

Executive Summary of the 2004-05 Operating and Capital Budgets

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April 5, 2004

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Introduction

Western's *2004-05 Operating and Capital Budgets* lays the foundation for the second year of the 4-year plan introduced last year.

- *The 2004-05 Operating Budget* projects revenues of \$409.4 million and expenditures of \$411.5 million. As compared to 2003-04, Faculty budgets will increase by \$15.3 million, permitting the recruitment of 35 additional tenured/probationary faculty and 30 additional staff. Support Unit budgets will increase by \$2.7 million, allowing for the recruitment of 25 full-time staff.
- *The 2004-05 Capital Budget* shows a planned expenditure level of \$95.7 million -- which includes \$56.4 million for new construction, \$27.1 million in Maintenance, Modernization, and Infrastructure (MMI) Projects, and \$12.2 million in all other capital expenditures.

The Operating Budget and the Capital Budget together account for approximately 70% of Western's overall annual funding -- the remainder is composed of revenues from research grants/contracts, ancillary operations, and other restricted funds such as scholarships, chairs & professorships, and non-credit continuing education revenues. For example, in 2002-03 -- the most recent year for which actual final figures are available, overall sources of funds were as follows:

	<u>\$ million</u>	<u>percent</u>
Operating	352.6	60.5%
Capital	44.3	7.6%
Research	82.7	14.2%
Ancillary and other Restricted Funds	<u>102.9</u>	<u>17.7%</u>
Total	582.5	100.0%

Note: Figures are as shown in the University's 2002-03 Supplementary Financial Statements

The 2004-05 Operating Budget

Operating Revenues projected for 2004-05 assume that all government funding commitments will be honoured, including full funding for additional undergraduate students through the Accessibility Fund, the Quality Assurance Fund, targeted provincial government grants, and the Federal Funding for the Indirect Costs of Research. Revenue projections also assume that tuition fees will be frozen (except for programs/students not funded by the Province, including international students) and that compensatory grant funding will be provided. With these assumptions, Western's 2004-05 Operating Revenues are projected to be \$409.4 million, with a breakdown as follows:

	<u>\$ million</u>	<u>percent</u>
Provincial Government Grants	183.0	44.7%
Federal Government Grants	6.3	1.6%
Tuition Fees	170.1	41.5%
All Other Revenues	<u>50.0</u>	<u>12.2%</u>
Total	409.4	100.0%

Operating Expenditures include substantial new investments to support initiatives that are of strategic importance to the University, including:

- a total of \$5 million in base budget allocations from the University Priorities Investment Fund (UPIF) – \$2.5 million to Faculties and \$2.5 million to Support Units – targetted to areas of excellence and priority, including:
 - ▶ faculty recruitment – base funding for 23 faculty appointments;
 - ▶ staff recruitment – base funding for 25 staff appointments;
 - ▶ student recruitment – base funding for a graduate student recruitment officer, an international student recruitment officer, and an admissions/liaison officer in the Faculty of Music;
 - ▶ faculty recognition – the creation of the Faculty Scholar Program (\$105,000) and the Distinguished University Professorship Program (\$60,000);
 - ▶ staff development – \$275,000 in base funding to Human Resources to support expanded staff development initiatives – including additional staffing;
 - ▶ development and communication – base funding of \$450,000 to maintain and enhance staffing levels in the Faculties;
- an additional \$2.8 million in Enrolment Contingent Funding (ECF) and \$1.4 million in Increased Cohort Funding (ICF) to Faculties in support of undergraduate and graduate student enrolment expansion;
- an additional \$1.1 million in base funding to the Faculties, including the multi-year base commitments made last year to the Faculties of Arts, Science, Social Science, and Music and to support targetted program expansions in Nursing and Medicine;
- the next round of Canada Research Chairs (CRCs) – allocating \$1.7 million to the Faculties;
- an ambitious plan for further significant expansion of our graduate programs accompanied by substantial incremental budget allocations, including an estimated \$2.3 of the \$2.8 million in ECF, \$640,000 in graduate student support funding, and provision for the appointment of a graduate student recruitment officer;
- the introduction of a revised funding model for the Ivey School of Business that recognizes the Faculty's unique reliance on non-governmental funding and establishes a clear, easily understood framework for the budgetary relations between UWO and Ivey;
- additional support for research activities in the Faculties through the creation of the Research Infrastructure Support Fund (\$750,000) and the Western Innovation Fund (\$250,000);
- an additional \$275,000 in base funds to Physical Plant to cover the operating costs of new facilities and \$400,000 to the Development Office to offset foregone revenues resulting from the revisions to the endowment payout policies approved by the Board;

- an additional \$560,000 to Support Units through the Expansion-related Funding Mechanism;
- an incremental \$750,000 transfer to the Capital Budget for Maintenance, Modernization, and Infrastructure – as recommended in our Strategic Plan; in order to ensure that adequate funding is available for MMI, it is recommended the operating transfer to MMI continue to increase by \$750,000 per year until 2015-16 – when the annual transfer will be \$15.5 million;
- the continuation of the \$3 million transfer from the Federal Funding for Indirect Costs of Research (FFICR) to Capital as a permanent base allocation;
- the creation of a \$75,000 fund to support the travel costs of our Intercollegiate Athletics Teams that reach national championship competitions;
- an additional \$3.2 million in base funds to cover university-wide expenditures, including physical plant utilities, library acquisitions, insurance, information technology systems, and the financing of capital debt;
- the allocation of \$11.7 million in one-time funding to a number of specific initiatives, including:
 - a \$4.8 million transfer to the Capital Budget to support the Biological & Geological Building Renovations Project (\$2.5 million), the creation of an instructional lab in Organic Chemistry (\$940,000), the Clinical Skills Facility (\$560,000), technology upgrades to general university classrooms (\$400,000), and the creation of classrooms in the Law Building (\$400,000);
 - \$1.5 million to support female faculty recruitment;
 - \$500,000 to support the upgrade of Western's database systems to the next generation of PeopleSoft Systems, including funding for temporary staffing and hardware upgrades; and
 - a number of other allocations in areas such as student recruitment and information technology.
- the provision of \$9.8 million for cost increases, primarily employee salaries and benefits.

The net result of the above budget investments is that total operating expenditures are projected to reach \$411.5 million in 2004-05, with a breakdown as follows:

	<u>\$ million</u>	<u>percent</u>
Faculties' Base Budgets	252.9	61.5%
Scholarships & Bursaries	36.3	8.8%
Support Unit Base Budgets	58.5	14.2%
Corporate Expenditures	42.3	10.3%
One-Time Allocations	11.7	2.8%
Provision for Cost Increases	<u>9.8</u>	<u>2.4%</u>
Total	411.5	100.0%

The net result of the projected revenues and expenditures is an *Operating Reserve* of \$12.9 million for 2004-05. The reserve level is the result of rapid increases in enrolment-based government grants through the Accessibility Fund and tuition fees, and a necessarily slower pace of associated expenditures, largely directed to new faculty and staff appointments. The revenue increases are expected to level off at the end of the 4-year planning period whereas unavoidable expenditures are projected to continue to increase – and the Operating Reserve is forecast to return to the Board-mandated level of \$2.5 million at the end of the 4-year planning period (i.e. 2006-07).

The 2004-05 Capital Budget

Capital Expenditures for 2004-05 are projected to be \$95.7 million – of which \$56.4 million is for new construction, \$27.1 million is for Maintenance, Modernization, and Infrastructure (MMI) Projects, and \$12.2 million is for all other projects including renovations to our residences and ancillary operations such as food services and the book store, and possible asset acquisitions.

New construction includes the South Valley Building, the Innovarium – the City-wide Animal Care Facility, the new Child Care Facility, the Clinical Skills Facility in the Faculty of Medicine & Dentistry, the Law Building Expansion, and the new Residence.

The MMI Projects consist of major renovations (\$14.5 million) in the Medical Sciences Building, the Biological & Geological Sciences Building, the Engineering Building, Middlesex College, and the Western Science Centre. These projects will address major deferred maintenance issues and renew facilities to modern day standards. The MMI Projects also include numerous projects involving renewal of instructional and research facilities, utilities and infrastructure projects, and other maintenance/modernization projects.

Sources of Funding for the Capital Budget in 2004-05 include provincial and municipal government grants, funds from the Canada Foundation for Innovation (CFI) and the Ontario Innovation Trust (OIT), private fundraising and UWO funds used to match the CFI/OIT, funds transferred from Western's operating budget, investment income on reserves held in the Capital Budget, general fundraising, bank loans, and other sources including internal recoveries. These sources are expected to provide a total of \$97.5 million to Western's Capital Budget in 2004-05.

The **Capital Reserve** is projected to total \$17.5 million in 2004-05, including \$9.4 million in the general capital fund.

The University's **Capital Debt** is projected to be at \$155.0 million in 2004-05 – with the debt for Ancillaries and Associated Companies at \$105.7 million and the debt for the Capital and Operating Fund at \$49.3 million. The general capital debt (i.e. the debt associated with new facilities excluding residences and major academic building renovations) will be financed over time using the annual operating budget transfer to the capital budget for deferred maintenance and a new transfer from the operating budget to finance the costs of debt associated with new facilities. In 2004-05, this latter transfer is estimated to be \$700,000. The projected capital debt for 2004-05 remains within the ceilings for the four measures approved by the Board of Governors – debt per FTE student, ratio of debt to total revenues, ratio of debt service costs to total revenue, and ratio of debt to revenues available to service the debt.

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2004-05 Operating Budget

April 5, 2004

A. Planning and Budgetary Context

In the fall of 2002, Western's first multi-year budget plan was introduced for the period 2003-04 through 2006-07. The 4-year Plan included:

- 4-year University-level budget projections;
- Faculty Academic Plans and Operational Plans for Support Units;
- unit-specific detailed budget projections for the 4 years;
- 4-year faculty and staff complement plans for the Faculties and Support Units;
- a University Enrolment Plan for the 4 years, and a corresponding enrolment agreement with the Provincial Government; and
- a series of new initiatives, including budget investments.

The multi-year planning approach was designed to provide our Faculties and Support Units with greater certainty, planning ability, and more flexibility than was possible within the year-by-year approach of the past. During the recently-completed planning process, Deans and Budget Unit Heads overwhelmingly endorsed the multi-year planning approach – and the annual planning process itself was more efficient and effective than in previous years.

The 4-year budget plan was developed and introduced last year with the following major revenue assumptions:

- the Provincial Government would provide the necessary operating grants to accommodate the enrolment growth associated with the Double/Increased Cohort -- i.e. the Accessibility Fund and the Quality Assurance Fund commitments would be met;
- all provincial commitments to fund targeted program expansions in Engineering, Computer Science, Education, Medicine, and Nursing would be met;
- tuition fees for regulated programs would, at a minimum, be allowed to increase by 2% per year;
- tuition fees for deregulated programs would be based on recommendations from the Faculties offering these programs;
- the Federal Funding for Indirect Costs of Research (FFICR) would continue to be base revenues;
- the Canada Research Chairs Program (CRCs) would reach steady state and provide Western with approximately 70 CRCs; and
- the equity markets would continue to rebound and allow us to draw investment funds to the Operating Budget in 2005-06 and 2006-07.

On the expenditure side, in addition to unit base budget allocations, the 4-year budget plan included the following:

- the mandated set-aside of 30% of additional tuition fee revenue for student aid;
- funding for the direct cost of teaching the additional students through the Enrolment Contingent Fund (ECF) and the Increased Cohort Fund (ICF);
- reasonable provision for employee salaries, an expense that forms the single largest component of Western's Operating Budget;
- incremental funding for a number of university priorities, including student recruitment, entrance scholarships, support for research initiatives, library acquisitions, classroom enhancements, and deferred maintenance;
- the allocation of CRCs to the Faculties; and
- budget investments to support the following new strategic/priority initiatives: the University Priorities Investment Fund (UPIF); the Initiative on Female Faculty Recruitment and Retention; additional investments in the Faculties of Arts, Science, Social Science, and Music; the Teaching Support Centre; operating costs of new facilities; and expansion-related funding for Support Units.

Since the formal approval of the 2003-04 Operating Budget by the Board of Governors in May 2003, a number of events have occurred -- some of which have had an impact on our overall budget situation:

- multi-year salary settlements have been reached with most employee groups;
- the Provincial Government has introduced the multi-year Quality Assurance Fund (QAF) which starts at \$75 million in 2003-04 and increases to \$200 million in 2006-07;
- the confirmation of the QAF made it possible for the Board of Governors to approve the additional allocation of \$2 million to the Faculties and \$1 million to Support Units in-year in 2003-04;
- a new Provincial Government was elected with an election platform that included a commitment to freezing university tuition fees for two years; during the election campaign, Liberal candidates promised on numerous occasions that the freeze would be accompanied by compensatory grant funding to universities;
- the new Provincial Government began a review of Ontario's overall financial situation; to date, no formal announcements have been made regarding general government grants, tuition fees, and the compensatory grant funding; and
- the recent Federal Budget included a provision that would increase the total Canadian allocation for FFICR by \$20 million.

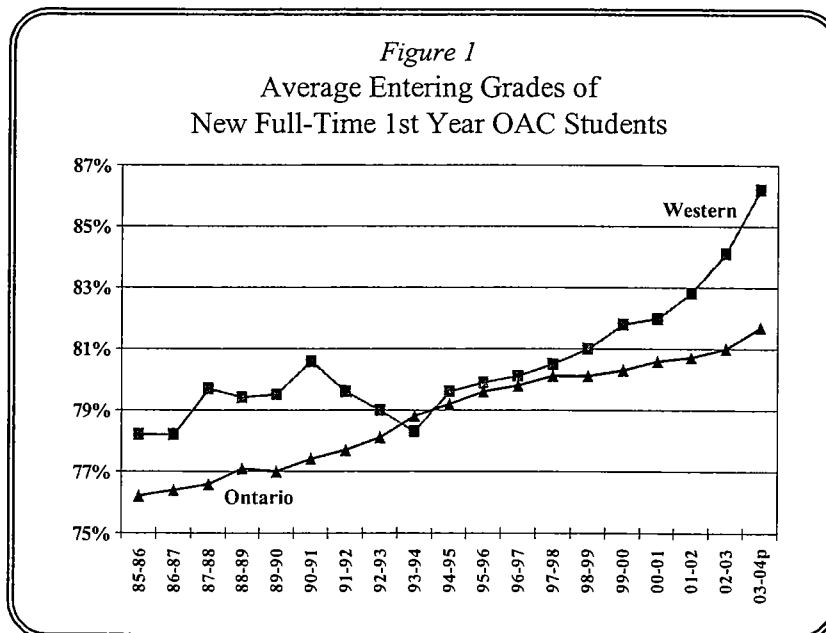
Within the above budgetary context, the recommendations in this budget document seek formal Board approval for the 2004-05 Operating and Capital Budgets and the multi-year University Priorities Investment Fund (UPIF) recommendations. All other data provided for years after 2004-05 are for information only. Additional recommendations arising in the planning cycles in each of the next two years will be confirmed in subsequent planning cycles.

B. Planning for the Remaining 3 Years of the 4-Year Planning Period

The Provincial Government is expected to clarify its position on tuition fees and government grants. The University of Western Ontario's 2004-05 budget plan is based on the following revenue and expenditure assumptions.

Revenue Assumptions

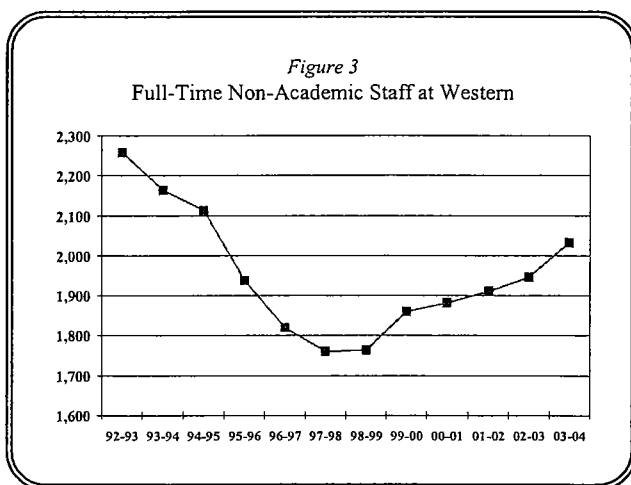
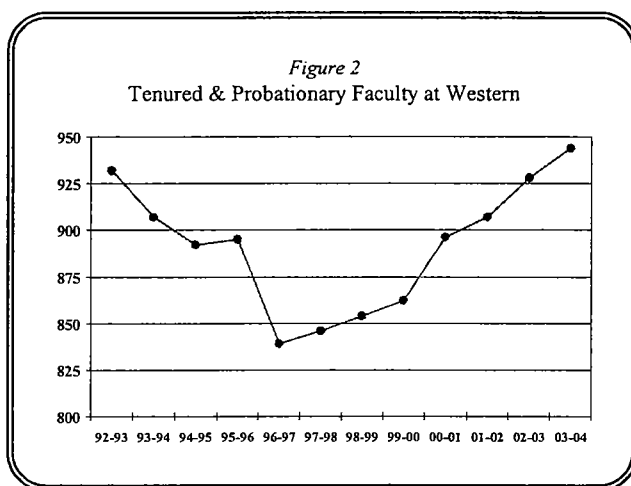
- grant funding commitments from the Province will be honoured – including the Accessibility Fund, the Quality Assurance Fund, targeted program expansion funding for Engineering, Computer Science, Education, Medicine, and Nursing, and all other operating grants;
- tuition fees are frozen for 2004-05 and 2005-06, with compensatory grant funding from the Provincial Government;
- tuition fee increases will be possible in 2006-07 and beyond;
- we will meet our enrolment targets – including the admissions targets in our Strategic Plan and the projected increases in upper-year enrolments resulting from higher retention rates which is a direct result of the increased quality of the incoming undergraduate students;
- tuition revenues associated with our enrolment plan will be achieved;
- the CRC program will continue;
- the FFICR program will continue into the future at the level announced in the recent Federal Budget; and
- the equity markets will continue their recovery and allow us to draw the planned \$4 million from investment funds in each of 2005-06 and 2006-07.



Expenditure Assumptions

- funds must be provided for the costs associated with the salary agreements in place with most of our employee groups;
- funding must be maintained and improved in the areas of student scholarships and bursaries, student recruitment, deferred maintenance, support for research initiatives, library acquisitions, classroom enhancements, and operating costs of new facilities;
- the direct costs of teaching and supervising additional undergraduate and graduate students must be funded – the Enrolment Contingent Fund (ECF) and the Increased Cohort Fund (ICF) provide substantial funds to the Faculties which support full-time faculty and staff appointments.

The Provincial Government transition clearly places Ontario’s universities in a situation of financial uncertainty, placing at risk our ability to continue to accommodate the increased cohort of undergraduate students with a high quality of education. Should the Government fail to fulfill any of the existing commitments, next year’s planning cycle at Western will involve substantial budgetary and operational challenges.



