

UNIVERSITY OF TORONTO

BUDGET REPORT

2005-06

March 8, 2005

TABLE OF CONTENTS

1. INTRODUCTION	1
2. FISCAL CONTEXT	1
3. PLANNING ASSUMPTIONS AND LONG RANGE BUDGET PLAN 2004-10	2-9
4. PROPOSED OPERATING BUDGET 2005-06	10-12
5. THE OPERATING BUDGET SPECIAL FUNDS	13-15
Enrolment Growth Fund	
Academic Program Planning Fund	
Academic Service Initiatives Fund	
Information Technology Initiatives and Upgrades Fund	
Transitional Fund	
Administrative Priorities Fund	
Canada Research Chairs Fund	
Facilities and Renovations Upgrades Fund	
Deferred Maintenance Fund	
6. PROPOSED CAPITAL BUDGET	15-20
7. DIVISIONAL BUDGET SCHEDULES AND FINANCIAL REPORTS	21-46
8. APPENDICES	
Appendix A Revenue and Expense Assumptions for the period 2004-05 to 2009-10, an update: February 2005	
Appendix B Contractual Obligations and Policy Commitments (COPC) Report	

University of Toronto Budget Report, 2005-06

1. Introduction

The 2005-06 Budget Report presents the second budget in the six-year planning cycle 2004-10. This budget is based on the *Long Range Budget Guidelines 2004-2010* and it has been prepared in the context of the Stepping Up academic planning process.

This Budget Report describes the operating budget for the University as a whole as well as the budgets for various divisions and the Contractual Obligations and Policy Commitments. It also presents for information the portion of the Capital Budget that is funded from the University's Operating Budget through UIIF (University Infrastructure Investment Fund).

2. Fiscal Context

As they entered the 1990's the University of Toronto and all other Ontario universities were experiencing a period of relative financial stability and recovery; government grants and tuition were increasing at rates slightly above the general inflation rate, and budget reductions were, relatively speaking, modest in scale. With the full onset of the economic recession in 1992 through 1994, operating grants were frozen and then reduced through the Social Contract (\$17.3 million) and the Expenditure Control Plan (\$5 million). Tuition fees increased by a range of 8 to 10 per cent annually to partially compensate for the loss of grant revenue. The Ontario Student Assistance Plan was modified by government from a combined grant/loan program to an all-loan program as a cost reduction measure.

In 1995 the new government fulfilled its election promise to further reduce operating grants to universities by \$280 million, a loss of \$53.9 million to the University of Toronto. Again as a partial offset to the loss of grant revenue, government permitted significant increases in tuition fee rates; 20 per cent in 1996-97 and 10 per cent on average in each subsequent year up to and including 1999-2000. Tuition fees were deregulated for international students, and for students in some professional and all graduate programs.

Government operating grant revenue reached a peak at approximately \$400 million in 1992-93, fell to \$339 million in 1997-98 and has risen to \$484M in 2004-05 with the introduction of a number of new funding envelopes targeted to enrolment increases and performance indicators. However during the past decade, the system-wide *government operating funding per BIU* has decreased in absolute terms by over 16% and in real terms by 30%. At the same time, tuition revenue has increased from \$100 million in 1992-93 to \$361 million in 2004-05, as a result of both tuition fee rate and enrolment increases. Starting in 1996-97 the Government mandated that 10% of the revenue from tuition fee increases be spent on student aid; this was increased to 30% in 1997-98 and subsequent years.

The practical effect of the Government funding policy has been that the University has had to introduce budget reductions to absorb a significant portion of cost increases for compensation, library acquisitions, graduate student funding, and utilities. The university's expenditure patterns have also changed significantly over this period. Support for student aid has increased dramatically, from \$7.7 million in 1991 to \$96.6 million in 2004-05. Overall, the increase in expenditures on student financial aid is approximately 40% of the increase in tuition revenue, making the University of Toronto one of the most accessible in the country. Library acquisition costs have continued to increase sharply throughout the period, from \$9 million in 1991 to \$23.1 million in 2004-05.

In 2000 the Government announced a cap on tuition fee increases for all regulated programs in each of the five years 2000-01 to 2004-05 at 2% per year, not compounded. During this period the University has also limited tuition fee increases for all continuing students in the deregulated programs to 5%.

Fee increases for new students in the deregulated programs were generally set at 5%, with the exception in some years of professional programs in business, dentistry, computer science, engineering, information technology, medicine, pharmacy and law, where the revenue from larger increases is being used to enhance quality in these programs. In 2004-05 there was no tuition increase in any grant-eligible program as a result of a tuition freeze imposed by the provincial government. This freeze will continue in 2005-06.

These circumstances, taken together, have dramatically altered the size and composition of the operating budget. Provincial government operating grants now represent just over 40 per cent of total revenue, down from 70 per cent in 1991-92. Tuition revenue has doubled in proportional terms, from 16 per cent to 33 per cent of the total. Other sources of revenue, such as endowment payout, federal government support and divisionally-generated income, have increased and diversified considerably. These sources now represent 25 per cent of the revenue base. As a result, the University is much less dependent upon a single dominant source of revenue, but at the same time is exposed to a wider array of risks such as stock market performance.

The major challenge facing the University in the current planning period is to deal with the increased enrolment. The University admitted a significantly higher number of students during the past three years to accommodate the double cohort. Although no further increases in undergraduate intake levels are planned, total enrolment will continue as a result of flow-through to upper years. Enrolment is expected to peak in 2006-07, and then drop slightly.

The University would very much like to increase the number of graduate students, which are the life blood of the research enterprise and who perform a very important role as teaching assistants. However, because of the present cap on Government funding of graduate students, no significant increases in graduate enrolment are planned at this time. In fact, there are already about 700 students for whom the university receives no funding. The report that has just been released by the Honourable Bob Rae — Ontario, A Leader in Learning — strongly recommends, among other things, a significant investment by the Government to expand graduate enrolment. It is an important objective of our advocacy that the Government implement all the report's recommendations.

3. Planning Assumptions for 2004-10

The budget projections for the period 2004-05 to 2009-10 were first prepared in March, 2004, based on the information available at that time. At the time of preparation of the present report, the University of Toronto, along with other Ontario universities, are awaiting the Government's response to Mr. Rae's recommendations. Although the Premier and the Minister have welcomed the report, specific new funding initiatives, if any, will not be known until the upcoming budget is brought down later in the spring. As a result no information is available at this time to justify any significant changes in the assumptions that underlie the Long Range Budget Guidelines.

Updated budget projections for this year's Budget Report are given in Tables 1A and 1B. Appendix A gives the original assumptions used in the 2004-05 report, together with a description of any changes that have been made for the purpose of preparing this year's projections.

It should be emphasized that the assumptions described in Appendix A must not be construed as representing an adequate level of funding for the University or as goals for our revenue generation efforts. Our main objective in preparing these assumptions has been to ensure fiscal prudence. With regard to the cost of compensation, which represents a major portion of the University's expenditures, the assumptions made are intended solely to present a reference point. They are not to be viewed as targets for negotiations with various employee groups.

Tables 1A and 1B present two different views of the University budget. Table 1A provides a summary of all sources of revenue and a breakdown of expenditures by major expense category. The

categories used are the same as those that appear in the University's financial statements, for ease of reference. Table 1B shows year-over-year increases in expense, with expense categories broken down to give a much higher level of detail.

The long-range budget tables show significant expense reductions in each year of the plan. These are needed to meet the limitations on annual and accumulated deficits mandated by Governing Council. The expense reduction schedule is summarized in Table 1C, and is illustrated graphically in Figure 1. The graph in Figure 2 represents the annual and accumulated surplus/deficit, together with the allowable accumulated deficit over the 6-year period.

The University of Toronto, often in concert with other universities, is engaged in on-going advocacy with both the Provincial and Federal Governments to address the substantial short fall in funding that all universities face. These efforts included presentations and much interaction with the Rae Review Panel. We are also exploring many new avenues for revenue generation that will enhance the stature of the institution and provide better services to our students. Potential new revenue sources include expansion of summer programs, life-long learning initiatives, distance education, and increased returns from technology transfer.

With no expenditure reduction, the projected expenses would rise to \$1326M by 2009-10 against revenues of \$1244M, resulting in an annual deficit of \$82M. The accumulated deficit would reach \$288M by the end of the planning period. The expense reductions included in the budget plan reduce both the annual deficit and the accumulated deficit to acceptable levels. The Long Range Budget Guidelines require that the annual deficit be eliminated by 2009-10 and that the accumulated deficit not exceed 1.5% of gross revenue, or \$18.7M.

The plan for reducing expenses has been developed taking into account the following observations:

- University divisions need sufficient time to plan so as to minimize the negative impact on their operations.
- Budget planning should support and be an integral component of the Stepping Up academic planning process.
- Because of the nature of the operation of the university, it is extremely difficult, if not impossible, to reduce expenses by a very large amount in one year.
- If the accumulated deficit is allowed to rise too high, it becomes difficult to reduce it back to the mandated level by the end of the planning period.

The expense reduction schedule shown in Table 1C and the accompanying Figures 1 and 2 take these factors into account. Based on this schedule, a 2% expense reduction, or \$11.4M, is recommended for 2005-06. Base budget reductions remain unchanged from those proposed in last year's Long Range Budget Guidelines. However, as a result of a slight improvement in the University's projections for the accumulated deficit, the one time only reductions have been decreased as follows: in 2007-08 from 2.5% to 2%, in 2008-09 from 2.5% to 1% and in 2009-10 from 1% to 0%.

**Table 1A. Long Range Budget Guidelines
2004-2010**

Budget Model Summary (\$ millions)	Assumption #	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
<u>Projection of Operating Revenue</u>							
Provincial Operating Grants	2,3,4,5,6,7,8	\$ 484.4	\$ 511.3	\$ 523.4	\$ 526.4	\$ 526.4	\$ 530.6
Tuition Fees	9,10	361.1	385.3	404.7	415.1	423.7	429.5
Total Grants plus Fees		845.5	896.6	928.1	941.5	950.1	960.1
Endowment Revenue for Chairs and Student Aid	11	28.8	38.3	39.0	39.8	40.7	41.6
Canada Research Chairs	12	32.3	34.5	37.2	40.2	40.2	40.2
Indirect Cost Recovery on Research Grants and Contracts	13,14,15,16	29.8	29.6	28.6	25.4	25.3	25.8
Endowment Administration and Investment Management Fees	17	6.0	6.0	6.2	6.3	6.4	6.5
Investment Income	18	15.8	18.7	19.7	19.1	19.4	19.5
Amortization of Investment Losses	19	(10.6)	(10.6)	(4.8)	-	-	-
Other Income	20	8.1	9.0	9.3	9.4	9.5	9.7
Divisional Income - Government Grants	21	4.3	4.4	4.5	4.6	4.7	4.8
Divisional Income - Student Fees	21	51.0	52.0	53.1	54.1	55.2	56.3
Divisional Income - Ancillary Fees	21	29.9	30.5	31.1	31.8	32.4	33.0
Divisional Income - External Revenue	21	41.6	42.4	43.3	44.1	45.0	45.9
Total Operating Revenue		\$ 1,082.6	\$ 1,151.6	\$ 1,195.1	\$ 1,216.3	\$ 1,228.9	\$ 1,243.5

**Table 1A. Long Range Budget Guidelines
2004-2010**

Budget Model Summary (\$ millions)	Assumption #	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
<u>Projection of Operating Expenditures</u>							
(see Table A2 for divisional allocations)							
Academic		\$ 733.0	\$ 771.4	\$ 797.1	\$ 798.9	\$ 808.6	\$ 821.2
Academic Services		43.8	44.6	44.9	43.0	43.0	43.1
Library Acquisitions		23.1	24.1	25.1	26.1	27.2	28.3
Campus & Student Services		17.4	18.1	18.8	19.5	20.0	20.1
Student Assistance		96.6	106.6	111.4	114.3	117.5	120.3
Maintenance & Services		46.1	53.9	54.9	56.0	57.2	58.4
Utilities		38.9	40.6	40.7	41.7	44.5	45.5
Administration		73.9	75.8	77.3	77.2	78.7	80.4
General University Expense		29.9	29.5	28.5	27.6	27.4	28.2
Operating Fund Support of Capital Plan		14.5	15.0	15.7	15.7	15.7	15.7
Base Budget Reduction		(10.5)	(11.4)	(29.6)	(11.7)	(11.8)	(17.7)
Operating Expenditure Budget for the year		1,106.9	1,168.3	1,184.7	1,208.3	1,228.1	1,243.5
Operating Surplus/(Deficit) for the year		\$ (24.3)	\$ (16.7)	\$ 10.4	\$ 8.0	\$ 0.9	\$ (0.0)
Accumulated Surplus/(Deficit), beginning of year		\$ (14.3)	\$ (38.6)	\$ (55.3)	\$ (44.8)	\$ (25.2)	\$ (18.4)
One Time Only Deficit Control Measures		-	-	-	11.7	5.9	-
Accumulated Surplus/(Deficit), end of year		\$ (38.6)	\$ (55.3)	\$ (44.8)	\$ (25.2)	\$ (18.4)	\$ (18.4)
Maximum Deficit Permissible by Policy (1.5% of Revenue)		\$ (16.2)	\$ (17.3)	\$ (17.9)	\$ (18.2)	\$ (18.4)	\$ (18.7)

**Table 1B. Long Range Budget Guidelines
2004-2010
Incremental Expenditure Summary**

Year-Over-Year Increases	Assumption #	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
<u>Projection of Operating Expenditures</u>							
Operating expenditures, Beginning of Year		977.5	1,106.8	1,168.3	1,184.7	1,208.3	1,228.0
Expenditures Funded by Endowment for Chairs & Student Aid	11	0.8	8.6	0.7	0.8	0.9	0.9
Indemnity Against Endowment Payout Losses		(2.5)					
Expenditures Funded by Divisional Income	21	2.5	2.5	2.6	2.6	2.7	2.7
Contractual Obligations and Policy Commitments (COPC)							
COPC - Affiliated Institutions	22	1.2	1.2	1.3	1.0	0.9	0.2
COPC - Other Contractual	22	(0.1)	0.0	(0.1)	0.0	0.0	0.0
COPC - Institutional Statutory	22	(0.0)	0.1	0.0	0.0	0.0	0.0
COPC - Utilities	22	2.5	1.5	(0.0)	0.9	2.6	0.9
COPC - Additional Cost New Space	22	1.5	1.7	-	-	-	-
COPC - Paid Leave	22	0.2	0.0	0.0	0.0	0.0	0.0
COPC - Library Acquisitions	22	0.9	1.0	1.0	1.0	1.1	1.1
COPC - Other Policy	22	0.7	0.2	0.1	0.0	0.1	0.1
COPC - Contingency	22	(0.9)	(0.9)	-	-	-	-
OTO Changes in COPC	22	(0.7)	0.2	(1.1)	(0.9)	(0.2)	0.8
Compensation							
Cost of Compensation Settlements	23	19.3	18.5	17.3	17.8	18.3	18.8
Pension Deficit Amortization	24	26.3	0.2	-	-	-	-
Cost of Employer Benefits	25	13.0	7.1	5.4	5.4	5.4	6.1
Compensation Savings Due to Faculty Retirements		(3.6)	(4.3)	(4.0)	(4.3)	(5.1)	(4.5)

**Table 1B. Long Range Budget Guidelines
2004-2010
Incremental Expenditure Summary**

Year-Over-Year Increases	Assumption #	2004-05	2005-06	2006-07	2007-08	2008-9	2009-10
Student Aid							
Student Aid Reinvestment	27	3.2	2.4	2.5	1.3	1.4	1.2
Graduate Student Aid	28	0.5	1.1	1.7	1.0	1.0	0.9
Matching Programs	29	2.5					
Residence Ancillary Support			-	-	-	(0.1)	(0.6)
Special Funds							
Canada Research Chair Fund (CRCF)	12	4.3	2.3	2.9	3.2	-	-
Salary Budget Transfers to Canada Research Chairs Fund	12	(0.6)	(0.6)	(0.7)	(0.8)	-	-
Enrolment Growth Fund	26	41.6	11.4	4.1	(3.7)	(5.3)	(2.8)
Quality Enhancement Funds from Tuition Revenue	30	1.7	2.9	0.4	0.1	0.4	0.4
International Tuition Sharing and Recruitment	31	-	4.5	3.1	2.6	0.4	-
Funds Available through Reallocation (APF)		0.5	-	-	-	-	-
Academic Initiatives Fund	32	5.0	5.0	5.0	5.0	5.0	5.0
Academic Service Initiatives	33	0.5	0.5	0.3	-	-	-
Administrative Priorities	36	0.5	0.5	0.5	0.5	0.5	0.5
Information Technology Initiatives and Upgrades	34	2.0	-	-	-	-	-
Provost's Contingency		0.4	0.4	0.4	0.4	0.4	0.4
Transitional Funding	35	1.5	-	-	-	-	-
Capital and Maintenance							
Operating Fund Debt Service Support of Capital Budget	39	2.7	0.5	0.8	-	-	-
Facilities Renovations & Upgrades Resulting from Program Planni	37	6.2	(4.2)	0.4	0.2	0.1	0.1
Deferred Maintenance Funding	37	3.7	4.8	-	-	-	-
Allocation to Rotman Under RCM		2.4	2.2	1.3	0.5	0.5	0.5
Allocation of Revenue to OISE/UT		-	1.3	0.2	0.5	0.5	0.4
Budget Reduction Requirement		(10.5)	(11.4)	(29.6)	(11.7)	(11.8)	(17.7)
Operating Expenditure Budget for the year		1,106.8	1,168.3	1,184.7	1,208.3	1,228.0	1,243.5
Operating Surplus/(Deficit) for the year		\$ (24.3)	\$ (16.7)	\$ 10.4	\$ 8.0	\$ 0.9	\$ (0.0)

Table 1C. Expense reduction schedule

(\$millions)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Base reduction in dollars	\$10.5	\$11.4	\$29.6	\$11.7	\$11.8	\$17.7
Percentage Reduction	2.0%	2.0%	5.0%	2.0%	2.0%	3.0%
One-time-only reduction				\$11.7	\$5.9	
Percentage OTO reduction				2%	1%	

