



Western
UNIVERSITY • CANADA

2022-23 Operating and Capital Budgets

March 31, 2022

Table of Contents

2022-23 Operating Budget		Pages 1 to 37
A.	Planning and Budgetary Context	1
B.	Updates on Priorities and Initiatives from Last Year’s Budget	4
C.	Priorities for the 2022-23 Budget and New Initiatives	9
	<i>Theme 1: Greater Impact</i>	9
	Enrolment Growth	9
	Faculty and Staff Renewal/Expansion	9
	Space, Facilities, and Infrastructure to Support Growth	10
	Enhancing our Research Profile and Impact	10
	Building Institutional Capacity through Expanded Fundraising	11
	Enhancing the Learning Experience	11
	State-of-the Art Information Technology Infrastructure	11
	<i>Theme 2: People, Community, and Culture</i>	11
	<i>Theme 3: Western’s Place in the World</i>	12
D.	2022-23 Budget Plan	13
	Table 1: 2022-23 Budget Plan	15
E.	Summary of the 2022-23 Operating Budget	16
	Table 2: Summary of the 2022-23 Operating Budget	17
F.	Details of the 2022-23 Operating Revenue Forecasts	18
	Government Grants	18
	Tuition Fees	18
	All Other Revenues	18
G.	Details of the 2022-23 Expenditure Recommendations	20
	1. Faculty Budget Recommendations	20
	2. Scholarships and Bursaries	23
	3. Support Unit Budget Recommendations	23
	4. University-wide Expenditures	24
	5. One-Time Recommendations	25
	Table 3: Operating Revenues	26
	Table 4: Base Budgets for Faculties	27
	Table 5: Scholarships and Bursaries	28
	Table 6: Base Budgets for Support Areas	29
	Table 7: University-wide Expenditures	30
	Table 8: One-Time Allocations	31
	Table 9: Canada Research Chairs	32

Table of Contents (cont'd)

Table 10: Undergraduate Tuition Fees.....	33
Table 11: Graduate Tuition Fees	34
Table 12: Summary of Enrolment Forecast	35
Table 13: Western's Long-Range Space Plan.....	37
<u>2022-23 Capital Budget</u>	Pages 38 to 52
A. The Nature of University Capital Expenditures	38
1. New Construction	39
2. Major Building Renovations	39
3. Utilities and Infrastructure Projects.....	39
4. Modernization of Instructional and Research Facilities	39
5. General Maintenance and Modernization Projects.....	39
6. Housing Renovations.....	40
7. Ancillary Projects	40
8. Carrying Costs and Debt Repayments.....	40
9. Other Capital Expenditures	40
B. Sources of Funding and Capital Expenditures in 2022-23	42
<u>Capital Budget Tables</u>	43 to 47
Table 14: Capital Budget Summary, 2018-19 to 2022-23	43
Table 15: Major Capital Projects	44
Table 16: Capital Budget Sources of Funding	45
Table 17: Capital Expenditures for New Construction and Major Building Renovations: 2021-22 and 2022-23.....	46
Table 18: Capital Reserves and Debt at Fiscal Year-End	47
<u>Long-Term Financial Trends</u>	Pages 48 to 52
A. Capital Reserves and Debt	48
B. Employee Future Benefits	49
C. Deferred Maintenance	50

ACRONYMS used in University Budget Document

	Acronym	Description
1	ACVS	Animal Care & Veterinary Services
2	AI	Artificial Intelligence
3	APF	Academic Priorities Fund
4	B.Ed.	Bachelor of Education Program/Degree
5	C.A.S.	Council for Advancement of Standards in Higher Education
6	CRCs	Canada Research Chairs
7	CRV	Current Replacement Value (of Buildings)
8	CSD	Communication Sciences and Disorders Program
9	CTL	Centre for Teaching and Learning
10	DM	Deferred Maintenance
11	Ed.D.	Doctor of Education Degree
12	EDI	Equity, Diversity, and Inclusion
13	EFB	Employee Future Benefits
14	FIMS	Faculty of Information & Media Studies
15	FRSF	Federal Research Support Fund
16	FTE	Full-Time Equivalent
17	GGRP	Greenhouse Gas Reduction Program
18	HBA	Honours Business Administration Degree/Program
19	IBA	Inflationary Budget Adjustment
20	IDCI	Interdisciplinary Curriculum Initiative
21	IDRI	Interdisciplinary Research Initiative
22	ITIF	Information Technology Infrastructure Fund
23	MBA	Master of Business Administration Degree/Program
24	M.Cl.Sc.	Masters in Clinical Sciences Degree
25	MCU	Ministry of Colleges and Universities
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	MOS	Management & Organizational Studies Program
31	MSc	Master of Science Degree
32	MSOF	Major Strategic Opportunities Fund
33	OSAP	Ontario Student Assistance Program
34	OT	Occupational Therapy (School/Program)
35	PACES	President's Advisory Committee on the Environment and Sustainability
36	Ph.D.	Doctor of Philosophy Degree
37	PT	Physical Therapy (School/Program)
38	RISF	Research Infrastructure Support Fund
39	RRI	Robarts Research Institute
40	S3	Simple, Scalable, and Sustainable
41	SGPS	School of Graduate & Postdoctoral Studies
42	SSHRC	Social Science and Humanities Research Council
43	STEM	Science, Technology, Engineering, and Mathematics
44	SUPF	Support Unit Priorities Fund
45	USRI	Undergraduate Summer Research Internship Program
46	WRCs	Western Research Chairs

2022-23 Operating Budget

Western continues to build on its commitment to an outstanding student experience, scholarship, research, and creativity. The extraordinary efforts made by all members of our university community has enabled the university to maintain those commitments through the two years of the global pandemic. This 2022-23 Budget builds on those commitments and focusses on the priorities outlined in our **Strategic Plan – Towards Western at 150**.

Last year's budget started the process of investing in our strategic plan priorities and this budget builds on those investments.

The current budget makes additional significant investments in our strategic plan priorities including:

- Support for enrolment growth,
- Faculty and staff renewal/expansion,
- Scholarship/research/creativity,
- Engaging undergraduate students in research,
- Our commitment to an equitable, diverse, and inclusive community.
- Infrastructure to accommodate growth.

These and other investments are critical to Western's ongoing commitment to pursue the various components of our mission as a prominent public research university.

A. Planning and Budgetary Context

The recently completed planning process is structured around a 1-year plan (for 2022-23) to be followed by a 3-year cycle (for 2023-24 through 2025-26). As noted, the Western Community put forward extraordinary efforts throughout the two years of the global pandemic and we look ahead to the post-pandemic environment where we will focus on our new strategic plan priorities. Our Faculties and Support Units are in the process of developing their Academic and Operational Plans, in alignment with our new strategic plan, for submission by summer 2022.

At this point in time, as we reach the end of the current fiscal year, our financial situation remains strong. The major changes in the 2021-22 Operating Budget (i.e. the current year) are as follows:

- In total, enrolments exceeded our projected figures by 1,370 full-time equivalent (FTE) students and therefore general tuition revenue is estimated to be higher by about \$5.3 million.
- The Fee-for-Services Transfer from the Affiliated University Colleges (which represents payments for services and teaching provided to their students) is estimated to be higher by \$1.4 million – due to enrolment increases at the Colleges.
- As we moved through the second year of the global pandemic, the impact on our ancillary units was less severe than the first year and therefore the transfers from these units to the Operating Budget is estimated to be higher by about \$4.7 million.

- Due to higher-than-projected enrolments in 2020-21, the enrolment-related revenue sharing mechanism transferred \$1.5 million more to the Faculties in 2021-22.
- As a result of higher enrolments, our spending in scholarships and bursaries is estimated to be higher by about \$3.3 million.
- Our efforts to ensure a safe campus environment for our community, in response to the constant/evolving impacts of COVID-19, resulted in estimated pandemic-related expenditures being \$8 million higher than budget.
- All other expenditures, across a number of budget lines, are estimated to be \$4 million higher than budget.

The net result of the above changes is an estimated variation of -\$5.4 million to the “in-year budget position” in the current year relative to the budgeted “in-year position”.

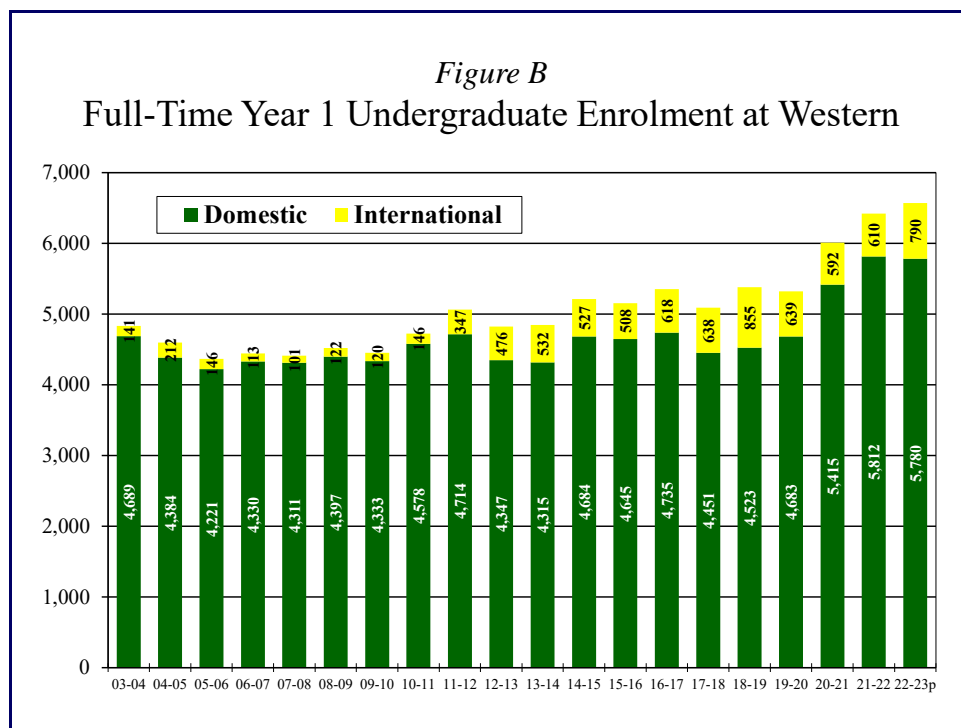
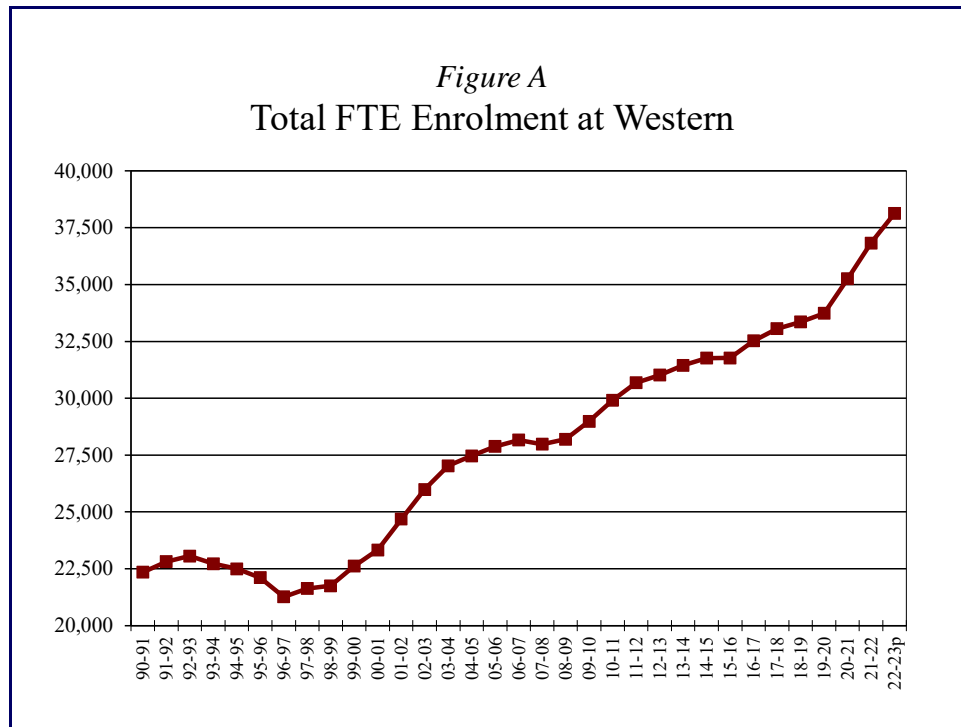
Looking ahead to 2022-23, we have developed the University budget with the following general assumptions regarding revenues:

- Under the Provincial Governments corridor-based block-grant funding system, our overall core provincial grants will remain frozen at the 2016-17 level.
- The Province’s tuition framework rolled back domestic tuition rates by 10% in 2019-20 and the rates were kept constant (at the reduced levels) in 2020-21 and 2021-22. It will remain unchanged for the 2022-23 year.
- Enrolments are the primary driver of operating revenues. For budgetary purposes, our first-year class is expected to be 6,570 students (which includes 790 international students) and the graduate enrolment plans are the aggregate of the plans developed by the Faculties.