C. Update on Initiatives Introduced in 2003-04

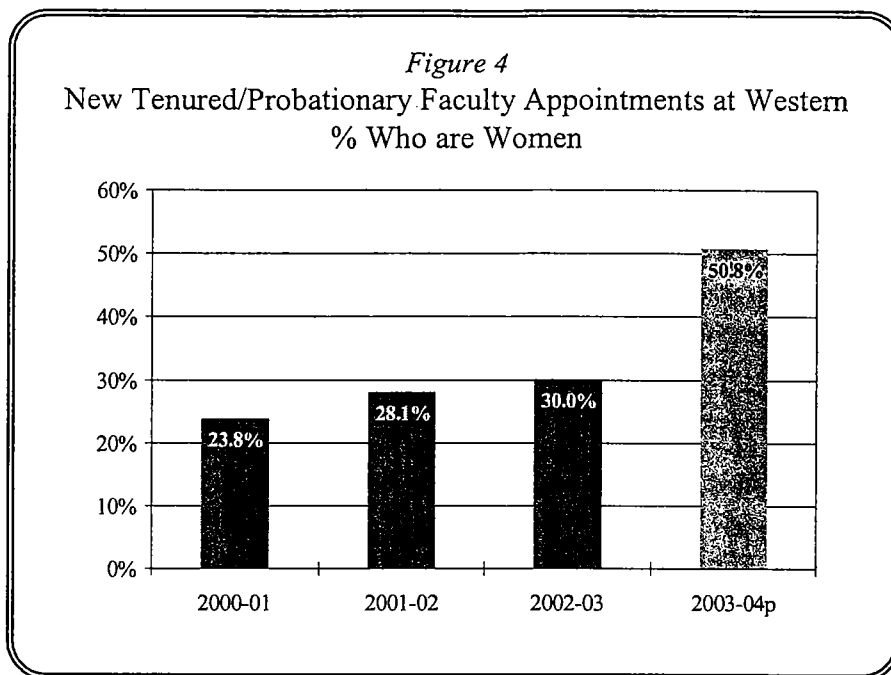
The 2003-04 Operating Budget included specific investments to support the following strategic/priority initiatives: the University Priorities Investment Fund (UPIF); additional investments in the Faculties of Arts, Science, Social Science, and Music; the Initiative on Female Faculty Recruitment and Retention; the Teaching Support Centre; operating costs of new facilities; and expansion-related funding for Support Units.

- A sum of \$1.2 million to Faculties and \$700,000 to Support Units was allocated from the UPIF in 2003-04 -- i.e. in round 1 of the 4-year planning period. These funds contributed to the hiring of 63 new tenured/probationary faculty and 188 new full-time staff (in both academic and non-academic units) to date as well as supporting a number of other priorities within the Faculties and Support Units.
- The additional investment in the Faculties of Arts (\$62,500), Science (\$100,000), Social Science (\$100,000), and Music (\$37,500) was indeed made – and was directed towards supporting the academic plans of the Faculties, including the appointment of 32 new tenured/probationary members of faculty in these Faculties.
- The initiative aimed at recruitment and retention of female members of faculty included two components involving budgetary commitments: (1) coordinated central support for recruitment and retention and (2) financial support to Faculties based on successful appointment of women.

A coordinator of faculty recruitment and retention has been appointed in the Office of the Vice-Provost (Policy, Planning, and Faculty) and has begun supporting faculty recruitment activities.

The overall efforts in recruiting female members of faculty has been very successful. To date, in 2003-04, of the 63 new full-time tenured/probationary faculty appointments, 32 (or 51%) have been women. Over the preceding three years, 27% of new tenured/probationary faculty appointments were women. The funding program which allocates 50% of the first year's salary and benefits of female tenured/probationary faculty appointments has resulted in the transfer of \$1.4 million in one-time funding to the Faculties.

- The Teaching Support Centre (TSC), a collaborative initiative supported by the Libraries, the Educational Development Office, and Information Technology Services, will provide a common point of access for faculty members and TAs to technology and staff resources to support teaching activities. Space in the Weldon Library has been renovated and the TSC is fully operational in its new location.



- As committed in the 2003-04 budget, Physical Plant and Capital Planning Services has been provided with funding to support the operating costs of new facilities. As our new academic buildings are opened, additional staff will be hired to support the operations and maintenance of the buildings.
- The current significant expansion in all aspects of Western’s activities -- enrolments, research activity, space, and employment -- have a direct impact on the ability of our Support Units to maintain and enhance the various services they provide to the University community. In recognition of this, a sum of \$632,000 has been allocated to our Support Units through the expansion-related funding mechanism -- primarily to hire additional staff.

The above initiatives, introduced in 2003-04, involve multi-year budget commitments which will be included in the University’s budget plan for the remaining three years of the 4-year planning period.

D. *Making Choices* – Investments in Areas of Strength and Priority

The current iteration of the University's Strategic Plan forms the backdrop for Western's planning process. *Making Choices* laid out a series of commitments in a variety of domains critical to the University's mission. A key feature of *Making Choices* was the assertion that the fulfillment of these commitments could best be achieved through a planning process that placed priority on the locally-developed academic and operational plans of the Faculties and Support Units. These plans are now a central reference point in all planning documents and planning meetings. All units have made important progress in developing plans and resource allocation processes that effectively link strategic objectives and budgetary decisions. The 4-year planning process introduced last year greatly enhances our ability to plan in this systematic fashion. The 2004-05 planning process includes a number of important mechanisms designed to support such strategic objectives across the University.

The University Priorities Investment Fund (UPIF) – Round 2

The UPIF was established in 2002-03 as a central element of a differential, integrated planning process. UPIF supports priority initiatives within Faculties and Support Units. As detailed in the annual planning guidelines, UPIF proposals must be well-integrated with Academic/Operational Plans and with internal resource allocation decisions.

Faculties

Last year, in round 1 of the UPIF allocations, a sum of \$1.2 in each year of the 4-year planning period (or a total of \$4.8 million) was set aside for the Faculties. Of this \$4.8 million, a total of \$2.6 million was committed to the Faculties over the 4 years – leaving \$2.2 million (\$425K in 2004-05, \$730K in 2005-06, and \$1 million in 2006-07) for allocation in future years of the 4-year planning period.

This year, in round 2 of the UPIF recommendations, the \$2.2 million carried-over from round 1 is being supplemented by an additional \$1.4 million in 2004-05 -- an allocation made possible by the confirmation of the provincial Quality Assurance Fund since last year's approval of the University budget. The Faculties have once again presented outstanding UPIF proposals in their planning submissions – and the round 2 recommendations in response to these proposals are summarized in Table 2, which also includes the round 1 recommendations from last year. The recommendations in this round 2 total \$1.8 million in 2004-05, \$714,000 in 2005-06, and \$40,000 in 2006-07. Approximately \$1 million over the last two years of the 4-year planning period remains available for future rounds of UPIF allocations to Faculties.

Support Units

Last year, in round 1 of the UPIF allocations, a sum of \$700,000 in each year of the 4-year planning period (or a total of \$2.8 million) was set aside for the Support Units. This year, in round 2, an additional \$1.8 million in 2004-05 is being added to UPIF allocations to Support

Units. Round 2 UPIF recommendations to the Support Units are summarized in Table 3, which also includes the round 1 recommendations from last year.

Canada Research Chairs (CRCs)

The recommendations for Canada Research Chairs during the 4-year planning period are summarized in Table 4.

Further Expansion of Western's Graduate Programs

A key conclusion included in Western's 1995 Strategic Plan, *Leadership in Learning*, was that graduate enrolment must increase if we were to realize our scholarly objectives — the ratio of graduate to undergraduate students at Western was low relative to other research-intensive Canadian universities. This imperative was reinforced in *Making Choices*, the renewal of our Strategic Plan released in 2001.

As can be seen in the graph below, the University has responded well to this strategic objective. Between 1995-96 and 2003-04, total full-time graduate enrolment increased by 50% -- from 2,255 to 3,399. In the same period, full-time doctoral enrolment increased by 50% -- from 682 to 1,019. This latter figure is an especially important marker of our success in graduate enrolment because doctoral students are so closely linked to our central mission in research and scholarship at the highest levels.

Our success has been the result of a number of factors. Foremost among these, is an increased focus and success in scholarship and research, bringing with it both a need and a foundation for increased graduate enrolment. An example of significant graduate enrolment growth is the Faculty of Engineering where, between 1995-96 and 2003-04, total full-time graduate enrolment and full-time doctoral enrolment have increased by 135% (149 to 350 students) and 196% (53 to 157 students) respectively. A determined commitment to financial support also has been critical to our success in recruiting and supporting more graduate students during this period. The funds for this purpose derive from many sources. Western continues to be a leader in the provision of University operating funds to support graduate students with a policy dating from the early 1990s that sees operating funds equivalent to 75% of all graduate student tuition revenue allocated to the financial support of graduate students. This funding has increased from \$3.7 million in 1992-93 to \$12.2 million in 2003-04 -- an increase of 230%. In addition, Western's researchers have always given priority to graduate student support and dollars from research grants continue to comprise a substantial percentage of the total support budget. As our success in obtaining external research funds increases, so will the need and ability to support graduate students. The final major sources of graduate student financial support are provincial and national awards. Western's students have increased their success in these competitions at the same time as the availability of such awards has grown with the introduction of such plans as the Ontario Graduate Scholarships in Science and Technology and the Canada Graduate Scholarships.

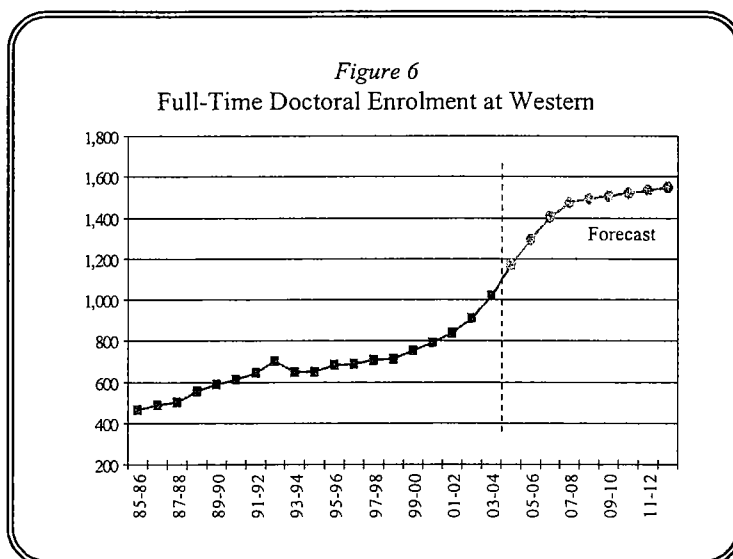
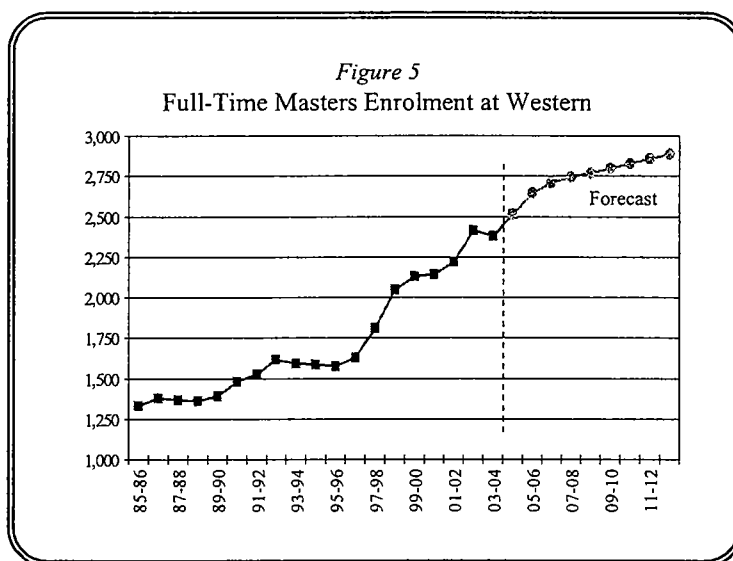
Despite Western's considerable success in this domain, continued expansion of our graduate programs will be, if anything, an even higher priority in the years ahead. *Making Choices* confirmed the essential link between the University's commitment to reinforce its status as one of Canada's leading research-intensive universities and further growth in graduate education, especially at the doctoral level. In addition, as revealed in a study recently released by the Council of Ontario Universities (*Advancing Ontario's Future through Advanced Degrees*) demand for graduates of our masters and doctoral programs will increase substantially in the next decade as a result of such factors as retirements in the baby boom generation, the graduation of their children from undergraduate programs, and increased participation rates in graduate education arising from higher demands for highly-qualified personnel for employment in both the private and public sector.

The COU study envisions the need for a doubling of graduate enrolment in the coming decade. Western intends to embrace this objective with regard to our doctoral programs, and to seek to double our PhD enrolment over the coming decade. While Masters programs will also expand, we set no target for the ten-year growth because of the close relation between some of our professional Masters programs and specific labour markets, where future demand is uncertain. While doubling our doctoral enrolment, Western must continue to set high standards of admission to graduate studies and to provide strong financial support for graduate students. We also need a commitment from the Province to provide full operating funding for additional students, as they are now doing for undergraduates. Such full BIU funding of graduate students will allow for the recruitment of additional faculty and the funding of other costs associated with graduate enrolment expansion. The commitments of *Making Choices* will involve fairly stable undergraduate enrolments in the coming years; our access to additional Provincial funding for faculty recruitment and other Faculty priorities will thus depend critically on expanding our graduate enrolments, and having those enrolments fully funded by the Province. Expansion of our graduate programs will involve a systematic plan that integrates the planning of individual programs and associated Departments and Schools, the Deans (other than Graduate Studies), and the Dean of Graduate Studies.

The University's 2004-05 operational plan and budget include the following elements in support of further graduate enrolment growth:

- A commitment, led by the Dean of Graduate Studies, to work with all other Deans to develop a revised approach to graduate enrolment planning and recruitment. This plan must better integrate Deans and Faculty Academic Plans/Budgets into this critical area.
- Substantial additional funding to the Faculties through the Enrolment Contingent Fund (ECF) -- which provides \$10,500 for each incremental full-time PhD student and \$5,250 for each additional full-time Masters student. It is estimated that an additional \$2.4 million in ECF resources, beyond that initially projected for the final three years of the current 4-year plan, will be available to the Faculties – i.e. in the years 2004-07.

- Allowance for an estimated \$2.4 million in additional graduate student funding through the Faculty of Graduate Studies over the period, 2004-07.
- A process of consultation led by the Dean of the Faculty of Graduate Studies to renew and simplify the structure of the Faculty’s current programs of graduate student financial support, to be completed before the next round of recruitment begins in the fall of 2004.
- A UPIF allocation to the Faculty of Graduate Studies to support all programs in their recruitment efforts with a particular emphasis on web-based recruitment.



Faculty-specific Development/Communication Officers

The past 10 years have witnessed major changes to Western's approach to alumni relations, fundraising, communications, and the development of strong relationships with the University's supporters in the broader community. In addition to substantial changes within the portfolio of the Vice-President (External) itself, an important feature of increased commitment in this domain has been a much closer partnership of our Development and Communication Offices and Faculties. This direct engagement with the academic community through the Deans has been a large part of the remarkable success of Campaign Western, which recently passed the \$300 million mark.

Plans for the next phase of alumni relations, development, and communications at Western have been underway during the latter stages of the Campaign. In fact, the strategic planning process that resulted in *Making Choices* included a very specific focus on a greater integration of the full range of development and outreach activities (internal and external communications, fundraising, internships and cooperative educational initiatives, student career activities, etc.) through an even closer partnership between the External Portfolio and the Faculties. These discussions have continued, most recently at the Deans' Retreat of 2003 and throughout the current planning process. The 2004-05 budget plan will include the following developments:

- Continued investment by the University in Faculty-specific Development and Communication Officers. Current staffing levels and funding of Faculty-specific Development/Communication Officers will be continued in 2004-05 through additional base investments in the Vice-President (External) budget.
- Beginning in 2005-06, these positions will become a shared responsibility between the Office of the Vice-President (External) and the Faculties. Therefore, all Faculties will be expected to cover 50% of the costs of these Faculty Development/Communication Officers. The funds freed-up in the Vice-President (External) budget – as a result of this 50/50 sharing – will be available for re-investment in Faculties willing to support 50% of the costs of additional Development and/or Communication Officers because the Deans conclude that it is to the advantage of the Faculty.

This funding mechanism will be proposed in the University budget because it is believed that it addresses the fact that those Faculties that legitimately require greater development staffing also stand to benefit considerably from those activities. In addition, it shifts some of the decisions and direct budgetary costs regarding additional investment in this domain to the units where the pros and cons can best be evaluated.

Our experience is that Faculties that are less involved in technology transfer to the commercial sector or with professional educational programs have required long-term development activities involving substantial time investment by the senior officers within the External portfolio and, often, the support of the Vice-President (External) and the President, themselves.

This new cost-sharing program means that greater emphasis and resources can be directed to Faculties such as Arts, Social Science, Information & Media Studies, Education, and Music.

The operating revenue of the Vice-President (External) portfolio has been especially affected by the economic downturn of recent years. Most importantly, lower investment returns have seriously reduced that part of its funding. The grant received by the Vice-President (External) from Foundation Western to conduct fundraising activities has also been reduced as the Foundation strives to balance this grant with the levies it collects on donations directed to the Foundation. These revenue shortfalls balanced against the need for continued investment in alumni relations, development, and communications, both centrally and at the Faculty level, therefore require a substantial investment of UPIF funds in 2004-05.

The details of this program restructuring are currently the subject of discussion between the Vice-President (External) and the Deans and will be finalized over the coming months. It is likely that this consultation will result in Faculty-specific models of development and communications support designed to best fit the needs of each unit.

Modifications to the Funding Model for the Ivey School of Business

The model of University funding for the Ivey School of Business has been distinct from that used with other Faculties since 1997-98 when the Board of Governors approved a full cost recovery budgeting mechanism for a large part of the School's operations. The full cost recovery model has worked well, both for the University and for the School. From 1996-97 to 2003-04, total revenues at the Ivey School rose by about 150%, while the School maintained a breakeven position with regard to the remainder of the University. Only about 10% of the School's revenues now comes from government sources. Between 1996-97 and 2003-04, enrolment in the MBA programs has increased by nearly 50%. The HBA program continues to attract far more highly-qualified applicants than it is able to accommodate, and the PhD program has expanded dramatically. Recent faculty appointments have been outstanding. Not only have these new faculty sustained Ivey's outstanding reputation in business education, they also have fueled an unprecedented period of success in national research granting council competitions.

After the appointment of the new Dean last year, the Provost and the Dean reviewed the Ivey funding model and concluded that it could be simplified and made more transparent in a manner which would allow for better operational planning in the School. The new model is also consistent with the regulation set down by the Province when it introduced deregulated fees, subsequent to the original Ivey full cost recovery model in 1997-98. Beginning in 2004-05, it is proposed that the University allocation to the Ivey budget will consist of the following elements:

- funds equivalent to the tuition revenues from all programs, including the HBA, MBA, EMBA, and PhD.

-
- funds equivalent to Ivey's share of all general purpose government operating grants, calculated using the government formulas.
 - an ECF-like allocation recognizing the "pre-business" courses offered by Ivey.
 - a payment for services provided to Ivey by the University (e.g. information technology, library, human resources, physical plant, etc.) based on an agreed-upon rate that reflects Ivey's share of these University services.

The new model has three other important provisions:

- Ivey will no longer receive other budgetary allocations from the University, including central funding for annual salary increases and selective budgetary investment programs such as UPIF, ECF, ICF, and PASF. At the same time, the Ivey budget will not be subject to the initial budget adjustments applied to all other Faculties. Ivey will be accountable in the planning process for internal selective budgetary mechanisms that pursue the same strategic objectives of these programs.
- The Ivey School of Business will be responsible for providing adequate levels of support for its MBA and PhD students. Administration of student aid for HBA students will continue to be part of the Financial Aid Program within the Registrar's Office.
- Except for this unique model for the allocation of University funds, Ivey's status as an academic Faculty at Western remains unchanged. Like all other Faculties, the Ivey School is accountable to the University's mission as expressed in its Strategic Plan, will continue to participate fully in the annual planning process, is bound by all employee agreements, and is subject to all University operational policies and practices.

