

# **BUDGET REPORT**

2019-20

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## Executive Summary

The multi-year budget presented in this report includes the 2019-20 Operating budget, which the Board approved on May 10<sup>th</sup>, 2019, as well as projections for the 2020-21 and 2021-22 fiscal years. The University is projecting a balanced budget for fiscal 2019-20 and is committed to presenting balanced budgets for all years of the planning timeframe.

In order to provide a broader financial picture of University operations, Ancillary and Capital budgets are also shown along with additional information on research revenue projections and donations to trust and endowment funds. Fluctuations in revenues in these funds can have impacts on operations.

The Operating budget was developed under the direction of the Interim Provost and Vice-Principal (Academic) with critical technical and strategic support from the Office of Planning and Budget, and with substantial advice from the Provost's Advisory Committee on Budget (PACB). The Principal was kept informed throughout the cycle and provided advice and guidance at key junctures.

The budget planning process was initiated in April 2018 with Senate's approval of the enrolment plan for 2019-20. The Shared Services developed their budgets over the summer while at the same time the budget model was updated with revised revenue projections based on the enrolment plan. Shared Service units presented their budgets to PACB in early fall. PACB carefully reviewed all 2019-20 shared service unit budget submissions and provided very thoughtful feedback and advice on the reinvestment requests. Preliminary reinvestment decisions were made and communicated to PACB in October 2018, at which time preliminary budget targets were also provided for each faculty/school. These preliminary targets reflected the full attenuation of hold harmless payments for all units except the School of Policy Studies, as well as a redistribution of grant revenue reflecting a change in the provincial formula for weighted grant units and the elimination of tuition discounting in our internal allocation mechanism.

Subsequently, in January 2019, the Ministry of Training Colleges and Universities (MTCU) announced a tuition cut of 10% for 2019-20 and 0% increase in tuition for 2020-21 on all domestic funding-eligible programs. This results in a decrease in the university's operating budget of approximately \$31.5M relative to the December 2018 projection. To mitigate the effect of this substantial reduction in revenue, the university refined its practices for making offers to international students in an effort to maximize international student acceptances. As well, a reallocation of undergraduate enrolment intake was performed to shift enrolment from the Faculty of Arts & Science to the Smith School of Business, the Faculty of Engineering and Applied Science, and, to a lesser extent, the Faculty of Health Sciences. These steps are expected to offset some of the lost revenue; however, the revenue projection remains substantially lower than what was projected in December 2018. This created a need for both the shared service units and the faculties/schools to reassess their budgets in light of reduced resources.

The shared service units were asked to reduce their collective allocation by \$2.1M, the approximate equivalent of eliminating the previously-planned 2% across-the-board base budget increase. Each shared service unit was asked to advise the Provost on how they would manage with this reduction,

and the effects that it would have on the unit. Units preliminarily approved for reinvestments were asked to consider if these reinvestments remained a priority in light of required budget reductions.

On the basis of the input received from the shared service units, and in consideration of the level of reserves held by each unit, the Provost recommended, and the Principal has approved, final decisions regarding shared service allocations. The final allocations reflect a reduction of \$2.1M, or approximately 2%, of the preliminarily-approved allocations.

The combined effect of the changes described above differs by faculty/school, with some units' budgets being favourably impacted, while others' budgets are negatively impacted. Consequently, and consistent with the principle that we are one university, we have introduced a transitional payment from the University Fund which will be allocated to those faculties/schools most negatively impacted by the changes.

In addition to the tuition cut announced by MTCU, the most significant budgetary challenge the University continues to face is the pension plan deficit. In October 2016, new regulations were issued that provided additional partial solvency relief. All units were asked to plan and budget for an additional pension charge to provide for increased special payments, with any funds remaining to be set aside as a reserve to cover future solvency payments, if required. In order to mitigate the effect of the pension plan on the Operating budget, Queen's is continuing to work with two other universities, participating employee groups, and the provincial government on the creation of a multi-employer jointly sponsored pension plan (JSPP) for the university sector in Ontario. Once finalized, all Ontario universities will have the option to participate in the sector JSPP.

Significant characteristics of the 2019-20 to 2021-22 budget framework include:

- Modest enrolment growth and enrolment redistributions between Faculty programs at the undergraduate level in 2019-20 in line with the recommendations of the University's Strategic Enrolment Management Group, and in line with Faculties' enrolment projections;
- Full grant funding by meeting targets set in the second round of the Strategic Mandate Agreement (SMA) on graduate level enrolments;
- International enrolments are budgeting to increase as a result of refinements to practices for making offers to international students in an effort to maximize international student acceptances;
- 10 % tuition fee reduction on all domestic funding-eligible programs for 2019-20 compliant with the newly announced provincial government tuition framework.;
- For most Shared Service units, no base increase of 2% incorporated in the 2019-20 budget allocations, however, certain reinvestment decisions made during the 2019-20 budget cycle were allocated for certain shared service units.;
- Compensation and benefit increases as negotiated, or assumed, are to be covered within all unit budgets;
- Use of carryforwards to mitigate the revenue reduction resulting from the provincial tuition cut;
- Large legislated pension deficit special payments;

The Operating budget includes a number of identified risks:

- Reliance on government grant support and tuition (controlled by government) and the effect of further changes in government policy;
- The third round of the SMA process will begin within the planning horizon and will most likely incorporate the setting of outcome-based metrics with differentiation funding linked to these metrics. This could place some of the funding within the differentiation bin at risk if the targets for the outcome-based metrics are not met;
- A number of collective agreements will be due for renegotiation in the final year of the three-year planning timeframe with unknown outcomes of future bargaining;
- Pension solvency and the creation of a multi-employer jointly sponsored pension plan (JSPP) for the university sector in Ontario
- Significant investment required to support physical and IT-related infrastructure renewal;
- Market volatility risk on income from the Pooled Investment Fund (PIF).

The 2019-20 budget reflects no deficit after the draw-down of reserves. Of this draw-down, \$24.2M is forecast unit spending in excess of budget allocations and additional unit budgeted revenues, with no requirement of additional draw-downs of central cash reserves. The University will continue to monitor the draw-down of carry-forward reserves to ensure units are using these funds to invest in one-time innovation, capital renovations, and bridging to a sustainable budget.

The activity-based budget model is intended to be transparent and strongly linked to academic and research goals and priorities. The overriding goal of the change in the resource allocation methodology was to position Queen's well to address the current fiscal realities and continue to foster excellence in teaching, learning and research.

Since the model has been implemented, Queen's financial situation has been stabilized, and a reputation for high quality has been maintained. Indeed, the University continues to attract highly qualified students, faculty and staff, while remaining one of the top ten highest ranked universities in Canada in terms of research intensity. Our faculty members consistently receive prestigious national teaching and research awards. Our students have among the highest entering averages and the highest undergraduate and graduate degree completion rates in Canada. Due to the success of the model, we are in a position to reinvest in our future success, most notably in faculty renewal, research support, diversity and inclusion, and internationalization initiatives.

## **1. Setting the Context**

Almost 96% of revenue in the Operating budget is derived from student enrolment in the form of Operating grants from the government (base Operating grant plus many smaller targeted funding envelopes) and student tuition. Much of this revenue stream is directed and regulated by government, with limited flexibility for universities to increase revenue.

Recent public policy had limited funding increases to enrolment growth and further substantial funding for enrolment growth is unlikely in the future. The change in public policy is due to changes in

demographics in the province and subsequent current or forecasted declining application rates at some universities. Conversely, applications to Queen's continue to remain strong.

During 2017-18, the Ministry of Training, Colleges and Universities (MTCU) began the implementation of a new funding model that includes a framework under which future grant funding may be more strongly linked to outcomes, rather than solely to enrolment. This resulted in the creation of three funding "bins" for universities: An enrolment bin which is linked to enrolment, a quality and differentiation bin which has outcomes based metrics linked to it, and a special purposes bin which contains targeted grants for initiatives such as disability supports, French language, clinical programs etc.

As part of the implementation of the new grant funding formula for universities, the Ministry committed to at a minimum maintain the 2016-17 funding level for all universities for the duration of the second round of SMA which concludes in 2019-20. The Ministry has re-introduced the enrolment corridor funding methodology which would ensure grant revenue remains constant if enrolment remains within +/- 3% of the enrolment mid-point (initially being set at the 2016-17 level). In parallel, there were discussions with each university within the SMA 2 process to negotiate what, if any growth funding will be available for both flow-through growth on previous expansion and new programs that in good faith were submitted and approved and will begin within the period covered by this SMA period (2017-18 through to 2019-20).

For the three-year planning period to 2021-22, the University is committed to balanced budgets, with flexibility in the form of a contingency fund, continued investment in infrastructure renewal, and continued support for key functions in the Shared Services, all balanced by ensuring that sufficient incremental revenue remains in the Faculties to support the academic and research missions of the University. The need to diversify revenue remains important. The long term financial sustainability of the pension plan is also being addressed.

The Ministry in January 2019 announced the tuition framework for 2019-20 and 2020-21; however, it has not yet announced what the tuition framework will be for the third year of this budget planning time frame. Consequently, this budget assumes a continuation of the 2020-21 tuition framework of a 0% increase for funding-eligible programs. Universities continue to await an announcement on the future of the new tuition framework.

The University's strategic framework promotes the vision of Queen's University as the Canadian research-intensive university with a transformative student learning experience. The guiding policies of the framework address the two key features of the quintessential balanced academy, the student learning experience and research prominence, while paying appropriate attention at the same time to the need for increased internationalization and financial sustainability. The framework will guide academic, and thus financial, priorities.

## 2. The Budget Model

The University continues to budget with an activity-based budget model. The activity-based budget model attributes revenues to the Faculties and Schools which generate the revenue. The revenue attribution is adjusted for undergraduate service teaching (referred to as the cross-teaching adjustment). In 2018-19 the cross-teaching adjustment transferred 60% of the registered Faculty/School's tuition and grant to the teaching Faculty/School. The Faculties and Schools in turn bear indirect costs to support Shared Services (e.g., the Library, IT, the Provost's Office), student support, and a University Fund for institutional priorities. These indirect costs include a charge for space occupancy, highlighting the cost of space as a scarce resource. This inclusion of space as an indirect cost in the budget model has had a significantly positive impact on space utilization and accountability.

As part of the evolution of the budget model, characteristics of the model are reviewed and reassessed from time to time. In 2019-20, a change was introduced to the cross-teaching formula that will begin with the 2019-20 budget cycle. The transitional plan is for the cross-teaching transfer rate of 60% to gradually reduce, to 55% for 2019-20, 50% for 2020-21, and finally to 45% for 2021-22. A reduction of the cross-teaching transfer rate was recommended in the budget model review performed in fall 2015, and it is believed that the lower rate better reflects the distribution of the costs of student support and teaching between the home faculty and the teaching faculty.

The net budgets (gross revenues less all indirect costs) of the Faculties and Schools support the direct costs of these units, including, of course, the provision of their academic programming. Increased revenue and cost savings will remain in the academic unit that generates the change, providing a strong incentive to be innovative in programming and enrolment planning.

The 2019-20 budget year was the final year of the attenuated Hold Harmless gap (with the exception of the School of Policy Studies) calculated at 30% of the final 2013-14 Hold Harmless payments. In 2015-16, the gap was funded at 90%, for 2016-17 the gap was funded at 75%, and for 2017-18 the gap was funded at 60%. Thus 2019-20 budget year will see the end of formulaic hold harmless as a result of the implementation of the activity-based budget model.

Revenue not directly attributable to Faculties and Schools, such as investment income and unrestricted donations, flows into the University Fund, along with allocations from Faculties and Schools. The recovery rate from the Faculties and Schools for 2019-20 will remain consistent with 2018-19 at 3.5%, with a previously-planned increase to 4.0% deferred to 2020-21.

The University Fund (projected to be just over \$43.9M in 2019-20) is being used to support the cost of transfers from Operating to Capital, deferred maintenance, information technology infrastructure renewal, classroom renewal, funding for inclusion and diversity, funding to support research, a central contingency and a number of other strategic priorities and compliance initiatives. In addition, for 2019-20, transitional payments from the University Fund were introduced to mitigate the impact of the 10% tuition reduction for the faculties/schools least able to mitigate the effects by themselves.

Support for the cost of research continues to be a priority for the 2019-20 budget cycle. This is reflected in the budget model in two ways. First, there continues to be a 1% research tax charged against attributed revenue and re-distributed to Faculties/Schools based on their share of Tri-council funding. Second, an allocation will again be made from the University Fund to the Faculties/Schools based on their relative ratios of research revenues to operating revenues. This allocation was \$7M in 2018-19, and will increase to \$8M in 2019-20.

### **3. The 2019-20 to 2021-22 Operating Budget**

The Operating budget for 2019-20 to 2021-22 continues to provide transparency and predictability, and a financial structure that encourages and rewards innovation, revenue growth and efficiency.

The 2019-20 budget is balanced; however, it does include a planned draw-down of carry-forward reserves to fund one-time expenses over the base Operating budget. As these are one-time expenses, they do not lead to a structural deficit in future years. In addition, we have included a transfer from Operating to a pension reserve related to an additional three percent pension charge to all units, to cover increased going concern payments, with any funds remaining to be set aside as a reserve to cover future solvency payments and/or to aid in the transition to a new sector wide jointly sponsored pension plan.

The Operating budget for 2019-20 to 2021-22 is summarized in Table A below. Detailed summaries of revenue and expenditure forecasts are presented in Tables 1 and 2 at the end of this report. Table B below shows the 2019-20 Operating budget with additional revenue and expense lines that represent revenues and expenses that are budgeted by the units over and above their budget allocation and related expenses. These additional revenues are not budgeted centrally and are not reflected in Table A. Table C below shows the consolidation of the 2019-20 Operating budget by revenue and expense type as per the financial statement presentation and includes revenues and expenditures that are budgeted directly by the units and do not form part of their allocation. This table will be compared with the financial statements at the end of the fiscal year.



**TABLE A- OPERATING BUDGET**

**Queen's University**  
**2018-19 to 2021-22 Operating Budget (\$M)**

|   | <b>Budget<br/>2018-19</b> | <b>Year over Year<br/>Variance</b> | <b>Budget<br/>2019-20</b> | <b>Budget<br/>2020-21</b> | <b>Budget<br/>2021-22</b> |
|---|---------------------------|------------------------------------|---------------------------|---------------------------|---------------------------|
| <b>REVENUE</b>                                  |                           |                                    |                           |                           |                           |
| Student Fees                                    | \$ 355.9                  | \$ 22.4                            | \$ 378.3                  | \$ 407.1                  | \$ 429.0                  |
| Government Grants                               | \$ 214.5                  | \$ (0.2)                           | \$ 214.3                  | \$ 214.2                  | \$ 214.1                  |
| Unrestricted Donations                          | \$ 1.2                    | \$ -                               | \$ 1.2                    | \$ 1.2                    | \$ 1.2                    |
| Other Income                                    | \$ 5.7                    | \$ 0.4                             | \$ 6.1                    | \$ 6.4                    | \$ 6.6                    |
| Research Overhead                               | \$ 3.6                    | \$ 0.4                             | \$ 4.0                    | \$ 4.0                    | \$ 4.0                    |
| Investment Income                               | \$ 14.6                   | \$ 1.6                             | \$ 16.2                   | \$ 16.4                   | \$ 16.6                   |
| <b>Total Operating Revenues</b>                 | <b>\$ 595.5</b>           | <b>\$ 24.6</b>                     | <b>\$ 620.1</b>           | <b>\$ 649.3</b>           | <b>\$ 671.5</b>           |
| <b>EXPENSE</b>                                  |                           |                                    |                           |                           |                           |
| Faculties and Schools Allocations               | \$ 360.2                  | \$ 16.8                            | \$ 377.0                  |                           |                           |
| Shared Services Allocations                     | \$ 147.6                  | \$ 5.6                             | \$ 153.2                  |                           |                           |
| <b>Subtotal Allocations</b>                     | <b>\$ 507.9</b>           | <b>\$ 22.4</b>                     | <b>\$ 530.2</b>           | <b>\$ 554.1</b>           | <b>\$ 573.8</b>           |
| Student Aid                                     | \$ 30.9                   | \$ -                               | \$ 30.9                   | \$ 30.9                   | \$ 30.9                   |
| Utilities                                       | \$ 15.5                   | \$ 0.2                             | \$ 15.7                   | \$ 15.7                   | \$ 15.7                   |
| Infrastructure Renewal                          | \$ 7.4                    | \$ (0.1)                           | \$ 7.3                    | \$ 8.1                    | \$ 9.0                    |
| Strategic Priorities & Compliance               | \$ 4.1                    | \$ 4.1                             | \$ 8.2                    | \$ 7.8                    | \$ 7.6                    |
| Contingency                                     | \$ 2.8                    | \$ -                               | \$ 2.8                    | \$ 2.8                    | \$ 2.8                    |
| Flow Through Expenses, net of recoveries        | \$ 11.4                   | \$ (0.8)                           | \$ 10.6                   | \$ 11.0                   | \$ 11.3                   |
| Indirect Costs of Research to External Entities | \$ 1.6                    | \$ -                               | \$ 1.6                    | \$ 1.6                    | \$ 1.6                    |
| <i>To Be Allocated</i>                          | <i>\$ 2.5</i>             | <i>\$ (2.5)</i>                    | <i>\$ 0.0</i>             | <i>\$ 2.1</i>             | <i>\$ 6.6</i>             |
| <b>Total Operating Expenditures</b>             | <b>\$ 584.0</b>           | <b>\$ 23.3</b>                     | <b>\$ 607.3</b>           | <b>\$ 634.1</b>           | <b>\$ 659.3</b>           |
| Net Surplus before Capital Expenditures         | \$ 11.5                   | \$ 1.3                             | \$ 12.8                   | \$ 15.2                   | \$ 12.2                   |
| Transfer to Capital Budget                      | \$ (11.5)                 | \$ (1.3)                           | \$ (12.8)                 | \$ (15.2)                 | \$ (12.2)                 |
| Unit Expenses greater than Budget Allocation    | \$ (7.7)                  | \$ (16.5)                          | \$ (24.2)                 | TBD                       | TBD                       |
| Net Transfer to Pension Reserve                 | \$ 16.0                   | \$ (9.6)                           | \$ 6.4                    | TBD                       | TBD                       |
| <b>Net Budget Surplus (Deficit)</b>             | <b>\$ 8.3</b>             | <b>\$ (26.1)</b>                   | <b>\$ (17.8)</b>          | <b>\$ -</b>               | <b>\$ -</b>               |
| Contribution from Carryforward balances         | \$ 7.7                    | \$ 16.5                            | \$ 24.2                   | TBD                       | TBD                       |
| Net Contribution to Pension Reserve             | \$ (16.0)                 | \$ 9.6                             | \$ (6.4)                  | TBD                       | TBD                       |
| <b>Net Surplus (Deficit)</b>                    | <b>\$ -</b>               | <b>\$ -</b>                        | <b>\$ -</b>               | <b>\$ -</b>               | <b>\$ -</b>               |

