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# McMaster Accessibility Council

2019  
Annual Report  
January 1- December 31

McMaster Accessibility  
Council (MAC)



## McMaster Accessibility Council 2019 Annual Report



### McMaster Accessibility Council

2019 Annual Report

#### MEMO

**DATE:** April 29, 2020

**SUBJECT:** McMaster Accessibility Council – 2019 Annual Report

**TO:** David Farrar, President  
Susan Giroux, Acting Provost and Vice President (Academic)  
Roger Couldrey, Vice-President (Administration)

**FROM:** Anne Pottier, Chair, McMaster Accessibility Council (MAC)  
Arig al Shaibah, Associate Vice-President, Equity and Inclusion

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The McMaster Accessibility Council, supported by the Equity and Inclusion Office Access Mac Program, is dedicated to advancing equity and inclusion for the diversity of persons with disabilities in our community. The Council is responsible for ensuring the University's adherence to the Accessibility for Ontarians with Disabilities Act (AODA).

While it is positive that McMaster was found to be compliant across all measures last audited by the AODA, it is clear that there is much work ahead to ensure the University meets updated compliance benchmarks set for 2025. Furthermore, the MAC will be urging the University to move beyond compliance to realize more aspirational accessibility, equity and inclusion goals.

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In 2019, much work was undertaken to update institutional strategies and plans to support the achievement of both AODA compliance measures and aspirational accessibility priorities and goals. Specifically, McMaster's 2012 – 2025 Accessibility Plan to meeting Accessibility for Ontarians with Disabilities Act (AODA) compliance measures was audited, and the University's inaugural EDI Strategy has incorporated aspirational Accessibility goals and priorities.

Moving forward, the MAC will develop a communication strategy to broadly publicize and report on action plans and progress to enhance community engagement in and accountability for accessibility goals and priorities.

Please find enclosed, for your review, the ninth annual report from the McMaster Accessibility Council (MAC), covering the period January 1, 2019 to December 31, 2019.

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### Accessibility Accomplishments 2019

#### Strategic Planning and Implementation

- MAC has been working with the AVP Equity & Inclusion on incorporating aspirational accessibility priorities and goals into the institution's strategic EDI Action.

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- McMaster's Policy on Accessibility is currently under review, and the revised Policy will be instrumental in mobilizing actions to meet compliance measures as well as aspirational goals.

### Environments and Spaces

Facilities Services completed many accessibility-related projects as part of the Campus Accessibility Action Plan (CAPP) – a summary of these projects can be found in Appendix A. In addition to specific requests for accessibility upgrades in several departments and campus buildings, plans are underway for the addition of an elevator to the Applied Dynamics Laboratory building.

This was the year of accessibility audits for many buildings on campus:

- Accessibility audits were completed for Mills Memorial Library and the H.G. Thode Science & Engineering Library. Recommendations from these audits are being reviewed and prioritized action plans are being developed to address many of the issues raised.
- An audit of accessible entrances for all buildings on campus was undertaken as part of the development of a virtual campus map.
- An audit of all washrooms on campus was undertaken to determine which washrooms are accessible, barrier-free and/or All Genders. Recommendations from this audit have been reviewed and a prioritized action plan will be developed to address issues raised.

The Parking Office replaced the two existing campus shuttle buses with accessible shuttle buses which went into operation for the Fall term.

Accessibility-related consultations were done for several large projects on campus - the completion of the Peter George Centre for Living & Learning (PGCLL), planning for the new Student Activity and Fitness expansion (SAFE) building and initial design work for the new McLean Centre for Collaborative Discovery at the DeGroote School of Business. From these consultations, a larger conversation around the development of a McMaster Barrier-Free Design Standard took place, which resulted in the creation of a

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Barrier-Free Design Committee at the end of the fall term. The work of this Committee, reporting to the AVP Facility Services, with membership from Facility Services, the Equity & Inclusion Office, Student Accessibility Services, Housing & Conference Services and MAC, will begin in the coming year.

### Digital Accessibility

#### Web Accessibility Project

With the deadline for the AODA Web Compliance regulations ([Section 14](#)) fast approaching, web accessibility remains a focus of attention on campus and each department or administrative area should be developing a Web Accessibility Plan. Under this legislation, all websites and web content, excluding live captioning and audio description, must adhere to the [Web Content Accessibility Guidelines](#) (WCAG) 2.0 AA by January 2021. Currently, the majority of McMaster sites do not conform to the standards / legislation that came into effect in 2014 (WCAG 2.0 A) and departments and administrative areas will need a plan to address the issues of monitoring, training, remediation, procurement, and creation

Some things which need to be taken into consideration to meet (WCAG) 2.0 AA by January 2021 include:

- Non-text elements on the website, such as images, have text alternatives.
- Understanding the meaning of the content does not depend on being able to perceive colors, sounds, object size, etc.
- Individuals are able to pause, stop or control the volume of any audio that plays for more than three seconds.
- Web pages and links have self-explanatory titles.
- Text can be resized (enlarged).
- Website functions work using a keyboard.
- If there is a short time limit for certain functions, individuals can control or extend the time limit.
- There is nothing on the website that flashes rapidly.

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Over the past three years, the MAC has worked to address web accessibility compliance deadlines through the creation of the Web Accessibility Project, led by the Web Accessibility Specialist. The efforts from the Web Accessibility Project continue with focus being placed on next steps and recommendations coming out of the Web Accessibility Survey. Draft recommendations have been given to a working group within the Accessibility Council to discuss their possible integration or implementation into the Web Strategy, and Equity, Diversity and Inclusion Strategic Framework and Action Plan, both of which are under evolving development.

With the University going virtual there has been a notable uptick in discussion around Universal Design for Learning in our online platforms, and the accessibility of our media. Video captioning, time-based assessments online, and digital document accessibility are some examples of these discussions.

As the various producers across campus come up to speed on the legislative and technical requirements of our websites, so do their concerns with meeting the goals laid out by the province. Support and communication with web producers on campus will be essential for success.

Elements discussed in the draft recommendations are as follows:

- Creation of web accessibility plans for all departments / administrative units
- Strategies for compliance across a decentralized infrastructure
- Capacity building and sustainability of accessible practices
- Centrally developing and maintaining web accessibility information such as audit and best implementation practices for McMaster
- Working with external vendors to ensure the procurement of accessible web sites



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### Accessibility Hub Rebrand and Relaunch

After undergoing extensive [user testing for accessibility](#), the AccessMac Program officially relaunched the [McMaster Accessibility Hub](#) on Media Production Service's (MPS) new Macsites platform in September, 2019. The website has a clean, rebranded Brighter World look and feel to it, and in accordance with WCAG 2.0 AA guidelines for extensive refresh of a website, is moving closer and closer to a goal of complete AA compliance, including the extensive remediation of current PDF resources (including McMaster policies) into HTML or Microsoft Word formats by January 1, 2021. User testing carried out in partnership with the MacPherson Student Partner Program underpins the enhanced accessibility of the website. Special thanks and recognition goes out to the students with disabilities who participated as partners and testers in this ongoing project. MPS and AccessMac will continue to work closely with campus partners and users of assistive technologies to iteratively incorporate accessibility criteria, testing and feedback mechanisms into MPS templates and platforms moving forward.

Moving forward, the Accessibility Hub, which is linked to a variety of other online platforms and list serves for accessibility and disability inclusion, will be one of the main driving communication and branding components of the AccessMac Program

### Echo 360

Campus Classroom Technologies (CCT) undertook a pilot project in the Fall 2019 term with Student Accessibility Services (SAS) to provide transcripts and subsequent closed captioning of these transcripts for students registered with SAS who were deaf or hard of hearing. Instructors teaching courses for each of the registered students were encouraged to use the [Echo360 lecture capture](#) software, which is enabled in 35 classrooms on campus. These captures were automatically scheduled for every session held for that class during this term.

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These classes had Automatic Speech Recognition (ASR) transcription functionality enabled in them, which permitted a team of library staff and library student assistants to edit the transcripts for accuracy, then be uploaded to create close captions. For some classes, the automated transcriptions were not clear enough for local clean-up work to be done, so these were sent to a 3<sup>rd</sup> party vendor to have this work done. The edited transcript and closed caption were then reloaded into the Echo360 class environment, which was housed in Avenue2Learn –a by-product of this project was that all of the students in the classes in which deaf and/or hard of hearing students were registered were able to access these additional learning supports. An expanded version of this pilot project is planned for the Winter 2020 term.

### **Faculty of Sciences: Strategic Alignment Fund to Enhance Accessibility in Converting Blended Learning Courses**

In 2019 the Faculty of Science started to convert several Blended Learning courses to meet upcoming Accessibility for Ontarians with Disabilities Act (AODA) and Web Content Accessibility Guidelines (WCAG) 2.0 compliance deadlines. Funded by a Strategic Alignment Fund grant, the Faculty has explored the use of institutionally supported tools and platforms to maximize accessibility for instructional team members and students.

#### **Priorities include:**

1. Accessible interface and navigation
2. Content must be easy to update and maintain
3. Device and platform agnosticism
4. Leverage existing campus systems and tools
5. Safeguard intellectual property
6. Ethical and integrated user-testing
7. Collaborating across the institution

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### **Faculty of Social Sciences: Continued Creation of Web Accessibility Plan**

The Faculty of Social Sciences has initiated a 'Web Accessibility Plan' in response to the Accessibility for Ontarians with Disabilities Act (AODA) and the 'Information and Communication Standards'.

The following captures their approach to building a sustainable barrier-free website strategy:

1. Centralization and the Creation of Standards
2. Required Training and Culture Change
3. Developing a Sustainability Plan and Annual Auditing
4. Advocacy
5. Participation

One significant outcome in the development in 2019 for this ongoing project, has been the publishing of the [2019 Faculty of Social Science Web Template Audit](#), which is openly available for replication for all McMaster faculties, units and community members to access.

### **Communication**

The second annual [Accessibility and Disability Inclusion Update 2018-2019](#) was collated and published this year, with more than 70 submissions from 40+ units across campus. The near doubling of submissions that were received this year are indeed an indication of both the publication's growing popularity, as well as a continued growth in incredible accessibility work that McMaster community members are championing in their roles as students, staff and faculty.

#### **This publication embodies goals of both:**

1. Communicating better to campus communities about accessibility initiatives being led by MAC/EIO, and

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2. Building cross-campus community around accessibility and disability inclusion work that the broader McMaster community members are engaged in.

**This year, the publication was broken into 11 sections, comprising areas of:**

1. Campus and Community Projects and Publications
2. Community Engagement
3. Service Delivery
4. Employment
5. Financial Aid
6. Policy/Plans
7. Spaces and Environments
8. Student Initiatives
9. Teaching and Learning: Research, Instruction, and Course-Level Enhancements
10. Teaching and Learning: Educational Technologies, Online Course Design, and Accessibility and Disability Inclusion Training
11. Technology and Communications

In order to represent a true communication plan for the campus, as well as to meet the needs of a very broad audience of McMaster students, staff and instructional staff, components of the Update were released 4 months in advance of its entire release, in both separate sections and using different mediums. A 6 week social media campaign, an email newsletter, an accessible digital version and a printed version were all timed to release different updates falling into the above categories up until the final December 3<sup>rd</sup> release of the full publication. This was done to stagger the information; make it meaningful for engagement to different audiences, and to draw out the celebration and highlighting of the work detailed within this truly impressive community publication.

Recognizing the challenges of implementing a centralized accessibility communication plan within the decentralized working, teaching and learning environments of McMaster University, the Update works to connect individuals and units across campus who might otherwise be isolated in their individual efforts to make McMaster more accessible, equitable and inclusive. A goal moving forward with the Update is to continue building

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community digitally and in-person; to promote supportive relationships, through which future communication regarding accessibility messaging is more broadly shared; and to encourage stronger commitments from the McMaster community to take-up and take-on the work that needs to be done to continue moving accessibility forward at the University.

