

Planning & Budgeting at Western

University-wide Town Halls

November 25/26, 2024

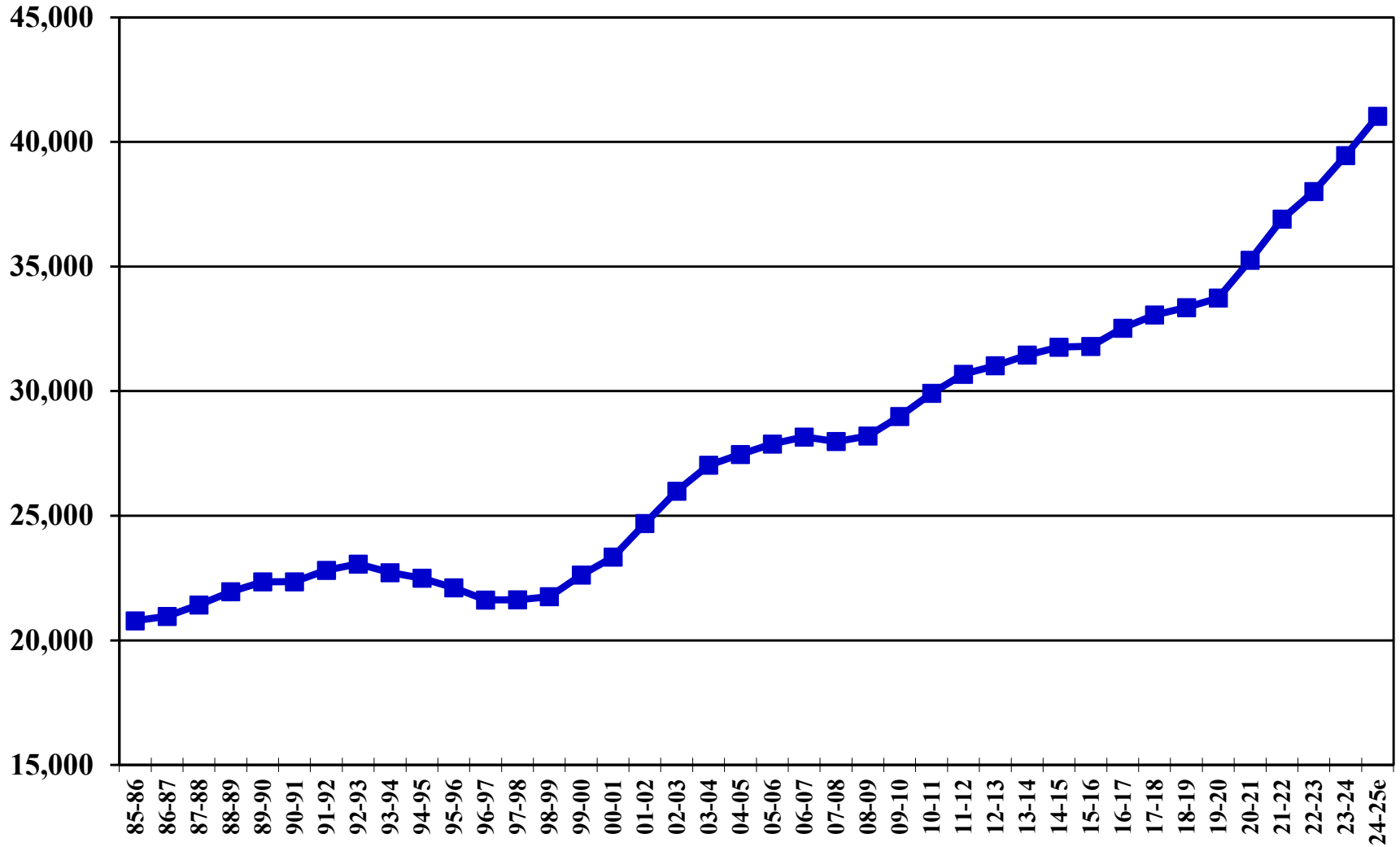
Overview of Presentation

- Western Today
- Looking Forward
 - External Context
 - Internal Context and Considerations
- Planning and Budgeting Priorities

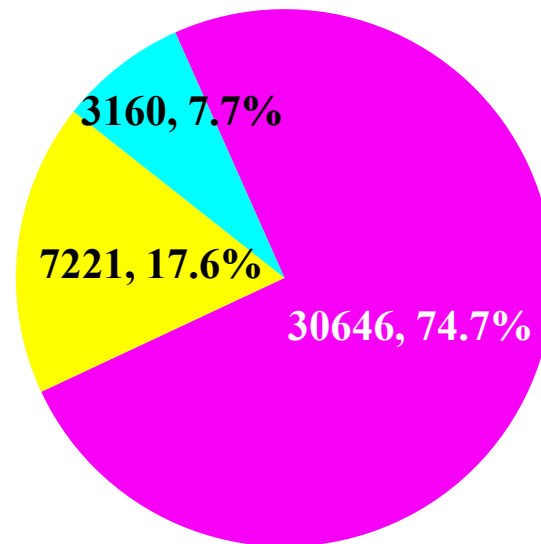
Western Today

Total FTE Enrolment at Western

(Excludes Affiliated University Colleges)

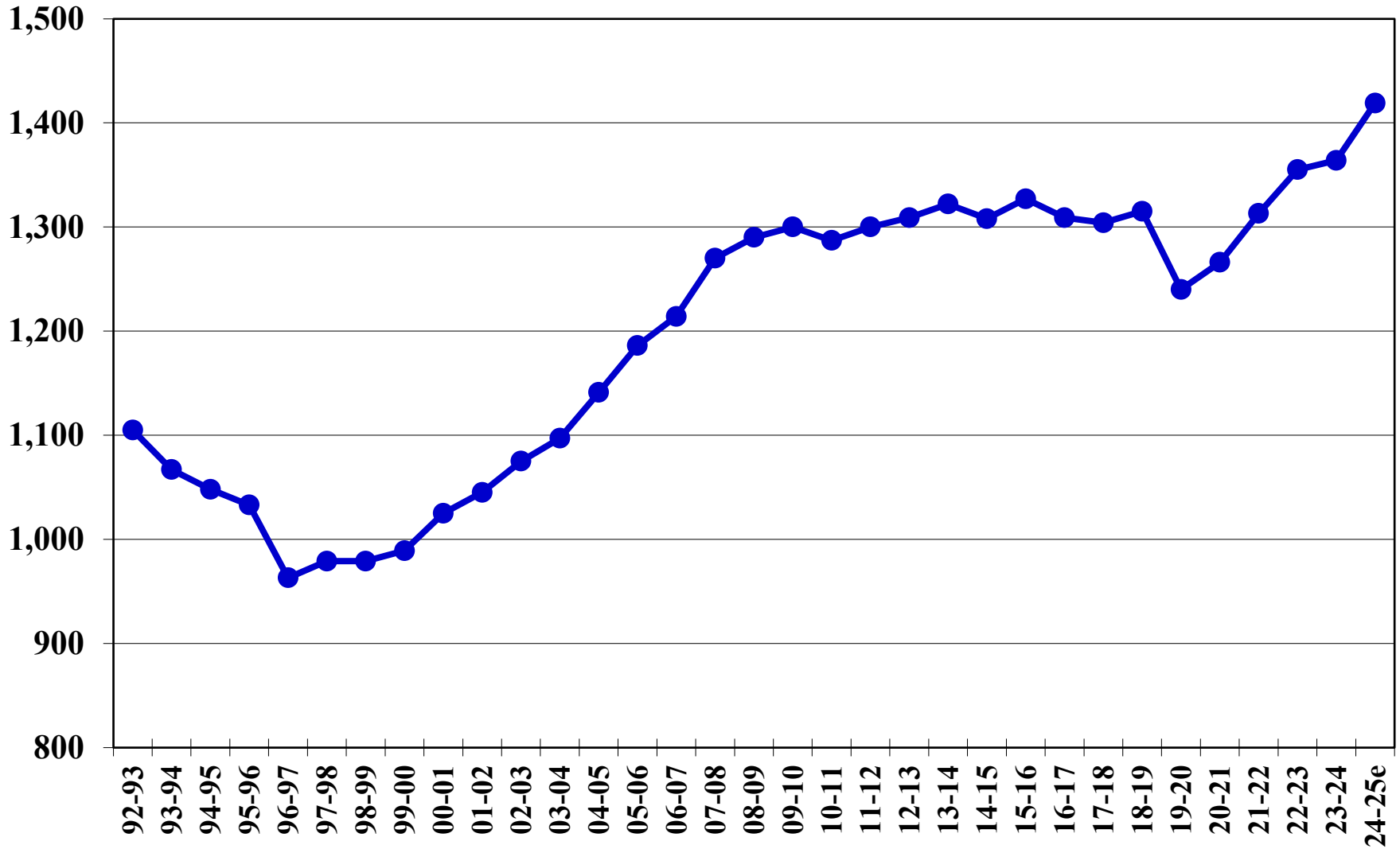


Distribution of 2024-25 Enrolment Estimate (41,027 FTEs)

