

BUDGET REPORT

2020-21

Table of Contents

Executive Summary

1. Setting the Context

2. The Budget Model

3. The 2020-21 to 2022-23 Operating Budget

3.1 Budget Strategy

3.2 Draw-down of Carry-forward Balances/Reserves

3.3 Risks

4. Discussion of Major Revenues and Expenditures

4.1 Revenues

4.1.1 Government Grants

4.1.2 Federal Grant

4.1.3 Tuition

4.1.4 Investment Income- Global Financial Market Conditions

4.2 Expenditures

4.2.1 Allocations

4.2.2 Student Financial Assistance

4.2.3 Compensation

4.2.4 Queen's Pension Plan (QPP) Deficit

5. Broader Financial Picture

5.1 Capital Budget

5.1.1 Major Capital Projects

5.1.2 Deferred Maintenance

5.2 Ancillary and Consolidated Entity Budgets

5.3 Research Fund

5.4 Trust & Endowment Funds

Tables

Table 1: 2019-20 to 2022-23 Operating Revenue Budget

Table 2: 2019-20 to 2020-21 Operating Expenditure Budget

Appendices

Appendix 1: Enrolment Report

Appendix 2: Tuition Fee Tables

Executive Summary

The multi-year budget presented in this report includes the pre-COVID-19 2020-21 Operating budget, which the Board approved on May 8th, 2020, as well as projections for the 2021-22 and 2022-23 fiscal years. The University is projecting a balanced budget for fiscal 2020-21 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 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 2019 with Senate's approval of the enrolment plan for 2020-21. 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 2020-21 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 2019, at which time preliminary budget targets were also provided for each faculty/school.

In January 2019, the Ministry of Colleges and Universities (MCU) announced a tuition cut of 10% for 2019-20 and 0% increase in tuition for 2020-21 on all domestic funding-eligible programs. For planning purposes, for 2021-22 and 2022-23 all funding eligible program tuition fees have been assumed to be flat.

In addition to the tuition cut announced by MCU, 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 2020-21 to 2022-23 budget framework include:

- Modest enrolment growth at the undergraduate level in 2020-21 in line with the recommendations of the University's Strategic Enrolment Management Group, and in line with Faculties' enrolment projections;

- Full grant funding was not achieved at the graduate level in 2019-20 because the University did not meet the target for Master's student enrolment set in the second round of the Strategic Mandate Agreement (SMA2) with the province. This represents a permanent loss in provincial grant revenue of \$0.6M;
- International enrolments are budgeting to remain constant at 15% of first year intake;
- Flat tuition fees at 2019-20 levels for all domestic funding-eligible programs for 2020-21 compliant with the provincial government tuition framework;
- Shared Service units will receive an increase of 2% in the 2020-21 budget allocations;
- Compensation and benefit increases as negotiated, or assumed, are to be covered within all unit budgets;
- Using carryforwards to mitigate the short-term adverse effects of the COVID-19 crisis;
- Queen's and two other universities will create and transition to the University Pension Plan (UPP), a multi-employer Jointly Sponsored Pension Plan (JSPP). The benefits of transitioning to the UPP are well defined, including joint employee and employer governance, shared financial risk, and efficiencies and economies of scale. Large scale plans mean greater efficiency in plan administration and access to higher-return investment opportunities, which can result in a more secure and stable future for plan members.

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 be finalized within the planning horizon and will incorporate the setting of performance-based metrics with funding linked to these metrics. In addition, the performance-based (differentiation) envelope will increase from 25% of system wide government grant to 60% by 2024-25. This will place an increasing portion of the government grant funding at risk if the targets for the performance-based metrics are not met;
- A number of collective agreements will be due for renegotiation in the second 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 2020-21 budget reflects no deficit after the draw-down of reserves. Of this draw-down, \$26.1M 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

Subsequent to the March board meeting, the finalization and approval of the 2020-21 budget was altered as the University found itself grappling with the impacts of the COVID-19 crisis. The total effects of this pandemic were not yet fully understood, and the exact end state of the emergency measures were very much unknown. Nevertheless, the emergency measures in place and on-going physical distancing requirements were expected to impact University operations.

Given the fluidity of the situation and the uncertainty of the impact on operations at the time, the Board was asked to approve the 2020-21 budget developed in detail prior to COVID-19. The Principal and Vice-Chancellor and the Provost and Vice-principal (Academic) presented the alternate enrolment scenarios to the Board at the May meeting, along with the potential budget implications. Subsequently, the University continued to monitor the situation and once better information was available over the summer and into September 2020 on enrolments and other budget impacts, an update was provided to the Board at the September 25th, 2020 meeting of the Capital Assets and Finance committee.

The committee was presented with information demonstrating that, overall, operating revenue was not expected to be significantly different than what was projected in the previously approved budget; therefore, no changes were recommended for the 2020-21 budget. Any variances to the budget are to be reported in the regular financial updates to the Board in the December 2020, March 2021, and May 2021 meetings.

As a result, the remainder of this document is prepared to document the 2020-21 budget approved by the Board describing the process and other aspects related to areas such as, student financial assistance, compensation, investment, capital, pension, research, trust and endowment, and ancillary operations all planned in a pre-COVID context.

Overview

Almost 96% of revenue in the Operating budget is mostly 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 remain strong.

During 2018-19, the Ministry of Colleges and Universities (MCU) 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.

The Ministry remains committed to maintaining the 2016-17 funding level for all universities and will roll-in the graduate growth over 2016-17 actually achieved as at the end of 2019-20. The 2020-21 budget assumes full funding of graduate grant based on achieving the projected growth targets. The Ministry will continue with the enrolment corridor funding methodology which would ensure the grant revenue in the enrolment envelope remains constant if enrolment remains within +/- 3% of the enrolment mid-point to be set based on the actual enrolment for 2019-20 (current set at the 2016-17 level). The performance-based envelope will be linked to ten metrics with differing weights for each metric to be set by each individual institution. The funding in the performance-based envelope will be at risk assuming the targets set through a calculated methodology based on past average experience in each metric is continually met. The amount of funding at-risk in the performance-based envelope will increase from 25% of total grant revenue in 2020-21 to 60% by 2024-25 by shifting funding from the enrolment envelope into the performance-based envelope. Although this at-risk funding was intended to begin in 2020-21, the ministry has decided to decouple the linkage of performance on the metrics to funding for two years in 2022-23.

For the three-year planning period to 2022-23, 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 second 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.

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 2019-20 the cross-teaching adjustment transferred 55% 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. The transitional plan is for the cross-teaching transfer rate of 60% to gradually reduce, to 50% for 2020-21, and to 45% for 2021-22 onwards. 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.

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 will increase from 3.5% in 2019-20 to 4.0% in 2020-21.

The University Fund (projected to be just over \$49.6M in 2020-21) 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 2020-21, the attenuating transitional payments from the University Fund will continue which 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 2020-21 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 \$8M in 2019-20, and will increase to \$10M in 2020-21.

3. The 2020-21 to 2022-23 Operating Budget

The Operating budget for 2020-21 to 2022-23 continues to provide transparency and predictability, and a financial structure that encourages and rewards innovation, revenue growth and efficiency.

The 2020-21 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. Beginning in 2020-21, the pension charged to all units will decrease from three percent of wages and salary to one and a half percent. This pension reserve was initially established to cover the increased going concern payments, with any funds remaining to be set aside as a reserve to cover future solvency payments. However, with the imminent creation of the University Pension Plan (UPP), this pension reserve will aid in the transition to this new sector wide jointly sponsored pension plan.

The Operating budget for 2020-21 to 2022-23 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 2020-21 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 2020-21 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
2019-20 to 2022-23 Operating Budget (\$M)

	Budget 2019-20	Year over Year Variance	Budget 2020-21	Budget 2021-22	Budget 2022-23
REVENUE					
Student Fees	\$ 378.3	\$ 37.7	\$ 416.0	\$ 445.3	\$ 466.2
Government Grants	\$ 214.3	\$ (0.2)	\$ 214.1	\$ 212.9	\$ 212.6
Unrestricted Donations	\$ 1.2	\$ -	\$ 1.2	\$ 1.2	\$ 1.2
Other Income	\$ 6.1	\$ (0.2)	\$ 5.9	\$ 6.2	\$ 6.5
Research Overhead	\$ 4.0	\$ 0.3	\$ 4.3	\$ 4.3	\$ 4.3
Investment Income	\$ 16.2	\$ 1.3	\$ 17.5	\$ 17.8	\$ 18.0
Total Operating Revenues	\$ 620.1	\$ 38.9	\$ 659.0	\$ 687.7	\$ 708.8
EXPENSE					
Faculties and Schools Allocations	\$ 377.0	\$ 24.5	\$ 401.5		
Shared Services Allocations	\$ 153.2	\$ 10.0	\$ 163.2		
Subtotal Allocations	\$ 530.2	\$ 34.5	\$ 564.7	\$ 590.9	\$ 607.8
Student Aid	\$ 30.9	\$ -	\$ 30.9	\$ 30.9	\$ 30.9
Utilities	\$ 15.7	\$ -	\$ 15.7	\$ 16.4	\$ 17.0
Infrastructure Renewal	\$ 7.3	\$ 0.4	\$ 7.7	\$ 8.6	\$ 9.3
Strategic Priorities & Compliance	\$ 8.2	\$ (1.1)	\$ 7.1	\$ 4.7	\$ 3.3
Contingency	\$ 2.8	\$ -	\$ 2.8	\$ 2.8	\$ 2.8
Flow Through Expenses, net of recoveries	\$ 10.6	\$ 1.3	\$ 11.9	\$ 11.2	\$ 11.4
Indirect Costs of Research to External Entities	\$ 1.6	\$ (0.2)	\$ 1.4	\$ 1.4	\$ 1.4
<i>To Be Allocated</i>	<i>\$ -</i>	<i>\$ 0.4</i>	<i>\$ 0.4</i>	<i>\$ 4.2</i>	<i>\$ 9.5</i>
Total Operating Expenditures	\$ 607.3	\$ 35.3	\$ 642.6	\$ 671.1	\$ 693.4
Net Surplus before Capital Expenditures	\$ 12.8	\$ 3.6	\$ 16.4	\$ 16.6	\$ 15.4
Transfer to Capital Budget	\$ (12.8)	\$ (3.6)	\$ (16.4)	\$ (16.6)	\$ (15.4)
Unit Expenses greater than Budget Allocation	\$ (24.2)	\$ (1.9)	\$ (26.1)	TBD	TBD
Net Transfer to Pension Reserve	\$ 6.4	\$ (4.3)	\$ 2.1	TBD	TBD
Net Budget Surplus (Deficit)	\$ (17.8)	\$ (6.2)	\$ (24.0)	\$ -	\$ -
Contribution from Carryforward balances	\$ 24.2	\$ 1.9	\$ 26.1	TBD	TBD
Net Contribution to Pension Reserve	\$ (6.4)	\$ 4.3	\$ (2.1)	TBD	TBD
Net Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -

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

Queen's University 2020-21 Operating Budget (\$M)

	Budget 2020-21
Centrally budgeted revenues	\$ 659.0
Unit budgeted revenues over and above central allocations	\$ 41.5
TOTAL OPERATING REVENUES	\$ 700.5
EXPENSE	
Faculties and Schools Allocations*	\$ 401.5
Shared Services Allocations	\$ 163.2
Unit expenses greater than allocation	\$ 65.5
Undergraduate & Graduate Student Aid	\$ 30.9
Utilities	\$ 15.7
Infrastructure Renewal	\$ 7.7
Strategic Priorities & Compliance	\$ 7.1
Contingency	\$ 2.8
Flow Through Expenses, net of recoveries	\$ 11.9
Indirect Costs of Research to External Entities	\$ 1.4
<i>To Be Allocated</i>	\$ 0.4
TOTAL OPERATING EXPENDITURES	\$ 708.1
Net Surplus (Deficit) before Capital Expenditures	\$ (7.6)
Transfer to Capital Budget	\$ (16.4)
Net Budget Surplus (Deficit)	\$ (24.0)
Net Contribution to Pension Reserve	\$ (2.1)
Contribution from Carryforward Balances	\$ 26.1
Net Surplus (Deficit)	\$ -

* For the purpose of the financial statements the budget allocation of \$2.9M 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

2020-21 Queen's University Operating Budget (000's)	
REVENUE	
Grants and Contracts	222,438
Fees	429,474
Sales and Service	8,509
Other	20,944
Donations	1,262
Investment Income	17,905
	700,532
EXPENSES	
Salaries and benefits	469,852
Supplies and other expenses*	124,762
Student Assistance	39,810
Externally Contracted Services	13,762
Travel	11,369
Utilities and Insurance	17,726
Renovations and Alterations	11,553
Contingency	5,382
Interfund Transfers out / (in)	30,278
	724,494
Surplus / (deficit)	(23,962)

**For the purpose of the financial statements the budget allocation of \$2.9M 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
- QSuccess and Embedded Counsellors in Student Support Services
- 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
- 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 2020-21 and onward include an allocation for cross-teaching subvention for the Faculty of Health Sciences. The adjustment made to reduce the cross-teaching allocation from 60% of the registered faculty's tuition and grant down to 45% by 2021-22 negatively impacted the Faculty of Health Science. Therefore, an allocation was made to ensure that the Faculty was held harmless from this adjustment in the activity based model.

