

BUDGET REPORT

2014-15

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Executive Summary

The 2014-15 operating budget is presented as a multi-year budget, including projections for 2015-16 & 2016-17. The University is projecting a balanced budget for fiscal 2014-15 and is committed to presenting balancing budgets for all years of the planning timeframe. The operating budget represents approximately 55% to 60% of total university expenditures depending on annual levels of research funding and donations. The Board is being asked to approve the 2014-15 operating budget.

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 & 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 advice from the Provost's Advisory Committee on Budget (PACB). The budget planning process was initiated in April 2013 with the approval of the enrolment plan by Senate. 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 Services presented their budgets to PACB early fall after which allocation decisions were made and the resultant faculty and school budgets were produced. The faculties prepared their budgets in late fall and presented them to PACB in December. A preliminary budget was presented to the Board of Trustees at their March meeting.

The most significant budgetary challenge the University faces at the moment is the pension plan deficit. The University qualified for Stage 1 temporary solvency relief under provincial pension regulations and thus was exempt from solvency payments for a three year period which ends in fiscal 2014-15. Queen's will apply for Stage 2 solvency relief in 2014-15, which coincides with when the university will file the next pension plan valuation with regulators. Stage 2 relief allows the solvency payments to be amortized over 10 years as opposed to 5 years which is the requirement if the requirements for Stage 2 relief are not met. In addition the Government of Ontario recently passed changes to the Pension Benefits Act which provides universities with a choice to amortize the solvency deficit over the 10 year period, or take advantage of an additional 3 year extension to pension solvency relief and amortize the solvency deficit over the remaining 7 years of Stage 2 relief. Queen's has yet to decide on which of these options it will select, and, for the moment, budget projections for 2015-16 and 2016-17 do not include increased pension payments. Decisions on departmental contribution rates for these years will be made as part of the 2015-16 budgeting process.

Significant characteristics of the 2014-15 to 2016-17 budget framework include:

- Large legislated pension deficit special payments;
- Compensation and benefit increases as negotiated, or assumed, covered within all unit budgets;
- Modest enrolment growth proposed in 2014-15 in line with the recommendations of the University's Strategic Enrolment Management Group, and greater growth in 2015-16 with flow through in 2016-17, in line with Faculties' initial (but not yet approved) enrolment projections;
- Enrolment growth assumed to be fully funded at the graduate and undergraduate levels;

- Overall reductions in government funding from the provincial government's "efficiency savings", which effectively devalue the basic income unit (BIU) rate going forward;
- Tuition fees under government tuition framework, including tuition set aside requirements;
- Additional revenue contributed by residences;
- Holding shared service discretionary budget flat year over year between 2013-14 and 2014-15;
- Limited utilization of carry-forward, and cash reserves to balance and support priorities.

The Operating Budget includes a number of identified risks:

- Reliance on government grant support and tuition (both controlled by government) and the effect of further changes in government policy, most notably the outcome of the formula funding review that the government has indicated they will undertake in 2014-15;
- Collective agreements will expire during the 3 year planning timeframe and the outcome of future negotiations is unknown;
- Pension solvency;
- As noted later in the report, there is a significant investment required to support infrastructure renewal, both physical plant and technology (a larger allocation to support infrastructure renewal is included in this budget but still will only have a modest impact);
- While the operating budget has reduced its reliance on investment income from the PIF, there will always be a capital volatility risk.

The 2014-15 budget reflects no deficit after the draw-down of reserves. Of this draw-down, \$7.5M is forecast unit spending in excess of budget allocations and additional unit budgeted revenues, with an additional \$0.2M draw-down of central cash reserves related to non-recurring expenditures on the talent management initiative. 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.

Queen's reputation for high quality has been maintained throughout this period of financial challenge. The University continues to attract highly qualified students, faculty and staff, while remaining one of the highest ranked universities in terms of research intensity in Canada. 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.

The activity-based budget model is intended to be transparent and strongly linked to academic 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.

1. Setting the Context

Almost 95% of revenue in the Operating Budget is derived from student enrolment in the form of operating grants from the government (base operating grant plus many smaller targeted funding envelopes) and student tuition. Much of this revenue stream is directed and regulated by government, with limited flexibility for universities to increase revenue. Recent public policy has limited funding increases to enrolment growth and further substantial enrolment growth is unlikely in the future. Queen's has pursued a modest growth strategy and had accumulated an operating deficit arising from extraordinary losses in the Pooled Investment Fund (PIF) which was then compounded by expenditure growth greater than the incremental growth in revenues between 2009-10 and 2011-12. Based on current investment income projections, this operating deficit will be eliminated at the end of 2013-14 as a result of higher than budgeted investment returns.

The mandate for the three-year planning period is to continue to present a balanced budget that has flexibility in the form of a contingency fund and to increase investment in infrastructure renewal while supporting key functions in the shared services, balanced by ensuring that sufficient incremental revenue remains in the Faculties to support the academic and research missions of the University.

The post-secondary sector has fared reasonably well in an austerity budget climate. The provincial government continues to allocate incremental funding for universities through growth, maintaining the commitment to fund undergraduate growth and a limited number of graduate expansion spaces. The government announced a new four-year tuition framework in March 2013. This limited tuition fee growth to an institutional average of 3%, which is 2% lower than the previous framework. In addition, other measures were introduced in 2013-14 to reduce base operating grants based on, in the government's parlance, "international student recoveries" and "efficiency targets", which are accounted for in the multi-year budget presented.

Queen's recently received notification of its allocation of graduate spaces for the years to 2016-2017, which provided certainty around funded graduate growth over the next several years. Queen's did very well and secured enough spaces to fully fund the planned growth in graduate programs. The government also indicated that the planned growth at the undergraduate level was in line with their expectations for Queen's.

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

2. The New Budget Model

The University has adopted a new activity-based budget model that will be moving into its second year in 2014-15. The new budget model is intended to be transparent and strongly linked to academic goals and priorities.

The activity based-budget model attributes revenues to the Faculties and Schools, which generate the revenue. The Faculties and Schools in turn bear indirect costs to support shared services (e.g., the library, IT), student support, and a university fund for institutional priorities. These indirect costs include a charge for space occupancy, highlighting the cost and value of space as an expensive and scarce resource. This change has had a positive impact on space utilization and accountability.

The net budgets (gross revenues less indirect costs) of the Faculties and Schools support the direct costs of these units, including, of course, the provision of their education 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, adds to the contributions from the Faculties and Schools in supporting the university fund. The Fund (projected to be over \$32.6M in 2014-15) is being used to support the cost of transfers from Operating to Capital, payments to Faculties and Schools to avoid disruptions that could otherwise accompany the introduction of a new budget model, infrastructure renewal, administrative system implementation, a central contingency and a small number of other Board priorities and compliance initiatives.

The new budget model will not, in and of itself, increase net revenue for the University; it is simply a different method of revenue and cost allocation. It is designed, however, to encourage Faculties and Schools to increase revenue and constrain costs, enhancing financial opportunities within their academic units and to the University as a whole.

The budget model is an enabling tool that will facilitate planning and enhance accountability in the budget process, but it is not intended to replace policy or discretionary investment in institutional priorities.

3. The 2014-15 to 2016-17 Operating Budget

The 2014-15 to 2016-17 proposed operating budget continues to be based on the new budget model, which provides greater transparency, predictability and a financial structure that encourages and rewards innovation, revenue growth and efficiency.

The proposed 2014-15 budget is balanced and will not structurally create a deficit. This was achieved by employing a relatively modest planned draw-down of carry-forward reserves to fund one-time expenses over the base-operating budget.

The 2014-15 to 2016-17 proposed operating budget 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 proposed 2014-15 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. This table shows how the carry-forward drawdown is arrived at and provides the complete budget picture. Table C below shows the consolidation of the 2014-15 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.

In the 2013-14 fiscal year the university began a review of financial activities being recorded in its various funds. The objective of this review is to better align university operations with the purpose of each fund, which we anticipate may result in certain activities and balances being transferred from Trust funds to the Operating fund. This shift will improve accountability and provide for better monitoring of activities and balances that are core to the university's mandate. The review is expected to conclude during the 2014-15 fiscal year.

TABLE A- OPERATING BUDGET

Queen's University
2014-15 to 2016-17 Operating Budget (\$M)

	Budget 2013-14	Budget Variance	Budget 2014-15	Budget 2015-16	Budget 2016-17
TOTAL OPERATING REVENUES	\$ 456.5	\$ 18.5	\$ 475.0	\$ 494.7	\$ 514.8
EXPENSE					
Faculties and Schools Allocations	\$ 264.1	\$ 6.8	\$ 270.9	\$ 292.3	\$ 312.2
Shared Services Allocations	\$ 165.9	\$ 1.8	\$ 167.7	\$ 170.5	\$ 169.8
Infrastructure Renewal	\$ 2.8	\$ 1.8	\$ 4.6	\$ 4.6	\$ 4.6
Board Priorities & Compliance	\$ -	\$ 0.9	\$ 0.9	\$ 1.0	\$ 0.3
Contingency	\$ 1.5	\$ 0.3	\$ 1.8	\$ 1.8	\$ 1.8
Flow Through Expenses, net of recoveries	\$ 9.9	\$ 1.6	\$ 11.5	\$ 10.5	\$ 10.7
Indirect Costs of Research to External Entities	\$ 1.8	\$ (0.2)	\$ 1.5	\$ 1.5	\$ 1.5
<i>To Be Allocated</i>	<i>\$ -</i>	<i>\$ 2.3</i>	<i>\$ 2.3</i>	<i>\$ 0.4</i>	<i>\$ 1.6</i>
TOTAL OPERATING EXPENDITURES	\$ 446.0	\$ 15.3	\$ 461.3	\$ 482.6	\$ 502.5
Net Surplus before Capital Expenditures	\$ 10.4	\$ 3.2	\$ 13.7	\$ 12.2	\$ 12.3
Transfer to Capital Budget	\$ 13.8	\$ -	\$ 13.8	\$ 12.3	\$ 12.3
Unit Expenses greater than Budget Allocation	\$ 6.0	\$ 1.5	\$ 7.5	TBD	TBD
Net Budget Surplus (Deficit)	\$ (9.4)	\$ 1.7	\$ (7.7)	\$ (0.2)	\$ (0.0)
Draw down of Central Cash Reserves*	\$ 3.3	\$ (3.1)	\$ 0.2	\$ 0.2	\$ 0.1
Draw down of Unit Carryforward balances	\$ 6.0	\$ (6.0)	\$ 7.5	TBD	TBD
Net Surplus (Deficit)	\$ -	\$ -	\$ 0.0	\$ 0.0	\$ 0.0

*The drawdown of cash reserves is for Talent Management Initiative

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

Queen's University 2014-15 Operating Budget (\$M)

	Budget 2014-15
Centrally budgeted revenues	\$ 475.0
Unit budgeted revenues over and above central allocations	\$ 20.2
TOTAL OPERATING REVENUES	\$ 495.2
EXPENSE	
Faculties and Schools Allocations	\$ 270.9
Shared Services Allocations	\$ 167.7
Unit expenses greater than allocation	\$ 27.8
Infrastructure Renewal	\$ 4.6
Board Priorities & Compliance	\$ 0.9
Contingency	\$ 1.8
Flow Through Expenses, net of recoveries	\$ 11.5
Indirect Costs of Research to External Entities	\$ 1.5
<i>To Be Allocated</i>	\$ 2.3
TOTAL OPERATING EXPENDITURES	\$ 489.1
Net Surplus before Capital Expenditures	\$ 6.1
Transfer to Capital Budget	\$ 13.8
Net Budget Surplus (Deficit)	\$ (7.7)
Draw down of Central Cash Reserves*	\$ 0.2
Draw down of Unit Carryforward balances	\$ 7.5
Net Surplus (Deficit)	\$ 0.0

*The drawdown of cash reserves is for Talent Management Initiative

TABLE C – OPERATING BUDGET BY REVENUE AND EXPENSE

2014-15 Queen's University Operating Budget (000's)	
REVENUE	
Grants and Contracts	205,149
Fees	256,608
Sales and Service	6,685
Other	9,152
Donations	1,477
Investment Income	12,417
	491,488
EXPENSES	
Salaries and benefits	340,289
Supplies and other expenses	66,197
Student Assistance	29,728
Externally Contracted Services	5,407
Travel	7,538
Utilities and Insurance	19,645
Renovations and Alterations	2,303
Contingency	5,373
Interfund Transfers out / (in)	22,674
	499,153
Surplus / (deficit)	(7,665)

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.

Possible items that may be supported by the university fund include:

- Administrative systems;
- Contingency;
- Deferred maintenance;
- Innovation;
- Pension solvency debt;
- Research;
- Toronto location.

A number of factors were employed this year and prior to this year to achieve a balance budget, including:

- Introduction of the activity-based budget model to put in place incentives to grow revenues, reduce direct costs, and create transparency around the budget;
- Reduction in pension special payments resulting from negotiated plan changes and lower interest rates, generating significant savings on solvency interest and going concern payments (the low interest rates produce a short-term benefit but have a negative long-term impact on the pension deficit);
- Tuition increases within the provincial government's regulated framework;
- Modest enrolment increase, both graduate and undergraduate;
- Additional revenues from residences;
- Utility cost savings achieved through forward contract gas purchases;
- Holding shared service discretionary budgets flat year over year between 2013-14 and 2014-15.

Also included in the 2014-15 to 2016-17 budget are continuing allocations that began in 2013-14 and were made to address risks that were identified in previous budgets. A contingency budget of \$1.5M and the \$2.8M allocation for infrastructure renewal, which was used to support technology infrastructure and (begin to) address deferred maintenance in 2013-14; have been increased to \$1.8M and \$4.6M respectively in 2014-15.

3.2 Draw-down of Carry-forward Balances/Reserves

The 2014-15 budget reflects a deficit of \$7.7M reduced to \$0M through the draw-down of reserves. The budget relies on a modest draw-down of central reserves in all three years of the planning timeframe to fund the talent management initiative. A draw-down of \$7.5M from unit carry-forward balances is projected for 2014-15 based on the units' budget submissions. This drawdown of carry-forwards represents 1.6% of total unit expenditures. This is a very cautious estimate of unit draw-downs. In past years actual draw-downs have routinely been less than those projected because of in year savings on salaries due to turnover, or lower than expected expenses against contingency lines; our expectation is that the actual draw-down will be much lower in 2014-15 too. The unit drawdowns in 2015-16 and 2016-17 are still to be determined. Preliminary projections based on the multi-year budget submissions that were submitted during the 2014-15 budget planning cycle indicate that carry-forwards will not be drawn down in either 2015-16 or 2016-17 and that surplus positions may add to the reserves in 2016-17. The preliminary projections are based on strong revenue growth, however additional costs associated with pension solvency payments may impact these projections.