### Accessible Education

#### Accessible Education Seminars

- The MacPherson Institute offers in-person education on accessibility in teaching and learning.
  - The 5-hour Accessibility in Teaching and Learning [Educator Enhancement Series](#) for faculty and instructors ran in March 2019 (3 participants) and June 2019 (15 participants).
  - A 90-minute workshop on Accessible Teaching Techniques was facilitated as part of the [Emerging Educators](#) program for graduate students and postdoctoral fellows in Winter 2019 (8 participants) and Fall 2019 (11 participants).
  - Additionally, a session on Universal Design was facilitated for faculty in the English and Cultural Studies department.
- The [September 2019 Annual Teaching & Learning Forum](#) for TAs both featured a workshop on Accessibility and Accommodation, as well as one on Teaching with a Disability (with approximately 25-30 participants).
- Additionally, the [Accessibility Teaching and Learning Network](#) aims to gather and share success stories, challenges and sources of support related to accessibility and equity in teaching and learning. The Network meets 2-4 times per year, most recently holding an open meeting in Fall 2019 on AODA compliance and training requirements.

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### Accessibility-Focused Educational Research and Development

- [The Student Partners Program](#), supported by the MacPherson Institute, funded several educational research and development projects focusing on accessibility and equity in teaching and learning, including the following:
  - Disabled student experiences self-advocating for their learning needs
  - Factors that promote and/or discourage educators in advancing accessible education
  - Diverse faculty experiences of student-faculty partnerships, with attention to intersectionality and social location
  - The impact of instructor diversity/demographics on students' learning experiences and sense of effective teaching
  - The teaching experiences of TAs in relation to their identities and social locations (including disability)
  - Online mental health education for instructors
  - Creating safety for marginalized students in social work pedagogy
- With funding from SSHRC, researchers affiliated with the MacPherson Institute also piloted an equity-focused stream of the Student Partners Program during the Winter and Fall 2019 terms. Several faculty/student pairs (approximately 15 participants out of 26 total), including a number of students with disabilities, have enhanced attention to accessibility, disability inclusion, and mental health in the faculty member's course in a range of ways, such as through educational technology, the implementation of Universal Design principles, and formal research into accessibility/disability/identity in active and team-based learning. The Equity Stream research team continues to analyze data on the impact/outcomes of the pilot, how partnership can contribute to greater equity/accessibility, and how equity-focused work might continue to be supported through the Student Partners Program.

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- In December 2019, the MacPherson's annual [\*Research on Teaching and Learning Conference\*](#) hosted two workshops on Accessibility and Universal Design, and several research sessions on disabled student experiences, student mental health and wellbeing, inclusive pedagogy, and accessibility for educators.
- Additionally, a section on accessibility and accommodation is being added to the MacPherson's *New Instructor Handbook* and a collaboratively developed *Inclusive Teaching* webpage to be launched in 2020.
- Members of the Institutional Quality Assurance Process (IQAP) Team at MacPherson have also been working with departments under IQAP review to complete [\*section 3.4 of the Self Study document on Accessibility\*](#).

### Accessibility and Educational Technology

- Ongoing blended and online course design consultations and educational technologies use accessible and inclusive practice and evaluation (e.g., Avenue to Learn WCAG 2.1 standard and MacVideo (Kaltura) video streaming closed captioning)
- An [\*Echo360 Sandpit\*](#) Initiative was developed to allow faculty to experience Echo360 from the students' point of view, pointing them to accessibility considerations, resources and support. Staff and student partners have and will continue to present this work on making teaching and learning more accessible through Echo360 at several local and national conferences and events.
- The e-Health and Global Health programs are using Microsoft Teams to access Immersive Reader in OneNote for collaborative work during activities and assignments, as well as to live caption during online meetings, create searchable transcriptions, and translate text discussions and PowerPoint captions.
- Members of the Educational Technologies team also authored an open module on [\*"Inclusive Design for Open Educational Resources"\*](#).

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### MAC-Related Accessible Education Work

In addition to wonderful work carried out by McMaster's centralized Teaching and Learning Centre, the McMaster Accessibility Council have continued participation in two notable areas:

1. The McMaster Accessibility Council Chair's presence on the provincial Post-Secondary Education Standard Development Committee. The work of this Committee was on hiatus during the transfer between the two provincial governments, but resumed its work in the Fall of 2019. The goal is to develop recommendations for a standard to reduce barriers in all aspects of post-secondary education, and transition to PSE from high-school, with a draft Standard to be ready for public consultation in late 2020. Areas of focus are:
  - a. Attitudes, behaviors, perceptions and assumptions
  - b. Awareness and training
  - c. Assessment, curriculum and instruction
  - d. Digital learning and technology
  - e. Organizational barriers
  - f. Social realms / campus life
2. A presentation of the *Policy on accessible education for students with disabilities*, released by the Ontario Human Rights Commission in March, 2018, was presented to the Council by the Accessibility Projects Coordinator during MAC's spring meeting. The significance and relevance of this Policy cannot be understated, in particular areas of:
  - a. The widespread provincial failures to accommodate and include meaningfully students with disabilities in educational environments, levels K - Post-secondary;
  - b. The undue burden of responsibility to disclose disability status and self-advocate for accommodation and accessibility support placed on students with invisible disabilities, in particular where those disabilities are highly stigmatized (e.g. mental health disabilities);



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- c. The differential and negative impacts that students with disabilities with complex intersectional identities (perceived race /ethnicity; gender; income level; rural vs. urban, etc.) experience (e.g. Indigenous and Black students with disabilities when compared to non-racilaized students with disabilities), and;
- d. The need for accessible education and disability-inclusion training to be mandated / emphasized at all levels of education (K - Post-secondary).

### Employment

McMaster University is committed to removing barriers to employment for persons with disabilities and promoting inclusive workplaces. Human Resources Services, in collaboration with the McMaster Accessibility Council and the Equity and Inclusion Office, led the following programs and initiatives to advance employment equity for employees with disabilities:

- Increased awareness of accessibility through focused conversations with staff and faculty on how to integrate accessibility into our day to day work responsibilities
- Co-developed *Equitable and Accessible Workplace Accommodation Training* with the AccessMac Program (Equity and Inclusion Office) and in consultation with McMaster's [Employee Accessibility Network](#), for staff and faculty, as part of the '*Advancing Employment Equity and Inclusive Excellence Workshop Series*'
- Continue to develop *Individual Accommodation Plans* for employees requiring accommodation, as well as *Individual Evacuation Plans* for employees who may experience mobility limitations in exiting a building during an emergency
- Continue to support and manage return to work and redeployment processes available for employees
- Collaborated with the Learning Technologies Consultant (Faculty of Social Sciences) to provide training for staff and faculty on '[Building Accessible Presentations](#)' and '[Building Accessible Media: Accessible Word Documents](#)'

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- Provide ongoing recruitment support to Student Accessibility Services and other department and faculties
- Ongoing support to the [Employee Accessibility Network](#)

### Advocacy and Awareness Raising

#### Peer / Consultation Groups

##### *The Employee Accessibility Network*

Established in 2017, the Employee Accessibility Network (EAN) was created for employees with disabilities at the University to connect, network and collaborate. The Network was also developed to act as one of the main accessibility consultative groups to the McMaster Accessibility Council, and the University at large, in areas of:

- Disability inclusion,
- Accommodations and accessibility compliance and aspirational planning, and
- To offer a lens of lived experience to institutional work carried out which may disproportionately impact employees with disabilities in the absence of consultation.

This past year, the Network has worked together to consult and provide feedback in several areas, including:

- McMaster's emerging [Equity, Diversity and Inclusion \(EDI\) framework](#) for the University
- The creation of the Accessibility Initiatives, a strategic framework to complement McMaster's current AODA Compliance Plan 2012-2025, and which will be embedded within the EDI framework
- The ongoing redevelopment of [McMaster's AODA Compliance Plan 2012-2025](#)

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Additionally, the Coordinator of the Employee Network works continuously to report concerns and experiences to relevant McMaster staff and units that Network members have anonymously discussed during meetings.

### **Frequently discussed examples have included:**

- Lack of disability inclusion in decision making that impacts McMaster employees with disabilities
- Barriers surrounding emergency evacuation plans for employees with disabilities for all McMaster work environments;
- Inconsistency in the knowledge and implementation of workplace accommodations across the institution;
- Barriers around digital accessibility within the university; and
- Inconsistency around dissemination and take-up of obligations and responsibilities regarding accessibility / accommodation compliance within the McMaster learning and working environment.

We would like to sincerely thank Network members for their wonderful consultation work and for continuing to report these concerns as a group moving forward.

To join the Network, please contact (confidentially) Kate Brown, EAN Coordinator, at [access@mcmaster.ca](mailto:access@mcmaster.ca).

### **Student Initiatives**

Undergraduate and graduate student advocacy and awareness raising for accessibility and disability inclusion were incredible this year including:

- The creation of a new CMFU radio show, entitled "[Ability](#)", which discusses art, music, and topics relating to and created by persons with disabilities.
- The development of [Open Accessibility: An Illustrated Story of Disability Advocacy](#), a digitized narrative of policy change and the evolution of campus disability and accessibility changes since the 1980s.

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- The continued collaboration of graduate and undergraduate students and recent alumni in holding the Disability and Mad Studies Reading Group, founded in 2019 with SPICES funding from the School of Graduate Studies.
- The creation of Politicizing Self-Advocacy disabled student workshops through the leadership of student self-advocacy researcher, Emunah Woolf, and with the support of the [MacPherson Institute's Student Partners Program](#). These workshops and research work to unpack different elements of self-advocacy that center disabled student experiences.
- Please find more examples of Student Initiatives in Advocacy and Awareness Raising under "Student Initiatives" of the [Accessibility and Disability Inclusion Update 2018-2019](#)

### December 3<sup>rd</sup> International Day of Persons with Disabilities Celebration

This year's International Day of Persons with Disabilities was celebrated through several different events and platforms, including:

- The co-development and launch of a Disability DIScussion on Self-Advocacy and Disability for all McMaster community members to attend on December 3<sup>rd</sup>, and with an additional hour included for students with disabilities to caucus and debrief with another about the event. Special thanks to student self-advocacy researcher, Emunah Woolf, and the Human Rights and Dispute Resolution Program (EIO) for their support of this event.
- A launch party for the release of the print version of this year's Accessibility and Disability Inclusion Update 2018-2019 on December 2, with over 50 contributors in attendance, ASL interpretation, and a keynote from the [Disability Justice Network of Ontario](#).
- The release of the [Accessibility and Disability Inclusion Update 2018-2019](#) newsletter and full digital version to the McMaster campus community on December 3<sup>rd</sup>.

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### MAC and AccessMac Consultation and Training

The AccessMac Program within the Equity and Inclusion Office provides accessibility and disability inclusion consultations and training to all McMaster University community members – these consultations and trainings are typically by request or offered at a regular time during the year and are often undertaken in collaboration with other McMaster units. Consultations and training may involve providing expertise in the areas of universal design for buildings/physical spaces, creation of media and digital presences, accessible customer service best practices, planning accessible meetings and events, accessible teaching and learning and accessibility within employment contexts.

This year's program numbers were record high, indicating once again that the campus community is growing in awareness around issues of accessibility and disability inclusion, and is taking action to seek out support and resources.

