

Ontario College of Art & Design
2010/11 Operating Budget

Ontario College of Art & Design
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Summary
(000s)

	2009/10 Budget	2009/10 Estimated Actual	2010/11 Budget	% Increase (Decrease)
Revenue – Unrestricted (Schedule 1)	43,149	42,697	46,805	9.6
Transfer from Internally Restricted Net Assets (Schedule 3)	1,320	1,320	-	-
Total Revenue (Unrestricted and Net Transfers from Internally Restricted Net Assets)	44,469	44,017	46,805	6.3
Expenditures (Schedule 2)	(43,969)	(44,017)	(47,341)	7.6
Revenue over Expenditures	500	0	(536)	
Contingency Fund	(500)	-	(1,250)	
Surplus (deficit) for the year	0	0	(1,786)	
Unrestricted accumulated Surplus(Deficit) beginning of the year	(400)	(400)	(400)	
Unrestricted accumulated Surplus (Deficit) end of year	(400)	(400)	(2,186)	

Ontario College of Art & Design
2010/11 Operating Budget
Schedule of Revenues
(000s)

	2009/10 Budget	2009/10 Estimated Actual	2010/11 Budget	% Increase (Decrease)
Government Grants (Note 1)				
Operating	15,069	15,150	15,150	-
Performance Fund	80	97	97	-
Enrolment Growth Fund	1,352	1,916	3,043	58.8
Accessibility Fund for Students with Disabilities	207	207	207	
Quality Investment Fund	1,008	834	839	.6
Graduate Studies	209	210	209	(.5)
Energy Rebate			252	100
Aboriginal Visual Culture-Growth Initiatives	212	212	212	
Digital Futures Differentiation grant	2,000	2,000	2,000	-
Total Grants	20,137	20,626	22,009	6.7
Tuition Fees (Note 2)				
Full and Part-Time	16,502	16,242	18,010	10.9
Summer	1,351	1,304	1,411	8.2
Graduate Studies	467	415	679	63.6
Total Tuition Fees	18,320	17,961	20,100	11.9
Miscellaneous Fees (Note 3)				
OUAC Admission Fee Rebate/Portfolio Fees	258	303	274	(9.6)
Class Fees	409	356	402	12.9
Production Materials Fees			113	100
User Fees	348	326	370	13.5
Literacy Fees	75	76	80	5.3
Degree Program Admission Fees	14	8	15	87.5
Laptop Computer Program Fees	215	215	228	6.0
Graduation Fee	47	39	50	28.2
Academic Equipment & New Technology Fee	94	95	100	5.3
Career Centre Fee	93	94	99	5.3
Graduate Studies Admission Fees	12	13	12	(7.7)
Orientation Fee	8	10	9	(10.0)
Health & Wellness Fee	345	345	367	6.4
Total Miscellaneous Fees	1,918	1,880	2,119	12.7
Investment Income (Note 4)	270	100	170	70.0
Rental Income (Note 5)	504	497	374	(24.7)
Donations/Sponsorships (Note 6)	733	400	733	83.3
Earned Income (Note 7)	367	254	300	18.1
Research (Note 8)	900	979	1000	2.1
Total Revenues	43,149	42,697	46,805	9.6

Ontario College of Art & Design
2010/11 Operating Budget
Schedule of Expenditures
(000s)

	2009/10 Budget	2009/10 Estimated Actual	2010/11 Budget	% Increase (Decrease)
Academic Compensation (Note 9)	19,706	19,470	21,308	9.4
Academic Administration Compensation (Note 10)	4,517	4,613	4,802	4.1
Non-Academic Compensation (Note 11)	7,272	7,407	7,838	5.8
Total Compensation	31,495	31,490	33,948	7.8
Non-Compensation (Note 12)	8,406	7,949	8,777	10.4
Restructuring/Retirement Incentive Plan (Note 13)	100	566	100	(823)
Program Development (Note 14)	100	50	100	100.0
Research (Note 8)	900	979	1,000	2.1
Student Assistance Fund (Note 15)	899	914	1,001	9.5
Debt Service Costs (Note 16)	1,131	1,131	1,121	(.9)
Capital Expenditures (Note 17)	938	938	1,294	38.0
Total Expenditures	43,969	44,017	47,341	7.6

**Ontario College of Art & Design
Internally Restricted Net Assets
Continuity Schedule of Transfers
(000s)**

The purpose of this continuity schedule is to account for revenues, internally restricted for specific purposes, carried forward to future years.