Additional Support for Research Initiatives at Western: The Research Infrastructure Support Fund (RISF) and the Western Innovation Fund (WIF)

Based on recommendations from the Vice-President (Research), two new research-related funds are being proposed for 2004-05 – *the Research Infrastructure Support Fund (RISF) and the Western Innovation Fund (WIF)*.

The *RISF (\$750,000)* will be used to support one-time or ongoing costs of critical research infrastructure within the Faculties. Eligible costs are similar to those defined by the Canada Foundation for Innovation (CFI) for the Infrastructure Operating Fund. These include, but are not limited to, specific costs of maintenance of equipment, technical support, and service contracts. It is recommended that the funds be allocated to Faculties based on their share of overall University research revenue, and the expectation is that the funds will be directed at research infrastructure needs. Each year, through the planning process, Deans will be asked to submit plans for the use of these funds. Upon approval of these plans by the Vice-President (Research), the funds will be transferred to unit budgets. The RISF is possible because of the

availability of the Federal Funding for Indirect Costs of Research (FFICR). Table 14 shows the recommended RISF allocations to the Faculties.

The *WIF (\$250,000)* will be used to provide seed funding for development of particularly promising new inventions that have been disclosed and have been assigned to Western. The funding will support the development of the technology from concept to a form where it can attract further funding from external sources such as the CIHR Proof-of-Principle Fund or the NSERC Proof-of-Concept Fund. It is intended that funding will be made available for up to one year for support of personnel (other than students pursuing degrees), supplies, or other development costs. Patent costs may be eligible, but the cost of communications or travel will generally not be eligible. The WIF will be allocated through the Office of the Vice-President (Research). The WIF is also possible because of the availability of the Federal Funding for Indirect Costs of Research (FFICR).

Programs of Recognition of Scholarly Excellence: Distinguished University Professors and Faculty Scholars

Western's Strategic Plan, *Making Choices*, makes a commitment to creating opportunities for public recognition and celebration of the achievements of outstanding faculty through such means as the establishment of University Distinguished Professors. Accordingly, two new programs to recognize scholarly excellence are being proposed:

The Distinguished University Professorship Program, which will honour and celebrate outstanding scholarly careers at Western by conferring on a select group of our leading scholars the title of *Distinguished University Professor*, for life. The number of University Professors will be limited to 3% or fewer of the full-time tenured/probationary faculty members at Western. University Professors will be given a one-time research award of \$10,000 to be used for scholarly activities.

The Faculty Scholar Program, which will honour and celebrate outstanding scholarly achievements of a faculty member by conferring the title of *Faculty Scholar*, for two years. The number of Faculty Scholars will be limited to 2% to 3% of the full-time tenured/probationary faculty members in any given Faculty. The recognition will include a research award of \$7,000 for each of the two years, to be used for scholarly activities.

The selection of individuals in both of these programs will be guided by high standards of performance in all areas related to scholarly work, research, teaching and service in order to recognize the complete scholar.

Investments in Support of our Academic Facilities

Operating Transfer to Capital in Support of Maintenance. As part of the 1995 Strategic Plan, Western's Board of Governors approved that the annual base transfer from operating to capital in support of maintenance be increased by \$750,000 for ten years, from 1996-97 to 2005-06 --

which would bring the total to \$8 million in 2005-06 over the 1995-96 level of \$500,000. In order to ensure that adequate funding is available for the future maintenance of our facilities, it is recommended that the Board approve that the incremental base transfer of \$750,000 be continued for another ten years after 2005-06 until 2015-16, when the annual transfer will be \$15.5 million.

FFICR Transfer to Capital. As indicated earlier in this document, in-year in 2003-04, Western's Board of Governors approved the transfer of \$3 million from the Federal Funding for Indirect Costs of Research (FFICR) to the University's Capital Budget to fund research-related renovations projects. It is recommended that this FFICR transfer to capital continue as an on-going base transfer at the \$3 million level. Over the coming years, this funding will be targeted to support the upcoming major building renovations projects – modernization of the Biological & Geological Sciences Building and the Physics & Astronomy Building.

E. Update on Current Year's Budget (i.e. 2003-04)

Figures 7 and 8 summarize the variance in the 2003-04 operating revenues and expenditures – the difference between current estimates of 2003-04 revenues and expenditures and the 2003-04 revenues and expenditures approved by the Board of Governors in May of 2003.

Revenues

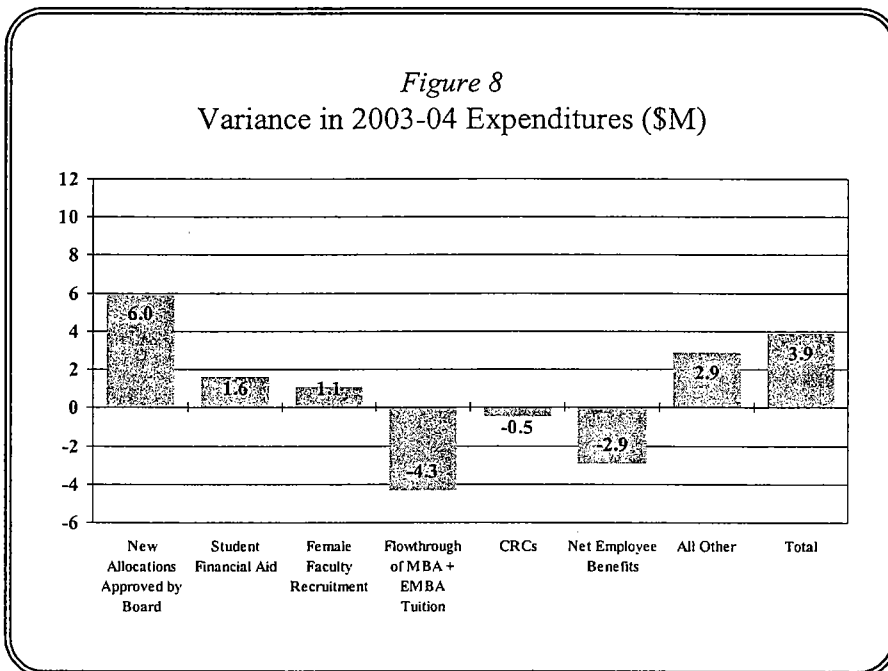
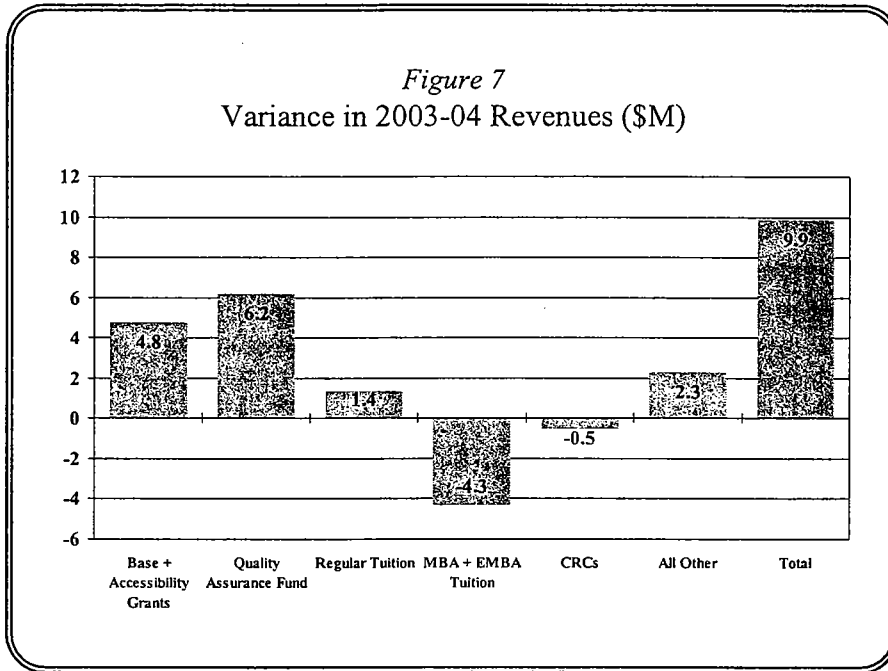
- Base Grants combined with Accessibility Funding is higher by \$4.8 million – of which \$2.4 million is one-time in nature and is the result of government's decision to retroactively provide compensation for the discounting that took place in the first year of the Accessibility Fund (i.e. 2001-02). The remaining \$2.4 million is due to higher Basic Income Units (BIUs) resulting from higher-than-projected enrolments in programs with higher BIU weights.
- As described earlier, the Provincial Government's Quality Assurance Fund (QAF) was announced after the approval of Western's 2003-04 Budget, and has provided us with \$6.2 million in much-needed operating funds.
- Regular tuition revenues are higher by \$1.4 million because of higher-than-projected graduate student enrolments, international student enrolments, and continuing teacher education enrolments.
- Self-funded program tuition revenues are lower by \$4.3 million because of a decline in MBA and Executive MBA enrolments.
- Funding from the Canada Research Program (CRCs) is lower by \$500,000 simply due to delays in the approval and appointment processes. Western will ultimately receive full funding for our entitlement of approximately 70 CRCs.

- The net change in all other revenues is an increase of approximately \$2.3 million, resulting in total revenues for 2003-04 estimated to be \$9.9 million higher than the amount approved by the Board of Governors in May 2003.

Expenditures

- As indicated above, the Provincial Government's Quality Assurance Fund (QAF) was announced after the approval of Western's 2003-04 Budget. After announcement of this funding, Western's Board of Governors approved the following additional in-year expenditures totalling \$6 million:

One-time Operating Budget Allocations to Faculties	\$2 million
Base Operating Budget Allocations to Support Units	\$1 million
Transfer to the Capital Budget (from FFICR)	\$3 million
- Funding for undergraduate scholarships is higher by \$800,000 because of higher-than-projected scholarship-eligible students, and graduate student support funding is higher by \$600,000 as a result of the policy that allocates 75% of all graduate student tuition to the financial support of Western's graduate students. Overall student support funding is \$1.6 million higher.
- As indicated earlier, the female faculty recruitment initiative which funds 50% of the first year's salary of tenured/probationary female faculty appointments has been extremely successful, and the associated funding allocations to the Faculties is \$1.1 million higher.
- As indicated above, tuition revenue from the MBA and Executive MBA programs is \$4.3 million lower. As a result, the flowthrough allocation to the Ivey School is lower by the same \$4.3 million.
- The reduction in CRC revenues (\$500,000) has a corresponding reduction in expenditures.
- Employee benefit costs continue to increase, but net employee benefits were \$2.9 million lower -- because of increased recoveries due to a higher-than-projected salary base in operating and research funds, resulting from higher employee salary settlements and a greater-than-anticipated increase in full-time employment at Western.
- The net change in all other expenditures is an increase of \$2.9 million, resulting in total expenditures for 2003-04 estimated to be \$3.9 million higher than the amount approved by the Board of Governors in May 2003.



F. Four-Year Operating Budget Outlook

As indicated earlier, 2004-05 is the second year of Western's first 4-year planning cycle. This budget document seeks formal approval of the multi-year UPIF recommendations and the 2004-05 budget. The recommendations in this document have been guided by updates to the four-year projections of operating revenues and expenditures introduced in last year's planning cycle. These updated projections continue to respect the requirement of an operating reserve at the Board-mandated level at the end of the four-year cycle. Over the course of a multi-year budget plan, the detailed underlying assumptions are critical – minor variations in assumptions can have a significant cumulative impact over the full planning period. Table 1 summarizes the updated Four-Year Operating Budget Outlook. The major assumptions underlying the four-year outlook have already been described earlier in this document in section B.

As can be seen in line 37 of Table 1, the Operating Reserve is projected to be about \$15 million at the end of the current year (i.e. 2003-04) – as a result of the current year revenue and expenditure variations described earlier in this document in section E. The reserve declines over the remaining years of the four-year planning period, and is projected to be near the Board-mandated level of \$2.5 million at the end of 2006-07.

It should be reiterated that, as indicated above, minor variations in the assumptions underlying our multi-year projections can have a significant cumulative impact on the bottom line – i.e. the Operating Reserve. The projections shown in Table 1 will be updated regularly and will be included in the next two cycles of the four-year planning period. Final authority for the budget decisions rests with the Board of Governors – and it should be noted that negative variations in revenue/expenditure projections that have a significant impact on the multi-year budget model could require in-year reductions to unit budgets during the planning period.

The four-year outlook includes an in-year deficit of \$7.8 million in 2006-07. This outcome is a function of the fact that cost increases in the early years of the four-year plan are covered in large part by revenue associated with increased enrolment. Enrolments stabilize near the end of the planning cycle; undergraduate intake will, in fact, decline modestly. Associated revenue increases will cease but unavoidable cost increases will continue. Although other increased revenue sources may emerge (e.g. full government grant funding for graduate enrolment increases, some form of grant escalator recognizing annual inflationary costs), it would be imprudent to build them into the current outlook. In the absence of such funding, annual budgets at the end of the current four-year planning period will need to incorporate additional expenditure constraints required to maintain the Operating Reserve at the Board-mandated level.

G. 2004-05 Operating Revenues

Total Operating Revenues are projected to increase by 5.1% as shown in Table 5.

1. Government Grants

As described earlier in this document, our assumptions include the Provincial Government's commitment to full funding for the additional students from the Increased Cohort and compensatory grant funding to cover the shortfalls in revenues associated with the proposed tuition freeze. The combination of base grants, accessibility funding, and tuition offset grants are projected to increase by \$2.7 million in 2004-05. The Quality Assurance Fund (QAF) is expected to grow over the four-year planning period – and Western's share in 2004-05 is expected to increase by \$3 million in 2004-05 to a total of \$9.2 million. Targetted program expansion funding is projected to increase by nearly \$650,000 – largely because of planned growth in undergraduate Nursing and MD enrolments. Finally, the recent Federal Budget included a commitment to increase the Federal Funding for the Indirect Costs of Research (FFICR) – and Western's share is expected to increase by \$500,000 in 2004-05.

The Quality Assurance Fund will allow us to invest directly in the appointment of new faculty and staff through the University Priorities Investment Fund (UPIF), which will have a direct impact on the quality of education we offer our students. As shown in Tables 2 and 3, the UPIF recommendations for 2004-05 include 23 full-time faculty and 25 full-time staff appointments.

2. Tuition Fees

As indicated at the outset of this document, the new Provincial Government has indicated its intention to freeze university tuition fees for two years with the promise of compensatory grant funding to universities.

Western's 2004-05 Operating Budget respects the Government's intentions to freeze tuition fees, but at the same time, as indicated above, compensatory grant funding has been incorporated into our revenue estimates. It should be noted that a number of Faculties (Engineering, Law, Business, and Medicine & Dentistry) had developed multi-year plans last year that included revenues from tuition fee increases in their deregulated programs. A tuition freeze will have serious budgetary implications for these Faculties and will have a negative impact on their Academic Plans. At this point in time, without a clear statement from government on tuition fees and/or compensatory funding, tuition-related investments in the four Faculties mentioned above are not being recommended. Tuition-based investments in the Faculties will be reviewed – and the appropriate recommendations will be brought forward – when the government announces the level of grant funding to be provided to Western in compensation for foregone revenues associated with any tuition freeze.

The proposed tuition fees for 2004-05 – based on the assumption of a freeze – are shown in Tables 18a and 18b.

Tuition fees for Canadian students are based on the freeze assumption. Tuition fees for international students are not subject to the government's freeze, and the proposals for 2004-05 reflect increases in the range of 6% to 7%. This level of increase will keep Western's tuition fees in the mid-range of Ontario universities with regard to international student tuition.

Tuition revenue is determined both by fee rates and enrolment levels. The enrolment forecasts approved by SUEPP (SCUP's Subcommittee on Enrolment Planning and Policy) are shown in Table 19. For 2004-05, full-time undergraduate enrolment is projected to increase by 2.9% and full-time graduate enrolment is projected to increase by 8.5%. Total enrolment – both full- and part-time – is projected to grow by 3.6%.

As shown in line 22 of Table 5, overall tuition revenue is projected to increase by 4.3%. Regular tuition revenue is expected to increase by 5.3% and tuition revenue from self-funded programs – which flows directly to these programs and is not available for general expenditures – is projected to decline by 1.7%.

3. All Other Revenues

Major items to note in other revenues are: the Canada Research Chairs (CRCs), Transfer from Affiliated Colleges, Investment Income, and Contributions from Self-Funded Ancillary Operations.

- To date, Western has received funding for 32 CRCs. For 2004-05, an additional 12 CRCs are anticipated – increasing the total funding from this source to \$6.9 million. Table 4 summarizes the CRC allocations at Western.
- The increase in the Transfer from the Affiliated Colleges – which is payment for services and teaching provided to their students – is primarily due to projected increases in enrolment at the Colleges.
- As indicated earlier in this document, revenue from our investment funds are not available for 2004-05. Our assumption is that the equity markets will continue their recovery and that we will be able to draw from investment funds in the final two years of the current planning period.
- Western's self-funded operations and ancillary units generate substantial revenue to the University Operating Budget by way of direct contributions and charges for facilities and services. This revenue line includes the Ivey School's payment for services by the University, which is expected to increase by \$2.4 million under the proposed new funding model for the School.

H. 2004-05 Budget Recommendations for Faculties

Table 6 shows the 2004-05 base budget recommendations for Western's Faculties. Final 2004-05 base budgets are the net result of the following:

- starting base budgets – committed last year as part of the multi-year plan;
- the initial budget adjustments established last year as part of the multi-year budget plan;
- faculty turnover recovery, which returns the greater of \$60,000 or 60% of the retiree's salary to the Faculty budget;
- UPIF allocations – both round 1 and the new round 2 allocations;
- other base budget investments, including targeted government program expansion funding and multi-year base commitments made last year to the Faculties of Arts, Science, Social Science, and Music;
- the allocations resulting from the new funding model for the Ivey School of Business;
- conversion of Enrolment Contingent Funds (ECF) to base budget; and
- the allocation of funds associated with CRC appointments; the tentative CRC allocations are shown in Table 4.

Faculties will also receive in-year ECF funding and those Faculties teaching students in first-entry undergraduate programs will be allocated substantial funding from the Increased Cohort Fund (ICF). ECF and ICF are described in detail later in this section. Finally, the Research Infrastructure Support Fund (RISF) described earlier in this document is being introduced in 2004-05 and will provide the Faculties with additional funding (\$750,000 in 2004-05). The one-time allocations from ECF, ICF, and RISF are summarized in Tables 13a, 13b, and 14. The net result of the various selective investments is an overall allocation to the Faculties in 2004-05 that is 6.5% higher than in 2003-04. These final allocations will provide Faculties with substantially greater flexibility for internal allocation of funds in 2004-05 than anticipated in their original planning submissions.

It should be noted that Table 6 shows Faculty-by-Faculty base budgets for 2004-05 only; these are the net result of many individual components (i.e. the adjustments/allocations shown in columns b through g of Table 6), each of which is part of the multi-year funding mechanisms. For example, the UPIF allocations shown in column d reflect only the allocations for 2004-05 – whereas UPIF commitments (shown in Table 2) have been made to Faculties over two rounds and across all four years of the current multi-year planning period. Therefore, the summary in Table 1 should be viewed as only a one year slice of the multi-year budget/plan – direct unit-to-unit comparisons are, therefore, inappropriate.