At Western, our integrated approach to planning serves us well. We continue to focus our budget planning on our strategic priorities. 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 2021 was 92%, well above the Ontario average.
- Nearly 95% 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. About 85% of Western’s 2014-15 entering cohort graduated within 6 years.
- We are investing in international undergraduate recruitment to grow international enrolments while also diversifying geographical source and program destination.
- 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 nearly 20% of total full-time enrolment.

We remain committed to building on the substantive gains we have made in the areas of student quality, educational quality, and the students experience. Going forward, we will continue to manage our resources and target them towards the priorities identified in our new Strategic Plan.



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

The following initiatives were included in the 2021-22 Budget and involved substantial investments.

1. Faculty and Staff Renewal

As an outcome of last year's planning cycle, faculty and staff renewal was identified as a high and immediate priority – and the 2021-22 plans from the Faculties and Support Units (in total) included 94 incremental faculty and 140 additional staff positions. Based on those plans, as of January 31/2022, the University's faculty complement had increased by 35 positions and the staff complement by 107 positions relative to the previous year – and recruitment for the remaining positions continues.

2. Enhancing the Student Experience

Accessible Education

A sum of \$1 million in one-time funding was set aside to support Accessible Education initiatives. The University has established a committee to guide the implementation of the standards established by the Council for Advancement of Standards in Higher Education (CAS). The committee has submitted a report to the Provost this spring, with prioritized recommendations.

Western Undergraduate Summer Research Internships (USRIs)

A sum of \$2 million in one-time funding was allocated to support the continuation of the USRI Program in 2021-22. The program provided experiential research opportunities for 310 students from all Faculties. It also supported 257 faculty members' efforts to advance their research programs. Based on the success of the program, the University intends to continue the USRIs in 2022-23

Western Summer Student Teaching Support Internship Program

Following on the success of the first year of the program, to support the completion of the transition of some courses to on-line delivery, the Summer Student Teaching Internship Program was continued in 2021-22, with a one-time allocation of \$500,000. The program supported 80 student internships across all Faculties, and the students provided key supports to our academic community with on-line course development.

Academic Advising

A sum of \$1 million in one-time funding was allocated in support of enhancing and expanding Academic Advising Services at Western. The Provost's Working Group on Academic Advising is nearing the conclusion of its discussions after wide consultation with students, staff, and academic leaders. The Group's recommendations on advancing this crucial aspect of the student academic experience are expected this spring.

Creation of the Office of Equity, Diversity, and Inclusion (EDI)

The 2021-22 Budget allocated \$420,000 in base funding to support the creation of the EDI Office and the recruitment of the Associate Vice-President (EDI). In August 2021, Dr. Opiyo Oloya was appointed as Western's first AVP-EDI – and the EDI Office was officially established. The current staff complement of the EDI Office includes a total of six staff positions. In addition, one-time funding has been provided to support EDI data collection, database creation, and analysis.

Facilities to Support Student Experience, Health, and Well-Being

Last year's budget signaled two major capital projects aimed at providing space/facilities to support all aspects of student life, including health, wellness, and sports & recreation, a University Gathering Hub and a Multi-Sport Fieldhouse. Site assessment for these projects have been completed and the search for the Architects is currently underway.

3. Support for Scholarship/Research Initiatives

Expansion of Services Provided by the Vice-President (Research) Portfolio

In 2021-22, a sum of \$700,000 in base funding was provided to the Vice-President (Research) Portfolio to create a centralized unit dedicated to supporting innovation and partnerships – to be led by a new Associate Vice-President (Innovation & Strategic Partnerships). In February 2022, Dr. David Muir started in the AVP role – and he is currently reviewing the strategies for and structure of the new unit.

Incremental Resources to Support Pan-University Academic Priorities

Last year's budget committed \$15 million to an endowment to support academic priorities and \$4 million in one-time funding to support a cluster hire program aimed at recruiting Black and Indigenous faculty. The source of this funding (totaling \$19 million) was the program that enabled Faculties to exchange one-time carry-forward funds for base budget. The \$15 million endowment has been set up and will generate annual base funding (starting at \$600,000) to support the Western Research Chair program. The Provost is collaborating with the Deans on the cluster hire initiative with the objective of having some of the hires in place on for the upcoming academic year.

The Postdoctoral Fellowships Program

The 2021-22 budget allocated a sum of \$310,000 to support the continuation of the Postdoctoral Fellowships Program. The funding supported 11 fellowships for the cohort's second year in the program.

An Innovative Clinical Research Platform to Test Simple Scalable Solutions in Care for Big Impact on Health

Last year's budget set aside \$6 million in one-time funding to support the development of a Clinical Research Platform that will differentiate Western by focusing on clinical studies that address simple scalable solutions in routine care for big impact on health.

Under the leadership of a newly created role of Associate Dean (Clinical Research) in the Schulich School, a large-scale, multi-centre, pragmatic randomized trials program for studies that are Simple, Scalable, and Sustainable (S3) has been launched. In collaboration with the Faculty of Health Sciences, a development team consisting of a Director, trialists, a methodologist, and a bio-statistician has been established. Progress to-date includes:

- Creation of the S3 Blueprint, including plans for cost-recovery for long-term sustainability and growth
- Launching of info sessions and virtual workshops
- Onboarding three existing trials onto the S3 platform
- Supporting the development of two new trial protocols

Support of University-level Research Institutes

A sum of \$750,000 in one-time funding was allocated in the 2021-22 budget to support University-level Research Institutes. The funding has been used to support institute-specific initiatives, a new Director for the Institute for Earth and Space Exploration, the Rotman Institute of Philosophy, and the hiring of a lead staff position to support the work of all the institutes.

Interdisciplinary Research Facilities

Last year's budget re-affirmed the construction of an Interdisciplinary Research Facility (involving Medicine, Science, Engineering, and Health Sciences) as part of the University's Long-Range Space plan. The Deans of the four Faculties have developed a vision for the facility which centers around integrated knowledge translation and innovation involving the areas of health assessment, clinical trials, and synthetic biology. The current name for the Facility is the Bio-convergence Centre and the high-level space plan includes core research facilities, teaching and learning laboratories, virtual reality spaces, and collision spaces. The next step, expected to start in early summer 2022, will be the contracting of external consultants with detailed space planning.

4. Investment in Curriculum Enhancement

Interdisciplinary Curriculum Initiatives (IDCIs)

A sum of \$2 million in one-time funding was allocated in last year's budget to support the development of interdisciplinary courses/programs both at the graduate and undergraduate levels. Under the leadership of the Vice-Provost (Academic Programs), work is underway to identify barriers to interdisciplinary curriculum, courses, and programs.

EDI Curriculum Development

Last year's budget set aside \$1 million in one-time funding to support EDI curriculum development across the University. In consultation with the AVP-EDI, the following elements were either completed or underway:

- Recruitment for two Education Developer staff positions
 - Two keynote presentations on anti-black racism attended by over 1,400 participants
 - Half-day retreat on "decolonizing the curriculum" for the Faculty of Arts and Humanities – attended by 83 participants
 - 18 workshops with a combined attendance of over 1,200 faculty and teaching assistants
-

Indigenizing University Curriculum

In 2021-22, a sum of \$1 million in one-time funding was allocated in support of Indigenizing university curriculum. The Centre for Teaching & Learning and the Office of Indigenous Initiatives have collaborated to create a university-wide Teaching Fellow position in Indigenous Learning. Dr. Candace Brunette-Debassige has been appointed for a three-year term starting in July 2021. Early work includes the development of six Indigenous digital learning bundles which are expected to be released in June 2022. Nine faculty members have been recruited to lead the development of these bundles with the expectation that up to seven bundles will be created in each of the next three years.

The Next Round of Strategic Expansion of Engineering

Last year's budget signaled the next round of Engineering expansion involving a new 5-year undergraduate program that combines the core elements of Artificial Intelligence (AI) and Information & Communications Technology with any of the core disciplines in Engineering. The detailed plan has been developed and approved by the Provost. The main components of the multi-year plan which will formally start in 2022-23 include: undergraduate intake of 800 first-year students, 24 faculty positions and 5 staff positions to Engineering, 4 faculty positions to Science, a sum of \$260,000 in base funding to Arts & Humanities to support the teaching of communications courses to Engineering students, and a new building for Engineering (funded through the Engineering expansion revenues). Formal budget investments will start in 2022-23.

5. A Safe and Sustainable Campus Physical Infrastructure that Supports our Academic Needs

University-wide Sustainability Initiatives

The 2021-22 Budget allocated a sum of \$1.5 million in one-time funding to support sustainability-related initiatives and programming under the guidance of the President's Advisory Committee for the Environment and Sustainability (PACES) and \$10 million one-time to support Campus-wide Greenhouse Gas Reduction Initiatives.

This past year has seen the advancement of several important sustainability initiatives, including efforts to reduce the University's greenhouse gas emissions, transforming the campus chilled water network into a year-round energy loop, and the deep energy retrofit program. Near-term plans include more deep energy retrofits, replacement of ageing natural gas boilers with electric boilers, and the implementation of low carbon geothermal/geo-exchange fields on campus.

The Open Space Strategy

Last year's budget allocated \$10 million in one-time funding to support our multi-year strategy aimed at the transformation of our core campus into a safe and pedestrian-friendly campus. Work on the Open Space Strategy continued throughout the year. The new walkway at Kent North, from Middlesex Drive to Oxford Drive, was opened last fall with some remaining planting to be completed this spring. Biodiversity was a key consideration in the design, as exemplified by the rain garden in front of the Physics & Astronomy Building. Planning and design are under way for enhancements to the outdoor precinct surrounded by Talbot College, University College, the Arts & Humanities Building, and the International & Graduate Affairs Building.

6. Implementing our Strategic Plan – Towards Western at 150

Three separate allocations were made in the 2021-22 budget to support the aspirations of our new Strategic Plan: \$20 million one-time to support the implementation of priorities recommended in the new Strategic Plan, \$2.5 million one-time to the Vice-President (Advancement) Portfolio to begin the planning for our next fundraising campaign, and \$1 million base funding to Western Communications to enhance our central communications infrastructure.

A call for proposals for the \$20 million Strategic Priorities Fund went out to the University community in October 2021 – with the possibility of submitting proposals in three separate rounds. In round 1, a total of 16 proposals (out of the 38 reviewed) were funded with a total allocation of \$11.8 million. In round 2, a total of 8 proposals (out of 30 reviewed) were funded with a total allocation of \$1.5 million. The deadline of round 3 submissions is April 14, 2022.

The funding allocated to the Vice-President (Advancement) Portfolio and Western Communications has been used to hire additional staff in strategic areas aimed at supporting our fundraising activities and enhancing our communications capabilities in the areas of branding, marketing, advancement activities, scholarship/research communications, Indigenous and EDI initiatives, and student recruitment.

C. Priorities for the 2022-23 Budget and New Initiatives

The recently completed planning process identified the following high priority initiatives that are directly aligned with the three themes in our new Strategic Plan.

Theme 1: Greater Impact

Growth: Enrolments

1. A central element of “Greater Impact” is to grow strategically in areas of demand and societal need. In support of this imperative, two specific initiatives are recommended in the 2022-23 Budget.
 - As indicated in section B.4., the next round of Engineering expansion is underway with a fully developed multi-year plan involving expansion of enrolments, faculty/staff complements, space/facilities, and investments in other Faculties that contribute in a significant manner to the teaching of Engineering students.
 - A new funding program to support Faculties with PhD enrolment growth is being implemented in 2022-23 and will continue in the next 3-year planning cycle. The program provides per-incremental-student funding to the Faculties for PhD enrolment growth (on top of the standard revenue sharing allocations), as follows: \$20,000 for Arts & Humanities, FIMS, and Music; \$18,000 for Education, Health Sciences, and Social Science; and \$14,000 for Engineering, Law, Medicine, and Science.

It should be noted that, as part of the Faculty Academic Plans development process, some Faculties are exploring options and funding plans for strategic enrolment growth, similar to the multi-year Engineering expansion initiative. The outcomes of these considerations will be included in the Faculty Academic Plans to be submitted in the summer of 2022.