2009/10 Estimated Actual

	Opening Balance	Transfer From Unrestricted	Transfer To Unrestricted	Closing Balance
Implementation of Strategic Plan/Differentiation Grant (DFI)	403		(403)	-
Faculty Workload Adjustments ⁽¹⁾	917		(917)	-
TOTAL	1,320		(1,320)	-

Notes:

⁽¹⁾One-time funds set aside to implement faculty teaching load reductions in 2008/09 and additional teaching load reductions in 2009/10.

**Ontario College of Art & Design
2010/11 Operating Budget
Background Notes and Assumptions**

Revenues (Schedule 1)

1. Government Grants

- a) The Performance Fund is allocated to universities based on each institution's ranking within each of the performance measure areas (i.e. employment rates six months after graduation, employment rates two years after graduation, and graduation/completion rate). Institutions that fall into system average ranges receive funding based on their share of overall system undergraduate Basic Income Units (BIUs). The allocation for 2010/11 is based on 2009/10 levels and performance results.
- b) The Enrolment Growth Fund (funding for year-over-year change in domestic enrolment over 2009/10 levels) is based on the provincial government's commitment to fund new undergraduate enrolment growth in 2010/11 at 100 cents on the dollar (full funding). OCAD's domestic enrolment is projected to increase by 199 FTEs over 2009/10 levels.
- c) The Accessibility Fund for Students with Disabilities for 2010/11 is estimated at 2009/10 levels.
- d) In May 2005, the provincial budget announced multi-year allocations of operating funding over the 2005/06 base year. An element of the multi-year plan was towards a Quality Investment Fund. In the announcement, annual multi-year accountability agreements with each university were introduced that required approval by the Ministry as a condition of the receipt of the Quality Investment grant.
- e) Grant revenues for graduate programs are derived from \$12,680 per FTE of domestic regulated students. OCAD has been approved for a maximum of 16.3 FTEs (\$209,000) of funded domestic graduate spaces.
- f) OCAD will receive an energy rebate grant from the City of Toronto based on energy conservation projects conducted over the past three years.
- g) The Aboriginal Visual Culture grant is a three-year commitment towards implementation of a enhanced curricular offerings.
- h) The Ministry has provided OCAD with a permanent \$2M differentiation grant, to implement OCAD's Digital Futures Initiative.

2. Tuition Fees and Enrolment

Included in tuition fees are full-time, part-time and summer student fees.

- a) After a two-year policy of freezing domestic tuition fees, the provincial government announced a removal of the freeze in 2006/07 and implemented a multi-year policy of increases of 4.5% for undergraduate students entering first year and 4.0% for undergraduate students entering upper years. For graduate students the multi-year policy was 8% increase for students entering first year and 4% for students entering upper years. International fees continue to be deregulated. This policy expired in 2009/10 and in the March 2010 Provincial Budget announcement, the policy was extended for a further two years beyond 2009/10. The undergraduate tuition fee rate increase, approved by the Board of Governors in April 2010, and contained in the 2010/11 proposed budget is 4.5% (1st year) and 4.0% (upper years) for domestic students; and an increase of (4.2%) for international students. The graduate tuition fee rate increase, as approved by the Board of Governors, is 8% (1st year) and 4%(upper years) for domestic and international students.

