



# McGill



## Budget Book FY2017

Office of the Provost and  
Vice-Principal (Academic)  
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Montréal, Québec, Canada



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# McGill University – Quick Facts

## Mission Statement

The mission of McGill University is the advancement of learning and the creation and dissemination of knowledge, by offering the best possible education, by carrying out research and scholarly activities judged to be excellent by the highest international standards, and by providing service to society.

## Principles

In fulfilling its mission, McGill University embraces the principles and values of academic freedom, integrity, responsibility, equity and inclusiveness.

## At a glance

- Founding date of McGill University: 1821
- Degrees granted in 2014-15: 9,134
- Downtown campus: 845 Sherbrooke St. W., Montreal, Quebec
- Macdonald campus: 21111 Lakeshore Rd., Ste. Anne de Bellevue, Quebec

## Leadership

- Chancellor: Michael Meighen
- Chair, Board of Governors: Stuart ("Kip") Cobbett
- Principal and Vice-Chancellor: Prof. Suzanne Fortier
- Provost and Vice-Principal (Academic): Prof. Christopher P. Manfredi

## Students

- 39,988 students
- Most Rhodes Scholars of any Canadian university (139)

## Faculty and staff

- 1,667 tenured and tenure-stream faculty

## Faculties and schools

- 11 faculties and 11 schools

## Research

- \$477.8 million awarded in research funding in 2013-2014 (McGill and affiliated hospitals)

### **Notable firsts**

- Nature of radioactivity (Ernest Rutherford)
- Discovery of the role of the hippocampus in memory (Brenda Milner)
- First artificial cell (Thomas Chang)
- First Internet Search Engine (Peter Deutsch, Alan Emtage, Bill Heelan)
- Invention of the Charge Coupled Device used in digital cameras and photocopiers (Willard Boyle, BSc'47, MSc'48 and PhD'50)
- Solving how cells protect their DNA from damage (Jack Szostak, BSc'72)
- Discovery of the fastest spinning neutron star (Vicky Kaspi)

### **Health**

- Canada's first faculty of medicine, established in 1829
- 4 teaching hospitals affiliated with McGill, including the McGill University Health Centre, an amalgamation of 6 hospitals and institutes.
- Through its Faculty of Medicine and teaching hospitals, McGill is responsible for tertiary health care services, teaching and research in a region (Réseau Universitaire Intégré de Santé or RUIS) covering 63% of the Quebec's land mass – and about 1.7 million people.

### **Tuition (2016-17)**

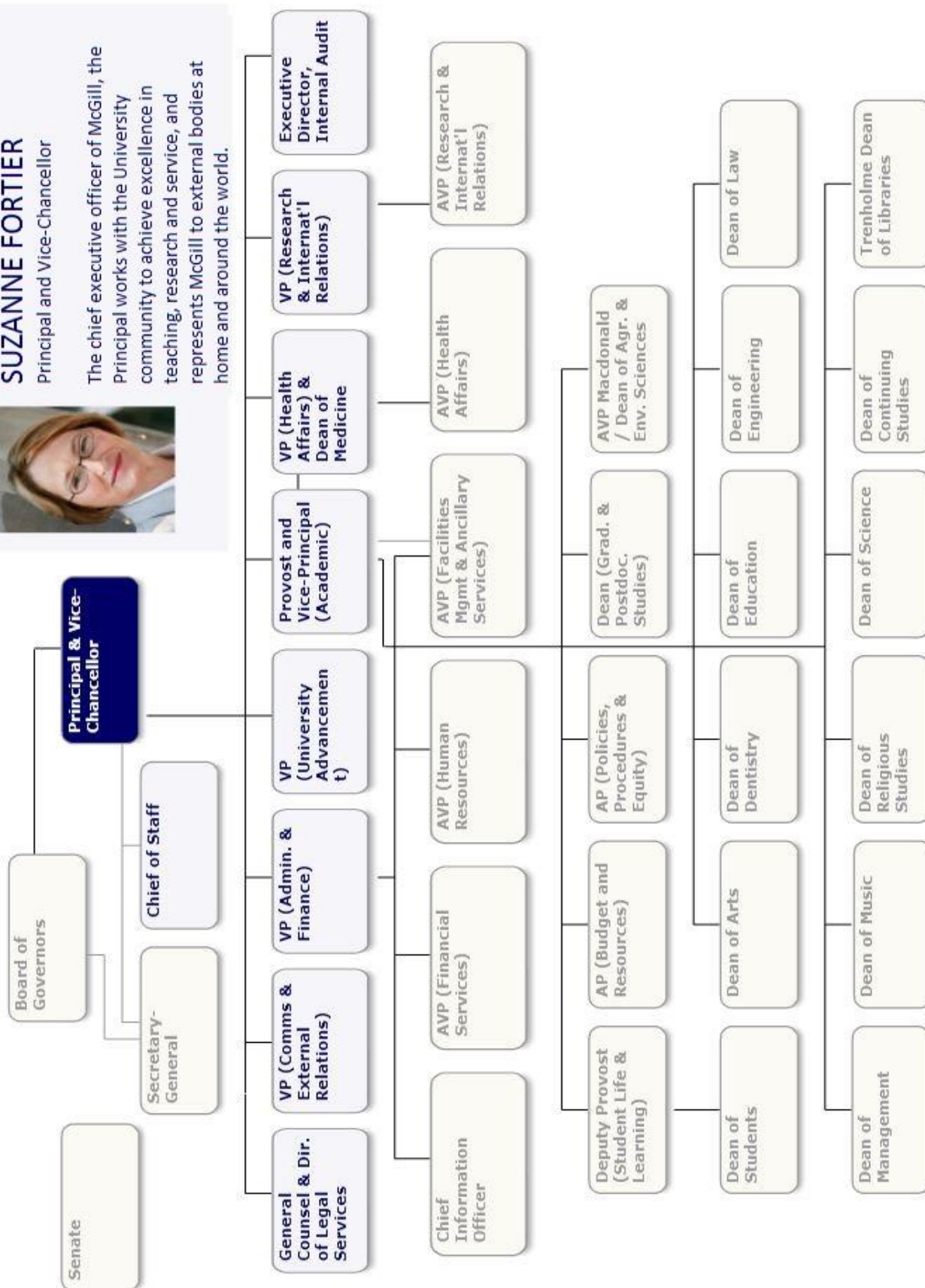
- Québec residents \$2,328
- Rest of Canada \$7,227.60
- International students (varies depending on program—see [McGill Tuition & Fees website](#))

## SUZANNE FORTIER

Principal and Vice-Chancellor



The chief executive officer of McGill, the Principal works with the University community to achieve excellence in teaching, research and service, and represents McGill to external bodies at home and around the world.



## Letter from Principal and Vice-Chancellor Prof. Suzanne Fortier

Dear Members of the McGill Community,

As we set our sights on the next five-year budget planning cycle, I am encouraged by the latest budgets from Quebec City and Ottawa. The 2016 Provincial budget included investments in higher education operating grants as well as in infrastructure spending. Increased funding for university research and a major investment in higher education infrastructure were announced in the Federal budget, in addition to measures to reduce the debt burden of students. We must keep in mind, however, that we are living through a period of high economic volatility worldwide and thus exercised prudence as we planned the budget of our University.

In the coming year, I will be working with other university leaders as the Quebec government undertakes a review of its funding formula for universities and as the Canadian government conducts a comprehensive review of federal support for discovery research.

The Financial Year 2017 budget continues in the tradition of maintaining a strong focus on what makes McGill a unique, world-class institution. Members of our community involved in the thoughtful and collaborative process behind our budget have demonstrated great dedication and an ability to navigate turbulent times with agility and accountably. This has prepared us well to meet emerging challenges facing us and take advantage of new opportunities. We will continue to work towards positioning McGill so that it receives the support it needs to play its role as a university leader in Québec, Canada and worldwide.

I would like to offer my thanks and appreciation to Provost Manfredi and his team for their excellent work in developing this budget and a multi-year financial plan.

Sincerely,

Prof. Suzanne Fortier  
Principal and Vice-Chancellor  
McGill University

## **Foreword – Prof. Christopher P. Manfredi, Provost and Vice-Principal (Academic)**

The annual Budget Book is one of McGill University's key planning documents. Through the budget, the University ensures support of its strategic initiatives as defined by the Principal's Priorities and ASAP 2012. The budget process allows academic and non-academic units to develop their plans on a rolling, multi-year, multi-fund basis in a way that informs a cohesive University plan and links our academic priorities with our concrete plans for the coming years.

The Government of Quebec, through its grant to the institution as well its regulation of tuition fees, is the single biggest determinant of the University's annual operating revenues. After several lean years, the budget tabled by the Government of Quebec in March 2016 has signalled a cautious turn toward renewed investment in higher education. Increases to the grant and to tuition levels are modest, however, and revenue projections remain lower than they were a few years ago.

For FY2017 and for the subsequent years for which budget projection have been made, there remain two major sources of pressure on the University's financial position. Salary commitments to our academic and administrative staff account for a majority of our annual expenses. In FY2017, a significant injection of funds to allow McGill to catch up to the median tenured and tenure-track compensation levels of U15 institutions will mean compensation for all staff, including benefits, will represent nearly three quarters of our operating expenses.

Institutional growth and technological and pedagogical innovation combine uneasily with our aging infrastructure, parts of which are in need of significant repair and restoration. To address this, the University has embarked upon a Deferred Maintenance and IT Renewal project that will span the next several years, with significant financial commitment through the issuance of up to \$400 million in bonds between FY2016 and FY2019. Management of capital repayment and interest costs for this undertaking will span a forty-year period and will necessarily remain a budgetary priority going forward.

New competitive infrastructure programs announced by both the provincial and federal governments (separate from any operating support) offer the possibility of significant external support to expand and accelerate our own plans for infrastructure renewal. Between 2016-17 and 2018-19, the province will invest an additional \$700 million, over and above previously announced spending, to support higher education infrastructure, and the federal government, through its Strategic Investment Fund, has signalled a \$2 billion investment in post-secondary infrastructure over the next three years. McGill will do its utmost to ensure that we are able to participate fully in these planned projects.

With major expense responsibilities and only modest increases in the government operating grant anticipated, our ability to deliver on our institutional priorities is dependent on continued efforts to reduce our ongoing operational expenditures. To meet this challenge, the University will continue the cost-saving measures put in place with last year's budget.

With these measures in place, I am projecting manageable operating deficits of \$2.7M in FY2017 and \$4.3M in FY2018 followed with small, provisional, surpluses in FY2019 and FY2020. These forecasts, however, are based on several current assumptions that are not set in stone. Of note, they assume no significant increases in labour-related costs, no major changes to the provincial funding formula, no significant increases to interest rates to be paid on debt, no major fluctuations in currency exchange rates, and no substantial variance to the projected

spend-down of current operating carry-forwards. We will continue to monitor all variables closely and will make adjustments as and when necessary. Assuming these positive forecasts come to fruition, the cost-saving budget measures implemented in FY2016 and maintained in FY2017 may be relaxed from FY2018 forward.

Careful long-term planning of major expenses and the implementation in the short-term of cost-saving measures that will have long-reaching effects will allow us to devote resources to important strategic developments despite budgetary pressures. In particular, while the pace of the net growth of our tenure-track staff complement has been slowed, growth remains the goal, and a new “provostial complement” will facilitate strategic hiring and result in a net saving to the Faculties of approximately \$1.6 million in FY2017. I have also embarked on a multi-year commitment to review the University’s capacity for teaching and research on Indigenous interests and improve recruitment and retention of Indigenous faculty and students. A new School of Public Policy, slated for launch in 2017, a commitment of \$2 million annually for five years to support research in sustainability science, and a possible major CFREF grant to support Neuroscience research (pending competition results anticipated this summer) are among our key academic priorities going forward. We will also place renewed emphasis on McGill’s international position with increased attention to international partnership opportunities and more opportunities for faculty and student mobility.

While the University does still have a financed operating deficit of approximately \$100 million, which will need to be paid down over time, we are in a position of cautious financial stability. This relatively favourable position is the result in no small part to the difficult decisions taken by my predecessor, Prof. Anthony Masi, when faced with significant cuts to the provincial grant in 2012, and to the University community for adopting necessary cost-saving budget measures over the last several years. Our decision to meet head-on the difficult financial realities of the recent past has achieved its intended result. While we are certainly not out of the woods yet, we may well be about to turn an important corner. I thank everyone for their prudence and commitment to the well-being of our wonderful institution.

In particular, I also want to thank Real Del Degan, Interim Director, and the entire Office of the Budget, for again leading the development of a comprehensive budget plan; Ghyslaine McClure, Associate Provost (Budget and Resources), Marilyn Baron, Director of Resource Allocation, the Deans of each of the Faculties, and the Vice-Principals for their careful work in developing the strategic planning documents which inform the Budget

Christopher P. Manfredi  
Provost and Vice-Principal (Academic)

## Preamble

The preparation of McGill's Budget Book FY2017 has been guided by the following considerations:

- That there will be no significant additional investments in the Universities from the government in the short term that are not linked to specific and targeted expenditures;
- That we have used the most defensible information contained in the public record or as revealed to us in private meetings with officials from MEES;
- That these first two criteria cover all four funds (operating, restricted, capital, and endowment);
- That the Budget Book conforms with the directives of the Board of Governors and its Finance Committee to project revenues and expenses in a multi-year framework for the five-year period from FY2017 to FY2021;
- That the budget plan is explicitly designed to meet the targets established by the senior administration in consultation with the Board of Governors;
- That the budgeting process is adequately described with the aim of soliciting input for continuous improvements;
- That uncertainties and risks that could have a negative impact on the University's financial results are considered;
- That the structure and constraints under which the University operates and how we must report and comply with government requirements are explained;
- That we illustrate how proposed future investments are aligned with the strategic objectives of the University.

We present Budget Book FY2017 as a document that supports transparency, accountability, and communication with members of our community. In order to facilitate communication, when a term appears in **bold typeface** within the text, the reader will find a definition in the Glossary of Terms ([Appendix 23](#)).

# 1 Budget Book FY2017: Executive Summary

## 1.1 FY2016 Key Variances in Budget versus Forecast Year End

As of 31 March 2016, we project to end FY2016 with a deficit of \$4.5M compared to the beginning of year budgeted deficit target of \$4.7M.

The most notable positive variances occurring in FY2016 included the following:

- Gain resulting from sale of land (on Redpath St.): \$20.6M
- Increase in Sales of Goods and Services: \$8.5M
- Higher than anticipated Qc grant: \$4.1M
- Foreign Exchange Gain: \$1.5M

These were offset by the following negative variances:

- Increased deficits and reduction / spend-down of carry-forwards: -\$8.6M
- Additional net allocations / expenses since start of FY2016: -\$7.2M
- Pay Equity: -\$7.0M
- Increased Deferred Maintenance related costs: -\$6.4M
- Lower than anticipated tuition: -\$5.3M

A summary of variances by revenue and expense category is provided in [Appendix 1](#): FY2016 Operating Fund forecast versus last year's budget.

Our latest FY2016 operating financed deficit of \$4.5M is subject to change depending on year-end fund balances as well as year-end adjustments including loan repayments, accruals, and inter-fund transfers. This estimate also excludes the three **GAAP adjustments** at year-end; namely: pension fund deficit, post-retirement benefits, and vacation accrual.

## 1.2 End of Provincial Cuts and awaiting a reinvestment

With the unveiling of the 2016 Provincial budget, universities were relieved to learn that no new cuts had been introduced for FY2017 and beyond. The indexation and additional operating amounts committed were relatively minimal. However the additional investment committed for infrastructure upgrades was significant: \$620M for higher education over three years. When combined with the 2016 federal budget announcement of \$2B to be allocated based on matching funds from the province, the new infrastructure envelope available for Quebec higher education over the next three years should therefore be in the order of \$1.2B. The study on deferred maintenance being finalized by the BCI should help support our requests.

Over the last four years Quebec universities have seen their operating budgets reduced by an estimated \$270M. In FY2015, the Ministry had committed to a review of funding formulas, tuition policy, and accountability. Five workgroups linked to review various dimensions were created with an expectation that recommendations would be released in FY2016 and universities believed that the implementation of these recommendations would lead to a reinvestment starting in FY2017. Unfortunately, the workgroups have not met for the past several months and no recommendations have yet been released. In our five-year budget outlook therefore, given the lack of progress, we have not included any provisions for such a reinvestment.

For FY2017, the Ministry has recently signalled that it is looking to adopt a new tuition policy for non-Quebec students. It is in McGill's interests to continue to actively participate in this debate.

### 1.3 Enrolment Forecasts

We base the five-year enrolment forecasts for the University on admissions targets discussed in the Fall 2015 with each Faculty for all degree programs and service teaching (see [Section 7.1.4](#)).

Enrolment-driven grants, related adjustments, and fees account for approximately three-quarters of McGill's total operating revenues. Revenue forecasts are therefore highly sensitive to enrolment variations.

The total number of **full-time equivalent (FTE)** regulated students (i.e. those funded by the MEES and for whom basic tuition and supplement are set by the government) is expected to grow by 0.2% in FY2017 and by 0.7% over 5 years (from 29,845 FTEs in FY2016 to 30,058 FTEs in FY2021).

For students registered in “**de-regulated**” programs (i.e. international undergraduate students in 6 specified disciplines in the Faculties of Engineering, Law, Management, and Science for which the University sets the tuition, but for which no teaching grant is received) the full-time equivalent students are expected to grow by 4.2% in FY2017 and by 8.3% over five years (from 1,607 FTEs in FY2016 to 1,740 in FY2021).

### 1.4 Academic Renewal

**Academic Renewal** remains at the top of our strategic priorities and, as a result, related investments will continue in the years to come. Following slightly higher-than-normal hires (69) during FY2016, which compensated for the “3 for 4 replacement model” in place during FY2015, the number of new hires per year are expected to stabilize at about 62-63 per year. With departures planned to be approximately 55 each year, the net increase in tenure stream complement should be around 39 over the next 5 years. The objective is to eventually reach a steady-state complement of approximately 1710 tenure stream staff. Costs will nonetheless be contained because, relatively speaking, the salaries of departing senior faculty members will more than compensate for the additional 39 positions, most of which are expected to be at the entry-level. (See the Academic Renewal Model in [Section 7.2.6](#).)

A new feature of academic renewal starting in FY2017 will be the creation of a provostial complement. This central pool will be used for priority hiring in strategic areas and to simplify the spousal hiring process.

### 1.5 Compensation and Salary Policy

Our authorised salary policies for FY2017 are estimated to cost a total of \$21.4M, including pension and benefits costs (see [Section 7.2.3](#)).

### 1.6 Deferred Maintenance

The Board recently approved the borrowing of up to \$400M in order to address our most urgent deferred maintenance needs; in terms of building and IT infrastructure. During Fiscal 2016, the Quebec Ministry of Finance, on recommendation from the MEES, approved the borrowing plan. A bond issuance valued at \$160M was transacted. Further bonds will be issued in the years to come until the \$400M target is reached. Related net expenses on the operating budget are expected to be \$4M in FY2017 growing to \$27M by FY2021. (see [Section 7.3.3](#))

### 1.7 Significant one-time and ongoing expenses

The annual cost of financing the pension shortfall, net of cost-sharing by plan members, has been included in the five-year model at a cost of \$15M. Insofar as the actual amounts may depend on interest rates, market returns, and the number and composition of those taking retirement settlements, this is a line item for which we could

expect variance when year-end valuations are prepared for the purposes of issuing the audited financial statements. An actuarial pension fund valuation is expected to be completed in the coming months. Based on the results of this valuation and adjustments required, the actual disbursement may need to be revised. As well, year-end **GAAP adjustments** related to the valuation of the pension fund itself are not included within the budget projections.

Pay equity adjustments related to the 2010 exercise have resulted in the accrual of an additional \$6M in expenses in FY2015 and \$7M in FY16. An estimated balance of \$2 M is being budgeted for FY2017. We expect adjustments for the exercises FY2018 and beyond to be less than \$1M and have not included further amounts in the budget.

### **1.8 Budget Measures**

No new measures are being introduced beyond those adopted in FY2016, which are to continue over the next several years. Relaxing some of these measures will be one of our priorities in the eventuality of a government reinvestment or other added revenues.

Of note, the budget measure related to administrative and support staff reductions was modified in FY2016 and distributed to the major units as a monetary value equivalent to the budget measure. Going forward, the objective will be related to salary mass rather than staff counts.

### **1.9 Risk factors**

As outlined above, the overall picture offers some significant challenges. The current budget outlook leads to a balanced budget by FY2021 with the following assumptions:

- No further MEES cuts beyond FY2016 and no detrimental changes to the funding formula;
- Interest rates stay low (small increase in rates budgeted);
- Currency exchange rates remain at or above 0.75USD;
- No significant changes to one-time payments (e.g. pension fund, pay equity);
- No unplanned spend down of carry-forwards;
- Willingness and ability to effect the required budget cuts.

## 1.10 Projected financed operating revenues, expenses and accumulated deficit

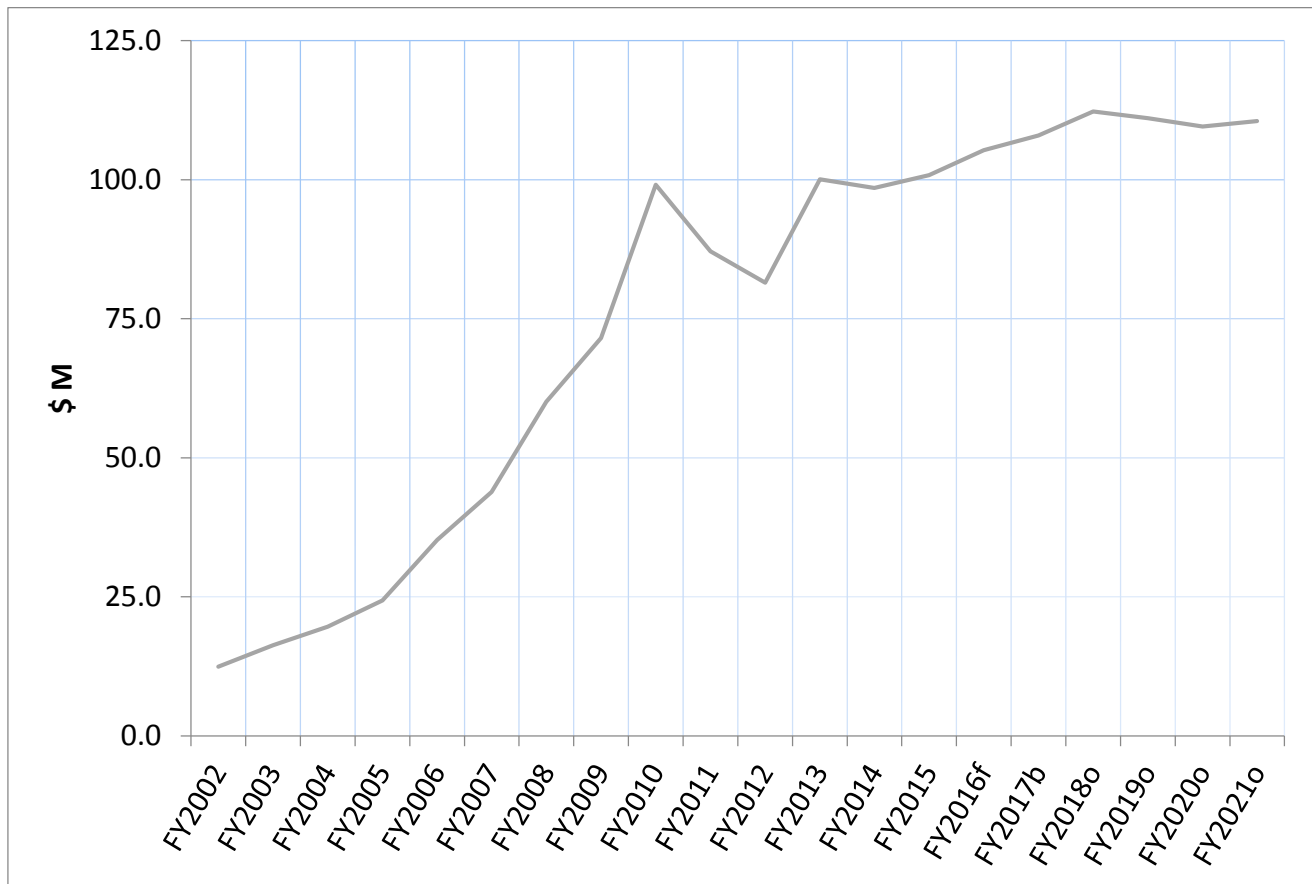
[Table 1.10.1](#) provides the 5-year operating budget outlook while [Figure 1.10.2](#) illustrates the total financed accumulated operating deficit.

**Table 1.10.1: 5-Year Outlook (\$M)**

<b>5 Year Outlook - as of April 2016</b>							
in millions \$							
	<u>FY15a</u>	<u>FY16f</u>	<u>FY17b</u>	----- Outlook -----			
	<u>FY18o</u>	<u>FY19o</u>	<u>FY20o</u>	<u>FY21o</u>			
<b>Total Revenue</b>	771.4	794.5	795.6	810.4	828.9	845.3	859.5
<b>Total Expenses (incl. i/f transfers)</b>	773.7	799.0	798.2	814.7	827.7	843.9	860.5
<b>Annual Surplus (Deficit)</b>	(2.3)	(4.5)	(2.7)	(4.3)	1.2	1.5	(1.0)
Financed Accumulated Deficit (y/e)	(100.8)	(105.3)	(108.0)	(112.2)	(111.0)	(109.6)	(110.6)
Fin accum. def / revenues %	13.1%	13.3%	13.6%	13.9%	13.4%	13.0%	12.9%
GAAP Accumulated Deficit	(326.8)	(331.3)	(333.9)	(338.2)	(337.0)	(335.5)	(336.5)

a=actual; f=forecast; b=budget; o=outlook

**Figure 1.10.2: Total Financed Accumulated Deficit – 2016 Projection**



## 2 Economic and Political Environments

### 2.1 Current Economic and Political Realities

The McGill Budget Book FY2017, and indeed the entire planning framework for McGill's next five years, is shaped by the economic and political environment. Close to half of McGill's overall operating budget comes from the Quebec government, largely in support of teaching activities. In addition, the government sets the tuition rates for most of the University's students within a mainly regulated framework. The province also supports our research, but on this front the federal research granting agencies are major contributors. More than half the Plant Fund revenues are also provided by the Provincial government. The University's financial position, therefore, is strongly influenced by economic and fiscal factors that affect governments at both levels.

### 2.2 Provincial Funding

FY2016 started with the implementation of the Quebec Budget, which had been tabled 26 March 2015. At the time, it had been announced that the operating budgets for the university sector would be decreased by \$102M, from \$2.88B to \$2.78B. With mid-year cuts of \$55M already absorbed in FY2015, the remaining \$47 M would need to be taken in FY2016. Taking into account additional commitments and indexation, universities would face a total cut of \$73M in FY2016. At the time, McGill had built within its FY2016 budget a provision for an \$11M cut.

On 5 May 2015, the MEES held a meeting with the universities to present the *Orientations Budgétaires*. Preliminary proposals for how the cut could be implemented were presented by Ministry officials as suggestions with the expectation that universities would provide concerted feedback. In addition, the Ministry announced that there would be another round of cuts for FY2017 – in the order of \$200M for the entire Education sector.

As could be expected, cuts targeted for specific envelopes, for which each university had more or less a vested interest, did not facilitate collaboration, and universities responded individually. For McGill, the proposal to cut the "Degrees Granted" grant (\$42.6M of which McGill received 17.5%), one of the only performance driven measures in the provincial formula, was objectionable and we wrote to express our opposition to the proposal.

On 2 November 2015, 6 months into the year, the *Règles Budgétaires* for FY2016 were received. [Table 2.2.1](#) provides a summary of cuts included.

**Table 2.2.1 FY2016 Règles Budgétaires cuts (\$'M)**

<b>Envelope</b>	<b>Réseau</b>	<b>McGill</b>	<b>%McGill</b>
Teaching grant (parametric cut)	(8,966.8)	(1,382.6)	15.4%
Fixed amount (parametric cut)	(220.4)	(11.6)	5.3%
Administrative support (parametric cut)	(1,867.7)	(250.0)	13.4%
Building maintenance (parametric cut)	(1,184.1)	(183.0)	15.5%
Degrees granted	(42,597.0)	(7,474.5)	17.5%
Tuition supplements for students from France	(10,137.4)	(771.0)	7.6%
University – Cegep collaboration projects	(1,279.5)	no new projects	
Teacher education support	(940.1)	no new projects	
UQ headquarters grant	(1,000.0)	0.0	0.0%
Rental space (available balance)	(4,436.9)	available balance	
<b>Total</b>	<b>(72,629.9)</b>	<b>(10,072.7)</b>	<b>13.9%</b>

Our \$11 M budgeted for FY16 was therefore conservative with respect to the actual \$10.1M cut. One will note that despite our objections, the “Degrees granted” envelope was eliminated.

Worthy of mention is the change in fees charged to students from France (reported under tuition supplements in the table above). This is addressed in more detail in [Section 2.4](#) (tuition fees). As well, not included in the table above, but effectively representing a cut to the University allocation, is the increased claw back from 25% to 30% of tuition increases in order to better support the Quebec Student Loans and Bursaries program.

As had been reported in the FY2016 Budget Book, stemming from the recommendations of a taskforce on university funding (*Chantier sur la politique de financement des universités*<sup>1</sup>), the Ministry launched 5 workgroups:

- Review of funding weights per discipline and level of study
- Review of adjustments needed for small regional universities
- Review of tuition fees for non-Quebec students
- Review of envelopes for priorities and targeted measures
- Review of accountability framework

Little progress has been made and none of the workgroups have met in at least the past four months. As a result, implementation of any changes will clearly not be possible for FY2017. For budgeting purposes we believe that it is highly unlikely that any changes in the funding mechanisms would lead to any significant change in revenues in the next 2-3 years.

In October 2013, the government announced the “[Politique nationale de la recherche et de l’innovation](#)”<sup>2</sup> (PNRI), with a reinvestment of \$1.8B over five years. Apart from a new method (with little additional funding)

<sup>1</sup> <http://www.mesrs.gouv.qc.ca/le-sommet/les-chantiers-de-travail/la-politique-de-financement-des-universites/>

<sup>2</sup> [http://www.mrif.gouv.qc.ca/PDF/actualites/MESRST\\_PNRI\\_politique\\_nationale\\_recherche\\_innovation.pdf](http://www.mrif.gouv.qc.ca/PDF/actualites/MESRST_PNRI_politique_nationale_recherche_innovation.pdf)

for transitioning from an indirect-cost-of-research program to one that would instead focus on funding university research space, the PNRI plans seem to have been shelved.

Structurally, the Ministry responsible for Education once again changed in FY2016. The Ministère de l'Éducation, de l'Enseignement Supérieur et de la Recherche (MEESR) became the Ministère de l'Éducation et de l'Enseignement Supérieur (MEES). One Ministry would now be serving two Ministers: one for elementary and high schools, and one for Cegeps and universities. Research is now under the Ministère de l'Économie, de la Science et de l'Innovation.

It is in the context of this recently adopted structure that the 2016 Provincial Budget was presented on 17 March 2016. Education, particularly elementary and secondary, was one of the priorities within the Quebec Economic Plan as illustrated by the separate publication entitled "[Plan for Success in Education and Higher Education](#)"<sup>3</sup>. Contrary to what had been stated repeatedly by the Ministry over the previous months, universities were relieved to learn that no new cuts had been introduced for FY17 and beyond. In addition universities will be able to count on funding for targeted initiatives (\$55M per year for the next three years for Cegeps and universities) as well as modest indexation. Apart from indexation, no provision is made in the University's operating budget for the targeted initiatives.

In terms of infrastructure, a significant investment of \$700M (\$620M to be spent over the next 3 years) will be added to the existing funding in the Plan Québécois des infrastructures. With a BCI study on deferred maintenance concluding shortly, we anticipate that McGill will be on the top of the list of universities with the greatest needs. Even if the new infrastructure investment per se is not targeted for deferred maintenance, we could expect as much as \$75M (to be matched by the federal government – see section 2.3) in the coming three years. In addition, a special envelope was created in the budget for the rehabilitation of specific university infrastructure (\$66M) in which renovations to McGill's Macdonald-Stewart Library have already been booked. As we wait to receive further details, these measures have yet to be incorporated within McGill's budget planning.

Targeted investments in research, innovation and entrepreneurship were also unveiled in the provincial budget. Several of which will benefit McGill, including:

1. McGill Agri-food Innovation Network to increase technological innovation in Quebec's food processing sector (\$5M over 5 years).
2. Support for a number of initiatives in which McGill is a partner:
  - a. Creation of the Institut nordique du Québec
  - b. Maintenance of the Coriolis II oceanography research vessel
  - c. Research at the Institut de recherches cliniques de Montréal.
3. Funding for several other initiatives, including:
  - a. A competitively allocated chair in the development of green technologies;
  - b. Start-ups and university entrepreneurship;
  - c. A coordination centre to attract clinical trials to Montreal;
  - d. A Montréal International project focused on the retention of international students
  - e. Strengthening links between education networks and businesses to better meet labour market requirements.

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<sup>3</sup> <http://www.budget.finances.gouv.qc.ca/budget/2016-2017/en/documents/Education.pdf>

## 2.3 Federal funding

A significant portion of federal funding has traditionally been allocated to universities for research grants and research infrastructure. At this time last year, we were eagerly awaiting the results of the first round of the Canada First Research Excellence Fund (CFREF) launched to support research excellence at the institutional level. McGill's submission was not selected, and we resubmitted a similar project earlier this year for the second round with results expected by early summer. As has become common practice with many other federal research infrastructure programs (e.g. CFI, CERC) any such award will need to be accompanied by contributions from the provincial government, external partners and the University.

In its latest budget, released on 22 March 2016, the new federal government announced an increase of about 3% to the granting councils, commensurate increases to the indirect costs of research allocations, and additional CRCs and CERCs. Many federal government bodies and departments also benefitted from increased research allocations. Key in its announcements was an overall review of its research strategies and initiatives, including the development of an innovation agenda and the assessment of business accelerators and incubators.

The University's budget assumes that McGill will maintain its share of federal research grants and has assumed a commensurate increase in its indirect allocation. We have not made provision for a CFREF award at this point as the financial arrangements are yet to be determined.

From an infrastructure perspective, the 2016 budget announced a new Post-Secondary Institutions Strategic Investment Fund which will invest up to \$2B over three years in infrastructure at post-secondary institutions and affiliated research and commercialization organizations. Set up as matching funds (50%) with provincial investments, this initiative dovetails perfectly with the \$620 M just announced in the provincial budget, as well as the bond issue to address the University's deferred maintenance needs.

As with the provincial infrastructure reinvestment, additional funds are not incorporated into the budget.

## 2.4 Tuition and fees

Tuition revenues are discussed in detail in [Section 7.1.9](#). Apart from the ability to set tuition for a few self-funded programs and those of undergraduate international students registered in selected deregulated disciplines (Engineering, Science, Management and Law), our tuition framework for all other students is set by the Ministry according to mechanisms established several years ago. All regulated students pay a base tuition fee, or 'Quebec tuition'. This tuition is indexed by the rate of increase of disposable family revenue per inhabitant from two years back as published by the Quebec Statistics Institute (i.e. the 2016-2017 tuition increase is based on the increase between 2014 and 2013). For 2016-17 Quebec tuition will increase by 1.5% or \$34 per year for a full-time student. The same rate applies to all our ancillary fees as well unless an agreement is reached with students to apply a higher rate.

Non-Quebec Canadian (NQC) students are charged an additional out-of-province supplement (or forfaitaire) to bring their total tuition bill to the average tuition paid in the rest of Canada (excluding Québec). This supplement is returned to the government. As of Fall 2015, undergraduate students from France who were, up until last year, assessed as Quebec residents, started paying the same as non-Quebec Canadians (current registered students from France were grandparented) with the supplement being clawed back by the Ministry as it is for the non-Quebec Canadians. Graduate students from France will continue to pay the Quebec rates. The NQC supplement will be indexed by 3.43% or \$163 per year starting in Fall 2016.

Tuition supplements for regulated international students are based on the average teaching grants received by the University for these students. Universities are allowed to charge an additional 10% over and above this amount to help cover the costs of recruitment and support related to this population. The international student supplements will increase by 1.5% or between \$161 and \$208 per year starting in Fall 2016.

The Ministry has already announced that it will be reviewing policies for non-Quebec resident students in the coming year with the aim of having a new tuition policy in place for FY2018. For budgeting purposes however we have assumed conservatively that the current mechanisms will continue to apply for the coming five years.

## **2.5 Interest Rates**

Interest rates continue to be at record lows. In July 2015, the Bank of Canada cut its overnight lending rate from 0.75% to 0.50% based on slower than predicted economic growth and continued low oil prices. Long term interest rates are expected to remain steady for the foreseeable future. As we face a growing debt and plan to address our deferred maintenance, this is welcome news.

## **2.6 Currency Exchange Rate**

In part as a result of low interest rates and commodity prices, the Canadian dollar has continued to decrease in value over the past three years as compared to its American counterpart. From trading at par in January 2013 to valuations of 0.90USD in January 2014, 0.80USD in January 2015, and below 0.70USD in January 2016, the Canadian dollar has since rebounded and was trading at the end of March 2016 at around 0.77USD. Forecasts seem to indicate that the dollar will remain close to the 0.75USD mark for at least another year.

Effectively, this makes McGill's tuition significantly lower for American students than it has been in recent years. This will no doubt increase McGill's appeal to our neighbours south of the border. Conversely, the costs of many of the goods purchased using US currency, including library serial collections, books, and research equipment have increased at the same rate. A lower Canadian dollar may also add compensation pressure on recruiting and retaining talented academics from other countries.

## **2.7 Inflation**

Inflation remains relatively low; having increased from 1.1% in 2015<sup>4</sup> the rate is expected to end 2016 at 1.4% and to average 2.0% in 2017. Both the provincial grant and tuition are typically adjusted accordingly, although with a time lag.

However, the cost of several items in the University's basket of goods typically increases more rapidly than inflation. Chief among these is salaries. As well, books and serials and many research supplies have increased significantly and are predicted to continue to increase more quickly than inflation.

In terms of energy costs, the past year saw the price of natural gas continue to drop on the market resulting in a 20% decrease for McGill's portfolio. McGill has a three-year portfolio approach for the purchase of natural gas that is proving effective in balancing risks and costs while allowing for improved budgetary forecasts. Natural gas distribution services are forecasted to increase around 1% in the coming year. An increase of 2% for electricity rates in the coming year has also been confirmed by the Québec Energy Board. Given the monopolies over electricity and natural gas distribution in the province, it is not possible to use financial instruments to hedge against the impact of rate increases.

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<sup>4</sup> CPI Index, refer to <https://www.focus-economics.com/country-indicator/canada/inflation>

From a budget planning perspective, apart from salary policy, additional resources are typically not allocated to deal specifically with inflation. From time to time, allocation parameters are updated and adjustments are made to address sizeable changes in major items (e.g. library collections), but in the majority of cases the University counts on units finding ways to adjust their operations in order to meet the higher costs.

## **2.8 Regulatory Environment**

### **Pension Funds**

The McGill University Pension Plan (MUPP) is a hybrid plan with both a defined benefit and a defined contribution component for McGill employees enrolled before 1 January 2009, and a defined contribution only for those hired after that date. Under government regulations, every three years McGill's pension plan is required to undertake an actuarial valuation exercise to determine whether the pension plan is appropriately funded to meet the defined benefit component of the MUPP as well as other aspects of its funding. Increased longevity has created a deficit for those who were allowed to buy internal annuities or income funds. In addition, lower interest rates and equity returns since the 2008 financial crisis have further exacerbated financial shortfalls in the MUPP. These trends have increased sharply between 31 December 2009 and 31 December 2012.

The University is obliged to make supplementary contributions from its operating budget to the pension plan to make up for any shortfalls in the ability to cover the defined pension benefits to departing employees as well as shortfalls in annuity plans written for some retirees. These supplementary contributions to cover pension fund shortfalls are expected to continue to remain high over the coming years.<sup>5</sup> Amendments have been made to the MUPP, including Amendment 24, which has several provisions including introduction of cost sharing of the pension shortfall starting 1 January 2014 for MUPP members eligible for the defined benefit portion of the plan.

### **Immigration and Working Permits**

Over the past years, the Federal Government has tightened the rules and regulations relating to the initial work permits as well as to their renewal. Changes have been promised to the immigration policy and procedures, but so far no changes have been announced. In the meantime, employers hiring foreign workers must continue to comply with the current regulations. As well, as of February 2015, Immigration, Refugees and Citizenship Canada (IRCC) implemented new regulations requiring the payment of compliance fees for categories of occupations which were previously exempt of any fees such as Visiting Professors, Research Trainees, Visiting Scholars, and Visiting Lecturers. These additional fees are being borne by the academic units but an additional resource is being added in the Provost area to provide support.

The Quebec government for its part has tightened both the French and English language requirements for immigrant status. This has entailed increased costs for demonstrating language competency and can also pose a challenge for mid-career and senior scholars who need to prove language competency under Quebec's immigration point system. The University now makes French course offerings available for free for tenure stream professors who need to improve their French language skills.

### **Inspection of buildings – higher safety norms**

In 2013, in order to protect the public against materials falling from buildings, the provincial government updated its building safety code (Bill 122) to require the inspection of high-rise building façades and multi-level parking lots on a regular basis. The requirement to inspect more frequently and proceed with immediate repair

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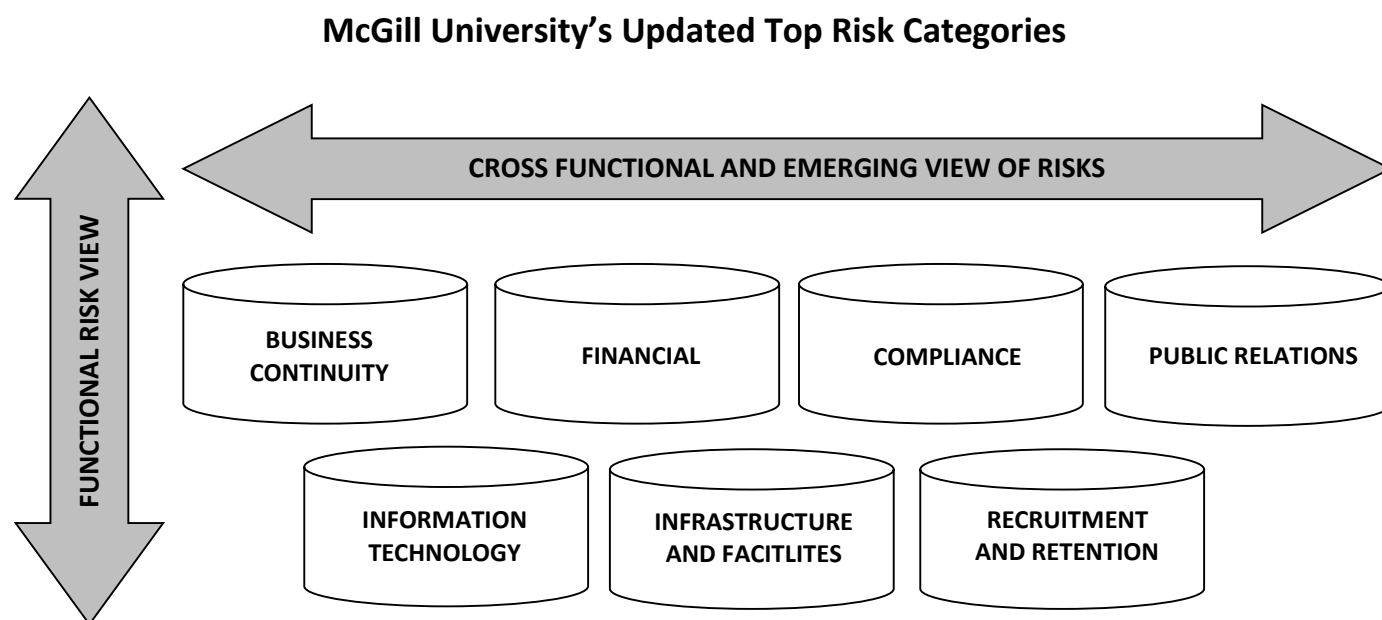
<sup>5</sup> McGill University, Information for employees in the hybrid pension plan (hired before 2009), <https://www.mcgill.ca/hr/bp/pensions/plan-changes/hybrid-plan>

work has resulted in significant additional costs for the University. This will be a priority within the deferred maintenance work performed in the next few years.

### 3 Enterprise Risk Management (ERM)

The Enterprise Risk Management (ERM) initiative was first mandated by the Audit Committee of the Board of Governors in late 2009. Reporting to the Vice-Principal, Administration and Finance, Risk Management and Insurance reports annually to the Audit Committee regarding the ongoing evolution of the ERM initiative. The ERM process provides a disciplined methodology to report and track mitigation plans aimed at managing the potential adverse effects of identifiable risks.

Several units completed the risk register exercise, and a list of the Top Risks was generated and updated over the years. In order to further advance the maturity of ERM at McGill, a refresh of the Top Risks was recently initiated through targeted discussions with the Principal and her executive team. The results of these exercises have elevated the visibility and value of the ERM initiative at the most senior level. The ERM process has provided a means to identify and focus on McGill's key risks and to evaluate their potential impact upon the strategic direction of the University. These are milestones for the ERM program, and the significance speaks to ERM evolving at McGill. The evolution is evident – previous top risks were operational in nature, while the new risks are strategic overarching risks that affect the University as a whole. There is also a clear connection to the Principal's Priorities. Below is a diagram of the updated top risk categories:



The next phase will involve developing and ensuring that the mitigation plans for the Top Risks are implemented. Reporting with the Risk Owners on the progress and discussing any challenges they may face will be the focus of the next round of sessions with the Risk Committee. Specifically, the emphasis will be on developing, implementing and tracking concrete action plans with the Risk Owners. As such, the ERM cycle continues to evolve by following best practices and industry standards, and also incorporating and adapting it to McGill's culture and environment.

## 4 Overall Budget: Design and Framework of McGill's Budget

This section describes the overall budget design and framework that is employed by McGill University. The budget processes used at McGill are variants on the so-called “provostial model” that is widely employed by major North American research universities, both public and private. Within that model, and McGill’s implementation of it, the Provost serves as the University’s chief academic officer and ensures the alignment of resource allocations with its priorities, objectives and goals by serving as well in the capacity of the institution’s chief budget officer.

In preparing McGill’s budget, the Provost consults directly with the Principal, Vice-Principals, the Deans, and other senior administrators, Faculty and Student Association Councils, as well as with the two governance bodies of the University, Senate and Board of Governors. The community-at-large is kept informed of developments and is invited to give feedback several times prior to finalizing the budget and submitting it to the Board of Governors for approval.

The major presentations occur as follows:

1. *November*: “Budget Presentation 1” provides a general orientation to the major parameters that are likely to have an impact on the revenues and expenses for the coming year(s). The Finance Committee of the Board provides significant advice and counsel on these matters and Senate is apprised of their general directions.
2. *February*: “Budget Presentation 2” goes into significantly more detail on the budgetary outlook. It also provides updates on the trajectory of revenues and expenses in the current year. Estimates of current year-end results are estimated and shared with Senate, the Board of Governors and various committees, as well as with the Principal’s cabinet and the Deans. The targets for the upcoming year are finalized for each academic and administrative unit.
3. *April*: Before the start of the new fiscal year on 1 May, and after it has been cleared by the Principal and the Vice-Principals, a presentation of the final budget in draft gives the Finance Committee and the whole Board the opportunity for final input on the draft Budget Book before seeking final approval of the Budget and the Budget Book from the Board of Governors. It is then presented to Senate, and the entire McGill community for information. The Budget Book itself is made available on the Provost’s website once finalized. For ease of reference, the term “Budget Presentation 3” is used to represent this process in the timeline presented. A schedule of this year’s timeline is presented in [Table 4.1.1](#).

**Table 4.1.1: Budget Cycle**

Budget Cycle				
	University Budget Development	Operational Planning	Capital Priorities	Governance
Aug				
Q2 FY2016 Sep	Overarching assumptions, objectives and targets	FY2017-2019 Agreement Process	Review of Capital Projects	
Oct				
Nov				
Q3 FY2016 Dec				Budget Presentation 1
Jan			Proposed Capital Projects FY2017 and Beyond	Budget Presentation 2
Feb				
Q4 FY2016 Mar	Budget Book Drafting			
Apr		Budget Distribution Exercise		Budget Presentation 3 / Budget Book
May	MEES Orientations			
Q1 FY2017 Jun				
Jul				

## 4.2 Design of the FY2017-2021 Budget

The overall University **budget** is comprised of four funds (see [Table 4.1.2](#)):

1. **Operating (unrestricted)**
2. **Restricted (mostly research)**
3. **Capital (plant)**
4. **Endowment**

The first two funds deal with activities normally associated with the University's day-to-day teaching and research operating activities. The primary difference between these two funds is that monies received with external restrictions on their use (e.g., research grants and research contracts) need to be recorded in the restricted fund and cannot cross-over to cover shortfalls in the unrestricted operating fund. Of course, the associated **expenditures** must also be recorded separately to facilitate tracking and reporting. The capital or plant fund records all **revenues** from sources other than operating or restricted funds that are specifically earmarked for the acquisition, construction, and/or renovation of **capital assets** like buildings and other property. The endowment fund consists of all assets related to **gifts, donations, and bequests**, including those for named chairs, financial aid, research support, and other specific purposes for which the principal has been awarded to the University.

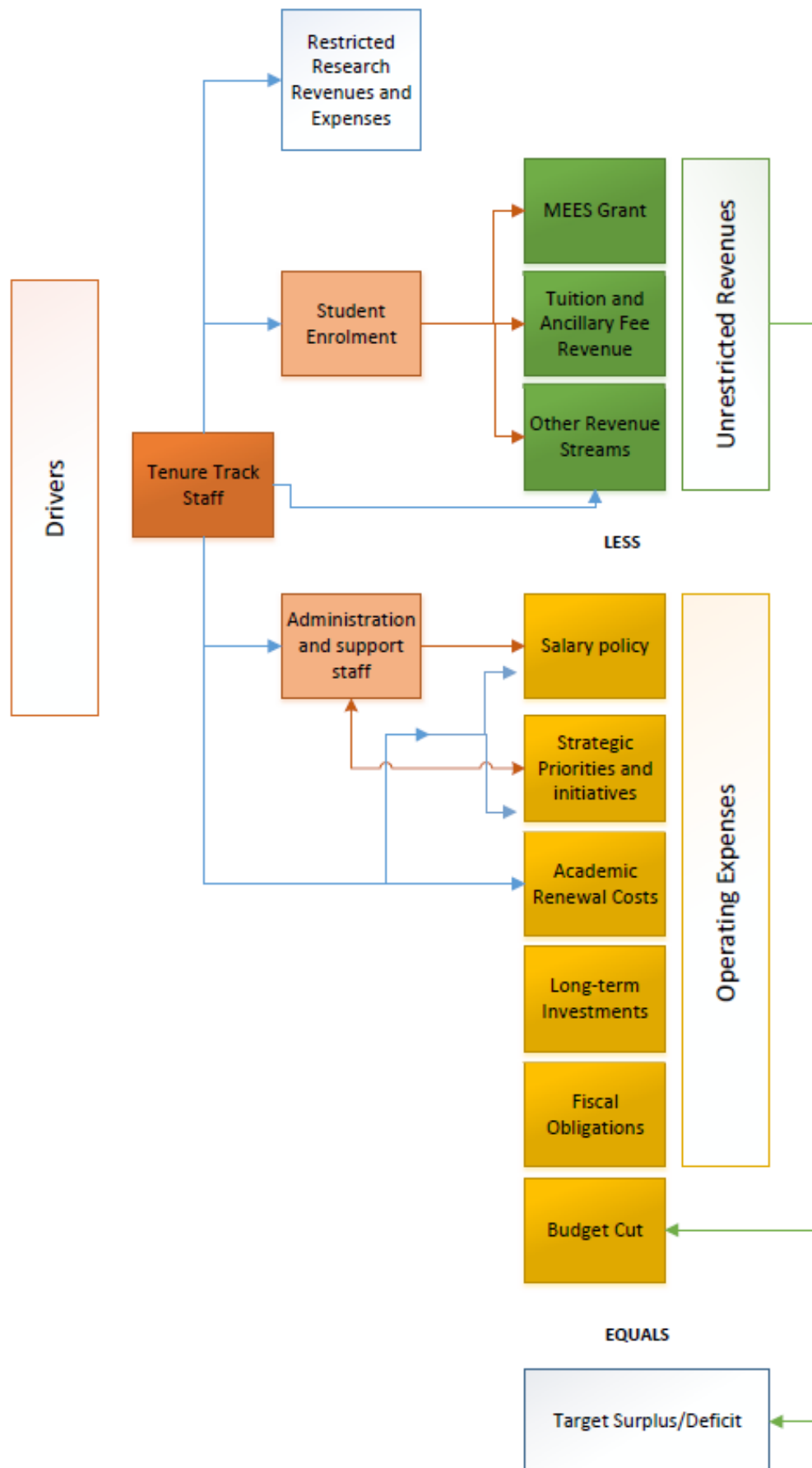
It is important for all revenues, regardless of fund type, to contribute to the strategic priorities and objectives of the University. In the context of well-documented and now chronic underfunding for Quebec universities, this requirement is all the more compelling. Naturally, McGill's budgeting process focuses primarily on the unrestricted operating fund because this is where the University has the most latitude for action.

