,755	101,253	13,568,008	13,902,479	480,231	14,382,710	3.2%	6.0%
2	Business	4,687,142	506,700	5,193,842	5,677,269	506,400	6,183,669	21.1%	19.1%
3	Education	6,739,931	535,200	7,275,131	7,032,489	370,500	7,402,989	4.3%	1.8%
4	Engineering	10,645,520	395,730	11,041,250	11,264,056	817,800	12,081,856	5.8%	9.4%
5	Graduate Studies	778,511	90,300	868,811	907,121	167,400	1,074,521	16.5%	23.7%
6	Health Sciences	11,400,303	790,444	12,190,747	12,770,592	498,740	13,269,332	12.0%	8.8%
7	Information and Media Studies	4,039,330	247,710	4,287,040	4,137,340	348,540	4,485,880	2.4%	4.6%
8	Law	3,765,734	4,573	3,770,307	4,123,362	1,858	4,125,220	9.5%	9.4%
9	Medicine & Dentistry: Dentistry	4,180,254	122,100	4,302,354	4,499,750	91,350	4,591,100	7.6%	6.7%
10	Medicine & Dentistry: Medicine	21,300,471	428,934	21,729,405	23,404,304	414,391	23,818,695	9.9%	9.6%
11	Music	4,842,156	170,850	5,013,006	4,984,490	169,200	5,153,690	2.9%	2.8%
12	Science	29,117,757	501,210	29,618,967	30,260,361	764,580	31,024,941	3.9%	4.7%
13	Social Science	25,220,919	252,952	25,473,871	25,931,141	1,639,689	27,570,830	2.8%	8.2%
14	Total	140,184,783	4,147,956	144,332,739	148,894,754	6,270,679	155,165,433	6.2%	7.5%

2000-01 base budgets are as of April 30, 2001 and 2001-02 base budgets are as of February 28, 2002

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*The University of Western Ontario*

**2002-03 Capital Budget**

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**The Capital Budget is not available in electronic format**