Figure1: Percentage Base and OTO Reductions

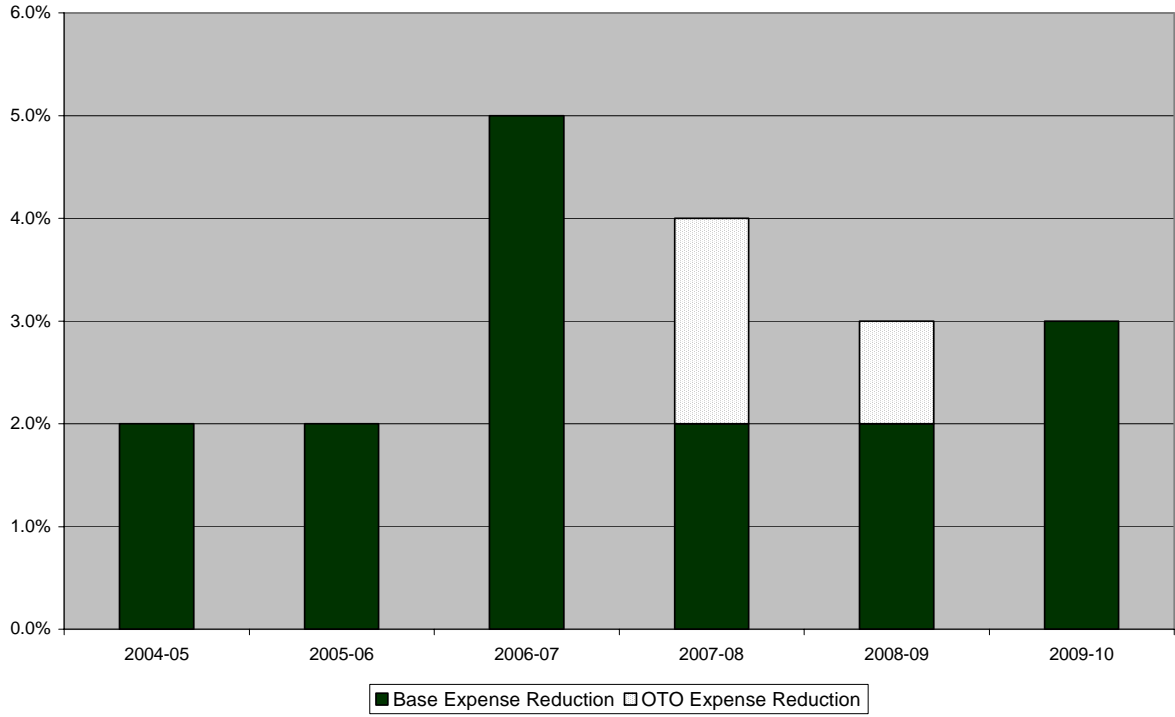
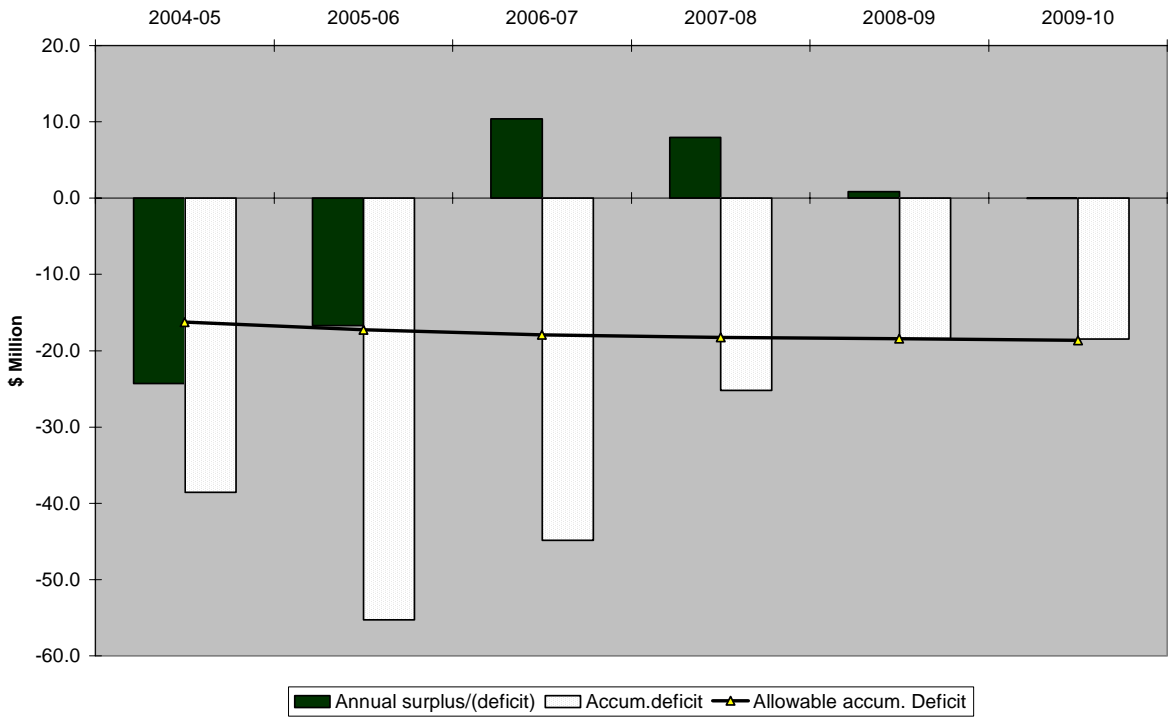


Figure 2: Surplus/Deficit



4. 2005-06 Budget

The budget for 2005-06 is summarized in Table 2. This is the second budget of the six-year plan covered by the *Long Range Budget Guidelines 2004-2010*. The major revenue and expense components in the 2005-06 budget are described below. The remaining sections of this report provide details of special budget envelopes and the allocations to various University Divisions.

Revenue

Total revenue will increase by 6%, from \$1083M in 2004-05 to \$1152M in 2005-06. The following outlines the major revenue assumptions, including the factors contributing to revenue increase:

- The provincial government operating grants will not include an inflationary increase.
- The University will receive full average operating funding for undergraduate enrolment growth (\$11.8M). Funding for graduate growth will remain capped.
- Additional grants for Postgraduate Medicine (\$2M) and from the Nursing Faculty Fund (\$.5M) will be received.
- Revenue from the ATOP fund will decrease from \$10.2M to \$9M.
- In 2004-05, the Ontario Quality Assurance Fund was capped at 2003-04 levels (\$14.4M). The originally scheduled second instalment of \$8M was suspended, pending the results of the Rae Review. According to the original plans, the University's share from this fund was to rise to \$31M in 2005-06. It is assumed that as part of its response to the Rae Review, the Provincial Government will provide new grants that are at least equivalent to the originally planned levels of the Quality Assurance Fund.
- Revenue from provincial replacement funding for the two year tuition freeze will increase from \$6M to \$20M.
- Tuition revenue projections assume that domestic fees are frozen at 2003-04 levels and that international fees will increase according to the proposed tuition fee schedule to be presented to Business Board on February 28.
- Investment income is projected to increase by \$2.9M in 2005-06 as a result of improved market conditions. Previous investment losses will be amortized at a rate of \$10.6M in 2005-06 and the amortization will decrease to \$4.8M in 2007-08.
- Other Income will increase by \$0.9M primarily as a result of increased application fees.
- Divisional income is projected to increase by 2% and is offset by an equivalent increase in divisional expense.

Expenditures

Total expenditures will increase from \$1107M in 2004-05 to \$1168M in 2005-06 (\$61M or 6%), after applying a base budget reduction of \$11.4M. This is equivalent to a 2% reduction on a relevant base of \$568M. The major factors contributing to this increase are:

- Utility costs will increase by \$1.5M due to increased electricity and gas rates.
- An allocation of \$0.8M has been made to fund Facilities and Services as a result of new regulations and policies.
- The COPC contingency budget has been reduced by \$0.9M, primarily due to a decrease in the contingency amount required for the library book acquisition fund resulting from the

improvement in the Canadian dollar against the US dollar. Details of COPC expenditures are given in Appendix B.

- An allocation of \$0.5M has been made to fund higher debt service costs in support of the capital budget (see Section 5 for further details of the capital budget).
- Compensation costs will rise by \$18.5M reflecting the latest UTFA, USWA and CUPE settlements or a 2% increase where a settlement has not yet been reached.
- The pension deficit will continue to be amortized at a rate of \$26M a year for 15 years, starting in 2004-05.
- Benefit costs will rise by \$7M resulting from increased contributions to the pension plan.
- Allocations from the enrolment growth fund (\$11.4M) represent revenue sharing agreements for increased grant and fee revenue associated with enrolment increases. The increase in the 2005-06 allocations reflects the flow through of the double cohort.
- An additional \$3.5M has been committed to undergraduate and graduate student aid. This projection reflects the domestic tuition freeze and includes the new commitment to student aid as a result if increases in international tuition fees.
- Allocations from the Quality Enhancement Fund (\$2.9M) represent revenue sharing agreements associated with tuition fee increases in deregulated undergraduate programs. The increase in the 2005-06 allocations reflects the flow through of the tuition freeze replacement funding.
- Allocations from International Tuition Sharing (\$4.5M) represent revenue sharing agreements for increased international tuition fee revenue.
- Funding in the amount of \$9M was approved for a five-year period ending in 2004-05 in support of the University's advancement campaign. Of this amount, a total of \$7M was allocated to the Division of University Advancement and \$2M to the Provost's office for distribution to the academic divisions. Starting in 2005-06, these amounts will be placed in the respective base budgets, in recognition of the on-going nature of the university's advancement activities.

Table 2, Budget Summary, total University of Toronto (including RSM and OISE/UT)

	2004-2005 Budget \$	2005-2006 Budget \$	Changes from 2004-2005 Incr (Decr) \$
Income			
General University income:			
Provincial Operating Grants	484,432,509	511,261,682	26,829,173
Tuition Fees	361,100,000	385,300,000	24,200,000
Subtotal	<u>845,532,509</u>	<u>896,561,682</u>	51,029,173
Endowment Income	28,846,589	38,269,930	9,423,341
Canada Research Chairs	32,250,000	34,500,000	2,250,000
Indirect Cost Recovery on Research Grants & Contracts	29,797,996	29,633,789	(164,207)
Endowment Admin & Investment Management Fees	5,980,962	6,038,516	57,554
Investment Income	15,803,000	18,676,000	2,873,000
Amortization of Investment Losses	(10,554,000)	(10,554,000)	0
Other Income	8,050,678	9,047,488	996,810
	<u>955,707,734</u>	<u>1,022,173,405</u>	66,465,671
Divisional income *	126,879,331	129,416,918	2,537,587
	<u>1,082,587,065</u>	<u>1,151,590,323</u>	69,003,258
Municipal taxes **	4,235,325	4,494,375	259,050
	<u>1,086,822,390</u>	<u>1,156,084,698</u>	69,262,308
Expense			
Total Academic Expense	688,920,039	727,265,999	38,345,960
Academic Services	45,817,626	46,782,559	964,933
Library Acquisitions	19,350,772	20,153,829	803,057
Campus & Student Services	17,308,924	21,616,895	4,307,971
Student Assistance	92,852,485	103,981,048	11,128,563
Maintenance and Services	45,188,610	51,900,375	6,711,765
Utilities	39,734,285	38,773,278	(961,007)
Administration	75,312,570	79,168,245	3,855,675
General University Expense ***	67,895,584	63,956,040	(3,939,544)
Operating Fund Support of Capital Fund	14,481,321	14,667,988	186,667
	<u>1,106,862,216</u>	<u>1,168,266,256</u>	61,404,040
Municipal taxes **	4,235,325	4,494,375	259,050
	<u>1,111,097,541</u>	<u>1,172,760,631</u>	61,663,090
Surplus (Deficit)	(24,275,151)	(16,675,933)	7,599,218

* Increase in divisional income results in an offsetting increase in divisional expenditure budgets

** Municipal taxes income and expense are offsetting

*** Includes Salary/Benefit Increase Provisions and Pension Deficit Amortization

Prepared Feb 17, 2005

5. Operating Budget Special Funds

The operating budget special funds receive base or one time only (OTO) transfers from operating revenues. The Administration brings forward divisional allocations from these funds to the Planning and Budget Committee for approval. Allocations from Academic Program Planning, Academic Service Initiatives, Information Technology Initiatives and Upgrades, Transitional Funding, Administrative Priorities Funds, and the Canada Research Chairs Fund are made in response to the planning process. Allocations from the Enrolment Growth Fund and the domestic and international Tuition Sharing funds reflect divisional enrolment plans. Allocations from the Facilities Renovations and Upgrades and Deferred Maintenance Funds are in support of approved renovations, maintenance and other infrastructure projects.

Enrolment Growth Fund

Tuition fee and government operating grant revenues associated with new program plans and approved enrolment growth flow to the Enrolment Growth Fund (EGF). These revenues are subsequently allocated to the respective academic divisions based on actual enrolments, up to the approved targets. Funding for permanent expansion flows as OTO in year and as base the following year. The balance at the end of each year is used to fund the OTO allocations the following year.

In general the Enrolment Growth Fund flows 75% of the revenue available from tuition fees and Government Enrolment Expansion Accessibility Fund to the divisions to provide the resources needed to accommodate increased student numbers. As an exception, in the case of Phase 1 enrolment expansion at UTSC and UTM, 90% of the revenues flow to the divisions to assist with the capital expenditures needed on these campuses.

Increases in tuition fee revenues are also shared with the divisions. Each year, 75% of the increase in tuition fee revenues associated with increases in domestic enrolment, net of student aid, flow to the divisions. Where the domestic enrolment increase is an increment towards the planned steady state targets, the funds will be placed in the division's base budget in the following year and two-thirds will flow as OTO in the current year.

For international enrolment increases over the 2000-01 level, 60% of the increase in tuition revenue flows to the division. Where this international enrolment increase is an increment towards the planned steady state enrolment targets, the funds flow as OTO in the current year and may be placed in the division's base budget in the following year.

Revenue generated from the Accessibility Fund by increases in enrolment in programs in the Rotman School of Management, net of institutional overhead will flow directly to the School under the Responsibility Centre Management protocol approved in the 2002-03 Budget Report.

The amount available from the Accessibility Fund for enrolment growth in 2004-05 has not yet finalized. There is also some uncertainty as to whether Accessibility funding will be available for growth beyond the 2004-05 level. As a result, detailed divisional allocations for 2005-06 are not available at this time.

A summary of the EGF budget to date is given in Table 3.

Table 3. Enrolment Growth Fund Summary

EGF (\$millions)	2001-02	2002-03	2003-04	2004-05	2005-06
Balance at beginning of year	6.7	8.9	19.3	28.6	42.1
Transfers from Operating Fund	6.7	20.0	33.5	41.6	13.7
Base allocations	(4.4)	(9.6)	(24.2)	(28.0)	
Balance at end of the year	9.1	19.3	28.6	42.1	

Academic Initiatives Fund

The University has undertaken a major new academic planning initiative, guided by the recently issued White Paper entitled Stepping Up. An allocation of \$5M in base is available for academic planning initiatives under Stepping Up. Approximately \$3.2M has been flowed to divisions on an OTO basis in 2004-05.

Academic Service Initiatives Fund

The sum of \$0.5M in base will be transferred to the Academic Service Initiatives fund from general university revenue in 2005-06. This fund supports such services as libraries (other than book acquisitions) and academic computing, and the added funding is needed to meet the increased demands resulting from enrolment expansion.

Administrative Priorities Fund

A base amount of \$0.5M is allocated annually to the Administrative Priorities fund to meet the increased demands resulting from enrolment expansion.

Information Technology Initiatives and Updates Fund

A base amount of \$2M is allocated for administrative information technology initiatives and upgrades. This fund is intended to fund new initiatives such as web services and enhanced security and to help alleviate the significant pressures on the computing environment resulting from such threats as viruses and email SPAM. So far in 2004-05 \$0.8M has been provided on an OTO basis to support several IT initiatives. In 2005-06 \$0.5M will be transferred in base toward these initiatives.

Transitional Fund

Significant budget reductions are projected for the next few years. This fund will be used to assist divisions who are in transition as they implement academic planning and cost reduction initiatives.

Canada Research Chairs Fund

This program is described in detail in the discussion paper, *A Framework for Allocating Canada Research Chairs at the University of Toronto*. The funding from the Canada Research Chairs Program, together with funds released from the salary budget, flows into the CRCF. Allocations are then made to the divisions, net of a component retained to fund central indirect costs. The program is

projected to reach steady state by 2007-08, with the University having filled a total of 268 chairs. The state of this fund is summarized in Table 4. The table shows an estimated positive balance of \$12.0M at the end of 2004-05, because not all of the available CRC positions have been filled. Starting in 2005-06, administration of the CRC funds will be devolved to the Divisions, as previously reported to Governing Council.

Table 4. Canada Research Chairs Fund Summary

CRCF (\$millions)	2001-02	2002-03	2003-04	2004-05	2005-06
Balance at beginning of year	1.2	7.0	11.5	14.3	12.0
Transfer from Operating Fund	8.8	9.1	10.1	4.3	2.3
Base allocations	(3.0)	(4.6)	(7.3)	(6.6)	
Balance at end of year	7.0	11.5	14.3	12.0	14.3

Facilities Renovations and Upgrades Fund

Allocations from this fund will flow to renovation and upgrade projects that are too small to fall within the scope of the Capital Budget.

Deferred Maintenance Fund

Expenditures from this fund are in support of ongoing deferred maintenance, as determined by the Vice President Business Affairs. About 1% of operating revenue is allocated to the combined Deferred Maintenance Fund and Facilities Renovations and Upgrades Fund.

6. Capital Project Funding

Prior to 2001, academic capital projects were funded from a combination of campaign donations, Federal and Provincial government capital grant allocations, and the University's operating budget. Debt financing was restricted to resolving cash-flow shortfalls during construction of academic buildings. Debt was also routinely used to provide the majority of the cost of residence construction where the debt service charges were recovered from room rental revenue. The University Infrastructure Investment Fund (UIIF) was created as the vehicle through which operating budget funds are allocated to capital projects.

Since 2001, it became clear that the traditional sources of funding are no longer sufficient to meet the capital construction demands driven by research initiatives and enrolment expansion. The 2001 update to the *Long-Range Budget Guidelines (1998-2004)* provided \$30M of funding to the UIIF in each of 2001-02, 2002-03 and 2003-04 in the form of loans, with the debt service costs charged to the operating budget. Funding shortfalls in individual project budgets, after deployment of government, campaign and UIIF funding, were to be the responsibility of the occupying divisions. This was the first recognition that capital construction of academic buildings could no longer be funded on a cash basis and that the use of debt financing would be necessary in the future. The Guidelines also argued for the

evolution to a Capital Budget separate from the Operating Budget, but where the Operating Budget would be one source of revenue for the debt service charges associated with the Capital Budget.

Table 5 shows the projects funded by the UIIF since its inception in 1999. Funding for all projects on the table, except the OISE/UT renovations, has been completed. Currently, the UIIF has a net negative balance of \$6.8M. This negative balance will be increased by \$3.5M to \$10.3M net negative when funds are transferred to the OISE/UT project. The Faculty of Medicine recovery of \$11.1M will be collected over a period of 14 years, eventually leaving the fund with a positive \$.8M balance.

Capital Budget for 2004-10 and Summary of Debt Service Charges

The proposed Capital Budget is a comprehensive one, encompassing construction projects for academic and administrative divisions, residences, parking garages and student activities. Capital projects are approved separately and are presented in this report for information only. All capital projects that have been approved by Governance have been incorporated in this budget, including those where the approval to proceed is conditional on raising campaign donations.

Table 6 shows the aggregated cash flow for all approved capital projects on a year-by-year basis. It illustrates the incremental capital requirements, sources of revenue, the annual funding surplus or deficit and the debt service costs associated with these projects. Capital requirements and debt service costs are funded by the central operating budget, divisional budgets, ancillary budgets and student levies. Debt charges increase significantly in 2005-06 as a result of the assumption of debt service by the University for the Medical Arts Building purchase. For 2004-05 debt charges for this building were funded by the Real Estate Division from the projected positive real estate revenue.