**TABLE B – OPERATING BUDGET INCLUDING NON CENTRALLY BUDGETED REVENUES AND EXPENDITURES**

Queen's University  
2019-20 Operating Budget (\$M)

|   | Budget<br>2019-20 |
|---|-------------------|
| Centrally budgeted revenues                               | \$ 620.1          |
| Unit budgeted revenues over and above central allocations | \$ 49.6           |
| <b>TOTAL OPERATING REVENUES</b>                           | <b>\$ 669.7</b>   |
| <b>EXPENSE</b>  |                   |
| Faculties and Schools Allocations*                        | \$ 377.0          |
| Shared Services Allocations                               | \$ 153.2          |
| Unit expenses greater than allocation                     | \$ 67.4           |
| Undergraduate & Graduate Student Aid                      | \$ 30.9           |
| Utilities   | \$ 15.7           |
| Infrastructure Renewal                                    | \$ 7.3            |
| Strategic Priorities & Compliance                         | \$ 8.2            |
| Contingency   | \$ 2.8            |
| Flow Through Expenses, net of recoveries                  | \$ 10.6           |
| Indirect Costs of Research to External Entities           | \$ 1.6            |
| <i>To Be Allocated</i>                                    | \$ 0.0            |
| <b>TOTAL OPERATING EXPENDITURES</b>                       | <b>\$ 674.7</b>   |
| Net Surplus (Deficit) before Capital Expenditures         | \$ (5.0)          |
| Transfer to Capital Budget                                | \$ (12.8)         |
| <b>Net Budget Surplus (Deficit)</b>                       | <b>\$ (17.8)</b>  |
| Net Contribution to Pension Reserve                       | \$ (6.4)          |
| Contribution from Carryforward Balances                   | \$ 24.2           |
| <b>Net Surplus (Deficit)</b>                              | <b>\$ -</b>       |

\* For the purpose of the financial statements the budget allocation of \$2.8M to BISC is netted against revenues in the operating fund as this revenue is reported by the ISC.

**TABLE C – OPERATING BUDGET BY REVENUE AND EXPENSE**

| <b>2019-20 Queen's University Operating Budget (000's)</b> |                 |
|--|-----------------|
| <b>REVENUE</b>   |                 |
| Grants and Contracts                                       | 232,658         |
| Fees   | 388,364         |
| Sales and Service  | 8,874           |
| Other  | 21,783          |
| Donations  | 1,260           |
| Investment Income  | 16,805          |
|  | 669,744         |
| <b>EXPENSES</b>  |                 |
| Salaries and benefits                                      | 447,488         |
| Supplies and other expenses*                               | 116,523         |
| Student Assistance   | 39,726          |
| Externally Contracted Services                             | 12,228          |
| Travel   | 11,086          |
| Utilities and Insurance                                    | 17,053          |
| Renovations and Alterations                                | 16,015          |
| Contingency  | 3,810           |
| Interfund Transfers out / (in)                             | 23,640          |
|  | 687,569         |
| <b>Surplus / (deficit)</b>                                 | <b>(17,824)</b> |

*\*For the purpose of the financial statements the budget allocation of \$2.8M to BISC (included in Supplies & other expenses above) is netted against revenues in the operating fund as this revenue is reported by the ISC.*

### 3.1 Budget Strategy

As mandated by the Board, Queen's is projecting a balanced budget throughout the multi-year budget timeframe. The University went through an extensive budget planning process to determine a strategy to achieve a balanced budget. The "to be allocated" line represents unallocated University Fund monies.

Items that continue to be supported by the University Fund include:

- Contingency
- Transfers to Capital
- Deferred maintenance

- Mitchell Hall (Health, Wellness and Innovation Centre)
- QSuccess and Embedded Counsellors in Student Support Services
- Classroom Renewal
- ITS Infrastructure Renewal
- Research support for Canada First Research Excellence Fund submission
- Equity, Diversity, Inclusion
- Centre for Advanced Computing
- Accessibility Funding
- Strategic priorities and compliance requirements

New Allocations identified as priorities for support in 2019-20 and onward include:

- Transitional payments introduced to mitigate the impact of the 10% tuition reduction for faculties/schools most negatively impacted by the changes.
- Transition payments to the School of Policy Studies
- Cybersecurity
- Advancement support

The continued allocations that began in 2018-19 along with the additional new allocations in 2019-20 are being made to address risks and improve efficiencies and accessibility that were identified in the budget planning process. The amount set aside for ITS infrastructure renewal increased by \$600K. Although the amount for classroom renewal from the University Fund has decreased in 2019-20, investments from other sources such as faculty reserves, ensure the overall investment in classroom renewal does not decrease. The new allocations identified above amount to an additional allocation from the University Fund of \$4.2M.

### 3.2 Draw-down of Carry-forward Balances/Reserves

The 2019-20 budget reflects a balanced budget. A draw-down of \$24.2M from unit carry-forward balances is projected for 2019-20 based on the units' budget submissions. This draw-down of carry-forwards represents slightly more than 1.0% of total unit expenditures and the accumulated departmental carry-forward balance as per the 2017-18 audited financial statements is \$193.6M. The projected in-year draw-down has typically been a conservative estimate of unit draw-downs, and efforts have been made to be more accurate. The unit draw-downs in 2020-21 and 2021-22 are still to be determined. The preliminary projections based on the multi-year budget submissions that were submitted during the 2019-20 budget planning cycle indicated a continued draw down of reserves relating to one-time only expenditures. As a result of the tuition framework and the reduction in previously planned revenue growth, some units will also use their carry-forwards to offset this impact.

The reliance on "soft-funding" (e.g., cash from carry-forward reserves) was added to the budget projections and provides greater clarity on total expenses over the Operating base-funding. This is supported by Table B. The projected carry-forward draw-downs have been included in the Operating budget projections as *Unit Expenses Greater than Budget Allocation*, and then offset by the carry-forward draw-down. The draw-down is the result of some units funding transition measures to move

towards balanced budgets and funding one-time expenses such as capital renovations. It is not unreasonable that units will build and reduce carry-forward reserves to meet operational and strategic opportunities and challenges. We will nonetheless continue to ensure that ongoing base commitments are not made against these cash reserves. Those portfolios with structural deficits will be expected to continue to reduce expenditures or increase revenues to bring their operations into balance with their annual budget envelope. The University will continue to monitor the draw-down of carry-forward reserves to ensure units are using these funds to transition to a sustainable budget.

### **3.3 Risks**

The 2019-20 to 2021-22 Operating budget includes a number of identified risks:

- Reliance on government grant support and tuition (controlled by government) and the effect of further changes in government policy;
- The third round of the Strategic Mandate Agreement (SMA3) process will begin within the planning horizon and will incorporate the setting of outcomes based metrics with differentiation funding linked to these metrics. This could place some of the funding within the differentiation bin at risk if the targets for the outcomes based metrics are not met;
- Collective agreements will be due for renegotiation in the final year of the three-year planning timeframe with unknown outcomes of future bargaining;
- Pension solvency and successful conversion to multi-employer JSPP for the university sector in Ontario;
- Significant investment required to support physical and IT-related infrastructure renewal in particular, Cybersecurity initiatives;
- Market volatility risk on income from the PIF.

## **4. Discussion of Major Revenues and Expenditures**

### **4.1 Revenues**

#### **Enrolment**

The recommendations from the Strategic Enrolment Management Group for enrolment in 2019-20 and 2020-21 are included as Appendix 1 of this report, together with the initial proposals from Faculties and Schools for 2021-22. The recommended enrolment plan for 2020-21 and the recommended changes to the previously approved enrolment plan for 2019-20 have been endorsed by the Senate Committee on Academic Development and were forwarded to Queen's Senate for its approval. Senate approved the recommendations at its meeting on April 16<sup>th</sup>, 2019.

The majority of the operating revenue is enrolment driven and made up of tuition fees and provincial grants. Therefore, enrolment projections have a significant effect on Queen's financial projections. The 2019-20 to 2021-22 Operating budget incorporates the recommendations for 2019-20 and 2020-21 and the initial proposals for 2021-22.

The Strategic Enrolment Management Group, chaired by the Provost, has developed a long-term strategic enrolment management framework that was approved at Senate. The framework is being used to guide the development of medium and long-term enrolment strategies and planning processes that will allow Queen's to thrive in response to institutional and Faculty priorities, student demand, government direction, and continued community input.

#### **4.1.1 Government Grants**

Government grants represent approximately 35% of budgeted operating revenues in 2019-20 down from 36.0% in 2018-19. As government grant funding remains constant, but revenue grows due to diversifying revenue streams, government grants as a percentage of total revenue will continue to decline.

In 2017-18, MTCU began the implementation of the recommendations from the Funding Formula review report that proposed a framework under which future grant funding should be more strongly linked to outcomes, rather than solely to enrolment. This resulted in the creation of three funding "bins" for universities: An enrolment bin which is linked to enrolment, a quality and differentiation bin which has outcomes based metrics linked to it, and a special purposes bin which contains targeted grants for initiatives such as disability supports, French language, clinical programs etc. During the current SMA period, the funding within the quality and differentiation bin will not be at risk.

As part of the implementation of the new grant funding formula for universities, the Ministry committed to at a minimum maintain the 2016-17 funding level for all universities for the duration of the second round of SMA which encompasses 2017-18 to 2019-20.

The Ministry re-introduced the enrolment corridor funding methodology which would ensure grant revenue remains constant if enrolment remains within +/- 3% of the enrolment mid-point (initially being set at the 2016-17 level). During the SMA2 process, additional growth at the graduate level was negotiated and funded through a separate graduate expansion envelope outside of the enrolment corridor funding.

## TABLE D – PROVINCIAL GOVERNMENT GRANT REVENUE

This table demonstrates the division of grant funding into the new envelopes which were effective in 2018-19.

| Provincial Government Grant Revenue (000,000's) |                   |                   |                  |                   |                   |
|---|-------------------|-------------------|------------------|-------------------|-------------------|
|   | Budget<br>2018-19 | Budget<br>2019-20 | Budget<br>Change | Budget<br>2020-21 | Budget<br>2021-22 |
| <b>Operating Grants</b>                         |                   |                   |                  |                   |                   |
| <b>Enrolment Envelope</b>                       |                   |                   |                  |                   |                   |
| Core Operating Grant                            | \$ 176.6          | \$ 176.6          | \$ -             | \$ 176.6          | \$ 176.6          |
| Undergraduate Enrolment Transition Grant        | \$ 1.9            | \$ -              | \$ (1.9)         | \$ -              | \$ -              |
| Graduate Expansion                              | \$ 3.2            | \$ 6.6            | \$ 3.4           | \$ 6.6            | \$ 6.6            |
| International Student Recovery                  | \$ (1.3)          | \$ (1.9)          | \$ (0.6)         | \$ (2.1)          | \$ (2.2)          |
| <b>Differentiation Envelope</b>                 |                   |                   |                  |                   |                   |
| Performance/Student Success Grant               | \$ 17.9           | \$ 17.9           | \$ -             | \$ 17.9           | \$ 17.9           |
| Graduate Expansion-Performance                  | \$ 0.5            | \$ 0.6            | \$ 0.1           | \$ 0.6            | \$ 0.6            |
| Research Overhead Infrastructure                | \$ 1.6            | \$ 1.6            | \$ -             | \$ 1.6            | \$ 1.6            |
| <b>Ontario Operating Grants</b>                 | <b>\$ 200.4</b>   | <b>\$ 201.4</b>   | <b>\$ 1.0</b>    | <b>\$ 201.2</b>   | <b>\$ 201.1</b>   |
| <b>Special Purpose Envelope</b>                 |                   |                   |                  |                   |                   |
| Tax Grant                                       | \$ 1.6            | \$ 1.7            | \$ 0.1           | \$ 1.8            | \$ 1.8            |
| Special Accessibility                           | \$ 0.7            | \$ 0.8            | \$ 0.1           | \$ 0.8            | \$ 0.8            |
| Regional Assessment Resource Centre             | \$ 1.2            | \$ 0.1            | \$ (1.1)         | \$ -              | \$ -              |
| Clinical Education Funding                      | \$ 0.6            | \$ 0.6            | \$ -             | \$ 0.6            | \$ 0.6            |
| <b>Total Special Purpose Grants</b>             | <b>\$ 4.1</b>     | <b>\$ 3.2</b>     | <b>\$ (0.9)</b>  | <b>\$ 3.2</b>     | <b>\$ 3.2</b>     |
| <b>Total Provincial Grants</b>                  | <b>\$ 204.5</b>   | <b>\$ 204.6</b>   | <b>\$ 0.1</b>    | <b>\$ 204.4</b>   | <b>\$ 204.3</b>   |

#### **4.1.2. Federal Grant**

The Research Support Fund (RSF) is the primary source of federal funding Queen's receives in its Operating budget. The RSF provides a significant grant that supports the University's operating costs associated with Tri-Agency sponsored research. Queen's research prominence benefits from our success in securing external research grants and contracts, but supporting this research imposes significant costs on the institution. It is widely accepted that a dollar of direct research support on average creates indirect costs of at least 40 cents, and some estimates are greater than 50 cents. For 2019-20, the total RSF grant has been projected to be \$9.7M. The federal funding received by Queen's faculty members that this grant supports is approximately \$52.8M. This has decreased from last year's number of \$56.7M due to a decrease in our share of the Tri-Agency sponsored research funding envelopes. The RSF grant is based on a three-year average of Tri-Agency sponsored research funding. Any changes in this funding year over year will result in a change in our RSF grant in future years and will need to be adjusted during the next budget planning cycle.

#### **4.1.3 Tuition**

Student fees, primarily through for-credit tuition fees, represent approximately 60% of total operating revenue. Thus, any changes to government policy surrounding tuition fee setting will have a significant impact on the operating budget.

The tuition policy framework in Ontario, up to and including 2018-19, permitted universities to increase tuition for students who are not in professional or graduate programs by up to 3%, and by up to 5% in the professional and graduate programs. Overall, aggregate tuition fee revenue increases across the institution were not to exceed 3%.

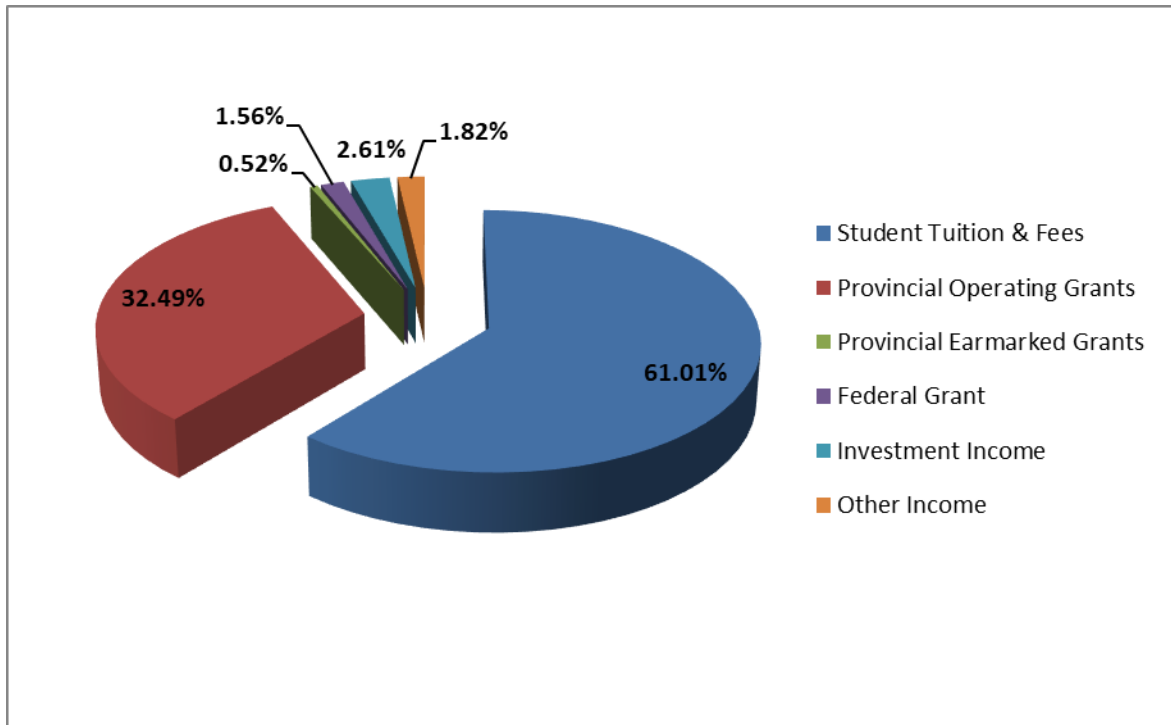
In January 2019, the Ministry of Training Colleges and Universities (MTCU) announced the new Tuition Policy Framework for the sector, which reduced tuition by 10% for 2019-20 and froze it at that level for 2020-21, on all domestic funding-eligible programs. Before the announcement, the expired tuition framework was assumed for the preliminary 2019-20 budget planning cycle. The new framework resulted in a \$31.4M reduction in budgeted operating revenue relative to what had previously been planned. In response, the university expanded its international student recruitment efforts and redistributed enrolment intake targets across faculties and schools. These changes, along with better than expected retention rates, result in a projected operating revenue increase of 4% over 2018-19. Nonetheless, the new framework presents significant long-term financial challenges for the university.