#### Jan. 1 – Dec. 31 2019 Numbers for AccessMac Program Consultation, Education and Support

Activity	Number / Sessions	Audience(s)
Accessibility and Disability Inclusion Consultations	92 consultations	All McMaster community members
Support meetings and/or referrals for individual staff, students, and instructors with disabilities	26 individuals supported	McMaster students, staff and instructional staff with disabilities
AODA and Human Rights Code Training (online)	Employee Numbers:	All McMaster community

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	<ul style="list-style-type: none"> <li>• 728 completed training</li> </ul> <p>Student Numbers</p> <ul style="list-style-type: none"> <li>• 1772 completed training</li> </ul>	members
FLEX Forward Accessible Education Training (online)	<p>Employee Numbers:</p> <ul style="list-style-type: none"> <li>• 112 completed training</li> </ul> <p>Student Numbers:</p> <ul style="list-style-type: none"> <li>• 150 completed training</li> </ul>	All McMaster community members
Accessibility and Disability Inclusion Training and Educational Events (in-person)	<ul style="list-style-type: none"> <li>• 33 sessions held</li> <li>• 1000 people trained in-person</li> <li>• 6000 people reached through events</li> </ul>	All McMaster community members

### 2019 Consultation Highlights

- Extensive consultation on Modules 3&7 of the newly developed "Hippo-on-Campus" mental health training for McMaster instructional staff, under the Mental Health Strategy
- Collaborating with the McMaster Registrar's Office to incorporate live captioning into all McMaster Convocation Ceremonies (for Spring 2019 onward)

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- Consultation around surfacing and promoting Convocation Accessibility available now from main [Convocation Information web page](#)
- Consultation to the AVP Faculty in incorporating accessibility and universal design principles into McMaster Intersession courses
- Developing the disability-inclusive language section of McMaster's new [Words Matter Editorial Style Guide](#) in partnership with Student Accessibility Services
- Consultation with the Department of Geography and Facility Services to create a Barrier Free washroom on the 3<sup>rd</sup> floor of the General Science Building
- Accessibility walkthrough and consultation regarding the new Peter George Centre for Living and Learning with Facilities Services

### 2019 Education Highlights

- Re-development of *Equity, Accessibility and Inclusion 101* training for Residence Life CAs in collaboration with EIO education staff
- Development of *Accessibility and Disability Inclusion 101* training for Residence Life ROAs in collaboration with Residence Life staff
- Development of the *Timeless: An Intergenerational Social Program* training on ageism, equity and accessibility for McMaster Residence Life: Timeless Living and Learning Community in collaboration with EIO educational staff
- Development of *Inclusive Student Leadership Training* for McMaster student leaders in collaboration with EIO, Human Resources and the Faculty of Social Sciences
- Development of *Accessibility and Accommodation in Field Placements* for field instructors in collaboration with the Human Rights and Dispute Resolution Program, Student Accessibility Services and the School of Social Work

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- Development of *Self-Advocay and Disability* training for all McMaster community members in collaboration with the Human Rights and Dispute Resolution Program and student self-advocacy researcher, Emunah Woolf

### Moving Forward

This past year saw some changes to the composition of the McMaster Accessibility Council - changes in the individuals in some of these roles (Facilities, Public Relations, Teaching & Learning) and the addition of a key role in the area of Finance. We also saw the retirement of long-time Director of Student Accessibility Services, Tim Nolan, and will now be looking to Student Affairs to see how the work of this unit will change as a review of this area is completed. The creation of the new role of Manager, Accessibility Program in the Equity & Inclusion Office, now filled by Kate Brown, created some much needed stability in the provision of accessibility oversight for the campus. The coming year will see an additional change with the retirement of the current MAC Chair and selection of a new Chair.

The 2018/19 academic year continued to see increased collaboration and communication around the many accessibility related initiatives which took place across campus, culminating in the launch of the 2nd annual [Accessibility and Disability Inclusion Update](#), which was appropriately tied to the very successful International Day of Persons with Disabilities celebration. It was so wonderful to read the more than 70 submissions which came in from 40+ units and to reflect on what inspirational and creative work is being in this area across campus.

The coming year will see the in-depth development of the university's Accessibility Plan (aspirational and compliance-related goals) as part of the newly developed EDI Strategy, and more work being done to update the University's Policy on Accessibility and to contribute to the new campus Web Strategy. There will be movement forward with the new Barrier Free Standard Committee, including determining a Terms of Reference and developing a local Barrier Free Standard for all McMaster construction



## McMaster Accessibility Council 2019 Annual Report

and renovation projects, as well as continued focus on supporting McMaster employees with disabilities, both through collaboration with McMaster Human Resources Services and the Employee Accessibility Network. There will be incredible shifting and evolving of McMaster organizational culture as our institutional priorities and workflows continue on this trend of including accessibility, and in some cases situating accessibility, at the centre of design, development, implementation and maintenance processes and plans. We are indeed excited looking ahead to how accessibility and disability-inclusion flourishes in 2020.

### Appendix A – 2019 CAAP Projects:

#### Direct Accessibility-related projects

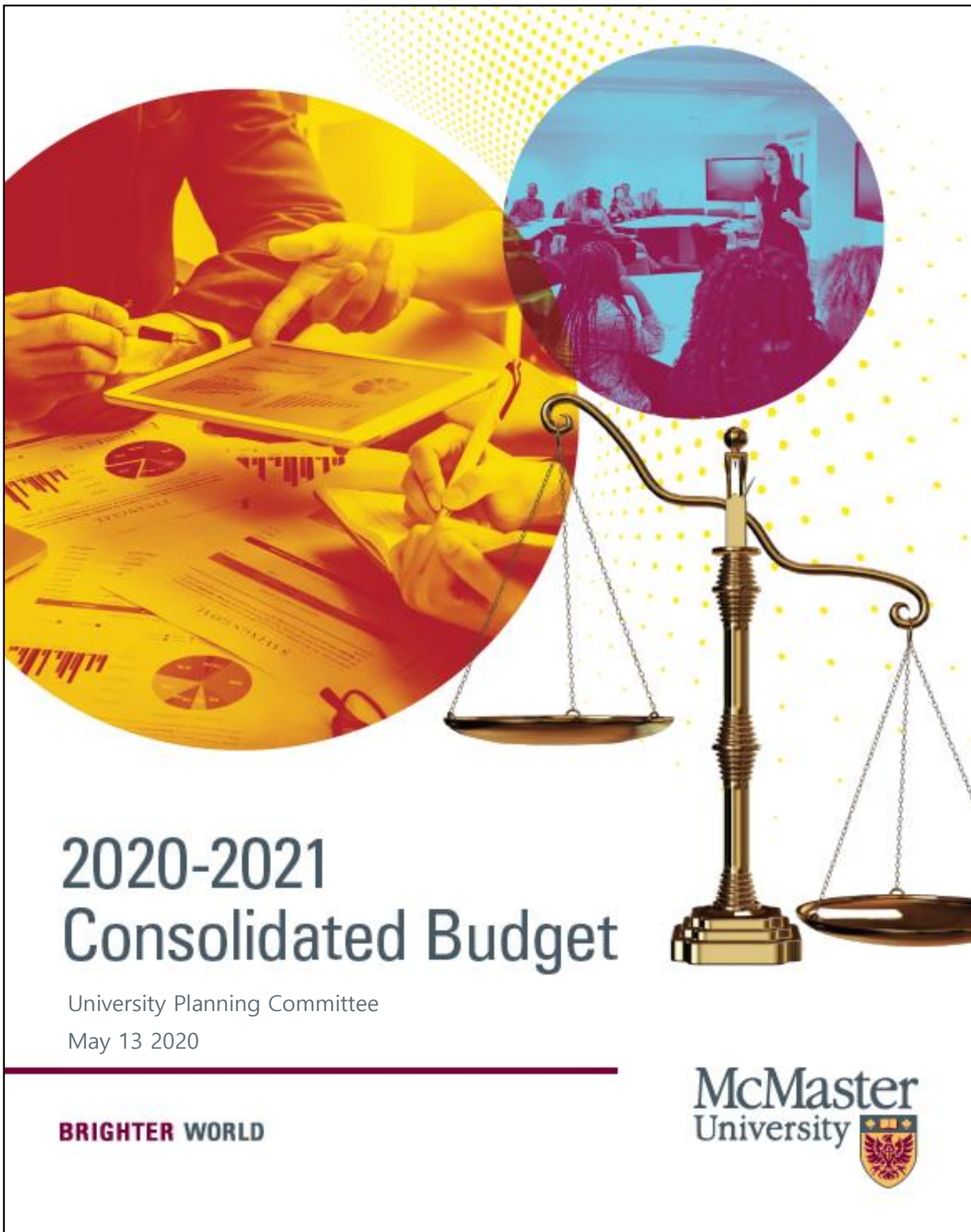
- **Applied Dynamics Laboratory (ADL):** Elevator replacement design completed; work to be done in 2020
- **Burke Science Building,** Room 148: create barrier free entrance to washroom
- **Chester New Hall (CNH),** B110 and B111: convert to barrier free washrooms
- **E.T. Clarke** Security and Parking office: Create Ramp entrance and barrier free counters for the Parking office
- **General Science Building,** Room 329: make door accessible for faculty member with mobility impairment
- **General Science Building:** add additional barrier free washroom on the 3rd floor
- **Hamilton Hall:** washroom doors – add Automatic Door Opener (ADO)
- **Hedden Hall** – install power door operator and emergency call button for single-use accessible washrooms, ADO to basement men's and women's washroom and laundry room, install compliant railing for basement ramp and changed door hardware to common areas
- **Ivor Wynne Centre:** Improve access to barrier free washroom
- **John Hopkins Engineering (JHE):** upgrades to barrier free interior path of travel. Several doors to be equipped with ADO's. Upgrade work planned for JHE, Room 310 and northwest corridor

## McMaster Accessibility Council 2019 Annual Report

- **Les Prince Building** – Relocate power door opener to be out of the path of moving doors, equip all doors to accessible washrooms with ADO, equip laundry room door and other common use rooms with ADO, main floor washroom – many suggested improvements to improve accessibility, painting of the lobby door frames, installing film on glass to provide visual indicators of clear glazing, changing out door hardware to common area
- **Mary Keyes Building** – add ADO to public washroom on basement level. Add ADO to common areas on upper floors (study rooms, garbage rooms, meeting room and public washrooms). Install emergency call button on the upper floor public washroom, adjust height of accessories in main floor accessible washroom, changed height on AED to make accessible, changed door hardware for common areas
- **Nuclear Research Building (NRB)**: updated washroom and added ADO
- **University Hall (UH)**: accessibility upgrades to basement men's and women's washroom on lower level
- **University Hall and Hamilton Hall (HH)**: install handrails for south entrance stairs

### General

- **Accessibility audits** for ten (10) academic buildings – on-going
- **Drinking water fountain upgrades** – additional 12 locations water refill stations installed
- **Lifts on campus** – upgrade with phone, card access, consistent operational instructions, and signage (ongoing)



# 2020-2021 Consolidated Budget

University Planning Committee

May 13 2020

**BRIGHTER WORLD**



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## 1 QUICK FACTS

### History

Founded in **1887** in Toronto.

Relocated from Toronto to Hamilton in **1930**.

