



THE UNIVERSITY OF WINNIPEG

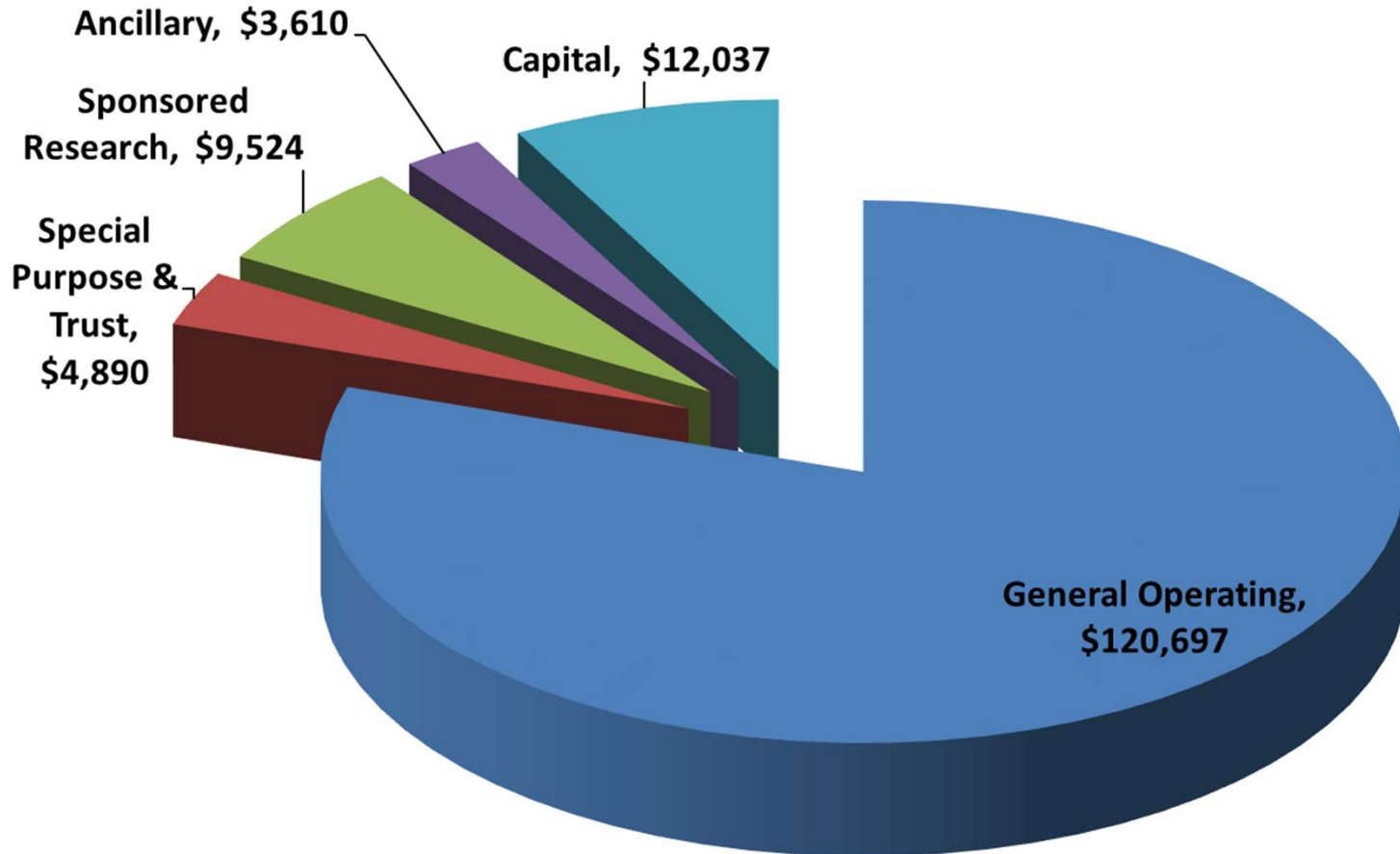
2019-2020

Budget Primer



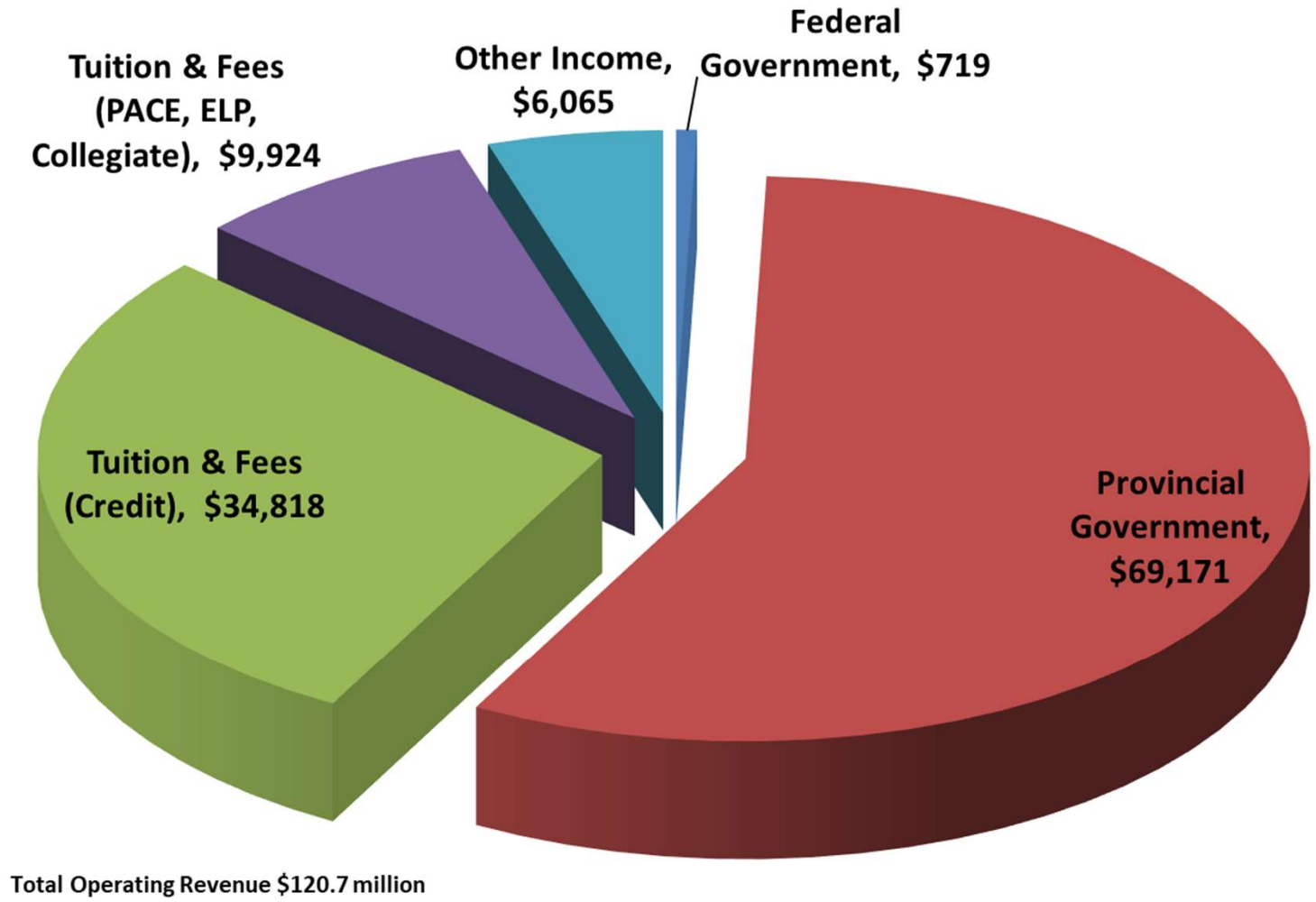
DISCOVER · ACHIEVE · BELONG

2016-2017 Income by Fund



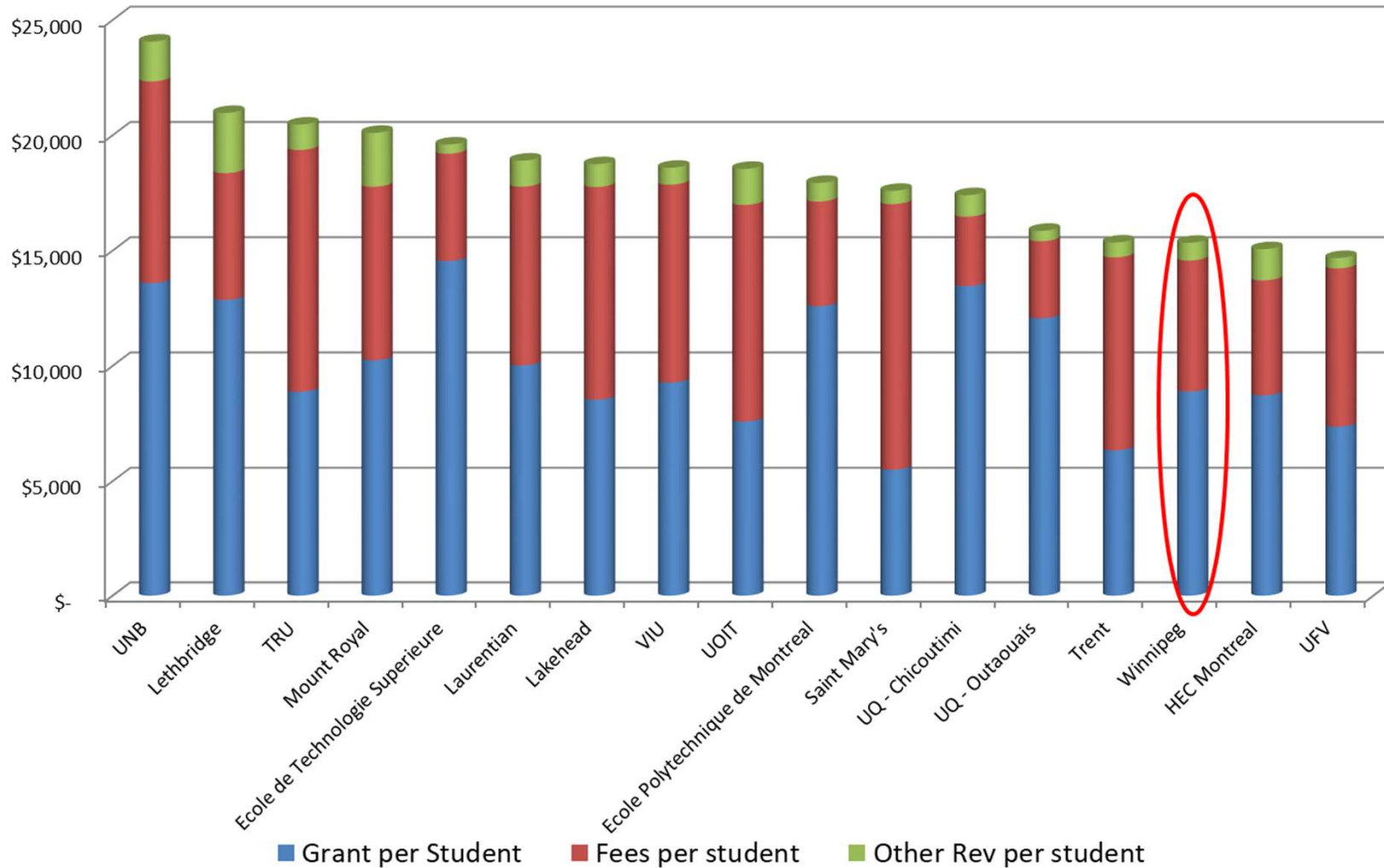
Total Revenue \$150.8 million