Table 7 presents a detailed summary of each approved capital project, broken down by source of funding. In addition to approved capital projects, the Capital Budget includes debt charges approved in prior years for projects to be funded centrally. These charges consist of a \$5M equity in the MARS project, a \$3.3M negative balance in the Capital Renewal Fund, redirected pension savings of \$19.7M in 2003-04, and the provost's portion of a funding partnership with the Faculty of Dentistry related to a \$4.5M dental chair purchase.

Table 5, University Infrastructure Investment Fund (UIIF)

		Balance
Balance as of April 30, 2000		\$1,839,470
Transfers to UIIF as approved in the Long Range Budget Guidelines		
May 1, 2000 net of contribution to UT Scarborough under RCM	\$13,248,360	\$15,087,830
May 1, 2001 net contribution	\$16,800,000	\$31,887,830
Funding for May 1, 2001 included in 2001-02 Budget Report (Loan serviced from Op Budget)	\$30,000,000	\$61,887,830
Funding for May 1, 2002 included in 2002-03 Budget Report (Loan serviced from Op Budget)	\$30,000,000	\$91,887,830
Funding for May 1, 2003 included in 2002-03 Budget Report (Loan serviced from Op Budget)	\$30,000,000	\$121,887,830
Funding for May 1, 2004 included in 2002-03 Budget Report (Loan serviced from Op Budget)	\$14,300,000	\$136,187,830
Allocations:		\$136,187,830
Gas Line Savings	(\$133,034)	\$136,054,796
Gerstein Science Information Centre (approved by P&B Dec 14, 1999)	(\$3,000,000)	\$133,054,796
King's College Road/Circle Precinct, Phase 2 (approved by P&B March 7, 2000)	(\$2,000,000)	\$132,854,796
King's College Road/Circle Precinct, Phase 1 (approved by P&B March 7, 2000)	(\$2,500,000)	\$130,354,796
FALD Phase 3 (approved by P&B October 18, 2000)	(\$345,000)	\$130,009,796
BCIT shelled in 6th floor (approved by P&B October 18, 2000)	(\$15,197,000)	\$114,812,796
CCBR (approved by P&B December 12, 2000)	(\$2,800,000)	\$112,012,796
Slowpoke cost overrun (within 10%, approved by MGF)	(\$210,000)	\$111,802,796
Purchase of Canadiana Building (approved by Business Board March 27, 2000)	(\$1,550,856)	\$110,251,940
Purchase of 500 University Ave. (approved by Business Board January 15, 2001)	(\$15,824,950)	\$94,426,990
Sidney Smith Hall infill (approved by P&B February 27, 2001)	(\$1,289,000)	\$93,137,990
BCIT/Koffler connection (approved by P&B March 13, 2001)	(\$750,000)	\$92,387,990
Nursing Building renovations (approved by P&B March 20, 2001)	(\$354,000)	\$92,033,990
(a) Basement of Woodsworth Residence, Shelled in (approved by P&B March 20, 2001)	(\$1,360,000)	\$90,673,990
Childcare Facilities, St George Campus (approved by P&B May 25, 2001)	(\$4,300,000)	\$86,373,990
Department of Medicine renovations at UHN (approved by P&B May 25, 2001)	(\$400,000)	\$85,973,990
(b) Renovation of 500 University Ave. (design) (approved by P&B May 25, 2001)	(\$700,000)	\$85,273,990
School of CCIT at Mississauga (approved by P&B May 25, 2001)	(\$2,500,000)	\$82,773,990
Gerstein Cost over-run (\$2.6M Donor provides 40%) (approved by P&B May 25, 2001)	(\$1,830,000)	\$80,943,990
Bottom line flow to 2001-02 Superbuild	(\$2,060,000)	\$78,883,990
Magellan Project (Funding may come from CFI) (approved by P&B May 25, 2001)	(\$2,123,543)	\$76,760,447
Growth Facility for Plant Research (approved by P&B June 27, 2001)	(\$374,000)	\$76,386,447
Projects (a) and (b) funded from Facilities Renewal Funding (approved August 8, 2001)	\$2,060,000	\$78,446,447
Pharmacy Building (approved by P&B Nov 13, 2001)	(\$7,200,000)	\$71,246,447
Renovation of 500 University Ave. (bridge financing) (approved by P&B Nov 13, 2001)	(\$10,423,400)	\$60,823,047
Scarborough Commitments under RCM (P&B May 25, 2001)	(\$1,153,550)	\$59,669,497
Recovery from Various Project Closures	\$96,685	\$59,766,182
Student Centre at UTSc (approved by P&B Nov 13, 2001)	(\$4,723,695)	\$55,042,487
Accessibility Examination Centre, Robarts Library (approved by P&B Jan 9, 2002)	(\$225,000)	\$54,817,487
Vertical Expansion of Soil Storage Facility (approved by P&B Jan 9, 2002)	(\$718,323)	\$54,099,164
Upgrade 56 Spadina Ave., (approved by P&B Jan 9, 2002)	(\$575,000)	\$53,524,164
TDSB Properties (approved by Academic Board Jan 24, 2001)	(\$17,000,000)	\$36,524,164
Sidney Smith Hall infill revision (approved by P&B March 19, 2002)	(\$711,000)	\$35,813,164
RCAT facility (approved by P&B March 19, 2002)	(\$460,000)	\$35,353,164
Governing Council and board Room renovations (approved by P&B March 19, 2002)	(\$1,593,000)	\$33,760,164
St Michael's College / A & Sc. Alumni Hall (approved by P&B March 19, 2002)	(\$300,000)	\$33,460,164
Transfer of ROS infrastructure items from APF to UIIF	(\$10,200,000)	\$23,260,164
UTM Wellness Centre, Match to Levy	(\$7,000,000)	\$16,260,164
Varsity Stadium demolition (approved at P&B June 4, 2002)	(\$1,700,000)	\$14,560,164
University College Residence (approved by P&B September 16, 2002)	(\$50,000)	\$14,510,164
Decommissioning of Slowpoke reactor, supplemental (P&B October 15, 2002)	(\$72,274)	\$14,437,890
FIS Bissell Building Student Study Space (P&B September 16, 2002)	(\$35,000)	\$14,402,890
Campus Daycare (move from 56 Spadina to 370 Huron St)	(603,509)	\$13,799,381
Family and Community Medicine relocation to 256 McCaul (proposed to P&B October 15, 2002)	(\$120,000)	\$13,679,381
Purchase of Medical Arts Building, (from 2004-05 on debt service costs, net of rental revenue will be funded from the operating budget)	(\$14,259,000)	(\$579,619)
Downsview Library Storage Facility	(\$6,000,000)	(\$6,579,619)
Medicine's First Repayment for 500 University Avenue	\$758,227	(\$5,821,392)
BCIT (Provost share of funding)	(946,996)	(\$6,768,388)
OISE/UT/UTS Renovations, 371 Bloor St W (approved by P&B October 18, 2000, not yet funded)	(\$3,500,000)	(\$10,268,388)
Recovery from Faculty of Medicine	\$11,123,400	\$855,012
Total UIIF Allocations net Faculty of Medicine recovery	\$137,392,818	
Other Projects funded from the Operating Budget		
Negative balance in Capital Renewal Fund to be funded from the operating budget	(\$3,319,919)	
MARS Equity (debt service already funded from operating budget)	(\$5,000,000)	
Total UIIF Allocations net F of Med recovery plus Other Projects funded from the Operating Budget	\$145,579,703	

Table 6, Capital Budget Cash Flow

	Approved Projects	Total Capital Requirements				Total
		Prior to 2004-05	2004-05	2005-06	After 2005-06	
Capital Projects, Academic and Non-Academic *	\$619,268,702	\$372,929,742	\$86,430,700	\$92,913,060	\$66,995,200	\$619,268,702
Capital Projects, Ancillaries *	\$360,724,550	\$255,479,400	\$36,980,050	\$19,056,400	\$49,208,700	\$360,724,550
Matching Funds for endowment capital	\$44,000,000	\$44,000,000	\$0	\$0	\$0	\$44,000,000
Total Capital Projects	\$1,023,993,252	\$672,409,142	\$123,410,750	\$111,969,460	\$116,203,900	\$1,023,993,252
Funding Sources						
Federal Government	\$42,911,000	\$19,705,600	\$15,739,300	\$4,386,100	\$3,080,000	\$42,911,000
Provincial Government	\$192,472,500	\$120,939,400	\$38,137,500	\$28,134,800	\$5,260,800	\$192,472,500
Campaign Donations	\$107,529,110	\$47,130,600	\$9,604,550	\$19,878,460	\$30,915,500	\$107,529,110
Other (interest earned, municipal)	\$17,500,300	\$15,833,500	\$966,800	\$700,000	\$0	\$17,500,300
Sub-Total	\$360,412,910	\$203,609,100	\$64,448,150	\$53,099,360	\$39,256,300	\$360,412,910
Funded by the Central Operating Budget	\$217,138,742	\$156,091,742	\$12,495,600	\$26,091,000	\$22,460,400	\$217,138,742
Funded by Academic Divisional Budgets	\$123,109,900	\$73,690,200	\$17,681,200	\$18,614,100	\$13,124,400	\$123,109,900
Funded by Ancillaries Budgets and Student Levies	\$323,331,700	\$239,018,100	\$28,785,800	\$14,165,000	\$41,362,800	\$323,331,700
Sub-Total	\$663,580,342	\$468,800,042	\$58,962,600	\$58,870,100	\$76,947,600	\$663,580,342
Total Funding identified	\$1,023,993,252	\$672,409,142	\$123,410,750	\$111,969,460	\$116,203,900	\$1,023,993,252
Total Funding surplus/(deficit)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Expense						
Debt Service Costs		\$43,342,484	\$47,688,549	\$51,188,512	\$56,980,298	\$56,980,298
Total Annual Expense		\$43,342,484	\$47,688,549	\$51,188,512	\$56,980,298	\$56,980,298
Annual Revenue						
Central Operating Budget		\$14,431,321	\$14,481,321	\$14,950,722	\$15,704,943	\$15,704,943
Divisional Operating Budgets		\$6,812,961	\$8,447,660	\$10,168,610	\$11,382,015	\$11,382,015
Ancillary Budgets & Student Levies		\$22,098,203	\$24,759,568	\$26,069,180	\$29,893,340	\$29,893,340
Other						
Total Annual Revenue		\$43,342,484	\$47,688,549	\$51,188,512	\$56,980,298	\$56,980,298
Annual Surplus (Deficit)		\$0	\$0	\$0	\$0	\$0

* See capital project details on Table 8.

** All capital projects that have been approved by Governance have been incorporated in this Capital Budget including those where the approval to proceed is conditional on raising campaign donations. If the University's budget situation were to deteriorate,

*** This funding is realized through a combination of internal and external borrowing with the source of the debt service costs identified. As indicated in the note above, the sub-total will be reduced by campaign donations before a number of projects can proceed. It does therefore overestimate the level of debt that will be required.

Table 7, Capital Project Budget Details

	Project Cost	Sources of Funding		
		UIIF & Op. Budget	Divisional Debt	Other
1 ARC Academic Resource Centre	\$20,297,700	\$1,200,000	\$7,261,800	\$11,835,900
1 Management Building	\$15,530,000	\$0	\$5,630,000	\$9,900,000
1 UTSC Classroom/Arts	\$20,454,000	\$0	\$7,760,000	\$12,694,000
1 UTSC Student Lab Upgrades	\$4,300,000	\$0	\$2,470,000	\$1,830,000
1 UTSC Food Services Revitalization Program	\$3,065,000	\$1,405,000	\$1,460,000	\$200,000
1 Other small projects at UTSC	\$2,620,000	\$0	\$2,620,000	\$0
Sub-Total UTSC	\$66,266,700	\$2,605,000	\$27,201,800	\$36,459,900
2 CCIT at Mississauga	\$34,670,000	\$2,500,000	\$5,522,900	\$26,647,100
2 Centre for Applied Bioscience and Biotechnology	\$3,403,600	\$0	\$1,284,100	\$2,119,500
2 Kaneff Building	\$0	\$0	\$0	\$0
2 Academic Learning Centre	\$34,000,000	\$214,000	\$6,936,700	\$26,849,300
2 Collegeway Access	\$2,500,000	\$0	\$2,500,000	\$0
2 Other small projects at UTM	\$10,571,500	\$0	\$10,571,500	\$0
Sub-Total UTM	\$85,145,100	\$2,714,000	\$26,815,200	\$55,615,900
3 CCBR	\$96,533,000	\$7,300,000	\$11,154,100	\$78,078,900
3 Pharmacy Building	\$75,000,000	\$6,200,000	\$0	\$68,800,000
3 Purchase of 500 University Ave	\$15,824,950	\$15,824,950	\$0	\$0
3 Renovation of 500 University Ave.	\$11,373,400	\$0	\$11,373,400	\$0
3 TDSB Propertes Board of Education (Purchase)	\$17,000,000	\$17,000,000	\$0	\$0
4 Botany Greenhouse Replacement	\$7,027,100	\$1,380,400	\$84,200	\$5,562,500
4 Bahen Centre for Information Technology	\$111,939,360	\$18,690,000	\$18,856,800	\$74,392,560
4 Sid Smith Infill Phase I & II	\$3,075,000	\$3,075,000	\$64,700	(\$64,700)
4 Economics Building	\$7,818,100	\$1,818,000	\$5,999,100	\$1,000
4 Sid Smith Student Space	\$3,720,900	\$273,400	\$3,300,000	\$147,500
4 Lash Miller Undergraduate Labs	\$5,600,000	\$1,600,000	\$4,000,000	\$0
4 Centre for Biological Timing and Cognition	\$1,500,000	\$1,500,000	\$0	\$0
4 Department of Mathematics	\$800,000	\$800,000	\$0	\$0
6 Purchase of Canadiana Building	\$1,570,000	\$1,570,000	\$0	\$0
6 Gerstein Science Information Centre	\$15,280,000	\$8,830,000	\$0	\$6,450,000
6 Flavelle House	\$2,140,000	\$600,000	\$1,540,000	\$0
6 371 Bloor OISE/UT	\$23,240,000	\$8,850,900	\$188,600	\$14,200,500
6 Child Studies	\$0	\$0	\$0	\$0
6 Rotman School of Management Expansion	\$4,331,300	\$319,000	\$0	\$4,012,300
6 Downsview Library	\$6,000,000	\$6,000,000	\$0	\$0
7 Governing Council and Board Room Renovations	\$1,593,000	\$1,593,000	\$0	\$0
7 Varsity Stadium Demolition	\$1,700,000	\$1,700,000	\$0	\$0
7 Southeast Infrastructure	\$3,777,000	\$3,777,000	\$0	\$0
7 Early Learning Centre	\$4,317,700	\$4,317,700	\$0	\$0
7 Toronto District School Board Building	\$6,000,000	\$0	\$6,000,000	\$0
7 Purchase of Medical Arts Building	\$14,262,600	\$14,262,600	\$0	\$0
7 King's College Road/Circle Precinct, Phase 1&2	\$5,590,500	\$3,028,700	\$0	\$2,561,800
Completed Projects with ongoing loans (outstanding at April 30,2002)	\$14,851,919	\$8,319,919	\$6,532,000	\$0
Small Capital Projects (listed below)	\$5,991,073	\$5,991,073	\$0	\$0
Sub-Total St George	\$467,856,902	\$144,621,642	\$69,092,900	\$254,142,360
Sub-Total, Academic and Non-Academic	\$619,268,702	\$149,940,642	\$123,109,900	\$346,218,160
1 UTSC Residence Phase 4	\$16,260,000	\$0	\$16,260,000	\$0
1 Student Centre at UTSc	\$13,923,000	\$5,973,700	\$7,821,200	\$128,100
2 Mississauga Residence Phase VII	\$14,600,000	\$40,000	\$14,560,000	\$0
2 UTM Wellness Centre	\$24,500,000	\$8,823,400	\$15,147,800	\$528,800
2 CCIT Parking	\$12,892,000	\$0	\$12,892,000	\$0
2 UTM Residence Phase VIII	\$26,215,000	\$0	\$26,215,000	\$0
6 Colony Hotel	\$74,000,000	\$0	\$74,000,000	\$0
6 School of Continuing Studies	\$7,099,950	\$1,000,000	\$6,072,600	\$27,350
7 Bahen Centre Parking	\$7,548,600	\$0	\$7,548,600	\$0
8 Woodsworth Residence	\$32,000,000	\$1,460,000	\$28,857,000	\$1,683,000
8 New College Residence (annual subsidy of \$1,204,000 provided from the APF for 8 years)	\$26,760,000	\$3,566,000	\$22,866,500	\$327,500
8 University College Residence	\$28,000,000	\$2,335,000	\$14,165,000	\$11,500,000
Completed Projects with ongoing loans (outstanding at April 30,2002)	\$76,926,000	\$0	\$76,926,000	\$0
Sub-Total Ancillaries	\$360,724,550	\$23,198,100	\$323,331,700	\$14,194,750
Total	\$979,993,252	\$173,138,742	\$446,441,600	\$360,412,910

Table 7 (continued), Capital Project Budget Details

Small Capital Projects	Project Cost	Sources of Funding		
		UIIF & Op. Budget	Divisional Debt	Other
St Michael's College / Faculty of A & Sc. (approved by P&B Oct. 19, 1999)	\$1,300,000	\$875,000	\$0	\$425,000
Dentistry Student Laboratory (approved by P&B Oct. 19, 1999)	\$393,250	\$99,000	\$0	\$294,250
FALD Phase 3 (approved by P&B October 18, 2000)	\$690,000	\$345,000	\$0	\$345,000
Nursing Building renovations (approved by P&B March 20, 2001)	\$354,000	\$354,000	\$0	\$0
Department of Medicine renovations at UHN (approved by P&B May 25, 2001)	\$400,000	\$400,000	\$0	\$0
Accessibility Examination Centre, Robarts Library (approved by P&B Jan 9, 2002)	\$225,000	\$225,000	\$0	\$0
Vertical Expansion of Soil Storage Facility (approved by P&B Jan 9, 2002)	\$1,068,323	\$718,323	\$0	\$350,000
Upgrade 56 Spadina Ave., (approved by P&B Jan 9, 2002)	\$575,000	\$575,000	\$0	\$0
RCAT facility (approved by P&B March 19, 2002)	\$460,000	\$460,000	\$0	\$0
St Michael's College / A & Sc. Alumni Hall (approved by P&B March 19, 2002)	\$365,000	\$300,000	\$0	\$65,000
FIS Bissel Building Student Study Space (approved by P&B September 16, 2002)	\$40,500	\$35,000	\$0	\$5,500
Family & Community Medicine relocation to 256 McCaul (approved by P&B October 15, 2002)	\$120,000	\$120,000	\$0	\$0
Total	\$5,991,073	\$4,506,323	\$0	\$1,484,750