Growth: Faculty and Staff Renewal/Expansion

Faculty and staff renewal and expansion, commensurate with enrolment growth, is a key priority in our Strategic Plan. In support of this, the following budget allocations are recommended:

2. Last year’s budget allocated \$4 million to the Provost’s Academic Renewal Fund (PARF) in support of a cluster hire initiative aimed at recruiting Black and Indigenous faculty. In this budget, we are recommending the allocation of \$25 million one-time (Table 8, line 2) to augment last year’s allocation and to create a PARF endowment that will provide permanent annual funding to support faculty hiring focused on equity deserving groups. The Provost will work with the Deans and develop the long-range plan for the use of the annual endowment income. *Note that this recommendation also supports Theme 2 in our Strategic Plan – People, Community, and Culture.*
3. The Endowed Chairs Matching Program, whereby private donations to support faculty positions through the creation of endowed chairs are matched by the University, was introduced in 2010-11. To-date, a total of \$83.5 million has been allocated for matching purposes. Of this, \$70 million has already been spent as matching funds for a total 42 chairs, leaving \$13.5 million unspent. The Vice-President (Advancement) is currently in discussions regarding an additional 8 chairs which will require \$18 million in matching funds thus leaving a shortfall of \$4.5 million. It is expected that this matching program will be a central component of our next fundraising campaign, and further incremental matching funds will be required. Therefore, it is recommended that \$15 million

in one-time funding (Table 8, line 3) be allocated to support the Endowed Chairs Matching Program.

4. Last year's budget allocated \$15 million to an endowment to support the Western Research Chairs Program (WRCs). It is recommended that we augment that initial transfer with an additional allocation of \$22.1 million from funds received through the carry-forward exchange program (Table 8, line 16). *Note that this recommendation also supports the Research Impact aspect of Theme 1 – Greater Impact.*
5. The program that enables Faculties to exchange one-time carry-forward funds for base budget continues in 2022-23. The Faculties exchanged \$16 million carry-forward for \$2.4 million base funding and the Support Units exchanged \$10 million carry-forward for \$1.5 million base funding. The major portion of the \$3.9 million in base funding is being used to support faculty and staff appointments.
6. The base budget recommendations to the Faculties and Support Units (Tables 4 and 6) include substantial allocations through the Academic Priorities Fund (APF), the Support Unit Priorities Fund (SUPF), other targeted strategic base allocations, and the carry-forward exchange for base budget program. The Faculties final plans, which include these budget allocations, show a growth of 127 faculty positions and 105 staff positions in 2022-23 over the current year (as of January 31/2022).

Space, Facilities, and Infrastructure to Support Growth

7. In order to ensure that we offer the best educational environment for our students and to support our faculty and staff with adequate state-of-the-art facilities, the Strategic Plan calls for investment in facilities and infrastructure. In support of this priority, the following one-time allocations are recommended in this budget:
 - \$40 million (Table 8, line 1) to support our Long-Range Space Plan which is outlined in Table 13 – specifically in direct support of the creation of student and collision spaces in the Social Science Centre (\$5 million), the next phase of the Weldon Library modernization project (\$15 million), and the Bio-convergence Centre (\$20 million);
 - \$3.75 million for the renewal of Chemistry laboratories (Table 8, line 6);
 - \$2.62 million to start the multi-year funding plan for the new Engineering Building (Table 8, line 7); and
 - \$900,000 to support a university-wide four-year window maintenance program (Table 8, line 15).

Enhancing our Research Profile and Impact

8. In support of the research aspirations in our Strategic Plan, under the Greater Impact Theme, the following budget allocations are recommended:
 - \$5.5 million one-time to support the renewal and expansion of clinical research facilities, infrastructure, and equipment (Table 8, line 4);
 - \$1.9 million one-time to support the continuation of the Post-Doctoral Fellowship Program for another two years – by supporting 15 positions across campus (Table 8, line 9); and
 - \$4.6 million one-time support for a number of university-wide research initiatives – under the direction of the Vice-President Research (Table 8, line 47).

As noted above in Section C.3., a sum of \$22.1 million is being recommended to augment the WRC endowment – which supports the faculty renewal/expansion component and the research impact component of Theme 1 – Greater Impact.

Build Institutional Capacity through Expanded Fundraising

9. In support of preparing for our next fundraising campaign through initial branding and marketing initiatives and staffing for the development of campaign plans, this budget recommends the allocation of \$5 million one-time to the fundraising campaign (Table 8, line 5) and \$600,000 one-time for the National Brand Campaign (Table 8, line 11). In addition, unit-specific allocations to the Vice-President (Advancement Portfolio) and Western Communications also support the fundraising priorities (see Table 6, lines 32 and 36 and Table 8, lines 45 and 48).

Enhancing the Learning Experience

10. A sum of \$2.6 million one-time is recommended to support the continuation of the Undergraduate Summer Research Internship Program (USRI) (Table 8, line 8). In 2022-23, the program is expected to support 360 student internships – and will include an education and training component as part of the overall experiential research opportunity for our students.

State-of-the-Art Information Technology Infrastructure

11. The commitment in the Strategic Plan to invest in state-of-the art I.T. infrastructure is being supported through the recommendation of \$3 million in one-time funding to support renewal of I.T equipment across campus (Table 8, line 14). This allocation augments the on-going base budget line for I.T. Infrastructure shown in Table 7, line 7.

Theme 2: People, Community, and Culture

12. In support of the priorities under this theme, and in direct support of our goals in the areas of Equity, Diversity, & Inclusion (EDI) and Indigenization, the following budget allocations are recommended for 2022-23:
 - The allocation of \$25 million one-time described in section C.2. above which directly supports the PARF for recruitment of faculty from equity deserving groups (Table 8, line 2);
 - The provision of \$800,000 one-time to the University Students' Council, to be used over a 2-year period, to support the distribution of menstrual products to our students (Table 8, line 10);
 - A sum of \$100,000 one-time funding to support an Indigenous Teaching Secondment in the Faculty of Education (Table 8, line 19);
 - An allocation of \$134,000 one-time to support programming initiatives in the newly-created Indigenous Learning Centre (Table 8, line 35);
 - Funding support (\$440,000 one-time) to the EDI Office in support of an Anti-Racism Advisor, 15 Black Western Student Community Ambassadors, and various programming initiatives (Table 8, line 44);
 - Base funding allocations to the Office of Indigenous Initiatives and the EDI Office, as shown in lines 7 and 38 on Table 6;

- A sum of \$525,000 in 2022-23 (growing to \$1.9 million over 4 years) to support a new program of scholarships aimed at recruiting Black Students and expansion of scholarships for Indigenous Students (included in Table 5, line 8); and
- Base funding to the Faculties in support of various EDI and Indigenous initiatives: a joint Arts & Humanities and Social Science faculty position in Black Feminist Studies (\$133,000), an EDI support staff position in Health Sciences (\$60,000 – with \$50,000 match from the Faculty), two staff positions in Indigenous Studies in Social Science (\$100,000 – with \$38,500 match from the Faculty), and the creation of an EDID Office in the Schulich School including an Associate Dean, EDI Specialist, Indigenous Leader, and an Indigenous Scholar (\$500,000 – with a \$200,000 match from the Faculty).

Theme 3: Western's Place in the World

13. The priorities under this theme are directly supported in this budget through the following first set of commitments:

- Enhancing Western's campus is a central priority in our Long Range Space Plan (Table 13), and includes the following projects: The Entrepreneurship and Innovation Centre, the University Gathering Hub, the Multi-Sport Field House, the Social Sciences Centre Realignment/Expansion project, and the Open Space Strategy;
- We have established a new presence in London's downtown core through the acquisition of the building at 450 Talbot Street, and planning for the activities to be housed at that location is currently underway with a projected spending of \$3.7 million in 2022-23 (Table 17, line 15);
- The on-going range of university-wide Campus Sustainability, Energy Conservation, and Infrastructure Projects support our aspiration to reduce carbon emissions for campus operations, and we are projecting expenditures of \$21.5 million in 2022-23 (Table 14, line 3); and
- We are currently exploring options for a physical presence in Toronto perhaps in alignment with the Ivey Business School's activities in Toronto;

D. 2022-23 Budget Plan

We seek approval of the 2022-23 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. Table 1 summarizes our current forecast for 2022-23 and the major underlying assumptions are as follows:

Revenues

- Provincial government on-going grant funding remains constant in 2022-23, consistent with the current corridor funding system and the planned move to performance-based funding.
- 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, is expected to increase modestly in 2022-23.
- As required by the Province, domestic tuition rates were rolled back 10% in 2019-20 and were held constant in 2020-21 and 2021-22. This continues for 2022-23.

International tuition rates are de-regulated, and our proposed rate increases are shown in Tables 10 and 11.

- The Senate-approved enrolment projections and plans, which align with our growth aspirations and drive tuition revenue projections, are shown in Table 12. As indicated earlier, our first-year class (for budgetary purposes) is assumed to be an intake of 6,570 students.
- COVID-19 had a significant impact on our Ancillary Units and therefore the transfers from these units to the Operating Budget (i.e. associated with space/rent costs and central administrative services provided by the University) were reduced substantially in each of 2020-21 and 2021-22. For the coming year, we are expecting our ancillary operations to return to pre-COVID operational levels and the revenue from this source (included in line 13 of Table 1) reflects this ramp up of operations.

Expenditures

- Faculty and Support Unit base budgets have been adjusted to reflect the 3% Inflationary Budget Adjustment (IBA).
- Enrolment-related revenue sharing with the Faculties, which transfers nearly 50% of such incremental revenue to the Faculty budgets, continues in 2022-23.
- Non-salary costs associated with major University-wide budget items (e.g. utilities, insurance, and I.T. infrastructure) are based on the current estimates from the units that manage these expenditures.

- Central funding to cover the costs of negotiated employee compensation increases have been set aside and these funds will be transferred to Faculty and Support Unit budgets throughout the year, as the various compensation provisions are implemented.

Net Position and the Operating Reserve

- As can be seen in line 33 of Table 1, the Operating Reserve is projected to be at \$72.2 million at the end of the current year (i.e. 2021-22). The reserve is projected to be \$44.2 million at the end of the upcoming year (2022-23) – above the current Board-mandated minimum level of \$7.5 million.

Table 1
2022-23 BUDGET PLAN

		2019-20	2020-21	2021-22	2022-23
1	REVENUES				
2	Government Grants				
3	Provincial: Core Operating Grant (Enrolment-based)	241.8	203.9	175.0	145.9
4	Provincial: Differentiation Envelope	22.0			
5	Provincial: Performance based Grant	0.0	67.4	96.2	125.3
6	Provincial: Special Purpose Grants	20.8	12.3	14.1	12.5
7	Federal: Research Support Fund (FRSF)	11.5	11.5	11.6	12.0
8	Total	296.1	295.0	297.0	295.7
9	Tuition Revenue	401.5	419.0	446.5	464.8
10	All Other Revenues				
11	Canada Research Chairs (CRCs)	6.8	8.5	8.7	8.2
12	Recoverable Salaries	26.5	26.6	26.9	26.9
13	All Other	76.5	70.2	72.3	77.9
14	Total	109.8	105.3	107.9	113.0
15	Total Revenues	807.4	819.3	851.4	873.5
16	EXPENDITURES				
17	Faculties				
18	Base Budgets	423.6	424.3	451.4	453.7
19	Revenue Sharing Allocations	5.5	9.7	0.0	3.9
20	Canada Research Chairs (CRCs)	5.9	7.4	7.6	7.1
21	All Other	47.1	45.8	47.1	47.2
22	Total	482.1	487.2	506.1	511.9
23	Scholarships and Bursaries	33.0	35.1	38.5	40.4
24	Support Areas	105.3	109.2	114.3	118.6
25	University-wide Expenditures	78.6	76.3	77.7	84.1
26	Provision for Cost Fluctuations			0.4	20.6
27	One-Time Allocations	104.5	136.3	115.8	125.9
28	Total Expenditures	803.5	844.1	852.8	901.5
29	REVENUES minus EXPENDITURES	3.9	-24.8	-1.4	-28.0
30	OPERATING RESERVE				
31	Beginning Operating Reserve	94.5	98.4	73.6	72.2
32	Surplus / (Deficit) -- from Line 28 above	3.9	-24.8	-1.4	-28.0
33	Ending Operating Reserve	98.4	73.6	72.2	44.2

E. Summary of the 2022-23 Operating Budget

Table 2 summarizes the 2022-23 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 \$873.4 million in 2022-23 – an increase of 2.6% over 2021-22. Details of the operating revenues are shown in Table 3.

Line 13: Total expenditures are projected to be \$901.4 million in 2022-23 – an increase of 5.7% over 2021-22. 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 (planned) deficit of \$1.4 million in 2021-22 and a deficit of \$28.0 million in 2022-23. The planned deficit for the coming year (i.e. the \$28.0 million) is the result of recommended “one-time” spending in areas of strategic priority to the University – and is made possible by the availability of “one-time” funds in our operating reserve.

Line 17: The Operating Reserve is forecast to be \$72.2 million at the end of 2021-22 and \$44.2 million at the end of 2022-23.