The budget projections for 2019-20 use tuition fee increases where permitted which were approved by e-vote by the Board of Trustees on April 2, 2019 (see Appendix 2).



Based on the 2019-20 operating budget the following graph demonstrates the proportion of total revenue by source of revenue.

**Figure 1 Total Operating Revenue by Source of Revenue**



#### 4.1.4 Investment Income: Global Financial Market Conditions

Market volatility can have a significant impact on investment holdings and financial planning. Although the university has recovered from declines in the financial markets in the past, its investment holdings remain susceptible to further volatility, as we saw in the fourth quarter of 2018.

The university has two investment portfolios, the Pooled Endowment Fund (PEF) and the Pooled Investment Fund (PIF), which now total nearly \$1.4 billion. The PEF itself surpassed the \$1 billion threshold in February 2017.

The PEF is an investment pool composed of funds that have been designated for University Endowment accounts. Donations received by the university are invested in the PEF and each year certain amounts are withdrawn according to the spending policy. These annual withdrawals ("payouts") fund scholarships, academic chairs, book funds, lectureships, as well as a diverse range of university programs, guided by donors' wishes.

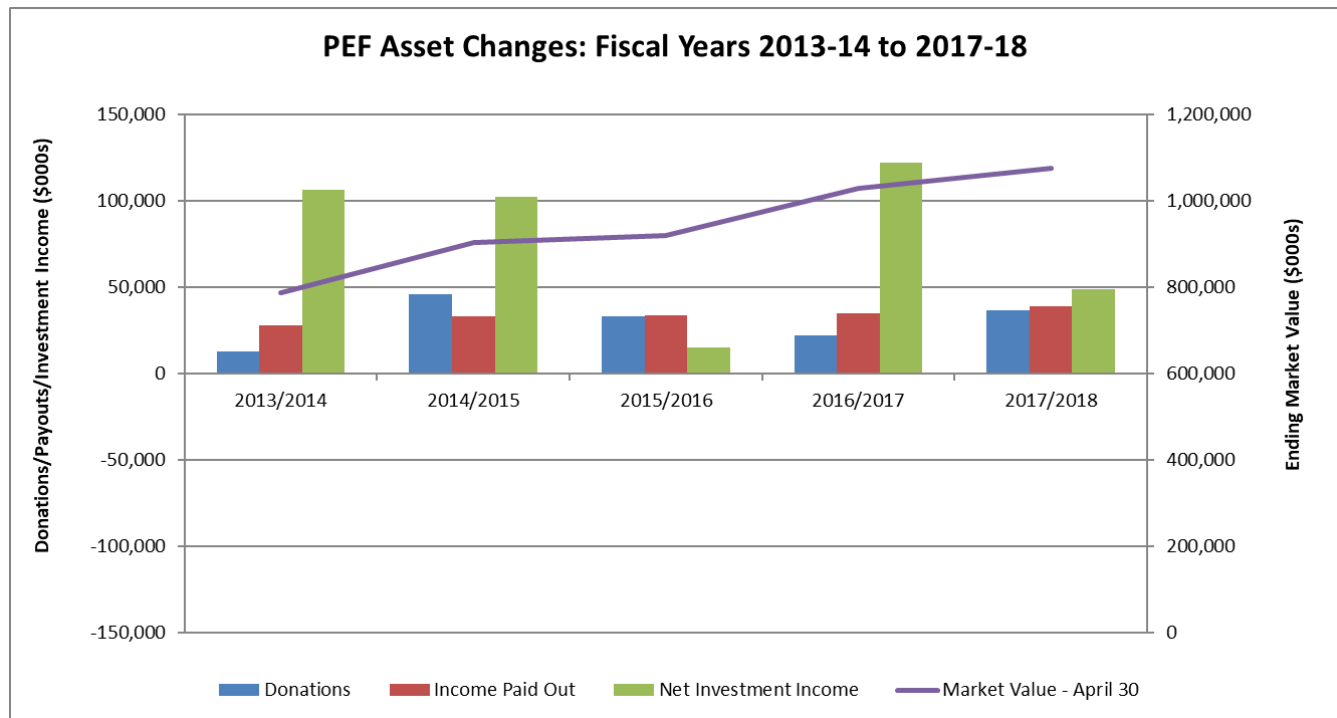
The PIF is made up of reserve funds and unspent balances. In order to preserve the nominal capital of the fund, the decision was made to reduce the Operating budget reliance on income from the PIF, commencing in 2012-13. As a result, the budgeted income from the PIF is set at \$5.2 million.

Investment Fund balances are shown in the table below:

**Investment Portfolios (000's)**

|                              | Market Value<br>April 30, 2016 | Market Value<br>April 30, 2017 | Market Value<br>April 30, 2018 | Proj. Market Value<br>April 30, 2019 |
|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------------|
| Pooled Investment Fund (PIF) | 213,553                        | 237,794                        | 245,726                        | 255,000                              |
| Pooled Endowment Fund (PEF)  | 918,884                        | 1,028,180                      | 1,075,200                      | 1,110,000                            |
| <b>Total</b>                 | <b>1,132,437</b>               | <b>1,265,974</b>               | <b>1,320,926</b>               | <b>1,365,000</b>                     |

The market value of the PEF for the end of the 2017-18 fiscal year was \$1,075 million. The estimated market value for the end of the 2018-19 fiscal year is roughly \$1,110 million.



The PEF income payout is approved annually by the Investment Committee of the Board of Trustees and is based on a hybrid formula that uses a long-term payout target of 4.0%. The formula is meant to preserve capital for inflationary increases while producing a substantial level of income to support current operations. Because the hybrid formula is weighted 70% on the previous year's payout adjusted for inflation, and 30% on the most recent calendar year's ending market value, there is a significant smoothing effect and the full impact of market movements is not felt immediately. The university recently completed a thorough review of its spending policy and will be making a recommendation to the Board at its May 2019 meeting to continue with the existing formula for another three years beginning 2019-20.

Subject to Board approval, the payout for 2019-20 will be 13.11 cents per unit, which represents a 3.0% increase from the 2018-19 payout of 12.73 cents per unit. The payout rates for 2020-21 and beyond in the table below are derived from assumptions based on the asset mix of the PEF and are subject to fluctuation based on actual market returns. Payouts for each fiscal year are based on the previous calendar year-end values and will be communicated by the end of March annually. As a result, it is recommended that some flexibility be incorporated in developing projections for endowment payouts in the budget planning timeframe.

**Projected Endowment Income**

| (\$Millions)                            | 2018-19     | 2019-20     | 2020-21     | 2021-22     |
|---|-------------|-------------|-------------|-------------|
| General Operating Income                | 6.3         | 6.4         | 6.6         | 6.7         |
| Student Assistance                      | 17.0        | 17.7        | 18.4        | 19.0        |
| Chairs, Departmental and Other funds    | 18.2        | 18.9        | 19.7        | 20.3        |
| <b>Total Projected Endowment Income</b> | <b>41.5</b> | <b>43.0</b> | <b>44.7</b> | <b>46.0</b> |

|   |        |        |        |        |
|---|--------|--------|--------|--------|
| <b>Projected Payout rate per Hybrid Formula (dollars)</b> | 0.1273 | 0.1311 | 0.1363 | 0.1406 |
|---|--------|--------|--------|--------|

**4.2 Expenditures****4.2.1 Allocations**

Figure 2 below shows a breakdown of budget allocations in the 2019-20 Operating budget. Two-thirds of the Operating budget is allocated directly to support the academic enterprise through allocations to the Faculties and Schools and student assistance. A transfer to Capital from Operating is required to support previous internal loan decisions as well as to cover the cost of debt repayment on large capital and information technology projects.

**Figure 2**                      **Budget Allocations to Major Expenditure Areas**

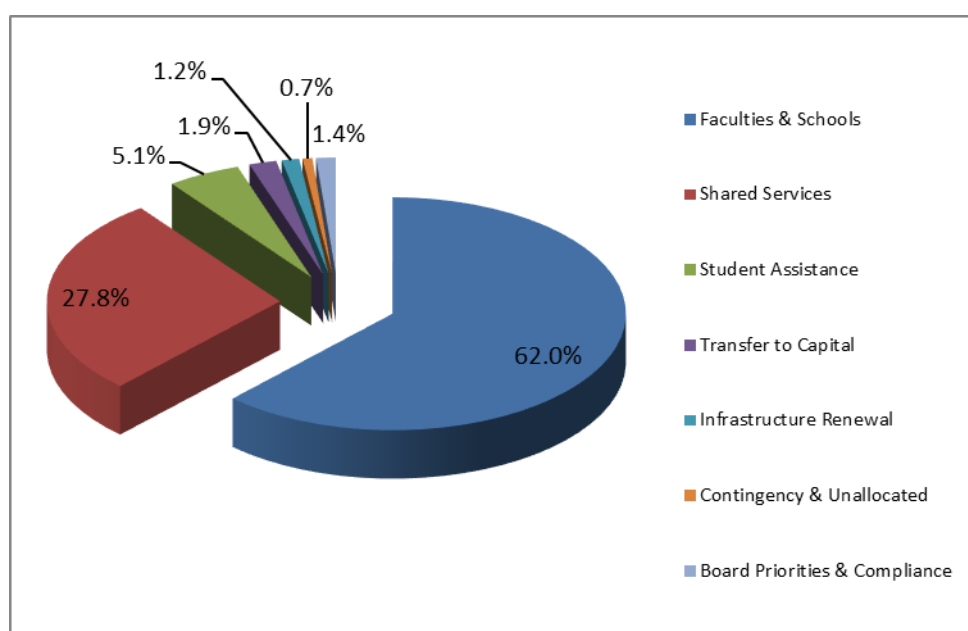
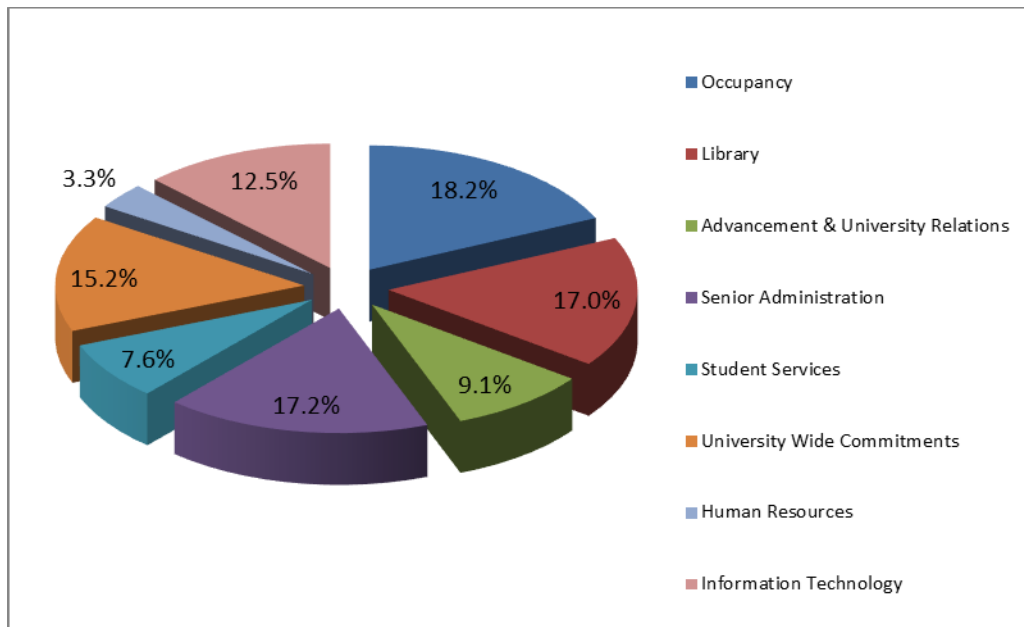


Figure 3 shows a further breakdown of the Shared Service allocations. Many expenses included in Shared Services directly support academic programs and other initiatives in the Faculties, Schools. The Library and Student Services together represent 24.6% of Shared Service allocations with Information Technology Services and Occupancy costs representing 12.5% and 18.2% of allocations respectively.

**Figure 3 Detailed Shared Service Budget Allocations**



The following table shows the expenditures that are included in occupancy costs and the relative size of the expenditure. The two most notable expenditures are the cost of utilities and the cost to operate and maintain our buildings and grounds.

| Occupancy Costs               | \$M  | %     |
|-------------------------------|------|-------|
| Utilities                     | 15.7 | 41.1% |
| Operations/Maintenance        | 16.4 | 42.8% |
| Deferred Maintenance          | 4.2  | 11.2% |
| Solid Waste                   | 0.5  | 1.4%  |
| Insurance (Net of recoveries) | 1.1  | 2.8%  |
| Taxes(Net of Grant Received)  | 0.3  | 0.7%  |

The University Fund is also being used to support transfers from the Operating budget to the Capital budget to support internal loans for capital and technology projects. Other allocations support strategic priorities, including infrastructure renewal to support deferred maintenance and technology infrastructure, inclusion and diversity, new Research Intensity fund, Board priorities and compliance, and the University contingency fund. The contingency fund is needed to provide flexibility and to

mitigate any in-year risks or capitalize on any opportunities that may arise. The amount of the contingency remains at \$2.8M for the 2019-20 budget year.

Approximately \$10.6M in expense is shown as flow-through expenses. These occur in units that receive direct revenues related to their services. An example of this is net expenses in Athletics or Student Health, which are offset by the revenues from membership fees, Ontario Health Insurance billings, and Student Activity Fees. Approximately \$5.1M in overhead revenue recovered from the University Ancillary units is netted against flow-through expenses in the budget presented.

#### **4.2.2 Student Financial Assistance**

Queen's University has an established record of delivering a strong financial aid program, comprising scholarships (merit-based) and bursaries (need-based) for our students. These financial resources are made available partially through the generous philanthropic contributions to financial aid from our donors, alumni and friends. The University also invests a sizeable amount to student assistance through the University's Operating contributions. This includes a portion that is mandated by the government through the Student Access Guarantee (SAG).

The administration of the student financial assistance budget aims to maximize funding available to students taking into account existing government student loan and grant programs (federal, provincial and territorial) while supporting the University's established principles, priorities and goals, and complying with government regulations, changing initiatives and programs. Queen's financial aid strategy supports Queen's commitment to excellence, financial accessibility and diversity.

The University has a robust merit-based scholarship program for undergraduate students. Upper-year scholarships are primarily supported from financial aid endowments, and the majority of the admission scholarships are funded from Operating financial aid resources. The number of prospective students applying for admission to Queen's is increasing and the applicant pool comprises academically strong students. Therefore, the number of students automatically qualifying for admission scholarships continues to rise which impacts financial aid expenditures.

Queen's student financial assistance programs operate within a government regulatory framework that restricts flexibility while at the same time mandating specific expenditures. As part of the Tuition Policy Framework, all universities must commit to the Student Access Guarantee (SAG), which guarantees that all Ontario students in need will have access to resources to cover tuition, books and mandatory fees. The Framework also stipulates that universities must continue to invest in need-based financial assistance by ensuring a portion of additional revenue resulting from tuition fee increases is set aside for this purpose; the current set-aside requirement is 10% of tuition fee increases.

The SAG is determined by the government when a student has an unmet need greater than what is funded through OSAP (Ontario Student Assistance Program). Therefore, any policy changes to OSAP have a direct impact on the University SAG expenditures.

In the 2016 and 2017 provincial budgets the Government of Ontario announced a series of transformational changes to OSAP. Phase one of the changes was implemented in 2017-18 and phase two was implemented in 2018-19.

In 2018-19, OSAP significantly reduced the expected parental contributions and therefore more students from middle and upper-middle income families qualified for OSAP. Based on government policies, the government projected in March 2018 the Queen's SAG obligation would increase by approximately \$2.1 M, however, at the time of preparing this report the projected need-based bursary expenditures increased by approximately \$1 M. The difference between the projection and actual increased SAG expenditures is largely attributed to the number of students who did not complete the OSAP income survey which resulted in a reduction of the mandatory SAG.

In January 2019, in response to the provincial Auditor General's report, the Government of Ontario announced further changes to constrain OSAP expenditures and concurrently the Ontario Government announced a province-wide tuition reduction. The combination of the two announcements will reduce the University's SAG obligation for 2019-20. In the coming weeks the government will provide a projection of what they forecast the reduction to be; however, we expect the results will reduce our SAG obligation to align with the 2017-18 SAG level. It is acknowledged for some students the reduction in OSAP will be greater than the reduction in tuition. The University is currently reviewing our financial aid programs to determine if a modification in our distribution and mix of financial aid measures is required to ensure students who demonstrate the greatest financial difficulty have the ability to begin and complete their Queen's degrees.

The following table illustrates funding available for university-wide need-based bursaries and undergraduate merit-based scholarship student financial assistance. This financial support is available to students regardless of their province of origin. However, given the SAG regulations the greatest uncertainty in financial aid disbursements is in relation to Ontario students who apply for OSAP. The University has established a \$1.0 M financial aid reserve in anticipation of higher than normal increases in the SAG obligation for 2018-19. The \$1.0M reserve would address the budgeted deficit if it materializes. However, given the government announcements in early January 2019 we do not anticipate the full amount of the reserve will need to be accessed.

The table below illustrates total funding available for student assistance and demonstrates the funding available increasing annually.

|   | <b>Actuals<br/>2018-19</b> | <b>Projected<br/>2019-20</b> | <b>Projected<br/>2020-21</b> | <b>Projected<br/>2021-22</b> |
|---|----------------------------|------------------------------|------------------------------|------------------------------|
| <b>Undergraduate and Needs Based Funding</b>    |                            |                              |                              |                              |
| Operating Funding                               | 17,514,294                 | 17,514,294                   | 17,514,294                   | 17,514,294                   |
| Income from Donor Funds                         | 15,221,030                 | 15,737,304                   | 16,005,722                   | 16,684,671                   |
| <b>Total Base Funds Available (All Funding)</b> | <b>32,735,324</b>          | <b>33,251,598</b>            | <b>33,520,016</b>            | <b>34,198,965</b>            |
| <b>Graduate Funding</b>                         |                            |                              |                              |                              |
| Operating Funding                               | 13,367,706                 | 13,367,706                   | 13,367,706                   | 13,367,706                   |
| Income from Government & Donor Funds            | 12,662,096                 | 12,795,703                   | 13,051,989                   | 13,176,669                   |
| <b>Total Base Funds Available (All Funding)</b> | <b>26,029,802</b>          | <b>26,163,409</b>            | <b>26,419,695</b>            | <b>26,544,375</b>            |
| <b>Total Student Aid Funding</b>                | <b>58,765,126</b>          | <b>59,415,007</b>            | <b>59,939,711</b>            | <b>60,743,340</b>            |



### 4.2.3 Compensation

The budget model continues to hold all units responsible for covering salary and benefit increases. Most employees' compensation increases are driven by collective agreements and all known and assumed agreements have been factored into the budgets of the Faculties and Schools and Shared Service units. Where agreements are not known 2% increases have been assumed.