In 2020-21, a number of initiatives previously funded by the University Fund are no longer listed either due to completion of the initiative or due to alternate funding sources having been secured. Firstly, 2019-20 was the final year of funding the Mitchell Hall building project. In addition, effective in 2020-21 the allocations for Equity, Diversity, and Inclusion initiatives and the Office of Partnerships and Innovation will be base funded as increases to the discretionary budgets of the Provost & Vice Principal (Academic) and the Vice-Principal (Research) portfolios, respectively.

The remaining continued allocations are being made to address risks and improve efficiencies and accessibility that were identified in the budget planning process. The amount set aside for Advancement support increased by \$500K. Although the amount for classroom renewal from the University Fund has increased over 2019-20, investments from other sources such as faculty reserves, ensured the overall investment in classroom renewal did not decrease in 2019-20. The new allocations identified above amount to an additional allocation from the University Fund of \$2.0M.

3.2 Draw-down of Carry-forward Balances/Reserves

The 2020-21 budget reflects a balanced budget. A draw-down of \$26.1M from unit carry-forward balances is projected for 2020-21 based on the units' budget submissions. This draw-down of carry-forwards represents slightly more than 3.0% of total unit expenditures, and the accumulated departmental carry-forward balance as per the 2018-19 audited financial statements is \$184.8M. 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 2021-22 and 2022-23 are still to

be determined. The preliminary projections based on the multi-year budget submissions that were submitted during the 2020-21 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 2020-21 to 2022-23 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 be finalized within the planning horizon and will incorporate the setting of performance-based metrics with funding linked to these metrics. In addition, the performance-based (differentiation) envelope will increase from 25% of system wide government grant to 60% by 2024-25. This will place an increasing portion of the government grant funding at risk if the targets for the performance-based metrics are not met;
- A number of collective agreements will be due for renegotiation in the second 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).

4. Discussion of Major Revenues and Expenditures

4.1 Revenues

Enrolment

The recommendations from the Strategic Enrolment Management Group for enrolment in 2020-21 and 2021-22 are included as Appendix 1 of this report, together with the initial proposals from Faculties and Schools for 2022-23. The recommended enrolment plan for 2021-22 and the recommended changes to the previously approved enrolment plan for 2020-21 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 14th, 2020.

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 2020-21 to 2022-23 Operating budget incorporates the recommendations for 2020-21 and 2021-22 and the initial proposals for 2022-23.

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 33.0% of budgeted operating revenues in 2020-21 down from 35.0% in 2019-20. 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.

The grant revenue over the three-year budget horizon is now known and has been updated since the March preliminary budget to reflect a reduction of \$0.6M as a result of falling short on the Master's graduate growth targets set as part of the SMA2. This reduction is offset by an increase of \$1.3M primarily due to indications that funding will be received for the Regional Assessment Resource Centre and other special accessibility funding in 2020-21.

In 2017-18, MCU 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 envelope which is linked to enrolment, a performance-based envelope 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 2 period, the funding within the performance envelope 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 remains committed to maintaining the 2016-17 funding level for all universities and will roll-in the graduate growth funding actually achieved as at the end of 2019-20. The Ministry will continue with the enrolment corridor funding methodology which would ensure the grant revenue in the enrolment envelope remains constant if enrolment remains within +/- 3% of the enrolment mid-point to be set based on the actual enrolment for 2019-20 (currently set at the 2016-17 level).

The performance-based envelope will be linked to ten metrics with differing weights for each metric to be set by each individual institution. The funding in the performance-based envelope will be at risk assuming the targets, set through a calculated methodology based on past average experience in each metric, is continually met. The amount of funding at-risk in the performance-based envelope will increase from 25% of sector-wide grant revenue in 2020-21 to 60% by 2024-25 by shifting funding from the enrolment envelope into the performance-based envelope. Although this at-risk funding was intended to begin in 2020-21, due to the anticipated effects of the COVID-19 pandemic on the metrics, the ministry has decided to decouple the link between metric performance and funding for two years, providing consistency in the grant revenue at the 2019-20 level throughout 2020-21 and 2021-22. The third round Strategic Mandate Agreement with the Ministry was signed as at August 31, 2020.

The University continues to face financial challenges resulting from the Ministry of Colleges and Universities' (MCU) tuition framework announced in January 2019 that applied a 10% cut in domestic tuition for funding-eligible programs in 2019-20, and a freeze in tuition for these programs at the 2019-20 levels for fiscal 2020-21. The Ministry has not yet released any information about the new tuition framework for 2021-22 onward.

The resultant impact of the SMA3 metrics and the not yet announced tuition framework on the budget is unknown at this time.

TABLE D – PROVINCIAL GOVERNMENT GRANT REVENUE

This table demonstrates the division of grant funding into the new envelopes which were effective in 2019-20.

Provincial Government Grant Revenue (000,000's)					
	Budget 2019-20	Budget Change	Budget 2020-21	Budget 2021-22	Budget 2021-22
Operating Grants					
Enrolment Envelope					
Core Operating Grant	\$ 176.7	\$ (0.1)	\$ 176.6	\$ 176.6	\$ 176.6
Undergraduate Enrolment Transition Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Expansion	\$ 6.6	\$ (0.5)	\$ 6.1	\$ 6.1	\$ 6.1
International Student Recovery	\$ (1.9)	\$ (0.3)	\$ (2.2)	\$ (2.4)	\$ (2.5)
Differentiation Envelope					
Performance/Student Success Grant	\$ 17.9	\$ -	\$ 17.9	\$ 17.9	\$ 17.9
Graduate Expansion-Performance	\$ 0.6	\$ (0.1)	\$ 0.5	\$ 0.5	\$ 0.5
Research Overhead Infrastructure	\$ 1.6	\$ -	\$ 1.6	\$ 1.6	\$ 1.6
Ontario Operating Grants	\$ 201.5	\$ (1.0)	\$ 200.5	\$ 200.3	\$ 200.2
Special Purpose Envelope					
Tax Grant	\$ 1.7	\$ 0.1	\$ 1.8	\$ 1.8	\$ 1.8
Special Accessibility	\$ 0.8	\$ 0.1	\$ 0.9	\$ 0.9	\$ 0.9
Regional Assessment Resource Centre	\$ 0.1	\$ 1.1	\$ 1.2	\$ 0.1	\$ 0.1
Clinical Education Funding	\$ 0.6	\$ -	\$ 0.6	\$ 0.6	\$ 0.6
Total Special Purpose Grants	\$ 3.2	\$ 1.3	\$ 4.5	\$ 3.4	\$ 3.4
Total Provincial Grants	\$ 204.7	\$ 0.3	\$ 205.0	\$ 203.7	\$ 203.6

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. The 2019-20 federal funding received by Queen's faculty members that this Federal grant supports is approximately \$62M. This has increased from last year's number of \$52.8M due to an increase in our 2019-20 awarded grant performance of the Tri-Agency sponsored research funding envelopes. Although, an increase occurred in 2019-20, 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. For 2020-21, the total RSF grant has been projected to be \$9.1M.

4.1.3 Tuition

Student fees, primarily through for-credit tuition fees, represent approximately 63% of total operating revenue. Thus, any changes to government policy surrounding tuition fee setting will have a significant impact on the operating budget.

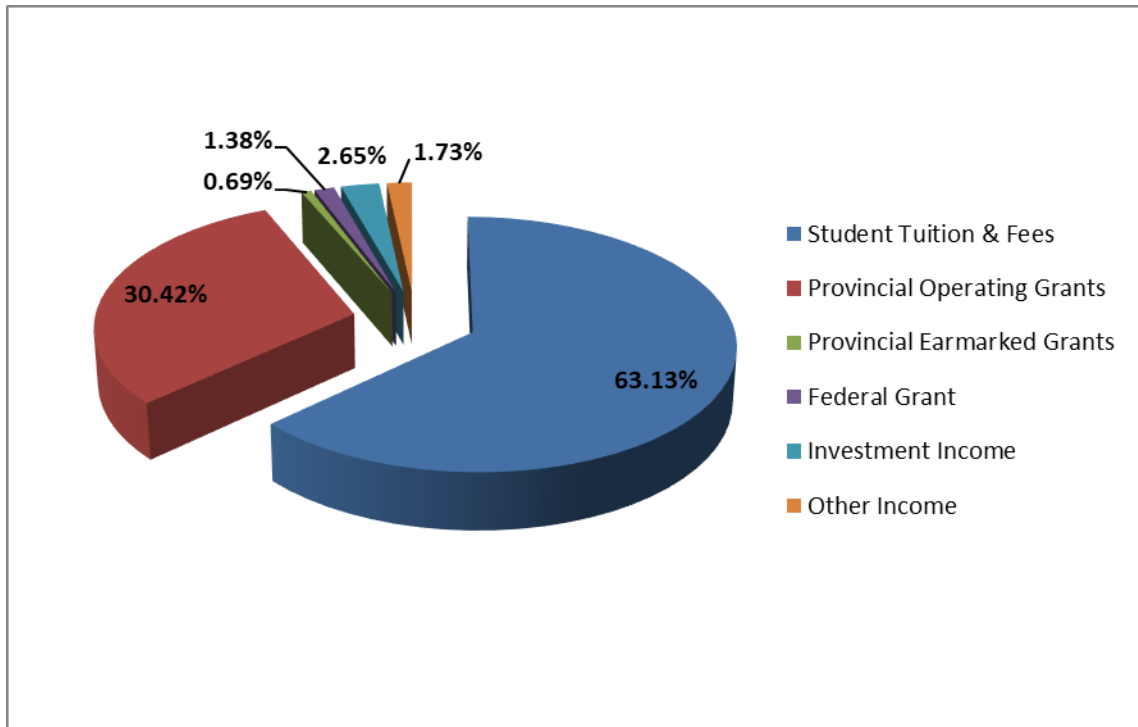
The tuition policy framework in Ontario, up to and including 2019-20, permitted universities to increase tuition for students who are not in professional or graduate programs by up to 3%, and by up to 5% in the professional and graduate programs. Overall, aggregate tuition fee revenue increases across the institution were not to exceed 3%.

In January 2019, the Ministry of Training Colleges and Universities (MCU) announced the new Tuition Policy Framework for the sector, which mandated a tuition reduction on funding-eligible programs by 10% for 2019-20 and froze tuition at that level for 2020-21. The new framework presents significant long-term financial challenges for the university.