[Figure 4.1.1](#) provides a schematic of the most prevalent components of the University's budget planning for unrestricted funds and provides indications as to possible impacts on other funds: restricted research and one-time investments (long-term investments). Funds other than operating are considered. Indeed, strategies and processes related to increasing those revenues, and related spending, often require investments and set-asides from limited unrestricted funds. It should be clear, therefore, that resource allocations often consist of explicitly as well as implicitly considering trade-offs.

[Appendix 3](#) illustrates the overall combination of the four funds into one column, for three years: the FY2015 actual, the FY2016 forecast and the FY2017 budget. While all four funds are important, particular attention is put on the Operating Fund as it is through this fund that the University has most discretion and pays for the vast majority of its operations. Changes to the University's net asset positions are shown in [Appendix 4](#).

Sections [7](#) to [10](#) provide descriptive elements related to each of the respective funds.

Figure 4.2.1: High-level illustration of McGill's Budget Planning (Unrestricted Funds)



**Table 4.2.2: Breakdown of overall revenues (\$M) for McGill's four funds**

Fund Type	FY2016 (forecast)	FY2017 (budget)
Operating <sup>1</sup>	773.8	795.6
Restricted	362.5	371.5
Plant <sup>2</sup>	89.5	87.0
<b>Total</b>	<b>1,225.8</b>	<b>1,254.1</b>

<sup>1</sup>FY2016 Operating fund forecast excludes one-time Gain on sale of land (\$20.6M)

<sup>2</sup>FY2016 Plant fund forecast includes projected unrealized gain revenues of \$4M (no such projection is done for FY2017)

Note: Revenues earned from Endowment investments are recorded in the Operating and Restricted funds.

### **4.3 A multi-year, multi-fund Budgetary Framework**

The multi-year, multi-fund integrates and aligns McGill's planning, budgeting, and reporting processes across all units of the University. Under this framework financial tools are developed and metrics that facilitate the planning, analysis, and management of unit budgets are shared and linked to performance measures and targets.

The Framework encompasses four components:

#### **1. Overall Strategic backdrop**

Drawn from and based on [ASAP 2012](#) as well as the Principal's speech, "[Open, Connected and Purposeful](#)", the backdrop helps to frame the strategic priorities, objectives of the University (refer to [Section 5](#))

#### **2. Multi-Year, Multi-fund Budget Development Process**

Based on the broad parameters at the University-level, estimates of revenues, priority pools, major projects, deficit targets and budgetary cuts allow the University to set targets and develop an overall multi-year, multi-fund framework. High-level input from the major organizations feeds this iterative process, which culminates in the Board of Governors approval to put together a budget based on these broad parameters.

#### **3. Budget Planning Agreements**

The Budget Planning Agreement process develops timely operational and financial plans that are used as inputs into the overall multi-year McGill budget plan. The process includes outlining the elements of the unit plans with identified activities and defined timelines both at the institutional level and at the academic and administrative unit level. These Agreement documents align unit activities and financial plans at the major organization level with the strategic objectives of the University. The documents are co-authored between each Dean or VP and the Associate Provost (Budget and Resources) who helps ensure that:

- i. All aspects of a given initiative are taken into account;
- ii. The three-year financial plans are coherent; and
- iii. Performance indicators and targets are captured in order to measure progress towards achieving objectives

#### **4. Financial Budget Model**

The Financial Budget Model is a multi-year, multi-fund financial tool that allows units to input their three-year financial plans (all resources) based on the amounts confirmed in the Agreement documents. The organization-level FBMs then roll up into a consolidated multi-year, multi-fund budget plan for the University.

## 5 McGill University Strategic Plans

### 5.1 ASAP 2012: Achieving Strategic Academic Priorities

[ASAP 2012](#)<sup>6</sup> is the formal statement of McGill University's strategic academic plan to enhance and sustain McGill's leadership in teaching and learning, research, and community outreach through academic year 2017-2018. ASAP 2012 was developed through wide-ranging consultation across the McGill community. The broad principles and outline of ASAP 2012 as McGill's strategic academic plan were endorsed by Senate in October 2012 and by the Board of Governors in February 2013.

Together with other core University planning documents, including McGill's updated [Strategic Research Plan](#)<sup>7</sup>, ASAP 2012 provides the framework for articulating the University's academic priorities that drive resource allocations. **Key performance indicators**<sup>8</sup> (KPIs) help monitor progress towards our strategic objectives.

Four overarching strategic priorities were identified to guide our actions over the 5 years of the ASAP 2012 strategic plan. Hence in developing the McGill University Budget for FY2017, our resource allocation decisions seek to support actions that promote these priorities:

1. Advance McGill's academic and research excellence, as one of the world's leading research-intensive universities
2. Achieve a sustained focus on student-centeredness by enhancing educational, research, and extracurricular life and learning experiences
3. Raise further McGill's external visibility, success and reputation
4. Effectively manage financial, capital, and human resources on a multi-year basis

To that end, a more fully integrated multi-year and multi-fund planning, budgeting, reporting, and control framework has been created. Each Faculty and Administrative unit at McGill is expected to find concrete and specific expressions and actions for the four over-arching strategic objectives.

#### 5.1.1 Principal's Priorities and Action

Since her appointment in 2013, Principal Suzanne Fortier has engaged in conversation and consultation across the University to identify McGill's priority areas for action. Five priority areas constitute a framework for implementing ASAP 2012 strategic objectives by means of specific and concrete projects for the coming five years:

**1) The McGill Commitment:** Providing all students with a stimulating, innovative, and inquiry-based educational experience (Priority 2: Sustained focus on student centeredness):

- Cultivating a seamless continuum from the classroom to the world
- Re-imagining the curriculum and co-curricular activities
- Re-energizing advising, supervising and mentoring
- Combining life and learning in a single, unique, innovative higher education experience for all McGill students

<sup>6</sup> [www.mcgill.ca/asap/home-page](http://www.mcgill.ca/asap/home-page)

<sup>7</sup> [http://www.mcgill.ca/research/files/research/mcgill\\_strategic\\_research\\_plan\\_2013-17.pdf](http://www.mcgill.ca/research/files/research/mcgill_strategic_research_plan_2013-17.pdf)

<sup>8</sup> <http://www.mcgill.ca/annual-report-2015/board-governors-key-performance-indicators>

- 2) Unleashing McGill's Full Research Potential:** Laying the foundation for McGill to excel in the increasingly competitive and challenging global research environment (Priority 1: Academic and Research Excellence):
- Ensuring McGill remains one of the world's top research-intensive universities
  - Extending the global impact of McGill's research activities
  - Encouraging new and stronger partnerships
  - Delivering efficient support for researchers and quality research experiences for trainees
  - Tapping into, and contributing to, the worldwide pool of knowledge
- 3) Enhancing McGill's Community Partnerships:** Making McGill a responsive and dynamic collaborator with a wide range of communities and partners, locally, nationally and globally. (Priority 3: Raise further McGill's external visibility, success and reputation):
- Nurturing lifelong and mutually beneficial relationships between McGill and its global community of alumni, parents, friends and supporters
  - Fostering an atmosphere of innovation, creativity and discovery that encourages and benefits from industry, community and university partnerships
  - Increasing McGill's visibility as a welcoming, open place in order to reach and engage external partners locally, nationally and globally
- 4) My Workplace:** Turning McGill into a true learning organization, where staff are empowered to use their knowledge to increase agility and effectiveness: (Priority 4: Effectively manage financial, capital & human resources):
- Empowering employees to identify opportunities for greater efficiency, simplification and process improvement
  - Better aligning McGill's resources to needs and priorities
  - Identifying measures to ensure that hiring of new administrative staff is done strategically
  - Using technological tools to make McGill's operations more efficient
  - Continuing to ensure that employees are well trained for their jobs, and developing more ways for them to learn from each other
  - Encouraging a culture that embraces changes and welcomes new ideas
- 5) Transforming our Campus:** Providing our physical and virtual campuses with the resources necessary to continue our mission in a sustainable, safe and welcoming environment (Priority 4: Effectively manage financial, capital & human resources):
- Developing a Campus Space Plan for the next 10-15 years. The plan will guide the University's campus development, particularly with regard to our most critical space needs, major renovation requirements, and property acquisitions and disposals.
  - Continuing the program started in 2009 to improve campus green spaces, to develop more exterior student spaces, and more sustainable landscapes
  - Improving the University's classrooms and teaching labs by undertaking major renovations and equipment renewal and including "active", collaborative and innovative teaching environments

These priorities are already being used to inform budget planning, and will do so more manifestly in coming years as this vision becomes fully integrated into planning, resource allocation, and accountability frameworks.

### 5.1.2 Work in Progress

McGill's FY2017 budget includes provisions for each of the Principal's priorities for the McGill community and their corresponding action plans. Listed below are some of the ongoing measures that have been put in place to achieve already stated objectives. We have also listed some of the challenges we are facing.

**a) Compensation of Tenured and Tenure-Track (Tenure Stream) Staff** (Priority 1: Academic and Research Excellence):

- Long-term goal: maintain compensation levels that allow recruitment, development, and retention of world-class professors
- Corollary: bring academic compensation levels at McGill back into line with U15 peer universities
- Action: we have implemented a three-year total compensation improvement plan based primarily on merit for tenure-track faculty starting with FY2015. FY2017 is the last year of the plan where the June 2016 salary policy will have net marginal costs of approximately \$14.2M]

**b) Academic Leadership** (Priority 1: Academic and Research Excellence):

- Pursuing our academic renewal objective remains one of our top priorities. Our Academic Personnel Office is now involved in intervening on immigration issues.
- As a whole the University does not have a retention issue, though the situation is being monitored and corrective actions taken when needed through the retention envelope [net marginal increase estimated at around \$1.0M]
- Several Faculties have implemented improved administrative support structures
- Networking events (e.g. orientation, Academic Leadership Forum – ALF sessions) are held to support and develop academic leadership. A 2.5 day-long session is under development for new academic administrators, and to be held in August 2016.

**c) Cluster hiring and interdisciplinary** (Priority 1: Academic and Research Excellence; Priority 3: Raise McGill's external visibility, success and reputation):

- Aim to build on the successes of current initiatives (e.g. Inter-disciplinary Program in Neuroscience (IPN), Environment, Genomics, Centre for Interdisciplinary Research in Music Media and Technology [CIRMMT]). The Department of Bioengineering should start offering its program in Fall 2016.
- An interdisciplinary program envelope has been set aside for promoting interdisciplinary programs in neuroscience and cognitive sciences [\$0.8 million];
- Other programs are being developed (e.g. Digital Humanities and the School of Public Policy);
- Hiring of tenure-track professors to support the two CERCs (Human Pain in FY2014 and Green Chemistry in FY2015) is serving as catalysts for identifying clusters and promoting interdisciplinarity [annual commitments of over \$1.5M for both, plus three tenure-track hires to be completed in FY2017 for the Pain CERC; searches for the Green Chemistry CERC also to start in FY2017];
- Application for a new Canada First Research Excellence Fund (CFREF) project to be filed in 2016 (Healthy Brains for Healthy Lives). McGill's proposal focuses on our strengths in neuroscience;
- Implementation of UNIWeb software, a tool to display, promote and reveal shared research interests across the university

**d) Enhanced Services** (Priority 2: Sustained focus on student centeredness):

- Building on the work and successes over the past several years:
  - Office for Students with Disabilities, including the Universal Design Working Group;
  - Expanding opportunities for internships and UG research;
  - Graduate student Skillsets series, including writing courses intended for graduate thesis students;
  - Improving the Graduate Student Funding Allocation mechanism;
  - Automated Graduate Application Process.
- Future streamlining projects which will require securing IT resources:
  - Milestones initiative
  - Supervisory capacity indicators

**e) Cyclical Unit Review Office (CURO)** (Priority 1: Academic and Research Excellence; Priority 2: Sustained focus on student centeredness):

- Launched in FY2013, the reviews of academic units have been effective and have provided several thoughtful recommendations;
- These have been integrated within our planning:
  - APC receives reports and endorses follow-up actions
  - Decanal follow-up monitored by the Provost
- Launched reviews of administrative units in FY2014-15.

**f) Strengthening Professional Programs** (Priority 2: Sustained focus on student centeredness):

- A permanent subcommittee of the Academic Policy Committee (APC) has been set up to address this issue
  - The dynamics with the professional orders and their attempts to have a greater say in the way university programs are delivered are still causing tension
- A strategic plan is under development for the years 2016/2017 through 2020/2021 for the Ingram School of Nursing. An acting director is in place since September 1, 2015 and the Faculty of Medicine is about to hire a permanent Director to implement the strategic plan. The problem of finding adequate physical space for the ISON is being addressed. At least two nursing programs will undergo accreditation reviews in FY17.

**g) Innovative Learning** (Priority 2: Sustained focus on student centeredness; Priority 3: Raise McGill's external visibility, success and reputation):

- On-going classroom and teaching lab upgrades having a positive impact on the delivery of courses and programs:
  - Budget constraints limit improvements to a handful of classrooms, and 1 or 2 teaching labs per year
- Development of MOOCs as part of the edX consortium was launched in FY2014 and we now have four courses fully operational.
  - We are in the last year of a three-year learning phase. The sustainability of this initiative will be assessed in FY2017 [\$1.0M from philanthropic sources only].

**h) Maintain low undergraduate to tenure-track ratio and increase proportion of graduate students** (Priority 2: Sustained focus on student centeredness; Priority 3: Raise McGill's external visibility, success and reputation):

- Academic renewal envelope for FY2017: \$5.1M, including recruitment, start-up, and initial salaries; this is an incremental increase of \$1.9M compared to FY2015
  - The objective is to maintain the UG-TT ratio between 13.0 and 13.5 over the next five years while it is felt that we have capacity to grow at the graduate level;
  - Targets are set for each Faculty as part of the Agreement process. In FY2016, ratios achieved in the Faculties varied from 23.7 (Desautels Faculty of Management) to 5.4 (Faculty of Medicine).

**i) Resources for new initiatives** (Priority 1: Academic and Research Excellence; Priority 4: Effectively manage financial, capital & human resources):

- The MEES grant identifies no further cuts and a modest indexation in FY2017 to FY2021 of 1.1% to 1.8%
- Within the next year we will be implementing a new process to provide seed funding (\$5M to \$7M) for new initiatives that will advance the strategic priorities of the University
- In FY2017 we will reconstruct the budget for Facilities Management and Ancillary Services (FMAS) starting from a zero-base to address its large and increasing deficit and separate operational costs from costs linked to new constructions and renovation projects. A similar exercise will be done with IT Services to come to a reconstructed budget in FY2018.
- Additional borrowing of \$400M by issuance of bonds has been secured, to be repaid over the course of a period not to exceed 40 years, in support of deferred maintenance of facilities and information technology infrastructures. The spending plans will align deferred maintenance projects with academic space needs.
- Administrative efficiencies will be identified including the development of administrative staff complements, benchmarking administrative costs and review of current work processes.

**j) Budget Planning Agreements and integrated multi-year, multi-fund budgeting and financial framework** (Priority 4: Effectively manage financial, capital & human resources):

- A revised budget planning agreement process was introduced this year, based on the feedback received from the FY2015 and FY2016 exercises. The document is the result of iterative discussions between each Faculty and administrative unit and the Office of the Provost and Vice-Principal Academic. It captures expressions of ASAP 2012 priorities at the Faculty/Vice-Principal level with embedded KPIs.
- Likewise, FY2017 is the third year of application of the Finance Budget Model (FBM) that captures a multi-year, multi-fund financial view for enhanced budget planning capability.

**k) Key Performance Indicators (KPIs)** (Priority 4: Effectively manage financial, capital & human resources):

- Development and implementation of KPIs (benchmarks and on-going monitoring) at the institutional level and the Faculty level
- Over the coming years, we will further develop and disseminate unit level performance measures and benchmarks specifically suited to administrative units.

## 5.2 McGill Strategic Research Plan 2013-2017

The [McGill Strategic Research Plan 2013-17](#)<sup>9</sup> (SRP) was endorsed by the University Senate in November 2012 and by the Board of Governors in February 2013. It is aligned with section 4 of the *ASAP 2012* strategic academic plan.

<sup>9</sup> [http://www.mcgill.ca/research/files/research/mcgill\\_strategic\\_research\\_plan\\_2013-17.pdf](http://www.mcgill.ca/research/files/research/mcgill_strategic_research_plan_2013-17.pdf)

During the extensive Strategic Research Plan consultation process, the Vice-Principal (Research and International Relations) met with a wide range of McGill faculty, students, staff, and external partners to discuss and identify their research goals, challenges and priorities for the coming years. Groups that provided input included: the SRP Advisory Committee, the Research Advisory Council, student associations, various focus groups, established and early career researchers, and a panel of external advisers. Members of the greater McGill community also had the opportunity to share their feedback via the SRP website and at several open forums. Consultations for the SRP were coordinated with those for *ASAP 2012*, to ensure that priority areas would be aligned across both Plans.

The content and structure of the McGill Strategic Research Plan 2013-2017 encapsulate and reflect the overarching themes that emerged through the extensive outreach and consultation across the McGill communities. A new plan needs to be imagined as a next step in 2016-2017.

### **5.3 McGill University Physical Master Plan**

The [McGill University Physical Master Plan](#)<sup>10</sup> was developed with extensive consultation with McGill and greater Montreal communities. The plan was approved by the Board of Governors in April 2008 and revised in FY2016; much work will be done in FY2017 to further update the plan to take into account several major capital projects of high priority to McGill.

In support of the University's mission, this Master Plan was intended to guide infrastructure projects and future physical growth in order to help create a dynamic intellectual community and academic experience. Guided by nine overarching principles, the Plan was designed to modernize both the Downtown and Macdonald campuses, improve spaces for teaching and research, steward our historic and green spaces to further campus sustainability, and ensure that future development meets the needs of the McGill community.

Base budget increases have been allocated to facilities development and maintenance to address the needs as well as make provisions for increased costs associated with rentals, renovations, and project management.

### **5.4 Royal Victoria Hospital Feasibility Study**

The University is undertaking a feasibility study in partnership with the Quebec government to determine the potential for McGill to make use of the Royal Victoria Hospital site to address its pressing space deficit. The RVH site, now vacant, could be transformed into modern academic and research space. This two-year study is expected to cost \$8.0M, of which the Quebec government will contribute \$4.0M. McGill will contribute the remaining amount. The final project could cost as much as \$800M.

Principal Fortier has championed the project in various public announcements, outlining that the RVH site will:

- Provide approximately 700,000 square feet of space, vital for a university suffering a substantial space deficit
- Create a real estate reserve that will ensure McGill's long-term development
- Create a landmark site that will be the pride of Montreal, Quebec, and the McGill community

### **5.5 Fiat Lux: Let There Be Light – McGill University Library and Archives – Feasibility Study**

McGill University (with the financial support of *The Friends of the Library*) undertook a feasibility study to best determine how the McGill Library and Archives can meet the growing teaching, learning and research needs of the McGill community. An amount of \$320,000 was allocated in FY15 toward this purpose. The feasibility study,

<sup>10</sup> [www.mcgill.ca/campusplanning/planning-services/campus-planning/master-planning](http://www.mcgill.ca/campusplanning/planning-services/campus-planning/master-planning)

spearheaded by McGill staff members and the EKM and Shepley Bulfinch architectural firms, established a clear understanding of space needs and opportunities. The result was the development of a [Master Plan](#), which provides a roadmap for a prudent but ambitious reimagining of a Library for the 21<sup>st</sup> century and beyond. The plan would be implemented in phases as funding becomes available, and ensures that the Humanities and Social Sciences Library will remain operational during all phases of construction. A Business Plan will be developed in consultation with Facilities and Finance units during FY2017. Several components identified as key to the success of this project include:

- Rebuild the 1950s Redpath Library Building to provide quality work space for users, appropriate facilities for academic partners and cutting-edge work environments for staff, researchers and librarians (estimated cost \$80M)
- Build an Automated Storage and Retrieval System (ASRS) underneath the campus green to securely store print and archival materials; the relocation of these print materials will help to meet the seating needs of students (estimated cost \$65M)
- Renovate the McLennan Library Building to provide a variety of work and study spaces and a browsable 500,000-volume collection in an open-stack configuration.

## 6 Goals and Objectives of the University, Faculties and Administrative Units

The Organization Chart found at the beginning of the document presents the University's leadership structured. A more detailed breakdown is presented in [Appendix 22](#).

For purposes of McGill's Budget Book, "academic units" refer to ten Faculties, the two Schools (that are in effect considered Faculties: Continuing Studies and Music), and the Library. Administrative units are high-level entities, generally at the Vice-Principal level. Units may have sub-components, but the allocations described herein generally refer to the top level of each organization.

McGill's academic and administrative units, as described above, all contributed to the design and development of the University's strategic plans. Consequently, they have the responsibility for aligning their specific goals, objectives and actions with the University's priorities as outlined in *ASAP 2012*.

To that end, the Office of the Provost enters into annual **Budget Planning Agreements** with each academic and administrative unit. The multi-year and multi-fund Agreement describes various actions pertaining to the academic or administrative unit's development objectives and priorities within the context of the University's strategic goals and aspirations. Each academic and administrative unit at McGill is expected to find concrete and specific expressions and actions for the four over-arching strategic objectives outlined in [Section 5](#).

Units are allocated budgets from the University's overall "operating fund", but may also derive monetary resources from other sources, which are usually, but not exclusively, "restricted" such as research grants, contracts, annual donations, or endowed gifts. Appendices [5](#) through [8](#) provide three years of historical unrestricted and restricted financials, which represent the resources that have been available to each major unit. A historical breakdown of employee headcounts by unit is presented in Appendices [10](#) and [11](#). [Appendix 13](#) and [Appendix 14](#) show the FY2015 incremental Operating Budget allocations to each unit.

### 6.1 Academic Units: Faculties, Schools, and the Library

All academic units are led by a Dean, appointed for a five-year term, whose mandate is to ensure that the unit carries out teaching, research and/or other scholarly activities that are deemed excellent according to the highest international standards. The variety of disciplines is such that excellence takes on a different expression within each academic unit.

The Deans, in consultation with the Provost, align these expressions with the overall University strategic priorities and objectives. The academic units are:

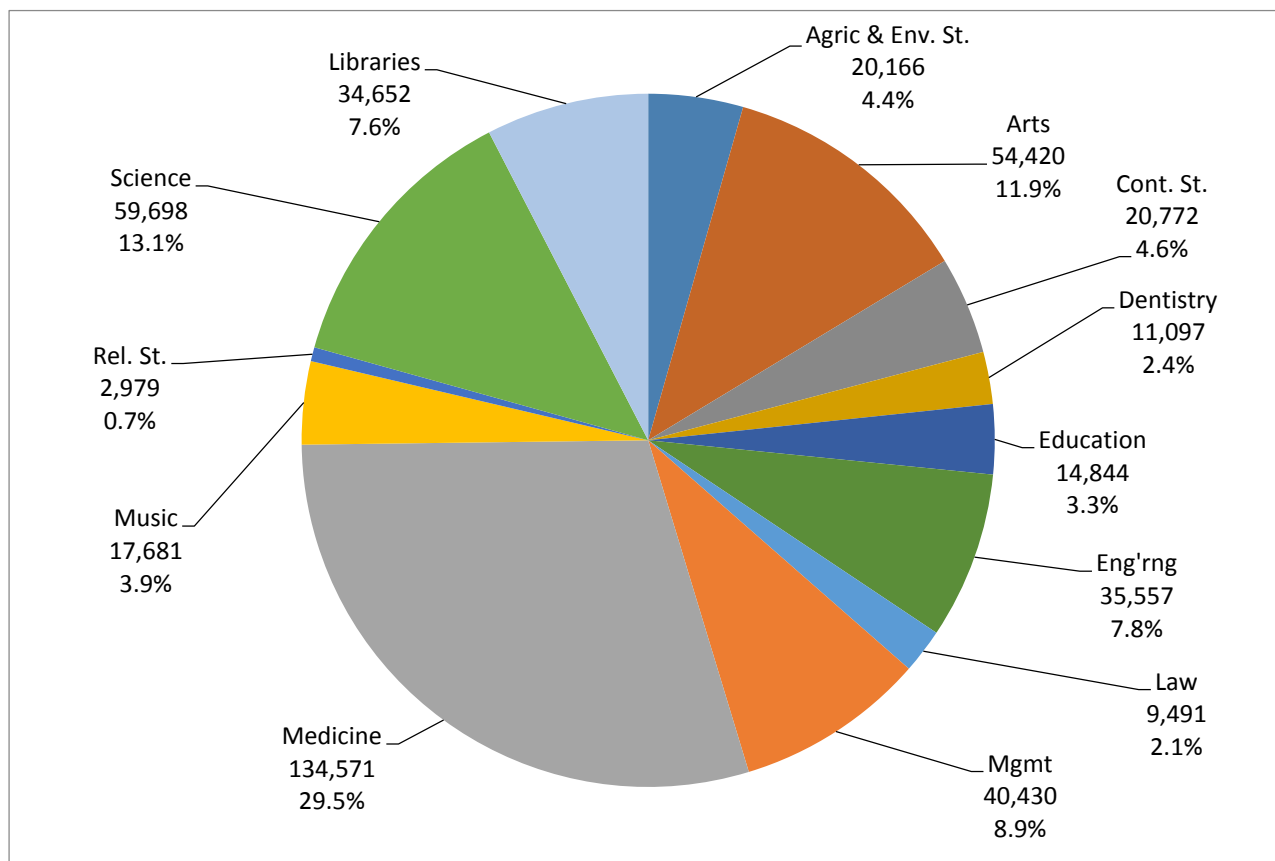
- Agricultural and Environmental Sciences: [www.mcgill.ca/macdonald/](http://www.mcgill.ca/macdonald/)
- Arts: [www.mcgill.ca/arts/](http://www.mcgill.ca/arts/)
- Dentistry: [www.mcgill.ca/dentistry/](http://www.mcgill.ca/dentistry/)
- Education: [www.mcgill.ca/education/](http://www.mcgill.ca/education/)
- Engineering: [www.mcgill.ca/engineering/](http://www.mcgill.ca/engineering/)
- Law: [www.mcgill.ca/law/](http://www.mcgill.ca/law/)
- Desautels Faculty of Management [www.mcgill.ca/desautels/](http://www.mcgill.ca/desautels/)
- Medicine (Deanery and Vice-Principal Health Affairs) [www.mcgill.ca/medicine/](http://www.mcgill.ca/medicine/)
- Religious Studies [www.mcgill.ca/religiousstudies/](http://www.mcgill.ca/religiousstudies/)
- School of Continuing Studies [www.mcgill.ca/conted/](http://www.mcgill.ca/conted/)
- Schulich School of Music [www.mcgill.ca/music/](http://www.mcgill.ca/music/)
- Science [www.mcgill.ca/science/](http://www.mcgill.ca/science/)

- Libraries [www.mcgill.ca/library/](http://www.mcgill.ca/library/)

For additional information on these units, including goals and objectives, please refer to the corresponding websites.

Each Dean administers the affairs, academic and administrative, of her or his unit, including the preparation of the budget and unit plans, in consultation with department chairs and directors. As indicative of each academic unit's share, [Figure 6.1.1](#) below shows the breakdown of the Academic Units budgeted operating expenses for FY2017.

**Figure 6.1.1: Operating Budget (\$'000), Academic Unit Expenses FY2017, Total \$456.4M**



## 6.2 Administrative Units

Administrative units support one or more of the following University missions: teaching, research and community service. The [Principal and Vice-Chancellor](#)<sup>11</sup> is the University's chief executive officer, who works with the University community to achieve excellence in teaching, research and service, and represents McGill to external bodies at home and around the world. McGill's governance bodies - the [Board of Governors](#)<sup>12</sup> and [Senate](#)<sup>13</sup> – provide strategic guidance and oversight, ensuring accountability through a system of formal decision-making and reporting.

<sup>11</sup> [www.mcgill.ca/principal/](http://www.mcgill.ca/principal/)

<sup>12</sup> [www.mcgill.ca/boardofgovernors/](http://www.mcgill.ca/boardofgovernors/)

<sup>13</sup> [www.mcgill.ca/senate/](http://www.mcgill.ca/senate/)

Reporting to the Principal and Vice Chancellor are the Provost, Vice-Principals, Secretary General, General Counsel and Legal Services.

The [Provost and Vice-Principal \(Academic\)](#)<sup>14</sup> has responsibility for the development, implementation and assessment of academic strategies, policies, and programs, budget planning, and resource allocation for the entire University. The Deputy Provost (Student Life and Learning), two Associate Provosts, the Dean of Graduate and Postdoctoral Studies, and the Associate Vice-Principal (Macdonald Campus), who is also the Dean of Agricultural and Environmental Studies, provide direct support to the Provost in carrying out this mandate.

The [Deputy Provost \(Student Life and Learning\)](#)<sup>15</sup> is the senior administrator responsible for the implementation of policies, actions, and decisions aimed at enhancing student life and learning at McGill. The Dean of Students reports directly to the Deputy Provost (SLL).

The [Dean of Graduate and Postdoctoral Studies](#)<sup>16</sup> provides university-wide leadership and promotion of excellence for graduate and postdoctoral education at McGill.

The [Vice-Principal \(Administration and Finance\)](#)<sup>17</sup>, the chief financial and administrative officer of McGill, oversees Financial Services, Information Technology (IT), University Services, Human Resources, and Investments.

The [Vice-Principal \(Research and International Relations\)](#)<sup>18</sup> oversees research services and policies, works to optimize the research successes of the University and its affiliated hospitals, and serves as the representative on research and related matters. In FY17, this position will become Vice-Principal (Research and Innovation).

The [Vice-Principal \(University Advancement\)](#)<sup>19</sup> promotes the University to its alumni community, builds on McGill's record of fundraising success and enhances relations with alumni, volunteers and friends of McGill.

The [Vice-Principal \(Communications and External Relations\)](#)<sup>20</sup> oversees and enhances McGill's relations with the media, government and the diplomatic corps, and serves as chief liaison with other organizations and public institutions.

The [Secretary General](#)<sup>21</sup> oversees McGill's governance office responsible for the Board of Governors, the Senate and their committees.

McGill's [General Counsel and Director of Legal Services](#)<sup>22</sup> is responsible for providing legal advice to the senior administration of the University.

Finally, the [Internal Audit Department](#)<sup>23</sup> was established by the senior administration and the Board of Governors to provide independent appraisals of academic and administrative units to the Audit Committee, a standing committee of the Board of Governors with oversight responsibilities for financial and audit matters of

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<sup>14</sup> [www.mcgill.ca/provost/](http://www.mcgill.ca/provost/)

<sup>15</sup> [www.mcgill.ca/deputyprovost/](http://www.mcgill.ca/deputyprovost/)

<sup>16</sup> [www.mcgill.ca/gps/](http://www.mcgill.ca/gps/)

<sup>17</sup> [www.mcgill.ca/vpadmin/](http://www.mcgill.ca/vpadmin/)

<sup>18</sup> [www.mcgill.ca/research/about/office-vp](http://www.mcgill.ca/research/about/office-vp)

<sup>19</sup> [www.mcgill.ca/vp-dar/](http://www.mcgill.ca/vp-dar/)

<sup>20</sup> [www.mcgill.ca/communications/vp](http://www.mcgill.ca/communications/vp)

<sup>21</sup> [www.mcgill.ca/secretariat/secretariat](http://www.mcgill.ca/secretariat/secretariat)

<sup>22</sup> [www.mcgill.ca/legal/](http://www.mcgill.ca/legal/)

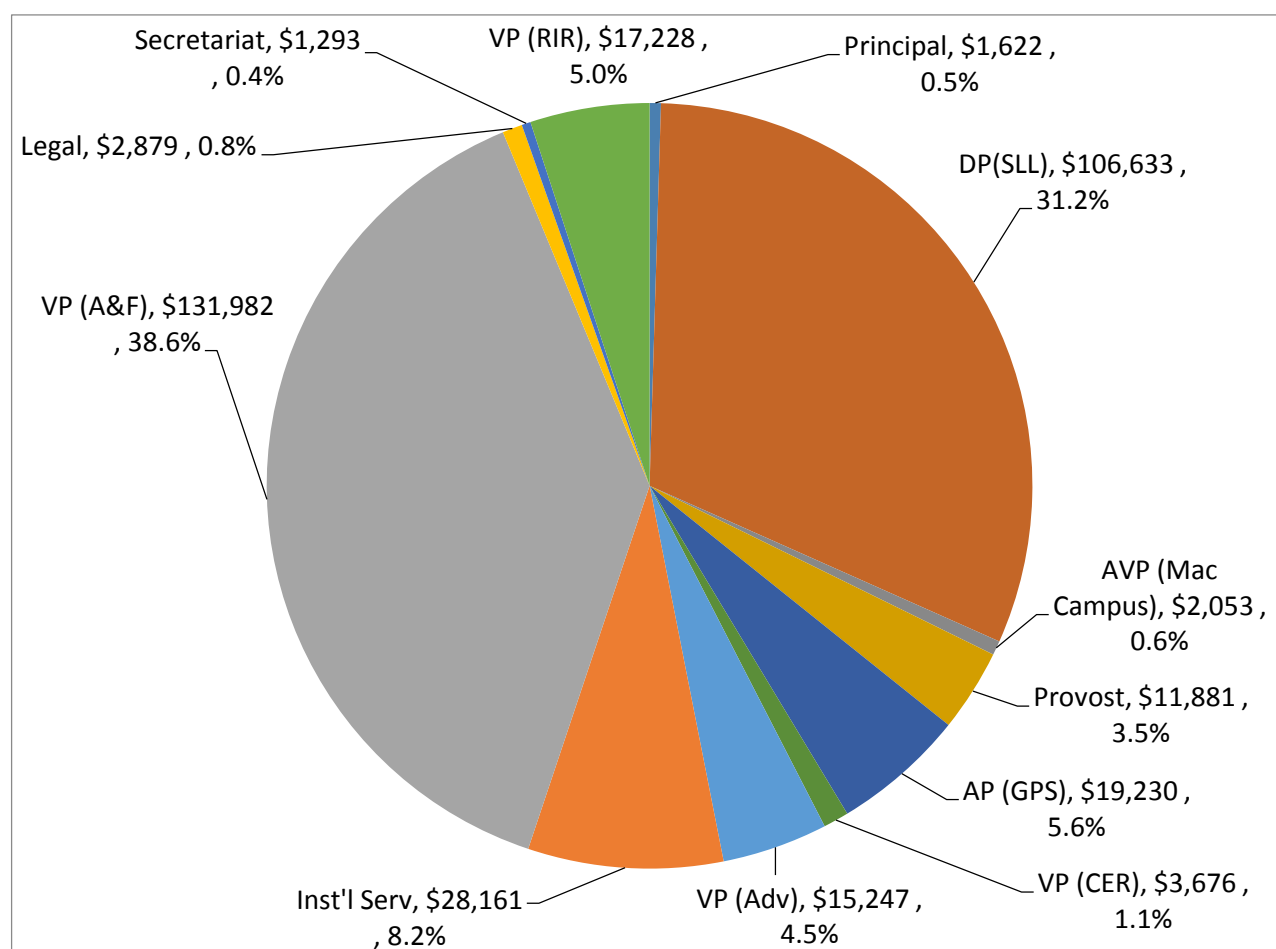
<sup>23</sup> [www.mcgill.ca/internalaudit/](http://www.mcgill.ca/internalaudit/)

the University. From a budget perspective, the unit reports up through the Vice-Principal (Administration and Finance)

As indicative of each administrative unit's share, [Figure 6.2.1](#) below shows the breakdown of the total Administrative units budgeted operating expenses for FY2017.

"Institutional Services" reflect central revenues and expenses that are not attributed to any specific unit as well as the budget envelopes for in-year allocations, institutional services priority pools, academic renewal, mid-year contingency and operating fund contributions to building projects. Expenses captured under this grouping include post-retirement benefits, association fees, copyright payments, compensation for senior administration and provisions for bad debts.

**Figure 6.2.1: Operating Budget (\$'000), Administrative Unit Expenses FY2017, \$341.9M**



## 6.3 Partners

### 6.3.1 McGill University Affiliated Hospitals

The teaching hospital network of McGill University is an integral part of the research, teaching, and clinical activities of the Faculty of Medicine and the reason why the Dean of Medicine is also the Vice-Principal (Health Affairs). By agreement and tradition, the administration, medical staff, and scientific personnel of these institutions are closely integrated with McGill University and form the basis of the clinical departments of the Faculty of Medicine. These hospitals include:

- The Douglas Mental Health University Institute [www.douglas.qc.ca](http://www.douglas.qc.ca)
- The McGill University Health Centre (MUHC) [www.muhc.ca](http://www.muhc.ca)
- Sir Mortimer B. Davis - Jewish General Hospital [www.igh.ca/](http://www.igh.ca/)
- St. Mary's Hospital Centre [www.smhc.qc.ca/en/](http://www.smhc.qc.ca/en/)

In addition, the University is affiliated with the various research institutes associated with each teaching hospital, the largest one of which is the MUHC Research Institute (MUHC-RI). As part of its association, McGill and the MUHC RI signed an agreement in 2015 by which the salaries of affiliated tenure stream faculty are shared.

### 6.3.2 Other Affiliated units

The University keeps close ties, at times sharing services, with other separate entities, including student and staff associations. The list of affiliated units, including student and staff groups, includes:

#### Unions, Employee Associations, Student and Staff groups:

- Association of McGill Support Employees – non-academic casuals (AMUSE)
- Association of McGill Support Employees – Floor Fellows (AMUSE)
- Association of McGill Research Employees- Research Associates (AMURE)
- Association of McGill Research Employees- Post-Doctoral Fellows (AMURE)
- Association of McGill Research Employees- Research Assistants (AMURE)
- Association of Graduate Students employed at McGill – Teaching Assistants and Lab. Demonstrators (AGSEM/TAs)
- Association of Graduate Students employed at McGill – Invigilators (AGSEM/Invg.)
- Service Employees Union, Local 800, QFL – Facilities Management/Residences/Faculty Club
- Service Employees Union, Local 800, QFL – Printing services
- Service Employees Union, Local 800, QFL – Computing Center
- Service Employees Union, Local 800, QFL – Trades group
- Service Employees Union, Local 800, QFL – Power House Downtown
- Service Employees Union, Local 800, QFL – Power house and Trades MacDonald Campus
- McGill Course Lecturers and Instructors Union (MCLIU)
- Macdonald Campus Student Society (MCSS) [mcss.mcgill.ca/](http://mcss.mcgill.ca/)
- McGill Association of University Teachers (MAUT) [www.mcgill.ca/maut/home-page](http://www.mcgill.ca/maut/home-page)
- McGill Student Society (SSMU) [ssmu.mcgill.ca/](http://ssmu.mcgill.ca/)
- McGill University Non-Academic Certified Association (MUNACA) [www.munaca.com/](http://www.munaca.com/)
- McGill University Non-Academic Staff Association (MUNASA) [www.munasa.com/Welcome.html](http://www.munasa.com/Welcome.html)
- McGill Women's Networking Group [www.mcgill.ca/mwng/](http://www.mcgill.ca/mwng/)
- Post-Graduate Students' Society (PGSS) [pgss.mcgill.ca/en/home](http://pgss.mcgill.ca/en/home)

#### Other groups:

- McCord Museum [www.mccord-museum.qc.ca/en](http://www.mccord-museum.qc.ca/en)
- McGill Community Infant-Toddler Family Centre (Daycare) [www.mcgill.ca/daycare/](http://www.mcgill.ca/daycare/)
- McGill – MCH Learning Centre (The Learning Centre of Quebec) [muhc.ca/mch/dashboard](http://muhc.ca/mch/dashboard)
- McGill-Queens University Press [www.mqup.ca/](http://www.mqup.ca/)
- Mont St. Hilaire Nature Conservation Centre [www.centrenature.qc.ca/](http://www.centrenature.qc.ca/)
- Morgan Arboretum Association [www.morganarboretum.org/](http://www.morganarboretum.org/)
- Pulp and Paper Research Institute – Canada  
[cac.mcgill.ca/campus/buildings/Pulp\\_Paper\\_Research\\_Institute.html](http://cac.mcgill.ca/campus/buildings/Pulp_Paper_Research_Institute.html)

- Valacta [www.valacta.com](http://www.valacta.com)

#### 6.4 Unit Objectives, Actions, Achievements, Challenges and Targets

Through the iterative **Budget Planning Agreement** process, Faculties are asked to describe their objectives and actions as expressions of McGill's overall strategic objectives, specifically along five themes:

1. Research intensiveness
2. Student centeredness and providing a rich learning environment
3. Commitment to excellence
4. International orientation
5. Sense of public purpose

Administrative Units were asked to provide a brief summary of their activities in relation to the University's mission as well as its major achievements and challenges. Related targets and benchmarks are in development.

The following sections summarize each Faculty's objectives, actions and performance assumptions based on student-staff ratios and research grant dollars per tenure-stream staff. A summary of each Administrative Unit's Agreement follows. As the **Agreements** are written as an expression of each Dean's and Vice-Principal's strategic vision, achievements and challenges, the following sections represent summaries of these Agreements.

**FY2017 Operating Budget**

**\$20.2M (2.5% of total operating)**  
**[including McGill School of the Environment]**

**Faculty Overview**

McGill's Faculty of Agricultural and Environmental Sciences is Canada's pre-eminent school for teaching, discovery, innovation and community engagement in agriculture, food, nutrition and environmental sciences.

**FY2016 Achievements**

- Continued and sustained growth of our undergraduate and graduate enrolment;
- Creation of an 18-credit minor in entrepreneurship and innovation;
- Modernization of infrastructure, particularly teaching and research laboratories and classrooms.

**FY2016 Challenges**

- No growth in permanent base budget or in TT complement despite significant growth in undergraduate and graduate enrolment
- Inadequate facilities for athletics, food services and student services
- Shortage of large classrooms and inadequate space for teaching programs and demands of new staff (including endowed chairs, CRCs, CFI applicants)

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 Planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>96.6</b>	<b>96.1</b>	<b>99.1</b>	<b>101.1</b>	<b>102.1</b>
New hires	5.0	4.0	5.0	4.0	4.0
Resignations	(2.5)	(0.0)	(2.0)	(2.0)	(2.0)
Retirements	(3.0)	(1.0)	(1.0)	(1.0)	(1.0)
<b>Year-end complement</b>	<b>96.1</b>	<b>99.1</b>	<b>101.1</b>	<b>102.1</b>	<b>103.1</b>
Excluded from count (senior admin & provostial appointments)	1.0	2.0	2.0	2.0	2.0
<b>Target complement</b>					<b>101.1</b>
Year-end complement					<b>103.1</b>
<b>Under (over) complement</b>					<b>(2.0)</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	1.0	3.5	3.5	3.5	3.5
CRC II	5.0	4.0	3.0	2.0	2.0
James McGill Professor	6.0	6.0	6.0	6.0	6.0
William Dawson Scholar	2.0	2.0	2.0	2.0	2.0
Endowed Chairs	2.0	2.0	2.0	2.0	2.0
<b>Total</b>	<b>16.0</b>	<b>17.5</b>	<b>16.5</b>	<b>15.5</b>	<b>15.5</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students (FTEs)	1,175.7	1,194.8	1,200.1	1,219.4	1,224.6
Grad students (FTEs)	370.3	374.9	374.9	374.9	374.9
Deregulated students (FTEs)	35.3	33.9	33.9	33.9	33.9
UG FTEs/Prof	12.2	12.0	11.9	11.9	10.9
Masters FTEs/Prof	2.6	2.6	2.5	2.5	2.5
PhD FTEs/Prof	1.2	1.2	1.2	1.2	1.2
Research \$/Prof	\$162,643	\$164,985	\$163,106	\$164,055	\$164,597
<b>RESEARCH (\$000)</b>					
	\$15,630	\$16,350	\$16,490	\$16,750	\$16,970
<b>FUNDRAISING (\$000)*Total cash revenues, excluding major gifts</b>					
	\$4,256	\$3,085*	\$3,100*	\$3,120*	\$3,140*

**FY2017 Operating Budget**

**\$57.4M (7.2% of total operating)**  
**[includes the merger of the Faculty of Religious Studies]**

**Faculty Overview**

The Faculty of Arts is a comprehensive social sciences and humanities faculty that includes 15 departments, 3 professional schools and 4 institutes. Arts is a leader in citation counts, SSHRC funding, and is home to 7 top-50 programs according to the 2015 QS World University Subject Rankings. It is ranked 2<sup>nd</sup> overall in Canada for the social sciences and humanities. The Faculty of Religious Studies will be merged into the Faculty of Arts as the School of Religious Studies on 1 May 2016.

**FY2016 Achievements**

- New endowed Centres and Chairs;
- Increased grant and contract revenue;
- Implemented major administrative reorganization.

**FY2016 Challenges**

- Pressure on salary mass index of administrators and clerical staff;
- Increasing complexity of immigration regulations at the federal and provincial levels;
- Deteriorating physical condition of key buildings and finding physical space for research activities.

	<b>FY2015 actual</b>	<b>FY2016 Updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>313.1</b>	<b>313.1</b>	<b>318.1</b>	<b>322.1</b>	<b>325.1</b>
New hires	12.0	14.0	13.0	12.0	12.0
Resignations	(8.0)	(6.0)	(7.0)	(7.0)	(7.0)
Retirements	(4.0)	(3.0)	(2.0)	(2.0)	(2.0)
<b>Year-end complement</b>	<b>313.1</b>	<b>318.1</b>	<b>322.1</b>	<b>325.1</b>	<b>328.1</b>
Excluded from count (senior admin & provostial appointments)	9.0	11.5	11.5	11.5	11.5
<b>Target complement</b>					<b>320.3</b>
Year-end complement					<b>328.1</b>
<b>Under (over) complement</b>					<b>(7.8)</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	11.0	13.0	14.0	14.0	14.0
CRC II	6.0	11.0	10.0	9.0	8.0
James McGill Professor	16.0	14.0	16.0	16.0	16.0
William Dawson Scholar	9.0	12.0	13.0	13.0	13.0
Endowed Chairs	22.0	25.0	25.0	25.0	25.0
<b>Total</b>	<b>64.0</b>	<b>75.0</b>	<b>78.0</b>	<b>77.0</b>	<b>76.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	5,941.6	5,925.8	5,940.	5,923.2	5,920.8
Grad students	820.9	813.2	813.2	813.2	813.2
Deregulated students	-	-	-	-	-
UG FTEs/Prof	19.0	18.6	18.4	18.2	18.0
Masters FTEs/Prof	1.7	1.7	1.7	1.7	1.6
PhD FTEs/Prof	0.9	0.9	0.8	0.8	0.8
Research \$/Prof	\$28,892	\$30,126	\$29,27	\$29,591	\$30,326
<b>RESEARCH (\$000)</b>					
	\$9,046	\$9,583	\$9,430	\$9,620	\$9,950
<b>FUNDRAISING (\$000)*Total donation cash revenues, including major gifts for Religious Studies</b>					
	\$7,869	\$8,841*	\$8,801	\$8,275*	\$9,015*

**FY2017 Operating Budget****\$20.8M (2.6% of total operating)****Faculty Overview**

The McGill School of Continuing Studies has an international reputation as a leader in continuing education. SCS offers students a wide range of certificate and diploma programs in language and career-related areas, as well as courses and workshops designed to keep practicing professionals on top of the latest developments in their field.

**FY2016 Achievements**

- 28 new courses developed for online delivery;
- Outreach activities enhanced the positioning of SCS in a very competitive market: Transit Poster campaign, social media strategy, international marketing/business development trips to Mexico, U.S., Saudi Arabia, Russia, Dominican Republic, Czech Republic.

**FY2016 Challenges**

- Limited progress on advancing space plan designed to provide a visible public face for SCS and to make use of available physical resources;
- Limited business development/marketing resources. A new position, Director of Business Development, Outreach and Marketing, has been developed and a search is underway.

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students (FTEs)	1,207.40	1,206.10	1,201.00	1,199.90	1,205.30
Grad students (FTEs)	487.9	480.5	480.5	480.5	480.5
Deregulated students	3.8	3	3	3	3
<b>FUNDRAISING (\$000) Total cash donations, including major gifts</b>					
	\$101	TBD	TBD	TBD	TBD

**FY2017 Operating Budget****\$11.1M (1.4% of total operating)****Faculty Overview**

The Faculty of Dentistry aims to be the top dental school in Canada and to be among the 10 best dental schools in the world. The Faculty maintains ambitious research and graduate teaching programs, with the most graduate students and the largest General Residency Program of any dental school in Canada. A strong sense of public purpose guide to the Faculty's community outreach activities, which are a model for other dental schools.

**FY2016 Achievements**

- Clinical and preclinical training facilities, dry laboratory researchers, Dean's office and administrative staff moved to new facilities;
- Developed a cohesive fundraising plan with central University Advancement;
- Made significant changes to update curriculum and adapt teaching to the new facility.

**FY2016 Challenges**

- Move to new facility necessitates hiring specialized staff and changing job descriptions for existing staff, and a need to engage, recruit and renew part-time clinical staff who run the undergraduate program;
- Significant increase in operating costs due to move to the new facility

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>19.5</b>	<b>18.0</b>	<b>19.0</b>	<b>19.5</b>	<b>20.5</b>
New hires	0.0	1.0	1.0	1.0	1.0
Resignations	(1.0)	0.0	0.0	0.0	0.0
Retirements	(0.5)	0.0	(0.5)	0.0	0.0
<b>Year-end complement</b>	<b>18.0</b>	<b>19.0</b>	<b>19.5</b>	<b>20.5</b>	<b>21.5</b>
Excluded from count (senior admin & provostial appointments)	0.0	0.0	0.0	0.0	1.0
<b>Target complement</b>					<b>20.5</b>
Year-end complement					<b>21.5</b>
<b>Under (over) complement</b>					<b>(1.0)</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CERC	0.5	0.5	0.5	0.5	0.5
CRC I	0.5	0.5	1.0	1.0	1.0
CRC II	3.5	3.5	3.5	3.5	3.5
James McGill Professor	1.0	1.0	1.0	1.0	1.0
William Dawson Scholar	0.0	0.0	0.0	0.0	0.0
Endowed Chairs	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>5.5</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	162.0	167.7	177.9	183.6	185.8
Grad students	93	92.9	92.9	92.9	92.9
Deregulated students	-	-	-	-	-
UG FTEs/Prof	9.0	8.8	9.1	9.4	8.6
Masters FTEs/Prof	3.7	3.6	3.5	3.3	3.1
PhD FTEs/Prof	1.4	1.3	1.3	1.2	1.2
Research \$/Prof	\$163,889	\$184,211	\$179,487	\$170,732	\$162,791
<b>RESEARCH (\$000)</b>					
	\$2,950	\$3,500	\$3,500	\$3,500	\$3,500
<b>FUNDRAISING (\$000)*Total donation cash revenues, annual fund and major gifts, excluding primary gifts</b>					
	\$1,987	\$1,249*	\$1,266*	\$1,284*	\$1,303*

**FY2017 Operating Budget****\$14.8M (1.9% of total operating)****Faculty Overview**

The Faculty of Education comprises three academic units serving both undergraduate and graduate students. Faculty members teach within their respective disciplines and participate in a wide diversity of basic and applied research projects locally, nationally, and internationally. Research initiatives inform the Faculty's teacher training programs educating new teachers with current, relevant and optimized professional skill-sets.