1. UPIF and Other Base Allocations to the Faculties in 2004-05

The base allocations to Faculties include UPIF allocations outlined in section D earlier in this document, program expansion funding, other base allocations, Canada Research Chairs (CRCs), and ECF to base conversions. As well, all Faculties receive substantial Enrolment Contingent Funding (ECF) and the Faculties teaching first-entry students will receive a share of the Increased Cohort Fund (ICF).

Faculty of Arts. The Faculty is being allocated \$75,000 from round 1 UPIF to support a faculty appointment in Visual Culture and \$120,000 from round 2 UPIF to support a joint faculty appointment in Film Studies and the Faculty of Information & Media Studies as well as an appointment in Comparative Literature. The Faculty will also receive an additional base allocation of \$62,500 as committed in last year's budget. Finally, a sum of \$400,000 is being converted from ECF to base.

Faculty of Education. A sum of \$128,000 in round 2 UPIF funds is being allocated to support a senior faculty appointment in the area of Family and Domestic Violence and a sum of \$50,000 is being converted from ECF to base.

Faculty of Engineering. Round 1 UPIF allocations will support a faculty appointment in Engineering Design (\$100,000) and the Western Environmental Science and Engineering Research Institute (\$42,500) and round 2 UPIF allocations support two faculty appointments in Integrated Engineering (\$180,000). In addition, a sum of \$600,000 is being converted from ECF to base. The Faculty will also receive two Tier-1 CRCs (\$340,000).

Faculty of Graduate Studies. Round 2 UPIF allocations are being recommended in support of a Recruitment Officer (\$52,000) and a TA training program (\$78,000).

Faculty of Health Sciences. Round 1 UPIF will support a faculty appointment in Health Promotion (\$83,200). Round 2 UPIF will support a faculty appointment in Women's Rural Health (\$103,000) and an interdisciplinary research initiative within the Faculty (\$11,000). The Faculty will also receive targeted government program expansion funding associated with Nursing enrolment increases (\$269,213). Finally, a sum of \$250,000 is being converted from ECF to base.

Faculty of Information & Media Studies. A sum of \$155,000 in round 2 UPIF funds will support three faculty appointments – one to support expanding graduate programs in the Faculty, a joint appointment with Film Studies, and a joint appointment with the Faculty of Music.

Faculty of Law. Round 1 and round 2 UPIF will support a senior appointment in Business Law (\$130,000) and an additional round 2 UPIF allocation (\$50,000) will provide electronic research resources to LLB students.

Faculty of Medicine & Dentistry. The Faculty will receive round 1 UPIF to support a faculty appointment in Outcomes Research (\$83,200) and round 2 UPIF to support three faculty appointments – one in each of the areas of Reproductive Biology, Molecular Neurobiology, and Infectious Disease (\$271,000). The Faculty will also receive program expansion funding associated with the expansion of the MD program (\$498,983). The Faculty will also receive five Tier-1 and one Tier-2 CRCs (\$940,000). Finally, a sum of \$500,000 is being converted from ECF to base.

Don Wright Faculty of Music. Round 2 UPIF will support the hiring of an Admissions/Liaison Officer (\$58,000) and a joint faculty appointment with the Faculty of Information & Media Studies (\$40,000). The Faculty will also receive an additional base allocation of \$37,500 as committed in last year's budget. Finally, a sum of 50,000 is being converted from ECF to base.

Faculty of Science. The Faculty is being allocated round 1 UPIF to support the Western Environmental Science and Engineering Research Institute (\$42,500) and to support 18 Graduate Teaching Assistantships (\$94,125). Round 2 UPIF will support the hiring of three laboratory technicians (\$134,000) and a new Chair for the Department of Physics & Astronomy (\$145,000). The Faculty will also receive an additional base allocation of \$100,000 as committed in last year's budget. The Faculty will also receive one Tier-1 and two Tier-2 CRCs (\$350,000). Finally, a sum of \$600,000 is being converted from ECF to base.

Faculty of Social Science. Round 1 UPIF will fund a joint faculty appointment between the BACS program and Economics (\$76,800). Round 2 UPIF will fund a faculty appointment in First Nations Studies (\$94,000) and a joint faculty appointment between the BACS program and Psychology (\$94,000). The Faculty will also receive an additional base allocation of \$100,000 as committed in last year's budget. The Faculty will also receive one Tier-2 CRC (\$90,000). Finally, a sum of \$600,000 is being converted from ECF to base.

Richard Ivey School of Business. As indicated earlier in this document, a new funding model is being introduced for the Ivey School in 2004-05. In this new model, funds equivalent to tuition revenue from all of Ivey's programs, funds equivalent to Ivey's share of all general purpose government operating grants, and funds equivalent to ECF for the pre-business courses will flow to the Ivey School's operating budget. In 2004-05, Ivey is also introducing an additional section of the HBA program which will result in additional revenues to the School.

The additional allocations to Ivey are \$9.9 million as shown in Table 6. Ivey assumes additional spending responsibilities and gives up transfers from the central budget, including the following items (with estimates of the values in 2004-05): expansion of the HBA program by a full section (\$1.4 million), undergraduate student aid (\$2.0 million), Ph.D. student aid (\$400,000), payment for services provided by the University (\$2.4 million), foregone funding for annual salary increases (\$300,000), foregone ECF (\$500,000), foregone ICF (\$100,000), and foregone PASF and capital allocations (\$300,000). Some of these items appear in other tables. For example, the \$2.0 million for undergraduate student aid appears in Table 7; Ivey receives no ECF, ICF, or PASF in 2004-05, as shown in Tables 13a, 13b, and 17; Ivey's incremental payment to UWO for services provided can be seen in Table 5. Ivey assumes all of the risk for variations in enrolment, and thus the ultimate net result of the budget model is uncertain. The University aims for a budget balance with Ivey; the actual balance in 2002-03 was \$1.6 million in favor of the University; in 2000-01, it was \$0.9 million in favor of Ivey.

The Centre for Women's Studies & Feminist Research. A sum of \$50,000 is being provided from round 1 and round 2 UPIF to support a limited-term faculty appointment.

Table 2 lists the UPIF recommendations from the first two rounds for the 4-year planning period, including the specific allocations for 2004-05. Table 6 summarizes the Faculties' base budget allocations for 2004-05. Tables 13a, 13b, and 14 show the projected ECF, ICF, and RISF funding that will provide substantial additional funding to Faculties in 2004-05 – over and above the base budget allocations shown in Table 6.

2. 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 six years ECF 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. Table 13a shows the 2003-04 ECF allocations totalling \$9.0 million, and projected total ECF of \$11.8 million – with \$3.1 million converted to base and \$8.7 million as in-year allocations.

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 were assigned a weight of 0.4, and ECF baselines were 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 housed 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)
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 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.

As of 2004-05, with the introduction of the new funding model for the Ivey School of Business (described earlier), enrolments/teaching in the Ivey School will not be eligible for ECF.

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.

Conversion of ECF Funds to Base Budget. It has been the 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), 2001-02 (\$1.6 million), 2002-03 (\$2.05 million), and 2003-04 (\$3.8 million). For 2004-05 it is being proposed that an additional \$3.05 million of ECF funding be incorporated into Faculty base budgets, as follows:

Proposed ECF to Base Conversion in 2004-05

Arts	\$ 400,000
Education	\$ 50,000
Engineering	\$ 600,000
Health Sciences	\$ 250,000
Medicine	\$ 500,000
Music	\$ 50,000
Science	\$ 600,000
Social Science	<u>\$ 600,000</u>
Total	\$3,050,000

These conversions, with those of the previous four years, represent a total transfer of \$12.25 million to Faculty base budgets over five years, in addition to the on-going levels of annual ECF.

Column f in Table 6 shows the \$3.05 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 f, it is important, therefore, to remember that in all cases, base budget transfers will be offset by a reduction in ECF for 2004-05 relative to that which otherwise would have been allocated; it may well be that these base budget transfers may reduce on-going ECF funding in 2004-05 below the 2003-04 level. Current estimates of 2004-05 enrolments and the associated ECF funds indicate that such an offset will occur in Arts, Education, Engineering, Science, and Social Science. The Provost's annual budget recommendation letter to the Faculties includes an estimate of the reduction in on-going ECF funds to the Faculties identified above. Line 16 of Table 6 shows the estimate of on-going ECF for 2004-05 (excluding the \$3.05 million converted to base budget) is \$8.7 million, about \$270,000 less than the level in 2003-04. In line 22, which adds ECF and ICF to the Faculty base budgets in line 15, total Faculty budgets increase by about \$14.6 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 A shows changes in WTUs since 1991-92. The Faculties are distributed into four groups according to the value of WTUs in 2003-04, 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 A shows percentage change in WTUs, budgets (measured as base budget + ECF), and budget per WTU between 1991-92 and 2003-04. 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 two Faculties which experienced reduction in enrolments/teaching (Arts 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.

3. Increased Cohort Fund (ICF)

In recognition of the substantial growth in enrolments in our first-entry undergraduate programs and the resulting teaching pressures facing our Faculties, **the Increased Cohort Fund (ICF)** was introduced in 2002-03.

The mechanism for the distribution of 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, only Nursing is in this group excluded from the ICF.
- The funding will be allocated as one-time funds in each of 2004-05 through 2006-07. The level of ICF in 2006-07 will be converted to base budget in 2007-08 (excluding the component transferred to the GTA budget in the Faculty of Graduate Studies).
- The overall level of the ICF in each of the next four years will be equal to 25% of the forecast for the following year's first-entry undergraduate component of the government's Accessibility Fund. Based on current estimates of enrolments and the Accessibility Fund, the ICF is being set at \$4.3 million for 2004-05.
- In recognition of the need for increased Graduate Teaching Assistants (GTAs) to support teaching needs associated with the increased undergraduate enrolments, 10% of the ICF (i.e. 10% of the \$4.3 million in 2004-05, or \$430,000) will be allocated to the GTA budget in the Faculty of Graduate Studies.
- The remaining 90% of the ICF (i.e. \$3.87 million in 2004-05) will be allocated to Faculties on a slip-year basis, as follows:
 - ▶ for 2004-05: 20% based on growth in full-time first-year enrolment over the 2000-01 level and 80% based on growth in total undergraduate course registrations over the 2000-01 level; and
 - ▶ for the years 2005-06 and 2006-07: 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 2004-05 ICF allocations will be based on growth (in first-year enrolments and overall undergraduate course registrations) in 2003-04 over the baseline year of 2000-01.

Table 13b summarizes the Faculty-specific one-time ICF allocations for 2004-05.

4. 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 17 outlines the initial recommended 2004-05 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 2003-04 is shown in Table 16.

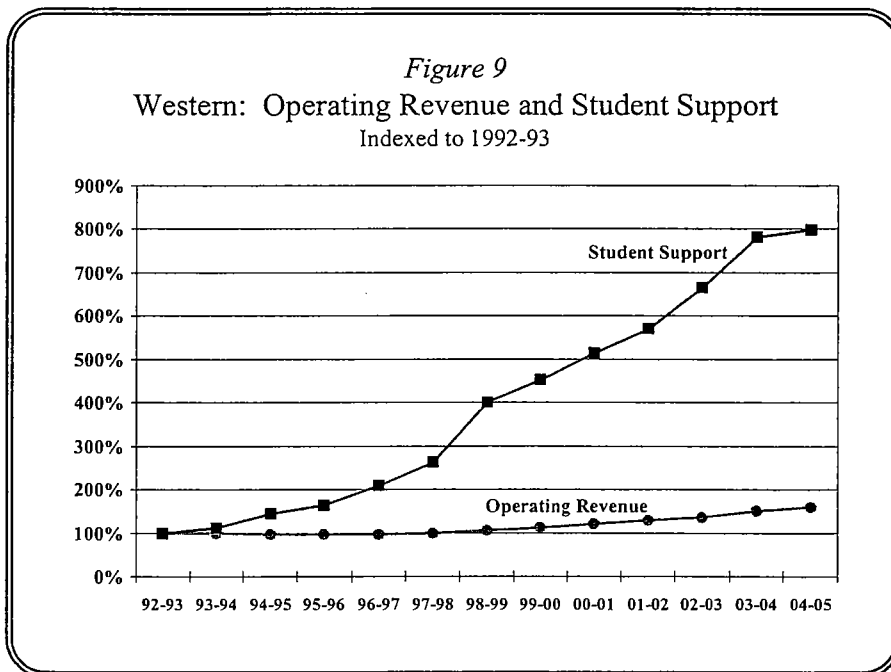
I. 2004-05 Scholarships and Bursaries

Base budget allocations for student support are shown in Table 7.

Undergraduate scholarship expenditures are projected to decline by \$455,000 in 2004-05 due to the restructuring of our scholarship program which will see the elimination of guaranteed scholarships for students with entering grades between 80% and 85% and the fact that our first year intake will decline to 4,510 in 2004-05.

The \$2 million reduction in the undergraduate tuition re-investment funding is an artificial change. This \$2 million is included in the allocation to the Ivey School in 2004-05 as part of its new funding model – and the Ivey School will direct the \$2 million to student financial aid.

Overall graduate student support funding is projected to increase by over \$640,000 in 2004-05, bringing the total to nearly \$16 million. The additional funds are the result of the University commitment to allocate 75% of graduate student tuition revenue (excluding self-funded programs) back to graduate student support.



J. 2004-05 Budget Recommendations for Support Units

Table 8 shows the 2004-05 base budget recommendations for Support Units. Final 2004-05 base budgets are the net result of the following:

- starting base budgets – committed last year as part of the multi-year plan;
- the initial budget adjustments established last year as part of the multi-year plan;
- UPIF allocations – both round 1 and new round 2 allocations;
- other base budget investments; and
- allocations from the Expansion-related Fund for Support Units.

1. UPIF and Other Base Allocations to the Support Units in 2004-05

Effective Writing Program. A sum of \$25,000 is being allocated from round 2 UPIF to support additional staffing to accommodate the increasing demand for the program.

Information Technology Services. A \$60,000 allocation from round 1 UPIF for staffing to support additional general university computer labs is being supplemented by \$167,000 from round 2 UPIF to support additional staffing in the areas of disaster recovery, information security, and instructional technology and course development services.

Libraries. A total of \$283,800 is being allocated from UPIF in support of additional staffing – \$100,000 from round 1 and \$183,800 from round 2 – in the areas of instructional support, digitization, and archives.

Registrar's Office. Round 1 UPIF allocation (\$90,000) for a central academic counselor and for student recruitment initiatives is being supplemented by an allocation of \$55,000 to hire an international recruitment officer.

Institutional Planning & Budgeting. A sum of \$100,000 is being allocated from round 2 UPIF for additional staffing to support information and media technology in the increasing number of classrooms at Western.

Financial Services. A \$70,000 allocation from round 1 UPIF for staffing in the Purchasing area is being supplemented by additional \$70,000 from round 2 UPIF for staffing in Research Accounting.

Human Resources. Staff Development is the primary area of UPIF investment – with \$130,000 from round 1 and \$145,000 from round 2. An additional allocation of \$75,000 from round 2 UPIF is being recommended in support of additional staffing in the area of Information Systems.

Physical Plant. The recommendations include: \$50,000 from round 1 UPIF for additional police/security services, \$312,300 from round 2 UPIF for additional staffing in the areas of

research equipment maintenance and policy/security services and various campus health & safety initiatives.

Research Western. A sum of \$100,000 from round 1 UPIF is being supplemented by \$35,000 from round 2 UPIF for additional staffing to support expanding research activities on campus. In addition, as indicated earlier, the Western Innovation Fund (WIF), the Faculty Scholar Program, and the Distinguished University Professorship Program are being introduced – under the leadership of the Vice-President (Research).

Communications and Public Affairs. A sum of \$100,000 from round 1 UPIF is being allocated for staff appointments that will support communications activities in the Faculties.

Development Office. A round 2 UPIF allocation (\$450,000) will maintain and enhance development staff levels in the Faculties. An additional base investment of \$400,000 is being recommended in order to substitute for foregone revenues resulting from the revisions to the endowment payout policies approved by the Board.

2. Expansion-related Funding

All aspects of Western's activities and infrastructure – enrolments/teaching, research activity, employment, and physical space – are in the midst of significant expansion. This expansion has a direct impact on the ability of our Support Units to maintain and enhance the various services they provide to the University community. In recognition of this, the Expansion-related Funding Mechanism was introduced last year as part of our four-year planning cycle. The mechanism is based on the following principles:

- funding should be based on growth in the various areas – i.e. enrolments, research activity, employment, and physical space;
- funding should be allocated annually as one-time funds as a function of growth in each of the four areas;
- at the end of the current four-year planning period, based on an assessment of the state of activity in the four areas, the Vice-Presidents could recommend that some or all of the funding be converted to base;
- the allocation mechanism should recognize the differential impact of growth in each of the four areas on the various support units. For example, growth in research activity will have a greater impact on the Finance Department than on the Registrar's Office; and
- the level of funding to be distributed in association with growth in each of the four areas should take into account already existing funding commitments (e.g. operating costs of new facilities, central funding of general university computer labs).

As shown in Table 15, the Expansion-related Fund is projected to increase by \$560,000 in 2004-05 to \$1.2 million – and will provide our Support Units with budgetary flexibility to pursue the priorities identified in their Operational Plans.

3. One-Time Allocations

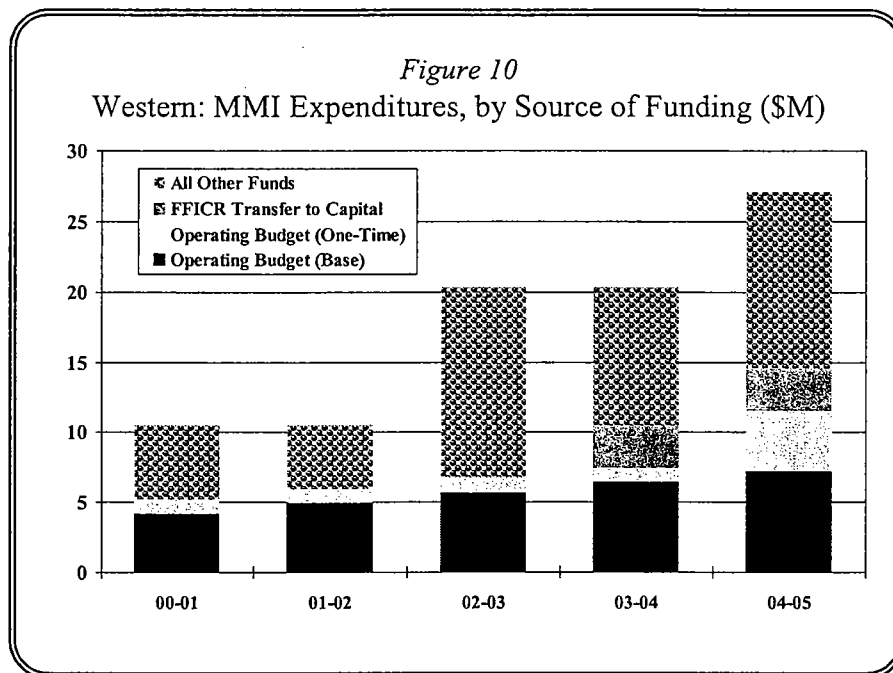
Finally, it should be noted that the Support Units will receive substantial one-time allocations in 2004-05 – specifically targeted towards priority initiatives. Table 10 lists the one-time allocations to Support Units.

Table 3 lists the UPIF recommendations from the first two rounds for the 4-year planning period, including the specific allocations for 2004-05. Table 8 summarizes the base budget allocations to Support Units for 2004-05. Table 15 shows unit-specific expansion-related funding allocations and Table 10 lists one-time allocations.

K. 2004-05 Corporate Expenditures

Table 9 summarizes the University's Corporate Expenditures – central expenses that extend across all areas of the University.