The budget projections for 2020-21 use tuition fee increases where permitted which were approved by the Board of Trustees on March 6, 2020 (see Appendix 2).

Based on the 2020-21 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

The university has two investment portfolios, the Pooled Endowment Fund (PEF) and the Pooled Investment Fund (PIF), which now total nearly \$1.5 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.

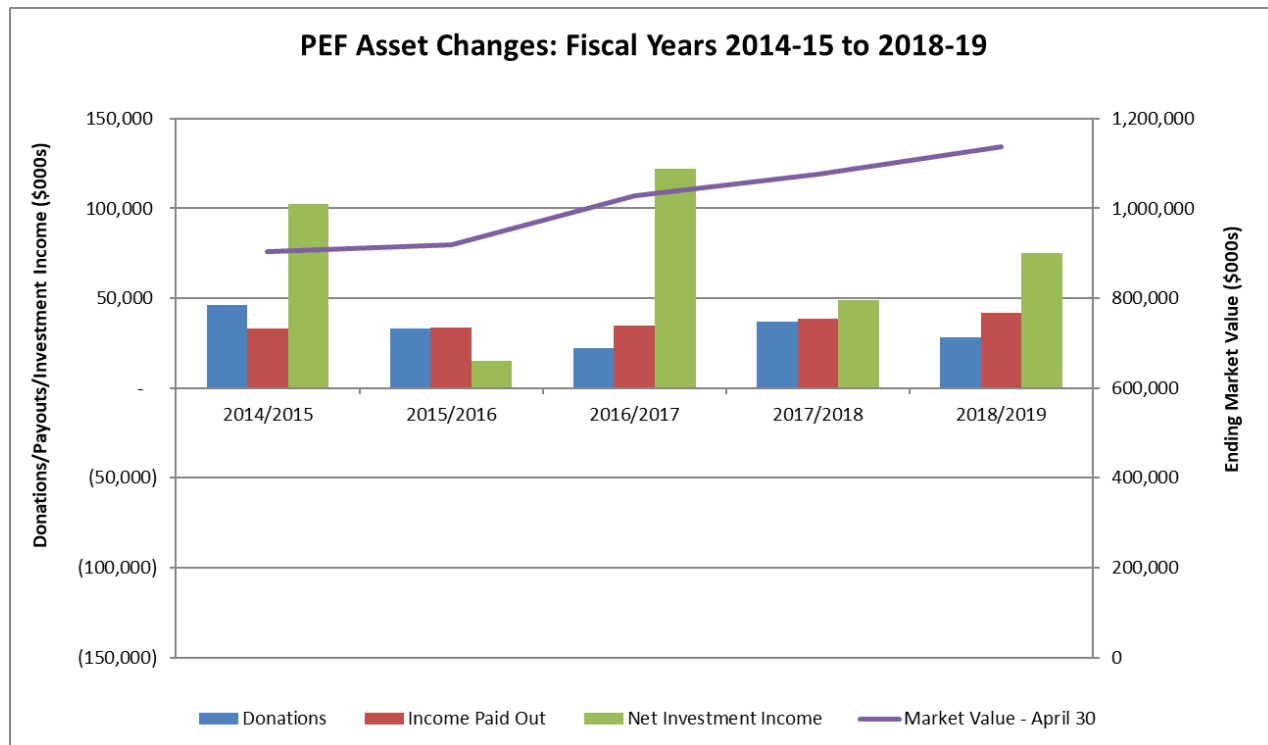
The PIF is made up of reserve funds and unspent balances. In March 2020, the university transferred \$135 million in excess funds to the PIF under its recently approved cash management framework. To preserve the nominal capital of the PIF, budgeted income is set at \$5.2 million, which is lower than the average annual actual expected annual income.

Projected Market Values of the PIF and the PEF are presented in the table below. Market volatility can have a significant impact on investment holdings and financial planning, and volatility in the first quarter of 2020 has resulted in investment losses for both portfolios. Given the current volatility, actual market values at April 30th could vary significantly from projected values.

Investment Portfolios (000's)

	Market Value April 30, 2017	Market Value April 30, 2018	Market Value April 30, 2019	Proj. Market Value April 30, 2020
Pooled Investment Fund (PIF)	237,794	245,726	261,707	365,000
Pooled Endowment Fund (PEF)	1,028,180	1,075,200	1,136,908	1,045,000
Total	1,265,974	1,320,926	1,398,615	1,410,000

The market value of the PEF for the end of the 2018-19 fiscal year was \$1,137 million. The estimated market value for the end of the 2019-20 fiscal year is roughly \$1,045 million. As stated above, actual year end market values could be significantly different given current financial market volatility.



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 at its May 2019 meeting, the Board approved continuing with the existing formula for another three years beginning 2019-20.

The payout for 2020-21 will be 13.72 cents per unit, which represents a 4.7% increase from the 2019-20 payout of 13.11 cents per unit. The payout rates for 2021-22 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 and are expected to decrease slightly with the decline in market values experienced over the last quarter. Especially in light of recent market volatility, it is recommended that some flexibility be incorporated in developing projections for endowment payouts in the budget planning timeframe. Payouts for each fiscal year are based on the previous calendar-year-end values and will be communicated by the end of March annually.

Projected Endowment Income

(\$Millions)	2019-20	2020-21	2021-22	2022-23
General Operating Income	6.6	6.8	6.8	6.8
Student Assistance	18.1	19.0	19.0	18.9
Chairs, Departmental and Other funds	19.4	20.7	20.6	20.6
Total Projected Endowment Income	44.1	46.5	46.4	46.3

Projected Payout rate per Hybrid Formula (dollars)	0.1311	0.1372	0.1366	0.1365
---	--------	--------	--------	--------

4.2 Expenditures**4.2.1 Allocations**

Figure 2 below shows a breakdown of budget allocations in the 2020-21 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

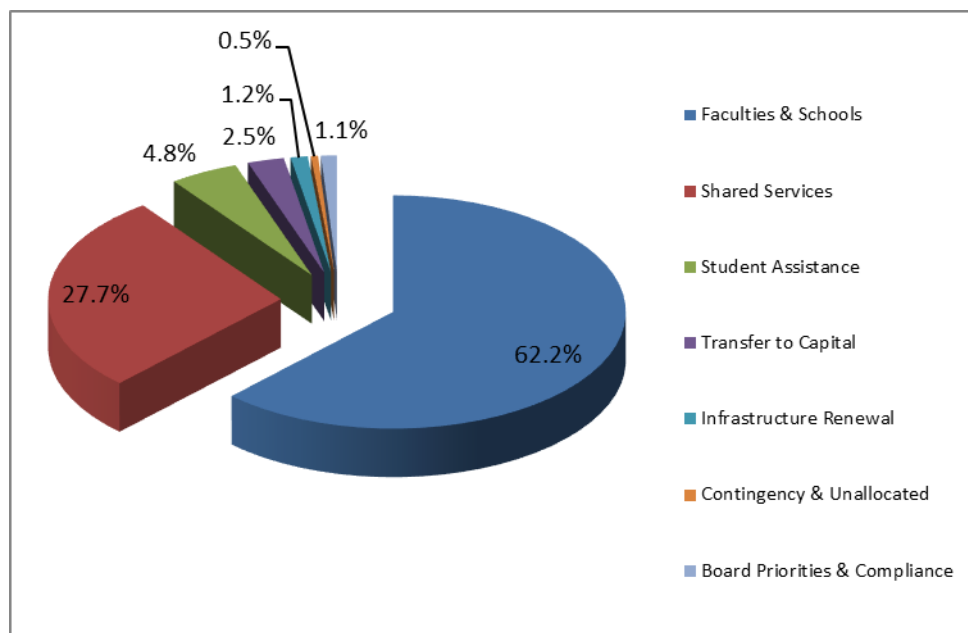
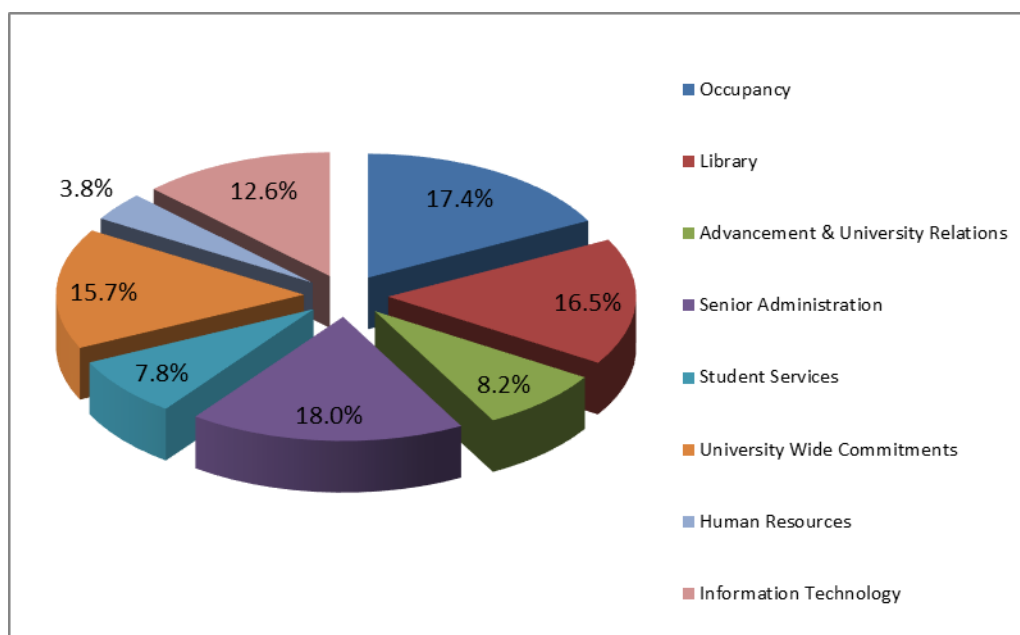


Figure 3 shows a further breakdown of the Shared Service allocations. Many expenses included in Shared Services directly support academic programs and other initiatives in the Faculties, Schools. The Library and Student Services together represent 24.3% of Shared Service allocations with Information Technology Services and Occupancy costs representing 12.6% and 17.4% 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	40.5%
Operations/Maintenance	16.8	43.3%
Deferred Maintenance	4.2	10.9%
Solid Waste	0.5	1.4%
Insurance (Net of recoveries)	1.1	2.7%
Taxes(Net of Grant Received)	0.4	1.1%

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 2020-21 budget year.

Approximately \$11.9M 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 \$5.3M 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 Budget. A portion of the aid that is awarded is mandated by the Ontario 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 equity, diversity and inclusivity.

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 government mandated tuition reduction of 10% for domestic students for 2019-20 meant the university had the flexibility to reduce need-based financial aid in 2019-20, however, the decision was made to maintain the financial aid commitment at a constant level.

In recent years there have been dynamic changes to the Ontario Student Assistance Program (OSAP). In January 2019, in response to the provincial Auditor General's report, the Government of Ontario introduced significant cost-cutting measures to OSAP effective 2019-20. The combination of the tuition reduction and OSAP reductions did reduce the University's SAG obligation for 2019-20. All students accessing OSAP experienced a reduction in funding which was greater than their respective reduction in tuition. To be responsive to these changes the University made the decision to redistribute a portion of financial aid from merit-based assistance to need-based financial assistance so that aid could be directed to the highest need domestic students who have been most impacted by the OSAP changes.

During the 2019-20 academic year, the University also launched the Promise Scholars Program: a transformational and comprehensive student assistance program intended to increase access and degree completion for first-generation students from lower socio-economic backgrounds who might not otherwise attend Queen's University. Promise Scholars have the ability to graduate from a first-entry degree program with no repayable debt. In the first few years the Promise Scholars program will be directed to local youth. The first cohort of Promise Scholars will join the Class of 2024 in September 2020.

