



Western
UNIVERSITY • CANADA

2020-21 Operating and Capital Budgets

March 31, 2020

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ACRONYMS used in University Budget Document

| | Acronym | Description |
|----|----------------|--|
| 1 | APF | Academic Priorities Fund |
| 2 | APPF | Academic Planning, Policy, and Faculty |
| 3 | AQ | Additional Qualification Courses in the Faculty of Education |
| 4 | B.Ed. | Bachelor of Education Program/Degree |
| 5 | BRT | Bus Rapid Transit System |
| 6 | CERC | Canada Excellence Research Chairs Program |
| 7 | CRCs | Canada Research Chairs |
| 8 | CRV | Current Replacement Value (of Buildings) |
| 9 | CSD | Communication Sciences and Disorders Program |
| 10 | DM | Deferred Maintenance |
| 11 | Ed.D. | Doctor of Education Degree |
| 12 | EFB | Employee Future Benefits |
| 13 | FIMS | Faculty of Information & Media Studies |
| 14 | FRSF | Federal Research Support Fund (formerly FFICR) |
| 15 | FTE | Full-Time Equivalent |
| 16 | GGRP | Greenhouse Gas Reduction Program |
| 17 | HBA | Honours Business Administration Degree/Program |
| 18 | IBA | Initial Budget Adjustment |
| 19 | ILIC | Integrated Learning and Innovation Centre |
| 20 | ITIF | Information Technology Infrastructure Fund |
| 21 | M.Cl.Sc. | Masters in Clinical Sciences Degree |
| 22 | M.Ed. | Masters in Education Degree/Program |
| 23 | M.O.S. | Management & Organizational Studies Program |
| 24 | MBA | Master of Business Administration Degree/Program |
| 25 | MC | Middlesex College |
| 26 | MD | Doctor of Medicine Degree/Program |
| 27 | MEng | Master of Engineering Degree/Program |
| 28 | MESc | Master of Engineering Science Degree |
| 29 | MMI | Maintenance, Modernization, and Infrastructure |
| 30 | MOECC | Ministr of the Environment and Climate Change |
| 31 | MSc | Master of Science Degree |
| 32 | MCU | Ministry of Colleges and Universities |
| 33 | MTP | Media, Theory, and Production Program |
| 34 | NCB | North Campus Building |
| 35 | OSAP | Ontario Student Assistance Program |
| 36 | OT | Occupational Therapy (School/Program) |
| 37 | Ph.D. | Doctor of Philosophy Degree |
| 38 | PT | Physical Therapy (School/Program) |
| 39 | RCM | Responsibility-centered Management |
| 40 | RISF | Research Infrastructure Support Fund |
| 41 | SGPS | School of Graduate & Postdoctoral Studies |
| 42 | SIF | Federal Government's Strategic Investment Fund |
| 43 | SSHRC | Social Science and Humanities Research Council |
| 44 | STEM | Science, Technology, Engineering, and Mathematics |
| 45 | SUPF | Support Unit Priorities Fund |
| 46 | WRCs | Western Research Chairs |
| 47 | WSC | Western Science Centre |

2020-21 Operating Budget

A. Planning and Budgetary Context

The current planning cycle moves us into the second/final year of the (transitional) 2-year plan – spanning the period 2019-20 to 2020-21. This budget builds on the previous 4-year plan and has been developed in the context of our Strategic Plan – *Achieving Excellence on the World Stage* – and with reference to the priorities outlined in the Faculty Academic Plans and the Support Unit Operational Plans.

Starting in the fall of 2019 and up to mid-February 2020, our planning for 2020-21 continued with the parameters outlined a year ago (for the 2-year transitional planning period) – and our assumptions were as follows:

- As per the Province’s announcement last year, domestic tuition fee rates – which were rolled back 10% in 2019-20 – will remain frozen for 2020-21. At present, we do not have any information on the domestic tuition framework for future years. A year ago, we indicated that the impact of the government’s tuition framework for 2019-20 and 2020-21 was a revenue shortfall of \$43 million – compared to the budget plan at that time.
- While we await the Provincial Budget later this spring, our current assumption is that provincial grant funding will remain unchanged for 2020-21.
- A year ago, due to the estimated \$43 million shortfall in projected tuition revenue, Faculty and Support Units were asked to incorporate an additional 2.5% base budget reduction in each of 2019-20 and 2020-21 – on top of the standard annual inflationary budget adjustment (IBA) of 3%. This element remains in place for 2020-21.

The recommendations in this budget are based on the above information on revenues and expenditures.

However, recent events (i.e. the sudden and rapid impacts of COVID-19 in Canada) have created turmoil on the economic front – and the implications will continue to evolve over the coming months. In the Canadian higher education environment, the uncertainties range from concerns about the summer 2020 academic term, fall 2020 enrolment levels (in particular international enrolments), the ability of federal/provincial governments to maintain grant funding levels, the impact of the downturn in the equity markets on university resources, and the overall economic pressures on individuals and the private sector – which could have ripple effects on university revenues.

We are proposing that we continue with the budget recommendations in this document – with the understanding that we may need to re-align expenditures (to match revenues, if necessary). The first step in such expenditure re-alignment would be the deferral of some one-time expenditures which total \$122 million (see Table 8). If changes to our revenues require further expenditure adjustments, we will need to make the necessary adjustments as part of the next planning cycle which will begin in September 2020. This approach commits us to moving forward with the 2020-21 base budget

recommendations outlined in this document (i.e. for the Faculties, Support Units, Student Aid, and University-wide Expenditures).

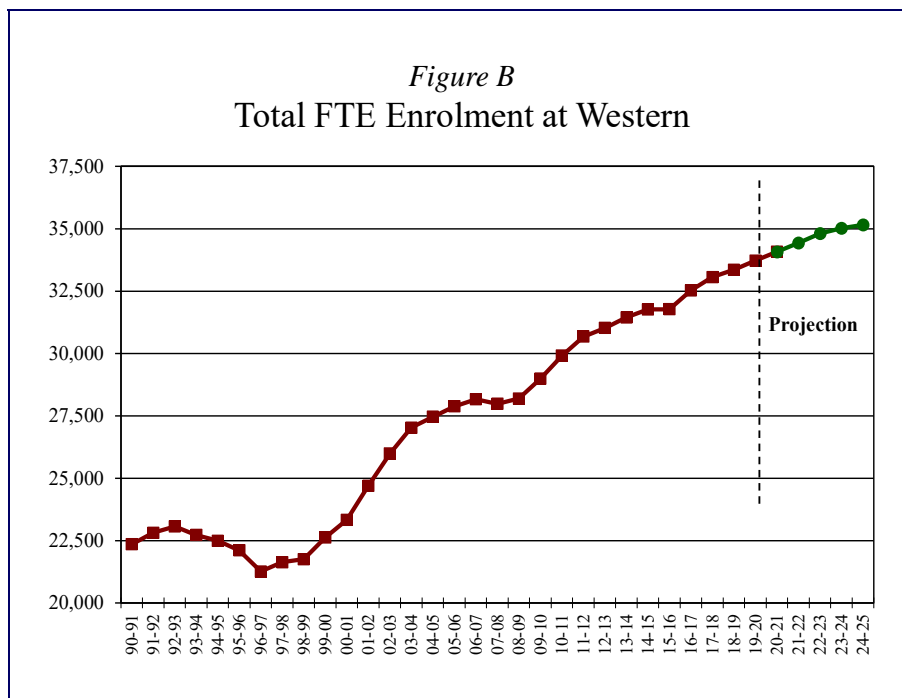
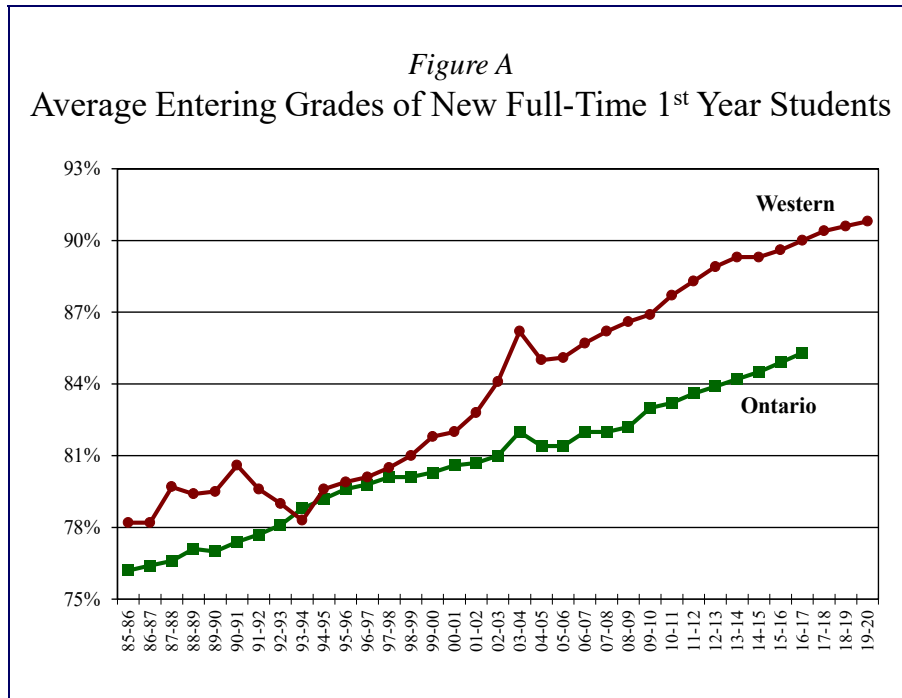
At Western, our multi-year approach to planning serves us well – and we continue to focus our budget planning on our strategic priorities. Our enrolment planning follows the objectives set out in our Strategic Plan:

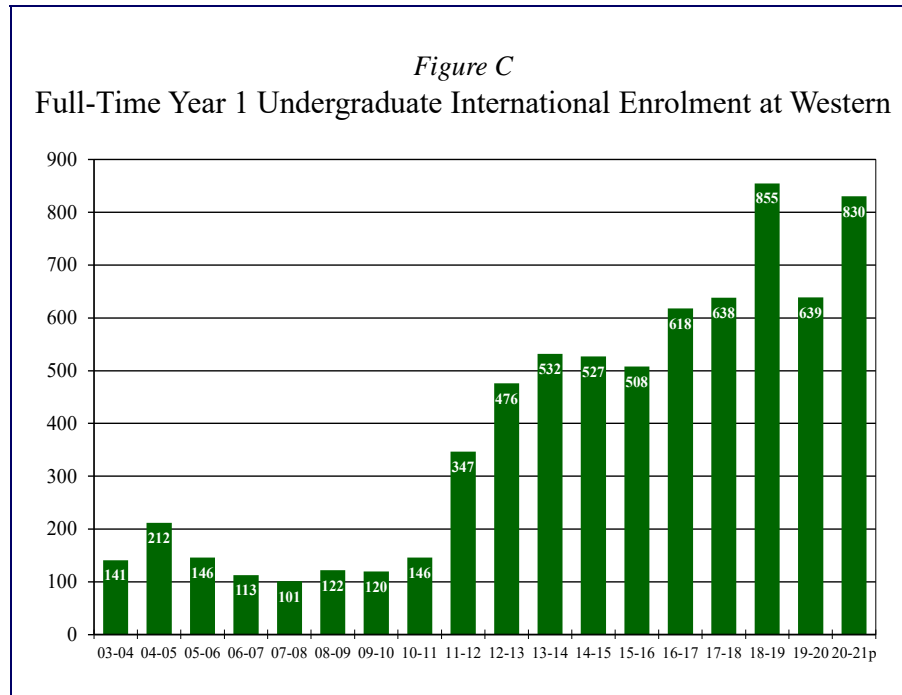
- Attract the brightest students as demonstrated through the highest entering grade average. Our first-year class is expected to be about 5,430 in 2020-21 – which includes 830 international students (or 15% of the incoming class).
- Increase graduate student enrolment to at least 20% of the total student body. The graduate enrolment plans from the Faculties achieves this threshold in 2020-21.

Our approach to enrolment planning allows us to make significant enhancements to the quality of education and the educational experience we offer our students:

- Recruitment of outstanding undergraduate students is a high priority. The average entering grade of our incoming class in the fall of 2019 was 90.8% – well above the Ontario average.
- Over 93% of our first-year students continue into their second year. Our retention rates are amongst the highest in Canada and much higher than at our peer institutions in the United States.
- Graduation rates of our undergraduate students have been steadily increasing – and they are currently much higher than the rates at our peer universities in Canada and the United States. Over 83% of Western’s 2012-13 entering cohort graduated within 6 years.
- Our efforts in undergraduate international enrolment recruitment resulted in 12% of our fall 2019 first-year class coming from other countries. However, a vast majority of these students are from one country and are being admitted into three programs. Our aspirations are to diversify the source and destination of international students. We are developing diversification strategies, and expect to return to a growth trajectory in subsequent years.
- Expansion of graduate enrolments (in areas of demand and capacity) continues to be a strategic priority at Western. The current plans from the Faculties show significant growth aspirations. In the current year, full-time graduate students comprise 19.8% of total full-time enrolment.
- Results of exit surveys and course/instructor evaluations at Western indicate that our students rate their courses, instructors, and the quality of their education very high.

We remain committed to building on the substantive gains we have made in the areas of student quality, educational quality, and the students’ educational experience. Going forward, we will continue to manage our resources and target them towards our highest priority – *Achieving Excellence on the World Stage*.





B. Updates on Priorities and Initiatives from Last Year's Budget

The following initiatives were included in the 2019-20 Budget, and involved substantial investments.

1. Growing our Endowment: The Endowed Chairs Matching Program

Growing our Endowment is a high priority for the University – and this priority has been supported through the Endowed Chairs Matching Program, which started in 2010-11. In 2019-20, a sum of \$12 million in one-time funding was added to this program – bringing the total to \$95.5 million over the 10-year period. To-date, pledges have been committed for 33 endowed chairs (of a possible 52 to 57). The Vice-President (University Advancement) is in discussions with donors at various stages for an additional 10 chairs – which, if successful, will bring the total to 43 chairs. In addition, a further 35 chairs have been identified by Deans as high priorities.

Last year's budget proposed that the new \$12 million would be targeted towards sustained funding for the Western Research Chairs (WRC) Program – which was introduced in 2013-14 with one-time funding. It was noted that the objective is to continue the WRC program as a permanent program with ongoing funding – either through the matching endowed chairs approach or future funding from the Operating Budget. Fundraising efforts to identify sustained funding for the WRCs are continuing.

2. Long-Range Space Plan

Western continues with its integrated long-range approach to space/facilities planning. Last year's budget identified two projects for funding support:

- Indigenous Learning Spaces. The project – aimed at conversion of space in the Althouse Faculty of Education Building to Indigenous Learning Spaces – is currently in final design stage.
- The Next Stage of the Multi-phased Medical School Facilities Project. The current phase involves completion/finishing of shelled space in the Western Centre for Public Health and Family Medicine Building to permanently accommodate the Department of Epidemiology & Biostatistics from its current location in the Kresge Building. Modernization of the Kresge Building will be part of a future stage of the Medical School Project.

3. Efficiency and Innovation Fund

A sum of \$10 million in one-time funding was recommended in last year's budget to support major initiatives aimed at revenue generation, increased efficiencies, and structural cost reduction. The program was launched in March 2019 through a call for proposals, with a deadline of August 31, 2019. A total of 25 proposals were received – of which, 7 met the program's parameters and were funded at a total value of \$2 million. The remaining \$8 million will remain under the Provost's authority and be used to support university-wide strategic priorities, including revenue-generation initiatives and educational/research priorities.

4. Strategic Expansion of Engineering

The multi-year self-funding Engineering Expansion Plan – launched in 2015-16 continues. The plan includes expansion of enrolments, faculty/staff complements, and space/facilities. The specific elements for 2019-20 were as follows:

- Full-time undergraduate enrolment reached 2,008 – an increase of 462 from the 2014-15 level of 1,546. Full-time graduate enrolment reached 866 – an increase of 134 from the 2014-15 level of 732.
- \$950,000 in incremental base funding was added to the Engineering budget – to support expansion of faculty and staff complements.
- \$8 million in one-time funding was transferred to the capital budget in support of Engineering facilities expansion and renewal.