7. Divisional Budget Schedules and Financial Reports

DIVISIONAL FINANCIAL REPORTS

**UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET**

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
Total Academic Expense	880,493,427	257,733,179	622,760,248	35,299,722	200,000	35,099,722
Academic Services	78,738,732	15,831,897	62,906,835	2,324,661	0	2,324,661
Administration	92,276,402	21,207,476	71,068,926	3,149,085	0	3,149,085
Student Assistance	77,077,916	801,000	76,276,916	9,736,607	0	9,736,607
Campus & Student Services	23,225,954	21,740,003	1,485,951	62,083	0	62,083
Facilities & Services						
Maintenance and Services	77,315,459	27,353,522	49,961,937	7,162,378	0	7,162,378
Utilities	42,377,911	7,665,071	34,712,840	1,489,039	0	1,489,039
Lease Cost of Off Campus Space	948,757	0	948,757	18,820	0	18,820
Accommodations & Facilities Directorate	259,902	0	259,902	(434,673)	0	(434,673)
General University Expense	81,301,333	6,255,635	75,045,698	(3,305,396)	0	(3,305,396)
	1,354,015,793	358,587,783	995,428,010	55,502,326	200,000	55,302,326
		0				0
Municipal Taxes	4,494,375	0	4,494,375	259,050	0	259,050
TOTAL OPERATING BUDGET	1,358,510,168	358,587,783	999,922,385	55,761,376	200,000	55,561,376

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
ARTS and SCIENCE						
Arts and Science	201,840,525	35,684,068	166,156,457	2,719,789	0	2,719,789
University College	437,548	80,000	357,548	7,798	0	7,798
New College	0	0	0	0	0	0
Innis College	0	0	0	0	0	0
Federated Colleges Block Grant	7,341,292	0	7,341,292	(231,579)	0	(231,579)
Toronto School of Theology	2,310,207	0	2,310,207	403,945	0	403,945
Erindale - Academic	44,180,270	4,420,677	39,759,593	2,871,000	0	2,871,000
Scarborough - Academic	40,676,406	7,402,443	33,273,963	1,868,005	0	1,868,005
TOTAL ARTS AND SCIENCE	296,786,248	47,587,188	249,199,060	7,638,958	0	7,638,958
SCHOOLS and COLLEGES						
School of Continuing Studies	9,993,388	9,993,388	0	0	0	0
Munk Centre	366,254	107,507	258,747	(5,595)	0	(5,595)
School of Graduate Studies	4,670,809	880,941	3,789,868	116,475	0	116,475
Graduate Centres and Institutes	6,615,135	772,298	5,842,837	63,193	0	63,193
Transitional Year Programme	1,369,734	69,962	1,299,772	76,643	0	76,643
Woodsworth College	0	0	0	0	0	0
TOTAL, SCHOOLS and COLLEGES	23,015,320	11,824,096	11,191,224	250,716	0	250,716

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
HEALTH SCIENCES						
Dentistry	25,232,462	9,092,942	16,139,520	1,050,626	100,000	950,626
Medicine	127,295,354	60,112,429	67,182,925	(450,284)	0	(450,284)
Nursing	7,359,226	615,097	6,744,129	202,791	0	202,791
Pharmacy	9,573,521	1,414,283	8,159,238	348,295	0	348,295
Physical Education & Health (Curr. & Co_Curr.)	23,850,309	20,658,337	3,191,972	53,945	0	53,945
TOTAL, HEALTH SCIENCES	193,310,872	91,893,088	101,417,784	1,205,373	100,000	1,105,373

**UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET**

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
OTHER PROFESSIONAL FACULTIES						
Applied Science and Engineering	62,436,956	12,539,837	49,897,119	1,301,631	0	1,301,631
Architecture and Landscape Architecture	5,014,563	288,723	4,725,840	396,066	0	396,066
OISE/UT						
OISE/UT	48,568,778	43,786,403	4,782,375	175,703	0	175,703
Inst. of Child Study	1,676,402	1,594,015	82,387	0	0	0
University of Toronto Schools	0	0	0	0	0	0
Additional Qualification	701,072	274,306	426,766	398,778	0	398,778
Forestry	2,645,387	207,700	2,437,687	(36,136)	0	(36,136)
Law	16,732,437	2,749,118	13,983,319	961,415	100,000	861,415
Law Book Fund	0	0	0	0	0	0
Information Studies	4,328,985	1,151,660	3,177,325	151,006	0	151,006
Management	48,996,817	21,892,986	27,103,831	2,058,203	0	2,058,203
Executive Program	3,580,207	3,580,207	0	0	0	0
Executive M.B.A. Program	5,510,673	5,510,673	0	0	0	0
Business Information Centre	838,517	544,150	294,367	0	0	0
Centre for International Business	0	0	0	0	0	0
International Centre for Tax Studies	0	0	0	0	0	0
Music	8,625,941	1,065,757	7,560,184	334,868	0	334,868
Social Work	5,419,353	705,125	4,714,228	260,349	0	260,349
TOTAL, OTHER PROFESSIONAL FACULTIES	215,076,088	95,890,660	119,185,428	6,001,883	100,000	5,901,883
OTHER ACADEMIC COSTS	152,304,899	10,538,147	141,766,752	20,202,792		20,202,792
TOTAL ACADEMIC EXPENSE	880,493,427	257,733,179	622,760,248	35,299,722	200,000	35,099,722

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
ACADEMIC SERVICES						
University of Toronto Computing	15,967,721	8,324,945	7,642,776	453,437	0	453,437
St. George Library - Operations	33,349,259	7,325,607	26,023,652	828,611	0	828,611
- Central Book Fund	20,153,829	0	20,153,829	803,057	0	803,057
	<u>53,503,088</u>	<u>7,325,607</u>	<u>46,177,481</u>	<u>1,631,668</u>	<u>0</u>	<u>1,631,668</u>
Erindale Library	3,764,295	52,000	3,712,295	119,878	0	119,878
Scarborough Library	5,503,628	129,345	5,374,283	119,678	0	119,678
TOTAL, ACADEMIC SERVICES	78,738,732	15,831,897	62,906,835	2,324,661	0	2,324,661

**UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET**

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
ADMINISTRATION						
Offices of the Governing Council and Ombudsperson	2,556,034	161,500	2,394,534	79,357	0	79,357
Office of the President	1,177,040	0	1,177,040	31,786	0	31,786
Other Institutional Cost	1,612,962	0	1,612,962	19,523	0	19,523
Office of the Vice-Pres. and Provost	3,106,757	377,864	2,728,893	94,456	0	94,456
Office of the Vice Provost Planning & Budget	2,328,024	43,649	2,284,375	176,987	0	176,987
Office of the Vice Provost Students - Stud. Affrs & Other	15,039,990	5,057,507	9,982,483	880,997	0	880,997
Office of the Vice Provost Space & Facilities Planning	2,761,709	1,106,562	1,655,147	125,150	0	125,150
Office of the Vice-Pres.- Research & Associate Provost	5,398,890	84,723	5,314,167	133,944	0	133,944
Office of the Vice-Pres.- Government & Institutional Rel.	646,799	0	646,799	18,923	0	18,923
Office of the Vice-Pres. & Chief Advancement Officer	18,606,235	3,883,482	14,722,753	390,530	0	390,530
Office of the Vice-Pres. - Human Resources	7,373,208	1,043,612	6,329,596	251,565	0	251,565
Office of the Vice-Pres. - Business Affairs	15,603,440	4,596,497	11,006,943	763,428	0	763,428
TOTAL, ST.GEORGE CAMPUS	76,211,088	16,355,396	59,855,692	2,966,646	0	2,966,646
Erindale Administration	6,531,117	4,468,345	2,062,772	172,953	0	172,953
Scarborough Administration	9,534,197	383,735	9,150,462	9,486	0	9,486
TOTAL ADMINISTRATION	92,276,402	21,207,476	71,068,926	3,149,085	0	3,149,085

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
STUDENT ASSISTANCE (excl. Divisional Support)						
University Student Assistance	6,560,549	801,000	5,759,549	3,853	0	3,853
Graduate Fellowships	2,124,862	0	2,124,862	0	0	0
Graduate Student Aid	4,665,878	0	4,665,878	1,128,015	0	1,128,015
OSSST	2,600,000	0	2,600,000	0	0	0
Student Aid Reinvestment	28,823,438	0	28,823,438	2,314,739	0	2,314,739
Student Aid Funded from Restricted Funds	25,600,000	0	25,600,000	6,290,000	0	6,290,000
Erindale	56,400	0	56,400	0	0	0
Scarborough	186,000	0	186,000	0	0	0
OISE/UT	6,460,789	0	6,460,789	0	0	0
TOTAL, STUDENT ASSISTANCE	77,077,916	801,000	76,276,916	9,736,607	0	9,736,607

**UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET**

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
CAMPUS & STUDENT SERVICES						
St. George	12,198,561	12,198,561	0	0	0	0
Erindale	5,320,262	5,003,460	316,802	16,016	0	16,016
Scarborough	5,707,131	4,537,982	1,169,149	46,067	0	46,067
TOTAL CAMPUS & STUDENT SERVICES	23,225,954	21,740,003	1,485,951	62,083	0	62,083

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
FACILITIES AND SERVICES						
Maintenance and Services						
- St. George Campus	66,192,671	25,415,822	40,776,849	5,545,190	0	5,545,190
- Erindale Campus	4,676,857	430,430	4,246,427	874,394	0	874,394
- Scarborough Campus	6,445,931	1,507,270	4,938,661	742,794	0	742,794
TOTAL, MAINTENANCE and SERVICES	77,315,459	27,353,522	49,961,937	7,162,378	0	7,162,378
Utilities						
- St. George Campus	36,610,443	7,545,071	29,065,372	1,551,135	0	1,551,135
- Erindale Campus	2,799,828	120,000	2,679,828	(524,563)	0	(524,563)
- Scarborough Campus	2,967,640	0	2,967,640	462,467	0	462,467
TOTAL, UTILITIES	42,377,911	7,665,071	34,712,840	1,489,039	0	1,489,039
Lease Cost of Off Campus Space	948,757	0	948,757	18,820	0	18,820
Accommodations and Facilities (AFD)	259,902	0	259,902	(434,673)	0	(434,673)

**UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET**

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
GENERAL UNIVERSITY EXPENSE						
President	4,223,157	0	4,223,157	(319,361)	0	(319,361)
Governing Council	38,000	0	38,000	1,635	0	1,635
Vice-President - Business Affairs	28,261,790	0	28,261,790	346,698	0	346,698
Vice-President - Human Resources	4,466,049	0	4,466,049	372,409	0	372,409
General (including salary, wage and benefit commitments, and recoveries from ancillaries)	44,312,337	6,255,635	38,056,702	(3,706,777)	0	(3,706,777)
TOTAL, GENERAL UNIVERSITY EXPENSE	81,301,333	6,255,635	75,045,698	(3,305,396)	0	(3,305,396)
MUNICIPAL TAXES	4,494,375	0	4,494,375	259,050	0	259,050

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
<u>ERINDALE</u>						
Academic	44,180,270	4,420,677	39,759,593	2,871,000	0	2,871,000
Academic Services - Library	3,764,295	52,000	3,712,295	119,878	0	119,878
Administration, incl Campus and Student Services	11,851,379	9,471,805	2,379,574	188,969	0	188,969
Facilities & Services - Maintenance & Services	4,676,857	430,430	4,246,427	874,394	0	874,394
- Utilities	2,799,828	120,000	2,679,828	(524,563)	0	(524,563)
Student Assistance	56,400	0	56,400	0	0	0
TOTAL, ERINDALE	67,329,029	14,494,912	52,834,117	3,529,678	0	3,529,678

THIS IS A SUMMARY OF THE ERINDALE BUDGETS WHICH ARE REPORTED
IN THE PRECEDING FINANCIAL REPORT UNDER THE VARIOUS BUDGET GROUPS.

UNIVERSITY OF TORONTO
RECOMMENDED 2005 - 06 BUDGET

(Financial Report)

BUDGET GROUP	RECOMMENDED 2005-06 BUDGET			PROJECTED CHANGES FROM 2004-05		
	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE	GROSS EXPENSE	DIVISIONAL REVENUE (INCL RECOVERIES)	NET EXPENSE
SCARBOROUGH						
Academic	40,676,406	7,402,443	33,273,963	1,868,005	0	1,868,005
Academic Services - Library	5,503,628	129,345	5,374,283	119,678	0	119,678
Administration, incl Campus and Student Services	15,241,328	4,921,717	10,319,611	55,553	0	55,553
Facilities & Services - Maintenance & Services	6,445,931	1,507,270	4,938,661	742,794	0	742,794
- Utilities	2,967,640	0	2,967,640	462,467	0	462,467
Student Assistance	186,000	0	186,000	0	0	0
TOTAL, SCARBOROUGH	71,020,933	13,960,775	57,060,158	3,248,497	0	3,248,497

THIS IS A SUMMARY OF THE SCARBOROUGH BUDGETS WHICH ARE REPORTED IN THE PRECEDING FINANCIAL REPORT UNDER THE VARIOUS BUDGET GROUPS.

BUDGET GROUP I: ARTS & SCIENCE

DIVISIONAL BUDGET SCHEDULES

	ARTS & SCIENCE	UNIVERSITY COLLEGE	NEW COLLEGE	INNIS COLLEGE	ERINDALE ACADEMIC	SCARBOROUGH ACADEMIC	FEDERATED UNIVERSITIES BLOCK GRANT	TORONTO SCHOOL OF THEOLOGY	TOTAL GROUP I	
Net Base Budget for 2004-05	162,519,352	349,750	0	0	36,850,829	31,364,623	7,187,626	1,906,262	240,178,442	
One-Time-Only Budget for 2004-05	917,316	0	0	0	37,764	41,335	385,245		1,381,660	
TOTAL NET BUDGET FOR 2004-05	163,436,668	349,750	0	0	36,888,593	31,405,958	7,572,871	1,906,262	241,560,102	
RECOMMENDED BUDGET CHANGES:										
ADDITIONS TO BASE:										
Balance of Prior Year's Salary/Benefit Increase	8,338,222	15,095			1,943,889	1,928,774	0	0	0	12,225,980
Priorities Funds	0	0			0	0				0
Expense Offset by Additional Income	0	0			0	0				0
Transfers	2,328,096	0			2,060,572	898,813		136,000		5,423,481
Contract. Oblig. & Policy Commit.	3,418	0			0	0	153,666	267,945		425,029
REDUCTIONS FROM BASE:										
Budget Reduction	(3,192,954)	(7,297)			(784,894)	(665,868)				(4,651,013)
Academic PTR Recovery	(2,467,144)	0			(161,961)	(118,252)				(2,747,357)
Expense Recovery	0	0			0	0				0
Transfers	(1,372,533)	0			(148,842)	(134,127)				(1,655,502)
Contract. Oblig. & Policy Commit.	0	0			0	0				0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0	0			0	0				0
RECOMMENDED BASE BUDGET CHANGE	3,637,105	7,798	0	0	2,908,764	1,909,340	153,666	403,945	0	9,020,618
ONE-TIME-ONLY BUDGET CHANGES:										
Research Overhead (Net Changes)	(917,316)	0	0	0	(37,764)	(41,335)				(996,415)
Contract. Oblig. & Policy Commit. (Net Changes)	0	0			0	0	(385,245)	0	0	(385,245)
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(917,316)	0	0	0	(37,764)	(41,335)	(385,245)	0	0	(1,381,660)
Recommended Net Base Budget for 2005-06	166,156,457	357,548	0	0	39,759,593	33,273,963	7,341,292	2,310,207	0	249,199,060
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	166,156,457	357,548	0	0	39,759,593	33,273,963	7,341,292	2,310,207	0	249,199,060
DIVISIONAL REVENUE (INCL. RECOVERIES)										
Endowment Income :	2,200,000	0			0	0				2,200,000
External Income :	4,746,462	0	0	0	3,075,175	3,607,375				11,429,012
Internal Recoveries :	19,842,416	80,000	0	0	1,057,958	3,723,640				24,704,014
External Recoveries :	5,942,094	0			287,544	71,428				6,301,066
Negative Approp. :	2,953,096	0			0	0				2,953,096
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	35,684,068	80,000	0	0	4,420,677	7,402,443	0	0	0	47,587,188
GROSS EXPENSE BUDGET FOR 2005-06	<u>201,840,525</u>	<u>437,548</u>	<u>0</u>	<u>0</u>	<u>44,180,270</u>	<u>40,676,406</u>	<u>7,341,292</u>	<u>2,310,207</u>	<u>0</u>	<u>296,786,248</u>

BUDGET GROUP II : SCHOOLS AND COLLEGES

DIVISIONAL BUDGET SCHEDULES

	WOODSWORTH COLLEGE	SCHOOL OF GRADUATE STUDIES	GRADUATE CENTRES & INSTITUTES	TRANSITIONAL YEAR PROGRAMME	SCHOOL OF CONTINUING STUDIES	MUNK CENTRE	TOTAL GROUP II
Net Base Budget for 2004-05	0	3,646,940	5,515,113	1,223,129		249,227	10,634,409
One-Time-Only Budget for 2004-05		26,453	264,531			15,115	306,099
TOTAL NET BUDGET FOR 2004-05	0	3,673,393	5,779,644	1,223,129	0	264,342	10,940,508

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:

Balance of Prior Year's Salary/Benefit Increase		167,383	334,039	77,698		14,801	593,921
Priorities Funds			0				0
Expense Offset by Additional Income			0				0
Transfers		66,841	107,752	24,962			199,555
Contract. Oblig. & Policy Commit.			1,968				1,968

REDUCTIONS FROM BASE:

Budget Reduction		(76,286)	(116,035)	(26,017)		(5,281)	(223,619)
Academic PTR Recovery		(15,010)	0				(15,010)
Expense Recovery			0				0
Transfers			0				0
Contract. Oblig. & Policy Commit.			0				0

(INCREASE) DECREASE IN DIVISIONAL REVENUE		0	0	0	0	0	0
RECOMMENDED BASE BUDGET CHANGE	0	142,928	327,724	76,643	0	9,520	556,815

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)	0	(26,453)	(264,531)	0	0	(15,115)	(306,099)
Contract. Oblig. & Policy Commit. (Net Changes)			0				0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	(26,453)	(264,531)	0	0	(15,115)	(306,099)

Recommended Net Base Budget for 2005-06	0	3,789,868	5,842,837	1,299,772	0	258,747	11,191,224
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	0	3,789,868	5,842,837	1,299,772	0	258,747	11,191,224

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :			0				0
External Income :	0	634,500	53,000	45,000	9,723,388		10,455,888
Internal Recoveries :	0	181,346	238,728	24,962	270,000	107,507	822,543
External Recoveries :			369,461				369,461
Negative Approp. :		65,095	111,109				176,204
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	0	880,941	772,298	69,962	9,993,388	107,507	11,824,096
GROSS EXPENSE BUDGET FOR 2005-06	0	4,670,809	6,615,135	1,369,734	9,993,388	366,254	23,015,320