### Institutional Leadership

Chancellor: **Santee Smith**

President, Vice-Chancellor and Chair of the Senate: **Dr. David Farrar**

Provost and Vice-President Academic: **Dr. Susan Searls-Giroux (Acting)**

### McMaster Model

Student-centred, research-intensive, problem-based, interdisciplinary approach to learning

### Degrees Granted (in 2018-19)

**7,223**

### Student Enrolment Headcount (as of fall 2019)

Undergraduate: **29,276**

Graduate: **4,991**

Domestic: **29,001**

International: **5,226**

### Average Entering Grade (in fall 2019)

**88.8%**

### Faculties

**6** (DeGroote School of Business, Faculty of Engineering, Faculty of Health Sciences, Faculty of Humanities, Faculty of Science, Faculty of Social Sciences)

### Full-Time Faculty (excluding Clinicians, 2019)

**888**

### Staff (2019)

**11,017**

### Alumni (2019)

**195,162**

### Research Funding

**\$371.6 million** awarded in research funding in 2018-19 (McMaster and affiliated hospitals)

### World Ranking (2019)

Shanghai Ranking: **90<sup>th</sup>**

Times Higher Education: **72<sup>nd</sup>**

QS World Ranking: **140<sup>th</sup>**

Times Higher Education Global Impact Rankings:

**2<sup>nd</sup>** in world for Decent Work and Economic Growth

**6<sup>th</sup>** in world for Good Health and Well-being

**2019** – Canada's most research-intensive university – Research

Infosource Rankings

### Campus

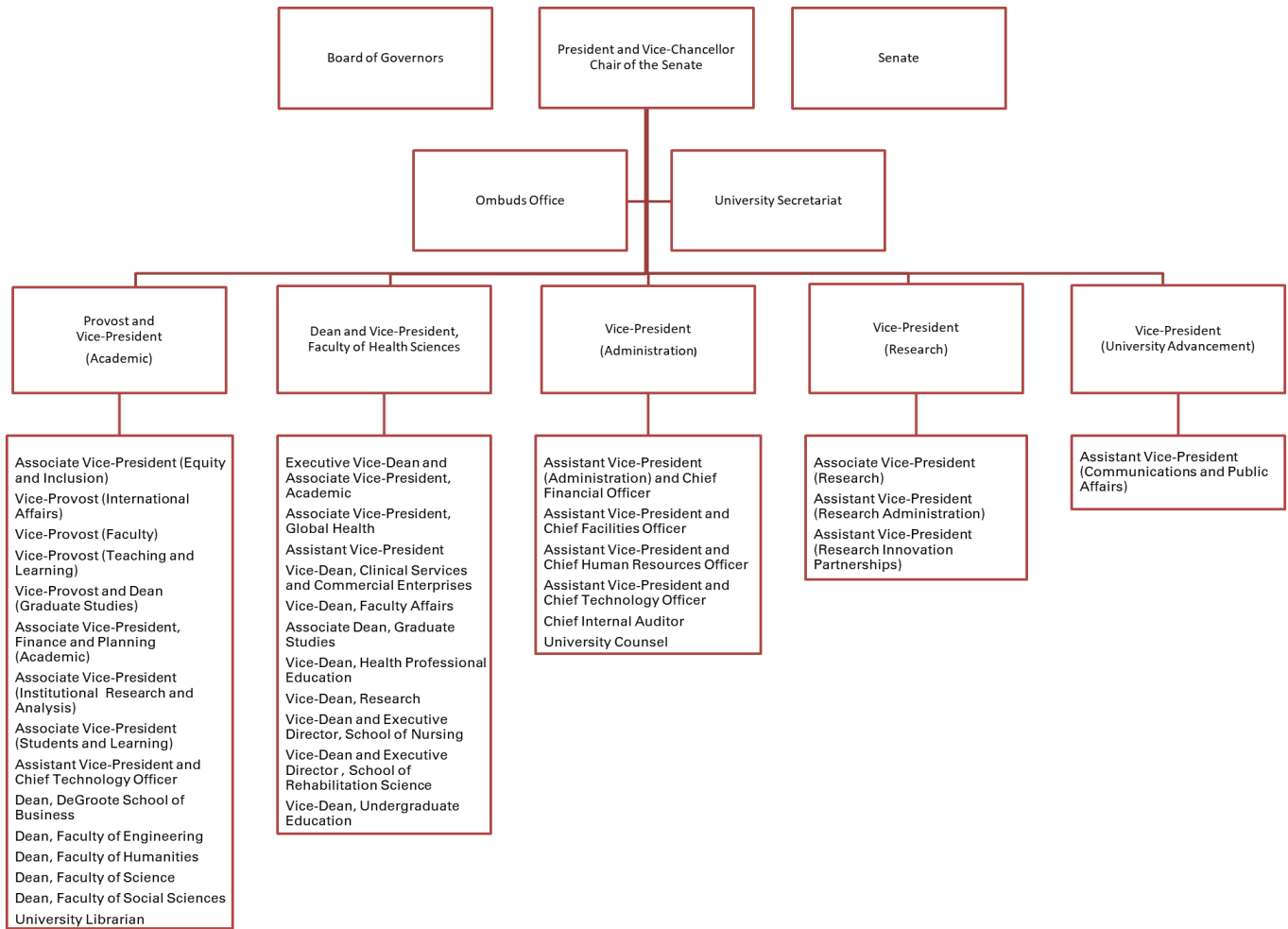
**152.4** hectares of property

**4** libraries, **13** residence buildings, **1** athletic complex

Nuclear Reactor, WJ McCallion Planetarium, McMaster Museum of Art

**5** campuses (Main campus in West Hamilton, and 4 additional campuses in Burlington, Waterloo, Niagara, and downtown Hamilton)

2 ORGANIZATIONAL CHART



### 3 MESSAGE FROM THE PRESIDENT



In providing the University's consolidated budget for 2020/21, I am well aware, of course, of the many challenges and uncertainties that we are currently facing as an institution, and as a community, as a result of COVID-19, and the closing down of many aspects of the University's operations. This will inevitably have an impact on our plans for the next academic year, in terms of enrolment numbers, campus life, and adjustments to both our revenue and our expenses.

Over the coming months, we will focus on addressing a number of the key challenges associated with COVID-19. We have adjusted enrolment and participation rates for 2020/21 and are planning for potential increases in deferred enrolment. We have also made additional emergency funds available for students and are reviewing bursaries and supports for the coming year. As explained in detail within the budget document, we have also planned for a number of additional revenue and expense adjustments to reflect the current situation. We plan to review and refine these adjustments mid-year once we know more about the duration and operational impact of the pandemic. For future years we plan to continue our focus on diversifying our campus and increasing international student participation when safe to do so; seeking additional funding for research through a blend of University, government, and philanthropic investments, private sector partnerships, and traditional bank financing; and enhancing our physical and technological infrastructure.

McMaster's budget process allows all areas of the University to align their use of resources to support the University's guiding strategy, *Forward with Integrity*, and the priorities outlined in our Strategic Mandate Agreement entered into with the provincial government.

Our current key priorities are:

- Strengthening research excellence and graduate education and training, while integrating research into the University's academic mission
- Developing a distinctive, personalized, and engaging student experience
- Enhancing the connections between McMaster and the communities we serve, locally, provincially, nationally, and around the globe

In support of these goals, McMaster has also increased the focus on research excellence and on enhancing the funding, infrastructure, and overall support for research. The *Research for a Brighter World — Strategic Plan for Research 2018-2023* lays out a vision and strategy to further advance the University's research mission and success. The planned *Brighter World Research Initiative* will also provide a means to draw investments into the research enterprise, and is intended to engage researchers across the entire campus.

Each Faculty, department, and administrative area across the University has prepared a budget that reflects the resources available and outlines initiatives planned or already underway that support and advance our goals. I would like to acknowledge and thank each department and unit for their work and contributions, and look forward to working with the University community on the challenges and opportunities that lie ahead.

Sincerely,

David Farrar

President and Vice-Chancellor

## 4 MESSAGE FROM THE PROVOST

I am pleased to present McMaster University's 2020/21 budget to the University community. The budget supports our mission to advance the discovery, communication and dissemination of knowledge. The budget plan enables the implementation of the University's strategic priorities by:

- Strengthening the excellence of our research, our graduate education and training through opportunities to integrate research more purposefully into our academic mission. This commitment requires supporting research that reflects current and emerging global issues that impact a wide range of disciplines and societal needs. We intend to build on our track record in technology transfer and entrepreneurship in order to provide opportunities for commercialization for our faculty and students, and to bridge the gap between research and commercial application. We are focused on integrating research and teaching creatively across our programming by engaging students at all levels in research activities. Our graduate training is central to sustain our research intensity; we are committed to equipping graduate students in all programs with the practical skills, experiential knowledge and ethically informed judgment that will enable them to translate their academic achievements into success after graduation.
- Developing a distinctive, personalized, engaging and sustainable student experience, and building on the success of our most creative and innovative programs to provide an enriching and transformative learning experience for all students. This includes opportunities for experiential, work-integrated, self-directed and active learning while allowing for the consideration of multidisciplinary perspectives. McMaster is committed to integrating our world-class research enterprise into teaching and learning, and connecting the learning experience to our local, national and international communities.
- Enhancing the connections between McMaster and the communities we serve, locally, provincially, nationally and around the globe. We do this by fostering ongoing collaboration between the University and its partners. This enables us to understand and consider more fully the issues identified as priorities by local and global communities, and to integrate them fully and meaningfully into the work of the academy. In addition to societally focused research, teaching and service, McMaster also supports the broader community by fostering a diverse and cosmopolitan campus community and creating enhanced pathways and improved supports for historically marginalized and underrepresented groups.

The current budget plan includes a domestic tuition freeze for next year. Under the current enrolment corridor mandated by the Ministry of Colleges and Universities, McMaster has reached the upper limit for enrolment of domestic undergraduate students. We have also reached the Ministry's cap for funding PhD students. Maintaining our research intensity will require growth in our PhD student enrolment. Therefore, increases in undergraduate and PhD enrolment will come from an intensified and diversified international recruitment, which is not limited by the Ministry's funding cap.

Although demand for McMaster programs remains strong, there are other risks that could impact the current budget plan including: changes in government priorities and funding; our ability to attract and retain a diversified international student base; and other legislative changes. The current COVID-19

pandemic, unfolding as I write this, stands to impact McMaster University and all Ontario universities in precisely these and other, as yet unforeseen ways.

Strategically aligned initiatives intended to broaden our revenue include: the retention and success of international students; new international partnership programs; increased summer use of campus; new professional graduate programs; and a life-long learning focus including micro-credentials. We will continue to focus on effective budget strategies through ongoing review of our administrative support models, as well as by enhancing and diversifying our revenue sources.

Other strategic priorities include: enhanced support of research and research platforms; commercialization of our research activities; opportunities for additional Indigenous programs and research; expanding our international research and teaching partnerships and so our reputation externally focused experiential learning; and faculty renewal.

I would like to thank the academic and administrative staff across the University for their contributions to sound financial management and their hard work in contributing to this budget. Their collective efforts ensure the ongoing well-being of our great institution.

Sincerely,

Susan Searls Giroux

Acting Provost and Vice-President (Academic)

## 5 EXECUTIVE SUMMARY

McMaster University's 2020/21 consolidated budget is structurally balanced before one-time spending initiatives and before extraordinary adjustments for COVID-19. The consolidated budget includes several funds used to organize an effective allocation or generation of resources to support the mission and vision of the University. The Operating Fund, representing over 60% of the university's annual financial revenues, supports the academy and central student support units, such as the registrar's office, libraries, and administration. Consolidated additional funds include the Research Fund, Capital Fund, Trust Fund, and Ancillary Fund.

A number of extraordinary adjustments have been included in this budget due to COVID-19. While the true financial impact of the current pandemic is unknown the adjustments reduce planned revenues and increase expenditure for the upcoming year. An updated in-year projection will be prepared during 2020/21 as fall enrolment numbers are finalized and phased re-opening plans are operationalized.

Due to COVID-19 the 2020/21 summer term is a blend of virtual and online activities. For the fall term international enrolment has been reduced by approximately 20% across all levels for both undergraduate and graduate education, or \$32 million in reduced tuition. Domestic tuition and the associated domestic operating grant revenues are held flat. The University is working to mitigate the risk of declined international enrolment revenue by increasing offers to domestic students, however incremental domestic students will not affect the capped operating grant. No additional domestic tuition revenues have been factored into the budget.

To reflect the transition investments required for virtual, online, and digital resources additional contingency expenditures of \$5 million are included in consolidated expenses. This includes additional information technology infrastructure investments and licensing costs to support a greater proportion of University stakeholders participating or working from home. In addition, all other non-personnel expenses have been increased in 2020/21 by 10% to reflect a potential high inflationary and limited supply environment for resources post-COVID.

Finally, the consolidated budget includes several initial steps the University has taken to support students during this period of heightened uncertainty. Some of the student support adjustments made for 2020/21 include increased student financial aid, waiver of late fees and student interest during the summer, an introduction of a fall student tuition and fees payment deferral program, and additional support through bursary programs.

The consolidated budget does not include any reduction to salaries, wages and benefits. Human resources is working closely with employee groups to address area specific needs with declared emergency leaves or other arrangements as a result of COVID-19.

Research activities unrelated to COVID-19 have been predominantly shut-down before the 2020/21 budget year. During 2020/21 a phased re-opening of research activities will occur. Research expenditures incurred to re-open and address staff implications will result in either matching research revenue recognition or a draw down in research related reserves, such that revenues and expenditures will equal using fund accounting and budgeting methodologies.