5. Innovation & Collaboration Hub for Advanced X-Ray Imaging and Intervention Suite

Last year's budget included a sum of \$3 million in one-time funding to support a "First in Canada" Innovation & Collaboration Hub for Advanced X-Ray Imaging and Interventional Suite – specifically to cover the costs of renovations to create the necessary facilities in the Robarts Research Institute Building. The project is underway – and is expected to be completed by fall 2020.

6. The Postdoctoral Fellowship Program

The Postdoctoral Fellowship Program was introduced as a pilot in 2018 with a one-time allocation of \$226,000 and this funding was doubled last year. The program design and outcomes will be reviewed by the Vice-President (Research) in 2020-21, and recommendations will be brought forward as part of the fall 2020 planning process.

7. Entrepreneurship Initiatives

Last year's budget recommended the allocation of \$400,000 in base funding to support the Entrepreneurship Ecosystem at Western – which was previously supported with one-time resources. The funding has been allocated to ensure on-going/base support for the program.

C. Priorities for the 2020-21 Budget and New Initiatives

1. Office of Indigenous Initiatives

Western's Indigenous Strategic Plan – approved by Senate and the Board of Governors in 2016 – set out eight strategic directions for the University. That Strategic Plan was followed by a Provost's Implementation Committee and the appointment of a Special Advisor to the Provost on Indigenous Initiatives. Following on the work of the committee and the special advisor, this budget recommends the creation of a new Office of Indigenous Initiatives – which will be led by a Vice-Provost & Associate Vice-President (Indigenous Initiatives) and include permanent staffing in the areas of community relations, recruitment, admissions, enrolment planning, curriculum and pedagogy advising, and elders in residence. It is recommended that a sum of \$760,000 in base funding be provided in 2020-21. The budget and unit's activities and needs will be reviewed in future planning cycles.

2. Long-Range Space Plan

The University's space/facilities requirements to support our academic priorities are reviewed as part of our integrated approach to planning – and the updated Long-Range Space Plan is summarized in Table 13.

Category 1 of Table 13 lists the projects that are currently under-way or soon-to-start and category 2 lists projects that are in various planning stages. In this budget, the following one-time allocations are recommended:

- a. \$50 million to support the following major projects:
 - A University Community Hub – aimed at creating common/gathering spaces, similar to the University Community Centre;
 - An Interdisciplinary Science/Medicine Research Facility;
 - Future stages of the multi-phased Medical School Project; and
 - Multi-level Parking Structures.
- b. \$6 million to support our Open Space Strategy – which involves projects aimed at the transformation of our core campus into a vehicle-free pedestrian-friendly campus.
- c. \$5 million for Energy Conservation initiatives aimed at containing utilities costs – through infrastructure projects such as insulation improvement, fume hood infrastructure enhancements, and upgrades to chilled water distribution systems, plumbing infrastructure, and electrical systems. The overall objective is the concept of deep energy retrofit in our buildings – which will improve building performance leading to lower utilities costs.
- d. \$4.5 million to support the installation of a multi-sport inflatable sports dome at TD Stadium during the winter months (from mid-November to end of April). The facility will provide much-needed recreation space for our students during the winter months and will also support the University's commitment to student health and wellness.

As part of this budget document, we seek approval in principle from the Board of Governors to proceed with planning for the above projects – with the understanding that these projects and the detailed funding plans will be brought forward on an individual basis for formal Board-approval.

3. Special Funding to Support Students in Financial Need

The sudden and rapid impacts of COVID-19 – including the global health crisis and the economic downturn – are expected to have a significant impact on all aspects of the University and its community, including our students. In order to support our students who may be faced with financial pressures, we are recommending the creation of \$13.5 million one-time fund to ensure that our students have the necessary resources to pursue their studies at Western in 2020-21. This funding will support our students through needs-based bursaries, work-study opportunities, summer research opportunities, and residence accommodation subsidies.

4. Continuation of the Western Research Chairs (WRC) Program

As indicated earlier, the WRC Program was introduced in 2013-14 with one-time funding – and it is our objective to continue the program on a permanent basis. In the coming years, we will work through our fundraising efforts to pursue endowed WRC's. In the short-term, the terms of some chairs are coming to an end (at the end of the current year or next year) – and we wish to continue them, either as renewals or appointment of new faculty members. Therefore, it is recommended that a sum of \$10 million in one-time funding be allocated to support the continuation of the WRC program. The Provost and the Vice-President (Research) will review the program's guidelines in the coming months.

5. Interdisciplinary Initiatives (IDIs)

Support for and promotion of Interdisciplinary Initiatives – by fostering activities that transcend academic disciplines and create new areas of scholarship – continues to be of high priority at Western. The 2015-16 University budget set aside \$4 million one-time in support of interdisciplinary initiatives. Of this, about \$1.1 million remains unspent. The Provost and the Vice-President (Research) are in the process of designing a new IDI program – and we are now recommending the allocation of \$2.9 million in one-time funding to supplement the previously-unspent \$1.1 million, bringing the total to \$4 million for the next round of the IDIs.

6. The Western Academy for Advanced Research

Western's strategic plan overarching objective is *Achieving Excellence on the World Stage*. In support of this objective, we are recommending the creation of the Western Academy for Advanced Research – with an initial budget allocation of \$1 million in one-time funding.

The Academy's mission would be to seek ideas for solutions to major issues facing humanity through a period of focused enquiry that draws from across the full spectrum of scholarship.

The Academy's mandate would be to organize and facilitate the selection of themes and participants (external and internal *Western Fellows* and *Postdoctoral Fellows*) from applications received, to provide and maintain a venue for the collective work of the participants on a theme, to facilitate a seminar series of both scholarly and public interest supporting each theme, and to encourage and facilitate effective public documentation of the collective product of each theme's work.

The underlying aspiration for such an Academy is to elevate the international reputation and global impact of Western through a sustained contribution of new ideas that influence societal directions and contribute in substantial ways to the well-being of humanity.

The proposed funding (i.e. the \$1 million) will be used to support stipends for the Western Fellows and the Postdoctoral Fellows, support staff, seminars/workshops/conferences, and other non-salary costs.

The Provost and the Vice-President (Research) will bring forward details regarding the Academy, its structure, and the operational parameters – including the formal/final name for the Academy – during the summer of 2020.

7. University-wide Data Strategy Initiatives

In the fall of 2019, Western’s President announced the appointment of a special advisor to provide leadership and advice in the creation of an institutional data strategy that will enable Western to empower its students, faculty, and staff with the data acumen they need to become 21st century citizens. The new strategy will guide Western in the development of new training programs, new means of enabling and supporting data-fueled research, and new tools for leveraging our data reserves. A sum of \$1 million in one-time funding in 2020-21 is being recommended to support the Data Strategy Initiatives. The programs will be reviewed in future planning cycles and the necessary resources will be provided.

8. Strategic Expansion of Engineering

The multi-year strategic expansion of Engineering (initiated in 2015) continues with the allocation of additional resources in 2020-21, as follows:

- A sum of \$912,000 in base funding to the Engineering Budget.
- A transfer of \$11.1 million one-time to the Capital Budget to finance Engineering facilities expansion and renewal.

D. Two-Year Operating Budget Summary

We seek approval of the 2020-21 Budget as outlined in this document. The recommendations in this document have been guided by projections of operating revenues and expenditures for the upcoming year. These projections respect the requirement of an operating reserve at the Board-mandated minimum level of \$7.5 million at the end of the 2-year cycle. Table 1 summarizes our current forecast for 2020-21 – and the major underlying assumptions are as follows:

Revenues

- Provincial government grant funding remains constant in 2020-21 – consistent with the new corridor funding system.

- The federal government's research support fund – which is in recognition of the indirect costs of granting-council-supported research covered by the University's operating budget – remains constant in 2020-21.
- As required by the Province, domestic tuition rates (which were rolled back 10% in 2019-20) are held constant in 2020-21. International tuition rates are de-regulated, and our proposed rate increases are shown in Tables 10 and 11.
- Enrolment projections and plans underlying the tuition revenue projections are shown in Table 12.
- **Given the uncertainties noted in section A – in particular, the concerns about international enrolments – our tuition revenue projections have assumed a 7.5% reduction to undergraduate international tuition revenue. While we have simulated various scenarios in terms of international enrolment levels (i.e. reductions – relative to the projections shown in Table 12), at this point in time we recommend moving forward with the 7.5% international tuition revenue reduction assumption. As indicated in Section A, if the revenues do not materialize as projected, we will seek Board approval (in-year) to defer some one-time expenditures to the future.**

Expenditures

- Faculty and Support Unit base budgets have been reduced by an additional 2.5% in 2020-21 – in addition to the 3% Annual Inflationary Budget Adjustment (IBA).
- Enrolment-related revenue sharing allocations to the Faculties continues in 2020-21, and the projections are shown in Table 4a.
- Increases in non-salary costs for major University-wide budget items (e.g. utilities, insurance, and I.T. infrastructure) will be consistent with recent trends and/or known cost escalations.
- We need to set aside the necessary funds to cover the operating costs of incremental space in our new facilities. It should be noted that the Faculties are responsible for covering 50% of the operating costs of incremental space.

Net Position and the Operating Reserve

- As can be seen in line 32 of Table 1, the Operating Reserve is projected to be at \$91.0 million at the end of the current year (i.e. 2019-20). The reserve is projected to be \$56.6 million at the end of the current 2-year planning period (i.e. 2020-21) – above the current Board-mandated minimum level of \$7.5 million. ***It is recommended that the minimum reserve level be maintained at \$7.5 million for the final year of the 2-year planning period – and be reviewed by the Board of Governors prior to the launch of the next multi-year planning cycle.***

E. Summary of the 2020-21 Operating Budget

Table 2 summarizes the 2020-21 Operating Budget – including total revenues, expenditures by area, net position for the year, and the projected operating reserve.

Line 5: Total operating revenue is projected to be \$807.5 million in 2020-21 – an increase of 1.4% over 2019-20. Details of the operating revenues are shown in Table 3.

Line 13: Total expenditures are projected to be \$841.9 million in 2020-21 – an increase of 5.2% over 2019-20. Details of the expenditures (by area) are shown in Tables 4 through 8.

Line 14: The in-year net position is projected to be a deficit of \$3.5 million in 2019-20 and a deficit of \$34.4 million in 2020-21.

Line 17: The Operating Reserve is forecast to be \$91.0 million at the end of 2019-20 and \$56.6 million at the end of 2020-21.

The projected deficit in 2020-21 (i.e. \$34.4 million) should not be viewed as a structural deficit. It is the result of the proposed one-time expenditures aimed at supporting university priorities (see Table 8, lines 1 through 11). As noted earlier, if necessary, some of these one-time expenditures could be deferred to the future.

Table 1
TWO-YEAR OPERATING BUDGET PLAN (\$M)

| | | 2018-19 | 2019-20 | 2020-21 |
|----|--|--------------|--------------|--------------|
| 1 | REVENUES | | | |
| 2 | Government Grants | | | |
| 3 | Provincial: Core Operating Grant (enrolment-based) | 241.8 | 241.7 | 241.7 |
| 4 | Provincial: Differentiation Envelope | 22.0 | 22.0 | 22.0 |
| 5 | Provincial: Special Purpose Grants | 20.0 | 19.9 | 19.6 |
| 6 | Federal: Research Support Fund (FRSF) | 11.1 | 11.5 | 11.5 |
| 7 | Total | 294.9 | 295.1 | 294.8 |
| 8 | Tuition Revenue | 406.6 | 402.5 | 408.8 |
| 9 | All Other Revenues | | | |
| 10 | Canada Research Chairs (CRCs) | 6.7 | 6.8 | 8.5 |
| 11 | Recoverable Salaries | 26.1 | 25.5 | 25.5 |
| 12 | All Other | 68.5 | 66.7 | 69.9 |
| 13 | Total | 101.3 | 99.0 | 103.9 |
| 14 | Total Revenues | 802.8 | 796.6 | 807.5 |
| 15 | EXPENDITURES | | | |
| 16 | Faculties | | | |
| 17 | Base Budgets | 427.8 | 423.6 | 412.7 |
| 18 | Revenue Sharing Allocations | 0.0 | 5.5 | 9.6 |
| 19 | Canada Research Chairs (CRCs) | 5.8 | 5.9 | 7.4 |
| 20 | All Other | 49.7 | 47.2 | 46.8 |
| 21 | Total | 483.3 | 482.2 | 476.5 |
| 22 | Scholarships and Bursaries | 34.3 | 33.0 | 33.0 |
| 23 | Support Areas | 104.6 | 105.3 | 103.6 |
| 24 | University-wide Expenditures | 76.2 | 78.6 | 82.0 |
| 25 | Provision for Cost Fluctuations | 2.5 | 1.6 | 24.8 |
| 26 | One-Time Allocations | 88.9 | 99.4 | 122.0 |
| 27 | Total Expenditures | 789.8 | 800.1 | 841.9 |
| 28 | REVENUES minus EXPENDITURES | 13.0 | -3.5 | -34.4 |
| 29 | OPERATING RESERVE | | | |
| 30 | Beginning Operating Reserve | 81.5 | 94.5 | 91.0 |
| 31 | Surplus / (Deficit) -- from Line 28 above | 13.0 | -3.5 | -34.4 |
| 32 | Ending Operating Reserve | 94.5 | 91.0 | 56.6 |

Table 2
SUMMARY OF OPERATING BUDGET: 2020-21

| | <a> | | <c> |
|----|-------------------------------------|--------------------|------------------------------|
| | 2019-20 Budget (@Feb29, 2020) | 2020-21 Budget | \$ Change from 2019-20 |
| 1 | Operating Revenues (Table 3) | | |
| 2 | 295,047,319 | 294,755,331 | -291,988 |
| 3 | 402,540,896 | 408,839,792 | 6,298,896 |
| 4 | 98,949,185 | 103,900,645 | 4,951,460 |
| 5 | 796,537,400 | 807,495,768 | 10,958,368 |
| 6 | Expenditure Budgets | | |
| 7 | 482,170,443 | 476,452,869 | -5,717,574 |
| 8 | 32,966,428 | 33,069,255 | 102,827 |
| 9 | 105,277,038 | 103,623,036 | -1,654,002 |
| 10 | 78,584,475 | 81,952,501 | 3,368,026 |
| 11 | 1,600,000 | 24,773,685 | 23,173,685 |
| 12 | 99,426,798 | 121,982,813 | 22,556,015 |
| 13 | 800,025,182 | 841,854,159 | 41,828,977 |
| 14 | -3,487,782 | -34,358,391 | |
| 15 | 94,516,075 | 91,028,293 | |
| 16 | -3,487,782 | -34,358,391 | |
| 17 | 91,028,293 | 56,669,902 | |
| 18 | 7,500,000 | 7,500,000 | |

F. Details of the 2020-21 Operating Revenue Forecasts (Table 3)

Government Grants

In 2017-18, the Provincial Government introduced an enrolment corridor-based funding system – where the major portion of provincial grants would flow as a block grant, provided the institution maintains an overall level of domestic enrolments. More recently, the Province has signaled the move to a performance-based funding system – where, gradually over the next 5 years (starting with 2020-21), the major portion of grant funding would be tied to ten performance/outcomes metrics. This transition to the performance funding system is simply a realignment of the existing levels of grant funding – i.e. there will be no increases to the total amounts available to Ontario’s universities. In addition, the funding implications of the 2020-21 metrics assessments will not occur until 2021-22 (i.e. on a slip-year basis). Therefore, at this point in time, we have presented the 2020-21 provincial government grant information using the current structure (Table 3, lines 2 through 4).

Tuition Fees

The recommended tuition fee rates for 2020-21 are summarized in Tables 10 and 11. Tuition revenue projections are a function of tuition rates and the enrolment forecasts shown in Table 12.

Domestic Students

Our recommendations for domestic student tuition fees follow the provincial government’s framework which requires the 2020-21 rates to be frozen at the 2019-20 levels.

International Students

The last ten University budgets highlighted the fact that Western’s international undergraduate student tuition rates were below the average of our peer research-intensive institutions in Ontario – and it was noted that, looking forward, our recommendations for these tuition fees will seek to move Western’s tuition rates to the level of our peers. The recommendations for international undergraduate tuition fees continue on the path to narrowing the gap with our peer institutions.