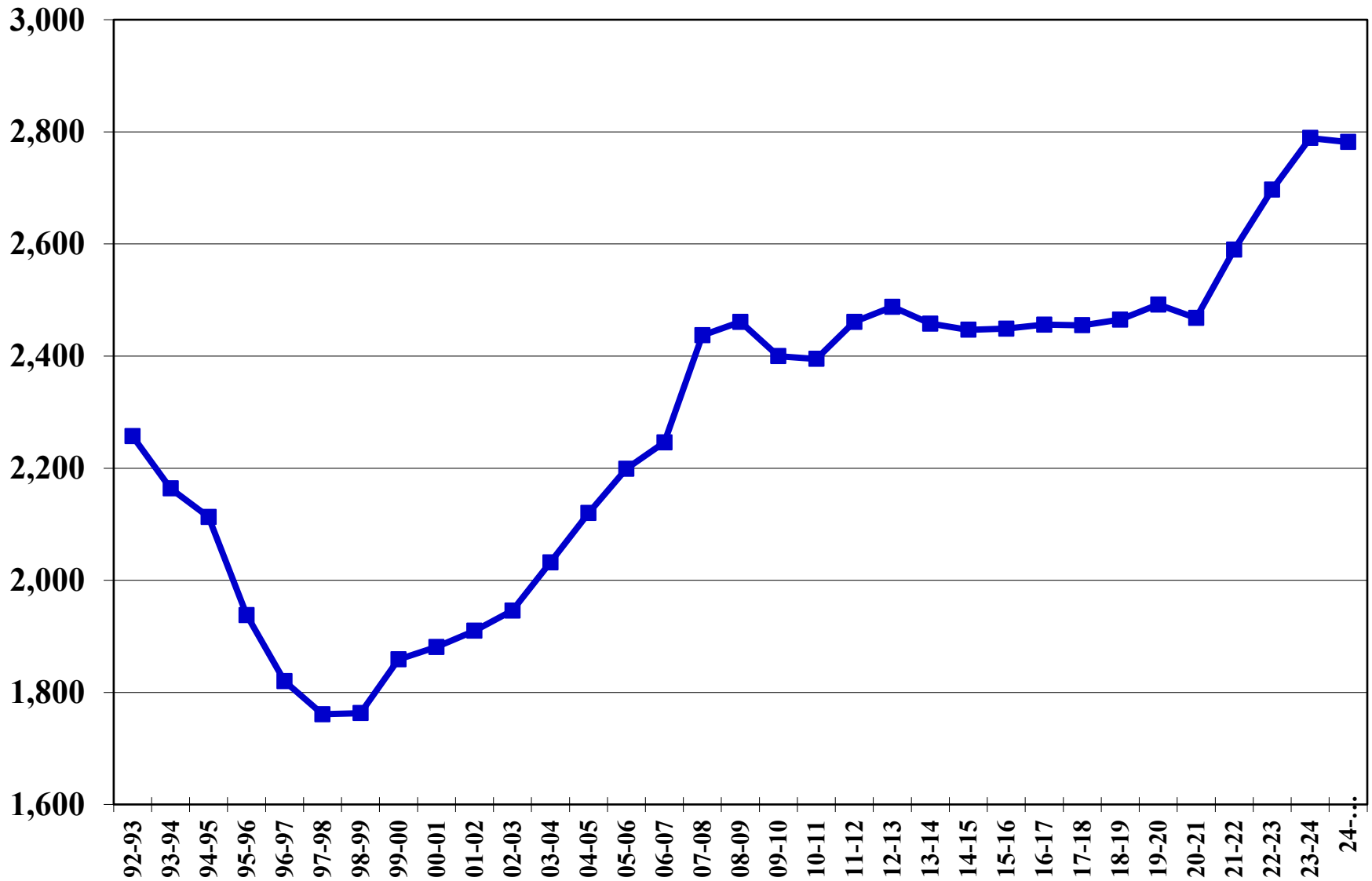


■ Full-Time Undergrad ■ Full-Time Grad ■ Part-Time FTEs

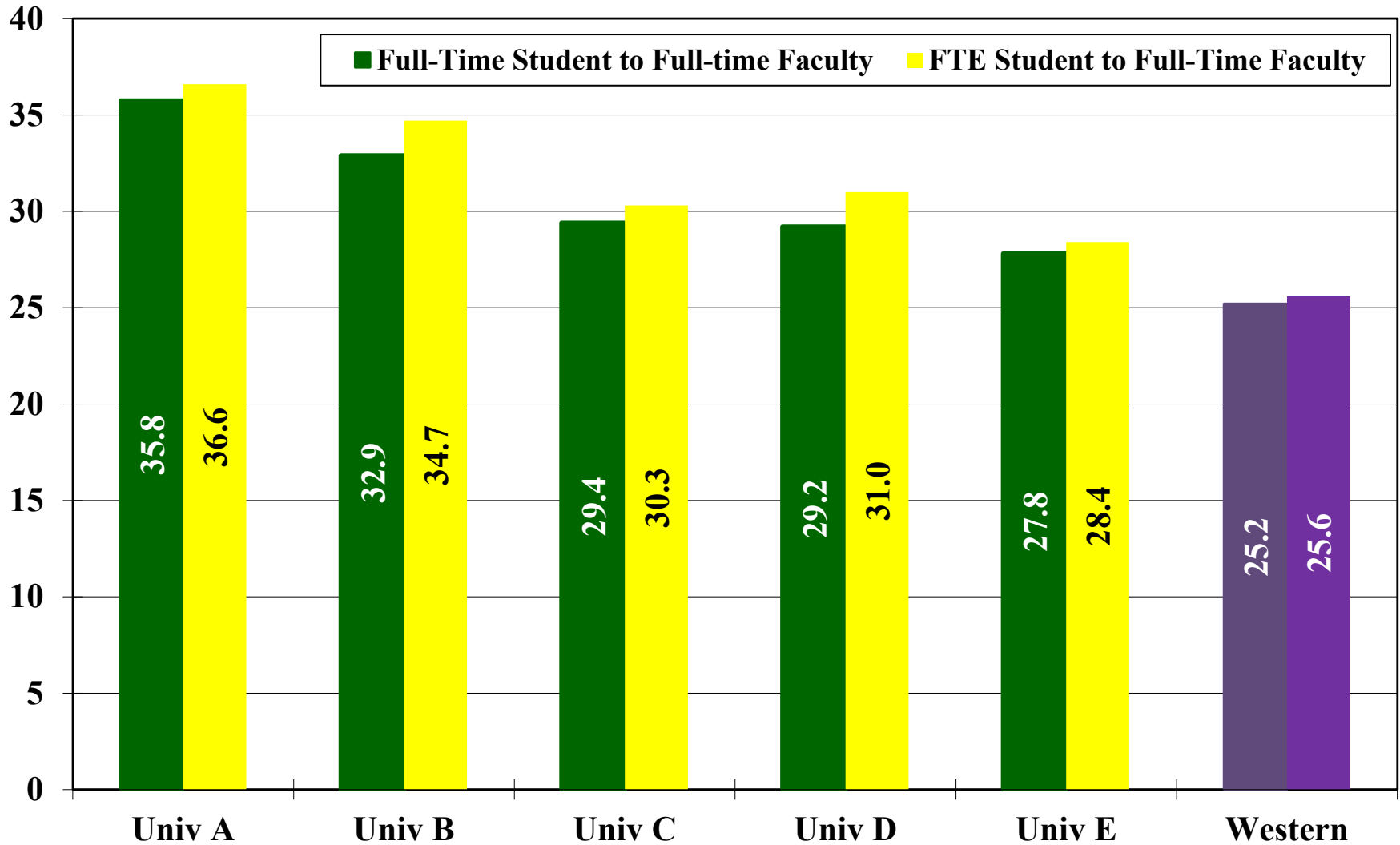
Full-Time Faculty at Western (excludes Clinicians)