BUDGET GROUP III : HEALTH SCIENCES

DIVISIONAL BUDGET SCHEDULES

	DENTISTRY	MEDICINE	NURSING	PHARMACY	PHYSICAL EDUCATION & HEALTH (Incl Ath & Rec)	TOTAL GROUP III
Net Base Budget for 2004-05	15,042,336	66,402,295	6,541,454	7,756,303	3,138,027	98,880,415
One-Time-Only Budget for 2004-05	146,558	1,230,914	(116)	54,640	0	1,431,996
TOTAL NET BUDGET FOR 2004-05	15,188,894	67,633,209	6,541,338	7,810,943	3,138,027	100,312,411

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:						0
Balance of Prior Year's Salary/Benefit Increase	867,475	3,319,669	335,637	367,059	158,202	5,048,042
Priorities Funds	0			0	0	0
Expense Offset by Additional Income	100,000			0	0	100,000
Transfers	796,039	417,819		194,103	1,208	1,409,169
Contract. Oblig. & Policy Commit.	260			0	0	260
REDUCTIONS FROM BASE:						
Budget Reduction	(388,391)	(1,291,426)	(132,962)	(158,227)	(54,770)	(2,025,776)
Academic PTR Recovery	(178,199)	(577,085)		0	(50,695)	(805,979)
Expense Recovery	0			0	0	0
Transfers	0	(1,088,347)		0	0	(1,088,347)
Contract. Oblig. & Policy Commit.	0			0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	(100,000)	0	0	0	0	(100,000)
RECOMMENDED BASE BUDGET CHANGE	1,097,184	780,630	202,675	402,935	53,945	2,537,369

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)	(146,558)	(1,230,914)	116	(54,640)	0	(1,431,996)
Contract. Oblig. & Policy Commit. (Net Changes)	0			0	0	0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(146,558)	(1,230,914)	116	(54,640)	0	(1,431,996)

Recommended Net Base Budget for 2005-06	16,139,520	67,182,925	6,744,129	8,159,238	3,191,972	101,417,784
Recommended OTO Budget for 2005-06	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	16,139,520	67,182,925	6,744,129	8,159,238	3,191,972	101,417,784

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :	230,000	2,463,296	32,000	0	0	2,725,296
External Income :	4,724,600	19,103,562	37,125	1,271,427	13,863,528	39,000,242
Internal Recoveries :	3,948,997	4,576,912	199,648	142,856	6,758,670	15,627,083
External Recoveries :	189,345	33,968,659	346,324	0	36,139	34,540,467
Negative Approp. :	0	0		0	0	0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	9,092,942	60,112,429	615,097	1,414,283	20,658,337	91,893,088
GROSS EXPENSE BUDGET FOR 2005-06	25,232,462	127,295,354	7,359,226	9,573,521	23,850,309	193,310,872

BUDGET GROUP IV : PROFESSIONAL FACULTIES

DIVISIONAL BUDGET SCHEDULES

	APPLIED SCIENCE & ENGINEERING	ARCHITECTURE, LANDSCAPE, & DESIGN	OISE/UT	OISE/UT U.T.S.	FORESTRY	LAW	INFORMATION STUDIES	JOSEPH L. ROTMAN SCHOOL OF MANAGEMENT	MUSIC	SOCIAL WORK	TOTAL GROUP IV
Net Base Budget for 2004-05	46,892,598	4,329,731	4,663,837	0	2,422,050	13,111,578	3,025,813	25,259,252	7,225,316	4,419,450	111,349,625
One-Time-Only Budget for 2004-05	1,702,890	43	53,210		51,773	10,326	506	80,743	0	34,429	1,933,920
TOTAL NET BUDGET FOR 2004-05	48,595,488	4,329,774	4,717,047	0	2,473,823	13,121,904	3,026,319	25,339,995	7,225,316	4,453,879	113,283,545
RECOMMENDED BUDGET CHANGES:											
ADDITIONS TO BASE:											
Balance of Prior Year's Salary/Benefit Increase	2,577,282	230,004	477,297		145,389	628,331	173,089	0	429,363	280,605	4,941,360
Priorities Funds	0	0	0					0			0
Expense Offset by Additional Income	0	0	0	0		100,000		0			100,000
Transfers	1,796,720	253,620	406,745			554,055	98,644	0	56,038	93,754	3,259,576
Contract. Oblig. & Policy Commit.	0	0	0			36,480		2,138,946	305		2,175,731
REDUCTIONS FROM BASE:			0					0			0
Budget Reduction	(917,097)	(87,515)	(110,544)		(45,549)	(325,937)	(55,718)	0	(142,306)	(79,581)	(1,764,247)
Academic PTR Recovery	(452,384)	0	(104,592)		(84,203)	(21,188)	(64,503)	0	(8,532)		(735,402)
Expense Recovery	0	0	0					0			0
Transfers	0	0	(41,215)					0			(41,215)
Contract. Oblig. & Policy Commit.	0	0	0					0			0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0	0	0	0	0	(100,000)	0	0	0	0	(100,000)
RECOMMENDED BASE BUDGET CHANGE	3,004,521	396,109	627,691	0	15,637	871,741	151,512	2,138,946	334,868	294,778	7,835,803
ONE-TIME-ONLY BUDGET CHANGES:											
Research Overhead (Net Changes)	(1,702,890)	(43)	(53,210)		(51,773)	(10,326)	(506)	(80,743)		(34,429)	(1,933,920)
Contract. Oblig. & Policy Commit. (Net Changes)	0	0	0					0			0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(1,702,890)	(43)	(53,210)	0	(51,773)	(10,326)	(506)	(80,743)	0	(34,429)	(1,933,920)
Recommended Net Base Budget for 2005-06	49,897,119	4,725,840	5,291,528	0	2,437,687	13,983,319	3,177,325	27,398,198	7,560,184	4,714,228	119,185,428
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	49,897,119	4,725,840	5,291,528	0	2,437,687	13,983,319	3,177,325	27,398,198	7,560,184	4,714,228	119,185,428
DIVISIONAL REVENUE (INCL. RECOVERIES)											
Endowment Income :	1,653,223	0	375,236	0		500,000		3,664,175		450,000	6,642,634
External Income :	2,821,129	145,500	39,200,433	0		664,500	897,860	11,946,883	302,594	165,500	56,144,399
Internal Recoveries :	7,121,086	143,223	5,184,376	0	7,700	1,383,726	253,800	15,608,293	373,819	18,197	30,094,220
External Recoveries :	433,147	0	894,679			200,892		308,665	71,428	71,428	1,980,239
Negative Approp. :	511,252	0	0	0	200,000			0	317,916		1,029,168
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	12,539,837	288,723	45,654,724	0	207,700	2,749,118	1,151,660	31,528,016	1,065,757	705,125	95,890,660
GROSS EXPENSE BUDGET FOR 2005-06	62,436,956	5,014,563	50,946,252	0	2,645,387	16,732,437	4,328,985	58,926,214	8,625,941	5,419,353	215,076,088

BUDGET GROUP V : OTHER ACADEMIC COSTS

DIVISIONAL BUDGET SCHEDULES

	SHERIDAN & JOINT PROGRAMS EXTERNAL	PROVOST'S RESERVE & CONTINGENCY (BASE)	RESIDENCE FUNDING	FACULTY RECRUITMENT	RESERVE FOR RESEARCH OVERHEAD	NON- DEPARTMENTAL PROFESSORS	ACADEMIC PROGRAM PLANNING	INFORMATION TECHNOLOGY & UPGRADES	RESEARCH SUPPORT P.D.& D.	TUITION SHARING
Net Base Budget for 2004-05	4,009,363	2,758,015	1,860,000	3,539,845	0	448,393	5,000,000	2,000,000	345,657	1,556,680
One-Time-Only Budget for 2004-05				0	721,854	0				0
TOTAL NET BUDGET FOR 2004-05	4,009,363	2,758,015	1,860,000	3,539,845	721,854	448,393	5,000,000	2,000,000	345,657	1,556,680
RECOMMENDED BUDGET CHANGES:										
ADDITIONS TO BASE:										
Balance of Prior Year's Salary/Benefit Increase				0		2,861				
Priorities Funds				0						
Expense Offset by Additional Income				0						
Transfers				0						
Contract. Oblig. & Policy Commit.	779,152	400,000		0			5,000,000			2,948,453
REDUCTIONS FROM BASE:										
Budget Reduction		(62,032)		0						
Academic PTR Recovery				0						
Expense Recovery				0						
Transfers		(479,755)		(20,000)				(466,000)		(2,538,119)
Contract. Oblig. & Policy Commit.				0						
(INCREASE) DECREASE IN DIVISIONAL REVENUE				0		0				
RECOMMENDED BASE BUDGET CHANGE	779,152	(141,787)	0	(20,000)	0	2,861	5,000,000	(466,000)	0	410,334
ONE-TIME-ONLY BUDGET CHANGES:										
Research Overhead (Net Changes)				0						
Contract. Oblig. & Policy Commit. (Net Changes)				0	5,031,630		0	0		
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	0	0	0	5,031,630	0	0	0	0	0
Recommended Net Base Budget for 2005-06	4,788,515	2,616,228	1,860,000	3,519,845	0	451,254	10,000,000	1,534,000	345,657	1,967,014
Recommended OTO Budget for 2005-06	0	0	0	0	5,753,484	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	4,788,515	2,616,228	1,860,000	3,519,845	5,753,484	451,254	10,000,000	1,534,000	345,657	1,967,014

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :				0						
External Income :				0						
Internal Recoveries :				0	0	0				
External Recoveries :				0						
Negative Approp. :				0						
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	0	0	0	0	0	0	0	0	0	0
GROSS EXPENSE BUDGET FOR 2005-06	4,788,515	2,616,228	1,860,000	3,519,845	5,753,484	451,254	10,000,000	1,534,000	345,657	1,967,014

BUDGET GROUP V : OTHER ACADEMIC COSTS

	INTL TUITION SHARING	ATOP/EGF	ACADEMIC REVIEWS	ADMINISTRATORS ON LEAVE	ENDOW CHAIRS/ UNIV. PROF'S. MATCHING FDS. INCOME	ACAD PRIORITIES FUND	ACADEMIC SERVICE INITIATIVES	DIVISIONAL CAMPAIGN EXPENSES	CANADA RESEARCH CHAIRS	TRANSITIONAL FUNDING	OVERHEAD ON FEDERAL RESEARCH GRANTS	FACILITIES RENOVATIONS & UPGRADES FROM PROGRAM PLANNING	OSOTF MATCHING	OTHER Fields Institute Griev.,Conf.Sup Search Comm., & Adv.Acad Post.	TOTAL GROUP V
Net Base Budget for 2004-05	0	41,085,661	225,307	0	(367,000)	6,536,915	1,000,000	2,100,000	33,540,706	2,120,000	3,765,095	6,200,000	2,500,000	416,193	120,640,830
One-Time-Only Budget for 2004-05	0	0	0	201,276	0	0	0	0	0	0	0	0	0	0	923,130
TOTAL NET BUDGET FOR 2004-05	0	41,085,661	225,307	201,276	(367,000)	6,536,915	1,000,000	2,100,000	33,540,706	2,120,000	3,765,095	6,200,000	2,500,000	416,193	121,563,960
RECOMMENDED BUDGET CHANGES:															
ADDITIONS TO BASE:															
Balance of Prior Year's Salary/Benefit Increase						0			0					0	2,861
Priorities Funds						0			0					0	0
Expense Offset by Additional Income						0			0					0	0
Transfers						22,725			2,927,856					0	2,950,581
Contract, Oblig. & Policy Commit.	3,850,469	11,422,831				0	500,000		1,762,403			(4,200,000)		0	22,463,308
REDUCTIONS FROM BASE:															
Budget Reduction						0			0					0	(62,032)
Academic PTR Recovery						0			0					0	0
Expense Recovery						0			0					0	0
Transfers		(976,781)			367,000	(1,533,696)			(5,042,662)					0	(10,690,013)
Contract, Oblig. & Policy Commit.						0			0					0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE						0			0					0	0
RECOMMENDED BASE BUDGET CHANGE	3,850,469	10,446,050	0	0	367,000	(1,510,971)	500,000	0	(352,403)	0	0	(4,200,000)	0	0	14,664,705
ONE-TIME-ONLY BUDGET CHANGES:															
Research Overhead (Net Changes)						0			0					0	0
Contract, Oblig. & Policy Commit. (Net Changes)	0	0	0	506,457				0	0	0		0	0	0	5,538,087
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	0	0	506,457	0	0	0	0	0	0	0	0	0	0	5,538,087
Recommended Net Base Budget for 2005-06	3,850,469	51,531,711	225,307	0	0	5,025,944	1,500,000	2,100,000	33,188,303	2,120,000	3,765,095	2,000,000	2,500,000	416,193	135,305,535
Recommended OTO Budget for 2005-06	0	0	0	707,733	0	0	0	0	0	0	0	0	0	0	6,461,217
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	3,850,469	51,531,711	225,307	707,733	0	5,025,944	1,500,000	2,100,000	33,188,303	2,120,000	3,765,095	2,000,000	2,500,000	416,193	141,766,752
DIVISIONAL REVENUE (INCL. RECOVERIES)															
Endowment Income :					0	0			0					0	0
External Income :					0	0			0					500,000	500,000
Internal Recoveries :					0	0			10,038,147					0	10,038,147
External Recoveries :					0	0			0					0	0
Negative Approp. :					0	0			0					0	0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	0	0	0	0	0	0	0	0	10,038,147	0	0	0	0	500,000	10,538,147
GROSS EXPENSE BUDGET FOR 2005-06	3,850,469	51,531,711	225,307	707,733	0	5,025,944	1,500,000	2,100,000	43,226,450	2,120,000	3,765,095	2,000,000	2,500,000	916,193	152,304,899

BUDGET GROUP VI : ACADEMIC SERVICES

DIVISIONAL BUDGET SCHEDULES

	ST GEORGE LIBRARY OPERATIONS & INFO COMMONS	ST GEORGE LIBRARY BOOK FUND	OISE/UT LIBRARY	ERINDALE LIBRARY	SCARBOROUGH LIBRARY	UNIV. OF TORONTO COMPUTING	TOTAL GROUP VI
Net Base Budget for 2004-05	25,181,178	19,350,772		3,592,417	5,254,605	7,189,339	60,568,311
One-Time-Only Budget for 2004-05	13,863	0		0	0	0	13,863
TOTAL NET BUDGET FOR 2004-05	25,195,041	19,350,772	0	3,592,417	5,254,605	7,189,339	60,582,174
RECOMMENDED BUDGET CHANGES:							
ADDITIONS TO BASE:							0
Balance of Prior Year's Salary/Benefit Increase	1,538,649		0	112,610	149,753	332,882	2,133,894
Priorities Funds				0	0	0	0
Expense Offset by Additional Income				0	0	0	0
Transfers	41,215		0	0	0	271,000	312,215
Contract. Oblig. & Policy Commit.	3,346	803,057		54,907	52,642	0	913,952
REDUCTIONS FROM BASE:							0
Budget Reduction	(532,784)		0	(47,639)	(82,717)	(150,445)	(813,585)
Academic PTR Recovery	(207,952)			0	0	0	(207,952)
Expense Recovery				0	0	0	0
Transfers			0	0	0	0	0
Contract. Oblig. & Policy Commit.				0	0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0		0	0	0	0	0
RECOMMENDED BASE BUDGET CHANGE	842,474	803,057	0	119,878	119,678	453,437	2,338,524
ONE-TIME-ONLY BUDGET CHANGES:							
Research Overhead (Net Changes)	(13,863)	0		0	0	0	(13,863)
Contract. Oblig. & Policy Commit. (Net Changes)				0	0	0	0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(13,863)	0	0	0	0	0	(13,863)
Recommended Net Base Budget for 2005-06	26,023,652	20,153,829	0	3,712,295	5,374,283	7,642,776	62,906,835
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	26,023,652	20,153,829	0	3,712,295	5,374,283	7,642,776	62,906,835
DIVISIONAL REVENUE (INCL. RECOVERIES)							
Endowment Income :	65,000			0	0	0	65,000
External Income :	3,500,553			52,000	58,000	419,000	4,029,553
Internal Recoveries :	1,609,683			0	71,345	7,634,945	9,315,973
External Recoveries :	2,150,371			0	0	0	2,150,371
Negative Approp. :				0	0	271,000	271,000
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	7,325,607	0	0	52,000	129,345	8,324,945	15,831,897
GROSS EXPENSE BUDGET FOR 2005-06	<u>33,349,259</u>	<u>20,153,829</u>	<u>0</u>	<u>3,764,295</u>	<u>5,503,628</u>	<u>15,967,721</u>	<u>78,738,732</u>

BUDGET GROUP VII : CAMPUS & STUDENT SRVCS

DIVISIONAL BUDGET SCHEDULES

	ST GEORGE CAMPUS & ST SRVCS	ERINDALE CAMPUS & ST SRVCS	SCARBOROUGH CAMPUS & ST SRVCS	TOTAL GROUP VII
Net Base Budget for 2004-05	0	300,786	1,123,082	1,423,868
One-Time-Only Budget for 2004-05	0	0	0	0
TOTAL NET BUDGET FOR 2004-05	0	300,786	1,123,082	1,423,868

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:				0
Balance of Prior Year's Salary/Benefit Increase	0	16,016	46,067	62,083
Priorities Funds	0	0	0	0
Expense Offset by Additional Income	0	0	0	0
Transfers	0	0	0	0
Contract. Oblig. & Policy Commit.	0	0	0	0
REDUCTIONS FROM BASE:				
Budget Reduction	0	0	0	0
Academic PTR Recovery	0	0	0	0
Expense Recovery	0	0	0	0
Transfers	0	0	0	0
Contract. Oblig. & Policy Commit.	0	0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0	0	0	0
RECOMMENDED BASE BUDGET CHANGE	0	16,016	46,067	62,083

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)	0	0	0	0
Contract. Oblig. & Policy Commit. (Net Changes)	0	0	0	0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	0	0	0

Recommended Net Base Budget for 2005-06	0	316,802	1,169,149	1,485,951
Recommended OTO Budget for 2005-06	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	0	316,802	1,169,149	1,485,951

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :	0	0	0	0
External Income :	11,527,292	4,652,084	3,951,568	20,130,944
Internal Recoveries :	670,610	304,812	586,414	1,561,836
External Recoveries :	659	46,564	0	47,223
Negative Approp. :	0	0	0	0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	12,198,561	5,003,460	4,537,982	21,740,003
GROSS EXPENSE BUDGET FOR 2005-06	<u>12,198,561</u>	<u>5,320,262</u>	<u>5,707,131</u>	<u>23,225,954</u>