Starting with the fall term of 2018, tuition rates for international Ph.D. students are set at the same rate as domestic students.

As outlined in section D, our tuition revenue projections have assumed a 7.5% reduction to projected undergraduate international tuition revenue.

All Other Revenues

A number of other sources contribute to the University’s Operating Budget. Major items to note are the Canada Research Chairs (CRCs), Transfer from the Affiliated University Colleges, Fundraising associated with Student Financial Aid, Royalties and Licenses, and Contributions from Ancillaries and Other Self-funded Operations.

- Table 9 summarizes the distribution of currently-occupied CRCs at Western. Our current allocation is a total of 66 CRCs. The occupancy of the Chairs turns over dynamically as terms end

and begin. There are 44 occupied Chairs in the current year – and we are projecting this to increase to 56 in 2020-21, with \$8.5 million in associated revenue.

- The Transfer from the Affiliated University Colleges represents payments for services and teaching provided to their students. The transfer rate for 2020-21 is at the steady-state level of 12% of the Colleges' grant and tuition revenue, and the increase in the dollar value of the transfer reflects projected tuition revenue at the Colleges.
- Fundraising for needs-based Student Awards continues to be of high priority to the University. In 2020-21, we project a sum of \$8.3 million from this source.
- The revenue from Royalties and Licenses includes patents/licenses associated with the Robarts Research Institute, which flow directly to the institute.
- Western's self-funded operations and ancillary units generate substantial revenue for the University Operating Budget by way of recoveries associated with facilities/land costs and services provided by the University. The category also includes the payment from the Ivey Business School to the University for services provided by the University to Ivey – a component within the funding model for the Ivey School that was introduced in 2004-05.

G. Details of the 2020-21 Expenditure Recommendations

1. Faculty Budget Recommendations

Table 4 shows the 2020-21 **base budget recommendations** for Western's Faculties. Final 2020-21 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA) established as part of the multi-year budget plan;
- Additional 2.5% base budget reductions;
- Faculty Turnover Recovery, which returns the greater of \$91,000 or 60% of the retiring or departing member's salary to the Faculty budget;
- Academic Priorities Fund (APF) allocations;
- Targeted government program expansion or program-specific funding; and
- Funds associated with CRC positions (detailed in Table 9).

The **Inflationary Budget Adjustment (IBA)** – which reduces the base budget by 3% – is applied annually. This adjustment is required to help fund inflationary costs, which are primarily the annual employee salary increases as negotiated through collective bargaining agreements. It should be noted that central funding to cover the costs of negotiated employee salary and benefit increases will be incrementally added to Faculty base budgets (in year) as the information is available – i.e. the funds will be added to the figures shown in column <g> of Table 4.

As an outcome of the 2016-17 planning cycle, in order to provide Faculties with resources to support faculty renewal, the **Faculty Turnover Recovery Program** was temporarily suspended. Turnover recovery was waived for all tenured/probationary faculty retirements (or exits of faculty members at age 55 or higher) signed between February 1, 2016 and June 30, 2021 – where the faculty member leaves the University by July 1, 2021. Turnover recovery associated with all previous exits – which

are currently built into the Faculties' budget plans – will be applied as planned. The Turnover Recovery Policy will be reviewed as part of the next planning cycle.

The **Academic Priorities Fund (APF)** shown in line 18 of Table 4 was established in 2011-12. The Provost's APF recommendations are in direct response to requests from the Faculties – and are made in the context of the following considerations:

- The Faculty's overall resource situation relative to enrolments/teaching
- Plans for program expansion and/or development of new graduate and undergraduate programs
- Projected revenue sharing allocations
- Resources relative to similar programs/Faculties
- Cost structure variations among disciplines/Faculties
- Relationship between resources, enrolments, and faculty/staff complements
- Scholarship/research activities and new initiatives, including interdisciplinary or cross-Faculty initiatives
- Previous investments made in the last 4-year planning cycle and the first year of the current 2-year transitional planning cycle

The **Faculty-specific APF base recommendations** for 2020-21 (shown in column <d> of Table 4) are:

- \$150,000 to the Faculty of Arts & Humanities in support of undergraduate student recruitment initiatives;
- \$150,000 to the Faculty of Information & Media Studies in support of staff renewal;
- \$150,000 to the Schulich School of Medicine & Dentistry to support on-line course development and simulation-based education;
- \$150,000 to the Don Wright Faculty of Music for a faculty position in choral studies;
- \$150,000 to the Faculty of Social Science for a faculty position in the DAN Management & Organizational Studies Program.

As noted earlier (in section C.8.), the multi-year **strategic expansion of Engineering** will flow a sum of \$912,000 in base funding to the Engineering budget (Table 4, line 4, column <e>).

The **funding model for the Ivey Business School** – introduced in 2004-05 – flows all tuition fees and government grants deriving from the School's enrolments directly to Ivey. Under this funding model, the Ivey School does not participate in the University's other funding programs such as the APF or the Research Infrastructure Support Fund (RISF), and the School is responsible for all cost increases – including annual employee salary increases. The School also makes an annual payment to the central budget reflecting the cost of the services provided to the School by the University.

Over and above the base budget allocations, the Faculties receive substantial additional on-going funds through the **enrolment-related revenue sharing mechanism** that was implemented in 2011-12. A proportion of tuition revenue deriving from incremental enrolments flows to the Faculties, as follows:

- 40% on direct-entry undergraduate enrolments/teaching
- 40% on second-entry (or professional) undergraduate enrolments
- 50% on graduate enrolments

The Faculty-specific breakdown of the projected \$9.6 million in revenue sharing allocations is shown in Table 4a. This amount is on top of a total of \$46.2 million that was rolled into Faculty base budgets in 2018-19.

The Faculties also receive additional budgetary support through:

- **One-time operating budget allocations** (totaling \$10 million) – which are detailed in Table 8 (lines 12 to 23);
- **The Research Infrastructure Support Fund (RISF)** -- \$750,000 (Table 4, line 16); and
- Support for **Faculty-specific capital projects** through the University’s Capital Budget.

For information, a consolidated summary of the Provost’s allocation recommendations for the Faculties (from the various sources described above) is presented in Figure E. These recommendations are for the 2020-21 Budget – and, given our multi-year planning approach, should be considered in the context of resource allocations made in previous years.

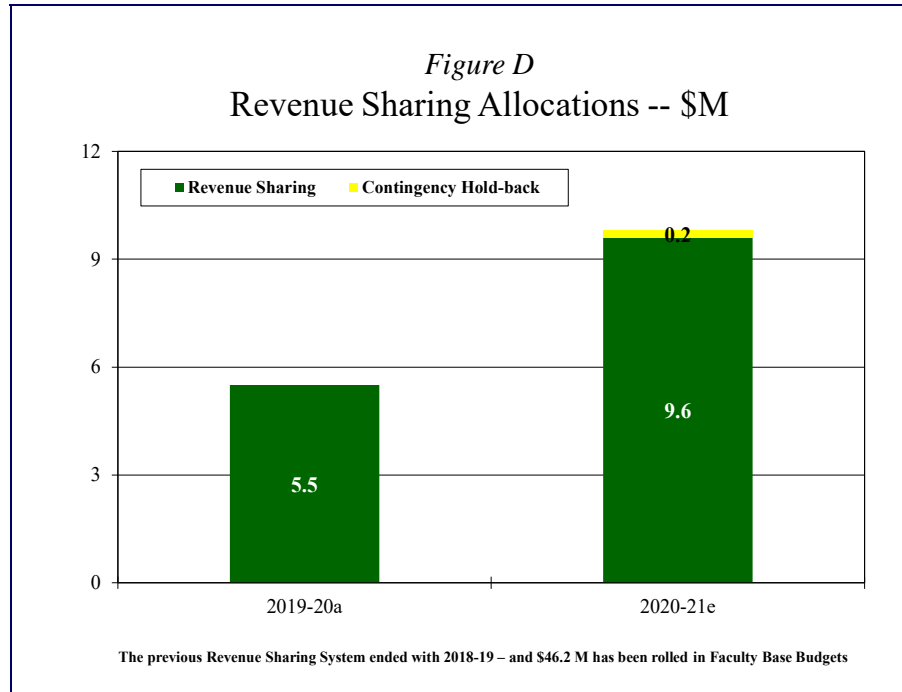


Figure E

SUMMARY OF 2020-21 ALLOCATION RECOMMENDATIONS FOR THE FACULTIES

| | | Base Allocations | One-Time Allocations | Capital Allocations |
|----|-----------------------------|------------------|----------------------|---------------------|
| 1 | Arts & Humanities | 150,000 | 225,000 | 272,000 |
| 2 | Education | | 25,000 | 60,000 |
| 3 | Engineering | 911,912 | 186,000 | 207,527 |
| 4 | Health Sciences | | 150,000 | |
| 5 | Information & Media Studies | 150,000 | 93,480 | |
| 6 | Law | | 361,000 | 4,700 |
| 7 | Medicine & Dentistry | 150,000 | 65,000 | 300,000 |
| 8 | Music | 150,000 | 248,200 | 177,800 |
| 9 | Science | | 150,000 | 175,000 |
| 10 | Social Science | 150,000 | 150,000 | 349,000 |
| 11 | Total | 1,661,912 | 1,653,680 | 1,546,027 |

Note: These recommendations are for the 2020-21 budget -- and, given our multi-year planning approach, should be considered in the context of resource allocations made in previous years.

2. Scholarships and Bursaries

Base budget allocations for centrally-funded student support are shown in Table 5. Overall student support funding is projected to be \$33.1 million in 2020-21.

- Fundraising for undergraduate and graduate student needs-based awards continues to be of high priority to the University. In 2020-21, we project a sum of \$8.3 million from this source.
- As the footnote in Table 5 indicates, graduate student funding is now addressed through the Faculty budgets – and the Faculty Plans estimate a total of \$54.1 million in 2020-21 for this high priority item.

In addition (as described in C.3), in order to support our students who may be faced with financial pressures created by COVID-19, we are recommending a \$13.5 million one-time fund to ensure that our students have the necessary resources to pursue their studies at Western in 2020-21. This funding will support our students through needs-based bursaries, work-study opportunities, summer research opportunities, and residence accommodation subsidies.

3. Support Unit Budget Recommendations

Table 6 shows the 2020-21 base budget recommendations for Support Units. Final 2020-21 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA) established as part of the multi-year budget plan;
- Additional 2.5% base budget reductions;
- Support Units Priorities Fund (SUPF) allocations; and
- Other strategic base allocations in support of: maintaining core services and the operating costs of new facilities.

Similar to the Faculties, central funding to cover the costs of negotiated employee salary and benefit increases will be incrementally added to Support Unit base budgets (in year) as the information is available – i.e. the funds will be added to the figures shown in column <e> of Table 6.

The **Support Unit Priorities Fund (SUPF)** was established in 2011-12, and the unit-specific base allocations for 2020-21 (shown in column <c> of Table 6) are:

- \$100,000 to the Vice-Provost (Academic Programs) Portfolio for curriculum specialist staff positions;
- \$100,000 to Western Technology Services for a technical analyst staff position;
- \$100,000 to Western Libraries for an assessment librarian;
- \$50,000 to the Registrar’s Office for an analyst position in the admissions area;
- \$100,000 to the Student Experience Portfolio for a case manager staff position;
- \$140,000 to the School of Graduate & Postdoctoral Studies for graduate student professional development initiative and a recruitment staff position – joint with Western International;
- \$120,000 to the Office of Institutional Planning & Budgeting to maintain staffing levels;
- \$40,000 to Western International for a recruitment staff position – joint with SGPS;
- \$365,000 to Financial Services to sustain operations and build capacity in the areas of financial systems and investments management;
- \$50,000 to Facilities Management to sustain operations;
- \$162,875 to Police Services to sustain operations and for additional emergency management staffing;
- \$26,000 to Internal Audit to sustain operations;
- \$22,000 to Legal Services to sustain operations;
- \$100,000 to Research Western for research development project management staffing;
- \$150,000 to the Vice-President (External) Portfolio for staffing in the areas of principal gifts and alumni engagement;
- \$85,000 to Human Resources to sustain operations;
- \$60,000 to the Office of the President & Vice-Presidents for additional staffing;

The Vice-President (Operations & Finance) is also carrying forward a portion of the SUPF resources associated with their units for allocation in the future. This is shown in line 22 of Table 6.

The Support Units receive nearly \$2.2 million in additional base allocations (column <d>, Table 6) to **maintain core services** and the following targeted special allocations:

- \$210,000 to the Vice-Provost (Academic Programs) Portfolio for the creation of an office to coordinate and manage the Institutional Quality Assurance Process;
- \$315,000 to Western Technology Services for additional staffing in the areas of infrastructure services;
- \$760,000 for the creation of the new Office of Indigenous Initiatives – as described in section C1;
- \$225,000 to Police Services for additional constables and building card-access security staffing;
- \$140,000 to Legal Services for additional staffing;
- \$100,000 to Research Western to enhance service levels; and
- \$140,000 to the Vice-President (External) Portfolio for fundraising initiatives.

Note: In Table 6 (line 6, column d), the budget for the Student Experience Portfolio shows a reduction in funding. This presentation reflects the transfer of funds associated with the creation of the Western Entrepreneurship Ecosystem as a separate budget item (see Table 7, line 16).

Similar to the Faculties, the Support Units also receive additional budgetary support through:

- **One-time operating budget allocations** (\$6.2 million) – which are detailed in Table 8 (lines 24 through 41); and
- Support for **Unit-specific capital projects** through the University’s Capital Budget.

4. University-wide Expenditures

Table 7 summarizes University-wide Expenditures – expenses that extend across all areas of the University.

- The increase in the University’s physical plant **Utilities** is the net result of projected rate increases, utilization patterns, anticipated savings resulting from the implementation of energy efficiency initiatives, and the opening of new buildings.
- The **Library Acquisitions Budget** continues to be a high priority – and is being maintained at the current level of \$15.4 million.
- The **Maintenance, Modernization, and Infrastructure (MMI)** transfer to the Capital Budget is being maintained at the Board-approved level of \$15.5 million. This budget line will be reviewed as part of the next planning cycle.
- The **FRSF Transfer to Capital** continues at the \$3 million level – and these funds are used to support major projects in our Long-range Space Plan that involve research facilities.
- The **Information Technology Infrastructure Fund (ITIF)** supports rapidly-expanding University-wide central IT infrastructure – including our networks, wireless technologies, internet bandwidth, IT security infrastructure, general university computer labs, instructional support and eLearning software applications, central university databases, the hardware necessary to run the applications and databases, and maintenance costs associated with all the hardware and software.
- **Contingency** is being set at approximately \$2 million – 0.25% of Operating Revenues, as in previous years.
- Western attracts outstanding students. Their recruitment, within an increasingly competitive environment, continues to be of high priority to the University – and the **Student Recruitment** base budget supports a wide array of recruitment activities, including out-of-province student recruitment initiatives.
- Funding for the **Western Entrepreneurship Ecosystem** is a university priority. This funding will be managed through the Ivey Business School, with reporting to the University on student outcomes.

5. One-Time Recommendations

The Faculties and Support Units will receive substantial one-time funding in 2020-21. The specific one-time recommendations are summarized in Table 8 – and include unit-specific items as well as allocations for University-wide initiatives.