**FY2016 Achievements**

- Established a Faculty Advisory Board to advise the Dean on issues that affect the Faculty;
- Achieved an improved financial situation through prudent management of Faculty resources;
- Increased MA enrolment and optimized academic staff's teaching and research contributions;
- Met accreditation standards highlighted in the Comité d'agrément des programmes de formation à l'enseignement (CAPFE) B.Ed. program.

**FY2016 Challenges**

- Meeting the demands of resources required for teacher education field experience in light of increasing expenditures unmatched by allocation of resources;
- Meeting the Science and Math program requirements for laboratory space renovation and purchase of equipment to ensure program delivery.

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>67.5</b>	<b>62.5</b>	<b>68.5</b>	<b>73.0</b>	<b>78.0</b>
New hires	3.0	9.0	7.5	6.0	0.0
Resignations	(5.0)	(1.0)	0.0	0.0	0.0
Retirements	(3.0)	(2.0)	(3.0)	(1.0)	0.0
<b>Year-end complement</b>	<b>62.5</b>	<b>68.5</b>	<b>73.0</b>	<b>78.0</b>	<b>78.0</b>
Excluded from count (senior admin & provostial appointments)	0.5	0.0	0.0	0.0	0.0
<b>Target complement</b>					<b>78.5</b>
Year-end complement					<b>78.0</b>
<b>Under (over) complement</b>					<b>0.5</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	2.0	2.0	2.0	2.0	2.0
CRC II	2.0	3.0	3.0	3.0	3.0
James McGill Professor	3.0	3.0	3.0	3.0	3.0
William Dawson Scholar	3.0	3.0	2.0	2.0	2.0
Endowed Chairs	1.0	1.0	2.0	2.0	2.0
<b>Total</b>	<b>11.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	1,300.2	1,248.7	1,248.3	1,226.6	1,221.2
Grad students	556.4	606.7	606.7	606.7	606.7
Deregulated students	-	-	-	-	-
UG FTEs/Prof	20.8	18.2	17.1	15.7	15.7
Masters FTEs/Prof	6.6	6.7	6.3	5.9	5.9
PhD FTEs/Prof	2.4	2.1	2.0	1.9	1.9
Research \$/Prof	\$50,896	\$47,679	\$45,945	\$44,500	\$46,064
<b>RESEARCH (\$000)</b>					
	\$3,181	\$3,266	\$3,354	\$3,471	\$3,593
<b>FUNDRAISING (\$000)*Total donation cash revenues, excluding major gifts</b>					
	\$740	\$857*	\$863*	\$880*	\$900*

**FY2017 Operating Budget****\$35.6M (4.5% of total operating)****Faculty Overview**

McGill's Faculty of Engineering is one of Canada's leading schools of engineering and design, with expertise in bioengineering, nanotechnology, additive manufacturing, advanced materials, and project management. The Faculty is known for the expertise of its professors, the talent of its students, the exceptional quality of its teaching and research and the contributions of its alumni.

**FY2016 Achievements**

- Membership, terms of reference and sub-committees of the Faculty Advisory Board were revised to ensure engaged and active members working on areas of strategic importance are involved;
- Workshops were reorganized to better support teaching, research and student extracurricular activity;
- Established an Innovation Fund to increase educational opportunities in entrepreneurship for students.

**FY2016 Challenges**

- Approval of the undergraduate Bioengineering program remains uncertain both in terms of the decision and the timeline for implementation;
- The Order of Engineers of Quebec is imposing changes that could restrict our ability to engage in research in Quebec and conform to accreditation requirements;
- Continuing conversations with the Canadian Engineering Accreditation Board and the Board of Engineers Canada to deal with what has become a very burdensome and constraining accreditation process.

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>158.0</b>	<b>155.0</b>	<b>155.0</b>	<b>156.0</b>	<b>157.0</b>
New hires	3.0	5.0	6.0	6.0	6.0
Resignations	(5.0)	(4.0)	(3.0)	(3.0)	(3.0)
Retirements	(1.0)	(1.0)	(2.0)	(2.0)	(2.0)
<b>Year-end complement</b>	<b>155.0</b>	<b>155.0</b>	<b>156.0</b>	<b>157.0</b>	<b>158.0</b>
Excluded from count (senior admin & provostial appointments)	0.0	0.0	0.0	0.0	0.0
<b>Target complement</b>					<b>163.0</b>
Year-end complement					<b>158.0</b>
<b>Under (over) complement</b>					<b>5.0</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	6.0	7.0	7.0	7.0	7.0
CRC II	13.0	11.0	9.0	9.0	8.0
James McGill Professor	9.0	9.0	9.0	9.0	9.0
William Dawson Scholar	7.0	6.0	6.0	6.0	5.0
Endowed Chairs	13.0	12.0	12.0	12.0	12.0
<b>Total</b>	<b>48.0</b>	<b>45.0</b>	<b>43.0</b>	<b>43.0</b>	<b>41.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	2,058.2	2,027.6	2,036.2	2,039.2	2,058.5
Grad students	750.7	813.1	813.1	813.1	813.1
Deregulated students	634.5	670.2	670.2	670.2	670.2
UG FTEs/Prof	13.3	13.0	13.0	13.0	13.0
Masters FTEs/Prof	2.6	3.1	3.0	3.0	3.0
PhD FTEs/Prof	2.2	2.2	2.1	2.1	2.1
Research \$/Prof	\$182,471	\$180,645	\$182,692	\$181,529	\$180,380
<b>RESEARCH (\$000)</b>					
	\$ 28,283	\$28,000	\$28,500	\$28,500	\$28,500
<b>FUNDRAISING (\$000)*Total donation cash revenues, excluding major gifts</b>					
	\$6,941	\$1,000*	\$1,080*	\$1,100*	\$1,185*

**FY2017 Operating Budget****\$9.5M (1.2% of total operating)****Faculty Overview**

The Faculty of Law aspires to be one of the foremost research-intensive law Faculties in Québec, Canada, and the world. It is a prime global site of comparative, transsystemic, and interdisciplinary scholarship with members working at the forefront of legal research. McGill Law remains one of the few schools in the world to publish extensively on law in both French and English, as well as bilingually.

#### FY2016 Achievements

- Ranked #2 in Canada and #26 (up from #33) in the world;
- Significant achievements in pedagogical innovation;
- Maintained extensive interaction with local and global partners.

#### FY2016 Challenges

- Financial challenges including difficulty in funding operational and administrative support for research centres and student services, and sufficient support for graduate students;
- The significant reduction in the number of candidates for admission to North American law schools has made it virtually impossible to imagine a large intake of US (deregulated) applicants as a solution to our current financial constraints.

	FY2015 actual	FY2016 Updated	FY2017 planned	FY2018 planned	FY2019 planned
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>42.0</b>	<b>43.0</b>	<b>43.0</b>	<b>44.0</b>	<b>44.0</b>
New hires	2.0	1.0	2.0	1.0	1.0
Resignations	(1.0)	0.0	0.0	0.0	0.0
Retirements	0.0	(1.0)	(1.0)	(1.0)	0.0
<b>Year-end complement</b>	<b>43.0</b>	<b>43.0</b>	<b>44.0</b>	<b>44.0</b>	<b>45.0</b>
Excluded from count (senior admin & provostial appointments)	0.5	0.0	0.0	0.0	0.0
<b>Target complement</b>					<b>45.0</b>
Year-end complement					<b>45.0</b>
<b>Under (over) complement</b>					<b>0.0</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	0.0	1.0	1.0	1.0	1.0
CRC II	1.0	0.0	0.0	0.0	0.0
James McGill Professor	3.0	3.0	3.0	3.0	3.0
William Dawson Scholar	2.0	3.0	4.0	4.0	3.0
Endowed Chairs	12.0	12.0	12.0	12.0	12.0
<b>Total</b>	<b>18.0</b>	<b>19.0</b>	<b>20.0</b>	<b>20.0</b>	<b>19.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	607.0	607.3	606.4	615.3	611.8
Grad students	113.7	121.6	121.6	121.6	121.6
Deregulated students	14.8	12.2	12.2	12.2	12.2
UG FTEs/Prof	14.1	14.1	13.8	14.0	13.6
Masters FTEs/Prof	1.8	1.9	1.9	1.9	1.9
PhD FTEs/Prof	0.8	0.9	0.9	0.9	0.8
Research \$/Prof	\$23,302	\$24,465	\$25,091	\$26,364	\$28,356
<b>RESEARCH (\$000)</b>					
	\$1,002	\$1,052	\$1,104	\$1,160	\$1,276
<b>FUNDRAISING (\$000)*Total cash revenues, excluding major gifts</b>					
	\$2,526	\$ 3,520*	\$ 3,872*	\$ 4,000*	\$ 4,000*

**FY2017 Operating Budget****\$40.4M (5.1% of total operating)****Faculty Overview**

The Desautels Faculty of Management's mission is to advance the field of management, address and provide solutions to global challenges, and to foster the development of world-wise managers, researchers and leaders with integrity, a sense of personal responsibility, and who are equipped to succeed across geographic, managerial and sectorial boundaries.

**FY2016 Achievements**

- Healthy student applications and enrolment numbers for all programs;
- Growth in McGill Executive Institute revenues and other Master's programs;
- Successful launch of the MBA fundraising campaign.

**FY2016 Challenges**

- International MBA rankings remain a key challenge;
- Hiring and retaining senior professors;
- The regulatory, economic and political climate in Quebec is restrictive for growth.

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 Planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>80.0</b>	<b>76.0</b>	<b>73.0</b>	<b>83.0</b>	<b>83.0</b>
New hires	5.0	2.0	13.0	2.0	3.0
Resignations	(8.0)	(4.0)	(3.0)	(2.0)	(1.0)
Retirements	(1.0)	(1.0)	0.0	0.0	0.0
<b>Year-end complement</b>	<b>76.0</b>	<b>73.0</b>	<b>83.0</b>	<b>83.0</b>	<b>85.0</b>
Excluded from count (senior admin & provostial appointments)	3.0	3.0	3.0	3.0	3.0
<b>Target complement</b>					<b>85.0</b>
Year-end complement					<b>85.0</b>
<b>Under (over) complement</b>					<b>0.0</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	0.0	0.0	0.0	1.0	1.0
CRC II	1.0	1.0	1.0	0.0	0.0
James McGill Professor	3.0	3.0	3.0	3.0	3.0
William Dawson Scholar	0.0	0.0	1.0	1.0	1.0
Endowed Chairs	5.0	5.0	5.0	5.0	6.0
<b>Total</b>	<b>9.0</b>	<b>9.0</b>	<b>10.0</b>	<b>10.0</b>	<b>11.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	1,765.5	1,733.3	1,727.0	1,688.3	1,676.9
Grad students	105.5	119.0	119.0	119.0	119.0
Deregulated students	339.8	320.6	320.6	320.6	320.6
UG FTEs/Prof	23.2	23.7	20.8	20.3	19.7
Masters FTEs/Prof	0.9	1.2	1.0	1.0	1.0
PhD FTEs/Prof	0.5	0.5	0.4	0.4	0.4
Research \$/Prof	TBD	\$24,740	\$27,976	\$28,928	\$28,965
<b>RESEARCH (\$000)</b>					
	TBD	\$1,806	\$2,322	\$2,401	\$2,462
<b>FUNDRAISING (\$000) *Total donation, cash revenues, and major gifts</b>					
	\$13,852*	TBD	TBD	TBD	TBD

**FY2017 Operating Budget****\$134.6M (16.9% of total operating)****Faculty Overview**

The Faculty of Medicine envisions healthier societies through education, research, clinical care and collaboration. It is composed of five professional schools, namely, Undergraduate Medicine, Postgraduate Medicine, Nursing, Physical and Occupational Therapy and Communications Sciences and Disorders, and also includes basic science departments and research centres such as the Montreal Neurological Institute, the Goodman Cancer Research Centre and the McGill and Genome Quebec Innovation Centre.

**FY2016 Achievements**

- Entered last phase of the deployment of Administrative Excellence Centres (AEC) to better service academic units and improve compliance in terms of post-research award accounting
- Implemented Strategic Research plan with the launch of the Faculty's new Global Health Initiative
- Additional education modules have been created to respond to the gap cited in undergraduate medical accreditation

**FY2016 Challenges**

- Staffing AECs with appropriately trained employees given the recent hiring freeze remains a challenge
- Undergraduate Medical Education Program put on probation, largely due to organizational and administrative issues

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 Planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>573.4</b>	<b>564.9</b>	<b>560.9</b>	<b>560.9</b>	<b>560.9</b>
New hires	14.0	14.0	15.0	15.0	15.0
Resignations	(10.5)	(7.0)	(6.0)	(6.0)	(6.0)
Retirements	(12.0)	(11.0)	(9.0)	(9.0)	(9.0)
<b>Year-end complement</b>	<b>564.9</b>	<b>560.9</b>	<b>560.9</b>	<b>560.9</b>	<b>560.9</b>
Excluded from count (senior admin & provostial appointments)	4.5	4.5	3.5	3.5	3.5
<b>Target complement</b>					<b>567.0</b>
Year-end complement					<b>560.9</b>
<b>Under (over) complement</b>					<b>6.1</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CERC	0.5	0.5	0.5	0.5	0.5
CRC I	29.0	29.0	29.0	29.0	29.0
CRC II	31.5	27.5	25.5	23.5	31.5
James McGill Professor	46.0	46.0	46.0	46.0	46.0
William Dawson Scholar	11.0	7.0	7.0	7.0	11.0
Endowed Chairs	81.0 (14.0)	82.0 (15.0)	82.0 (15.0)	82.0 (15.0)	81.0 (14.0)
<b>Total</b>	<b>199.0</b>	<b>192.0</b>	<b>190.0</b>	<b>188.0</b>	<b>199.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	2,988.3	3,013.1	3,043.5	3,026.9	3,022.3
Grad students	1,525.1	1,550.4	1,550.4	1,550.4	1,550.4
Medical residents	2,069.1	2,008.1	2,008.1	2,008.1	2,008.1
Deregulated students	-	-	-	-	-
UG FTEs/Prof	5.3	5.4	5.4	5.4	5.4
Masters FTEs/Prof	1.7	1.8	1.8	1.8	1.8
PhD FTEs/Prof	1.0	0.9	0.9	0.9	0.9
Research \$/Prof	\$306,249	\$311,999	\$315,564	\$319,130	\$322,696
<b>RESEARCH (\$000)</b>					
	\$173,000 (est.)	\$175,000	\$177,000	\$179,000	\$181,000
<b>FUNDRAISING (\$000) (EXCLUDING MNI) Total donation, cash revenues, and major gifts</b>					
	\$21,608	\$21,000	\$15,000	\$15,000	\$15,000

**FY2017 Operating Budget****\$17.7M (2.2% of total operating)****Faculty Overview**

The Schulich School of Music is the most research-intensive faculty of music in Canada. This is evidenced by its success in obtaining funding from granting agencies for the humanities, science and technology, fine arts, and in the quality and number of our artistic research outputs (performances, recordings, compositions, etc.). Schulich researchers present more papers and publish more articles in major international conferences and journals than researchers from other Canadian universities.

**FY2016 Achievements**

- Undergoing an exciting period of academic renewal, particularly in the Performance Department
- Fundraising efforts will allow the completion of the Music Multimedia Room as part of the creation of a new performance research hub.

**FY2016 Challenges**

- Lack of appropriate office spaces for tenure-stream professors in Performance, and for Performance students in practice and rehearsal space
- Adjusting to reduced administrative support

	<b>FY2015 actual</b>	<b>FY2016 updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>59.0</b>	<b>59.0</b>	<b>62.0</b>	<b>62.0</b>	<b>62.0</b>
New hires	3.0	5.0	2.0	2.0	2.0
Resignations	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Retirements	(2.0)	(1.0)	(1.0)	(1.0)	(1.0)
<b>Year-end complement</b>	<b>59.0</b>	<b>62.0</b>	<b>62.0</b>	<b>62.0</b>	<b>62.0</b>
Excluded from count (senior admin & provostial appointments)	1.0	1.0	1.0	1.0	1.0
<b>Target complement</b>					<b>60.0</b>
Year-end complement					<b>62.0</b>
<b>Under (over) complement</b>					<b>(2.0)</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CRC I	1.0	1.0	1.0	1.0	1.0
CRC II	0.0	0.0	0.0	0.0	0.0
James McGill Professor	3.0	3.0	3.0	3.0	3.0
William Dawson Scholar	2.0	3.0	2.0	2.0	2.0
Endowed Chairs	2.0	2.0	2.0	2.0	2.0
<b>Total</b>	<b>8.0</b>	<b>9.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	716.9	715.7	703.4	700.2	692.9
Grad students	201.5	209.0	209.0	209.0	209.0
Deregulated students	-	-	-	-	-
UG FTEs/Prof	12.1	11.7	11.5	11.5	11.4
Masters FTEs/Prof	2.3	2.4	2.4	2.4	2.4
PhD FTEs/Prof	1.1	1.1	1.1	1.1	1.1
Research \$/Prof	\$25,424	\$22,581	\$22,581	\$19,355	\$19,355
<b>RESEARCH (\$000)</b>					
	\$1,544	\$1,400	\$1,400	\$1,200	\$1,200
<b>FUNDRAISING (\$000)*Total donation cash revenues, excluding major gifts</b>					
	\$3,378	\$1,200*	\$1,208*	\$1,216*	\$1,224*

**FY2017 Operating Budget****\$59.7M (7.5% of total operating)****Faculty Overview**

The Faculty of Science at McGill bridges areas from cognitive science, investigating how the brain works, to the galactic cosmology of multidimensional brane worlds, and all points in between. The Faculty of Science is creating new knowledge and understanding for the betterment of all. Each department in Science is among the best in Canada and the world.

**FY2016 Achievements**

- Academic renewal continues to be vital to the Faculty of Science, specifically for CERC in Green Chemistry and the McGill Space Institute
- Achieved alignment of Science's academic mission with support staff deployment

**FY2016 Challenges**

- Budget cuts, attrition and voluntary retirement program put a strain on staff and faculty workloads
- Implementing organizational changes with an emphasis on shared positions and services between departments

	<b>FY2015 actual</b>	<b>FY2016 Updated</b>	<b>FY2017 planned</b>	<b>FY2018 planned</b>	<b>FY2019 planned</b>
<b>TENURE TRACK STAFF</b>					
<b>Start of year complement</b>	<b>264.2</b>	<b>264.7</b>	<b>268.7</b>	<b>267.7</b>	<b>266.7</b>
New hires	9.0	13.0	7.0	7.0	7.0
Resignations	(2.5)	(5.0)	(4.0)	(4.0)	(4.0)
Retirements	(6.0)	(4.0)	(4.0)	(4.0)	(4.0)
<b>Year-end complement</b>	<b>264.7</b>	<b>268.7</b>	<b>267.7</b>	<b>266.7</b>	<b>265.7</b>
Excluded from count (senior admin & provostial appointments)	13.0	12.0	12.0	12.0	12.0
<b>Target complement</b>					<b>260.7</b>
Year-end complement					<b>265.7</b>
<b>Under (over) complement</b>					<b>(5.0)</b>
<b>CRCs, AWARDS &amp; ENDOWED CHAIRS</b>					
CERC	1.0	1.0	1.0	1.0	1.0
CRC I	16.0	16.0	16.0	16.0	16.0
CRC II	16.0	15.0	13.0	12.0	12.0
James McGill Professor	21.0	21.0	21.0	21.0	21.0
William Dawson Scholar	5.0	5.0	5.0	5.0	4.0
Endowed Chairs	21.0	22.0	22.0	22.0	22.0
<b>Total</b>	<b>80.0</b>	<b>80.0</b>	<b>78.0</b>	<b>77.0</b>	<b>76.0</b>
<b>PERFORMANCE ASSUMPTIONS</b>					
Undergrad students	5,792.2	5,783.7	5,786.8	5,767.1	5,785.9
Grad students	615.0	602.2	602.2	602.2	602.2
Deregulated students	523.5	567.1	567.1	567.1	567.1
UG FTEs/Prof	21.9	21.5	21.6	21.6	21.8
Masters FTEs/Prof	0.8	0.8	0.8	0.8	0.8
PhD FTEs/Prof	1.5	1.4	1.4	1.4	1.4
Research \$/Prof	\$325,202	\$328,370	\$337,837	\$347,582	\$357,610
<b>RESEARCH (\$000)</b>					
	\$86,081	\$88,233	\$90,439	\$92,700	\$95,017
<b>FUNDRAISING (\$000) Total donation, cash revenues, and major gifts</b>					
	\$3,756	\$ 5,540	\$ 5,560	\$ 5,580	\$ 5,600

**FY2017 Operating Budget****\$34.7M (4.3% of total operating)****Faculty Overview**

The McGill University Library and Archives advances teaching, learning, research and community service by providing outstanding collections, excellent user-focused services and expansive access to a world of knowledge, helping McGill's students and researchers fulfill their academic potential.

**FY2016 Achievements**

- Topped Maclean's 2016 University Rankings in part due to the overall Library Budget allocation and the strength and size of the Collection Budget allocation
- The Fiat Lux project completed a feasibility study to physically transform the libraries' facilities for the 21st century

**FY2016 Challenges**

- Analyze and coordinate the best deployment of library staff
- Safeguard the collection budget in the face of budgetary constraints
- Conduct a full planning exercise to update the strategic intentions

**LIBRARIANS, ADMINISTRATIVE & SUPPORT STAFF**

	FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$
Tenure Track Librarians	69	6,082,896	69	6,082,896	69	6,082,896	69	6,082,896
Non-Tenure Track Librarians	8	593,862	8	593,862	8	593,862	8	593,862
Management – Regular & Term	27	1,691,781	27	1,691,781	26	1,632,318	25	1,576,977
Clerical	4	Incl. below	4	Incl. below	4	Incl. below	4	Incl. below
Technicians (incl. Library Assistants)	80	4,252,025	76	4,079,125	74	3,978,334	72	3,866,440
Total	188	12,620,564	184	12,447,664	181	12,287,410	178	12,120,175

**FY2017 Operating Budget****\$1.6M (0.2% of total operating)****Unit Overview**

The Principal and Vice-Chancellor is the academic head and chief executive officer of McGill University. This position is appointed by and is a member of the Board of Governors, overseeing all aspects of McGill from the University's day-to-day operations to setting strategic directions in education, research and global initiatives.

**FY2016 Achievements**

- Ensured transparency to the community regarding Principal's activities and meetings to be "open, connected, and purposeful". Examples include weekly postings of the Principal's activities and expenses online, well-timed messaging following Board meetings as well as increased availability for ad-hoc meetings with community members

**FY2016 Challenges**

- Given the reduction in staff, the office team looks for improved efficiencies and simpler processes with other units

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	1		1		1		1		1	
Management – Regular	6		6		5		5		5	
Total	7	487,316	7	500,774	6	504,192	6	504,192	6	504,192

**FY2017 Operating Budget****\$11.9M (1.5% of total operating)****Unit Overview**

The Provost and Vice-Principal (Academic) (PVPA) oversees the development, implementation, and assessment of McGill's academic priorities, policies and programs and has stewardship of McGill's budget in order to ensure that the University's resources are optimally aligned to strategic academic priorities.

The PVPA is supported by the Associate Provost (Budget and Resources) and Associate Provost (Policies, Procedures and Equity) who are entrusted with key responsibilities within the PVPA's portfolio. The Office of the PVPA also includes Analysis, Planning and Budget. The Deputy Provost (Student Life and Learning), the Dean of Graduate and Postdoctoral Studies, and the Deans of the Faculties each also report to the PVPA.

**FY2016 Achievements**

- Major achievement in the immigration dossier through collaboration between Ministère de l'Immigration, de la Diversité, et de l'Inclusion and the Office of the Associate Provost (Budget and Resources), and the Office of the Vice-Principal Communications and External Relations
- Addition of two more Canada Research Chairs bringing McGill's allocation to 160. CRCs have been committed to upcoming recruitments, retention, and to support internal candidates as part of the equity pool (women, visible minorities, Aboriginals and physically-challenged researchers)
- Designed and implemented a new process and document for the Budget Planning Agreement, which was very well received by Faculty Deans, Associate Vice-Principals and Vice-Principals.
- Received the Distinguished Budget Presentation Award from the Government Finance Officers Association, marking the fourth consecutive year McGill has received the award.

**FY2016 Challenges**

- Pursue academic renewal plans in the difficult financial context
- Fill CRC complement and maintain it at capacity
- Retain professors despite strong competition in the global academic job market

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	6.4	248,250	7.2	290,057	8.2	354,315	8.2	358,421	8.2	358,421
Management – Regular	38.6	2,748,577	33.7	2,690,668	32	2,712,069	32	2,763,492	32	2,779,699
Management – Term	4.6	Incl. above	4.6	Incl. above	3	Incl. above	2	Incl. above	1	Incl. above
Total	49.6	2,996,827	45.5	2,980,725	43.2	3,066,384	42.2	3,121,913	41.2	3,138,120

**FY2017 Operating Budget****\$2.1M (0.3% of total operating)****Unit Overview**

The Macdonald Campus is home to the Faculty of Agricultural and Environmental Sciences, the Macdonald Farm, and the Morgan Arboretum. Located at Ste-Anne-de-Bellevue on the West Island of Montreal, the campus comprises a total area of 650 hectares. The Campus is shared with the CEGEP John Abbott College and the Macdonald High School. Other McGill units with operations on the Campus include the McGill Weather Radar Observatory, Brace Centre for Water Resources Management, and the Schulich School of Music West Island Conservatory. Some professors on the downtown campus use the facilities on the Macdonald Campus for research.

In terms of Campus operations, various McGill central units such as Facilities Management, Student Services, Athletics, Food and Dining Services, Security, and IT provide a range of services. The Campus also provides student residences and staff housing, the former in conjunction with the Deputy Provost SLL.

**FY2016 Achievements**

- Growing student population (approximately 2000 students)
- Increased use and recognition of the campus by external groups
- New cost sharing agreement with John Abbott College

**FY2016 Challenges**

- Aging infrastructure, Staff Housing, Brittain Hall, Glenaladale House, Farm buildings, Arboretum buildings, Lods buildings
- Commuting issues between Macdonald and downtown campuses
- Lack of adequate food services and athletic facilities to make the Campus more appealing and self-contained for the growing student population

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 Updated		FY2017 planned		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	4.75		4		3		3		3	
Management – Regular	10		10		10		10		10	
Management – Term	1		1		1		0		0	
Total	15.75	868,636	15	924,318	14	893,200	13	878,860	13	878,860

**FY2017 Operating Budget****\$106.6M (13.4% of total operating)****Unit Overview**

The mission of SLL is to create an environment that heightens the mission of the University through support, creativity, compassion and synergies. Student Life and Learning supports students inside and outside the classroom by offering essential services, and programs that encourage intellectual, social, cultural, and physical development and opportunities to explore local, national, and international interests that complement the academic curriculum. SLL is comprised of seven units: Student Housing and Hospitality Services, Teaching and Learning Services, Enrolment Services, Student Services, Athletics and Recreation, Dean of Students and Office of the Deputy Provost.

**FY2016 Achievements**

- Improved student association relations
- First Internal audit conducted in Enrolment Services in winter/spring 2015, and received the highest evaluation possible on its audit results
- Successful launch and implementation of the Peer Programs Network (students helping students); the Network supports peer programs across campus by providing training and resources, and the opportunity to share best practices, exchange ideas, and collaborate with other McGill community members
- Improvement in front line service delivery (Service Point)

**FY2016 Challenges**

- Maintaining services and programs in a challenging and uncertain fiscal environment
- Lack of support from IT
- Competition in student housing from private developers
- Pay equity costs

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2016 Actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$
Sr Academic Admin	3	Incl. below	3	Incl. below	3	Incl. below	3	Incl. below
Executive	3	730,879	3	740,591	3	750,595	3	760,899
Clerical	143	5,546,284	148	5,908,517	148	6,060,514	148	6,217,070
Management – Regular	195.5	12,700,688	227.8	15,432,333	230.8	15,997,966	231.8	16,435,966
Management – Term	69	3,895,554	45	2,670,874	42	2,452,708	41	2,480,174
Trades	135	4,815,767	141	5,155,663	141	5,295,756	141	5,440,051
Nurses	9	481,350	9	495,791	9	510,664	9	525,984
Technicians	5	236,018	5	243,099	5	250,392	5	257,903
Casuals	557	2,992,543	632	3,538,123	632	3,500,485	632	3,713,284
Total	1119.5	31,399,083	1213.8	34,184,991	1213.8	34,819,080	1213.8	35,831,331

**FY2017 Operating Budget****\$19.2M (2.4% of total operating)****Unit Overview**

The mission of Graduate and Postdoctoral Studies (GPS) is to promote university-wide academic excellence for graduate and postdoctoral education at McGill. GPS works in collaboration and consultation with Faculties, graduate programs, graduate student and postdoctoral associations and other administrative and academic units. It oversees graduate education policies and regulations, advocates broadly for the cause of graduate education at McGill and externally, and fosters an environment that actively promotes each student's or postdoctoral scholar's realization of his or her full academic and research potential.

**FY2016 Achievements**

- Spearheaded a review process on supervision regulations that lead to mandatory supervision orientations and the addition of a mandatory supervisory committee member for all PhD students
- Integrated research progress tracking with funding progress reports to streamline reporting to research granting agencies
- Significant progress in the creation of new interfaculty graduate programs

**FY2016 Challenges**

- Continuing issues relating to IT development and advancing graduate education at McGill
- Securing sustained funding for interdisciplinary graduate programs
- Challenges related to regulatory changes to the work permit application process for international postdocs and research trainees

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	7	281,056	8	343,525*	8	343,525*	8	343,525*	8	343,525*
Management – Regular	11	689,362	9.5	690,113*	9	675,709*	9	675,709*	10	675,709*
Management – Term	1	Incl. above	.5	Incl. above	1	Incl. above	1	Incl. above	0	0
Total	19	970,418	18	1,033,638	18	1,019,234	18	1,019,234	18	969,627

\*Salary policy excluded

**FY2017 Operating Budget****\$132.0M (16.5% of total operating)****Unit Overview**

The VP Administration and Finance is responsible for providing prudent and progressive management of McGill University's financial resources, human resources, information technology services and university services. The Vice-Principal's primary role is to support the vision, mission and goals of the University by ensuring long-term economic strength and continuous improvement of services for faculty, researchers, staff and students in order to increase productivity and satisfaction.

**FY2016 Achievements**

- Bond issuance for Deferred Maintenance and IT projects
- Received approval from the provincial government to begin the "dossier d'opportunité" for the Royal Victoria Hospital site
- Campus Landscape Master Plan Guidelines is now implemented

**FY2016 Challenges**

- Continue finding the funding for deferred maintenance and infrastructure investments (capital and IT); the bond issuance is only covering a portion of the full need
- Developing the "dossier d'opportunité" for the Royal Victoria Hospital site
- Staffing issues related to leaves, succession planning, and compliance for Provincial and Federal Employment Equity Programs

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	450	18,037,738	453	18,367,099	451	18,555,337	450	18,814,101	452	19,120,697
Management – Regular	480	33,258,719	491	35,075,878	494	36,227,623	491	36,783,613	491	37,617,513
Management – Term	37	2,223,543	36	2,120,565	28	1,510,620	25	1,455,530	25	1,557,106
Total	967	53,520,000	980	55,563,542	973	56,293,580	966	57,053,244	968	58,295,316

**FY2017 Operating Budget****\$17.2M (2.2% of total operating)****Unit Overview**

The Office of the Vice-Principal (Research and International Relations) ["RIR"] is responsible for directing the University's overall institutional research mandate, managing the support services framework for all aspects of research administration and compliance, overseeing the international relations portfolio, leading strategic research projects at the institutional level, and driving McGill's expanding innovation agenda through the Office of Innovation and Partnerships.

RIR supports the Faculties and affiliated research institutes in their commitment to excellence in research at many levels. Administrative functions include support for grants, contracts, prizes and awards, compliance, and intellectual property management. The unit also provides policy, planning, strategic research development, and management of internal programs and resources. Finally, RIR has responsibility for a wide range of outreach activities and engagement with the community, partner universities, government, corporations, organizations, and the general public at the local, regional, national, or international levels.

**FY2016 Achievements**

- McGill's total sponsored research income for 2013-14 was more than \$477M, representing an increase of 10.6% over the past five years
- McGill has solidified its place as second in Canada in terms of research intensity, defined as research dollars divided by the full-time professorial count

**FY2016 Challenges**

- Increased complexity of the external research funding landscape in Quebec, Canada and internationally as granting programs at all levels require more partnership, collaboration and commitment from host institutions
- Development of large-scale grant applications consume more time and resources than ever before
- Uncertainty about McGill budget and working environment
- Limited staff means some changes required to Tri-Agency policies and procedures will not be fully implemented by the time of the Tri-Agency Monitoring Visit in early 2016

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	10	\$418,796	10	\$436,960	10	\$437,000	9	\$393,000	8	\$340,000
MGMT– Regular	59	\$4,412,597	61	\$4,349,532	62	\$4,501,000	62	\$4,415,000	63	\$4,500,000
MGMT– Term	10	\$866,531	9	\$785,893	6	\$535,000	4	\$425,000	3	\$363,000
Total	79	\$5,697,924	80	\$5,572,385	78	\$5,473,000	75	\$5,233,000	74	\$5,203,000

**FY2017 Operating Budget****\$15.2M (1.9% of total operating)****Unit Overview**

University Advancement is committed to enhancing the long term vitality and success of McGill University. This vision is achieved by forging lifelong, mutually beneficial relationships with alumni, donors, students, parents and friends and by ensuring ongoing philanthropic support to help the University advance its mission and achieve its priority objectives.

**FY2016 Achievements**

- Solid results in gifts and pledges with final achievements of \$83M, a level that is on par with the average of the prior 5 years
- A new Giving website was launched and our crowdfunding activities were expanded to continue building the necessary infrastructure to nurture a culture of philanthropy among upcoming generations

**FY2016 Challenges**

- Momentum of implementing our Strategic Plan and Road Map was affected by the expense and recruitment freeze imposed in the last fiscal year
- Approval process for the purchase and use of new software platforms has been cumbersome and needs better alignment between Procurement, Legal, IT-Security and others

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	31	1,270,000	28	1,220,000	31	1,340,000	31	1,340,000	31	1,340,000
MGMT - Regular	34	3,050,000	103	6,890,000	123	8,160,000	123	8,160,000	123	8,160,000
MGMT - Term	89	4,660,000	15	660,000	9	650,000	9	650,000	9	650,000
Total	15	8,980,000	146	8,770,000	163	10,150,00	163	10,150,00	163	10,150,00

## FY2017 Operating Budget

**\$3.7M (0.5% of total operating)**

### Unit Overview

The Communications portfolio includes activities such as media relations, translation, publications and advertising. The External Relations portfolio includes government relations at municipal, federal and provincial levels, inter-institutional relations and relations with local organizations.

### FY2016 Achievements

- Conducted a university-wide communications audit which makes recommendations on how to better structure our own operations and how to better integrate, coordinate and streamline communications activities across the university
- Worked with Enrolment Services and an outside provider on a new Website for recruitment
- Allied with Concordia University and achieved modification to the Immigration Grid

### FY2016 Challenges

- Lack of resources and growing workload
- Longstanding capacity problem that IT has demonstrated regarding the technical development and support of McGill's websites

### ADMINISTRATIVE AND SUPPORT STAFF

	FY2015 actual		FY2016 updated		FY2017 planned		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	3	Incl. below	3	Incl. below	2	Incl. below	2	Incl. below	2	Incl. below
Technical	4	315,056	4	326,000	4	286,000	4	286,000	4	286,000
Management – Regular	29	2,714,613	29	2,670,000	34	2,820,000	34	2,820,000	34	2,820,000
Management – Term	6	Included in above	6	Included in above	4	Included in above	4	Included in above	4	Included in above
Total	42	3,029,669	42	2,996,000	44	3,106,000	44	3,106,000	44	3,106,000

**FY2017 Operating Budget****\$1.3M (0.2% of total operating)****Unit Overview**

The Secretariat is McGill University's governance office responsible for the Board of Governors, the Senate and their committees. It is an impartial office responsible for University-wide elections, academic staff and student grievances and appeals, administration of the tenure and promotions processes, and support for senior advisory committees. The office has been delegated responsibility for access to information requests on behalf of the University and for insuring compliance with the Act. It is responsible for the University Safe Disclosure Policy ("whistleblowing policy"), maintaining the University policies on the web site, and for ceremonial matters and protocols including the McGill coat of arms and "signature," letters of credence, the University seal and permission to use the University coat of arms and logo.

**FY2016 Achievements**

- Successful completion of Advisory Committees' work on recommendation of decanal appointments
- Maintained effective support for governance of the University (40 Board-related and 28 Senate-related meetings)
- Revised University Statutes on the composition of Senate
- Hosted the annual conference and Board meeting of the Canadian Universities Board Association

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Executive	1	172,904	1	185,581	1	185,581	1	185,581	1	185,581
Clerical	3	Include below	3	Include below	2	Include below	2	Include below	2	Include below
Management – Regular	7	626,280	7	578,242	6	576,610	6	576,610	6	576,610
Management – Term	1	Included above	1	Included above	1	Included above	1	Included above	1	Included above
Casual	56	38,687	56	31,143	0	0	0	0	0	0
Non-Tenure/Non-Teaching	1	Included with Casuals	1	Included with Casuals	0	0	0	0	0	0
Tenure Track other payments	2	Included with Casuals	2	Included with Casuals	0	0	0	0	0	0
Non Academic other payments	1	Included with Casuals	0	Included with Casuals	0	0	0	0	0	0
<b>Total</b>	<b>72</b>	<b>837,871</b>	<b>71</b>	<b>794,966</b>	<b>10</b>	<b>762,191</b>	<b>10</b>	<b>762,191</b>	<b>10</b>	<b>762,191</b>

**FY2017 Operating Budget****\$2.9M (0.4% of total operating)****Unit Overview**

From an operational perspective, the role of Legal Services delves deep into the operations of the University. It is to provide sound, relevant and timely legal advice to senior administrators of the University: the Principal, the Provost and Vice-Principal (Academic), Vice-Principals, Deans, and Executive Directors or various administrative staff as a function of institutional priorities.

Legal Services must continuously adapt in order to remain relevant, strategic and useful to the University in the fulfillment of its ambitious mission to remain one of the leading research-intensive universities in the world and leader in innovation and research.

**FY2016 Achievements**

- Surpassed productivity in comparison with previous years despite many budgetary and environmental constraints (over 400 procurement, service, research and licensing, and philanthropic agreements)
- Advised on over 100 disputes from administrative and support staff, academic staff and students, thereby significantly reducing expensive and time-consuming resolution proceedings or litigation
- Integrated a full-time Intellectual Property lawyer dedicated to Research and International Relations and the operational groups dedicated encompassing research services, and development of relatively new in-house counsels dedicated to Advancement and Procurement

**FY2016 Challenges**

- Staff fluctuations have resulted in a backlog and overload of work on the current workforce, particularly for administrative and support staff
- Commitment to maintaining quality of service tested continually given the small size of Legal Services relative to the constant requirements for output on an urgent basis

**ADMINISTRATIVE AND SUPPORT STAFF**

	FY2015 actual		FY2016 actual		FY2017 updated		FY2018 planned		FY2019 planned	
	#	\$	#	\$	#	\$	#	\$	#	\$
Clerical	1		0		0		0		0	
Management – Regular	7		7		6		6		6	
Total	8	690,718	7	696,322	6	704,820	6	704,820	6	704,820

## 7 Unrestricted Funds: FY2017 Budget

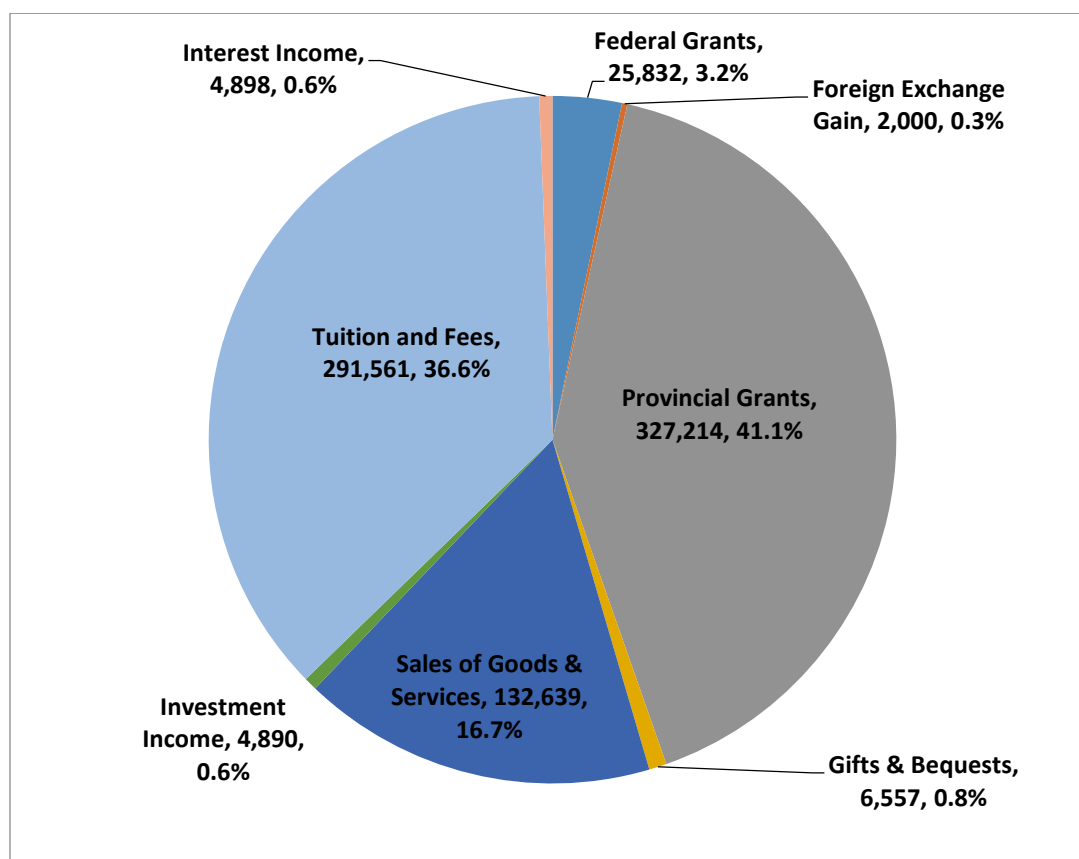
### 7.1 Unrestricted Revenues [\$795.6M]

The sources of revenue for McGill's operating budget for FY2017 are:

- 1) MEES grant: 41.1%
- 2) Tuition and fees: 36.6%
- 3) Sale of goods and services revenues, including self-funded activities, ancillary, and services to the community: 16.7%
- 4) The federal grant covering the indirect costs of research (FICOR): 3.2%
- 5) Gifts and bequests: 0.8%
- 6) Interest income: 0.6%
- 7) Investment income: 0.6%
- 8) Foreign Exchange Gain: 0.3%

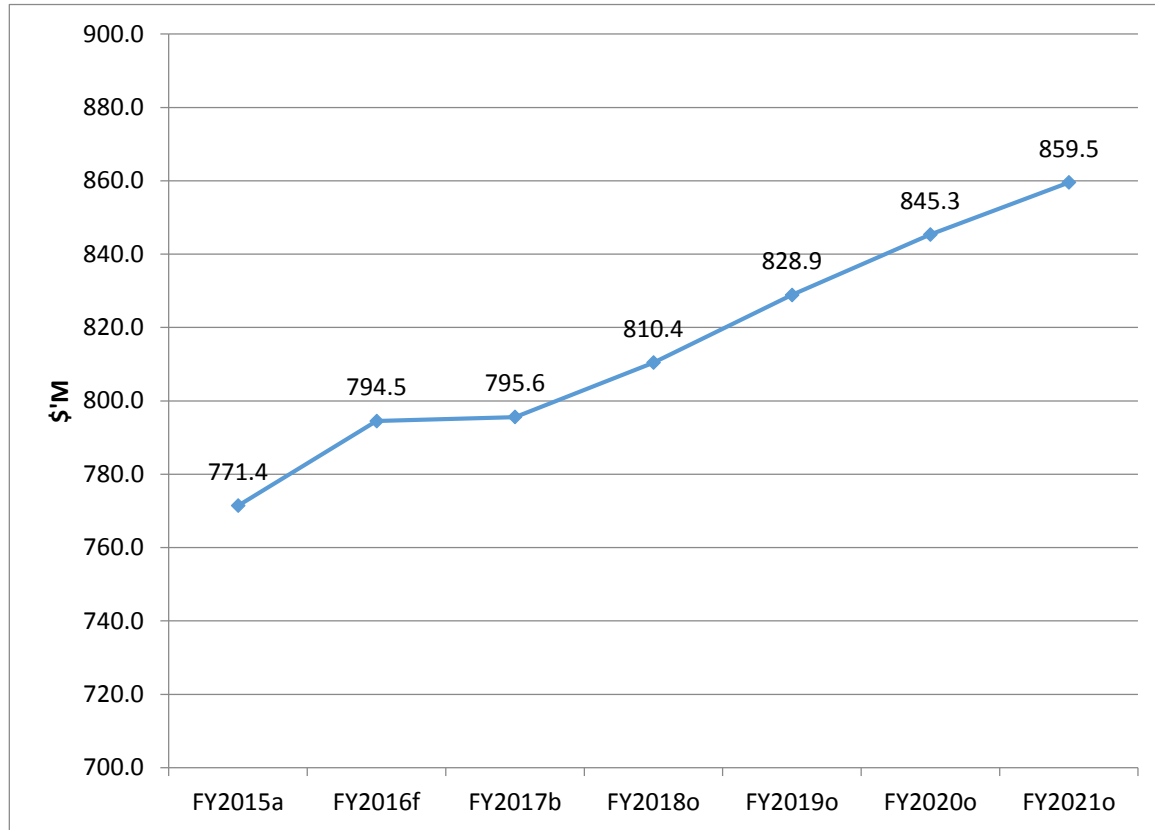
For FY2017, total projected revenues from the above sources are expected to be \$795.6M (see [Figure 7.1.1](#)).

**Figure 7.1.1: Projected Operating Revenues - FY2017 Budget \$795.6M**



With relatively small enrolment increases projected for the coming years, modest revenue increases are projected as shown in [Figure 7.1.2](#) below. Recommendations from the MEES workgroups may ultimately result in greater tuition flexibility but at this point it is too early to budget for such an outcome.

**Figure 7.1.2: Operating Revenue from FY2015 to FY2021 Budget (\$M)<sup>24</sup>**



**a=actual f = forecast b = budget o = outlook**

<sup>24</sup> Excludes unrealized gains (losses) in FY2015

**Table 7.1.3: Evolution of Operating Revenue from FY2015 to FY2021 (\$'000)**

	FY2015a	FY2016f	FY2017b	FY2018o	FY2019o	FY2020o	FY2021o	% incr. FY2017- 2016	% incr. FY2021- 2016
Grants - Canada	25,788	25,832	25,832	26,623	26,660	26,660	26,660	0.0%	3.2%
Grants - Quebec	341,640	327,348	327,214	328,515	333,930	339,161	341,808	0.0%	4.4%
Tuition and Fees	258,489	275,302	291,561	303,165	313,476	322,604	331,797	5.9%	20.5%
Sales of Goods & Services	129,678	130,044	132,639	135,291	137,996	140,716	143,570	2.0%	10.4%
Gifts & Bequests	6,099	6,466	6,557	6,563	6,573	6,573	6,573	1.4%	1.7%
Foreign Exchange Gain	3,811	1,500	2,000	2,000	2,000	1,500	1,500	33.3%	0.0%
Investment Income	3,083	4,746	4,890	4,892	4,895	4,895	4,895	3.0%	3.1%
Interest Income	2,804	2,595	4,898	3,367	3,328	3,238	2,728	88.7%	5.1%
Gain on Sale of Land (extraordinary item)	0	20,638	0	0	0	0	0	-100.0%	-100.0%
Revenues Total	771,392	794,471	795,591	810,416	828,858	845,347	859,531	0.1%	8.2%

Excluding unrealized gains (losses)

#### 7.1.4 Student Enrolment and the MEES Operating Grant

All tuition, 75% of the provincial grant, and a significant portion of the sale of goods and services are a direct function of the University's enrolments. Consequently, establishing targets, being able to project actual student registrations, and understanding what might cause variances, represent important factors in forecasting the University's unrestricted revenues.

During the course of the year, different groups at McGill engage in a number of established activities that help the Office of the Provost to project student numbers and related fees, and thus to build this component of the budget. The following list highlights some of the activities that aid in this forecasting process:

- A workgroup, led by the Executive Director of Enrolment Services, meets with the Dean or authoritative delegate of each Faculty to discuss undergraduate admissions targets that are then reviewed by the Budget Working Group and ultimately approved by the Provost
- The Office of the Dean of Graduate and Postdoctoral Studies meets with and the Deans of each Faculty to determine graduate program enrolment targets to propose to the Provost for approval
- The Deregulated Tuition Advisory Committee, chaired by the Deputy Provost (SLL), with representatives from Enrolment Services, Financial Services, Planning and Institutional Analysis, and the Office of the Provost, reviews and proposes deregulated program tuition levels
- The Fee Advisory Committee, chaired by the Deputy Provost (SLL), reviews and proposes Ancillary Fees and helps coordinate agreements with student groups
- Analysts from Planning and Institutional Analysis (PIA) model and forecast admissions targets, translating these into headcounts, **full-time equivalents (FTEs)**, and **weighted student units (WSUs)**

The results from each of the above working groups, allows the Office of the Provost and the Office of the Budget to project annual (and multi-year) enrolment targets. The latter are then incorporated into each Faculty's Agreement along with a portion of the related revenue streams. Certain expenditure line items, such as student aid, are then derived and also incorporated in a five-year budgetary outlook that is also propagated to the Faculty level.

Five-year admission targets by Faculty and degree are used to forecast full-time equivalent student counts (FTEs) and weighted student units (WSUs) over the five-year budget planning horizon. The weighted student units are meant to reflect FTEs adjusted for the relative cost weights of disciplines and levels of study with respect to a baseline. Weights, as determined by the MEES, vary between 1.0 and 9.72 at the Bachelors level, 2.29 and 9.41 at the Masters level and 6.4 and 10.69 at the PhD level. For budget planning purposes, enrolments at the University are divided into three major groups:

- **Regulated** students: Students conforming to the tuition rates set by the Government and for which government grants are received. FTEs and WSUs are important student enrolment measures through which the MEES funds Quebec universities. (Refer to [Table 7.1.5](#)).
- **De-regulated** students: These are Undergraduate international students enrolled in six disciplines (Management, Law, Engineering, Computer Science, Mathematics and Pure Sciences) for which universities are allowed to set the fees but no teaching grant is received, although universities continue to receive administrative support grants. Increases are forecast, particularly in Engineering and Science in order to take advantage of capacity in areas that are currently in greater demand from international students. (Refer to [Table 7.1.6](#))
- **Self-funded** students: These are students for which universities are allowed to set the fees but no grant is received. This represents a small number of students enrolled in specialized Masters-level programs, mainly in Management, as well as non-Quebec students studying in distance programs outside Quebec (refer to [Table 7.1.7](#)).