- The increase in Physical Plant *Utilities* is primarily due to the opening of new facilities in 2004-05.
- The University's commitment to *Library Acquisitions* continues with a 5% increase in 2004-05.
- As recommended in the University's Strategic Plan, the operating budget commitment to the capital budget in support of *Maintenance, Modernization, and Infrastructure (MMI)* is being increased by another \$750,000 – bringing the total allocation in 2004-05 to \$7.25 million. These funds will be used to support major building renovations, utilities and infrastructure upgrades, modernization of instructional and research facilities, and general maintenance and modernization such as roof replacement and interior/exterior painting. The University's ancillary units also provide additional support to deferred maintenance projects. Overall expenditures on deferred maintenance in 2004-05, which includes funds from sources other than the University's operating budget, total \$27.1 million -- and are detailed in Table 20 of the Capital Budget.
- The \$3 million *FFICR Transfer to Capital* continues as base funding and will fund research-related renovations projects. Over the coming years, this funding will be directed to major renovations in the Biological & Geological Sciences Building and the Physics & Astronomy Building.
- Western's new academic buildings will all be fully operational in 2004-05. These facilities, which were partially funded by the Province's SuperBuild Program, and Western's new childcare facility are being financed through bank loans. The financing of these capital loans will require annual transfers from the University's operating budget – and the 2004-05 *Operating Transfer to Capital Debt Financing* is estimated to be \$700,000.



- 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 7 of Table 9 (*CRC Transfer to SuperBuild*) 80% of this central overhead fund is being transferred to the Capital Budget in support of our new academic facilities – 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* -- which supports our corporate database systems and our major instructional technology systems, both hardware and software -- is being increased by 5% reflecting increased annual maintenance costs.
- The increase in *Insurance* costs is primarily due to the opening of new buildings on campus.
- *Corporate Contingency* is being set at \$1 million – 0.25% of Operating Revenues.
- Western attracts the best and brightest students as evidenced by the continued increase in the quality of our incoming class. *Student Recruitment* continues to be a University priority, and the base budget is being maintained at current levels. This base budget allocation is being supplemented by substantial one-time allocations in 2004-05.

- The substantial increase in the Operating Budget Support to *Intercollegiate Athletics* reflects the University's commitment to support our student athletes. The increased funding in 2004-05 will be transferred to our Athletics Program in the form of a National Championship Travel Fund – annual allocations will be a function of Western teams participating in national competitions.

L. One-Time Allocations in 2004-05

Table 10 lists the one-time allocations for 2004-05. These allocations, totalling more than \$11.7 million, include targetted funding for specific priority initiatives. Major items to note are:

- A sum of \$2.5 million is being transferred to the University's Capital Budget to support the major project aimed at modernization of the Biological & Geological Sciences Building. The renewal of this facility is essential to our recruitment of outstanding faculty in the sciences and to meet the demands of increased teaching and research. Our current multi-year budget plan includes a similar allocation in 2005-06, but this second allocation will be re-evaluated in the next planning cycle.
- As indicated earlier in this document, the initiative aimed at recruiting female members of faculty was very successful in its first year. A sum of \$1.5 million is being set aside for the funding program to provide 50% of the first year's salary and benefits of female tenured/probationary faculty members in the coming year.
- The \$1.1 million allocation to Campaign Western is derived from an administrative fee on endowments and donations (shown as fundraising revenue in Table 5, line 28) and not from general University operating revenues.
- The addition of general university computer labs in our new academic buildings and the need to upgrade equipment in existing labs will require a sum of \$981,000 in one-time funding.
- Demand for Organic Chemistry courses from students in many programs across campus continues to increase, and there is an urgent need to increase the number of instructional laboratories. A sum of \$940,000 is being allocated for the renovations necessary to create a new Organic Chemistry Lab.
- As a result of the significant expansion of our MD program, a new Clinical Skills Facility is being planned for construction in 2004-05. A sum of \$560,000 is being allocated to support this \$5.3 million facility; the project will in large part be funded through private donations, targetted government funding, and Faculty of Medicine & Dentistry sources.
- A final installment of \$500,000 is being allocated to support the upgrade of our PeopleSoft database systems in 2004-05, as indicated in last year's budget document. The funding

covers costs of hardware/software upgrades, temporary staffing in the functional units such as the Registrar's Office, Human Resources, and Financial Services, and training and development.

- A sum of \$500,000 is being allocated to the Vice-President Research to support research development and commercialization of intellectual property. The source of these funds is the income from Royalties and Licenses (shown in line 31 of Table 5).
- A commitment was made in the 2001-02 budget document to transfer a portion of the incremental Engineering tuition fee revenue to the Capital Budget in support of the expansion of the Thompson Engineering Building to create additional space for Engineering. In 2004-05 (year 4 of 10), a sum of \$445,000 is being allocated for this purpose.
- A sum of \$400,000 is being allocated to upgrade instructional technology equipment in our general university classrooms.
- The Faculty of Law is in urgent need of additional classrooms to accommodate the demand for courses offered in small group settings. A sum of \$400,000 is being allocated to renovate existing space in the Law Building to create additional classrooms.

In addition, as shown in Table 10, a sum of \$1.8 million is being allocated to our Support Units in support of targeted priority areas such as student recruitment, instructional support for faculty members, library enhancements, information technology infrastructure, campus security, communications, and development.

M. Summary

Table 11 summarizes the University's Operating Budget for 2004-05. Line 7 shows the provision of funding for anticipated cost increases, which is the net result of provision for employee salary increases and other non-salary costs.

The projected year-end positions for 2003-04 and 2004-05 are shown in line 15. In the current year, a surplus of \$7.6 million is expected; a deficit of \$2.0 million is projected for 2004-05. The Operating Reserve summarized in Table 12 is projected to be at \$12.9 million in 2004-05. As indicated earlier in this document, the multi-year budget plan will see the reserve decline over the planning period due to the planned annual deficits and is projected to be near the Board-mandated level of \$2.5 million at the end of the four-year planning period (i.e. in 2006-07).

N. Conclusions

The current planning process has featured more excitement and anticipation than those of recent years. The commitments to accessibility and quality funding made by the Provincial Government and the Federal Government's provision of indirect costs of research funding and continuation of the CRCs have allowed for critical faculty and staff appointments, now actually incremental to the replacements of retirements or resignations. We have been able to continue and expand other investments, beyond these critical appointments, aimed at enhancing the experiences of our students.

This relatively positive planning cycle paradoxically occurs within a context of serious uncertainty regarding the new Provincial Government's intentions. Our efforts must be directed in the coming months to convincing the Liberal government that its clear commitment to post-secondary education is no less critical now than it was during the election campaign. The commitment to post-secondary education should include the fulfillment of the financial arrangements agreed to by the preceding government, addressing the costs to the universities of the freeze on tuition fees, and full operating funding for additional graduate students and all currently unfunded students.

O. Future Issues

The 4-year plan provides a large part of the picture of annual budget allocations for 2005-06 and 2006-07. As long as the Provincial Government fulfills existing commitments that comprise the assumptions of the plan, the plan will unfold as expected. Moreover, some modest additional UPIF funding will be available to meet emerging opportunities in the final two years of the planning period. Failure on the part of the Province to fulfill any of the key funding commitments would necessitate a substantial reconsideration of our expenditure plans in the final two years of the plan and would pose a serious threat to our educational and scholarly objectives.

In addition to the immediate priorities described earlier in the document, a number of important issues emerged during this year's planning discussions that will feature prominently in the future plans:

The End of Terms of Canada Research Chairs. The earliest appointees to CRCs at Western will reach the end of their terms within the current 4-year planning period. Tier 1 Chairs have 7-year terms that can be renewed repeatedly. Tier 2 Chairs have 5-year terms than can be renewed once for an additional 5 years. Renewal is not automatic and requires approval by the Tri-council CRC Secretariat. Western must establish formal internal processes and standards for the review of appointees prior to the end of a term and must develop a process for the reallocation of CRCs where the appointee is not renewed for whatever reason, i.e. retirement, end of a second Tier 2 term, or failure to meet standards. Note that neither renewal nor reassignment to the same area of research is guaranteed as an outcome of the internal review.

The Vice-President (Research) will lead a process of consultation to develop these review procedures in the coming months.

Preparation for the Next 4-year Plan, 2007-08 to 2010-11. In order to provide adequate time for careful preparation of the next 4-year plan, the following preparatory activities will occur in the coming annual planning cycles:

Fall 2005 Planning Cycle. Each Faculty and non-academic unit will be asked to submit a revised Academic/Operational Plan. Processes within the units associated with these reviews will need to commence in the spring term of 2005.

Fall 2006 Planning Cycle. These Academic/Operational Plans will form the basis of the 4-year budgetary proposals submitted for the period 2007-08 to 2010-11.

Table 1
FOUR-YEAR OPERATING BUDGET OUTLOOK (\$M)

		2003-04	2004-05	2005-06	2006-07
1	REVENUES				
2	Government Grants				
3	Base Grants	126.6	126.6	126.6	126.6
4	Accessibility Fund and Tuition Offset Grants	22.2	24.9	28.5	27.8
5	Quality Assurance Fund	6.2	9.2	12.2	15.4
6	Federal Funding for Indirect Costs of Research	5.8	6.3	6.3	6.3
7	All Other	21.6	22.3	23.3	23.8
8	Total	182.4	189.3	196.9	199.9
9	Tuition Revenue	163.1	170.1	174.3	177.4
10	All Other Revenues				
11	Canada Research Chairs (CRCs)	4.9	6.9	10.6	10.6
12	Recoverable Salaries	20.4	20.8	21.3	21.8
13	Investment Income	0.0	0.0	4.0	4.0
14	All Other	18.7	22.3	23.6	24.8
15	Total	44.0	50.0	59.5	61.2
16	Total Revenues	389.5	409.4	430.7	438.5
17	EXPENDITURES				
18	Faculties				
19	Base Budgets (including UPIF)	221.5	233.8	236.8	235.2
20	Enrolment Contingent Fund (ECF)	9.0	8.7	10.5	11.3
21	Increased Cohort Fund (ICF)	2.9	4.3	4.6	4.3
22	Canada Research Chairs (CRCs)	4.2	6.0	9.2	9.2
23	Total	237.6	252.8	261.1	260.0
24	Scholarships and Bursaries	38.1	36.3	37.2	38.7
25	Support Areas				
26	Base Budgets (including UPIF)	55.3	57.3	58.4	58.4
27	Expansion-related Funding	0.6	1.2	1.4	1.4
28	Total	55.9	58.5	59.8	59.8
29	Corporate Expenditures	37.1	42.3	45.7	49.3
30	Provision for Cost Fluctuations	0.0	9.8	20.6	31.9
31	One-Time Allocations	13.2	11.7	8.9	6.6
32	Total Expenditures	381.9	411.4	433.3	446.3
33	REVENUES minus EXPENDITURES	7.6	(2.0)	(2.6)	(7.8)
34	OPERATING RESERVE				
35	Beginning Operating Reserve	7.3	14.9	12.9	10.3
36	Surplus / (Deficit) -- from Line 33 above	7.6	(2.0)	(2.6)	(7.8)
37	Ending Operating Reserve	14.9	12.9	10.3	2.5

Table 2
UPIF RECOMMENDATIONS FOR FACULTIES

		2003-04	2004-05	2005-06	2006-07	Total
Arts						
1	Round 1: Two Appointments in Visual Culture	75,000	75,000			150,000
2	Round 1: Appointment in Ethics				75,000	75,000
3	Total Round 1	75,000	75,000		75,000	225,000
4	Round 2: Joint Appointment -- Film/FIMS		40,000			40,000
5	Round 2: Appointment in Comparative Literature		80,000			80,000
6	Round 2: Director of Writing			100,000		100,000
7	Total Round 2		120,000	100,000		220,000
8	Total Round 1 + Round 2	75,000	195,000	100,000	75,000	445,000
Business						
9	Round 1: Research Data Centre	50,000				50,000
10	Round 1: Support for the HBA Program	170,000				170,000
11	Total Round 1	220,000				220,000
12	Round 2: Not Applicable (New Funding Model in 2004-05)					
13	Total Round 1 + Round 2	220,000	0	0	0	220,000
Education						
14	Round 1: Appointment in "On Line" Education			75,000		75,000
15	Round 2: Appointment in Family & Domestic Violence		128,000			128,000
16	Total Round 1 + Round 2	0	128,000	75,000	0	203,000

Table 2
UPIF RECOMMENDATIONS FOR FACULTIES

		2003-04	2004-05	2005-06	2006-07	Total
Engineering						
17	Round 1: Two Appointments in EDIS	100,000	100,000			200,000
18	Round 1: Female Faculty Recruitment	50,000				50,000
19	Round 1: WESERI		42,500			42,500
20	Total Round 1	150,000	142,500			292,500
21	Round 2: Two Appointments in Integrated Engineering		180,000			180,000
22	Total Round 1 + Round 2	150,000	322,500	0	0	472,500
Graduate Studies						
23	Round 1: None					
24	Round 2: Recruitment Officer		52,000			52,000
25	Round 2: TA Training Initiative		78,000			78,000
26	Total Round 2		130,000			130,000
27	Total Round 1 + Round 2	0	130,000	0	0	130,000
Health Sciences						
28	Round 1: Appointment in Research in Health Promotion		83,200			83,200
29	Round 1: Appointment in Qualitative Methods (OT)			83,200		83,200
30	Total Round 1		83,200	83,200		166,400
31	Round 2: Appointment in Women's Rural Health		103,000			103,000
32	Round 2: Appointment in Health Policy			88,000		88,000
33	Round 2: Interdisciplinary Research Initiative		11,000	11,000	5,000	27,000
34	Round 2: Appointment in Speech-Language Impairment			88,000		88,000
35	Round 2: Appointment in Exercise Psychology			84,000		84,000
36	Total Round 2		114,000	271,000	5,000	390,000
37	Total Round 1 + Round 2	0	197,200	354,200	5,000	556,400

Table 2
UPIF RECOMMENDATIONS FOR FACULTIES

		2003-04	2004-05	2005-06	2006-07	Total
Information & Media Studies						
38	Round 1: Two Appointments for Program Expansions	75,000		75,000		150,000
39	Round 2: Appointment to Support Program Expansions		75,000			75,000
40	Round 2: Joint Appointment -- Film/FIMS		40,000			40,000
41	Round 2: Joint Appointment -- Music/FIMS		40,000			40,000
42	Total Round 2		155,000			155,000
43	Total Round 1 + Round 2	75,000	155,000	75,000	0	305,000
Law						
44	Round 1: Senior Appointment in Business Law		100,000			100,000
45	Round 2: Supplement Senior Appointment in Business Law		30,000			30,000
46	Round 2: Electronic Research Support for Students		50,000			50,000
47	Total Round 2		80,000			80,000
48	Total Round 1 + Round 2	0	180,000	0	0	180,000
Medicine & Dentistry						
49	Round 1: Appointment in Neurodegeneration	89,195				89,195
50	Round 1: Appointment in Tissue Engineering	83,200				83,200
51	Round 1: Appointment in Outcomes Research		83,200			83,200
52	Round 1: Appointment in Cluster Randomization Trials			89,600		89,600
53	Total Round 1	172,395	83,200	89,600		345,195
54	Round 2: Appointment in Reproductive Biology		84,000			84,000
55	Round 2: Appointment in Molecular Neurobiology		97,000			97,000
56	Round 2: Appointment in Infectious Diseases		90,000			90,000
57	Total Round 2		271,000			271,000
58	Total Round 1 + Round 2	172,395	354,200	89,600	0	616,195

Table 2
UPIF RECOMMENDATIONS FOR FACULTIES

		2003-04	2004-05	2005-06	2006-07	Total
Music						
59	Round 1: Appointment in Performance (Voice)	75,000				75,000
60	Round 1: Appointment in Performance (Wind Conducting)				75,000	75,000
61	Total Round 1	75,000			75,000	150,000
62	Round 2: Admissions/Liaison Officer		58,000			58,000
63	Round 2: Joint Appointment -- Music/FIMS		40,000			40,000
64	Total Round 2		98,000			98,000
65	Total Round 1 + Round 2	75,000	98,000	0	75,000	248,000
Science						
66	Round 1: External Chair in Biology	140,000				140,000
67	Round 1: Career Development Officer	48,000				48,000
68	Round 1: WESERI		42,500			42,500
69	Round 1: Additional 18 GTAs	94,125	94,125			188,250
70	Total Round 1	282,125	136,625			418,750
71	Round 2: Three Lab Technician Positions		134,000			134,000
72	Round 2: Department Chair in Physics & Astronomy		145,000			145,000
73	Round 2: Appointment in Bio-informatics			71,000	35,000	106,000
74	Total Round 2		279,000	71,000	35,000	385,000
75	Total Round 1 + Round 2	282,125	415,625	71,000	35,000	803,750

Table 2
UPIF RECOMMENDATIONS FOR FACULTIES

	2003-04	2004-05	2005-06	2006-07	Total	
Social Science						
76	Round 1: Joint Appointment -- BACS/Sociology	76,800			76,800	
77	Round 1: Joint Appointment -- BACS/Economics		76,800		76,800	
78	Round 1: Senior Appointment in Bioarchaeology			96,000	96,000	
79	Total Round 1	76,800	76,800	96,000	249,600	
80	Round 2: Appointment in First Nations Studies		94,000		94,000	
81	Round 2: Joint Appointment -- BACS/Psychology		94,000		94,000	
82	Round 2: Joint Appointment -- BACS/Geography			94,000	94,000	
83	Round 2: Senior Appointment in Hazards (Geography)			128,000	128,000	
84	Round 2: Statcan Regional Data Centre			50,000	50,000	
85	Total Round 2		188,000	272,000	460,000	
86	Total Round 1 + Round 2	76,800	264,800	368,000	0	709,600
All Other						
87	Round 1: Female Faculty Recruitment	50,000	50,000	50,000	50,000	200,000
88	Round 1: LT Appointment in Women's Studies		30,000			30,000
89	Total Round 1	50,000	80,000	50,000	50,000	230,000
90	Round 2: Supplement LT Appointment in Women's Studies		20,000			20,000
91	Total Round 2		20,000			20,000
92	Total Round 1 + Round 2	50,000	100,000	50,000	50,000	250,000
Total						
93	Total Round 1	1,176,320	777,325	468,800	200,000	2,622,445
94	Total Round 2	0	1,763,000	714,000	40,000	2,517,000
95	Unallocated			17,200	960,000	977,200
96	Total Round 1 + Round 2	1,176,320	2,540,325	1,200,000	1,200,000	6,116,645

Table 3
UPIF RECOMMENDATIONS FOR SUPPORT UNITS

		2003-04	2004-05	2005-06	2006-07	Total
Information Technology Services						
1	Round 1: Staffing for Backbone/Network	74,500				74,500
2	Round 1: Staffing for Add'l GU Computer Labs		60,000			60,000
3	Round 1: Staffing for Expansion of IT Activities			60,000	60,000	120,000
4	Total Round 1	74,500	60,000	60,000	60,000	254,500
5	Round 2: Staffing for Core Svcs & Disaster Rcvry		75,000			75,000
6	Round 2: Staffing to Support UWO Portal		60,000			60,000
7	Round 2: Hire Students in ITRC		32,000			32,000
8	Total Round 2		167,000			167,000
9	Total Round 1 + Round 2	74,500	227,000	60,000	60,000	421,500
Libraries						
10	Round 1: Electronic Resource Librarian	54,700				54,700
11	Round 1: Information Literacy Coordinator	55,800				55,800
12	Round 1: Instructional Librarian		45,300			45,300
13	Round 1: III Coordinator Librarian		54,700			54,700
14	Round 1: AARC Staff Appt (SG14)			54,700		54,700
15	Round 1: Innopac Non-Salary Support				50,000	50,000
16	Total Round 1	110,500	100,000	54,700	50,000	315,200
17	Round 2: ARCC Production/Svcs Assistant		48,600			48,600
18	Round 2: ARCC Digital Records Archivist		56,600			56,600
19	Round 2: ARCC Non-Textual Archives Archivist		48,600			48,600
20	Round 2: Digitization Program		30,000			30,000
21	Total Round 2		183,800			183,800
22	Total Round 1 + Round 2	110,500	283,800	54,700	50,000	499,000