Table 2
SUMMARY OF OPERATING BUDGET: 2022-23

	<a>		<c>	
	2021-22 Budget (@Feb 28, 2022)	2022-23 Budget	\$ Change from 2021-22	
1	Operating Revenues (Table 3)			
2	Government Grants	297,046,345	295,706,150	-1,340,195
3	Tuition Revenue	446,488,250	464,766,184	18,277,934
4	All Other	107,900,164	112,954,075	5,053,911
5	Total Revenues	851,434,759	873,426,409	21,991,650
6	Expenditure Budgets			
7	Faculties (Table 4)	506,092,283	511,903,800	5,811,517
8	Scholarships and Bursaries (Table 5)	38,531,352	40,365,398	1,834,046
9	Support Areas (Table 6)	114,343,285	118,588,940	4,245,655
10	University-wide Expenditures (Table 7)	77,671,930	84,075,191	6,403,261
11	Provision for Cost Fluctuations	400,000	20,580,024	20,180,024
12	One-Time Allocations	115,767,946	125,909,222	10,141,276
13	Total Expenditures	852,806,796	901,422,575	48,615,779
14	Surplus / (Deficit) - Line 5 minus Line 13	-1,372,037	-27,996,166	
15	Beginning Operating Reserve Balance	73,607,026	72,234,989	
16	Surplus / (Deficit) -- Line 14 above	-1,372,037	-27,996,166	
17	Closing Operating Reserve Balance	72,234,989	44,238,823	
18	Board-mandated Minimum Level Reserve Target	7,500,000	7,500,000	

F. Details of the 2022-23 Operating Revenue Forecasts (Table 3)

Government Grants

In 2017-18, the Provincial Government introduced an enrolment corridor-based funding system whereby the major portion of provincial grants would flow as a block grant, provided the institution maintains an overall level of domestic enrolments. In 2019-20, the Province had signaled the move to a performance-based funding system whereby, gradually, over the next 5 years (starting with 2020-21), the major portion of grant funding would be tied to ten performance/outcomes metrics. However, in response to the global pandemic and its impact on university operations, the Province has delayed the actual metrics-based implementation until the end of 2022-23. However, while the total amount of grant funding remains unchanged, the Government has notionally presented the grants transitioning to the performance-based system, but with no change in the overall grant funding level (i.e. the sum of lines 2 and 3 in Table 3 remain unchanged).

Tuition Fees

The recommended tuition fee rates for 2022-23 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

As noted earlier (in section A), tuition for domestic students remains unchanged.

International Students

Recent 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 have been set at the same rate as domestic students.

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), the Fee-for-Services Transfer from the Affiliated University Colleges, Fundraising associated with Student Financial Aid, Royalties and Licenses, and the Fee-for-Services Transfer 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 77 CRCs. The occupancy of the Chairs turns over dynamically as terms end and begin. There are 59 occupied Chairs in the current year and we are projecting 56 occupied chairs in 2022-23, with \$8.2 million in associated revenue. An additional 19 CRCs are currently allocated and are in the selection and recruitment phase. These positions should be finalized in 2022-23. Two additional Indigenous CRCs are open.

- The Fee-for Services Transfer from the Affiliated University Colleges represents payments for services and teaching provided to their students. The transfer rate is 12% of the Colleges' grant and tuition revenue. Our current projection is that the transfer will increase to \$13.7 million in the coming year, due to enrolment increases at the Colleges.
- Fundraising for needs-based Student Awards continues to be of high priority for the University. In 2022-23, we project a sum of \$9.4 million from this source.
- The revenue from Royalties and Licenses includes patents/licenses associated with the Robarts Research Institute which flows to the Schulich School. The projected decline in 2022-23 is the result of unexpected one-time licensing activity in 2021-22 which is not expected to repeat in the coming year.
- Western's self-funded operations and ancillary units transfer substantial funds to the University Operating Budget by way of payments associated with facilities/land costs and services provided by the University. As noted earlier, our ancillary operations are expected to return to pre-COVID operational levels which will result in the transfers from these units returning to pre-COVID levels. This 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 2022-23 Expenditure Recommendations

1. Faculty Budget Recommendations

Table 4 shows the 2022-23 **base budget recommendations** for Western's Faculties. Final 2022-23 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA);
- Faculty Turnover Recovery (for pre-2016 retirements), which returns the greater of \$93,000 or 60% of the retiring or departing member's salary to the Faculty budget;
- Academic Priorities Fund (APF) allocations;
- Program expansion funding and/or targeted government allocations; 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 compensation 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.* For information, during the period 2009-10 through 2020-21 (in total), central funding to the Faculties for compensation increases exceeded the Inflationary Budget Adjustments by \$2.1 million.

As an outcome of the 2016-17 planning cycle, 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, 2023 when the faculty member leaves the University by July 1, 2023. 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 multi-year 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
- Investments made in recent years

The **Faculty-specific APF base recommendations** for 2022-23 (shown in column <d> of Table 4) are:

- \$299,500 to the Faculty of Arts & Humanities in support of a work-integrated learning staff position, a faculty position in Philosophy (Ethics, AI), and a faculty position in Black Feminist Studies (joint with Social Science);
- \$175,000 to the Faculty of Education for a faculty position;
- \$500,000 to the Faculty of Health Sciences in support of three faculty positions (Advanced Health Care, Health Care Leadership, Biostatistics & Epidemiology), a faculty position in Health Information Science (joint with FIMS), and two staff positions (EDI and Experiential Learning);
- \$137,500 to the Faculty of Information & Media Studies for the faculty position in Health Information Science (joint with Health Sciences) and an Indigenous Program Coordinator staff position (joint with Law);
- \$47,500 to the Faculty of Law for the Indigenous Program Coordinator staff position (joint with FIMS);
- \$500,000 to the Schulich School of Medicine & Dentistry in support of EDI initiatives;
- \$250,000 to the Don Wright Faculty of Music in support of a limited-term faculty position and tenure-track position in Popular Music;
- \$500,000 to the Faculty of Science for three tenure-track faculty positions in support of expansion in the program;
- \$491,500 to the Faculty of Social Science in support of two faculty positions (Physical Geography, Dan Management), the faculty position in Black Feminist Studies (joint with A&H), three staff position (two in Indigenous Studies and an Alumni Development Officer role).

The **Other Base Changes** for the Faculties (shown in column <e> of Table 4) consist of:

- \$260,000 to Arts & Humanities in support of the incremental teaching associated with the Engineering expansion plan;
- \$300,000 to Education resulting from the exchange of carry-forward for base budget;
- \$1.7 million to Engineering as a direct result of enrolment expansion – and this funding will support 8 faculty positions and 2 staff positions;
- \$150,000 to Health Sciences resulting from the exchange of carry-forward for base budget;
- \$150,000 to FIMS resulting from the exchange of carry-forward for base budget;
- \$150,000 to Law resulting from the exchange of carry-forward for base budget;
- \$1.1 million to Science resulting from the exchange of carry-forward for base budget (\$750,000) and \$373,363 in support of the incremental teaching associated with the Engineering expansion plan. The funding is expected to support two faculty positions;
- \$900,000 to Social Science resulting from the exchange of carry-forward for base budget.

The **funding model for the Ivey Business School**, introduced in 2004-05, flows all tuition fees and government grants deriving from 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, the Research Infrastructure Support Fund (RISF), and other targeted special funding programs, and the Faculty is responsible for all its costs, including annual employee compensation increases. The Faculty also transfers an annual amount to the central budget reflecting the cost of general services provided to the Faculty 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

Note: In order to support Faculties facing undergraduate enrolment pressures, the undergraduate enrolment baselines for the Arts & Humanities, FIMS, and Music were lowered by 10%.

The Faculties are projected to receive \$3.9 million in 2022-23 through this mechanism, as shown in column g, line 15. This amount is in addition to the \$16.5 million that was rolled into Faculty base budgets in 2021-22.

The Faculties also receive additional budgetary support through:

- **One-time operating budget allocations** (totaling \$13.8 million) which are detailed in Table 8 (lines 17 to 29);
- The new **PhD enrolment growth funding support program**, estimated at \$2 million (Table 4, line 16);
- **The Research Infrastructure Support Fund (RISF)** totaling \$750,000 (Table 4, line 17); and
- Support for **Faculty-specific capital projects** through the University's Capital Budget.

A consolidated summary of the Provost's allocation recommendations for the Faculties (direct to the Faculties, from the various sources described above) is presented in Figure C. These recommendations are for the 2022-23 Budget.

Figure C

SUMMARY OF 2022-23 ALLOCATION RECOMMENDATIONS FOR THE FACULTIES

(direct allocations to the Faculties through the planning process)

		Base Allocations	One-Time Allocations	Capital Allocations
1	Arts & Humanities	559,500	300,000	153,500
2	Education	475,000	100,000	123,000
3	Engineering	1,688,313	800,000	715,500
4	Health Sciences	650,000	1,500,000	
5	Information & Media Studies	287,500	288,400	
6	Law	197,500	190,000	161,500
7	Medicine & Dentistry	500,000	500,000	
8	Music	250,000	500,000	
9	Science	1,623,363	700,000	
10	Social Science	1,391,500	500,000	
11	Total	7,622,676	5,378,400	1,153,500

Note: These recommendations are for the 2022-23 budget -- and should be considered in the context of resource allocations made in previous recent planning cycles.

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 \$40.4 million in 2022-23, a 22% increase over the 2019-20 level of \$32.0 million.

- Fundraising for undergraduate and graduate student needs-based awards continues to be a high priority for the University. In 2022-23, we project a sum of \$9.4 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 \$58.3 million in 2022-23 for this priority item.

3. Support Unit Budget Recommendations

Table 6 shows the 2022-23 base budget recommendations for Support Units. Final 2022-23 base budgets are the net result of the following:

- Starting base budgets;
- The Inflationary Budget Adjustments (IBA);
- Support Units Priorities Fund (SUPF) allocations; and
- Other strategic base allocations.

The **Support Unit Priorities Fund (SUPF)** was established in 2011-12, and the unit-specific base allocations for 2022-23 (shown in column <c> of Table 6) are:

- \$98,000 to the Vice-Provost (Academic Programs) Portfolio in support of Quality Assurance (QA) Coordinator staff position and the QA Academy ;
- \$200,000 to Western Technology Services to maintain staffing levels ;
- \$102,000 to Western Libraries for a Research & Scholarly Communications (RSC) Librarian position ;
- \$112,000 to the Registrar's Office for Digital Recruitment leadership staff position ;
- \$124,000 to the Office of Indigenous Initiatives in support of an administrative staff position and the Indigenous Research Centre, which is also supported by the Vice-President (Research) budget;
- \$130,000 to the Vice-Provost (Academic Planning, Policy, and Faculty) Portfolio to maintain staffing levels;
- \$79,000 to the School of Graduate & Postdoctoral Studies for an EDI Graduate Academic Advisor staff position;
- \$130,000 to the Office of Institutional Planning & Budgeting to maintain staffing levels;
- \$544,125 to Facilities Management for five staff positions in the areas of information technology support, sustainability, architectural services, and operations analysis;
- \$103,660 to Campus Safety & Emergency Services for a Building Card Access Administrator staff position and technology initiatives;
- \$140,000 to Internal Audit for an incremental Internal Auditor position;
- \$180,000 to Legal Services to support an additional Legal Counsel position;
- \$500,000 to the Vice-President (Research) Portfolio in support of additional staffing in the areas of Research Support, Awards & Distinctions, Research Impact, Knowledge Exchange, and EDI and Indigenous Research;
- \$300,000 to the Vice-President (Advancement) Portfolio in support of Faculty-based development officer positions;
- \$300,000 to Human Resources for additional staffing in the areas of Safety & Well-Being and Talent Acquisition & Retention;

- \$300,000 to Western Communications in support of new positions in the areas of marketing, brand copywriting, and research communications.

The Provost and the Vice-President (Operations & Finance) are also carrying forward a portion of the SUPF resources associated with their units for allocation in the future. These are shown in lines 14 and 22 of Table 6.

The **Other Base Changes** for the Support Units (shown in column <d> of Table 6) consist of:

- \$750,000 to Western Technology Services resulting from the exchange of carry-forward for base budget;
- \$225,000 to the Libraries resulting from the exchange of carry-forward for base budget;
- \$400,000 to the Registrar's Office in support of international student recruitment, including incremental staffing and digital recruitment initiatives;
- \$117,500 to the Student Experience Portfolio in support of two staff positions in the area of Gender-based Sexual Violence supports and increased programming, in partnership with the Student Services Committee;
- \$584,738 to Facilities Management to support the operating costs of incremental space/facilities and \$375,000 resulting from the exchange of carry-forward for base budget;
- \$630,000 to Campus Safety & Emergency Services in support of four Special Constable positions and the Director position;
- \$500,000 to Animal Care & Veterinary Services in support of incremental staffing;
- \$200,000 to Human Resources to augment the additional SUPF-funded staffing in the areas of Safety & Well-Being and Talent Acquisition & Retention;
- \$700,000 to Western Communications in support of five staff positions in the areas of fundraising-related marketing and student recruitment related communications.

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

- **One-time operating budget allocations** (\$9.4 million) which are detailed in Table 8 (lines 30 through 49); and
- Support for **Unit-specific capital projects** through the University's Capital Budget.