**Table 7.1.5: Regulated Student FTE and WSU Forecast**

	Level	FY2016	FY2017	FY2021	1-yr Growth FY17-FY16	5-yr Growth FY21-FY16
Total FTEs	1st cycle	22,052.8	21,996.1	21,939.3	-0.3%	-0.5%
	2nd cycle	3,841.5	3,835.7	3,842.4	-0.2%	0.0%
	3rd Cycle	1,942.4	1,963.1	2,126.6	1.1%	9.5%
	Medical Residents	2,008.1	2,096.6	2,150.0	4.4%	7.1%
	<b>Total</b>	<b>29,844.8</b>	<b>29,891.5</b>	<b>30,058.3</b>	<b>0.2%</b>	<b>0.7%</b>
Total WSUs	1st cycle	39,927.1	39,863.5	39,840.3	-0.2%	-0.2%
	2nd cycle	17,974.3	18,114.9	18,037.8	0.8%	0.4%
	3rd Cycle	17,944.0	17,671.3	19,016.7	-1.5%	6.0%
	Medical Residents	6,747.5	7,044.6	7,224.0	4.4%	7.1%
	<b>Total</b>	<b>82,592.9</b>	<b>82,694.3</b>	<b>84,118.8</b>	<b>0.1%</b>	<b>1.8%</b>

**Table 7.1.6: Deregulated Program FTE Forecast**

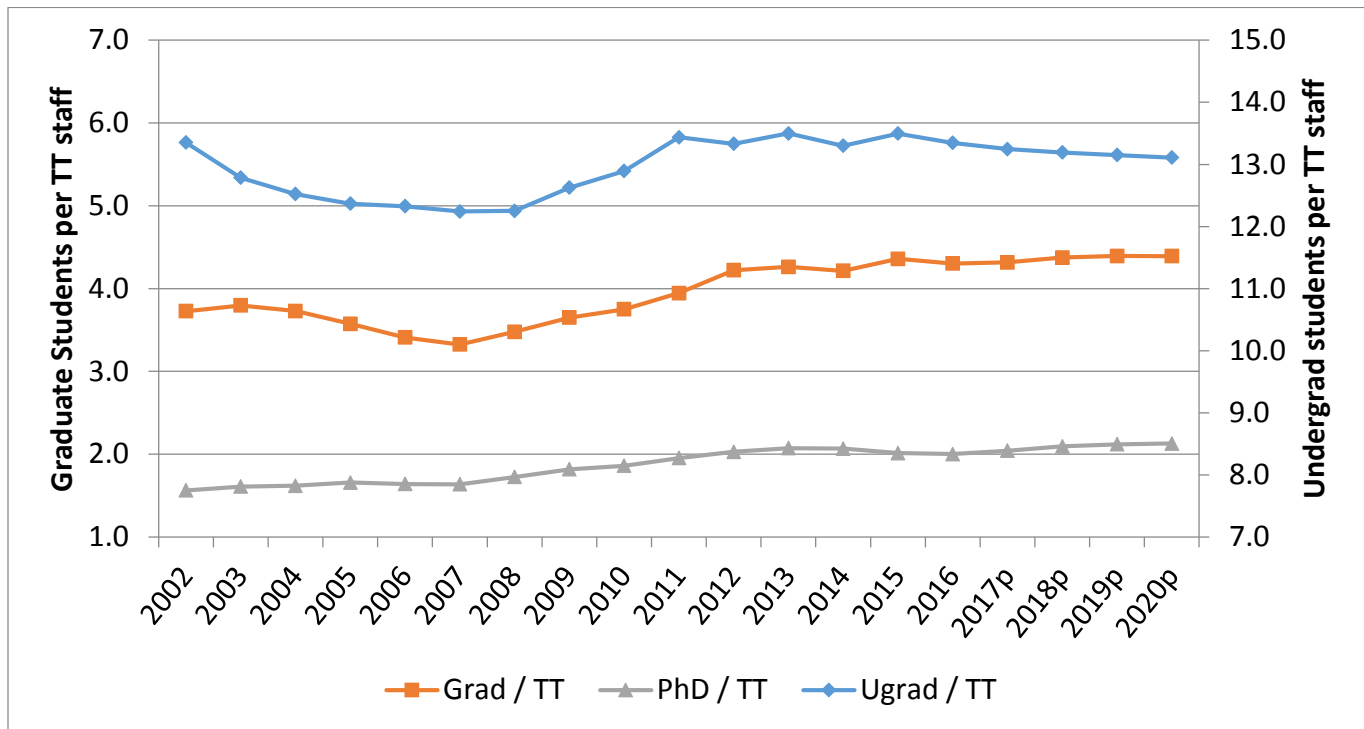
<b>Degree</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2021</b>	<b>1-yr Growth FY17-FY16</b>	<b>5-yr Growth FY21-FY16</b>
B Eng Bioresource	33.9	34.1	38.7	0.5%	14.0%
B. Eng	647.6	697.8	747.4	7.7%	15.4%
BSE	45.2	48.2	52.1	6.5%	15.2%
BCL/LLB	12.2	14.8	13.9	21.9%	14.3%
BCom	320.6	313.4	308.2	-2.3%	-3.9%
BSc	544.5	563.4	576.5	3.5%	5.9%
Mgmt Certs	2.0	2.0	2.0	0.0%	0.0%
Computer / Engineering Certs	1.0	1.0	1.0	0.0%	0.0%
<b>Grand Total</b>	<b>1,607.1</b>	<b>1,674.7</b>	<b>1,739.9</b>	<b>4.2%</b>	<b>8.3%</b>

**Table 7.1.7: Self-funded Masters Programs FTE Forecast**

<b>FY2016</b>	<b>FY2017</b>	<b>FY2021</b>	<b>1-yr Growth FY17-FY16</b>	<b>5-yr Growth FY21-FY16</b>
387.6	438.5	575.1	13.1%	48.4%

As enrolment-driven revenues represent such a significant portion of the University's unrestricted revenues it is a tempting reflex to increase enrolments in order to solve our financial woes. To a certain extent, we do this selectively, in areas where we believe we have capacity. There is a general consensus, however, that in order to maintain quality in undergraduate education we are nearing this limit, as measured by the student-to-tenure-track-staff ratio. On the other hand, as part of our objective to remain one of the most research-intensive universities in Canada, we believe we have capacity to grow enrolment at the graduate level. [Figure 7.1.8](#) depicts the evolution of university-wide student-to-tenure-track-staff ratios that have informed our enrolment target setting.

**Figure 7.1.8: Evolution of Student-Staff Ratios**



Close to 25% of the MEES grant to universities is dedicated to envelopes which are either reserved for certain universities or are restricted to project-based short-term allocations with detailed reporting obligations. As outlined in [Appendix 9](#) these envelopes represent less than 5% of McGill's grant.

The "*coûts de systèmes*" or indexation is a regular incremental part of the existing envelopes and as such, within our budget planning, is included going forward. Within our budget model, we have built a 1.1% indexation for FY2017, followed by an indexation of 1.2%, 1.4%, 1.6% and 1.8% for subsequent years.

Details of the MEES Revenues can be found in [Appendix 9: MEES Operating Grant](#).

### 7.1.9 Tuition and Ancillary fees

As described in the previous section, most students are registered under a regulated tuition regime and therefore both their tuition fees and ancillary fee increases are determined by the Provincial government. The indexation for the base tuition rate applicable to Quebec students in FY2017 is limited to the increase in available family income per person from two years ago (2014 vs. 2013)<sup>25</sup>: 1.5% or a \$34-increase per FTE starting Fall 2016 for an annual FTE (30 credits) rate of \$2,327. For the subsequent four years we are assuming a 1.5% indexation for FY2017 and FY2018 followed by 2% for FY2019 and 2.5% for FY2020 and FY2021. It should be noted that 30% of the increase is recaptured by the MEES in order to help fund the Quebec Student Loans and Bursaries program. The net tuition increase kept by the University is therefore \$24 per FTE or the equivalent of about **6 cents per student per contact hour of instruction**.

Canadians from other provinces and regulated international students pay tuition supplements, known as "*forfaitaires*", over and above the base Quebec tuition rates. These amounts are deducted from the grant, effectively being returned to the government in exchange for the equivalent per-student grants received for Quebec students. Tuition for students from the rest of Canada, comprised of the base Quebec rate plus the out-

<sup>25</sup> Refer to document from l'Institut de la statistique de Québec found at <http://www.stat.gouv.qc.ca/statistiques/economie/comptes-economiques/revenu-menage/revenu-disponible-2015.pdf>

of-province supplement, is set at a level equivalent to the average tuition across the other nine Provinces of Canada, while the international rate is now being set at the rate approximately equivalent to the average teaching grant received for all international students in the Quebec system.

Apart from a 10% surcharge universities are allowed to assess on international student tuition fees, the supplements are returned to the government and are therefore considered in the tuition revenue but deducted from the government grant.

There are fee exemptions for certain groups of international students, such as those from France, who, although international, paid the Quebec rate until this year. Starting in Fall 2015, the out-of-province supplements were also applied to newly enrolled undergraduate students from France. Undergraduate students from France who were enrolled prior to Fall 2015 as well as those registered in graduate programs, will continue to pay the Quebec tuition rates. The out-of-province supplement for Fall 2016 will increase by 3.43% over the Fall 2015 rate while the international supplements will increase by 1.5%.

As was noted in the [Section 2](#), it is highly likely that the tuition framework for out-of-province and international students will be modified in the coming year. The eventual changes may impact tuition rates, revenues, student assistantships and possibly the number of international students registered at McGill. At this stage, information is too preliminary to be able to include any monetary adjustments in the budget, but it is noted here as a future opportunity and/or risk factor.

The University sets tuition fees for deregulated students. For each new entering cohort, we have adopted a “guaranteed” tuition model so that a student’s tuition rate is applicable for the duration of his/her studies. The rates are set competitively with our peers across Canada. For the Fall 2016 cohort, the increase is set at 4% compared to the Fall 2015 rate, with 3% increases planned for each of the four years after that. These rates are subject to adjustment on a program-by-program basis, based on our admissions yield figures and comparisons with peer programs.

Increases in ancillary student fees (“frais institutionnels obligatoires” or FIOs), have been regulated by the MEES since FY2011. Indexation of FIOs is set at the same rate as the base tuition (1.5% for FY2017) unless specific agreements are signed with the student associations. As with base regulated tuition, we assume a 1.5% increase in FY2017 and FY2018 followed by 2% for FY2019 and 2.5% for FY2020 and FY2021.

#### **7.1.10 Indirect Costs of Research**

Both the federal and provincial governments recognise the need to support the administrative “institutional” or “indirect” costs of administering and managing world-class research activities. **Indirect cost of research** are those activities that cannot be directly attributed to a specific research project, such as maintaining and heating buildings and providing a large array of services from the optical backbone network to Library subscriptions to research journals to hazardous waste removal and other such charges. Research contracts and grants are generally expected to provide some compensation to the University for the increased operating costs that it incurs in conjunction with such research.

#### **7.1.11 Research Support Fund revenue assumptions**

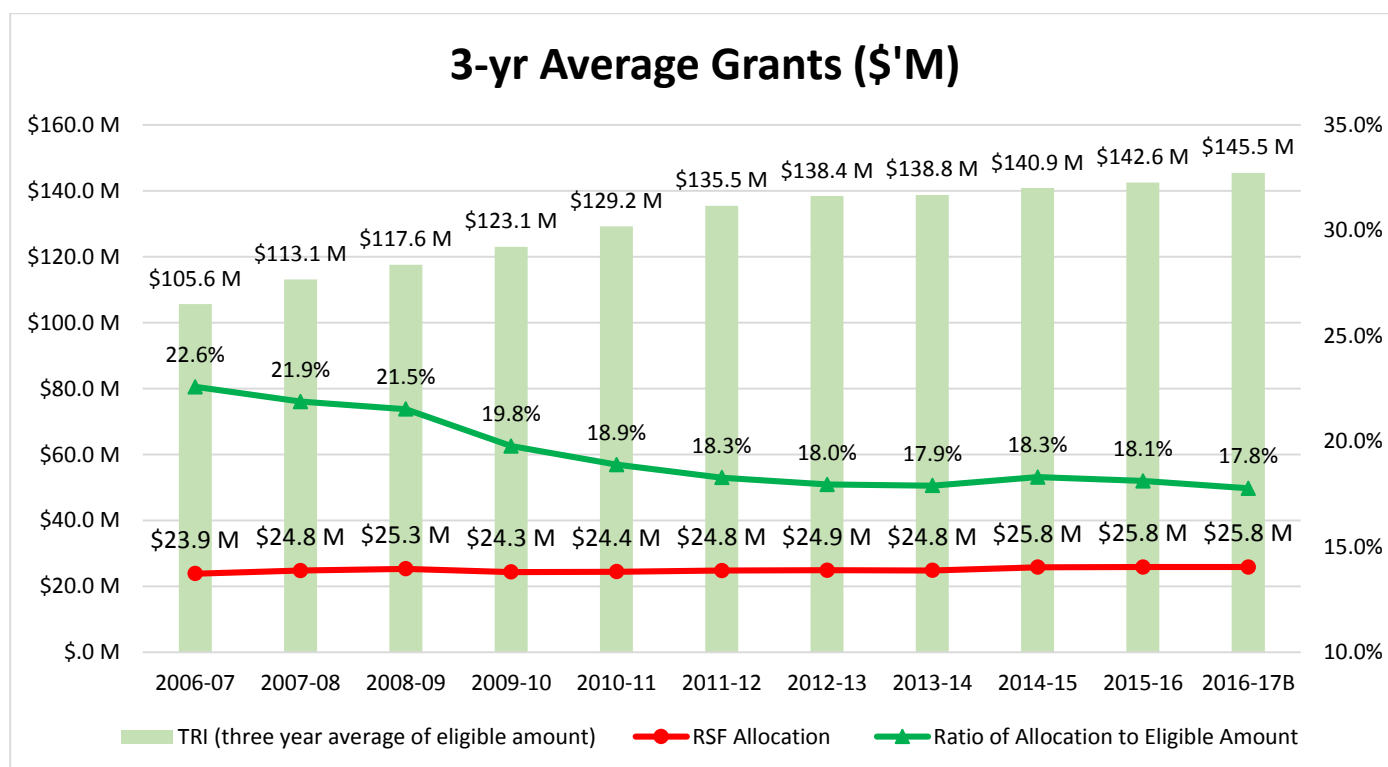
In response to the Economic Action Plan 2013, the federal government renamed the indirect cost program as the Research Support Fund (**RSF**). While the objectives and funding formulas remain the same, the program now requires more enhanced reporting from recipient institutions. The RSF compensates universities based on federal grants at roughly 18%.

The federal indirect costs of research revenues are a function of the level of research grants awarded by the Tri-Agencies. Beyond a few small institutions being added from time to time, the share of total research remains relatively stable: we are estimating McGill's share of the total federal envelope will remain at approximately 7.5% over the planning period.

Despite yearly increases in direct research funding, McGill has seen its rate of RSF grants drop from 22.6% in FY2006-07 to 17.8% in FY2016-17 partly because: 1) the RSF envelope has not kept pace with the awarded research dollars, and 2) the funding formula provides higher rates of funding for an increasing number of institutions that receive the least amount of money from the federal research granting agencies. [Figure 7.1.12](#) details the increase in Federal Research Grants versus the decreasing share of RSF received at McGill.

The 2016 federal budget included an additional \$19 million for the RSF, representing a 5.6% increase from \$341M in FY2015. For McGill the revenue budget for the Research Support Fund is expected to remain relatively flat in FY2017 and to increase by approximately \$800,000 in FY2018.

**Figure 7.1.12: Evolution of federal research grants versus RSF rate**



### 7.1.13 Provincial indirect costs of research (PICOR) revenue assumptions

In FY2015, the MEES initiated a reform of the allocation formula related to the provincial indirect costs of research. According to the reform, the PICOR envelopes would gradually be transformed to cover the cost of research space. The non-space related indirect costs would be covered by the granting agencies and allocated along with each provincial research grant (fixed at 27%). In parallel, it would be each university's responsibility to obtain the equivalent 27% from non-provincial sources. FY2106 will be the last year of the transitional PICOR grant. In FY2017, the Research Space grant is expected to grow to \$19.6M, \$8.8M more than in FY2016. At the same time, the remaining PICOR grant of \$8M will be eliminated and replaced by indirect cost allocations flowing through each grant (estimated to total \$1.6M for McGill).

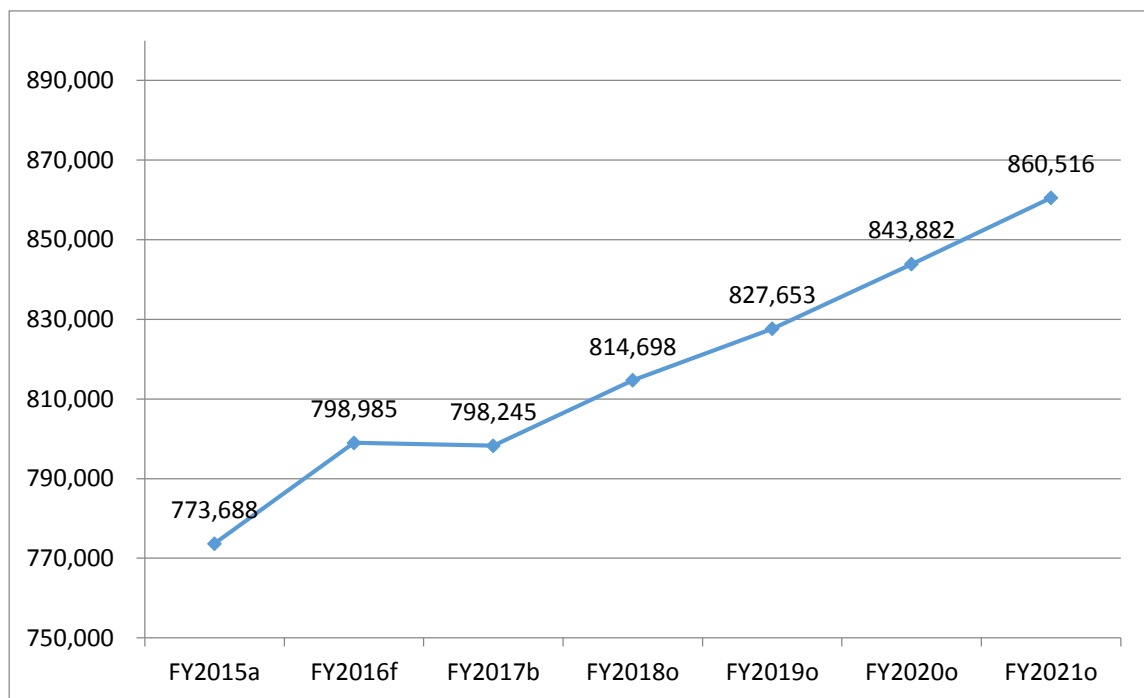
## 7.2 Expenditures aligned with Priorities

Several processes and allocation models support the budgetary processes by providing on-going, documented and transparent mechanisms of resource allocation. As described in the sections below, our expenditures are aligned with priorities:

- Salary policy to recruit and retain high calibre staff, tenure stream academic renewal for our research and teaching mission
- Efficient administrative support for our research and academic mission and resource stewardship
- Allocation of administrative and support staff across Faculties and Administrative units
- Deferred maintenance plan to address capital and IT infrastructure needs
- Incentive allocations for incremental enrolment and research activity
- Allocations for strategic priorities and new initiatives
- Allocations for undergraduate student assistance and to support graduate students
- Support for the Library
- Self-financed activities and overhead revenues
- Application of budget reductions to create room for priorities

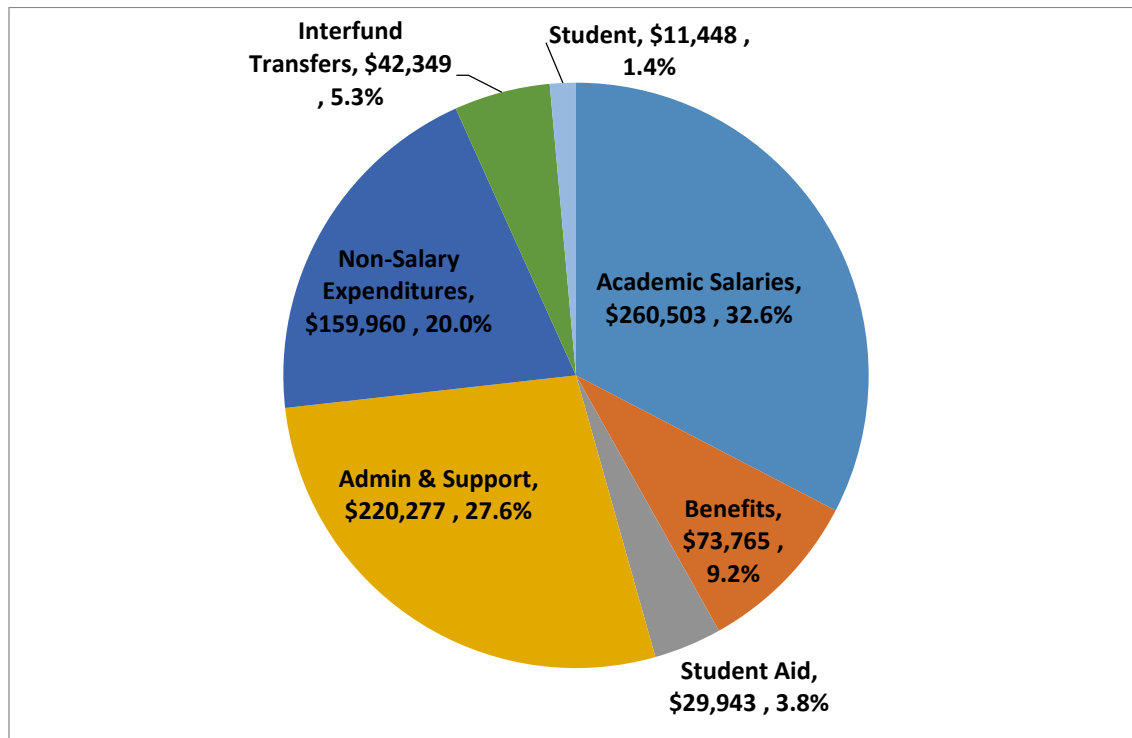
Projected operating expenditures over the next five years are described in [Figure 7.2.1](#). Overall expenditures are expected to remain stable in FY2017 and to increase by 7.5% in the next five years.

**Figure 7.2.1: Operating Expenditure Projections FY2015 – FY2021 (\$M)**



Excludes "Book-to-Market and GAAP adjustments

**Figure 7.2.2: Projected Operating Expenditures – FY2017 Budget (\$M): \$798.2M**



### 7.2.3 Remuneration and Salary Policy: Recruiting and Retaining High Calibre Staff

In higher education, especially at a research-intensive, student-centred institution such as McGill, the largest single component of budget expenditures is compensation related. Salaries and benefits represent close to 75% of the University's total unrestricted expenses, and academic salaries are an important component of these.

In order to maintain our quality, not only with respect to other Canadian research universities, but also relative to the top universities in the world, starting salaries and annual salary increases for McGill professors must remain competitive. For the past 3 fiscal years we have provided higher than normal salary increases in order to catch up to the median of our Canadian peers. We will be in a position to assess the impact of our efforts at the end of FY2017.

McGill's highly qualified administrative and support staff facilitates the work of our academic staff and support our students. These employees fulfil McGill's operational functions and help meet regulatory requirements. In order to recruit and retain these employees, they must be provided with compensation commensurate with that found in the local and Canadian markets.

As a result, salary policy remains an important component of budgeting. Periodically, the University undertakes discussions and negotiations with various employee associations and unions in order to determine salary increases and other compensatory measures. [Figure 7.2.5](#) outlines the budgeted increases for FY2016.

**Figure 7.2.5: FY2016 Salary Policy Increase and Salary Mass Unrestricted Operating Funds (1As)**

Staff Category	FY2016 Salary Mass (incl. benefits)	FY2017 incr.	
		%	\$
Total	\$552.3.0M	3.9%	\$21.4M

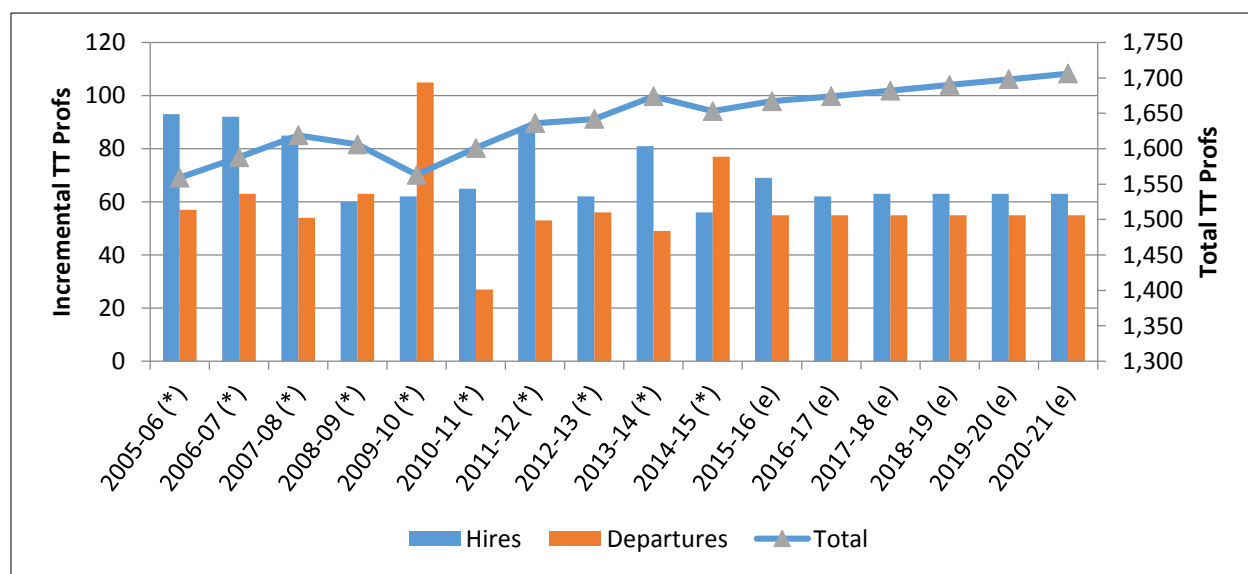
## 7.2.6 Tenure Stream Staff and Academic Renewal

The number of [tenure stream \(TS\)](#) professors is the most important driver of teaching and research activity at the University. Indicators such as the proportion of classes taught by TS staff, undergraduate students-to-TS ratios, number of graduate students per TS staff, and research dollars per TS faculty members all impact the quality of our educational offerings, our research performance, our fund raising performance, McGill's reputation, and therefore, the University's continued ability to attract the best students.

The budget planning exercise at the University continues to pay close attention to academic renewal; a TS hiring and retention plan that has been at the core of our strategic investments since the early 2000s. Allocations of TS complements to individual Faculties are determined by McGill's strategic priorities, the strength and potential of academic disciplines, the creation of new programs, and the University's capacity to excel on the world stage. In this context, Academic Renewal refers not only to TS hiring activity but also to McGill's plans to address improved student-staff ratios, maintain a healthy retention rate, and excel in the increasingly competitive and challenging global research environment.

Targets for tenure-stream complements are agreed upon between the Provost and the Deans, and hires are planned over a five-year horizon based on targeted growth and forecasted departures. (Refer to [Appendix 10](#) for Faculty breakdowns.) Operational benchmarks such as unit reviews, academic annual reports and key performance indicators such as listed above are used as monitoring tools of progress towards setting goals and performance evaluation within the context of available resources. These benchmarks are available in the Agreements and summarized [Section 6.4](#).

**Figure 7.2.7: Total Tenured and Tenure-Track Staff (FY2001 - FY2021)**



(\*) actual; (e) estimate

A number of mechanisms help carry out the Academic Renewal plan effectively, and ensure that the budgets are available to assist academic units to pay for their tenure-stream staff. Central allocations from the operating budget, supplemented by financial resources from federal and provincial research agencies, salary award agencies, industry awards, endowed chairs, philanthropy activities, as well as Faculty resources support the activities related to academic renewal. The Academic Renewal Envelope (ARE) funded from the operating budget includes:

- Recruitment cost allocation (\$8,000 allocation per new hire; \$12,000 allocation for CRC 1 or CERC)
- Operating start-up allocation (between \$9,600 and \$14,400 depending on discipline) to support operating start-up research costs
- Capital start-up allocation (between \$9,000 and \$84,000 depending on discipline) to support capital start-up research costs
- Financial incentive for salary award contributions to regular salary of 45% except for clinical medical staff which is limited to 25%
- Payment of tenure-track retirement allowance packages
- Contribution of 100% of tenure-track spousal hire salaries as well as exclusion to complement count for a six-year period
- Contribution to the home Faculty of the minimum of rank for each absented senior administrator
- Financial incentive for newly created endowed chairs (25% as of June 2006 and 50% as of June 2010 of the contribution to professorial salaries)
- An addition to the Faculty target complement for all newly created chairs since January 2014
- Contribution of half the minimum annual salary of an assistant professor salary for each pre-tenure departure

McGill benefits from 162 Canada Research Chairs (CRCs) from the federal government, and they are allocated to the Faculties based on the University's strategic priorities. Eighteen of the 162 chairs are vacant as of 15 March 2016, of which 13 are new applications or renewals included in the spring 2016 submission round, leaving five vacant for retention and recruitment incentives in FY17.

As part of the FY2015 budgetary reduction measures a "3-for-4" tenure-track replacement model (three hires for every four departures) was implemented. Exceptions to the 3-for-4 plan were granted for pre-tenured departures, active recruitments (including repeated failed searches), CRCs, endowed chairs and programmatic searches. The University exceeded the targeted cuts with 56 hires (including all exceptions mentioned above) for 77 departures. Given the high level of 21 net departures in FY2015 the University operated in a healthy net hiring position of 14 in FY2016 and a planned net hiring position of 7 in FY2017. The University plans to have 8 net new hires in years FY2018 to FY2021 in order to reach the target complement of 1,704 before exclusions (illustrated in [Figure 7.2.8](#)).

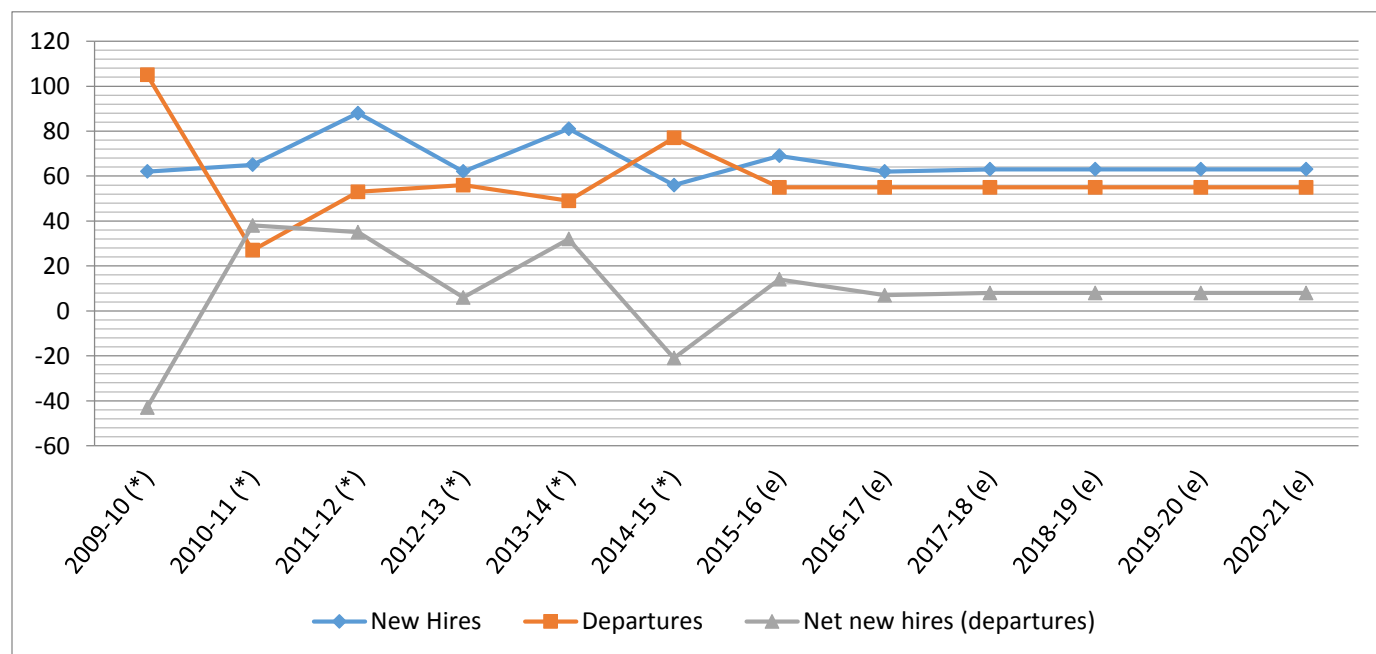
**Table 7.2.8: Tenured and tenure-track complement before exclusions**

	2011-12 (actual)	2012-13 (actual)	2013-14 (actual)	2014-15 (actual)	2015-16 (estimate)	2016-17 (estimate)	2017-18 (estimate)	2018-19 (estimate)	2019-20 (estimate)	2020-21 (estimate)
New Hires	88	62	81	56	69	62	63	63	63	63
Departures	53	56	49	77	55	55	55	55	55	55
Net new hires (departures)	35	6	32	-21	14	7	8	8	8	8
End of year complement before exclusions	1,636	1,642	1,674	1,653	1,667	1,674	1,682	1,690	1,698	1,706

*Note: Year End Complement in Figure 6.2.8 includes approximately 29 spousal hires and 6 senior administrators in “vacated academic positions” holding positions in administration and not teaching, that cannot be used for tenured and tenure-track hiring. McGill is expected to achieve the target complement by 2020-21.*

A **Provostial Complement** of fifty academic positions will be created effective 1 May 2016 in order to have a central pool to draw from for priority hiring and to simplify the spousal hiring process. Going forward, the pool will consist of opportunistic hires in various Faculties or aligned with the University’s strategic priorities, spousal hires for a six-year period of exclusion, and Chairs that are not linked to specific Faculties or disciplines. The additional licenses will be reserved to create a total of fifty positions for this pool. Hires made from this pool will be extra-to-complement for the implicated Faculty and positions will return to the Provostial pool when vacated.

**Figure 7.2.9: Net new tenured and tenure-track hires (departures)**



(\*) actual; (e) estimate

The cost of the Academic Renewal Envelope (ARE) is described in [Table 7.2.10](#).

**Table 7.2.10: Incremental Cost of Academic Renewal (\$M)**

	FY12a	FY13a	FY14a	FY15a	FY16e	FY17e	FY18e	FY19e	FY20e	FY21e
Annual (incr. perm)	(\$0.1)	(\$3.7)	\$0.4	(\$5.9)	(\$2.1)	(\$1.7)	(\$2.2)	(\$2.0)	(\$2.2)	(\$2.3)
One Time	\$4.7	\$5.3	\$3.0	\$7.1	\$6.0	\$6.8	\$6.5	\$6.4	\$6.5	\$6.8
Total	\$4.6	\$1.6	\$3.4	\$1.2	\$3.9	\$5.1	\$4.3	\$4.4	\$4.3	\$4.5

The Canadian Foundation for Innovation (CFI) JELF (John R. Evans Leadership Funds) awards provide yet another allocation mechanism in support of academic renewal. It has been a strategic decision of the University to reserve these funds for the needs of new recruits. A predetermined 3-year envelope (approximately \$10M per 3-years) in support of capital and equipment start-ups is partitioned between the Faculties based on 3-year hiring plans and the relative disciplinary needs. The CFI portion normally funds up to 40% of a project's infrastructure costs, matched by a provincial government contribution of 40% and 20% provided through a McGill or hospital contribution and/or in-kind contributions from vendors.

### 7.2.11 Ensuring Efficient Administrative Support

McGill's dedicated administrative and support personnel are vital to the success of the University in fulfilling its mission and achieving its strategic objectives. Our administrative and support staff count stood at 3,462 at the beginning of FY2016, a 4.4% decrease over a 5-year period.

Several factors contributed to this downward trend: the 2011 Bill 100 Article 12 directive to reduce university administrative staff levels through attrition, the on-going reductions in government funding, internal monitoring of administrative and support staff ratios to academic staff, the Workforce Planning Initiative, a hiring freeze in 2013 and, most importantly, the Voluntary Retirement Program (VRP) in 2014. While the University experienced a net loss of 256 administrative staff in the year of VRP implementation, there was a net gain of 87 staff (2.6%) in FY2015. Preliminary results from FY2016 seem to indicate close to a one-for-one replacement.

When comparing changes in administrative and support staff of Faculties to administrative units, the data highlights that the Faculties have decreased by 106 staff members (6.4% decrease) over the past 5 years while administrative units have decreased by 52<sup>26</sup> staff members (2.6% decrease). A detailed breakdown of administrative and support staff headcounts by Faculty and by Institutional administrative unit can be found in [Appendix 12](#).

As part of the budget measures introduced in Fall 2014 a freeze on administrative and support staff external hiring was announced in October 2014. At the time, it had been proposed to claw back salaries of departing staff and have proposals for position replacements vetted by Human Resources staff and forwarded to the **Budget Executive Committee (BEC)** for approval. In Summer 2015, the process was deemed overly cumbersome. As a result, it was decided to distribute the monetary value equivalent to the budget measure to each of the major units. From that point onwards, the staff reductions would be handled locally with budgets of departing staff members applied against the measure. Hires would only be permitted if a unit had met its

<sup>26</sup> Takes into account the conversion of professional associates, an academic category, to M-staff. 49 such staff were added to the 2008-2009 M-Staff counts even if, at the time, they were in an academic staff category.

budgeted cut. Exceptionally, BEC would address urgent needs related to the replacement of critical staff. The target was therefore changed from a headcount reduction to a monetary reduction. This measure is planned to impact the units until FY2021, albeit at reduced levels if conditions permit.

### 7.2.12 Enrolment Driven Allocations

This activity-based budgeting mechanism provides incremental amounts to Faculties per incremental full-time equivalent (FTE) students (amounts detailed in [Table 7.2.13](#)). The enrolment-driven allocation model introduced in FY2012 and based on 2010-11 enrolment data as the baseline was updated in FY2016. In the updated version, rather than provide temporary allocations on forecasted current year FTEs over the baseline year, an incremental permanent amount is allocated based on the differences between the two previous years. To illustrate, the allocations are now calculated as follows: the FY2017 permanent allocation is based on confirmed 2015-16 FTEs (summer 2015, fall 2015 and winter 2016 semesters) less the 2014-15 FTEs.

**Table 7.2.13: Budgetary Allocations for changes in enrolment (\$ per FTE) to Faculties**

Faculty	UG	Masters	PhD
Agric & Env Sc	\$3,500	\$6,000	\$11,000
Arts	\$2,400	\$4,000	\$7,500
SCS	\$2,400	\$3,600	
Dentistry	\$9,000	\$6,000	\$11,000
Education	\$2,400	\$4,000	\$7,500
Engineering	\$3,000	\$5,000	\$11,000
Law	\$2,400	\$4,000	\$7,500
Management	\$2,400	\$3,600	\$7,500
Medical Residents		\$4,000	
Medicine	\$3,500	\$6,000	\$11,000
MSE*	\$3,000	\$4,000	
Music	\$3,500	\$5,000	\$7,500
Relig. St.	\$2,400	\$4,000	\$7,500
Science	\$3,000	\$6,000	\$11,000

\*MSE: McGill School of the Environment

For FTEs associated with deregulated programs, the same rates apply and the Faculties managing the relevant degree program also receive an additional allocation based on student growth and level of tuition.

In total, enrolment driven allocations provided an incremental \$6.8M to Faculties in FY2016 to spend on their top academic priorities. Given the enrolment forecasts, this amount is expected to remain relatively stable for the next five years.

For the self-funded programs in the Desautels Faculty of Management, the revenues flow directly to the Faculty and an overhead is charged to cover central administrative costs.

### 7.2.14 Allocations related to Research

Several allocation mechanisms are in place to enhance research activity in the Faculties. Listed below are sources of funding that are allotted to the Faculties.

#### Direct Costs of Research- Institutional Matching Funds:

**CFI Major Rounds:** CFI funding generally follows a fixed formula: 40% from CFI, 40% from the provincial government, and up to 20% in vendor rebates (or direct University contributions). In major rounds of CFI investments, there are cases where the vendor rebates do not meet the target and due to the strategic value of these awards, McGill provides the balance through the CFI matching funds envelope, administered through the Office of the VP (RIR). McGill's direct contribution to awarded projects under CFI competitions (Innovation Fund 2013 and 2015) is \$1.4M per year in FY17 and FY18. In the upcoming CFI Innovation Fund 2017 competition (October 2016), the established formula for institutional cash commitment will continue. McGill will contribute up to 10% of the total project costs to awarded projects.

**Large-Scale Networks and Major Grants:** Public research funding in Canada has shifted toward an increasingly competitive system of partnership programs that require matching funds from multiple sources. For large-scale research projects (networks, large teams, etc.), in some cases, the principal investigator's institution is requested to contribute cash as part of a funding formula. The VP (RIR) has established guidelines for assessment of institutional matching funds. The total commitment in FY2017 is \$2.7M.

**Canada Excellence Research Chairs (CERC):** McGill currently has two CERCs: one in Pain Genetics and the other in Green Chemistry. Each chair and her/his team are awarded \$10M in federal grants over seven years, matched by an equivalent amount by the provincial government. The institutional cash commitment to each CERC is \$300,000 operating funds each year over 7 years for a total of \$4.2M.

#### Indirect Costs of Research:

**Federal Research Support Fund (RSF)** Faculties receive allocations for indirect costs of research. In addition to normal 25% share of the Federal RSF, Faculties also receive 50% of both the incremental Federal and Provincial indirect cost rates above a baseline (calculated on a 3-year average FY2007-FY2009). For hospital-based research, 80% of the indirect attributable to their research is transferred to the appropriate research institute. Of the federal RSF, approximately \$5M is distributed to the Faculties and \$7M to the affiliated hospitals annually.

**Contracts:** The longstanding contract overhead allocation provides Faculties with an allocation equivalent to one-third of the overhead revenues and hospitals with 60% of the overhead. Transfers to Faculties are approximately \$2M while hospitals receive about \$500,000 annually.

### 7.2.15 Strategic Priorities and New initiatives

In order to be true to McGill's mission and to the University's aspirations, we must be committed to investing continually and incrementally in strategic priorities (refer to [Section 3](#)). This means setting aside "envelopes" from operating funds, developing strategies to generate additional revenues, encouraging new ways of doing things on our campuses, and entering into partnerships to leverage resources.

New initiatives relating to academic and administrative activities are analysed by the Associate Provost- Budget and Resources throughout the year. Recommendations are forwarded to the Provost who, based on the financial viability and its strategic importance, determines whether a new project is funded and the level of resources to allocate. Once the proposed allocations are vetted, the project description, allocated amounts and targets are entered in the agreements. [Appendices 13](#) and [14](#) provides details on new initiatives for academic

and administrative units.

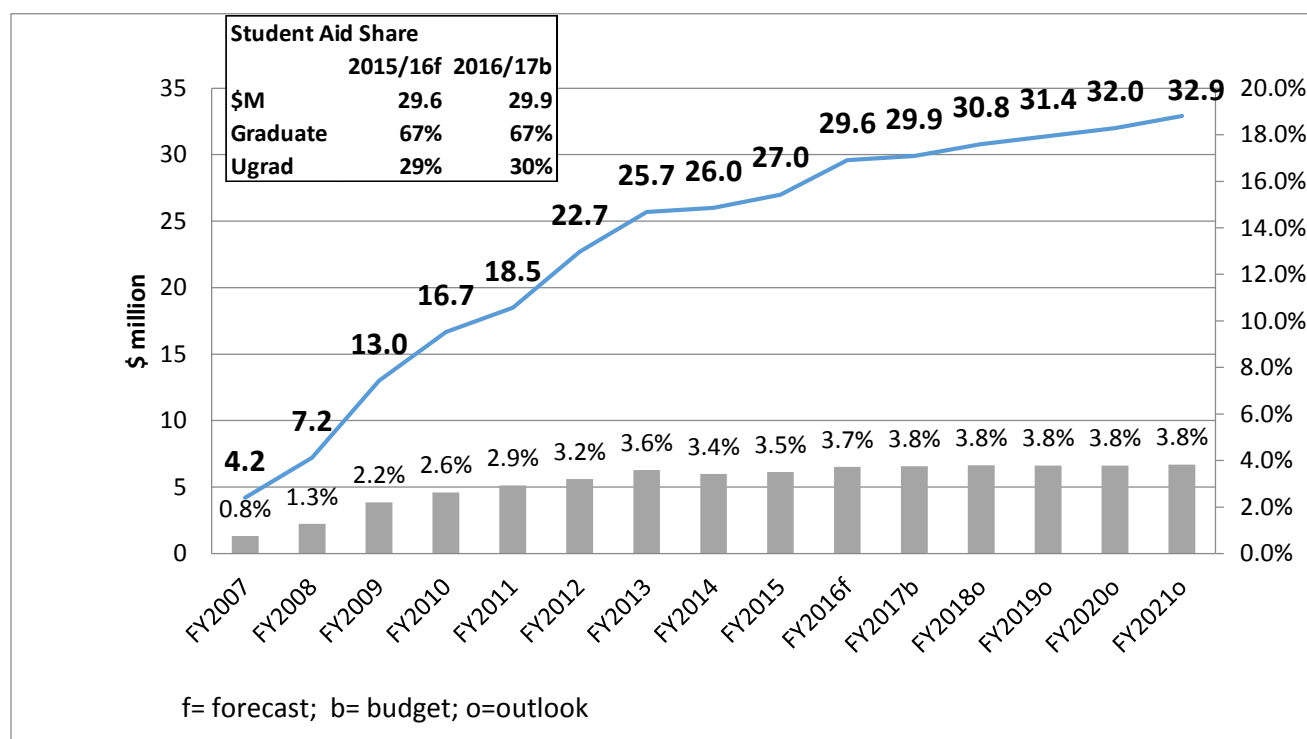
## 7.2.16 Student Assistance

For Quebec residents, the Provincial government has a comprehensive Loans and Bursaries program. A portion of the fees paid by all students is deducted from the university's grant and contributes towards this program, McGill's share being approximately \$9M. Since the mid-1990s, for every dollar of Quebec tuition increase, the universities have contributed 25 cents to the Loans and Bursaries program. In FY2016, the contribution increased to 30 cents per every tuition dollar increase. For FY2017, this translates into \$10 per full-time student deduction out of the \$34 total annual increase per student in the Quebec tuition rate. The government supplements these contributions with its own allocations. In FY2015, McGill students received \$39.5M in Quebec Loans and Bursaries. Another \$34.5M was provided from other North American jurisdictions. Nearly 35.5% of McGill's full-time students with access to Canadian and U.S. government aid programs received government aid.<sup>27</sup> It is important to note that these amounts are not reported within our financial statements as they are paid directly to the students.

Donor funded fellowships and other endowment income (restricted funds--\$76M in FY2015) and salaries paid to students through the operating and restricted funds (\$37.4M in FY2015) also help support students.

In addition to these amounts, McGill continues its commitment to accessibility by contributing at least 30% of incremental net tuition towards student aid and support, taking into account incremental amounts received from donations. [Figure 7.2.17](#) shows total student assistance from the Operating Fund. Included is an estimate of the 30% portion of net tuition increases that are directed toward students.

**Figure 7.2.17: Student Assistance from Operating Fund (\$M)**



**Note:** Percentage figures on horizontal axis indicate student aid (bursaries and graduate student funding) share of total operating revenue.

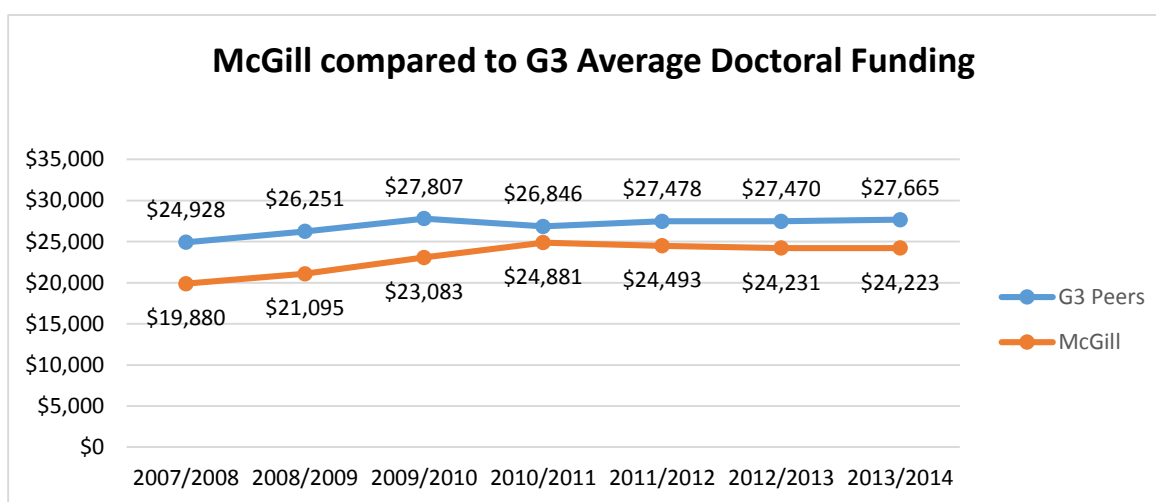
<sup>27</sup> 2014/15 Senate Report on Scholarships and Student Aid, March 2016

## 7.2.18 Graduate Student Support

McGill has recognized the need to provide competitive graduate student support in order to attract the highest quality graduate students to work alongside our prestigious and highly productive professors. The Dean of Graduate and Postdoctoral Studies (GPS) allocates to each Faculty, on a formula-driven basis, funds to support the recruitment and retention of graduate students in line with the university's strategic priorities. This central funding allocation forms the basis of all graduate student support. GPS works with the graduate units to optimize the use of the allocation as part of effective funding packages to attract the best students.

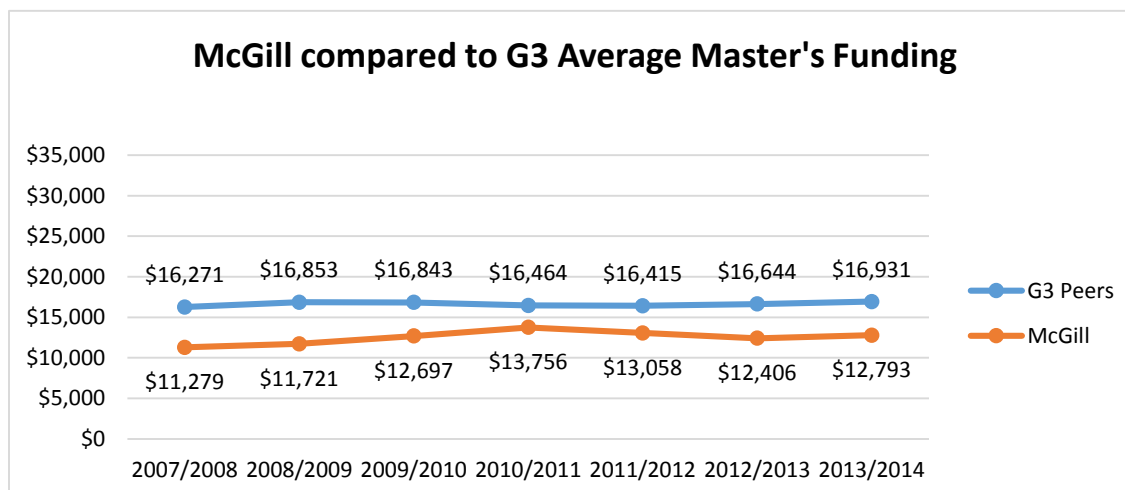
[Figures 7.2.19](#) and [7.2.20](#) below show the evolution of McGill's graduate student funding from FY08 to FY14. Funding levels have remained stable, corresponding to relative stability in graduate enrolment over the same period. Most importantly, McGill's graduate student support remains competitive with our G3 peers when tuition fees are taken into account. Nevertheless, sustained investment in graduate student support is key to maintaining McGill's competitive edge in attracting the best and the brightest graduate students.