The reliance on "soft-funding" (e.g., cash from carry-forward reserves) was added to the budget projections in 2011-12 and provides greater clarity on total expenses over the operating base-funding. This is now 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. Some units are using cash reserves to fund transition measures to move towards balanced budgets and are using these reserves to fund 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 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 2014-15 to 2016-17 Operating Budget includes a number of identified risks:

- Reliance on government grant support and tuition (both controlled by government) and the effect of further changes in government policy, most notable the outcome of the formula funding review that the government has indicated they will undertake in 2014-15;
- Collective agreements will expire during the 3 year planning timeframe and the outcome of future negotiations is unknown;
- Pension solvency debt;
- As noted later in the report, there is a significant investment required to support infrastructure renewal, both physical plant and technology (a larger allocation to support infrastructure renewal is included in this budget but still will only have a modest impact);
- While the operating budget has reduced its reliance on investment income from the PIF, there will always be a capital volatility risk.

4. Discussion of Major Revenues and Expenditures

4.1 Revenues

Enrolment

The recommendations from the Strategic Enrolment Management Group for enrolment in 2014-15 and 2015-16 are included as Appendix A of this report, together with the initial proposals from Faculties and Schools for 2016-17. The recommendations for 2014-15 and 2015-16 go to Queen's Senate for approval on April 29, 2014.

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 2014-15 to 2016-17 operating budget incorporates the recommendations for 2014-15 and 2015-16 and the initial proposals for 2016-17.

The Strategic Enrolment Management Group, which is chaired by the Provost, has developed a long-term strategic enrolment management framework that was approved at senate in March. The framework will be 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 42.5% of budgeted operating revenues in 2014-15 down from 44% in 2013-14. The Government fully funded actual undergraduate growth for fiscal year 2013-14. Queen's 2014-15 to 2016-17 Operating Budget incorporates modest enrolment growth at the undergraduate level for the first year with larger growth proposed for 2015-16 and beyond. This growth is contingent upon our ability to accommodate first year growth in the new residences, as well as, of course, government support for the growth. The provincial government's draft Strategic Mandate Agreement for Queen's indicates that the level of growth that Queen's was planning at the undergraduate level was in line with their expectations. This does not, however, eliminate the risk that growth will be less than fully funded during the three year planning timeframe.

As part of the draft Strategic Mandate Agreement the government has provided guaranteed graduate growth funded spaces for all three years of the planning timeframe. These spaces will provide full funding for all growth that is planned under the three year enrolment plan. The government has allocated less than half of the 4,350 spaces that were previously announced, and indications are that the remaining spaces will be used to support growth in years after 2016-17.

Beginning in 2013-14, the provincial government implemented grant reductions, which it has termed "efficiency savings". These reductions cut funding to universities by \$52M in 2014-15. These are permanent base reductions and will also affect the per-student funding that is received for any enrolment growth in the future. The effect on Queen's is a permanent base reduction of \$3.3M in 2014-15. In addition, the government has also implemented annual reductions to our grant by \$750 for every undergraduate and master's level international student, which commenced with new student admission in 2013-14. This will reduce our grant by \$337K in 2014-15 increasing to \$531K by 2016-17. The government is also reducing the grant we receive to pay municipal taxes by \$75 for every registered international student, except those in doctoral programs. This has a negative effect of \$93K in 2014-15 rising to \$99K by 2016-17.

Provincial Government Grant Revenue (000,000's)

	Budget 2013-14	Actuals 2013-14	Budget 2014-15	Y/Y Budget Change	Budget 2015-16	Budget 2016-17
Operating Grants						
Basic Operating Grant (BOG)	\$ 152.0	\$ 152.2	\$ 150.3	\$ (1.7)	\$ 148.0	\$ 147.8
Performance Fund Grant	\$ 1.8	\$ 2.1	\$ 2.1	\$ 0.3	\$ 2.1	\$ 2.1
U/G Accessibility Funding	\$ 8.1	\$ 7.1	\$ 10.4	\$ 2.3	\$ 14.2	\$ 17.5
Graduate Accessibility Funding	\$ 7.8	\$ 6.8	\$ 8.7	\$ 0.9	\$ 9.3	\$ 9.9
Quality Improvement Fund	\$ 6.9	\$ 6.9	\$ 6.9	\$ -	\$ 6.9	\$ 6.9
Research Infrastructure	\$ 1.9	\$ 2.1	\$ 2.0	\$ 0.1	\$ 1.8	\$ 1.8
Ontario Operating Grants	\$ 178.5	\$ 177.3	\$ 180.4	\$ 1.9	\$ 182.3	\$ 186.1
Earmarked Grants						
Tax Grant	\$ 1.4	\$ 1.5	\$ 1.5	\$ 0.0	\$ 1.5	\$ 1.5
Special Accessibility	\$ 0.4	\$ 0.5	\$ 0.4	\$ -	\$ 0.4	\$ 0.4
Regional Assessment Resource Centre	\$ 1.0	\$ 1.0	\$ 1.0	\$ -	\$ -	\$ -
Targetted programs*	\$ 8.3	\$ 8.5	\$ 8.5	\$ 0.2	\$ 8.5	\$ 8.6
Research Performance Provincial	\$ 0.1		\$ -	\$ (0.1)	\$ -	\$ -
Clinical Education Funding	\$ 0.6	\$ 0.6	\$ 0.6	\$ -	\$ 0.6	\$ 0.6
Total Earmarked Grants	\$ 11.7	\$ 12.1	\$ 11.9	\$ 0.2	\$ 10.9	\$ 11.0
Total Provincial Grants	\$ 190.2	\$ 189.3	\$ 192.3	\$ 2.1	\$ 193.2	\$ 197.1

* includes funding for Enhanced Medicine, Enhanced Medical Post Grad Interns and Residents,
and Second Entry Nursing

4.1.2. Federal Grant

The Federal Indirect Costs of Research Program (FICP) is the only source of federal funding Queen's receives in its operating budget. The FICP provides a significant grant that supports the University's operating costs associated with sponsored research. Queen's research prominence benefits from our success in securing external research grants and contracts, but supporting this research imposes significant costs on the institution. It is widely accepted that a dollar of direct research support on average creates indirect costs of at least 40 cents, and some estimates are greater than 50 cents. For 2014-15, the total FICP grant has been projected to be \$9.5M, equal to the grant received in 2013-14. The federal funding received by Queen's faculty members that this grant supports is approximately \$59M.

4.1.3 Tuition

In March 2013 the Province announced a four-year tuition policy framework. Universities are permitted 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. Tuition for existing students in professional and graduate programs can be increased by only 4%. This effectively means that upper-year professional and graduate students are treated as if they were still under the old framework, which had a maximum increase of 4% in upper years. Overall, aggregate tuition fee revenue increases across the institution must not exceed 3% (aside from revenue flowing from enrolment growth). Fee increases are tied to both the Student Access Guarantee and a continued requirement that 10% of all revenue increases from tuition be set aside for student assistance.

The 2014-15 to 2016-17 budget projections use tuition fee increases as approved at the March Board of Trustees meeting (see Appendix B). Domestic tuition fees are set to the maximum allowable for most undergraduate and professional programs. It is not possible to increase tuition in all programs by the maximum allowable and remain within the 3% cap. The student-weighted average of the proposed increases in tuition fees across all programs is being maximized to the 3% cap for all three years in the planning timeframe.

Tuition fees for students in doctoral-stream Master's and doctoral programs have been frozen for several years. Fees for these students have been approved to increase by 2.5% in 2014-15 in order to maximize our revenues under the 3% tuition cap. This increase will still maintain our competitiveness with programs at other Ontario research-intensive universities while providing some increased revenues to support the delivery and maintain the quality of our graduate programs. In order to align fee increases in doctoral-stream Master's and doctoral programs with the students' funding packages these fees will increase as of September 1st, 2014 as opposed to May 1st, 2014.

Tuition fees for international students in most undergraduate and some professional graduate programs have been budgeted to recover the grant reduction imposed by the Provincial Government, resulting in increases of up to 11% for incoming students with limits of 5% for continuing students.

4.1.4 Investment Income- Global Financial Market Conditions

The decline in the financial markets in late 2008 and early 2009 had a substantial impact on University investments. Since then, markets have broadly recovered, although they have been susceptible to further volatility. Market volatility can have a significant impact on investment holdings and financial planning.

The University has two investment portfolios, the Pooled Endowment Fund and the Pooled Investment Fund.

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

The Pooled Investment Fund ("PIF") is made up of reserve funds and unspent balances. In August 2011 the Investment and Finance Committees agreed to withdraw all sinking fund balances held within the PIF, resulting in the withdrawal of over \$19M, accounting for some of the reduced market value in the table below. The sinking fund balances have been invested separately.

In the past, spending from the PIF has been based on a percentage of mean assets, even in periods when returns have been weak. As such, the PIF is currently below the book value of cash contributions. Due to the PIF's primary objective to preserve the nominal capital of the fund, the decision was made to limit the reliance on income from the PIF. Thus commencing in 2012-13, budgeted income from the PIF was reduced to \$4.2M. This is reflected in the three year budget. A priority for the use of income earned beyond \$4.2M would be to reduce any accumulated operating deficit or support future capital investments or maintenance.

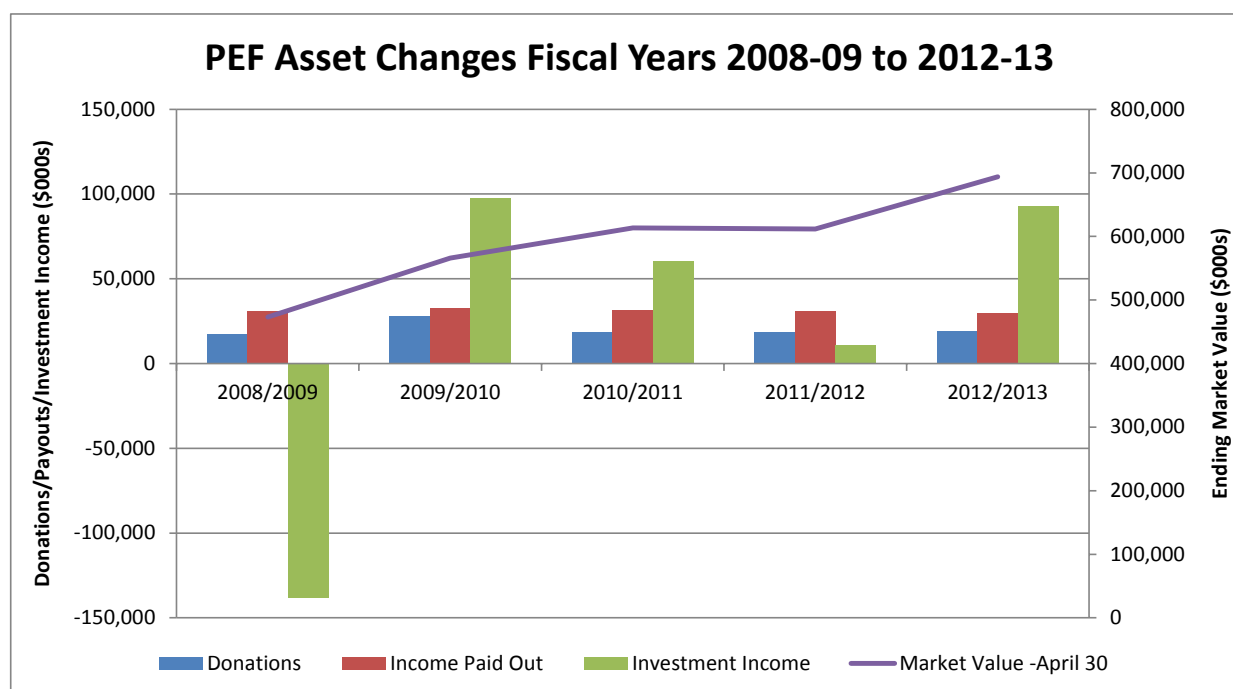
Investment Fund balances are shown in the table below:

Investment Portfolios (000's)

	Market Value April 30, 2010	Market Value Apr 30, 2011	Market Value April 30,2012	Market Value April 30,2013	Proj Mkt Val* April 30,2014
Pooled Investment Fund (PIF)	148,797	196,185	168,436	156,463	173,000
Pooled Endowment Fund (PEF)	565,852	613,440	611,732	694,010	775,000
Total	714,649	809,625	780,168	850,473	948,000

*Market value is reduced by year end payout

As shown in the graph below, the Endowment market value has recovered strongly since fiscal 2008-09. The market value of the PEF for the end of the 2012-13 fiscal year was approximately \$694 million. Since then, the PEF has continued to grow amidst a positive market environment. The estimated market value for the end of the 2013-14 fiscal year is roughly \$775 million.



The PEF income payout is approved annually by the Investment Committee of the Board of Trustees and is based on a hybrid formula, which is meant to preserve capital for inflationary increases while producing a substantial level of income to support current operations. As 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 in March the Board approved a two-year adjustment to the PEF payout for 2014-15 and 2015-16 that maintains the hybrid formula and implements a long-term payout target of 3.7%, as well as adding upper and lower bands.

The table below shows the current and 2014-15 income from the PEF based on the Board approved payout. The income from the PEF supports the operating budget by providing funding for student assistance, chairs, and the general operating budget (via the university fund). The budget conservatively assumes stable payout rates.