Table 3
UPIF RECOMMENDATIONS FOR SUPPORT UNITS

		2003-04	2004-05	2005-06	2006-07	Total
Registrar's Office and EDO						
23	Round 1: Central Academic Counsellors (2)	65,000	65,000			130,000
24	Round 1: Out of Province School Visits		25,000	25,000		50,000
25	Round 1: Support for Student Exchange Office			46,800		46,800
26	Round 1: International Recruitment Initiatives				50,000	50,000
27	Total Round 1	65,000	90,000	71,800	50,000	276,800
28	Round 2: International Recruitment Officer		55,000			55,000
29	Total Round 1 + Round 2	65,000	145,000	71,800	50,000	331,800
Institutional Planning & Budgeting						
30	Round 1: Staffing for Data Warehousing Initiative			63,500		63,500
31	Round 2: Staffing for Classroom Technology		100,000			100,000
32	Total Round 1 + Round 2	0	100,000	63,500	0	163,500
Effective Writing Program						
33	Round 1: None					0
34	Round 2: Additional Staffing		25,000			25,000
35	Total Round 1 + Round 2	0	25,000	0	0	25,000
Financial Services						
36	Round 1: Systems Staffing (SG17)	75,000				75,000
37	Round 1: Purchasing Staffing (SG15)		70,000			70,000
38	Total Round 1	75,000	70,000			145,000
39	Round 2: Staffing in Research Accounting		70,000			70,000
40	Total Round 1 + Round 2	75,000	140,000	0	0	215,000

Table 3
UPIF RECOMMENDATIONS FOR SUPPORT UNITS

		2003-04	2004-05	2005-06	2006-07	Total
Human Resources						
41	Round 1: Wellness Information Coordinator	70,000				70,000
42	Round 1: Staff Career Development Coach		80,000			80,000
43	Round 1: Staff Development Conference			60,000		60,000
44	Round 1: Staff Development Initiatives		50,000			50,000
45	Round 1: Staff Recognition Programs				25,000	25,000
46	Total Round 1	70,000	130,000	60,000	25,000	285,000
47	Round 2: Learning & Development Resources		145,000			145,000
48	Round 2: E-Application Systems Developer		75,000			75,000
49	Total Round 2		220,000			220,000
50	Total Round 1 + Round 2	70,000	350,000	60,000	25,000	505,000
Physical Plant						
51	Round 1: Inspections Work	50,000		25,000	25,000	100,000
52	Round 1: Police/Security Services	55,000	50,000			105,000
53	Total Round 1	105,000	50,000	25,000	25,000	205,000
54	Round 2: Maintenance of Research Equipment		150,000			150,000
55	Round 2: Security Services – After-hours Contract		120,000			120,000
56	Round 2: Emergency Preparedness		8,000			8,000
57	Round 2: Operating Cost of Clinical Skills Facility		14,000			14,000
58	Round 2: West Nile Virus Spraying Program		15,000			15,000
59	Round 2: Nuclear Materials Storage Security		5,300			5,300
60	Total Round 2		312,300			312,300
61	Total Round 1 + Round 2	105,000	362,300	25,000	25,000	517,300

Table 3
UPIF RECOMMENDATIONS FOR SUPPORT UNITS

		2003-04	2004-05	2005-06	2006-07	Total
Vice-President (Research)						
62	Round 1: Additional Staff Positions	100,000	100,000	100,000	100,000	400,000
63	Round 2: Distinguished University Professorship Program		60,000			60,000
64	Round 2: Faculty Scholar Program		105,000			105,000
65	Round 2: 50% of Data/Communications Analyst		35,000			35,000
66	Total Round 2		200,000			200,000
67	Total Round 1 + Round 2	100,000	300,000	100,000	100,000	600,000
Vice-President (External)						
68	Round 1: Funding to Maintain Staffing Levels	100,000	100,000	100,000	100,000	400,000
69	Round 2: Faculty-specific Development/Communications Officers		450,000			450,000
70	Total Round 1 + Round 2	100,000	550,000	100,000	100,000	850,000
Total All Units						
71	Grand Total Support Units					
72	Round 1	700,000	700,000	535,000	410,000	2,345,000
73	Round 2		1,783,100			1,783,100
74	Unallocated			165,000	290,000	455,000
75	Total	700,000	2,483,100	700,000	700,000	4,583,100

Table 4
TENTATIVE CRC ALLOCATIONS -- by Faculty (Cumulative)

		2002-03 Actual-to-Date						2003-04						2004-05						2005-06					
		Tier 1		Tier 2		Total		Tier 1		Tier 2		Total		Tier 1		Tier 2		Total		Tier 1		Tier 2		Total	
		N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$	N	\$
1	Arts	1	170,000	1	90,000	2	260,000	1	170,000	1	90,000	2	260,000	1	170,000	1	90,000	2	260,000	3	510,000	1	90,000	4	600,000
2	Business																			1	170,000			1	170,000
3	Education																								
4	Engineering			1	90,000	1	90,000			1	90,000	1	90,000	2	340,000	1	90,000	3	430,000	3	510,000	4	360,000	7	870,000
5	Health Sciences							1	170,000			1	170,000	1	170,000			1	170,000	1	170,000	2	180,000	3	350,000
6	Info & Media Studies							1	170,000			1	170,000	1	170,000			1	170,000	1	170,000			1	170,000
7	Law																								
8	M&D: Dentistry																								
9	M&D: Medicine	4	680,000	5	450,000	9	1,130,000	7	1,190,000	5	450,000	12	1,640,000	12	2,040,000	6	540,000	18	2,580,000	14	2,380,000	15	1,350,000	29	3,730,000
10	Music																								
11	Science	2	340,000	3	270,000	5	610,000	4	680,000	6	540,000	10	1,220,000	5	850,000	8	720,000	13	1,570,000	8	1,360,000	12	1,080,000	20	2,440,000
12	Social Science	1	170,000	2	180,000	3	350,000	3	510,000	2	180,000	5	690,000	3	510,000	3	270,000	6	780,000	3	510,000	4	360,000	7	870,000
13	Unallocated																								
14	Total to Faculties	8	1,360,000	12	1,080,000	20	2,440,000	17	2,890,000	15	1,350,000	32	4,240,000	25	4,250,000	19	1,710,000	44	5,960,000	34	5,780,000	38	3,420,000	72	9,200,000
15	Total CRC Funding		1,600,000		1,200,000		2,800,000		3,400,000		1,500,000		4,900,000		5,000,000		1,900,000		6,900,000		6,800,000		3,800,000		10,600,000

Table 5
2004-05 OPERATING REVENUES

		2003-04 Budget Forecast (@ Feb 29, 2004) (1)	2004-05 Budget (2)	Increase / (Decrease) Amount (3)	% Change (2) to (1)
1	Government Grants				
2	Base Grants	126,555,280	126,555,280	0	0.0%
3	Accessibility Fund and Tuition Offset Grants	22,190,761	24,927,078	2,736,317	12.3%
4	<i>Sub-Total Base, Accessibility, and Tuition Offset Grants</i>	<i>148,746,041</i>	<i>151,482,358</i>	<i>2,736,317</i>	<i>1.8%</i>
5	Quality Assurance Fund	6,239,516	9,243,000	3,003,484	48.1%
6	Performance Fund	2,144,160	2,144,160	0	0.0%
7	Program Expansion Grants	7,945,970	8,589,005	643,035	8.1%
8	Research Infrastructure Grant	2,785,419	2,785,419	0	0.0%
9	Research Performance Fund	1,018,000	1,000,000	(18,000)	-1.8%
10	Federal Funding for Indirect Costs of Research	5,800,000	6,300,000	500,000	8.6%
11	MTCU Student Bursary Grant	1,383,834	1,383,834	0	0.0%
12	Targetted Government Grants	6,314,960	6,352,872	37,912	0.6%
13	Sub-Total Government Grants	182,377,900	189,280,648	6,902,748	3.8%
14	Tuition Revenue				
15	Undergraduate	121,339,718	127,264,145	5,924,427	4.9%
16	Graduate	16,245,132	17,678,287	1,433,155	8.8%
17	<i>Sub-Total Regular Programs</i>	<i>137,584,850</i>	<i>144,942,432</i>	<i>7,357,582</i>	<i>5.3%</i>
18	MBA and Executive MBA	21,200,000	20,791,000	(409,000)	-1.9%
19	International Medical and Dental Students	2,797,584	2,797,584	0	0.0%
20	<i>Sub-Total Self-Funded Programs</i>	<i>23,997,584</i>	<i>23,588,584</i>	<i>(409,000)</i>	<i>-1.7%</i>
21	Miscellaneous Fees	1,530,000	1,615,000	85,000	5.6%
22	Sub-Total Tuition Revenue	163,112,434	170,146,016	7,033,582	4.3%
23	Other Revenues				
24	Canada Research Chairs (CRCs)	4,900,000	6,900,000	2,000,000	40.8%
25	Transfer from Affiliated Colleges	3,340,985	4,200,989	860,004	25.7%
26	Recoverable Salaries	20,377,705	20,834,660	456,955	2.2%
27	Investment Income	0	0	0	***
28	Fundraising - Unrestricted	1,410,000	1,090,000	(320,000)	-22.7%
29	Application Fees	971,937	812,240	(159,697)	-16.4%
30	Research Overheads	1,500,000	1,600,000	100,000	6.7%
31	Royalties and Licences	317,000	500,000	183,000	57.7%
32	Contributions from Self-Funded & Ancillary Operations	9,928,591	13,580,000	3,651,409	36.8%
33	Miscellaneous Revenues	1,250,000	500,000	(750,000)	-60.0%
34	Sub-Total Other Revenues	43,996,218	50,017,889	6,021,671	13.7%
35	TOTAL REVENUES	389,486,552	409,444,553	19,958,001	5.1%

**Table 6
FACULTIES
2004-05 BASE BUDGETS**

	<a>		<c>	<d>	<e>	<f>	<g>	<h>
	2003-04 Base Budget (@ Feb 29, 2004)	Initial Budget Adjustment	Faculty Turnover Recovery	UPIF	Other Base Investments	ECF to Base Conversions	Canada Research Chairs	Resulting 2004-05 Base Budget
1	<i>Faculties</i>							
2	Arts	15,344,917	(398,028)	(124,485)	195,000	62,500	400,000	15,479,904
3	Education	7,314,954	(204,015)		128,000		50,000	7,288,939
4	Engineering	13,314,690	(337,823)	(50,867)	322,500		600,000	14,188,500
5	Graduate Studies	901,421	(25,506)		130,000			1,005,915
6	Health Sciences	14,464,365	(388,535)	(48,303)	197,200	269,213	250,000	14,743,940
7	Information & Media Studies	4,827,437	(122,253)	(29,973)	155,000			4,830,211
8	Law	5,032,484	(127,022)		180,000			5,085,462
9	Medicine & Dentistry	32,686,144	(827,342)	(46,798)	354,200	498,983	500,000	34,105,187
10	Music	5,590,691	(148,258)	(104,906)	98,000	37,500	50,000	5,523,027
11	Science	33,216,997	(869,124)	(494,918)	415,625	100,000	600,000	33,318,580
12	Social Science	29,130,276	(756,239)	(460,945)	264,800	100,000	600,000	28,967,892
13	<i>Sub-Total Faculties (excluding Business)</i>	<i>161,824,376</i>	<i>(4,204,145)</i>	<i>(1,361,195)</i>	<i>2,440,325</i>	<i>1,068,196</i>	<i>3,050,000</i>	<i>164,537,557</i>
14	Business	28,535,866				9,919,813		38,455,679
15	<i>Sub-Total Faculties</i>	<i>190,360,242</i>	<i>(4,204,145)</i>	<i>(1,361,195)</i>	<i>2,440,325</i>	<i>10,988,009</i>	<i>3,050,000</i>	<i>202,993,236</i>
16	Enrolment Contingent Fund (ECF)	9,012,916				(272,436)		8,740,480
17	Increased Cohort Fund (ICF)	2,900,000				1,400,000		4,300,000
18	Research Infrastructure Support Fund (RISF)					750,000		750,000
19	Faculty Recruitment and Retention	50,000			50,000			100,000
20	Ctr. for Women's Studies and Feminist Research	257,159			50,000			307,159
21	Collaborative Graduate Interdisciplinary Programs	194,924	(5,778)					189,146
22	<i>Total -- with ECF and ICF</i>	<i>202,775,241</i>	<i>(4,209,923)</i>	<i>(1,361,195)</i>	<i>2,540,325</i>	<i>12,865,573</i>	<i>3,050,000</i>	<i>217,380,021</i>
23	<i>All Other</i>							
24	Provost's Academic Support Fund	2,076,462						2,076,462
25	Academic Development Fund	1,000,000						1,000,000
26	Summer/Distance Course Stipends	2,422,364				133,848		2,556,212
27	Continuing Studies: Trois-Pistoles	728,604				70,146		798,750
28	Education: Continuing Education for Teachers	4,335,040				(8,030)		4,327,010
29	Medicine and Dentistry: International Students	2,797,584						2,797,584
30	Faculty Share of Research Overheads	750,000				50,000		800,000
31	Medicine: Primary Care	349,805						349,805
32	Recoverable Salaries: T&R and Other	20,351,705				482,955		20,834,660
33	<i>Sub-Total</i>	<i>34,811,564</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>728,919</i>	<i>0</i>	<i>35,540,483</i>
34	Total Academic Units	237,586,805	(4,209,923)	(1,361,195)	2,540,325	13,594,492	3,050,000	252,920,504

Table 7
SCHOLARSHIPS and BURSARIES
2004-05 BASE BUDGETS

	<a>		<c>
	2003-04 Base Budget (@ Feb 29, 2004)	Adjustments	Resulting 2004-05 Base Budget
1	<i>Undergraduate Student Support</i>		
2	6,219,953	(455,565)	5,764,388
3	2,732,844	2,156	2,735,000
4	250,375		250,375
5	76,170		76,170
6	1,383,834		1,383,834
7	12,131,005	(2,022,811)	10,108,194
8	<i>22,794,181</i>	<i>(2,476,220)</i>	<i>20,317,961</i>
9	<i>Graduate Student Support</i>		
10	600,000		600,000
11	8,700,835	666,700	9,367,535
12	5,280,655		5,280,655
13	745,390	(25,484)	719,906
14	<i>15,326,880</i>	<i>641,216</i>	<i>15,968,096</i>
15	Total Scholarships and Bursaries	(1,835,004)	36,286,057

** 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 8
SUPPORT AREAS
2004-05 BASE BUDGETS

	<a>		<c>	<d>	<e>
	2003-04 Base Budget (@ Feb 29, 2004)	Initial Budget Adjustment	UPIF	Other Base Investments	Resulting 2004-05 Base Budget
1	<i>Reporting to the Provost</i>				
2	Teaching Support Centre	290,515	(6,706)		283,809
3	Effective Writing Program	191,023		25,000	216,023
4	Information Technology Services	4,785,344	(133,922)	227,000	4,878,422
5	Libraries	10,236,197	(289,168)	283,800	10,230,829
6	Registrar's Office	4,154,405	(116,862)	145,000	4,182,543
7	Institutional Planning and Budgeting	3,540,819	(93,215)	100,000	3,547,604
8	<i>Sub-Total</i>	<i>23,198,303</i>	<i>(639,873)</i>	<i>780,800</i>	<i>23,339,230</i>
9	<i>Reporting to the Vice-President Administration</i>				
10	Financial Services	3,140,767	(96,368)	140,000	3,184,399
11	Human Resources	4,003,389	(97,159)	350,000	4,256,230
12	Staff/Faculty Health Services	118,153			118,153
13	Physical Plant	14,059,437	(323,134)	362,300	14,373,603
14	Internal Audit	104,305			104,305
15	<i>Sub-Total</i>	<i>21,426,051</i>	<i>(516,661)</i>	<i>852,300</i>	<i>22,036,690</i>
16	<i>Reporting to the Vice-President Research</i>				
17	Animal Care/Vet Services - Subsidy	500,000			500,000
18	Research Western	1,737,885	(46,869)	135,000	1,826,016
19	Research Promotion Fund	375,000			375,000
20	Small Grants Support for A/Hum/SS	250,000			250,000
21	Western Innovation Fund			250,000	250,000
22	Faculty Scholars & Distinguished University Professors			165,000	165,000
23	<i>Sub-Total</i>	<i>2,862,885</i>	<i>(46,869)</i>	<i>300,000</i>	<i>3,366,016</i>
24	<i>Reporting to the Vice-President External</i>				
25	Advancement Services	706,894	(20,418)		686,476
26	Communications and Public Affairs	1,393,366	(28,436)	100,000	1,464,930
27	Alumni Relations	1,024,551	(37,474)		987,077
28	Development	789,102	(21,667)	450,000	1,617,435
29	McIntosh Gallery - Subsidy	167,296	(4,784)		162,512
30	<i>Sub-Total</i>	<i>4,081,209</i>	<i>(112,779)</i>	<i>550,000</i>	<i>4,918,430</i>
31	<i>General Administration</i>				
32	Offices of the President/Vice-Presidents	3,120,685			3,120,685
33	University Secretariat	543,411			543,411
34	<i>Sub-Total</i>	<i>3,664,096</i>			<i>3,664,096</i>
35	<i>Expansion-related Funding</i>	<i>631,562</i>		<i>560,881</i>	<i>1,192,443</i>
36	Total Support Areas	55,864,106	(1,316,182)	2,483,100	58,516,905

Table 9
CORPORATE EXPENDITURES and EMPLOYEE BENEFIT COSTS
2004-05 BASE BUDGETS

	<a>		<c>	<d>
	2003-04 Base Budget (@ Feb 29, 2004)	New Investment	Other Changes	Resulting 2004-05 Base Budget
1	Utilities	12,126,320	1,313,580	13,439,900
2	Library Acquisitions	10,379,782	518,989	10,898,771
3	Deferred Maintenance: Operating	6,500,000	750,000	7,250,000
4	Deferred Maintenance: Ancillaries	600,000		600,000
5	FFICR Transfer to Capital	3,000,000		3,000,000
6	Operating Transfer to Capital Debt Financing	0	700,000	700,000
7	CRC Transfer to SuperBuild	528,000	224,000	752,000
8	University Systems Replacement Fund	1,790,000	89,500	1,879,500
9	Property Taxes	1,704,825	59,175	1,764,000
10	Insurance	950,000	200,000	1,150,000
11	Corporate Contingency	949,061	74,550	1,023,611
12	Accessibility for the Disabled	705,317		705,317
13	Professional Fees	600,000		600,000
14	Institutional Memberships	560,000	15,000	575,000
15	Student Recruitment	450,000		450,000
16	Costs Associated with Employee Contracts	204,240		204,240
17	Athletic Injury Clinic - Subsidy	171,556	4,901	176,457
18	Convocation and Diplomas	170,900		170,900
19	Inter-Collegiate Athletics - Subsidy	55,000	75,000	130,000
20	Ombudsperson	77,835		77,835
21	University Surveys and Teaching Evaluations	75,000		75,000
22	Centre for Research on Violence Against Women and Children - Subsidy	55,000		55,000
23	London Museum of Archaeology - Subsidy	40,000		40,000
24	Total Corporate Expenditures	41,692,836	2,896,069	1,128,626
				45,717,531
25	Employee Benefit Plan Costs	62,119,851		3,364,852
26	Employee Benefit Recoveries	(66,720,335)		(2,215,665)
27	Net Employee Benefits	(4,600,484)		1,149,187
				(3,451,297)
28	Net Corporate Expenditures	37,092,352	2,896,069	2,277,813
				42,266,234