**Figure 7.2.19: Average Doctoral Funding Comparison**



Data source: U15 Data Exchange – G3 peers include University of British Columbia, University of Toronto and University of Alberta.

**Figure 7.2.20: Average Masters Funding Comparison**



Data source: U15 Data Exchange – G3 peers include University of British Columbia, University of Toronto and University of Alberta.

### **7.2.21 McGill Library collections funding**

The Library remains a top priority for the University and we wish to maintain our commitment to demonstrate the potential for digital resources to enhance education and continue to serve both students and faculty.

As a result, budget cuts within the Library system did not occur within collections spending. The collections budget remains whole and is dominated by the journal budget in accordance with the University's status as one of Canada's top ranked research intensive institutions and the concomitant user demand for journal literature.

The exchange rate and increase in inflation are factors to consider as we strive to maintain a quality number of resources in the face of a flat budget. One time funding of \$2.4M to mitigate inflation and currency devaluation was allocated to the Library in FY2015 (based on a Canadian dollar at approximately \$0.78 - \$0.80 US.) With the further drop of the Canadian currency the University has committed one-time allocations of \$3.7M for each of FY2016 and FY2017. It is expected that the Canadian dollar will climb back to its 2015 levels in the following years and the one-time annual adjustment is planned to be reduced to \$2.4M for FY2018 and beyond.

### **7.2.22 Self-financed activities and overhead charges**

The University charges an overhead to several **self-financing** units based on revenues in order to cover part of the central services provided and for the use of the infrastructure.

In FY2010 a university-wide measure was adopted to recuperate 1.5% of unrestricted operating revenues to create the strategic priority envelopes and help meet the budget cuts. The 1.5% overhead recovery fee was increased to 2.5% to adjust for further budget compressions in FY2014. As part of the budget measures adopted this year, the overhead charge was increased to 3% in FY2016, 4% in FY2017 and 5% in FY2018 onwards.

As revenues from self-financing activities increase so will the overhead charges available for funding priorities and meeting cuts. It is anticipated that the contribution will grow by approximately \$2.5M in the next five years.

### **7.2.23 Budget Measures**

No new measures are being introduced beyond those implemented in FY2016. Relaxing some of these measures will be one of our priorities in the eventuality of a government reinvestment or other added revenues.

## **7.3 Significant one-time and on-going expenses**

In building its budget, the University needs to take into account one-time expenses that often arise from its fiscal obligations. Three current areas of expense include pay equity, pension-related expenses, and deferred maintenance.

### **7.3.1 Pay Equity**

The Quebec Pay Equity Act of 1996 sought to redress differences in compensation for persons in predominantly female job classes that require similar skills, effort, and responsibility similar to male dominated job classes. This is not the same as employment equity, which deals with individual differences, but both attempt to deal with the issue of "equal pay for work of equal value". The Act further stipulates how pay equity is to be evaluated and implemented.

In 2001 McGill accepted and submitted a pay equity program modelled after that used by the Treasury Board of Quebec. Quebec granted the University a one-time-only award for completing this task. However, several years

later the Pay Equity Commission decided to reconsider the methodology employed by McGill to determine the settlement amounts. The new method resulted in additional retroactive pay awards to all individuals in certain classes of employees along with ongoing salary increases. Payments in respect of the 2001 and 2005 pay equity exercises were completed in May 2015 for a total cost of \$33M.

The results of the 2010 pay equity exercise are currently being finalized with the unions and the employee associations. Shortly, McGill will start processing the retroactive payments and corresponding salary increases covering the period between the end of 2010 and the actual dates of payments. At the time of publishing the previous year's Budget Book (FY2016), preliminary indications from Human Resources were that the adjustments would be within the \$9M surplus remaining from previous pay equity expense accruals; therefore no provision was built in the FY2016 budget for additional pay equity payments. However, in May 2015, the anticipated cost of the 2010 exercise was estimated to amount to \$22M. As a result, the University accrued an additional \$6M in expenses in FY2015 and has accrued \$7M in FY16. Costs are now expected to near \$24M and the remaining \$2M is being budgeted for FY2017.

### **7.3.2 Pension Liability and Post-retirement obligations**

The McGill University Pension Plan (MUPP) has a defined contribution (DC) pension plan for employees hired on or after 1 January 2009 and a hybrid DC / defined benefit (DB) plan for employees hired before that date. Some trades and services groups have different capital accumulation plan types, but the amounts involved are small. The defined benefit minimum in the hybrid plan requires periodic actuarial valuation to determine the plan's funding adequacy to meet its obligations. In the past, the pension plan underwrote annuities for some employees, which are also subject to valuation for funding adequacy.

The 31 December 2012 triennial valuation showed a decline in funding adequacy with respect to the 2009 valuation, necessitating increases in contributions to the pension fund. The shortfall can be amortized over 15 years. In addition, MUPP Amendment 24 introduced shortfall cost sharing with plan members as of 1 January 2014. Taking into account both cost sharing and the pension plan liability amortization, pension liability contributions from the University are budgeted at \$15M annually. This value may need to be updated at the next valuation. In order to allow departing members or those attaining age 65 to access 100% of their pension holdings, additional funding from the University is required. In calendar years 2013-2015 this amounted to \$38,387,428. Post-retirement liabilities are budgeted at \$5M for FY2016, no change with respect to the FY2015 budgeted amount (the actual benefit cost was closer to \$7M in FY2014). However, for those retiring on or after 1 June 2016, cost sharing for the Supplemental Health Plan will be set at 30% for the University and 70% for the retirees. As for the Dental Plan, retirees will be responsible for 100% of the plan as of the same date.

FY2016 will also be the last year of the Supplemental Notional Arrangement (SNA) program. This program, established in FY2012, provided University contributions towards the pension plan of those employees who continued to work beyond normal retirement age (65). Savings in FY2017 and beyond are expected to be approximately \$500K.

### **7.3.3 Long-term investments**

#### **Deferred Maintenance**

Beyond the day-to-day operational needs and priorities, the University must tend to and modernize its infrastructure in order to maintain state-of-the art facilities and technology, including its ERP (Enterprise Resource Planning). The amounts required for deferred maintenance, both for buildings and information

technology exceeds \$1.3B. With an annual capital provincial grant of approximately \$50M and other sources adding close to another \$50M, it would take nearly 10 years simply to maintain our current infrastructure if the University were to invest its complete capital grant with no additional resources. When the need for additional space is factored in, particularly for wet research lab space, the physical constraints need to be examined, scenarios built, and multiyear phased planning carried out. Thankfully, both the latest provincial and federal budgets announced significant investments in university infrastructure.

The deferred maintenance issue is subdivided into three themes: buildings, IT infrastructure, and inadequate and inappropriate space. In Fiscal 2015, the Board of Governors approved a \$400M borrowing plan with a payback period of up to 40 years. During Fiscal 2016, the Quebec Ministry of Finance, on recommendation from the MEES, approved the borrowing plan. A bond issuance of \$160M was transacted, with 18 investors, at a rate of 3.975% maturing on January 29, 2056. We anticipate our next bond issuance to occur in January 2018. The net cost to the operating funds is budgeted to be \$4.2M in FY2017 and growing to \$27.0M by FY2021. [Appendix 18](#) provides details on the projected deferred maintenance expenses.

#### 7.4 Target Surplus / Deficit

As noted above and in past Budget Books, this University and the entire Quebec university network operate in a context of chronic underfunding. An analysis based on FY2012 figures by the University's Planning and Institutional Analysis Office (PIA) illustrates the relative provincial underfunding by comparing the tuition and grant revenues per FTE that McGill receives with what it would have received if it were located in other provinces:

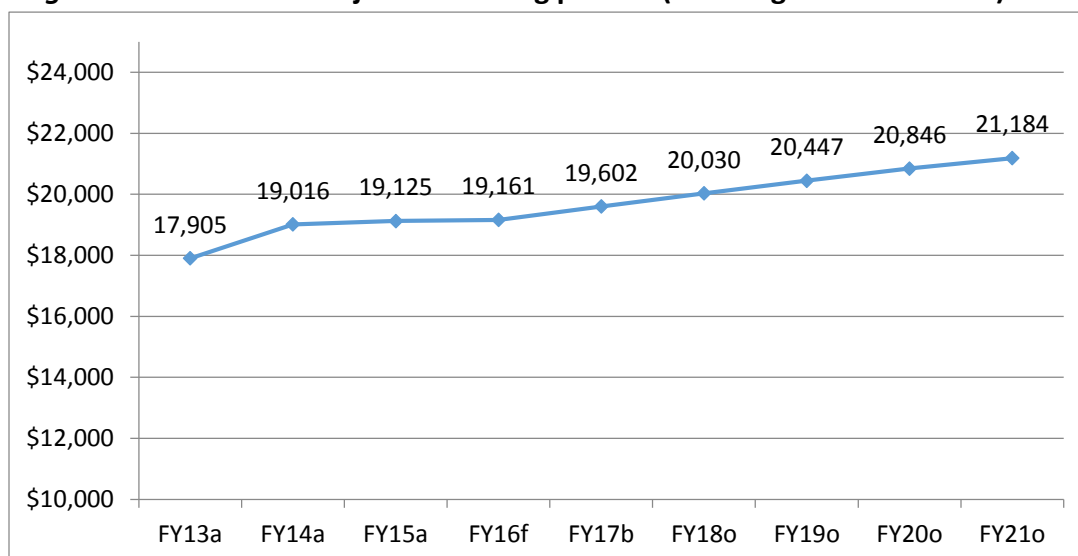
**Table 7.4.1: McGill's Funding per FTE based on various Provincial Funding Models (FY2012)**

	Quebec	Ontario	BC	Alberta
\$ / FTE	\$15,766	\$18,488	\$20,134	\$21,516
Total Revenue Gap (\$M)	--	\$86.8	\$139.5	\$183.7

Funding includes the Provincial grant and tuition

Based on current budget assumptions, our funding per FTE would be hovering around the \$20,000 during the next five years (see [Figure 7.4.2](#)); a funding level already attained in FY2012 in two out of the three provinces listed.

**Figure 7.4.2: McGill's Projected Funding per FTE (MESRS grant and tuition)**



f= forecast; b= budget; o=outlook

Maintaining McGill's excellence while trying to balance the budget therefore represents a significant challenge. Nonetheless, any decision to run a **deficit** cannot be and is not taken lightly. Accumulated over many years, deficits can severely jeopardize a university's ability to take on new initiatives or even maintain existing services in the future. Yet, there can be a time when running a deficit is the correct option. Consultation with the senior administration and the Board provides a sound system of checks and balances on the proposed bottom-line of McGill's annual budget.

#### 7.4.3 MEES Constraints on Target Deficits

A factor that McGill must consider in proposing a deficit budget is a constraint set by the Provincial government, which does not allow universities to run an annual operating deficit (excluding the GAAP paper adjustments). If a university runs a deficit, the Règles Budgétaires state that it must provide a plan to return to a balanced budget in order to be eligible for its "**conditional grant**". Failure to conform to this requirement comes with a substantial penalty: 10% of the grant. Given our current forecast of a slight deficit for FY2016 and FY2017, adhering to a long term balanced budget plan will be critical. We anticipate that changes in revenue streams, whether through a reinvestment or further liberalization of tuition fees will allow us to re-establish a deficit payment plan. For the moment however, as we cannot quantify any such revenue growths, our budget objectives are to moderate any growth in our accumulated deficit.

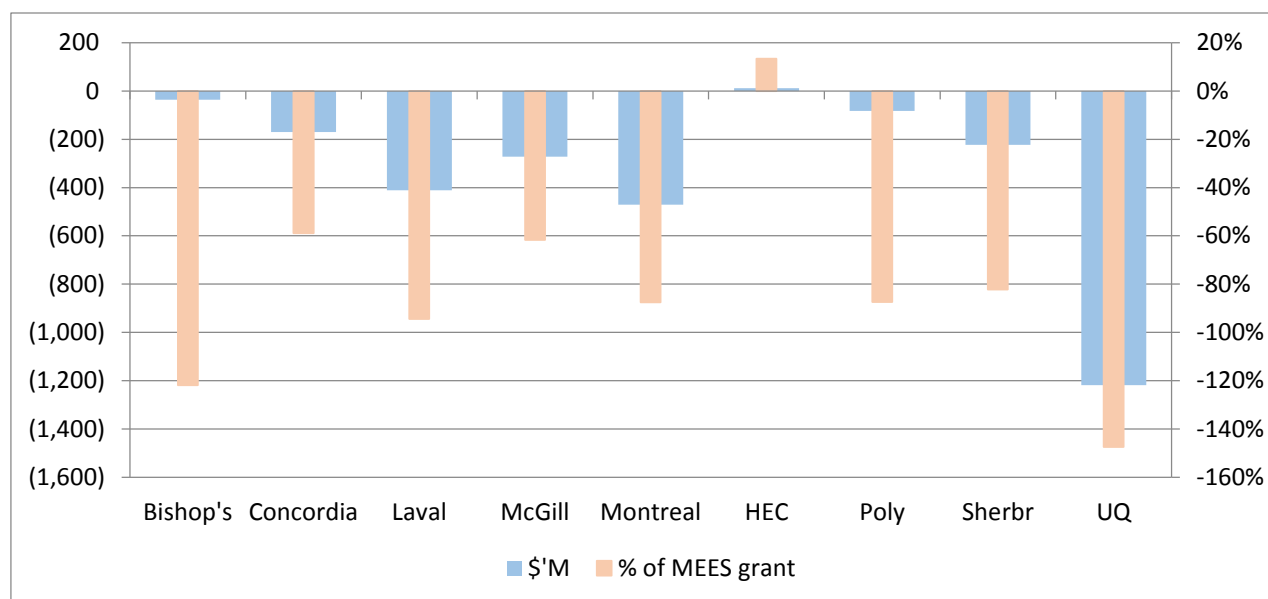
#### 7.4.4 McGill GAAP deficit in comparison with other Quebec universities

Over the years, McGill has benchmarked against our Quebec peers to better understand the efficacy of our approach compared to theirs in a shared context of dependence on provincial financial support for a significant proportion of operating revenues. We are able to see where McGill is following common trends and where the University is truly out on its own. [Figure 7.4.5](#), reproduced from the FY2016 Budget Book, illustrates that in FY2014 McGill's accumulated deficit compared favourably to other universities in the Province that have medical schools (Laval, Sherbrooke and University of Montreal).<sup>28</sup> This is largely due to the measures we took in the past few years to protect ourselves from optimistic outlooks.

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<sup>28</sup> Universities have decided not to share their deficit figures this year.

**Figure 7.4.5: GAAP Accumulated Deficit of Universities in QC (\$M) for FY2014**

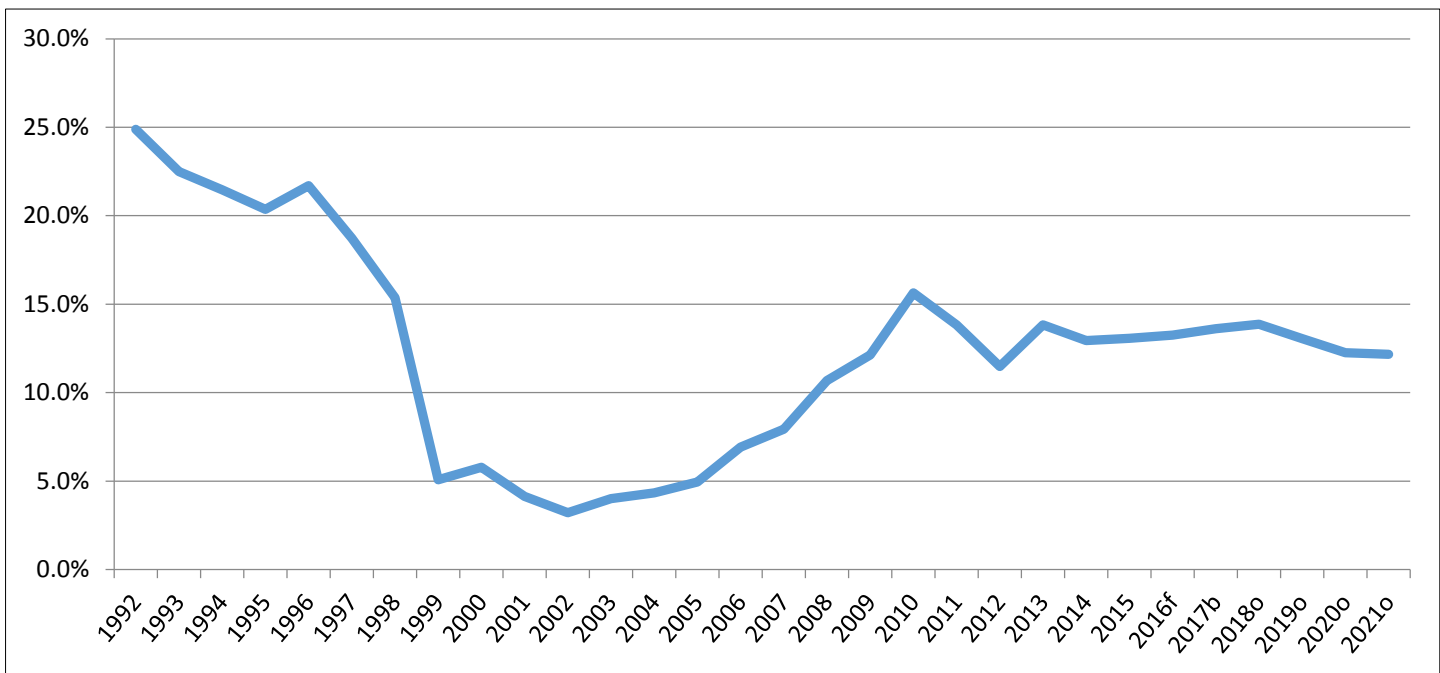


Notwithstanding our relatively positive position among peer comparators, we have taken the position that McGill, in the medium term, should commit to reducing the financed or cash accumulated deficit and develop policies and approaches to prevent the GAAP debt from rising and jeopardizing our financial rating.

#### **7.4.6 Accumulated deficits**

As shown in [Table 1.10.1](#), McGill's **accumulated (financed or cash) operating deficit** of \$108M forecasted for April 2017 would represent an amount equal to 13.6% of total operating revenue. To put this in perspective, in the past 25 years, the highest level of accumulated deficits as a percentage of operating revenue was 24.9% in FY1991, but the lowest was 3.2% in FY2002. The small blip upward in FY2011 was due primarily to an 11-month year in the transition to a new fiscal year start and end dates. Plans are to maintain the accumulated financed deficit below 15% of total operating revenues.

**7.4.7 Figure 7.4.7: Accumulated (financed) Deficit of McGill as a % of Operating Revenue**



## 7.5 Carry-forwards and Deficits

Carry-forward and Deficit policies vary depending on the fund type.

For Plant funds and Restricted Research funds, year-end balances are carried forward. This is justified by the fact that the related activities are typically project based and often the expenditure pattern does not follow the fiscal year. These funds are not allowed to run a deficit and any shortfall triggers the end of further expenses.

For endowed funds, whether expenses as restricted or unrestricted funds, unspent year-end balances are usually **capitalized** unless specific instructions are given to allow the unspent balance to be carried forward into the next year. For these funds as well, no deficit is allowed.

For unrestricted funds the situation is somewhat more complex. It is important to note that while all unrestricted funds are reported to external bodies as one fund, they are treated internally as many separate fund types:

- 1A: Operating / University Allocation: funds for which the University allocates operating budget
- 1B: Operating / Self-financing: ongoing self-funded operations
- 1C: Special Purpose / Self-financing: short-term self-funded operations
- 1D: Clearing Funds: used to book revenues / expenditures which are to be redistributed or cleared before the end of each year
- 1E: Special Purpose / related to an event: unrestricted funds related to a special event which may span multiple years
- 1F: Unrestricted Funded Research: research funds for individuals supported through operating funds

At the moment, for all unrestricted funds other than the 1A funds, fund holders can carry forward any free balances and can spend these at their discretion. Deficits however are not tolerated.

For 1A funds, carry forwards and deficits are calculated at the major organization level (i.e. Dean, VP or Associate VP level). For administrative units, the University recuperates carry forwards while deficits are carried forward. For Faculties, deficits are carried forward while positive carry-forwards are placed in a reserve fund from which balances can only be accessed with the permission of the Provost. There are exceptions within the 1A funds for both Faculties and administrative units, where certain funds are allowed to carry forward positive balances.

[Appendix 15](#) provides a summary of carry forwards by major unit at the beginning of FY2016. Within the context of an overall accumulated operating deficit, with total carry-forwards hovering at around \$100M and a significant portion sitting in fund types that have no spending restrictions, the potential liability risk is significant. As a result, the Provost has asked that units not spend down any of their positive carry-forwards without first consulting with him. In the coming year, carry forward policies will be reviewed to better integrate within our budget planning.

## 8 Restricted Funds

The two major components of the Restricted Fund are the research grants and contracts, and the spendable income from endowments along with non-endowed gifts and bequest that must be spent in accordance with the terms of the donor. As well there are yet other relatively restricted sources of revenue whose purposes are tightly controlled and entered under restricted revenues.

### 8.1 Research allocations

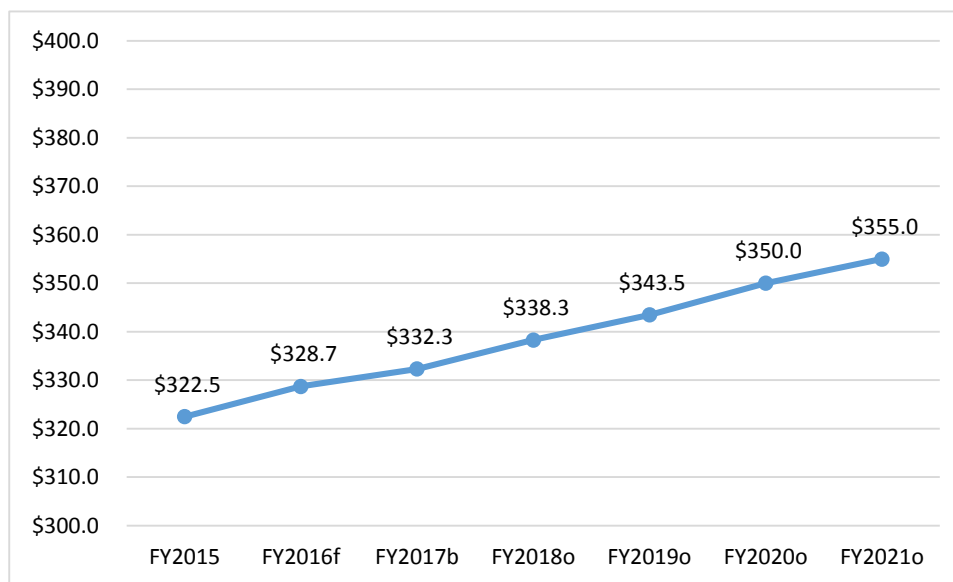
Several allocation mechanisms are associated with research activity in the Faculties.

Indirect costs of research are precisely those expenses that cannot be directly attributed to a specific research project and must be supported by University funds. Research contracts are expected to provide overheads to help support the cost of infrastructure employed in research. Federal and provincial governments have programs that make contributions to part of the indirect costs of research, and also flow through the operating budget.

### 8.2 Research revenues

[Figure 8.2.1](#) represents a projection of research revenues, grants and contracts, as per the target assumptions set out in the agreements for each Faculty. The 8% increase in research revenues between FY2016 and FY2021 represents a conservative 1.6% increase per year.

**Figure 8.2.1: Research Revenue Projection (\$M)**



f=forecast, b=budget, o=outlook

Historical trends for various granting councils, both federal and provincial are presented in Appendices [18](#) and [19](#).

We have included a modest 1% growth in grants and contracts revenues for the FY2017 budget, in line with the annual increase reflected in the agreements.

### 8.3 Spendable Income from Endowments and Restricted Gifts

Revenues earned from Endowment investments and related expenses are recorded in the Operating and Restricted funds. Historically, most gifts have flowed through the Restricted or Endowment Funds (refer to section 8.1). Forecasts received from units estimate that unrestricted gifts, which have been in the order of \$6M per year, will grow gradually and remain at around \$6.5M over the next five years.

The FY2015 restricted endowment revenue was \$44.8M ([Appendix 19](#) Endowed Income Contribution to Restricted Fund) and is expected to increase by about \$1.5M for FY2016 and an additional \$4M for FY2017. Other restricted gifts have hovered between \$30M and \$40M in the recent past and we have budgeted 5%-6% increases for the coming years.

## 9 Endowment Funds

### Donations and gifts

Pledges from fundraising and other donations are recorded in the period in which they are collected (excluding commitments). In terms of McGill's predicted philanthropic revenues, total "cash in" (gifts plus pledge payments) is forecasted to be between \$90M - \$110M in FY2016 and budgeted to be between \$95M - \$115M for FY2017 (again the lower value is a base and the upper value is a stretch). These amounts include a forecast of \$30M in endowed gifts for FY2016 and a projected \$35M to \$40M in endowed gifts in FY2017.

For the most part, donations are received for restricted purposes with more than half being destined towards the endowment fund. [Table 9.1.1](#) provides a breakdown for FY2015

**Table 9.1.1: FY2015 Donations by type (\$'000)**

Type of Donation Spending fund	Endowment	Direct Spend	Total
Unrestricted	13	6,099	6,112
Restricted	42,605	34,183	76,788
Plant <sup>1</sup>	0	6,143	6,143
Total	42,618	40,282	82,900

<sup>1</sup>Plant fund gifts are largely gifts in kind

### 9.2 Endowments

The University is a careful steward of the gifts and donations it receives. We are also very mindful of the obligations we undertake whenever we accept philanthropic support. Principal among these obligations is the alignment of endowments with University needs and to ensure that the funds are indeed spent to support our mission. Minimizing **capitalization** and **decapitalization** (refer to [Table 9.2.1](#)) are to some extent measures of this alignment.

**Table 9.2.1: FY2015 Capitalizations and De-capitalizations of Endowment funds (\$'000)**

Spending fund	De-capitalization	Capitalization	Net Capitalization
Unrestricted	0	285	285
Restricted	(2,901)	7,698	4,797
Total	(2,901)	7,983	5,082

The market value of McGill's endowment, including trust funds, has achieved steady growth during the past few years (refer to [Table 9.2.2](#)). Additional donations to the endowment fund as well as capitalizations allow the purchase of more units while the performance of related investments impacts the unit value.

**Table 9.2.2: Market value of McGill Investment Pool (including trust funds) as at April 30**

Year	MIP Market value (\$'000)	Number of MIP units	MIP Unit Value
2013	1,098,794	3,308,329	332.13
2014	1,293,203	3,446,025	375.27
2015	1,448,997	3,579,365	404.82

The McGill Investment Pool ("MIP") consists of investments for the McGill endowments and accounts managed on behalf of McGill units and affiliated entities. Management fees contributed by the MIP to the operating fund are approximately 50 basis points (bps) (i.e. 0.5%). An additional 40 bps (0.4%) are paid for associated external charges related to investment management and custodial and service provider fees and for costs associated with the Office of Investments.

In FY2015 an income distribution rate of 4.25% was established, consistent with the rate of the previous year. Due to the exceptional performance of the MIP, the Board of Governors approved to maintain the income distribution rate at 4.25% as well as an additional distribution of 0.25% until FY2019, thus bringing the total distribution to 4.50% for the next four years. For FY2017, as per [Table 9.2.3](#), the distribution rate per MIP unit will be set at \$16.68, 9.3% greater per unit than in FY2016 (\$16.68 in FY2017 versus \$15.26 in FY2016).

**Table 9.2.3: FY2017 Internal Distribution rate per MIP unit**

Avg MIP unit value FY13 – FY15	Distribution @ 4.5% per MIP unit
\$370.74	\$16.68

[Table 9.2.4](#) reflects the actual growth in the Endowment due to continued gifts and also outlines particular investment returns for Fiscal Year 2015. Overall, the Fund gained 12% in value during Fiscal 2015, as compared to a gain of 17.7% in the prior year. Although new gifts provided a 3.3% increase (2014: 3.7%), the combination of realized gains on sale of investments and change in the unrealized market values of the investments contributed to an increase in fund value of 11.8% (2014: 17.6% increase). The annual income distribution/payment, including other transfers, contributed to an additional 3.1% reduction (2014: 3.5% net reduction).

**Table 9.2.4: Change in McGill Endowment Fund market value for the year ended April 30, 2015**

	April 30, 2015		April 30, 2014	
	(\$ in millions)		(\$ in millions)	
Opening Book Value	1,053.40		979.3	
Unrealized Market Value	229		109.9	
Opening Market Value	1,282.40		1,089.10	
New Gifts Received	42.6	3.3%	40.4	3.7%
Net Income Realized	50	3.9%	72.1	6.6%
Net Income Distributed (Net of capitalizations)	-40	-3.1%	-38.6	-3.5%
Transfers from Other Funds, excluding Trusts	-0.3	0.0%	0.2	0.0%
Realized Increase in Assets	52.3	4.1%	74.1	6.8%
Change in Unrealized Market Values	101.4	7.9%	119.1	10.9%
Total Increase in Fund Value	153.7	12.0%	193.2	17.7%
Closing Book Value	1,105.70	77.0%	1,053.40	82.1%
Unrealized Market Value	330.4	23.0%	229	17.9%
Closing Market Value	1,436.10		1,282.40	

Reflecting the turmoil in financial markets over the past year, preliminary indications are that the endowment, including gifts received during the year, will experience a slight decrease (0.6% decrease for FY2016 thus far - 11 months to March 31, 2016).

[Appendix 19](#) highlights the scholarships, bursaries, fellowships and endowed chairs that flowed from the endowment to the benefit of each Faculty and major unit, totalling \$44.8M in FY2015 as well as FY2009-FY2014 totals.

## 10 Capital (Plant) Fund

The capital fund includes capital grants received primarily for the purposes of renovating existing space, addressing deferred maintenance projects, and from time to time, constructing new space.

In May 2015, the MEES confirmed McGill's capital budget for FY2015. Based on the FY2015 capital budget, we expect that the FY2017 budget will not significantly change from previous years. The FY 2017 Capital Budget is summarized in [Table 10.1.1](#):

**Table 10.1.1: Projected McGill Capital Budget from MEES FY2017 (\$M)**

Projected McGill Capital Budget from MEES	FY2017 Budget	FY2016 Budget	FY2015 Budget
Renovations envelope	\$ 11.8	\$ 12.6	\$ 12.5
Renovations (correction envelope)	\$ 3.6	\$ 3.8	\$ 3.8
Envelope for redesign of existing space ( <i>réaménagement</i> )	\$ 3.1	\$ 3.2	\$ 3.1
Deferred Maintenance (current program)	\$ 10.5	\$ 10.9	\$ 10.9
Deferred Maintenance (new program)	\$ 15.1	\$ 15.8	\$ 17.2
IT Development (*incl. Libraries)	\$ 1.9	\$ 1.9	\$ 1.9
<b>TOTAL (excluding new initiatives)</b>	<b>\$ 46.0</b>	<b>\$48.2</b>	<b>\$49.4</b>

Excluded from this total are other capital grants received by the University, which include FQRNT (\$0.67M received in FY2013), Canada Foundation for Innovation (CFI), Quebec's matching contributions to CFI, and capital donations from private sources.

In addition to these funds, the *Plan quinquennal d'investissement* (PQI) for FY2015 confirmed, within the program of 'new initiatives', a \$2M capital grant for the study of McGill's proposed re-use of the Royal Victoria Hospital (RVH) site. This grant is the first of two planned MEES contributions, totalling \$4M, which have been matched by the University. Also included in the new initiatives was an allocation of \$1.3M for equipment related to growth in student numbers.

It is important to note that McGill's Capital Grant has steadily decreased over the past three years (FY2015: \$49.4M → FY2016 (-2.4%): \$48.2M → FY2017: \$46M (-4.6%)). This decrease is not the result of a reduction in the total provincial Capital Grant allocation, but rather a reduction in McGill's proportional share of that Grant. This reduced share is mostly the result of the age factor of University buildings being capped at 50 years old, which does not reflect reality. Each year, the average age of McGill's heritage campus gets closer to that of the newer campuses, and our share of the renovation grant is thereby reduced. It is expected that McGill's proportional share will continue to decrease, but at a slower rate.

As was the case last year, in order to build our multi-year capital budget projections, we have assumed that funding from MEES will continue at these levels for the next five years, and that the envelopes for deferred maintenance will continue for a 15-year period (beginning in 2007), as indicated in Quebec's own budget. We have built these MEES allocations into the budget for FY2017 and into preliminary planning for subsequent fiscal years. We acknowledge that these are conservative estimates, given the announcements made in the most

recent provincial and federal budgets related to significant investments in infrastructure. At the time of printing this Budget Book few details were known about the specifications surrounding this new infrastructure funding and as a result, we have not included any additional revenues or expenses within our forecasts. In the coming year, we will certainly be in a better position to assess its impact.

In 2015/16, a Province-wide exercise led by *Bureau de Coopération Inter-universitaire* (BCI, formerly CREPUQ) sought to identify our deferred maintenance inventory. Officially, our deferred maintenance deficit, in MEES-subsidized buildings (excluding downtown residences, for example), is estimated at \$728M. Because of limitations in the methodology, this number is an absolute minimum (e.g. it does not include building facades, etc.) and McGill believes the actual number is above \$1B. At the timing of this report, the University is in the process of finalizing a total of \$300M in loans to address critical deferred maintenance projects.

As of FY2015, the Quebec Government has changed its PQI program to become a ten-year program, now called the *Plan décennal d'investissements universitaires* (PDIU). MEES has also required that the Plan include the capital priorities for University research projects and priority capital projects for all affiliated institutes (i.e. the research institutes of the teaching hospitals). For new construction and other capital initiatives related to teaching, McGill submitted the following eight projects as part of the PDIU 2016-2026, in order of priority:

1. Macdonald-Stewart Library – building envelope
2. Growth of Desautels Faculty of Management
3. Stewart Biology Building – asbestos abatement
4. Rental space for Nursing relocation
5. Enlarging the Simulation Lab of the Faculty of Medicine
6. Developing a Nanofabrication Lab
7. Projects for universal design and access
8. Macdonald campus student services building (new construction)

In addition, seven major deferred maintenance projects were submitted which McGill is planning to address as part of its \$400M deferred maintenance bond issue. Furthermore, 35 research projects were submitted plus 14 projects related to McGill's affiliated hospital research institutes.

Indications continue that MEES funds will be extremely limited for new capital initiatives for the next few years.

The University anticipates allocating \$46.0M in capital monies for FY2017, as shown in [Table 10.1.2](#).

**Table 10.1.2: Projected McGill Capital Allocations from the Capital Budget FY2017 (\$M)**

Institutional Priorities	\$4.0
Academic Unit Capital Base Allocations	\$2.0
Capital start-ups (new TT recruits)	\$1.9
Administrative Unit Capital Base Allocations	\$0.9
Campus Facility Maintenance	\$3.0
IT Projects (incl. Libraries)	\$1.9
Classroom and teaching lab renovations and universal access projects	\$4.4
Deferred Maintenance to address the backlog	\$26.9
Contingencies	\$1.0
<b>TOTAL for FY2017</b>	<b>\$46.0</b>

A Faculty allocation is made for capital start-ups for new recruits, which contributes to the development of research labs and renovations. These allocations are calculated and adjusted based on academic renewal.

To determine the priorities for capital budget allocations, as it does every year, Facilities Management and Ancillary Services, led by the Associate Vice-Principal, meets with each Dean to discuss the Faculty priorities for space needs, maintenance work, and capital projects. This past year, to improve coordination with the Office of the Provost and ensure that the core academic mission of the University remains at the centre of capital budget allocations, these meetings have started earlier in the Fall of 2015 to align with the FY2017 Budget Planning Agreement process and have included the participation of Associate Provost (Budget and Resources) or her delegate. This more inclusive process will continue in future years. The space and maintenance issues identified by the Faculties are reviewed further by the Campus Space Planning Office and Facilities Operations and Development respectively. The Faculty capital priority projects are then reviewed with the Provost and Vice-Principal Academic, and the Vice-Principal (Administration and Finance), to decide which projects will proceed to further design and cost estimation.

The Teaching and Learning Spaces Working Group (TLSWG), the University Teaching Labs Working Group (UTLWG) and the Universal Access Capital Projects Working Group determine the prioritization and sub-allocations for renovations of classrooms, teaching labs and universal access projects respectively. [Tables 10.1.3](#) and [10.1.4](#) below reflect these efforts.

**Table 10.1.3: Classroom Renovation Projects Approved for FY 2017:**

TLSWG recommended capital allocations FY2017*	
Location	Cost
Arts 145/150	\$1,120,000
Chancellor Day Hall 101/102	\$ 700,000
Centennial Centre 150 (design)	\$ 150,000
Strathcona Music C204 (design)	\$ 150,000
<i>Total</i>	<i>\$2,120,000</i>

\* This does not include \$599,533 of various equipment allocations for FY2017

**Table 10.1.4: Teaching Laboratory Equipment Projects Approved for FY 2017:**

UTLWG recommended capital allocations FY2017*		
Faculty	Teaching Laboratory	Cost
Science	Organic Undergraduate Chemistry lab – major renovation	\$ 1,120,000
Education	Basement Counselling Labs	\$ 325,000
TBD	Committee's recommendations for additional project(s)/designs to be finalized at an upcoming meeting	\$ 555,000
<i>Total</i>		<i>\$2,000,000</i>

\* Equipment allocations (\$916K) will be finalized at an upcoming meeting in 2016.

## 10.2 Impact of Capital Expenditures on the Operating Budget

All capital asset purchases or expenditures over \$1,000 are recorded as such under the capital fund. Due to MEES capital budget rules, under normal circumstances, equipment and small renovations are expensed from other funding sources, including operating and restricted. In such cases the expense on these latter funds is

negated, and instead, an inter-fund transfer records the shift by debiting the funding source and adding to the capital assets in the capital fund. Over time, these assets are expensed as depreciation in the capital fund.

Any renovations undertaken in leased properties are not eligible to be funded from the capital budget and are sometimes funded from the operating budget.

For large equipment, significant renovations and any construction, capital funds are secured at the start of a project. If such a project requires a borrowing instrument, details are arranged ahead of time as to the contributions from various sources. The planning and financial arrangements are under the purview of the Buildings and Properties Committee of the Board of Governors.

Capital expenditures can therefore have important impacts – both positive and negative-- on the operating budget.

On the positive budgetary side, McGill University has adopted an overall [sustainability strategy](http://www.mcgill.ca/sustainability/)<sup>29</sup> which includes buildings and utilities through its Master Plan commitments. Buildings are generally the largest consumers of energy and the largest source of greenhouse gas emissions on campuses. Buildings also use significant amounts of potable water. We design, build, and maintain buildings in ways that provide a safe and healthy indoor environment for inhabitants while simultaneously mitigating the building's impact on the outdoor environment. For new buildings, McGill forecasts the operating costs and funding sources to help cover those costs.

As well, wherever possible, energy efficiency is a major consideration when building and renovating facilities. The University has an established process to quantify the savings and payback period for energy saving investments in existing buildings. These forecasts provide justification to the Board for borrowing to undertake the investment. These energy saving projects are funded by borrowing rather than through the capital (plant) fund, which has provincially set restrictions on use. For example, in FY2014, the University set forth a \$1.36M project to reduce energy consumption by retrofitting lighting in 14 buildings on the two campuses as part of a 5-year Energy Management Program. A similar energy model is used to quantify energy costs in research laboratory renovations. The University also plans to move academic units out of small, inefficient row houses and mansions to reduce operating costs and reduce the deferred maintenance backlog.

For smaller projects, such as renovations of research lab space for new academic staff funded by the capital fund and by research grants (restricted), we do not quantify changes to the operating costs. Changes in energy costs are sometimes quantified, particularly when the project involves installation of energy intensive equipment.

On the negative side, the lack of adequate space limits our capacity for student enrolment (at all levels) and for research, and therefore limits our capacity to increase revenues. Our deferred maintenance planning over the coming years will, in part, attempt to address this issue. As described in section 6.3.3, the \$400M investment in deferred maintenance will come at a significant financial cost, which will be part of the operating budget over the next 40 years.

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<sup>29</sup> <http://www.mcgill.ca/sustainability/>



## 11 Overall Borrowing and Debt Position

As at 31 January 2016, the University's total borrowings were \$1,073.0M, including long-term debt of \$979.3M and bank indebtedness of \$93.7M. Included in the long-term debt is \$160M of McGill Senior Unsecured Debentures issued in January 2016 and \$150M of McGill Senior Unsecured Debentures issued in 2002. The remaining \$669.3M is substantially all due from MEES, for which University charges MEES interest. Overall long-term debt increased by \$118.2M in FY2016 as compared to year end April 2015, of which \$160M is attributable to the new bond issuance offset by repayments of Quebec government debt. The projected MEES total debt is expected to be approximately \$722M by April 2016.

The indebtedness is supported by unsecured and uncommitted lines of credit, totalling \$350M available to McGill and is normally drawn through bankers' acceptances for periods of up to one year. McGill's Board of Governors has approved maximum borrowings in Fiscal 2016 totalling \$300M under short-term credit facilities.

Our short-term bank borrowing in FY2015 included approximately \$94M temporarily borrowed on behalf of MEES and for capital projects (\$23M) for which current fundraising efforts are on-going (see [Appendix 20](#)). The net remainder is comprised of cash generated from working capital items and the financing of the accumulated deficit.

Any carrying costs associated with MEES temporary borrowings are charged back to the Government at the monthly **CDOR** rate plus 30 basis points (currently at approximately 1.15%). Other interest rate assumptions are discussed below.

### 11.1 Interest and Bank Charges Expense assumptions

The cost of borrowing is expected to be approximately 0.95% over the course of FY2016<sup>30</sup> and total interest and bank charge expenses are forecast to be \$12.5M in FY2016. This forecast includes realized losses on our bond forwards of \$8.0M. We have anticipated that our borrowing rate will rise modestly to 1.10% in FY2017 for purposes of extrapolation of future budget estimates. As such, and as a result of decreased deferred maintenance related expenses and decreases in other borrowings, our interest and bank charges expenses will decrease to approximately \$8.2M.

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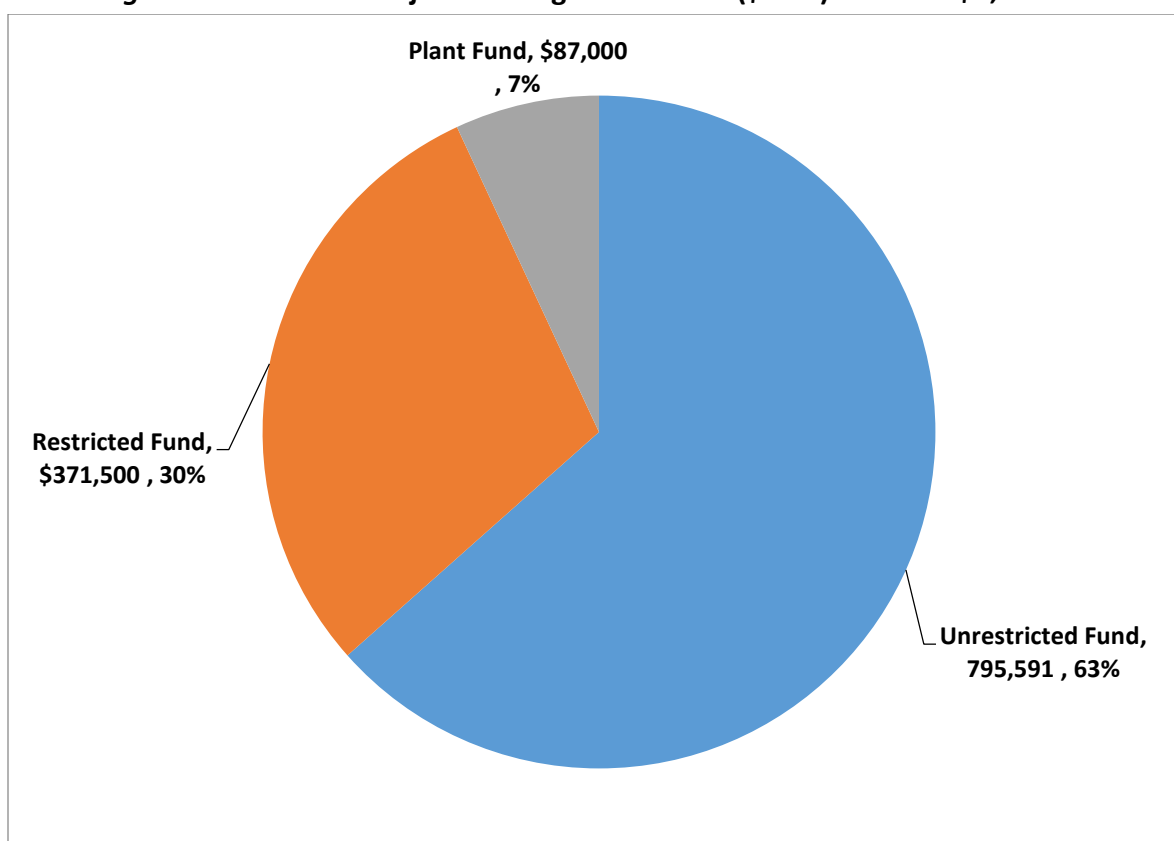
<sup>30</sup> Provided by Financial Services

## 12 Conclusion

For FY2017, the total four-fund revenue budget of the University is budgeted to be \$1,254.1M ([Figure 12.1.1](#)). This revenue will support overall four-fund expenses which are expected to be \$1,258.4M ([Figure 12.1.2](#)).

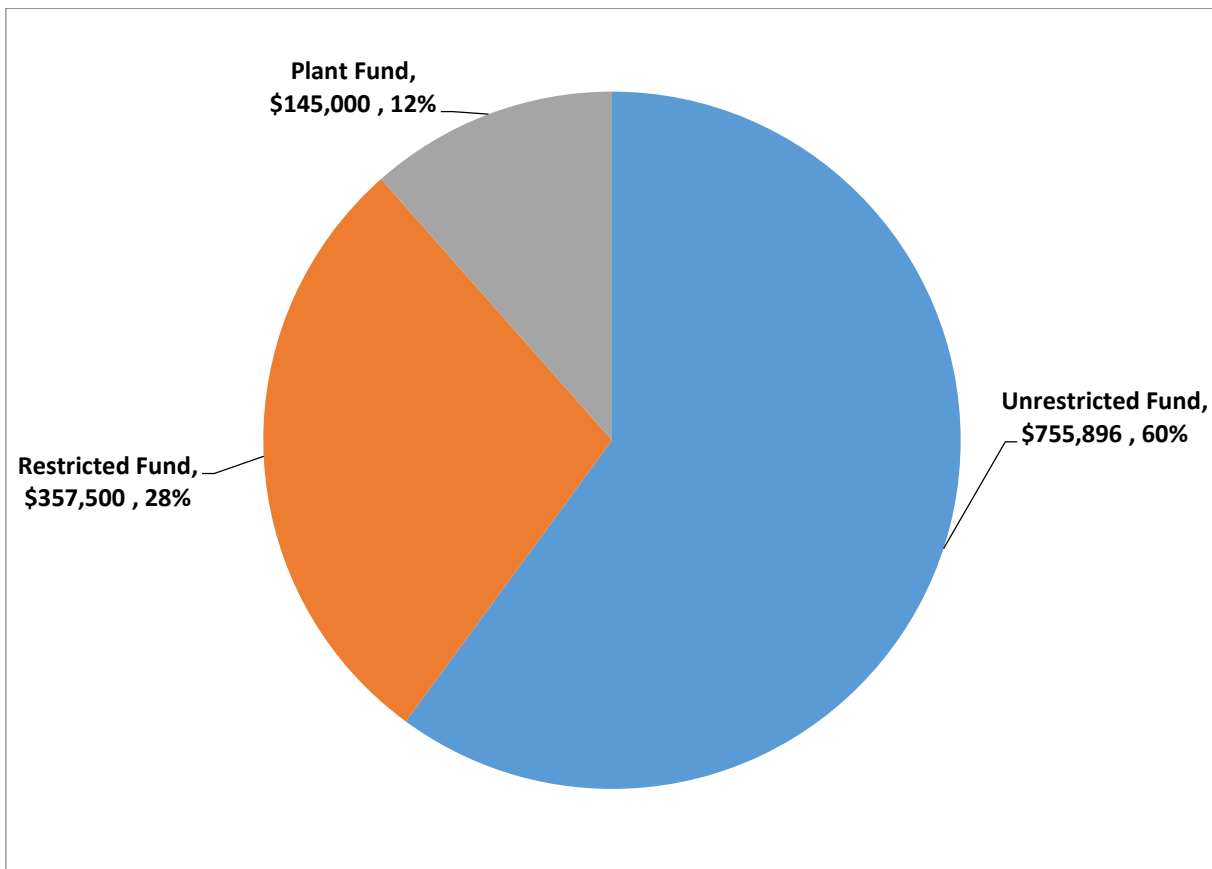
The budget proposed for FY2017 has been designed to mitigate any growth in accumulated deficit in light of no reinvestment in the short term, no significant changes to tuition policy, and obligations related to compensation and deferred maintenance. Budget measures introduced last year are being maintained, as had originally been planned. While the announcements for significant infrastructure investments in both the latest provincial and federal budgets are welcome news, we are still hoping for a reinvestment in operations within the next two to three years but we have not built such a provision in our budget. If no provincial reinvestment occurs or no other additional sources of revenues are found, we will need unfortunately to continue to limit the extent of our developments and to examine carefully our current operations.