Projected Endowment Income

(\$Millions)	2013-14	2014-15	2015-16
General Operating Income	3.3	3.4	3.4
Student Assistance	10.1	10.9	10.9
Chairs, Departmental and other funds	10.6	11.4	11.4
Total Projected Endowment Income	24.0	25.8	25.8

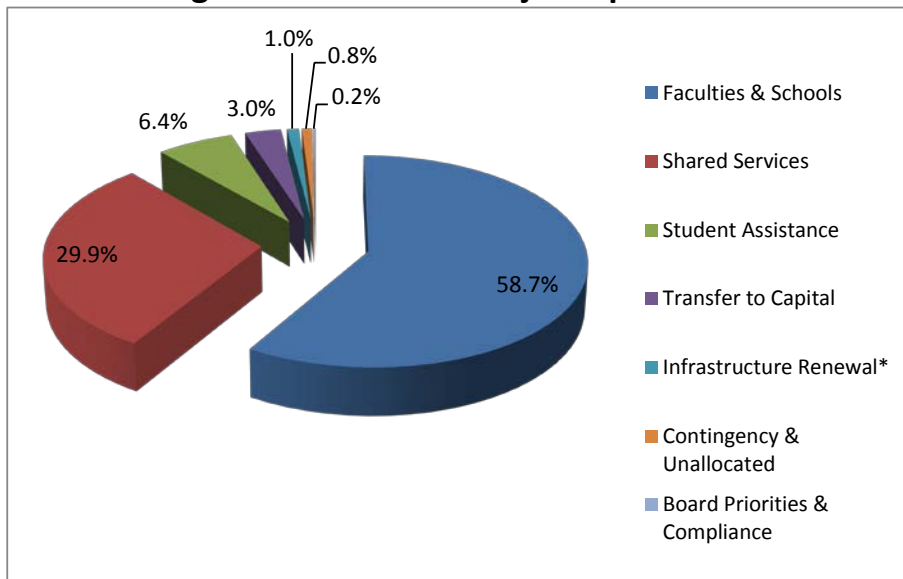
Projected Payout rate per Hybrid Formula (dollars)	0.0924	0.0973	0.0973
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4.2 Expenditures

4.2.1 Allocations

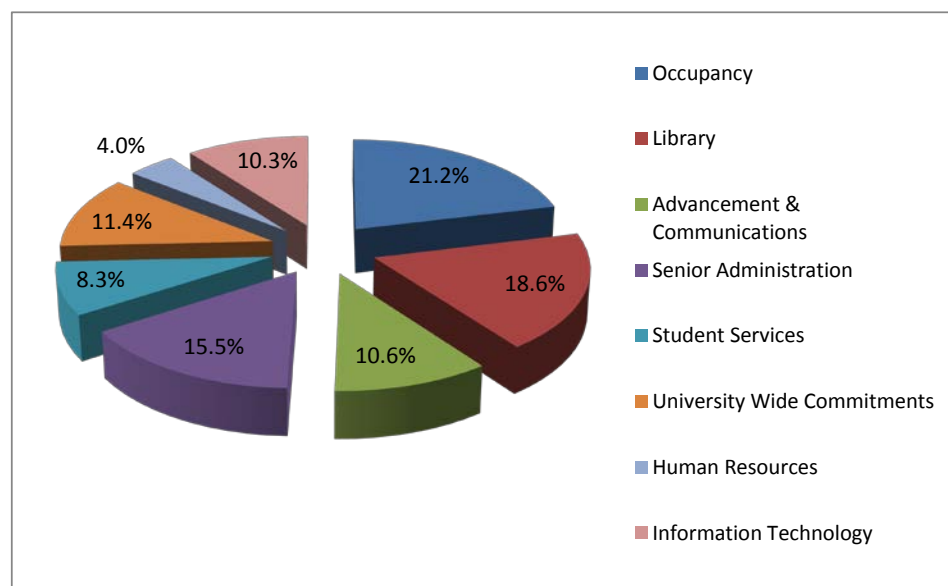
Figure 1 below shows a breakdown of budget allocations in the 2014-15 Operating Budget. Two-thirds of the operating budget is allocated directly to support the academic enterprise through allocations to the Faculties and Schools and student assistance. A transfer to capital from operating is required to support previous internal loan decisions as well as to cover the cost of debt repayment on large capital and information technology projects.

Figure 1 Budget Allocations to Major Expenditure Areas



* This only represents the incremental investment in Infrastructure Renewal, not the \$2.7M already included in the budget.

Figure 2 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 26.9% of Shared Service allocations with Information Technology Services and Occupancy costs representing 10.3% and 21.2% of allocations respectively.

Figure 2 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	16.1	44.7%
Operations/Maintenance	15.4	42.7%
Deferred Maintenance	2.7	7.5%
Solid Waste	0.5	1.5%
Insurance (Net of recoveries)	1.0	2.9%
Taxes(Net of grant received)	0.3	0.8%

The university fund was used to protect the Faculties and Schools whose 2014-15 net budget was less than their final 2012-13 budget by providing them with additional funds beyond their net budgets to set their budgets (after the deduction of indirect costs) equal to the 2012-13 levels. The fund was also used to support the transfer from the operating budget to the capital budget, and to address strategic priorities, including infrastructure renewal, Board priorities and compliance, and the creation of a 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.

Approximately \$11.5M 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 they receive in membership fees, Ontario Health Insurance billings and Student Activity Fees. Approximately \$2.8M in overhead revenue recovered from the University ancillary units (at this time predominately from Residences) is netted against flow-through expenses in the budget presented.

4.2.2 Student Financial Assistance

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 ensure their total student assistance funding is equivalent to the cumulative annual set aside of a share of domestic tuition revenue, currently set at 10% of fee increases.

Queen's has had a long-standing commitment of addressing both quality and accessibility at the undergraduate and graduate level through a well-funded student assistance strategy. The student assistance operating budget allocation has increased from \$17M in 2000-01 to \$29.6M in 2014-15. The 2014-15 Operating Budget does not include an incremental allocation over the 2013-14 level for student aid. An increase was not required due to cumulated student aid reserves that are available for both Undergraduate and Graduate student assistance. These reserves allowed us to hold these budgets steady for 2014-15; an increase to one or both of these budgets will almost certainly be required for the 2015-16 budget because of continuing growth in enrolment and costs of attendance for students. This increase is not currently reflected because a decision will be made on the level of the increase during the 2015-16 budget planning cycle, and also because the existing funding level is sufficient for the University to meet its regulatory and strategic objectives. Through the generosity of donors, income from the University's endowment funds is available to enhance the support to Queen's students by providing an additional \$10M annually in student assistance. Student financial support is a priority for the Initiative Campaign.

4.2.3 Compensation

The new 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 modelled based on the 10 year historic CPI rate.

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	Jun 30, 2014
Kingston Technicians	CUPE 254	Jun 30, 2014
Library Technicians	CUPE 1302	Jun 30, 2014
Academic Assistants	USW 2010-01	Aug 31, 2016
General Support Staff	USW 2010	Dec 31, 2014
Queen's University Staff Association*	QUSA	Jun 30, 2014
Queen's University Faculty Association	QUFA	April 30, 2015
Registered Nurses & Nurse Practitioners	ONA 67	Mar 31, 2014
Graduate TA's / TF's	PSAC 901-1	April 30, 2013
Allied Health Care Professional FHT	OPSEU 452	June 30, 2015
Post Doctoral Fellows	PSAC 901-2	Ongoing
* Going forward agreement will be linked to USW 2010 outcomes.		

4.2.4 Queen's Pension Plan (QPP) Deficit

The pension plan's unfunded liability is the most significant financial issue facing Queen's at present.

The most recent triennial QPP actuarial valuation was effective August 31, 2011, and established the liability shown below:

Going-Concern Deficit*:	\$151.6M (\$86M Aug. 31, 2008)
Solvency Shortfall:	\$332.3M (\$69M Aug. 31, 2008)

*Market basis. The valuation has been filed on a smoothed basis of \$126.4M (\$44.6M Aug. 31, 2008), thus reducing the required special payments.

The University qualified for Stage 1 temporary solvency relief under provincial pension regulations and thus is exempt from solvency payments for three years. The special payments to fund the going concern deficit are \$14.4M annually and have been built into budget projections. University contributions are now 13.51% of pensionable earnings, up from 10.4% prior to August 31, 2011.

Our actuaries, Mercer (Canada) Limited, recently prepared an updated pension plan valuation as of August 31, 2013. The going concern deficit increased to \$164.0M on a smoothed basis. Smoothing incorporates plan gains or losses on a more gradual basis over time and is the basis used to submit valuations to pension regulators. On a market basis the going concern deficit declined to \$108.1 million. The solvency shortfall fell to \$291.8M. Improvements are due primarily to strong returns on pension plan assets.

Queen's will apply for Stage 2 solvency relief in 2014-15, which coincides with when the university will file the next pension plan valuation with regulators. Stage 2 relief allows the solvency payments to be

amortized over 10 years as opposed to 5 years. The University's obligation to cover the deficits will be determined from its August 31, 2014 valuation, but based on August 31, 2013 figures the going concern special payments will increase by \$5M (1.5% of pensionable earnings). These additional payments will commence in September 2015. The Government of Ontario recently passed changes to the Pension Benefits Act which provides universities with a choice to amortize the solvency deficit over a 10 year period, or take advantage of an additional 3 year extension to pension solvency relief and amortize the solvency deficit over the remaining 7 years of Stage 2 relief. If the University were to begin making solvency payments in the 2015-16 fiscal year, the August 2013 calculations imply solvency payments of \$16M annually, roughly 5.5% of pensionable earnings. This figure assumes the university will qualify for Stage 2 relief.

Current budget projections for 2015-16 and 2016-17 do not include increased pension payments. Decisions on departmental contribution rates for these years will be made as part of the 2015-16 budgeting process.

The University is looking at all options to reduce the on-going operating budget effect of pension solvency special payments, including options that might lead to permanent solvency relief. Government policy encourages the conversion of single-employer plans to Jointly Sponsored Pension Plans, which are not required to make solvency payments, but the legislative framework is not yet in place. In the meantime, the university has begun exploring the idea of merging the QPP with CAAT, the JSPP for colleges in Ontario.

5.0 Operating Budget Cumulative Deficit

The operating budget deficit at April 30, 2013 was \$8.1M. While the University has had small operating budget deficits in the past, the bulk of the deficit is a result of the 2008-09 market down turn, with significant realized losses in the Pooled Investment Fund. The University reduced its reliance on the Pooled Investment Fund in 2012-13 and as a result of strong market returns in the fiscal year to date there will be surplus investment returns, which will reduce the operating budget deficit at April 30, 2014. Current investment income projections indicate that this deficit will be eliminated this year; any remaining cumulative deficit will be managed in the same way moving forward until it is eliminated.

6.0 Broader Financial Picture

The operating budget represents approximately 55% to 60% of total university expenditures depending on annual levels of research funding and donations. As is the case in many other universities, the Queen's Board of Trustees approves the Operating Budget.

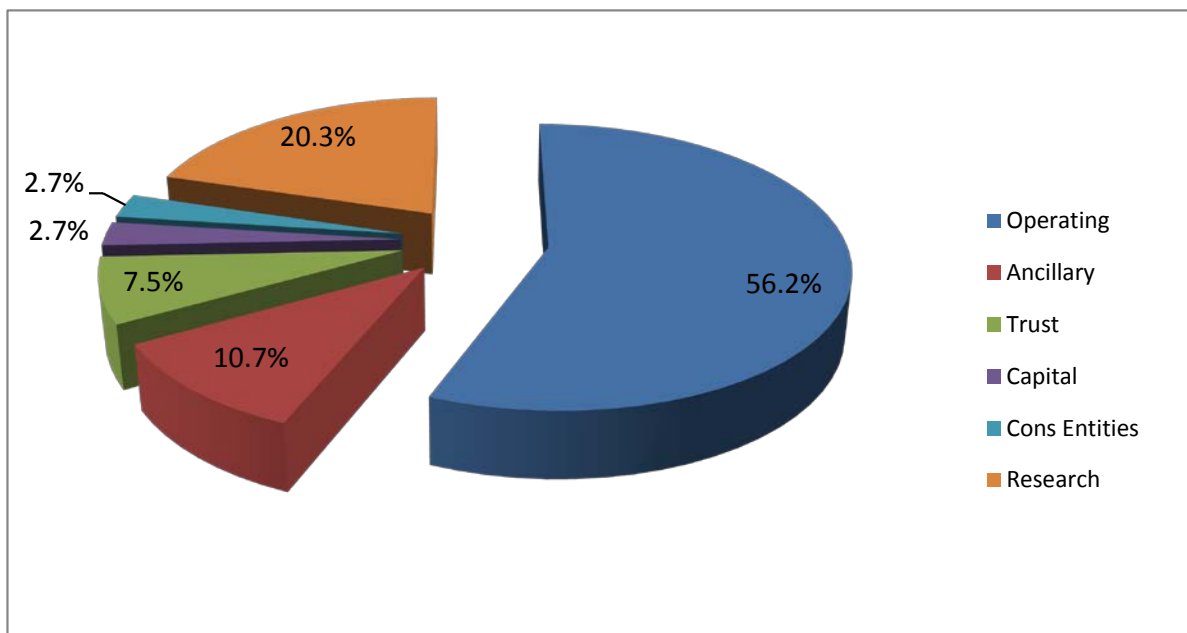
Total university revenues and expenses are captured in several funds: Operating; Ancillary; Research; Consolidated Entities; Trust & Endowment; and Capital. The expenditures accounted for in Research, and Trust & Endowment Funds are substantially dictated by the grantors and donors. Therefore, the

flexibility that Queen's has in supporting the academic enterprise and managing its operations is within the Operating Budget.

The following chart is for illustrative purposes only and shows the approximate percentage of University expenditures that occur in each fund. The percentages are based on the 2012-13 expenditures.

Illustration of Approximate Percentage Breakdown of Expenditures by Fund

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 this year's budget document, in addition to presenting information on the Capital and Ancillary Budgets information on donations to trust and endowment funds is presented. This information is being presented as part of ongoing efforts to provide a more comprehensive picture of university finances.

6.1 Capital Budget

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

Internal capital loans reflect the use of committed cash reserves for payment of capital projects and are being amortized over a number of years. A new policy for internal loans is currently going through the internal approval process.

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

TABLE B: CAPITAL BUDGET ALLOCATION

Queen's University 2013-14 to 2016-17 Capital Budget Allocations from Operating (000's)				
	Budget 2013-14	Budget 2014-15	Budget 2015-16	Budget 2016-17
Grant Revenue				
MTCU Facilities Renewal Fund	\$ 1,046	\$ 1,086	\$ 1,086	\$ 1,086
MTCU Graduate Capital	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700
Total Revenue	\$ 2,746	\$ 2,786	\$ 2,786	\$ 2,786
Capital Projects Financing				
School of Kinesiology & Queen's Centre	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900
QUASR	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
BISC	\$ 250	\$ 250	\$ 250	\$ 250
Biosciences Complex	\$ 223	\$ 223	\$ 223	\$ 223
Chernoff Hall	\$ 900	\$ 900	\$ 900	\$ 900
Electrical Substation	\$ 900	\$ 900	\$ 900	\$ 900
CoGeneration Facility	\$ 1,064	\$ 1,064	\$ 1,064	\$ 1,064
Richardson Hall & University Ave	\$ 1,500	\$ 1,500	\$ -	\$ -
Tools for Research Administration at Queen's (TRAQ)	\$ 640	\$ 640	\$ 640	\$ 640
Boiler #8	\$ 167	\$ 167	\$ 167	\$ 167
Deferred Maintenance				
MTCU Facilities Renewal Fund	\$ 1,046	\$ 1,086	\$ 1,086	\$ 1,086
Total Expenses	\$ 16,589	\$ 16,629	\$ 15,129	\$ 15,129
	\$ -	\$ -	\$ -	\$ -
Budget Surplus (Deficit)	\$ (13,843)	\$ (13,843)	\$ (12,343)	\$ (12,343)
Transfer from Operating Budget	\$ 13,843	\$ 13,843	\$ 12,343	\$ 12,343

With the exception of the TRAQ project shown in the table above, all of the capital projects have been completed and payments are for principal and interest payments on either external or internal loans.