The contract expiry dates for employee groups with agreements are as follows:

| <b>Employee Group</b>                   | <b>Unit / Assoc</b> | <b>Contract Effective until</b> |
|---|---------------------|---------------------------------|
| Kingston Heating & Maintenance Workers  | CUPE 229            | June 30, 2021                   |
| Kingston Technicians                    | CUPE 254            | June 30, 2021                   |
| Library Technicians                     | CUPE 1302           | June 30, 2021                   |
| Academic Assistants                     | USW 2010-01         | August 31, 2020                 |
| General Support Staff                   | USW 2010            | December 31, 2021               |
| Queen's University Faculty Association  | QUFA                | April 30, 2022                  |
| Registered Nurses & Nurse Practitioners | ONA 67              | March 31, 2018                  |
| Graduate TA's/TF's                      | PSAC 901-1          | April 30, 2021                  |
| Allied Health Care Professional FHT     | OPSEU 452           | June 30, 2018                   |
| Post-Doctoral Fellows                   | PSAC 901-2          | June 30, 2020                   |

#### 4.2.4 Queen's Pension Plan (QPP) Deficit

The Queen's Pension Plan continues to carry a significant funding deficit and university efforts continue to ensure that the long-term financial sustainability of the plan is addressed. Although the plan has benefited from strong investment returns over the past few years, low interest rates continue to make funding the university's pension plan challenging.

The most recent triennial QPP actuarial valuation was effective August 31, 2017, and established the liability shown below:

Going-Concern Deficit:

- Market basis: **\$12.6M** (\$53.5M Aug. 31, 2014)
- Smoothed basis: **\$31.6M** (\$175.6M Aug. 31, 2014)

Solvency Shortfall: **\$313.4M** (\$285.4M Aug. 31, 2014)

The 2014 and 2017 valuations were filed on a smoothed basis.

The university has been receiving solvency relief under the Pension Benefit Act since the time of the 2011 pension valuation. On the basis of changes made to the pension plan in 2011, Queen's received Stage 2 solvency relief and in October 2016, new regulations were issued that provided additional partial solvency relief for those in Stage 2 relief with a valuation date on or before December 31, 2018.

Effective September 1, 2018 (under the regulations issued in October 2016), annual special payments to fund the solvency and going concern deficits amount to \$19.0M. Annual special payments of approximately \$50 million per year would be required if no solvency relief provisions were in place.

In July 2016, the Ministry of Finance initiated a solvency funding review, and in May 2017 the province announced a new funding framework for defined benefit pension plans. Proposed regulations for the new funding framework were released in December 2017. These regulations, once finalized, will not be effective for the university until the next required valuation as of August 31, 2020. Based on preliminary estimates from the university's actuary using the financial position of the pension plan at August 31, 2017, funding requirements under the proposed regulations would not significantly change. The regulations are now in force, and there is still some uncertainty as to the impact on hybrid plans like the QPP; as such, the recommendation is to continue with the current funding requirements until the next required valuation in 2020.

In fiscal 2015-16, Faculties and Departments were asked to plan and budget for an additional pension charge to provide for increased special payments, with any balance remaining to be set aside as a reserve to cover future solvency payments and/or to aid in the transition to a Jointly Sponsored Pension Plan (JSPP). Contributions to the pension reserve will continue for the 2019-20 fiscal year, and a decision for future years will be made as part of the 2020-21 budget process.

Queen's is continuing to work with two other universities, participating employee groups, and the provincial government on the creation of a multi-employer JSPP for the university sector in Ontario.

Queen's, the University of Toronto, and the University of Guelph are now looking to finalize the design and governance elements of the project. This new pension plan is a defined benefit plan, and it represents a unique opportunity to reshape and sustain the retirement income system in the Ontario university sector. All Ontario universities will have the option to join the JSPP once established.

The benefits of creating a JSPP are well defined, including joint employee and employer governance and efficiencies and economies of scale. Large scale plans mean greater efficiency in plan administration and access to higher-return investment opportunities, which can mean a more secure and stable future for plan members.

A vital component of the conversion to the UPP is a formal consent process set out in provincial statutes and regulations. The USW and faculty associations at the three founding universities have ratified agreements to support the UPP. The university continues its discussions with other union groups. All members have their say in the process. Unions must consent for all members while non-union employees must consent individually. The conversion to the UPP will proceed if:

- At least two-thirds of active members consent
- No more than one-third of former and retired members object

Notice packages were mailed out on March 25, 2019 to all active, retired and former members of the the pension plans.

Pending the outcome of the member consent process, the creation of the UPP will unfold in two stages:

- January 1, 2020 is the expected inception date (i.e., UPP will be formally registered with authorities)
- July 1, 2021 is the date the UPP is anticipated to come into effect (i.e., when benefit accruals are expected to start).

The university's view is that the creation of the UPP is the best way to reduce volatility, proactively address the rising costs and risks of single employer pension plans and ensure the survival and long-term financial sustainability of a defined benefit plan for the university sector.

Individual pension benefits that have already been earned under existing plans will not change. Pensions already in payment are also guaranteed never to be reduced. The [University Pension Plan Ontario website](#) provides the latest information on the University Pension Plan.

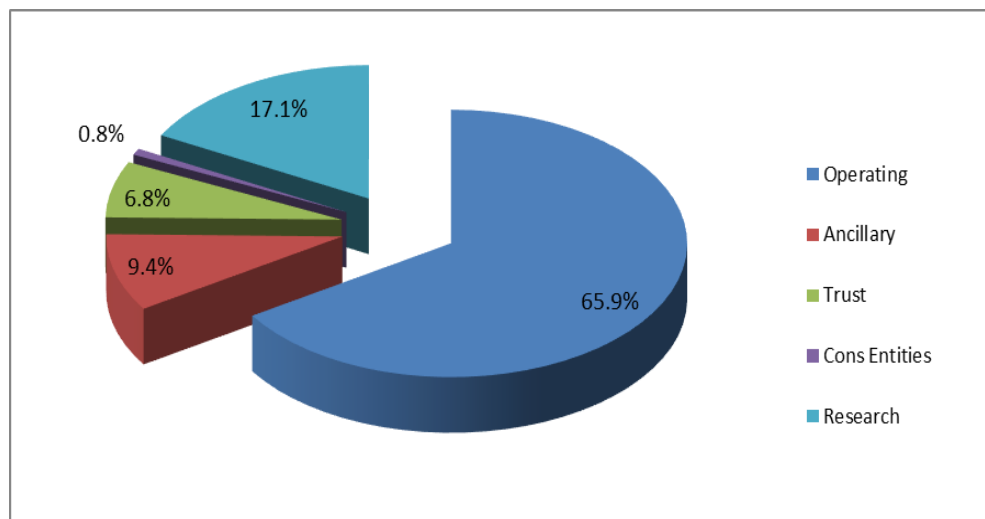
## 5.0 Broader Financial Picture

The Operating expenditures represent approximately 65% of total University expenditures depending on annual levels of research funding and donations. As is the case at most other universities, the Queen's Board of Trustees approves the Operating budget.

Total University revenues and expenses are captured in several funds: Operating; Ancillary; Research; Consolidated Entities; Trust and Endowment; and Capital. The expenditures accounted for in Research, and Trust and Endowment Funds are substantially dictated by the grantors and donors. The flexibility that Queen's has in supporting the academic enterprise and managing its operations is within the Operating budget, with, where donor terms align, significant support from Trust and Endowment Funds.

The following chart is for illustrative purposes only and shows the approximate percentage of University expenditures in each fund. The percentages are based on the 2017-18 expenditures.

**Figure 4** Consolidated Expenditures by Fund



Although the flexibility that Queen's has in supporting the academic enterprise and managing its operations is within the Operating budget, looking beyond the Operating budget is important as revenues and activities in other funds can impact the Operating Fund. Two examples would be the change in the level of indirect costs of research grants or research overhead revenue that would support operations depending on the level of research revenues, and the required level of support in student aid from the Operating fund due to increases or decreases in donations to support student aid.

In order to provide a more consolidated picture of University finances, and in addition to presenting information on the Capital and Ancillary Budgets, information on donations to trust and endowment funds and research is also presented.

## 5.1 Capital Budget

Capital expenditures funded from the Operating budget are shown as *Transfer to Capital Budget* and are itemized in Table E below.

The Capital Projects Financing section provides detail on repayments from the Operating fund of internal loans made to fund capital projects. Internal loans reflect the use of committed cash reserves for payment of Capital projects that are repaid over a number of years.

A policy on internal loans was approved by the Board of Trustees in 2013-2014, which requires Capital Assets and Finance Committee approval of any new internal loans.

More detail about the university's Capital planning and deferred maintenance is summarized later in this report.

**TABLE E: CAPITAL BUDGET ALLOCATION**

| <b>Queen's University Capital Budget Allocations from Operating</b> |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | Budget<br>2018-19 | Budget<br>2019-20 | Budget<br>2020-21 | Budget<br>2021-22 |
| <b>Grant Revenue</b>  |                   |                   |                   |                   |
| MTCU Facilities Renewal Fund  | \$ 3,286          | \$ 3,048          | \$ 4,161          | \$ 3,751          |
| MTCU Graduate Capital   | \$ 3,700          | \$ -              | \$ -              | \$ -              |
| Total Revenue   | \$ 6,986          | \$ 3,048          | \$ 4,161          | \$ 3,751          |
| <b><u>Capital Projects Financing</u></b>                            |                   |                   |                   |                   |
| School of Kinesiology & Queen's Centre                              | \$ 6,900          | \$ 6,900          | \$ 6,900          | \$ 6,900          |
| QUASR   | \$ 3,000          | \$ 3,000          | \$ 3,000          | \$ -              |
| BISC  | \$ 250            | \$ 250            | \$ 250            | \$ 250            |
| Biomedical Revitalization   | \$ 2,000          | \$ 2,000          | \$ 2,000          | \$ 2,000          |
| Chernoff Hall   | \$ 900            | \$ 900            | \$ 900            | \$ 900            |
| Electrical Substation   | \$ 900            | \$ 900            | \$ 900            | \$ 900            |
| CoGeneration Facility   | \$ 1,064          | \$ 1,064          | \$ 1,064          | \$ 1,064          |
| Boiler #8   | \$ 167            | \$ 167            | \$ 167            | \$ 167            |
| <b><u>Deferred Maintenance</u></b>                                  |                   |                   |                   |                   |
| MTCU Facilities Renewal Fund  | \$ 3,286          | \$ 3,048          | \$ 4,161          | \$ 3,751          |
| Total Expenses  | \$ 18,467         | \$ 18,229         | \$ 19,342         | \$ 15,932         |
| Budget Surplus (Deficit)  | \$ (11,481)       | \$ (15,181)       | \$ (15,181)       | \$ (12,181)       |
| Transfer from Reserves  |                   | \$ 2,373          |                   |                   |
| Transfer from Operating Budget                                      | \$ 11,481         | \$ 12,808         | \$ 15,181         | \$ 12,181         |
| Net Budget Surplus (Deficit)  | \$ -              | \$ -              | \$ -              | \$ -              |

All of the Capital projects shown in the table above have been completed.

Not included in the table above is \$4.2M in deferred maintenance funding which is included in occupancy costs, and \$4.4M in deferred maintenance funding from the University Fund.

### 5.1.1 Major Capital Projects

Queen's has embarked on a number of significant capital projects over the last few years.

**TABLE F: CAPITAL EXPENDITURES FOR APPROVED PROJECTS**

| PROJECT NAME  | PROJECT COSTS        |                       |                |
|---|----------------------|-----------------------|----------------|
|   | Actuals at March '19 | Total Projected Costs | Budget         |
| <b>IN PROCESS:</b>  |                      |                       |                |
| Biomedical Research Facility Revitalization <sup>1</sup>  | 32,315               | 33,765                | 33,765         |
| John Deutsch University Centre  | 197                  | 1,750                 | 62,300         |
| Mitchell Hall <sup>1,2</sup>  | 101,139              | 101,400               | 101,400        |
| Mitchell Hall – Institute for Disruptive Technologies   | 911                  | 8,000                 | 8,000          |
| West Campus District Energy Conversion (GGRP)   | 7,009                | 10,467                | 10,467         |
| <b>SUBTOTAL - PROJECTS IN PROCESS</b>   | <b>141,571</b>       | <b>155,382</b>        | <b>215,932</b> |
| <b>COMPLETED:</b>   |                      |                       |                |
| David C. Smith House and Brant House  | 56,771               | 56,771                | 70,000         |
| Energy Service Company (ESCO) Partnership   | 9,724                | 10,727                | 10,727         |
| Goodes Hall Expansion <sup>2</sup>  | 39,862               | 40,000                | 40,000         |
| Isabel Bader Centre for the Performing Arts <sup>2</sup>  | 79,808               | 80,500                | 80,500         |
| Reactor Materials Testing Laboratory  | 17,489               | 18,355                | 18,355         |
| School of Kinesiology and Queen's Centre <sup>2,3</sup>   | 180,474              | 180,498               | 181,235        |
| School of Medicine <sup>2</sup>   | 78,647               | 78,659                | 76,846         |
| <b>SUBTOTAL - PROJECTS COMPLETED</b>  | <b>462,776</b>       | <b>465,510</b>        | <b>477,663</b> |
| <b>GRAND TOTAL</b>  | <b>604,347</b>       | <b>620,892</b>        | <b>693,595</b> |
|   | <b>87%</b>           | <b>90%</b>            |                |
| 1 - Total projected costs and approved budget include financing costs that are charged outside the project. |                      |                       |                |
| 2 - Project costs are waiting on letters of credit clearance only   |                      |                       |                |
| 3 - Project funding waiting on external funding only  |                      |                       |                |

### 5.1.2 Deferred Maintenance

In 2017, a facility condition audit was completed on campus buildings using VFA, a third party service provider. Queen's also engaged local engineering firms to perform audits on underground infrastructure. The results of these audits indicated that the university should address approximately \$344.6 million in deferred maintenance (inclusive of infrastructure) in the next five years as presented in the table below:

|                            | (\$ millions)  |
|----------------------------|----------------|
| Buildings                  | \$310.4        |
| Underground infrastructure | 34.2           |
| <b>Total</b>               | <b>\$344.6</b> |

The deferred maintenance program has been supported by yearly base and ancillary funding with annual incremental increases. In addition, the Province has also increased funding over the last number of years. Deferred maintenance balances are expected to grow as systems in the significant number of buildings constructed between 1960 and 1980 come to the end of their useful life.

As stewards of the deferred maintenance funding received by the Operating Fund and Residences in the amount of \$16.0M, Physical Plant Services plans an overage of no more than 10% of the available funding in its planning. A Steering Committee comprised of faculty, residences and PPS representation manage the plan and review in-year variances.

|  | (\$ millions) |
|--|---------------|
| Ministry of Training Colleges and Universities (MTCU) Facilities Renewal Program | \$3.0         |
| Operating budget allocation  | \$8.6         |
| Subtotal   | \$11.6        |
| Deferred maintenance – residences  | \$4.4         |
| <b>Total</b>   | <b>\$16.0</b> |

The industry standard for annual deferred maintenance funding is 1% - 1.5% of the Current Replacement Value. For the university, the annual number at 1% would be \$20 million.

Facilities along with Ancillary Services have developed a detailed five-year deferred maintenance plan which allows for engineering design work ahead of the fiscal year for prioritized projects, with the flexibility to adjust plans based on available funding. There are also contingency funds to deal with unanticipated issues.



## 5.2 Ancillary and Consolidated Entity Budgets

These units provide goods and services to the University in support of our core educational and research mission. Ancillaries are not supported by central University revenues and are expected to run as self-sustaining operations covering direct costs and overhead. Any excess net revenues are contributed to the Operating budget.

The following table shows the 2019-20 Budgets for each Ancillary Operation.

| 2019-20 Ancillary Budget (000's)   |                         |            |        |                 |
|--|-------------------------|------------|--------|-----------------|
|  | Housing and Hospitality | Parking    | QEDC   | Total Ancillary |
| <b>REVENUE</b>   | \$ 90,075               | 3,514      | 325    | 93,913          |
| Non-interest expenditures  | 64,190                  | 1,597      | 310    | 66,097          |
| Interest   | 4,644                   | 2,318      | -      | 6,962           |
| <b>EXPENDITURES</b>  | \$ 68,833               | \$ 3,915   | \$ 310 | \$ 73,058       |
| <b>Net Surplus (Deficit) before Capital and Contributions to University Operations</b> | \$ 21,241               | (401)      | 15     | 20,855          |
| Deferred Maintenance   | (9,400)                 | (525)      | -      | (9,925)         |
| Debt Servicing - Principal   | (6,546)                 | (1,013)    | -      | (7,559)         |
| Contributions to University Operations   | -                       | -          | -      | 0               |
| <b>SURPLUS (DEFICIT)</b>   | \$ 5,295                | \$ (1,940) | \$ 15  | \$ 3,371        |

| Queen's University 2019-20 Ancillary Budget (000's) Operating Reserves |           |            |     |          |
|--|-----------|------------|-----|----------|
| OPENING RESERVE  | 7,674     | * (20,127) | 490 | (20,127) |
| SURPLUS (DEFICIT) - PLANNED ALLOCATION TO (FROM) RESERVES              | 5,295     | (1,940)    | 15  | (1,940)  |
| <b>CLOSING RESERVE</b>   | \$ 12,969 | (22,067)   | 505 | (22,067) |

| 2019-20 Ancillary Budget (000's) Capital Reserve |           |       |   |          |
|--|-----------|-------|---|----------|
| OPENING RESERVE                                  | \$ 14,665 | 4,854 | - | 19,519   |
| Planned Contribution                             | 9,200     | 525   | - | 9,725    |
| Deferred Maintenance Expenditure                 | (10,237)  | (747) | - | (10,984) |
| <b>CLOSING RESERVE</b>                           | \$ 13,628 | 4,632 | - | 18,260   |

\* The accumulated deficit, created by the debt servicing payments, is projected to be reduced to zero 7 years after the debt servicing payments are completed. The debt will be repaid in full in fiscal 2040/41.