At the graduate level, substantive, sustained, guaranteed funding is critical to attracting high quality graduate students - both domestic and international, and enhancing the graduate student experience. Graduate students fuel the research enterprise and as such, impact the research prominence of the university. In collaboration with the faculties and schools, the School of Graduate Studies (SGS) allocates funding support to all graduate programs, making sure that funding allocations reflect the institutional policies and priorities of Queen's. Funding packages for graduate students are made up of a combination of Teaching Assistantship, Research Assistantships, Research Fellowships, and scholarships and awards (endowed and expendable).

There are also various scholarship programs supported through the SGS operating budget, and these undergo periodic review by a working group regularly convened by the Graduate Studies Executive Council (GSEC).

Based on the findings and recommendations contained in the final report of the Working Group on Graduate Student Success, the SGS established a working group to investigate the issue of graduate student funding at Queen's University. The Working Group aims to bring forward specific recommendations to improve the mechanisms for financial support of both domestic and international graduate students. It will review existing practices at Queen's and its comparator institutions in Ontario and across Canada, and propose changes to the mechanisms used to provide financial support to graduate students that will increase the competitiveness of Queen's funding packages and reflect the changing realities of graduate education across North America. The Working Group is expected to prepare its final report by the end of May 2020 with specific recommendations for changes to the mechanisms utilized by Queen's for graduate student financial support.

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. Strategic decisions have been made to redistribute financial aid, primarily from merit-based, to incorporate new targeted financial aid programs and to increase bursaries for the highest need students who are most detrimentally impacted by the OSAP changes and who have the fewest options to secure other funding. As a result, the previously existing structural deficit is projected to be eliminated in 2020-21.

The table below illustrates total funding available for student assistance:

	Actuals 2019-20	Projected 2020-21	Projected 2021-22	Projected 2022-23
Undergraduate and Needs Based Funding				
Operating Funding	17,514,294	17,514,294	17,514,294	17,514,294
Income from Donor Funds	17,001,609	17,475,090	17,889,563	17,882,063
Total Base Funds Available (All Funding)	34,515,903	34,989,384	35,403,857	35,396,357
Graduate Funding	(Projected)			
Operating Funding	14,958,309	14,936,000	14,644,500	14,494,000
Income from Government & Donor Funds	12,511,767	13,616,605	13,242,647	13,394,195
Total Base Funds Available (All Funding)	27,470,076	28,552,605	27,887,147	27,888,195
Total Student Aid Funding	61,985,979	63,541,989	63,291,004	63,284,552

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:

Employee Group	Unit / Assoc	Contract Effective until
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, 2021
Graduate TA's/TF's	PSAC 901-1	April 30, 2021
Allied Health Care Professional FHT	OPSEU 452	June 30, 2022
Post-Doctoral Fellows	PSAC 901-2	June 30, 2020

4.2.4 Queen's Pension Plan (QPP) Deficit

The Queen's Pension Plan (QPP) 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, volatility has returned to global equity markets and 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 next required valuation is as at August 31, 2020.

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 will not be effective for the university until the next required valuation as of August 31, 2020 and are expected to increase university funding requirements. While the regulations are now in force, there is still some uncertainty as to how a new feature – the Provision for Adverse Deviation, or PfAD – will be applied to a valuation of hybrid plans like the QPP.

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 university-sector jointly sponsored pension plan (JSPP). The charge was increased in 2018 and subsequently reduced in 2019 as progress continued on the sector plan (now called the University Pension Plan Ontario, or UPP). Contributions to the pension reserve continued through the 2019-20 fiscal year, and a decision for future years will be made as part of the 2020-21 budget process.

As noted above, Queen's is continuing to work with two other universities, participating employee groups, and the provincial government on the creation of the UPP, a multi-employer JSPP for the university sector in Ontario. Queen's, the University of Toronto, and the University of Guelph have finalized the design and governance elements of the project. The Transfer Application was filed with FSRA (the Financial Services Regulatory Authority) on December 27, 2019. The application asks for regulatory consent to convert the QPP to the UPP through a transfer of assets and liabilities to the UPP, and provides that effective January 1, 2020 all current members of the participating university pension plans are considered to be contingent members of the UPP. The UPP conversion date, when the assets and liabilities are transferred to the UPP, is expected to be July 1, 2021. The 14-person Board of Trustees, responsible for the UPP's administration and investments, has now been legally constituted. Supporting documentation (sponsors and trust agreements, funding policy, official plan text) have been fully executed by the respective parties, and will be filed with the regulators by March 26, 2020. 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.

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.

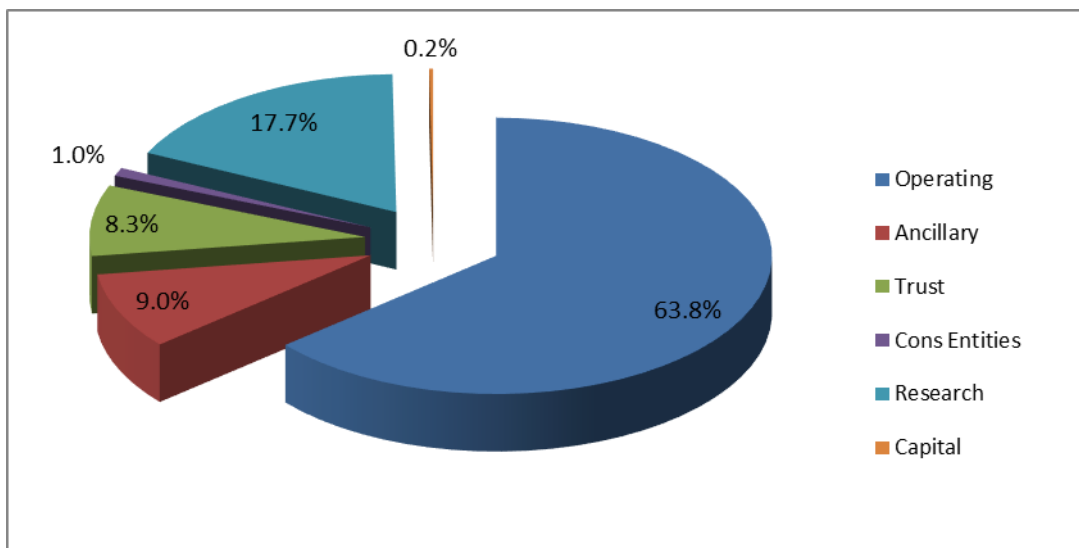
5.0 Broader Financial Picture

The Operating expenditures represent approximately 60% to 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 2018-19 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

Queen's University Capital Budget Allocations from Operating				
	Budget 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23
Grant Revenue				
MCU Facilities Renewal Fund	\$ 3,048	\$ 4,162	\$ 3,751	\$ 6,975
Total Revenue	\$ 3,048	\$ 4,162	\$ 3,751	\$ 6,975
<u>Capital Projects Financing</u>				
School of Kinesiology & Queen's Centre	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900
QUASR	\$ 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
Mitchell Hall	\$ -	\$ 1,200	\$ 1,200	\$ -
Future Debt Funding for Capital Projects	\$ -	\$ -	\$ 3,200	\$ 3,200
<u>Deferred Maintenance</u>				
MCU Facilities Renewal Fund	\$ 3,048	\$ 4,162	\$ 3,751	\$ 6,975
Total Expenses	\$ 18,229	\$ 20,543	\$ 20,332	\$ 22,356
Budget Surplus (Deficit)	\$ (15,181)	\$ (16,381)	\$ (16,581)	\$ (15,381)
Transfer from Reserves	\$ 2,373			
Transfer from Operating Budget	\$ 12,808	\$ 16,381	\$ 16,581	\$ 15,381
Net Budget Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -

All of the Capital projects shown in the table above have been completed, except for the future debt funding related to the debt issuance for future capital projects.

Not included in the table above are \$4.2M in deferred maintenance funding, which is included in occupancy costs, and additional One-Time-Only deferred maintenance funding from the University Fund (\$5.1M in 2020-21, \$5.9M in 2021-22, \$6.6M in 2022-23).

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 (in '000s)		
	Actuals at Feb'20	Total Projected Costs	Budget
IN PROCESS:			
Cybersecurity Action Plan 2019-21	1,019	5,148	5,148
John Deutsch University Centre ¹	993	1,750	62,300
New Residence Building - 2021	840	49,500	49,500
SMOL: Renovations	480	18,100	18,100
SUBTOTAL - PROJECTS IN PROCESS	3,332	74,498	135,048
COMPLETED:			
Biomedical Research Facility Revitalization ²	33,310	33,590	33,765
Energy Service Company (ESCo) Partnership	10,026	10,033	10,727
Goodes Hall Expansion	39,865	40,000	40,000
Mitchell Hall	101,400	101,400	101,400
Mitchell Hall – Ingenuity Labs	6,265	8,000	8,000
School of Kinesiology and Queen's Centre	180,475	180,475	181,235
West campus District Energy Conversion (GGRP)	9,966	10,467	10,467
SUBTOTAL - PROJECTS COMPLETED	381,306	383,965	385,594
GRAND TOTAL	384,638	458,463	520,642
	74%	88%	

1- Project is conditional on a fundraising goal of \$10M to be raised prior to June 30, 2021.

2 - Total approved budget include financing costs that are charged outside the project.

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 current status of DM is shown in the table below. It reflects a summary of the database including inflationary increases, three years of system renewals, and property purchased since the 2017 assessment.

	(\$ millions)
Academic Buildings	321.4
Residences	117.6
Underground infrastructure	38.4
Subtotal	477.4
2016 to 2019 DM Addressed	(48.3)
2017-18 West Campus Utility Infrastructure Upgrade	(9.3)
Total	419.8

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 \$17.8M, 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 Colleges and Universities (MCU) Facilities Renewal Program Grant ¹	3.8
Operating budget allocation	9.3
Subtotal	13.1
Deferred maintenance – residences	4.7
Total	17.8

¹ Figure is a projected value, and subject to government confirmation

In recent years, the University has recognized the importance of addressing DM and has increased funding from \$4.2 million in 2013 to \$9.3 million in 2020-21. Total DM funding (including Provincial funding and Residences) is \$17.8M in 2020-21, which is approximately 1.0% of a \$1.7 billion campus current replacement value (CRV). The industry standard is 1.5% (\$25 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 2020-21 Budgets for each Ancillary Operation.

2020-21 Ancillary Budget (000's)			
	Housing and Hospitality	Parking	Total Ancillary
REVENUE	\$ 94,227	3,480	97,707
Non-interest expenditures	66,246	1,589	67,835
Interest	4,780	2,318	7,098
EXPENDITURES	\$ 71,026	\$ 3,907	\$ 74,933
Net Surplus (Deficit) before Capital and Contributions to University Operations	\$ 23,201	\$ (427)	\$ 22,774
Deferred Maintenance	(10,700)	(525)	(11,225)
Debt Servicing - Principal	(6,598)	(1,013)	(7,611)
Contributions to University Operations	(4,712)	-	(4,712)
SURPLUS (DEFICIT)	\$ 1,191	\$ (1,965)	\$ (774)

Queen's University 2020-21 Ancillary Budget (000's) Operating Reserves			
OPENING RESERVE	9,167	* (22,505)	(13,338)
SURPLUS (DEFICIT) - PLANNED ALLOCATION TO (FROM) RESERVES	1,191	(1,965)	(774)
CLOSING RESERVE	\$ 10,358	(24,470)	(14,112)

2020-21 Ancillary Budget (000's) Capital Reserve			
OPENING RESERVE	\$ 15,922	5,086	21,008
Planned Contribution	10,700	525	11,225
Deferred Maintenance Expenditure	(12,293)	(747)	(13,040)
CLOSING RESERVE	\$ 14,329	4,864	19,193

* 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

Housing and Hospitality incorporates Residences, Event Services, Community Housing and the Donald Gordon Centre.