Capital expenditures prioritized for 2020/21 will be delayed as non-essential construction work. The Capital Fund budget is unadjusted in the consolidated budget. Additional debt financing approximating \$125 million to support strategic- and capital- priorities is budgeted in 2021/22 following a Presidential strategic planning update in 2020/21. The impact of delayed construction and additional financing will not materially affect the financial results of the University. The construction delay has a temporary positive improvement on University cash flows enabling McMaster to offer enhanced one-time student support offers such as a fall tuition payment deferral program.

The 2019/20 results are positive before temporary investment losses reflecting a projected investment pool loss of 18% (2008/09 -18.9%). The investment pool income for 2020/21 is budgeted at 4% (2009/10 17.1%). Continued trust expenditures for scholarships, bursaries, and chair salaries are budgeted for 2020/21 and planning years drawing where necessary on the specific purpose reserve established post-economic crisis for large economic events.

Ancillary operations include a number of University supporting businesses such as, housing, hospitality, campus stores, and parking. Sales revenues for ancillaries have been materially reduced reflecting campus closure May through August. Fall revenues, cost of sales and directly related personnel costs have been reduced to reflect less international enrolment and on-campus participation. An in-year projection will be prepared when fall enrolment is finalized and more is known in relation to phased re-opening.

Overall, the 2020/21 consolidated budget reflects what management considers to be a fair estimate of potential financial results during the COVID-19 pandemic. The adjustments may not have reduced tuition income sufficiently if international participation is lower than 80% of 2019/20. However, if enrolment is materially the same it is doubtful support costs associated with salary, wages, and benefits will remain at the same levels currently budgeted, thus offsetting any further revenue shortfall.

McMaster's planning years 2021/22 and 2022/23 reflect a slow return to normalized revenues and expenditures, despite a high likelihood of new operational changes to reduce the size of group activities and manage transmission risks associated with crowds. Consequently, the Operating Fund will have a budgeted deficit of \$53.9 million and planning deficits approximating \$16 million in both 2021/22 and 2022/23, which will be funded by faculty and department reserves (also called appropriations referenced in figure 2 below). The consolidated budget will close 2019/20 with an investment driven deficit in 2019/20 of \$49.3 million and a small budgeted deficit of \$13 million in 2020/21, followed by a return to projected planned surpluses (figure 3 below).

Figure 1: Operating Fund Outlook

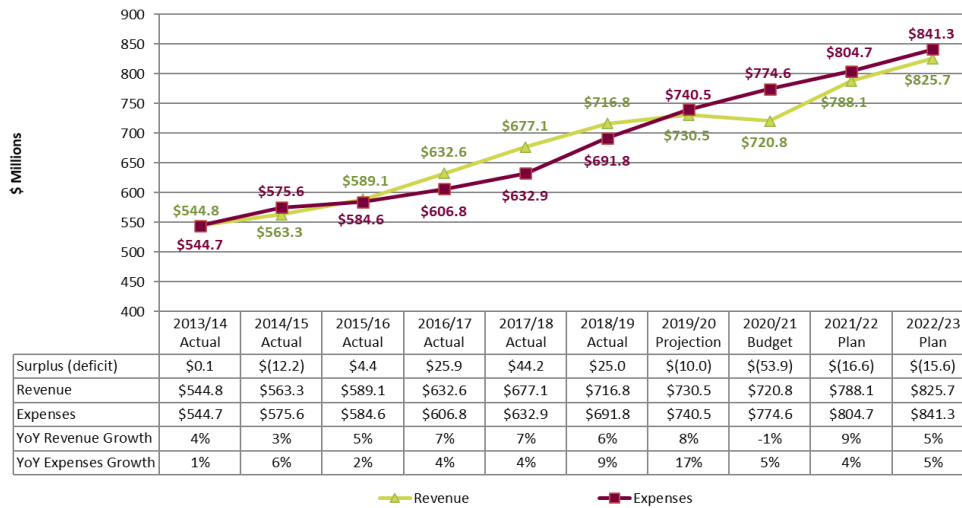


Figure 2: Operating Fund Appropriations

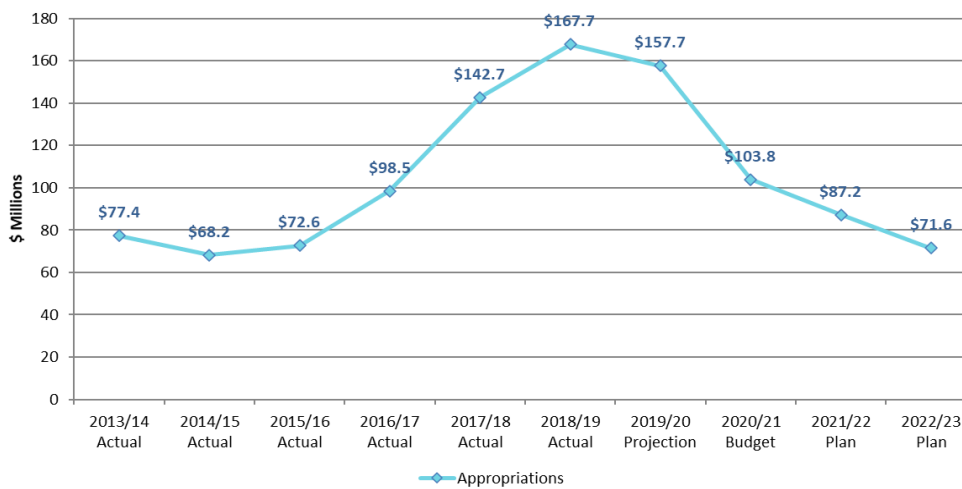
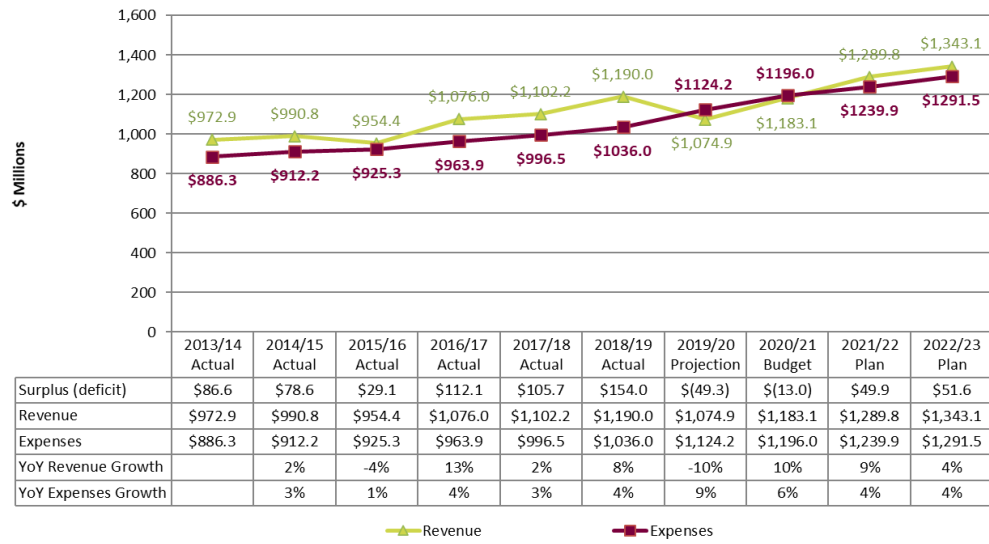




Figure 3: Consolidated Outlook



## 6 McMASTER'S KEY STRATEGIC PLANS

### 6.1 FORWARD WITH INTEGRITY AND STRATEGIC MANDATE AGREEMENT

The Ministry of Colleges and Universities and McMaster University have developed and agreed to key metrics for McMaster's third Strategic Mandate Agreement (SMA3) covering May 1, 2020 to April 30, 2025 that affect how funding will flow to the University linked to achieving metric targets within acceptable boundaries (or bands of tolerance). However, due to COVID-19 the Ministry has announced a one-year delay to the metric linked funding flow changes. This delay provides McMaster certainty on its operating grant budget in 2020/21. The SMA3 will affect funding allocations beginning in 2021/22 and outer years, the planning years have assumed McMaster will achieve its metric targets and therefore continue to receive normal operating grant levels, which is materially reflective of the 2016/17 grant.

The SMAs capture McMaster's areas of strength, growth and direction as a University and aligns to the priorities embedded within *Forward with Integrity (FWI)*. These priorities set forth McMaster's differentiating characteristics such as:

- Strengthening research excellence and graduate education and training, while integrating research into our academic mission
- Developing a distinctive, personalized, engaging student experience
- Enhancing connections between McMaster and the communities we serve, locally, provincially, nationally, and around the globe

The budget is the result of a University wide process that engages Faculties and departments to outline their effective and efficient use of available resources to further McMaster's priorities, embedded in the SMA. Domestic tuition revenues are based on the tuition framework involving the 10% domestic tuition cut for 2019/20, followed by a domestic tuition freeze for 2020/21. For planning purposes, the domestic tuition budget assumption for 2021/22 and beyond holds domestic tuition flat. International tuition revenues have been adjusted for a 20% decline in enrolment for 2020/21, however annual tuition rate increases of 6-10% remain in place along with growing diversified international student participation in 2021/22 and beyond up to approximately a 25% international participation.

## 6.2 RESEARCH

The *Research for a Brighter World — Strategic Plan for Research 2018-2023* lays out a vision to further advance human and societal health and well-being. To support this plan, McMaster is embarking on the *Brighter World Research Initiative (BWRI)* a fundraising effort partnered across the academy and advancement to bolster support for McMaster's research mission and to take our institution's research success to an even higher level. Centered on our commitment to research excellence and informed by our core values, the strategic plan is designed to nurture our culture of collaboration with our hospital, government, and industry partners; advance our dynamic research enterprise; and guide our development of key, strategic research initiatives of local, national, and global importance.

The strategic plan focuses BWRI to build upon our individual strengths and interdisciplinary capacity, it outlines our commitment to a broad range of research approaches and methodologies, and our responsibility to place our knowledge in the hands of those who can put it to its best use, through knowledge mobilization and translation, technology transfer, and commercialization.

## 6.3 CAPITAL MASTER PLAN

McMaster University's *Five Year Capital Plan (A Future Outlook) Version 3, 2017 – 2022* is a planning document to guide the University's priority setting and planning of capital projects for all buildings, both on and off the main campus. The capital plan supports McMaster's *FWI* and *BWRI*, integrating and incorporating input from all stakeholders across the University community. The capital plan priorities are reviewed and updated annually involving broad consultation across the University, along with consideration of both academic enrolment plans and research priorities. Additional infrastructure planning is detailed using supplementary plans, such as the Campus Master Plan, the Campus Capacity Study, the Asset Management Plan, the Campus Accessibility Action Plan, and the Energy Management Plan.

The annual Capital Plan priorities along with other core strategic priorities are integrated into the University's annual Debt Strategy Report, which involves multi-year financial projections. The Debt Strategy determines the University's financial capacity to fund priorities and examines whether internal and/or additional external financing is required to move critical capital priorities forward. In the planning years, additional financing plans are included. To support planned priorities additional debt financing approximating \$125 million is planned for 2021/22, subject to finalization through a strategic plan update in 2020/21.

## 6.4 ENTERPRISE RISK MANAGEMENT

The University's Enterprise Risk Management Program focuses on collaboration and dialogue regarding opportunities and risks in support of the University's mission and strategic priorities.

An annual opportunities and risks review and assessment session is held each year by the Enterprise Risk Steering Committee, which comprises of the President and Vice-Presidents (PVP). The annual activity ensures the University's opportunity and risk register remains current and key risk mitigation strategies are updated and summarized by key risk leaders.