Full-Time Non-Academic Staff at Western

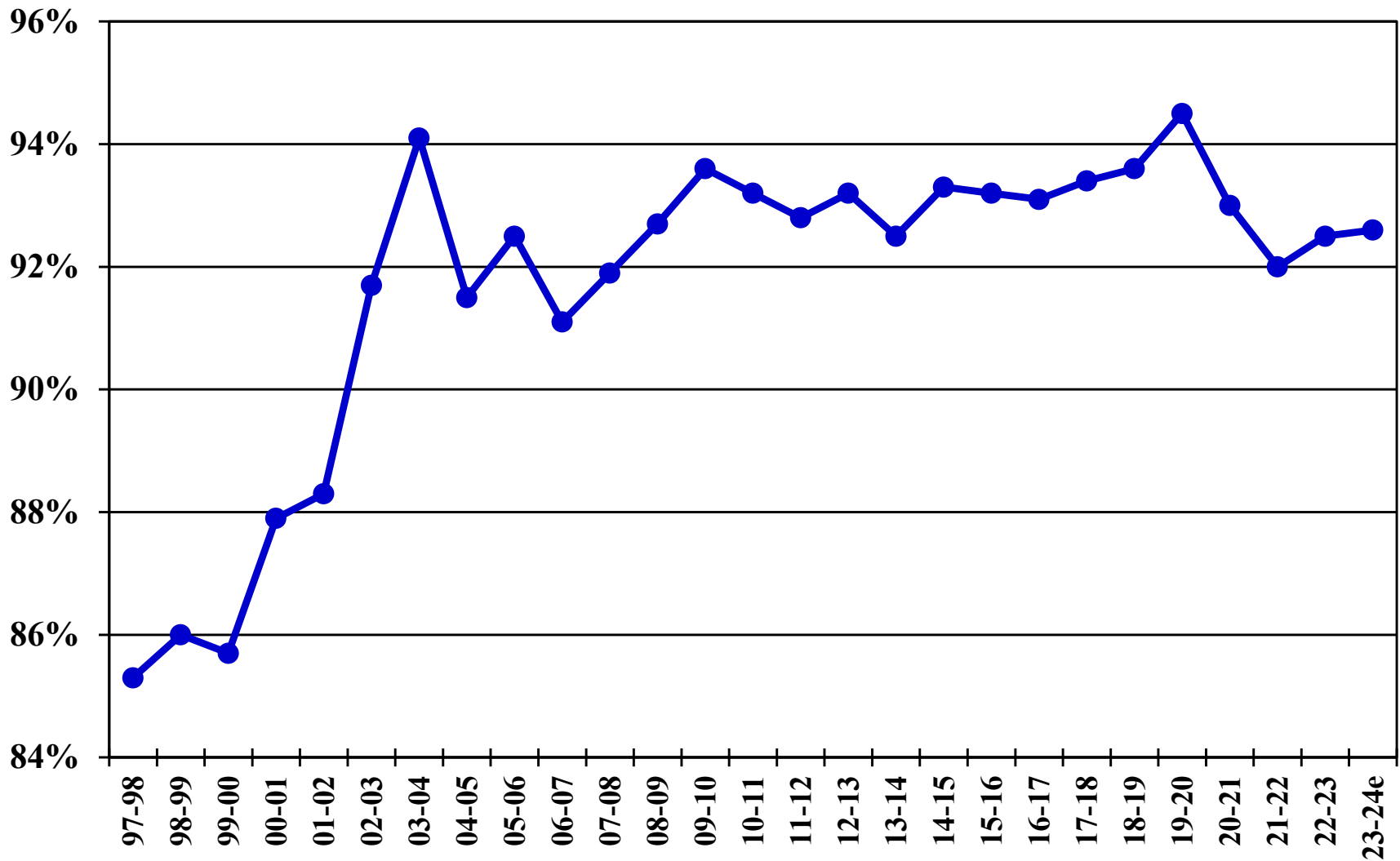


2022-23: Student to Faculty Ratios, U6

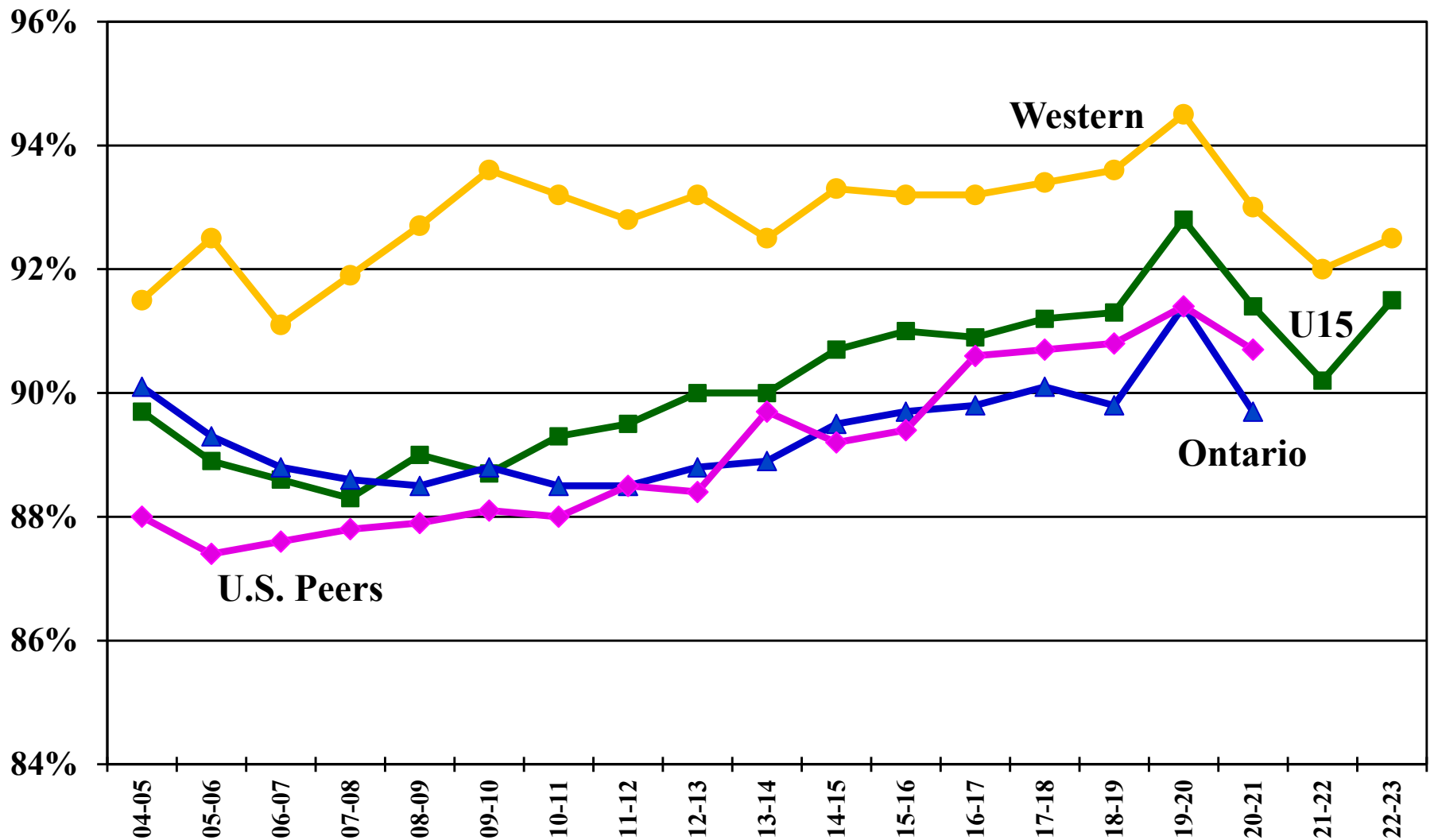


Source: U15 Data Exchange

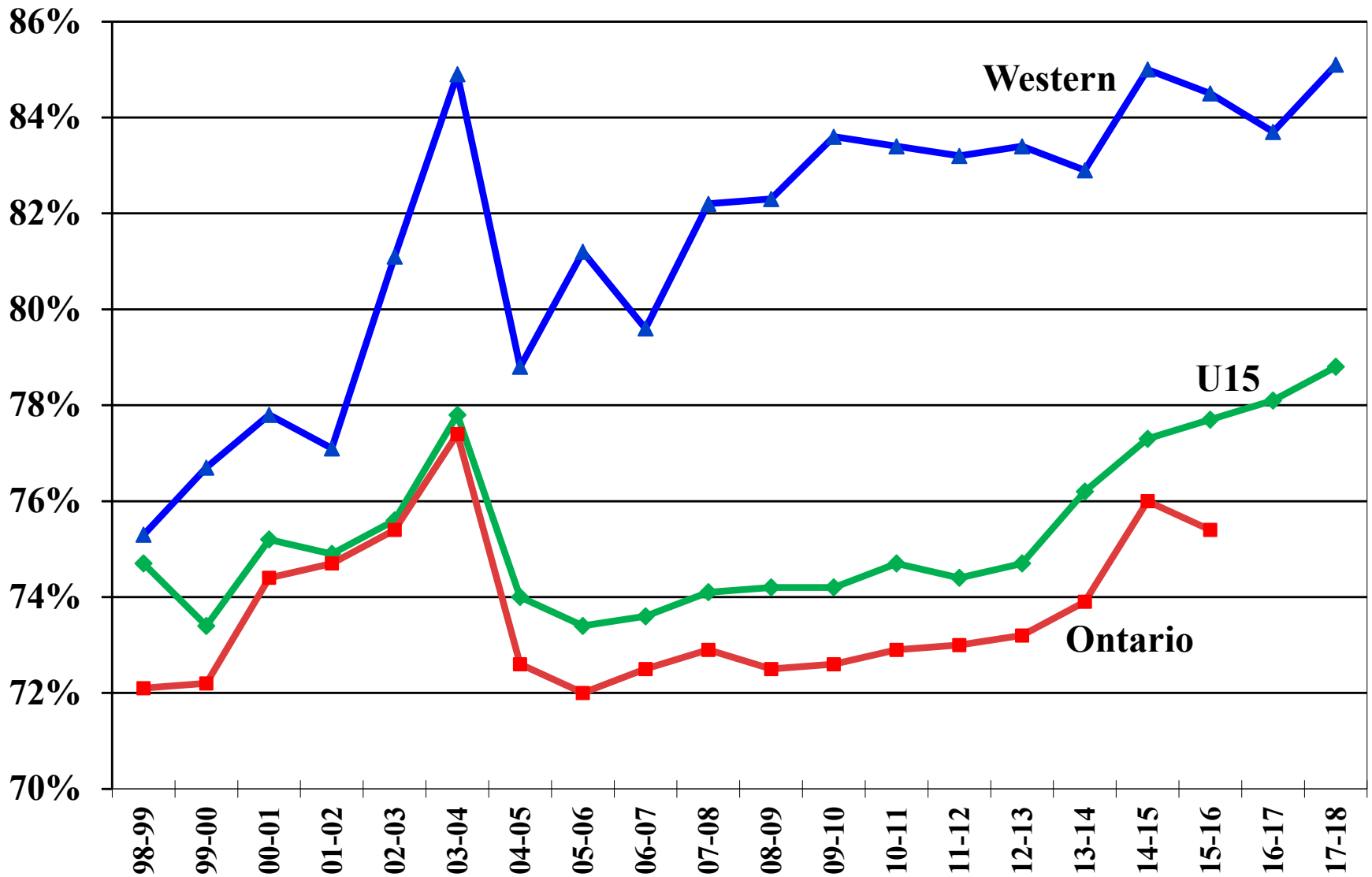
Western: Year 1 to Year 2 Retention Rates 1997-98 to 2023-24 Entering Cohorts