BUDGET GROUP VIII : STUDENT ASSISTANCE

DIVISIONAL BUDGET SCHEDULES

	UNDERGRAD		GRADUATE		OGSST	STUDENT AID REINVESTMENT	INTL STUDENT AID REINVESTMENT	STUDENT AID FUNDED FROM RESTRICTED FUNDS	SUB TOTAL CENTRAL ST ASSIST	ERINDALE	SCARBOROUGH	OISE/UT	TOTAL GROUP VIII
	STUDENT ASSISTANCE	GRADUATE FELLOWSHIPS	GRADUATE STUDENT AID	GRADUATE INTL STUDENT AID									
Net Base Budget for 2004-05	5,755,696	2,124,862	3,537,863	0	2,600,000	26,508,699	0	19,310,000	59,837,120	56,400	186,000	6,460,789	66,540,309
One-Time-Only Budget for 2004-05	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NET BUDGET FOR 2004-05	5,755,696	2,124,862	3,537,863	0	2,600,000	26,508,699	0	19,310,000	59,837,120	56,400	186,000	6,460,789	66,540,309

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:

Balance of Prior Year's Salary/Benefit Increase	3,853					0		0	3,853	0	0	0	3,853
Priorities Funds									0	0	0	0	0
Expense Offset by Additional Income									0	0	0	0	0
Transfers									0	0	0	0	0
Contract. Oblig. & Policy Commit.				1,128,015		1,752,994	641,745	6,290,000	9,812,754	0	0	0	9,812,754
REDUCTIONS FROM BASE:													
Budget Reduction									0	0	0	0	0
Academic PTR Recovery									0	0	0	0	0
Expense Recovery									0	0	0	0	0
Transfers						(80,000)			(80,000)	0	0	0	(80,000)
Contract. Oblig. & Policy Commit.									0	0	0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0								0	0	0	0	0
RECOMMENDED BASE BUDGET CHANGE	3,853	0	0	1,128,015	0	1,672,994	641,745	6,290,000	9,736,607	0	0	0	9,736,607

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)									0	0	0	0	0
Contract. Oblig. & Policy Commit. (Net Changes)	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	0	0	0	0	0	0	0	0	0	0	0	0

Recommended Net Base Budget for 2005-06	5,759,549	2,124,862	3,537,863	1,128,015	2,600,000	28,181,693	641,745	25,600,000	69,573,727	56,400	186,000	6,460,789	76,276,916
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	5,759,549	2,124,862	3,537,863	1,128,015	2,600,000	28,181,693	641,745	25,600,000	69,573,727	56,400	186,000	6,460,789	76,276,916

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :													0
External Income :	801,000								801,000	0	0	0	801,000
Internal Recoveries :	0	0							0	0	0	0	0
External Recoveries :	0								0	0	0	0	0
Negative Approp. :									0	0	0	0	0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	801,000	0	0	0	0	0	0	0	801,000	0	0	0	801,000
GROSS EXPENSE BUDGET FOR 2005-06	6,560,549	2,124,862	3,537,863	1,128,015	2,600,000	28,181,693	641,745	25,600,000	70,374,727	56,400	186,000	6,460,789	77,077,916

BUDGET GROUP IX : FACILITIES AND SERVICES

DIVISIONAL BUDGET SCHEDULES

	ST GEORGE MAINTENANCE & SERVICES	DEFFERED MAINTENANCE FUNDING	ST GEORGE UTILITIES	ERINDALE MAINTENANCE & SERVICES	ERINDALE UTILITIES	SCARBOROUGH MAINTENANCE & SERVICES	SCARBOROUGH UTILITIES	TOTAL GROUP IX
Net Base Budget for 2004-05	31,519,446	3,683,213	27,514,237	3,372,033	3,204,391	4,195,867	2,505,173	75,994,360
One-Time-Only Budget for 2004-05	29,000	0	0	0	0	0	0	29,000
TOTAL NET BUDGET FOR 2004-05	31,548,446	3,683,213	27,514,237	3,372,033	3,204,391	4,195,867	2,505,173	76,023,360

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:

Balance of Prior Year's Salary/Benefit Increase	1,071,188			111,085	0	136,387	0	1,318,660
Priorities Funds				0	0	0	0	0
Expense Offset by Additional Income				0	0	0	0	0
Transfers				288,131	0	262,222	0	550,353
Contract. Oblig. & Policy Commit.	1,843,766	3,867,803	1,551,135	536,143	(524,563)	428,745	462,467	8,165,496

REDUCTIONS FROM BASE:

Budget Reduction	(600,218)			(60,965)	0	(84,560)	0	(745,743)
Academic PTR Recovery				0	0	0	0	0
Expense Recovery				0	0	0	0	0
Transfers	(60,996)	(550,353)		0	0	0	0	(611,349)
Contract. Oblig. & Policy Commit.				0	0	0	0	0

(INCREASE) DECREASE IN DIVISIONAL REVENUE

	0	0	0	0	0	0	0	0
--	---	---	---	---	---	---	---	----------

RECOMMENDED BASE BUDGET CHANGE

	2,253,740	3,317,450	1,551,135	874,394	(524,563)	742,794	462,467	8,677,417
--	-----------	-----------	-----------	---------	-----------	---------	---------	------------------

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)				0	0	0	0	0
Contract. Oblig. & Policy Commit. (Net Changes)	(26,000)	0	0	0	0	0	0	(26,000)
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(26,000)	0	0	0	0	0	0	(26,000)

Recommended Net Base Budget for 2005-06	33,773,186	7,000,663	29,065,372	4,246,427	2,679,828	4,938,661	2,967,640	84,671,777
Recommended OTO Budget for 2005-06	3,000	0	0	0	0	0	0	3,000
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	33,776,186	7,000,663	29,065,372	4,246,427	2,679,828	4,938,661	2,967,640	84,674,777

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :				0	0	0	0	0
External Income :	1,899,852	0	4,030,438	13,000	30,000	25,586	0	5,998,876
Internal Recoveries :	23,515,970	0	3,514,633	340,027	90,000	1,481,684	0	28,942,314
External Recoveries :				77,403	0	0	0	77,403
Negative Approp. :				0	0	0	0	0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	25,415,822	0	7,545,071	430,430	120,000	1,507,270	0	35,018,593
								0
GROSS EXPENSE BUDGET FOR 2005-06	59,192,008	7,000,663	36,610,443	4,676,857	2,799,828	6,445,931	2,967,640	119,693,370

BUDGET GROUP X : ADMINISTRATIVE & GOVERNANCE

DIVISIONAL BUDGET SCHEDULES

	GOVERNING COUNCIL, OMBUDSPERSON, INTERNAL AUDIT	OFFICE OF THE PRESIDENT	INSTITUTIONAL COST (incl Sexual Harassment)	VICE-PRES & PROVOST (incl Office of Teach/Advancemnt)	VICE-PROVOST PLANNING & BUDGET	VICE PROVOST - STUDENTS		VICE PROVOST SPACE & FACIL. PLANNING	VICE PRESIDENT BUSINESS AFFAIRS	VICE PRESIDENT HUMAN RESOURCES	VICE PRESIDENT & CHIEF ADVANCEMENT OFFICER	VICE PRESIDENT GOVERNMENT & INST. RELTNS	VICE PRESIDENT RESEARCH & ASSOC PROVOST	SUBTOTAL ST GEORGE ADMIN	ERINDALE ADMIN	SCARBOROUGH ADMIN	TOTAL GROUP X
						OFFICE OF THE STUDENT AFFAIRS	VICE-PROVOST STUDENTS OTHER										
Net Base Budget for 2004-05	2,315,177	1,145,254	1,593,439	2,634,437	2,107,388	26,325	9,075,161	1,529,997	10,243,515	6,078,031	14,332,223	627,876	5,180,223	56,889,046	1,889,819	9,140,976	67,919,841
One-Time-Only Budget for 2004-05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NET BUDGET FOR 2004-05	2,315,177	1,145,254	1,593,439	2,634,437	2,107,388	26,325	9,075,161	1,529,997	10,243,515	6,078,031	14,332,223	627,876	5,180,223	56,889,046	1,889,819	9,140,976	67,919,841
RECOMMENDED BUDGET CHANGES:																	
ADDITIONS TO BASE:																	
Balance of Prior Year's Salary/Benefit Increase	128,225	55,807	47,543	124,925	110,737	0	358,807	87,500	533,982	297,300	531,811	32,123	242,396	2,551,156	215,050	196,230	2,962,436
Priorities Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense Offset by Additional Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	24,718	110,613	0	0	70,000	444,996	20,000	0	0	0	0	670,327	0	0	670,327
Contract, Oblig. & Policy Commit.	0	0	0	0	0	0	734,008	0	0	52,372	0	0	0	786,380	0	0	786,380
REDUCTIONS FROM BASE:																	
Budget Reduction	(48,868)	(24,021)	(28,020)	(55,187)	(44,363)	0	(160,776)	(32,350)	(215,550)	(118,107)	(141,281)	(13,200)	(108,452)	(990,175)	(42,097)	(186,744)	(1,219,016)
Academic PTR Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	(51,042)	0	0	0	0	0	0	(51,042)	0	0	(51,042)
Contract, Oblig. & Policy Commit.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOMMENDED BASE BUDGET CHANGE	79,357	31,786	19,523	94,456	176,987	0	880,997	125,150	763,428	251,565	390,530	18,923	133,944	2,966,646	172,953	9,486	3,149,085
ONE-TIME-ONLY BUDGET CHANGES:																	
Research Overhead (Net Changes)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contract, Oblig. & Policy Commit. (Net Changes)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recommended Net Base Budget for 2005-06	2,394,534	1,177,040	1,612,962	2,728,893	2,284,375	26,325	9,956,158	1,655,147	11,006,943	6,329,596	14,722,753	646,799	5,314,167	59,855,692	2,062,772	9,150,462	71,068,926
Recommended OTO Budget for 2005-06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	2,394,534	1,177,040	1,612,962	2,728,893	2,284,375	26,325	9,956,158	1,655,147	11,006,943	6,329,596	14,722,753	646,799	5,314,167	59,855,692	2,062,772	9,150,462	71,068,926
DIVISIONAL REVENUE (INCL. RECOVERIES)																	
Endowment Income :	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
External Income :	22,000	0	0	0	0	2,132,850	2,003,186	575,075	557,643	0	2,122,990	0	0	7,413,744	465,025	220,550	8,099,319
Internal Recoveries :	83,000	0	0	377,864	43,649	321,895	599,576	531,487	4,000,054	966,419	1,760,492	0	84,723	8,769,159	4,003,320	163,185	12,935,664
External Recoveries :	56,500	0	0	0	0	0	0	0	38,800	0	0	0	0	95,300	0	0	95,300
Negative Approp. :	0	0	0	0	0	0	0	0	0	77,193	0	0	0	77,193	0	0	77,193
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	161,500	0	0	377,864	43,649	2,454,745	2,602,762	1,106,562	4,596,497	1,043,612	3,883,482	0	84,723	16,355,396	4,468,345	383,735	21,207,476
GROSS EXPENSE BUDGET FOR 2005-06	2,556,034	1,177,040	1,612,962	3,106,757	2,328,024	2,481,070	12,558,920	2,761,709	15,603,440	7,373,208	18,606,235	646,799	5,398,890	76,211,088	6,531,117	9,534,197	92,276,402

BUDGET GROUP XI : GENERAL UNIVERSITY EXPENSE & OTHERS

DIVISIONAL BUDGET SCHEDULES

	GENERAL UNIVERSITY EXPENSE	ACCOMMODATION & FACILITIES DIRECTORATE	LEASE COST OF OFF CAMPUS SPACE	MUNICIPAL TAXES	TOTAL GROUP XI
Net Base Budget for 2004-05	78,144,474	265,206	929,937	4,235,325	83,574,942
One-Time-Only Budget for 2004-05	206,620	429,369			635,989
TOTAL NET BUDGET FOR 2004-05	78,351,094	694,575	929,937	4,235,325	84,210,931

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:

Balance of Prior Year's Salary/Benefit Increase	(29,293,090)				(29,293,090)
Priorities Funds	0				0
Expense Offset by Additional Income	0				0
Transfers	812,292				812,292
Contract. Oblig. & Policy Commit.	26,066,070		18,820	259,050	26,343,940

REDUCTIONS FROM BASE:

Budget Reduction	146,335	(5,304)			141,031
Academic PTR Recovery	198,078				198,078
Expense Recovery	0				0
Transfers	(1,370,081)				(1,370,081)
Contract. Oblig. & Policy Commit.	0				0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0				0
RECOMMENDED BASE BUDGET CHANGE	(3,440,396)	(5,304)	18,820	259,050	(3,167,830)

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)	0	(429,369)	0	0	(429,369)
Contract. Oblig. & Policy Commit. (Net Changes)	135,000				135,000
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	135,000	(429,369)	0	0	(294,369)

Recommended Net Base Budget for 2005-06	74,704,078	259,902	948,757	4,494,375	80,407,112
Recommended OTO Budget for 2005-06	341,620	0	0	0	341,620
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	75,045,698	259,902	948,757	4,494,375	80,748,732

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :	217,000				217,000
External Income :	0				0
Internal Recoveries :	6,038,635				6,038,635
External Recoveries :	0				0
Negative Approp. :	0				0
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	6,255,635	0	0	0	6,255,635
GROSS EXPENSE BUDGET FOR 2005-06	<u>81,301,333</u>	<u>259,902</u>	<u>948,757</u>	<u>4,494,375</u>	<u>87,004,367</u>

EXPENSE SUMMARY

DIVISIONAL BUDGET SCHEDULES

	TOTAL GROUP I: ARTS & SC	TOTAL GROUP II: SCHOOLS/COLLS	TOTAL GROUP III: HLTH SCI	TOTAL GROUP IV: PROF FACS	TOTAL GROUP V: OAC	SUBTOTAL GROUPS I-V: ACADEMIC	TOTAL GROUP VI: AC SRVCS	TOTAL GROUP VII: C & S S	TOTAL GROUP VIII: ST ASSIST	TOTAL GROUP IX: FAC & SRVCS	TOTAL GROUP X: ADM & GOV	TOTAL GROUP XI: GEN UNIV & OTH	TOTAL
Net Base Budget for 2004-05	240,178,442	10,634,409	98,880,415	111,349,625	120,640,830	581,683,721	60,568,311	1,423,868	66,540,309	75,994,360	67,919,841	83,574,942	937,705,352
One-Time-Only Budget for 2004-05	1,381,660	306,099	1,431,996	1,933,920	923,130	5,976,805	13,863	0	0	29,000	0	635,989	6,655,657
TOTAL NET BUDGET FOR 2004-05	241,560,102	10,940,508	100,312,411	113,283,545	121,563,960	587,660,526	60,582,174	1,423,868	66,540,309	76,023,360	67,919,841	84,210,931	944,361,009

RECOMMENDED BUDGET CHANGES:

ADDITIONS TO BASE:

Balance of Prior Year's Salary/Benefit Increase	12,225,980	593,921	5,048,042	4,941,360	2,861	22,812,164	2,133,894	62,083	3,853	1,318,660	2,962,436	(29,293,090)	0
Priorities Funds	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense Offset by Additional Income	0	0	100,000	100,000	0	200,000	0	0	0	0	0	0	200,000
Transfers	5,423,481	199,555	1,409,169	3,259,576	2,950,581	13,242,362	312,215	0	0	550,353	670,327	812,292	15,587,549
Contract, Oblig. & Policy Commit.	425,029	1,968	260	2,175,731	22,463,308	25,066,296	913,952	0	9,812,754	8,165,496	786,380	26,343,940	71,088,818
REDUCTIONS FROM BASE:													0
Budget Reduction	(4,651,013)	(223,619)	(2,025,776)	(1,764,247)	(62,032)	(8,726,687)	(813,585)	0	0	(745,743)	(1,219,016)	141,031	(11,364,000)
Academic PTR Recovery	(2,747,357)	(15,010)	(805,979)	(735,402)	0	(4,303,748)	(207,952)	0	0	0	0	198,078	(4,313,622)
Expense Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	(1,655,502)	0	(1,088,347)	(41,215)	(10,690,013)	(13,475,077)	0	0	(80,000)	(611,349)	(51,042)	(1,370,081)	(15,587,549)
Contract, Oblig. & Policy Commit.	0	0	0	0	0	0	0	0	0	0	0	0	0
(INCREASE) DECREASE IN DIVISIONAL REVENUE	0	0	(100,000)	(100,000)	0	(200,000)	0	0	0	0	0	0	(200,000)
RECOMMENDED BASE BUDGET CHANGE	9,020,618	556,815	2,537,369	7,835,803	14,664,705	34,615,310	2,338,524	62,083	9,736,607	8,677,417	3,149,085	(3,167,830)	55,411,196

ONE-TIME-ONLY BUDGET CHANGES:

Research Overhead (Net Changes)	(996,415)	(306,099)	(1,431,996)	(1,933,920)	0	(4,668,430)	(13,863)	0	0	0	0	(429,369)	(5,111,662)
Contract, Oblig. & Policy Commit. (Net Changes)	(385,245)	0	0	0	5,538,087	5,152,842	0	0	0	(26,000)	0	135,000	5,261,842
RECOMMENDED ONE-TIME-ONLY BUDGET CHANGE	(1,381,660)	(306,099)	(1,431,996)	(1,933,920)	5,538,087	484,412	(13,863)	0	0	(26,000)	0	(294,369)	150,180

Recommended Net Base Budget for 2005-06	249,199,060	11,191,224	101,417,784	119,185,428	135,305,535	616,299,031	62,906,835	1,485,951	76,276,916	84,671,777	71,068,926	80,407,112	993,116,548
Recommended OTO Budget for 2005-06	0	0	0	0	6,461,217	6,461,217	0	0	0	3,000	0	341,620	6,805,837
TOTAL RECOMMENDED NET BUDGET FOR 2005-06	249,199,060	11,191,224	101,417,784	119,185,428	141,766,752	622,760,248	62,906,835	1,485,951	76,276,916	84,674,777	71,068,926	80,748,732	999,922,385

DIVISIONAL REVENUE (INCL. RECOVERIES)

Endowment Income :	2,200,000	0	2,725,296	6,642,634	0	11,567,930	65,000	0	0	0	0	217,000	11,849,930
External Income :	11,429,012	10,455,888	39,000,242	56,144,399	500,000	117,529,541	4,029,553	20,130,944	801,000	5,998,876	8,099,319	0	156,589,233
Internal Recoveries :	24,704,014	822,543	15,627,083	30,094,220	10,038,147	81,286,007	9,315,973	1,561,836	0	28,942,314	12,935,664	6,038,635	140,080,429
External Recoveries :	6,301,066	369,461	34,540,467	1,980,239	0	43,191,233	2,150,371	47,223	0	77,403	95,300	0	45,561,530
Negative Approp. :	2,953,096	176,204	0	1,029,168	0	4,158,468	271,000	0	0	0	77,193	0	4,506,661
TOTAL DIVISIONAL REVENUE (INCL. RECOVERIES)	47,587,188	11,824,096	91,893,088	95,890,660	10,538,147	257,733,179	15,831,897	21,740,003	801,000	35,018,593	21,207,476	6,255,635	358,587,783

GROSS EXPENSE BUDGET FOR 2005-06	296,786,248	23,015,320	193,310,872	215,076,088	152,304,899	880,493,427	78,738,732	23,225,954	77,077,916	119,693,370	92,276,402	87,004,367	1,358,510,168
---	--------------------	-------------------	--------------------	--------------------	--------------------	--------------------	-------------------	-------------------	-------------------	--------------------	-------------------	-------------------	----------------------

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

#	Budget Model Line	Assumption March 2004	Assumption Update February 2005
1.	Period of Budget Guidelines	2004-05 to 2009-10	
2.	General Rate of Inflation (CPI)	CPI assumed to be 2.0% annually. While the CPI for 2002-03 was greater than 2%, the projections from the Provincial and Federal Governments and the Institute for Policy Analysis range between 1.97 and 2.04 for the period 2004-10.	Updated CPI projections from 3 economic forecasting agencies indicate that 2% remains an appropriate assumption.
	Revenue Assumptions		
3.	Domestic U/G Enrolment	Enrolment is assumed to follow the plans described as Phases 1 and 2 in <i>Update on Enrolment Expansion</i> , which has received Governing Council approval. A further increase of 750 was added in Phase 3 of this plan. Two additional increases in intake of 750 and 85 students in 2003-04 were included in the March 2003 and April 2003 Enrolment Target Agreements with the Provincial Government.	Enrolment will continue to grow according to plan to 2006-07 as a result of the flow through of the double cohort. In 2007-08 and beyond, domestic undergraduate enrolment will decline as a result of a planned reduction in overall total undergraduate enrolment. At the same time there will be increase in international enrolment (see #4.)
4.	International U/G Enrolment	International enrolment intake assumptions will be maintained at least at the 2000-01 level. In 2003-04 international enrolment increased. Flow through of this increase is reflected in outer year projections.	International enrolment intake assumptions have been updated to reflect higher the 2004-05 level. Additional growth beyond this level is projected for some divisions.
5.	Graduate Enrolment	For the purposes of budget projections, modest growth has been assumed. Domestic and international doctoral stream enrolment targets and revenue sharing arrangements will be negotiated as part of new Divisional plans.	