There are nineteen key risks based on residual (net) risk levels. "Pandemic Risk" is a new added University key risk. The current key risks are:

Government Policy	Information Security
Research Infrastructure	Undergraduate Student Enrolment
Geopolitical	Change Readiness
Research	Attract Graduate Students
Partnership	Technology
Mental Wellness	Physical Infrastructure
Financial	Student Experience, Satisfaction and Retention
Reputation and Brand	Information Availability and Quality
People (Previously: Human Capital)	Pandemic (or Epidemic)
Leadership	

Additionally, the University recognizes sixteen key opportunities, which are in various stages of strategic planning affecting the budget and planning years.

In 2020/21 the University will broaden several activities used to address climate-related risks. This includes expanding the multi-year financial projections for climate driven risks affecting core operations. In addition, the investment portfolios will measure and report on greenhouse gas emissions translated into carbon emissions, with the aim of phased adoption of the Task Force Recommendations on Climate Related Financial Disclosures by 2024, in advance of the Government of Canada's voluntary phased implementation timeline.

## 7 CONTEXT

### 7.1 REVENUE GENERATION ENVIRONMENT

#### 7.1.1 ENROLMENT TRENDS

Provincial grants for domestic enrolment make up 32% of the Operating Fund's budgeted revenues (or 20% of the University's Consolidated Budget). Domestic tuition accounts for another 26% of the Operating Fund's budgeted revenues. Both domestic grant and domestic tuition funding growth have been limited over recent years due in part to the corridor funding model introduced in 2017/18 freezing grant funding to 2016/17 levels, except for allowances for graduate expansion up to 2019/20 and unchanged thereafter for 2020/21 and future planning years. Further affecting results are the changes to domestic tuition framework set by the Ministry of Colleges and Universities (MCU), formerly Ministry of Training Colleges and Universities (MTCU), that reduced domestic tuition by 10% in 2019/20 by approximating \$22.3 million and holding domestic tuition rates frozen at 2019/20 levels for 2020/21. The cut to domestic tuition revenues and ongoing loss of inflationary funding on both the operating grant and future domestic tuition revenues has called for an increased examination of McMaster's international participation across all disciplines and in connection with campus capacity. As a consequence of domestic funding restraints, the University has focused on increasing international enrolment across certain programs. A diversification linked international growth strategy to grow revenues continues to be a priority to meet both strategic investment and inflationary operating expense needs. For 2020/21, international enrolment has been reduced by 20% across all levels of participation due to COVID-19 impacts. No changes have been factored into domestic intakes. The enrolment adjustment translates to a \$32 million declined tuition revenue expectation for the budget year. Planning years assume a return to traditional enrolments, noting that a new normal post-pandemic will take further time to assess. There is a growing risk of increased enrolment in 2021/22 due an increased request for deferred, or one-year, delayed level one enrolments, which could translate to a reduced double-cohort effect.

McMaster has achieved domestic enrolment caps for undergraduate and PhD enrolment. Overall, McMaster is seeing growth in applications both domestically at 2% for 2020/21 (exceeding the demographic university-age population growth rate approximating less than 1%) and internationally at 1% for 2020/21 compared to the previous year. This application demand suggests budgeted enrolment plans are achievable which align with approved capacity-enabling infrastructure initiatives such as, the recently opened Peter George Centre for Living and Learning, the upcoming McLean Centre for Collaborative Discovery at the DeGroote School of Business, and two additional public-private student residence projects.

#### 7.1.2 PROVINCIAL GRANT FUNDING

The Ministry's corridor funding model caps the operating grant at 2016/17 levels with adjustments for graduate expansion enrolment. The roll in of 2019/20 graduate expansion resets the corridor midpoint for 2020/21. This model provides funding to the University by means of three funding components:

1. Domestic enrolment-based funding referred to as the Core Operating Grant (COG), whereby funding is for each eligible domestic student enrolled based on weighted grant units (WGU)

by program. This aspect of the funding model is managed through the application of an enrolment corridor mechanism<sup>1</sup>.

2. Differentiation funding (also referred to as performance- or outcomes-based) is the portion of grant funding linked to the University's achievement of priorities and/or metrics within the SMA. This funding focuses on differentiation across the higher education sector, student success, and strengthening existing areas of excellence.
3. Special Purpose Grants represents funding programs based on government and/or system priorities, such as improving access for Indigenous learners, francophone students, and students with disabilities.

The University's performance-based funding is currently 25% of overall grant revenue, however this will grow to approximately 60% during the SMA3 period ending in 2025 with the offset primarily reducing enrolment-based funding by proportional reductions in the WGU values per student enrolled. Due to COVID-19, MCU will delay flowing operating grant funding linked to SMA3 metric performance by one-year, instead 2020/21 funding will reflect 2019/20 flows. The SMA3 delay provides funding certainty for 2020/21, however future planning years will require the University to achieve metric targets within reasonable boundaries (also referred to as bands of tolerance) in order to receive continued funding flows. It should be noted, failure of a university to meet target ranges will result in funding reductions to that university that will be redistributed to other universities meeting the targets. McMaster has not factored in any operating grant funding increases to its planning years, nor any reductions.

Finally, the University has worked diligently on the changes the province has mandated to differentiate student fees between essential and non-essential fees under the Student Choice Initiative. The Ministry requires the University and student organizations to allow for an opt-out process for all non-essential fees. This initiative has been put on hold pending a court ruling.

### 7.1.3 TUITION

The budget incorporates the MCU's two-year tuition framework affecting domestic enrolment, which stipulates in 2019/20 that a ten percent reduction over the prior year's tuition fees be implemented followed by a zero percent increase for 2020/21 for all funding eligible programs. For conservative planning purposes of 2021/22 and beyond zero percent increases are assumed.

For international students, annual increases will continue and vary by program. International tuition fees do not have the benefit of provincial supplemental operating grant support; as such, these tuition fees are higher than domestic peers and are monitored relative to McMaster's key peers.<sup>2</sup> Overall, international student enrolment funding is reduced by a \$750 per student head tax on international enrolment required by the province.

<sup>1</sup> The corridor methodology means that the government grant is fixed by the corridor midpoint. Domestic enrolment fluctuation will not affect the grant unless enrolment (based on a moving five-year average calculation) were to fall below the corridor floor, defined as 3% beneath the midpoint. The corridor midpoint for SMA3 is set at the 2016/17 level plus the addition of Funded Graduate Expansion Spaces over the 2016/17 base.

<sup>2</sup> Key peers include members of the G6, a group of leading research-intensive universities in Ontario. The G6 universities are McMaster University, University of Ottawa, Queen's University, University of Toronto, University of Waterloo, and the University of Western Ontario.

## 7.2 COVID-19

Due to COVID-19 an extraordinary event unfolding March 2020 and materially affecting operations budgeted in 2020/21, several adjustments have been made to the consolidated budget along with additional student support changes. International enrolment is reduced by 20% across all levels for both undergraduate and graduate enrolment. Ancillary revenues, cost of sales, and related personnel costs have been reduced for campus closure May to August 2020 followed by a phased re-opening impact. Operating salary, wages and benefits are unadjusted as Human Resources works with employee groups to address unique needs. Non-personnel expenditures have been inflated by 10% to address cost pressures post-COVID-19 due to increased demand and limited supply. Further, additional one-time expenditures of \$5 million have been built into contingent expenditures for transformation costs moving to more virtual and online resources. Finally, a number of additional student supports have been factored into the budget for increased student financial aid, a waiver of late fees and temporary interest relief, and an introduction to a tuition and fees payment deferral program. Further student support needs may be necessary as the University plans to re-open and will be assessed as the budget year progresses.

## 7.3 INVESTMENT RETURNS

The University's long-term investment pool holds the funds associated with its endowments and internal reserves established to settle future obligations and totals approximately \$1.3 billion. Annual income and losses flow through McMaster's consolidated results in accordance with the accounting policies in Appendix 6. The size of this portfolio and the investment returns budgeted versus achieved may have material effects on financial results. For each plus or minus 1% difference in investment returns the impact is approximately \$13 million, affecting both the Statement of Operations (by approximately \$5.3 million) and the endowment reserve in the Statement of Financial Position (by approximately \$7.7 million).

Over the long term, McMaster budgets investment income using a return expectation after inflation of 5.9%. Due to the pandemic related economic impact an 18% loss is projected for 2019/20, which impacts the annual results by \$122.1 million compared to budget and is the primary cause of the projected \$49.3 million consolidated University deficit. The budget assumes a slow increase back to average returns, with projections of 4.0% in 2020/21, 5.4% in 2021/22, and 5.6% in 2022/23.

McMaster uses several strategies to protect operations from volatility and prolonged down markets, recognizing the need to continue funding commitments for many initiatives such as student scholarships, bursaries, and chair salaries. Strategies include:

- Annual investment income and losses, other than those earned by the endowments and other restricted funds, are allocated to specific purpose reserve, which can be drawn upon to maintain spending levels during extraordinary times.
- The Operating Fund receives fixed annual support of \$9.5 million per year from the specific purpose reserve and the internal endowment regardless of short-term returns or losses.
- The trust related spending approximates \$18 million annually. Trust spending of 4% per year is assessed against the five-year average market returns, which smooths the impact of gains and losses. Further, the specific purpose reserve can be utilized to maintain the spending allocation needs for trust funds that do not allow for encroachment on the original.

In addition to the investment pool, McMaster also manages pension plan assets of over \$2.0 billion, which are offset against the pension obligation and reported on a net basis. A 1% decrease in the market value of the assets by itself would reduce the assets by over \$20 million. The valuation of the obligation and related funding requirements also take into account interest rates, funding rules, and valuation timing. The impact of the reduced interest rate environment translates to materially larger estimated liability compared to plan assets, the difference requires sufficient funding plans. However, the pension plan funding requirements are based on each plan's filing cycle. The large salaried pension plan was last filed in 2018 and is due to be measured for July 1, 2021, which ideally will provide time for greater market stability and interest rate change. The smaller hourly pension plan will be measured early on January 1, 2020, whereby its next filing date is estimated to be July 1, 2022. As such, no changes to budgeted benefit rates plans have been factored into this budget.

## 7.4 RESEARCH FUNDING

Federal research funding programs have helped McMaster retain, for the third year in a row, its status as Canada's most research-intensive university (Research Infosource 2019). The Government of Canada has recently made significant investments in science and university research, including an unprecedented \$925M in new funding for fundamental research as part of the federal *Budget 2018*. These investments are intended, in part, to make Canadian science more collaborative, support evidence-based decision making, foster the next generation of scientists, and promote equity and diversity in research.

The federal *Budget 2018* proposed investments of \$275 million over five years and \$65 million per year thereafter for the New Frontiers in Research Fund (NFRF), a new funding program designed to support collaborative high-risk, high-reward, interdisciplinary and international research. Three McMaster-led teams were awarded a total of \$750,000 in the inaugural 2019 competition of the Exploration stream, one of three streams that comprise the NFRF. The Exploration stream supports new research led by early career researchers which transcends common disciplinary or interdisciplinary approaches and has the potential for significant social, economic, scientific, artistic, cultural or other impact. The recently launched Transformation and International streams will provide large-scale support for Canada to build strength and leadership in interdisciplinary and transformative research, and enhance opportunities for Canadian researchers to participate in world-leading research with international partners.

In response to the COVID-19 pandemic, the Government of Canada recently announced an investment of \$275 million for Canadian research on antivirals, vaccine development and clinical trials that will lead to the rapid detection, management and reduction of transmission of the virus. The \$52.6 million awarded to date includes two awards to McMaster-led teams with a total value of \$1.77 million. The research results will inform clinical and public health responses to the outbreak, and enable evidence-based decision-making and planning at national and international levels.

The Canada Foundation for Innovation (CFI) Major Science Initiatives (MSI) program aims to strengthen national research facilities and thereby ensure that Canadian researchers and their collaborators have access to the state-of-the-art infrastructure they require to engage in world-class research and training of highly qualified personnel. McMaster is home to two of the 17 research facilities across Canada that receive support from the CFI MSI program in recognition of their importance to the Canadian research community. The Canadian Centre for Electron Microscopy (CCEM) was awarded over \$6M in funding through the 2014 and 2017 competitions for operation and maintenance of the more than \$50M in state-of-the-art infrastructure that it houses. CFI MSI funding



to the CCEM was recently increased by \$2M following a successful mid-term review of the current award. The Canadian Research Data Centre Network (CRDCN) – a partnership with a consortium of Canadian universities and Statistics Canada providing researchers with access to confidential social, economic and health microdata – was also recognized by the CFI as a national facility with an award of almost \$6M in 2017. More than \$2M in additional CFI MSI funding was also secured following favorable review of its mid-term review report.