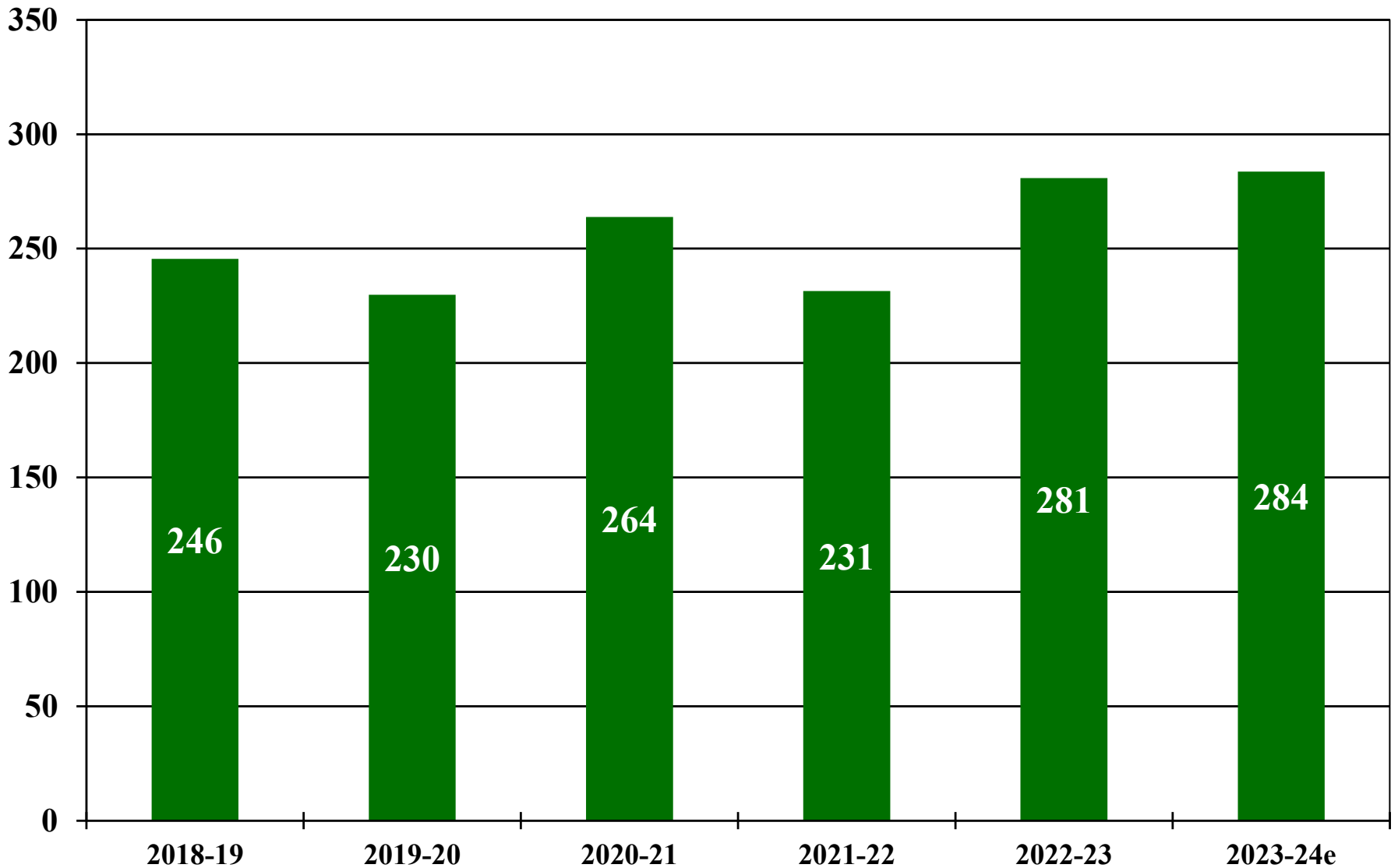
Year 1 to Year 2 Retention Rates 2004-05 to 2022-23 Entering Cohorts



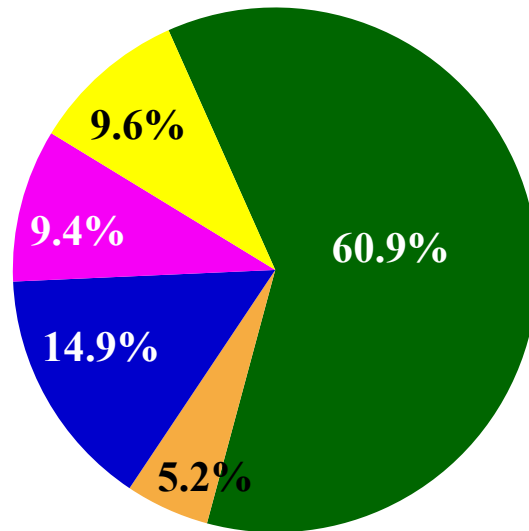
6-Year Graduation Rates



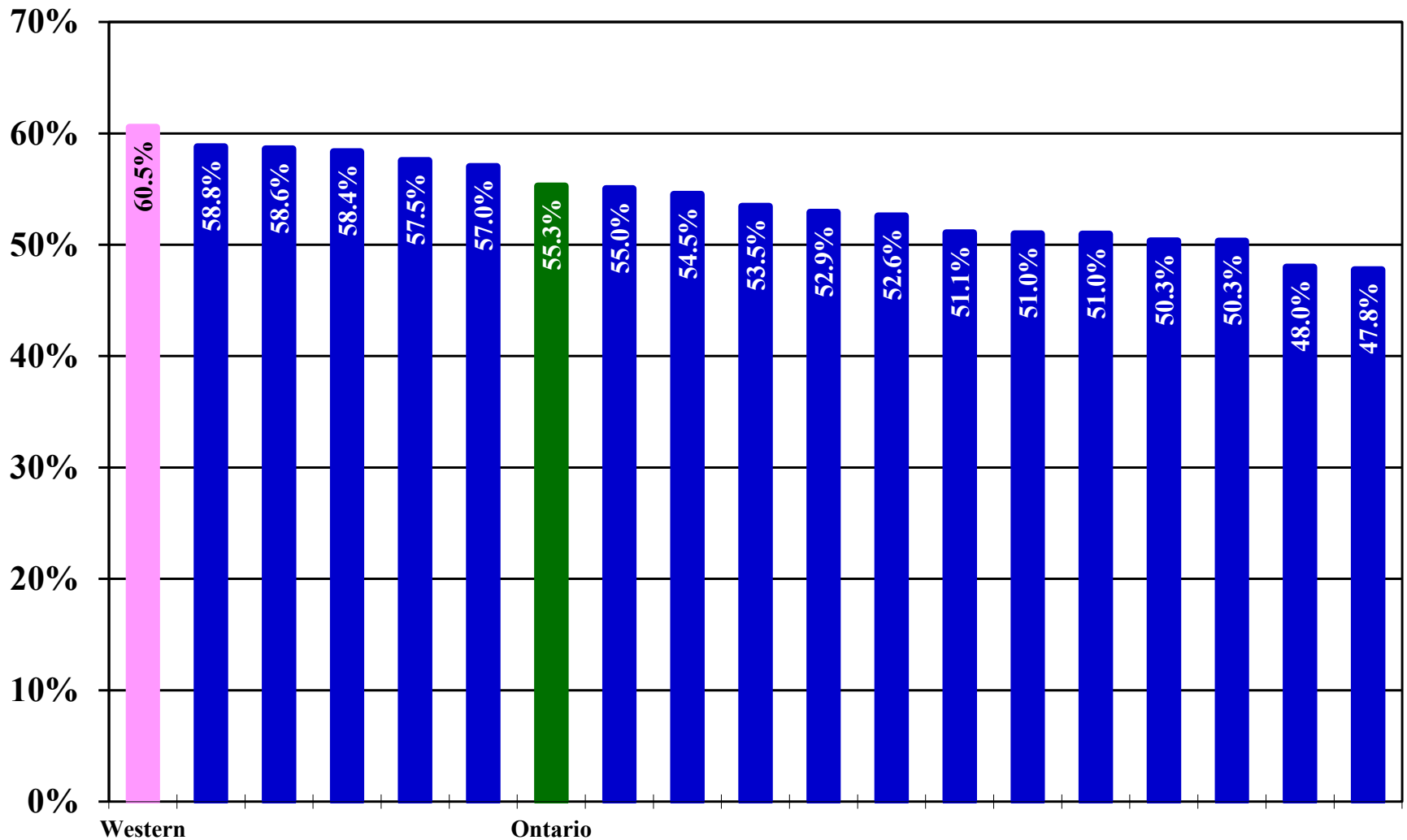
Western: Total Research Revenue (\$M)