Not included in the table above is \$2.7M in deferred maintenance funding which is included in occupancy costs, and \$4.6M in infrastructure renewal funding from the University Fund. The transfer to capital is reduced from \$13.8M to \$12.3M in 2015-16 when the loan for Richardson Hall renovations and University Avenue restoration is retired. These savings of \$1.5M are reinvested back into deferred maintenance expenses raising the previous \$2.7M allocation to \$4.2M.

6.1.1 Major Capital Projects

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

The following table shows the capital expenditures for Board approved projects.

PROJECT NAME	PROJECT COSTS		
	Actuals at Feb'14	Total Projected Costs	Approved Budget
IN PROCESS:			
Isabel Bader Centre for the Performing Arts*	60,355	80,500	80,500
New Residence Buildings	7,190	63,000	70,000
Reactor Materials Testing Laboratory	11,800	18,355	17,495
Ellis Hall - Innovative Learning Renovation	1,323	2,270	2,270
Innovation Park - Micro / Nano Facility	67	2,000	2,000
SUBTOTAL - PROJECTS IN PROCESS	80,735	166,125	172,265
COMPLETED:			
School of Medicine	74,881	76,400	76,846
Jean Royce - Food Services	1,569	1,600	2,204
JDUC - Sidewalk Café	1,409	1,425	1,515
SUBTOTAL - PROJECTS COMPLETED	77,859	79,425	80,565
IN PLANNING:			
Engineering and Applied Science	312	316	300
GRAND TOTAL	158,906	245,866	253,130
% OF APPROVED BUDGET	63%	97%	

*Includes the Tett Centre

The major capital project approval process has been revised to reflect changes in governance committees, to provide clarity in the approval process and to amend the threshold for projects requiring Board of Trustees approval.

6.1.2 Deferred Maintenance

MTCU funded a Facilities Condition Audit for all Ontario Universities in 2010-11 and the data is stored in a common software system.

The result for Queen's was \$213M of deferred maintenance broken down as follows:

Facilities Condition Audit	
Deferred Maintenance	
Campus	164,000
Residences	48,800
	212,800

In addition, there is an estimated \$30M of campus infrastructure (underground systems) deferred maintenance. The audit broke down the deferred maintenance into 5 priorities; the Priority 1 issues are considered critical and must be dealt with immediately and priority 2 issues must be dealt with within 1-2 years. Maintenance requirements in these two categories amounted to \$2M and \$39M respectively.

Each year the deferred maintenance backlog is reduced by funds allocated from the operating budget and the province. This is offset by further deterioration of buildings and infrastructure and the impact of inflation.

As indicated above, the base allocation from the operating budget is \$4.2M, of which \$1.5M is currently allocated to the refurbishment of Richardson Hall and University Ave, completed capital projects which addressed deferred maintenance. Beginning in 2015-16, the allocation for deferred maintenance from the operating budget will return to \$4.2M. In 2013-14 an additional \$1.4M was allocated from the University Fund. This allocation will be increased to \$2.1M in 2014-15.

In addition, the University receives \$1.1M of annual provincial funding for deferred maintenance under the Facilities Renewal Program, which is primarily based on Queen's system share. The government recently announced that funding would be increased for facilities renewal beginning in 2015-16 to address deferred maintenance at colleges and universities. The plan includes a phasing in of additional renewal funding. Planned new investment in 2015-16 and 2016-17 would increase current funding levels to a provincial total of \$40M annually. The increase is not reflected in the budget because we do not yet have sufficient information to determine the impact on Queen's.

6.2. 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 break-even operations after contributing overhead and any net revenue to the operating budget.

A full review of Ancillary Operations will be undertaken in 2014-15. The review will include looking at, current management structure; alternative management structures; financial position; contribution to University operations; overhead policies and how they are treated under the new budget model. Residences, Community Housing and Event Services were charged a higher overhead rate in 2011-12, resulting in over \$500K in additional overhead contributions. There are also additional contributions made by these units to support the operating budget as shown in the budget projections below. These contributions from ancillaries will continue in the 2014-15 to 2016-17 fiscal years. In addition, Residences, Community Housing and Events Services are providing direct contributions to help support the Student Affairs portfolio. In addition to these contributions, Residences and Community Housing have reserves that are funded each year and are built into their budgets to ensure funds are available to address deferred maintenance and to mitigate against occupancy shortfalls. The construction of the two new residence buildings has begun and the buildings are expected to open in fiscal 2015-16. The budget for the residences is \$70M and is funded through debt financing.

The following table shows the 2014-15 Budgets for Ancillary Operations. Residences, Event Services, Community Housing and Parking are projecting deficits.

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 for a 40 year return on investment and allowed for deficits over the 30 years while the debt is being repaid. Upon the repayment of the debt a further ten years is required to eliminate the cumulative deficit. Parking 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 deficit in Residences is due to the interest payments on the debt for the new residences. The corresponding revenue from the new fees that these residences will generate will not be seen until the residences open in fiscal 2015-16. The new revenues that begin in 2015-16 will more than cover the debt repayment in future years.

The deficit in Community Housing relates to a planned drawdown of reserves to address repairs and alterations required as part of the deferred maintenance of properties. The Community Housing reserves were built in the past with the expectation that they would be used in the future to address maintenance issues as required.

The deficit in Event Services is related to a transfer of funds from Event Services to support operations within the Student Affairs portfolio. This deficit is not a result of operations within Event Services. The

transfer to Student Affairs operations was planned as part of their budget submission and this transfer creates a deficit which then draws down the previously accumulated reserve within Event Services. The figures shown for the U/G Parking structure (shared 50/50 with Kingston General Hospital) represent Queen's share.

2014-15 ANCILLARY BUDGET (000's)								
	Residence	Event Services	Community Housing	Parking	Creative Design	Computer Store	Donald Gordon Centre	Stuart St. Underground Parking
REVENUE	52,693	3,881	5,666	2,963	220	7,500	4,184	984
EXPENDITURE								
Salaries & Benefits	7,553	1,229	1,220	293	-	660	-	75
External Contracts	19,437	2,259	220	640	30	-	1,750	43
Utilities	3,669	188	896	271	-	-	250	53
Repairs & Alter.	5,099	-	1,100	60	-	-	185	28
Debt Servicing	7,814	23	111	3,319	-	-	823	323
Supplies & Misc.	5,759	108	1,363	56	17	6,796	1,012	40
Deferred Maintenance	-	-	-	-	-	-	80	20
Total Exp excl Overhead	49,331	3,807	4,910	4,639	47	7,456	4,100	582
Overhead	2,326	402	883	100	8	44	73	-
Additional Contributions	3,138	44	158	-	-	-	-	-
Total Expenditures	54,795	4,253	5,951	4,739	55	7,500	4,173	582
NET SURPLUS (DEFICIT)								
Planned Allocation from/(to) Reserves	(2,102)	(372)	(285)	(1,776)	165	-	11	402
SURPLUS (DEFICIT)	-	-	-	(2,301)	165	-	11	402

The Consolidated Entities are composed of PARTEQ Innovations, and Queen's Centre Enterprise Development (QCED).

2014-15 CONSOLIDATED ENTITIES BUDGET (000's)		
	PARTEQ	QCED Inc.
REVENUE	3,726	799
EXPENDITURE		
Salaries & Benefits	1,406	194
External Contracts	146	523
Utilities	-	-
Repairs & Alter.	-	-
Debt Servicing	114	-
Supplies & Misc.	2,195	58
Deferred Maintenance	-	-
Total Expenditures	3,861	775
SURPLUS (DEFICIT)	(135)	24

PARTEQ is projecting a deficit of \$135K. A small portion of the deficit (\$35k) is due to debt servicing. The debt servicing is interest payable to Queen's University on amounts borrowed from Queen's University. There is no external interest (or principal) included in this amount. The control structure of Green Centre is changing, as a result, PARTEQ will no longer control GCC as of May 1st 2014. PARTEQ has a year end of March and therefore one month of expenses related to the Green Centre is reflected in this budget. The remaining \$100K deficit is driven by losses in the Green Centre.

6.3 Research Fund

Research is a core component of the mission of Queen's University and is a cornerstone for providing the best possible educational experience for students. Queen's continues to be a leading research institution, part of an international network of similar research universities making significant global research contributions. Being a member of this international network and community means that Queen's is recognised for its excellence in research and its ability to attract students, partners and other forms of support.

In a national ranking prepared by Research Infosource Inc., Queen's ranks 10th in Canada in research intensity (sponsored research per faculty member) and 12th for total research income in 2012. Research productivity is a significant asset in faculty recruitment, in attracting graduate students with awards, and, ultimately in securing even higher levels of funding.

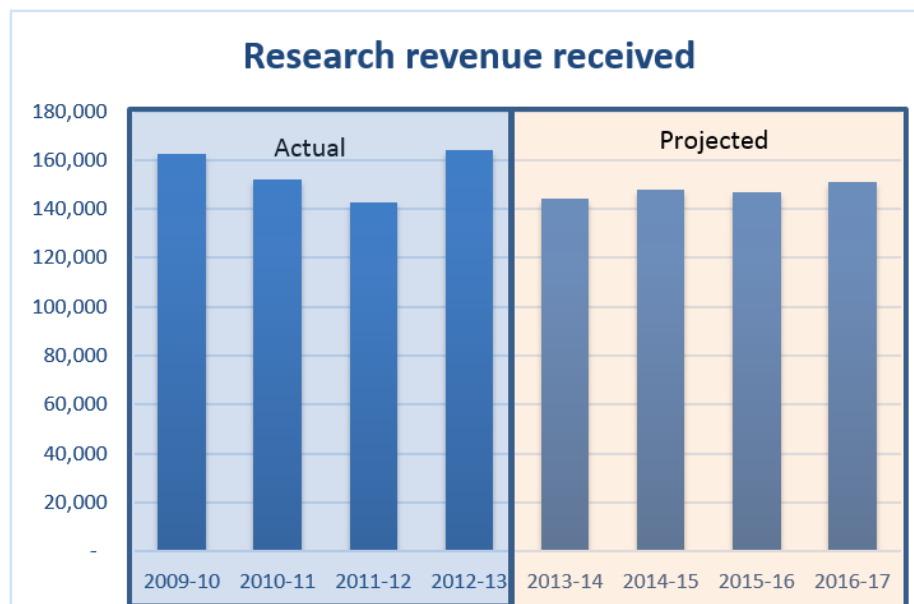
Research funding covers the direct cost of research, but only a portion of indirect costs such as financial management, contract administration, health and safety, physical infrastructure requirements, etc. A recent report issued by the Canadian Association of Business Officers and the

Canadian Association of University Administrators reported that the indirect cost of research was between 40% and 60% of direct research funding nationally. Queen's recovers between 10% and 15% of direct costs which is consistent with our peers. More success in research exerts pressure on operating and capital budgets because the physical and human capital resources that support research are paid for through these funds. For these reasons, estimating future research activity is important and better enables the university to improve forecasting of funding for indirect costs of research, supports integrated cash flow management, and helps to highlight financial opportunities or financial risks.

In 2013-14, Queen's implemented a new policy on the indirect cost of sponsored research. The new policy flows the funding for indirect costs of research to the faculties and places the responsibility to manage the funds with the Deans.

Research funding can fluctuate from year to year depending on overall Queen's success rates, economic conditions, award cycles, and the number of funding applications submitted. Revenue can also fluctuate from year to year depending on timing of funding. The 2014 Federal Budget included a significant boost for research funding with the establishment of the new Canada First Research Excellence Fund beginning in 2015-16 as well as an additional \$46 million per year to the Tri-Council agencies beginning in 2014-15. The impact of Queen's share of this increase in funding will take some time to materialize in research revenues.

The table below provides a summary of research funding received over the past several years, together with conservative projections for future year funding. These projections are cash flow projections, and include amounts received for future years.



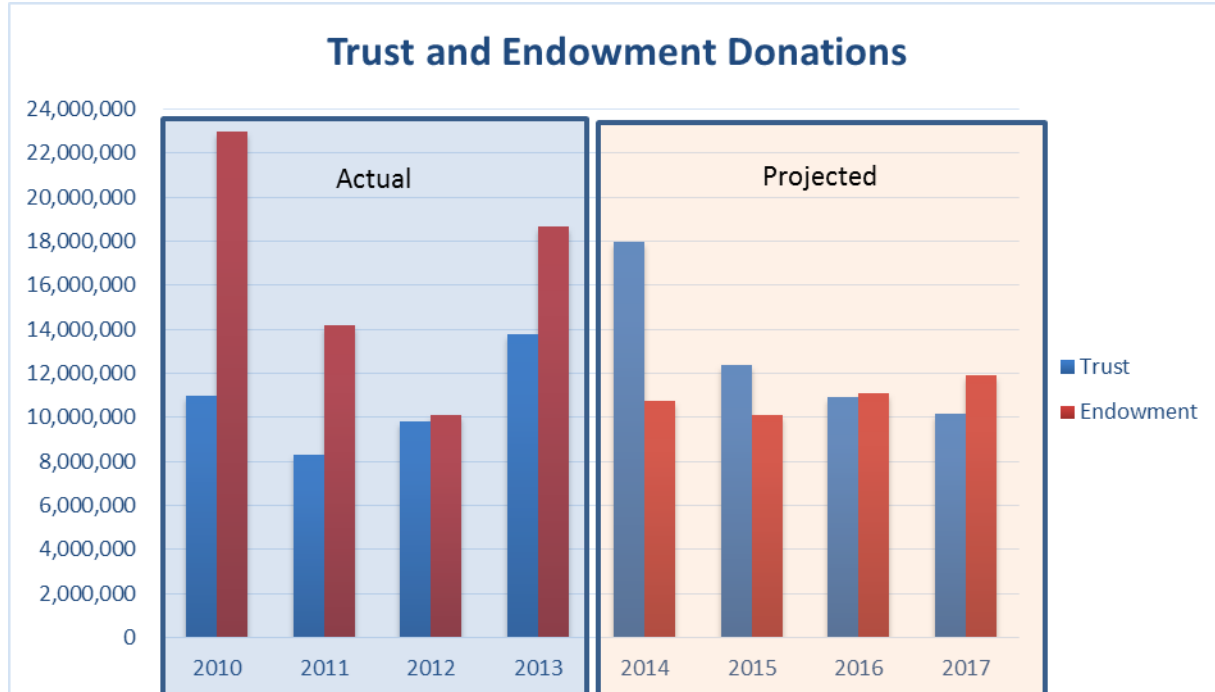
Research revenue in the audited financial statements is only recognized as expended. The balance is deferred.