Housing and Hospitality incorporates Residences, Event Services, Community Housing and the Donald Gordon Centre. Residences is budgeting a deficit which is the result of the debt servicing payments for the construction of the new residences which will be completed by 2030-2031. The residence deficit is offset by surpluses in the other units resulting in an aggregate budgeted surplus.

Ancillary units continue to plan for deferred maintenance where applicable, and accordingly annual budgets are transferred to a capital fund reserve to support a multi-year deferred maintenance plan. Allocations to the capital reserve will be balanced against the need to maintain a small operating reserve to mitigate against occupancy shortfalls and operating cost overages. The budgeted reserves for both operating and capital are highlighted in the table above. The opening reserve balances are based on projections for 2018-19 actuals which may or may not materialize as projected.

The parking deficit is due to the debt financing of the underground parking garages as planned in the capital business case. The parking garage business case was based on a 40-year return on investment and allowed for deficits over 30 years while the debt was being repaid, after which a further 10 years is required to eliminate the cumulative deficit. The Parking budget is tracking to the business plan and will be profitable once the debt and deficit are paid. The deficit includes a \$525K allocation to reserves for future deferred maintenance.

The University controls or has significant interest in a number of entities that impact the financial position of the University. The table below shows the 2019-20 Consolidated Entity budget.

| 2019-20 Consolidated Entities Budget (000's)                                   |             |                       |                    |
|--|-------------|-----------------------|--------------------|
|  | PARTEQ      | Cogeneration Facility | Parking Commission |
| <b>REVENUE</b>   | <b>244</b>  | <b>695</b>            | <b>2,799</b>       |
| <b>EXPENDITURE</b>   |             |                       |                    |
| Salaries & Benefits  | -           | 26                    | 165                |
| External Contracts   | 170         | 885                   | 92                 |
| Utilities  | -           | 355                   | 69                 |
| Repairs & Alter.   | -           | 629                   | 55                 |
| Interest & Bank Charges  | 1           | -                     | 313                |
| Supplies & Misc.   | 135         | 136                   | 57                 |
| Deferred Maintenance   | -           | 150                   | 300                |
| Total Expenditures   | 306         | 2,181                 | 1,051              |
| <b>Net Surplus (Deficit) before Contributions to (from) Queen's / Partners</b> | <b>(62)</b> | <b>(1,486)</b>        | <b>1,748</b>       |
| Contribution to (from) Queen's   | (62)        | (892)                 | 874                |
| Contribution to (from) KHSC  |             | (594)                 | 874                |
| <b>SURPLUS (DEFICIT)</b>   | <b>-</b>    | <b>-</b>              | <b>-</b>           |

| 2019-20 Consolidated Entities Budget (000's) Capital Reserve |          |          |            |
|--|----------|----------|------------|
| OPENING RESERVE  | -        | -        | 967        |
| Planned Contribution   | -        | -        | 300        |
| Deferred Maintenance Expenditure                             | -        | -        | (860)      |
| <b>CLOSING RESERVE</b>                                       | <b>-</b> | <b>-</b> | <b>407</b> |

Note: The Bader International Study Centre is a consolidated entity but under the budget model its academic operations are now included as a Faculty in the Operating budget.

The technology transfer operations of the PARTEQ consolidated entity were incorporated into the University in 2017-18 and now form part of the Vice-Principal Research portfolio through the creation of the Technology Transfer Unit. The budget presented above relates to revenue from the distributions of former licensing agreements entered into by the PARTEQ consolidated entity. All new agreements are entered into between Queen's University and the licensees.

The Cogeneration Facility (COGEN) is a joint venture with the Kingston Health Sciences Centre for the construction and operation of a cogeneration facility governed by a management board consisting of

an equal number of representatives of the University and the Kingston Health Sciences Centre. The purpose of the facility is to produce electricity and steam.

The Parking Commission is a joint venture with the Kingston Health Sciences Centre for the construction and operation of an underground parking garage managed and governed by a joint Parking Commission established by the parties and including an equal number of commission members appointed by both parties.

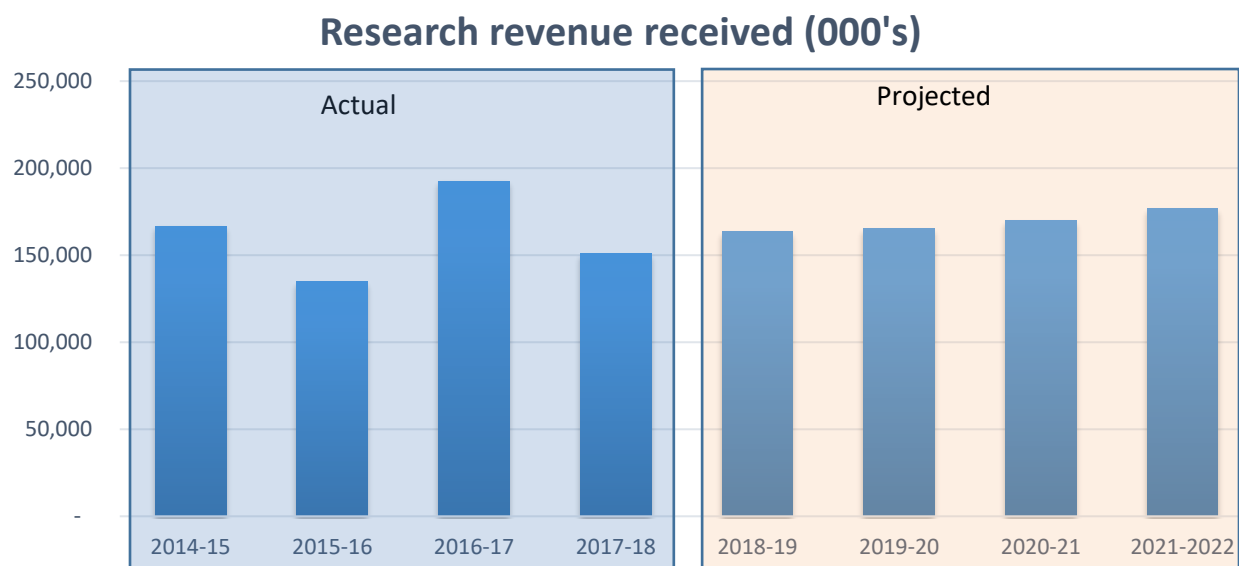
The budget presented above represents 100% of the operations of the two joint venture consolidated entities. Queen's University's interest in the two joint ventures is 60% of the COGEN operations and 50% of the Parking Commission. The parking commission includes an allocation to capital reserves for future deferred maintenance as outlined in the table above.

The COGEN normally budgets a deficit which is funded annually by the University and the hospital. The COGEN facility allows for electricity reduction during peak demands. The savings achieved through the peak demand initiative under the Province's Global Adjustment Program within each partner institution far outweigh the additional costs of running the COGEN during peak times. In 2018-19 the Global Adjustment savings for Queen's and the Kingston Health Sciences Centre were \$5.2 million.

The Queen's Centre for Enterprise Development (QCED) budget continues to be excluded for 2019-20 as the corporation is currently inactive and is assessing next steps.

### 5.3 Research Fund

The table below provides a summary of research funding received since 2014-15, together with cash flow projections for future year funding. Totals exclude funding received for the indirect costs of research and scholarships as these are reported in separate funds in the university's financial statements. These totals also differ from the university's audited financial statements in that research revenue is only recognized as expended in the financial statements.



Research funding covers the direct cost of research, but only a portion of indirect costs such as financial management, contract administration, health and safety, physical infrastructure requirements, etc. A 2013 report issued by the Canadian Association of University Business Officers and the Canadian Association of University Research Administrators reported that the indirect cost of research was between 40% and 60% nationally. Although Queen's general policy is to recover 40% of externally funded research projects, funding policies of many government and not-for-profit agencies prohibit or limit the reimbursement of indirect costs, and Queen's recovers indirect costs in the amount of 10% -15% of direct costs. Research activity impacts operating and capital budgets through the physical and human capital resources that support research. For these reasons, estimating future research activity is important and better enables the university to improve forecasting of funding for indirect costs of research, supports integrated cash flow management, and helps to highlight financial opportunities or financial risks.

Research funding can fluctuate from year to year depending on the number of submitted and funded research proposals and amounts awarded (which can be awarded as grants or contracts), economic conditions, and award cycles, particularly for major grants programs. Research-intensive universities seek a balance across challenging and complementary areas of emphasis including research intensity, reputation, size and scale, excellence in both graduate and undergraduate education, foundational research, applied research, leadership and support for major research programs and facilities,

international presence, and local social advancement and economic growth. While Queen's has many unique opportunities, we share similar challenges and risks as other U15 universities.

Despite many pressures, Queen's demonstrates research excellence. At present, Queen's ranks 5th for research intensity and 2nd in Canada for award-winning faculty. We are ambitious about reinforcing our research capacity by strengthening our relationships with current partners and establishing new collaborations, as well as through the hiring of 200 new faculty members that share our vision of research prominence and teaching excellence. Since 2013, Queen's scholars have been granted no fewer than 41 patents and we have facilitated the creation of more than 120 start-ups, helped to create or retain more than 1000 jobs and have supported over 3500 students. Our goal is to take this to the next step by building on our success with innovation support and enhancing our presence in economic development in both the Kingston and Eastern Ontario regions. Through our work with collaborators, communities, governments, and industry, we will accelerate knowledge translation and exchange, taking fundamental research to tangible impact.

Following the release of Canada's Fundamental Science review, the 2018 federal budget included an investment of \$925 million over five years in the tri-council funding agencies. This represents a 25 per cent increase, and is the largest-ever investment in investigator-led research in Canada. Overall, Budget 2018 contained nearly \$4 billion in new investments to support Canadian research including but not limited to the tri-councils. That budget will also support crucial research laboratories and infrastructure through an investment of \$763 million over five years in the Canada Foundation for Innovation. This will result in permanent funding for the foundation of \$462 million per year by 2023. Queen's historical share of funding from these Federal sources suggests modest increases in funding in the coming years.

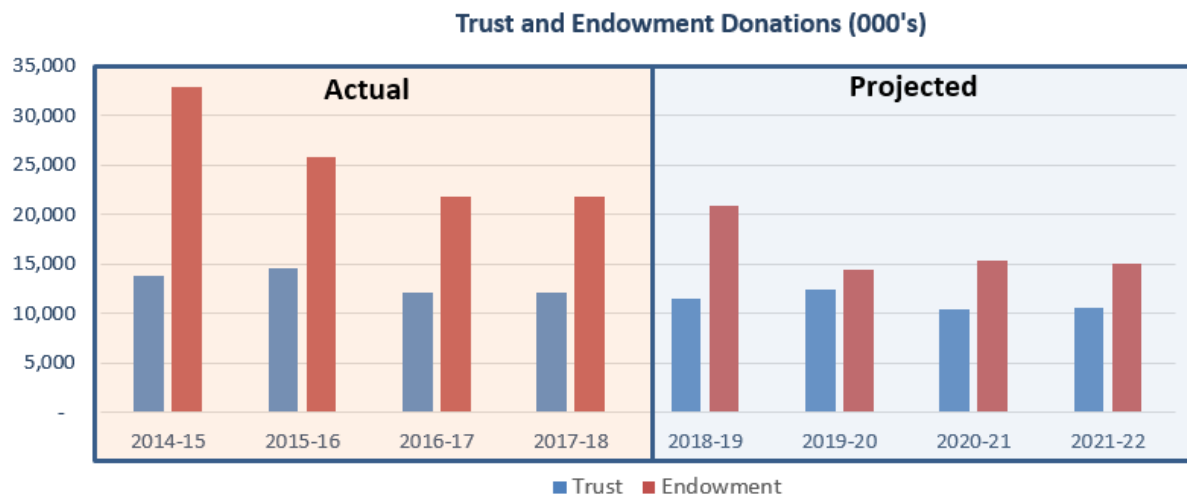
## 5.4 Trust and Endowment Funds

Trust and Endowment Funds capture funds received within the university that are restricted for specific purposes in support of university operations. The university has a fiduciary responsibility to ensure trust funds and endowment expenditures are managed in accordance with the related terms, typically a directed donation. External donations received for specific purposes are usually supported by an agreement between the university and the donor, recorded in their own funds, and managed according to the terms and conditions of the donation. The chart below provides an overview of donations received in past years, as well as projected cash receipts in the future. This chart does not include capital donations, which amounted to \$28 million in 2016-17, and \$8 million in 2017-18.

Donations to endowment funds in the chart represent non-expendable donations that are maintained in perpetuity.

Donations to trust funds in the chart represent expendable donations. These totals differ from the university's audited financial statements as donation revenue is only recognized as expended funds in the financial statements.

Actual donation revenue may vary because of changing economic conditions or other factors.



**Queen's University at Kingston**  
**2018-19 to 2021-22 Revenue Budget**

TABLE 1

|  | Budget<br>2018-19     | Budget<br>2019-20     | Budget<br>2020-21     | Budget<br>2021-22     |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Tuition Credit                           | \$ 322,317,344        | \$ 343,063,444        | \$ 370,468,977        | \$ 390,614,548        |
| Tuition Non-Credit                       | \$ 23,196,938         | \$ 24,082,711         | \$ 25,173,913         | \$ 26,593,667         |
| Student Assistance Levy                  | \$ 2,551,786          | \$ 2,800,972          | \$ 2,899,006          | \$ 3,000,471          |
| Other fees                               | \$ 7,836,924          | \$ 8,308,469          | \$ 8,524,953          | \$ 8,753,243          |
| <b>Total Fees</b>                        | <b>\$ 355,902,992</b> | <b>\$ 378,255,596</b> | <b>\$ 407,066,849</b> | <b>\$ 428,961,929</b> |
| <b>Operating Grants</b>                  |                       |                       |                       |                       |
| <b>Enrolment Envelope</b>                |                       |                       |                       |                       |
| Core Operating Grant                     | \$ 176,626,601        | \$ 176,691,662        | \$ 176,721,747        | \$ 176,703,696        |
| Undergraduate Enrolment Transition Grant | \$ 1,871,056          | \$ -                  | \$ -                  | \$ -                  |
| Graduate Expansion                       | \$ 3,261,143          | \$ 6,628,974          | \$ 6,628,974          | \$ 6,628,974          |
| International Student Recovery           | \$ (1,327,863)        | \$ (1,907,841)        | \$ (2,097,643)        | \$ (2,211,901)        |
| <b>Differentiation Envelope</b>          |                       |                       |                       |                       |
| Performance/Student Success Grant        | \$ 17,852,361         | \$ 17,851,691         | \$ 17,851,691         | \$ 17,851,691         |
| Graduate Expansion-Performance           | \$ 540,115            | \$ 597,590            | \$ 597,590            | \$ 597,590            |
| Research Overhead Infrastructure         | \$ 1,568,386          | \$ 1,578,242          | \$ 1,578,242          | \$ 1,578,242          |
| <b>Total Operating Grants</b>            | <b>\$ 200,391,799</b> | <b>\$ 201,440,318</b> | <b>\$ 201,280,601</b> | <b>\$ 201,148,292</b> |
| <b>Special Purpose Envelope</b>          |                       |                       |                       |                       |
| Tax Grant                                | \$ 1,633,371          | \$ 1,672,748          | \$ 1,800,490          | \$ 1,807,068          |
| Special Accessibility                    | \$ 712,385            | \$ 836,223            | \$ 836,223            | \$ 836,223            |
| Regional Assessment Resource Centre      | \$ 1,170,000          | \$ 100,000            | \$ -                  | \$ -                  |
| Clinical Education Funding               | \$ 623,751            | \$ 623,751            | \$ 623,751            | \$ 623,751            |
| <b>Total Special Purpose Grants</b>      | <b>\$ 4,139,507</b>   | <b>\$ 3,232,722</b>   | <b>\$ 3,260,464</b>   | <b>\$ 3,267,042</b>   |
| <b>Total Provincial Grants</b>           | <b>\$ 204,531,306</b> | <b>\$ 204,673,040</b> | <b>\$ 204,541,065</b> | <b>\$ 204,415,334</b> |
| <b>Federal Grant</b>                     | <b>\$ 9,966,801</b>   | <b>\$ 9,663,830</b>   | <b>\$ 9,663,830</b>   | <b>\$ 9,663,830</b>   |
| <b>Other Revenue</b>                     |                       |                       |                       |                       |
| Unrestricted Donations and Bequests      | \$ 1,200,000          | \$ 1,200,000          | \$ 1,200,000          | \$ 1,200,000          |
| Other Income                             | \$ 5,682,678          | \$ 6,083,765          | \$ 6,390,641          | \$ 6,564,579          |
| Research Overhead                        | \$ 3,600,000          | \$ 4,000,000          | \$ 4,000,000          | \$ 4,000,000          |
| Investment Income                        | \$ 14,616,929         | \$ 16,161,682         | \$ 16,432,196         | \$ 16,659,617         |
| <b>Total Other Revenue</b>               | <b>\$ 25,099,607</b>  | <b>\$ 27,445,446</b>  | <b>\$ 28,022,837</b>  | <b>\$ 28,424,197</b>  |
|  |                       |                       |                       |                       |
|  | <b>595,500,707</b>    | <b>620,037,912</b>    | <b>649,294,581</b>    | <b>671,465,289</b>    |