4. University-wide Expenditures

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

- The increase in the University's physical plant **Utilities** is the net result of the campus gradually returning to normal operations, projected utilities 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 item will be reviewed as part of the next multi-year 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 \$2.2 million or 0.25% of Operating Revenues, as in previous years.

5. One-Time Recommendations

As noted above, the Faculties and Support Units will receive substantial one-time funding in 2022-23. 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 2022-23 budget – with one-time allocations:

- **Long-Range Space Plan:** \$40 million
- Creation of a Provost Academic Renewal Fund endowment to support **Faculty Hiring for equity deserving groups:** \$25 million
- **The Endowed Chairs Matching Program** – \$15 million
- Renewal and Expansion of **Clinical Research Facilities, Infrastructure, and Equipment:** \$5.5 million
- Support for our **next Fundraising Campaign:** \$5 million
- **Modernization of Chemistry Laboratories:** \$3.75 million
- Multi-year plan to fund a **new Engineering Building** to accommodate the enrolment expansion: \$2.6 million
- Continuation of the **Undergraduate Summer Research Internship Program:** \$2.6 million
- Continuation of the **Postdoctoral Fellowships Program:** \$1.9 million
- Support for the University Students' Council (USC) with its **Menstrual Product distribution** program: \$800,000 – to be used over the next two years
- A **National Brand Campaign** – in support of our next fundraising campaign: \$600,000

The program that enabled units to exchange carry-forward for base budget generated a total \$26 million in one-time funding and this has been re-allocated to support the following priority initiatives:

- University-wide **Information Technology Infrastructure Upgrades:** \$3 million
- University-wide **Window Maintenance Program:** \$900,000 (over 4 years)
- Add to the **WRC Endowment Program** created last year: \$22.1 million

Table 3
2022-23 OPERATING REVENUES

		2021-22 Budget Forecast (@Feb 28, 2022) (1)	2022-23 Budget (2)	Increase / (Decrease) Amount (3)	% Change (2) to (1)
1	Government Grants				
2	Provincial: Core Operating Grant (Enrolment-based)	175,040,587	145,925,489	-29,115,098	-16.6%
3	Provincial: Performance-based Grant	96,194,786	125,309,884	29,115,098	30.3%
4	Provincial: Special Purpose Grants	14,125,526	12,470,777	-1,654,749	-11.7%
5	Federal Research Support Fund (FRSF)	11,685,446	12,000,000	314,554	2.7%
6	Sub-Total Government Grants	297,046,345	295,706,150	-1,340,195	-0.5%
7	Tuition Revenue				
8	Undergraduate	290,570,000	299,268,069	8,698,069	3.0%
9	Graduate	65,640,000	68,833,688	3,193,688	4.9%
10	<i>Sub-Total General Programs</i>	<i>356,210,000</i>	<i>368,101,757</i>	<i>11,891,757</i>	<i>3.3%</i>
11	Ivey Programs (HBA, MBAs, MSc, PhD)	78,941,579	84,406,686	5,465,107	6.9%
12	International Medical and Dental Students	9,720,671	10,641,741	921,070	9.5%
13	<i>Sub-Total Other Programs</i>	<i>88,662,250</i>	<i>95,048,427</i>	<i>6,386,177</i>	<i>7.2%</i>
14	Miscellaneous Fees	1,616,000	1,616,000	0	0.0%
15	Sub-Total Tuition Revenue	446,488,250	464,766,184	18,277,934	4.1%
16	Other Revenues				
17	Canada Research Chairs (CRCs)	8,700,000	8,200,000	-500,000	-5.7%
18	Fee for Services Transfer from Affiliated University Colleges	12,859,056	13,702,140	843,084	6.6%
19	Recoverable Salaries	26,879,200	26,879,200	0	0.0%
20	Fundraising -- Need-based Student Awards and Bursaries	9,420,000	9,420,000	0	0.0%
21	Application Fees	2,500,000	2,412,500	-87,500	-3.5%
22	Research Overhead Revenues	3,100,000	3,100,000	0	0.0%
23	Royalties and Licences	7,288,253	5,875,000	-1,413,253	-19.4%
24	Scholarship/Research Initiatives in the SSHRC Disciplines	382,481	440,123	57,642	15.1%
25	Fee for Services Transfer from Self-Funded & Ancillary Operations	33,710,400	40,514,000	6,803,600	20.2%
26	Miscellaneous Revenues	3,060,774	2,411,112	-649,662	-21.2%
27	Sub-Total Other Revenues	107,900,164	112,954,075	5,053,911	4.7%
28	Total Revenues	851,434,759	873,426,409	21,991,650	2.6%

**Table 4
FACULTIES**

	<a>		<c>	<d>	<e>	<f>	<g>
	2021-22 Base Budget (@Feb 28, 2022)	IBA	Faculty Turnover Recovery	APF	Other Base Changes	Canada Research Chairs	Resulting 2022-23 Base Budget
1	Faculties						
2	Arts & Humanities	-957,437	-82,241	299,500	260,000	-170,000	31,784,382
3	Education	-609,649		175,000	300,000		19,843,803
4	Engineering	-1,067,463			1,688,313	-90,000	37,412,942
5	Health Sciences	-1,038,734		500,000	150,000		34,745,740
6	Information & Media Studies	-337,597	-91,512	137,500	150,000		11,201,614
7	Law	-287,930		47,500	150,000		9,597,243
8	Medicine & Dentistry	-2,217,726		500,000			74,126,448
9	Music	-333,450		250,000			11,031,548
10	Science	-1,974,166	-91,485	500,000	1,123,363		66,923,242
11	Social Science	-1,961,158		491,500	900,000	-170,000	65,492,282
12	Sub-Total Faculties (excluding Business)	-10,785,310	-265,238	2,901,000	4,721,676	-430,000	362,159,244
13	Business	91,728,581			5,655,537	0	97,384,118
14	Sub-Total Faculties	457,745,697	-265,238	2,901,000	10,377,213	-430,000	459,543,362
15	Revenue Sharing Allocation	0			3,901,132		3,901,132
16	PhD Enrolment Growth Support	0			2,000,000		2,000,000
17	Research Infrastructure Support Fund (RISF)	750,000					750,000
18	Faculty Recruitment Initiatives	500,000					500,000
19	Academic Priorities Fund (APF)	6,077,435		-2,901,000			3,176,435
20	Total -- with Revenue Sharing Allocation	465,073,132	-265,238	0	16,278,345	-430,000	469,870,929
21	All Other						
22	Western Strategic Success Programs	1,500,000					1,500,000
23	Education: Continuing Education for Teachers	1,204,875			92,650		1,297,525
24	Medicine & Dentistry: International Tuition and Primary Care	10,070,476			921,070		10,991,546
25	Faculty Share of Research Overheads	985,600					985,600
26	Faculty Scholars & Distinguished University Professors	239,000					239,000
27	Graduate and Undergraduate Program Reviews	140,000					140,000
28	Recoverable Salaries	26,879,200					26,879,200
29	Sub-Total	41,019,151	0	0	1,013,720	0	42,032,871
30	Total Academic Units	506,092,283	-10,785,310	0	17,292,065	-430,000	511,903,800

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 5
SCHOLARSHIPS and BURSARIES

		<a> 2021-22 Base Budget (@Feb 28, 2022)	 Changes	<c> Resulting 2022-23 Base Budget
1	Undergraduate Scholarships	10,405,297	1,200,000	11,605,297
2	Government-Mandated Tuition Re-Investment	16,051,787	634,046	16,685,833
3	Western Bursaries and Fellowships	1,975,267		1,975,267
4	Privately-Funded Need-based Awards & Bursaries	9,420,000		9,420,000
5	MCU Bursaries	479,001		479,001
6	Global Opportunities Awards	200,000		200,000
7	Total Scholarships and Bursaries	38,531,352	1,834,046	40,365,398

Graduate student funding is now addressed through the Faculty budgets. In 2021-22, this funding is estimated to be \$56.5 million and the plan for 2022-23 is \$58.3 million.

Table 6
SUPPORT AREAS

	<a>		<c>	<d>	<e>	
	2021-22 Base Budget (@Feb 28, 2022)	IBA	SUPF	Other Base Changes	Resulting 2022-23 Base Budget	
1	Reporting to the Provost					
2	VP (Academic Programs) Portfolio	1,975,675	-59,270	98,000		2,014,405
3	Western Technology Services	11,239,778	-337,193	200,000	750,000	11,852,585
4	Libraries	12,949,773	-388,493	102,000	225,000	12,888,280
5	Registrar's Office	6,964,519	-208,936	112,000	400,000	7,267,583
6	Student Experience Portfolio	3,025,152	-79,591		117,500	3,063,061
7	Office of Indigenous Initiatives	1,001,639	-30,049	124,000		1,095,590
8	Office of Vice-Provost (APPF)	1,603,560	-48,107	130,000		1,685,453
9	Graduate & Postdoctoral Studies	2,078,179	-62,345	79,000		2,094,834
10	Institutional Planning and Budgeting	2,990,223	-89,707	130,000		3,030,516
11	Western International	2,489,154	-74,675			2,414,479
12	McIntosh Gallery - Operating Budget Supplement	283,566				283,566
13	Teaching Fellows Program	475,312				475,312
14	Support Unit Priorities Fund (SUPF)	400,352		25,000		425,352
15	Sub-Total	47,476,882	-1,378,366	1,000,000	1,492,500	48,591,016
16	Reporting to the Vice-President Operations & Finance					
17	Financial Services	5,424,438	-162,733			5,261,705
18	Facilities Management	18,285,138	-449,699	544,125	584,738	18,964,302
19	Campus Safety & Emergency Services	3,389,696	-101,691	103,660	630,000	4,021,665
20	Internal Audit	524,723	-15,742	140,000		648,981
21	Legal Services	782,673	-23,480	180,000		939,193
22	Support Unit Priorities Fund (SUPF)	697,012		-167,785		529,227
23	Sub-Total	29,103,680	-753,345	800,000	1,214,738	30,365,073
24	Reporting to the Vice-President Research					
25	Animal Care/Veterinary Services - Operating Budget Supplement	2,142,300			500,000	2,642,300
26	Research Western	6,160,074	-184,802	500,000		6,475,272
27	Research Promotion Fund	1,500,000				1,500,000
28	Small Grants Support for Arts/Humanities/Social Sciences	250,000				250,000
29	Scholarship/Research Initiatives in the SSHRC Disciplines	382,481			57,642	440,123
30	Western Innovation Fund	400,000				400,000
31	Sub-Total	10,834,855	-184,802	500,000	557,642	11,707,695
32	Vice-President University Advancement	9,007,503	-270,225	300,000	0	9,037,278
33	General Administration					
34	Human Resources (Including Workplace Health Services)	7,331,707	-214,827	300,000	200,000	7,616,880
35	Offices of the President and Vice-Presidents	4,134,591	-124,038			4,010,553
36	Western Communications	4,698,930	-140,968	300,000	700,000	5,557,962
37	University Secretariat	925,934	-27,778			898,156
38	Office of Equity, Diversity, and Inclusion	829,203	-24,876			804,327
39	Sub-Total	17,920,365	-532,487	600,000	900,000	18,887,878
40	Total Support Areas	114,343,285	-3,119,225	3,200,000	4,164,880	118,588,940

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>
		2021-22 Base Budget (@Feb 28, 2022)	New Investment	Other Changes	Resulting 2022-23 Base Budget
1	Utilities	22,276,869		1,336,873	23,613,742
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	920,000		-56,000	864,000
7	Information Technology Infrastructure Fund	10,948,274		328,448	11,276,722
8	Property Taxes	2,492,825		48,100	2,540,925
9	Insurance	3,246,300			3,246,300
10	Contingency	2,082,830		100,736	2,183,566
11	Accessible Education	1,524,516		-100,925	1,423,591
12	Professional Fees	1,455,500			1,455,500
13	Institutional Memberships	1,315,000			1,315,000
14	Sports and Recreation Services - Operating Budget Supplement	821,726		7,729	829,455
15	The Western Entrepreneurship Ecosystem - Operating Budget Supplement	674,207			674,207
16	Costs Associated with Employee Contracts	625,000			625,000
17	Convocation and Diplomas	338,000			338,000
18	Governance-Related Costs	177,800			177,800
19	Ombudsperson	119,487			119,487
20	University Surveys and Teaching Evaluations	75,000			75,000
21	Centre for Research on Violence Against Women and Children - Operating Budget Supplement	55,000			55,000
22	Museum of Ontario Archaeology - Operating Budget Supplement	50,000			50,000
23	Total University-wide Expenditures	83,714,230	0	1,664,961	85,379,191
24	Employee Benefit Plan Costs	125,300,700		9,865,300	135,166,000
25	Employee Benefit Recoveries	-131,343,000		-5,127,000	-136,470,000
26	Net Employee Benefits	-6,042,300	0	4,738,300	-1,304,000
27	Net University-wide Expenditures	77,671,930	0	6,403,261	84,075,191