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

6.	Government Operating Grants	<p>It is assumed that Government will continue to provide full funding for increased enrolment associated with the double cohort and its flow through the system. Funding per student will be held at the same level as in 2003-04, but beyond 2006-07, the revenue from Government Operating Grants will increase year over year by CPI to cover increased costs. This increase will be in addition to any revenue from enrolment increases.</p> <p>It is also assumed that there will be no change in the cap on graduate funding over the period of the guidelines. As a result, some graduate BIUs will continue to be unfunded. Only tuition revenue will be realized for any increase in graduate enrolment.</p>	<p>Undergraduate Accessibility Fund projections have been updated to reflect the latest enrolment projections.</p> <p>The Provincial Government announced in the March 2004 budget that the ATOP fund would be reduced by approximately 12%. The university's portion is projected to decrease in 2005-06 and beyond from \$10.2M to \$9.0.</p> <p>The OGSST grant (\$1.7M) and the Special Medical Research Grant from the Ministry of Health and Long term Care (\$3.5M) are projected to end in 2007-08.</p>
7.	Ontario Quality Assurance Fund	<p>The Double Cohort Quality Assurance Fund will be maintained at the levels announced last year. The University will receive its pro-rata share of this Fund, starting at \$14.7M in 2003-04 and rising to steady state of \$39.1M by 2006-07.</p>	<p>The Provincial Government announced in the March 2004 budget that the Quality Assurance Fund would be capped at 2003-04 levels (\$14.7M for UofT). The University lost \$8M in 2004-05 and will lose \$16M in 2005-06 as a result of the cap. The University assumes that the provincial government will announce new funding to replace the Quality Assurance Fund to achieve the steady state planned amount of \$39.1M by 2006-07.</p>
8.	Replacement Funding for Tuition Freeze	<p>It is assumed that the provincial government will provide replacement funding to compensate for tuition fees lost as a result of the two-year freeze. The foregone revenue has been estimated as \$11M in 2004-05 and \$24M in 2005-06. However, for budgeting purposes, lower estimates of \$6.3M and \$13.3M, respectively, have been used to reflect the uncertainty.</p>	<p>The Provincial Government has now announced that it will provide replacement funding to compensate for tuition fees lost as a result of the two-year freeze. Funding received in 2004-05 was \$9.6M. It is assumed this will approximately double to \$20M in the second year of the freeze. These amounts are still short of the \$11M and \$24M estimates of revenue lost by the University.</p>

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

9.	Tuition Fee Rates: Domestic	Fees in all programs are assumed to be frozen in 2004-05 and 2005-06 at 2003-04 levels. However, flow through of previous increases is allowed. Fees to be increased by CPI (estimated to be 2%) in 2006-07 and beyond.	
10.	Tuition Fee Rates: International	A new tuition fee schedule for international students will be introduced, with a 5% increase in 2004-05 and further increases in 2005-06.	A new tuition fee schedule for international students will be introduced, with a median increase in 2005-06 of 23%. In 2006-07 it is assumed international fees will increase by 5% (previously set at 2%). In 2007-08 and beyond, the increase assumption remains unchanged at 2%.
11.	Endowment Revenue for Chairs and Student Aid	The endowment income is based on projected payout rates of \$6.73 for 2003-04, rising by 2% a year to \$7.58 by 2009-10. Revenue includes endowed income from student aid and divisional income from endowed chairs.	The projected endowment payout rate for 2005-06 is \$7.00. This remains unchanged from the original projection.
12.	Canada Research Chairs Program	The Canada Research Chairs program will be renewed with the same terms after its expiry in 2007-08, and the University of Toronto will maintain its current share of the program.	
13.	Indirect Cost Recovery on Research Grants and Contracts	Revenue from indirect cost recovery flows to general university income, from : <ul style="list-style-type: none"> • Provincial Centres of Excellence • Connaught and I'Anson Funds • Other Grants and Contracts • ORDCE • Canada Research Chairs • Ontario Research Performance Fund • Federal Granting Councils 	
14.	Other Grants and Contracts	Revenue projected to increase by approximately 1% per year.	

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

15.	Ontario Research Performance Fund	This is projected to be \$5.4 M in 2004-05 through to 2009-10.	The \$5.4M RPF program is expected to end in 2006-07. A conservative estimate of funding to be received from the newly created Ontario Research Fund, to replace the RPF, has been projected at \$2.6M, starting in 2007-08.
16.	Federal Government Indirect Cost of Research Program	The Federal Government confirmed a fund of \$225M for the indirect costs of federally supported research in 2003-04 and beyond. The University's share, excluding the affiliated teaching hospitals, is projected at \$15.1M. The program is a 3-year program with an IDC rate of 20%. This will be reviewed in 2005-06 with advocacy toward increasing the rate to 40%. The long range plan is based on a 20% rate.	In their last budget the Federal Government announced an increase to the fund of \$20M. Due to the distribution formula for the additional funding, it is projected that the university's share will not increase materially and projected revenue has been held constant at the 2004-05 budget level.
17.	Endowment Administration and Investment Management Fees	In 2000-01 the University introduced an investment management overhead fee on EFIP, LTCAP and pension funds and an endowment stewardship fee on LTCAP to recover from those funds the indirect costs incurred by the University for these purposes. The projected investment management fee revenue is \$0.6M and the projected endowment administration fee is \$5.4M in 2004-05. Fees are projected to rise at 4% per year thereafter.	Investment management fees and endowment administration fees are projected to rise by 2% per year.
18.	Investment Income	UBS Cash-in-Action: 2.93% for 2004-05 and beyond Investments managed by UTAM: 4.5% for 2004-05 and beyond Internal loans with signed agreements: 5.76% for 2004-05, 6.11% for 2005-06, 6.31% 2006-07, 6.34% for 2007-08 and beyond.	UBS Cash-in-Action: 3.09% in 2006-07, increasing to 4.42% by 2009-10. Investments managed by UTAM: 3.71% in 2005-06, increasing to 5.04% by 2009-10 (1 year T-Bill plus 50 BPS) Internal loans with signed agreements: 6.35% for 2005-06, 6.38% for 2006-07 and beyond.
19.	Amortization of Investment Losses	The recent market loss in EFIP investment is being amortized at \$10.6M a year for 3 years.	Amortization of the market loss in EFIP investments has been reduced from \$10.6M to \$4.8M in 2006-07.

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

20.	Other Income	<p>This includes revenue from:</p> <ul style="list-style-type: none"> • Surcharge on unpaid fees • Application fees • Central overhead charges to self-funded academic programs <p>Projections for the surcharge and application fees are calculated based on projected enrolment levels. Projections for overhead revenue are based on an established overhead model.</p>	
21.	Divisional Income	<p>Increased divisional revenues are offset by increased divisional expense allocations. Divisional income is projected to increase at 2% a year.</p>	
Expenditure Assumptions			
22.	Contractual Obligations and Policy Commitments (COPC)	<p>This section includes expenditures which are protected because they are required through contractual obligations or policy. For further detail, refer to the 2004-05 COPC Report.</p>	

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10
An Update, February 2005

23.	Compensation	<p>The following assumptions are for modeling purposes only and do not represent a strategy for salary negotiations.</p> <ul style="list-style-type: none"> • Compensation increases for 2003-04 and 2004-05 for UTFA are included. • Compensation increases for all university employees, including the costs associated with benefit improvements, are assumed to be as follows for 2005-06 and beyond: <ul style="list-style-type: none"> UTFA: CPI plus cost of PTR annually, Professional/ management: CPI plus merit Other employees: CPI annually (step increases are funded by the Divisions) • Cost increases associated with the provision of the existing level of employee benefits are captured in assumption # 24. • The sum of \$0.5M in base will be transferred annually from general university revenue to the Faculty Retention Fund. 	
24.	Pension Deficit Amortization	The deficit in the pension fund is being amortized at \$26.5M a year for 15 years.	

Appendix A

**Revenue and Expense Assumptions for the Period 2004-05 to 2009-10
An Update, February 2005**

25.	Employer Benefits Costs	<p>It is assumed that the standard benefit rates will increase to 20.75% for appointed employees and at 9.75% for non-appointed employees. The higher rates do not include the pension amortization payments that are required beginning 2004-05.</p> <p>The Guidelines include the full current service costs for the regular pension plan and the supplementary retirement allowance (SRA) in base. Projections have been updated based on latest consultations with actuaries which have resulted in the Pension Strategy that was approved by the Business Board on January 19, 2004.</p>	<p>It is assumed that the standard benefit rates will increase to 22.25% for appointed employees and at 10% for non-appointed employees.</p>
26.	Enrolment Growth Fund	<p>Expenditures from this fund are based on the same enrolment levels used for operating grant and tuition revenue projections. In general, Divisions will receive:</p> <ul style="list-style-type: none"> • 75% of the tuition fee revenue net of mandated student aid plus 75% of the operating grant revenue generated by the approved increased undergraduate domestic enrolment, • 60% of tuition fee revenue generated by the increased undergraduate international enrolment, • In certain approved cases, 75% of the tuition fee revenue net of mandated student aid generated by increased enrolment in professional masters programs. <p>Funding will not be allocated for enrolment increases planned prior to 2000-01, nor those increases funded from other funding envelopes.</p>	<p>Enrolment Growth Fund projections have been updated to reflect the latest domestic and international enrolment projections.</p>

Appendix A

**Revenue and Expense Assumptions for the Period 2004-05 to 2009-10
An Update, February 2005**

27.	Student Aid Reinvestment	<p>A portion of tuition revenue will continue to be set aside for undergraduate student aid. The retained portion consists of 30% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze.</p> <p>The Stepping Up academic plan includes as an important objective a substantial increase in student aid. The amount set aside from incremental tuition fee revenue will form part of this increase. In addition, the University will strive to achieve its objectives in this area through the OSOTF program and other development efforts.</p>	
28.	Graduate Student Support	<p>A portion of tuition revenue will continue to be set aside for graduate student support. The retained portion consists of 100% of the incremental tuition revenue due to tuition fee increases above the 1995-96 levels. Projections have been updated to reflect the impact of the tuition freeze.</p>	
29.	Matching Programs	<p>\$2.5M in base is allocated for various matching programs.</p>	
30.	Quality Enhancement Funds from Tuition Sharing	<p>Revenue from tuition fee increases greater than 5%, net of mandated student aid, will flow to the Tuition Sharing Fund to be allocated to Divisions in response to plans for quality improvement. Projections have been updated to reflect the impact of tuition freeze.</p>	<p>Revenue from funding received from MTCU for tuition replacement as a result of the tuition freeze (5.6%), for undergraduate deregulated programs, net of 5%, will flow to the Tuition Sharing Fund to be allocated to Divisions. No additional student aid will be funded as the government funding of 5.6% is already net of the 30% student aid requirement.</p>

Appendix A

Revenue and Expense Assumptions for the Period 2004-05 to 2009-10 An Update, February 2005

31.	International Tuition Sharing, Student Aid and Recruitment	Revenue from international tuition fee increases greater than 5%, net of 30% for student aid and recruitment, will flow to the International Tuition Sharing Fund to be allocated to Divisions.	Revenue from international tuition fee increases resulting from the increase from the 2004-05 level to the proposed 2005-06 level, in the undergraduate and professional masters programs, will flow to the International Tuition Sharing Fund and be allocated 60% to Divisions and 40% to the Centre. The Centre will allocate a portion of their share to create programs for international student aid and international recruitment. The entire increase in international doctoral stream tuition fees will be allocated to graduate student aid.
32.	Academic Program Planning	\$5M in base is allocated for academic planning program initiatives under Stepping Up.	This allocation has been used to establish the Academic Initiatives Fund (AIF).
33.	Academic Service Initiatives	\$0.5M in base will be transferred to the Academic Service Initiatives fund from general university revenue in 2004-05 and 2005-06 and \$0.25M in 2006-07. This fund supports such services as libraries (other than book acquisition) and academic computing, and the added funding is needed to meet the increased demands resulting from enrolment expansion.	
34.	Information Technology Initiatives and Upgrades	\$2M in base is allocated for administrative information technology initiatives and upgrades.	
35.	Transitional Funding	This fund is used to assist a limited number of divisions who are in transition. The provision of funding will be dependent on attainment of transitional objectives developed by agreement with the Provost.	
36.	Administrative Priorities	\$0.5M in base will be transferred to the Administrative Priorities fund from general university revenue each year to meet the increased demands resulting from enrolment expansion.	

Appendix A

**Revenue and Expense Assumptions for the Period 2004-05 to 2009-10
An Update, February 2005**

37.	UIIF; Renovations and Deferred Maintenance	About 1% of the Operating Budget has been allocated to renovations and deferred maintenance on all campuses, \$3.7M in base in 2004-05 and a further \$4.7M in 2005-06. This is in addition to funding expected from the Provincial Government for deferred maintenance, via the Facilities Renewal Program (FRP). Expenditure of these funds will be approved by the Accommodation and Facilities Directorate (AFD) and in accordance with FRP regulations.	The allocation to renovations and deferred maintenance will increase by \$.1M to \$4.8M in 2005-06.
38.	Endowment Matching Funds	Approximately \$44M is needed from 2004-05 to 2009-10 to meet existing matching commitments. Debt service charges on this are included in item # 22.	
39.	Operating Fund Debt Service Support of Capital Budget		The operating fund supports the debt service costs relating to capital projects funded from the operating budget through the UIIF. Net debt service costs related to the centrally funded portion of the Medical Arts Building will increase over the next two years as lease revenue declines when current tenants vacate the building. (Note: this is not a change in assumption but rather a change in presentation, moving the debt service cost off the COPC Report)

Appendix B
Contractual Obligation and Policy Commitments Budget
2005-06

The Budget Model organizes projected expenses into several generic categories, each representing a different degree of annual budgetary discretion. One of these is Contractual Obligations and Policy Commitment (COPC) items. These are expenses that must be honoured, and hence are protected from budget cuts. They include:

- Payments resulting from contractual obligations to other institutions, such as for the joint programs with Sheridan College or Centennial College.
- Inevitable expenses, such as the cost of utilities or legal fees.
- Expenditures that are protected by University policy to maintain academic quality, such as the book acquisition budget for the library.

The COPC Report for 2005-06 is presented in two attached tables, as follows:

Table 1: A brief explanation for each COPC item and the reasons for budget increase/decrease, if any. The last column in this table indicates whether any significant changes in budget are expected over the remainder of the planning period (2006 to 2010);

Table 2: The 2005-06 budget allocation for each of the COPC budget categories. The last page of this report gives the contingency budget.

The projections for various COPC items include a degree of uncertainty resulting from events such as the volatility of the Canadian dollar or fluctuations in utility rates. The recommended budget for each item is based on the middle of the range of projected costs. The uncertainty is accounted for in a contingency allocation. The contingency budget is calculated as 75% of the sum of the contingencies estimated for various items. Historically, the 75% factor has been found to be a realistic measure of the variability.

The main contributors to the contingency budget are utilities costs (\$1.7 million) and the legal expense budget (\$700,000). The contingency budget, after applying the 75% factor, is \$2.1 million, a decrease of \$900,000 from last year. The items included in the contingency budget are identified by an asterisk in Table 2.

Overall the increase in the base budget for the COPC Report is \$4.9 million. The main reasons for this increase are increased payment to affiliated institutions (\$1.2 million), utility costs (\$1.5 million), additional cost of new space (\$1.7 million) and funding for the library system acquisitions (\$1 million).

The OTO portion of the 2005-06 budget is \$6.8 million higher than in 2004-05. Of this amount, \$5.8 million is funded from Research Overhead and is offset by related income to the University. In addition, \$200,000 is needed to cover negotiating expenses and another \$700,000 is associated with the Administrators on Leave account.

TABLE 1
Contractual Obligations and Policy Commitments -
2005 TO 2010.

	<u>Item</u>	<u>Explanation</u>	<u>2005-06 year</u>	<u>2006-07 through 2009-10</u>
1	<u>Contractual Obligations to Affiliated Institutions.</u>			
	Federated Colleges block grant	Under the Financial Arrangements provision of the Memorandum of Understanding, the University annually makes a block grant to St. Michael's College, Trinity College and Victoria College. Total grant includes funding for Library Operations, Registrarial and Academic support, Maintenance & Utilities, and Development.	2.1% increase in the total grant of \$153,666 - to fund the increases related to Academic support, library acquisition portion of the grant.	
	TST Theology Grant	Represents a flow through of graduate enrolment related Provincial grant revenue to the Toronto School of Theology	For 2005-06, the grant formula produced an amount of \$2,174,207 which is a 11.5% increase over last year's payment of \$1,948,695. The 05-06 calculation takes into consideration the 26.3% unfunded graduate BIU's. TST's share was calculated based on incremental increase year over year in LRBG. (Grad. BIU count divided by total funded Grad. BIU)	A zero percent increase in provincial grant payment for 2006-07 is assumed. Thereafter, a provincial grant increase assumption of 2% annually sees the payment increase.
	Transfer Payments re Joint Programs with Colleges	Represents various agreements with local colleges to provide for courses under joint study.	The increase is due to the growth in enrolment in joint programs.	The budget is \$6,099,728, \$7,088,011, \$7,984,797, \$8,171,704 (2006-2010) respectively.
2	<u>Other Contractual Obligations</u>			
	Lease Cost of Off-Campus Space	Provides central funding to cover costs related to external lease agreements for the space occupied by various departments.	Approx. 2% increase on 2004-05 budgeted amount has been forecasted for 2005-06, i.e. a increase of \$18,820 for a total 05-06 budget of \$948,757.	The reduction of \$116,478 in 06-07 budget is largely due to expiry of 203 College st. lease. The forecasted budget amounts beyond that has a increase of approx. 2% every year and they are as follows: \$832,279, \$860,938, \$887,266, \$910,002 (2006-2010) respectively.
3	<u>Institutional Statutory Commitments:</u>			
	Membership Fees	Provides central funding for the University's membership in the COU, AUCC, AAU, and selected international associations.	Current year increase of 3.73% is due to 13.4% increase in AUCC membership fees.	Increase of 50% of the CPI rate change.