**Queen's University at Kingston**  
**2018-19 to 2019-20 Expense Budget**

TABLE 2

|   | Budget<br>2018-19     | Budget<br>2019-20     | Budget<br>Variance   |
|---|-----------------------|-----------------------|----------------------|
| <b>Faculties and Schools</b>                        |                       |                       |                      |
| Arts and Science                                    | \$ 146,648,661        | \$ 153,935,969        | \$ 7,287,308         |
| Business  | \$ 88,551,161         | \$ 95,731,460         | \$ 7,180,299         |
| Health Sciences                                     | \$ 48,669,472         | \$ 51,353,709         | \$ 2,684,237         |
| Applied Science                                     | \$ 39,616,841         | \$ 40,434,187         | \$ 817,346           |
| Law   | \$ 12,615,841         | \$ 12,234,747         | \$ (381,094)         |
| Education   | \$ 18,861,678         | \$ 17,956,543         | \$ (905,135)         |
| School of Policy Studies                            | \$ 2,359,230          | \$ 2,535,528          | \$ 176,298           |
| Bader International Study Centre                    | \$ 2,913,029          | \$ 2,798,693          | \$ (114,336)         |
| <b>Total Faculties and Schools</b>                  | <b>\$ 360,235,913</b> | <b>\$ 376,980,836</b> | <b>\$ 16,744,923</b> |
| <b>Shared Services</b>                              |                       |                       |                      |
| Principal's Office                                  | \$ 1,517,596          | \$ 1,713,520          | \$ 195,924           |
| Secretariat   | \$ 2,041,545          | \$ 2,521,656          | \$ 480,111           |
| University Relations                                | \$ 3,770,365          | \$ 3,627,421          | \$ (142,944)         |
| Vice-Principal (Research)                           | \$ 7,493,401          | \$ 7,464,867          | \$ (28,534)          |
| Vice-Principal (Advancement)                        | \$ 11,187,206         | \$ 11,688,142         | \$ 500,936           |
| Vice-Principal (Finance & Admin )                   | \$ 10,006,567         | \$ 11,781,310         | \$ 1,774,743         |
| Provost & Vice-Principal (Academic)                 | \$ 3,797,578          | \$ 3,865,088          | \$ 67,510            |
| Student Affairs                                     | \$ 10,060,751         | \$ 10,841,298         | \$ 780,547           |
| Library (operations & acquisitions)                 | \$ 28,749,039         | \$ 28,675,947         | \$ (73,092)          |
| Occupancy Costs (net of Shared Service Space Costs) | \$ 31,515,276         | \$ 30,689,409         | \$ (825,867)         |
| Environmental Health & Safety                       | \$ 1,745,946          | \$ 1,770,224          | \$ 24,278            |
| ITS   | \$ 19,561,211         | \$ 21,039,412         | \$ 1,478,201         |
| Human Resources                                     | \$ 5,421,110          | \$ 5,654,655          | \$ 233,545           |
| Graduate Studies                                    | \$ 1,982,762          | \$ 1,957,171          | \$ (25,591)          |
| University Wide Benefits & Pension Special Payments | \$ 8,695,773          | \$ 9,755,184          | \$ 1,059,411         |
| Need Based & UG Merit Student Assistance            | \$ 17,514,294         | \$ 17,514,294         | \$ -                 |
| Graduate Students Assistance                        | \$ 13,367,706         | \$ 13,367,706         | \$ -                 |
| University Wide - Faculty                           | \$ 3,747,935          | \$ 3,736,835          | \$ (11,100)          |
| University Wide - Student                           | \$ 1,689,680          | \$ 1,762,410          | \$ 72,730            |
| University Wide - Administration                    | \$ 4,504,387          | \$ 4,452,156          | \$ (52,231)          |
| University Wide - Community                         | \$ 4,348,173          | \$ 4,384,307          | \$ 36,134            |
| Queen's National Scholars                           | \$ 1,300,000          | \$ 1,500,000          | \$ 200,000           |
| Queen's Research Chairs                             | \$ -                  | \$ -                  | \$ -                 |
| <b>Total Shared Services</b>                        | <b>\$ 194,018,301</b> | <b>\$ 199,763,012</b> | <b>\$ 5,744,711</b>  |
| Infrastructure Renewal                              | \$ 7,350,000          | \$ 7,300,000          | \$ (50,000)          |
| Strategic Priorities & Compliance                   | \$ 4,103,167          | \$ 8,239,000          | \$ 4,135,833         |
| Contingency   | \$ 2,800,000          | \$ 2,800,000          | \$ -                 |
| To Be Allocated                                     | \$ 2,459,204          | \$ -                  | \$ (2,459,204)       |
| <b>Flow Through Expenses, net of Recoveries</b>     | <b>\$ 11,445,454</b>  | <b>\$ 10,590,660</b>  | <b>\$ (854,794)</b>  |
| Indirect Costs of Research to External Entities     | \$ 1,608,144          | \$ 1,556,226          | \$ (51,918)          |
| <b>Total Operating Expenditures</b>                 | <b>\$ 584,020,183</b> | <b>\$ 607,229,734</b> | <b>\$ 23,209,551</b> |
| Transfer to Capital Budget                          | \$ 11,480,526         | \$ 12,807,526         | \$ 1,327,000         |
| <b>Total Expenditures</b>                           | <b>\$ 595,500,709</b> | <b>\$ 620,037,260</b> | <b>\$ 24,536,551</b> |

\*Expenses covered by Fees under Other Fees or Earmarked Grants

\*\*Municipal Tax expense reflects on the portion that is equal to the grant. The remainder is shown in occupancy costs

**Short Term Enrolment Projections 2019-2022  
March 2019**

*To be approved by SCAD in March 2019, then University Senate April 2019*

This report contains enrolment targets for 2019-2020 and 2020-2021 and enrolment projections for 2021-2022, which have been developed by the Strategic Enrolment Management Group (SEMG). More specifically, this report includes:

- Revisions to 2019-2020 targets: 2019-2020 targets were previously approved by Senate in April 2018, and the revisions are now submitted for April 2019 Senate approval;
- Revisions to 2020-2021 targets: initial 2020-2021 targets were provided for information to Senate in April 2018 as enrolment projections, and the revised targets are now submitted for April 2019 Senate approval;
- Enrolment projections for 2021-2022: these are submitted to Senate for information.

**The development of enrolment targets**

The SEMG includes Deans, faculty members, staff, and AMS and SGPS representatives. This group annually considers enrolment targets and projections for the following three years. Each spring, Senate reviews:

- Any revisions to previously-approved targets for the upcoming year that are resubmitted for approval;
- Any revisions to previously-submitted (for information) targets for the first of the two following years, that are resubmitted for approval; and
- Projections for the second of the two following years, submitted for information.

This practice of submitting overlapping enrolment targets enables annual budget planning, which begins 12 months prior to the year of budget that is being planned.

The enrolment targets are derived through the following process:

- Meetings are held with each Dean to review enrolment priorities, applicant demand and program capacity;
- The SEMG reviews data on Queen's applications, province-wide applications, sector trends, provincial policy issues and initiatives, and annual faculty and school enrolment plans;

- Preliminary targets for the upcoming three years are presented to SEMG and assessed against the data, the priorities and goals in the university's long-term enrolment framework, and by the Deans;
- SEMG recommends rolling three-year enrolment targets and projections to SCAD. The first two years' projections are presented as targets for approval, and the third year's projections are presented for information;
- SCAD reviews and recommends the two upcoming years' enrolment targets to Senate for approval, and provides the third year's projections for information.

### **Undergraduate Enrolment Context**

Applications to Queen's remain strong. They have increased each year for the past eight years, despite a decline in the Canadian university-aged demographic. First-year direct-entry applications for 2019-2020 to Ontario universities had increased by 4.3% as of March 5, 2019 compared to the same time last year, while applications to Queen's programs had risen by 10.9% as of March 8, 2019.

The Canadian university-aged population has been projected to decline by 10% between 2011 and 2020, returning to 2010 levels by 2030. This means increased PSE participation across the sector over the next decade will continue to need to occur through differentiated enrolment of underrepresented student populations, including international students, Indigenous students, first-generation students, part-time students, mature students, and online students.

### **Graduate Enrolment Context**

Between 2017-18 and 2018-19, graduate enrolment grew by 5.7%. This was in large part due to continued efforts to develop new programs, both at the Master's and doctoral levels, the emphasis on introducing combined bachelors and Master's degrees and accelerated Master's-PhD degrees, investment in developing more effective recruitment strategies that focused on collaboration between SGS and Faculties and Schools, the launching of the SGS Doctoral Award, and the implementation of Indigenous and Equity Admission regulations. The plan to hire new faculty and the increased emphasis on research intensification are expected to help Queen's experience similar growth over the next three years.

The total number of applications, including domestic and international, to graduate programs in the School of Graduate Studies grew from 6,918 in 2016 -17 to 7,733 in 2018 -19, which accounts for an increase of 11.8%. In 2018-19, the number of domestic applications grew by 5.9 % while the increase in applications from international students was 25.3%.

As of March 4, 2019, a total of 5,189 applications were received for School of Graduate Studies administered programs. Compared to the data from early March 2018, domestic applications have increased by 2.65 %. By contrast, the current application data indicate a 18.8% increase in international applications.

## Enrolment Tables

Two tables are included in this report:

- Table 1: Student Headcount Intake; and
- Table 2: Enrolment Summary (Total Enrolment).

### Table 1: Student Headcount Intake

#### University-Wide Intake:

For 2019-2020, the total first-year direct-entry intake target increases by 57 students, to 4,719, from the previously approved Senate target of 4,662. The increase is distributed as follows:

- 14 student places to first-year programs on the Kingston campus;
- Eight student places at the Bader International Study Centre (BISC);
- 35 student places for Queen's Online programs;

There is also a reallocation of first-year enrolment intake between and within programs and faculties in response to applicant demand, program capacity, and faculty/school priorities.

Total intake increases to 4,779 in 2020-21 and to 4,794 in 2021-22 as demand for the new on-campus and online Bachelor of Health Sciences program is expected to remain strong.

The planned first-year second-entry target for 2019-20 and beyond is 498, an increase of ten students from what was previously approved.

**Intake by Faculty and Program:** The table shows both first year and upper year intake by Faculty, School and Program. A brief summary for each Faculty/School is set out below.

**Arts and Science:** The total on-campus intake target for the faculty is reduced from 3,120 to 3,012 for 2019-20 and beyond.

The upper-year Arts and Science transfer student target increases by 10 students, to 110 in 2019-20 and to 113 students in 2020-21 and beyond as students in the Bachelor of Music Theatre program transition from St. Lawrence College to Queen's for years three and four of their program.

**BISC:** The first-year target increases from 130 to 138 for 2019-20 and beyond. New laboratory facilities are being constructed at the BISC allowing for the expansion of the Science program from 32 to 35 students, and the addition of five places in Concurrent Education-Science beginning in 2019-20.

**Engineering and Applied Science:** The first-year target will increase by 70 students to 790 for 2019-20 and beyond. This includes 50 places for the direct-entry program in Electrical and Computer Engineering, which was successfully implemented in 2015-16.

**Commerce:** The planned first-year intake target increases by 25 students from 475 to 500 for 2019-20 and beyond.

**Nursing:** Beginning in 2019-20 and beyond, Nursing increases its first-year intake from 92 to 99 students. The Nursing-Advanced Standing (upper-year entry) track target remains unchanged at the previously approved target of 48 students through to 2021-22.

**Faculty of Health Sciences:** The faculty admitted its first students to the new online Bachelor of Health Sciences degree in Fall 2016. Additional full-time-equivalent enrolment in this program is targeted at 60 for 2019-20, increasing to 70 in 2020-21 and 85 in 2021-22.

The on-campus Bachelor of Health Sciences program will admit students beginning in September 2019, with a projected intake of 120 in 2019-20, with a proposal to increase by 50 students, to a total intake of 170 students in 2020-21 and beyond.

**Law:** The intake target for Law will increase from 200 to 208 beginning in 2019-20 and beyond.

**School of Medicine:** The intake target remains at 104 through 2021-22.

**Faculty of Education:** The faculty has adjusted its enrolment targets for its Concurrent and full-time Consecutive Education programs in response to provincial requirements associated with the mandated change to Bachelor of Education programs from two terms to four terms that was implemented in 2015-16. Annual intake can vary significantly year to year due to the structure of the program.

**International Student Enrolment:** The university remains committed to increasing the number, proportion and diversity of international students on campus. This commitment is a key component of the Internationalization pillar of the university's Strategic Framework (2014) and the [Comprehensive Internationalization Plan \(2015\)](#). International students currently comprise 13.9% of the total student population.

In 2018-19 international students made up 10.4% of the first-year undergraduate class. This continues the five-year plan of modest year-over-year increases since 2013, when international students accounted for 2.9% of the incoming first-year class. Queen's has embedded undergraduate recruitment staff in China, India and Viet Nam to guide students during the application process and the transition to the supports and services available to international students when they arrive in Kingston. The year 1-2 undergraduate retention rate among international students in 2017 is 93.2%, consistent with the overall undergraduate retention rate of 94.7%. The international applicant pool remains strong. As of March 8, 2019, first-year undergraduate visa student applications for 2019-20 are up 5.9% over the same time last year.

Efforts to increase the proportion of international graduate students, supported through government agencies, continue through the establishment of agreements, partnerships and dual degree programs.

**Indigenous Student Enrolment:** The university continues to enhance targeted and sustained recruitment and outreach strategies to maintain growth in the number of self-identified Indigenous learners at Queen's, both at the undergraduate and graduate level. Between 2011-12 and 2018-19, applications from self-identified Indigenous undergraduate applicants have increased by 99%, offers have increased by 109% and first-year registrations have increased by 200%; the year 1-2 undergraduate retention rate among self-identified Indigenous students is 95.8% in 2017. As of March 8, 2019, applications to first-year direct-entry programs from self-identified Indigenous students have increased by 27.3% over the same time last year.

The School of Graduate Studies approved a new Indigenous Student Admission policy as part of the university strategy to increase access to graduate study.

**First-Generation Student Enrolment:** The university is committed to increasing the number of self-identified first-generation students at Queen's - those who would be the first in their family to attend college or university. Senate approved the First Generation Admission Policy in Fall 2017. Undergraduate Admission and Recruitment has added an additional recruiter located in the GTA who is dedicated to outreach activities targeted to first-generation students. Student Awards has also introduced a new entrance award to support first-generation students. In 2018-19, 4.1% of incoming undergraduate students self-identified as being the first in their family to attend post-secondary. In 2018-19, 20 applicants requested consideration under the new policy, and 14 received offers. To date for 2019-20, 38 requests for consideration have been received.

### **Graduate Studies:**

There is a great deal of interest in launching new professional and research-based degree programs in Faculties and Schools. Apart from helping Queen's meet its enrolment targets, as outlined in the Strategic Mandate Agreement (SMA2), these new programs are also expected to raise the profile of Queen's as a destination for graduate education. Much of Queen's efforts to grow, however, will depend on the provincial decision of whether to allow universities to expand enrolments beyond the corridor model. The growth in domestic PhD enrolments is likely to remain stable in most traditional disciplines due primarily to shrinking applicant pools.

**Table 2: Enrolment Summary**

The second table shows total enrolment by Faculty, School and Program and includes all enrolment data that inform faculty budgets. Also included is a full-time-equivalent column to reflect the various course loads and weighting per student and the associated budget implications for each Faculty and School. This table reflects the university's strong undergraduate and graduate retention rates - among the highest in the country - and tracks the flow-through of any enrolment changes included on Table 1.

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The SEMG has worked collaboratively to enhance enrolment planning information for SCAD and Senate. Feedback is welcome, as the SEMG continues to enhance enrolment-related data reporting.

Results of these plans and strategies are detailed in the annual Enrolment Report that will next be submitted to Senate in January 2020.