Budgeted 2024-25 Operating Expenditures (Total = \$930.2M)



Instructional & Research Expenditures as a % of Total Operating Expenditures: Ontario Universities, 2022-23

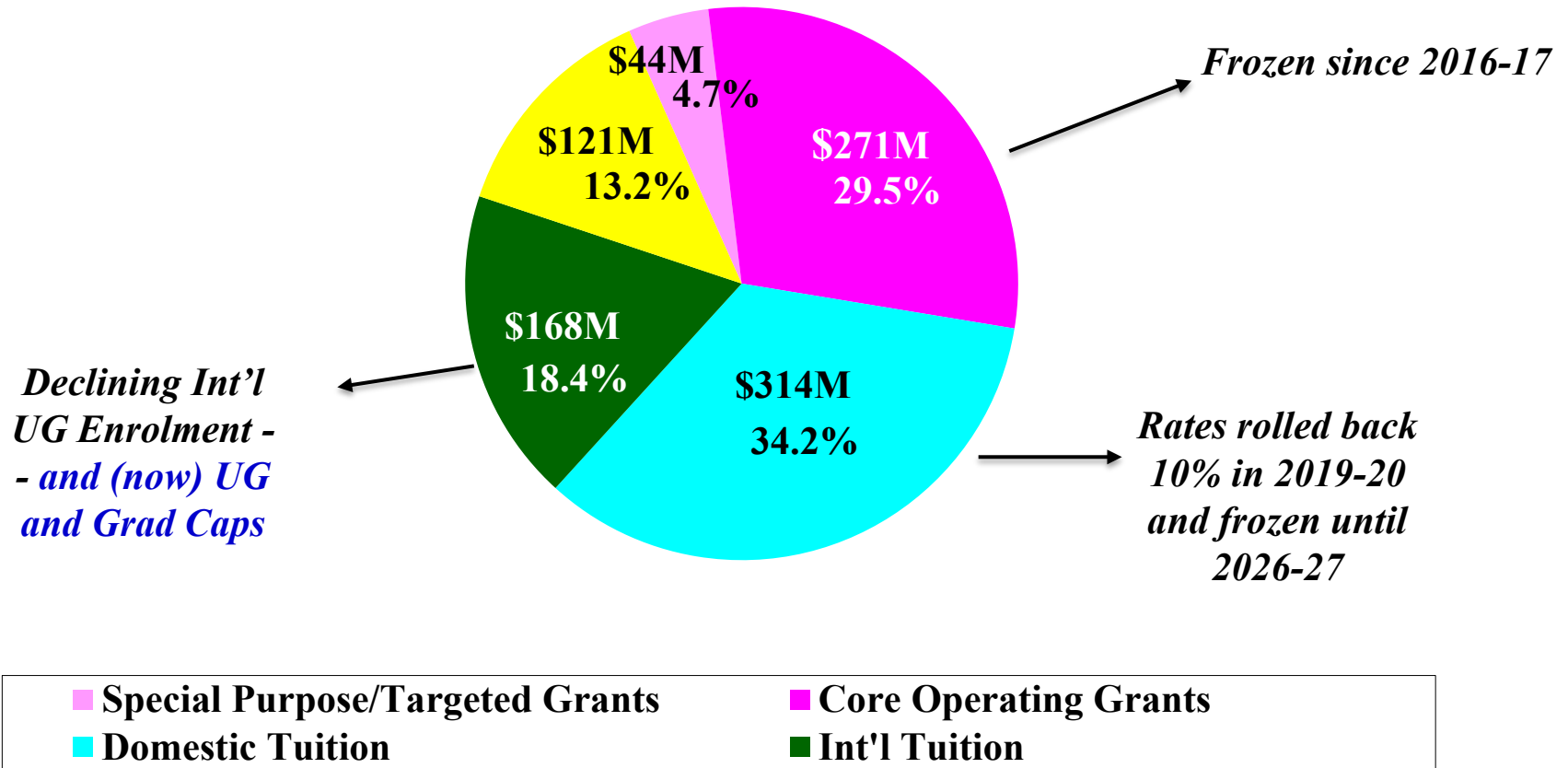


Looking Forward

Context: External

- Provincial Core Operating Grant frozen at 2016-17 level
- Domestic Tuition Rates
 - Rolled back 10% in 2019-20 and **frozen through 2026-27**
 - Some flexibility with Out-of-Province Tuition and Undergraduate Computer Science / MOS
- Cap on International Student Study Permits
- Modest One-Time Government Funding recently announced
- Fall 2024 → Strategic Mandate Agreement Renewal (SMA 4)
 - Greater portion of (frozen !) Base Grant to be linked to Performance

Distribution of 2023-24 Operating Revenues (\$918M)



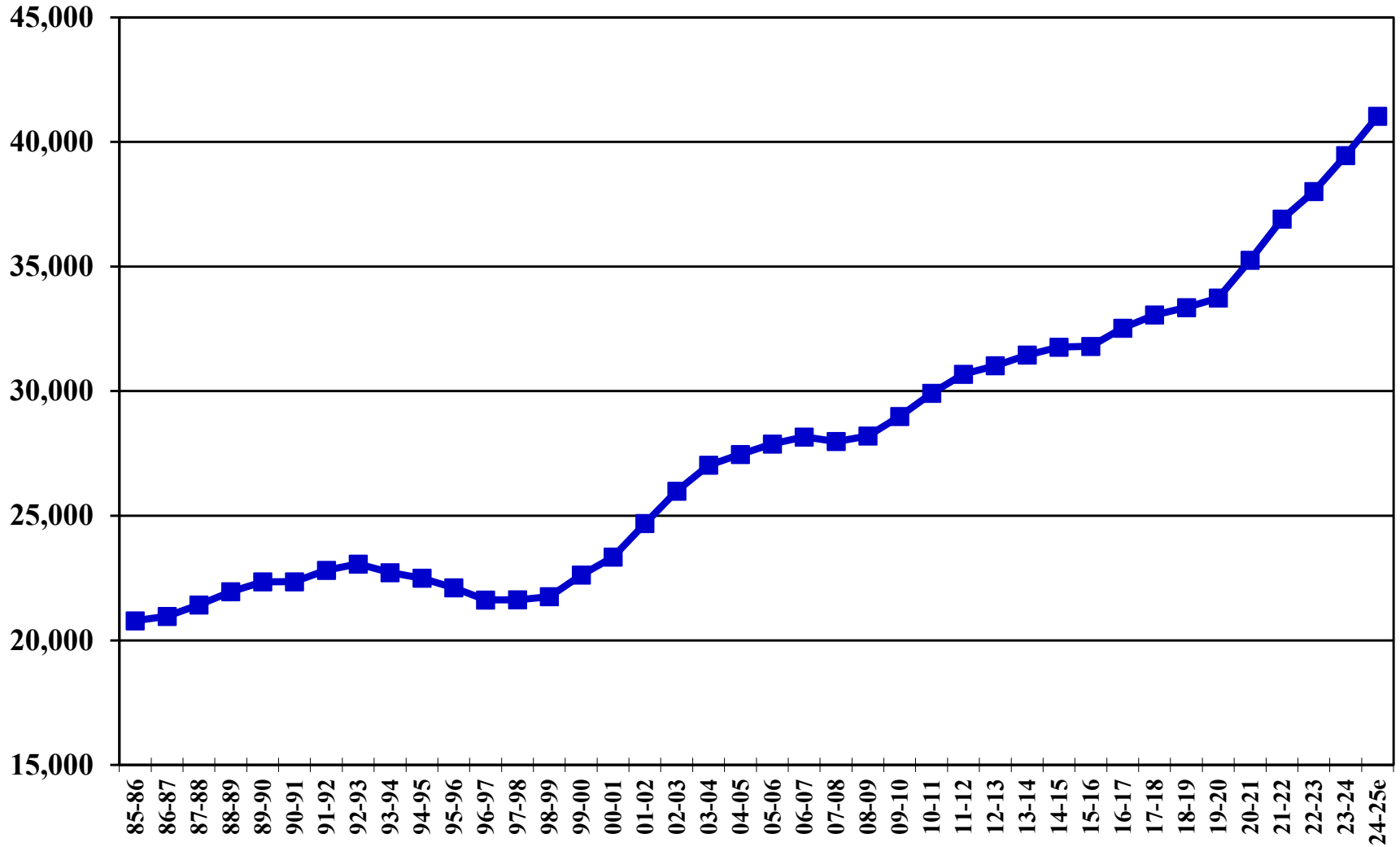
Context: Internal

- Moving to the Final Year of our 3-Year Plan
- Budget Approach/Structure remains unchanged
- Enrolment-related Revenue Sharing remains in place (but such revenues are declining)
- Fiscal Situation will make it difficult to increase Base Expenditures
- Focus on Strategic Priorities and Core Activities