**Figure 12.1.1: Total Projected Budget Revenues (\$'000) - FY2017 \$1,254.1M**



*Note: Revenues earned from Endowment investments are recorded in the Operating and Restricted funds.*

**Figure 12.1.2: Total Projected Budget Expenses (\$'000) - FY2017 \$1,258.4M**



*Note: Endowment Fund expenses are allocated to the Operating and Restricted funds. They are recorded as a reduction of Net Assets. [Appendix 3](#) provides a detailed breakout for each of the four funds in terms of forecast revenue sources and expenditures for FY2017 budget.*

## Appendix 1: FY2016 Operating Fund Forecast vs. last year's budget

(\$ 000's)	FY16 Budget	FY16 Forecast	Variance		Explanation
			\$'000	%	
<b>Revenues</b>					
Grants - Canada	25,518	25,832	314	0	
Grants - Quebec	323,257	327,348	4,091	0	
Tuition and Fees	280,568	275,302	(5,266)	(0)	
					Conservative initial estimate combined with certain non-credit activities being coded under tuition revenues rather than SOGS
Sales of Goods & Services (SOGS)	121,517	130,044	8,527	0	
Gifts & Bequests	5,582	6,466	884	0	Conservative initial estimate
Investment Income	4,774	4,746	(28)	(0)	
Interest Income	2,951	2,595	(356)	(0)	
Foreign Exchange gain	-	1,500	1,500	1	Previously reported under SOGS
Gain on Sale of Land	-	20,638	20,638	1	Unplanned sale
<b>Total Revenue</b>	<b>764,167</b>	<b>794,471</b>	<b>30,304</b>	<b>0</b>	
<b>Expenses (1)</b>					
Salary:					
Academic	240,228	247,544	7,316	0	
Administrative & Support	208,171	218,946	10,775	0	\$7M of pay equity plus variance wrt predicted decrease in staff
Student	12,696	11,236	(1,460)	(0)	
Student Aid	29,690	29,618	(72)	(0)	
Benefits	89,018	74,575	(14,443)	(0)	Certain Budget / Forecast variances between "Salaries" and "Benefits" categories
<b>Total Salary</b>	<b>579,803</b>	<b>581,919</b>	<b>2,116</b>	<b>0</b>	
Non-Salary (1):					
Materials, supplies & publications	15,740	18,792	3,052		
Contributions to partner institutions	9,200	10,448	1,248		
Contract Services	14,490	17,300	2,810		
Professional fees	10,775	10,467	(308)		
Travel	8,141	9,379	1,238		
Cost of goods sold & services rendered	15,200	18,149	2,949		Variance in relation to SOGS
Building occupancy costs	21,427	25,584	4,157		Increase partly due to elimination of o/h charges
Energy	23,368	18,569	(4,799)		
Other non-salary expenses	12,600	15,041	2,441		
Hardware and software maintenance	7,200	8,598	1,398		
Interest & Bank Charges	7,356	12,539	5,183		Linked to additional costs deferred maintenance bond issuance
<b>Total Non-Salary</b>	<b>145,497</b>	<b>164,866</b>	<b>19,369</b>	<b>0</b>	
<b>Total Expenses</b>	<b>725,300</b>	<b>746,785</b>	<b>21,485</b>	<b>0</b>	
Excess (deficiency) of revenue over expenses	38,867	47,686	8,819		
Interfund transfers	(43,594)	(52,200)	(8,606)		Higher capital purchases (\$4M) and capital loan repayments (\$5M)
<b>Decrease (Increase) in financed accumulated deficit</b>	<b>(4,727)</b>	<b>(4,514)</b>	<b>213</b>		

(1) Expense categories have been modified from last year's exercise making detailed comparisons difficult

## Appendix 2: McGill University Multi-year financial outlook by Revenue and Expense

Unrestricted (Operating) Fund (\$ 000's)	Actual 2013-14 (restated)	Actual 2014-15	Forecast 2015-16	Budget 2016-17
<b>Revenue</b>				
Government Sources				
Canada	24,840	25,788	25,832	25,832
Quebec	352,738	341,640	327,348	327,214
Tuition & Fees	245,241	258,489	275,302	291,561
Sales of Goods & Services	121,886	129,678	130,044	132,639
Foreign Exchange Gain	1,500	3,811	1,500	2,000
Gifts & Bequests	6,216	6,099	6,466	6,557
Investment income	4,416	3,083	4,746	4,890
Short-term interest	3,084	2,804	2,595	4,898
Gain on sale of land			20,638	
<b>Total Revenue</b>	<b>759,921</b>	<b>771,392</b>	<b>794,471</b>	<b>795,591</b>
<b>Expenses</b>				
<b>Salaries:</b>				
Academic	224,018	\$237,332	247,544	260,503
Administrative & Support	212,640	\$202,061	218,946	220,277
Student Salaries	11,314	\$11,674	11,236	11,448
Student Aid	26,023	\$27,001	29,618	29,943
Benefits	96,514	\$101,197	74,575	73,765
GAAP Adjustments (pension restatement)	(29,539)	(\$24,766)		
GAAP Adjustments (vacation accrual, pension, post retirement benefits)	(11,400)	-10,400		
<b>Total Salary</b>	<b>529,570</b>	<b>544,099</b>	<b>581,919</b>	<b>595,936</b>
<b>Non-Salary:</b>				
Materials, Supplies & Publications	13,736	15,925	18,792	19,434
Contributions to Partner Institutions	8,964	10,503	10,448	10,368
Contract Services	12,996	13,920	17,300	17,173
Professional Fees	9,362	10,661	10,467	10,075
Travel	8,156	9,015	9,379	8,915
Costs of Goods Sold and Services Rendered	18,188	17,059	18,149	18,527
Building Occupancy Costs	21,892	16,652	25,584	25,174
Energy	18,589	19,469	18,569	19,099
Other non-salary expenses	8,792	10,122	15,041	14,541
Hardware and Software Maintenance	7,105	6,925	8,598	8,443
Interest & Bank Charges	3,442	3,111	12,539	8,211
<b>Total Non-Salary</b>	<b>131,222</b>	<b>133,362</b>	<b>164,866</b>	<b>159,960</b>
<b>Total Expenses</b>	<b>660,792</b>	<b>677,461</b>	<b>746,785</b>	<b>755,896</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>99,129</b>	<b>93,931</b>	<b>47,686</b>	<b>39,695</b>
Pension & Post-Employment Restatement	(29,539)	(24,766)		
Inter-Fund Transfers	(3,262)	(2,853)	-4,700	-2,349
Internal loan repayments	(22,366)	(22,810)	-10,000	-7,000
Capital purchases via interfund transfers	(28,855)	(34,532)	-35,000	-30,000
Over/(under) Distributed Endowment Income	(1,991)	(581)	-2,000	-3,000
(Capitalization)/Decapitalization of current yr investment inc.	(118)	(285)	-500	0
<b>Decrease (Increase) in GAAP accumulated deficit (2):</b>	<b>12,998</b>	<b>8,104</b>	<b>-4,514</b>	<b>-2,654</b>
<b>Decrease (Increase) in financed accumulated deficit (3) :</b>	<b>1,598</b>	<b>(2,296)</b>	<b>(4,514)</b>	<b>(2,654)</b>

Notes:

(1) The actuals exclude unrealized gains / losses which are not booked in the budget nor is the equivalent amount entered in the "Book-to-Market Adjustment"

(2) No estimates of GAAP Adjustments are included for forecasts or budgets

(3) The retrospective application of new standards resulted in an increase in expenses in FY2014 of \$2.7M (Surplus was therefore reduced from original \$4.3M to \$1.6M for FY2014)

## Appendix 3: Pro-forma Financials FY2017 Budget, FY2016 Forecast and FY2015 Actual—4 Funds

For the twelve month period ending: April 30, 2016								
(\$000's)		BUDGET FY2017				Budget FY2017	Forecast FY2016	Actuals FY2015
		Unrestricted Fund	Restricted Fund	Plant Fund	Endowment Fund	All Funds		
		Total	Total	Total	Total	Total	Total	
<b>Revenue (1)</b>								
Government Sources								
Canada		25,832	173,500	17,000	-	216,332	210,832	208,514
Quebec		327,214	55,000	63,000	-	445,214	444,848	444,970
United States		-	9,000	-	-	9,000	8,500	7,126
Grants - Other Sources		-	20,000	-	-	20,000	20,000	27,596
Contracts		-	19,000	-	-	19,000	22,000	18,204
Tuition & Fees		291,561	-	-	-	291,561	275,302	258,489
Sales of Goods & Services		132,639	8,000	-	-	140,639	138,044	138,726
Gifts & Bequests		6,557	38,000	6,000	-	50,557	48,466	46,424
Foreign exchange gain		2,000	-	-	-	2,000	1,500	3,811
Unrealized Gains (Losses)		-	-	-	-	-	4,000	10,797
Investment and Interest Income		9,788	49,000	1,000	-	59,788	52,341	49,547
<b>Total Revenues</b>		<b>795,591</b>	<b>371,500</b>	<b>87,000</b>	<b>-</b>	<b>1,254,091</b>	<b>1,225,833</b>	<b>1,214,204</b>
<b>Expenses</b>								
Salaries:								
Academic Salaries		260,503	72,000	-	-	332,503	316,044	303,128
Non-Academic Salaries		220,277	23,000	-	-	243,277	240,946	223,640
Student Salaries		11,448	27,500	-	-	38,948	36,736	37,356
Student Aid		29,943	81,000	-	-	110,943	107,118	102,853
Benefits		73,765	17,500	-	-	91,265	91,075	117,300
GAAP Adjustments		-	-	-	-	-	-	(35,166)
<b>Total Salaries</b>		<b>595,936</b>	<b>221,000</b>	<b>-</b>	<b>-</b>	<b>816,936</b>	<b>791,919</b>	<b>749,111</b>
Non-Salary:								
Materials, supplies and publications		19,434	29,000	-	-	48,434	46,792	43,811
Contributions to Partner Institutions		9,368	33,000	-	-	42,368	42,948	45,779
Contract Services		17,173	11,500	-	-	28,673	28,300	23,981
Professional Fees		10,075	12,500	-	-	22,575	22,467	21,723
Travel		8,915	18,000	-	-	26,915	26,879	25,715
Cost of goods sold and services rendered		18,527	-	-	-	18,527	18,149	17,059
Building occupancy costs		26,174	4,000	-	-	30,174	29,584	19,613
Energy		19,099	-	-	-	19,099	18,569	19,867
Other non-salary expenses		14,541	28,000	-	-	42,541	43,041	38,600
Hardware and software maintenance		8,443	500	-	-	8,943	9,098	7,220
Interest & Bank Charges		8,211	-	30,000	-	38,211	41,039	31,063
Amortization		-	-	115,000	-	115,000	112,500	109,009
<b>Total Non-Salary</b>		<b>159,960</b>	<b>136,500</b>	<b>145,000</b>	<b>-</b>	<b>441,460</b>	<b>439,366</b>	<b>403,440</b>
<b>Total Expenses</b>		<b>755,896</b>	<b>357,500</b>	<b>145,000</b>	<b>-</b>	<b>1,258,396</b>	<b>1,231,285</b>	<b>1,152,551</b>
<b>Extraordinary Revenues (Expenses)</b>							<b>20,638</b>	
<b>Excess of revenue over expenses:</b>		<b>39,695</b>	<b>14,000</b>	<b>(58,000)</b>	<b>-</b>	<b>(4,305)</b>	<b>15,186</b>	<b>61,653</b>
Net Assets, beginning of year		<b>(326,757)</b>	<b>(971)</b>	<b>270,945</b>	<b>1,448,317</b>	<b>1,391,534</b>	<b>1,379,348</b>	<b>1,187,830</b>
Net change in Endowment net assets					100,000	100,000	(3,000)	<b>149,347</b>
Interfund Transfers:								
Capitalization of current year income		-	(7,000)		7,000	-	-	
Pension and Post-employment restate		-						(24,766)
Book-to-market adjustment		-			-	-	-	5,284
Internal loan repayments		(7,000)		7,000		-	-	
Capital Purchases via interfund transfers		(30,000)	(11,000)	41,000		-	-	
Interfund Transfers - Operations		(2,349)	10,000	2,349	(10,000)	-	-	
Over/(Under) distributed income		(3,000)			3,000	-	-	
Internal Endowment Contribution		-						
<b>Net Assets, end of period:</b>		<b>(329,411)</b>	<b>5,029</b>	<b>263,294</b>	<b>1,548,317</b>	<b>1,487,228</b>	<b>1,391,534</b>	<b>1,379,348</b>

(1) Excludes unrealized gains (losses)

(2) Excludes GAAP paper adjustments

## Appendix 4: Statement of change in net assets – 5 years

Statement of change in net assets - 5 years							
McGill University							
Forecast of Change in Net Assets							
Year ending April 30, 2017							
(\$000's)							
	Budget	Forecast	Actual	Actual	Actual	Actual	
	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012	
Net Assets, beginning of year	1,391,534	1,379,348	1,187,830	1,031,314	901,954	851,334	
Excess/(deficiency) of revenue over expenses	(4,305)	15,186	66,937	60,084	13,612	*	32,629
Pension and Post-employment restatement	-	-	(24,766)	(29,539)	-	-	
Endowment contributions (net of capitalizations)	44,000	42,000	39,957	38,468	40,088	42,415	
Investment income items reported as direct increase/(decrease) in net assets	56,000	(45,000)	109,390	87,503	75,660	(24,424)	
Net Assets, end of year	1,487,228	1,391,534	1,379,348	1,187,830	1,031,314	901,954	
* Includes the adjustment to prior period (note 2 to FY 14 Audited Financial Statements)							

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (1 of 7)

	Agricultural & Environmental Science			Arts		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	17,368	17,887	17,028	49,051	49,853	50,844
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	15	15	-	-	-
Tuition & Fees	508	569	581	630	610	561
Sales of Goods & Services	2,016	2,000	2,696	917	450	466
Gifts & Bequests	45	67	84	849	794	801
Investment and interest Income	3	3	4	3	3	3
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	2,572	2,654	3,380	2,399	1,857	1,831
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	10,881	11,085	11,577	31,947	32,491	34,513
Administrative and support	3,618	3,908	3,409	5,804	6,219	5,500
Student	588	599	615	2,288	2,649	2,652
Student Aid	129	161	172	520	494	610
Benefits	2,623	2,494	2,438	6,487	6,378	6,347
<b>Total Salaries</b>	17,839	18,247	18,211	47,046	48,231	49,622
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	344	396	383	167	108	115
Transfer to Partner Institutions	-	-	-	15	22	4
Contract Services	168	141	100	702	559	525
Professional Fees	39	19	11	155	87	68
Travel	583	552	524	676	518	661
Cost of Goods & Services Rendered	17	14	30	-	-	-
Building & Occupancy Costs	250	182	190	97	42	81
Energy	35	34	36	-	-	-
Other Non-Salary Expenses	1,012	1,328	1,072	1,306	1,870	1,549
Hardware and software maintenance	1	1	2	1	5	2
Interest	-	-	-	-	-	-
Bank Charges	1	1	5	4	2	2
<b>Total Non-Salary</b>	2,450	2,668	2,353	3,123	3,213	3,007
<b>Total Expenses</b>	20,289	20,915	20,564	50,169	51,444	52,629
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(349)	(374)	(156)	1,281	266	46
Interfund Transfers	484	599	1,313	1,316	507	74
Net capz & decapz of investement income	(3)	(2)	-	-	-	-
Capital Purchases via interfund transfers	-	-	(221)	-	-	(166)
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	132	223	936	2,597	773	(46)

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (2 of 7)

	Continuing Studies			Dentistry		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	10,865	10,316	10,559	6,029	5,961	6,523
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	4,839	4,774	5,304	789	793	828
Sales of Goods & Services	8,724	2,260	3,586	1,958	2,644	2,601
Gifts & Bequests	47	84	106	3	3	236
Investment and interest Income	-	-	-	23	25	27
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>13,610</b>	<b>7,118</b>	<b>8,996</b>	<b>2,773</b>	<b>3,465</b>	<b>3,692</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	8,864	8,579	9,087	3,917	4,056	4,263
Administrative and support	3,191	3,283	3,366	1,910	2,132	2,375
Student	12	2	4	25	21	46
Student Aid	-	-	-	45	144	123
Benefits	2,115	2,052	2,099	1,025	1,011	1,037
<b>Total Salaries</b>	<b>14,182</b>	<b>13,916</b>	<b>14,556</b>	<b>6,922</b>	<b>7,364</b>	<b>7,844</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	89	83	82	300	267	612
Transfer to Partner Institutions	-	-	-	79	43	33
Contract Services	2,985	1,069	892	234	251	99
Professional Fees	1,353	950	832	110	109	119
Travel	314	286	350	173	126	113
Cost of Goods & Services Rendered	-	-	-	464	476	426
Building & Occupancy Costs	263	221	179	105	89	76
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	1,773	1,686	1,657	664	522	727
Hardware and software maintenance	11	14	13	12	6	11
Interest	-	-	-	-	-	-
Bank Charges	84	84	97	15	20	22
<b>Total Non-Salary</b>	<b>6,872</b>	<b>4,393</b>	<b>4,102</b>	<b>2,156</b>	<b>1,909</b>	<b>2,238</b>
<b>Total Expenses</b>	<b>21,054</b>	<b>18,309</b>	<b>18,658</b>	<b>9,078</b>	<b>9,273</b>	<b>10,082</b>
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	3,421	(875)	897	(276)	153	133
Interfund Transfers	(258)	(146)	(145)	591	(50)	(42)
Net capz & decapz of investement income	-	-	-	(11)	(3)	-
Capital Purchases via interfund transfers	-	-	(137)	-	-	(24)
Internal loan repayments	-	-	-	-	-	(14)
<b>Total Change in Net Assets</b>	<b>3,163</b>	<b>(1,021)</b>	<b>615</b>	<b>304</b>	<b>100</b>	<b>53</b>

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (3 of 7)

	Education			Engineering		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	14,797	15,019	14,834	31,138	30,524	32,988
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	36	38	39	647	723	736
Sales of Goods & Services	984	679	762	2,354	2,740	2,246
Gifts & Bequests	195	154	129	623	845	803
Investment and interest Income	-	-	-	1	1	1
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	1,215	871	930	3,625	4,309	3,786
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	11,352	11,176	10,914	17,897	18,542	20,231
Administrative and support	2,645	2,715	2,499	6,040	6,198	5,962
Student	343	356	292	1,759	2,034	2,528
Student Aid	64	93	32	577	539	644
Benefits	2,258	2,211	2,048	4,154	4,104	4,191
<b>Total Salaries</b>	16,662	16,551	15,785	30,427	31,417	33,556
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	93	68	86	432	294	431
Transfer to Partner Institutions	-	1	-	11	1	21
Contract Services	192	184	176	42	115	127
Professional Fees	135	92	21	111	56	113
Travel	220	202	181	566	661	662
Cost of Goods & Services Rendered	-	-	-	-	-	-
Building & Occupancy Costs	7	14	8	202	261	292
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	498	464	318	1,296	1,567	724
Hardware and software maintenance	-	-	-	106	19	16
Interest	-	-	-	-	-	-
Bank Charges	2	2	2	3	2	1
<b>Total Non-Salary</b>	1,147	1,027	792	2,769	2,976	2,387
<b>Total Expenses</b>	17,809	17,578	16,577	33,196	34,393	35,943
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(1,797)	(1,688)	(813)	1,567	440	831
Interfund Transfers	110	147	225	833	830	1,108
Net capz & decapz of investment income	-	-	-	(1)	(1)	-
Capital Purchases via interfund transfers	-	-	(56)	-	-	(1,615)
Internal loan repayments	-	-	-	-	-	(1)
<b>Total Change in Net Assets</b>	(1,687)	(1,541)	(644)	2,399	1,269	323

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (4 of 7)

	Law			Management		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	8,861	8,840	8,938	26,100	20,448	21,678
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	-	-	-	586	8,004	8,610
Sales of Goods & Services	213	267	310	4,686	6,215	6,246
Gifts & Bequests	451	141	94	108	309	225
Investment and interest Income	22	23	23	3	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	686	431	427	5,383	14,528	15,081
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	5,227	5,471	5,629	15,441	16,421	17,913
Administrative and support	1,646	1,613	1,510	5,720	5,669	5,645
Student	121	94	75	426	491	352
Student Aid	99	57	26	1,120	1,359	1,510
Benefits	1,160	1,106	1,094	3,156	3,225	3,274
<b>Total Salaries</b>	8,253	8,341	8,334	25,863	27,165	28,694
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	40	27	30	188	245	249
Transfer to Partner Institutions	-	-	-	10	-	3
Contract Services	226	186	190	574	472	865
Professional Fees	122	32	44	1,567	1,798	1,876
Travel	213	135	162	1,125	1,298	1,559
Cost of Goods & Services Rendered	-	-	-	-	-	-
Building & Occupancy Costs	103	23	13	958	61	82
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	484	294	313	1,412	2,598	2,694
Hardware and software maintenance	-	-	-	94	104	127
Interest	-	-	-	-	-	-
Bank Charges	3	4	3	30	40	50
<b>Total Non-Salary</b>	1,191	701	755	5,958	6,616	7,505
<b>Total Expenses</b>	9,444	9,042	9,089	31,821	33,781	36,199
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	103	229	276	(338)	1,195	560
Interfund Transfers	198	(103)	(65)	359	334	391
Net capz & decapz of investement income	(2)	(1)	(100)	-	-	-
Capital Purchases via interfund transfers	-	-	(11)	-	-	(103)
Internal loan repayments	-	-	(21)	-	-	-
<b>Total Change in Net Assets</b>	299	125	79	21	1,529	848



## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (5 of 7)

	Medicine			Music		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	101,763	104,605	106,149	14,254	13,997	14,765
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	1,682	837	816	-	-	-
Tuition & Fees	66	81	80	809	812	863
Sales of Goods & Services	15,317	17,031	24,862	2,125	2,185	2,110
Gifts & Bequests	774	982	1,215	101	115	99
Investment and interest Income	315	325	339	36	38	41
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	18,154	19,256	27,312	3,071	3,150	3,113
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	62,896	65,011	67,838	9,837	9,702	10,169
Administrative and support	20,100	23,298	22,532	3,001	3,130	2,773
Student	686	688	787	245	253	232
Student Aid	432	491	638	34	51	32
Benefits	13,937	14,222	14,155	2,163	2,064	2,072
<b>Total Salaries</b>	98,051	103,710	105,950	15,280	15,200	15,278
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	1,225	1,689	2,075	76	48	55
Transfer to Partner Institutions	1,024	1,637	2,790	-	-	-
Contract Services	738	228	(8)	124	89	382
Professional Fees	919	416	1,008	288	207	89
Travel	906	937	1,387	95	160	173
Cost of Goods & Services Rendered	121	65	180	-	-	-
Building & Occupancy Costs	1,196	3,652	3,513	236	294	219
Energy	-	294	336	-	-	-
Other Non-Salary Expenses	3,123	2,163	1,443	792	641	543
Hardware and software maintenance	48	140	104	2	7	1
Interest	-	-	-	-	-	-
Bank Charges	23	23	26	28	35	36
<b>Total Non-Salary</b>	9,323	11,244	12,854	1,641	1,481	1,498
<b>Total Expenses</b>	107,374	114,954	118,804	16,921	16,681	16,776
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	12,543	8,907	14,657	404	466	1,102
Interfund Transfers	(5,120)	3,006	(3,487)	(62)	(210)	(352)
Net capz & decapz of investement income	(19)	(20)	-	(35)	(38)	-
Capital Purchases via interfund transfers	-	-	(1,531)	-	-	(123)
Internal loan repayments	-	-	(30)	-	-	(38)
<b>Total Change in Net Assets</b>	7,404	11,893	9,609	307	218	589

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (6 of 7)

	Religious Studies			Science		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	2,502	2,080	2,099	52,499	51,286	52,247
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	(2)	10	11	669	544	559
Sales of Goods & Services	99	90	98	1,217	1,231	1,773
Gifts & Bequests	4	28	5	314	278	347
Investment and interest Income	-	-	-	17	17	18
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>101</b>	<b>128</b>	<b>114</b>	<b>2,217</b>	<b>2,070</b>	<b>2,697</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	1,729	1,639	1,629	29,244	29,560	31,382
Administrative and support	487	468	501	8,256	8,159	7,709
Student	119	125	132	3,758	3,695	3,683
Student Aid	23	34	22	654	664	745
Benefits	358	356	347	6,521	6,294	6,243
<b>Total Salaries</b>	<b>2,716</b>	<b>2,622</b>	<b>2,631</b>	<b>48,433</b>	<b>48,372</b>	<b>49,762</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	5	1	1	338	227	190
Transfer to Partner Institutions	-	-	-	-	13	(1)
Contract Services	15	17	14	360	460	431
Professional Fees	5	4	-	115	110	254
Travel	41	32	16	1,263	912	972
Cost of Goods & Services Rendered	-	-	-	505	439	511
Building & Occupancy Costs	21	1	1	782	376	416
Energy	-	-	-	79	82	79
Other Non-Salary Expenses	23	22	62	1,783	1,383	723
Hardware and software maintenance	-	-	-	35	27	30
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	3	4	6
<b>Total Non-Salary</b>	<b>110</b>	<b>77</b>	<b>94</b>	<b>5,263</b>	<b>4,033</b>	<b>3,611</b>
<b>Total Expenses</b>	<b>2,826</b>	<b>2,699</b>	<b>2,725</b>	<b>53,696</b>	<b>52,405</b>	<b>53,373</b>
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(223)	(491)	(512)	1,020	951	1,571
Interfund Transfers	7	26	77	633	(478)	442
Net capz & decapz of investement income	-	-	-	(2)	-	-
Capital Purchases via interfund transfers	-	-	-	-	-	(996)
Internal loan repayments	-	-	-	-	-	(17)
<b>Total Change in Net Assets</b>	<b>(216)</b>	<b>(465)</b>	<b>(435)</b>	<b>1,651</b>	<b>473</b>	<b>1,000</b>

## Appendix 5: Unit Unrestricted Financials FY2013-FY2015 – Academic Units (7 of 7)

	Libraries			Total		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	33,201	33,689	35,099	368,427	364,505	373,750
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	1,682	852	831
Tuition & Fees	190	151	144	9,767	17,109	18,316
Sales of Goods & Services	244	143	67	40,854	37,935	47,823
Gifts & Bequests	32	35	23	3,546	3,835	4,167
Investment and interest Income	318	328	326	741	763	782
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>784</b>	<b>657</b>	<b>560</b>	<b>56,590</b>	<b>60,494</b>	<b>71,919</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	5,363	5,299	5,506	214,595	219,032	230,649
Administrative and support	7,489	7,220	5,857	69,907	74,012	69,639
Student	22	53	6	10,392	11,060	11,407
Student Aid	-	-	-	3,697	4,087	4,552
Benefits	2,360	2,037	1,871	48,317	47,554	47,217
<b>Total Salaries</b>	<b>15,234</b>	<b>14,609</b>	<b>13,240</b>	<b>346,908</b>	<b>355,745</b>	<b>363,464</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	14,506	16,352	1,955	17,803	19,805	6,264
Transfer to Partner Institutions	-	-	-	1,139	1,717	2,850
Contract Services	1,577	1,081	937	7,937	4,852	4,730
Professional Fees	78	8	276	4,997	3,888	4,711
Travel	192	162	153	6,367	5,981	6,913
Cost of Goods & Services Rendered	-	-	-	1,107	994	1,147
Building & Occupancy Costs	306	269	136	4,526	5,485	5,206
Energy	-	-	-	114	410	451
Other Non-Salary Expenses	1,773	640	492	15,939	15,178	12,317
Hardware and software maintenance	556	555	562	866	878	868
Interest	-	-	-	-	-	-
Bank Charges	10	7	7	206	224	257
<b>Total Non-Salary</b>	<b>18,998</b>	<b>19,074</b>	<b>4,518</b>	<b>61,001</b>	<b>59,412</b>	<b>45,714</b>
<b>Total Expenses</b>	<b>34,232</b>	<b>33,683</b>	<b>17,758</b>	<b>407,909</b>	<b>415,157</b>	<b>409,178</b>
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(247)	663	17,901	17,108	9,842	36,491
Interfund Transfers	(292)	(41)	(693)	(1,201)	4,421	(1,154)
Net capz & decapz of investement income	(1)	-	-	(74)	(65)	(100)
Capital Purchases via interfund transfers	-	-	(16,589)	-	-	(21,571)
Internal loan repayments	-	-	-	-	-	(121)
<b>Total Change in Net Assets</b>	<b>(540)</b>	<b>622</b>	<b>619</b>	<b>15,833</b>	<b>14,198</b>	<b>13,545</b>

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (1 of 8)

	Principal and Vice Chancellor			Institutional Services		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	6,442	5,390	5,848	(561,208)	(551,233)	(553,241)
<b>Revenue</b>						
Canada	-	-	-	24,851	24,840	25,788
Quebec	-	-	-	325,760	348,513	338,396
Tuition & Fees	-	-	-	202,356	212,452	224,140
Sales of Goods & Services	8	1	221	598	1,152	777
Gifts & Bequests	-	-	22	-	1,436	-
Foreign exchange gain	-	-	-	1,328	1,500	3,811
Investment and interest Income	-	-	-	8,895	6,400	4,757
Unrealized Gains (Losses)	-	-	-	2,433	6,462	5,284
<b>Total Revenue</b>	8	1	243	566,221	602,755	602,953
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	28	-	23	1,850	1,537	738
Administrative and support	2,287	827	2,231	9,290	21,574	10,994
Student	-	-	-	-	31	-
Student Aid	-	-	-	-	15	-
Benefits	364	129	344	7,596	(14,388)	(2,003)
<b>Total Salaries</b>	2,679	956	2,598	18,736	8,769	9,729
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	21	5	16	(12,166)	(14,156)	34
Transfer to Partner Institutions	-	-	-	7,979	7,248	7,653
Contract Services	622	3	366	(12,547)	(10,327)	(15,877)
Professional Fees	3,218	2,332	1,347	1,728	842	1,576
Travel	76	2	92	137	594	143
Cost of Goods & Services Rendered	-	-	-	341	(2,002)	2,732
Building & Occupancy Costs	334	-	141	(1,500)	(2,805)	11,277
Energy	-	-	-	(1,148)	(273)	179
Other Non-Salary Expenses	457	54	405	(12,114)	(8,178)	(3,765)
Hardware and software maintenance	2	-	-	-	4,078	-
Interest	-	-	-	3,183	2,390	1,892
Bank Charges	-	-	2	334	353	347
<b>Total Non-Salary</b>	4,730	2,396	2,369	(25,773)	(22,236)	6,191
<b>Total Expenses</b>	7,409	3,352	4,967	(7,037)	(13,467)	15,920
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(959)	2,039	1,124	12,050	64,989	33,792
Interfund Transfers	(1)	1	(5)	(12,167)	(45,042)	(26,580)
Net capz & decapz of investment income	-	-	-	-	(4)	(18,314)
Capital Purchases via interfund transfers	-	-	(15)	(35,142)	(28,855)	(57)
Internal loan repayments	-	-	-	(7,801)	(22,367)	-
<b>Total Change in Net Assets</b>	(960)	2,040	1,104	(43,060)	(31,279)	(11,159)

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (2 of 8)

	Provost and Vice-Principal (Academic)			Assoc. VP (Macdonald Campus)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	5,895	5,966	5,138	1,628	1,548	1,583
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	-	9	11	776	716	774
Gifts & Bequests	2,155	-	919	-	-	-
Foreign exchange gain						
Investment and interest Income	4	-	1	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	2,159	9	931	776	716	774
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	39	57	112	-	-	-
Administrative and support	3,964	3,092	3,947	1,026	1,031	972
Student	5	1	77	2	5	5
Student Aid	3	10	3	-	-	-
Benefits	646	508	645	213	207	192
<b>Total Salaries</b>	4,657	3,668	4,784	1,241	1,243	1,169
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	36	18	25	71	63	54
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	35	28	645	588	213	560
Professional Fees	30	12	47	-	-	-
Travel	191	55	106	40	45	25
Cost of Goods & Services Rendered	-	-	-	-	-	-
Building & Occupancy Costs	6	4	20	579	337	254
Energy	-	-	-	88	67	79
Other Non-Salary Expenses	684	138	741	(79)	1	55
Hardware and software maintenance	-	24	1	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	109	-	-	-
<b>Total Non-Salary</b>	982	279	1,694	1,287	726	1,027
<b>Total Expenses</b>	5,639	3,947	6,478	2,528	1,969	2,196
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	2,415	2,028	(409)	(124)	295	161
Interfund Transfers	91	(13)	16	47	50	6
Net capz & decapz of investement income	-	-	-	-	-	-
Capital Purchases via interfund transfers	-	-	(206)	-	-	(74)
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	2,506	2,015	(599)	(77)	345	93

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (3 of 8)

	Deputy Provost (Student Life & Learning)			Assoc. Provost (Graduate Education)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	25,387	21,857	22,815	18,231	17,917	19,017
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	2,234	2,339	2,413	-	-	-
Tuition & Fees	14,503	15,557	15,920	-	-	-
Sales of Goods & Services	51,697	53,858	56,340	64	1	31
Gifts & Bequests	387	424	464	-	-	-
Foreign exchange gain						
Investment and interest Income	208	215	225	12	13	13
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	69,029	72,393	75,362	76	14	44
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	3,156	2,777	2,606	36	124	273
Administrative and support	28,522	29,713	30,275	1,266	1,127	1,334
Student	192	218	184	2	-	1
Student Aid	5,897	5,686	6,742	16,059	16,215	15,679
Benefits	6,776	6,564	6,690	232	210	253
<b>Total Salaries</b>	44,543	44,958	46,497	17,595	17,676	17,540
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	4,501	3,842	5,215	28	1	1
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	4,346	3,532	5,195	44	43	17
Professional Fees	227	246	456	1	-	-
Travel	1,186	1,333	1,336	22	18	21
Cost of Goods & Services Rendered	6,382	6,698	4,860	-	-	-
Building & Occupancy Costs	11,306	13,907	4,555	2	-	2
Energy	4,408	4,416	4,440	-	-	-
Other Non-Salary Expenses	7,640	5,260	4,482	157	93	218
Hardware and software maintenance	65	133	146	(1)	1	-
Interest	12	10	9	-	-	-
Bank Charges	204	230	260	-	-	-
<b>Total Non-Salary</b>	40,277	39,607	30,954	253	156	259
<b>Total Expenses</b>	84,820	84,565	77,451	17,848	17,832	17,799
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	9,596	9,685	20,726	459	99	1,262
Interfund Transfers	968	(593)	(327)	22	(48)	(225)
Net capz & decapz of investement income	(37)	(50)	(2,582)	-	-	-
Capital Purchases via interfund transfers	-	-	(8,348)	-	-	(5)
Internal loan repayments	-	-	(47)	-	-	(14)
<b>Total Change in Net Assets</b>	10,527	9,042	9,422	481	51	1,018

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (4 of 8)

	Vice-Principal (Administration & Finance)			Information Technology Services		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	5,645	5,921	6,132	27,820	29,378	26,222
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	960	1,034	-	-	-	-
Tuition & Fees	-	-	-	109	104	100
Sales of Goods & Services	18	2	19	3,165	3,162	2,679
Gifts & Bequests	-	-	-	-	-	-
Foreign exchange gain	-	-	-	-	-	-
Investment and interest Income	8	(4)	4	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	986	1,032	23	3,274	3,266	2,779
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	-	-	-
Administrative and support	1,860	975	2,095	22,745	21,715	20,608
Student	-	-	-	7	-	-
Student Aid	-	-	-	-	-	-
Benefits	315	156	330	4,142	3,460	3,446
<b>Total Salaries</b>	2,175	1,131	2,425	26,894	25,175	24,054
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	66	45	27	234	226	359
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	131	3	72	91	1,522	1,451
Professional Fees	13	8	192	787	181	93
Travel	27	3	32	85	33	39
Cost of Goods & Services Rendered	-	-	-	-	-	-
Building & Occupancy Costs	2,847	5,355	(1,064)	255	131	230
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	1,556	1,076	78	(2,267)	(2,679)	(5,455)
Hardware and software maintenance	-	-	-	5,639	1,742	5,523
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	1	1	1
<b>Total Non-Salary</b>	4,640	6,490	(663)	4,825	1,157	2,241
<b>Total Expenses</b>	6,815	7,621	1,762	31,719	26,332	26,295
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(184)	(668)	4,393	(625)	6,312	2,706
Interfund Transfers	(103)	(95)	(299)	503	29	120
Net capz & decapz of investment income	(4)	-	-	-	-	-
Capital Purchases via interfund transfers	-	-	(30)	-	-	(2,643)
Internal loan repayments	-	-	(5)	-	-	-
<b>Total Change in Net Assets</b>	(291)	(763)	4,059	(122)	6,341	183

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (5 of 8)

	Assoc. VP (University Services)			Assoc. VP (Human Resources)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	53,614	48,401	44,200	7,273	11,208	11,009
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	3	9	7	-	-	-
Sales of Goods & Services	18,795	18,225	16,757	576	742	859
Gifts & Bequests	433	464	442	-	-	-
Foreign exchange gain						
Investment and interest Income	89	95	99	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	19,320	18,793	17,305	576	742	859
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	34	25	65	1	2	3
Administrative and support	31,106	31,875	29,815	6,141	5,996	5,607
Student	21	-	-	-	-	-
Student Aid	28	10	5	-	-	-
Benefits	6,157	5,952	5,726	(1,170)	1,613	(1,143)
<b>Total Salaries</b>	37,346	37,862	35,611	4,972	7,611	4,467
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	4,825	3,682	3,636	9	5	2
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	12,961	11,793	15,488	283	339	90
Professional Fees	117	360	682	521	477	526
Travel	(131)	(182)	(269)	24	18	13
Cost of Goods & Services Rendered	11,326	12,485	8,321	-	-	-
Building & Occupancy Costs	(888)	(551)	(4,288)	64	5	3
Energy	13,010	13,967	14,318	-	-	-
Other Non-Salary Expenses	(3,105)	(4,909)	(1,979)	494	358	420
Hardware and software maintenance	20	66	27	-	-	-
Interest	63	48	70	-	-	-
Bank Charges	174	171	152	-	-	-
<b>Total Non-Salary</b>	38,372	36,930	36,158	1,395	1,202	1,054
<b>Total Expenses</b>	75,718	74,792	71,769	6,367	8,813	5,521
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	(2,784)	(7,598)	(10,264)	1,482	3,137	6,347
Interfund Transfers	450	145	187	62	2	9
Net capz & decapz of investement income	(89)	-	(1,814)	-	-	-
Capital Purchases via interfund transfers	-	-	(1,436)	-	-	(19)
Internal loan repayments	-	-	(99)	-	-	-
<b>Total Change in Net Assets</b>	(2,423)	(7,453)	(13,426)	1,544	3,139	6,337

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (6 of 8)

	Assoc. VP (Financial Services)			Vice-Principal (RIR)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	8,727	8,533	8,302	11,758	11,646	10,707
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	1,886	10	7	-	-	-
Sales of Goods & Services	244	192	245	841	4,830	2,023
Gifts & Bequests	-	-	-	-	-	2
Foreign exchange gain	-	-	-	-	-	-
Investment and interest Income	-	-	-	-	19	6
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	2,130	202	252	841	4,849	2,031
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	5	577	461	2,858
Administrative and support	6,930	7,045	6,426	5,817	3,255	5,725
Student	-	-	-	-	-	-
Student Aid	-	-	-	16	-	19
Benefits	1,344	1,255	1,171	1,090	581	1,028
<b>Total Salaries</b>	8,274	8,300	7,602	7,500	4,297	9,630
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	23	16	17	(17)	(4)	8
Transfer to Partner Institutions	-	-	-	101	-	-
Contract Services	106	110	106	293	120	256
Professional Fees	24	20	2	932	869	920
Travel	16	10	12	227	38	103
Cost of Goods & Services Rendered	-	-	-	-	-	-
Building & Occupancy Costs	9	5	10	171	4	235
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	836	741	191	627	(314)	750
Hardware and software maintenance	102	66	237	2	1	1
Interest	-	-	-	-	-	-
Bank Charges	3	3	2	-	-	-
<b>Total Non-Salary</b>	1,119	971	577	2,336	714	2,273
<b>Total Expenses</b>	9,393	9,271	8,179	9,836	5,011	11,903
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	1,464	(536)	375	2,763	11,484	835
Interfund Transfers	-	3	-	(2,912)	(142)	(4,512)
Net capz & decapz of investment income	-	-	-	-	-	-
Capital Purchases via interfund transfers	-	-	(3)	-	-	(47)
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	1,464	(533)	372	(149)	11,342	(3,724)

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (7 of 8)

	Vice-Principal (University Advancement)			VP (Communications and External Relations)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	16,004	14,728	14,491	4,357	4,235	4,028
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	1,235	1,053	1,072	117	7	49
Gifts & Bequests	311	56	80	-	-	-
Foreign exchange gain	-	-	-	-	-	-
Investment and interest Income	-	-	-	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	1,546	1,109	1,152	117	7	49
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	15	1	-	-	-	-
Administrative and support	10,212	8,440	9,310	2,772	1,963	3,083
Student	-	-	-	-	-	-
Student Aid	1	-	1	-	-	-
Benefits	1,770	1,432	1,604	511	345	532
<b>Total Salaries</b>	11,998	9,873	10,915	3,283	2,308	3,615
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	142	109	201	66	79	64
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	810	644	677	271	121	143
Professional Fees	46	123	30	250	3	80
Travel	575	199	429	24	8	20
Cost of Goods & Services Rendered	-	14	-	-	-	-
Building & Occupancy Costs	66	16	58	5	1	12
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	2,298	1,756	1,495	255	217	168
Hardware and software maintenance	106	115	121	-	-	2
Interest	-	-	-	-	-	-
Bank Charges	14	10	13	-	-	-
<b>Total Non-Salary</b>	4,057	2,986	3,024	871	429	489
<b>Total Expenses</b>	16,055	12,859	13,939	4,154	2,737	4,104
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	1,495	2,978	1,704	320	1,505	(27)
Interfund Transfers	(177)	28	(714)	(6)	-	(7)
Net capz & decapz of investement income	-	-	-	-	-	-
Capital Purchases via interfund transfers	-	-	(38)	-	-	(38)
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	1,318	3,006	952	314	1,505	(72)

## Appendix 6: Unit Unrestricted Financials FY2013-FY2015 – Administrative Units (8 of 8)

	Total		
	FY13	FY14	FY15
<b>Unrestricted Budget Allocations</b>	(368,427)	(364,505)	(373,750)
<b>Revenue</b>			
Canada	24,851	24,840	25,788
Quebec	328,954	351,886	340,809
Tuition & Fees	218,857	228,132	240,174
Sales of Goods & Services	78,134	83,950	81,857
Gifts & Bequests	3,286	2,380	1,929
Foreign exchange gain	1,328	1,500	3,811
Investment and interest Income	9,216	6,738	5,105
Unrealized Gains (Losses)	2,433	6,462	5,284
<b>Total Revenue</b>	<b>667,059</b>	<b>705,888</b>	<b>704,757</b>
<b>Expenses</b>			
<b><u>Salary Expenses</u></b>			
Academic	5,736	4,984	6,683
Administrative and support	133,938	138,628	132,421
Student	229	255	267
Student Aid	22,004	21,936	22,449
Benefits	29,986	8,024	18,815
<b>Total Salaries</b>	<b>191,893</b>	<b>173,827</b>	<b>180,635</b>
<b><u>Non-Salary Expenses</u></b>			
Materials, Supplies and Publications	(2,161)	(6,069)	9,659
Transfer to Partner Institutions	8,080	7,248	7,653
Contract Services	8,034	8,144	9,189
Professional Fees	7,894	5,473	5,951
Travel	2,499	2,174	2,102
Cost of Goods & Services Rendered	18,049	17,195	15,913
Building & Occupancy Costs	13,256	16,409	11,445
Energy	16,358	18,177	19,016
Other Non-Salary Expenses	(2,561)	(6,386)	(2,196)
Hardware and software maintenance	5,935	6,226	6,058
Interest	3,258	2,448	1,971
Bank Charges	730	768	886
<b>Total Non-Salary</b>	<b>79,371</b>	<b>71,807</b>	<b>87,647</b>
<b>Total Expenses</b>	<b>271,264</b>	<b>245,634</b>	<b>268,282</b>
(Deficiency) Excess of Allocations and Revenues over Expenses, Before the Undernoted	27,368	95,749	62,725
Interfund Transfers	(13,223)	(45,675)	(32,331)
Net capz & decapz of investement income	(130)	(54)	(22,710)
Capital Purchases via interfund transfers	(35,142)	(28,855)	(12,959)
Internal loan repayments	(7,801)	(22,367)	(165)
<b>Total Change in Net Assets</b>	<b>(28,928)</b>	<b>(1,202)</b>	<b>(5,440)</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (1 of 7)

	Agricultural & Environmental Science			Arts		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	15,437	17,518	16,155	12,603	9,849	12,278
Quebec	3,053	2,108	2,609	2,635	2,176	2,798
United States	152	763	107	77	156	(121)
Other Sources	1,366	679	744	657	319	747
Contracts	1,131	534	(341)	75	23	232
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	160	88	103	174	114	51
Gifts & Bequests	959	1,024	886	2,462	3,083	3,103
Investment and interest Income	873	730	351	4,337	3,867	3,853
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>23,131</b>	<b>23,444</b>	<b>20,614</b>	<b>23,020</b>	<b>19,587</b>	<b>22,941</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	3,803	4,020	3,505	4,673	4,320	4,306
Administrative and support	874	786	757	862	891	867
Student	1,420	1,500	1,456	1,774	2,160	2,354
Student Aid	3,407	3,237	2,968	6,331	6,988	7,294
Benefits	980	1,025	872	1,074	1,012	967
<b>Total Salaries</b>	<b>10,484</b>	<b>10,568</b>	<b>9,558</b>	<b>14,714</b>	<b>15,371</b>	<b>15,788</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	1,916	1,870	1,778	446	329	360
Transfer to Partner Institutions	2,381	4,486	7,326	865	(1,949)	1,143
Contract Services	267	174	220	388	449	263
Professional Fees	140	142	182	609	632	735
Travel	1,216	1,233	1,067	2,008	2,471	2,375
Building & Occupancy Costs	532	435	391	76	202	119
Energy	-	-	1	-	3	-
Other Non-Salary Expenses	2,640	2,031	2,306	6,154	4,902	2,327
Hardware and software maintenance	-	-	2	6	7	28
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	1	-	1
<b>Total Non-Salary</b>	<b>9,092</b>	<b>10,371</b>	<b>13,273</b>	<b>10,553</b>	<b>7,046</b>	<b>7,351</b>
<b>Total Expenses</b>	<b>19,576</b>	<b>20,939</b>	<b>22,831</b>	<b>25,267</b>	<b>22,417</b>	<b>23,139</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	3,555	2,505	(2,217)	(2,247)	(2,830)	(198)
Interfund Transfers	(63)	(218)	(413)	781	493	635
Net capz & decapz of investement income	(294)	(135)	(213)	(749)	(759)	(784)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>3,198</b>	<b>2,152</b>	<b>(2,843)</b>	<b>(2,215)</b>	<b>(3,096)</b>	<b>(347)</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (2 of 7)

	Continuing Studies			Dentistry		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	-	166	1,258	3,861	4,585	3,012
Quebec	47	10	10	1,995	1,433	367
United States	-	-	-	21	145	113
Other Sources	-	-	(44)	128	10	157
Contracts	-	-	(94)	199	(44)	197
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	4	-	169	237	40	54
Gifts & Bequests	132	50	102	1,105	1,239	612
Investment and interest Income	14	16	16	725	769	954
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>197</b>	<b>242</b>	<b>1,417</b>	<b>8,271</b>	<b>8,177</b>	<b>5,466</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	19	40	761	1,427	1,468	1,725
Administrative and support	17	35	409	393	450	420
Student	-	-	2	267	309	389
Student Aid	30	32	23	517	484	534
Benefits	5	14	195	323	348	388
<b>Total Salaries</b>	<b>71</b>	<b>121</b>	<b>1,390</b>	<b>2,927</b>	<b>3,059</b>	<b>3,456</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	1	1	2	495	727	760
Transfer to Partner Institutions	-	-	-	120	136	214
Contract Services	6	1	96	141	148	96
Professional Fees	49	46	12	114	181	154
Travel	-	-	11	143	120	137
Building & Occupancy Costs	3	1	6	9	135	42
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	48	59	124	673	4,809	1,879
Hardware and software maintenance	-	-	-	12	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>107</b>	<b>108</b>	<b>251</b>	<b>1,707</b>	<b>6,256</b>	<b>3,282</b>
<b>Total Expenses</b>	<b>178</b>	<b>229</b>	<b>1,641</b>	<b>4,634</b>	<b>9,315</b>	<b>6,738</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	19	13	(224)	3,637	(1,138)	(1,272)
Interfund Transfers	10	4	-	(69)	(356)	408
Net capz & decapz of investement income	(7)	(7)	(10)	(287)	(233)	(351)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>22</b>	<b>10</b>	<b>(234)</b>	<b>3,281</b>	<b>(1,727)</b>	<b>(1,215)</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (3 of 7)

	Education			Engineering		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	4,975	4,755	4,746	24,284	20,848	21,979
Quebec	1,364	903	553	3,937	3,353	3,794
United States	178	(103)	(33)	854	537	793
Other Sources	647	284	908	2,024	3,193	2,412
Contracts	(18)	518	1	3,768	5,207	4,770
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	192	14	144	63	35	166
Gifts & Bequests	443	430	880	1,791	2,635	3,980
Investment and interest Income	325	324	400	3,526	3,983	4,306
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>8,106</b>	<b>7,125</b>	<b>7,599</b>	<b>40,247</b>	<b>39,791</b>	<b>42,200</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	1,547	1,465	1,495	4,583	4,938	4,636
Administrative and support	166	105	141	1,339	1,413	1,343
Student	712	624	564	2,897	3,528	4,094
Student Aid	2,053	2,140	2,297	13,735	13,814	13,539
Benefits	322	294	304	1,052	1,135	1,067
<b>Total Salaries</b>	<b>4,800</b>	<b>4,628</b>	<b>4,801</b>	<b>23,606</b>	<b>24,828</b>	<b>24,679</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	177	110	94	2,082	2,298	2,906
Transfer to Partner Institutions	497	480	808	3,051	1,205	1,442
Contract Services	46	106	93	1,092	1,151	459
Professional Fees	273	242	171	239	195	147
Travel	524	478	421	2,247	2,233	2,174
Building & Occupancy Costs	295	73	35	425	513	532
Energy	-	-	-	2	-	-
Other Non-Salary Expenses	817	794	847	10,178	8,524	7,836
Hardware and software maintenance	2	2	-	149	159	67
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>2,631</b>	<b>2,285</b>	<b>2,469</b>	<b>19,465</b>	<b>16,278</b>	<b>15,563</b>
<b>Total Expenses</b>	<b>7,431</b>	<b>6,913</b>	<b>7,270</b>	<b>43,071</b>	<b>41,106</b>	<b>40,242</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	675	212	329	(2,824)	(1,315)	1,958
Interfund Transfers	169	49	466	(1,142)	(355)	535
Net capz & decapz of investement income	(83)	(89)	(81)	(812)	(680)	(1,237)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>761</b>	<b>172</b>	<b>714</b>	<b>(4,778)</b>	<b>(2,350)</b>	<b>1,256</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (4 of 7)

	Law			Management		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	834	1,495	7,746	1,653	1,517	1,817
Quebec	257	194	103	612	318	192
United States	-	-	(3)	223	212	313
Other Sources	278	494	178	371	208	(1,081)
Contracts	(90)	(22)	(109)	82	400	(5)
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	129	423	145	802	57	138
Gifts & Bequests	505	1,341	654	2,995	2,921	2,218
Investment and interest income	1,638	2,040	2,249	1,822	1,925	2,411
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>3,551</b>	<b>5,965</b>	<b>10,963</b>	<b>8,560</b>	<b>7,558</b>	<b>6,003</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	808	1,094	1,172	581	503	814
Administrative and support	199	334	449	237	470	412
Student	689	719	884	287	270	217
Student Aid	1,034	1,148	1,191	1,310	1,494	1,747
Benefits	231	332	357	146	192	194
<b>Total Salaries</b>	<b>2,961</b>	<b>3,627</b>	<b>4,053</b>	<b>2,561</b>	<b>2,929</b>	<b>3,384</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	42	35	31	35	52	38
Transfer to Partner Institutions	(47)	55	113	284	351	546
Contract Services	181	25	41	275	336	283
Professional Fees	62	76	136	177	207	274
Travel	445	568	662	730	778	715
Building & Occupancy Costs	68	46	74	1,125	3,026	270
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	199	438	1,008	1,584	1,061	869
Hardware and software maintenance	-	-	-	8	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	1	-	-
<b>Total Non-Salary</b>	<b>950</b>	<b>1,243</b>	<b>2,065</b>	<b>4,219</b>	<b>5,811</b>	<b>2,995</b>
<b>Total Expenses</b>	<b>3,911</b>	<b>4,870</b>	<b>6,118</b>	<b>6,780</b>	<b>8,740</b>	<b>6,379</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	(360)	1,095	4,845	1,780	(1,182)	(376)
Interfund Transfers	(201)	45	411	287	1,304	(793)
Net capz & decapz of investement income	(466)	(673)	(737)	(125)	(254)	(298)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>(1,027)</b>	<b>467</b>	<b>4,519</b>	<b>1,942</b>	<b>(132)</b>	<b>(1,467)</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (5 of 7)