2016-2017 Operating Revenue



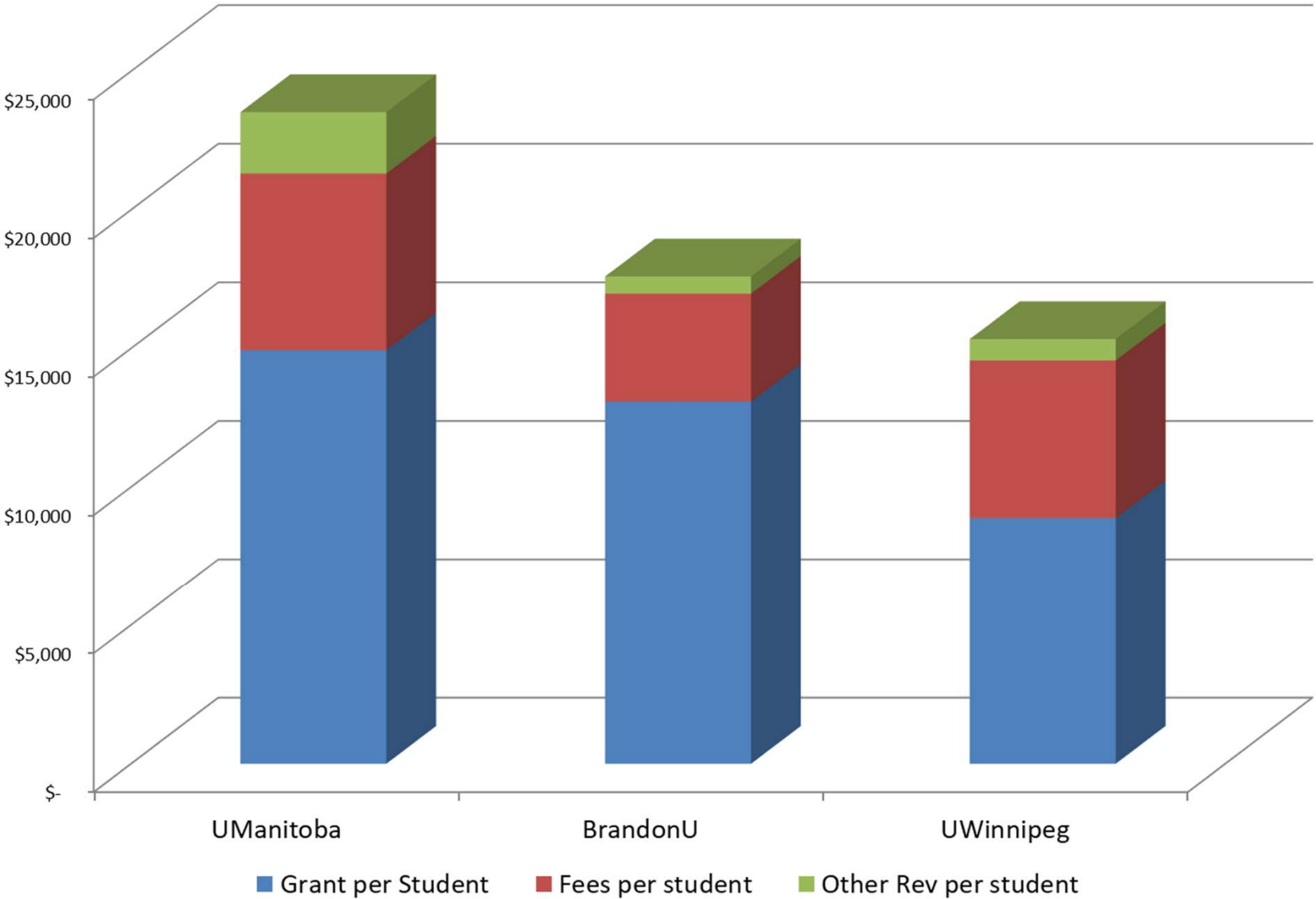
Revenue per Student 2016-2017

Canadian Universities with 5,000 - 10,000 FTE Students



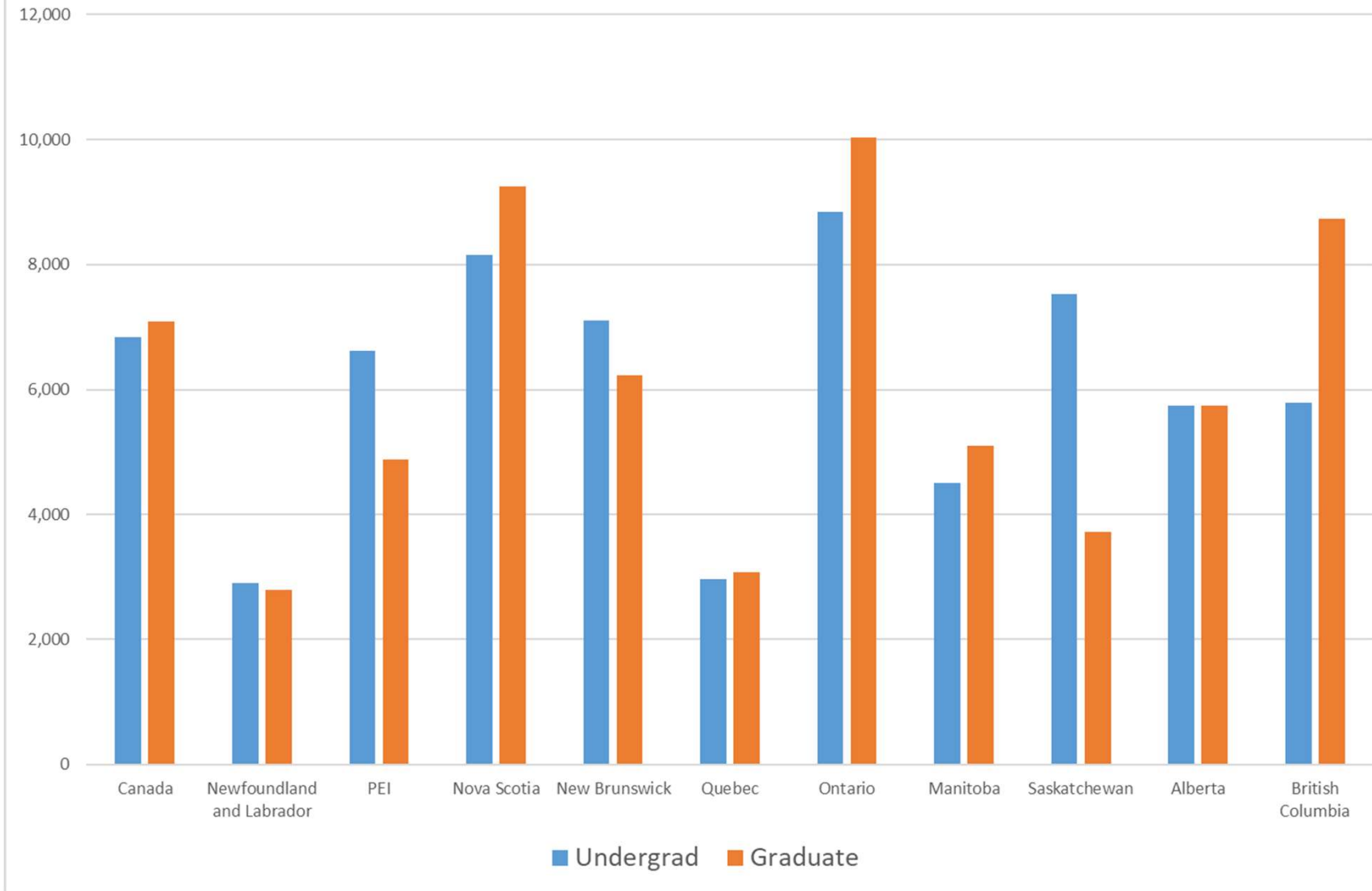
Source Data: Universities Canada enrollment data and CAUBO Financial Information for Universities