**Enrolment Report to the Senate Committee  
on Academic Development**

March 7 2019

Queen's University

Table 1: Student Fall Headcount Intake

Office of Budget and Planning

| Program                             | 2018 Actual  |            | 2019 Prev Planned |            | 2019 Planned |            | 2020 Prev Planned |            | 2020 Updated Plan |            | 2021 Planned |            |
|-------------------------------------|--------------|------------|-------------------|------------|--------------|------------|-------------------|------------|-------------------|------------|--------------|------------|
|                                     | First        | Upper      | First             | Upper      | First        | Upper      | First             | Upper      | First             | Upper      | First        | Upper      |
|                                     | Year         | Year       | Year              | Year       | Year         | Year       | Year              | Year       | Year              | Year       | Year         | Year       |
| <b>Undergraduate (Full-Time)</b>    |              |            |                   |            |              |            |                   |            |                   |            |              |            |
| Arts & Science                      |              |            |                   |            |              |            |                   |            |                   |            |              |            |
| BA/BAH                              | 1,371        | 22         | 1,470             | 60         | 1,414        | 60         | 1,470             | 60         | 1,414             | 60         | 1,414        | 60         |
| BSC/BSCH                            | 912          | 4          | 970               | 35         | 938          | 35         | 955               | 35         | 923               | 35         | 923          | 35         |
| BFAH                                | 20           | 0          | 20                | 0          | 19           | 0          | 20                | 0          | 19                | 0          | 19           | 0          |
| BMUS                                | 9            | 1          | 15                | 0          | 15           | 0          | 15                | 0          | 15                | 0          | 15           | 0          |
| BCMP/BCMPH                          | 182          | 3          | 185               | 5          | 179          | 5          | 200               | 5          | 194               | 5          | 194          | 5          |
| BSCH KINE                           | 166          | 0          | 160               | 0          | 155          | 0          | 160               | 0          | 155               | 0          | 155          | 0          |
| BMT                                 | 0            | 1          | 0                 | 0          | 0            | 10         | 0                 | 0          | 0                 | 13         | 0            | 13         |
| Con-Ed Arts/Science/Music           | 291          | 0          | 275               | 0          | 267          | 0          | 275               | 0          | 267               | 0          | 267          | 0          |
| Distance Studies (BA1)              | 31           | 8          | 25                | 0          | 25           | 0          | 25                | 0          | 25                | 0          | 25           | 0          |
| Non-Degree/Certificate Programs     | 1            | 0          | 0                 | 0          | 0            | 0          | 0                 | 0          | 0                 | 0          | 0            | 0          |
| Subtotal Arts & Science             | 2,983        | 39         | 3,120             | 100        | 3,012        | 110        | 3,120             | 100        | 3,012             | 113        | 3,012        | 113        |
| Commerce                            | 489          | 2          | 475               | 5          | 500          | 5          | 475               | 5          | 500               | 5          | 500          | 5          |
| Engineering                         | 712          | 16         | 720               | 15         | 790          | 15         | 720               | 15         | 790               | 15         | 790          | 15         |
| Bachelor Health Science - Distance  | 39           | 3          | 25                | 0          | 60           | 0          | 25                | 0          | 70                | 0          | 85           | 0          |
| Bachelor Health Science - On Campus | 0            | 0          | 100               | 0          | 120          | 0          | 100               | 0          | 170               | 0          | 170          | 0          |
| Nursing                             | 91           | 0          | 92                | 0          | 99           | 0          | 92                | 0          | 99                | 0          | 99           | 0          |
| Bader ISC                           | 124          | 16         | 130               | 15         | 138          | 15         | 130               | 15         | 138               | 15         | 138          | 15         |
| Subtotal Direct Entry               | 4,438        | 76         | 4,662             | 135        | 4,719        | 145        | 4,662             | 135        | 4,779             | 148        | 4,794        | 148        |
| Education (Yr 5 & Consec)           |              | 597        |                   | 492        |              | 455        |                   | 414        |                   | 385        |              | 414        |
| Law                                 | 205          | 3          | 200               | 0          | 208          | 0          | 200               | 0          | 208               | 0          | 208          | 0          |
| Medicine                            | 104          | 0          | 104               | 0          | 104          | 0          | 104               | 0          | 104               | 0          | 104          | 0          |
| Post-Graduate Medicine              | 179          | 0          | 184               | 0          | 186          | 0          | 182               | 0          | 186               | 0          | 186          | 0          |
| Nursing-Accelerated Standing        |              | 43         |                   | 48         |              | 48         |                   | 48         |                   | 48         |              | 48         |
| Subtotal Second Entry               | 488          | 643        | 488               | 540        | 498          | 503        | 486               | 462        | 498               | 433        | 498          | 462        |
| Subtotal Undergraduate (Fac/School) | 4,926        | 719        | 5,150             | 675        | 5,217        | 648        | 5,148             | 597        | 5,277             | 581        | 5,292        | 610        |
| <b>Graduate (Full-Time)</b>         |              |            |                   |            |              |            |                   |            |                   |            |              |            |
| School of Grad Studies              |              |            |                   |            |              |            |                   |            |                   |            |              |            |
| Research Masters                    | 562          |            | 588               |            | 650          |            | 597               |            | 675               |            | 686          |            |
| Professional Masters                | 518          |            | 518               |            | 524          |            | 525               |            | 541               |            | 541          |            |
| Doctoral                            | 326          |            | 303               |            | 317          |            | 309               |            | 332               |            | 341          |            |
| Diploma                             | 30           |            | 102               |            | 48           |            | 102               |            | 56                |            | 56           |            |
| Subtotal SGS                        | 1,436        |            | 1,511             |            | 1,539        |            | 1,533             |            | 1,604             |            | 1,624        |            |
| Smith School of Business            |              |            |                   |            |              |            |                   |            |                   |            |              |            |
| Masters                             | 976          |            | 955               |            | 1,044        |            | 948               |            | 1,054             |            | 1,064        |            |
| Diploma                             | 115          |            | 180               |            | 125          |            | 180               |            | 130               |            | 135          |            |
| Subtotal Smith                      | 1,091        |            | 1,135             |            | 1,169        |            | 1,128             |            | 1,184             |            | 1,199        |            |
| Subtotal Graduate                   | 2,527        |            | 2,646             |            | 2,708        |            | 2,661             |            | 2,788             |            | 2,823        |            |
| <b>Budgeted Total Enrolment</b>     | <b>7,453</b> | <b>719</b> | <b>7,796</b>      | <b>675</b> | <b>7,925</b> | <b>648</b> | <b>7,809</b>      | <b>597</b> | <b>8,065</b>      | <b>581</b> | <b>8,115</b> | <b>610</b> |



**Enrolment Report to the Senate Committee  
on Academic Development**
**March 7 2019**
**Queen's University**
**Table 2: Enrolment Summary**
**Office of Budget and Planning**

| Program                                    | Fall Full-Time Headcount |               |               |               | Annualized FTE |               |               |               |
|--|--------------------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
|  | Actual                   | Planned       |               |               | Actual         | Planned       |               |               |
|  | Fall 2018                | Fall 2019     | Fall 2020     | Fall 2021     | 2018-19        | 2019-20       | 2020-21       | 2021-22       |
| <b>Undergraduate</b>                       |                          |               |               |               |                |               |               |               |
| Arts & Science                             |                          |               |               |               |                |               |               |               |
| BA/BAH                                     | 5,993                    | 5,992         | 6,027         | 5,990         | 6,145          | 6,168         | 6,217         | 6,174         |
| BSC/BSCH                                   | 3,852                    | 3,825         | 3,763         | 3,721         | 3,853          | 3,855         | 3,795         | 3,756         |
| BFAH                                       | 76                       | 64            | 62            | 61            | 76             | 65            | 63            | 62            |
| BMUS                                       | 72                       | 68            | 65            | 67            | 79             | 73            | 70            | 72            |
| BCMP/BCMPH                                 | 709                      | 686           | 719           | 724           | 712            | 696           | 727           | 732           |
| BPHEH                                      | 80                       | 48            | 19            | 20            | 80             | 50            | 23            | 24            |
| BSCH KINE                                  | 562                      | 580           | 602           | 590           | 564            | 580           | 602           | 590           |
| BMT  | 2                        | 11            | 20            | 22            | 3              | 12            | 21            | 23            |
| Con-Ed Arts/Science/Music                  | 771                      | 798           | 819           | 807           | 764            | 779           | 800           | 789           |
| Distance Studies (BA1)                     | 205                      | 172           | 163           | 159           | 296            | 266           | 258           | 254           |
| Non-Degree/Certificate Programs            | 84                       | 86            | 86            | 87            | 242            | 176           | 176           | 176           |
| <b>Subtotal Arts &amp; Science</b>         | <b>12,406</b>            | <b>12,330</b> | <b>12,345</b> | <b>12,248</b> | <b>12,814</b>  | <b>12,720</b> | <b>12,752</b> | <b>12,652</b> |
| Commerce                                   | 1,888                    | 1,892         | 1,919         | 1,949         | 1,914          | 1,916         | 1,941         | 1,968         |
| Engineering                                | 3,086                    | 3,088         | 3,147         | 3,179         | 3,242          | 3,267         | 3,328         | 3,362         |
| Bachelor Health Science - Distance         | 76                       | 108           | 132           | 158           | 123            | 139           | 157           | 179           |
| Bachelor Health Science - On Campus        | 0                        | 120           | 253           | 362           | 0              | 114           | 236           | 342           |
| Nursing                                    | 355                      | 363           | 357           | 363           | 356            | 364           | 359           | 365           |
| Bader ISC                                  | 140                      | 153           | 153           | 153           | 172            | 188           | 188           | 188           |
| <b>Subtotal Direct Entry</b>               | <b>17,951</b>            | <b>18,054</b> | <b>18,306</b> | <b>18,412</b> | <b>18,621</b>  | <b>18,708</b> | <b>18,961</b> | <b>19,056</b> |
| Education (Yr 5 & Consec)                  | 597                      | 460           | 390           | 419           | 1,013          | 833           | 833           | 821           |
| Law  | 612                      | 599           | 602           | 604           | 637            | 612           | 615           | 617           |
| Medicine                                   | 403                      | 403           | 400           | 399           | 403            | 404           | 401           | 400           |
| Post-Graduate Medicine                     | 527                      | 540           | 540           | 540           | 542            | 531           | 531           | 531           |
| Nursing-Accelerated Standing               | 98                       | 93            | 98            | 98            | 142            | 142           | 148           | 148           |
| <b>Subtotal Second Entry</b>               | <b>2,237</b>             | <b>2,095</b>  | <b>2,030</b>  | <b>2,060</b>  | <b>2,737</b>   | <b>2,522</b>  | <b>2,528</b>  | <b>2,517</b>  |
| <b>Subtotal Undergraduate (Fac/School)</b> | <b>20,188</b>            | <b>20,149</b> | <b>20,336</b> | <b>20,472</b> | <b>21,358</b>  | <b>21,230</b> | <b>21,489</b> | <b>21,573</b> |
| <b>Graduate (Full-time)</b>                |                          |               |               |               |                |               |               |               |
| School of Grad Studies                     |                          |               |               |               |                |               |               |               |
| Research Masters                           | 1,104                    | 1,241         | 1,298         | 1,338         | 1,054          | 1,199         | 1,261         | 1,303         |
| Professional Masters                       | 779                      | 781           | 812           | 811           | 878            | 909           | 944           | 945           |
| Doctoral                                   | 1,278                    | 1,380         | 1,508         | 1,607         | 1,237          | 1,331         | 1,469         | 1,566         |
| Diploma                                    | 30                       | 48            | 56            | 56            | 25             | 51            | 80            | 97            |
| <b>Subtotal SGS</b>                        | <b>3,191</b>             | <b>3,450</b>  | <b>3,674</b>  | <b>3,812</b>  | <b>3,194</b>   | <b>3,490</b>  | <b>3,754</b>  | <b>3,911</b>  |
| Smith School of Business                   |                          |               |               |               |                |               |               |               |
| Masters                                    | 1,156                    | 1,281         | 1,291         | 1,301         | 1,156          | 1,281         | 1,291         | 1,301         |
| Diploma                                    | 115                      | 125           | 130           | 135           | 71             | 83            | 88            | 93            |
| <b>Subtotal Smith</b>                      | <b>1,271</b>             | <b>1,406</b>  | <b>1,421</b>  | <b>1,436</b>  | <b>1,227</b>   | <b>1,364</b>  | <b>1,379</b>  | <b>1,394</b>  |
| <b>Subtotal Graduate</b>                   | <b>4,462</b>             | <b>4,856</b>  | <b>5,095</b>  | <b>5,248</b>  | <b>4,421</b>   | <b>4,854</b>  | <b>5,133</b>  | <b>5,305</b>  |
| <b>Budgeted Total Enrolment</b>            | <b>24,650</b>            | <b>25,005</b> | <b>25,431</b> | <b>25,720</b> | <b>25,779</b>  | <b>26,084</b> | <b>26,622</b> | <b>26,878</b> |

Table 1  
Recommended Tuition Fee Levels 2019-20\*  
(Domestic Students)

| Undergraduate and Professional Programs   | Actual<br>2018-19 | %<br>Change | Proposed<br>2019-20 | %<br>Change |
|---|-------------------|-------------|---------------------|-------------|
| <b>Engineering &amp; Applied Science</b>  |                   |             |                     |             |
| Year 1  | \$ 13,239         | 3.9%        | \$ 11,915           | -10.0%      |
| Year 2  | \$ 13,239         | 3.9%        | \$ 11,915           | -10.0%      |
| Year 3  | \$ 13,239         | 3.9%        | \$ 11,915           | -10.0%      |
| Year 4  | \$ 13,239         | 3.9%        | \$ 11,915           | -10.0%      |
| <b>Bachelor of Mining Engineering Technology</b>  |                   |             |                     |             |
| Year 2  | \$ 10,324         | 2.9%        | \$ 9,291            | -10.0%      |
| Year 3  | \$ 10,324         | 2.9%        | \$ 9,291            | -10.0%      |
| Year 4  | \$ 10,324         | 2.9%        | \$ 9,291            | -10.0%      |
| <b>Arts and Science (including Con-Ed)</b><br>(Arts, Science, Physical and Health Education, Music, Fine Art) |                   |             |                     |             |
| Year 1  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 2  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 3  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 4  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| <b>Arts and Science</b><br>(Computing)  |                   |             |                     |             |
| Year 1  | \$ 7,107          | 5.0%        | \$ 6,397            | -10.0%      |
| Year 2  | \$ 7,107          | 5.0%        | \$ 6,397            | -10.0%      |
| Year 3  | \$ 7,107          | 5.0%        | \$ 6,397            | -10.0%      |
| Year 4  | \$ 7,107          | 5.0%        | \$ 6,397            | -10.0%      |
| <b>Certificates in Arts &amp; Science (various programs)</b>  | \$ 1,352          | N/A         | \$ 1,217            | -10.0%      |
| <b>Commerce</b>   |                   |             |                     |             |
| Year 1 - 5.5 courses  | \$ 18,098         | 3.9%        | \$ 16,289           | -10.0%      |
| Year 2 - 5.5 courses  | \$ 18,098         | 3.9%        | \$ 16,289           | -10.0%      |
| Year 3 - 5.0 courses  | \$ 16,453         | 3.9%        | \$ 14,808           | -10.0%      |
| Year 4 - 5.0 courses  | \$ 16,453         | 3.9%        | \$ 14,808           | -10.0%      |
| <b>Certificate in Business***</b>   | \$ 3,291          | 3.9%        | \$ 2,962            | -10.0%      |
| <b>Education</b>  |                   |             |                     |             |
| Consecutive   | \$ 6,665          | 2.9%        | \$ 5,998            | -10.0%      |
| Concurrent (education courses) FINAL YEAR CONCURRENT  | \$ 6,665          | 2.9%        | \$ 5,998            | -10.0%      |
| ABQ Courses (per course)  | \$ 725            | 0.0%        | \$ 725              | 0.0%        |
| AQ Courses (per course)   | \$ 665            | 0.0%        | \$ 665              | 0.0%        |
| NWT Courses (per course)  | \$ 715            | 0.0%        | \$ 715              | 0.0%        |
| <b>Law</b>  |                   |             |                     |             |
| Year 1  | \$ 20,209         | 5.0%        | \$ 18,188           | -10.0%      |
| Year 2  | \$ 20,209         | 5.0%        | \$ 18,188           | -10.0%      |
| Year 3  | \$ 20,209         | 5.0%        | \$ 18,188           | -10.0%      |
| <b>Certificate in Law***</b>  | \$ 2,520          | 5.0%        | \$ 2,268            | -10.0%      |
| <b>Bachelor of Health Sciences</b>  |                   |             |                     |             |
| Year 1  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 2  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 3  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| Year 4  | \$ 6,760          | 2.9%        | \$ 6,084            | -10.0%      |
| <b>Medicine</b>   |                   |             |                     |             |
| Year 1  | \$ 26,126         | 2.5%        | \$ 23,513           | -10.0%      |
| Year 2  | \$ 26,126         | 2.5%        | \$ 23,513           | -10.0%      |
| Year 3  | \$ 26,126         | 2.5%        | \$ 23,513           | -10.0%      |
| Year 4  | \$ 26,126         | 2.5%        | \$ 23,513           | -10.0%      |
| <b>Nursing</b>  |                   |             |                     |             |
| Year 1  | \$ 6,761          | 2.9%        | \$ 6,085            | -10.0%      |
| Year 2  | \$ 6,761          | 2.9%        | \$ 6,085            | -10.0%      |
| Year 3  | \$ 6,761          | 2.9%        | \$ 6,085            | -10.0%      |
| Year 4  | \$ 6,761          | 2.9%        | \$ 6,085            | -10.0%      |
| Advanced Standing Track   | \$ 7,436          | 2.9%        | \$ 6,693            | -10.0%      |

\* Tuition is approved at the program level, based on normal full-time course load, & assessed at the unit level. Actual tuition fees assessed may vary slightly from approved due to rounding.  
\*\*TBD pending MTCU approval  
\*\*\*per course

Table 1 - Continued  
Recommended Tuition Fee Levels 2019-20\*  
(Domestic Students)