	Medicine			Music		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	65,585	73,877	63,907	1,485	2,103	2,079
Quebec	21,337	27,071	24,857	876	308	1,340
United States	4,894	4,477	4,907	-	-	5
Other Sources	12,920	25,057	22,040	127	26	(63)
Contracts	4,706	6,665	11,429	23	(39)	(355)
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	5,623	4,813	6,104	10	15	5
Gifts & Bequests	9,386	12,763	13,441	1,093	994	759
Investment and interest Income	11,746	12,755	12,776	945	1,002	984
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>136,197</b>	<b>167,478</b>	<b>159,461</b>	<b>4,559</b>	<b>4,409</b>	<b>4,754</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	36,981	34,486	36,494	444	565	606
Administrative and support	15,394	12,868	13,241	276	280	226
Student	10,933	10,890	10,116	53	222	263
Student Aid	15,700	16,623	16,731	1,893	2,053	2,328
Benefits	9,994	8,920	9,313	137	138	133
<b>Total Salaries</b>	<b>89,002</b>	<b>83,787</b>	<b>85,895</b>	<b>2,803</b>	<b>3,258</b>	<b>3,556</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	19,072	17,110	18,268	57	61	42
Transfer to Partner Institutions	20,199	19,259	18,850	1	-	91
Contract Services	4,534	5,827	7,894	44	23	7
Professional Fees	2,838	2,329	2,937	204	154	196
Travel	4,334	4,385	4,110	345	377	398
Building & Occupancy Costs	6,328	1,913	1,507	17	31	142
Energy	787	-	-	7	-	-
Other Non-Salary Expenses	27,730	24,835	21,926	486	349	586
Hardware and software maintenance	98	197	72	-	-	-
Interest	(1)	-	-	-	-	-
Bank Charges	1	1	1	-	-	-
<b>Total Non-Salary</b>	<b>85,920</b>	<b>75,856</b>	<b>75,565</b>	<b>1,161</b>	<b>995</b>	<b>1,462</b>
<b>Total Expenses</b>	<b>174,922</b>	<b>159,643</b>	<b>161,460</b>	<b>3,964</b>	<b>4,253</b>	<b>5,018</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	(38,725)	7,835	(1,999)	595	156	(264)
Interfund Transfers	19,784	5,355	8,372	129	626	661
Net capz & decapz of investement income	(2,189)	(1,578)	(2,008)	(206)	(166)	(185)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>(21,130)</b>	<b>11,612</b>	<b>4,365</b>	<b>518</b>	<b>616</b>	<b>212</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (6 of 7)

	Religious Studies			Science		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	55	157	105	36,285	42,044	36,356
Quebec	11	12	1	6,711	12,816	8,969
United States	-	-	-	673	831	1,044
Other Sources	-	-	(460)	2,810	3,142	(1,059)
Contracts	-	-	(198)	798	2,142	2,664
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	-	3	-	297	231	645
Gifts & Bequests	311	108	94	970	1,030	604
Investment and interest income	236	280	287	2,866	3,306	3,364
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>613</b>	<b>560</b>	<b>(171)</b>	<b>51,410</b>	<b>65,542</b>	<b>52,587</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	69	88	81	9,446	9,635	9,717
Administrative and support	38	-	1	1,858	1,889	1,658
Student	6	10	2	5,861	5,843	5,178
Student Aid	140	148	184	13,485	14,747	14,807
Benefits	19	16	16	2,117	2,166	2,002
<b>Total Salaries</b>	<b>272</b>	<b>262</b>	<b>284</b>	<b>32,767</b>	<b>34,280</b>	<b>33,362</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	2	4	1	3,362	3,316	3,372
Transfer to Partner Institutions	-	-	-	4,021	3,335	4,504
Contract Services	1	8	2	885	1,424	625
Professional Fees	-	2	21	518	471	466
Travel	75	119	61	4,035	3,852	4,288
Building & Occupancy Costs	-	-	4	2,143	788	1,524
Energy	-	-	-	674	445	378
Other Non-Salary Expenses	77	107	25	14,766	18,478	13,252
Hardware and software maintenance	-	-	-	4	31	127
Interest	-	-	-	-	-	3
Bank Charges	-	-	-	2	2	4
<b>Total Non-Salary</b>	<b>155</b>	<b>240</b>	<b>114</b>	<b>30,410</b>	<b>32,142</b>	<b>28,543</b>
<b>Total Expenses</b>	<b>427</b>	<b>502</b>	<b>398</b>	<b>63,177</b>	<b>66,422</b>	<b>61,905</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	186	58	(569)	(11,767)	(880)	(9,318)
Interfund Transfers	26	14	(12)	1,685	2,062	927
Net capz & decapz of investement income	(49)	(80)	(73)	(142)	(100)	(577)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>163</b>	<b>(8)</b>	<b>(654)</b>	<b>(10,224)</b>	<b>1,082</b>	<b>(8,968)</b>

## Appendix 7: Unit Level Restricted Financials FY2013–FY2015 – Academic Units (7 of 7)

	Libraries			Total		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	-	-	(47)	167,057	178,914	171,391
Quebec	-	-	(26)	42,835	50,702	45,567
United States	-	-	-	7,072	7,018	7,125
Other Sources	(1)	-	(175)	21,327	33,412	24,304
Contracts	-	-	-	10,674	15,384	18,191
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	8	21	11	7,699	5,854	7,735
Gifts & Bequests	1,310	1,251	1,395	23,462	28,869	28,728
Investment and interest income	1,173	1,214	1,295	30,226	32,211	33,246
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2,490</b>	<b>2,486</b>	<b>2,453</b>	<b>310,352</b>	<b>352,364</b>	<b>336,287</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	105	104	131	64,486	62,726	65,444
Administrative and support	122	145	256	21,775	19,666	20,179
Student	-	-	5	24,899	26,075	25,523
Student Aid	-	2	2	59,635	62,910	63,646
Benefits	34	37	61	16,434	15,629	15,868
<b>Total Salaries</b>	<b>261</b>	<b>288</b>	<b>455</b>	<b>187,229</b>	<b>187,006</b>	<b>190,660</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	1,790	1,617	1,985	29,477	27,530	29,637
Transfer to Partner Institutions	-	-	-	31,372	27,358	35,037
Contract Services	102	262	153	7,962	9,934	10,232
Professional Fees	5	11	5	5,228	4,688	5,436
Travel	21	16	20	16,123	16,630	16,439
Building & Occupancy Costs	410	132	293	11,431	7,295	4,939
Energy	-	-	-	1,470	448	379
Other Non-Salary Expenses	852	144	534	66,204	66,531	53,519
Hardware and software maintenance	-	-	-	279	396	296
Interest	-	-	-	(1)	-	3
Bank Charges	-	-	-	5	3	6
<b>Total Non-Salary</b>	<b>3,180</b>	<b>2,182</b>	<b>2,990</b>	<b>169,550</b>	<b>160,813</b>	<b>155,923</b>
<b>Total Expenses</b>	<b>3,441</b>	<b>2,470</b>	<b>3,445</b>	<b>356,779</b>	<b>347,819</b>	<b>346,583</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	(951)	16	(992)	(46,427)	4,545	(10,296)
Interfund Transfers	709	118	919	22,105	9,141	12,116
Net capz & decapz of investement income	(63)	(8)	(42)	(5,472)	(4,762)	(6,598)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>(305)</b>	<b>126</b>	<b>(115)</b>	<b>(29,794)</b>	<b>8,924</b>	<b>(4,778)</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (1 of 8)

	Principal and Vice Chancellor			Institutional Services		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	(15)	(49)	-	(9,592)	(10,989)	(8,472)
Quebec	-	-	-	(533)	(13,159)	(4,858)
United States	-	-	-	168	666	-
Other Sources	-	-	-	13,285	(5,005)	3,407
Contracts	-	-	-	7,319	4,129	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	-	-	-	-	117	-
Gifts & Bequests	-	38	-	(18,740)	(5,777)	(6,247)
Investment and interest Income	91	86	86	7,492	(1,563)	-
Unrealized Gains (Losses)	-	-	-	203	107	45
<b>Total Revenue</b>	<b>76</b>	<b>75</b>	<b>86</b>	<b>(398)</b>	<b>(31,474)</b>	<b>(16,125)</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	(32)	(156)	(86)
Administrative and support	-	-	-	280	(1,712)	145
Student	-	-	-	-	-	-
Student Aid	-	-	-	-	-	-
Benefits	-	-	-	(94)	(93)	24
<b>Total Salaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154</b>	<b>(1,961)</b>	<b>83</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	-	-	-	(1,728)	(1,578)	(1,907)
Transfer to Partner Institutions	-	-	-	(702)	-	-
Contract Services	30	33	-	-	-	-
Professional Fees	-	-	-	3,448	4,983	5,468
Travel	5	0	7	-	-	-
Building & Occupancy Costs	-	-	-	(7,437)	(4,587)	(2,148)
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	77	76	-	(40,385)	(40,053)	(27,851)
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>112</b>	<b>109</b>	<b>7</b>	<b>(46,804)</b>	<b>(41,234)</b>	<b>(26,438)</b>
<b>Total Expenses</b>	<b>112</b>	<b>109</b>	<b>7</b>	<b>(46,650)</b>	<b>(43,195)</b>	<b>(26,355)</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	(36)	(34)	79	46,252	11,721	10,230
Interfund Transfers	12	(1)	(79)	6,080	5,700	4,872
Net capz & decapz of investement income	(10)	-	-	(1)	-	-
Capital Purchases via interfund transfers	-	-	-	(19,867)	(13,417)	(10,378)
Internal loan repayments	-	-	-	(2,145)	(1,877)	(118)
<b>Total Change in Net Assets</b>	<b>(34)</b>	<b>(35)</b>	<b>-</b>	<b>30,319</b>	<b>2,127</b>	<b>4,606</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (2 of 8)

	Provost and Vice-Principal (Academic)			Assoc. VP (Macdonald Campus)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
United States	-	-	-	-	-	-
Other Sources	-	-	91	-	-	(14)
Contracts	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	141	133	132	1	1	5
Gifts & Bequests	7	27	9	-	-	(3)
Investment and interest income	64	60	75	192	198	218
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>212</b>	<b>220</b>	<b>307</b>	<b>193</b>	<b>199</b>	<b>206</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	548	355	223	1	1	-
Administrative and support	-	1	8	1	1	1
Student	-	2	-	-	-	-
Student Aid	-	-	-	5	5	5
Benefits	7	-	1	-	-	-
<b>Total Salaries</b>	<b>555</b>	<b>358</b>	<b>232</b>	<b>7</b>	<b>7</b>	<b>6</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	-	0	-	-	0	-
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	-	-	-	2	8	1
Professional Fees	-	-	-	-	-	15
Travel	-	-	-	-	1	-
Building & Occupancy Costs	-	-	-	20	25	16
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	57	60	-	139	13	12
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>57</b>	<b>60</b>	<b>-</b>	<b>161</b>	<b>48</b>	<b>44</b>
<b>Total Expenses</b>	<b>612</b>	<b>418</b>	<b>232</b>	<b>168</b>	<b>55</b>	<b>50</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	(400)	(198)	75	25	144	156
Interfund Transfers	616	1	(58)	10	(163)	(127)
Net capz & decapz of investement income	(7)	-	-	(14)	(9)	(17)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>209</b>	<b>(197)</b>	<b>17</b>	<b>21</b>	<b>(28)</b>	<b>12</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (3 of 8)

	Deputy Provost (Student Life & Learning)			Assoc. Provost (Graduate Education)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	125	143	(1,996)	3,459	938	805
Quebec	2,904	2,930	2,736	55	-	-
United States	-	-	-	-	-	-
Other Sources	120	120	(473)	12	45	98
Contracts	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	291	217	160	120	162	80
Gifts & Bequests	1,339	1,406	47	202	87	201
Investment and interest income	5,490	5,938	6,170	1,787	1,883	1,995
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>10,269</b>	<b>10,754</b>	<b>6,644</b>	<b>5,635</b>	<b>3,115</b>	<b>3,179</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	2	7	11	-	-	-
Administrative and support	1,006	993	998	-	-	-
Student	144	157	109	150	131	50
Student Aid	8,718	8,012	8,626	6,906	4,117	3,590
Benefits	86	96	110	-	-	-
<b>Total Salaries</b>	<b>9,956</b>	<b>9,265</b>	<b>9,854</b>	<b>7,056</b>	<b>4,248</b>	<b>3,640</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	79	89	75	2	-	-
Transfer to Partner Institutions	-	4	-	-	-	-
Contract Services	28	53	112	-	1	-
Professional Fees	16	8	9	-	-	-
Travel	144	216	235	11	(0)	1
Building & Occupancy Costs	96	87	36	-	-	-
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	(396)	745	1,308	(53)	28	-
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>(33)</b>	<b>1,202</b>	<b>1,775</b>	<b>(40)</b>	<b>29</b>	<b>1</b>
<b>Total Expenses</b>	<b>9,923</b>	<b>10,467</b>	<b>11,629</b>	<b>7,016</b>	<b>4,277</b>	<b>3,641</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	346	287	(4,985)	(1,381)	(1,162)	(462)
Interfund Transfers	(241)	763	2,983	362	634	621
Net capz & decapz of investement income	(329)	(556)	(648)	(43)	(146)	(132)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>(224)</b>	<b>494</b>	<b>(2,650)</b>	<b>(1,062)</b>	<b>(674)</b>	<b>27</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (4 of 8)

	Vice-Principal (Administration & Finance)			Information Technology Services		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	-	-	(16)	-	-	-
Quebec	-	-	-	-	-	-
United States	-	-	-	-	-	-
Other Sources	-	-	(174)	-	-	-
Contracts	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	181	(38)	1	-	-	-
Gifts & Bequests	-	-	(8)	1	1	-
Investment and interest Income	227	217	312	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>408</b>	<b>179</b>	<b>115</b>	<b>1</b>	<b>1</b>	<b>-</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	-	-	-
Administrative and support	-	1	-	-	-	-
Student	5	7	-	-	-	-
Student Aid	-	-	-	-	-	-
Benefits	1	1	-	-	-	-
<b>Total Salaries</b>	<b>6</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	4	3	-	-	-	-
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	-	1	-	-	-	-
Professional Fees	-	-	-	-	-	-
Travel	-	0	-	-	-	-
Building & Occupancy Costs	-	-	-	-	-	-
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	205	206	198	-	-	-
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>209</b>	<b>211</b>	<b>198</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>215</b>	<b>220</b>	<b>198</b>	<b>-</b>	<b>-</b>	<b>-</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	193	(41)	(83)	1	1	-
Interfund Transfers	(5)	92	31	-	-	-
Net capz & decapz of investement income	(11)	(8)	(30)	-	-	-
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>177</b>	<b>43</b>	<b>(82)</b>	<b>1</b>	<b>1</b>	<b>-</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (5 of 8)

	Assoc. VP (University Services)			Assoc. VP (Human Resources)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	-	-	-	-	-	-
Quebec	-	-	-	-	-	-
United States	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
Contracts	-	-	-	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	-	-	1	-	-	-
Gifts & Bequests	8	-	92	-	-	-
Investment and interest Income	521	535	558	6	6	7
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>529</b>	<b>535</b>	<b>651</b>	<b>6</b>	<b>6</b>	<b>7</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	-	-	-
Administrative and support	1	4	-	-	-	-
Student	-	-	-	-	-	-
Student Aid	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
<b>Total Salaries</b>	<b>1</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	4	3	-	-	-	-
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	-	0	5	-	-	-
Professional Fees	-	-	-	-	-	-
Travel	-	0	-	-	-	-
Building & Occupancy Costs	2	-	93	-	-	-
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	516	(1)	(5)	-	6	7
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>522</b>	<b>2</b>	<b>93</b>	<b>-</b>	<b>6</b>	<b>7</b>
<b>Total Expenses</b>	<b>523</b>	<b>6</b>	<b>93</b>	<b>-</b>	<b>6</b>	<b>7</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	6	529	558	6	(0)	-
Interfund Transfers	11	(531)	(553)	-	-	-
Net capz & decapz of investement income	(2)	(3)	(4)	(6)	-	-
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>15</b>	<b>(5)</b>	<b>1</b>	<b>-</b>	<b>(0)</b>	<b>-</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (6 of 8)

	Assoc. VP (Financial Services)			Vice-Principal (RIR)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	1,355	(6,050)	4,111	453	698	445
Quebec	(686)	530	424	300	-	(24)
United States	-	-	-	-	-	-
Other Sources	3,405	(2,344)	879	-	-	(30)
Contracts	-	154	(140)	-	-	154
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	137	273	377	130	95	118
Gifts & Bequests	-	-	(154)	-	-	5
Investment and interest Income	(149)	4	21	129	137	164
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	<b>4,062</b>	<b>(7,433)</b>	<b>5,518</b>	<b>1,012</b>	<b>930</b>	<b>832</b>
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	142	212	205
Administrative and support	-	-	-	217	329	248
Student	-	-	-	(4)	13	-
Student Aid	-	-	(14)	-	-	-
Benefits	-	-	-	79	124	100
<b>Total Salaries</b>	<b>-</b>	<b>-</b>	<b>(14)</b>	<b>434</b>	<b>678</b>	<b>553</b>
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	2	4	-	72	59	82
Transfer to Partner Institutions	90	329	238	-	-	-
Contract Services	23	95	-	(252)	(204)	(292)
Professional Fees	5	-	24	22	37	102
Travel	-	-	-	23	45	19
Building & Occupancy Costs	70	44	4	14	26	21
Energy	93	25	18	-	-	-
Other Non-Salary Expenses	375	(394)	(903)	148	96	80
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>Total Non-Salary</b>	<b>658</b>	<b>102</b>	<b>(619)</b>	<b>27</b>	<b>59</b>	<b>12</b>
<b>Total Expenses</b>	<b>658</b>	<b>102</b>	<b>(633)</b>	<b>461</b>	<b>737</b>	<b>565</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	3,404	(7,535)	6,151	551	193	267
Interfund Transfers	(337)	(913)	(1,846)	(2,258)	(1,192)	(1,338)
Net capz & decapz of investement income	(4)	(4)	(4)	(12)	(48)	(13)
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	<b>3,063</b>	<b>(8,452)</b>	<b>4,301</b>	<b>(1,719)</b>	<b>(1,047)</b>	<b>(1,084)</b>

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (7 of 8)

	Vice-Principal (University Advancement)			VP (Communications and External Relations)		
	FY13	FY14	FY15	FY13	FY14	FY15
<b>Revenue</b>						
Canada	0	0	0	0	0	0
Quebec	0	0	-61	0	0	0
United States	-	-	-	-	-	-
Other Sources	-	(1,478)	(492)	-	-	-
Contracts	3	-	(1)	-	-	-
Tuition & Fees	-	-	-	-	-	-
Sales of Goods & Services	54	9	105	-	-	-
Gifts & Bequests	16,222	8,092	11,515	-	-	-
Investment and interest Income	323	259	303	-	-	-
Unrealized Gains (Losses)	-	-	-	-	-	-
<b>Total Revenue</b>	16,602	6,882	11,369	-	-	-
<b>Expenses</b>						
<b><u>Salary Expenses</u></b>						
Academic	-	-	-	-	-	-
Administrative and support	-	-	-	-	-	-
Student	-	-	-	-	-	-
Student Aid	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
<b>Total Salaries</b>	-	-	-	-	-	-
<b><u>Non-Salary Expenses</u></b>						
Materials, Supplies and Publications	2	0	-	-	-	-
Transfer to Partner Institutions	-	-	-	-	-	-
Contract Services	2	1	4	-	-	-
Professional Fees	19	13	6	-	-	-
Travel	3	4	-	-	-	-
Building & Occupancy Costs	4	0	1	-	-	-
Energy	-	-	-	-	-	-
Other Non-Salary Expenses	142	36	26	-	-	-
Hardware and software maintenance	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bank Charges	94	97	-	-	-	-
<b>Total Non-Salary</b>	266	151	37	-	-	-
<b>Total Expenses</b>	266	151	37	-	-	-
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	16,336	6,731	11,332	-	-	-
Interfund Transfers	(13,806)	(3,703)	(8,853)	-	-	-
Net capz & decapz of investement income	(210)	(46)	(252)	-	-	-
Capital Purchases via interfund transfers	-	-	-	-	-	-
Internal loan repayments	-	-	-	-	-	-
<b>Total Change in Net Assets</b>	2,320	2,982	2,227	-	-	-

## Appendix 8: Unit Level Restricted Financials FY2013–FY2015 – Administrative Units (8 of 8)

	Total		
	FY13	FY14	FY15
<b>Revenue</b>			
Canada	(4,215)	(15,309)	(5,124)
Quebec	2,040	(9,699)	(1,782)
United States	168	666	-
Other Sources	16,822	(8,662)	3,293
Contracts	7,322	4,283	13
Tuition & Fees	-	-	-
Sales of Goods & Services	1,055	969	979
Gifts & Bequests	(961)	3,874	5,457
Investment and interest Income	16,173	7,760	9,909
Unrealized Gains (Losses)	203	107	45
<b>Total Revenue</b>	<b>38,607</b>	<b>(16,011)</b>	<b>12,790</b>
<b>Expenses</b>			
<b><u>Salary Expenses</u></b>			
Academic	661	419	352
Administrative and support	1,505	(383)	1,400
Student	295	310	159
Student Aid	15,629	12,134	12,206
Benefits	79	128	235
<b>Total Salaries</b>	<b>18,169</b>	<b>12,608</b>	<b>14,352</b>
<b><u>Non-Salary Expenses</u></b>			
Materials, Supplies and Publications	(1,563)	(1,419)	(1,750)
Transfer to Partner Institutions	(612)	333	238
Contract Services	(167)	(12)	(171)
Professional Fees	3,510	5,042	5,624
Travel	186	266	262
Building & Occupancy Costs	(7,231)	(4,405)	(1,977)
Energy	93	25	18
Other Non-Salary Expenses	(39,175)	(39,181)	(27,128)
Hardware and software maintenance	-	-	-
Interest	-	-	-
Bank Charges	94	97	-
<b>Total Non-Salary</b>	<b>(44,865)</b>	<b>(39,255)</b>	<b>(24,884)</b>
<b>Total Expenses</b>	<b>(26,696)</b>	<b>(26,647)</b>	<b>(10,532)</b>
(Deficiency) Excess of Revenues over Expenses, Before the Undernoted	65,303	10,636	23,322
Interfund Transfers	(9,556)	687	(4,350)
Net capz & decapz of investement income	(649)	(820)	(1,100)
Capital Purchases via interfund transfers	(19,867)	(13,417)	(10,378)
Internal loan repayments	(2,145)	(1,877)	(118)
<b>Total Change in Net Assets</b>	<b>33,086</b>	<b>(4,791)</b>	<b>7,376</b>

## Appendix 9: MEESR Operating Grant

		2013-14	2014-15	2015-16	2016-17
\$000s		Actual	Actual	Forecast	Budget
	<i>Notes</i>				
Teaching grant	a	296,568	282,238	282,014	289,731
Bill 100 cut	b	(1,673)	(1,673)	(1,673)	(1,673)
Budget Cut FY2013 and FY2014	c	(19,100)	-	-	-
Gain de productivité		-	(2,226)	(2,226)	(2,226)
Additional FY2015 mid-year cut			(1,849)	-	-
Compensation for tuition freeze	d	8,784	-	-	-
Administrative and support services	e	51,655	50,782	51,009	52,294
Enrolment Grant accrual	f	13,124	6,095	(1,420)	-
MELS reinvestment - ongoing		8,464	8,403	8,259	8,485
Facilities and buildings (Teaching)		36,735	36,538	36,270	36,995
Facilities and buildings (Research)	g	-	1,999	10,822	19,645
General fixed costs		2,482	2,386	2,375	2,401
Int'l deregulation fees compensation	h	4,685	-	-	-
<b>Total Operating (Permanent) Grant</b>		<b>401,724</b>	<b>382,693</b>	<b>385,431</b>	<b>405,652</b>
Contribution to student aid	i	(8,634)	(9,011)	(9,017)	(9,465)
Canadian fee supplements		(31,923)	(34,926)	(37,324)	(37,058)
International fee supplements		(51,130)	(37,254)	(37,470)	(46,557)
French students supplement		-	-	(771)	(3,903)
<b>Total MELS Recoveries:</b>		<b>(91,687)</b>	<b>(81,191)</b>	<b>(84,582)</b>	<b>(96,983)</b>
Allocation for graduation premiums	j	6,428	7,475	-	-
Indirect Cost of Research Grant	k	18,861	16,978	7,969	-
Provincial indirects flowing thru grants				1,600	1,600
Information technology and libraries		2,671	2,646	2,561	2,589
Rentals grant		1,066	688	735	1,081
Placement Universités		4,725	4,724	4,724	4,724
Disabled Students Grant		-	1,114	1,100	1,100
Target Hiring Chantier 1 and 2		3,669	3,253	4,111	3,695
Other grants	l	1,918	839	849	859
Other Adjustments		1,024	6	399	396
<b>Specific (Temporary) Grants</b>		<b>40,362</b>	<b>37,724</b>	<b>24,048</b>	<b>16,044</b>
<b>Subtotal 1A Operating Grant</b>		<b>350,399</b>	<b>339,225</b>	<b>324,896</b>	<b>324,713</b>
<b>Student Services not captured above</b>	m	<b>2,339</b>	<b>2,415</b>	<b>2,452</b>	<b>2,501</b>
<b>Total Operating Grant</b>		<b>352,738</b>	<b>341,640</b>	<b>327,348</b>	<b>327,214</b>

### Notes:

- a) Based on student weighted FTEs
- b) Based on certain selected expenses
- c) Cut introduced in FY2013 and then folded into normed grants in FY2015
- d) Transitional allocation as a result of rescinding tuition increases
- e) Based on unweighted FTEs
- f) No accruals are booked in budgeting as the grants are based on our most recent estimates
- g) Shift from indirect costs of research to this envelope
- h) Transitional grant until complete deregulation in 6 discipline was attained (5 year transition)
- i) Qc claws back 25% of base tuition increases to fund the loans and bursaries program
- j) \$500 per undergraduate, \$1,000 per Masters and \$7,000 for PhD graduates
- k) Reduction in indirect envelope as a result of the creation of research space maintenance envelope
- l) Includes other Chantiers and support envelopes from MEES
- m) Note that a portion of MEES grant flows directly to student services.

## Appendix 10: Full-Time Tenure-Track Faculty Staff Counts

Appendix 10 outlines the evolution of full-time, tenure-track/tenured academic staff that has taken place in each Faculty over the period from 2010 to 2015.

Faculty <sup>2</sup>	Period			1-yr net change		5-yr net change		New Hires 1-June-10 to 31-May-16
	2009-10	2013-14	2014-15	#	%	#	%	GROSS
Agr. & Env. Sci <sup>3</sup>	93.7	96.7	96.2	-0.5	-0.5%	2.5	2.7%	23.0
Arts <sup>4</sup>	269.8	286.8	299.6	12.8	4.5%	29.8	11.0%	74.3
Dentistry	17.5	19.5	18.0	-1.5	-7.7%	0.5	2.9%	5.5
Education <sup>4</sup>	76.5	80.0	62.5	-17.5	-21.9%	-14.0	-18.3%	28.5
Engineering	144.0	158.0	155.0	-3.0	-1.9%	11.0	7.6%	41.0
Law	44.0	43.0	43.0	0.0	0.0%	-1.0	-2.3%	10.0
Management	69.5	80	77	-3.0	-3.8%	7.5	10.8%	37.5
Medicine	579.7	574.8	566.9	-7.8	-1.4%	-12.8	-2.2%	102.3
<i>of which, clinicians</i>	186.0	173.0	164.0	-9.0	-5.2%	-22.0	-11.8%	17.0
Music	59	59	59	0.0	0.0%	0.0	0.0%	16.0
Religious Studies	13.5	13.5	13.5	0.0	0.0%	0.0	0.0%	3.0
Science	251.8	264.3	264.8	0.5	0.2%	13.0	5.2%	74.5
<b>Total<sup>5</sup></b>	<b>1619.0</b>	<b>1675.5</b>	<b>1655.5</b>	<b>-20.0</b>	<b>-1.2%</b>	<b>36.5</b>	<b>2.3%</b>	<b>415.5</b>

**NOTE:** 1) Table counts joint appointment by splitting the staff count among respective Faculties, as per letters of offer for individual faculty members.

2) Excludes tenure-track librarians

3) The McGill School of Environment (MSE) and its staff counts have been folded into the Faculty of Agricultural & Environmental Sciences (FAES), for all reporting years

4) The School of Information Studies was transferred from Education to Arts (12.5 faculty members) in May-2014. If the transfer of these staff is excluded, there was a net one year reduction by 5 staff (or 6.3%) and a five year reduction of 1.5 staff (or 2.0%) for the Faculty of Education.

5) The total count of 0.5 from FY11 onwards reflects the appointment of the Dean of Libraries who holds a 0.5 joint appointment in the School of Information Studies (Faculty of Arts) and a 0.5 joint appointment in Libraries.

## Appendix 11: Other Full-Time Tenure/Tenured and Full-Time Non-Tenure Track

### Appendix 11.1: Full-time Librarians

Type	Period			1-yr net change		5-yr net change	
	2009-10	2013-14	2014-15	#	%	#	%
Tenure-Track	64	60.5	59.5	-1.0	-1.7%	-4.5	-7.0%
Non-Tenure-Track	7	6	4	-2.0	-33%	-3.0	-43%
<b>Total*</b>	<b>71</b>	<b>66.5</b>	<b>63.5</b>	<b>-3.0</b>	<b>-4.5%</b>	<b>-7.5</b>	<b>-11%</b>

\*NOTE: 0.5 tenure-track position from FY11 onwards reflects the Dean of Libraries' joint appointment in the School of Information Studies, Faculty of Arts.

### Appendix 11.2: Ranked Full-Time Contract Academic Staff

Ranked CAS <sup>1</sup>	Period			1-yr net change		5-yr net change	
	2009-10	2013-14	2014-15	#	%	#	%
Professor	1	1	4	3	300%	3	100%
Associate Professor	1	16	29	13	80%	28	2800%
Assistant Professor	11	54	97	43	80%	86	780%
Senior Faculty Lecturer	n/a	6	12	6	100%	12	1200%
Faculty Lecturer	127	118	124	6	5%	-3	-2.4%
<b>Total</b>	<b>140</b>	<b>195</b>	<b>266</b>	<b>71</b>	<b>36%</b>	<b>126</b>	<b>90%</b>

NOTE: 1) The ranked CAS Hospital staff, excluded here as they are considered full-time at the Hospital

## Appendix 12: Administrative and Support Staff Counts within Academic and Administrative Units

	Counts			1-yr net change		5-yr net change	
	2009-10	2013-14	2014-15	#	%	#	%

Faculty/Area							
Agr. & Env. Sciences	93	78	76	-2	-2.6%	-17	-18.3%
Arts	132	114	116	2	1.8%	-16	-12.1%
Continuing Studies	40	57	63	6	10.5%	23	57.5%
Dentistry	41	42	50	8	19.0%	9	22.0%
Education	50	45	43	-2	-4.4%	-7	-14.0%
Engineering	134	120	123	3	2.5%	-11	-8.2%
Law	32	31	29	-2	-6.5%	-3	-9.4%
Libraries	145	105	100	-5	-4.8%	-45	-31.0%
Management	86	82	88	6	7.3%	2	2.3%
Medicine	664	603	638	35	5.8%	-26	-3.9%
Music	61	47	48	1	2.1%	-13	-21.3%
Religious Studies	8	7	7	0	0.0%	-1	-12.5%
Science	171	168	170	2	1.2%	-1	-0.6%
<b>Sub-Total Faculties and Libraries</b>	<b>1657</b>	<b>1499</b>	<b>1551</b>	<b>52</b>	<b>3.5%</b>	<b>-106</b>	<b>-6.4%</b>

	Counts			1-yr net change		5-yr net change	
	2009-10	2013-14	2014-15	#	%	#	%

<b>(B) Administrative Units</b>							
University Administration	113	111	119	8	7.2%	6	5.3%
Student Life & Learning	452	502	513	11	2.2%	61	13.5%
<i>SLL – Pre-Conversion Prof. Associates</i>	23						
<b>SLL – Revised Total<sup>3</sup></b>	<b>475</b>	<b>502</b>	<b>513</b>	<b>11</b>	<b>2.2%</b>	<b>38</b>	<b>8.0%</b>
Grad & Post-doc. Studies	33	16	22	6	37.5%	-11	-33.3%
Res & Int'l Relations	64	89	91	2	2.2%	27	42.2%
<i>RIR – Pre-Conversion Prof. Associates</i>	18						
<b>RIR - Revised Total<sup>3</sup></b>	<b>82</b>	<b>89</b>	<b>91</b>	<b>2</b>	<b>2.2%</b>	<b>9</b>	<b>11.0%</b>
University Advancement	156	142	141	-1	-0.7%	-15	-9.6%
Admin. & Finance	34	32	30	-2	-6.3%	-4	-11.8%
Fac Man & Anc Services	514	494	502	8	1.6%	-12	-2.3%
Financial Services	129	120	118	-2	-1.7%	-11	-8.5%
Human Resources	77	71	69	-2	-2.8%	-8	-10.4%
IT Services	320	279	280	1	0.4%	-40	-12.5%
Affiliated Units <sup>2</sup>	30	20	26	6	30.0%	-4	-13.3%
<b>Sub-Total (B)</b>	<b>1963</b>	<b>1876</b>	<b>1911</b>	<b>35</b>	<b>1.9%</b>	<b>-52</b>	<b>-2.6%</b>

<b>Total (A+B)</b>	<b>3620</b>	<b>3375</b>	<b>3462</b>	<b>87</b>	<b>2.6%</b>	<b>-158</b>	<b>-4.4%</b>
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**NOTE:** 1) Table excludes staff on long-term disability and placement transition.

2) Affiliated Units include McGill-Queen's University Press, McGill Student Society, Valacta, Morgan Arboretum, Dairy Herd Analysis.

3) Professional Associates (an academic job category) in SLL and RIR areas were converted to M-staff in 2012

## Appendix 13: FY2016 – FY2019 Academic Unit Allocations (\$) (as recorded in FBMs) (1 of 2)

Faculty	Category	Arts	Dentistry	Education	Engineering	FAES	Law	Libraries
FY 2016	1B-1F Funds - Charge	-71,559	-50,423	-21,807	-140,349	-56,806	-16,647	-615
	Academic Renewal Related	8,000	20,000	410,000	220,000	255,000	240,000	
	Admin Staff cut	-99,545	-22,234	-37,813	-90,773	-53,293	-22,693	-117,170
	Agreement Allocations	201,486		83,100	363,254	209,435	25,000	4,745,000
	CFI Related Allocaitons					523,000		
	Deficit Absorption			160,970				
	Discretionary Allocation	73,200	5,250	24,150	42,300	27,375	11,400	
	Enrolment Driven Allocation	20,645	298,620	202,060	244,809	294,338	59,070	
	Indirects allocation	200,000	83,000	80,000	590,000	285,000	30,000	
	MEES Chantier				75,000			
	Non-salary cut	-134,980	-101,285	-65,846	-101,093	-148,710	-45,082	-277,785
	Overhead charges	-9,840	-191,700	-19,200	-57,600	-16,800	-7,920	
	Permission for cfwd spend down							
	<b>Total</b>	<b>187,407</b>	<b>41,228</b>	<b>815,614</b>	<b>1,145,548</b>	<b>1,318,539</b>	<b>273,128</b>	<b>4,349,430</b>
FY 2017	1B-1F Funds - Charge	-29,274	-26,460	-10,633	-64,475	-25,988	-6,886	-246
	Academic Renewal Related	10,000	10,000	400,000	220,000	228,000	210,000	
	Admin Staff cut	-294,652	-65,813	-111,927	-268,687	-157,748	-67,172	-346,823
	Agreement Allocations	195,000		65,059	292,193	197,000	25,000	4,745,000
	Deficit Absorption			160,970				
	Discretionary Allocation	73,200	5,250	24,150	42,300	27,375	11,400	
	Enrolment Driven Allocation	50,000	300,000	250,000	340,000	300,000	65,000	
	Indirects allocation	200,000	83,000	80,000	590,000	285,000	30,000	
	IT Services Adjustment	-563,177	-85,815	-248,448	-339,746	-156,234	-219,525	-276,682
	Insertion Professionnelle	123,250		50,000		60,000		
	MEES Chantier				75,000			
	Non-salary cut	-224,967	-168,808	-109,743	-168,488	-247,850	-75,137	-462,975
	Overhead charges	-13,120	-260,700	-25,600	-76,800	-22,400	-10,560	
	Permission for cfwd spend down			69,500				
	<b>Total</b>	<b>-473,741</b>	<b>-209,346</b>	<b>593,328</b>	<b>641,297</b>	<b>487,155</b>	<b>-37,880</b>	<b>3,658,274</b>
FY 2018	1B-1F Funds - Charge							
	Academic Renewal Related	-10,000	10,000	345,000	220,000	228,000	210,000	
	Admin Staff cut	-481,956	-107,649	-183,077	-439,484	-258,024	-109,873	-567,290
	Agreement Allocations	195,000		25,584	81,813	141,000	25,000	3,450,000
	Deficit Absorption			160,970				
	Discretionary Allocation	73,200	5,250	24,150	42,300	27,375	11,400	
	Enrolment Driven Allocation	75,000	310,000	280,000	355,000	300,000	75,000	
	Indirects allocation	200,000	83,000	80,000	590,000	285,000	30,000	
	IT Services Adjustment	-563,177	-85,815	-248,448	-339,746	-156,234	-219,525	-276,682
	Insertion Professionnelle	123,250		50,000		60,000		
	MEES Chantier				75,000			
	Non-salary cut	-269,960	-202,570	-131,692	-202,186	-297,420	-90,164	-555,570
	Overhead charges	-16,400	-277,500	-32,000	-96,000	-28,000	-13,200	
	Permission for cfwd spend down			69,780				
	<b>Total</b>	<b>-675,043</b>	<b>-265,284</b>	<b>440,267</b>	<b>286,697</b>	<b>301,697</b>	<b>-81,361</b>	<b>2,050,459</b>
FY 2019	1B-1F Funds - Charge							
	Academic Renewal Related	-10,000	10,000	345,000	220,000	228,000	210,000	
	Admin Staff cut	-485,625	-108,469	-184,471	-442,830	-259,989	-110,709	-571,609
	Agreement Allocations	195,000			93,272	141,000	25,000	3,450,000
	Deficit Absorption			160,970				
	Discretionary Allocation	73,200	5,250	24,150	42,300	27,375	11,400	
	Enrolment Driven Allocation	100,000	310,000	300,000	375,000	300,000	85,000	
	Indirects allocation	200,000	83,000	80,000	590,000	285,000	30,000	
	IT Services Adjustment	-563,177	-85,815	-248,448	-339,746	-156,234	-219,525	-276,682
	Insertion Professionnelle	123,250		50,000		60,000		
	MEES Chantier				75,000			
	Non-salary cut	-303,705	-227,891	-148,153	-227,459	-334,598	-101,434	-625,016
	Overhead charges	-16,400	-277,500	-32,000	-96,000	-28,000	-13,200	
	Permission for cfwd spend down			75,151				
	<b>Total</b>	<b>-687,458</b>	<b>-291,425</b>	<b>422,199</b>	<b>289,536</b>	<b>262,555</b>	<b>-83,468</b>	<b>1,976,693</b>

## Appendix 13: FY2016 – FY2019 Academic Unit Allocations (\$) (as recorded in FBM's) (2 of 2)

Faculty								
	Category	Management	Medicine	Music	Religious Stud	Science	SCS	Total
FY 2016	1B-1F Funds - Charge	-959,936	-353,898	-24,916	-2,684	-175,520	-120,768	-1,995,928
	Academic Renewal Related	70,000	2,075,000	54,000	60,000	120,000		3,532,000
	Admin Staff cut	-55,045	-277,817	-41,603	-6,773	-135,299	-40,817	-1,000,875
	Agreement Allocations	78,500	1,009,513	339,417	57,600	332,500	576,221	8,021,026
	CFI Related Allocaitons							523,000
	Deficit Absorption							160,970
	Discretionary Allocation	9,975	156,750	13,875	4,125	77,325	4,350	450,075
	Enrolment Driven Allocation	657,399	2,933,766	347,500	-98,797	1,154,558	224,412	6,338,380
	Indirects allocation	65,000	2,175,000	35,000	10,000	1,050,000		4,603,000
	MEES Chantier	90,000						165,000
	Non-salary cut	-238,517	-675,387	-120,916	-10,987	-172,744	-175,838	-2,269,170
	Overhead charges	-120,000	-1,372,000	-52,800	-636	-10,200		-1,858,696
	Permission for cfwd spend down	400,000	7,692,000	87,951	50,000			8,229,951
	<b>Total</b>	<b>-2,624</b>	<b>13,362,927</b>	<b>637,508</b>	<b>61,848</b>	<b>2,240,620</b>	<b>467,560</b>	<b>24,898,733</b>
FY 2017	1B-1F Funds - Charge	-827,322	-178,763	-12,638	-1,074	-73,651	-56,521	-1,313,931
	Academic Renewal Related	110,000	2,090,000	52,000	75,987	110,000		3,515,987
	Admin Staff cut	-162,932	-822,340	-123,146	-20,047	-400,486	-120,817	-2,962,590
	Agreement Allocations	149,300	1,517,600	293,373	578,735	2,332,500	604,725	10,995,485
	Deficit Absorption							160,970
	Discretionary Allocation	9,975	156,750	13,875	4,125	77,325	4,350	450,075
	Enrolment Driven Allocation	640,000	2,950,000	340,000	0	1,210,000	225,000	6,670,000
	Indirects allocation	65,000	2,050,000	35,000	10,000	1,050,000		4,478,000
	IT Services Adjustment	-294,654	-864,715	-159,817	-19,369	-508,522	-89,482	-3,826,186
	Insertion Professionnelle		49,749	20,000		88,000	10,000	400,999
	MEES Chantier	90,000						165,000
	Non-salary cut	-397,528	-1,125,645	-201,527	-18,312	-287,907	-293,063	-3,781,950
	Overhead charges	-160,000	-1,496,000	-70,400	-848	-13,600		-2,150,028
	Permission for cfwd spend down		3,000,000		50,000	775,000		3,894,500
	<b>Total</b>	<b>-778,161</b>	<b>7,326,636</b>	<b>186,720</b>	<b>659,198</b>	<b>4,358,659</b>	<b>284,192</b>	<b>16,696,331</b>
FY 2018	1B-1F Funds - Charge	-700,000						-700,000
	Academic Renewal Related	110,000	2,210,000	52,000	79,500	110,000		3,564,500
	Admin Staff cut	-266,505	-1,345,081	-201,426	-32,790	-655,065	-197,617	-4,845,836
	Agreement Allocations	206,500	1,345,400	290,473		2,332,500	647,090	8,740,360
	Deficit Absorption							160,970
	Discretionary Allocation	9,975	156,750	13,875	4,125	77,325	4,350	450,075
	Enrolment Driven Allocation	620,000	2,950,000	330,000	0	1,240,000	225,000	6,760,000
	Indirects allocation	65,000	1,925,000	35,000	10,000	1,050,000		4,353,000
	IT Services Adjustment	-294,654	-864,715	-159,817	-19,369	-508,522	-89,482	-3,826,186
	Insertion Professionnelle		390,000	10,000		88,000	10,000	731,250
	MEES Chantier	90,000						165,000
	Non-salary cut	-477,034	-1,350,774	-241,832	-21,974	-345,488	-351,676	-4,538,340
	Overhead charges	-200,000	-1,620,000	-88,000	-1,060	-17,000		-2,389,160
	Permission for cfwd spend down							69,780
	<b>Total</b>	<b>-836,718</b>	<b>3,796,579</b>	<b>40,273</b>	<b>18,433</b>	<b>3,371,750</b>	<b>247,665</b>	<b>8,695,413</b>
FY 2019	1B-1F Funds - Charge	-700,000						-700,000
	Academic Renewal Related	110,000	2,210,000	52,000	22,000	110,000		3,507,000
	Admin Staff cut	-268,534	-1,355,323	-202,960	-33,039	-660,053	-199,122	-4,882,733
	Agreement Allocations		1,319,000	247,140		2,332,500	511,000	8,313,912
	Deficit Absorption							160,970
	Discretionary Allocation	9,975	156,750	13,875	4,125	77,325	4,350	450,075
	Enrolment Driven Allocation	600,000	2,950,000	320,000	0	1,270,000	225,000	6,835,000
	Indirects allocation	65,000	1,800,000	35,000	10,000	1,050,000		4,228,000
	IT Services Adjustment	-294,654	-864,715	-159,817	-19,369	-508,522	-89,482	-3,826,186
	Insertion Professionnelle		390,000	0		88,000	10,000	721,250
	MEES Chantier	90,000						165,000
	Non-salary cut	-536,663	-1,519,621	-272,061	-24,721	-388,674	-395,635	-5,105,633
	Overhead charges	-200,000	-1,620,000	-88,000	-1,060	-17,000		-2,389,160
	Permission for cfwd spend down							75,151
	<b>Total</b>	<b>-1,124,876</b>	<b>3,466,091</b>	<b>-54,823</b>	<b>-42,064</b>	<b>3,353,576</b>	<b>66,111</b>	<b>7,552,647</b>

## Appendix 14: FY2016 – FY2019 Administrative Unit Allocations (\$) (as recorded in FBMs) (1 of 2)

Admin Units	Category	AVP (Mac)	Central	CIO	DP (SL&L)	Financial Svs	Grad Studies
FY 2016	1B-1F Funds - Charge	-23,203		-91,319	-1,258,751		
	Admin Staff cut	-15,178	267,254	-389,359	-139,639	-123,908	-18,043
	Agreement Allocations		640,000	733,788	766,335	-500,000	103,500
	CFI Related Allocaitons						
	Classroom & Lab renovations				930,000		
	Deficit Absorption						
	EdX commitment						
	Non-salary cut	-24,281	-1,069,428	-444,633	-260,497	-56,287	-20,986
	Overhead charges	-21,600		-28,800	-2,088,000		
	Provisional Commitments		23,620,000				
	Student Support				900,000		0
	Permission for cfwd spend down				2,283,907		27,337
	<b>Total</b>	<b>-84,262</b>	<b>23,457,826</b>	<b>-220,323</b>	<b>1,133,355</b>	<b>-680,195</b>	<b>91,808</b>
FY 2017	1B-1F Funds - Charge	-11,181		-37,629	-715,805		
	Admin Staff cut	-44,931	839,074	-1,152,504	-419,630	-366,766	-53,408
	Agreement Allocations		890,000	1,850,000	2,329,047	-387,300	38,607
	CFI Related Allocaitons						
	Classroom & Lab renovations				600,000		
	Deficit Absorption		0				
	Discretionary Allocation						
	EdX commitment						
	IT Services Adjustment	-237,265	-337,301	5,585,803	-142,786	-174,863	-18,630
	Non-salary cut	-40,468	-1,782,380	-741,055	-434,162	-93,812	-34,977
	Overhead charges	-28,800		-38,400	-2,784,000		
	Provisional Commitments		12,225,000		6,000		
	Student Support				1,425,000		250,000
	Permission for cfwd spend down				15,000		
	<b>Total</b>	<b>-362,645</b>	<b>11,834,393</b>	<b>5,466,215</b>	<b>-121,336</b>	<b>-1,022,741</b>	<b>181,592</b>
FY 2018	Admin Staff cut	-73,492	1,481,140	-1,885,122	-686,378	-599,910	-87,358
	Agreement Allocations		2,215,000	2,375,000	1,439,047	-387,300	38,607
	CFI Related Allocaitons						
	Classroom & Lab renovations				600,000		
	Deficit Absorption		0				
	Discretionary Allocation						
	EdX commitment						
	IT Services Adjustment	-237,265	-337,301	5,585,803	-142,786	-174,863	-18,630
	Non-salary cut	-48,562	-2,138,856	-889,266	-520,994	-112,574	-41,972
	Overhead charges	-36,000		-48,000	-3,480,000		
	Provisional Commitments		15,415,000		6,000		
	Student Support				1,630,000		500,000
	Permission for cfwd spend down		3,000,000				
	<b>Total</b>	<b>-395,319</b>	<b>19,634,983</b>	<b>5,138,415</b>	<b>-1,155,111</b>	<b>-1,274,647</b>	<b>390,647</b>
FY 2019	Admin Staff cut	-74,051	787,761	-1,899,475	-691,604	-604,478	-88,023
	Agreement Allocations		2,215,000	2,375,000	1,440,338	-387,300	49,300
	CFI Related Allocaitons						
	Classroom & Lab renovations				600,000		
	Deficit Absorption		0				
	Discretionary Allocation						
	IT Services Adjustment	-237,265	-337,301	5,585,803	-142,786	-174,863	-18,630
	Non-salary cut	-54,632	-2,406,213	-1,000,424	-586,118	-126,646	-47,219
	Overhead charges	-36,000		-48,000	-3,480,000		
	Provisional Commitments		28,915,000		6,000		
	Student Support				2,080,000		500,000
	Permission for cfwd spend down		3,000,000				
	<b>Total</b>	<b>-401,949</b>	<b>32,174,247</b>	<b>5,012,903</b>	<b>-774,170</b>	<b>-1,293,286</b>	<b>395,429</b>

## Appendix 14: FY2016 – FY2019 Administrative Unit Allocations (\$) (as recorded in FBMs) (2 of 3)

Admin Units	Category	HR	Legal Office	Principal	Provost	Secretariat	Univ Services
FY 2016	1B-1F Funds - Charge						-483,638
	Admin Staff cut	-103,171	-12,009	-7,175	-59,614	-9,153	-437,618
	Agreement Allocations	236,695	44,676		175,425	-104,032	5,416,240
	CFI Related Allocaitons						
	Classroom & Lab renovations						
	Deficit Absorption						5,500,000
	EdX commitment				1,000,000		
	Non-salary cut	-164,893	-8,678	-50,000	-46,211	-2,698	-1,212,950
	Overhead charges						909,543
	Provisional Commitments						
	Student Support						
	Permission for cfwd spend down						
	<b>Total</b>	<b>-31,369</b>	<b>23,989</b>	<b>-57,175</b>	<b>1,069,600</b>	<b>-115,883</b>	<b>9,691,577</b>
FY 2017	1B-1F Funds - Charge						-237,313
	Admin Staff cut	-305,386	-35,546	-21,239	-176,458	-20,793	-1,295,350
	Agreement Allocations	244,895	204,676		621,700	-489,032	5,405,240
	CFI Related Allocaitons						
	Classroom & Lab renovations						
	Deficit Absorption						3,000,000
	Discretionary Allocation						
	EdX commitment				750,000		
	IT Services Adjustment	-72,270	-4,894	-6,069	-40,207	-7,184	-438,391
	Non-salary cut	-274,822	-14,463	-70,991	-77,018	-4,497	-2,021,583
	Overhead charges						1,099,266
	Provisional Commitments						
	Student Support						
	Permission for cfwd spend down						
	<b>Total</b>	<b>-407,583</b>	<b>149,773</b>	<b>-98,299</b>	<b>1,078,017</b>	<b>-521,506</b>	<b>5,511,869</b>
FY 2018	Admin Staff cut	-499,512	-58,142	-34,740	-288,628	-34,010	-2,118,772
	Agreement Allocations	244,895	204,676		591,700	-535,032	5,420,240
	CFI Related Allocaitons						
	Classroom & Lab renovations						
	Deficit Absorption						3,000,000
	Discretionary Allocation						
	EdX commitment				500,000		
	IT Services Adjustment	-72,270	-4,894	-6,069	-40,207	-7,184	-438,391
	Non-salary cut	-329,786	-17,356	-81,486	-92,422	-5,396	-2,425,900
	Overhead charges						1,099,266
	Provisional Commitments						
	Student Support						
	Permission for cfwd spend down						
	<b>Total</b>	<b>-656,673</b>	<b>124,284</b>	<b>-122,295</b>	<b>670,443</b>	<b>-581,622</b>	<b>4,536,443</b>
FY 2019	Admin Staff cut	-503,315	-58,585	-35,004	-290,825	-34,270	-2,134,904
	Agreement Allocations	244,895	204,676		426,700	-535,032	5,433,240
	CFI Related Allocaitons						
	Classroom & Lab renovations						
	Deficit Absorption						3,000,000
	Discretionary Allocation						
	IT Services Adjustment	-72,270	-4,894	-6,069	-40,207	-7,184	-438,391
	Non-salary cut	-371,009	-19,526	-89,358	-103,975	-6,071	-2,729,138
	Overhead charges						1,099,266
	Provisional Commitments						
	Student Support						
	Permission for cfwd spend down						
	<b>Total</b>	<b>-701,700</b>	<b>121,672</b>	<b>-130,431</b>	<b>-8,307</b>	<b>-582,557</b>	<b>4,230,073</b>