2017 Revenue per FTE - Manitoba

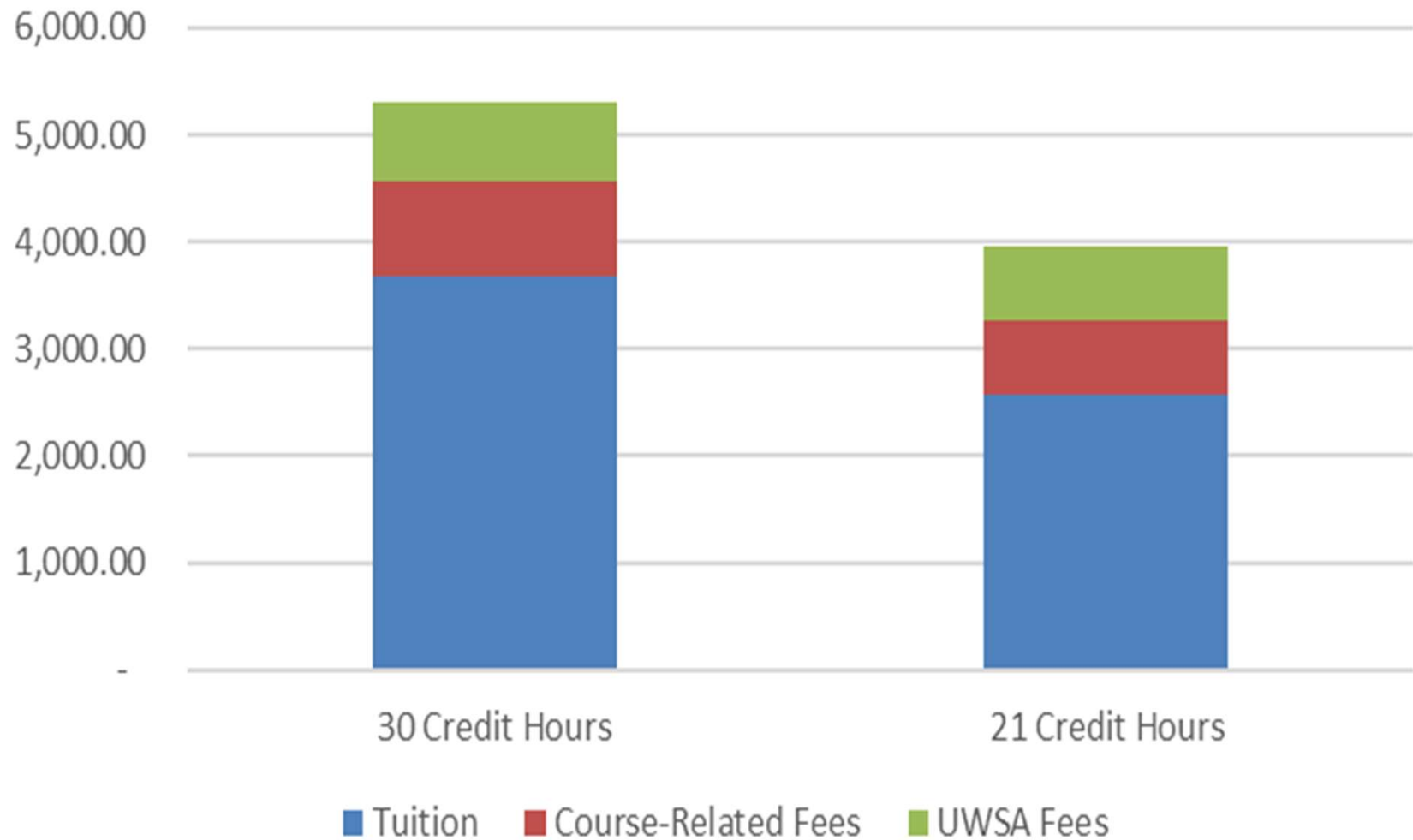


Domestic Tuition 2018-2019

Source: Statistics Canada Table: 37-10-0045-01

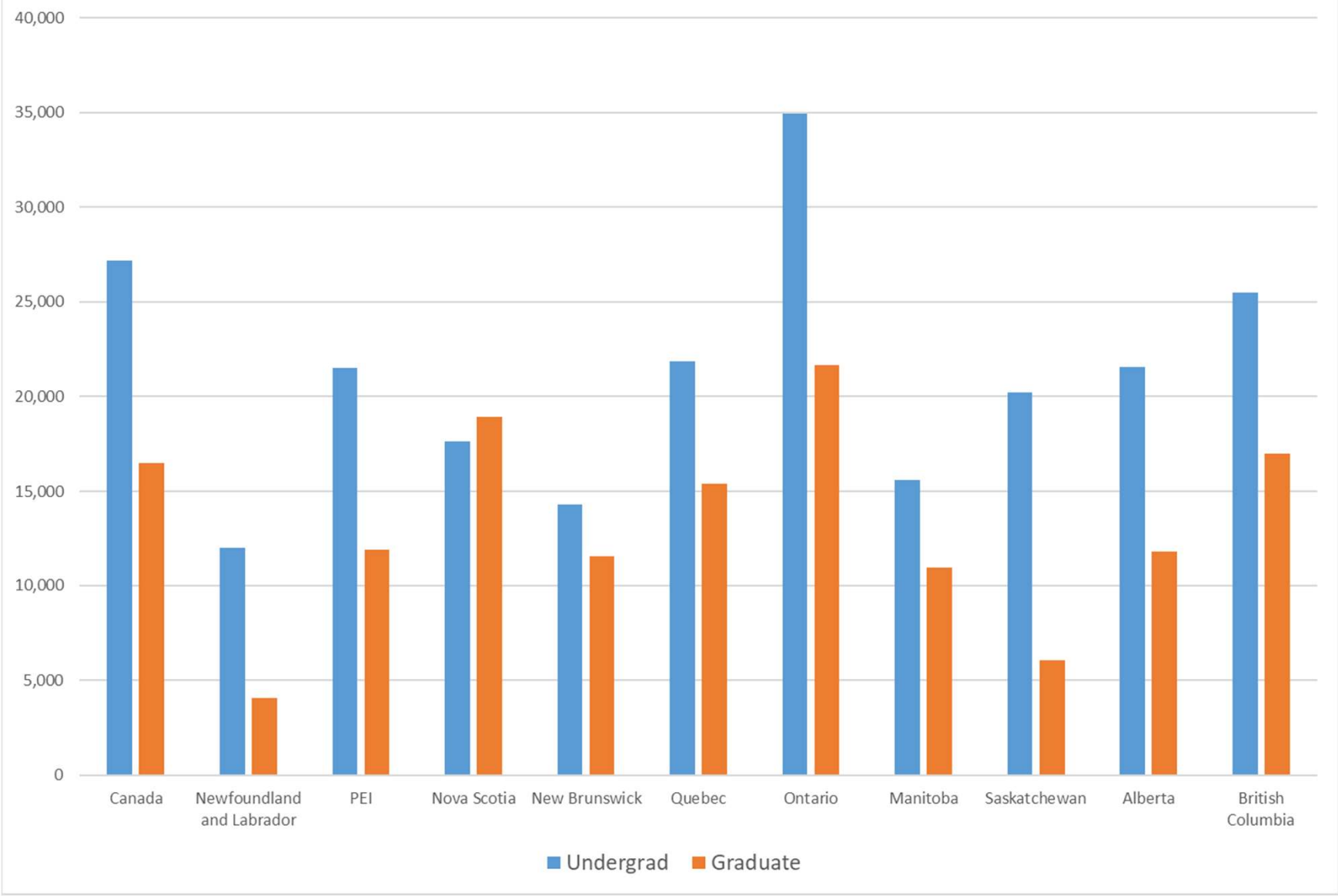


Domestic Undergraduate Tuition

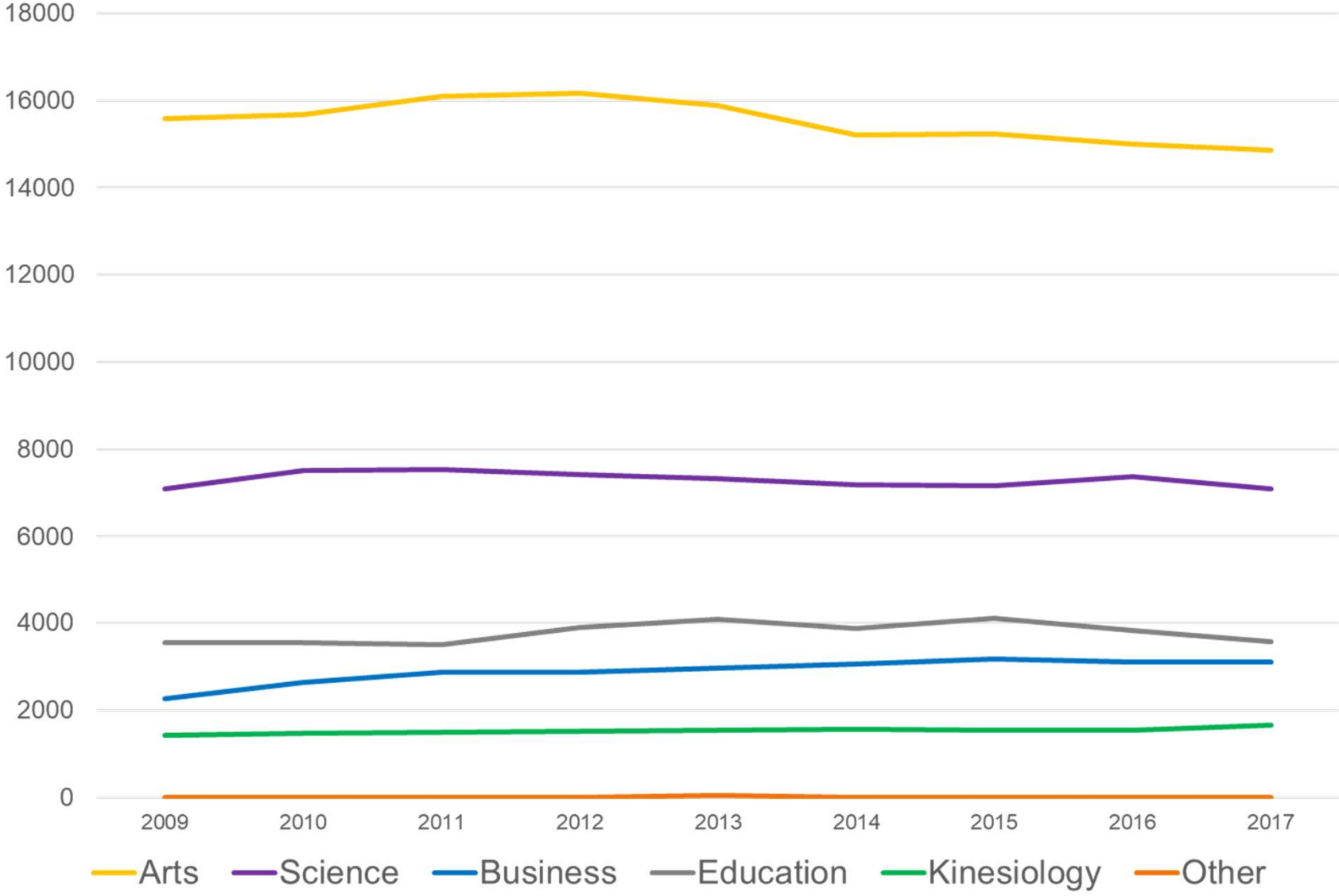


International Student Tuition Levels

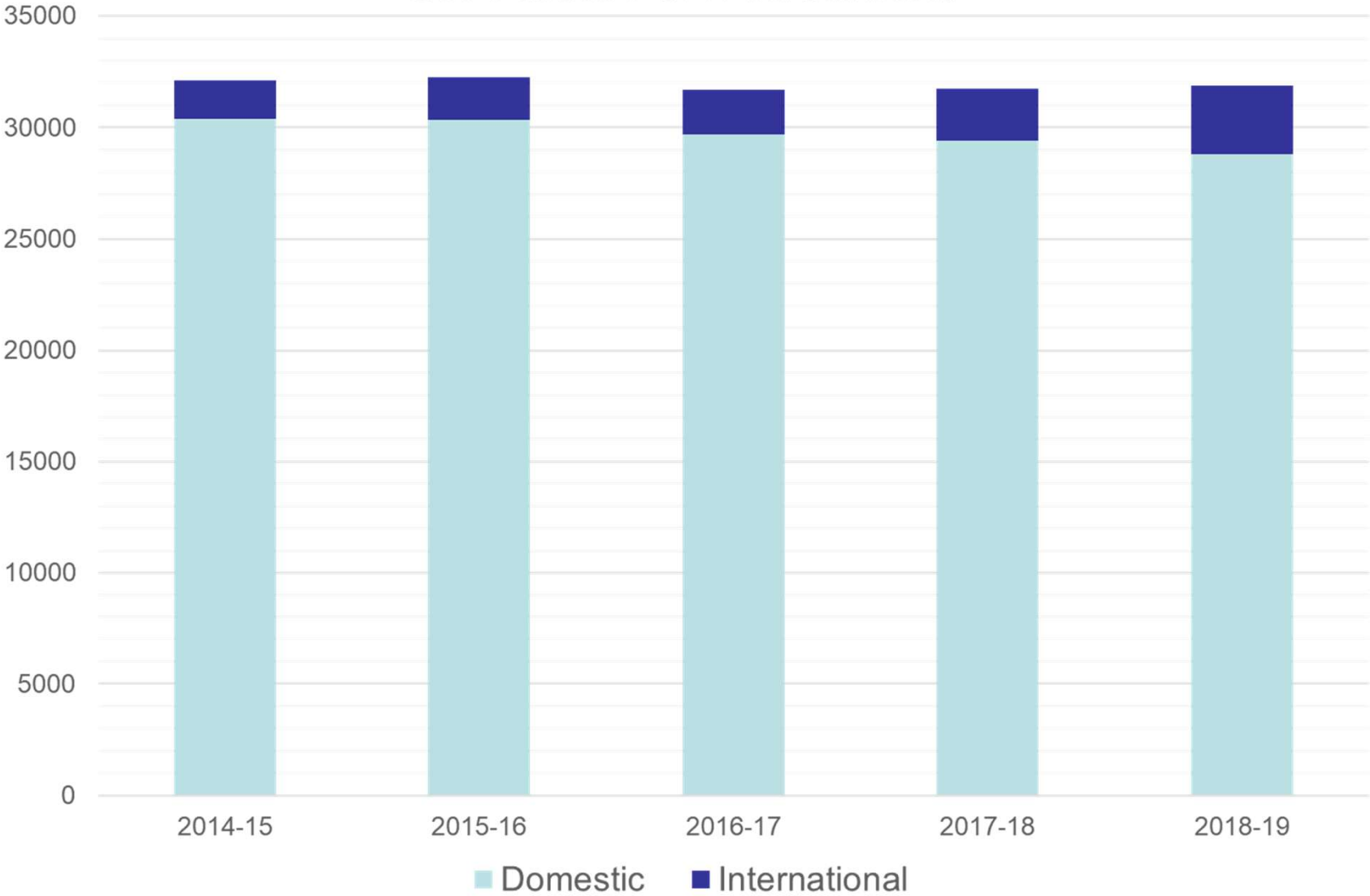
Source: Statistics Canada Table: 37-10-0045-01