Table 10
2004-05 ONE-TIME ALLOCATIONS

1	Biological & Geological Building Renovations Project	2,500,000
2	Female Faculty Recruitment	1,500,000
3	Campaign Western	1,090,000
4	ITS: General University Computer Lab Upgrades and New Labs	981,000
5	Science: Creation of Additional Organic Chemistry Lab	940,000
6	Medicine: Clinical Skills Facility	560,000
7	Upgrade to PeopleSoft 8/9	500,000
8	Vice-President Research: Support for Research Initiatives	500,000
9	Engineering: Investment in Facilities (Year 4 of 10)	445,000
10	Classroom Technology Upgrades	400,000
11	Law: Renovations to Create Classrooms	400,000
12	Vice-President External: Communications and Development Initiatives	180,000
13	Physical Plant: Alarm Monitoring, Emergency Preparedness, and Process Re-Engineering	151,000
14	Communications and Public Affairs: University Advertising	150,000
15	Registrar's Office: Upgrade Recruitment Material	150,000
16	Registrar's Office: Increased Cohort Related Costs	142,455
17	Human Resources: Federal Contractors Program and Process Re-Engineering	125,000
18	Registrar's Office: High School Visits and On-Campus Recruitment Activities	113,700
19	Health Sciences: Targetted Government Graduate Nursing Expansion Funding	112,233
20	Libraries: Digitization Hardware/Software and Digitization of Dissertations/Theses	111,000
21	Registrar's Office: Undergraduate Curriculum Reform	101,700
22	ITS: Wireless Technology Initiatives	100,000
23	ITS: Hardware/Software Upgrades in the ITRC	65,000
24	Vice-President Research: Animal Care and Veterinary Services Subsidy	60,000
25	Libraries: Wired/Wireless Network and Public PC Replacement	55,000
26	Registrar's Office: Summer Academic Orientation	50,000
27	Teaching Support Centre: Turn-it-in Software and Teaching Support Initiatives	47,200
28	Libraries: IT Equipment for the Teaching Support Centre	45,000
29	Registrar's Office: Website Upgrade	40,000
30	Teaching Support Centre: On-line Program Development in Nursing	40,000
31	ITS: Internet Bandwidth Purchase	37,000
32	Physical Plant: Training and Equipment for Campus Police	15,000
33	Total One-Time Allocations	11,707,288

Table 11

SUMMARY OF OPERATING BUDGET: 2004-05

	<a>		<c>	
	2003-04 Budget (@ Feb 29, 2004)	2004-05 Budget	\$ Change from 2003-04	
1	Total Revenues (Table 5)	389,486,552	409,444,553	19,958,001
2	Expenditure Budgets			
3	Faculties (Table 6)	237,586,805	252,920,504	15,333,699
4	Scholarships and Bursaries (Table 7)	38,121,061	36,286,057	(1,835,004)
5	Support Areas (Table 8)	55,864,106	58,516,905	2,652,799
6	Corporate Expenditures (Table 9)	37,092,352	42,266,234	5,173,882
7	Provision for Cost Fluctuations	0	9,786,767	9,786,767
8	One-Time Allocations	13,199,474	11,707,288	(1,492,186)
9	Sub-Total	381,863,798	411,483,755	29,619,957
10	Carryforward from Previous Year	24,448,909	38,000,000	13,551,091
11	(Under)/Over Spending	(38,000,000)	(28,000,000)	
12	Total Expenditures	368,312,707	421,483,755	43,171,048
13	Surplus / (Deficit) before Reserve Transfer	21,173,845	(12,039,202)	
14	Transfer (to)/from Carryforward Reserve	(13,551,091)	10,000,000	
15	Surplus / (Deficit) after Reserve Transfer	7,622,754	(2,039,202)	
16	Carryforward Reserve:			
17	Carryforward from Previous Year	24,448,909	38,000,000	
18	Transfer (to)/from Operating Budget	13,551,091	(10,000,000)	
19	Year-End Carryforward Reserve	38,000,000	28,000,000	

Table 12

PROJECTED VALUE OF OPERATING RESERVE AT YEAR-END

	2003-04 Budget Forecast (@ Feb 29, 2004)	2004-05 Budget
<i>Beginning Operating Reserve Balance</i>	7,293,352	14,916,106
Surplus / (Deficit) -- from Table 11, line 15	7,622,754	(2,039,202)
<i>Closing Operating Reserve Balance</i>	14,916,106	12,876,904
Operating Reserve Target	2,500,000	2,500,000

Table 13a

ENROLMENT CONTINGENT FUND (ECF) ALLOCATIONS: Actual 2003-04 and Projected 2004-05

		Actual 2003-04						Projected 2004-05			
		Converted to Base	ECF Baseline	Actual WTUs	WTUs minus Baseline	ECF Funds @ \$1500/WTU	Cross-Faculty Teaching Adjustment	Total ECF Allocation	Converted to Base	In-Year ECF Allocation	Total ECF Allocation
1	Arts	\$750,000	6,681.2	7,331.6	650.4	975,600	106,140	\$1,081,740	\$400,000	\$979,387	\$1,379,387
2	Business	\$200,000	2,106.9	2,401.1	294.2	441,300	0	\$441,300			
3	Education	\$100,000	1,916.6	2,180.4	263.8	395,700	0	\$395,700	\$50,000	\$310,500	\$360,500
4	Engineering	\$500,000	3,261.9	4,169.7	907.8	1,361,700	(25,680)	\$1,336,020	\$600,000	\$1,050,111	\$1,650,111
5	Health Sciences	\$300,000	4,250.9	4,610.6	359.7	539,550	(71,190)	\$468,360	\$250,000	\$489,186	\$739,186
6	Information & Media Studies	\$100,000	1,297.6	1,572.1	274.5	411,750	6,000	\$417,750	\$0	\$540,945	\$540,945
7	Law	\$0	948.2	1,084.1	135.9	203,850	2,278	\$206,128	\$0	\$272,657	\$272,657
8	Medicine & Dentistry (Dentistry)	\$0	642.6	706.7	64.1	96,150	0	\$96,150	\$0	\$91,350	\$91,350
9	Medicine & Dentistry (Medicine)	\$250,000	5,574.0	6,125.9	551.9	827,850	(5,910)	\$821,940	\$500,000	\$1,040,294	\$1,540,294
10	Music	\$100,000	1,166.3	1,343.1	176.8	265,200	0	\$265,200	\$50,000	\$370,710	\$420,710
11	Science	\$500,000	11,511.5	12,400.8	889.3	1,333,950	(98)	\$1,333,852	\$600,000	\$1,115,829	\$1,715,829
12	Social Science	\$1,000,000	13,069.7	14,082.5	1,012.8	1,519,200	9,626	\$1,528,826	\$600,000	\$1,509,566	\$2,109,566
13	Graduate Interdisciplinary Programs	\$0	181.0	558.6	377.6	566,400	0	\$566,400		\$918,150	\$918,150
14	Sub-Total	\$3,800,000	52,608.4	58,567.2		8,938,200	21,166	\$8,959,366	\$3,050,000	\$8,688,685	\$11,738,685
15	Women's Studies		n/a	Funding provided for 15% of 237.8 WTUs			0	\$53,550		\$51,795	\$51,795
16	Writing Program		n/a								
17	Total							\$9,012,916	\$3,050,000	\$8,740,480	\$11,790,480

Table 13b

INCREASED COHORT FUND (ICF) ALLOCATIONS: Actual 2003-04 and 2004-05

		Baselines (2000-01)		Actual 2003-04		Growth Over Baseline		Share of Growth		Actual 2004-05 Allocation			Actual 2003-04 Allocation
		Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Year 1	FCE CR	Total	
										\$774,000	\$3,096,000	\$3,870,000	
1	Arts	397	13,081	345	15,291	0	2,210	0.0%	18.4%	0	568,286	\$568,286	\$375,792
2	Business (non-HBA courses)											\$0	\$61,518
3	Engineering	450	5,785	429	5,878	0	93	0.0%	0.8%	0	23,914	\$23,914	\$0
4	Health Sciences	650	5,358	727	5,630	77	272	12.7%	2.3%	98,672	69,943	\$168,615	\$106,631
5	Information and Media Studies	140	1,566	253	1,979	113	413	18.7%	3.4%	144,805	106,200	\$251,005	\$244,302
6	Medicine (BHS courses)	0	3,267	0	4,569	0	1,302	0.0%	10.8%	0	334,800	\$334,800	\$78,647
7	Music	125	2,318	152	2,807	27	489	4.5%	4.1%	34,599	125,743	\$160,342	\$45,113
8	Science	1,001	22,632	1,306	25,445	305	2,813	50.5%	23.4%	390,844	723,343	\$1,114,187	\$428,090
9	Social Science	1,411	26,013	1,493	30,461	82	4,448	13.6%	36.9%	105,079	1,143,772	\$1,248,851	\$1,269,907
10	Sub-Total	4,174	80,020	4,705	92,060	604	12,040	100.0%	100.0%	773,999	3,096,001	\$3,870,000	\$2,610,000
11	GTA Budget	<i>The Faculty of Graduate Studies will receive 10% of total Increased Cohort Funds for additional GTA support.</i>										\$430,000	\$290,000
12	Total Funds	<i>Net of FGS allotment, 20% of the funds are based on share of first-year enrolment growth and 80% on share of undergraduate teaching growth.</i>										\$4,300,000	\$2,900,000

1. Funding is slip-year -- 2004-05 allocations are based on 2003-04 enrolments and teaching activity.

2. Music excludes Piano Technology program.

3. Baseline for Engineering is 2002-03. Baseline for Science adjusted to include 2002-03 Computer Science course registrants.

4. Starting in 2004-05 Business will not receive ICF -- because of new funding model.

Table 14**RESEARCH INFRASTRUCTURE SUPPORT FUND (RISF)****2004-05 Allocations**

1	Arts	10,000
2	Education	5,000
3	Engineering	95,000
4	Health Sciences	20,000
5	Information & Media Studies	5,000
6	Law	5,000
7	Medicine & Dentistry	225,000
8	Music	5,000
9	Science	280,000
10	Social Science	85,000
11	Unallocated	15,000
12	Total	750,000

Table 15

EXPANSION-RELATED ONE-TIME FUNDING FOR SUPPORT UNITS: 2004-05

1	Units Reporting to the Provost	
2	Teaching Support Centre	13,125
3	Effective Writing	10,025
4	Information Technology Services	236,419
5	Libraries	125,146
6	Registrar's Office	115,209
7	Institutional Planning and Budgeting	108,778
8	Sub-Total	608,702
9	Units Reporting to the Vice-President Administration	
10	Finance	114,967
11	Human Resources	136,472
12	Staff/Faculty Health Services	6,563
13	Internal Audit	12,402
14	Physical Plant	125,965
15	Sub-Total	396,369
16	Units Reporting to the Vice-President Research	
17	Research Western	64,823
18	Sub-Total	64,823
19	Units Reporting to the Vice-President External	
20	Communications and Public Affairs, Alumni Relations and Development	122,549
21	Sub-Total	122,549
22	Total	1,192,443

Table 16
PROVOST'S ACADEMIC SUPPORT FUND (PASF): 2003-04

Funds Available

	2003-04 Base Budget	2,076,462
	Unallocated UPIF Funds	233,200
	Carryforward from 2002-03	980,016
	Total PASF Funds Available	3,289,678

Allocations

Arts	Technology Initiatives and Course/Program Development	150,000
Business	Support for Research Initiatives	70,000
Education	Information Technology Initiatives	50,850
Engineering	Faculty Recruitment and Technology Initiatives	140,000
Health Sciences	Faculty Development & Information Technology Initiatives	118,385
Information & Media Studies	Faculty Bridging & Facility Rental at Fanshawe College	112,920
Law	Instructional Facility Upgrades	50,000
Medicine & Dentistry	Instructional Equipment for BMedScie Program	128,837
	Faculty Bridging and Start-up Funds	236,696
	Sub-Total Medicine & Dentistry	365,533
Music	Instructional Technology and Teaching Initiatives	125,000
Science	Faculty Bridging and Start-up Funds	188,835
	Equipment for Biology Program	110,000
	Course Development	47,600
	Sub-Total Science	346,435
Social Science	Course Development	10,000
	Computing Equipment Upgrades	46,000
	Sub-Total Social Science	56,000
Women's Studies	Faculty Secondments	28,600
General University	Distance Course Development	50,000
	Graduate Appraisals	45,000
	Other Academic Support Initiatives	610,126
	Carryforward to 2004-05	970,829
Total PASF Allocations in 2003-04		3,289,678

Table 17**2004-05 PROVOST'S ACADEMIC SUPPORT FUND (PASF) INITIAL ALLOCATIONS**

1	Arts	Technology Initiatives and Computers for Faculty	160,000
2	Engineering	Faculty Recruitment, Teaching Equipment/Furniture	208,500
3	Health Sciences	Teaching Equipment, Course/Program Development	269,429
4	Information & Media Studies	Faculty Development, Faculty Bridging, Facilities Rental	147,920
5	Law	Teaching Facility Upgrades and Technology Equipment	80,000
6	Medicine & Dentistry	Faculty Bridging, Start-up Funding, Teaching Equipment	346,696
7	Music	Program Development and Teaching Equipment	100,000
8	Science	Faculty Bridging, Start-up Funding, Teaching Equipment	440,000
9	Social Science	Course/Program Development, Computing Equipment	54,500
10	Total PASF Initial Allocations for 2004-05		1,807,045

Table 18a
TUITION FEE PROPOSALS FOR 2004-05

	Canadian Students			International Students		
	2003-04 Tuition	Proposed 2004-05 Tuition	% Increase	2003-04 Tuition	Proposed 2004-05 Tuition	% Increase
1 Undergraduate ANNUAL Tuition						
2 First-Entry Programs						
3 Arts	4,140	4,140	0.0%	11,750	12,500	6.4%
4 BMedSc Program	4,140	4,140	0.0%	11,750	12,500	6.4%
5 Engineering	5,950	5,950	0.0%	15,000	16,000	6.7%
6 Health Science	4,140	4,140	0.0%	11,750	12,500	6.4%
7 Kinesiology	4,140	4,140	0.0%	11,750	12,500	6.4%
8 M.I.T. / M.T.P. (Year 1)	4,140	4,140	0.0%	11,750	12,500	6.4%
9 M.T.P. (Upper Years)	5,300	5,300	0.0%	15,000	16,000	6.7%
10 Music	4,140	4,140	0.0%	11,750	12,500	6.4%
11 Nursing	4,140	4,140	0.0%	15,000	16,000	6.7%
12 Science	4,140	4,140	0.0%	11,750	12,500	6.4%
13 Social Science	4,140	4,140	0.0%	11,750	12,500	6.4%
14 Second-Entry Programs						
15 C.S.D./P.T.	5,410	5,410	0.0%	14,750	15,750	6.8%
16 Business						
17 Year 3	18,000	18,000	0.0%	18,000US\$	18,000US\$	0.0%
18 Year 4	17,000	18,000	***	17,000US\$	18,000US\$	***
19 Dentistry						
20 Year 1	17,100	17,100	0.0%	35,000	37,000	5.7%
21 Year 2	17,100	17,100	0.0%	35,000	37,000	5.7%
22 Year 3	16,300	17,100	***	35,000	37,000	5.7%
23 Year 4	16,300	16,300	0.0%	35,000	37,000	5.7%
24 Education In-Service (AQs)	4,375	4,475	2.3%	15,000	16,000	6.7%
25 Education Pre-Service	4,975	4,975	0.0%	15,000	16,000	6.7%
26 Law						
27 Year 1	9,750	9,750	0.0%	15,000	16,000	6.7%
28 Year 2	9,750	9,750	0.0%	15,000	16,000	6.7%
29 Year 3	9,750	9,750	0.0%	15,000	16,000	6.7%
30 Medicine (M.D.)						
31 Year 1	14,566	14,566	0.0%	n.a.	n.a.	n.a.
32 Year 2	14,566	14,566	0.0%	n.a.	n.a.	n.a.
33 Year 3	14,566	14,566	0.0%	n.a.	n.a.	n.a.
34 Year 4	10,924	14,566	***	n.a.	n.a.	n.a.
35 Graduate ANNUAL Tuition						
36 Master's Category 1						
37 Arts	5,095	5,095	0.0%	11,000	11,700	6.4%
38 C.S.D. (M.Sc.)	6,540	6,540	0.0%	15,500	16,500	6.5%
39 Engineering (M.E.Sc.)	5,095	5,095	0.0%	11,000	11,700	6.4%
40 Kinesiology	5,095	5,095	0.0%	11,000	11,700	6.4%
41 Media Studies	5,095	5,095	0.0%	11,000	11,700	6.4%
42 Medicine (Basic Health Sciences)	5,095	5,095	0.0%	11,000	11,700	6.4%
43 Music	5,095	5,095	0.0%	11,000	11,700	6.4%
44 Nursing	6,300	6,300	0.0%	15,500	16,500	6.5%
45 O.T./P.T. (M.Sc.)	5,700	5,700	0.0%	11,000	11,700	6.4%
46 Science	5,095	5,095	0.0%	11,000	11,700	6.4%
47 Social Science	5,095	5,095	0.0%	11,000	11,700	6.4%
48 Master's Category 2						
49 Business (Regular MBA Only)						
50 Year 1	28,000	28,000	0.0%	28,000	30,000	7.1%
51 Year 2	25,000	28,000	***	25,000	30,000	***
52 C.S.D./O.T./P.T. (M.Cl.Sc.)	6,795	6,795	0.0%	15,500	16,500	6.5%
53 Dentistry (Orthodontics)						
54 Year 1	17,100	17,100	0.0%	35,000	37,000	5.7%
55 Year 2	17,100	17,100	0.0%	35,000	37,000	5.7%
56 Year 3	16,350	17,100	***	35,000	37,000	5.7%
57 Education	6,795	6,795	0.0%	15,500	16,500	6.5%
58 Engineering (M.Eng.)	6,795	6,795	0.0%	15,500	16,500	6.5%
59 L.I.S.	6,795	6,795	0.0%	15,500	16,500	6.5%
60 Journalism	6,795	6,795	0.0%	15,500	16,500	6.5%
61 Medicine (Family Medicine)	8,950	8,950	0.0%	15,500	16,500	6.5%
62 All Ph.D. Programs	5,095	5,095	0.0%	11,000	11,700	6.4%

Table 18b

CONCURRENT PROGRAM TUITION FEE PROPOSALS FOR 2004-05

-- Canadian Students --

HBA / BSc Concurrent Program				
	Concurrent (After 2 Yrs of Engg)		Concurrent (After 3 Yrs of Engg)	
1	Engg	5,950	Engg	5,950
2	Engg	5,950	Engg	5,950
3	HBA / Engg	14,510	Engg	5,950
4	HBA / Engg	14,510	HBA / Engg	18,790
5	HBA / Engg	14,510	HBA / Engg	18,790
6	Total	55,430	Total	55,430
7	Cost of Programs Taken Sequentially		\$59,800	