- As described earlier in Section C of this document, the following high priority university-wide initiatives are recommended for support in the 2020-21 budget – with one-time allocations:
 - Support for **Strategic Projects in our Long-Range Space Plan**: \$50 million.
 - **COVID-19 related Student Financial Support Programs**: \$13.5 million
 - Multi-year **Financing of Engineering Facilities Expansion/Renewal**: \$11 million
 - Continuation of **Western Research Chairs Program**; \$10 million
 - **The Open Space Strategy** – \$6 million – to move forward with the transformation of our core campus into a pedestrian-friendly campus
 - **Energy Conservation Initiatives**: \$5 million
 - **Enhancements to TD Stadium – including a multi-sport Sports Dome**: \$4.5 million
 - A new round of the **Interdisciplinary Initiatives Program**: \$2.9 million
 - The creation of the **Western Academy for Advanced Research**: \$1 million
 - University-wide **Data Strategy Initiatives**: \$1 million

Table 3
2020-21 OPERATING REVENUES

| | | 2019-20 Budget Forecast (@Feb29, 2020) (1) | 2020-21 Budget (2) | Increase / (Decrease) Amount (3) | % Change (2) to (1) |
|----|---|--|--------------------------|---|------------------------|
| 1 | Government Grants | | | | |
| 2 | Provincial: Core Operating Grant (Enrolment-Based) | 241,671,833 | 241,671,833 | 0 | 0.0% |
| 3 | Provincial: Differentiation Envelope | 21,984,916 | 21,984,916 | 0 | 0.0% |
| 4 | Provincial: Special Purpose Grants | 19,921,671 | 19,629,683 | -291,988 | -1.5% |
| 5 | Federal Research Support Fund (FRSF) | 11,468,899 | 11,468,899 | 0 | 0.0% |
| 6 | Sub-Total Government Grants | 295,047,319 | 294,755,331 | -291,988 | -0.1% |
| | | | | | |
| 7 | Tuition Revenue | | | | |
| 8 | Undergraduate | 259,240,000 | 260,288,588 | 1,048,588 | 0.4% |
| 9 | Graduate | 64,460,000 | 64,208,758 | -251,242 | -0.4% |
| 10 | <i>Sub-Total General Programs</i> | <i>323,700,000</i> | <i>324,497,346</i> | <i>797,346</i> | <i>0.2%</i> |
| 11 | Ivey Programs (HBA, MBAs, MSc, PhD) | 68,724,692 | 74,517,927 | 5,793,235 | 8.4% |
| 12 | International Medical and Dental Students | 9,291,204 | 8,999,519 | -291,685 | -3.1% |
| 13 | <i>Sub-Total Other Programs</i> | <i>78,015,896</i> | <i>83,517,446</i> | <i>5,501,550</i> | <i>7.1%</i> |
| 14 | Miscellaneous Fees | 825,000 | 825,000 | 0 | 0.0% |
| 15 | Sub-Total Tuition Revenue | 402,540,896 | 408,839,792 | 6,298,896 | 1.6% |
| | | | | | |
| 16 | Other Revenues | | | | |
| 17 | Canada Research Chairs (CRCs) | 6,800,000 | 8,500,000 | 1,700,000 | 25.0% |
| 18 | Transfer from Affiliated University Colleges | 10,723,000 | 11,078,469 | 355,469 | 3.3% |
| 19 | Recoverable Salaries | 25,494,300 | 25,512,000 | 17,700 | 0.1% |
| 20 | Fundraising -- Need-based Student Awards and Bursaries | 8,300,000 | 8,300,000 | 0 | 0.0% |
| 21 | Application Fees | 1,780,258 | 1,780,258 | 0 | 0.0% |
| 22 | Research Overheads | 2,800,000 | 2,800,000 | 0 | 0.0% |
| 23 | Royalties and Licences | 3,350,000 | 3,850,000 | 500,000 | 14.9% |
| 24 | Scholarship/Research Initiatives in the SSHRC Disciplines | 329,639 | 358,922 | 29,283 | 8.9% |
| 25 | Contributions from Self-Funded & Ancillary Operations | 36,757,300 | 39,134,300 | 2,377,000 | 6.5% |
| 26 | Miscellaneous Revenues | 2,614,688 | 2,586,696 | -27,992 | -1.1% |
| 27 | Sub-Total Other Revenues | 98,949,185 | 103,900,645 | 4,951,460 | 5.0% |
| | | | | | |
| 28 | Total Revenues | 796,537,400 | 807,495,768 | 10,958,368 | 1.4% |

**Table 4
FACULTIES**

| | <a> | | <c> | <d> | <e> | <f> | <g> |
|----|--|------------------------------------|---------------------------------|-----------------|--------------------------|------------------------------|-------------------------------------|
| | 2019-20 Base Budget (@Feb29, 2020) | IBA and Add'l 2.5% Reduction | Faculty Turnover Recovery | APF | Other Base Changes | Canada Research Chairs | Resulting 2020-21 Base Budget |
| 1 | Faculties | | | | | | |
| 2 | Arts & Humanities | 32,865,686 | -1,715,373 | -67,210 | 150,000 | 90,000 | 31,323,103 |
| 3 | Education | 17,703,951 | -1,002,774 | | | 260,000 | 16,961,177 |
| 4 | Engineering | 32,670,938 | -1,672,259 | | 911,912 | 260,000 | 32,170,591 |
| 5 | Health Sciences | 33,503,796 | -1,780,026 | -77,414 | | 170,000 | 31,816,356 |
| 6 | Information & Media Studies | 10,610,643 | -554,688 | -205,679 | 150,000 | 90,000 | 10,090,276 |
| 7 | Law | 9,659,449 | -511,929 | -37,151 | | 0 | 9,110,369 |
| 8 | Medicine & Dentistry | 72,516,931 | -3,721,160 | -94,305 | 150,000 | 270,000 | 69,121,466 |
| 9 | Music | 10,932,085 | -572,910 | | 150,000 | 0 | 10,509,175 |
| 10 | Science | 62,969,826 | -3,318,121 | -123,092 | | 170,000 | 59,698,613 |
| 11 | Social Science | 62,490,294 | -3,303,029 | -85,416 | 150,000 | 80,000 | 59,331,849 |
| 12 | Sub-Total Faculties (excluding Business) | 345,923,599 | -18,152,269 | -690,267 | 750,000 | 1,390,000 | 330,132,975 |
| 13 | Business | 81,628,574 | | | 5,736,698 | 90,000 | 87,455,272 |
| 14 | Sub-Total Faculties | 427,552,173 | -18,152,269 | -690,267 | 750,000 | 1,480,000 | 417,588,247 |
| 15 | Revenue Sharing Allocation | 5,496,916 | | | 4,066,507 | | 9,563,423 |
| 16 | Research Infrastructure Support Fund (RISF) | 750,000 | | | | | 750,000 |
| 17 | Faculty Recruitment Initiatives | 1,218,271 | | | | | 1,218,271 |
| 18 | Academic Priorities Fund (APF) | 6,706,960 | | | 500,000 | | 7,206,960 |
| 19 | Total -- with Revenue Sharing Allocation | 441,724,320 | -18,152,269 | -690,267 | 1,250,000 | 1,480,000 | 436,326,901 |
| 20 | All Other | | | | | | |
| 21 | Western Strategic Success Programs | 1,500,000 | | | | | 1,500,000 |
| 22 | Continuing Studies: Trois-Pistoles | 1,002,494 | | | | | 1,002,494 |
| 23 | Education: Continuing Education for Teachers | 1,354,320 | | | -46,170 | | 1,308,150 |
| 24 | Medicine & Dentistry: International Tuition and Primary Care | 9,641,009 | | | -291,685 | | 9,349,324 |
| 25 | Faculty Share of Research Overheads | 1,075,000 | | | 0 | | 1,075,000 |
| 26 | Faculty Scholars & Distinguished University Professors | 239,000 | | | | | 239,000 |
| 27 | Graduate and Undergraduate Program Reviews | 140,000 | | | | | 140,000 |
| 28 | Recoverable Salaries | 25,494,300 | | | 17,700 | | 25,512,000 |
| 29 | Sub-Total | 40,446,123 | 0 | 0 | -320,155 | 0 | 40,125,968 |
| 30 | Total Academic Units | 482,170,443 | -18,152,269 | -690,267 | 1,250,000 | 1,480,000 | 476,452,869 |

Note: Funding to cover the costs of negotiated employee salary and benefits increases will be incrementally added to Faculty base budgets (in year, to column g), as the information is available.

Table 4a
FACULTIES: REVENUE SHARING ALLOCATIONS

| | | 2019-20 | 2020-21e |
|----|------------------------------|------------------|------------------|
| 1 | Arts & Humanities | 0 | 0 |
| 2 | Education | 1,236,160 | 2,178,499 |
| 3 | Engineering | 79,233 | 1,755,176 |
| 4 | Health Sciences | 735,598 | 810,375 |
| 5 | Information & Media Studies | 421,175 | 454,033 |
| 6 | Law | 33,666 | 0 |
| 7 | Medicine & Dentistry | 0 | 209,358 |
| 8 | Music | 25,726 | 237,101 |
| 9 | Science | 1,638,091 | 3,208,824 |
| 10 | Social Science | 1,327,267 | 710,057 |
| 11 | Sub-Total | 5,496,916 | 9,563,423 |
| 12 | Contingency Hold-back | | 187,560 |
| 13 | Sub-Total | 5,496,916 | 9,750,983 |

Table 5
SCHOLARSHIPS and BURSARIES

| | | <a> | | <c> |
|---|--|--|----------------|-------------------------------------|
| | | 2019-20 Base Budget (@Feb29, 2020) | Changes | Resulting 2020-21 Base Budget |
| 1 | Undergraduate Scholarships | 7,300,000 | | 7,300,000 |
| 2 | Tuition Re-Investment | 14,689,596 | 102,827 | 14,792,423 |
| 3 | Western Bursaries | 776,545 | | 776,545 |
| 4 | Privately-Funded Need-based Awards & Bursaries | 8,300,000 | | 8,300,000 |
| 5 | MAESD Bursaries | 548,920 | | 548,920 |
| 6 | Global Opportunities Awards | 200,000 | | 200,000 |
| 7 | Graduate Bursaries and Fellowships | 1,151,367 | | 1,151,367 |
| 8 | Total Scholarships and Bursaries | 32,966,428 | 102,827 | 33,069,255 |

Graduate student funding is now addressed through the Faculty budgets. In 2019-20, this funding is estimated to be \$55.0 million and the plan for 2020-21 is \$54.1 million.

Table 6
SUPPORT AREAS

| | | <a> | | <c> | <d> | <e> |
|----|---|--|------------------------------------|------------------|--------------------------|-------------------------------------|
| | | 2019-20 Base Budget (@Feb29, 2020) | IBA and Add'l 2.5% Reduction | SUPF | Other Base Changes | Resulting 2020-21 Base Budget |
| 1 | Reporting to the Provost | | | | | |
| 2 | VP (Academic Programs) Portfolio | 1,343,711 | -38,802 | 100,000 | 210,000 | 1,614,909 |
| 3 | Western Technology Services | 10,697,464 | -557,792 | 100,000 | 515,000 | 10,754,672 |
| 4 | Libraries | 13,252,817 | -707,225 | 100,000 | | 12,645,592 |
| 5 | Registrar's Office | 5,742,865 | -320,839 | 50,000 | 100,000 | 5,572,026 |
| 6 | Student Experience Portfolio | 3,277,717 | -116,307 | 100,000 | -674,207 | 2,587,203 |
| 7 | Office of Indigenous Initiatives | | | | 759,931 | 759,931 |
| 8 | Office of Vice-Provost (APPF) | 1,392,844 | -74,849 | | | 1,317,995 |
| 9 | Graduate & Postdoctoral Studies | 1,693,104 | -90,681 | 140,000 | | 1,742,423 |
| 10 | Institutional Planning and Budgeting | 2,157,298 | -116,389 | 120,000 | | 2,160,909 |
| 11 | Western International | 2,993,184 | -143,297 | 40,000 | | 2,889,887 |
| 12 | McIntosh Gallery - Operating Budget Supplement | 290,837 | -7,271 | | | 283,566 |
| 13 | Teaching Fellows Program | 487,500 | -12,188 | | | 475,312 |
| 14 | Support Unit Priorities Fund (SUPF) | 235,000 | | -235,000 | | 0 |
| 15 | Sub-Total | 43,564,341 | -2,185,640 | 515,000 | 910,724 | 42,804,425 |
| 16 | Reporting to the Vice-President Operations & Finance | | | | | |
| 17 | Financial Services | 5,004,181 | -260,177 | 365,000 | 70,000 | 5,179,004 |
| 18 | Facilities Management | 18,901,673 | -870,048 | 50,000 | 60,000 | 18,141,625 |
| 19 | Police | 3,066,504 | -156,310 | 162,875 | 225,000 | 3,298,069 |
| 20 | Internal Audit | 505,629 | -25,675 | 26,000 | | 505,954 |
| 21 | Legal Services | 439,298 | -22,275 | 22,000 | 140,000 | 579,023 |
| 22 | Support Unit Priorities Fund (SUPF) | 827,287 | | -285,875 | | 541,412 |
| 23 | Sub-Total | 28,744,572 | -1,334,485 | 340,000 | 495,000 | 28,245,087 |
| 24 | Reporting to the Vice-President Research | | | | | |
| 25 | Animal Care/Veterinary Services - Operating Budget Supplement | 1,867,300 | | | | 1,867,300 |
| 26 | Research Western | 5,082,641 | -277,812 | 100,000 | 100,000 | 5,004,829 |
| 27 | Research Promotion Fund | 750,000 | | | | 750,000 |
| 28 | Small Grants Support for Arts/Humanities/Social Sciences | 250,000 | | | | 250,000 |
| 29 | Scholarship/Research Initiatives in the SSHRC Disciplines | 329,639 | | | 29,283 | 358,922 |
| 30 | Western Innovation Fund | 400,000 | | | | 400,000 |
| 31 | Sub-Total | 8,679,580 | -277,812 | 100,000 | 129,283 | 8,631,051 |
| 32 | Vice-President External Portfolio | 12,164,767 | -646,482 | 150,000 | 140,000 | 11,808,285 |
| 33 | General Administration | | | | | |
| 34 | Human Resources (Including Workplace Health Services) | 6,961,448 | -367,414 | 85,000 | 433,000 | 7,112,034 |
| 35 | Offices of the President/Vice-Presidents | 4,198,259 | -213,422 | 60,000 | 32,146 | 4,076,983 |
| 36 | University Secretariat | 964,071 | -43,900 | | 25,000 | 945,171 |
| 37 | Sub-Total | 12,123,778 | -624,736 | 145,000 | 490,146 | 12,134,188 |
| 38 | Total Support Areas | 105,277,038 | -5,069,155 | 1,250,000 | 2,165,153 | 103,623,036 |

Note: Funding to cover the costs of negotiated employee salary and benefits increases will be incrementally added to Unit base budgets (in year, to column e), as the information is available.