| Graduate Programs, Research-Based and Professional                        | Actual<br>2018-19 | %<br>Change | Proposed<br>2019-20 | %<br>Change |
|---|-------------------|-------------|---------------------|-------------|
| <b>Master's</b>   |                   |             |                     |             |
| Year 1  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Year 2  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Master of Education (part-time) ***                                       | \$ 1,106          | 0.0%        | \$ 996              | -10.0%      |
| <b>Doctoral</b>   |                   |             |                     |             |
| Year 1  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Year 2  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Year 3  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Year 4  | \$ 6,414          | 0.0%        | \$ 5,772            | -10.0%      |
| Diploma in Risk Policy and Regualtion                                     | \$ 11,144         | 3.9%        | \$ 10,030           | -10.0%      |
| Professional Master's of Education***                                     | \$ 1,393          | 3.9%        | \$ 1,254            | -10.0%      |
| Diploma in Professional Inquiry***  | \$ 1,393          | 3.9%        | \$ 1,254            | -10.0%      |
| Master of Engineering (Meng)  | \$ 8,993          | 3.9%        | \$ 8,094            | -10.0%      |
| Master of Engineering in Design and Manufacturing (ADMI & UNENE)***       | \$ 2,700          | 0.0%        | \$ 2,430            | -10.0%      |
| Diploma in Social Performance Management in the Extractive Industries *** | \$ 3,483          | 3.9%        | \$ 1,300            | -62.7%      |
| Diploma in Water and Human Health   | N/A               | N/A         | \$ 6,360            | N/A         |
| Master of Science - Healthcare Quality                                    | \$ 15,076         | 2.5%        | \$ 13,568           | -10.0%      |
| Diploma of Primary Healthcare Nurse Practitioner (DPHNP)                  | \$ 6,960          | 3.9%        | \$ 7,169            | 3.0%        |
| Masters of Nursing and Primary Health Care Nurse Practitioner (MN PHCNP)  | \$ 7,491          | 3.9%        | \$ 6,742            | -10.0%      |
| MN MH - Masters of Nursing - Mental Health                                | \$ 5,000          | 0.0%        | \$ 4,500            | -10.0%      |
| DPAH-Aging & Health   | \$ 6,747          | 3.9%        | \$ 6,072            | -10.0%      |
| MSc AH-Aging & Health   | \$ 10,795         | 3.9%        | \$ 9,716            | -10.0%      |
| Master's of Earth and Energy Resources Leadership                         | \$ 17,844         | 3.9%        | \$ 16,060           | -10.0%      |
| Masters of Arts Leadership  | \$ 13,507         | 3.9%        | \$ 12,156           | -10.0%      |
| Diploma Arts Management   | \$ 6,754          | 3.9%        | \$ 6,078            | -10.0%      |
| Diploma Biomedical Informatics  | \$ 10,390         | 3.9%        | \$ 9,351            | -10.0%      |
| Master of Biomedical Informatics  | \$ 20,780         | 3.9%        | \$ 18,702           | -10.0%      |
| Rehabilitation and Health Leadership DSc (RHL)                            | \$ 9,500          | 0.0%        | \$ 8,550            | -10.0%      |
| Diploma Clinical Lab Science**  | \$ 5,195          | 3.9%        | \$ 4,676            | -10.0%      |
| Master Clinical Lab Science**   | \$ 10,390         | 3.9%        | \$ 9,351            | -10.0%      |
| Masters Medical Science   | \$ 19,481         | 3.9%        | \$ 17,533           | -10.0%      |
| Diploma Medical Sciences (6 months)                                       | \$ 12,988         | 3.9%        | \$ 11,689           | -10.0%      |
| Diploma in Pharmaceutical & Healthcare Management & Innovation**          | N/A               | N/A         | \$ 15,000           | N/A         |
| Diploma in Legal Services Management (**) (***)                           | N/A               | N/A         | \$ 4,000            | N/A         |
| Master of Public Health   |                   |             |                     |             |
| Year 1  | \$ 11,763         | 3.9%        | \$ 10,586           | -10.0%      |
| Year 2  | \$ 11,763         | 3.9%        | \$ 10,586           | -10.0%      |
| School of Rehabilitation Therapy  |                   |             |                     |             |
| MSc (OT) and MSc (PT)   |                   |             |                     |             |
| Year 1  | \$ 12,298         | 3.0%        | \$ 11,068           | -10.0%      |
| Year 2  | \$ 12,298         | 3.0%        | \$ 11,068           | -10.0%      |
| Master in Public Administration (MPA)                                     |                   |             |                     |             |
| Year 1  | \$ 12,046         | 3.9%        | \$ 10,842           | -10.0%      |
| Year 2  | \$ 12,046         | 3.9%        | \$ 10,842           | -10.0%      |
| Part-time MPA (PMPA) per course   |                   |             |                     |             |
| Year 1  | \$ 1,875          | 3.9%        | \$ 1,688            | -10.0%      |
| Year 2  | \$ 1,875          | 3.9%        | \$ 1,688            | -10.0%      |
| Master in Industrial Relations  |                   |             |                     |             |
| Year 1  | \$ 11,316         | 3.9%        | \$ 10,185           | -10.0%      |
| Year 2  | \$ 11,316         | 3.9%        | \$ 10,185           | -10.0%      |
| Professional Master in Industrial Relations (PMIR) per course             |                   |             |                     |             |
| Year 1  | \$ 2,314          | 3.9%        | \$ 2,083            | -10.0%      |
| Year 2  | \$ 2,314          | 3.9%        | \$ 2,083            | -10.0%      |
| Master in Urban and Regional Planning                                     |                   |             |                     |             |
| Year 1  | \$ 11,316         | 3.9%        | \$ 10,185           | -10.0%      |
| Year 2  | \$ 11,316         | 3.9%        | \$ 10,185           | -10.0%      |
| <b>Smith School of Business</b>   |                   |             |                     |             |
| MBA   | \$ 73,090         | 2.8%        | \$ 65,781           | -10.0%      |
| Accelerated MBA   | \$ 71,612         | 2.8%        | \$ 64,450           | -10.0%      |
| Executive MBA   | \$ 83,888         | 3.7%        | \$ 83,900           | 0.0%        |
| Executive MBA Americas (formerly Cornell-Queen's MBA)                     | \$ 96,065         | 0.0%        | \$ 86,458           | -10.0%      |
| Master of International Business (12 months single)                       | \$ 30,533         | 1.5%        | \$ 27,479           | -10.0%      |
| Master of International Business (16 months double)                       | \$ 40,237         | 1.5%        | \$ 36,213           | -10.0%      |
| Master of International Business (24 months double)                       | \$ 47,192         | 1.5%        | \$ 42,472           | -10.0%      |
| Master of Finance Degree  | \$ 36,680         | 3.0%        | \$ 33,011           | -10.0%      |
| Master of Management Innovation & Entrepreneurship                        | \$ 29,062         | 2.8%        | \$ 26,155           | -10.0%      |
| Master of Management Analytics  | \$ 39,603         | 5.0%        | \$ 35,640           | -10.0%      |
| Master of Management in Artificial Intelligence**                         | \$ 52,530         | N/A         | \$ 54,950           | 4.6%        |
| Master of Global Management Analytics                                     |                   |             | \$ 47,830           | N/A         |
| Graduate Diploma in Business Administration                               | \$ 29,530         | 2.8%        | \$ 30,280           | 2.5%        |
| Graduate Diploma in Accounting***   | \$ 1,928          | 2.0%        | \$ 1,960            | 1.7%        |

\*\*TBD pending MTCU approval

Table 2  
Recommended Tuition Fee Levels 2019-20\*  
(International Students)

| Undergraduate and Professional Programs                                    | Actual<br>2018-19 | %<br>Change | Proposed<br>2019-20 | %<br>Change |
|--|-------------------|-------------|---------------------|-------------|
| Engineering & Applied Science  |                   |             |                     |             |
| Year 1   | \$ 43,577         | 8.0%        | \$ 47,063           | 8.0%        |
| Year 2   | \$ 42,366         | 5.0%        | \$ 45,755           | 5.0%        |
| Year 3   | \$ 41,189         | 5.0%        | \$ 44,484           | 5.0%        |
| Year 4   | \$ 40,045         | 5.0%        | \$ 43,249           | 5.0%        |
| Bachelor of Mining Engineering Technology                                  |                   |             |                     |             |
| Year 2   | \$ 27,232         | 5.0%        | \$ 28,593           | 5.0%        |
| Year 3   | \$ 27,232         | 5.0%        | \$ 28,593           | 5.0%        |
| Year 4   | \$ 27,232         | 5.0%        | \$ 28,593           | 5.0%        |
| Arts and Science (including Con-Ed)  |                   |             |                     |             |
| (Arts, Science, Physical and Health Education, Music, Fine Art, Computing) |                   |             |                     |             |
| Year 1   | \$ 41,614         | 11.0%       | \$ 46,192           | 11.0%       |
| Year 2   | \$ 39,365         | 5.0%        | \$ 43,695           | 5.0%        |
| Year 3   | \$ 37,237         | 5.0%        | \$ 41,333           | 5.0%        |
| Year 4   | \$ 35,224         | 5.0%        | \$ 39,099           | 5.0%        |
| Certificates in Arts & Science (various programs)                          | \$ 8,323          | N/A         | \$ 9,238            | 11.0%       |
| Commerce   |                   |             |                     |             |
| Year 1 - 5.5 courses   | \$ 45,682         | 6.9%        | \$ 48,834           | 6.9%        |
| Year 2 - 5.5 courses   | \$ 44,870         | 5.0%        | \$ 47,966           | 5.0%        |
| Year 3 - 5.0 courses   | \$ 40,066         | 5.0%        | \$ 42,830           | 5.0%        |
| Year 4 - 5.0 courses   | \$ 39,354         | 5.0%        | \$ 42,069           | 5.0%        |
| Certificate in Business**  | \$ 8,306          | 6.9%        | \$ 8,879            | 6.9%        |
| Education  |                   |             |                     |             |
| Consecutive  | \$ 27,278         | 5.0%        | \$ 28,642           | 5.0%        |
| Concurrent (education courses)   | \$ 27,277         | 5.0%        | \$ 28,641           | 5.0%        |
| Law  |                   |             |                     |             |
| Year 1   | \$ 55,319         | 11.0%       | \$ 61,404           | 11.0%       |
| Year 2   | \$ 52,329         | 5.0%        | \$ 58,085           | 5.0%        |
| Year 3   | \$ 49,500         | 5.0%        | \$ 54,945           | 5.0%        |
| Certificate in Law**   | \$ 5,328          | 11.0%       | \$ 5,914            | 11.0%       |
| Bachelor of Health Sciences (on-campus)                                    |                   |             |                     |             |
| Year 1   | \$ 33,775         | 0.0%        | \$ 33,775           | 0.0%        |
| Year 2   | \$ 33,775         | 0.0%        | \$ 33,775           | 0.0%        |
| Year 3   | \$ 33,775         | 0.0%        | \$ 33,775           | 0.0%        |
| Year 4   | \$ 33,775         | 0.0%        | \$ 33,775           | 0.0%        |
| Bachelor of Health Sciences (on-line)                                      |                   |             |                     |             |
| Year 1   | \$ 33,775         | 0.0%        | \$ 25,775           | -23.7%      |
| Year 2   | \$ 33,775         | 0.0%        | \$ 25,775           | -23.7%      |
| Year 3   | \$ 33,775         | 0.0%        | \$ 25,775           | -23.7%      |
| Year 4   | \$ 33,775         | 0.0%        | \$ 25,775           | -23.7%      |
| Medicine   |                   |             |                     |             |
| Year 1   | \$ 82,000         | 2.5%        | \$ 84,050           | 2.5%        |
| Year 2   | \$ 82,000         | 2.5%        | \$ 84,050           | 2.5%        |
| Year 3   | \$ 82,000         | 2.5%        | \$ 84,050           | 2.5%        |
| Year 4   | \$ 82,000         | 2.5%        | \$ 84,050           | 2.5%        |
| Nursing  |                   |             |                     |             |
| Year 1   | \$ 41,614         | 11.0%       | \$ 46,192           | 11.0%       |
| Year 2   | \$ 39,365         | 5.0%        | \$ 43,695           | 5.0%        |
| Year 3   | \$ 37,237         | 5.0%        | \$ 41,333           | 5.0%        |
| Year 4   | \$ 35,224         | 5.0%        | \$ 39,099           | 5.0%        |
| Advanced Standing Track  | \$ 38,747         | 5.0%        | \$ 43,009           | 5.0%        |

\* Tuition is approved at the program level, based on normal full-time course load, & assessed at the unit level.  
Actual tuition fees assessed may vary slightly from approved due to rounding.

Table 2 - Continued  
Recommended Tuition Fee Levels 2019-20\*  
(International Students)

|  | Actual<br>2018-19 | %<br>Change | Proposed<br>2019-20 | %<br>Change |
|--|-------------------|-------------|---------------------|-------------|
| <b>Graduate and Professional Graduate Programs</b>                       |                   |             |                     |             |
| <b>Year 1</b>  |                   |             |                     |             |
| Year 1   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Year 2   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Master of Education (part-time) **                                       | \$ 2,218          | 0.0%        | \$ 2,218            | 0.0%        |
| <b>Doctoral</b>  |                   |             |                     |             |
| Year 1   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Year 2   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Year 3   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Year 4   | \$ 12,927         | 0.0%        | \$ 12,927           | 0.0%        |
| Diploma in Risk Policy & Regulation                                      | \$ 21,193         | 2.5%        | \$ 21,723           | 2.5%        |
| Professional Master's of Education**                                     | \$ 2,647          | 5.0%        | \$ 2,780            | 5.0%        |
| Diploma in Professional Inquiry**  | \$ 2,647          | 5.0%        | \$ 2,780            | 5.0%        |
| Master of Science - Healthcare Quality                                   | \$ 22,050         | 5.0%        | \$ 23,153           | 5.0%        |
| MN MH - Masters of Nursing - Mental Health                               | \$ 10,000         | 0.0%        | \$ 10,500           | 5.0%        |
| DPAH - Aging & Health  | \$ 14,319         | 5.0%        | \$ 15,035           | 5.0%        |
| MSc AH - Aging & Health  | \$ 22,050         | 5.0%        | \$ 23,153           | 5.0%        |
| DPM-Pain Management**  | \$ 2,406          | 5.0%        | \$ 2,526            | 5.0%        |
| Master of Engineering (Meng)   | \$ 19,500         | 0.0%        | \$ 19,500           | 0.0%        |
| Diploma in Social Performance Management in the Extractive Industries ** | \$ 3,647          | 5.0%        | \$ 2,600            | -28.7%      |
| Diploma in Water and Human Health  |                   |             | \$ 10,400           | N/A         |
| Master's of Earth and Energy Resources Leadership                        | \$ 27,204         | 3.9%        | \$ 27,204           | 0.0%        |
| Masters of Arts Leadership   | \$ 27,300         | 5.0%        | \$ 28,665           | 5.0%        |
| Diploma Arts Management  | \$ 13,650         | 5.0%        | \$ 14,333           | 5.0%        |
| Diploma Biomedical Informatics   | \$ 21,000         | 5.0%        | \$ 22,050           | 5.0%        |
| Master of Biomedical Informatics   | \$ 42,000         | 5.0%        | \$ 44,100           | 5.0%        |
| Rehabilitation and Health Leadership DSc (RHL)                           | \$ 20,000         | N/A         | \$ 21,000           | 5.0%        |
| Diploma Clinical Lab Science   | \$ 14,319         | 5.0%        | \$ 15,035           | 5.0%        |
| Master Clinical Lab Science  | \$ 22,050         | 5.0%        | \$ 23,153           | 5.0%        |
| Masters Medical Sciences   | \$ 52,500         | 5.0%        | \$ 55,125           | 5.0%        |
| Diploma Medical Sciences (6 Months)                                      | \$ 26,250         | 5.0%        | \$ 27,563           | 5.0%        |
| Diploma in Pharmaceutical & Healthcare Management & Innovation           | N/A               | N/A         | \$ 25,000           | N/A         |
| Diploma in Legal Services Management**                                   | N/A               | N/A         | \$ 4,500            | N/A         |
| Master of Public Health  |                   |             |                     |             |
| Year 1   | \$ 22,936         | 5.0%        | \$ 24,083           | 5.0%        |
| Year 2   | \$ 22,936         | 5.0%        | \$ 24,083           | 5.0%        |
| Master in Public Administration (MPA)                                    | \$ 29,659         | 8.0%        | \$ 32,031           | 8.0%        |
| Professional MPA (PMPA) per course                                       | \$ 4,171          | 8.0%        | \$ 4,504            | 8.0%        |
| Master in Industrial Relations   | \$ 29,659         | 8.0%        | \$ 32,031           | 8.0%        |
| Professional PMIR per course   | \$ 5,149          | 8.0%        | \$ 5,561            | 8.0%        |
| School of Rehabilitation Therapy   |                   |             |                     |             |
| MSc (OT) and MSc (PT)  |                   |             |                     |             |
| Year 1   | \$ 25,224         | 5.0%        | \$ 26,486           | 5.0%        |
| Year 2   | \$ 25,224         | 5.0%        | \$ 26,486           | 5.0%        |
| Master in Urban and Regional Planning                                    |                   |             |                     |             |
| Year 1   | \$ 24,715         | 8.0%        | \$ 26,693           | 8.0%        |
| Year 2   | \$ 23,800         | 4.0%        | \$ 25,704           | 4.0%        |
| <b>Smith School of Business</b>  |                   |             |                     |             |
| MBA  | \$ 83,090         | 2.5%        | \$ 77,781           | -6.4%       |
| Accelerated MBA  | \$ 71,612         | 2.8%        | \$ 64,450           | -10.0%      |
| Executive MBA  | \$ 83,888         | 3.7%        | \$ 83,900           | 0.0%        |
| Executive MBA Americas (formerly Cornell-Queen's MBA)                    | \$ 96,065         | 0.0%        | \$ 86,458           | -10.0%      |
| Master of International Business (12 months single)                      | \$ 46,932         | 1.5%        | \$ 47,695           | 1.6%        |
| Master of International Business (16 months double)                      | \$ 61,727         | 1.2%        | \$ 62,780           | 1.7%        |
| Master of International Business (24 months double)                      | \$ 72,302         | 1.1%        | \$ 73,530           | 1.7%        |
| Master of Finance  | \$ 61,680         | 3.1%        | \$ 62,750           | 1.7%        |
| Master of Finance - Renmin***  | \$ 46,508         | -0.4%       | \$ 53,729           | 15.5%       |
| Master of Management Innovation & Entrepreneurship                       | \$ 43,137         | 1.5%        | \$ 40,555           | -6.0%       |
| Master of Management Analytics   | \$ 63,908         | 5.0%        | \$ 65,235           | 2.1%        |
| Master of Management in Artificial Intelligence                          | \$ 72,530         | N/A         | \$ 73,295           | 1.1%        |
| Master of Global Management Analytics                                    |                   |             | \$ 64,330           | N/A         |
| Graduate Diploma in Business Administration                              | \$ 45,175         | 2.8%        | \$ 46,080           | 2.0%        |
| Graduate Diploma in Accounting**   | \$ 2,999          | 2.0%        | \$ 3,040            | 1.4%        |

\*\*per course  
\*\*\*current rate based on Renminbi converted at Nov. 1st, 2018.

**Table 3**  
**Recommended Tuition Fee Levels 2019-20\***  
**Bader International Study Centre**  
**(fees include tuition, residence with full meals, local transportation and field studies)**

| BISC Programs                       | Actual    | %      | Proposed  | %      |
|-------------------------------------|-----------|--------|-----------|--------|
|                                     | 2018-19   | Change | 2019-20   | Change |
| Summer                              | \$ 10,347 | 5.0%   | \$ 10,236 | -1.1%  |
| Fall**                              | \$ 20,959 | 5.0%   | \$ 20,814 | -0.7%  |
| Winter**                            | \$ 20,959 | 5.0%   | \$ 20,814 | -0.7%  |
| Summer Field Schools                |           |        |           |        |
| Introduction to British Archaeology | \$ 8,620  | 5.0%   | \$ 8,489  | -1.5%  |
| Global Project Management           | \$ 11,631 | 5.0%   | \$ 11,534 | -0.8%  |
| Global Health and Disability        | \$ 11,690 | 5.0%   | \$ 11,593 | -0.8%  |
| Medieval Performance                | \$ 3,483  | 5.0%   | \$ 3,372  | -3.2%  |
| Global Law Program                  | \$ 14,415 | 2.0%   | \$ 14,415 | 0.0%   |

\* Tuition is approved at the program level, based on normal full-time course load, & assessed at the unit level.

\*\* Concurrent Education students at the Bader International Study Centre will be assessed by unit for the additional B.Ed courses.

Actual tuition fees assessed may vary slightly from approved due to rounding.