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 2019-20 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 entities that impact the financial position of the University. The table below shows the 2020-21 Consolidated Entity budget.

2020-21 Consolidated Entities Budget (000's)			
	PARTEQ	Cogeneration Facility	Parking Commission
REVENUE	334	755	2,736
EXPENDITURE			
Salaries & Benefits	-	35	167
External Contracts	114	945	70
Utilities	-	411	71
Repairs & Alter.	-	225	-
Interest & Bank Charges	1	-	293
Supplies & Misc.	173	136	74
Deferred Maintenance	-	260	300
Overhead	-	-	101
Debt Servicing	-	-	354
Total Expenditures	288	2,012	1,430
Net Surplus (Deficit) before Contributions to (from) Queen's / Partners	46	(1,257)	1,306
Contribution to (from) Queen's	46	(754)	653
Contribution to (from) KHSC		(503)	653
SURPLUS (DEFICIT)	-	-	-

2020-21 Consolidated Entities Budget (000's) Capital Reserve			
PROJECTED OPENING RESERVE	-	-	967
Planned Contribution	-	-	300
Deferred Maintenance Expenditure	-	-	(860)
CLOSING RESERVE	-	-	407

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 2018-19 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.

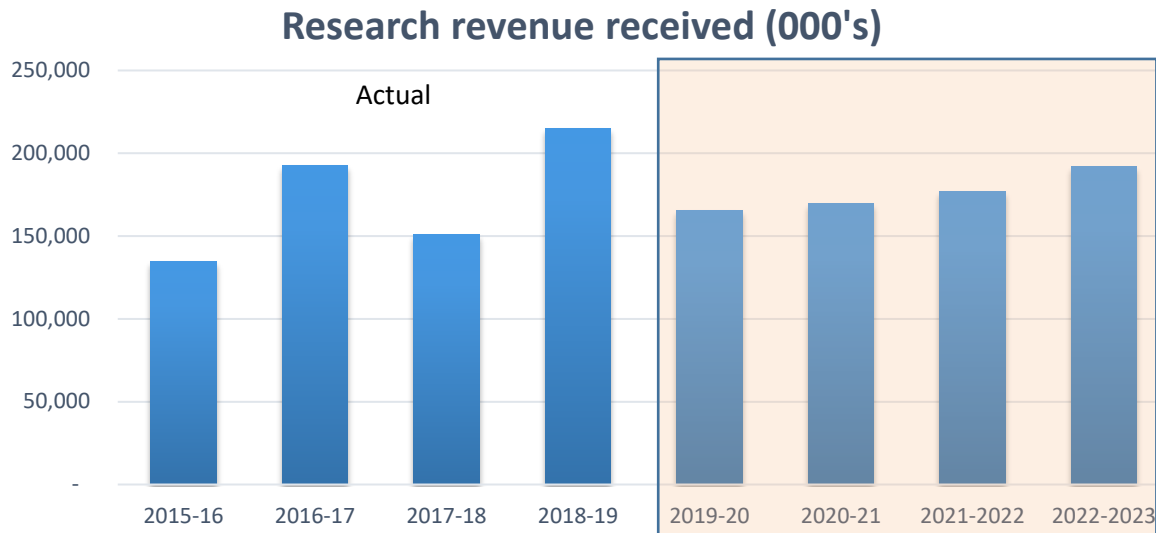
The budget presented above represents 100% of the operations of the two joint venture consolidated entities. Queen's University's interest in the two joint ventures is 60% of the COGEN operations and 50% of the Parking Commission. The parking commission includes an allocation to capital reserves for 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 2019-20 the Global Adjustment savings for Queen's and the Kingston Health Sciences Centre were \$ 8.5 million.

The Queen's Centre for Enterprise Development (QCED) budget continues to be excluded for 2020-21 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 2015-16, 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 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 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.

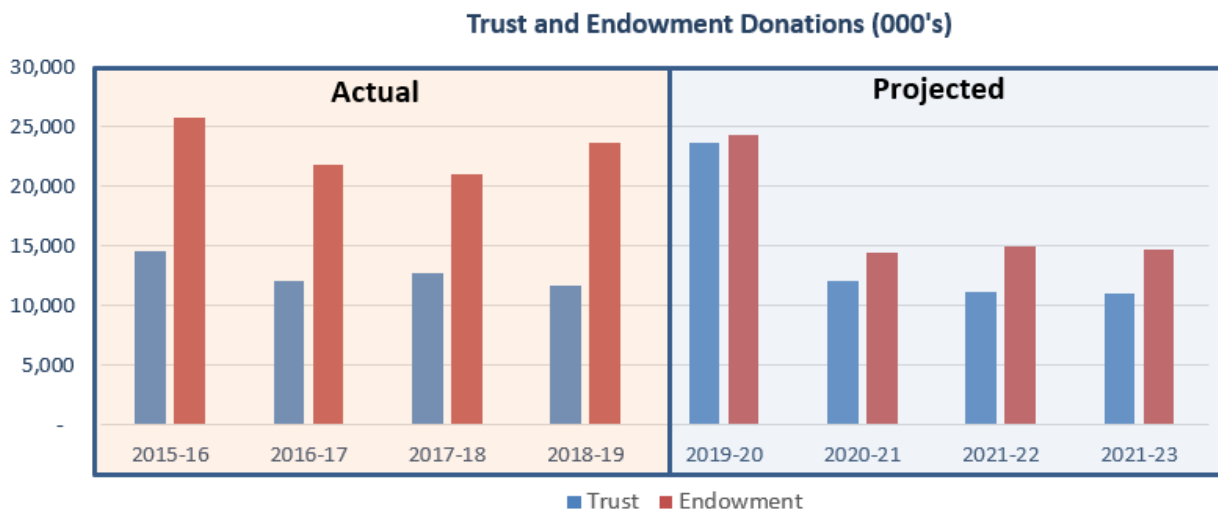
5.4 Trust and Endowment Funds

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 \$8 million in 2017-18, and \$7.7 million in 2018-19.

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
2019-20 to 2022-23 Revenue Budget

TABLE 1

	Budget 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23
Tuition Credit	\$ 343,063,444	\$ 380,008,244	\$ 408,269,778	\$ 427,982,819
Tuition Non-Credit	\$ 24,082,711	\$ 24,643,454	\$ 25,611,041	\$ 26,499,783
Student Assistance Levy	\$ 2,800,972	\$ 2,801,000	\$ 2,801,000	\$ 2,801,000
Other fees	\$ 8,308,469	\$ 8,544,439	\$ 8,655,192	\$ 8,877,400
Total Fees	\$ 378,255,596	\$ 415,997,137	\$ 445,337,011	\$ 466,161,002
Operating Grants				
Enrolment Envelope				
Core Operating Grant	\$ 176,691,662	\$ 176,586,380	\$ 176,586,380	\$ 176,586,380
Undergraduate Enrolment Transition Grant	\$ -	\$ -	\$ -	\$ -
Graduate Expansion	\$ 6,628,974	\$ 6,078,055	\$ 6,078,055	\$ 6,078,055
International Student Recovery	\$ (1,907,841)	\$ (2,212,985)	\$ (2,399,010)	\$ (2,538,718)
Differentiation Envelope				
Performance/Student Success Grant	\$ 17,851,691	\$ 17,851,691	\$ 17,851,691	\$ 17,851,691
Graduate Expansion-Performance	\$ 597,590	\$ 547,925	\$ 547,925	\$ 547,925
Research Overhead Infrastructure	\$ 1,578,242	\$ 1,578,242	\$ 1,578,242	\$ 1,578,242
Total Operating Grants	\$ 201,440,318	\$ 200,429,308	\$ 200,243,283	\$ 200,103,575
Special Purpose Envelope				
Tax Grant	\$ 1,672,748	\$ 1,827,102	\$ 1,845,477	\$ 1,756,349
Special Accessibility	\$ 836,223	\$ 932,954	\$ 932,954	\$ 932,954
Regional Assessment Resource Centre	\$ 100,000	\$ 1,170,000	\$ 100,000	\$ 100,000
Clinical Education Funding	\$ 623,751	\$ 623,751	\$ 623,751	\$ 623,751
Total Special Purpose Grants	\$ 3,232,722	\$ 4,553,807	\$ 3,502,182	\$ 3,413,054
Total Provincial Grants	\$ 204,673,040	\$ 204,983,115	\$ 203,745,465	\$ 203,516,629
Federal Grant	\$ 9,663,830	\$ 9,116,047	\$ 9,116,047	\$ 9,116,047
Other Revenue				
Unrestricted Donations and Bequests	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Other Income	\$ 6,083,765	\$ 5,942,986	\$ 6,222,683	\$ 6,469,460
Research Overhead	\$ 4,000,000	\$ 4,250,000	\$ 4,250,000	\$ 4,250,000
Investment Income	\$ 16,161,682	\$ 17,479,836	\$ 17,750,429	\$ 18,040,765
Total Other Revenue	\$ 27,445,447	\$ 28,872,822	\$ 29,423,112	\$ 29,960,225
	620,037,913	658,969,121	687,621,635	708,753,903

Queen's University at Kingston
2020-21 Expense Budget

TABLE 2

	Budget 2019-20	Budget 2020-21	Budget Variance
Faculties and Schools			
Arts and Science	\$ 156,471,497	\$ 171,159,510	\$ 14,688,013
Business	\$ 95,731,460	\$ 97,254,375	\$ 1,522,915
Health Sciences	\$ 51,353,709	\$ 54,330,685	\$ 2,976,976
Applied Science	\$ 40,434,187	\$ 44,709,866	\$ 4,275,679
Law	\$ 12,234,747	\$ 12,908,018	\$ 673,271
Education	\$ 17,956,543	\$ 18,200,833	\$ 244,290
Bader International Study Centre	\$ 2,798,693	\$ 2,939,731	\$ 141,038
Total Faculties and Schools	\$ 376,980,836	\$ 401,503,018	\$ 24,522,182
Shared Services			
Principal's Office	\$ 1,713,520	\$ 1,741,251	\$ 27,731
Secretariat	\$ 2,521,656	\$ 2,581,425	\$ 59,769
University Relations	\$ 3,627,421	\$ 2,685,999	\$ (941,422)
Vice-Principal (Research)	\$ 7,464,867	\$ 9,103,047	\$ 1,638,180
Vice-Principal (Advancement)	\$ 11,688,142	\$ 11,905,867	\$ 217,725
Vice-Principal (Finance & Admin)	\$ 11,781,310	\$ 12,593,708	\$ 812,398
Provost & Vice-Principal (Academic)	\$ 3,865,088	\$ 4,405,997	\$ 540,909
Student Affairs	\$ 10,841,298	\$ 11,732,727	\$ 891,429
Library(operations & acquisitions)	\$ 28,675,947	\$ 29,599,963	\$ 924,016
Occupancy Costs(net of Shared Service Space Costs)	\$ 30,689,409	\$ 31,138,002	\$ 448,593
Environmental Health & Safety	\$ 1,770,224	\$ 1,835,046	\$ 64,822
ITS	\$ 21,039,412	\$ 22,500,964	\$ 1,461,552
Human Resources	\$ 5,654,655	\$ 6,725,964	\$ 1,071,309
Graduate Studies	\$ 1,957,171	\$ 2,202,203	\$ 245,032
University Wide Benefits & Pension Special Payments	\$ 9,755,184	\$ 9,972,032	\$ 216,848
Need Based & UG Merit Student Assistance	\$ 17,514,294	\$ 17,514,294	\$ -
Graduate Students Assistance	\$ 13,367,706	\$ 13,367,706	\$ -
University Wide - Faculty	\$ 3,736,835	\$ 4,056,232	\$ 319,397
University Wide - Student	\$ 1,762,410	\$ 1,928,795	\$ 166,385
University Wide - Administration	\$ 4,452,156	\$ 5,756,856	\$ 1,304,700
University Wide - Community	\$ 4,384,307	\$ 4,728,485	\$ 344,178
Queen's National Scholars	\$ 1,500,000	\$ 1,700,000	\$ 200,000
Queen's Research Chairs	\$ -	\$ -	\$ -
Total Shared Services	\$ 199,763,012	\$ 209,776,563	\$ 10,013,551
Infrastructure Renewal	\$ 7,300,000	\$ 7,700,000	\$ 400,000
Strategic Priorities & Compliance	\$ 8,239,000	\$ 7,129,250	\$ (1,109,750)
Contingency	\$ 2,800,000	\$ 2,800,000	\$ -
To Be Allocated	\$ 0	\$ 377,489	\$ 377,489
Flow Through Expenses, net of Recoveries	\$ 10,590,660	\$ 11,871,168	\$ 1,280,508
Indirect Costs of Research to External Entities	\$ 1,556,226	\$ 1,431,107	\$ (125,119)
Total Operating Expenditures	\$ 607,229,734	\$ 642,588,595	\$ 35,358,861
Transfer to Capital Budget	\$ 12,807,526	\$ 16,380,526	\$ 3,573,000
Total Expenditures	\$ 620,037,260	\$ 658,969,121	\$ 38,931,861