## Appendix 14: FY2016 – FY2019 Administrative Unit Allocations (\$) (as recorded in FBMs) (3 of 3)

Admin Units	Category	VP (A&F)	VP (CER)	VP(Advancement)	VP(RIR)	Total
FY 2016	1B-1F Funds - Charge	-8,985		-6,389	-46,649	-1,918,934
	Admin Staff cut	-26,430	-54,315	-165,677	-102,220	-1,396,255
	Agreement Allocations	10,012	114,662	337,661	754,119	8,729,081
	CFI Related Allocations				1,362,878	1,362,878
	Classroom & Lab renovations					930,000
	Deficit Absorption					5,500,000
	EdX commitment					1,000,000
	Non-salary cut	-71,651	-97,639	-485,420	-147,693	-4,163,945
	Overhead charges			-4,609	-18,000	-1,251,466
	Provisional Commitments					23,620,000
	Student Support					900,000
	Permission for fwd spend down			250,000		2,561,244
	<b>Total</b>	<b>-97,054</b>	<b>-37,292</b>	<b>-74,435</b>	<b>1,802,435</b>	<b>35,872,602</b>
FY 2017	1B-1F Funds - Charge	-3,594		-2,734	-19,530	-1,027,786
	Admin Staff cut	-78,233	-99,143	-490,405	-302,571	-4,023,286
	Agreement Allocations	15,396	180,000	549,000	815,800	12,268,029
	CFI Related Allocations				2,244,228	2,244,228
	Classroom & Lab renovations					600,000
	Deficit Absorption					3,000,000
	Discretionary Allocation	500,000				500,000
	EdX commitment					750,000
	IT Services Adjustment	-19,346	-43,196	-141,835	-72,455	3,829,111
	Non-salary cut	-119,418	-162,732	-809,033	-246,155	-6,927,566
	Overhead charges			-6,146	-24,000	-1,782,080
	Provisional Commitments					12,231,000
	Student Support					1,675,000
	Permission for fwd spend down			500,000		515,000
	<b>Total</b>	<b>294,805</b>	<b>-125,071</b>	<b>-401,152</b>	<b>2,395,317</b>	<b>23,851,650</b>
FY 2018	Admin Staff cut	-127,964	-201,342	-802,143	-494,909	-6,511,280
	Agreement Allocations	15,396	80,000	489,000	470,800	12,662,029
	CFI Related Allocations				2,394,228	2,394,228
	Classroom & Lab renovations					600,000
	Deficit Absorption					3,000,000
	Discretionary Allocation	405,000				405,000
	EdX commitment					500,000
	IT Services Adjustment	-19,346	-43,196	-141,835	-72,455	3,829,111
	Non-salary cut	-143,302	-195,278	-970,840	-295,386	-8,309,376
	Overhead charges			-7,682	-30,000	-2,502,416
	Provisional Commitments					15,421,000
	Student Support					2,130,000
	Permission for fwd spend down					3,000,000
	<b>Total</b>	<b>129,784</b>	<b>-359,816</b>	<b>-1,433,499</b>	<b>1,972,279</b>	<b>26,618,296</b>
FY 2019	Admin Staff cut	-128,938	-299,453	-1,101,411	-679,552	-7,836,128
	Agreement Allocations	15,396	80,000	489,000	170,800	12,222,013
	CFI Related Allocations				3,447,029	3,447,029
	Classroom & Lab renovations					600,000
	Deficit Absorption					3,000,000
	Discretionary Allocation	405,000				405,000
	IT Services Adjustment	-19,346	-43,196	-141,835	-72,455	3,829,111
	Non-salary cut	-161,215	-219,688	-1,092,195	-332,309	-9,345,735
	Overhead charges			-7,682	-30,000	-2,502,416
	Provisional Commitments					28,921,000
	Student Support					2,580,000
	Permission for fwd spend down					3,000,000
	<b>Total</b>	<b>110,897</b>	<b>-482,337</b>	<b>-1,854,122</b>	<b>2,503,513</b>	<b>38,319,874</b>

## Appendix 15: Summary of Carryforwards & fund balances – Unrestricted funds FY2016 (\$'000)

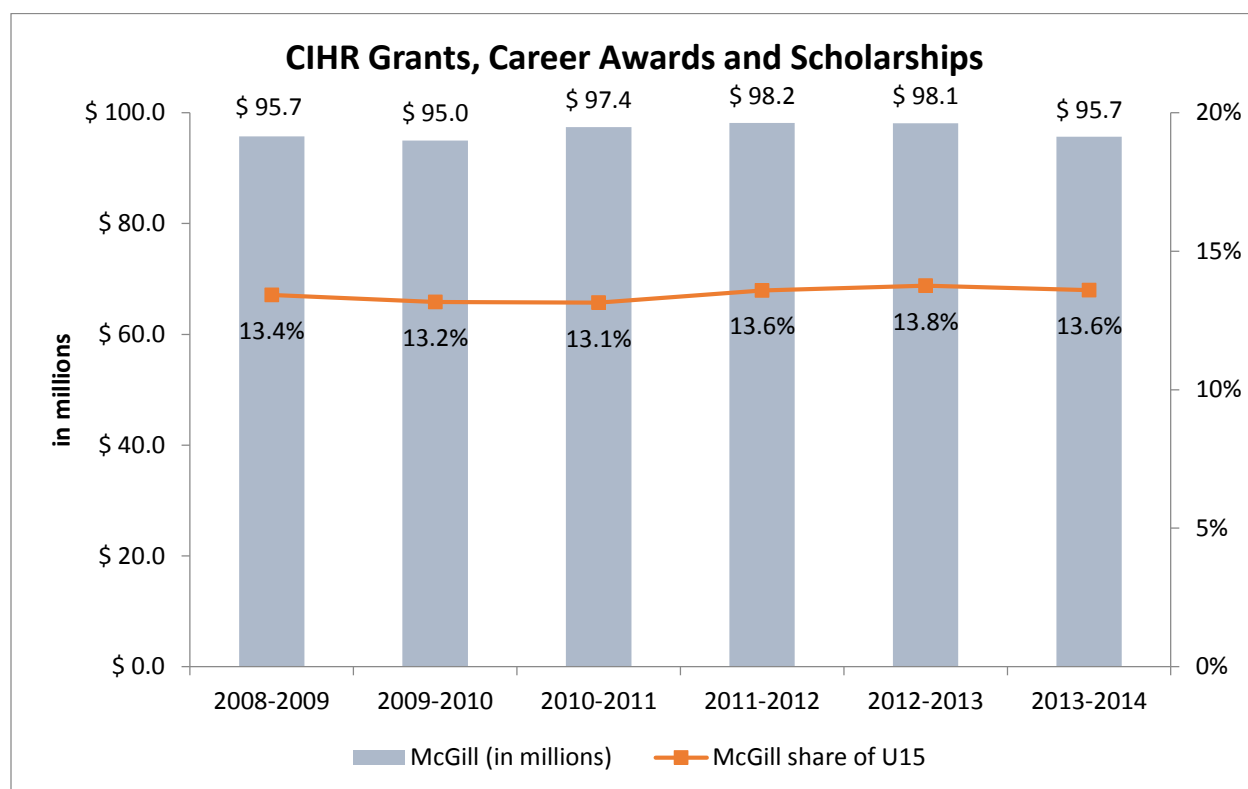
	FY16 (Beginning of Year)								
	1A					1B	1C to 1F	Total	
Faculties	Professor funds	Over-expenditure	Reserve	Exceptions	Net c/f			+ve c/fs	-ve c/fs
FAES	13	(68)	245	75	265	185	3,497	4,015	(68)
Arts	129	(874)	-	220	(525)	-	2,923	3,272	(874)
SCS	-	-	3	-	3	4,087	2,347	6,437	-
Dentistry	-	(65)	30	-	(35)	-	1,641	1,671	(65)
Education	9	-	512	13	534	-	1,654	2,188	-
Engineering	375	(598)	7	189	(27)	-	9,915	10,486	(598)
Law	1	-	99	-	100	133	1,377	1,610	-
Management	20	-	527	-	547	(21)	5,271	5,818	(21)
Medicine	86	-	2,892	3,682	6,660	(4)	34,365	41,025	(4)
Music	15	-	337	-	352	8	673	1,033	-
Rel. St.	-	(435)	176	-	(259)	-	87	263	(435)
Science	34	-	4,160	939	5,133	-	8,199	13,332	-
Libraries	-	-	399	-	399	-	82	481	-
Admin Units									
Principal	-	-	-	-	-	-	145	145	-
Provost	-	-	-	316	316	-	(2)	316	(2)
AVP(Mac)	-	(43)	-	-	(43)	200	39	239	(43)
DP - SLL	-	-	-	-	-	9,309	2,141	11,450	-
AP (GPS)	-	-	-	-	-	-	-	-	-
VP (A&F)	-	-	-	-	-	-	298	298	-
CIO	-	(44)	-	-	(44)	432	10	442	(44)
AVP (FMAS)	-	(13,711)	-	885	(12,826)	10,973	73	11,931	(13,711)
VP (RIR)	-	(1,641)	-	-	(1,641)	-	627	627	(1,641)
VP (UA)	-	-	-	-	-	-	1,270	1,270	-
VP (CER)	-	(16)	-	-	(16)	-	-	-	(16)
Institutional	-	-	-	-	-	-	(5,857)	-	(5,857)
<b>Total</b>	<b>682</b>	<b>(17,495)</b>	<b>9,387</b>	<b>6,319</b>	<b>(1,107)</b>	<b>25,302</b>	<b>70,775</b>	<b>118,349</b>	<b>(23,379)</b>

## Appendix 16: Research Trends – Federal Granting Agencies 2008-2009 to 2013-2014

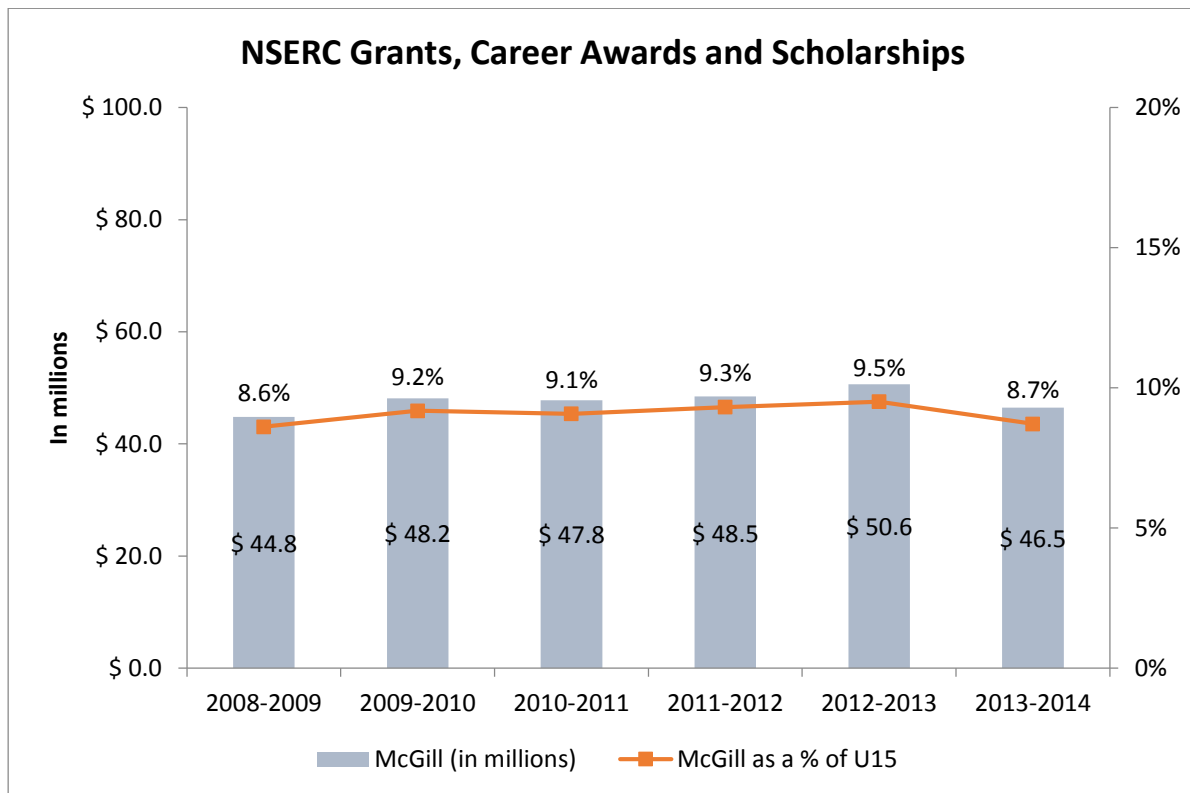
The graphs below show McGill's federal research grants and share within the U15 from each of granting councils of the Tri-Agency (including scholarships which do not generate indirect grants).

Note: Amounts represent monies awarded by the agency during the agency's fiscal year (i.e. April 1 to March 31<sup>st</sup>).

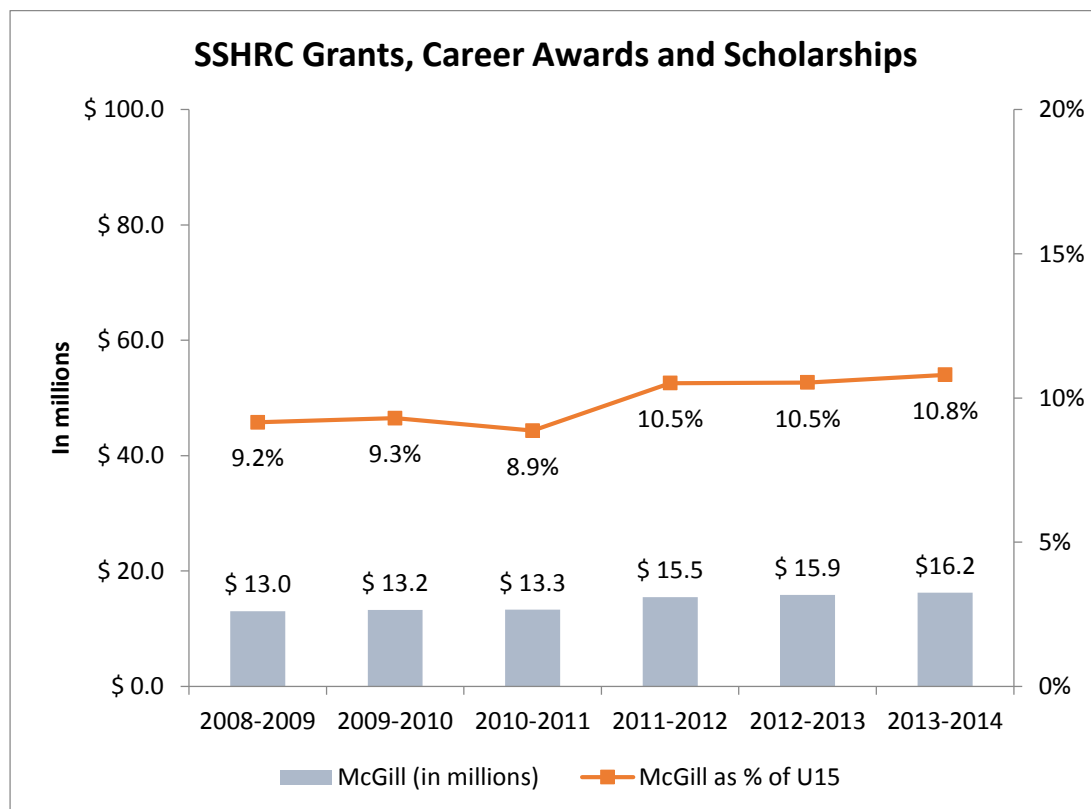
### Tri-Agency Research Grants (CIHR) Awarded



### Tri-Agency Research Grants (NSERC) Awarded



### Tri-Agency Research Grants (SSHRC) Awarded



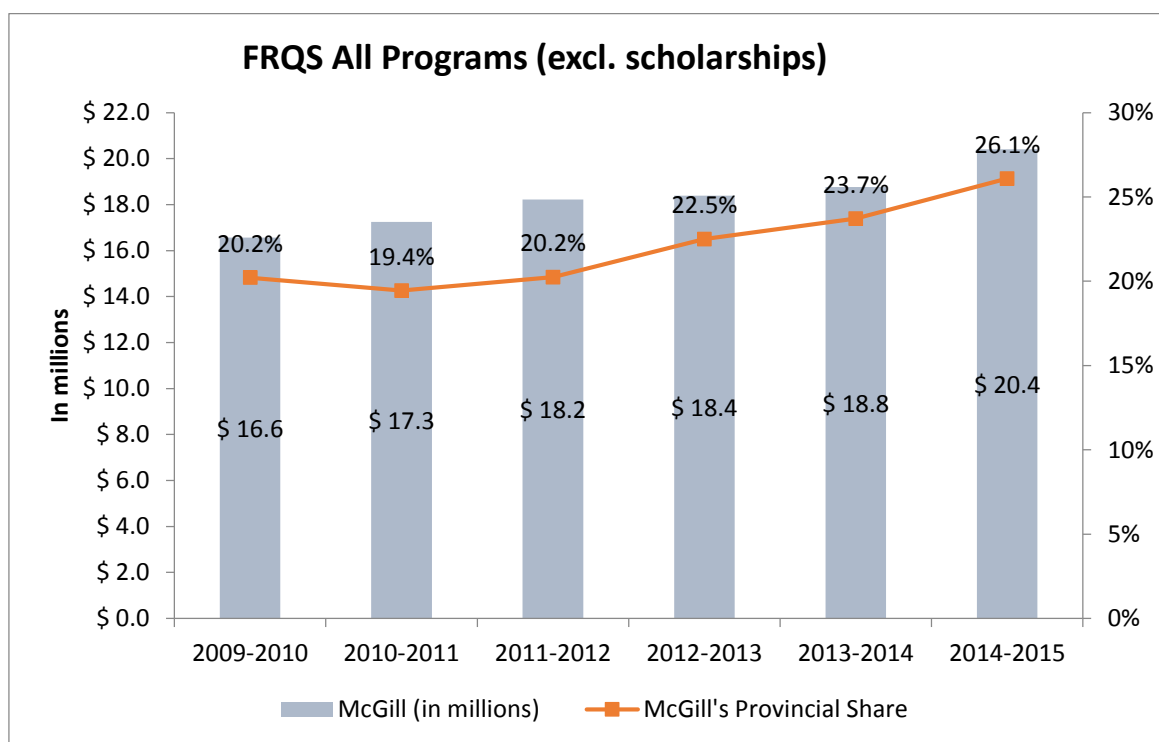
Source: U15 Data Exchange (OST data cube)

## Appendix 17: Research Trends – Provincial Granting Agencies

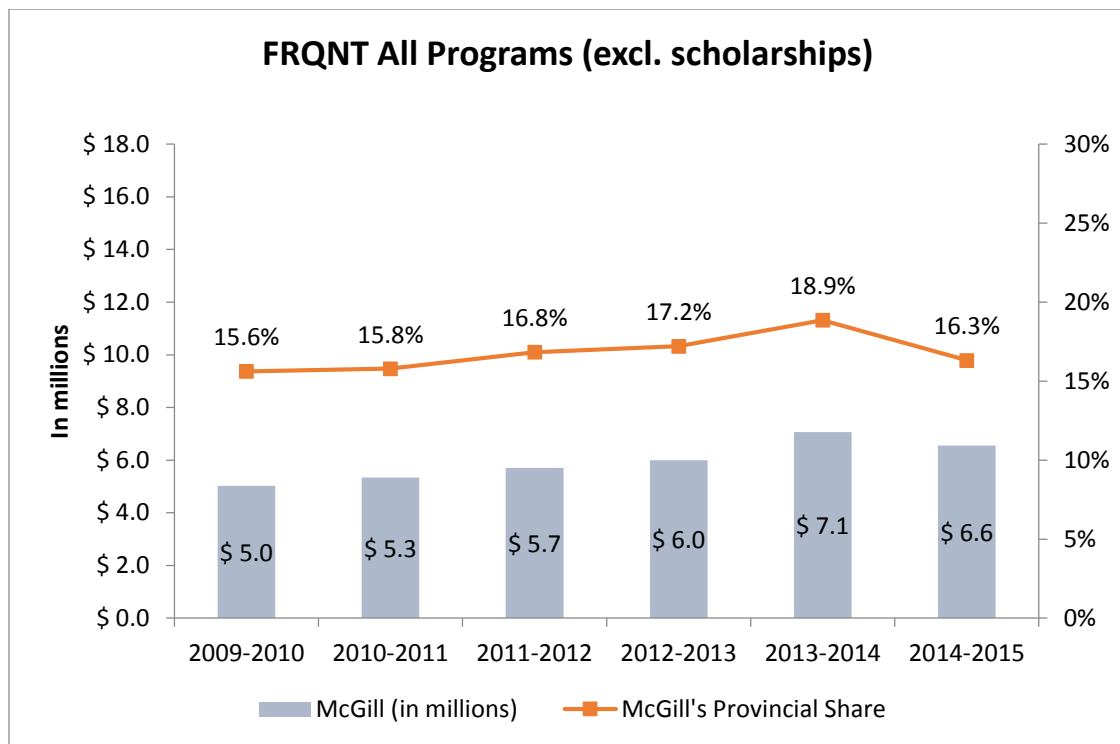
### 2009-2010 to 2014-2015

When reviewing provincial grant funding, it is always important to consider share as well as actual dollar amounts insofar as several programs depend more on the former than the latter. As shown in the graphs below, McGill's share of all FRQ grants McGill's share of all FRQ programs grew as did total grant funding. For FRQSC and FRQNT the amount allocated for each year is the sum total of awards won during that competition year plus the committed amounts won in previous competition years.

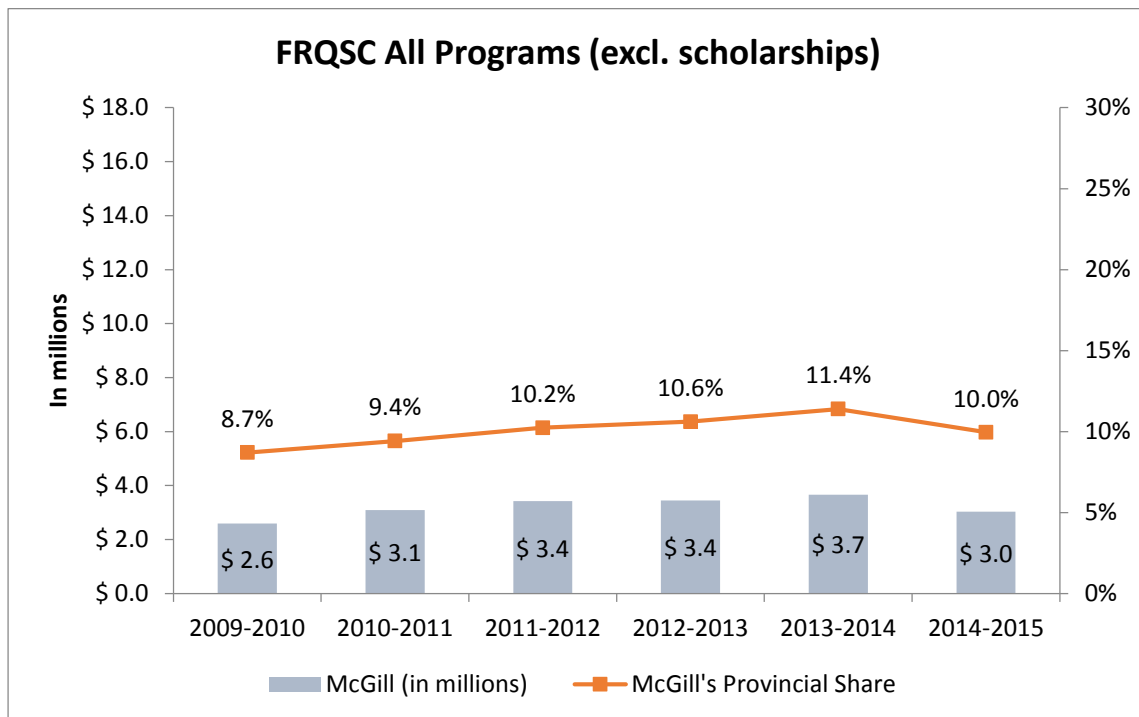
#### Provincial Research Grants (FRQS) Awarded



### Provincial Research Grants (FRQNT) Awarded



### Provincial Research Grants (FRQSC) Awarded



Source: FRSQ and FQRNT/FQRSC extranet

## Appendix 18

### Deferred Maintenance Repayment Impact on Operating Budget

(\$'M)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Payment in capital	0.00	0.00	0.00	0.00	-6.07	-12.17
Interest payment	0.00	-6.36	-6.36	-11.33	-14.86	-14.86
Rate lock	-8.00	0.00	-7.30	-3.70	0.00	0.00
Interest earned	0.00	2.16	0.59	0.68	0.59	0.08
Expenses	-1.10	0.00	-0.67	-0.57	0.00	0.00
<b>NET OUTFLOW</b>	<b>-9.10</b>	<b>-4.20</b>	<b>-13.74</b>	<b>-14.92</b>	<b>-20.34</b>	<b>-26.95</b>

## Appendix 19: Endowment Income Contribution to Restricted Fund (by major unit) FY15 details and FY10-FY15 totals

### McGill University

#### Current Year Endowment Income Received by Restricted Funds

FY2014 details compared to FY2009-FY2014 totals (in '000s)

	DP SLL	Agriculture	Arts	Cont Ed	Dentistry	Education	Engineering	GPS
Medals	\$ 1	\$ 4	\$ 12	\$ -	\$ -	\$ -	\$ 5	\$ -
Prizes	\$ 205	\$ 37	\$ 371	\$ 5	\$ 17	\$ 26	\$ 80	\$ 16
Scholarships	\$ 4,391	\$ 204	\$ 293	\$ 1	\$ 29	\$ 42	\$ 542	\$ 5
Bursaries	\$ 1,185	\$ 1	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -
Fellowships	\$ -	\$ 204	\$ 890	\$ -	\$ 31	\$ 40	\$ 874	\$ 1,912
Chairs	\$ -	\$ 163	\$ 1,349	\$ -	\$ 41	\$ 69	\$ 824	\$ -
Others	\$ 532	\$ 220	\$ 1,410	\$ 11	\$ 731	\$ 33	\$ 2,065	\$ 83
	<b>\$ 6,314</b>	<b>\$ 833</b>	<b>\$ 4,325</b>	<b>\$ 18</b>	<b>\$ 849</b>	<b>\$ 210</b>	<b>\$ 4,390</b>	<b>\$ 2,016</b>

	Law	Mgmt	Medicine	Music	Religious Studies	Science	Libraries	Admin Units
Medals	\$ 8	\$ 1	\$ 1	\$ 1	\$ -	\$ 12	\$ -	\$ -
Prizes	\$ 59	\$ 71	\$ 194	\$ 33	\$ 27	\$ 42	\$ -	\$ 1
Scholarships	\$ 155	\$ 211	\$ 580	\$ 651	\$ 14	\$ 451	\$ 4	\$ 27
Bursaries	\$ 10	\$ 4	\$ -	\$ 4	\$ 10	\$ -	\$ -	\$ -
Fellowships	\$ 276	\$ 151	\$ 1,565	\$ 86	\$ -	\$ 694	\$ 11	\$ 25
Chairs	\$ 959	\$ 239	\$ 4,224	\$ 165	\$ 59	\$ 1,218	\$ 89	\$ 48
Others	\$ 601	\$ 1,731	\$ 6,935	\$ 136	\$ 211	\$ 1,224	\$ 1,214	\$ 1,446
	<b>\$ 2,068</b>	<b>\$ 2,408</b>	<b>\$ 13,499</b>	<b>\$ 1,076</b>	<b>\$ 321</b>	<b>\$ 3,641</b>	<b>\$ 1,318</b>	<b>\$ 1,547</b>

	Total FY15	2014	2013	2012	2011 (11 months)	2010	2009
Medals	\$ 45	\$ 44	\$ 42	\$ 42	\$ 41	\$ 44	\$ 54
Prizes	\$ 1,184	\$ 1,068	\$ 964	\$ 837	\$ 779	\$ 812	\$ 997
Scholarships	\$ 7,600	\$ 7,158	\$ 6,644	\$ 6,636	\$ 6,768	\$ 7,078	\$ 8,530
Bursaries	\$ 1,215	\$ 964	\$ 830	\$ 752	\$ 643	\$ 571	\$ 602
Fellowships	\$ 6,759	\$ 6,185	\$ 5,783	\$ 5,807	\$ 4,843	\$ 4,738	\$ 5,230
Chairs	\$ 9,447	\$ 8,975	\$ 8,033	\$ 8,662	\$ 7,412	\$ 7,802	\$ 9,296
Others	\$ 18,583	\$ 16,808	\$ 15,638	\$ 16,032	\$ 15,384	\$ 16,101	\$ 17,396
	<b>\$ 44,833</b>	<b>\$ 41,202</b>	<b>\$ 37,934</b>	<b>\$ 38,768</b>	<b>\$ 35,870</b>	<b>\$ 37,146</b>	<b>\$ 42,105</b>

## Appendix 20: Capital Borrowings Summary FY2016

<b>McGill University</b>								
<b>Summary of Outstanding Capital Borrowings</b>								
<b>Supported by future donations</b>								
		Expected Sources of Funds				Outstanding Borrowings (\$ M)		
			<u>FY16 Est</u>	<u>FY15</u>	<u>FY14</u>	<u>FY13</u>	<u>FY12</u>	<u>FY11</u>
1	<u>Dental Clinic</u>	Future Fundraising	\$ 8.30	\$ 8.30	\$ -	\$ -	\$ -	\$ -
2	<u>Life Sciences</u>	Future Fundraising	\$ -	\$ -	\$ 9.32	\$ 9.32	\$ 9.32	\$ 9.32
3	<u>740 Penfield</u>	Future Fundraising	\$ -	\$ -	\$ -	\$ 3.00	\$ 3.00	\$ 6.00
4	<u>Barton Library</u>	Future Fundraising Pledges	\$ -	\$ -	\$ 1.87	\$ 1.87	\$ 1.87	\$ 2.03
5	<u>New Music</u>	Future Fundraising	\$ -	\$ -	\$ -	\$ 2.00	\$ 2.00	\$ 3.50
6	<u>Bronfman Basement</u>	Future Fundraising Pledges	\$ 1.27	\$ 1.27	\$ 1.23	\$ 2.92 \$ (1.70)	\$ 2.92	\$ 2.92
7	<u>Bronfman Basement</u>	Future Fundraising	\$ 1.84	\$ 1.84	\$ 1.70	\$ -	\$ -	\$ -
8	<u>Bronfman 3rd floor</u>	Future Fundraising Pledges	\$ -	\$ -	\$ 1.28 \$ (1.28)	\$ 1.28 \$ (1.28)	\$ 2.23	\$ 2.26
9	<u>Bronfman 2nd floor</u>	Future Fundraising Pledges	\$ 0.57	\$ 0.57	\$ 0.80 \$ -	\$ 1.07 \$ (0.30)	\$ 1.39	\$ -
10	<u>Faculty of Law Renovations</u>	Future Fundraising	\$ 0.86	\$ 0.86	\$ 0.99	\$ 0.99	\$ 1.19	\$ 1.17
11	<u>Dietetics &amp; Human Nutrition Lab</u>	Future Fundraising Pledges	\$ 0.83	\$ 0.83	\$ 0.83	\$ 0.79	\$ 0.75	\$ 0.88
12	<u>Eduation - Professor Anderson CFI</u>	Future Fundraising	\$ -	\$ -	\$ 0.58	\$ 0.58	\$ 0.58	\$ 0.48
13	<u>James Meeting Rooms</u>	Future Fundraising	\$ -	\$ -	\$ 1.77	\$ 1.74	\$ 1.63	\$ 0.22
14	<u>Ludmer building</u>	Future Fundraising	\$ 0.27	\$ 0.27	\$ 0.27	\$ 0.92	\$ -	\$ -
15	<u>Other (&lt; \$ 200k)</u>	Various	\$ 0.05	\$ 0.05	\$ 0.14	\$ 0.13	\$ 0.01	\$ 2.50
<b>Outstanding Capital Borrowings :</b>			<b>\$ 13.99</b>	<b>\$ 13.99</b>	<b>\$ 19.50</b>	<b>\$ 23.33</b>	<b>\$ 26.89</b>	<b>\$ 31.27</b>
16	<u>MNI - North Wing (Ph.I)</u>		\$ 9.10	\$ 9.10	\$ 12.60	\$ 17.91	\$ 23.11	\$ 16.88
<b><u>TOTAL</u></b>			<b>\$ 23.09</b>	<b>\$ 23.09</b>	<b>\$ 32.10</b>	<b>\$ 41.24</b>	<b>\$ 50.00</b>	<b>\$ 48.15</b>

## **Appendix 21: University Significant Accounting Policies and Principles**

### **21.1.1 Financial/accounting policies**

The University's audited financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") using the deferral method.

The following significant accounting policies are included in the annual audited financial statements of the University:

### **21.1.2 Revenue Recognition**

The University follows the deferral method of accounting for contributions, which include gifts and bequests, contracts and government grants. Research grants are recognized as revenue in the year in which related expenses are recognized.

Interest and dividend revenue is recorded on an accrual basis. Realized gains or losses on sales of investments are recorded when securities are sold based on the cost. Unrealized gains and losses related to the change in market value are recorded as investment income.

### **21.1.3 Balanced Budget**

MEESR does require Quebec universities to submit a balanced budget, otherwise to submit a plan to return to a balanced budget within an acceptable time period. The University defines a "balanced budget" as having annual operating revenues sufficient to meet all operating expenses. An annual budgeted breakeven position would mean operating revenues exactly equal to operating expenses. If actual financial results differ from the previous year's budgeted amounts, explanations are provided in the financial statement analysis.

The University is expected to run annual deficits for FY2015 and FY2016 and then return to an effective balanced budget by FY2017. The current level of accumulated deficit is benchmarked against other universities in the province and is generally consistent with the other large universities that have medical schools.

### **21.1.4 Contingency fund**

The University's mid-year Contingency fund will be approximately \$4.5M in FY2017, and is expected to be sufficient to cover unexpected operational or building needs.

### **21.1.5 Capital assets**

Capital assets are recorded at cost. Purchases made using Operating or Restricted funds are capitalized directly in the Plant Fund. Restricted funding contributions will be recorded in the Plant Fund as deferred contributions and recognized as revenue simultaneous to the amortization expense. Constructed assets do not include interest incurred during construction. Contributed capital assets are recorded at appraised fair value at the date of contribution when fair value can be reasonably estimated; otherwise they are recorded at a nominal amount. Amortization of assets under development commences when development is completed.

### **21.1.6 Grants receivable**

Under GAAP, these amounts meet the criteria of an asset. An offsetting liability is recorded as a corresponding deferred contribution. Please refer to 24.1.2 regarding "revenue recognition" for grants.

### **21.1.7 Pledges**

Donation pledges are not recognized until received and are disclosed in the notes to the financial statements, consistent with other Canadian Universities and accounting standards for not-for-profit organizations.

#### **21.1.8 Discounting of Long-Term Grants Receivable**

Under GAAP, long-term receivables are discounted to their present value. A rate based on risk of the counter party will be agreed to.

#### **21.1.9 Deferral of Research and Capital Grants**

Under the deferral method, unspent research and capital grants are recorded as deferred contributions, rather than as grant revenue. Revenue recognition occurs in the year as related expenses are incurred. .

#### **21.1.10 Long-term debt**

Long-term debt is presented at the gross value of all outstanding debt.

#### **21.1.11 Short-term debt**

McGill's Board of Governors has approved a maximum borrowing level of \$300M under short-term credit facilities. Unsecured and uncommitted lines of credit, totalling \$350M, are available to McGill and are normally drawn through bankers' acceptances for periods of up to one year.

#### **21.1.12 Employee Future Benefits**

The University has adopted Section 3463 of the CPA Canada Handbook- Accounting, effective for fiscal years beginning on or after January 1, 2014, with retroactive application.

#### **21.1.13 Employee Future Benefits, Vacation Accrual and Other Pension Costs**

Under GAAP, accruals for the above items are required to be recorded over the periods of service. An actuarial accounting valuation is performed annually at year end to determine the amounts related to the pension liability and the post-employment benefit obligation. The valuation will use estimates and assumptions as agreed to by management. The tri-annual actuarial valuation for the pension plan was performed as at December 31, 2015.

## Appendix 22: Administrative Groupings (1 of 2)

### Faculties - Departments and Schools

#### Agricultural and Environmental Sciences

Agricultural Economics  
Animal Science  
Bioresource Engineering  
Dietetics and Human Nutrition  
Farm Mgmt and Technology Program

Food Science and Agric. Chemistry  
McGill School of Environment  
Natural Resource Sciences  
Parasitology  
Plant Science

#### Arts

Anthropology  
Art History and Communications Studies  
East Asian Studies  
Economics  
English  
French Language Centre  
French Language and Literature  
Gender, Sexuality and Feminist Studies  
History and Classical Studies  
Information Studies

International Development  
Islamic Studies  
Jewish Studies  
Languages, Literatures, and Cultures  
McGill Institute for the Study of Canada  
Linguistics  
Philosophy  
Political Science  
Social Work  
Sociology

#### Continuing Studies

Career & Professional Development  
Language & Intercultural Communication

Personal and Cultural Enrichment  
Translation & Written Communication

#### Dentistry

#### Education

Educational and Counselling Psychology  
Integrated Studies in Education

Kinesiology and Physical Education

#### Engineering

Architecture  
Bioengineering  
Chemical Engineering  
Civil Engineering & Applied Mechanics

Electrical and Computer Engineering  
Mechanical Engineering  
Mining and Materials  
Urban Planning

#### Law

#### Desautels Faculty of Management

#### Medicine

Anatomy and Cell Biology  
Anesthesia  
Biochemistry  
Biomedical Engineering  
Communications Sciences & Disorders  
Diagnostic Radiology  
Epidemiology, Biostats and Occup. Health  
Family Medicine  
Human Genetics  
Ingram School of Nursing  
Medicine  
Microbiology & Immunology  
Neurology

Obstetrics & Gynecology  
Oncology  
Ophthalmology  
Otolaryngology  
Pathology  
Pediatrics  
Pediatric Surgery  
Pharmacology & Therapeutics  
Physical & Occupational Therapy  
Physiology  
Psychiatry  
Social Studies of Medicine  
Surgery

## Appendix 22: Administrative Groupings (2 of 2)

### Schulich School of Music

### Religious Studies (merging with Arts in FY2017)

### Science

Atmospheric and Oceanic Sciences	Geography
Biology	Mathematics and Statistics
Chemistry	Physics
Computer Science	Psychology
Earth and Planetary Sciences	Redpath Museum

### Libraries

### Administrative Units

#### Principal and Vice-Chancellor

Legal Services  
University Secretariat

#### Provost and Vice Principal (Academic)

Associate Provost (Policies, Procedures and Equity)	
Associate Provost (Budget and Resources)	
Office of the Budget	Ombudsperson for students
Planning and Institutional Analysis	Social Equity & Diversity Education

#### Associate Vice-Principal (Macdonald Campus)

#### Graduate & Postdoctoral Studies (Dean)

Interfaculty Studies

#### Deputy Provost (Student Life and Learning)

Athletics	Residences & Student Housing
Dean of Students	Student Services
Enrolment Services	Teaching and Learning Services
Food and Dining Services	

#### Vice-Principal (Administration and Finance)

Internal Audit Department	Investments
Risk Management and Insurance	Human Resources
Information Technology Services	Facilities Management & Ancillary Services
Financial Services	

#### Vice-Principal (Research and International Relations)

Sponsored Research

#### Vice-Principal, University Advancement

Advancement Services	Donor Relations & Stewardship
Alumni Relations	Marketing and Communications
Development	

#### Vice-Communications and External Relations

Communications	Graphics, Multimedia and Advertising
Governmental and Institutional Affairs	

Note: Refer to <http://www.mcgill.ca/pia/unit> for detailed breakdown

## Appendix 23: Glossary of Terms

**Academic Renewal:** The program by which the University sets Faculty-based tenure-track academic targets and provides Faculties with the operating support needed to reach the targets, including operating salaries, start-ups, and recruitment funds.

**Accrual:** The accrual accounting method reports revenue when earned (rather than received), and expenses when incurred (rather than paid).

**Accumulated Operating Deficit:** The total debt (i.e., the sum of the operating deficits) incurred to support the accumulated spending that is in excess of revenues.

**Activity Based Budgeting (ABB):** The form of budgeting in which revenues flow to the unit whose activities generate the funds, and central costs, not attributable to a specific revenue generating activity, are charged to revenue-generating units based on cost drivers.

**Actual:** Real revenues, salaries, expenditures, or transfers that have been posted to a fund.

**Administrative and Support Services:** All institutional administration, including services such as physical plant.

**Administrative Grant:** The portion of the operating grant provided by MESRST to cover the administrative costs (non-teaching) of running a university. Calculated by multiplying an unweighted student full-time equivalent (FTE) times a dollar amount per FTE. See also Weighted Full-Time Equivalent (FTE Student).

**Amortisation:** The accounting of a purchased asset, which represents a non-cash expense over a period of time. Also, for those units required to repay internal loans, it represents the systematic repayment of the debt over the agreed period.

**Ancillary Operations:** Resources devoted to the activities and jobs that complement the range of services offered by the University; examples include food services, residences, and printing.

**Asset:** A tangible or intangible item of positive value to the University (e.g., cash, government receivables, a building, or a piece of equipment).

**Balance Sheet:** A report of financial position at a specific point in time outlining the Institution's assets, liabilities, and fund balances available for future purposes.

**Basis Points (Bps):** a unit equal to one-one hundredth of a percentage point.

**Bequest:** A gift given to the university at the time of a person's death as set forth in the individual's last will and testament. Bequests can have a variety of forms including, but not limited to: cash, marketable securities, tangible fixed assets, and consumable commodities. Bequests are classified according to the absence or presence of donor stipulations as unrestricted, temporarily restricted, or permanently restricted.

**Budget:** An organisational plan stated in monetary terms; functions as a tool to measure revenue levels and expenditures against expectations.

**Budget Calendar:** The timeline of key dates for both requests for resources and deliverables of budget related information from the Budget Office to end-users and from end users to the Budget Office.

**Budget Executive Committee (BEC):** A committee comprised of the Principal, Provost and Vice-Principal (Administration and Finance) responsible for vetting and approving high-level budget directions as well as arbitrating

**Budget Planning Agreement:** the culmination of a process which represents the operating plan between the Provost and the Dean / Vice-Principal regarding activities that support strategic objectives. It reports on previous year achievements and challenges, as well as the unit's aspirations and priorities. It includes a summary of key performance indicators and targets. It also provides a description of financial requests and the Provost's feedback.

**Campaign McGill:** An intensive set of operations or actions undertaken by the University to increase the amount of money coming from philanthropic donations to support academic priorities, goals, and objectives.

**Capital Assets:** Assets used in operations, either tangible (e.g., infrastructure, and, vehicles) or intangible (e.g., software) that have an initial useful life of more than one year. See also Capital Fund, Capital (Plant) Fund, and Plant Fund.

**Capitalization:** Term used in relation to the endowment fund when unspent distributed income is reinvested in the endowment fund.

**Campus Renewal Loans:** Loans that the University has obtained from financial institutions in order to fund deferred maintenance projects requiring immediate attention.

**Capital Fund:** Holds all the assets acquired by the University and any debt incurred to acquire such assets.

**Capital (Plant) Fund:** Funds used to acquire or improve capital assets. See also Capital Assets, Capital Fund, and Plant Fund.

**Contract Academic Staff (CAS):** A staff member who holds an academic appointment for a definite or indefinite term that does not lead to tenure.

**Conditional grant:** 10% of the provincial grant which can be withheld by the Ministry if a university runs an annual deficit (excluding GAAP adjustments) without providing a plan to return to a balanced budget.

**Contribution:** Gifts, grants, bequests and any similar transfer of resources (both monetary and in-kind).

**Decapitalization:** Term used in relation to the endowment fund when a portion of an endowed fund, higher than the distribution rate, is credited into the spendable fund.

**Deferred Maintenance:** The amount of renovation and upgrade required for the University's physical infrastructure. The repairs are serious and urgent in-nature as preventive maintenance was not performed in prior years. Examples include: upgrading ventilation systems, roof replacements, and building or wall replacements.

**Deficit:** Also known as overdraft; the amount by which an account's expenses and transfers out exceed revenues and transfers in, resulting in a balance of less than \$0.

**De-regulated tuition:** Tuition fees that are set by the University rather than by government regulation. See also regulated and re-regulated tuition.

**De-regulation:** Government cedes tuition setting authority to university for one or more program(s).

**Donation:** An act of presenting something as gift, bequest, or contribution, especially to a public institution or charity.

**Endowment Fund:** This Fund, consisting of all gifts, donations, and bequests including those for Chairs, financial aid, and other specific purposes, is invested to earn a reasonable rate of return over time, while attempting to protect the purchasing power of the original gift. Earned income from the endowment is distributed according to University policy in effect and spent in specifically designated ways, as required by the donor.

**Entrance Bursary Program:** A program providing a financial award for designated students entering McGill.

**Expenditure:** The amount spent for goods delivered or services rendered, whether paid or accrued, including expenses, debt service, and capital outlays.

**Expense:** Charges incurred, whether paid or accrued, for operation, maintenance, interest, and other charges that are presumed to benefit the current fiscal period.

**Financial & Budget Integration (FBI):** A multi-year Financial and Budget Integration framework that streamlines and integrates McGill's planning, budgeting and reporting processes across all units of the University. Simplified processes and financial tools facilitate the processes of planning and managing budgets, and measuring performance across the University.

**Fiscal Year (FY):** Twelve consecutive months used as an accounting period. As of 2011-2012 the 12-month financial year starts on May 1 and ends on April 30.

**Forfaitaires:** (also called tuition supplements) the additional tuition, above the Quebec student tuition, charged to out-of-province Canadians and International students. These amounts are determined by MESRST annually and the universities remit them back to the Province in exchange for having the students funded through the grant at the level for in-province students.

**Full-time equivalent (FTE) students:** Students who are taking 30 or more credits per year.

**Fund Balance:** The difference between assets and liabilities in a fund; also defined as the cumulative results of a fund.

**GAAP Adjustments:** includes “paper” adjustments related to three ongoing liabilities: pension fund valuation, vacation accruals, and post-retirement benefits costs. These three adjustments explain the difference between the GAAP Accumulated Deficit and the University Financed Accumulated Deficit. The GAAP adjustments are also excluded from the provincial calculation of annual operating deficits in determining eligibility for the conditional grant.

**Gift:** A resource provided by a donor who enters into the transaction voluntarily and receives nothing other than a token of appreciation in exchange for the resource he/she is providing. Contributions can have a variety of forms including, but not limited to: cash, marketable securities, tangible fixed assets, and consumable commodities. Gifts are classified according to the absence or presence of donor stipulations as unrestricted, temporarily restricted, or permanently restricted. See also Bequest, Contribution, Donation.

**Grant:** A monetary award, allowance or subsidy.

**Indirect cost of research:** The institutional costs incurred by the University to support research projects. Costs include items such as central administrative support, Library, computing infrastructure, utilities and other plant costs.

**Investment:** Refers to an exchange of cash for a less liquid asset that is expected to increase in value beyond the initial purchase price. Investment vehicles include corporate stocks and bonds, government bonds and real estate.

**Key Performance Indicators (KPIs):** Key performance indicators were established to provide tangible evidence of progress toward a stated strategic objective. The University-wide accountability indicators, developed in conjunction with Quebec, were approved by the Board of Governors in May 2012. Each Faculty and Administrative Unit will determine and develop their own set of performance indicators to measure their success in achieving their strategic objectives.

**MEES (Ministère de l'Éducation et de l'Enseignement supérieur) grant:** The grant received from the Quebec Ministry of Higher Education in support of teaching and research.

**Operating Fund:** Revenue is primarily from grants, tuition and fees, overhead on research grants, investment and endowment income, and annual gifts. The revenue is pooled and then allocated to units concerned with fundamental and on-going operations, dealing primarily with those activities normally associated with the University's core teaching and research. The operating fund is unrestricted and there are no external constraints as to how these funds are spent as long as the University policies and procedures are respected. See also Unrestricted Funds.

**Plant Fund:** Capital projects and assets; including those funds from Quebec capital grants, donations, and other sources. See also Capital (Plant) Fund.

**Publicly-funded:** An educational institution for which the majority of its operating funds are from the government or a government-owned agency or unit.

**Regulated tuition:** Tuition rates set by the government (MESRST), either frozen or indexed to changes in disposable family income.

**Resources:** Assets available (actual and anticipated) for University operations; includes people, equipment, and facilities.

**Resource allocation:** The process of distributing resources to units in order for them to conduct their designated activities and to absorb operating and/or facilities costs in order to achieve goals.

**Restricted Fund:** Any fund with stipulations imposed by a sponsor or donor external to the University. A particular project or activity is specified in writing by the donor. These funds also refer to research-related funds from Canadian, Quebec, and international sources. See unrestricted funds.

**Retention Envelope:** An envelope reserved for adjusting the salaries of certain professors to ensure that the University's best can be retained in the face of the external competitive environment.

**Revenue:** Income generated by the supply of goods or services by the University unit to an external customer. Some examples are: tuition and fee revenue, sales of goods and services to external entities, and earnings on investments.

**Self-funded:** Students for whom universities in Quebec are allowed to establish the fees but for whom no grant is received. This represents a small number of students enrolled in specialized Masters-level programs in Management as well as non-Quebec students studying in distance programs outside Quebec.

**Self-financing:** Funds for which the source and/or use are outside the realm of operating budgets. They represent unrestricted activity for a unit, with continuation dependent on participation and availability of funding. See also Operating Funds.

**Sustainability:** meeting the needs of the present without compromising the ability of future generations to meet their own needs.

**Tenure stream.** A term that refers to either tenured or tenure-track academic staff.

**Tenured:** permanent academic appointment granted to Associate and Full Professors who have demonstrated excellence in teaching and research.

**Tenure-track:** academic appointment that includes future consideration for tenured status.

**Unrestricted Funds:** Funds that are not subject to external limitations. See also Operating Fund.

**U15:** A consortium of the 15 most research intensive Canadian universities which, other than McGill, includes Alberta, British Columbia, Calgary, Dalhousie, Laval, Manitoba, McMaster, Montreal, Ottawa, Queen's, Saskatchewan, Toronto, Waterloo, Western.

**Weighted Full-Time Equivalent (WFTE) Student or Weighted Student Units (WSUs):** a full-time student is one who takes a 30-credit course load. In Quebec courses are divided into 23 funding families based on codes of disciplines. These are then weighted with values from 1 to 10.69 based on academic levels and curriculum. Higher weights are intended to denote courses that are more expensive to deliver.