6.4 Trust and Endowment Funds

Trust and Endowment funds capture funds received within the university that are restricted for specific purposes. In the 2013-14 fiscal year the university began a review of financial activities being recorded in its Trust funds. The objective of this review is to better align university operations with the purpose of each fund, and we anticipate certain activities and balances will be transferred from Trust Funds to the Operating fund as a result. This shift will provide for better monitoring of activities and balances that are core to the university's mandate. The review is expected to conclude during the 2014-15 fiscal year. Given the aforementioned review, efforts to produce forward looking information for trust and endowment funds have been focused on donations for the 2014-15 budget report.

The University has a fiduciary responsibility to ensure trust fund and endowment expenditures are in accordance with the related terms, typically a directed donation.

The chart below provides an overview of donations received in past years, as well as projected cash receipts in the future. Actual donation revenue may vary due to changing economic conditions or various other factors. Donations to trust funds in the chart represent expendable donations. 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. Where external donor restrictions are imposed, revenue is only recognized in the financial statements to the extent that expenditures are incurred. Donations to endowment funds in the chart represent capital donations that are maintained in perpetuity.



Investment of endowment capital generates revenue in the form of investment income which is available for spending. As was discussed in section 4.1.4, the Pooled Endowment Fund payout is

approved annually by the Board of Trustees as recommended by the Board's Investment Committee, and is based on a hybrid formula, which is meant to preserve capital for inflationary increases while producing a substantial level of income to support current year operations. The formula results in a payout of 9.73 cents per unit for 2014-15, which represents a 5.3% increase from the 2013-14 payout of 9.24 cents per unit. The increase is attributable in part to the increase in the PEF unit value, as well as to the increase in the long-term target rate.

Queen's University at Kingston
2013-14 to 2015-16 Revenue Budget

TABLE 1

	Budget 2013-14	Budget 2014-15	Budget 2015-16	Budget 2016-17
Tuition Credit	\$ 204,459,976	\$ 220,596,524	\$ 238,718,697	\$ 255,539,694
Tuition Non-Credit	\$ 20,533,475	\$ 18,937,432	\$ 19,333,040	\$ 19,613,431
Student Assistance Levy	\$ 2,210,730	\$ 2,262,170	\$ 2,309,020	\$ 2,380,440
Other fees	\$ 6,312,378	\$ 6,574,244	\$ 6,659,562	\$ 6,754,946
Total Fees	\$ 233,516,559	\$ 248,370,370	\$ 267,020,319	\$ 284,288,511
Operating Grants				
Basic Operating Grant	\$ 152,017,033	\$ 150,313,647	\$ 148,022,636	\$ 147,862,420
Performance Fund Grant	\$ 1,802,925	\$ 2,088,535	\$ 2,088,535	\$ 2,088,535
U/G Accessibility Funding	\$ 8,100,652	\$ 10,427,864	\$ 14,157,695	\$ 17,505,696
Graduate Accessibility Funding	\$ 7,796,358	\$ 8,687,269	\$ 9,256,606	\$ 9,947,958
Quality Improvement Fund	\$ 6,837,692	\$ 6,908,774	\$ 6,908,774	\$ 6,908,774
Research Infrastructure	\$ 1,886,515	\$ 2,000,000	\$ 1,800,000	\$ 1,800,000
Ontario Operating Grants	\$ 178,441,175	\$ 180,426,089	\$ 182,234,246	\$ 186,113,383
Earmarked Grants				
Tax Grant	\$ 1,417,475	\$ 1,455,666	\$ 1,452,824	\$ 1,450,300
Special Accessibility	\$ 357,657	\$ 357,657	\$ 357,657	\$ 357,657
Regional Assessment Resource Centre	\$ 1,005,000	\$ 1,005,000	\$ -	\$ -
Targetted programs	\$ 8,257,715	\$ 8,477,991	\$ 8,514,461	\$ 8,551,032
Research Performance Provincial	\$ 80,000	\$ -	\$ -	\$ -
Clinical Education Funding	\$ 623,751	\$ 623,751	\$ 623,751	\$ 623,751
Total Earmarked Grants	\$ 11,741,598	\$ 11,920,065	\$ 10,948,693	\$ 10,982,740
Total Provincial Grants	\$ 190,182,774	\$ 192,346,154	\$ 193,182,939	\$ 197,096,123
Federal Grant	\$ 9,546,552	\$ 9,546,552	\$ 9,546,552	\$ 9,546,552
Other Revenue				
Unrestricted Donations and Bequests	\$ 1,750,000	\$ 1,340,000	\$ 1,340,000	\$ 1,340,000
Other Income	\$ 5,677,894	\$ 7,317,331	\$ 7,536,537	\$ 7,776,928
Research Overhead	\$ 4,000,000	\$ 3,900,000	\$ 3,900,000	\$ 3,900,000
Investment Income	\$ 11,776,497	\$ 12,170,099	\$ 12,221,092	\$ 10,864,877
Total Other Revenue	\$ 23,204,390	\$ 24,727,430	\$ 24,997,628	\$ 23,881,805
Total Revenues:	456,450,275	474,990,506	494,747,438	514,812,991

Queen's University at Kingston
2013-14 to 2016-17 Expense Budget

TABLE 2

	Budget 2013-14	Budget 2014-15	Budget Variance	Budget 2015-16	Budget 2016-17
Faculties and Schools					
Arts and Science	\$ 100,917,132	\$ 99,639,586	\$ (1,277,546)	\$ 109,751,211	\$ 118,825,404
Business	\$ 63,536,809	\$ 69,023,758	\$ 5,486,949	\$ 71,814,700	\$ 75,192,041
Health Sciences	\$ 39,859,875	\$ 39,922,091	\$ 62,216	\$ 44,083,121	\$ 46,373,785
Applied Science	\$ 27,623,759	\$ 27,588,381	\$ (35,378)	\$ 30,139,806	\$ 34,250,590
Law	\$ 8,002,283	\$ 9,666,271	\$ 1,663,988	\$ 10,908,837	\$ 11,979,282
Education	\$ 14,449,879	\$ 15,711,000	\$ 1,261,121	\$ 15,711,000	\$ 15,711,000
School of Policy Studies	\$ 6,148,874	\$ 5,780,088	\$ (368,786)	\$ 6,298,096	\$ 6,246,859
School of Urban & Regional Planning	\$ 1,005,975	\$ 1,005,975	\$ -	\$ 1,028,003	\$ 1,046,987
Bader International Study Centre	\$ 2,603,806	\$ 2,569,679	\$ (34,127)	\$ 2,569,679	\$ 2,569,679
Total Faculties and Schools	\$ 264,148,392	\$ 270,906,829	\$ 6,758,437	\$ 292,304,453	\$ 312,195,627
Shared Services					
Principal's Office	\$ 1,746,471	\$ 1,600,646	\$ (145,825)	\$ 1,607,374	\$ 1,610,519
Secretariat	\$ 789,423	\$ 929,893	\$ 140,470	\$ 930,998	\$ 931,515
Communications	\$ 1,598,514	\$ 1,727,924	\$ 129,410	\$ 1,730,430	\$ 1,731,601
Vice-Principal (Research)	\$ 5,327,583	\$ 5,458,179	\$ 130,596	\$ 5,702,484	\$ 5,713,845
Vice-Principal (Advancement)	\$ 12,825,110	\$ 12,959,238	\$ 134,128	\$ 12,977,510	\$ 11,086,051
Vice-Principal (Finance & Admin)	\$ 6,618,298	\$ 6,834,923	\$ 216,625	\$ 7,285,913	\$ 7,235,554
Provost & Vice-Principal (Academic)	\$ 4,820,800	\$ 3,837,322	\$ (983,477)	\$ 3,843,177	\$ 3,845,914
Student Affairs	\$ 11,276,124	\$ 9,669,277	\$ (1,606,847)	\$ 8,747,174	\$ 8,720,287
Library(operations & acquisitions)	\$ 25,333,493	\$ 25,709,784	\$ 376,292	\$ 25,946,061	\$ 26,056,501
Occupancy Costs(net of Shared Service Space Costs)	\$ 27,457,669	\$ 29,263,195	\$ 1,805,526	\$ 31,049,510	\$ 31,884,471
Environmental Health & Safety	\$ 1,263,818	\$ 1,424,571	\$ 160,754	\$ 1,454,189	\$ 1,481,347
ITS	\$ 13,127,129	\$ 14,254,286	\$ 1,127,157	\$ 15,028,998	\$ 15,041,951
Human Resources	\$ 5,666,511	\$ 5,549,397	\$ (117,114)	\$ 5,574,618	\$ 5,595,277
Graduate Studies	\$ 1,834,776	\$ 1,844,398	\$ 9,622	\$ 1,848,214	\$ 1,849,998
University Wide Benefits & Pension Special Payments	\$ 8,077,128	\$ 8,169,252	\$ 92,125	\$ 8,225,357	\$ 8,282,775
Need Based & UG Merit Student Assistance	\$ 16,214,294	\$ 16,214,294	\$ -	\$ 16,214,294	\$ 16,214,294
Graduate Students Assistance	\$ 13,367,706	\$ 13,367,706	\$ -	\$ 13,367,706	\$ 13,367,706
University Wide - Faculty	\$ 2,061,370	\$ 3,085,628	\$ 1,024,258	\$ 3,088,990	\$ 3,090,561
University Wide - Student	\$ 792,465	\$ 1,157,775	\$ 365,310	\$ 1,158,992	\$ 1,159,655
University Wide - Administration	\$ 1,518,439	\$ 1,265,049	\$ (253,390)	\$ 1,265,049	\$ 1,265,049
University Wide - Community	\$ 2,919,782	\$ 2,807,312	\$ (112,470)	\$ 2,810,581	\$ 2,812,109
Queen's National Scholars	\$ 314,059	\$ 400,000	\$ 85,941	\$ 600,000	\$ 800,000
Queen's Research Chairs	\$ 220,000	\$ 140,000	\$ (80,000)	\$ -	\$ -
Faculty Renewal Program	\$ 722,607	\$ -	\$ (722,607)	\$ -	\$ -
Total Shared Services	\$ 165,893,567	\$ 167,670,050	\$ 1,776,483	\$ 170,457,620	\$ 169,776,981
Infrastructure Renewal	\$ 2,800,000	\$ 4,600,000	\$ 1,800,000	\$ 4,600,000	\$ 4,600,000
Board Priorities & Compliance		\$ 915,000		\$ 964,000	\$ 300,000
Contingency	\$ 1,493,841	\$ 1,800,000	\$ 306,159	\$ 1,800,000	\$ 1,800,000
To Be Allocated	\$ -	\$ 2,340,000	\$ 2,340,000	\$ 370,000	\$ 1,615,800
Flow Through Expenses, net of Recoveries					
Municipal Tax Grant**	\$ 1,417,475	\$ 1,455,666	\$ 38,191	\$ 1,452,824	\$ 1,450,300
University Council on Athletics*	\$ 4,842,378	\$ 5,016,818	\$ 174,440	\$ 5,177,187	\$ 5,236,072
Miscellaneous Athletics & Enrichment Studies*	\$ 2,148,000	\$ 3,925,331	\$ 1,777,331	\$ 4,091,340	\$ 4,265,466
Student Health Service*	\$ 2,656,000	\$ 2,478,950	\$ (177,050)	\$ 2,521,722	\$ 2,565,246
Special Disability Services*	\$ 1,362,657	\$ 1,362,657	\$ -	\$ 357,657	\$ 357,657
Daycare Grant*	\$ 98,247	\$ 99,240	\$ 993	\$ 100,233	\$ 101,235
Overhead Recovery	\$ (2,623,233)	\$ (2,800,425)	\$ (177,192)	\$ (3,172,692)	\$ (3,284,207)
Total Flow Through Expenses, net of Recoveries	\$ 9,901,524	\$ 11,538,237	\$ 1,636,714	\$ 10,528,271	\$ 10,691,769
Indirect Costs of Research to External Entities	\$ 1,769,930	\$ 1,535,144	\$ (234,786)	\$ 1,535,144	\$ 1,535,144
Total Operating Expenditures	\$ 446,007,254	\$ 461,305,261	\$ 15,298,007	\$ 482,559,488	\$ 502,515,320
Transfer to Capital Budget	\$ 13,843,026	\$ 13,843,026	\$ -	\$ 12,343,026	\$ 12,343,026
Total Expenditures	\$ 459,850,280	\$ 475,148,287	\$ 15,298,007	\$ 494,902,514	\$ 514,858,346

*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

DRAFT

Appendix 1

Recommendations to Senate
Short Term Enrolment Projections 2014-2017
April 2014

Introduction

This report contains enrolment targets for 2014-2015 and 2015-2016 and enrolment projections for 2016-2017, all of which have been developed by the Strategic Enrolment Management Group (SEMG) within the context of the long-term strategic enrolment management framework that was recently approved by Senate. More specifically, this report includes:

- Revisions to the original 2014-2015 targets: the original 2014-2015 targets were approved by Senate in April 2013, and the revisions are now submitted for Senate approval;
- Revisions to the original 2015-2016 targets: the original 2015-2016 targets were provided for information to Senate in April 2013 as enrolment projections, and the revised targets are now submitted for Senate approval;
- Enrolment projections for 2016-2017: these are submitted to Senate for information.

The SEMG, which includes Deans, faculty members, staff and AMS and SGPS representation, annually considers enrolment targets for the following two years. Thus, each year, the original targets for the first of the two following years represent revisions of the original targets approved a year previously for the second of the two following years. This practice of submitting overlapping enrolment targets enables annual budget planning, which begins 12 months prior to the year of budget that is being planned.

The enrolment targets are derived through the following process:

- Meetings are held with each Dean to review enrolment priorities, applicant demand and program capacity;
- The SEMG reviews data on Queen's applicant numbers, provincial numbers, sector trends and provincial policy issues and initiatives;
- Preliminary targets for the upcoming three years are presented to SEMG and assessed against the priorities and goals outlined in the long-term enrolment framework, which involves considerations of such matters as program demand, faculty, space and student services capacity;
- SEMG recommends rolling three-year enrolment 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 enrolment two years' targets to Senate, and provides the third year's projections for information.