*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 2020-2023 March 2020

To be approved by SCAD in March 2020, then University Senate April 2020

This report contains enrolment targets for 2020-2021 and 2021-2022 and enrolment projections for 2022-2023, which have been developed by the Strategic Enrolment Management Group (SEMG). More specifically, this report includes:

- Revisions to 2020-2021 targets: 2020-2021 targets were previously approved by Senate in April 2019, and the revisions are now submitted for April 2020 Senate approval;
- Revisions to 2021-2022 targets: initial 2021-2022 targets were provided for information to Senate in April 2019 as enrolment projections, and the revised targets are now submitted for April 2020 Senate approval;
- Enrolment projections for 2022-2023: 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 the budget that is being planned.

The enrolment targets are developed 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 despite a modest year-over-year decrease in total applications. This is the first time in the past ten years that applications to Queen's have decreased and comes during an overall decline in the Canadian university-aged demographic. The Ontario Universities Application Centre (OUAC) reports that first-year direct-entry applications for 2020-2021 entry to Ontario universities have decreased by 3% as of February 6, 2020, compared to the same time last year. Applications to Queen's programs have decreased by 4%. This decrease is primarily attributed to a decrease in international student applications originating from China. Domestic student applications have remained consistent with last year.

The Canadian university-aged population has been projected to decline by 10% between 2011 and 2021, returning to 2010 levels by 2030. Increased PSE participation across the sector over the next decade will 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 2018-19 and 2019-20, graduate enrolment increased by 2.6%. The introduction of new graduate programs, recruitment of new faculty, and increased recruitment activities contributed to the growth in enrolment. The School of Graduate Studies Doctoral Award was introduced in 2017, and several new student success initiatives were launched over the past year.

As of February 20, 2020, a total of 8,024 applications have been received for School of Graduate Studies administered programs, a decrease of 0.9% compared to 2019. Compared to this time last year, domestic applications have decreased by 7.5%, while applications from international students have increased by 12%.

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 2020-2021, the total first-year direct-entry intake target increases by seven students, to 4,786, from the previously approved Senate target of 4,779. The increase is distributed as follows:

- 17 student places at the Bader International Study Centre (BISC);
- a decrease of 10 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.

The planned first-year second-entry target for 2020-21 and beyond is 494, a decrease of four students from what was previously approved.

The total first-year intake increases to 4,796 in 2021-22 and to 4,811 in 2022-23 due to a previously approved increase in the intake for the on-campus Bachelor of Health Sciences.

For 2020-2021, the total graduate intake target increases by 29 students, to 8,094, from the previously approved Senate target of 8,065. The total target intake increases to 8,463 in 2021-22 and to 8,524 in 2022-23 with the launch of the Graduate Diploma in Immigration and Citizenship Law.

For 2022-23 the university is making preliminary plans to consider increasing the total first-year direct-entry target for on-campus students by approximately 240. Any increase would align with the university's renewed Strategic Mandate Agreement with the province (currently in development), as well as residence capacity. The allocation of any proposed increase would be determined by the Principal in consultation with the Provost and Deans, in consideration of applicant interest and university priorities.

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 remains at the previously approved 3,012 students. A total of nine spaces have been reallocated within the BFAH program to a Con-Ed/BFAH stream.

The upper-year Arts and Science transfer student target remains unchanged at 113.

BISC: The first-year target increases from 138 to 155 for 2020-21 and beyond. An additional 35 student spaces have been allocated to the BHScH program, and the BAH and BScH intake targets have been reduced by a total of 18 student spaces.

Engineering and Applied Science: The first-year target remains unchanged at 790 students for 2020-21 and beyond.

Commerce: The planned first-year intake target continues at the previously approved target of 500 students for 2020-21 and beyond.

Faculty of Health Sciences: The Bachelor of Health Sciences program admitted its first cohort of on-campus students in September 2019. Planned intake for the Kingston campus continues as previously approved at 170 students for 2020-21 and beyond. An additional intake of 35 first-year students is planned for the BISC beginning in 2020-21 and beyond. Previously approved increases for the online Bachelor of Health Sciences program have been scaled back by 10 students, to 60 for 2020-21, and by 15 students, to 70, for 2021-22.

The Nursing program has no changes planned to the first-year program intake of 99 students or to the upper-year target of 48 students in the Nursing-Accelerated Standing track.

The School of Medicine's first-year intake has increased by 4 student spaces over the previously approved target of 108 beginning 2020-21 and beyond.

Law: The intake target for Law remains at the previously approved target of 208 for 2020-21 and beyond.

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 was a key component of the Internationalization pillar of the university's Strategic Framework (2014-2019) and the [Comprehensive Internationalization Plan \(2015\)](#). International students currently comprise 14.8% of the full-time student population.

In 2019-20, international students made up 13.2% of the first-year undergraduate class, which continues the 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 Vietnam 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 2018 is 91.3%. Applications from international students have decreased by 13%, and as mentioned previously, this can be attributed to weakening Canada-China relations. The decrease is not isolated to Queen's, with the Ontario Universities Applications Centre (OUAC) reporting decreases across the Ontario university sector. We are monitoring the impact of the

coronavirus related issues on applications and enrolments, and are working closely with faculties to adjust offers as required to meet enrolment targets.

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 2020-21, applications from self-identified Indigenous undergraduate applicants have increased by 131%. The year 1-2 undergraduate retention rate among self-identified Indigenous students was 87.8% in 2018.

As part of its strategic priorities, the School of Graduate Studies has been relying on the newly introduced Indigenous and Equity Admission regulations to increase the presence of Indigenous students in different graduate programs for the last two years. The number of Indigenous graduate students is expected to continue to grow over the next three years.

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, and 2020-21 will see the first cohort of students in the Promise Scholars program. In 2019-20, 3.9% of incoming undergraduate students self-identified as being the first in their family to attend post-secondary.

Graduate Studies: As highlighted in Table 1, the revised enrolment targets for both masters and doctoral programs reflect a slight decline in planned enrolment intakes for 2020-21. After careful consideration of various factors, including supervisory capacity, Ontario's highly competitive graduate enrolment landscape, declining comparative advantages of Queen's funding packages, and demographic shifts, the masters target has been reduced from the planned enrolment of 1,216 to 1,199. The planned doctoral enrolment target is slightly reduced from 332 to 326.

The table also shows the addition of 298 diploma students to the planned enrolment targets for 2021-22. This increase is due to the introduction of a new Graduate Diploma in Immigration and Citizenship Law, which has recently been approved by the Quality Council's Appraisal Committee.

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 in Table 1.

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 2021.

APPENDIX 1

Enrolment Report to the Senate Committee on Academic Development

February 7 2020

Queen's University

Office of Budget and Planning

Table 1: Student Fall Headcount Intake

Program	2019 Actual		2020 Prev Planned		2020 Planned		2021 Prev Planned		2021 Updated Plan		2022 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
Undergraduate (Full-Time)												
Arts & Science												
BA/BAH	1,324	31	1,414	60	1,414	60	1,414	60	1,414	60	1,414	60
BSC/BSCH	972	7	923	35	923	35	923	35	923	35	923	35
BFAH	16	0	19	0	10	0	19	0	10	0	10	0
BMUS	16	1	15	0	15	0	15	0	15	0	15	0
BCMP/BCMPH	151	4	194	5	194	5	194	5	194	5	194	5
BSCH KINE	189	0	155	0	155	0	155	0	155	0	155	0
BMT	0	2	0	13	0	13	0	13	0	13	0	13
Con-Ed Arts/Science/Music	269	0	267	0	276	0	267	0	276	0	276	0
Distance Studies (BA1)	27	2	25	0	25	0	25	0	25	0	25	0
Non-Degree/Certificate Programs	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Arts & Science	2,964	47	3,012	113	3,012	113	3,012	113	3,012	113	3,012	113
Commerce	477	1	500	5	500	5	500	5	500	5	500	5
Engineering	780	3	790	15	790	15	790	15	790	15	790	15
Bachelor Health Science - Distance	13	1	70	0	60	0	85	0	70	0	85	0
Bachelor Health Science - On Campus	122	0	170	0	170	0	170	0	170	0	170	0
Nursing	100	0	99	0	99	0	99	0	99	0	99	0
Bader ISC	94	10	138	15	155	15	138	15	155	15	155	15
Subtotal Direct Entry	4,550	62	4,779	148	4,786	148	4,794	148	4,796	148	4,811	148
Education (Yr 5 & Consec)		535		385		357		414		412		438
Law	203	0	208	0	208	1	208	0	208	1	208	1
Medicine	108	0	104	0	108	0	104	0	108	0	108	0
Post-Graduate Medicine	184	0	186	0	178	0	186	0	178	0	178	0
Nursing-Advanced Standing		39		48		48		48		48		48
Subtotal Second Entry	495	574	498	433	494	406	498	462	494	461	494	487
Subtotal Undergraduate (Fac/School)	5,045	636	5,277	581	5,280	554	5,292	610	5,290	609	5,305	635
Graduate (Full-Time)												
School of Grad Studies												
Research Masters	626		675		662		686		673		673	
Professional Masters	466		541		537		541		538		538	
Doctoral	321		332		326		341		331		332	
Diploma	35		56		54		56		354		404	
Subtotal SGS	1,448		1,604		1,579		1,624		1,896		1,947	
Smith School of Business												
Masters	1,045		1,054		1,105		1,064		1,127		1,122	
Diploma	131		130		130		135		150		150	
Subtotal Smith	1,176		1,184		1,235		1,199		1,277		1,272	
Subtotal Graduate	2,624		2,788		2,814		2,823		3,173		3,219	
Budgeted Total Enrolment	7,669	636	8,065	581	8,094	554	8,115	610	8,463	609	8,524	635
Additional Planned Growth*											240	

*The additional planned growth will be in undergraduate enrolment. Additional discussions are underway regarding in which Faculty this will occur.