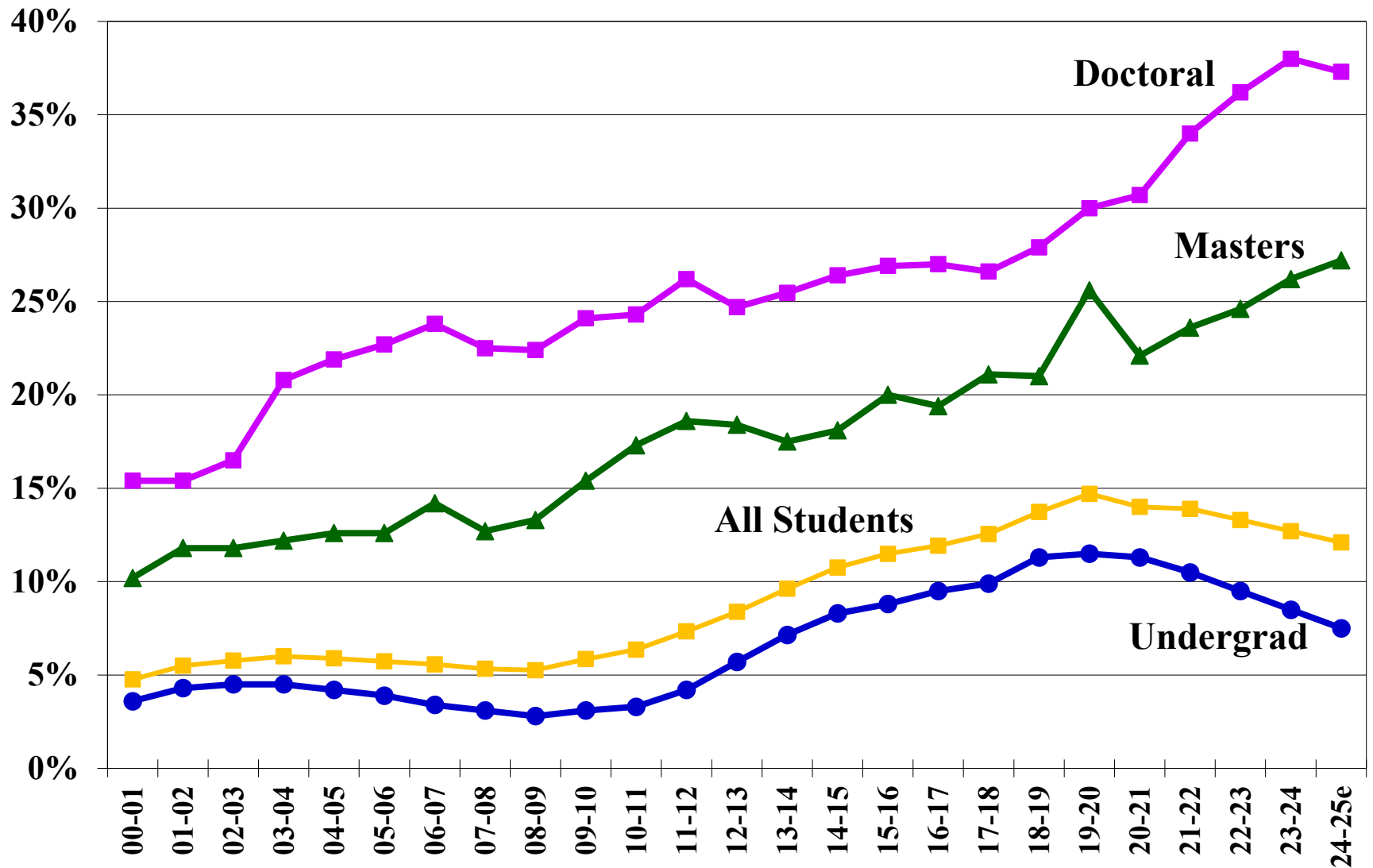
Enrolments: The Main Driver of Operating Revenues

Total FTE Enrolment at Western

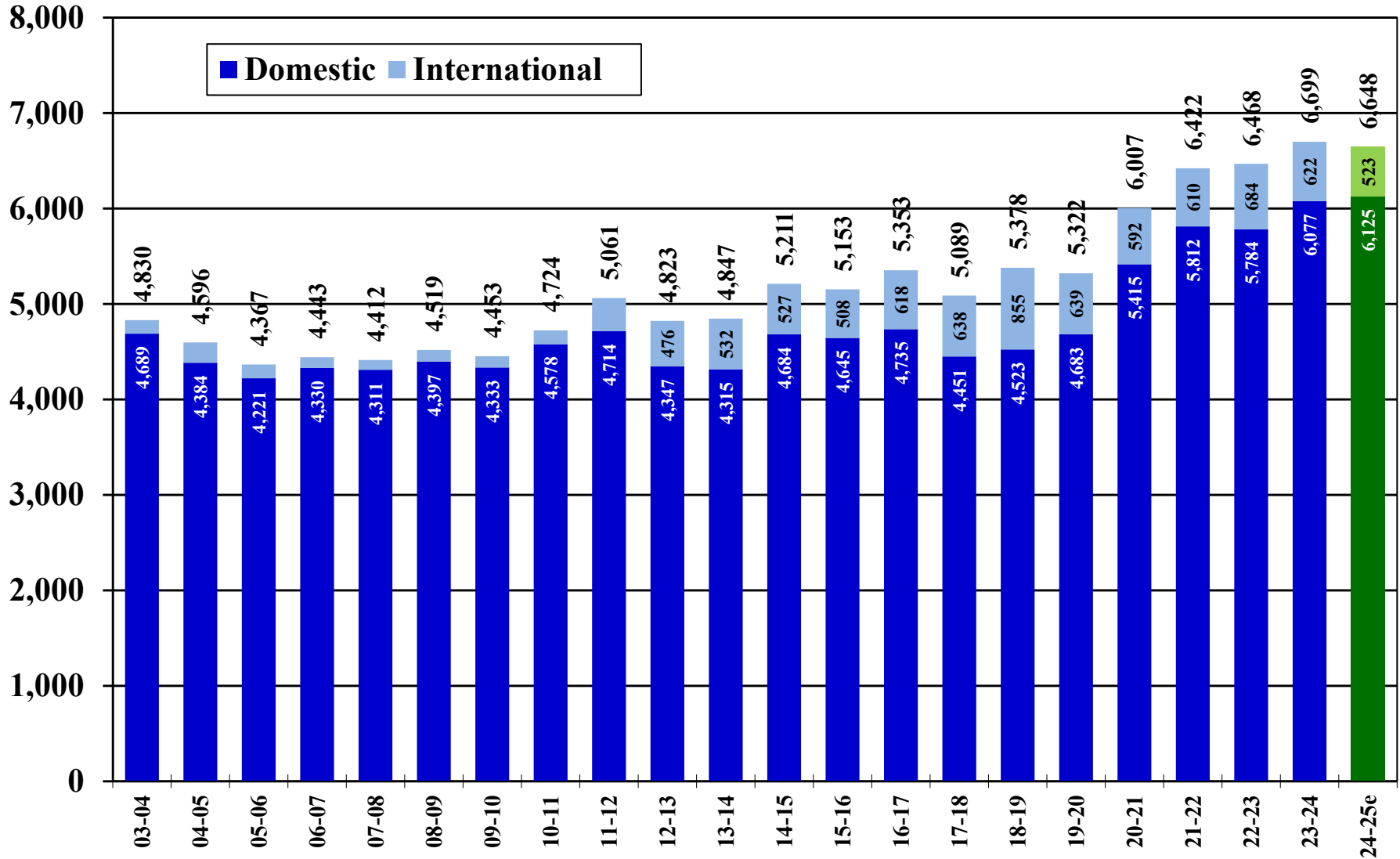
(Excludes Affiliated University Colleges)