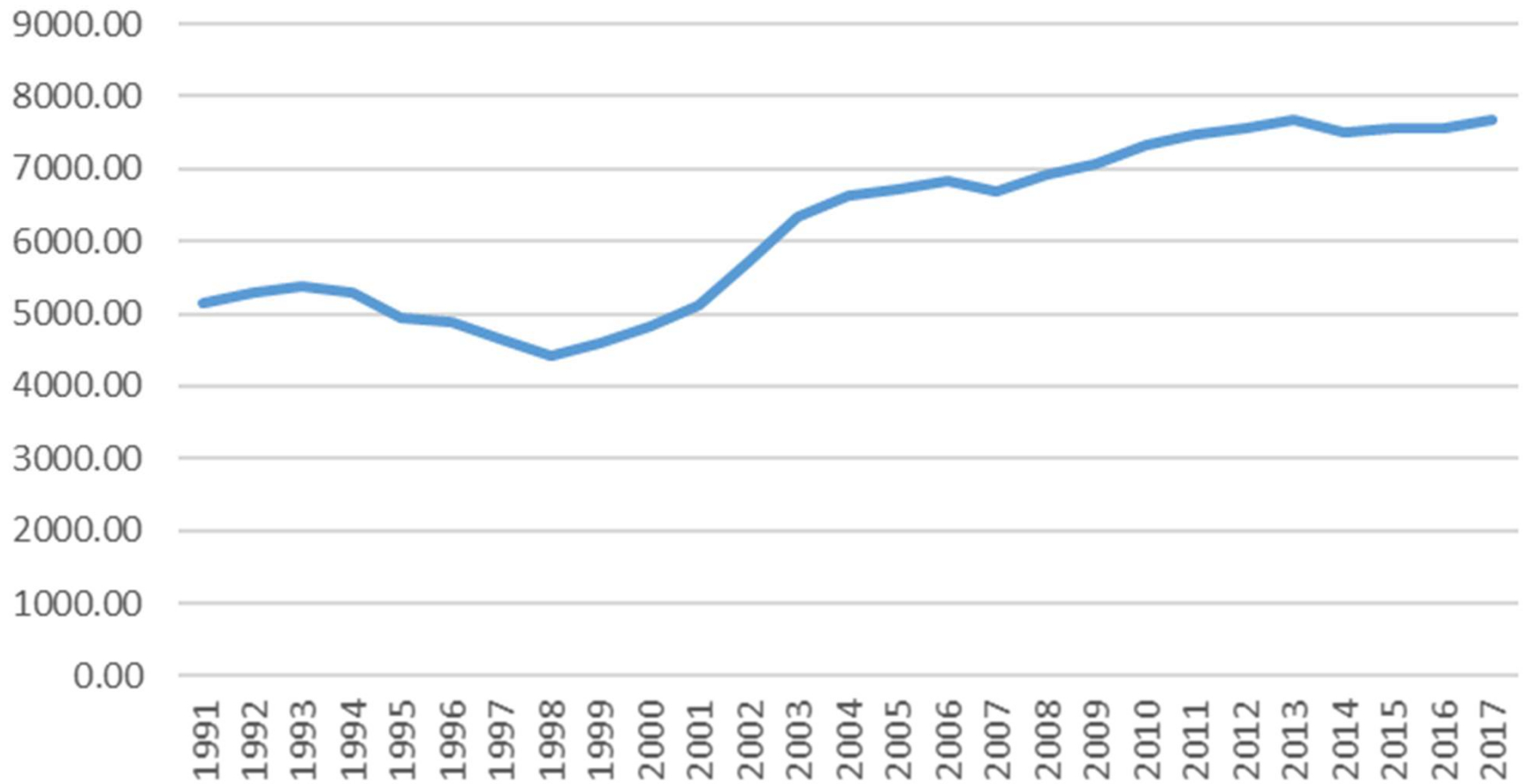
UW Enrollment by faculty (FCE)



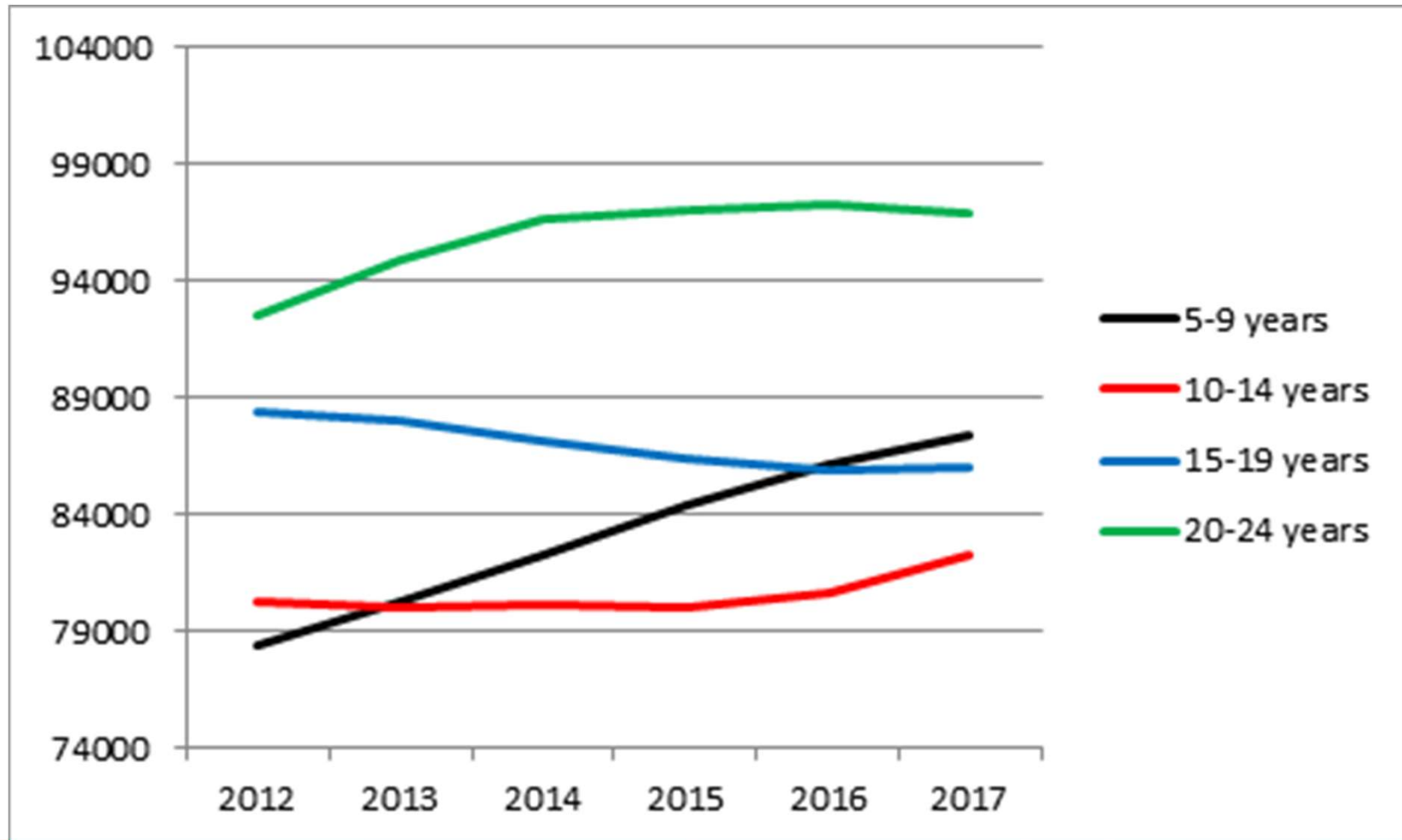
UW Fiscal FCE Enrollment



UW FTE Enrollment



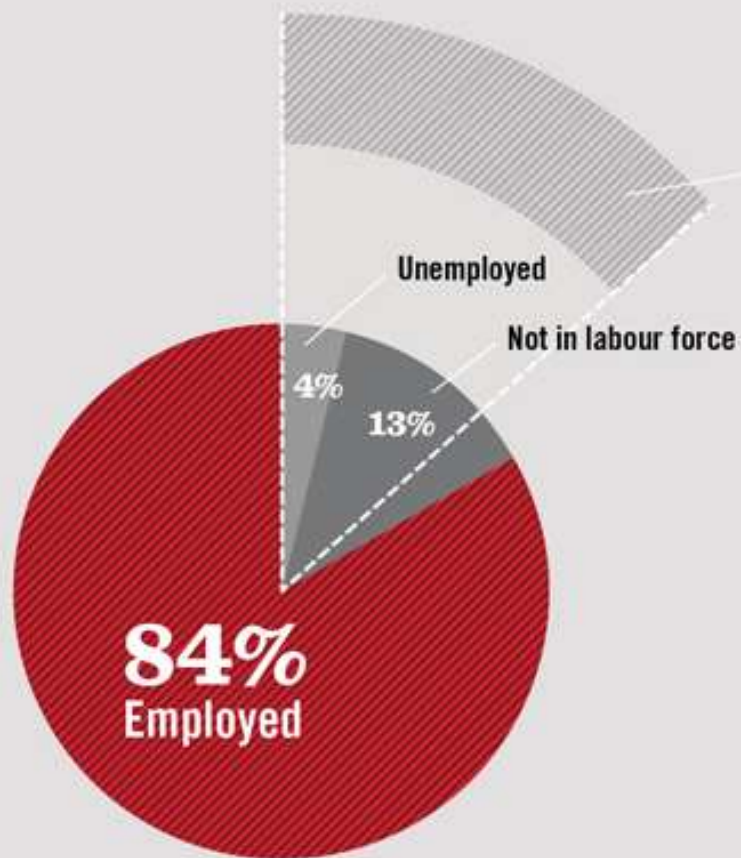
Manitoba Population Report



Fall 2017 Graduate Survey

- 625 responses of 1465 undergrad graduates from 2015 contacted (43% response rate)
- Overall - 90% of respondents were very satisfied or satisfied with the quality of their education

CURRENT EMPLOYMENT



70%
of those not employed
are attending school

\$45,807 Average salary of UW graduates (2017)