Table 7
UNIVERSITY-WIDE EXPENDITURES and EMPLOYEE BENEFIT COSTS

| | | <a> | | <c> | <d> |
|----|--|--|-------------------|------------------|-------------------------------------|
| | | 2019-20 Base Budget (@Feb29, 2020) | New Investment | Other Changes | Resulting 2020-21 Base Budget |
| 1 | Utilities | 24,885,785 | | 248,858 | 25,134,643 |
| 2 | Library Acquisitions | 15,415,896 | | | 15,415,896 |
| 3 | Transfer to MMI: Operating | 15,500,000 | | | 15,500,000 |
| 4 | Transfer to MMI: Ancillaries | 600,000 | | | 600,000 |
| 5 | FRSF Transfer to Capital | 3,000,000 | | | 3,000,000 |
| 6 | CRC Transfer to Capital | 736,000 | | 176,000 | 912,000 |
| 7 | Information Technology Infrastructure Fund | 10,123,230 | | 506,162 | 10,629,392 |
| 8 | Property Taxes | 2,301,975 | | 35,850 | 2,337,825 |
| 9 | Insurance | 2,352,100 | | | 2,352,100 |
| 10 | Contingency | 1,945,541 | | 73,198 | 2,018,739 |
| 11 | Services for Students with Disabilities | 1,469,872 | | | 1,469,872 |
| 12 | Professional Fees | 1,382,500 | | | 1,382,500 |
| 13 | Institutional Memberships | 1,315,000 | | | 1,315,000 |
| 14 | Student Recruitment | 850,000 | | | 850,000 |
| 15 | Sports and Recreation Services - Operating Budget Supplement | 824,085 | | -8,242 | 815,843 |
| 16 | The Western Entrepreneurship Ecosystem - Operating Budget Supplement | | | 674,207 | 674,207 |
| 17 | Costs Associated with Employee Contracts | 589,000 | | | 589,000 |
| 18 | Convocation and Diplomas | 338,000 | | | 338,000 |
| 19 | Governance-Related Costs | 177,800 | | | 177,800 |
| 20 | Ombudsperson | 113,684 | | | 113,684 |
| 21 | University Surveys and Teaching Evaluations | 75,000 | | | 75,000 |
| 22 | Centre for Research on Violence Against Women and Children - Operating Budget Supplement | 55,000 | | | 55,000 |
| 23 | Museum of Ontario Archaeology - Operating Budget Supplement | 50,000 | | | 50,000 |
| 24 | Total University-wide Expenditures | 84,100,468 | 0 | 1,706,033 | 85,806,501 |
| | | | | | |
| 25 | Employee Benefit Plan Costs | 117,661,529 | | 6,668,471 | 124,330,000 |
| 26 | Employee Benefit Recoveries | -123,177,522 | | -5,006,478 | -128,184,000 |
| 27 | Net Employee Benefits | -5,515,993 | | 1,661,993 | -3,854,000 |
| | | | | | |
| 28 | Net University-wide Expenditures | 78,584,475 | 0 | 3,368,026 | 81,952,501 |

Table 8
2020-21 ONE-TIME ALLOCATIONS

| | | |
|----|--|--------------------|
| 1 | Support for Long Range Space Plan | 50,000,000 |
| 2 | COVID-19 Related Student Financial Support Programs | 13,500,000 |
| 3 | Engineering Facilities Expansion/Renewal: Multi-year Financing Plan | 11,061,015 |
| 4 | Continuation of Western Research Chairs Program | 10,000,000 |
| 5 | Pedestrian-Friendly Safe Campus Initiatives: the Open Space Strategy | 6,000,000 |
| 6 | Energy Conservation Initiatives | 5,000,000 |
| 7 | Multi-Sport Inflatable Sports Dome at TD Stadium | 4,500,000 |
| 8 | Interdisciplinary Initiatives Program | 2,855,515 |
| 9 | The Western Academy for Advanced Research | 1,000,000 |
| 10 | University-Wide Data Strategy Initiative | 1,000,000 |
| 11 | Modernization of Instructional Facilities | 812,000 |
| 12 | Faculties | |
| 13 | Arts & Humanities: Undergraduate Recruitment Initiatives (\$225K), and Support to Manage Deficit (\$511K) | 735,974 |
| 14 | Education: Curriculum Mapping / Digital Syllabus | 25,000 |
| 15 | Engineering: CEAB Administrative Support (\$75K), Support for Alumni & Development Staff Position (\$50K), and Student Wellness Coordinator Joint with Law (\$61K) | 186,000 |
| 16 | Health Sciences: Targetted Government Funding for Clinical Education (\$842K) and Nurse Practitioner Program (\$580K), and Simulation & Anatomarium Equipment Renewal (\$150K) | 1,543,701 |
| 17 | Information & Media Studies: Staff Re-organization and Renewal (\$93.5K) | 93,480 |
| 18 | Law: Student Wellness Coordinator Joint with Engineering (\$61K), and Legal research and Writing Instructor (\$300K) | 361,000 |
| 19 | Medicine & Dentistry: Targetted Government Funding for Dental Clinical Education (\$1.2M), MD Expansion (\$2.4M), Robarts Royalties & Licences (\$3.0M), and Indigenous Engagement Coordinator (\$65K) | 6,563,878 |
| 20 | Music: Undergraduate Recruitment Awards (\$145K), Grants Facilitator Staffing Joint with FIMS and Law (\$53.2K), and Support for Faculty Priorities (\$50K) | 248,200 |
| 21 | Science: Start-up Funding for New Faculty (\$150K) | 150,000 |
| 22 | Social Science: Post Doctoral Positions in NEST (\$150K) | 150,000 |
| 23 | Sub-Total Faculties | 10,057,233 |
| 24 | Support Units | |
| 25 | VP (Academic Programs) Portfolio: Professional Development to Support Academic Counselling Units (\$25K), Faculty Mentor Program (\$38K), EMSI License (\$75K), 360 Degree Initiative for Graduate Students (\$285.2K) | 423,213 |
| 26 | Western Technology Services: Contract Application Programmer /Analysts | 100,000 |
| 27 | Libraries: Archives Cold Storage and Self-Serve Smart Cabinets (\$100K), and Staffing to Support Weldon Library Revitalization Project (\$40K) | 140,000 |
| 28 | Registrar's Office: Welcome Website Redesign | 100,000 |
| 29 | Student Experience: Gender & Sexual Violence Prevention (\$100K), Experiential Learning Initiatives (\$66.5K), Career Services and First Nations Initiatives (\$180K), and University Contribution for Artificial Turf Playing Fields (\$230K) | 576,544 |
| 30 | Office of Indigenous Initiatives: Head & Heart Program | 100,000 |
| 31 | Vice-Provost (APPF): Training and Development Initiatives (\$50K), and Faculty Recruitment/Retention Initiatives (\$20K) | 70,000 |
| 32 | SGPS: Maintain Service and Staffing Levels (\$166.4K), Recruitment and Retention Initiatives (\$104.6), Exchange Program Travel Costs (\$14.3K), and Thesis Writing Boot Camp (\$18K) | 303,249 |
| 33 | Western International: International World's Challenge Challenge (\$100K) and International Recruitment / Conversion Staffing (\$500K) | 600,000 |
| 34 | McIntosh Gallery: Indigenous Exhibitions and Programs | 40,000 |
| 35 | Financial Services: Business Intelligence Initiative | 100,000 |
| 36 | Police: Sustain Operations (\$75K), and Security Coverage (\$195K) | 270,000 |
| 37 | Human Resources: Support Operational Needs | 85,000 |
| 38 | Office of the President / Vice Presidents: Support Operational Needs | 60,000 |
| 39 | Vice-President (Research): Support for Research/Scholarship Initiatives | 2,953,808 |
| 40 | Vice-President (External): Support for Fundraising Initiatives | 275,236 |
| 41 | Sub-Total Support Units | 6,197,050 |
| 42 | Total One-Time Allocations | 121,982,813 |

Table 9
CANADA RESEARCH CHAIRS -- by FACULTY (Cumulative)

| | | 2019-20 Final | | | | | | 2020-21 Preliminary | | | | | |
|----|--------------------------|---------------|------------------|--------|------------------|-------|------------------|---------------------|------------------|--------|------------------|-------|------------------|
| | | Tier 1 | | Tier 2 | | Total | | Tier 1 | | Tier 2 | | Total | |
| | | N | \$ | N | \$ | N | \$ | N | \$ | N | \$ | N | \$ |
| 1 | Arts & Humanities | 2 | 340,000 | 1 | 90,000 | 3 | 430,000 | 2 | 340,000 | 2 | 180,000 | 4 | 520,000 |
| 2 | Business | 1 | 170,000 | 0 | 0 | 1 | 170,000 | 1 | 170,000 | 1 | 90,000 | 2 | 260,000 |
| 3 | Education | | | | | | | 1 | 170,000 | 1 | 90,000 | 2 | 260,000 |
| 4 | Engineering | 4 | 680,000 | 4 | 360,000 | 8 | 1,040,000 | 5 | 850,000 | 5 | 450,000 | 10 | 1,300,000 |
| 5 | Health Sciences | 2 | 340,000 | 0 | 0 | 2 | 340,000 | 3 | 510,000 | 0 | 0 | 3 | 510,000 |
| 6 | Info & Media Studies | 1 | 170,000 | 0 | 0 | 1 | 170,000 | 1 | 170,000 | 1 | 90,000 | 2 | 260,000 |
| 7 | Law | 0 | 0 | 1 | 90,000 | 1 | 90,000 | | 0 | 1 | 90,000 | 1 | 90,000 |
| 8 | Medicine & Dentistry | 6 | 1,020,000 | 6 | 540,000 | 12 | 1,560,000 | 6 | 1,020,000 | 9 | 810,000 | 15 | 1,830,000 |
| 9 | Music | | | | | | | | | | | | |
| 10 | Science | 5 | 850,000 | 5 | 450,000 | 10 | 1,300,000 | 6 | 1,020,000 | 5 | 450,000 | 11 | 1,470,000 |
| 11 | Social Science | 3 | 510,000 | 3 | 270,000 | 6 | 780,000 | 4 | 680,000 | 2 | 180,000 | 6 | 860,000 |
| | | | | | | | | | | | | | |
| 12 | Total to Faculties | 24 | 4,080,000 | 20 | 1,800,000 | 44 | 5,880,000 | 29 | 4,930,000 | 27 | 2,430,000 | 56 | 7,360,000 |
| | | | | | | | | | | | | | |
| 13 | Total CRC Funding | | 4,800,000 | | 2,000,000 | | 6,800,000 | | 5,800,000 | | 2,700,000 | | 8,500,000 |

Table 10
2020-21 TUITION FEE PROPOSALS FOR UNDERGRADUATE PROGRAMS

| | | Domestic Students | | | International Students | | |
|----|---------------------------------------|------------------------------|---------------------|-------------------|------------------------------|---------------------|-------------------|
| | | Actual 2019-20 Tuition | 2020-21 | | Actual 2019-20 Tuition | 2020-21 | |
| | | | Proposed Tuition | <a> % Increase | | Proposed Tuition | <a> % Increase |
| 1 | First-Entry Programs | | | | | | |
| 2 | Year 1 | 6,050 | 6,050 | 0.0% | 31,042 | 33,526 | 8.0% |
| 3 | Year 2 | 6,050 | 6,050 | 0.0% | 29,892 | 32,284 | 4.0% |
| 4 | Year 3 | 6,050 | 6,050 | 0.0% | 28,785 | 31,087 | 4.0% |
| 5 | Year 4 | 6,050 | 6,050 | 0.0% | 27,719 | 29,936 | 4.0% |
| 6 | Engineering | | | | | | |
| 7 | Year 1 | 12,294 | 12,294 | 0.0% | 41,312 | 46,269 | 12.0% |
| 8 | Year 2 | 12,294 | 12,294 | 0.0% | 38,361 | 42,964 | 4.0% |
| 9 | Year 3 | 12,294 | 12,294 | 0.0% | 36,940 | 39,895 | 4.0% |
| 10 | Year 4 | 12,294 | 12,294 | 0.0% | 35,572 | 38,417 | 4.0% |
| 11 | M.T.P. | | | | | | |
| 12 | Year 2 | 6,329 | 6,329 | 0.0% | 32,189 | 34,764 | 8.0% |
| 13 | Year 3 | 6,329 | 6,329 | 0.0% | 30,997 | 33,477 | 4.0% |
| 14 | Year 4 | 6,329 | 6,329 | 0.0% | 29,849 | 32,237 | 4.0% |
| 15 | M.O.S. | | | | | | |
| 16 | Year 1 | 6,050 | 6,050 | 0.0% | 38,611 | 43,244 | 12.0% |
| 17 | Year 2 | 6,050 | 6,050 | 0.0% | 35,853 | 40,156 | 4.0% |
| 18 | Year 3 | 6,050 | 6,050 | 0.0% | 33,292 | 37,287 | 4.0% |
| 19 | Year 4 | 6,050 | 6,050 | 0.0% | 30,914 | 34,624 | 4.0% |
| 20 | Nursing | | | | | | |
| 21 | Year 1 | 6,050 | 6,050 | 0.0% | 39,836 | 43,023 | 8.0% |
| 22 | Year 2 | 6,050 | 6,050 | 0.0% | 38,361 | 41,430 | 4.0% |
| 23 | Year 3 | 6,050 | 6,050 | 0.0% | 36,940 | 39,895 | 4.0% |
| 24 | Year 4 | 6,050 | 6,050 | 0.0% | 35,572 | 38,418 | 4.0% |
| 25 | Second-Entry Programs | | | | | | |
| 26 | Business (HBA) | | | | | | |
| 27 | Year 1 | 25,200 | 25,200 | 0.0% | 44,800 | 50,000 | 11.6% |
| 28 | Year 2 | 25,200 | 25,200 | 0.0% | 42,000 | 44,800 | 0.0% |
| 29 | Dentistry | | | | | | |
| 30 | Year 1 | 35,341 | 35,341 | 0.0% | 88,655 | 95,747 | 8.0% |
| 31 | Year 2 | 35,341 | 35,341 | 0.0% | 85,371 | 92,201 | 4.0% |
| 32 | Year 3 | 35,341 | 35,341 | 0.0% | 82,209 | 88,786 | 4.0% |
| 33 | Year 4 | 35,341 | 35,341 | 0.0% | 79,165 | 85,498 | 4.0% |
| 34 | Education (B.Ed.) | 7,271 | 7,271 | 0.0% | 31,764 | 34,305 | 8.0% |
| 35 | Law | | | | | | |
| 36 | Year 1 | 20,151 | 20,151 | 0.0% | 39,836 | 39,836 | 0.0% |
| 37 | Year 2 | 20,151 | 20,151 | 0.0% | 38,361 | 39,836 | 0.0% |
| 38 | Year 3 | 20,151 | 20,151 | 0.0% | 36,940 | 38,361 | 0.0% |
| 39 | Medicine (M.D.) | | | | | | |
| 40 | Year 1 | 23,986 | 23,986 | 0.0% | n.a. | n.a. | n.a. |
| 41 | Year 2 | 23,986 | 23,986 | 0.0% | n.a. | n.a. | n.a. |
| 42 | Year 3 | 23,986 | 23,986 | 0.0% | n.a. | n.a. | n.a. |
| 43 | Year 4 | 23,986 | 23,986 | 0.0% | n.a. | n.a. | n.a. |

<a> The proposed 2020-21 rates are effective May 1, 2020.

The % increase figures are calculated on the previous year of study in the previous academic year;
for example, the % increase for year 2 is the increase over the year 1 tuition in the previous academic year.

 Includes Arts & Humanities, BMedSc program, Health Sciences, Kinesiology, MIT program, Music, Science,
Social Science (excl. M.O.S.).

Table 11
2020-21 TUITION FEE PROPOSALS FOR GRADUATE PROGRAMS

| | | Domestic Students | | | International Students | | |
|----|---|------------------------------|---------------------|-------------------|------------------------------|---------------------|-------------------|
| | | Actual 2019-20 Tuition | 2020-21 | | Actual 2019-20 Tuition | 2020-21 | |
| | | | Proposed Tuition | <a> % Increase | | Proposed Tuition | <a> % Increase |
| 1 | Masters Category 1 | | | | | | |
| 2 | Arts & Humanities | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 3 | Engineering (M.E.Sc.) | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 4 | Health & Rehabilitation Sciences | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 5 | Health Information Sciences | 8,664 | 8,664 | 0.0% | 25,750 | 26,265 | 2.0% |
| 6 | Interdisciplinary Programs | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 7 | Kinesiology | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 8 | Law/Studies in Law | 10,368 | 10,368 | 0.0% | 26,749 | 26,749 | 0.0% |
| 9 | Media Studies | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 10 | Medicine (Basic Health Sciences) | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 11 | Music | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 12 | Nursing (M.Sc.) | 7,639 | 7,639 | 0.0% | 25,750 | 26,265 | 2.0% |
| 13 | Science | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 14 | Social Science | 6,360 | 6,360 | 0.0% | 18,247 | 18,612 | 2.0% |
| 15 | Masters Category 2 | | | | | | |
| 16 | C.S.D./O.T./P.T. (MPT) | 11,294 | 11,294 | 0.0% | 31,675 | 33,259 | 5.0% |
| 17 | Dentistry (Orthodontics) | 27,373 | 27,373 | 0.0% | 74,142 | 77,849 | 5.0% |
| 18 | Education (MA) & ((M.Ed) | 10,877 | 10,877 | 0.0% | 31,675 | 33,259 | 5.0% |
| 19 | Engineering (M.Eng.) | 10,877 | 10,877 | 0.0% | 34,692 | 39,896 | 15.0% |
| 20 | Environment & Sustainability | 12,179 | 12,179 | 0.0% | 31,675 | 33,259 | 5.0% |
| 21 | Financial Economics | 30,549 | 30,549 | 0.0% | 53,662 | 56,345 | 5.0% |
| 22 | Library & Information Science | 10,877 | 10,877 | 0.0% | 31,675 | 33,259 | 5.0% |
| 23 | M.M. in Journalism & Communication | 13,543 | 13,543 | 0.0% | 31,675 | 33,259 | 5.0% |
| 24 | M.N Nurse Practitioner | 10,877 | 10,877 | 0.0% | 31,675 | 33,259 | 5.0% |
| 25 | MA in Research for Policy & Evaluation | n/a | 18,000 | --- | n/a | 30,000 | --- |
| 26 | Master of Data Analytics | 23,308 | 23,308 | 0.0% | 46,827 | 49,168 | 5.0% |
| 27 | Master of Mgmt. of Applied Science | 19,690 | 19,690 | 0.0% | 46,827 | 49,168 | 5.0% |
| 28 | Medicine (Family Medicine) | 14,322 | 14,322 | 0.0% | 31,675 | 33,259 | 5.0% |
| 29 | Medicine (Pathology Assistant) | 11,295 | 11,295 | 0.0% | 31,675 | 33,259 | 5.0% |
| 30 | Medicine (Public Health) | 32,734 | 32,734 | 0.0% | 55,149 | 55,149 | 0.0% |
| 31 | Advance Health Care Practice (M.Cl.Sc.) | 10,877 | 10,877 | 0.0% | 31,675 | 33,259 | 5.0% |
| 32 | Doctoral | | | | | | |
| 33 | Doctor of Musical Arts | 6,360 | 6,360 | 0.0% | 6,360 | 6,360 | 0.0% |
| 34 | Doctor of Education (EdD) | 10,097 | 10,097 | 0.0% | 31,675 | 33,259 | 5.0% |
| 35 | PhD Programs | 6,360 | 6,360 | 0.0% | 6,360 | 6,360 | 0.0% |

<a> The proposed 2020-21 rates are effective September 1, 2020.