Table 8
2022-23 ONE-TIME ALLOCATIONS

1	Support for Long Range Space Plan	40,000,000
2	Faculty Hiring focused on Equity Deserving Groups -- Additional Resources -- Create PARF Endowment	25,000,000
3	Endowed Chairs Matching Program	15,000,000
4	Renewal and Expansion of Clinical Research Facilities, Infrastructure, and Equipment	5,475,000
5	Support for Western's Next Fundraising Campaign	5,000,000
6	Modernization of Chemistry Laboratories	3,750,000
7	Engineering Expansion -- Support for New Building (multi-year plan)	2,622,799
8	Undergraduate Summer Research Internship Program (USRI)	2,600,000
9	Post Doctoral Fellowships Program	1,900,000
10	Menstrual Product Distribution -- Support for University Students' Council (2-Year Pilot)	800,000
11	National Brand Campaign	600,000
12	Carryforward Recovered From Faculties	-16,000,000
13	Carryforward Recovered From Support Units	-10,000,000
14	Support for University-wide IT Infrastructure Upgrades	3,000,000
15	Support for University-wide Window Maintenance Initiatives (4-Year Program)	900,000
16	Support for WRC Program -- Add to Endowment	22,100,000
17	Faculties	
18	Arts & Humanities: Undergraduate First-Year Recruitment Awards (\$200K) and Senior Development Officer (\$100K)	300,000
19	Education: Indigenous Teaching Secondment	100,000
20	Engineering: Round 2 Engineering Expansion -- Faculty Recruitment and Start-up Funding	800,000
21	Health Sciences: Video & Clinical Capture Suite & Studio Plan (\$350K), Nursing Simulation Equipment Upgrades /Renewal (\$100K), Elborn Short-range Functional Program & Plan (\$50K), LHSB 3rd Floor Renovations (\$1M), and Targetted Government Funding for Clinical Education (\$814K) and Nurse Practitioner Program (\$597K)	2,910,301
22	FIMS: On-Line MLIS Project Manager Staff Position (\$88K), Studio Retrofit / Renewal (\$85K), and Equipment / Furniture for Multi-Media Suite (\$115K)	288,400
23	Law: Student Wellness Counsellor Staff Position -- Funding over 2 Years	190,000
24	Medicine & Dentistry: Dentistry Autoclave Upgrades (\$500K), Faculty Start-up (\$500K), Targetted Government Funding for Dental Clinical Education (\$1.1M), Roberts Royalties & Licences Flowthrough (\$5M)	7,133,321
25	Music: Student Recruitment Initiatives, Technology/Equipment Renewal, Ensemble/Concert Series, Graduate Colloquiums	500,000
26	Science: Computer Science Expansion Faculty Start-up Funds (\$500K), Round 2 Engineering Expansion Faculty Recruitment and Start-up Funding (\$200K)	700,000
27	Social Science: Create Space to House the Masters in Financial Economics Program	500,000
28	Support for the Trois-Pistoles Program	346,373
29	Sub-Total Faculties	13,768,395
30	Support Units	
31	VP (Academic Programs) Portfolio: CTL eLearning Specialist Staff Position	100,000
32	Western Technology Services: Contract Staff Resources	200,000
33	Libraries: Technology Upgrades	77,000
34	Student Experience: eLearning Module Development (\$206K) and University Contribution for Artificial Turf Fields (\$212K)	417,600
35	Office of Indigenous Initiatives: Newly-created Indigenous Learning Space Programming Funds	134,000
36	Vice-Provost (APPF): Contract Staffing (\$110K) and Support for Coaching (\$50K)	160,000
37	Western International: International World's Challenge Challenge	100,000
38	Financial Services: Responsible Investing Coordinator (\$80K), Restricted & Endowment Digital Reform (\$100K), Sustainability/Social Procurement Program (\$150K), and Climate Related Financial Disclosures (\$50K)	380,000
39	Campus Safety & Emergency Services: Evening Security Services (\$212K), Record Management Software (\$33K), and Rebranding -- due to Provincial Changes (\$40K)	285,280
40	Facilities Management: Contract Staffing (\$439K), Technology Initiatives (\$298), Equipment Renewal/Expansion (\$100K)	837,125
41	Internal Audit: Technology Initiatives	8,000
42	Legal Services: Technology Initiatives	10,000
43	Human Resources: University-wide Health and Safety Contract Staffing	920,000
44	Equity, Diversity & Inclusion: Anti-Racism Advisor (\$90K), Black Western Student Community Ambassadors (\$150K), and Programming Initiatives (\$200K)	440,000
45	Western Communications: Technology Initiatives	345,000
46	University Secretariat: Data Management Initiatives	44,000
47	Vice-President (Research): ACVS Infrastructure / Equipment Enhancements (\$1.5M), University-wide Scholarship/Research Initiatives (\$2.6M), and Contract Staffing (\$500K)	4,635,023
48	Vice-President (University Advancement): IT Initiatives and Contract Staffing	300,000
49	Sub-Total Support Units	9,393,028
50	Total One-Time Allocations	125,909,222

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

		2021-22 Final						2022-23 Preliminary					
		Tier 1		Tier 2		Total		Tier 1		Tier 2		Total	
		N	\$	N	\$	N	\$	N	\$	N	\$	N	\$
1	Arts & Humanities	2	340,000	2	180,000	4	520,000	1	170,000	2	180,000	3	350,000
2	Business	1	170,000	1	90,000	2	260,000	1	170,000	1	90,000	2	260,000
3	Education	1	170,000	3	270,000	4	440,000	1	170,000	3	270,000	4	440,000
4	Engineering	5	850,000	5	450,000	10	1,300,000	5	850,000	4	360,000	9	1,210,000
5	Health Sciences	3	510,000	0	0	3	510,000	3	510,000	0	0	3	510,000
6	Info & Media Studies			1	90,000	1	90,000			1	90,000	1	90,000
7	Law	0	0	1	90,000	1	90,000		0	1	90,000	1	90,000
8	Medicine & Dentistry	6	1,020,000	10	900,000	16	1,920,000	6	1,020,000	10	900,000	16	1,920,000
9	Music												
10	Science	6	1,020,000	6	540,000	12	1,560,000	6	1,020,000	6	540,000	12	1,560,000
11	Social Science	4	680,000	2	180,000	6	860,000	3	510,000	2	180,000	5	690,000
12	Total to Faculties	28	4,760,000	31	2,790,000	59	7,550,000	26	4,420,000	30	2,700,000	56	7,120,000
13	Total CRC Funding		5,600,000		3,100,000		8,700,000		5,200,000		3,000,000		8,200,000

Table 10
2022-23 TUITION FEE PROPOSALS FOR UNDERGRADUATE PROGRAMS

		Domestic Students			International Students		
		Actual 2021-22 Tuition	2022-23		Actual 2021-22 Tuition	2022-23	
			Proposed Tuition	<a> % Increase		Proposed Tuition	<a> % Increase
1	First-Entry Programs 						
2	Year 1	6,050	6,050	0.0%	36,208	39,105	8.0%
3	Year 2	6,050	6,050	0.0%	34,867	37,656	4.0%
4	Year 3	6,050	6,050	0.0%	33,575	36,262	4.0%
5	Year 4	6,050	6,050	0.0%	32,330	34,918	4.0%
6	Engineering						
7	Year 1	12,294	12,294	0.0%	49,971	53,969	8.0%
8	Year 2	12,294	12,294	0.0%	48,120	51,970	4.0%
9	Year 3	12,294	12,294	0.0%	44,683	50,045	4.0%
10	Year 4	12,294	12,294	0.0%	41,491	46,470	4.0%
11	M.O.S.						
12	Year 1	6,050	6,050	0.0%	46,704	50,440	8.0%
13	Year 2	6,050	6,050	0.0%	44,974	48,572	4.0%
14	Year 3	6,050	6,050	0.0%	41,762	46,773	4.0%
15	Year 4	6,050	6,050	0.0%	38,779	43,432	4.0%
16	Nursing						
17	Year 1	6,050	6,050	0.0%	46,465	50,182	8.0%
18	Year 2	6,050	6,050	0.0%	44,744	48,324	4.0%
19	Year 3	6,050	6,050	0.0%	43,087	46,534	4.0%
20	Year 4	6,050	6,050	0.0%	41,491	44,810	4.0%
21	Second-Entry Programs						
22	Business (HBA)						
23	Year 1	25,200	25,200	0.0%	51,500	51,500	0.0%
24	Year 2	25,200	25,200	0.0%	50,000	51,500	0.0%
25	Dentistry						
26	Year 1	35,341	35,341	0.0%	103,407	111,680	8.0%
27	Year 2	35,341	35,341	0.0%	99,577	107,543	4.0%
28	Year 3	35,341	35,341	0.0%	95,889	103,560	4.0%
29	Year 4	35,341	35,341	0.0%	92,338	99,725	4.0%
30	Education (B.Ed.)	7,271	7,271	0.0%	37,050	38,532	4.0%
31	Law						
32	Year 1	20,151	20,151	0.0%	39,836	43,023	8.0%
33	Year 2	20,151	20,151	0.0%	39,836	41,429	4.0%
34	Year 3	20,151	20,151	0.0%	39,836	41,429	4.0%
35	Medicine (M.D.)						
36	Year 1	23,986	23,986	0.0%	n.a.	n.a.	n.a.
37	Year 2	23,986	23,986	0.0%	n.a.	n.a.	n.a.
38	Year 3	23,986	23,986	0.0%	n.a.	n.a.	n.a.
39	Year 4	23,986	23,986	0.0%	n.a.	n.a.	n.a.

<a> The proposed 2022-23 rates are effective May 1, 2022.

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, Music, Science,
Social Science (excl. M.O.S.).

Table 11
2022-23 TUITION FEE PROPOSALS FOR GRADUATE PROGRAMS

		Domestic Students			International Students		
		Actual 2021-22 Tuition	2022-23		Actual 2021-22 Tuition	2022-23	
			Proposed Tuition	<a> % Increase		Proposed Tuition	<a> % Increase
1	Masters Category 1						
2	Arts & Humanities	6,360	6,360	0.0%	18,984	19,364	2.0%
3	Engineering (M.E.Sc.)	6,360	6,360	0.0%	18,984	19,364	2.0%
4	Health & Rehabilitation Sciences	6,360	6,360	0.0%	18,984	19,364	2.0%
5	Health Information Sciences	8,664	8,664	0.0%	26,790	27,326	2.0%
6	Interdisciplinary Programs 	6,360	6,360	0.0%	18,984	19,364	2.0%
7	Kinesiology	6,360	6,360	0.0%	18,984	19,364	2.0%
8	Law/Studies in Law	10,368	10,368	0.0%	26,749	27,284	2.0%
9	Media Studies	6,360	6,360	0.0%	18,984	19,364	2.0%
10	Medicine (Basic Medical Sciences)	6,360	6,360	0.0%	18,984	19,364	2.0%
11	Music	6,360	6,360	0.0%	18,984	19,364	2.0%
12	Nursing (M.Sc.)	7,639	7,639	0.0%	26,790	27,326	2.0%
13	Science	6,360	6,360	0.0%	18,984	19,364	2.0%
14	Social Science	6,360	6,360	0.0%	18,984	19,364	2.0%
15	Masters Category 2						
16	Master in Management Analytics	46,000	46,000	0.0%	69,000	72,000	4.3%
17	C.S.D./O.T./P.T. (MPT)	11,294	11,294	0.0%	34,589	35,973	4.0%
18	Dentistry (Orthodontics)	27,373	27,373	0.0%	81,741	85,828	5.0%
19	Education (MA)	10,877	10,877	0.0%	34,589	35,973	4.0%
20	Engineering (M.Eng.)	10,877	10,877	0.0%	39,896	41,093	3.0%
21	Environment & Sustainability	12,179	12,179	0.0%	34,589	35,973	4.0%
22	Financial Economics	30,549	30,549	0.0%	56,345	56,345	0.0%
23	Library & Information Science	10,877	10,877	0.0%	34,589	35,973	4.0%
24	M.M. in Journalism & Communication	13,543	13,543	0.0%	34,589	35,973	4.0%
25	M.N Nurse Practitioner	10,877	10,877	0.0%	34,589	35,973	4.0%
26	MA in Research for Policy & Evaluation	18,000	18,000	0.0%	31,200	32,448	4.0%
27	Master of Data Analytics	23,308	23,308	0.0%	51,135	53,180	4.0%
28	Master of Mgmt. of Applied Science	19,690	19,690	0.0%	51,135	53,180	4.0%
29	Medicine (Family Medicine)	14,322	14,322	0.0%	34,589	35,973	4.0%
30	Medicine (Pathology Assistant)	11,295	11,295	0.0%	34,589	35,973	4.0%
31	Medicine (Public Health)	32,734	32,734	0.0%	55,149	55,149	0.0%
32	Interdisciplinary Medical Sciences (MSc)	11,295	11,295	0.0%	35,000	36,400	4.0%
33	Advanced Health Care Practice (M.Cl.Sc.)	10,877	10,877	0.0%	34,589	35,973	4.0%
34	Doctoral						
35	Doctor of Musical Arts	6,360	6,360	0.0%	6,360	6,360	0.0%
36	Doctor of Education (EdD)	10,097	10,097	0.0%	34,589	35,973	4.0%
37	PhD Programs	6,360	6,360	0.0%	6,360	6,360	0.0%

<a> The proposed 2022-23 rates are effective September 1, 2022.