McMaster is committed to excellence in research and training for the benefit of Canadians. Achieving a more equitable, diverse, and inclusive Canadian research enterprise is essential to creating the excellent, innovative and impactful research necessary to seize opportunities and to respond to global challenges. McMaster recently became one of the first postsecondary institutions in the country to endorse *Dimensions: Equity, Diversity and Inclusion Canada*, a pilot program from the Government of Canada designed to transform research culture by strengthening equity, diversity, and inclusion (EDI). Dimensions seeks to foster EDI within the research communities of Canadian universities and colleges by promoting and recognizing institutional efforts to identify and eliminate obstacles and inequities, support equitable access to funding opportunities, increase equitable and inclusive participation, and embed EDI-related considerations in research design and practices. In alignment with this initiative, the Canada Research Chairs (CRC) program recently introduced EDI requirements which must be satisfied if participating institutions are to continue submitting new CRC nominations. As a result of McMaster's efforts to promote EDI principles and practices, we have satisfied the CRC requirements and continue to submit new nominations, including nominations for the additional 12 CRCs recently awarded to the University as part of the \$210 million investment proposed in the federal *Budget 2018*.

Provincial funding opportunities continue to support research excellence in Ontario. The *2019 Ontario Budget* proposed establishment of an expert panel to maximize the commercialization potential of academic research. As Canada's leading university in corporate research income (Research Infosource 2019), McMaster looks forward to working with the Province to implement the recently released recommendations of the Expert Panel on Intellectual Property (IP), including the development of a standardized, online IP education program for researchers and students; a centralized provincial resource for legal and IP expertise, education and services; and clearly defined mandates and policies for technology transfer offices within research organizations. These recommendations will expand upon the academic and extracurricular IP education and awareness programs initiated by McMaster within the last 2-3 years, and will facilitate the McMaster Industry Liaison Office's ongoing collaborative efforts with the Province and other technology transfer offices across Canada to incorporate best practices and policies.

Many federal and provincial programs continue to require the provision of matching funds from institutions and other partners. The indirect costs of research incurred in the Operating Fund are partially subsidized by federal and provincial grants, in addition to overhead income from research contracts and royalties. In 2019/20, these grants to McMaster are projected to total \$15 million and \$2.3 million, respectively. Although actual indirect costs exceed 40 percent, in 2019/20 the federal Research Support Fund (RSF), including the new Incremental Project Grant (IPG) program, paid indirect costs to McMaster and its affiliated hospital partners at 22.2 percent of all eligible Tri-Agency receipts, a slight increase from 2018/19. As a highly research-intensive university, these financial requirements can be challenging.

Finally, McMaster's partner support is critical to advancing the endeavours of our research community, in particular the many collaborations with Hamilton Health Sciences and St. Joseph's Healthcare Hamilton.

## 7.5 FACULTY RENEWAL

The Faculty budget plans, taken together, include a 9% overall increase in faculty complement. The largest hiring increase occurs in the coming academic year to address the growth in student-to-faculty ratios. The plans for subsequent years forecast continued growth at a lower rate; these plans are preliminary and will be adjusted as actual enrolments, revenues and strategies solidify. Hiring is predominantly in tenure-track and teaching-track appointments. There is continued interest in increasing teaching track appointments to address increased teaching demands and to enable other research-focused appointments.

In addition to planned new positions, there is significant renewal forecasted within the existing complement. In 2019/20, renewal of 8% of existing faculty occurred through retirements and an additional 4% is planned for 2020/21.

## 7.6 INFLATION

Cost inflation is a significant issue for McMaster. With many existing revenue sources flat or deflationary, management has limited tools to address the full extent of expense inflation. McMaster competes globally for talent so salaries must attract and secure the most qualified faculty, staff and researchers, nationally and internationally. Salary inflation adds broad expense pressure particularly as seen with the passing of Bill 148, *Fair Workplaces, Better Jobs Act, 2017*, which increased Ontario minimum wage inflation beyond historical averages by almost 23% in 2017/18. This Bill has had ripple effect across many other expense categories, including capital infrastructure, whereby third parties increase prices to address or pass on these added costs. The result of these increased wages across the Ontario system has been broad cost inflation affecting everything from food to other goods and services perhaps making the standard of living no more cost effective for the original targeted increased wage recipients than preceding the changes.

The consumer price index inflation for Ontario approximated 2.0%, broadly in line with Canada in 2019. The Bank of Canada had projected inflation for Canada to fall closer to 1.9% in 2020, prior to the impacts of COVID-19 on the Canadian economy. Since March, interest rates have dropped by 0.75% and the Canadian exchange rate has shifted to \$1.4 for \$1USD. These changes have made the costs of international goods more expensive.

In 2019/20, McMaster launched an e-procurement shopping cart project aimed at delivering savings by increasing pre-negotiated contract buying. The project, MacBuy, is being tracked for savings on an annual basis and more will become available in future year's budget documents. The project should assist in defraying some of the inflationary pressures across the University.

Continued cost inflation is also affecting books and academic journals as competition amongst publishers declines and monopolies arise controlling the majority of the academic journals. The result is that average acquisition costs for books and journals rises by over 5%, with some individual titles increasing even more. This cost pressure further increases, as some prices are associated with the University's research intensity factor, whereby McMaster's increased research success has led to automatically increased library costs for the same products.

Utility prices also remain volatile. The largest cost pressure is any increase in electricity rates, which is affected by the Global Adjustment for provincial infrastructure, and changes to the electricity market. McMaster's suspension of the Chasing the Peak initiative in 2017 did not result in the

expected increase in costs due to receiving the Ontario Rebate for Electricity Consumers (OREC). This rebate was to be in effect until 2021 however unexpectedly this rebate has now ended effective October 2019; McMaster became eligible for the Ontario Electricity Rebate (OER) until October 2020 as a relief program. Facility Services is investigating other options to help mitigate the increase in electricity costs that will occur subsequent to October 2020. In addition, the Federal Government Output Based Pricing System (OBPS) will add a \$.04 tax to a cubic meter of gas each year from 2019 to 2022, adding additional utility cost pressure. The City of Hamilton is also planning water rate increases and potentially additional development charges, which will result in the cancellation of once-viable projects. At this time, the effect of any provincial rate relief or cost reductions due to COVID-19 are unknown and no reduction in cost has been factored into the budget.

The budget model does not allocate resources on a basis of inflationary needs rather units have an opportunity to request funding for inflationary pressures. The decision to allocate compensation related inflationary funding or other inflationary requests is made on a year-by-year basis and, as a conservatism rule, budget managers are expected to find efficiencies in order to meet higher costs.

## 7.7 CURRENCY EXCHANGE RATES

The cost of certain expenditures sourced internationally are impacted by currency. Most of McMaster's imported goods and services are in US dollars (USD). The Canadian dollar has decreased in value over the past several years compared to its American counterpart, from trading at par in January 2013 to \$0.71 USD at end of March 2020. To mitigate some of these financial impacts, management will hold a higher USD balance from USD related deposits in order to settle USD expenditures mitigating exchange related risk, where possible. For some areas of the University, such as the library expenditures, the exchange rate budgeted is fixed at \$1.25 CDN for \$1 USD, the difference to market rates is managed by University treasury operations.

Among other economic factors, the direction of the Canadian dollar will be impacted by the level of interest rates in Canada relative to the US, further uncertainties due to COVID-19, the nature of US trade relations, and the UK's Brexit outcomes. As the economy stabilizes and improves, if the US Federal Reserve raises interest rates at a faster pace than the Bank of Canada, the Canadian dollar is likely to further weaken.

## 7.8 PENSION AND POST-RETIREMENT BENEFITS

In order to protect the University from adverse fluctuations associated with market volatility, McMaster uses a five-year smoothing approach to measure the pension and post-retirement benefit assets versus liabilities, measured using actuarial interest and discount rates. To fund the gap between assets and liabilities of the benefit plans, the University manages a benefit reserve that stabilizes the Faculty and department employer related benefit rate or benefit costs over a ten-year smoothed planning horizon. As a result of this approach, the benefit reserve may be temporarily negative during the ten-year cycle. These approaches promote stability in budgeting for compensation costs at the unit level.

### 7.8.1 PENSION PLANS

McMaster University maintains defined benefit (DB) and group Registered Retirement Savings Plan (RRSP) pension plans for full-time employees. The University has made significant progress to reduce

the long-term financial impact of pension obligations through the collective bargaining process for unionized employees. All employee groups remaining in the DB plans have increased contributions over the past few years. Employee cost sharing through contribution increases help plan sustainability and are one of the key reasons that the plans have previously qualified for temporary solvency relief measures offered by the province.

The Ontario Pension Benefits Act and regulations require McMaster University to submit actuarial valuations for the Contributory Pension Plan for Salaried Employees of McMaster University Including Divinity College (Plan 2000) and the Contributory Pension Plan for Salaried Employees of McMaster University Including Divinity College (Original Plan) (together known as “the Salaried Plans”), as well as the Contributory Pension Plan for Hourly-Rated Employees of McMaster University Including McMaster Divinity College (“the Hourly Plan”) no later than every three years.

The Pension Benefits Act rules require plans with solvency ratios below 85% to file annual actuarial valuations and any solvency deficiency under 85% must be funded over five years. The Salaried Plans were filed for July 1, 2018 with solvency ratios over 85% and are not due to be filed again until July 1, 2021. The Hourly Plan solvency ratio at last filing date July 1, 2019 was under 85%, however the University subsequently made a one-time payment from the benefit reserve to increase the ratio to 85% or higher. As such, the University has elected to file a new valuation on January 1, 2020, which will move its next filing date from July 1, 2020 to July 1, 2022 allowing time for market improvements post-pandemic.

The DB plans include a new funding requirement for a Provision for Adverse Deviation (PfAD), which is based on the plan’s open or closed status and its asset mix. The initial regulations identified the Plan 2000 as closed. Since filing in 2018, the definition of a closed plan has changed and Plan 2000 is now under the open plan definition for the PfAD calculation methodology, which will reduce the University’s PfAD liability during the next valuation in July 2021. The budget includes the anticipated reduction in the funding requirement by lowering the departmental charge-out rate beginning in 2021/22.

Funding requirements associated with pension plans remain challenging as employee contributions never fully reached 50% of the current service costs despite increased contributions levels given other changes such as improved mortality. The table below shows the funded position of both Plan 2000 and the Hourly Plan on a going-concern basis<sup>3</sup> and a solvency basis<sup>4</sup> as of the last valuation date.

**Table 1: Pension Plan Status**

\$ millions	Plan 2000		Hourly Plan	
	Valuation date		Valuation date	
	July 1, 2018		July 1, 2019	
Going concern surplus (deficit)	\$	(143.4)	\$	(3.0)
Solvency surplus (deficit)	\$	(197.2)	\$	(16.6)
Solvency ratio		91%		79%

<sup>3</sup> Going-concern basis refers to the pension plan asset and liability gap measured assuming the University will continue to operate over the long term, thereby using a long-term interest return rate for assets and discount rate for liabilities, and that the University will continue to collect employee contributions over future working periods until retirement.

<sup>4</sup> Solvency basis refers to the pension plan asset and liability gap measurement methodology whereby the key assumption is that the University will cease to continue operating and must immediately settle pension obligations.

## 7.8.2 NON-PENSION EMPLOYEE FUTURE BENEFITS

McMaster offers non-pension retirement benefits (PRB) including extended health, dental and life insurance for many of its full-time employees. In 2011/12, the University worked with its actuaries to quantify the impact of plan changes on the unfunded liability<sup>5</sup>. Since that time, employee groups have agreed to changes that have significantly mitigated the growth of the liability.