 Includes Biomedical Engineering, Neuroscience, Theory & Criticism, and Popular Music & Culture

Table 12
SUMMARY OF ENROLMENT FORECAST

| | Actual | | | | | Forecast | | | | | |
|----|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | |
| 1 | Constituent University | | | | | | | | | | |
| 2 | Full-Time Undergraduates | | | | | | | | | | |
| 3 | Arts & Humanities | 1,027 | 979 | 985 | 938 | 882 | 857 | 852 | 870 | 888 | 903 |
| 4 | Business (HBA) | 1,093 | 1,120 | 1,109 | 1,085 | 1,090 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| 5 | Dentistry | 265 | 265 | 263 | 262 | 262 | 264 | 264 | 264 | 264 | 264 |
| 6 | Education | 286 | 653 | 747 | 716 | 697 | 697 | 668 | 668 | 668 | 668 |
| 7 | Engineering | 1,761 | 1,951 | 1,981 | 2,032 | 2,008 | 2,042 | 2,153 | 2,291 | 2,326 | 2,344 |
| 8 | Health Sciences | | | | | | | | | | |
| 9 | BHSc Program | 1,179 | 1,199 | 1,189 | 1,227 | 1,251 | 1,309 | 1,289 | 1,261 | 1,239 | 1,219 |
| 10 | Kinesiology | 1,204 | 1,247 | 1,231 | 1,215 | 1,241 | 1,238 | 1,233 | 1,250 | 1,251 | 1,250 |
| 11 | Nursing | 868 | 903 | 960 | 969 | 974 | 969 | 966 | 957 | 957 | 957 |
| 13 | Sub-Total | 3,251 | 3,349 | 3,380 | 3,411 | 3,466 | 3,515 | 3,487 | 3,468 | 3,447 | 3,427 |
| 14 | Law | 474 | 482 | 478 | 480 | 485 | 487 | 487 | 487 | 487 | 487 |
| 15 | Media, Information, & Tech | 983 | 966 | 898 | 916 | 895 | 904 | 922 | 943 | 961 | 978 |
| 16 | Medicine | | | | | | | | | | |
| 17 | MD Program | 684 | 682 | 699 | 685 | 683 | 684 | 684 | 684 | 684 | 684 |
| 18 | BMedSci Program | 881 | 928 | 1,021 | 1,000 | 1,036 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| 19 | Music | 432 | 417 | 412 | 414 | 449 | 457 | 455 | 449 | 442 | 441 |
| 20 | Science | 4,679 | 4,826 | 4,948 | 5,143 | 5,326 | 5,420 | 5,607 | 5,703 | 5,749 | 5,783 |
| 21 | Social Science | 6,482 | 6,520 | 6,501 | 6,497 | 6,503 | 6,437 | 6,519 | 6,590 | 6,656 | 6,707 |
| 22 | Total Full-Time Undergraduates | 22,298 | 23,138 | 23,422 | 23,579 | 23,782 | 23,865 | 24,199 | 24,517 | 24,671 | 24,786 |
| 23 | Concurrent Programs | 255 | 233 | 231 | 247 | 288 | 250 | 250 | 250 | 250 | 250 |
| 24 | Medical Residents | 923 | 942 | 934 | 956 | 936 | 955 | 955 | 955 | 955 | 955 |
| 25 | Full-Time Graduates | | | | | | | | | | |
| 26 | Masters | 3,276 | 3,431 | 3,750 | 3,734 | 3,946 | 4,181 | 4,221 | 4,267 | 4,311 | 4,333 |
| 27 | Ph.D. | 2,088 | 2,083 | 2,185 | 2,177 | 2,219 | 2,243 | 2,245 | 2,260 | 2,270 | 2,267 |
| 28 | Total Full-Time Graduates | 5,364 | 5,514 | 5,935 | 5,911 | 6,165 | 6,424 | 6,466 | 6,527 | 6,581 | 6,600 |
| 29 | Total Full-Time Enrolment | 28,840 | 29,827 | 30,522 | 30,693 | 31,171 | 31,494 | 31,870 | 32,249 | 32,457 | 32,591 |
| 30 | Part-Time FTEs | | | | | | | | | | |
| 31 | Undergraduate | 2,226 | 2,084 | 2,012 | 2,061 | 1,977 | 1,980 | 1,980 | 1,980 | 1,980 | 1,980 |
| 32 | Education (AQs) | 595 | 499 | 401 | 456 | 434 | 460 | 440 | 440 | 440 | 440 |
| 33 | Masters | 79 | 89 | 95 | 114 | 110 | 110 | 110 | 110 | 110 | 110 |
| 34 | Ph.D. | 32 | 29 | 29 | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| 35 | Total Part-Time FTEs | 2,932 | 2,701 | 2,537 | 2,663 | 2,554 | 2,582 | 2,562 | 2,562 | 2,562 | 2,562 |
| 36 | Total Constituent FTEs | 31,772 | 32,528 | 33,059 | 33,356 | 33,725 | 34,076 | 34,432 | 34,811 | 35,019 | 35,153 |
| 37 | Affiliated University Colleges | | | | | | | | | | |
| 38 | Full-Time Undergraduates | | | | | | | | | | |
| 39 | Brescia | 1,327 | 1,329 | 1,306 | 1,392 | 1,421 | 1,469 | 1,459 | 1,488 | 1,532 | 1,555 |
| 40 | Huron | 1,062 | 979 | 882 | 1,038 | 1,266 | 1,276 | 1,324 | 1,334 | 1,355 | 1,364 |
| 41 | King's | 3,004 | 3,070 | 3,034 | 3,162 | 3,267 | 3,368 | 3,459 | 3,546 | 3,633 | 3,717 |
| 42 | Total Full-Time Undergraduates | 5,393 | 5,378 | 5,222 | 5,592 | 5,954 | 6,113 | 6,242 | 6,368 | 6,520 | 6,636 |
| 43 | Part-Time Undergraduate FTEs | | | | | | | | | | |
| 44 | Brescia | 80 | 69 | 84 | 76 | 73 | 80 | 80 | 80 | 80 | 80 |
| 45 | Huron | 58 | 42 | 65 | 64 | 48 | 30 | 30 | 30 | 30 | 30 |
| 46 | King's | 260 | 232 | 234 | 254 | 265 | 258 | 264 | 271 | 278 | 284 |
| 47 | Total Part-Time FTEs | 398 | 343 | 383 | 394 | 386 | 368 | 374 | 381 | 388 | 394 |
| 48 | Graduate FTEs | | | | | | | | | | |
| 49 | Brescia | 33 | 35 | 35 | 38 | 40 | 43 | 48 | 50 | 50 | 50 |
| 50 | Huron | 9 | 9 | 7 | 5 | 11 | 7 | 8 | 10 | 11 | 12 |
| 51 | King's | 29 | 41 | 48 | 50 | 61 | 60 | 60 | 60 | 60 | 60 |
| 52 | Total Graduate FTEs | 71 | 85 | 90 | 93 | 112 | 110 | 116 | 120 | 121 | 122 |
| 53 | Total Affiliate FTEs | 5,862 | 5,806 | 5,695 | 6,079 | 6,452 | 6,591 | 6,732 | 6,869 | 7,029 | 7,152 |
| 54 | Total UWO FTEs | 37,634 | 38,334 | 38,754 | 39,435 | 40,177 | 40,667 | 41,163 | 41,680 | 42,048 | 42,306 |

Table 12
SUMMARY OF ENROLMENT FORECAST

| | Actual | | | | | Forecast | | | | | |
|----|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | |
| 55 | Rows 55 to 85 Included above | | | | | | | | | | |
| 56 | International Students | | | | | | | | | | |
| | Forecasts are based on current Strategic Plan -- and will be updated after new/next Strategic Plan | | | | | | | | | | |
| 56 | Constituent Full-Time | | | | | | | | | | |
| 57 | Undergraduates | 1,990 | 2,217 | 2,342 | 2,692 | 2,763 | 2,945 | 3,196 | 3,251 | 3,467 | 3,537 |
| 58 | Medical Residents | 136 | 134 | 123 | 142 | 130 | 140 | 140 | 140 | 140 | 140 |
| 59 | Masters (excluding Ivey) | 576 | 596 | 715 | 717 | 925 | 878 | 890 | 903 | 923 | 926 |
| 60 | MBA (Regular), Ivey MSc | 56 | 68 | 75 | 63 | 81 | 174 | 138 | 138 | 138 | 138 |
| 61 | Executive MBA | 24 | 2 | 1 | 4 | 4 | 0 | 0 | 0 | 0 | 0 |
| 62 | Ph.D. | 562 | 562 | 581 | 607 | 665 | 681 | 686 | 690 | 690 | 689 |
| 63 | Affiliates | | | | | | | | | | |
| 64 | Undergraduates | 661 | 718 | 732 | 991 | 1,256 | 1,351 | 1,421 | 1,470 | 1,515 | 1,544 |
| 65 | Masters | 0 | 2 | 0 | 0 | 2 | 2 | 2 | 2 | 2 | 2 |
| 66 | Year 1 Only | | | | | | | | | | |
| 67 | Constituent | | | | | | | | | | |
| 68 | Arts & Humanities | 217 | 240 | 229 | 233 | 209 | 215 | 240 | 240 | 240 | 240 |
| 69 | Engineering | 637 | 598 | 571 | 588 | 586 | 625 | 625 | 625 | 625 | 625 |
| 70 | Health Sciences | | | | | | | | | | |
| 71 | BHSc Program | 336 | 320 | 335 | 393 | 385 | 350 | 350 | 350 | 350 | 350 |
| 72 | Kinesiology | 335 | 350 | 318 | 304 | 339 | 330 | 335 | 335 | 335 | 335 |
| 73 | Nursing | 143 | 162 | 144 | 142 | 144 | 145 | 145 | 145 | 145 | 145 |
| 74 | Media, Information, & Tech | 350 | 304 | 245 | 263 | 252 | 260 | 275 | 275 | 275 | 275 |
| 75 | MOS Program | 794 | 861 | 769 | 819 | 768 | 825 | 830 | 830 | 830 | 830 |
| 76 | Music | 100 | 102 | 112 | 121 | 123 | 125 | 125 | 125 | 125 | 125 |
| 77 | Science | 1,445 | 1,599 | 1,551 | 1,680 | 1,676 | 1,720 | 1,730 | 1,730 | 1,730 | 1,730 |
| 78 | Social Science | 796 | 817 | 815 | 835 | 840 | 835 | 855 | 855 | 855 | 855 |
| 79 | Total Year 1 - Constituent | 5,153 | 5,353 | 5,089 | 5,378 | 5,322 | 5,430 | 5,510 | 5,510 | 5,510 | 5,510 |
| 80 | Affiliated University Colleges | | | | | | | | | | |
| 81 | Brescia | 350 | 321 | 313 | 320 | 332 | 349 | 361 | 376 | 391 | 400 |
| 82 | Huron | 290 | 253 | 250 | 415 | 454 | 502 | 521 | 522 | 522 | 522 |
| 83 | King's | 774 | 777 | 788 | 834 | 895 | 915 | 930 | 950 | 970 | 990 |
| 84 | Total Year 1 - Affiliates | 1,414 | 1,351 | 1,351 | 1,569 | 1,681 | 1,766 | 1,812 | 1,848 | 1,883 | 1,912 |
| 85 | Total UWO Year 1 | 6,567 | 6,704 | 6,440 | 6,947 | 7,003 | 7,196 | 7,322 | 7,358 | 7,393 | 7,422 |
| 86 | Masters | | | | | | | | | | |
| 87 | All Programs (excluding MBAs) | 2,877 | 3,004 | 3,280 | 3,319 | 3,491 | 3,543 | 3,612 | 3,655 | 3,698 | 3,720 |
| 88 | Ivey (excl EMBA) | 208 | 255 | 265 | 241 | 285 | 465 | 435 | 438 | 439 | 439 |
| 89 | Executive MBA | 191 | 172 | 205 | 174 | 170 | 173 | 174 | 174 | 174 | 174 |

For Information

| | | | | | | | | | | | |
|----|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 90 | Year 1 Constituent International Students | 508 | 618 | 638 | 855 | 639 | 830 | 910 | 910 | 910 | 910 |
|----|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Table 13

WESTERN'S LONG-RANGE SPACE PLAN

Note: within each category, the projects are not prioritized

| | Project | Type |
|----|--|----------------------------------|
| | Category 1 -- Projects Underway or Soon-to-Start | |
| 1 | Modernization of Thames Hall | Modernization |
| 2 | Weldon Library Modernization | Modernization |
| 3 | Biomedical Research Facility - Phase 1 of Medical School Project | New Construction |
| 4 | Western Centre for Public Health & Family Medicine 3rd Floor Completion: Phase 2a of Medical School Project | New Construction / Adaptation |
| 5 | Creation of Indigenous Learning Spaces in Althouse Building | Adaptation |
| 6 | Ivey Spencer Leadership Centre Renewal and Expansion | New Construction / Modernization |
| 7 | Entrepreneurship and Innovation Centre | New Construction |
| 8 | University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages -- ongoing) | New Construction / Modernization |
| 9 | Pedestrian-friendly Campus Initiatives -- Open Space Strategy | New Construction / Adaptation |
| | Category 2 -- Projects in Various Planning Stages | |
| 10 | University Community Hub -- Common/Gathering Spaces | New Construction |
| 11 | Science and Medicine Interdisciplinary Research Facilities | New Construction |
| 12 | Renewal/Replacement/Expansion of Medical School Facilities: Future Phases of Medical School Project | Modernization / New Construction |
| 13 | Multi-Level Parking Structures | New Construction |
| 14 | Sports Facilities Projects | Renewal / Enhancements |
| 15 | Space for Student Career Services -- Realignment of Space in the UCC (after completion of Thames Hall Project) | Adaptation / Modernization |
| | Category 3 -- For Future Consideration (requires funding plan) | |
| 16 | Space Realignment in the Natural Sciences Centre | Modernization / Adaptation |
| 17 | Renewal of Chemistry Facilities, UCC, Spencer Engineering Building, Elborn College, Talbot College | Modernization or Replacement |
| 18 | Social Sciences Centre Realignment/Expansion | Adaptation / Expansion |
| 19 | Renewal and/or Realignment of Library Facilities -- Future Phases | Modernization |
| 20 | New Research Initiatives/Partnerships at the Research Parks | New Construction |
| 21 | Sports Facilities | New Construction / Renewal |
| 22 | Residence Projects | Modernization / New Construction |
| 23 | Asset Acquisitions | Acquisition |

2020-21 Capital Budget

Important Note: As with the Operating Budget, the recommendations in this Capital Budget are based on our planning parameters as of late February 2020.

