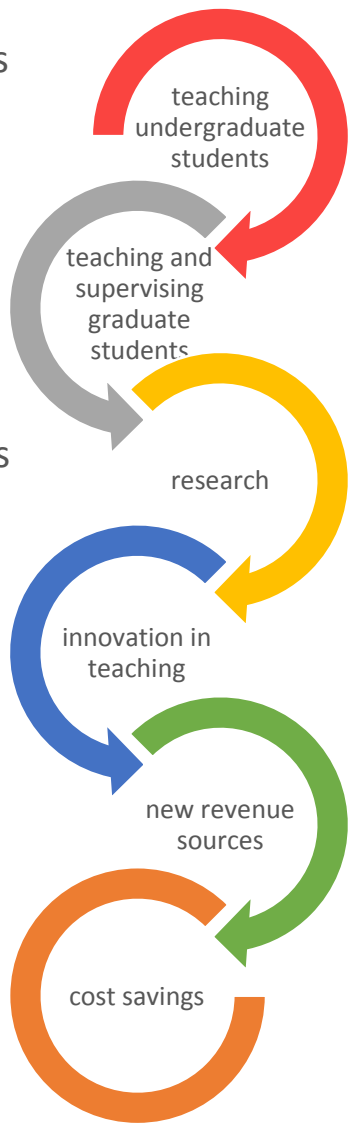


# New Budget Model OVERVIEW



# Objectives

The Faculty's budget model should provide incentive and credit academic departments for six activities:



**Department Focused**

- Minimize impact during transition. Revenues and costs are clearly identified and allocation processes are transparent.
- Administration of the model should not exceed the current effort.
- Some programs will require financial support above the amount determined by the model.

# Guiding Principles

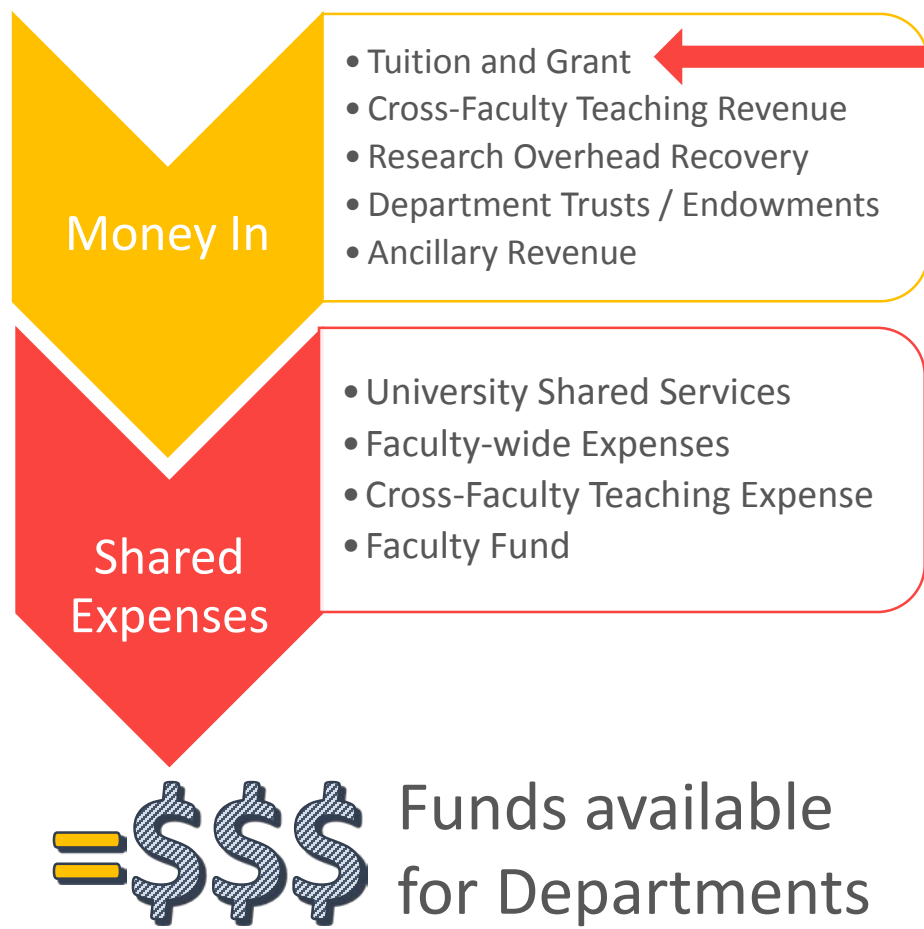
**Faculty Focused**

- Support our academic vision and mission.
- Shared responsibility for success of all units and Faculty at large.
- Provide flexibility to respond to academic priorities.

**Institution Focused**

- Encourage and reward inter-departmental and inter-Faculty activities.

# New Model Mechanics



# Tuition and Grant Allocation Drivers

(Shared expenses charged against tuition and grant revenue)

- Faculty & Staff Salaries (25%)**  
Based on faculty, continuing adjuncts, and staff positions. Helps to provide stability to the model from year to year.
- Graduate Enrolment**  
Based on the share of tuition and grant revenue attributable to graduate enrolment. Allocated to each department based on its proportionate share of the total graduate students taking into account the revenue differences between Masters' and PhD's, domestic and international, and funding-eligible / ineligible students.
- Undergraduate Pool**  
Continuing and Distance Studies (CDS) covers course costs and CDS admin costs; the remaining net revenue goes to the department that owns the course.
  - Teaching FTE (60%)**  
60% of the Undergraduate Pool (after CDS) will be allocated to the department based on its % share of teaching to FAS students at the undergrad level. This factors in various government grants (1<sup>st</sup> year, Arts and Humanities, Sciences).
  - Plan Counts (40%)**  
The balance of the Undergraduate Pool is allocated based on each departments' share of the plan counts (Major, Specializations, Medials and Minors).  
Medials = 0.5 weight, Minors = 0.3 weight

Flow directly to Departments

## Cross-Teaching

60% tuition and grant to teaching faculty – 5% for FAS administration = department revenue for cross teaching.

## Research Overhead Recovery

Majority of research overhead recovery revenue will flow directly to departments; therefore departments will be responsible for research stipends, Research Initiation Grants and teaching relief when applicable.

## Department Trusts & Endowments

Departments will continue to have discretionary department-level trust and endowment funds available to support their operations.

## Ancillary Revenue

Departments have the ability to supplement operations through revenue sources such as non-credit courses and services to external parties.

# Space Costs

Assigned space, other than teaching space, will be charged to departments. Research space will be charged 50% to the department, the other 50% will be covered as a Faculty-wide expense.

# Faculty Fund Objectives

1. Provide smooth transition to the new budget model.
2. Long-term financial support for strategically important programs that have low enrolment and / or relatively high costs.
3. Funding for start-up of new programs and initiatives.
4. Shield departments from certain risks.