

2024-25 Budget

Establishing Our
Priorities Together

Winter 2024

**Toronto
Metropolitan
University**



President's Remarks



Provost's Remarks

Guiding Principles

1. Prioritize students
2. Protect TMU's core business of teaching, SRC and service
3. Be fair and transparent
4. Remain forward-looking
5. Conduct community-wide consultations



Stay Focused, Work Together

Five complementary plans serve as a blueprint for the next several years:

- Academic Plan
- Strategic Research Plan
- International Strategy Plan
- Campus Master Plan
- University Advancement Plan

These plans are united by the Strategic Vision 2020-2030

Priorities articulated in the 2020-25 Academic Plan:

- The Student Experience
- Scholarly, Research, and Creative Activity and Graduate Studies
- Advancing Indigenous Initiatives
- Innovation: Continuing to Challenge the Status Quo
- Community and Urban Partnerships



Priorities for 2024-25

- Align with TMU's Strategic Vision and related plans
- Provide a high quality experience for undergraduate and graduate students inside and outside the classroom
- Complete the development of a new Academic Plan for the university
- Develop a strategic enrolment management framework
- Planning for the School of Medicine's 2025 launch

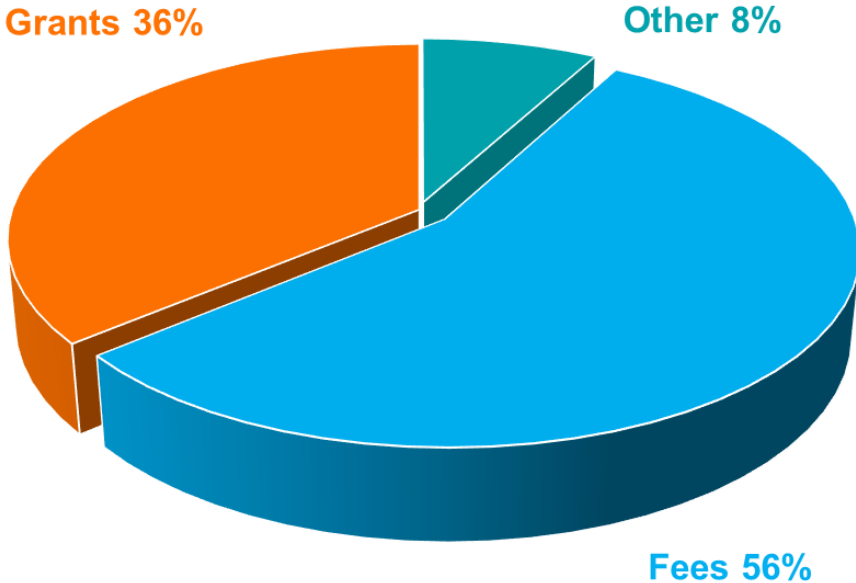
Update from University Planning

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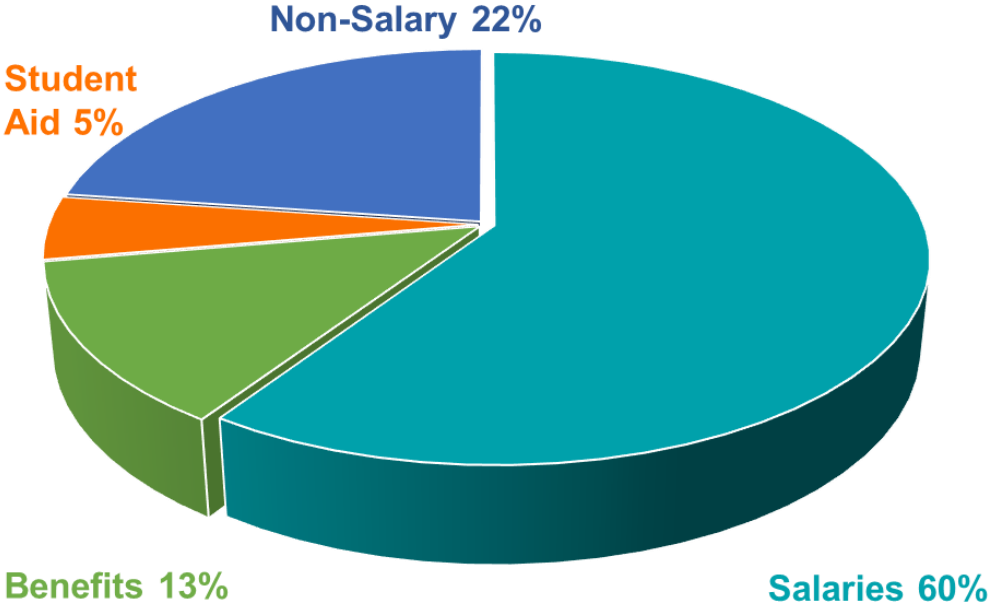
Operating Revenues & Expenditures