**TABLE 1
Contractual Obligations and Policy Commitments -
2005 TO 2010.**

	<u>Item</u>	<u>Explanation</u>	<u>2005-06 year</u>	<u>2006-07 through 2009-10</u>
	Negotiating Expense - UTFA, USWA, & CUPE	Central funding for the cost of negotiating new service agreements. Common expenditures include pension consulting, administrative costs, research, and special project costs.	USWA - OTO funding of \$63k to cover the cost of negotiations, \$80k for Job Evaluation project, with a \$30k contingency provision. CUPE - OTO funding of \$10k for negotiations, & \$100,000 OTO for a contract position (\$50,000 OTO in 05-06, and \$50,000 in contingency).	Base Budgets were flat lined during the long range budget period.
	Job Accommodation Fund/ Program	Disabled access funding	The current budget of \$25,000 appears appropriate. The account has a \$30,000 carryforward balance, which is needed to cover special equipment needs of the employees.	BPS approved the continuation of the \$25,000 base budget throughout the long range budget period.
	Legal Fees	Central funding for the cost of legal services	Recommended to keep the base budget at the current level of \$2,792,000, with a contingency of \$700,000 for the 2005-06 year.	Flat lined during the long range budget period.
	Pension Consulting	Central funding for the cost of pension consulting	No significant change in funding requirement for this item.	Flat lined during the long range budget period.
	Radioactive & Chemical Waste Disposal	Relates to the waste generated by the research and teaching activities of academic departments, and the announced and anticipated rates that will be charged by waste disposal contractors.	Some increases in expense are expected in order to cover the anticipated increase in radioactive waste disposal. Consequently, a contingency provisions of \$55,000 has been allocated.	Flat-lined for outer years. To be reviewed every year based on new information available.
	Environmental Health & Safety Fund	To cover expenses related to various projects identified as necessary for compliance under the Occupational Health & Safety Act, e.g. Asbestos Inspections, Sampling/Analysis for concerns related to air quality, and potential exposure to hazardous agents.	There is need for continued monitoring of asbestos presence in work/access areas. A Base budget addition of \$11,172 and contingency of \$40,000 was approved as a reserve for the 05/06 fiscal year should inspections and characterizations require more funding than currently allocated. In addition, a further contingency of \$30,000 is reserved for the 05/06 fiscal year to fund Training related expenses. Requested base funding of \$41,200 was approved to cover the costs related to a physician, and medical surveillance costs.	Flat-lined for outer years. To be reviewed every year based on new information available.
4	<u>Utilities</u>			

TABLE 1
Contractual Obligations and Policy Commitments -
2005 TO 2010.

	<u>Item</u>	<u>Explanation</u>	<u>2005-06 year</u>	<u>2006-07 through 2009-10</u>
	Utilities: St George	Provides for anticipated rate and volume increases for electricity, water, natural gas, oil and steam.	Current year increase of \$1.55m is to cover the cost for increased rates for Gas & Hydro. There is a contingency provision of further \$1.7m for St. George, and \$47k for UTSC to provide funding for a anticipated increase in Gas prices of 16%, and Hydro at 8%.	Anticipated incremental increases inclusive of volume and rate changes.
	Utilities : Scarborough	Provides for anticipated rate and volume increases for electricity, water, natural gas, oil and steam.	Current year increase of \$462k is to cover the cost for increased rates for Gas & Hydro. Budgets in outer years are subject to review as new information becomes available.	Forecast includes an incremental increase of 2% for each year for the planning period.
	Utilities : Erindale	Provides for anticipated rate and volume increases for electricity, water, natural gas, oil and steam.	Reduction in budget is due to better negotiated rates with local Gas utilities. Increase in outer years are subject to review as new information becomes available.	Forecast includes an incremental increase of 2% for each year for the planning period.
5	<u>Additional Cost of New Space</u>			
	Additional cost of New space.	Provides for anticipated volume increases for electricity, water, natural gas, oil and steam. There is also provision for operating cost (caretaking, maintenance). These additional costs will be the responsibility of the Division occupying the space.	The current year approval of \$1.8m includes \$1m of recoveries (OTO in the first year, and Base in the next year) from divisions (Medicine CCBR bldg \$565k, and Pharmacy - Leslie Dan Bldg \$397k), remaining funds are provided to cover the costs related to "Working with Accumulated Asbestos", "Inspection of safety valves on boilers & pressure vesels", and to inspect "High pressure chillers".	
6	<u>Paid Leave Commitments</u>			
	Administrative leaves	Central budget provision to meet the cost of leaves for faculty members who serve in the University's administration, the School of Graduate Studies, and St. George Campus Constituent and Federated Colleges	Variances over last year's submission results from removal of a leave due to a VP departure.	The budget is \$707,7337, \$847,057, \$473,673, \$256,887, \$736,063 (2005-2010) respectively.

TABLE 1
Contractual Obligations and Policy Commitments -
2005 TO 2010.

	<u>Item</u>	<u>Explanation</u>	<u>2005-06 year</u>	<u>2006-07 through 2009-10</u>
	Release Time - UTFA, USWA, CUPE	Central funding for the contract-related secondments associated with union agreements.	UTFA : Base adjustment of \$14,292 in 2005-06 to cover the ATB increase of prior year. USWA - contingency provision of \$66,000 to cover the costs related to additional funding requirements, plus an OTO funding of \$138,620 for 2005-06 was also approved to fund the commitment for 2 FTE's for the Job Evaluation program. CUPE: to cover 3% step increase the base adjustment of \$754 for local CUPE 1230, and \$1,152 for CUPE 3261 was approved.	UTFA - 3% in each year through 2009/10. USWA - 3% in each year through 2009/10. CUPE - 3% in each year through 2009/10.
7	<u>Library Acquisitions Commitments</u>			
	Library acquisitions	Provides for library acquisition expenses from budget reductions and to adjust those expenses annually in relation to price inflation and currency fluctuation. Thus the policy is aimed at maintaining the real purchasing power of the library acquisitions budgets.	The required increase in funding for the next budget year is calculated based on expected changes in the prices of books/periodicals and on exchange rate fluctuations. A 4.15% rate of base budget increase was approved for 2005-06. The Book Fund Contingency is calculated to protect the book fund budget from fluctuations of the currencies during the next budget year. The benchmark rates are compared to the forward rates (purchasing, 1 year out) for each of the four major currencies - US dollar, Euro, Pound and Yen and the proportion of the budget actually spent in each of the currencies. Further, the in-year savings due to strong Canadian dollar in comparison with US \$'s, will offset the impact of other currency variances, therefore, no contingency is required for 05-06.	BPS approved the continuation of the 4.15% base budget throughout the long range budget period, with annual review.
8	<u>Other Policy Commitments</u>			
	Expenses Funded from Overhead on Contract Research	Funds distributed to the units which incur the indirect costs on a slip year basis as a one-time-only budget in the unit's operating fund.	OTO provision for the current year is \$5.8m.	Based on updated information, the budget is \$4,884,796, \$4,358,052, \$4,334,859, \$4,618,136 (2006-2010) respectively.
	Expenses Funded from Overhead on Federal Research Grant	Divisional portion of the total overhead generated from the Federal Granting Councils.	Base Budget of \$3.8m.	Flat lined during the long range budget period.

TABLE 1
Contractual Obligations and Policy Commitments -
2005 TO 2010.

	<u>Item</u>	<u>Explanation</u>	<u>2005-06 year</u>	<u>2006-07 through 2009-10</u>
	Overhead on University Student Assistance	Overhead of 5% applied to the total Student Aid reinvestment budget to cover administrative cost.	Base Budget of \$1.5m.	5% of projected increase in Student Aid Reinvestment funding.
	Insurance	Provides funding for protection against specific loss and/or damage.	Insurance costs have come under pressure due to events related to the September 11 tragedy, the general increase in the UofT's property values (particularly to the new construction) and the increase in the rates of the university's carrier CURIE (Canadian University Reciprocal Insurance Exchange) resulting from higher claims experience. Continued use of the Insurance reserve to offset these cost pressures is not feasible. The reserves actual level of \$1.3 million (with a \$1.5 million target level) is already below recommended levels. The base increase of \$150,000 is needed for 2005-06 to cover the 10% increase in CURIE insurance premiums, plus an additional \$100,000 COPC contingency to build the replenished reserve.	\$100,000 COPC contingency each year for the next 5 years.
	Governing Council Elections.	Provide funding to re-imburse candidates for expenses related to Governing Council elections.	The base budget addition of \$1,635 reflects the need to revise documentation concerning election guidelines and expected election-related costs. In addition, the prior-year's contingency approval of \$11,000 was extended as election-related announcements in local newspapers are likely.	Increase of 2% (CPI rate) for outer years. To be reviewed every year based on new information available.
9	<u>Operating Fund Transfer to Capital</u>			
	Amortization of Capital debt, UIIF & MARS Loan	Provide funds to cover debt charges.	Debt service charge to increase by \$469,041 in 2005-06 due to added debt load for Medical Arts building (net of lease revenue).	Increase of \$754,221 in 2006-07 is to cover the balance of debt service charge related to Medical Arts Building.
10	<u>Contingency Items</u>			
	COPC Contingency	Additional funding provision, held centrally, to cover expense fluctuations for major COPC items, i.e. Library book fund, Legal fees, etc. Based on need, the funds are transferred OTO during the year.	BPS approved the use of the 75% rate.	BPS approved the use of the 75% rate.

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
<u>1. CONTRACTUAL OBLIGATIONS TO AFFILIATED INSTITUTIONS</u>						
Federated Colleges block grant	7,187,626	153,666		153,666		7,341,292
TST Theology Grant	1,906,262	267,945		267,945		2,174,207
Transfer Payments re Joint Programs with Colleges	4,009,363	779,152		779,152		4,788,515
TOTAL-CONTRACTUAL OBLIGATIONS TO AFFILIATED INST.	13,103,251	1,200,763	-	1,200,763	-	14,304,014
<u>2. OTHER CONTRACTUAL OBLIGATIONS</u>						
Lease Cost of Off-Campus Space	929,937		18,820	18,820		948,757
TOTAL- OTHER CONTRACTUAL OBLIGATIONS	929,937	-	18,820	18,820		948,757

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
<u>3. INSTITUTIONAL STATUTORY COMMITMENTS</u>						
Membership fees :						
-A.U.C.C.	171,533	23,198		23,198		194,731
-COU Subscriptions	644,381	14,644		14,644		659,025
-Total Other Membership	85,041	(4,511)		(4,511)		80,530
Subtotal- Membership Fees	900,955	33,331	-	33,331	-	934,286
Negotiating Expenses (a) UTFA	75,037			-		75,037
Negotiating Expenses (b) USWA	15,000			-	143,000	158,000
Negotiating Expenses / Stipendary (c) TA (CUPE 3902)	10,000		-	-	60,000	70,000
TA/ TATP	50,000			-		50,000
Job Accommodation Fund/ Program	25,000			-		25,000
Legal Fees *	2,792,000			-		2,792,000
Pension Consulting	50,000			-		50,000
Radioactive & Chemical Waste Disposal *	470,000	-	-	-		470,000
Biomedical Waste Disposal (F&S)	41,712			-		41,712
Occupational Health Clinic Costs	-	41,200		41,200		41,200
Drinking Water Regulation Testing - F&S.	5,000			-		5,000
EH&S - Certification Training & transfer from USWA	32,000	-	-	-		32,000
EH&S - Fund		11,172		11,172		11,172
TOTAL- INSTITUTIONAL STATUTORY COMMITMENTS	4,466,704	85,703	-	85,703	203,000	4,755,407

* SEE COPC CONTINGENCY

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
<u>4. UTILITIES</u>						
Utilities: St George	27,377,717	1,551,135		1,551,135		28,928,852
Energy Management Fund	200,000			-		200,000
Relamping Project	(163,467)			-		(163,467)
Co-Generation Savings	(292,480)			-		(292,480)
Flue Heat Recovery Project	392,467			-		392,467
Sub total - St George Utilities	27,514,237	1,551,135	-	1,551,135	-	29,065,372
Utilities : UTSC	2,505,173	462,467		462,467		2,967,640
Utilities : UTM	3,204,391	(524,563)		(524,563)		2,679,828
TOTAL - UTILITIES	33,223,801	1,489,039	-	1,489,039	-	34,712,840
<u>5. ADDITIONAL COST OF NEW SPACE</u>						
Sidney Smith Enclosure - (1,900 GSM, 3 months balance)	-	14,746		14,746		14,746
Lash Miller Nanolab - (186 GSM, 4 months balance)		1,637		1,637		1,637
Woodsworth Residence - Academic Area - (1,650 GSM, 12months)		6,473		6,473		6,473
Woodsworth Residence - Library/retail area - (1,392 GSM, 12months)		5,481		5,481		5,481
CCBR Building - (20,628 GSM. 8 months)		565,526		565,526		565,526
Leslie L. Dan Pharmacy Building - (16,500 GSM, 8 months)		397,045		397,045		397,045
158 St. George Renovations (1,650 GSM, 12 months)		1,562		1,562		1,562
Aerospace Storage (2,174 GSM, 12 months)		1,058		1,058		1,058
56 Spadina - New Cleaning requirements due to new occupancy by Child Studies		11,000		11,000		11,000
Woodsworth College Annex - Cleaning Services		5,200		5,200		5,200
Woodsworth College Residence Academic Classrooms & Washrooms Cleaning		44,000		44,000		44,000
Adjustment from OTO to Base		(107,826)		(107,826)		(107,826)
TOTAL - ADDITIONAL COST OF NEW SPACE	-	945,902	-	945,902	-	945,902

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
Working With Accumulated Asbestos Containing Dust & Type 2 Procedures		268,500		268,500		268,500
High pressure chiller coverage during weekends		225,000		225,000		225,000
Re-inspection of safety valves on boilers & pressure vesels		145,000		145,000		145,000
David Dunlop Observatory - Richmond Hill Grass Length & Noxious Weeds		13,000		13,000		13,000
Recycling of light bulbs containing mercury		15,000		15,000		15,000
Police Services - Integration of new security access controll systems		123,538		123,538		123,538
Daycare Facilites - Play ground inspections				-	3,000	3,000
TOTAL - NEW PROJECTS	-	790,038	-	790,038	3,000	793,038
				-		-

5. Cont.

New Projects:

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
Administrative leaves	-			-	707,733	707,733
UTFA Released Time	320,260	14,292	-	14,292		334,552
USWA Released Time	207,930		-	-	138,620	346,550
CUPE 3902 Released Time	10,486		-	-		10,486
CUPE 3261 Released Time	38,403	1,152		1,152		39,555
CUPE 1230 Released Time	25,120	754		754		25,874
TOTAL- PAID LEAVE COMMITMENTS	602,199	16,198	-	16,198	846,353	1,464,750

* SEE COPC CONTINGENCY

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
7. LIBRARY ACQUISITIONS COMMITMENTS						
St George (excl. binding)						
-Books *	6,218,863	258,083		258,083		6,476,946
-Periodicals *	9,022,828	374,447		374,447		9,397,275
-Automation	4,109,078	170,527		170,527		4,279,605
	<hr/>	<hr/>	-	<hr/>	-	<hr/>
	19,350,769	803,057		803,057		20,153,826
Scarborough						
-Books *	1,268,489	52,642		52,642		1,321,131
-Periodicals *	-	-		-		-
-Automation	-	-		-		-
	<hr/>	<hr/>	-	<hr/>	-	<hr/>
	1,268,489	52,642		52,642		1,321,131
Erindale						
-Books *	306,109	12,704		12,704		318,813
-Periodicals *	795,457	33,011		33,011		828,468
-Automation	221,489	9,192		9,192		230,681
	<hr/>	<hr/>	-	<hr/>	-	<hr/>
	1,323,055	54,907		54,907		1,377,962
Law						
-Books *	144,672	6,004		6,004		150,676
-Periodicals *	578,687	24,016		24,016		602,703
-Automation	155,673	6,460		6,460		162,133
	<hr/>	<hr/>	-	<hr/>	-	<hr/>
	879,032	36,480		36,480		915,512
Graduate Institutes & Centres	47,416	1,968		1,968		49,384
Audio Visual Library	80,633	3,346		3,346		83,979
Dentistry	6,269	260		260		6,529
Innis College	10,893	452		452		11,345
Management	-	-		-		-
Music	7,356	305		305		7,661
New College	19,618	814		814		20,432
Fine Arts	43,685	1,813		1,813		45,498
University College	8,171	339		339		8,510
	<hr/>	<hr/>	-	<hr/>	-	<hr/>
TOTAL - LIBRARY ACQUISITIONS	23,045,386	956,384	-	956,384	-	24,001,770
				4.15%		

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			
Expenses Funded from Overhead on Contract Research (note 1)	-			-	5,753,484	5,753,484
Expenses Funded from Overhead on Federal Research Grant	3,765,095	-		-		3,765,095
Overhead on University Student Assistance	1,395,195	92,263		92,263		1,487,458
Insurance *	1,450,000	150,000		150,000		1,600,000
Governing Council Elections *	36,365	1,635		1,635		38,000
OCGS Periodic Appraisal Costs	-			-		-
* SEE COPC CONTINGENCY						
TOTAL- OTHER POLICY COMMITMENTS	6,646,655	243,898	-	243,898	5,753,484	12,644,037
9. CONTINGENCY ITEMS (see list at end)	2,974,573	(852,692)		(852,692)	-	2,121,881
TOTAL COPC - ITEMS 1 TO 9	84,992,506	4,875,233	18,820	4,894,053	6,805,837	96,692,396

**Contractual Obligations and Policy Commitments (COPC) List
2005-06**

	<----Base Changes---->			Total Base	OTO	Total 2005-06 Budget
	2004-05 BUDGET	Price Inflation & Formula Adjustments	Other			

Contingency Items

	Base
Library books (currency fluctuations)	
Legal Fees	700,000
Utilities	1,700,000
Utilities - UTSC	47,175
Radioactive & Chemical Waste Disposal *	55,000
Environmental Health & Education Fund	70,000
Governing Council Elections	11,000
Insurance	100,000
USWA Negotiations - Job Evaluation Project	30,000
USWA Release Time - Job Evaluation Project	66,000
CUPE 3902 - Stipendary Teaching Negotiation - Contract position	50,000
TOTAL CONTINGENCY	2,829,175

Contingency Coverage of Risk 2004-05 @ 75%

Prior Year Contingency

Net Change in Contingency for 2004-05

2,121,881
2,974,573
(852,692)