In response to comments from Senators in previous years, and as part of our ongoing efforts to improve the clarity and quality of the enrolment reports, changes have been made to the two enrolment tables that are appended. Previously, a Total Enrolment and a First-Year Intake table were submitted to Senate. Now, the tables show Total Enrolment (Enrolment Summary), as well as Total Fall Headcount Intake.

The tables provide information on direct-entry first year and upper year intake, as well as second-entry program intake, off-campus enrolment (Distance Studies, Bader International Study Centre) and exchange. Further, a table entitled Details for Selected Student Subgroups presents clear information on specific student populations, including incoming and outgoing exchange students.

Undergraduate Enrolment Context

Ontario university and college enrolment has increased by 36% since 2002-2003 and the government has almost reached its goal of achieving a 70% post-secondary participation rate.

While participation in post-secondary education (PSE) is expected to continue to rise (albeit at a lower rate than in the past decade), the traditional PSE-aged population in Canada (18-24 years) is projected to fall by 10% between 2011 and 2020, before returning to 2010 levels by 2030. Accordingly, increased PSE participation across the sector will predominantly occur through differentiated enrolment (e.g. part-time students, mature students), which is already being seen in a 10% increase in applications to Ontario universities for 2014-15 among non-high school applicants.

Undergraduate residential full-time enrolment is still the cornerstone of the Queen's enrolment plan and undergraduate direct-entry applications to Queen's continue to be strong. While system-wide, applications for 2014-15 have fallen slightly (-0.8%), total applications to Queen's are up 5%. Applications to all of our disciplines except Arts have increased over last year. The decline in applications to Arts is part of an ongoing province-wide trend but the percentage decline in applications to Queen's (1% less than a year ago) is less than the overall system decline (7.5%); the Faculty of Arts and Science and the Office of the University Registrar are working together on initiatives to ensure Arts enrolment targets are met.

Undergraduate Direct-Entry Applications as of March 21, 2014

	Applications	% Change Queen's	% Change Ontario system-wide
Arts	7,344	-1%	-7.5%
Science	6,512	+4%	+1.8%
FAS	17,708	+2%	
BISC	615	+6%	
Engineering & Applied Science	4,875	+9%	+13.9%
Commerce	6,014	+9%	-0.6%
Nursing	1,056	+13%	+5.4%
Total	30,268	+5%	-0.8%

Transfer enrolment provides a new opportunity for Queen's. In the past, there has been little faculty interest in pursuing transfer enrolment, despite strong interest from students from other universities. Now faculties such as Arts and Science and Engineering and Applied Science see transfer enrolment as a key part of their total enrolment strategies.

Undergraduate Admissions has joined with the Ontario Consortium on Articulation and Transfer (ONCAT) to provide upfront information on the transferability of courses from other Canadian institutions to Queen's. Recent transfer recruitment activities include:

- Participation in the Ontario College Fair circuit;
- A "Transfer to Queen's" event in downtown Toronto during Reading Week;
- Inviting current transfer applicants to Queen's March Break Open House;
- Advertisements in 14 student newspapers on campuses across Canada;
- Inclusion of transfer options in recruitment Social Media campaigns.

A summer event is also being planned for admitted transfer students to help support their transition to the Queen's community.

Graduate Enrolment

Over the past decade, the Ministry of Training, Colleges and Universities has invested in increases in the number of domestic graduate students enrolled in Ontario universities. These increases have slowed in recent years, though a commitment to allocating up to 2,175 new graduate spaces system-wide by 2016-17 has been made. Our capacity to grow our graduate enrolment is greatest in professional programs and through the delivery of newly developed credentials. Several such credentials have recently been launched while others are in the process of obtaining approval to commence. To sustain our research intensity, our current doctoral-stream and PhD enrolment numbers are expected to increase modestly where capacity and an adequate supply of qualified candidates exist.

Overall, Queen's continues to attract a strong applicant pool with a 1.5% increase in applications over the last cycle, primarily attributable to international applicants. Competition for graduate students is extremely strong, especially among Ontario institutions, and it will therefore be important that departments and the School of Graduate Studies work on new recruitment strategies to build the applicant base and attract excellent caliber candidates.

Table 1: Student Fall Headcount Intake

University-wide Intake: For 2014-15, the first-year direct-entry target has not changed from that previously approved by Senate (4,017), although there has been movement within and across some programs and faculties in response to applicant demand and program capacity.

The first-year second-entry target has decreased from that previously approved, primarily because Year 5 Concurrent/Consecutive Education students are now properly shown as upper-year intake. The total second-entry target is up slightly, as Education and Law are planning for slight increases.

Intake by Faculty and Program: The table shows both first year and upper year intake by Faculty, School and Program.

Arts and Science: Program projection changes are based on evolving student demand and program capacity. The intake targets include small decreases in Arts, Concurrent Education Arts, and Distance Studies admission as well as small increases in Science and Computing with an overall net first-year enrolment target for 2014-15 down 15 from that approved last year.

For 2015-16, the first-year admission target has been reduced by 115 students from that previously provided as information to Senate. The Faculty is projecting a more modest increase in Arts and Science intake than that presented last year and has also planned for increases in Kinesiology and Physical and Health Education, where there has long been strong demand from highly qualified applicants.

In both 2014-15 and 2015-16 the Faculty is targeting an increase in upper-year transfer students.

Engineering and Applied Science: The Faculty first-year target for 2014-15 has decreased by 10 from that previously approved by Senate. The Faculty plans to increase first-year enrolment starting in 2015-16 through the creation of a new direct entry stream into predetermined disciplines with excess capacity.

Commerce: The QSB plans a small increase in first-year intake by 25 starting in 2014-15 reflecting faculty capacity and strong demand from highly qualified applicants.

Nursing: There are no changes in enrolment projections from previous approvals. Intake target remains constant due to government restrictions on enrolment

Law: The Faculty shows an increased first year intake by 35 in 2014-15. There is strong demand from a highly qualified applicant pool.

School of Medicine: The School will maintain domestic intake at 100 and add an international intake of up to eight students.

Faculty of Education: The Bachelor of Education program enrolment has recently been the subject of a major province-wide change from the Ministry of Training, Colleges and Universities, a consequence of which is that the number of spaces will be decreased over time and the length of the program extended to two years.

The Faculty has recently approved a transition plan that will impact its enrolment projections over the next three years. As a result, the Faculty shows a slight increase of 11 students, in total intake, for 2014-15 over the previously approved target. In 2015, the target is reduced considerably and a further modest decrease in intake is projected in 2016-17. In 2016-17 total enrolment increases as the number reflects students in both first and second year of the revised two-year program.

Aboriginal and International Enrolment

Aboriginal Enrolment: Targeted and sustained recruitment and outreach strategies, implemented by a collaborative group, including the Four Directions Aboriginal Student Centre, the Office of the University Registrar and Faculties and Schools, has resulted in an increase in the number of self-identified Aboriginal learners at the university.

There were 81% more undergraduate first-year Aboriginal students in 2013-14 than in 2012-13, although the total number, 58, is still small. This is the second consecutive year of growth, with first-year intake rising from 27 in 2011 to 33 in 2012 and 58 in 2013.

Applications from first-year self-identified Aboriginal students have increased by 11% for 2014-15 to date. This follows an increase of 10% last year over the 2013-14 cycle.

Self-identified first-year Aboriginal Applicants

	As of March 21, 2014	As of same time last year
Arts and Science	150	140
BISC	2	5
Commerce	23	11
Engineering	29	29
Nursing	16	14
Total	220	199
% change from last year	11%	

Access to post-secondary education, recruitment and ongoing academic and personal on-campus support to promote retention among Aboriginal learners are priorities of both the university's Aboriginal Council and the Ontario Ministry of Training, Colleges and Universities. Queen's is committed to continued enrolment growth within this under-represented population.

International Enrolment: Increasing the number of international students at Queen's has been identified as a priority for the University. Total international enrolment in 2013-14 increased by 5.7% over 2012.

Undergraduate Visa student applications

	As of March 21, 2014	As of March 22, 2013	% Change
FAS	1,454	1,058	37%
BISC	79	50	58%
Engineering	608	569	7%
Commerce	1,120	960	17%
Nursing	41	34	21%

Strategies to continue this growth include targeted and strategic recruitment and admissions, facilitating international transitions for students through credit transfer, promoting Queen's around the world to enhance reach and presence, and expanding research and other partnerships with institutions across the globe.

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.

This table reflects the university's strong retention rates (among the highest in the country) and tracks the flow-through of any enrolment changes included on the intake Table.

One note about the '2013 actual' numbers in Table 1: They show the number of first-year students and upper-year students new to Queen's in 2013. The 2014 and 2015 projections reflect a new method of enrolment planning and include all first-year and upper-year intake, including approximately 150 "returning first-year" students, primarily in Arts and Sciences. Each year, the University plans for these returning students - some are students whose offers were deferred from previous years; others are students who attended part-time or who stopped out midway through the year.

For 2013, these "returning first-year" students are shown in Table 2 Total Enrolment, rather than as intake in Table 1. If the 150 "returning first-year" students were to be added to the 2013 actuals, the direct entry total for 2013 would be 3,991 and would be very comparable to the direct-entry projected total of 4,017 in 2014, reflecting very little direct-entry undergraduate enrolment growth between 2013 and 2014.

Table 3: Details for Selected Student Subgroups

This table includes details on selected student subgroups, such as exchange students and part-time students. These numbers are not in addition to, but already included in, the totals in Table 2, with the exception of students at Queen's on exchange (referred to as "here on exchange"), as these students pay tuition and fees to their home institutions.

In addition, the percentage of international undergraduate and graduate students listed in Table 3 includes only visa students – those paying international tuition and fees. It does not include exchange students or Canadian students applying from overseas (who pay domestic tuition and fees). This notwithstanding, all of these students coming to Queen's and Canada enrich the campus environment and reflect the university's commitment to increasing the number, proportion and diversity of international students on campus.

SEMG has worked collaboratively to enhance enrolment planning information for SCAD and Senate. Feedback is welcome, as SEMG continues to work to refine the clarity and reporting of the data.

Enrolment Report to the Senate Committee
on Academic Development

March 2014

Queen's University

Office of Budget and Planning

Table 1: Student Fall Headcount Intake

Program	2013 Actual		2014	2014 Planned		2015	2015 Planned		2016 Planned	
	First	Upper	Previously	First	Upper	Previously	First	Upper	First	Upper
	Year	Year	Approved Intake	Year	Year	Projected Intake	Year	Year	Year	Year
Undergraduate (Full-Time)										
Arts & Science										
BA/BAH	1,296	25	1,430	1,405	125	1,730	1,510	125	1,510	125
BSC/BSCH	770	15	800	825	70	950	1,025	70	1,025	70
BFAH	27	0	30	30		30	30		30	
BMUS	17	1	30	30		30	30		30	
BCMP/BCMPH	103	4	75	100	5	75	100	5	100	5
BPHEH	50	2	50	50		50	75		75	
BSCH KINE	89	1	85	85		85	105		105	
Con-Ed Arts/Science/Music	239	0	250	225		250	225		225	
Distance Studies (BA1)	10	0	35	20		40	25		25	
Non-Degree	0	0	0	0		0	0		0	
SGS Qualifier	0	0	0	0		0	0		0	
Subtotal Arts & Science	2,601	48	2,785	2,770	200	3,240	3,125	200	3,125	200
Commerce	459	1	450	475	20	450	475	20	475	20
Engineering	690	13	690	680	13	700	730	13	730	13
Nursing	91		92	92		92	92		92	
Subtotal Direct Entry	3,841	62	4,017	4,017	233	4,482	4,422	233	4,422	233
Education (Yr 5 & Consec)		658	625		647	625		542		489
Law	155		165	200		165	200		200	
Law / Grad Joint Programs	10		8	5		8	8		8	
Medicine	100		110	108		110	108		110	
Nursing-Advanced Standing		37	40		40	40		40		40
Subtotal Second Entry	265	695	948	313	687	948	316	582	318	529
Subtotal Undergraduate (Fac/School)	4,106	757	4,965	4,330	920	5,430	4,738	815	4,740	762
Bader ISC	103		140	120		140	120		120	
Post-Graduate Medicine	175			175			175		175	
Graduate (Full-Time)										
School of Grad Studies										
Research Masters	581			609			633		648	
Professional Masters	348			372			371		378	
Doctoral	258			271			283		289	
Non-Degree	0			15			25		25	
Subtotal SGS	1,187			1,267			1,312		1,340	
School of Business										
Masters	536			419			392		394	
Non-Degree	81			136			146		156	
Subtotal QSB	617			555			538		550	
Subtotal Graduate	1,804			1,822			1,850		1,890	
Budgeted Total Enrolment	6,188	757	5,105	6,447	920	5,570	6,883	815	6,925	762

*Note: The Graduate intakes were not propagated for the Previously Approved & Previously Projected columns as intakes were not separately identified.