Grants + Fees = 92%



Revenues

Salaries + Benefits = 73%



Expenditures

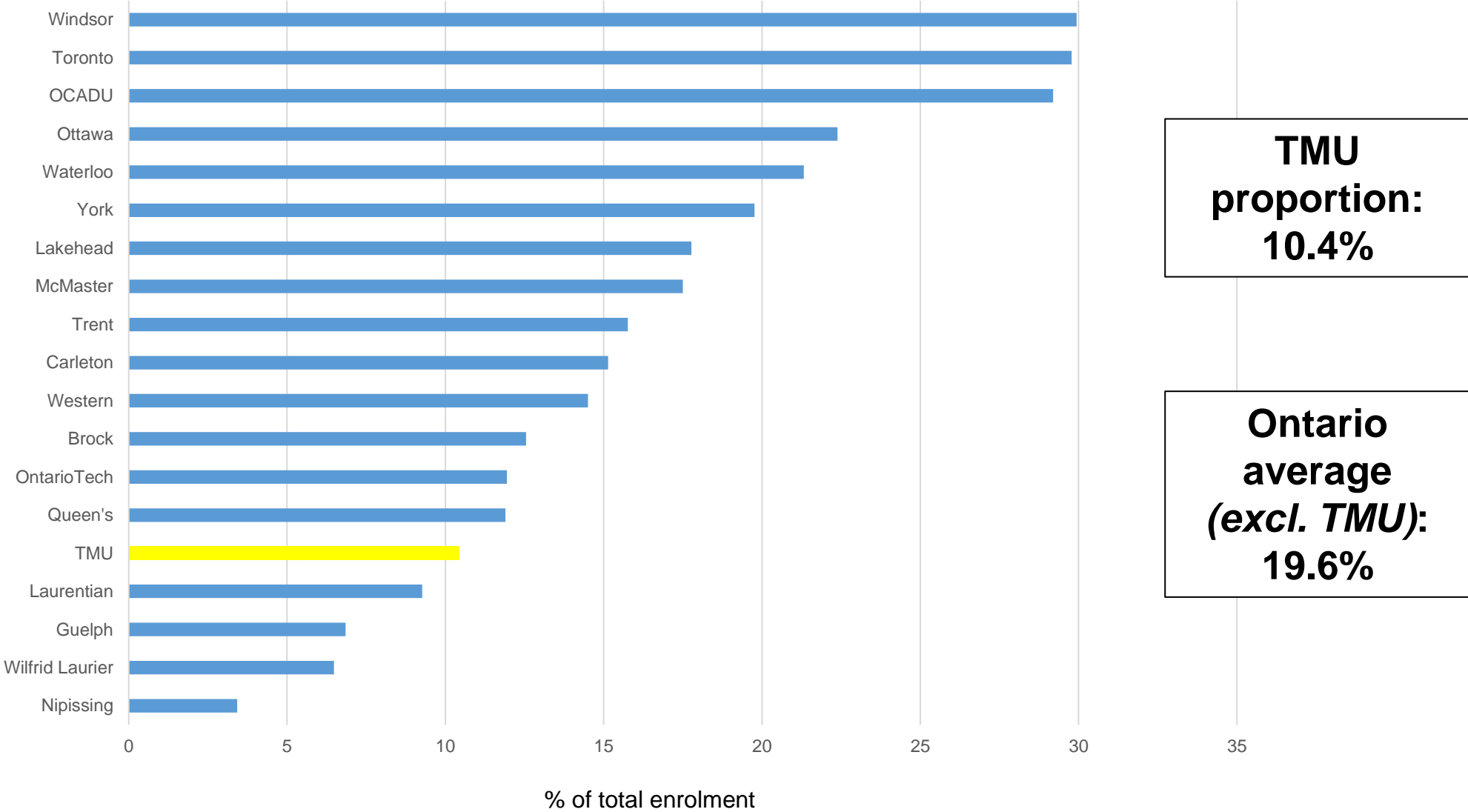
Domestic Enrolments

- Total number of domestic undergraduate students increased this year due to high demand
- Current plan:
 - Slight reduction in the number of new first year domestic students, keep intake steady in the following years to stay near our funded cap
 - This will mean an annual intake in line with the average for recent years
- Application data for 2024-25:
 - TMU remains a popular choice for students
 - Projected that we will meet domestic intake targets