\$42,900 Median salary of UW graduates (2017)

\$49,170 Average salary of Ontario university graduates (2015)

\$68,147 Median household income in MB (2015)

UNEMPLOYMENT RATES:

4.1%

UWinnipeg graduates
(2017)

5.2%

Province of Manitoba
(2017)

6.4%

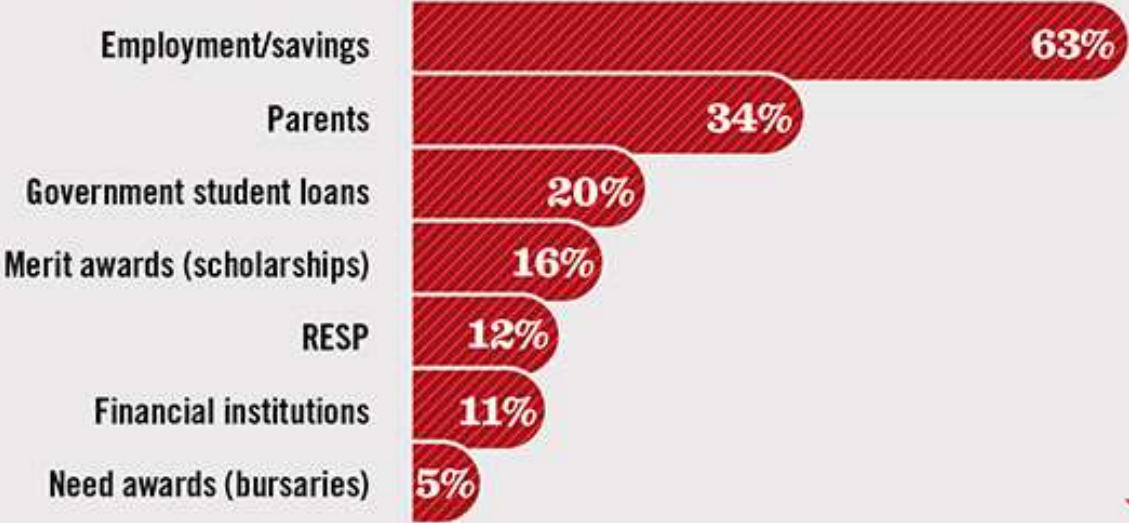
Ontario university graduates
(2015)

6.7%

Province of Ontario
(2015)

EDUCATIONAL FINANCING AND EMPLOYMENT

What were your two main sources of funding for your UWinnipeg degree?