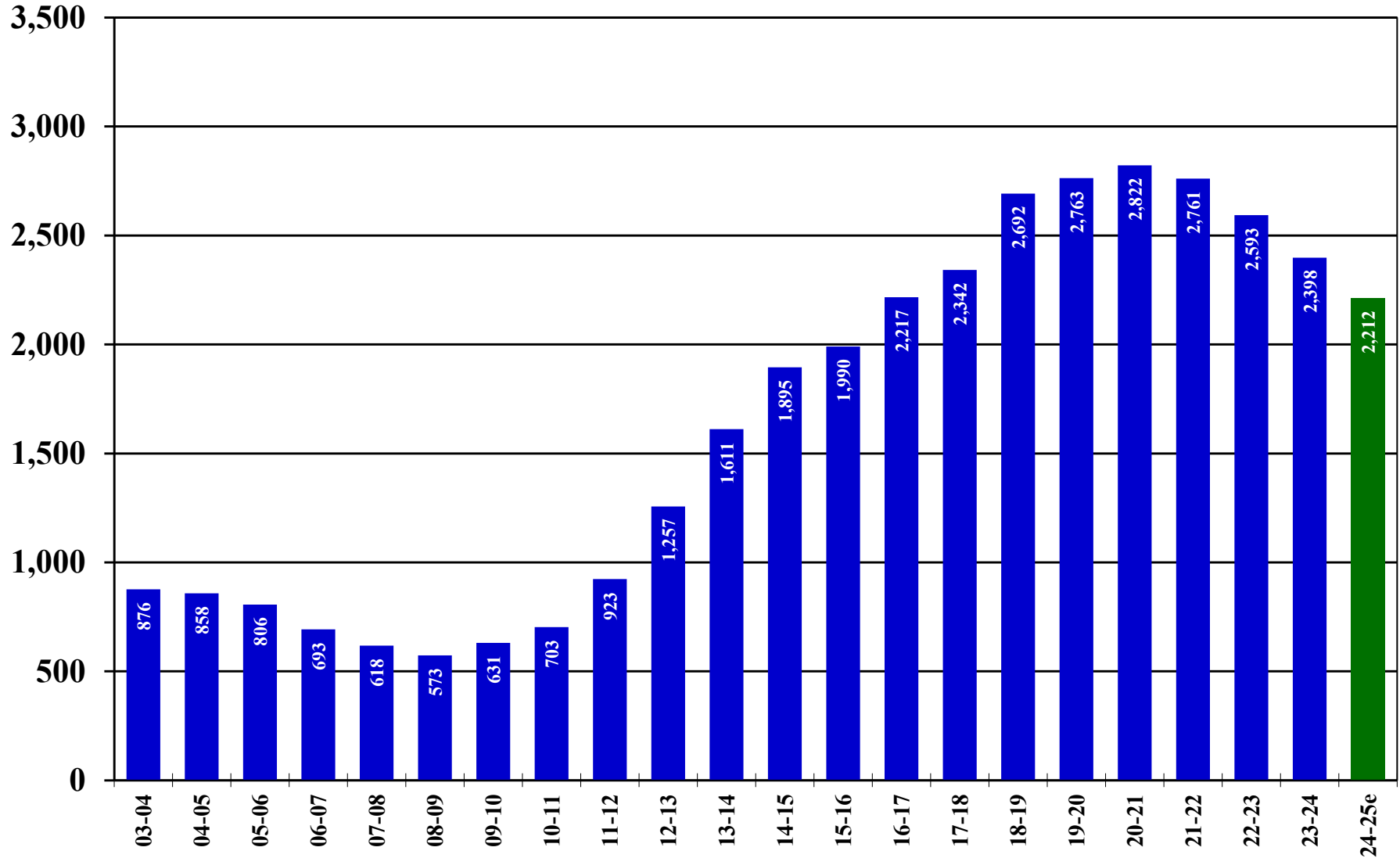
Full-Time Enrolments at Western: % International



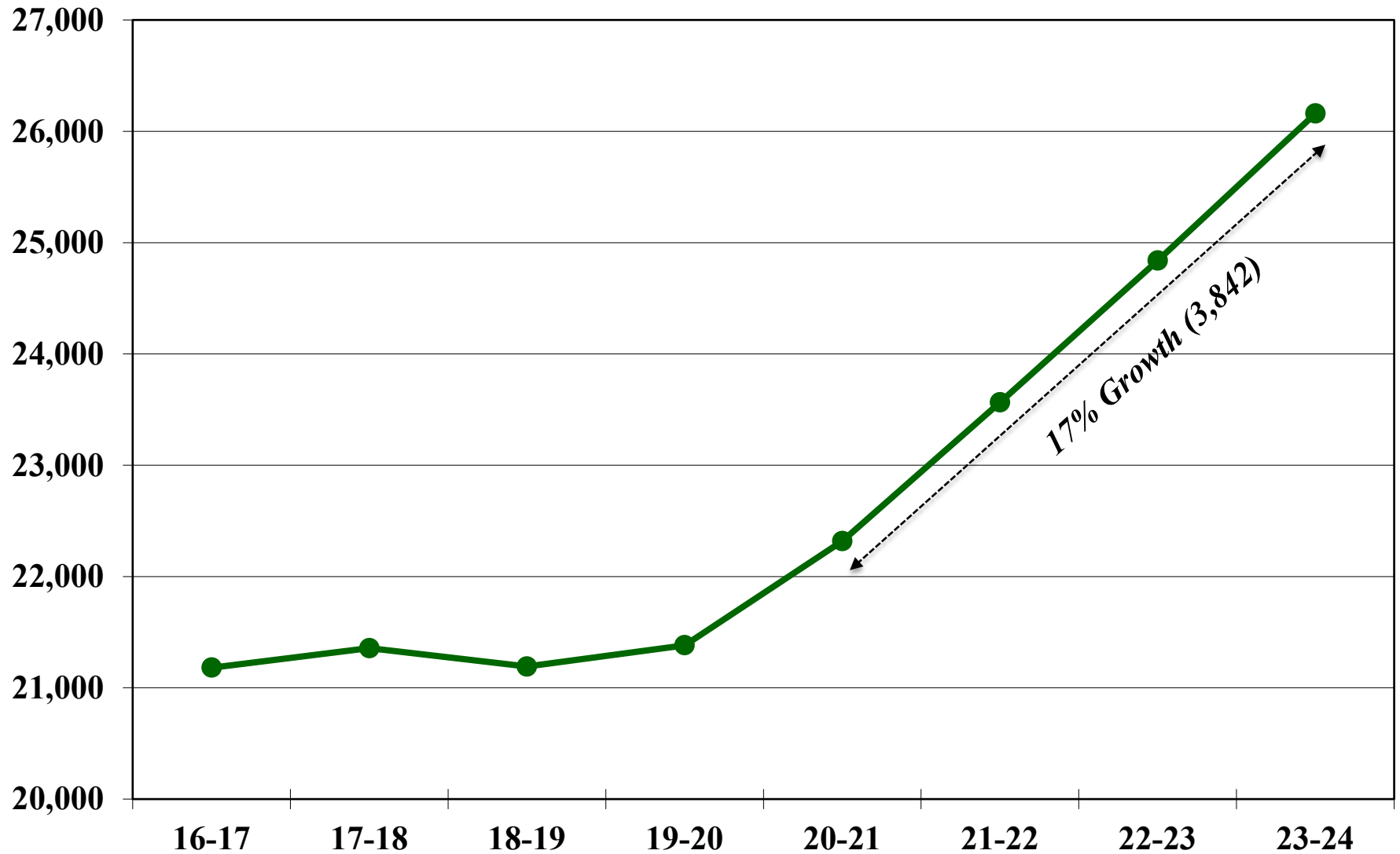
Full-Time Year 1 Undergraduate Enrolment