International Enrolment

- Uncertain environment:
 - Cap in visa permits announced by federal government
 - Temporary pause in visa processing
 - Provincial government's decision on allocation of spaces pending
- Launched a winter intake for international students:
 - Mitigates the impact of visa processing delays
 - Aligns with academic calendars in the southern hemisphere

International Student Share of Enrolments by University, 2022-23 FTE



Note: The international student share for Algoma University (not shown here) was 82.3% in 2022-23

Provincial Context: Tuition Fee Policy

- Continuation of tuition fee freeze for domestic students within province for 2024-25 and beyond
- In 2019-20, a decrease of 10% to domestic tuition fees in comparison to 2018-19 levels was implemented
 - Tuition for Ontario students has remained frozen since with no adjustments for inflation
- Impact of reductions and freeze will echo into future years, as any subsequent increases will be based on the lower fee level and can never be recovered

Provincial Context: Blue-Ribbon Panel Report

- November 2023: Blue-Ribbon Panel on Postsecondary Education Financial Sustainability report released
 - Noted the serious challenges facing universities across Ontario as a result of years of underfunding
- Panel's recommendations:
 - Increase tuition by 5% in most programs for 2024-25, followed by annual increases of 2% or rate of inflation
 - Increase government operating grants to universities by 10% in 2024-25, followed by annual increases of 2% or rate of inflation
 - Increase the number of funded domestic student spaces at universities that are seeing high student demand in 2025-26

Budget Planning: Managing Uncertainty

Operating Budget

- Reflects portion of overall budget that is within our discretion
- Consolidated budget includes items not within our discretion (e.g., research grants, special capital grants)
- Operating budget includes expenditures such as:
 - Academic departmental budgets
 - Student financial assistance
 - Infrastructure maintenance
 - Utilities
 - Other non-salary expenses

Uncertain Environment for Budget Planning

- TMU is developing its 2024-25 budget in an environment that includes:
 - Tuition fee framework for 2024-25 announced February 26 (continuation of freeze)
 - Uncertainty related to provincial operating grant funding
 - International recruitment challenges due to visa caps and temporary pause to processing of applications
 - Salary and benefits cost escalation

Baseline Scenario

What would our budget look like without any additional funding from government this coming year?

Revenue projected to increase by 1.4%

- No increase to operating grants
- Continued freeze of domestic tuition fees for most programs

Costs projected to increase by 3.8%

- Core inflationary escalations: salary, benefit & central non salary
 - Gradual increase to deferred maintenance
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- **Total shortfall without additional funding would be \$15.3M**
 - **Awaiting confirmation of what we will receive from government to reduce this shortfall**

Government Announcement: February 26, 2024

- Continuation of tuition freeze
- \$700M in broad-based funding temporarily over 3 years to be distributed across the college and university system
- \$203M for institutions in greatest need (application will be required; criteria and timing not yet announced)
- \$100M for unfunded STEM enrolment across universities and colleges
- \$167.3M for capital repairs and equipment
- Smaller amounts for mental health; a research computing system; small, northern and rural grants; and hiring reviewers to find savings
- Grants will come with accountability and report-back requirements
- No information about distribution of international enrolments

Implications for TMU

What does this announcement mean for TMU?

- Need clarity on:
 - Split between colleges and universities
 - Share for TMU
 - Restrictions for specific initiatives or purposes
 - Short-term versus ongoing funding
 - Distribution across the three years
 - Decisions on international enrolment

We will update scenarios and share with community once we have details from government.

Next Steps

- Ongoing community consultations
 - Town halls (3)
 - Stakeholder consultations with various groups
 - Budget development for faculties, divisions and other units
- Further modelling once details of government decisions are known, including international enrolment
- Board of Governors' discussion and decisions
- Budget resources:
 - Website: www.torontomu.ca/budget
 - Questions: budget@torontomu.ca

Questions?

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