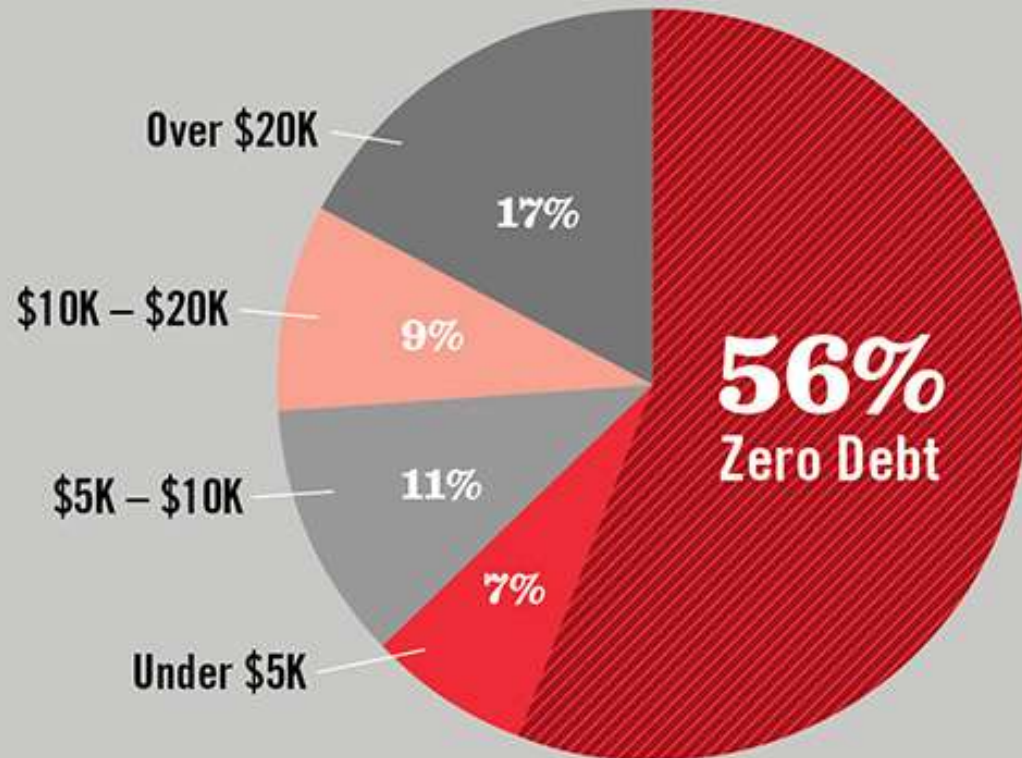
90%
employed
during the
academic year

89%
employed
during the
summer

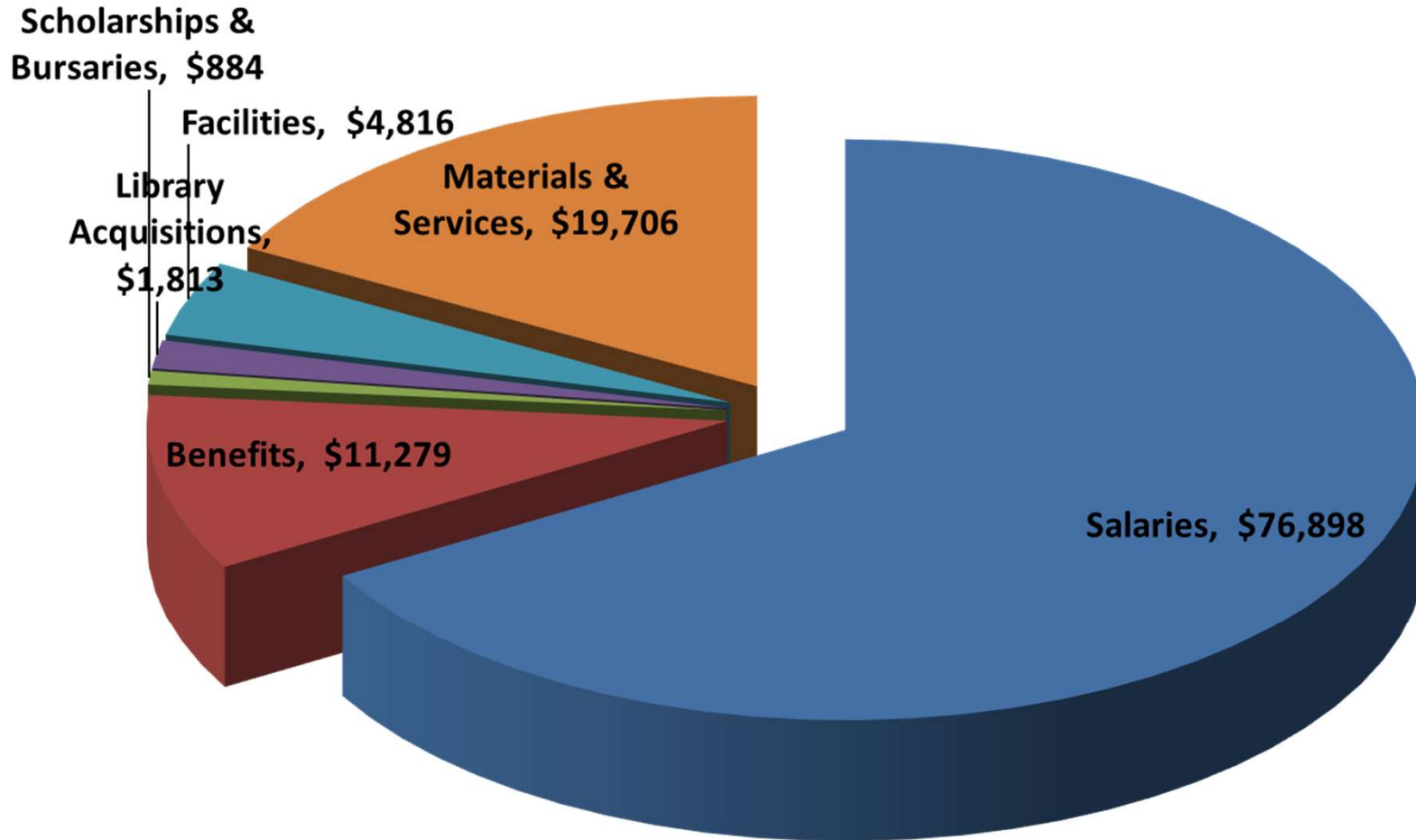
DEBT FROM EDUCATION

56%
graduated
with no debt

\$17,220
average debt
among those
who have debt

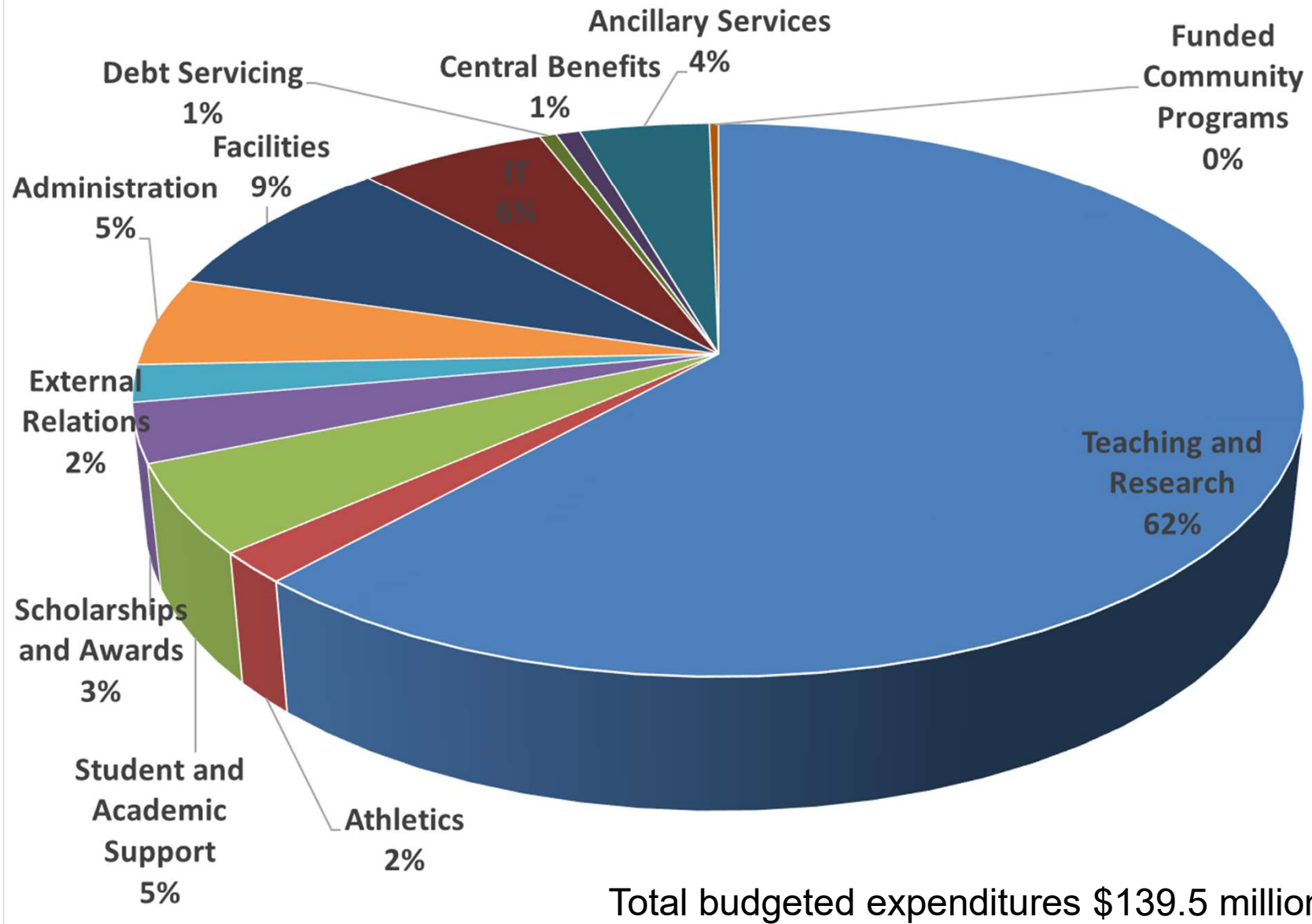


2016-2017 Operating Expenditures

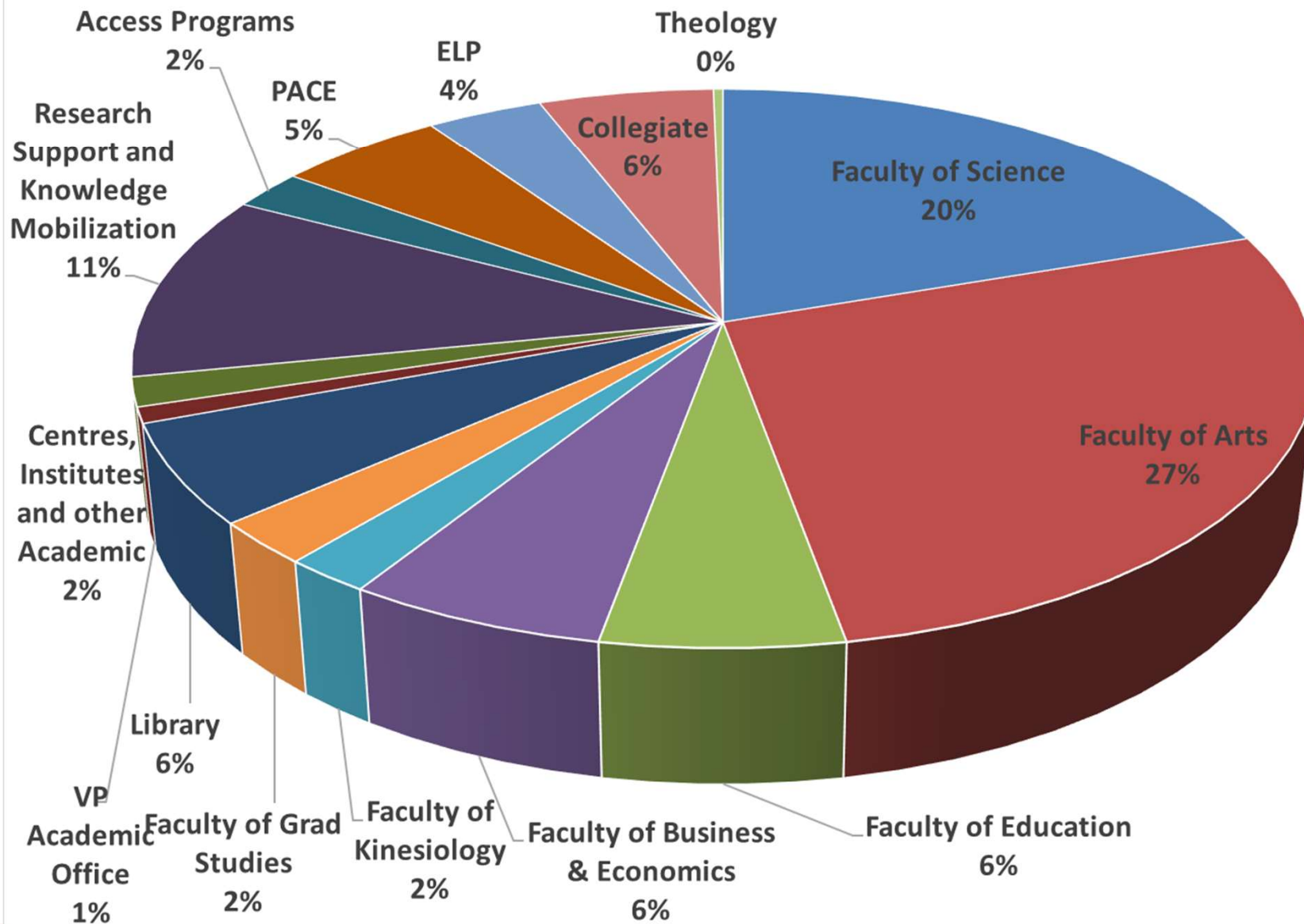


Total Operating Exp \$115.4 million

17-18 Expenditure Budget (all sources before Amortization)