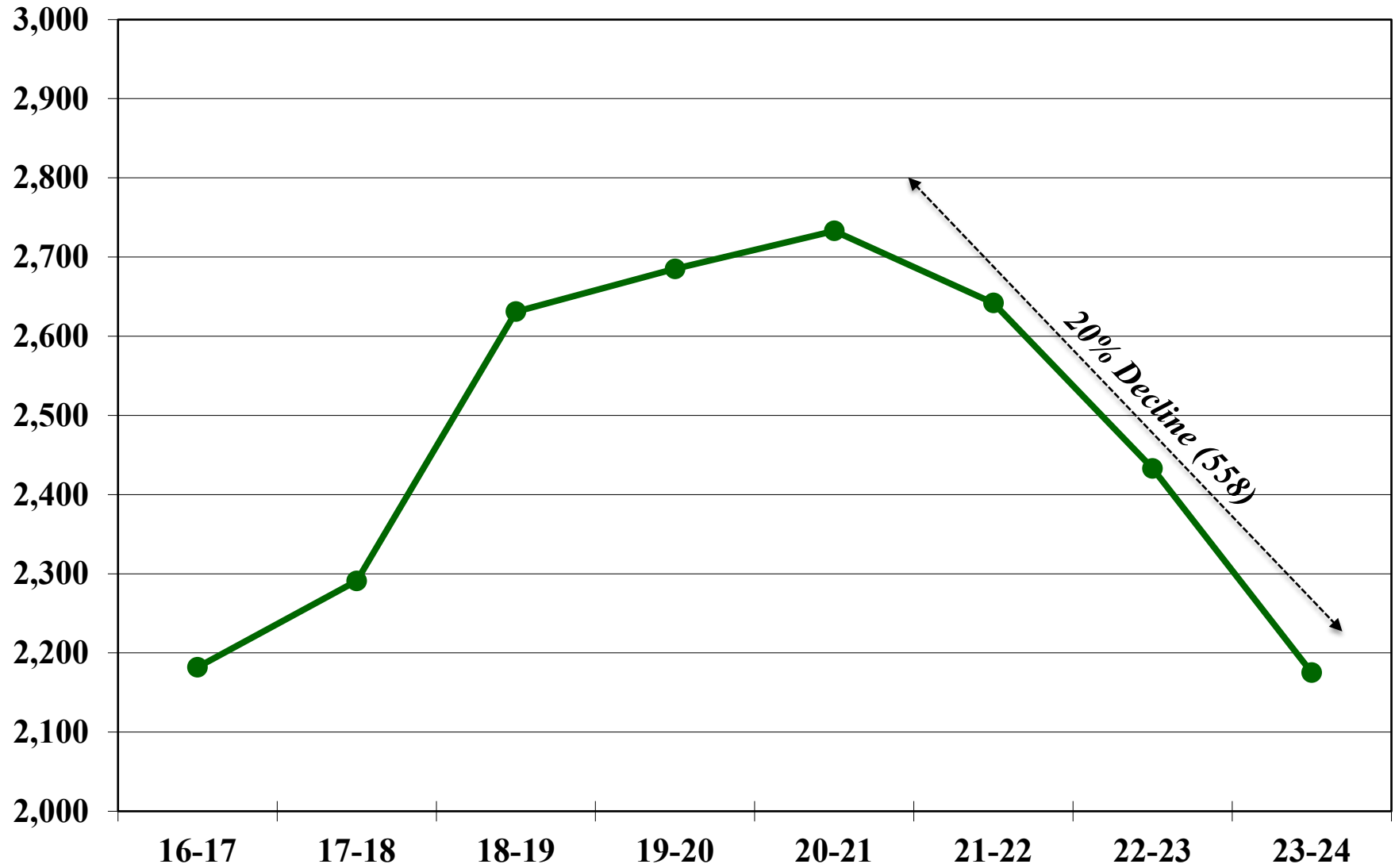
Total Full-Time International Undergrad Enrolment



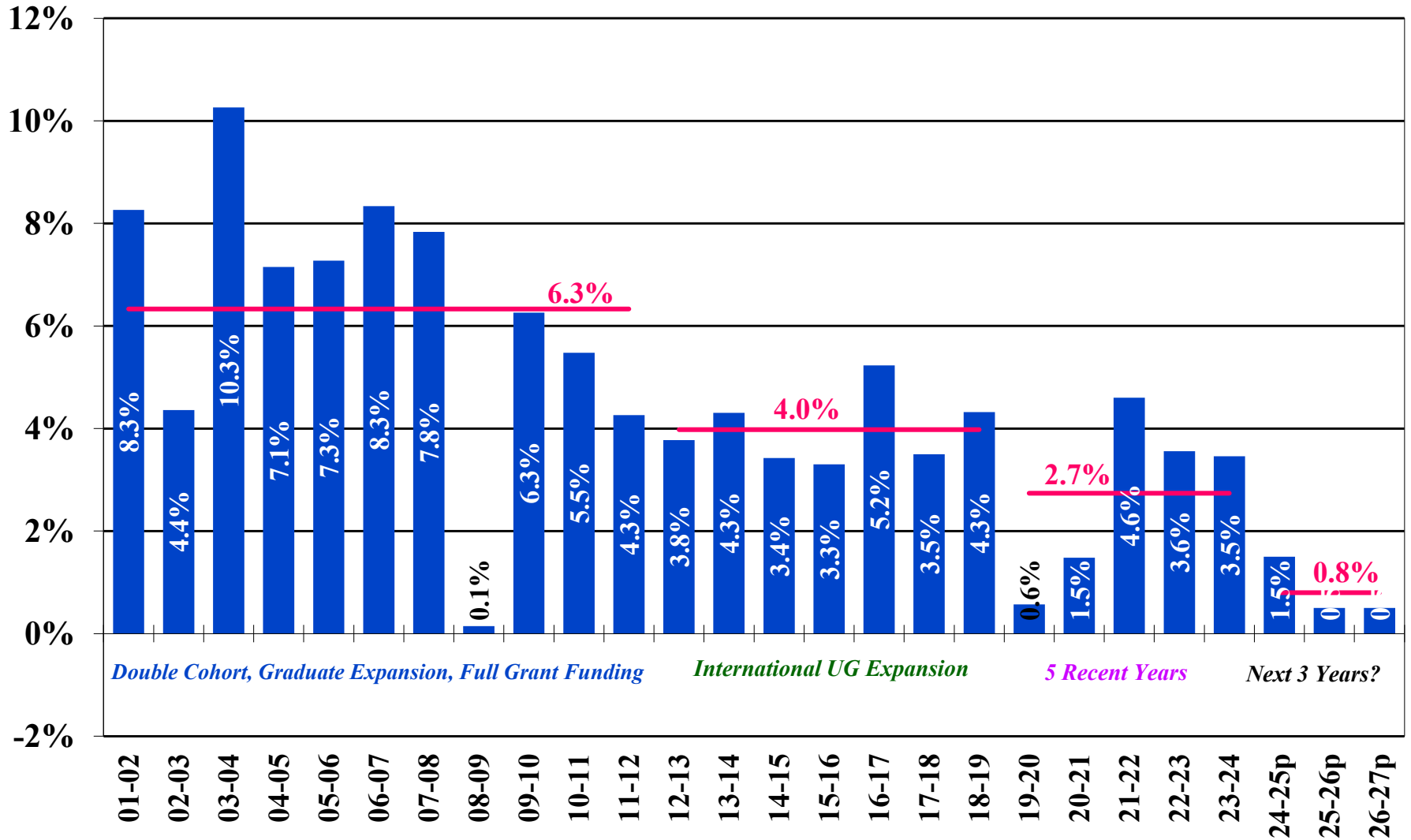
Total # of Undergrad Domestic Fee-Paying Students



Total # of Undergrad International Fee-Paying Students



Operating Revenues: Annual % change – 2001-02 to 2026-27



Planning and Budgeting Priorities

Planning for the Short-to-Medium Term

- Fiscal Outlook
 - Less than 1% Annual Revenue Growth
 - Costs continue to increase in the 4%+ range
 - Including Employee Compensation
 - If we're not pro-active:
 - Revenue and Expense Lines will cross
 - Resulting in a Structural Deficit

**Financial deficits, public pressure
make for challenging year ahead for
postsecondary institutions**

**Budget problems at Carleton
University: Projected deficit
'significantly higher' than \$26M**

**Almost half of Ontario universities
are running deficits, putting
student services at risk, council
says**

**Brock prepares for
unprecedented challenges in
2024-25 fiscal year**

**University of Guelph cutting costs
amid tuition freeze and funding caps**

**University of Windsor facing \$30M shortfall next
year, warns of layoffs and freezes**

**Ontario's university financing is a
house of cards**

**UW battles \$75M deficit; report calls for increase in
provincial funding**

**Calamity at Queen's: Provost's
panicked cuts consume a
university older than Canada**

Budgets at Other Ontario Universities

- 2024-25 Budget Deficits

Univ A	\$90.8M	Univ B	\$26.5M
Univ C	\$26.8M	Univ D	\$74.5M
Univ E	\$32.3M	Univ F	\$35.7M
Univ G	\$18.9M		

Actions taken by these Universities

Additional cuts	Curriculum/course streamlining	Hiring Freezes/pauses
Reduce non-salary spending	Shared services / eliminate duplication	Pause/cancel capital projects
Increase overhead contributions from all revenue lines/sources	Retirement programs	Staff reduction through attrition

Planning for the Short-to-Medium Term

- We need to be Proactive with Optimizing Resources
 - Eliminate Duplication in Services
 - Academic Programming
 - Revenue Generation
- Avoid the deficit situation faced by other Ontario Universities

Overarching Academic Priorities

- Continue to Focus on:
 - Student Quality, Educational Quality
 - Student Success and Outcomes
 - Enhancing our Research Profile

Summary

- **Current Situation:**
 - Positioned well from a student quality and student success/outcomes perspective
 - Working to improve/enhance our Research Profile
- **Looking Ahead:**
 - Modest or No revenue growth
 - Costs increasing in the 4%+ range
 - Avoid the deficit situation faced by other Universities
 - Must optimize resources by realigning expenditures
 - Incremental Base Spending will not be possible
 - Budgets must be balanced → University and Unit Level

Discussion