HBA / LLB Concurrent Program				
	Concurrent (After HBA 1)		Concurrent (After Law 1)	
1	HBA	18,000	Law	9,750
2	HBA/LLB	9,750	HBA/LLB	18,000
3	HBA/LLB	16,350	HBA/LLB	16,350
4	HBA/LLB	16,350	HBA/LLB	16,350
5	Total	60,450	Total	60,450
6	Cost of Programs Taken Sequentially		\$65,250	

HBA / BA-BSc Concurrent Program				
	Concurrent (After 2 Undergraduate Years)		Concurrent (After 3 Undergraduate Years)	
1	BA or BSc	4,140	BA or BSc	4,140
2	BA or BSc	4,140	BA or BSc	4,140
3	HBA/BA-BSc	13,430	BA or BSc	4,140
4	HBA/BA-BSc	13,430	HBA/BA-BSc	18,075
5	HBA/BA-BSc	13,430	HBA/BA-BSc	18,075
6	Total	48,570	Total	48,570
7	Cost of Programs Taken Sequentially		\$52,560	

Table 18b

CONCURRENT PROGRAM TUITION FEE PROPOSALS FOR 2004-05

-- Canadian Students --

LLB / BA-BSc Concurrent Program				
	Concurrent (After 2 Undergraduate Years)		Concurrent (After 3 Undergraduate Years)	
	1	BA or BSc	4,140	BA or BSc
2	BA or BSc	4,140	BA or BSc	4,140
3	LLB/BA-BSc	8,520	BA or BSc	4,140
4	LLB/BA-BSc	8,520	LLB/BA-BSc	9,980
5	LLB/BA-BSc	8,520	LLB/BA-BSc	9,980
6	LLB/BA-BSc	8,520	LLB/BA-BSc	9,980
7	Total	42,360	Total	42,360
8	Cost of Programs Taken Sequentially		\$45,810	

LLB / BSc Concurrent Program				
	Concurrent (After 2 Undergraduate Years)		Concurrent (After 3 Undergraduate Years)	
	1	BSc	5,950	BSc
2	BSc	5,950	BSc	5,950
3	LLB/BSc	9,290	BSc	5,950
4	LLB/BSc	9,290	LLB/BSc	10,400
5	LLB/BSc	9,290	LLB/BSc	10,400
6	LLB/BSc	9,290	LLB/BSc	10,400
7	Total	49,060	Total	49,050
8	Cost of Programs Taken Sequentially		\$53,050	

LLB / MBA Concurrent Program				
	Concurrent (Through Law 1)		Concurrent (Through MBA 1)	
	1	LLB/MBA	9,750	LLB/MBA
2	LLB/MBA	28,000	LLB/MBA	9,750
3	LLB/MBA	20,700	LLB/MBA	20,700
4	LLB/MBA	20,700	LLB/MBA	20,700
5	Total	79,150	Total	79,150
6	Cost of Programs Taken Sequentially		\$85,250	

Table 18b
CONCURRENT PROGRAM TUITION FEE PROPOSALS FOR 2004-05
-- Canadian Students --

BEd / BSc Concurrent Program			
	Concurrent		
1	BSc	4,140	
2	BEd/BSc	4,300	
3	BEd/BSc	4,300	
4	BEd/BSc	4,300	
5	BEd/BSc	4,300	
6	Total	21,340	
7	Cost of Programs Taken Sequentially		\$21,535

Table 19
SUMMARY OF ENROLMENT FORECAST

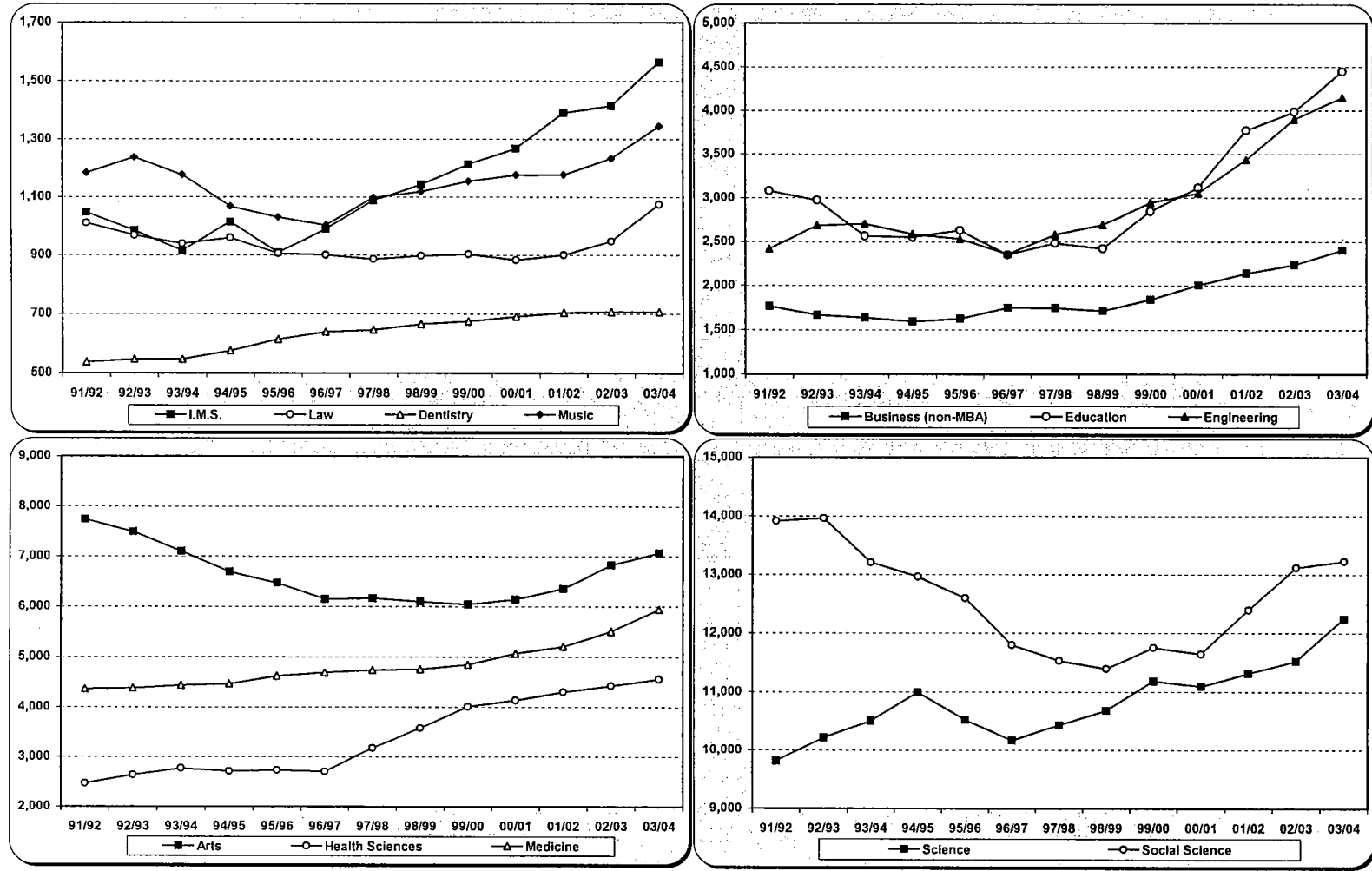
	Actual					Projected				
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
1 Constituent University										
2 Full-Time Undergraduates										
3 Arts	1,392	1,422	1,493	1,585	1,594	1,573	1,584	1,554	1,538	1,533
4 Business	338	390	379	388	398	489	574	574	574	574
5 Dentistry	219	229	238	241	240	245	248	250	256	256
6 Education	794	824	792	865	834	820	820	820	775	775
7 Engineering	1,321	1,375	1,497	1,528	1,535	1,563	1,564	1,572	1,577	1,576
8 Health Sciences										
9 BHSoc Program	647	966	1,036	1,042	1,073	1,090	1,106	1,111	1,091	1,086
10 Kinesiology	1,166	1,042	1,122	1,075	1,160	1,122	1,110	1,096	1,056	1,050
11 Nursing	306	304	322	369	456	550	615	635	635	635
12 Therapies	204	218	158	90	27	30	30	30	30	30
13 Sub-Total	2,323	2,530	2,638	2,576	2,716	2,792	2,861	2,872	2,812	2,801
14 Law	437	433	436	453	441	460	460	460	460	460
15 Media, Information, & Tech	321	408	461	576	634	667	687	673	660	658
16 Medicine										
17 MD Program	401	410	425	466	496	521	528	531	532	532
18 BMedSci Program			12	32	222	400	600	600	600	600
19 Music	381	402	387	404	435	460	467	471	466	459
20 Science	3,588	3,556	3,559	3,673	3,844	3,891	3,759	3,688	3,595	3,544
21 Social Science	5,070	5,152	5,619	6,021	6,105	6,149	6,157	6,099	6,046	6,022
22 Total Full-Time Undergraduates	16,585	17,131	17,936	18,808	19,494	20,030	20,309	20,164	19,891	19,790
23 Medical Residents	446	476	464	512	529	530	530	530	530	530
24 Full-Time Graduates										
25 Masters	2,132	2,142	2,217	2,415	2,380	2,516	2,643	2,710	2,743	2,770
26 Ph.D.	755	793	838	909	1,019	1,171	1,294	1,402	1,474	1,490
27 Total Full-Time Graduates	2,887	2,935	3,055	3,324	3,399	3,687	3,937	4,112	4,217	4,260
28 Concurrent Programs	17	35	50	87	102	130	130	130	130	130
29 Total Full-Time Enrolment	19,935	20,577	21,505	22,731	23,524	24,377	24,906	24,936	24,768	24,710
30 Part-Time FTEs										
31 Undergraduate	2,105	2,100	2,212	2,245	2,250	2,400	2,400	2,350	2,300	2,300
32 Education (AQs)	468	549	871	898	1,131	1,100	1,080	1,060	900	900
33 Masters	98	100	90	100	104	100	100	100	100	100
34 Ph.D.	14	16	13	13	20	15	15	15	15	15
35 Total Part-Time FTEs	2,685	2,765	3,186	3,256	3,505	3,615	3,595	3,525	3,315	3,315
36 Total Constituent FTEs	22,620	23,342	24,691	25,987	27,029	27,992	28,501	28,461	28,083	28,025
37 Affiliated Colleges										
38 Full-Time Undergraduates										
39 Brescia	532	589	668	739	894	931	971	971	971	971
40 Huron	927	884	907	907	1,035	1,102	1,140	1,144	1,144	1,144
41 King's	1,966	2,115	2,143	2,418	2,698	2,825	2,918	3,134	3,134	3,134
42 Total Full-Time Enrolment	3,425	3,588	3,718	4,064	4,627	4,858	5,029	5,249	5,249	5,249
43 Part-Time FTEs										
44 Brescia	45	38	49	50	45	60	65	65	65	65
45 Huron	30	31	32	48	43	40	40	40	40	40
46 King's	160	190	195	215	241	220	225	225	225	225
47 Total Part-Time FTEs	235	259	276	313	329	320	330	330	330	330
48 Total Affiliate FTEs	3,660	3,847	3,994	4,377	4,956	5,178	5,359	5,579	5,579	5,579
49 Total UWO FTEs	26,280	27,189	28,685	30,364	31,985	33,170	33,860	34,040	33,662	33,604

Table 19
SUMMARY OF ENROLMENT FORECAST

	Actual					Projected				
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<i>Rows 50 to 81 Included above</i>										
50 International Students										
51 Constituent Full-Time										
52 Undergraduates	522	617	766	846	876	910	940	930	920	910
53 Medical Residents	86	107	110	117	125	125	125	125	125	125
54 Masters (excluding MBAs)	99	97	129	146	144	140	140	140	140	140
55 MBA (Regular)	63	72	78	94	97	105	108	111	113	115
56 Executive/Video MBA	28	49	54	46	50	50	50	50	50	50
57 Ph.D.	106	122	129	150	212	245	270	295	310	313
58 Year 1 Only										
59 Constituent										
60 BACS Program	562	592	660	667	662	650	650	650	650	650
61 Arts	372	397	393	401	345	325	325	325	325	325
62 Engineering	493	428	470	431	429	425	425	425	425	425
63 Health Sciences										
64 BHSc Program	200	319	318	283	335	300	300	300	300	300
65 Kinesiology	424	331	392	330	392	325	325	325	325	325
66 Nursing	87	86	91	104	125	125	125	125	125	125
67 Media, Information, & Tech	108	140	166	239	253	220	220	220	220	220
68 Music	106	125	120	121	152	150	130	130	130	130
69 Science	1,098	1,001	1,026	1,008	1,306	1,165	1,050	1,050	1,050	1,050
70 Social Science	908	819	906	907	831	825	800	800	800	800
71 Total Year 1 - Constituent	4,358	4,238	4,542	4,491	4,830	4,510	4,350	4,350	4,350	4,350
72 Affiliates										
73 Brescia	192	222	250	278	365	340	340	340	340	340
74 Huron	322	244	288	319	408	385	385	385	385	385
75 King's	867	808	742	900	1,022	850	850	850	850	850
76 Total Year 1 - Affiliates	1,381	1,274	1,280	1,497	1,795	1,575	1,575	1,575	1,575	1,575
77 Total UWO Year 1	5,739	5,512	5,822	5,988	6,625	6,085	5,925	5,925	5,925	5,925
78 Masters										
79 All Programs (excluding MBAs)	1,271	1,230	1,303	1,468	1,558	1,691	1,748	1,795	1,828	1,855
80 MBA (Regular)	489	531	568	616	557	540	595	615	615	615
81 Executive/Video MBA	372	381	346	331	265	285	300	300	300	300

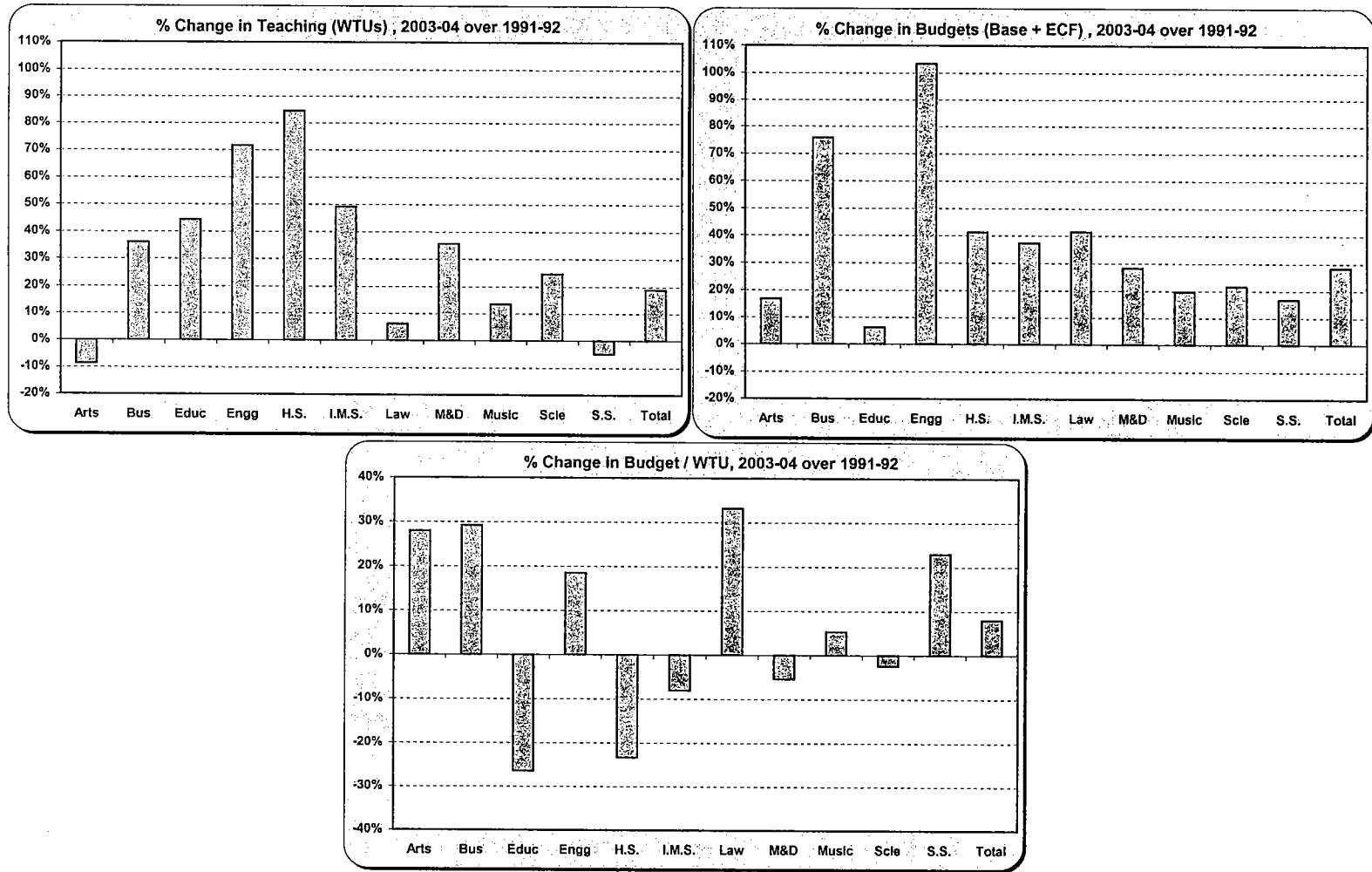
Appendix A: Figure 1

WEIGHTED TEACHING UNITS (WTUs)
excluding Distance Studies



Appendix A: Figure 2

**CHANGE in WTUs, Budgets, and Budget / WTU - 2003-04 over 1991-92
excluding Distance Studies**



Appendix B

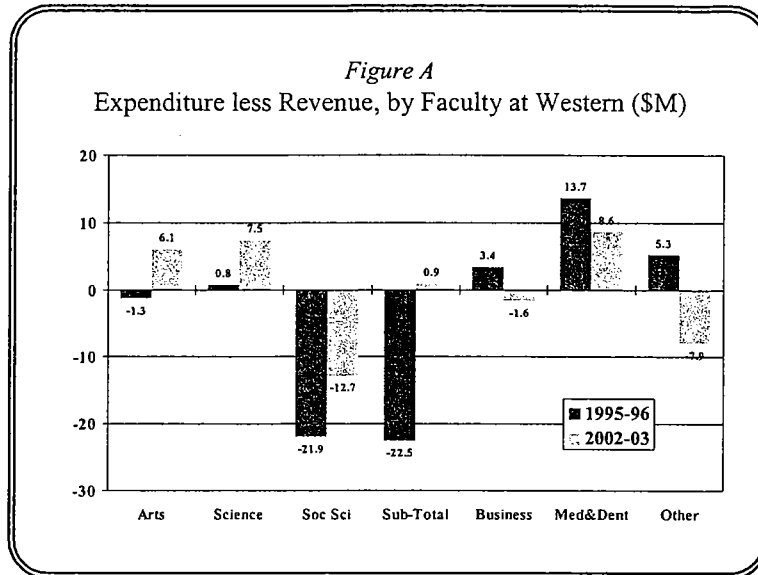
Revenues, Expenditures, and Tuition Fees by Faculty

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 2002-03 (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 2002-03. The figures range from a high of 74.8% for Business to a low of 17.8% 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 7,515 Full-Time Equivalent students (FTEs), with 7,135 undergraduates and 380 graduate students, in about 40 different programs. In Medicine, there were 1,327 FTEs -- 466 MD students, 443 medical residents, 32 B.Med.Sci students, and 386 graduate students. Our analysis does not attempt to cost such individual programs within Faculties.