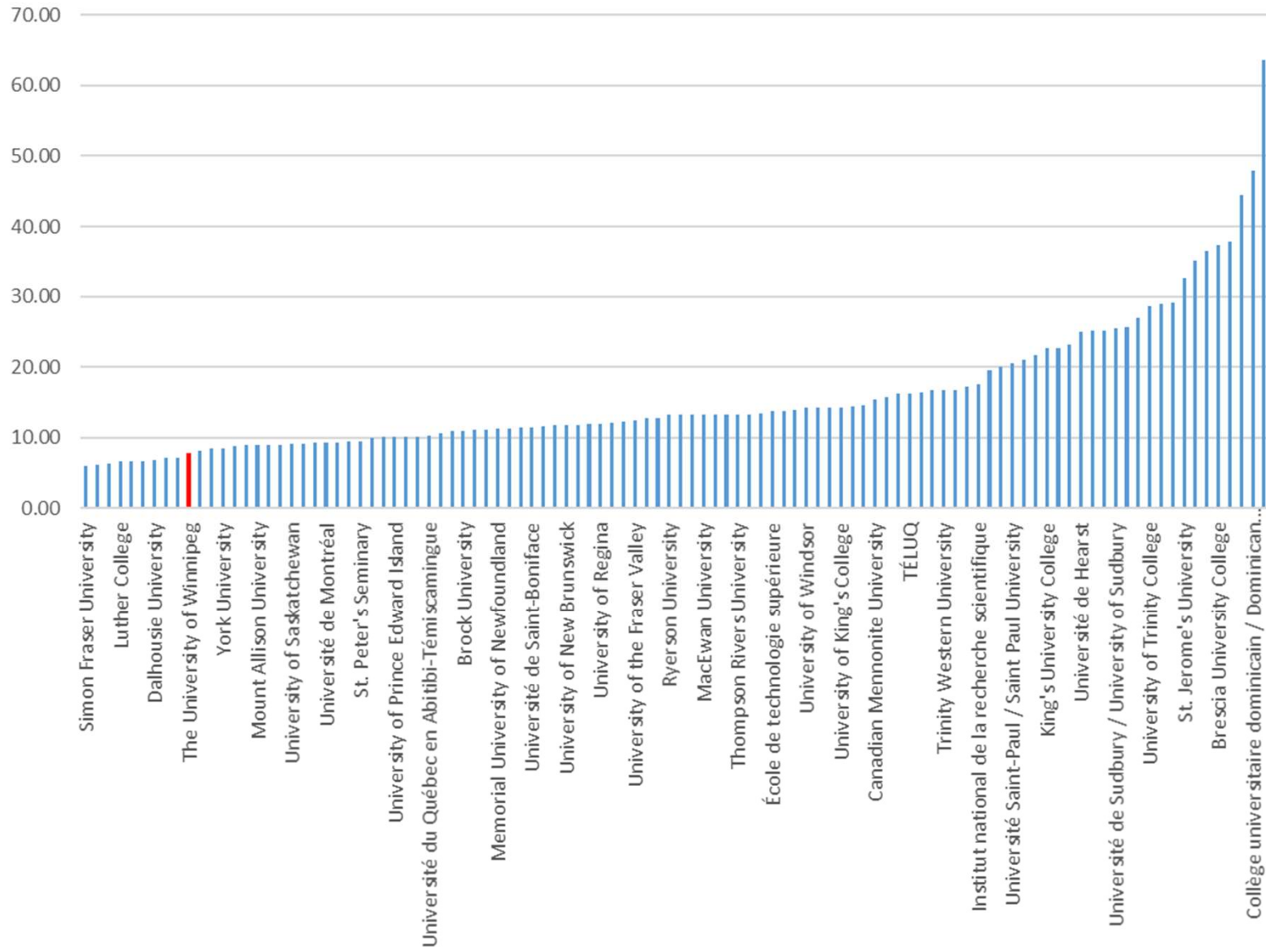


17-18 Teaching and Research Expenditures Budget - all sources



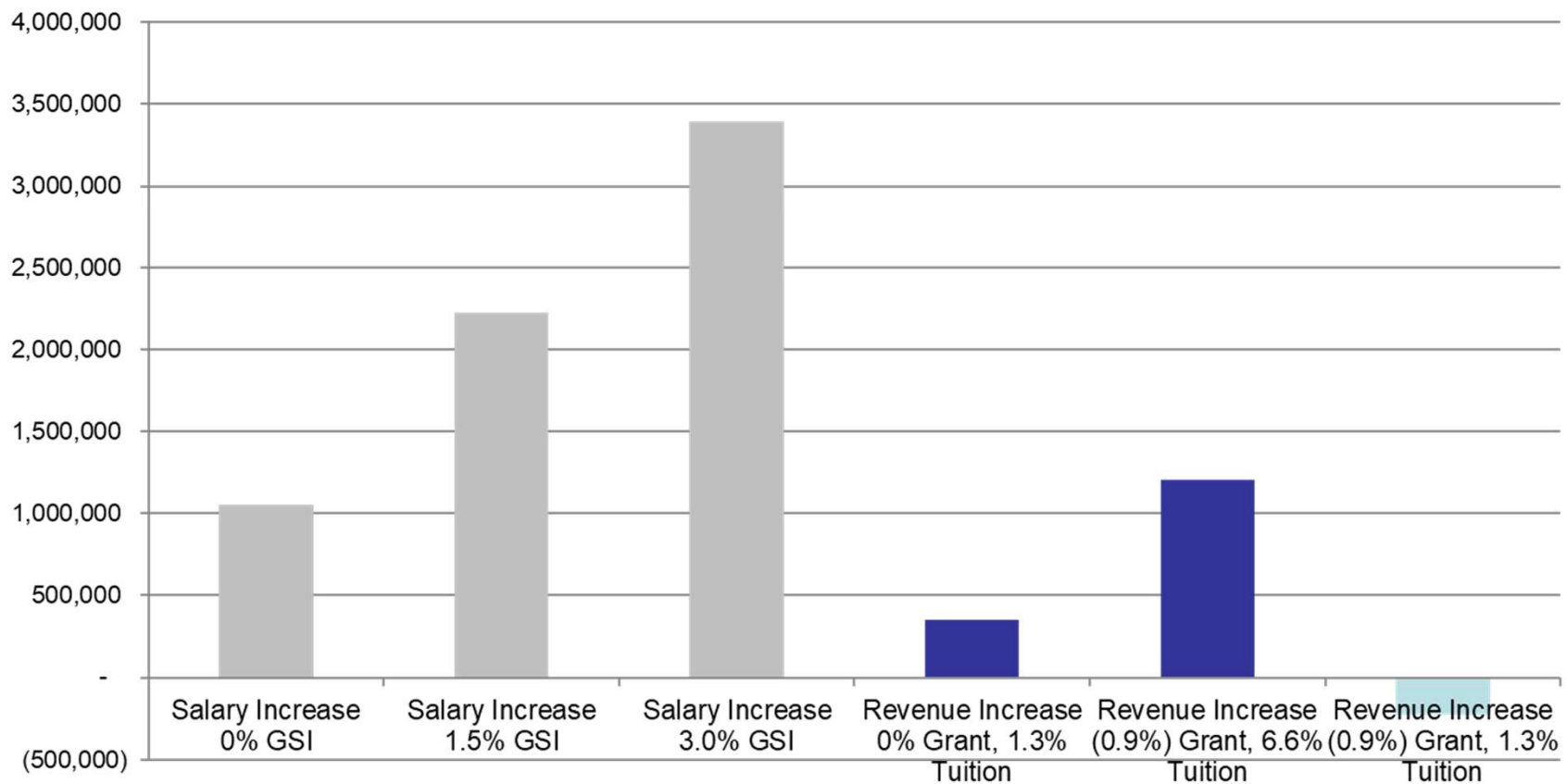
Administration and Academic Support Costs as a % of Operating Costs

source: CAUBO 2017 Financial Report



Structural Deficit (2017-2018 example)

Salary vs. Revenue Changes



Financial Metrics

The University of Winnipeg has prepared an analysis of its Financial Health relative to the other Manitoba Universities based on Composite Financial Index (CFI) ratios from publicly available financial information. These ratios were developed and presented in 1999 by Ron Salluzzo and included in the seventh edition of *Strategic Financial Analysis for Higher Education* released in 2010. These four ratios provide an easy way to compare the financial performance and health of institutions.

Composite Financial Index (CFI)

Composite Score the four ratios listed below can be weighted and combined to provide an overall score indicating the health of each entity. The components of the 2017 calculation are included below. The maximum Composite score is 10; a score of 3 is often said to be the minimum threshold of financial health.

	Brandon	Manitoba	Winnipeg	Winnipeg (2018)
Primary Reserve	0.2	0.8	(0.2)	(0.1)
Viability	2.6	1.1	(0.1)	(0.1)
Return on Net Assets	0.6	0.9	0.6	2.3
Net Operating Revenue	(0.1)	1.7	0.1	0.4
Composite Financial Index	3.3	4.6	0.3	2.4

Moving Forward

- Rolling three-year budget strategy approved by Board in January each year
- Focus on themes from strategic directions document

Original Three-Year Budget Strategy (2016)

- Maintain enrollments and staffing at current levels
- Review operations to ensure effectiveness and efficiency
 - Reduce reliance on Vacancy Management
- Reduce Administrative costs by \$500,000
- Increase revenues from revenue generating units (UWCRC, Foundation, PACE, ELP, etc...)
- Voluntary Transition to Retirement Program
- Improved Student Retention and focus on student success
- Additional funding from the Government

Budget 2018-2019

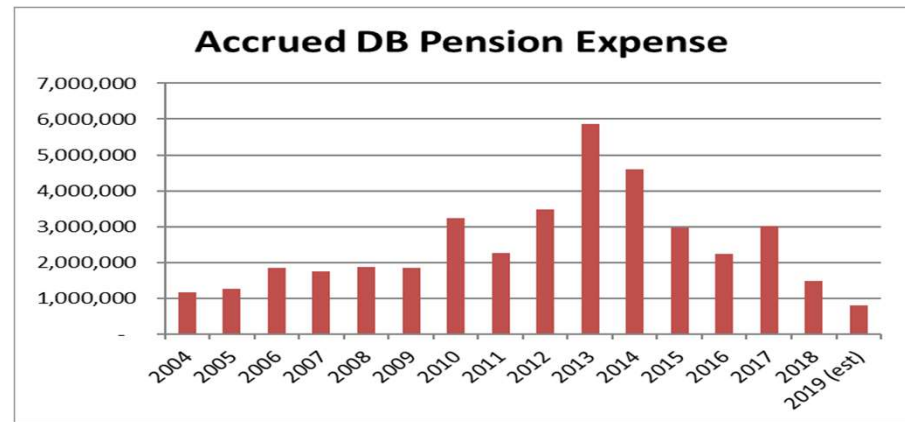
- The Province cut the University's grant 0.9%, or \$566,000.
- Tuition increased at the amount permitted by legislation
- Other outside pressures also impacted the University's budget
 - Increased financial supports for students (due to increased tuition)
 - Increased security budget
 - Introduction of the Carbon tax and increased hydro rates
 - Funding for partners reduces revenues (ICID, St.B.)
 - Cancelled funding for Collegiate Dual Credit Programs
 - Province no longer paying for International Student health insurance
 - Research Manitoba's budget was cut by \$3 million, reducing matching dollars available for research grant applications.

Budget 2018-2019

- The University focused on maintaining the academic core and student services. Expenses in the academic core increase in line with revenue growth. Most other departments see budget growth lower than that, or declines in budgets. The two exceptions being Security and Student Financial Supports
- Core operating budget salaries (those funded by the operating grant) increased about 3.3% which includes both contractual cost of living increases as well as progression through salary bands.
- The steps we took last year mean we are able to accomplish a balanced budget this year, but additional restructuring was required and 4 support staff which were laid-off.
- The Academic hiring plan saw 14 tenure track hires and 2 term positions. Several of these positions were expected to be hired later in the year so while headcount at year-end went up a little there were approximately 5 less FTE faculty in 2018-2019 than there were in 2017-2018.
- Excluded staff will see their second year with 0% GSI (in accordance with the government mandate), and Senior Executives will receive no inflationary adjustment and no progression in rank for the fourth straight year.
- With the recent restructuring senior administrative management positions have been reduced from 18.5 in 2015 to 10.8 this year, a decrease of over 40%.

Financial Picture

- 10 year positive financial markets



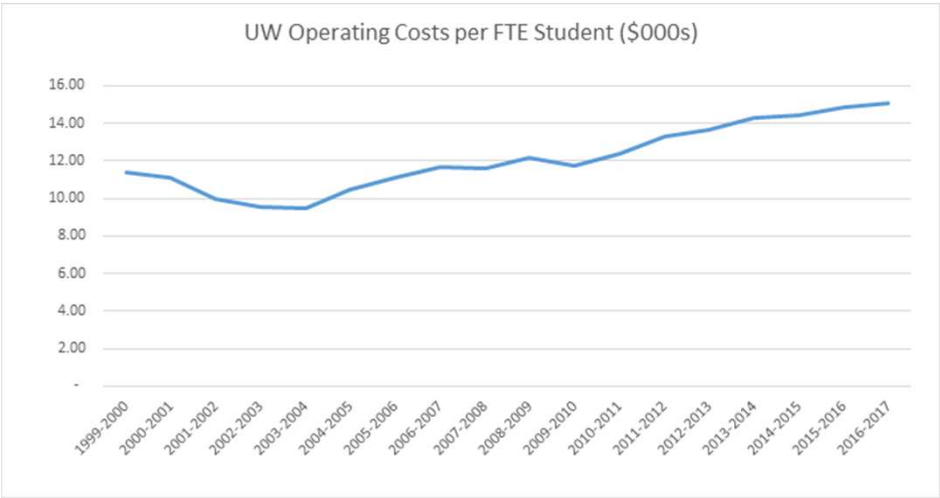
- International student enrollments
- Grant reductions

Operating Costs per Student: Comparative Between All MB PSI and UWinnipeg

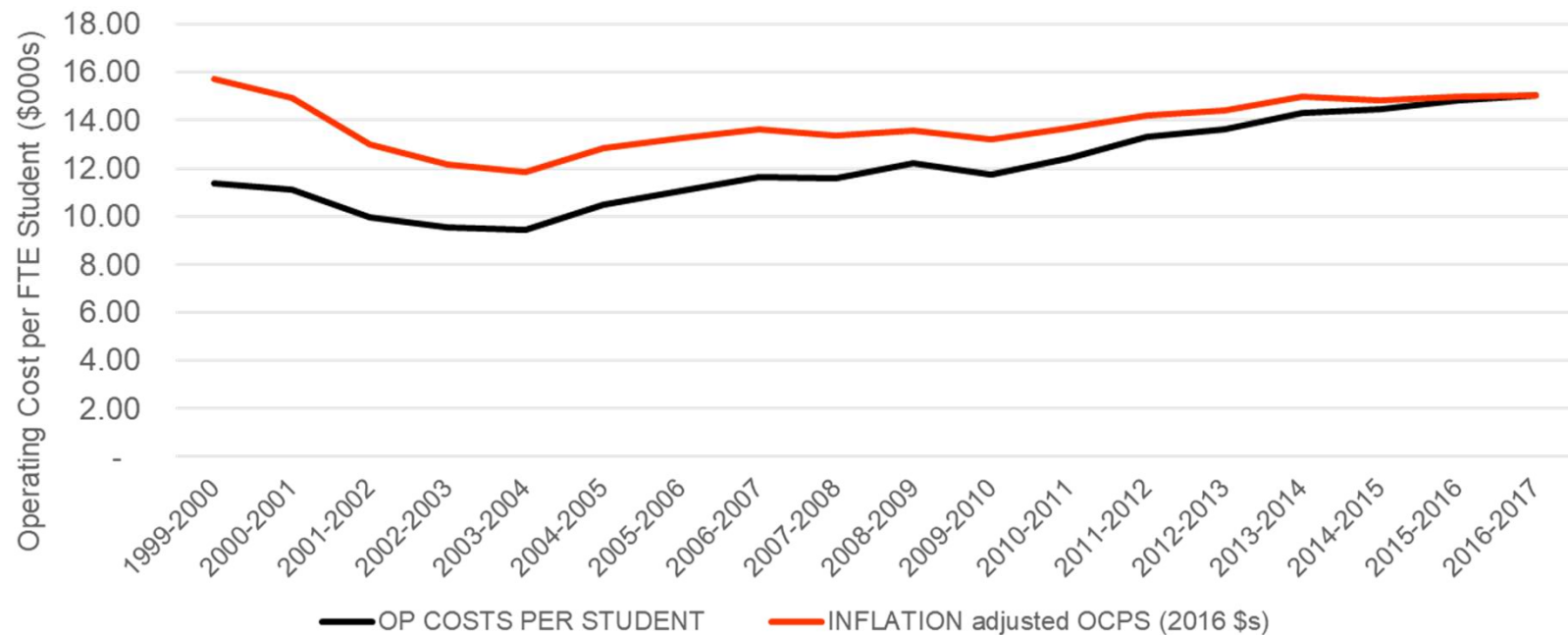
Total Operating Cost per Student for all MB PSI