Enrolment Report to the Senate Committee on Academic Development					February 7 2020			
					Queen's University Office of Budget and Planning			
Table 2: Enrolment Summary								
Program	Fall Full-Time Headcount				Annualized FFTE			
	Actual	Planned			Actual	Planned		
	Fall 2019	Fall 2020	Fall 2021	Fall 2022	2019-20	2020-21	2021-22	2022-23
Undergraduate								
Arts & Science								
BA/BAH	5,987	6,062	6,085	6,152	6,101	6,232	6,244	6,308
BSC/BSCH	3,979	3,905	3,894	3,881	3,964	3,919	3,909	3,895
BFAH	72	58	52	42	72	59	53	43
BMUS	70	65	64	62	75	73	72	70
BCMP/BCMPH	761	760	773	779	750	764	774	781
BPHEH	44	8	9	9	41	12	12	12
BSCH KINE	618	625	613	598	619	628	619	603
BMT	4	15	23	22	5	15	23	22
Con-Ed Arts/Science/Music	825	839	825	828	822	813	800	801
Distance Studies (BA1)	197	183	180	180	303	303	300	300
Non-Degree/Certificate Programs	69	68	68	69	267	220	220	220
Subtotal Arts & Science	12,626	12,588	12,586	12,622	13,019	13,038	13,026	13,055
Commerce	1,885	1,892	1,916	1,902	1,930	1,913	1,936	1,921
Engineering	3,162	3,163	3,198	3,238	3,343	3,331	3,367	3,405
Bachelor Health Science - Distance	109	133	157	185	176	197	216	240
Bachelor Health Science - On Campus	122	280	456	612	120	262	429	581
Nursing	375	353	355	350	371	353	355	350
Bader ISC	104	170	170	170	144	190	190	190
Subtotal Direct Entry	18,383	18,579	18,838	19,079	19,103	19,284	19,519	19,742
Education (Yr 5 & Consec)	535	362	417	443	1,065	837	826	850
Law	605	605	605	611	644	650	650	656
Medicine	416	414	419	423	415	413	418	422
Post-Graduate Medicine	539	540	540	540	552	552	552	552
Nursing-Advanced Standing	95	90	101	101	140	136	148	148
Subtotal Second Entry	2,190	2,011	2,082	2,118	2,816	2,588	2,594	2,628
Subtotal Undergraduate (Fac/School)	20,573	20,590	20,920	21,197	21,919	21,872	22,113	22,370
Graduate (Full-time)								
School of Grad Studies								
Research Masters	1,155	1,285	1,315	1,323	1,070	1,259	1,306	1,315
Professional Masters	727	801	806	808	875	942	946	948
Doctoral	1,389	1,504	1,570	1,598	1,331	1,476	1,576	1,610
Diploma	36	129	429	454	33	69	270	309
Subtotal SGS	3,307	3,719	4,120	4,183	3,309	3,746	4,098	4,182
Smith School of Business								
Masters	1,140	1,253	1,272	1,282	1,140	1,253	1,272	1,282
Diploma	131	130	150	150	90	88	103	103
Subtotal Smith	1,271	1,383	1,422	1,432	1,230	1,341	1,375	1,385
Subtotal Graduate	4,578	5,102	5,542	5,615	4,539	5,087	5,473	5,567
Budgeted Total Enrolment	25,151	25,692	26,462	26,812	26,458	26,959	27,586	27,937

Table 1
Recommended Tuition Fee Levels 2020-21*
(Domestic Students)

Undergraduate and Professional Programs	Final 2019-20	% Change	Proposed 2020-21	% Change
Engineering & Applied Science				
Year 1	\$ 11,915	-10.0%	\$ 11,915	0.0%
Year 2	\$ 11,915	-10.0%	\$ 11,915	0.0%
Year 3	\$ 11,915	-10.0%	\$ 11,915	0.0%
Year 4	\$ 11,915	-10.0%	\$ 11,915	0.0%
Bachelor of Mining Engineering Technology				
Year 2	\$ 9,291	-10.0%	\$ 9,291	0.0%
Year 3	\$ 9,291	-10.0%	\$ 9,291	0.0%
Year 4	\$ 9,291	-10.0%	\$ 9,291	0.0%
Certificate in Mining Technologies **				
Year 1	\$ 1,429	N/A	\$ 1,429	0.0%
Year 2	\$ 1,429	N/A	\$ 1,429	0.0%
Year 3	\$ 1,429	N/A	\$ 1,429	0.0%
Year 4	\$ 1,429	N/A	\$ 1,429	0.0%
Arts and Science (including Con-Ed) (Arts, Science, Physical and Health Education, Music, Fine Art)				
Year 1	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 2	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 3	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 4	\$ 6,084	-10.0%	\$ 6,084	0.0%
Arts and Science (Computing)				
Year 1	\$ 6,397	-10.0%	\$ 6,397	0.0%
Year 2	\$ 6,397	-10.0%	\$ 6,397	0.0%
Year 3	\$ 6,397	-10.0%	\$ 6,397	0.0%
Year 4	\$ 6,397	-10.0%	\$ 6,397	0.0%
Certificates in Arts & Science (various programs)**	\$ 1,217	-10.0%	\$ 1,217	0.0%
Commerce				
Year 1 - 5.5 courses	\$ 16,289	-10.0%	\$ 16,289	0.0%
Year 2 - 5.5 courses	\$ 16,289	-10.0%	\$ 16,289	0.0%
Year 3 - 5.0 courses	\$ 14,808	-10.0%	\$ 14,808	0.0%
Year 4 - 5.0 courses	\$ 14,808	-10.0%	\$ 14,808	0.0%
Certificate in Business**	\$ 2,962	-10.0%	\$ 2,962	0.0%
Education				
Consecutive	\$ 5,998	-10.0%	\$ 5,998	0.0%
Concurrent (education courses) FINAL YEAR CONCURRENT	\$ 5,998	-10.0%	\$ 5,998	0.0%
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%
Law				
Year 1	\$ 18,188	-10.0%	\$ 18,188	0.0%
Year 2	\$ 18,188	-10.0%	\$ 18,188	0.0%
Year 3	\$ 18,188	-10.0%	\$ 18,188	0.0%
Certificate in Law**	\$ 2,268	-10.0%	\$ 2,268	0.0%
Bachelor of Health Sciences				
Year 1	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 2	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 3	\$ 6,084	-10.0%	\$ 6,084	0.0%
Year 4	\$ 6,084	-10.0%	\$ 6,084	0.0%
Medicine				
Year 1	\$ 23,513	-10.0%	\$ 23,513	0.0%
Year 2	\$ 23,513	-10.0%	\$ 23,513	0.0%
Year 3	\$ 23,513	-10.0%	\$ 23,513	0.0%
Year 4	\$ 23,513	-10.0%	\$ 23,513	0.0%
Medicine (DND)				
Year 1	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 2	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 3	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 4	\$ 74,086	0.0%	\$ 75,938	2.5%
Nursing				
Year 1	\$ 6,085	-10.0%	\$ 6,085	0.0%
Year 2	\$ 6,085	-10.0%	\$ 6,085	0.0%
Year 3	\$ 6,085	-10.0%	\$ 6,085	0.0%
Year 4	\$ 6,085	-10.0%	\$ 6,085	0.0%
Advanced Standing Track	\$ 6,693	-10.0%	\$ 6,693	0.0%

* 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.

** Per 6-unit course for undergraduate programs; per 3-unit course for graduate programs

*** Pending Senate approval

**** Pending MCU approval

Table 1 - Continued
Recommended Tuition Fee Levels 2020-21*
(Domestic Students)

Graduate Programs, Research-Based and Professional	Final 2019-20	% Change	Proposed 2020-21	% Change
Master's				
Year 1	\$ 5,772	-10.0%	\$ 5,772	0.0%
Year 2	\$ 5,772	-10.0%	\$ 5,772	0.0%
Master of Education (part-time) **	\$ 996	-10.0%	\$ 996	0.0%
Doctoral				
Year 1	\$ 5,772	-10.0%	\$ 5,772	0.0%
Year 2	\$ 5,772	-10.0%	\$ 5,772	0.0%
Year 3	\$ 5,772	-10.0%	\$ 5,772	0.0%
Year 4	\$ 5,772	-10.0%	\$ 5,772	0.0%
Diploma in Risk Policy and Regulation	\$ 10,030	-10.0%	\$ 10,030	0.0%
Professional Master's of Education**	\$ 1,254	-10.0%	\$ 1,254	0.0%
Diploma in Professional Inquiry**	\$ 1,254	-10.0%	\$ 1,254	0.0%
Master of Engineering (Meng)	\$ 8,094	-10.0%	\$ 8,094	0.0%
Master of Engineering in Design and Manufacturing (ADMI & UNENE)**	\$ 2,430	-10.0%	\$ 2,430	0.0%
Diploma in Social Performance Management in the Extractive Industries **	\$ 1,300	-62.7%	\$ 1,300	0.0%
Diploma in Water and Human Health	\$ 5,562	N/A	\$ 5,562	0.0%
Master of Science - Healthcare Quality	\$ 13,568	-10.0%	\$ 13,568	0.0%
Diploma of Primary Healthcare Nurse Practitioner (DPHNP)	\$ 7,169	3.0%	\$ 7,169	0.0%
Masters of Nursing and Primary Health Care Nurse Practitioner (MN PHCNP)	\$ 6,742	-10.0%	\$ 6,742	0.0%
MN MH - Masters of Nursing - Mental Health	\$ 4,500	-10.0%	\$ 4,500	0.0%
DPAH-Aging & Health	\$ 6,072	-10.0%	\$ 6,072	0.0%
MSc AH-Aging & Health	\$ 9,716	-10.0%	\$ 9,716	0.0%
Master's of Earth and Energy Resources Leadership	\$ 16,060	-10.0%	\$ 16,060	0.0%
Masters of Arts Leadership	\$ 12,156	-10.0%	\$ 12,156	0.0%
Diploma Arts Management	\$ 6,078	-10.0%	\$ 6,078	0.0%
Diploma Biomedical Informatics	\$ 9,351	-10.0%	\$ 9,351	0.0%
Master of Biomedical Informatics	\$ 18,702	-10.0%	\$ 18,702	0.0%
Rehabilitation and Health Leadership DSc (RHL)	\$ 8,550	-10.0%	\$ 8,550	0.0%
Master Healthcare Professions Education ****	N/A	N/A	\$ 9,500	N/A
Diploma Clinical Lab Science ****	\$ 4,676	-10.0%	\$ 4,676	0.0%
Master Clinical Lab Science ****	\$ 9,351	-10.0%	\$ 9,351	0.0%
Masters Medical Science	\$ 17,533	-10.0%	\$ 17,533	0.0%
Diploma Medical Sciences (6 months)	\$ 11,689	-10.0%	\$ 11,689	0.0%
Diploma in Pharmaceutical & Healthcare Management & Innovation	\$ 13,500	-10.0%	\$ 13,500	0.0%
Diploma in Legal Services Management **	\$ 3,600	N/A	\$ 3,600	0.0%
Diploma Immigration Citizenship Law	N/A	N/A	\$ 14,167	0.0%
Master of Public Health				
Year 1	\$ 10,586	-10.0%	\$ 10,586	0.0%
Year 2	\$ 10,586	-10.0%	\$ 10,586	0.0%
School of Rehabilitation Therapy				
MSc (OT) and MSc (PT)				
Year 1	\$ 11,068	-10.0%	\$ 11,068	0.0%
Year 2	\$ 11,068	-10.0%	\$ 11,068	0.0%
Master in Public Administration (MPA)				
Year 1	\$ 10,842	-10.0%	\$ 10,842	0.0%
Year 2	\$ 10,842	-10.0%	\$ 10,842	0.0%
Part-time MPA (PMPA) **				
Year 1	\$ 1,688	-10.0%	\$ 1,688	0.0%
Year 2	\$ 1,688	-10.0%	\$ 1,688	0.0%
Master in Industrial Relations				
Year 1	\$ 10,185	-10.0%	\$ 10,185	0.0%
Year 2	\$ 10,185	-10.0%	\$ 10,185	0.0%
Professional Master in Industrial Relations (PMIR) **				
Year 1	\$ 2,083	-10.0%	\$ 2,083	0.0%
Year 2	\$ 2,083	-10.0%	\$ 2,083	0.0%
Master in Urban and Regional Planning				
Year 1	\$ 10,185	-10.0%	\$ 10,185	0.0%
Year 2	\$ 10,185	-10.0%	\$ 10,185	0.0%
Smith School of Business				
MBA	\$ 65,781	-10.0%	\$ 65,781	0.0%
Accelerated MBA	\$ 64,450	-10.0%	\$ 64,450	0.0%
Executive MBA	\$ 83,900	0.0%	\$ 86,900	3.6%
Executive MBA Americas (formerly Cornell-Queen's MBA)	\$ 86,458	-10.0%	\$ 86,458	0.0%
Master of International Business (12 months single)	\$ 27,479	-10.0%	\$ 27,479	0.0%
Master of International Business (16 months double)	\$ 36,213	-10.0%	\$ 36,213	0.0%
Master of International Business (24 months double)	\$ 42,472	-10.0%	\$ 42,472	0.0%
Master of Finance Degree	\$ 33,011	-10.0%	\$ 33,011	0.0%
Master of Management Innovation & Entrepreneurship	\$ 26,155	-10.0%	\$ 26,155	0.0%
Master of Management Analytics	\$ 35,640	-10.0%	\$ 35,640	0.0%
Master of Management in Artificial Intelligence	\$ 54,950	4.6%	\$ 56,315	2.5%
Master of Global Management Analytics	\$ 47,830	N/A	\$ 49,265	3.0%
Master of Finance Innovation and Technology ***	N/A	N/A	\$ 37,380	0.0%
Graduate Diploma in Business Administration	\$ 30,280	2.5%	\$ 32,140	6.1%
Graduate Diploma in Accounting**	\$ 1,960	1.7%	\$ 1,999	2.0%