[The tables below summarize the changes for undergraduate students.]

b) Tuition Fees for 1st Year Undergraduate Full-Time Students (10 half-credits):

	2009/10	2010/11	Difference
Domestic	4,960	5,180	220
International	14,660	15,280	620

Tuition Fees for Upper Year Undergraduate Full-Time Students (10 half-credits):

	2009/10	2010/11	Difference
Domestic	4,890	5,090	200
International	14,660	15,280	620

c) Projected Enrolment (FTEs): Undergraduate

	2008/09 Actual	2009/10 Actual	2010/11 Budget
Domestic			
Summer	188	215	228
Fall/Winter	2,627	2,893	3,079
Total Domestic	2,815	3,108	3,307
International			
Summer	15	15	16
Fall/Winter	154	140	144
Total International	169	155	160
Total	2,984	3,263	3,467

d) Projected Enrolment (FTEs): Graduate

	2008/09 Actual	2009/10 Budget	2010/11 Budget
Total	20	39	58

3. Miscellaneous Fees

Included in Miscellaneous Fees are Ontario University Application Centre fee rebates, class fees, user fees (e.g. late payment fees, instalment fees, petition fees, etc.), literacy program fees, degree program admission fees, graduation fees, Laptop Program materials fees and an Academic Equipment and New Technology fee. A production materials fee in the studios was approved by the Finance Committee to be introduced in the fall to offset the costs of materials consumed in the production of student work. In general, revenues from miscellaneous fees are projected to increase over 09/10 due to projected increases in enrolment.

4. Investment Income

Investment income declined in 2009/10 due to sharp decreases in interest rates. Interest rates are projected to increase moderately in 2010/11.

5. Rental Income

Rental income is income received from the tenants at 205 Richmond St. W. and Aboveground Art Supplies (74/76 McCaul). Rental Income has declined over 2009/10 due to OCAD occupying an increased percentage of the 205 Richmond building. The budget does not contain rental income (or expenditures) pertaining to the recently acquired 230/240 Richmond Street property as it is currently revenue neutral.

6. Donations/Sponsorships

Included in this area are unrestricted external donations/sponsorships toward university operating funds from the OCAD Foundation and Whodunit and other fundraising events. Also included are externally restricted donations/sponsorships from Corporate and Individual Giving campaigns.

These donations/sponsorships do not include donations associated with scholarships, bursaries and gifts-in-kind.

Donations/sponsorships declined in 2009/10 primarily due to the reallocation of campaigns towards the Student Assistance Challenge campaign (non-operating budget) and decline in net proceeds from Whodunit.

7. Earned Income

Included in this area are gross revenues from the Grange Bistro, sale of supplies in the Academic Computer Centre, facility rentals, library membership fees, fines, book sales, ATM rebates and revenues from the 317c computer and book store. Earned income declined in 2009/10 due to lower than expected facility rentals.

8. Research

Included in Research are revenues and expenditures pertaining to the MEIC project, Concert project, Holo Rail project, SSHRC grants, OMDC and Strategic Innovation Lab (sLab).

Expenditures (Schedule 2)

9. Academic Compensation

Includes salaries, benefits and professional development for faculty, technicians, teaching assistants, class assistants, markers, and staff in the Library, Visual Resources, Academic Computer Centre, Lap Top Program, Graduate Studies and Fabrication Studios. **The budget assumes provisions of the Compensation Restraint Act applies to the non-bargaining labour groups and the Provincial Government Broader Public Service Compensation Restraint Policy for bargaining labour groups.**

2009/10 estimated actual	19,470
Progression-Through-The-Ranks (PTR)/Faculty Merit Pay/benefits	291
Graduate Studies increased enrolment	217
Additional Faculty due to undergraduate enrolment growth	660
Additional Permanent Faculty – DFI	405
Sabbaticals	150
Academic Support due to enrolment increases	115
2010/11 Academic Compensation Budget	
Total Increase: \$1,838,000 (9.4%)	21,308

10. Academic Administration Compensation

Includes salaries, benefits and professional development for Deans, Associate Deans, Program Chairs, Research Support Staff, Faculty Support Staff, Studio Managers, Writing & Learning Centre, Exhibition Services, Centre for Advising & Campus Life and Office of the Vice-President, Academic. **The budget assumes provisions of the Compensation Restraint Act applies to the non-bargaining labour groups and the Provincial Government Broader Public Service Compensation Restraint Policy for bargaining labour groups.**