However, recent events (i.e. the sudden and rapid impacts of COVID-19 in Canada) have created turmoil on the economic front – and the implications will continue to evolve over the coming months. The major portion of the projected capital expenditures for 2020-21 are associated with projects already underway (see Table 13, Category 1 – lines 1 through 9). Expenditures associated with the projects in various planning stages (i.e. Category 2 in Table 13) are for the most part minor in nature – and primarily involve only spending associated with planning components, not actual construction. If our fiscal situation changes, we will review and realign the timelines for these projects.

A. The Nature of University Capital Expenditures

The Capital Budget for 2020-21 should be seen in the context of both recent trends in capital spending and the University's proposed Long-Range Space Plan as outlined in Table 13 of the Operating Budget portion of this document. Table 14 sets out expenditures in the Capital Budget since 2016-17 in nine categories.

Category 1 shows all new construction, while categories 2 to 7 show renovations to existing space. Category 1 expenditures are usually funded from general University funds, the major exceptions being projects funded all or in part from external research grants, private funds, government, student contributions, and Housing construction – the latter being funded from the Housing budget. Categories 2 to 5 are funded primarily from general University funds and government, while category 6 is funded from Housing operations, and category 7 is funded by the particular Ancillary Unit undertaking the work. Categories 8 and 9 involve carrying costs and loan repayments, other expenditures such as purchases of land and buildings, and transfers from the Capital Budget for other purposes. Planned capital expenditures for 2020-21 total \$130.7 million.

Categories 2 to 5 involve **Maintenance, Modernization, and Infrastructure (MMI)** and are eligible to receive funds from the annual MMI transfer from the Operating Budget to the Capital Budget, which is budgeted to remain at \$15.5 million in 2020-21 (\$15.5 million in 2019-20). These expenditures are directed at modification of existing space and renewal and expansion of the utilities and infrastructure of the University.

In planning future expenditures on MMI, it is useful to review the current replacement value (CRV) of our fixed assets on campus. At March 12, 2020, our buildings and infrastructure have a CRV of approximately \$3,061 million, as shown in Figure F:

Figure F
CURRENT REPLACEMENT VALUE (BUILDINGS AND INFRASTRUCTURE)

| | | CRV (\$M) | Square Metres | Major Buildings |
|---|---------------------------------|-----------|---------------|-----------------|
| 1 | Major Non-Residential Buildings | 2,101 | 561,808 | 72 |
| 2 | Utilities and Infrastructure | 163 | | |
| 3 | Subtotal, Eligible for MMI | 2,264 | 561,808 | 72 |
| 4 | Housing | 545 | 257,546 | 14 |
| 5 | Other Ancillary Buildings | 252 | 70,559 | 11 |
| 6 | Total | 3,061 | 889,913 | 97 |

At March 12, 2020, the University had approximately 562,000 gross square metres in 72 major non-residential buildings, ranging in size from the Cronyn Observatory (338 square metres) to the Social Science Centre (33,757 square metres). Those non-residential buildings, and \$163 million in utilities and infrastructure, are the physical assets generally eligible for MMI expenditures. The University also has 258,000 square metres of Housing space in ten major undergraduate residences, four major apartment buildings, and numerous smaller buildings for graduate students in Platt's Lane Estates. Other than Housing, there are many buildings which are operated largely or entirely as ancillaries: Western Student Recreation Centre, Thompson Recreation and Athletic Centre, TD Stadium, Boundary Layer Wind Tunnel, Western Day Care, the Ivey Spencer Leadership Centre, and facilities at the Research Parks.

With this background in mind, we briefly set out the nine categories of University capital expenditures.

1. **New Construction.** This category includes projects which create new buildings, including housing, additions to existing buildings, and other new facilities such as parking structures or lots, power plants and athletic fields. It does not include projects which improve the space within existing buildings or projects which upgrade other existing facilities.
2. **Major Building Renovations.** This category involves major maintenance and renovation expenditures on non-residential building projects, with projects generally spanning more than one year. Given that 51% of the 562,000 square metres in major buildings were built before 1980, renovations to major buildings will continue to be a part of our capital planning.
3. **Utilities and Infrastructure Projects.** This category involves projects with values greater than \$10,000 directed at the upgrading and new installation of utilities and other infrastructure, including boilers and chillers, energy conservation initiatives, and electrical, water, and sewer distribution systems. Construction of a new Chiller Plant or major Power Plant expansion would be included in category 1.
4. **Modernization of Instructional and Research Facilities.** This category includes the renewal and modernization of classrooms, laboratories, libraries, and other space used for instruction and research, as well as upgrades to information technology. These expenditures are critical to

maintaining Western's reputation as a leader in the quality of teaching and research. These projects are sometimes funded by the units themselves with operating or research funds.

5. **General Maintenance and Modernization Projects.** This category consists of a wide variety of maintenance and modernization projects which are not included in categories 2 to 4. Most of the projects are under \$100,000, involving such work as roof replacement, interior and exterior painting, road, bridge, and sidewalk repair, and general maintenance of structures and systems. A provision for unforeseen projects forms part of the allotment in this category.
6. **Housing Renovations.** This category includes all maintenance and modernization expenditures on University residences and apartment buildings. Construction of a new residence or apartment building would be included in category 1. Maintenance and modernization expenditures, projected to be \$13.5 million in 2020-21, are funded from Housing revenues. Housing has always set aside adequate maintenance funds and does not have the significant deferred maintenance on its buildings which may be observed in many other University buildings.
7. **Ancillary Projects.** This category includes capital expenditures on Ancillaries other than Housing, including Hospitality Services, the Book Store, Parking Services, student fee-funded units, self-funded support units, and self-funded research units. These units pay a charge to the University for the space they occupy.
8. **Carrying Costs and Debt Repayments.** This category consists of principal repayments and interest on debt for capital projects.
9. **Other Capital Expenditures.** This category includes asset acquisitions and other miscellaneous expenditures. It has been an established principle in Western's Campus Master Plan that the University pursue, as appropriate, the purchase of lands contiguous to University property as lands become available. Western will continue to seek to protect the Regional Facilities zoning around the main campus and to buy land near our campus when it comes up for sale. The University will also look to acquire strategic physical assets.

The last twelve lines of Table 14 are labeled A to M. Line A shows total sources of funding for the Capital Budget, including debt; line B, sources of funds less expenditures; line C, the capital reserve at year-end; and line D, capital debt outstanding at year-end. Details on these items are shown in Tables 16 and 18. Annual changes in the capital reserve (line C) are driven by the differences between funding and expenditure (line B). Thus for 2018-19, line B shows a surplus of \$18,588, the difference between funding of \$84,228 and expenditures of \$65,640 (all figures in \$000). The accumulated capital reserve in line C increases by this same amount of \$18,588.

Line E shows the replacement value of non-residential buildings and utilities and infrastructure, the assets eligible for MMI spending, while line F shows the ratio of the annual MMI expenditure to the replacement value. For example, in 2018-19, MMI expenditures were \$38.1 million, while the estimated replacement value of non-residential buildings, utilities, and infrastructure was \$2.11 billion. The ratio of the two is 1.8%, as shown in line F.

Line G of Table 14 shows the annual transfer from the Operating Budget to the Capital Budget for Maintenance, Modernization, and Infrastructure (the MMI transfer). The annual transfer has been

maintained at \$15.5 million since 2017-18, a funding commitment that has established Western as a leader among Canadian universities in maintaining its facilities and dealing with deferred maintenance.

Line H of Table 14 shows the ratio of the annual MMI transfer to total MMI expenditures; for example, in 2018-19, the transfer was \$15.5 million and MMI expenditures were \$38.1 million, so the ratio in line H is 40.7%. Other sources of funding for MMI expenditures include the annual capital facilities renewal grant from the Province (projected for 2019-20 and 2020-21 at \$4.6 million and \$4.6 million respectively), special Provincial grants, additional one-time allocations from the University's Operating Budget, one-time allocations from the Province, fundraising, and borrowing.

Line J contains an estimate of maintenance spending, defined narrowly as spending required to bring aging facilities up to their condition when originally built. In fact, whenever Western undertakes a major maintenance project, there is also modernization of the facility, and whenever we carry out a major modernization project, there is generally some maintenance expenditure; it is thus difficult to separate the two. Line J is calculated on the assumption that 2/3 of the expenditures in categories 2, 3, and 5 involve maintenance (the remaining 1/3 is modernization), while 1/3 of the expenditures in category 4 involve maintenance (the remaining 2/3 is modernization). While the ratio of maintenance to modernization would vary by project and by year, Facilities Management considers them a reasonable average for the four categories over a number of years.

The value of line J in 2018-19 is \$23.4 million, or 1.1% (line K) of the replacement value in that year. A standard target in industry for this ratio is 2.0%; if large buildings last an average of 50 years, then average maintenance spending should be 2.0% of replacement value. When the actual ratio is consistently lower than 2.0%, as has been the case at Western and most Canadian universities over the last three decades, the level of deferred maintenance will grow. As Western continues to renovate aging buildings, there will be years that deferred maintenance will decline.

Table 15 outlines major capital projects, which are assigned to one of the nine categories. Where possible, the year and month of the start and end of the project(s) are shown.

The projects listed in Table 15 reflect the Long-Range Space Plan outlined in Table 13 of the Operating Budget portion of this document. These projects include new construction that will create new student and research spaces, and major building renovations and utilities and infrastructure projects – reflecting the need to maintain and modernize Western's aging physical plant. With new building construction on campus continuing, Western is utilizing scarce developable land in the core campus. The Campus Master Plan, approved in June 2015, highlights the constraints in the amount of buildable land on our campus and the fact that new buildings are being constructed on parking lots – thus increasing the pressure on available parking. We continue planning for the construction of parking structures in the periphery of campus – including siting, a funding plan, and the required parking fee rates to finance the structures. University-wide Infrastructure Projects are also included on Table 15. These projects cover upgrades to Western's central power plant, chiller facilities, and major electrical upgrades, and are typically comprised of multiple projects completed over a number of years.

B. Sources of Funding and Capital Expenditures in 2020-21

Table 16 displays sources of funding for budgeted capital expenditures with estimates of comparative data for 2019-20, divided into five major categories: federal, provincial and municipal government grants; funds transferred from Western's Operating Budget; interest earned; borrowing; and other sources, including internal recoveries. As compared to a decade ago, the University's Capital Budget is more dependent on transfers from the Operating Budget and debt.

Table 17 shows expenditures in categories 1 and 2 for 2019-20 (estimates as of January 31, 2020) and 2020-21 (current proposals).

Table 14
CAPITAL BUDGET SUMMARY, 2016-17 TO 2020-21
(\$000)

| Category | Purpose | Actual 2016-17 | Actual 2017-18 | Actual 2018-19 | Projected 2019-20 | Budget 2020-21 |
|----------|---|-------------------|-------------------|-------------------|----------------------|-------------------|
| | New Construction | | | | | |
| 1 | New Construction (Table 17, line 10) | 45,717 | 51,484 | 17,285 | 5,687 | 44,450 |
| | | | | | | |
| | Maintenance, Modernization, and Infrastructure (MMI) | | | | | |
| 2 | Major Building Renovations (Table 17, line 18) | 15,789 | 18,924 | 10,983 | 7,377 | 33,656 |
| 3 | Utilities and Infrastructure Projects | 5,719 | 4,262 | 13,610 | 5,251 | 10,778 |
| 4 | Modernization of Instructional and Research Facilities | 7,816 | 7,543 | 5,732 | 10,113 | 5,591 |
| 5 | General Maintenance and Modernization Projects | 4,775 | 5,526 | 7,750 | 8,525 | 14,723 |
| | Sub-Total MMI | 34,099 | 36,255 | 38,075 | 31,266 | 64,748 |
| | Other | | | | | |
| 6 | Housing Renovations | 9,192 | 9,565 | 7,988 | 8,115 | 13,500 |
| 7 | Ancillary Projects | 1,170 | 1,776 | 856 | 1,893 | 1,941 |
| 8 | Carrying Costs and Debt Repayments | 4,453 | 2,964 | 2,448 | 1,100 | 4,100 |
| 9 | Other Capital Expenditures | 20 | 88 | -1,012 | 1,877 | 2,000 |
| | Sub-Total Other | 14,835 | 14,393 | 10,280 | 12,985 | 21,541 |
| | | | | | | |
| 10 | Total Expenditures | 94,651 | 102,132 | 65,640 | 49,938 | 130,739 |

| Line | | Actual 2016-17 | Actual 2017-18 | Actual 2018-19 | Projected 2019-20 | Budget 2020-21 |
|------|---|-------------------|-------------------|-------------------|----------------------|-------------------|
| | Sources of Funding, Reserves, and Debt | | | | | |
| A | Total Sources of Funding, Including Debt (Table 16) | 92,798 | 110,681 | 84,228 | 31,036 | 110,456 |
| B | Sources of Funding less Expenditures | -1,853 | 8,549 | 18,588 | -18,902 | -20,283 |
| C | Capital Reserve, Year End (Table 18) | 41,751 | 50,300 | 68,888 | 49,986 | 29,703 |
| D | Capital Debt Outstanding, Year End (Table 18) | 283,725 | 375,759 | 362,141 | 353,874 | 345,900 |
| | | | | | | |
| E | Replacement Value of Non-Residential Buildings, Utilities & Infrastructure, \$M | 1,906 | 1,985 | 2,113 | 2,264 | 2,309 |
| F | MMI Expenditures/Replacement Value | 1.8% | 1.8% | 1.8% | 1.4% | 2.8% |
| G | Annual MMI transfer from Operating to Capital Budget | 14,750 | 15,500 | 15,500 | 15,500 | 15,500 |
| H | MMI transfer/MMI Expenditures | 43.3% | 42.8% | 40.7% | 49.6% | 23.9% |
| J | Estimate of Maintenance Expenditure | 20,127 | 21,656 | 23,473 | 17,473 | 41,302 |
| K | Maintenance Expenditure/Replacement Value | 1.1% | 1.1% | 1.1% | 0.8% | 1.8% |
| | | | | | | |
| L | Number of Major Buildings | 93 | 94 | 95 | 97 | 97 |
| M | Total Gross Square Meters (000's) | 843 | 854 | 859 | 890 | 890 |

Category 8 does not include carrying costs and loan repayments for Residences and Apartments, Research Park and Richard Ivey School of Business.

Line B is equal to Line A Total Sources of Funding less Total Expenses.

The change in line C from one year to the next is equal to Line B.

Line J consists of 2/3 of Category 2, 3 and 5 and 1/3 of Category 4.