 Includes Biomedical Engineering, Neuroscience, and Theory & Criticism

Table 12
SUMMARY OF ENROLMENT FORECAST

		Actual					Forecast
		2017-18	2018-19	2019-20	2020-21	2021-22**	2022-23
1	Constituent University						
2	Full-Time Undergraduates						
3	Arts & Humanities	985	938	882	877	853	867
4	Business (HBA)	1,109	1,085	1,090	1,057	1,072	1,222
5	Dentistry	263	262	262	263	264	284
6	Education	747	716	697	677	697	712
7	Engineering	1,981	2,032	2,008	2,151	2,293	2,483
8	Health Sciences						
9	BHSc Program	1,189	1,227	1,251	1,339	1,424	1,408
10	Kinesiology	1,231	1,215	1,241	1,285	1,283	1,321
11	Nursing	960	969	974	989	1,028	1,072
12	Sub-Total	3,380	3,411	3,466	3,613	3,735	3,801
13	Law	478	480	485	490	482	490
14	Media, Information, & Tech	898	916	895	871	899	917
15	Medicine						
16	MD Program	699	685	683	686	688	684
17	BMedSci Program	1,021	1,000	1,036	1,161	1,252	1,300
18	Music	412	414	449	443	434	435
19	Science	4,948	5,143	5,326	5,535	5,809	5,972
20	Social Science	6,501	6,497	6,503	6,882	7,348	7,677
21	Total Full-Time Undergraduates	23,422	23,579	23,782	24,706	25,826	26,844
22	Concurrent Programs	231	247	288	345	380	380
23	Medical Residents	934	956	936	940	968	940
24	Full-Time Graduates						
25	Masters	3,750	3,734	3,946	3,869	4,360	4,606
26	Doctoral	2,185	2,177	2,219	2,231	2,345	2,409
27	Total Full-Time Graduates	5,935	5,911	6,165	6,100	6,705	7,015
28	Total Full-Time Enrolment	30,522	30,693	31,171	32,091	33,879	35,179
29	Part-Time FTEs						
30	Undergraduate **	2,012	2,061	1,988	2,563	2,345	2,350
31	Education (AQs) **	401	456	435	447	447	450
32	Masters	95	114	110	122	128	120
33	Doctoral	29	32	32	35	29	35
34	Total Part-Time FTEs	2,537	2,663	2,566	3,167	2,949	2,955
35	Total Constituent FTEs	33,059	33,356	33,737	35,258	36,828	38,134
36	Affiliated University Colleges						
37	Full-Time Undergraduates						
38	Brescia	1,306	1,392	1,421	1,301	1,171	1,211
39	Huron	882	1,038	1,266	1,431	1,525	1,583
40	King's	3,034	3,162	3,267	3,415	3,253	3,337
41	Total Full-Time Undergraduates	5,222	5,592	5,954	6,147	5,949	6,131
42	Part-Time Undergraduate FTEs						
43	Brescia	84	76	73	70	71	71
44	Huron	65	64	48	57	59	58
45	King's	234	254	265	299	263	258
46	Total Part-Time FTEs	383	394	386	426	393	387
47	Graduate FTEs						
48	Brescia	35	38	40	35	31	32
49	Huron	7	5	11	13	10	10
50	King's	48	50	61	60	62	60
51	Total Graduate FTEs	90	93	112	108	103	102
52	Total Affiliate FTEs	5,695	6,079	6,452	6,681	6,445	6,620
53	Total UWO FTEs	38,754	39,435	40,189	41,939	43,273	44,754

Table 12
SUMMARY OF ENROLMENT FORECAST

		Actual					Forecast
		2017-18	2018-19	2019-20	2020-21	2021-22**	2022-23
	<i>Rows 54 to 84 Included above</i>						
54	International Students						
55	Constituent Full-Time						
56	Undergraduates	2,342	2,692	2,763	2,822	2,761	2,742
57	Medical Residents	123	142	130	130	173	140
58	Masters (excluding Ivey)	715	717	925	695	826	927
59	Ivey Masters (excluding EMBA)	75	63	81	159	199	220
60	Executive MBA	1	4	4	1	2	0
61	Doctoral	581	607	665	686	798	801
62	Affiliates						
63	Undergraduates	732	991	1,256	1,390	1,233	1,197
64	Masters	0	0	2	4	4	2
65	Undergraduate Year 1 Only						
66	Constituent						
67	Arts & Humanities	229	233	209	221	248	260
68	Engineering	571	588	586	704	774	800
69	Health Sciences						
70	BHSc Program	335	393	385	407	421	375
71	Kinesiology	318	304	339	335	351	340
72	Nursing	144	142	144	159	142	145
73	Media, Information, & Tech	245	263	252	226	270	280
74	MOS Program	769	819	768	1,072	1,052	1,100
75	Music	112	121	123	117	94	120
76	Science	1,551	1,680	1,676	1,801	2,016	2,050
77	Social Science	815	835	840	965	1,054	1,100
78	Total Year 1 - Constituent	5,089	5,378	5,322	6,007	6,422	6,570
79	Affiliated University Colleges						
80	Brescia	313	320	332	270	258	307
81	Huron	250	415	454	489	448	538
82	King's	788	834	895	968	840	861
83	Total Year 1 - Affiliates	1,351	1,569	1,681	1,727	1,546	1,706
84	Total UWO Year 1	6,440	6,947	7,003	7,734	7,968	8,276
85	Masters						
86	All Programs (excluding Ivey)	3,280	3,319	3,491	3,301	3,545	3,766
87	Ivey (excl EMBA)	265	241	285	466	665	668
88	Executive MBA	205	174	170	102	150	172
For Information							
89	Year 1 Constituent International Students	638	855	639	592	610	790

** Part-time FTEs are estimates -- and will be updated when second/January-term course registrations are finalized.

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	Weldon Library Modernization	Modernization
2	Biomedical Research Facility - Phase 1 of Medical School Project	New Construction
3	Entrepreneurship and Innovation Centre	New Construction
4	University Gathering Hub -- Common/Gathering Spaces	New Construction
5	Multi-Sport Field House -- with Parking Garage	New Construction
6	New Engineering Building	New Construction
7	Addition to the Ivey Building	New Construction
8	Social Sciences Centre Realignment/Expansion	Adaptation / Expansion
9	Western's New Downtown Facility -- 450 Talbot Street	Modernization
10	Replacement of University Drive Bridge	New Construction
11	University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages -- ongoing)	New Construction, Modernization
12	Pedestrian-friendly Campus Initiatives -- Open Space Strategy	New Construction, Adaptation
13	Category 2 -- Projects in Various Planning Stages	
14	The Bioconvergence Centre -- Interdisciplinary Research & Experiential Learning Facility	New Construction
15	Multi-Level Parking Structures	New Construction
16	Space Realignment in the Natural Sciences Centre	Modernization / Adaptation
17	Ivey Spencer Leadership Centre Renewal and Expansion	New Construction, Modernization
18	New Space for the McIntosh Gallery	New Construction / Adaptation
19	Expansion of Residence Capacity	New Construction
20	Category 3 -- For Future Consideration (requires funding plan)	
21	Modernization of Medical School Facilities	Modernization
22	Renewal: UCC, Law Building, Spencer Engineering Building, Elborn College	Modernization or Replacement
23	Additional Space for Health Sciences -- to support Enrolment Expansion	New Construction
24	Renewal/Replacement of Chemistry Laboratory Facilities	Modernization or Replacement
25	Expansion of the Support Services Building	New Construction
26	Renewal and/or Realignment of Library Facilities -- Future Phases	Modernization
27	New Research Initiatives/Partnerships at the Research Parks	New Construction
28	Residence Projects	Modernization / New Construction
29	Asset Acquisitions	Acquisition

2022-23 Capital Budget

A. The Nature of University Capital Expenditures

The Capital Budget for 2022-23 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. Table 14 sets out expenditures in the Capital Budget since 2018-19 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 2022-23 total \$151.0 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 2022-23 (\$15.5 million in 2021-22). These expenditures are directed at the modification of existing space and the 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 capital assets on campus. At February 24, 2022, our buildings and infrastructure have a CRV of approximately \$3,112 million, as shown in Figure D:

Figure D
CURRENT REPLACEMENT VALUE (BUILDINGS AND INFRASTRUCTURE)

		CRV (\$M)	Square Metres	Major Buildings
1	Major Non-Residential Buildings	2,016	574,226	73
2	Utilities and Infrastructure	146		
3	Subtotal, Eligible for MMI	2,162	574,226	73
4	Housing	711	257,978	14
5	Other Ancillary Buildings	239	70,555	11
6	Total	3,112	902,759	98

At February 24, 2022, the University had approximately 574,000 gross square metres spread amongst 73 major non-residential buildings. The non-residential buildings, including utilities and infrastructure, are the physical assets generally eligible for MMI expenditures. The University also has 258,000 square metres of Housing space in eleven major undergraduate residences, three major apartment buildings, and numerous smaller buildings for graduate students in Platt's Lane Estates. During 2021, Lambton Hall was transitioned from an apartment style building to undergraduate residence. 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 60% of the 574,000 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, electrical, water, and sewer distribution systems, and sustainability and energy conservation initiatives such as deep energy retrofits. Construction of a new Chiller Plant or major Power Plant expansion would be included in category 1. As we look to increase our sustainability and energy conservation initiatives, improvements to existing infrastructure will play a significant role in our pursuit of net-zero carbon emissions from campus operations by 2050, or sooner.
- 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. Open Space Strategy projects, such as the recently completed Kent North revitalization, may also be included in this category. 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 \$13.3 million in 2022-23, 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, such as the acquisition of 450 Talbot Street in the core of downtown London, in fall 2021.

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 2020-21, line B shows a net source of \$98,155, the difference between funding of \$164,258 and expenditures of \$66,103 (all figures in \$000). The accumulated capital reserve in line C increases by this same amount of \$98,155.

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 2020-21, MMI expenditures were \$37.8 million, while the estimated replacement value of non-residential buildings, utilities, and infrastructure was \$2.062 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 2020-21, the transfer was \$15.5 million and expenditures were \$37.8 million, so the ratio is 41.0%. This ratio will fluctuate with the level of MMI expenditure each year. Other sources of funding for MMI expenditures can include the annual capital facilities renewal grant from the Province (projected at \$5.9 million for 2021-22 and 2022-23), 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. 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 2020-21 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, major building renovations as well as 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 and the need to create alternative spaces, such as a parking structure combined with the planned Multi-Sport Fieldhouse. We continue planning for the construction of additional parking structures at the periphery of campus – including siting, a funding plan, and the required parking fee rates to finance these structures. Campus sustainability, energy conservation, and infrastructure projects are also included on Table 15 and will play a prominent role in Western's pursuit of net-zero carbon emissions from campus operations by 2050, or sooner. Often, these projects are comprised of multiple projects completed over a number of years.

B. Sources of Funding and Capital Expenditures in 2022-23

Table 16 displays sources of funding for budgeted capital expenditures with estimates of comparative data for 2021-22, divided into five major categories: federal, provincial and municipal government grants; funds transferred from Western's Operating Budget; one-time funds from Internally Restricted Net Assets; borrowing; and other sources. As compared to a decade ago, the University's Capital Budget is more dependent on transfers from the Operating Budget and debt.

The University must carefully balance its available resources for use in capital expenditures. For example, projects funded by debt require an ultimate funding source, and one time funding, such as allocations from the Major Strategic Opportunities Fund or Undisturbed Investment Returns must be used strategically and are not a recurring source of funds.

Table 17 shows expenditures in categories 1 and 2 for 2021-22 (estimates as of March 2, 2022) and 2022-23 (current proposals).