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

March 2014

Queen's University

Table 2: Enrolment Summary

Office of Budget and Planning

Program	Fall Full-Time Headcount				Annualized FFTE			
	Actual	Planned			Actual	Planned		
	Fall 2013	Fall 2014	Fall 2015	Fall 2016	2013-14	2014-15	2015-16	2016-17
Undergraduate								
Arts & Science								
BA/BAH	5,318	5,419	5,639	5,779	5,496.3	5,586.5	5,796.2	5,932.4
BSC/BSCH	3,019	3,118	3,402	3,588	3,025.7	3,124.0	3,397.3	3,571.8
BFAH	82	78	82	98	82.2	78.2	79.5	96.1
BMUS	106	103	106	113	118.9	115.4	118.5	125.4
BCMP/BCMPH	328	337	344	348	329.9	338.2	345.7	349.4
BPHEH	203	207	229	250	198.2	201.6	221.5	241.0
BSCH KINE	339	355	378	398	332.7	342.1	365.0	382.7
Con-Ed Arts/Science/Music	634	678	673	660	624.7	668.6	684.0	673.1
Distance Studies (BA1)	16	22	45	70	16.6	22.0	45.0	70.0
Non-Degree	51	51	51	51	107.8	107.8	107.8	107.8
SGS Qualifier	0	0	0	0	0.0	0.0	0.0	0.0
Subtotal Arts & Science	10,096	10,368	10,949	11,355	10,333.0	10,584.4	11,160.5	11,549.7
Commerce	1,704	1,803	1,849	1,867	1,695.1	1,789.0	1,834.6	1,850.1
Engineering	2,696	2,758	2,832	2,900	2,778.7	2,844.9	2,920.6	2,988.7
Nursing	358	361	368	371	360.7	362.9	369.7	372.9
Subtotal Direct Entry	14,854	15,290	15,998	16,493	15,167.5	15,581.2	16,285.4	16,761.4
Education (Yr 5 & Consec)	673	657	552	754	831.9	816.0	711.6	912.4
Law	514	564	594	616	511.6	564.3	594.6	613.7
Law / Grad Joint Programs								
Medicine	406	414	422	430	405.5	413.5	421.4	429.5
Nursing-Advanced Standing	79	73	75	75	127.1	108.5	110.6	110.6
Subtotal Second Entry	1,672	1,708	1,643	1,875	1,876.1	1,902.3	1,838.2	2,066.2
Subtotal Undergraduate (Fac/School)	16,526	16,998	17,641	18,368	17,043.6	17,483.5	18,123.6	18,827.6
Bader ISC	136	145	150	155	178.4	179.6	182.0	184.5
Post-Graduate Medicine	488	488	488	488	479.2	479.2	479.2	479.2
Graduate								
School of Grad Studies								
Research Masters	1,099	1,146	1,187	1,215	1,077.0	1,165.4	1,206.2	1,234.9
Professional Masters	556	592	589	599	564.9	641.0	641.2	653.8
Doctoral	1,196	1,243	1,288	1,308	1,180.8	1,209.5	1,254.1	1,275.1
Non-Degree	7	24	34	34	12.2	48.2	67.3	66.7
Subtotal SGS	2,858	3,005	3,098	3,156	2,834.9	3,064.1	3,168.8	3,230.5
School of Business								
Masters	675	669	676	679	599.7	629.8	635.7	638.6
Non-Degree	81	136	146	156	40.5	60.0	63.0	66.0
Subtotal QSB	756	805	822	835	640.2	689.8	698.7	704.6
Subtotal Graduate	3,614	3,810	3,920	3,991	3,475.1	3,753.9	3,867.5	3,935.1
Budgeted Total Enrolment	20,764	21,441	22,199	23,002	21,176	21,896	22,652	23,426

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

March 2014

Queen's University

Table 3: Details for Selected Student Subgroups

Office of Budget and Planning

Student Subgroup	Fall Headcount				Annualized FFTE			
	Actual	Projected			Actual	Projected		
	Fall 2013	Fall 2014	Fall 2015	Fall 2016	2013-14	2014-15	2015-16	2016-17
Part-Time Undergraduate	1,097	1,097	1,097	1,097	136.3	136.3	136.3	136.3
Summer Undergraduate	--	--	--	--	555.4	555.4	555.4	555.4
Undergraduate Exchange								
Away on Exchange	218	224	227	234	325.7	327.1	333.8	343.3
Here on Exchange	394	394	394	394	325.5	325.5	325.5	325.5
Net Exchange	-176	-170	-167	-160	0.2	1.6	8.3	17.8
Undergraduate Distance Career	16	22	45	70	16.6	22.0	45.0	70.0
Part-Time Graduate	430	491	524	536	124.0	145.1	155.1	158.6
International Undergrad (as % of Total)	2.6	2.7	2.7	2.8	2.4	2.5	2.5	2.6
International Graduate (as % of Total)	13.3	12.9	13.1	13.1	14.3	12.1	12.4	12.4

Report to the Board of Trustees
Tuition Fee Report, 2014-15

Appendix 2

Introduction

This report outlines all undergraduate and graduate tuition fees recommended for approval for 2014-15. The Ontario government in the spring of 2013 announced a four-year tuition fee framework for the period 2013-14 to 2016-17. The recommendations for 2014-15, as in past years, strive to balance the need to maximize revenue for academic programming and University operations against appropriate consideration to program competitiveness and student access.

The Provincial Government's Four-Year Tuition Fee Framework

The tuition fee framework, caps the average annual domestic tuition fee increases at 3%. Within this average, it also allows increases for both incoming and continuing students of 3% in most direct-entry undergraduate programs and 5% in professional and graduate programs. Tuition increases for students who were already enrolled in professional and graduate programs in 2012-13 will be limited to 4%. The tuition set-aside requirement of 10% of new revenue from tuition increases for student assistance is still in effect.

It is not possible to increase tuition in all programs by the maximum allowable and remain within the 3% cap. The student-weighted average of the proposed increases in tuition fees across all programs is being maximized to the 3% cap for 2014-15. Details of the specific tuition proposals follow.

Domestic Tuition Fees – Undergraduate and Graduate

Specific tuition fee recommendations by program are listed in Table 1 at the end of this document. We are recommending that tuition fees at the undergraduate level be increased to the extent allowed by the government's tuition framework. The University will continue to provide financial assistance and conform to the Student Access Guarantee. Those students who are eligible will also receive the provincial government's Ontario Tuition Grant (OTG), which provides approximately 30% of the undergraduate arts and science tuition to students in families with a family income below \$160,000.

We are also recommending an increase of 2.5% to tuition fees for students in doctoral-stream Master's and doctoral programs. Tuition fees for these programs have been frozen for several years. This increase will still maintain our competitiveness with programs at other Ontario research-intensive universities while providing some increased revenues to support the delivery and maintain the quality of our graduate programs. In order to align fee increases in doctoral-stream Master's and doctoral programs with the students' funding packages these fees are recommended to increase as of September 1st, 2014 as opposed to May 1st, 2014.

Our recommendation is to increase tuition rates for professional Master's programs by the maximum allowed in most cases. Alternative fee increase recommendations are proposed for the MSc in Health Care Quality where an increase of 2.5% is being sought. As a young program gaining recognition it is important to ensure that the tuition fee remains competitive and can be borne by the market. For reasons of competitiveness, an increase of 2.7% is recommended for the MBA program. The fee recommendation for the Master of Engineering in Design and

Manufacturing, the Certificate in Community Relations in the Extractive Industries; and the Nurse Practitioner Diploma is to hold their tuition at their 2013-14 levels. These programs, except for the new Certificate program, are delivered jointly with other Ontario universities, and the fees must therefore be comparable. In the case of the Certificate program, the need is to ensure it stays competitive.

International Tuition Fees – Undergraduate and Graduate

Tuition fees for international students remain deregulated, falling outside the provincial government's funding framework. The government has reduced each university's base operating grant by a total of \$825/FTE international student at the undergraduate and Master's levels, on the premise that this funding may be recovered through international tuition.

The recommended tuition fees for international students are shown in Table 2. Previous market research conducted by the University indicates that many factors other than price (e.g., location, quality, reputation) are influential in an international student's selection of a university.

The tuition fees proposed for undergraduate international students are intended to generate net revenue while having due regard for student demand, market considerations, and academic quality. In addition, the rate of tuition proposed is established to recover the reduction in government funding mentioned above. The 2014-15 tuition recommendation is based on the following premises:

- international undergraduate students and their families typically understand and support the investment required to study abroad;
- international undergraduate students and their families are less concerned about the absolute level of tuition than they are about guaranteed tuition rates across the normal duration of the degree;
- international students will have assurance that the maximum annual tuition increase will be 5% through the normal length of their degree programs and they may continue to have the payment option of deferring 50% of their fees until January without a service charge;
- the University permits international students to be eligible for certain undergraduate admission scholarships.

The rationale for the recommended tuition fees for international graduate students is consistent with the recommendations for domestic graduate students including the implementation of the doctoral-stream Master's and doctoral program fee increase as of September 1st, 2014 as opposed to May 1st, 2014. A tuition increase of 2.5% will not alter Queen's competitiveness with comparator institutions when attracting international students into doctoral-stream Master's and Doctoral programs and relevant professional graduate programs.

Bader International Study Centre Program Fees

Tuition fees for programs offered by the Bader International Study Centre (BISC) in Herstmonceux, England, are subject to the government's tuition framework. The program fee quoted for the BISC includes tuition, field studies and meals and accommodation. The tuition fee in all programs with the exception of the Global Law Program is equal to the Arts and Science undergraduate tuition fee. Tuition for the Global Law Program was established many years ago at a rate between the Arts and Science rate and that of the Faculty of Law, and has been subject to

incremental increases since then. The variation in summer field school fees is based on a calculation of various staffing needs and travel/field studies requirements for each school.

The program fee is approved by Queen's Board of Trustees upon the recommendation of the BISC Board of Trustees. The recommended BISC program fees are shown in Table 3.

Overall Recommendation

Tables 1, 2 and 3 show the tuition fee increases submitted for approval by the Board of Trustees; the increases are to take effect May 1, 2014, for all programs, except doctoral-stream master's and doctoral programs where the effective date is September 1st, 2014.

Motion

That the Board of Trustees, on the recommendation of the Capital Assets and Finance Committee, approves the domestic, international and Bader International Study Centre tuition fees set out in the attached tables, effective May 1, 2014, for all programs other than doctoral-stream master's and doctoral programs, where an effective date of September 1, 2014, is recommended.

Table 1
Recommended Tuition Fee Levels 2014-15*
(Domestic Students)

Undergraduate and Professional Programs	Actual 2013-14	% Change	Proposed 2014-15	% Change
Engineering & Applied Science				
Year 1	\$ 10,861	5.0%	\$ 11,404	5.0%
Year 2	\$ 10,758	4.0%	\$ 11,404	5.0%
Year 3	\$ 10,359	4.0%	\$ 11,188	4.0%
Year 4	\$ 9,977	4.0%	\$ 10,774	4.0%
Arts and Science (including Con-Ed)				
(Arts, Science, Physical and Health Education, Music, Fine Art, Computing)				
Year 1	\$ 5,877	3.0%	\$ 6,054	3.0%
Year 2	\$ 5,877	3.0%	\$ 6,054	3.0%
Year 3	\$ 5,849	3.0%	\$ 6,053	3.0%
Year 4	\$ 5,822	3.0%	\$ 6,024	3.0%
School of Religion				
Master of Divinity (MDIV 2 year program)	\$ 17,470	3.0%	\$ 17,994	3.0%
Year 1	\$ 8,735	3.0%	\$ 8,997	3.0%
Year 2	\$ 8,735	3.0%	\$ 8,997	3.0%
Bachelor of Theology & MDIV (3 year program)				
Year 1	\$ 5,709	3.0%	\$ 5,880	3.0%
Year 2	\$ 5,709	3.0%	\$ 5,880	3.0%
Year 3	\$ 5,682	3.0%	\$ 5,880	3.0%
Master of Theological Studies				
Year 1	\$ 6,513	3.0%	\$ 6,709	3.0%
Year 2	\$ 6,513	3.0%	\$ 6,709	3.0%
Commerce				
Year 1 - 5.5 courses	\$ 14,848	5.0%	\$ 15,590	5.0%
Year 2 - 5.5 courses	\$ 14,706	4.0%	\$ 15,590	5.0%
Year 3 - 5.0 courses	\$ 12,874	4.0%	\$ 13,904	4.0%
Year 4 - 4.5 courses	\$ 11,158	4.0%	\$ 12,050	4.0%
Education				
Consecutive	\$ 5,794	3.0%	\$ 5,968	3.0%
Concurrent (education courses) FINAL YEAR CONCURRENT	\$ 5,794	3.0%	\$ 5,968	3.0%
AQ Courses (per course)	\$ 735	0.0%	\$ 735	0.0%
ABQ Courses (per course)	\$ 665	0.0%	\$ 665	0.0%
Law				
Year 1	\$ 16,125	5.0%	\$ 16,931	5.0%
Year 2	\$ 15,971	4.0%	\$ 16,931	5.0%
Year 3	\$ 15,380	4.0%	\$ 16,610	4.0%
Medicine				
Year 1	\$ 22,324	5.0%	\$ 23,440	5.0%
Year 2	\$ 22,111	4.0%	\$ 23,440	5.0%
Year 3	\$ 21,292	4.0%	\$ 22,996	4.0%
Year 4	\$ 20,504	4.0%	\$ 22,144	4.0%
Nursing				
Year 1	\$ 5,877	3.0%	\$ 6,054	3.0%
Year 2	\$ 5,877	3.0%	\$ 6,054	3.0%
Year 3	\$ 5,849	3.0%	\$ 6,053	3.0%
Year 4 (Includes Advanced Standing Track)	\$ 5,821	3.0%	\$ 6,024	3.0%

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

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

Table 1 - Continued
Recommended Tuition Fee Levels 2014-15*
(Domestic Students)

Graduate Programs, Research-Based and Professional	Actual 2013-14	% Change	Proposed 2014-15	% Change
Master's				
Year 1	\$ 6,258	0.0%	\$ 6,414	2.5%
Year 2	\$ 6,258	0.0%	\$ 6,414	2.5%
Doctoral				
Year 1	\$ 6,258	0.0%	\$ 6,414	2.5%
Year 2	\$ 6,258	0.0%	\$ 6,414	2.5%
Year 3	\$ 6,258	0.0%	\$ 6,414	2.5%
Year 4	\$ 6,258	0.0%	\$ 6,414	2.5%
Diploma in Risk Policy and Regulation	na	na	\$ 9,600	na
Professional Master's of Education**			\$ 1,200	na
Diploma in Professional Inquiry**	na	na	\$ 1,200	na
Master of Engineering (Meng)	\$ 7,378	5.0%	\$ 7,747	5.0%
Master of Engineering in Design and Manufacturing (ADMI & UNENE)**	\$ 2,700	0.0%	\$ 2,700	0.0%
Certificate in Community Relations in the Extractive Industries **	\$ 3,000	0.0%	\$ 3,000	0.0%
Master of Science - Healthcare Quality	\$ 13,325	2.5%	\$ 13,658	2.5%
Nurse Practitioner Diploma	\$ 6,290	0.0%	\$ 6,290	0.0%
Master of Public Health				
Year 1	\$ 9,650	2.5%	\$ 10,133	5.0%
Year 2	\$ 9,650	2.5%	\$ 10,133	5.0%
School of Rehabilitation Therapy				
MSc (OT) and MSc (PT)				
Year 1	\$ 10,266	5.0%	\$ 10,779	5.0%
Year 2	\$ 10,021	4.0%	\$ 10,779	5.0%
Master in Public Administration (MPA)				
Year 1	\$ 9,883	5.0%	\$ 10,377	5.0%
Year 2	\$ 9,789	4.0%	\$ 10,377	5.0%
Part-time MPA (PMPA) per course				
Year 1	\$ 1,538	5.0%	\$ 1,615	5.0%
Year 2	\$ 1,524	4.0%	\$ 1,615	5.0%
Master in Industrial Relations				
Year 1	\$ 9,284	5.0%	\$ 9,748	5.0%
Year 2	\$ 9,195	4.0%	\$ 9,748	5.0%
Professional Master in Industrial Relations (PMIR) per course				
Year 1	\$ 1,898	5.0%	\$ 1,993	5.0%
Year 2	\$ 1,880	4.0%	\$ 1,993	5.0%
Master in Urban and Regional Planning				
Year 1	\$ 9,284	5.0%	\$ 9,748	5.0%
Year 2	\$ 9,195	4.0%	\$ 9,748	5.0%
School of Business				
MBA	\$ 68,618	5.0%	\$ 70,490	2.7%
Accelerated MBA	\$ 61,688	0.0%	\$ 64,772	5.0%
Executive MBA	\$ 74,565	0.0%	\$ 78,293	5.0%
Cornell-Queen's MBA	\$ 82,986	0.0%	\$ 87,135	5.0%
Master of International Business (12 months single)	\$ 27,540	5.0%	\$ 28,915	5.0%
Master of International Business (16 months double)	\$ 36,295	5.0%	\$ 38,105	5.0%
Master of International Business (20 months double)	\$ 42,565	5.0%	\$ 44,690	5.0%
Master of Finance Degree	\$ 31,450	4.9%	\$ 33,022	5.0%
Master of Management Analytics	\$ 31,034	na	\$ 32,585	5.0%
Graduate Diploma in Business Administration	na	na	\$ 26,800	na
Graduate Diploma in Accounting**	\$ 1,425	1.8%	\$ 1,496	5.0%