Table 15
MAJOR CAPITAL PROJECTS

| | | Category | Start | End |
|----|--|----------|---------|--------|
| 1 | <i>Projects Underway or Soon-to-Start</i> | | | |
| 2 | Modernization of Thames Hall | 2 | Jan 17 | Aug 21 |
| 3 | Weldon Library Modernization | 2 | Sept 19 | tbd |
| 4 | Biomedical Research Facility -- Phase 1 of Medical School Project | 1 | Jan 17 | Aug 22 |
| 5 | Western Centre for Public Health & Family Medicine 3rd Floor Completion: Phase 2a of Medical School Project | 1 | Nov 19 | Oct 20 |
| 6 | Creation of Indigenous Learning Spaces in Althouse Building | 2 | tbd | tbd |
| 7 | Ivey Spencer Leadership Centre Renewal and Expansion | 1&2 | Nov 18 | tbd |
| 8 | Entrepreneurship and Innovation Centre | 1 | Jun 19 | Sep 22 |
| 9 | University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages--ongoing) | 1,3&5 | Ongoing | |
| 10 | Pedestrian-friendly Campus Initiatives -- Open Space Strategy | 5 | Ongoing | |
| 11 | <i>Projects in Various Planning Stages</i> | | | |
| 12 | University Community Hub -- Common/Gathering Spaces | 1 | tbd | tbd |
| 13 | Science and Medicine Interdisciplinary Research Facilities | 1 | tbd | tbd |
| 14 | Renewal/Replacement/Expansion of Medical School Facilities: Future Phases of Medical School Project | 1&2 | tbd | tbd |
| 15 | Multi-Level Parking Structures | 1 | tbd | tbd |
| 16 | Sports Facilities Projects | 1&2 | tbd | tbd |
| 17 | Space for Student Career Services -- Realignment of Space in the UCC (after completion of Thames Hall Project) | 2 | tbd | tbd |
| 18 | <i>Projects for Future Consideration (requires funding plan)</i> | | | |
| 19 | Space Realignment in the Natural Sciences Centre | 2 | tbd | tbd |
| 20 | Renewal of Chemistry Facilities, UCC, Spencer Engineering Building, Elborn College, Talbot College | 2 | tbd | tbd |
| 21 | Social Sciences Centre Realignment/Expansion | 1&2 | tbd | tbd |
| 22 | Renewal and/or Realignment of Library Facilities -- Future Phases | 2 | tbd | tbd |
| 23 | New Research Initiatives/Partnerships at the Research Parks | 1 | tbd | tbd |
| 24 | Sports Facilities | 1&2 | tbd | tbd |
| 25 | Residence Projects | 1&6 | tbd | tbd |
| 26 | Asset Acquisitions | 9 | tbd | tbd |

Table 16
CAPITAL BUDGET: SOURCES OF FUNDING
(\$000)

| | | Projected 2019-20 | Budget 2020-21 |
|----|--|------------------------------|---------------------------|
| 1 | Government Grants | | |
| 2 | MCU Annual Capital Grant (Facilities Renewal Program) | 4,644 | 4,644 |
| 3 | MCU/MOECG GGRP Innovation Fund | 1,161 | 0 |
| 4 | Sub-Total | 5,805 | 4,644 |
| 5 | Operating Budget | | |
| 6 | Operating Budget MMI Transfer - Base | 15,500 | 15,500 |
| 7 | Operating Budget MMI Transfer - Base (Ancillaries) | 600 | 600 |
| 8 | Operating Budget - Pedestrian-friendly Campus Initiatives - Open Space Strategy | 0 | 6,000 |
| 9 | Operating Budget - Energy Conservation Initiatives | 0 | 5,000 |
| 10 | Operating Budget - TD Stadium Enhancements | 0 | 4,500 |
| 11 | Operating Budget - Engineering Building Facilities Expansion/Renewal | 7,957 | 3,733 |
| 12 | Operating Budget - FRSF Transfer | 3,000 | 3,000 |
| 13 | Operating Budget - CRC Transfer | 736 | 912 |
| 14 | Operating Budget - Classroom Modernization | 1,000 | 812 |
| 15 | Operating Budget - Medical School Innovation Hub | 3,000 | 0 |
| 16 | Miscellaneous Faculty/Department Budgets | 380 | 700 |
| 17 | Sub-Total | 32,173 | 40,757 |
| 18 | Interest Earned | 800 | 300 |
| 19 | Borrowing | | |
| 20 | Long-Range Space Plan | -22,821 | 46,426 |
| 21 | Sub-Total | -22,821 | 46,426 |
| 22 | Other | | |
| 23 | Student Contribution - Western Student Recreation Centre | 1,365 | 1,407 |
| 24 | Energy Conservation Incentives (Rebates) | 716 | 700 |
| 25 | Sports & Recreation Services - Student Contribution for Artificial Turf Playing Fields | 172 | 175 |
| 26 | Projects Funded by Housing | 8,115 | 13,500 |
| 27 | Projects Funded by Ancillaries | 2,362 | 1,941 |
| 28 | Projects Funded by Units | 2,349 | 606 |
| 29 | Sub-Total | 15,079 | 18,329 |
| 30 | Total Sources of Funding | 31,036 | 110,456 |

Table 17
CAPITAL EXPENDITURES FOR NEW CONSTRUCTION AND MAJOR BUILDING RENOVATIONS
2019-20 and 2020-21
(\$000)

| | | Projected 2019-20 | Budget 2020-21 |
|----|---|------------------------------|---------------------------|
| 1 | <i>Category 1: New Construction</i> | | |
| 2 | Biomedical Research Facility - Phase 1 of Medical School Project | 4,125 | 19,000 |
| 3 | Entrepreneurship and Innovation Centre | 700 | 13,150 |
| 4 | Multi-Level Parking Structures | 0 | 4,930 |
| 5 | Ivey Spencer Leadership Centre Renewal and Expansion | 712 | 3,600 |
| 6 | Western Centre for Public Health and Family Medicine - 3rd Floor Completion | 150 | 2,570 |
| 7 | TD Stadium Enhancements | 0 | 1,000 |
| 8 | Science and Medicine Interdisciplinary Research Facilities | 0 | 100 |
| 9 | University Community Hub - Common/Gathering Spaces | 0 | 100 |
| 10 | <i>Total, Category 1</i> | <i>5,687</i> | <i>44,450</i> |
| | | | |
| 11 | <i>Category 2: Major Building Renovations</i> | | |
| 12 | Modernization of Thames Hall | 4,543 | 17,950 |
| 13 | Weldon Library Modernization | 800 | 7,450 |
| 14 | Renewal of Spencer Engineering Building | 855 | 2,824 |
| 15 | Creation of Indigenous Learning Spaces in Althouse Building | 80 | 2,400 |
| 16 | Sommerville House Renovations to Create Student Space | 0 | 2,000 |
| 17 | Medical School Innovation Hub | 1,099 | 1,032 |
| 18 | <i>Total, Category 2</i> | <i>7,377</i> | <i>33,656</i> |

Table 18
CAPITAL RESERVES AND DEBT AT FISCAL YEAR END
(\$000)

| | | Actual 2016-17 | Actual 2017-18 | Actual 2018-19 | Projected 2019-20 | Budget 2020-21 |
|---|-------------------------------|-------------------|-------------------|-------------------|----------------------|-------------------|
| 1 | A. Capital Reserves | | | | | |
| 2 | General Capital Fund | 20,291 | 25,783 | 32,271 | 31,617 | 23,032 |
| 3 | Designated Capital Fund | 21,460 | 24,517 | 36,617 | 18,369 | 6,671 |
| 4 | Total Capital Reserves | 41,751 | 50,300 | 68,888 | 49,986 | 29,703 |

| | | Actual 2016-17 | Actual 2017-18 | Actual 2018-19 | Projected 2019-20 | Budget 2020-21 |
|----|---|-------------------|-------------------|-------------------|----------------------|-------------------|
| 5 | B. Capital Debt | | | | | |
| 6 | New Construction, Major Renovations & Other | 61,970 | 51,141 | 22,821 | 0 | 46,427 |
| 7 | Housing | 120,247 | 107,003 | 88,346 | 73,839 | 59,779 |
| 8 | Research Park | 27,868 | 27,015 | 26,142 | 25,235 | 24,294 |
| 9 | Unused and Invested Debenture Proceeds | 73,640 | 190,600 | 224,832 | 254,800 | 215,400 |
| 10 | Total Capital Debt | 283,725 | 375,759 | 362,141 | 353,874 | 345,900 |

Line 2 includes the required \$6 million general capital reserve fund.

Line 3 includes fund balances for large capital projects.

Long-Term Financial Trends

The Operating and Capital Budgets set out in Tables 2 and 14 of this document describe proposed spending of some \$973 million for the single year of 2020-21. That spending will take place, however, in a long-term context which must be understood in evaluating the Operating and Capital Budgets. The Administration and Board have identified three elements of that long-term context which should be reviewed in the annual Budget of the University: capital reserves and debt, employee future benefits, and deferred maintenance.

A. Capital Reserves and Debt

Table 18 displays Capital Reserves and Debt for fiscal years ending April 30. Capital Reserves are divided into two categories:

- the General Capital Fund, which includes funds not yet designated for specific purposes and funds designated for future projects.
- the Designated Capital Fund, which has been assigned to specific capital projects.

The Designated Capital Fund includes the remaining funds from the sale of the Gibbons property. The University's intention is that when the Gibbons funds are spent, there will be naming opportunities to honor the Gibbons name.

Capital Debt is divided into the following categories:

- **New Construction, Major Renovations, Infrastructure, and Other** – represents debt on projects that are largely new construction, additions to existing buildings, other new facilities, non-residential projects that involve major maintenance, and renovations to existing space. It also includes debt on purchases of property.
- **Housing** – debt required for new construction, maintenance, and modernization projects for University residences and apartment buildings.
- **Research Park** – debt incurred by the Research Park.
- **Unused and Invested Debenture Proceeds** – unused proceeds from Western's debenture issuances that have been committed and invested until specific capital projects require the funding.

Capital Debt is viewed as a resource that can help the University advance its Long-Range Space and Campus Master Plans. As part of the overall management of capitalization, the University has increased its Capital Debt, primarily through debenture issuances of \$190 million and \$100 million in 2007 and 2017, respectively, and by entering into a \$100 million fifteen-year facility in 2013 to finance a 1,000 bed residence and other capital projects. The University's debentures necessitate an annual credit rating review, performed each year by Standard & Poor's. During February 2020, the University's credit rating was reaffirmed at AA.

The Board of Governors has approved a Capital Debt Policy which outlines the principles used in guiding the University's overall capitalization and debt management strategy. The policy includes compliance and monitoring ratios for which the University regularly reviews. Western is in compliance with both of its compliance ratios (net assets-to-debt and debt burden). The University also utilizes monitoring ratios as part of its management strategy. Figure G shows selected Capital Debt monitoring ratios for the years ending April 30.

Figure G
CAPITAL DEBT MONITORING RATIOS

| | FTE Enrolment | Debt (\$M) | Debt per FTE (\$) | Combined Revenue (\$M)* | Debt / Revenue (%) |
|-------|------------------|------------|-------------------------|-------------------------------|--------------------------|
| 2016 | 31,772 | 291.4 | 9,170 | 1,125.2 | 25.9% |
| 2017 | 32,528 | 283.7 | 8,722 | 1,253.1 | 22.6% |
| 2018 | 33,059 | 375.8 | 11,369 | 1,253.7 | 30.0% |
| 2019 | 33,356 | 362.2 | 10,859 | 1,318.0 | 27.5% |
| 2020p | 33,725 | 353.9 | 10,494 | 1,344.4 | 26.3% |

*2016-2017 information has been updated for comparability purposes to reflect reclassifications in revenues and expenses occurring in 2018

The projected debt is based on Board-approved projects with allowance for other projects which may be presented to the Board during the period under consideration.

B. Employee Future Benefits

Subject to eligibility rules set within various collective agreements, the University provides medical, dental, and life insurance benefits to eligible employees after their employment with Western has ended.

The obligation for these employee future benefits are projected by actuarial valuation every three years. In the years between valuations, an extrapolation of the actuarial valuation is used to determine the projected benefit obligations. At April 30, 2019, the University's accrued benefit liability relating to the employee future benefit plans was \$546.5 million (2018 - \$495 million).

Included in the University's 2019 Audited Combined Statement of Operations is an annual expense in the amount of \$23.4 million (2018 - \$21.8 million) for non-pension employee future benefits.

A recent review of major research universities identified only five institutions with significant post-employment benefit obligations greater than \$200 million, ranging from \$244 million to \$625 million and an unweighted average of \$391 million. Western ranked second in total liability for employee future benefits. Figure H outlines the University employee future benefits, the obligation and expense for years ending April 30.

Figure H
EMPLOYEE FUTURE BENEFITS (EFB) AS A % OF TOTAL EXPENSES

| | Obligation (\$M) | Expense (\$M) | Total University Expenses (\$M)* | EFB Expense as % of Total |
|------|---------------------|------------------|---|------------------------------------|
| 2015 | 482.3 | 22.5 | 1,061 | 2.1% |
| 2016 | 525.7 | 25.4 | 1,079 | 2.4% |
| 2017 | 473.5 | 28.9 | 1,113 | 2.6% |
| 2018 | 495.3 | 21.8 | 1,122 | 1.9% |
| 2019 | 546.5 | 23.4 | 1,170 | 2.0% |

*2015-2017 information has been updated for comparability purposes to reflect reclassifications in revenues and expenses occurring in 2018

C. Deferred Maintenance

Deferred Maintenance is defined as work on the maintenance of physical facilities that has been deferred on a planned or unplanned basis to a future budget cycle or postponed until funds become available. To avoid increasing the size of the deferred maintenance backlog, it is necessary to carry out replacement of facility components on an annual basis.

The estimates of deferred maintenance are different than estimates of debt or employee future benefits in the previous sections. There are actual contracts in place for the first two categories that allow us to make reasonable estimates. For deferred maintenance, this is not the case; therefore, we have to find other ways to quantify this liability. In 2001, a common capital-asset management system was purchased by the Ontario University system to assess, track, and report on the condition of facilities. The system requires that each major component of a building – roof sections, classrooms, heating, ventilation, air-conditioning systems and so on – be inspected, either entirely or on a sample basis. Data on the findings of these inspections are entered into a central database. The system uses industry-standard cost and lifecycle data to forecast the timing and costs of capital renewal projects. During 2019, at the request of the Ministry of Colleges and Universities, cost forecasting methodologies were updated in the Ontario university sector to produce a more harmonized approach for facility assessment across provincially owned and broader public sector assets. As a result of the alignment in methodologies across Ontario, estimates of deferred maintenance have increased. The Facilities Management Division estimates that (as of March 12, 2020) deferred maintenance at Western is \$299 million for non-residential buildings and \$46 million for residences. Approximately 52% of the deferred maintenance for non-residential buildings relates to mechanical and electrical requirements. Other major components include maintenance driven by code requirements and maintenance for roofs and windows.

A common measure for determining the overall condition of facilities is the ratio of deferred maintenance over replacement value of the facilities. The calculation as at March 12, 2020 is outlined in Figure I as follows:

Figure I
DEFERRED MAINTENANCE TO CURRENT REPLACEMENT VALUE

| | | Non-Residential Buildings | Combined Residences |
|---|---------------------------------|---------------------------|---------------------|
| 1 | Current Replacement Value (CRV) | \$2,264 million | \$545 million |
| 2 | Deferred Maintenance (DM) | \$299 million | \$46 million |
| 3 | DM/CRV | 13.2% | 8.4% |

The average age of buildings for universities in the Province of Ontario was 54 years as of March 2020. Western's average age is 40 years. Over 51% of our buildings were built before 1980. Western's residences are funded through rents which cover maintenance; the University has never had a problem with deferred maintenance on residences. A ratio of 13.2% (Deferred Maintenance/Current Replacement Value) for non-residential buildings indicates a significant need for maintenance funding.

If the average component of a large building lasts 50 years, then on average, maintenance spending should be 2.0% of replacement value. This level of spending is a standard target in the industry. When the actual ratio is consistently less than 2.0%, as has been the case at most Canadian universities, the volume of deferred maintenance will grow. Failure to adequately address deferred maintenance results in substandard facilities and could result in the failure of critical systems. Based on the current replacement value of our facilities at \$2.3 billion, spending on major maintenance for campus buildings at 2.0% should be in the range of \$46 million annually.

As explained at the start of the Capital Budget, the annual maintenance transfer is used for Maintenance, Modernization, and Infrastructure (MMI). The Administration is sometimes asked by faculty and staff if the MMI transfer is too large. As lines G and E in Table 14 show, the ratio of the MMI transfer to the current replacement value (CRV) of our non-residential buildings, utilities, and infrastructure has been below 1% in recent years (Figure J).

Figure J
MMI TO CRV RATIO 2016-17 to 2020-21

| | | Actual 2016-17 | Actual 2017-18 | Actual 2018-19 | Projected 2019-20 | Budget 2020-21 |
|---|-----------|----------------|----------------|----------------|-------------------|----------------|
| 1 | MMI (\$M) | 14.75 | 15.50 | 15.50 | 15.50 | 15.50 |
| 2 | CRV (\$M) | 1,906 | 1,985 | 2,113 | 2,264 | 2,309 |
| 3 | Ratio | 0.77% | 0.78% | 0.73% | 0.68% | 0.67% |

Thus, the MMI transfer from the Operating to the Capital Budget is less than half of the 2.0% required to keep deferred maintenance from growing. Continuation of this MMI transfer is essential to maintaining a safe and reliable campus infrastructure, which supports modern research and teaching, and sustains faculty, staff, and student morale.

Line J of Table 14 presents an estimate of maintenance spending from all sources, with maintenance defined as spending required to bring aging facilities up to their condition when originally built. The last time the ratio was about 2% was 2010-11. The estimated ratios for 2019-20 and 2020-21 will not reach the 2.0% target. Additional funding, from provincial and federal sources, will be required to catch up and maintain the 2% target in future periods, in order to begin to restore the condition of University facilities.