** Per 6-unit course for undergraduate programs; per 3-unit course for graduate programs

*** Pending Senate approval

**** Pending MCU approval

Table 2
Recommended Tuition Fee Levels 2020-21*
(International Students)

Undergraduate and Professional Programs	Final 2019-20	% Change	Proposed 2020-21	% Change
Engineering & Applied Science				
Year 1	\$ 47,063	8.0%	\$ 50,828	8.0%
Year 2	\$ 45,755	5.0%	\$ 49,416	5.0%
Year 3	\$ 44,484	5.0%	\$ 48,043	5.0%
Year 4	\$ 43,249	5.0%	\$ 46,709	5.0%
Bachelor of Mining Engineering Technology				
Year 2	\$ 28,593	5.0%	\$ 30,023	5.0%
Year 3	\$ 28,593	5.0%	\$ 30,023	5.0%
Year 4	\$ 28,593	5.0%	\$ 30,023	5.0%
Certificate in Mining Technologies **				
Year 1	\$ 4,399	5.0%	\$ 4,619	5.0%
Year 2	\$ 4,399	5.0%	\$ 4,619	5.0%
Year 3	\$ 4,399	5.0%	\$ 4,619	5.0%
Year 4	\$ 4,399	5.0%	\$ 4,619	5.0%
Arts and Science (including Con-Ed) (Arts, Science, Physical and Health Education, Music, Fine Art, Computing)				
Year 1	\$ 46,192	11.0%	\$ 48,501	5.0%
Year 2	\$ 43,695	5.0%	\$ 48,501	5.0%
Year 3	\$ 41,333	5.0%	\$ 45,880	5.0%
Year 4	\$ 39,099	5.0%	\$ 43,400	5.0%
Certificates in Arts & Science (various programs)**	\$ 9,238	11.0%	\$ 9,700	5.0%
Commerce				
Year 1 - 5.5 courses	\$ 48,834	6.9%	\$ 51,275	5.0%
Year 2 - 5.5 courses	\$ 47,966	5.0%	\$ 51,275	5.0%
Year 3 - 5.0 courses	\$ 42,830	5.0%	\$ 45,785	5.0%
Year 4 - 5.0 courses	\$ 42,069	5.0%	\$ 44,972	5.0%
Certificate in Business**	\$ 8,879	6.9%	\$ 9,323	5.0%
Education				
Consecutive	\$ 28,642	5.0%	\$ 30,074	5.0%
Concurrent (education courses)	\$ 28,641	5.0%	\$ 30,073	5.0%
Law				
Year 1	\$ 61,404	11.0%	\$ 64,474	5.0%
Year 2	\$ 58,085	5.0%	\$ 64,474	5.0%
Year 3	\$ 54,945	5.0%	\$ 60,989	5.0%
Certificate in Law**	\$ 5,914	11.0%	\$ 6,210	5.0%
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	\$ 25,775	-23.7%	\$ 25,775	0.0%
Year 2	\$ 25,775	-23.7%	\$ 25,775	0.0%
Year 3	\$ 25,775	-23.7%	\$ 25,775	0.0%
Year 4	\$ 25,775	-23.7%	\$ 25,775	0.0%
Medicine				
Year 1	\$ 84,050	2.5%	\$ 86,151	2.5%
Year 2	\$ 84,050	2.5%	\$ 86,151	2.5%
Year 3	\$ 84,050	2.5%	\$ 86,151	2.5%
Year 4	\$ 84,050	2.5%	\$ 86,151	2.5%
Medicine (DND)				
Year 1	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 2	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 3	\$ 74,086	0.0%	\$ 75,938	2.5%
Year 4	\$ 74,086	0.0%	\$ 75,938	2.5%
Nursing				
Year 1	\$ 46,192	11.0%	\$ 48,501	5.0%
Year 2	\$ 43,695	5.0%	\$ 48,501	5.0%
Year 3	\$ 41,333	5.0%	\$ 45,880	5.0%
Year 4	\$ 39,099	5.0%	\$ 43,400	5.0%
Advanced Standing Track	\$ 43,009	5.0%	\$ 47,740	5.0%

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

** Per 6-unit course for undergraduate programs; per 3-unit course for graduate programs

*** Pending Senate approval

**** Pending MCU approval

Table 2 - Continued
Recommended Tuition Fee Levels 2020-21*
(International Students)

Graduate and Professional Graduate Programs	Final 2019-20	% Change	Proposed 2020-21	% Change
Master's				
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%
Doctoral				
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	\$ 21,723	2.5%	\$ 22,266	2.5%
Professional Master's of Education**	\$ 2,780	5.0%	\$ 2,919	5.0%
Diploma in Professional Inquiry**	\$ 2,780	5.0%	\$ 2,919	5.0%
Master of Science - Healthcare Quality	\$ 23,153	5.0%	\$ 24,310	5.0%
MN MH - Masters of Nursing - Mental Health	\$ 10,500	5.0%	\$ 11,025	5.0%
DPAH - Aging & Health	\$ 15,035	5.0%	\$ 15,786	5.0%
MSc AH - Aging & Health	\$ 23,153	5.0%	\$ 24,310	5.0%
Master of Engineering (Meng)	\$ 19,500	0.0%	\$ 19,500	0.0%
Diploma in Social Performance Management in the Extractive Industries **	\$ 2,600	-28.7%	\$ 2,730	5.0%
Diploma in Water and Human Health	\$ 12,360	N/A	\$ 12,360	0.0%
Master's of Earth and Energy Resources Leadership	\$ 27,204	0.0%	\$ 27,204	0.0%
Masters of Arts Leadership	\$ 28,665	5.0%	\$ 30,098	5.0%
Diploma Arts Management	\$ 14,333	5.0%	\$ 15,049	5.0%
Diploma Biomedical Informatics	\$ 22,050	5.0%	\$ 23,153	5.0%
Master of Biomedical Informatics	\$ 44,100	5.0%	\$ 46,305	5.0%
Rehabilitation and Health Leadership DSc (RHL)	\$ 21,000	5.0%	\$ 22,050	5.0%
Master Healthcare Professions Education ****	N/A	N/A	\$ 16,467	N/A
Diploma Clinical Lab Science ****	\$ 15,035	5.0%	\$ 15,035	0.0%
Master Clinical Lab Science ****	\$ 23,153	5.0%	\$ 23,153	0.0%
Masters Medical Sciences	\$ 41,344	5.0%	\$ 43,411	5.0%
Diploma Medical Sciences (6 Months)	\$ 27,563	5.0%	\$ 28,941	5.0%
Diploma in Pharmaceutical & Healthcare Management & Innovation	\$ 25,000	N/A	\$ 26,250	5.0%
Diploma in Legal Services Management **	\$ 4,500	N/A	\$ 4,725	5.0%
Diploma Immigration Citizenship Law	N/A	N/A	\$ 14,167	0.0%
Master of Public Health				
Year 1	\$ 24,083	5.0%	\$ 25,287	5.0%
Year 2	\$ 24,083	5.0%	\$ 25,287	5.0%
Master in Public Administration (MPA)	\$ 32,031	8.0%	\$ 33,633	5.0%
Professional MPA (PMPA) **	\$ 4,504	8.0%	\$ 4,730	5.0%
Master in Industrial Relations	\$ 32,031	8.0%	\$ 33,633	5.0%
Professional PMIR **	\$ 5,561	8.0%	\$ 5,839	5.0%
School of Rehabilitation Therapy				
MSc (OT) and MSc (PT)				
Year 1	\$ 26,486	5.0%	\$ 27,810	5.0%
Year 2	\$ 26,486	5.0%	\$ 27,810	5.0%
Master in Urban and Regional Planning				
Year 1	\$ 26,693	8.0%	\$ 28,027	5.0%
Year 2	\$ 25,704	4.0%	\$ 27,760	4.0%
Smith School of Business				
MBA	\$ 77,781	-6.4%	\$ 82,281	5.8%
Accelerated MBA	\$ 64,450	-10.0%	\$ 64,450	0.0%
Executive MBA	\$ 83,900	0.0%	\$ 86,900	3.6%
Executive MBA Americas (formerly Cornell-Queen's MBA)	\$ 86,458	-10.0%	\$ 86,458	0.0%
Master of International Business (12 months single)	\$ 47,695	1.6%	\$ 48,270	1.2%
Master of International Business (16 months double)	\$ 62,780	1.7%	\$ 63,970	1.9%
Master of International Business (24 months double)	\$ 73,530	1.7%	\$ 74,970	2.0%
Master of Finance	\$ 62,750	1.7%	\$ 63,511	1.2%
Master of Finance - Renmin	\$ 53,729	15.5%	\$ 52,918	-1.5%
Master of Management Innovation & Entrepreneurship	\$ 40,555	-6.0%	\$ 41,355	2.0%
Master of Management Analytics	\$ 65,235	2.1%	\$ 66,965	2.7%
Master of Management in Artificial Intelligence	\$ 73,295	1.1%	\$ 76,315	4.1%
Master of Global Management Analytics	\$ 64,330	N/A	\$ 66,259	3.0%
Master of Finance Innovation and Technology ***	N/A	N/A	\$ 68,705	0.0%
Graduate Diploma in Business Administration	\$ 46,080	2.0%	\$ 48,140	4.5%
Graduate Diploma in Accounting**	\$ 3,040	1.4%	\$ 3,101	2.0%

** Per 6-unit course for undergraduate programs; per 3-unit course for graduate programs
*** Pending Senate approval
**** Pending MCU approval

Table 3
Recommended Tuition Fee Levels 2020-21*
Bader International Study Centre
(fees include tuition, residence with full meals, local transportation and field studies)

BISC Programs	Final		%		Proposed		%	
	2019-20		Change		2020-21		Change	
Summer	\$	10,236	-1.1%		\$	10,706	4.6%	
Fall**	\$	20,814	-0.7%		\$	21,829	4.9%	
Winter **	\$	20,814	-0.7%		\$	21,829	4.9%	
Summer Field Schools								
Global Health and Disability	\$	11,593	-0.8%		\$	12,007	3.6%	
Medieval Performance	\$	3,372	-3.2%		\$	3,486	3.4%	
Global Law Program	\$	14,415	0.0%		\$	14,973	3.9%	

* 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.