**per course

Table 2
Recommended Tuition Fee Levels 2014-15*
(International Students)

Undergraduate and Professional Programs	Actual 2013-14	% Change	Proposed 2014-15	% Change
Engineering & Applied Science				
Year 1	\$ 29,657	8.0%	\$ 32,030	8.0%
Year 2	\$ 28,834	5.0%	\$ 31,140	5.0%
Year 3	\$ 27,766	5.0%	\$ 30,275	5.0%
Year 4	\$ 26,504	5.0%	\$ 29,154	5.0%
Arts and Science (including Con-Ed) (Arts, Science, Physical and Health Education, Music, Fine Art, Computing)				
Year 1	\$ 24,696	11.0%	\$ 27,413	11.0%
Year 2	\$ 23,361	5.0%	\$ 25,931	5.0%
Year 3	\$ 22,496	5.0%	\$ 24,529	5.0%
Year 4	\$ 21,474	5.0%	\$ 23,621	5.0%
(School of Religion)	\$ 11,405	11.0%	\$ 12,660	11.0%
Commerce				
Year 1 - 5.5 courses	\$ 32,723	6.9%	\$ 34,981	6.9%
Year 2 - 5.5 courses	\$ 32,141	5.0%	\$ 34,359	5.0%
Year 3 - 5.0 courses	\$ 29,219	5.0%	\$ 30,680	5.0%
Year 4 - 4.5 courses	\$ 25,102	5.0%	\$ 27,612	5.0%
Education				
Consecutive	\$ 21,373	5.0%	\$ 22,441	5.0%
Concurrent (education courses)	\$ 21,373	5.0%	\$ 22,441	5.0%
Law				
Year 1	\$ 32,829	11.0%	\$ 36,440	11.0%
Year 2	\$ 31,054	5.0%	\$ 34,470	5.0%
Year 3	\$ 29,904	5.0%	\$ 32,607	5.0%
Medicine				
Year 1	\$ 75,962	6.0%	\$ 80,520	6.0%
Year 2	\$ 75,246	5.0%	\$ 79,760	5.0%
Year 3	\$ 75,246	5.0%	\$ 79,008	5.0%
Year 4	\$ 75,246	5.0%	\$ 79,008	5.0%
Nursing				
Year 1	\$ 24,696	11.0%	\$ 27,413	11.0%
Year 2	\$ 23,361	5.0%	\$ 25,931	5.0%
Year 3	\$ 22,496	5.0%	\$ 24,529	5.0%
Year 4 (Includes Advanced Standing Track)	\$ 21,474	5.0%	\$ 23,621	5.0%

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

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

Table 2 - Continued
Recommended Tuition Fee Levels 2014-15*
(International Students)

	Actual 2013-14	% Change	Proposed 2014-15	% Change
Graduate and Professional Graduate Programs				
Master's				
Year 1	\$ 12,366	0.0%	\$ 12,674	2.5%
Year 2	\$ 12,366	0.0%	\$ 12,674	2.5%
Doctoral				
Year 1	\$ 12,366	0.0%	\$ 12,674	2.5%
Year 2	\$ 12,366	0.0%	\$ 12,674	2.5%
Year 3	\$ 12,366	0.0%	\$ 12,674	2.5%
Year 4	\$ 11,906	0.0%	\$ 12,674	2.5%
Diploma in Risk Policy & Regulation	na	na	\$ 19,200	na
Professional Master's of Education**	na	na	\$ 2,178	na
Diploma in Professional Inquiry**	na	na	\$ 2,178	na
Master of Science - Healthcare Quality	\$ 13,325	2.5%	\$ 13,991	5.0%
Master of Engineering (Meng) - year of entry 2014	\$ 14,424	8.0%	\$ 17,000	17.9%
Master of Engineering (Meng) - year of entry < 2014			\$ 15,145	5.0%
Certificate in Community Relations in the Extractive Industries **	\$ 3,000	0.0%	\$ 3,000	0.0%
Master of Public Health				
Year 1	\$ 17,971	0.0%	\$ 18,870	5.0%
Year 2	\$ 17,971	0.0%	\$ 18,870	5.0%
Master in Public Administration (MPA)	\$ 20,185	8.0%	\$ 21,800	8.0%
Professional MPA (PMPA) per course	\$ 2,839	8.0%	\$ 3,066	8.0%
Master in Industrial Relations	\$ 20,185	8.0%	\$ 21,800	8.0%
Professional PMIR per course	\$ 3,504	8.0%	\$ 3,785	8.0%
School of Rehabilitation Therapy				
MSc (OT) and MSc (PT)				
Year 1	\$ 19,764	0.0%	\$ 20,752	5.0%
Year 2	\$ 19,764	0.0%	\$ 20,752	5.0%
Master in Urban and Regional Planning				
Year 1	\$ 16,821	8.0%	\$ 18,167	8.0%
Year 2	\$ 16,198	4.0%	\$ 17,494	4.0%
School of Business				
MBA	\$ 78,618	10.2%	\$ 80,490	2.4%
Accelerated MBA	\$ 61,688	0.0%	\$ 64,772	5.0%
Executive MBA	\$ 74,565	0.0%	\$ 78,293	5.0%
Cornell-Queen's MBA	\$ 82,986	0.0%	\$ 87,135	5.0%
Master of International Business (12 months single)	\$ 41,310	5.0%	\$ 43,375	5.0%
Master of International Business (16 months double)	\$ 54,460	5.0%	\$ 57,180	5.0%
Master of International Business (20 months double)	\$ 63,850	5.0%	\$ 67,040	5.0%
Master of Finance	\$ 50,100	-1.7%	\$ 53,022	5.8%
Master of Management Analytics	\$ 49,034	na	\$ 52,585	7.2%
Graduate Diploma in Business Administration	na	na	\$ 40,800	na
Graduate Diploma in Accounting**	\$ 2,225	1.8%	\$ 2,243	0.8%

**per course

Table 3
Recommended Tuition Fees 2014-15
Bader International Study Centre
(fees include tuition, residence with full meals, local transportation and field studies)

BISC Programs	Actual 2013-14	% Change	Proposed 2014-15	% Change
Summer	\$ 8,763	5.0%	\$ 8,763	0.0%
Fall	\$ 17,750	5.0%	\$ 17,750	0.0%
Winter	\$ 17,750	5.0%	\$ 17,750	0.0%
Summer Field Schools				
Introduction to British Archaeology ***	\$ 6,600	5%	\$ 7,300	11.0%
Global Project Management			\$ 9,850	NEW
Mediaeval Mediterranean			\$ 9,900	NEW
Art of Travel Writing	\$ 5,120	NEW	N/A	
Deaf Geographies	\$ 6,600	NEW	\$ 6,600	0.0%
Conflict Resolution	\$ 6,400	NEW	\$ 6,400	0.0%
Digital Humanities			\$ 6,930	NEW
Gender Dialogues			\$ 9,900	NEW
Global Health and Disability	\$ 9,900	NEW	\$ 9,900	0.0%
Mediaeval Performance			\$ 2,950	NEW
Global Law Program	\$ 13,721	0.0%	\$ 13,721	0.0%

*** 1 week additional in 2014/15 and succeeding years

Program	Program Start Date	Program Length	Domestic or International	Program Fee Component	Actual 2013-14	% Inc	B&S 2014-15	% Inc
Queen's Full-Time MBA	May-13	12 months	Domestic	Tuition	\$ 68,617.50	5.0%		
			Domestic	Non-tuition	\$ 4,382.50	20.1%		
			Domestic	Total program fee	\$ 73,000.00	5.8%		
		12 months	International	Tuition	\$ 78,617.50	10.2%		
			International	Non-tuition	\$ 4,382.50	20.1%		
			International	Total program fee	\$ 83,000.00	10.7%		
	Jan-14	12 months	Domestic	Tuition	\$ 68,617.50	5.0%	\$ 70,489.85	2.7%
			Domestic	Non-tuition	\$ 6,382.50	74.9%	\$ 6,510.15	2.0%
			Domestic	Total program fee	\$ 75,000.00	8.7%	\$ 77,000.00	2.7%
		12 months	International	Tuition	\$ 78,617.50	10.2%	\$ 80,489.85	2.4%
			International	Non-tuition	\$ 6,382.50	74.9%	\$ 6,510.15	2.0%
			International	Total program fee	\$ 85,000.00	13.3%	\$ 87,000.00	2.4%
Cornell-Queen's EMBA	Jun-13	17 months	Domestic & International	Tuition	\$ 82,985.50	0.0%	\$ 87,134.78	5.0%
				Non-tuition	\$ 19,014.50	0.0%	\$ 21,365.23	12.4%
				Total program fee	\$ 102,000.00	0.0%	\$ 108,500.00	6.4%
Executive MBA	Aug-13	16 months	Domestic & International	Tuition	\$ 74,565.00	0.0%	\$ 78,293.25	5.0%
				Non-tuition	\$ 15,435.00	0.0%	\$ 16,706.75	8.2%
				Total program fee	\$ 90,000.00	0.0%	\$ 95,000.00	5.6%
Accelerated MBA	Jan-14	12 months	Domestic & International	Tuition	\$ 61,688.00	0.0%	\$ 64,772.40	5.0%
				Non-tuition	\$ 9,312.00	0.0%	\$ 10,227.60	9.8%
				Total program fee	\$ 71,000.00	0.0%	\$ 75,000.00	5.6%
Master of International Business	Sep-13	12 months	Domestic	Tuition	\$ 27,540.00	5.0%	\$ 28,915.00	5.0%
			Domestic	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			Domestic	Total program fee	\$ 28,000.00	4.9%	\$ 29,390.00	5.0%
		16 months	Domestic	Tuition	\$ 36,295.00	5.0%	\$ 38,105.00	5.0%
			Domestic	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			Domestic	Total program fee	\$ 36,755.00	5.0%	\$ 38,580.00	5.0%
		20 months	Domestic	Tuition	\$ 42,565.00	5.0%	\$ 44,690.00	5.0%
			Domestic	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			Domestic	Total program fee	\$ 43,025.00	5.0%	\$ 45,165.00	5.0%
		12 months	International	Tuition	\$ 41,310.00	5.0%	\$ 43,375.00	5.0%
			International	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			International	Total program fee	\$ 41,770.00	5.0%	\$ 43,850.00	5.0%
		16 months	International	Tuition	\$ 54,460.00	5.0%	\$ 57,180.00	5.0%
			International	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			International	Total program fee	\$ 54,920.00	5.0%	\$ 57,655.00	5.0%
		20 months	International	Tuition	\$ 63,850.00	5.0%	\$ 67,040.00	5.0%
			International	Non-tuition	\$ 460.00	2.2%	\$ 475.00	3.3%
			International	Total program fee	\$ 64,310.00	5.0%	\$ 67,515.00	5.0%
Master of Finance	Jun-13	11 months	Domestic	Tuition	\$ 31,450.00	4.9%	\$ 33,022.00	5.0%
			Domestic	Non-tuition	\$ 4,900.00	21.7%	\$ 4,978.00	1.6%
			Domestic	Total program fee	\$ 36,350.00	6.9%	\$ 38,000.00	4.5%
		11 months	International	Tuition	\$ 50,100.00	-1.7%	\$ 53,022.00	5.8%
			International	Non-tuition	\$ 4,900.00	21.7%	\$ 4,978.00	1.6%
			International	Total program fee	\$ 55,000.00	0.0%	\$ 58,000.00	5.5%
Master of Management Analytics	Jun-13	10 months	Domestic	Tuition	\$ 31,033.75		\$ 32,585.00	5.0%
			Domestic	Non-tuition	\$ 5,966.25		\$ 5,415.00	-9.2%
			Domestic	Total program fee	\$ 37,000.00		\$ 38,000.00	2.7%
		10 months	International	Tuition	\$ 49,033.75		\$ 52,585.00	7.2%
			International	Non-tuition	\$ 5,966.25		\$ 5,415.00	-9.2%
			International	Total program fee	\$ 55,000.00		\$ 58,000.00	5.5%
Graduate Diploma in Business	May-14	4 months	Domestic	Tuition			\$ 26,800.00	
			Domestic	Non-tuition			\$ 1,200.00	
			Domestic	Total program fee			\$ 28,000.00	
		4 months	International	Tuition			\$ 40,800.00	
			International	Non-tuition			\$ 1,200.00	
			International	Total program fee			\$ 42,000.00	
Graduate Diploma in Accounting	May-13	3 months	Domestic	Tuition	\$ 1,425.00	1.8%	\$ 1,495.00	4.9%
			Domestic	Non-tuition	\$ -		\$ -	
			Domestic	Total program fee	\$ 1,425.00	1.8%	\$ 1,495.00	4.9%
		3 weeks	Domestic	per course fee	\$ 1,650.00	1.9%		
		3 months	International	Tuition	\$ 2,225.00	2.3%	\$ 2,242.60	0.8%
			International	Non-tuition				
			International	Total program fee	\$ 2,225.00	2.3%	\$ 2,242.60	0.8%
		3 weeks	International	per course fee	\$ 2,650.00	1.1%		