2009/10 estimated actual	4,613
<i>Add:</i>	
Progression-Through-The-Ranks (PTR)/benefits	30
Provision for implementation of the academic admin retention report	200
Salary settlement (OPSEU)/other salary adjustments(net)	24
<i>Less:</i>	
Research & Grad Studies – Vice-President vacancy	(65)
2010/11 Academic Administration Compensation Budget	
Total Increase: \$189,000 (4.1%)	4,802

11. Non-Academic Compensation

Includes salaries, benefits and professional development for administrative staff in: Registrar's Office, Student Services, Finance, Human Resources, Development & Alumni Services, Marketing & Communications, Facilities Planning & Management, IT Services, Risk Management, Campus Services & Security, Admissions & Recruitment, Offices of the President and Vice-President, Finance & Administration. **The budget assumes provisions of the Compensation Restraint Act applies to non-bargaining labour groups and the Provincial Government Broader Public Service Compensation Restraint Policy for bargaining labour groups.**

2009/10 estimated actual	7,407
Progression-Through-The-Ranks (PTR)/benefits	67
Salary settlement(OPSEU) /other salary adjustments (net)	138
Additional staffing due to enrolment growth	226
2010/11 Non-Academic Compensation Budget	
Total Increase: 431,000 (5.8%)	7,838

12. Non-Compensation

Includes all university non-compensation expenditures, i.e. physical plant maintenance, class supplies, travel, memberships, visiting lecturers, office supplies, printing, publications, marketing, legal and audit fees, utilities, insurance, overtime, temporary help etc., plus compensation for models and student monitors.

a) Non-Compensation expenditures have increased by \$828,000 (10.4%) over 2009/10. Major increases are as follow:

Enrolment growth-related space rental	60
Enterprise Resource System planning	133
Government relations – external consultants	50
Dean of Design/VP Research & Grad Studies Search	60
Implementation of Bill 168 – psychological counseling	20
205 Richmond Building (OCAD's share of operating costs)	148
Roll-out of Emergency Preparedness Plan	25
Utilities	70
135 Anniversary promotion	30
Library electronic licenses (previously funded by a CFI grant)	60
Total Major Increases:	656

b) Major decreases over 2009/10 are as follow:

Change in scope of cleaning/security contracts	89
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13. Restructuring/Retirement Incentive Plan

In 2009/10, funding was allocated towards faculty partial early retirement, administrative restructuring payments and grievance settlements.

14. Program Development Fund

Funds have been set aside as leverage towards raising additional future funds for OCAD through the creation of new revenue generating programs.

15. Student Assistance Fund

The Ministry has introduced a "new student access guarantee" policy which requires the university to finance any direct educational costs above what is provided through government assistance programs (unmet need). Existing government /OCAD assistance programs in addition to the student assistance fund are University/College Bursary Funds, Ministry OSAP and other bursary funding programs (Ontario Trust for Student Support). Preliminary indications are that existing OCAD tuition set-aside funds (\$1001,000) will fulfill the student access guarantee unmet need.

16. Long-term Debt-Service Costs

This cost is the interest on long-term debt (from financing for the SuperBuild project and for partial financing of the acquisition of 205 Richmond St. W. (purchased September 2007)). Interest costs have decreased in 2010/11 over 2009/10 due to the decline in debt principal. The budget does not contain the costs (including debt costs) pertaining to 230/240 Richmond Street which are funded by commercial rental income.

17. Capital Expenditures (funded from the operating budget)

	2009/10	2010/11
	<u>Est.</u> <u>Actual</u>	<u>Budget</u>
Furniture, Fixtures & Equipment	688	788*
Non FRP renovations	250	350**
Energy Rebate-sustainable initiatives	-	100
Studio facility upkeep (funded by production materials fees)		56
Total	938	1,294

*FF&E is partially financed by Academic Equipment & New Technology Fee (\$100,000).

**The Non-FRP Renovation budget has been increased by \$100,000 to offset a \$100,000 reduction in Facilities Renewal Program Funding for 2010/11, announced in the recent provincial government budget.

18. Reclassifications

The comparative budgets have been reclassified (e.g, Digital Futures Initiatives) from budgets previously presented to conform to the presentation of the 2010/11 budget.