UW Operating Costs per FTE Student (\$000s)



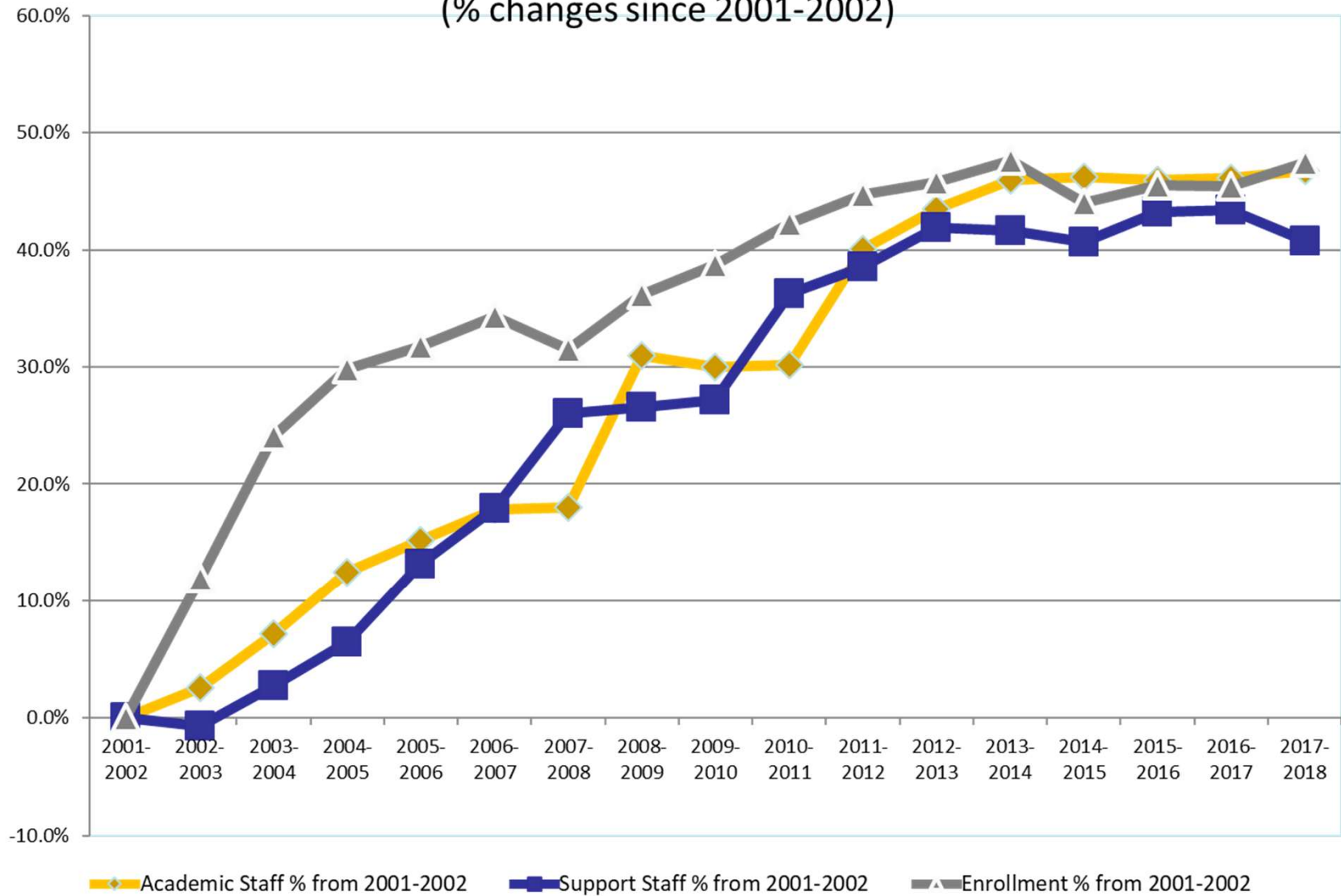
Operating Costs per FTE Student



UW's per FTE operating costs increased 32.1% from 99-00 to 16-17 (from \$11,380 to \$15,030).

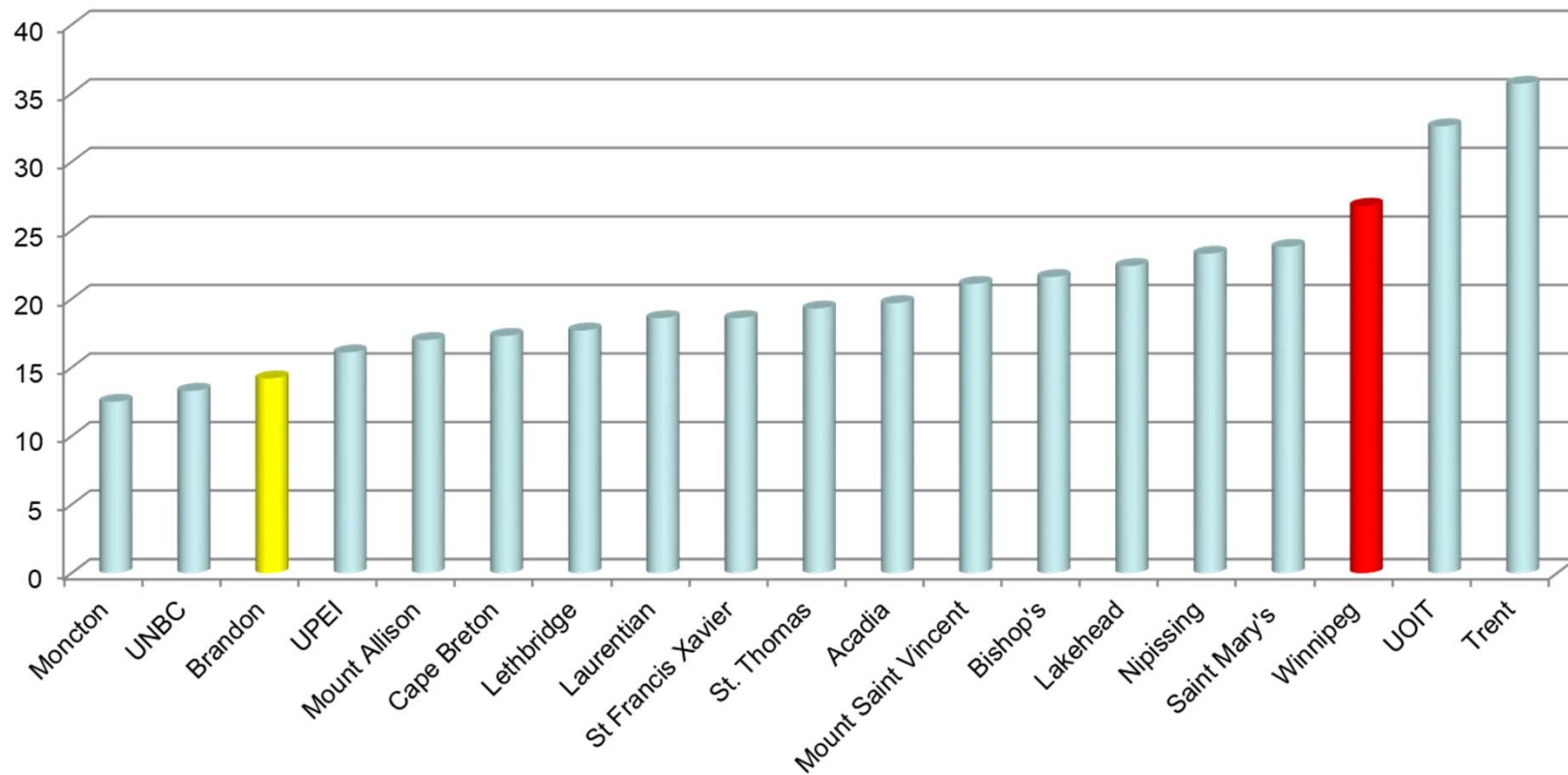
According to the Bank of Canada inflation was 36.36% in that period (so \$11,380 would have been \$15,517 based on inflation alone)

Enrollment & Staffing levels at the University of Winnipeg (% changes since 2001-2002)



Student Faculty Ratio - Primarily Undergraduate

Source: MacLean's 2019 Universities Guidebook

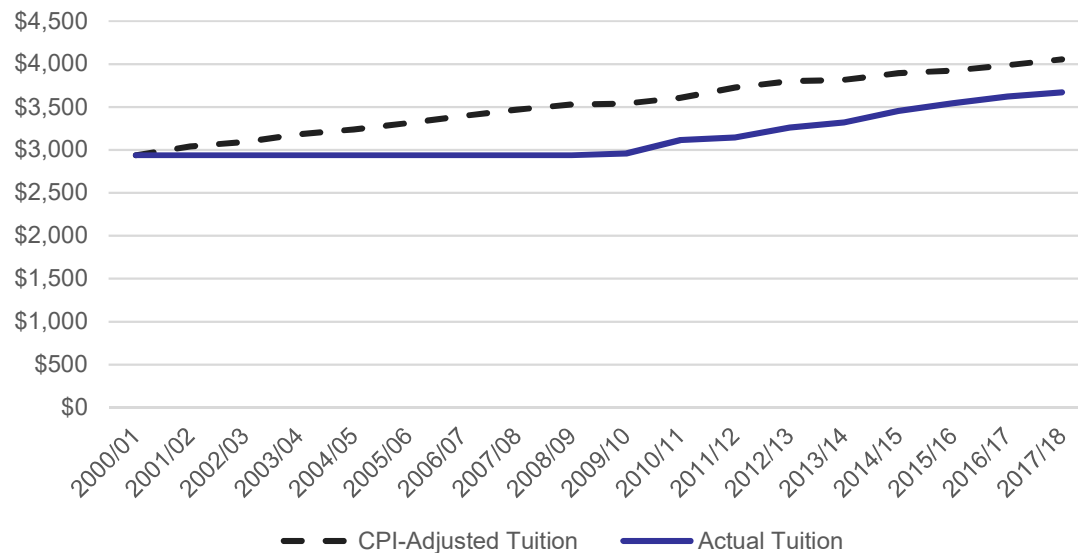


Space Utilization

	1990	2018
Space (square meters – excluding housing)	90,137	138,499
Enrollment (full-time equivalent undergrad and graduate students)	5,144	7,797
Space per FTE Student (sq meters per FTE student)	17.52	17.76

Actual Historic University Tuition (Arts and Science) Compared to CPI Adjustment

- If tuition had been adjusted to CPI, total additional tuition revenues in 2017/18 would have been at least \$14.6M higher (based on FTE enrolment of 38,001 students). Actual would be greater with higher tuition for professional and graduate programs.



19-20 Budget

- Operating Grant decrease?
 - Access Program Funding
- Accounting Standard Changes / increased oversight
- Deferred Maintenance / Campus Renewal / Library
- Security
- Financial Shocks
 - Pension
 - Copyright
 - International Student Enrollment
 - Tuition Regulation

Feedback

- What should be the University's budgetary priorities for the coming year?
- If budgetary resources are constrained, what service levels should we consider reducing?