Table 14
CAPITAL BUDGET SUMMARY, 2018-19 TO 2022-23
(\$000)

Category	Purpose	Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Budget 2022-23
	New Construction					
1	New Construction (Table 17, line 12)	17,285	6,233	13,284	38,516	56,786
	Maintenance, Modernization, and Infrastructure (MMI)					
2	Major Building Renovations (Table 17, line 25)	10,983	8,624	22,063	29,986	16,859
3	Utilities and Infrastructure Projects	13,610	4,115	4,679	11,305	21,507
4	Modernization of Instructional and Research Facilities	5,732	8,944	5,303	10,092	11,474
5	General Maintenance and Modernization Projects	7,750	7,078	5,764	9,502	26,302
	Sub-Total MMI	38,075	28,761	37,809	60,885	76,142
	Other					
6	Housing Renovations	7,988	6,747	6,914	6,265	13,331
7	Ancillary Projects	856	1,482	1,874	3,092	1,828
8	Carrying Costs and Debt Repayments	2,448	1,095	1,026	960	941
9	Other Capital Expenditures	-1,012	2,733	5,196	11,892	2,000
	Sub-Total Other	10,280	12,057	15,010	22,209	18,100
10	Total Expenditures	65,640	47,051	66,103	121,610	151,028

Line		Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Budget 2022-23
	Sources of Funding, Reserves, and Debt					
A	Total Sources of Funding, Including Debt (Table 16)	84,228	33,720	164,258	111,529	57,957
B	Sources of Funding less Expenditures	18,588	-13,331	98,155	-10,081	-93,071
C	Capital Reserve, Year End (Table 18)	68,888	55,557	153,712	143,631	50,560
D	Capital Debt Outstanding, Year End (Table 18)	362,141	353,923	345,936	337,679	329,095
E	Replacement Value of Non-Residential Buildings, Utilities & Infrastructure, \$M	2,113	2,264	2,062	2,162	2,219
F	MMI Expenditures/Replacement Value	1.8%	1.3%	1.8%	2.8%	3.4%
G	Annual MMI transfer from Operating to Capital Budget	15,500	15,500	15,500	15,500	15,500
H	MMI transfer/MMI Expenditures	40.7%	53.9%	41.0%	25.5%	20.4%
J	Estimate of Maintenance Expenditure	23,473	16,193	23,438	37,226	46,937
K	Maintenance Expenditure/Replacement Value	1.1%	0.7%	1.1%	1.7%	2.1%
L	Number of Major Buildings	95	97	97	98	99
M	Total Gross Square Meters (000's)	859	890	894	903	907

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

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	Weldon Library Modernization	2	Sept 19	tbd
3	Biomedical Research Facility - Phase 1 of Medical School Project	1	Jan 17	Jul 22
4	Entrepreneurship and Innovation Centre	1	Jun 19	Oct 23
5	University Gathering Hub -- Common/Gathering Spaces	1	tbd	tbd
6	Multi-Sport Field House -- with Parking Garage	1	tbd	tbd
7	New Engineering Building	1	tbd	tbd
8	Addition to the Ivey Building	1	tbd	tbd
9	Social Sciences Centre Realignment/Expansion	1&2	tbd	tbd
10	Western's New Downtown Facility -- 450 Talbot Street	2	tbd	tbd
11	Replacement of University Drive Bridge	1	tbd	tbd
12	University-wide Campus Sustainability/Energy Conservation/Infrastructure Projects (multiple stages -- ongoing)	1,3&5	Ongoing	
13	Pedestrian-friendly Campus Initiatives -- Open Space Strategy	1&5	Ongoing	
14	<i>Projects in Various Planning Stages</i>			
15	The Bioconvergence Centre -- Interdisciplinary Research & Experiential Learning Facility	1	tbd	tbd
16	Multi-Level Parking Structures	1	tbd	tbd
17	Space Realignment in the Natural Sciences Centre	2	tbd	tbd
18	Ivey Spencer Leadership Centre Renewal and Expansion	1&2	tbd	tbd
19	New Space for the McIntosh Gallery	1&2	tbd	tbd
20	Expansion of Residence Capacity	1	tbd	tbd
21	<i>Projects for Future Consideration (requires funding plan)</i>			
22	Modernization of Medical School Facilities	2	tbd	tbd
23	Renewal: UCC, Law Building, Spencer Engineering Building, Elborn College	2	tbd	tbd
24	Additional Space for Health Sciences -- to support Enrolment Expansion	1	tbd	tbd
25	Renewal/Replacement of Chemistry Laboratory Facilities	2	tbd	tbd
26	Expansion of the Support Services Building	1	tbd	tbd
27	Renewal and/or Realignment of Library Facilities -- Future Phases	2	tbd	tbd
28	New Research Initiatives/Partnerships at the Research Parks	1	tbd	tbd
29	Residence Projects	1&6	tbd	tbd
30	Asset Acquisitions	9	tbd	tbd

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

		Projected 2021-22	Budget 2022-23
1	Government Grants		
2	MCU Annual Capital Grant (Facilities Renewal Program)	5,906	5,906
3	Sub-Total	5,906	5,906
4	Operating Budget		
5	Operating Budget MMI Transfer - Base	15,500	15,500
6	Operating Budget MMI Transfer - Base (Ancillaries)	600	600
7	Operating Budget - FRSF Transfer	3,000	3,000
8	Operating Budget - CRC Transfer	920	864
9	Operating Budget - Multi-Sport Field House - with Parking Garage	15,500	0
10	Operating Budget - Pedestrian-friendly Campus Initiatives - Open Space Strategy	10,000	0
11	Operating Budget - University-wide Campus Sustainability and Infrastructure Projects	10,000	0
12	Operating Budget - New Space for the McIntosh Gallery	250	0
13	Operating Budget - Classroom Modernization	180	0
14	Dentistry Operating Budget - Dental Clinics Modernization	100	1,850
15	Ivey Operating Budget - Addition to the Ivey Building	0	1,800
16	Social Sciences Operating Budget - Social Sciences Centre Space Realignments	1,109	1,240
17	Science Operating Budget - Chemistry Laboratory Modernization	3,750	0
18	Health Sciences Operating Budget - Classroom Addition & 3rd Floor Modernization	2,812	0
19	Medicine Operating Budget - RRI Cuddy Wing Chiller Replacement	1,838	0
20	Miscellaneous Faculty/Department Budgets	1,547	1,643
21	Sub-Total	67,106	26,497
22	Major Strategic Opportunities Funding (MSOF) and Undistributed Investment Returns	11,892	3,700
23	Fundraising		
24	Entrepreneurship and Innovation Centre	10,500	0
25	Sub-Total	10,500	0
26	Borrowing		
27	Expansion of Residence Capacity	0	2,800
28	Sub-Total	0	2,800
29	Other		
30	Student Contribution - Western Student Recreation Centre	1,449	1,492
31	Energy Conservation Incentives (Rebates)	46	375
32	Sports & Recreation Services - Student Contribution for Artificial Turf Playing Fields	178	182
33	Projects Funded by Housing	6,265	13,331
34	Projects Funded by Units	5,094	1,846
35	Projects Funded by Ancillaries	3,093	1,828
36	Sub-Total	16,125	19,054
37	Total Sources of Funding	111,529	57,957

Table 17
CAPITAL EXPENDITURES FOR NEW CONSTRUCTION AND MAJOR BUILDING RENOVATIONS
2021-22 and 2022-23
(\$000)

		Projected 2021-22	Budget 2022-23
1	<i>Category 1: New Construction</i>		
2	Entrepreneurship and Innovation Centre	6,275	23,500
3	Biomedical Research Facility - Phase 1 of Medical School Project	26,550	11,590
4	Multi-Sport Field House with Parking Garage	0	5,220
5	The Bioconvergence Centre - Interdisciplinary Research & Experiential Learning Facility	51	4,950
6	University Gathering Hub - Common/Gathering Spaces	0	3,375
7	New Engineering Building	0	2,970
8	Expansion of Residence Capacity	0	2,800
9	Addition to the Ivey Building	0	1,800
10	Sports Facilities: TD Stadium Renewal	4,011	425
11	Arthur and Sonia Labatt Health Sciences Building Classroom Addition	1,629	156
12	<i>Total, Category 1</i>	<i>38,516</i>	<i>56,786</i>
13	<i>Category 2: Major Building Renovations</i>		
14	Weldon Library Modernization	8,180	5,453
15	Western's New Downtown Facility - 450 Talbot Street	0	3,700
16	Dental Clinics Modernization	100	1,850
17	Thompson Arena - New Ice Rink Floor	220	1,478
18	Modernization of Thames Hall	12,970	1,363
19	Social Sciences Centre Space Realignments	0	1,000
20	Creation of Indigenous Learning Spaces in Althouse Building	5,219	932
21	Fanshawe Boathouse/Rowing Centre Renewal	500	500
22	Thames Hall Follow-On Renovations	0	300
23	Somerville House Renovations to Create Student Space	2,434	283
24	Medical School Innovation Hub	363	0
25	<i>Total, Category 2</i>	<i>29,986</i>	<i>16,859</i>

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

		Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Budget 2022-23
1	A. Capital Reserves					
2	General Capital Fund	32,271	40,437	39,633	40,913	22,228
3	Designated Capital Fund	36,617	15,120	114,079	102,718	28,332
4	Total Capital Reserves	68,888	55,557	153,712	143,631	50,560

		Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Budget 2022-23
5	B. Capital Debt					
6	New Construction, Major Renovations & Other	22,821	0	0	0	0
7	Housing	88,346	73,879	59,779	50,661	43,916
8	Research Park	26,142	25,235	24,294	23,318	22,379
9	Unused and Invested Debenture Proceeds	224,832	254,809	261,863	263,700	262,800
10	Total Capital Debt	362,141	353,923	345,936	337,679	329,095

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 \$1.05 billion for the single year of 2022-23. That spending will take place, however, in a long-term context which must be understood when 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.

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 part of the capitalization structure of the University and a resource that can help the University advance its Long-Range Space and Campus Master Plans. Careful consideration of the optimal capitalization levels is required, balancing the debt burden and service costs with the University’s long-term financial sustainability.

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. Standard & Poor’s confirmed Western’s credit rating of AA in February 2022.

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

Figure E
CAPITAL DEBT MONITORING RATIOS

	FTE Enrolment	Debt (\$M)	Debt per FTE (\$)	Combined Revenue (\$M)*	Debt / Revenue (%)
2018	33,059	375.8	11,369	1,253.7	30.0%
2019	33,356	362.2	10,859	1,318.0	27.5%
2020	33,737	353.9	10,490	1,248.0	28.4%
2021	35,258	345.9	9,810	1,367.9	25.3%
2022p	36,828	337.7	9,170	1,230.5	27.4%

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, 2021, the University's accrued benefit liability relating to the employee future benefit plans was \$565.3 million (2020 - \$561.8 million). The annual expense for non-pension employee future benefits in 2021 was \$30.1 million (2020 - \$21.9 million).

A recent review of major research universities identified only five institutions with significant post-employment benefit obligations greater than \$100 million, ranging from \$109 million to \$696 million and an unweighted average of \$373 million. Western ranked second in total liability for employee future benefits.

Figure F outlines the University employee future benefits, the obligation and expense for years ending April 30.

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

	EFB Obligation (\$M)	EFB Expense (\$M)	Total University Expenses (\$M)	EFB Expense as % of Total
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%
2020	561.8	21.9	1,182	1.9%
2021	565.3	30.1	1,137	2.6%

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 from 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. In 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. Overall, this sector wide harmonization has led to an increase in estimates of deferred maintenance, primarily due to the inclusion of soft costs, which added approximately 30% to deferred maintenance estimates. Other factors have included automatic renewal requirements to maintain assets and changes to maintenance life cycles.

The University, in coordination with all other Ontario universities, is undertaking a campus wide review of its facilities data, to further improve upon our estimates. This data review is being conducted by a common vendor across the sector and is expected to be complete by 2024-25. In the current period, deferred maintenance related to residences increased substantially, as the majority of residences moved to the new harmonization methodology. As the data review continues, the estimates of deferred maintenance may fluctuate from year to year.

As at February 24, 2022, the Facilities Management Division estimates that deferred maintenance at Western is \$292 million for non-residential buildings and \$76 million for residences. Approximately 43% 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 current replacement value of the facilities. The calculation as at February 24, 2022 is outlined in Figure G as follows:

Figure G
DEFERRED MAINTENANCE TO CURRENT REPLACEMENT VALUE

		Non-Residential Buildings	Combined Residences
1	Current Replacement Value (CRV)	\$2,162 million	\$711 million
2	Deferred Maintenance (DM)	\$292 million	\$76 million
3	DM/CRV	13.5%	10.7%

The average age of buildings for universities in the Province of Ontario was 53 years as of March 2022. Western's average age is 42 years and over 56% 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 13.5% (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 \$2.2 billion, spending on major maintenance for campus buildings at 2.0% should be in the range of \$44 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 of our non-residential buildings, utilities, and infrastructure has been below 1% in recent years (Figure H).

Figure H
MMI TRANSFER TO CRV RATIO 2018-19 to 2022-23

		Actual 2018-19	Actual 2019-20	Actual 2020-21	Projected 2021-22	Budget 2022-23
1	MMI (\$M)	15.50	15.50	15.50	15.50	15.50
2	CRV (\$M)	2,113	2,264	2,062	2,162	2,219
3	Ratio	0.73%	0.68%	0.75%	0.72%	0.70%

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 2.0% was 2010-11, however, current projections estimate the ratio for 2022-23 will reach the 2.0% target. Additional funding, from provincial and federal sources, continues to be required to catch up and maintain the 2.0% target over the long-term. Achieving the 2% target over time is required to sustain the condition of Western's facilities.