In addition, a PRB reserve has been established to fund the liability. This internally restricted reserve is funded by a 0.25% surcharge included in employer benefit costs, an annual Operating Fund allocation of \$7.9 million, and investment returns on the balance as part of the long-term investment pool. The reserve initially held only 1% of the net present value of the cash payments, however due to funding initiatives put in place the University now has a reserve sufficient to cover 36% of the projected costs and projections suggest the plan will be fully funded by 2037. The PRB reserve continues to be reviewed regularly based on updated actuarial valuations and future expected investment returns. Strategies to ensure this obligation is settled may include any combination of the items noted below:

- Further plan design changes and co-payment strategies;
- Continuation of a charge to operating and research units and/or addition to the support unit budget allocation to increase the funding reserve; and/or
- Contribution of any additional surpluses from the Operating Fund, University Benefits Reserve or Specific Purpose Reserve.

## 7.9 FACILITIES

### 7.9.1 CAPACITY

Since 1960, McMaster has added a total of 38 buildings on campus (including the completion of the Peter George Centre for Living and Learning in 2019) to its existing infrastructure through new construction. Renovations and additions have often been completed in order to update technological, electrical, and utility infrastructure as well as add usable space. These construction projects have been supplemented with infrastructure growth off campus, particularly in the last decade, through the procurement and/or lease of buildings and property.

Physical capacity on McMaster's main campus has been largely determined by its geographic limitations and physical structure, which contains a well-established hierarchy of streets and natural features. As identified in the Campus Master Plan, the current capacity available for new development is estimated to be 3,000,000 gross square feet of ground area on the main campus.

Enrolment growth is an additional stress on the capacity of physical space. The Peter George Centre for Living and Learning opened in September 2019 as the first new residence on campus in 15 years, narrowing the shortage of campus residence space and provided 36% increase in classroom space. Despite the new residence, bed spaces still fall short in accommodating all first-year students. In McMaster's most recent Campus Capacity Study further critical needs include graduate student offices, assembly facilities, administrative offices and related space, and service space. In addition,

<sup>5</sup> As of April 30, 2019, the liability for non-pension employee future benefits is estimated at \$275 million, with reserves of \$94 million.

accessibility compliance needs are high with the *Accessibility for Ontarians with Disabilities Act*, including new installations of barrier-free ramps, washrooms, and fire alarm strobe lights.

Multiple projects continue to address capacity issues, including an expansion of the McLean Centre for Collaborative Discovery and new residence buildings for undergraduate and graduate students. Further specific funding for classroom renewal and accessibility retrofit projects has been included in the budget. Some projects underway are funded from the MCU MD Expansion or Grad Expansion grants, which are annual capacity expansion grants based on delivered additional enrolments. The grant programs extend annual capital commitments to 2031 and some contractual capital commitments exist relying on these future annual funds. However, the MCU announced in Spring 2019 the cancellation of the expansion grant program, regardless of the additional expanded enrolments being delivered. The cancellation meant a loss of \$52.9 million in expected capital funds.

### 7.9.2 DEFERRED MAINTENANCE

A total of 70% (46 of 66) of McMaster buildings are over 40 years old. The current deferred maintenance backlog in academic buildings and infrastructure excluding residences and McMaster University Medical Centre (MUMC) is estimated at \$419.77 million. Maintenance needs are prioritized based on critical building systems and to date 96% of the funding allocation was allocated to foundations, roofing, windows, doors, mechanical and electrical systems. The deferred maintenance backlog of critical building systems is estimated at \$308.65 million. With deferred maintenance funding of approximately \$14 million annually from multiple sources including the Operating Fund and the MCU, the backlog of critical priorities is forecasted to increase by about 12% from the current position of \$308.65 million to approximately \$346.7 million over the next ten years.

The deferred maintenance backlog increased substantially from last year as the Ontario Universities have undertaken an exercise in 2019/20 to harmonize the backlog data with other sectors in the province, most notably colleges and hospitals. Further in 2018/19 the higher education sector agreed to revise the former building condition assessment approach. The change ensured more accurate building replacement costs as well as deferred maintenance costs than under the former model. The former model included building assessments using a cost model applying a square footage approach. The new audit approach that the University adopted in 2018 uses a system model that considers the building systems within each building to assess requirement costs as well as the replacement value. The requirement costs were also not reflective of the actual project costs and a 30% soft cost multiplier was added to all requirement costs. Higher future deferred maintenance costs can be expected as McMaster continues with the new audit approach. McMaster has adopted the same measurement cycle as peers, measuring 20% of the University's infrastructure each year.

## 8 BUDGET CREATION

### 8.1 ACCOUNTABILITY

The effective management of the budget is a responsibility of the President assigned by the Board of Governors. The University's budgets are prepared on a modified cash basis and pursuant to the concepts of fund accounting. Fund accounting enhances accountability and budgetary control by assuring that restricted grants and contributions are spent for the purposes intended.

The President delegates budget accountability to the Budget Committee, a sub-committee of the University Planning Committee, to oversee the development of budgets for both the operating and ancillary funds, which account for two thirds of the University's annual expenditures, and to recommend the annual budget to the President. In addition, specifically externally funded programs, such as those funded by the Ministry of Health and Long-Term Care, are included in each envelope's submission to the Budget Committee. The funds not overseen by the Budget Committee have restricted uses and other governance and/or committee oversight.

### 8.2 BUDGETING PRINCIPLES

In his September 2011 letter *Forward with Integrity*, former President Deane stressed that McMaster's future success will depend on the cultivation and celebration of integrity in all its forms. He outlined the following principles that will guide the University community as we strive to achieve our goals.

- We are an institution devoted to the cultivation of human potential, which we believe cannot be realized by individuals in isolation from one another, from their history or their imagined future, from the society which surrounds them, or from the physical universe which sustains them. Our programs and activities will reflect this comprehensive view.
- It follows that in defining our strengths and seeking to build on them, we will adopt a multidisciplinary perspective, recognizing that even the most specialized problem requires an appropriately broad-based approach.
- Our future shall be continuous and consistent with our past, expanding upon and fulfilling the historic character of McMaster as an institution. We will foster the distinct identity of this University, while at the same time continuing to recognize the importance of collaboration and dialogue with sister institutions in Ontario, Canada, and abroad.
- Notwithstanding that commitment to continuity with the past and to coordination with practices elsewhere, we will place the highest value on original thought and on innovation.
- To that end, we will not only reaffirm the importance of radical questioning at the heart of the academic enterprise, but we will ensure the integrity of our work by bringing a critical view to all of our practices – those which bear directly upon education and research as well as those less directly related to it.
- Wherever possible, we will reduce or eliminate obstacles to cooperation.

- We will acknowledge and seek to integrate in all our work, and in ways appropriate to our specific fields, an obligation to serve the greater good of our community – locally, nationally, and globally.

The 2020/21 budget and following two-year plans are developed using principles and priorities aligned to *Forward with Integrity* and embedded in the Strategic Mandate Agreement:

- The academic and research mission of the University is foremost in the development of budget guidelines for envelope managers. This includes student experience and support.
- Revenue must be strategically allocated in support of the University mission.
- Ongoing and one-time costs need to be identified in order to develop a clear picture of McMaster's overall financial position.
- Envelopes must be structurally balanced within each Vice-President's area of responsibility, with ongoing expenditures less than or equal to ongoing revenues.
- Allocations of funding to priorities must be decided using a rigorous process in a way that is strategic, fair and equitable across the University, and avoids a piecemeal approach.

### 8.3 BUDGET DESIGN

Separate funds are set up for activities, with each fund comprised of its own revenue and expenses. The following funds are used:

1. **Operating Fund:** Unrestricted general revenues and expenses that are directly related to the mission of the University, education and activities supporting research (i.e. not restricted by an agreement or contract). The Board of Governors has approved a policy of permitting envelopes to carry forward unexpended budgets into the subsequent fiscal year.
2. **Research Funds:** Research-related funds externally restricted by an agreement or contract for specific research purposes. The use of these funds is restricted by the donor or granting agency.
3. **Capital Fund:** Funding and expenditures for capital projects.
4. **External Endowments:** Donations or bequests received by the University that have a non-expendable requirement as well as other legal requirements for use as agreed upon by the donor and the University.
5. **Internal Endowments:** Unrestricted donations and bequests, and other monies which have been endowed by action of the Board of Governors.
6. **Ancillary Fund:** Sales of goods and services by departments that are defined as being supplementary to the University's primary operating activities of education and research. Such sales may be made to the University community and/or to external clients. Ancillary operations are self-sustaining.



7. **Specifically Funded:** Funding provided by an external entity, restricted by an agreement outlining expenditure of the funds and a requirement to return unspent funds at the end of the term.

## 8.4 BUDGET MODEL

To allocate Operating Fund resources, McMaster uses a hybrid between a full activity-based model and an incremental model. Implemented in 2014/15, the model aims to strike a balance between providing transparent activity-based funding to the Faculties while maintaining financial flexibility to address strategic goals. Funding to support units is fixed year-over-year where incremental allocations are annual decisions based on funding availability and unit-level requests considered a priority. Support unit funding does not increase with changes to enrolment or research.

Figure 4: Operating Fund Budget Model Revenue Streams



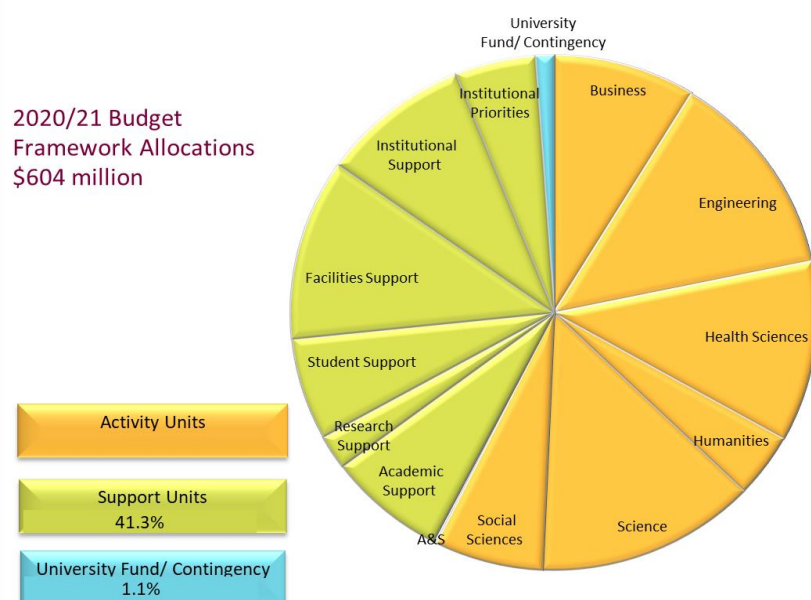
In the simplest terms, all central revenue streams are allocated to Faculties based on activities (such as student enrolment and teaching) as earned. The model mostly matched how the MCU flowed funding to universities. However, the model allows for two strategic funding pools to be created as a percentage of Operating Fund revenue: i) the Research Discretionary Fund to be used by the Vice-President (Research) for strategic research initiatives, and ii) the University Fund to be allocated by the Provost for pan-university strategic purposes.

Recognizing that the indirect costs of research are not fully covered by overhead revenue, the Research Infrastructure Fund and Research Excellence Fund redistribute a portion of revenue to the most research-intensive Faculties. Further research support exists in the way occupancy costs are charged out to a host Faculty at an overall campus average rate per square meter without distinction to the higher cost of research labs.

After all revenue allocations are made to the Faculties and strategic funds, allocations of central support unit costs are charged to Faculties based on a relevant proxy-based cost drivers, for example Human Resources costs are charged out based on employee full-time equivalents.

All Faculties or activity unit allocations are adjusted based on actual revenues and cost driver results after year-end.

**Figure 5:** Operating Fund 2020/21 Budget Framework Allocations by Area



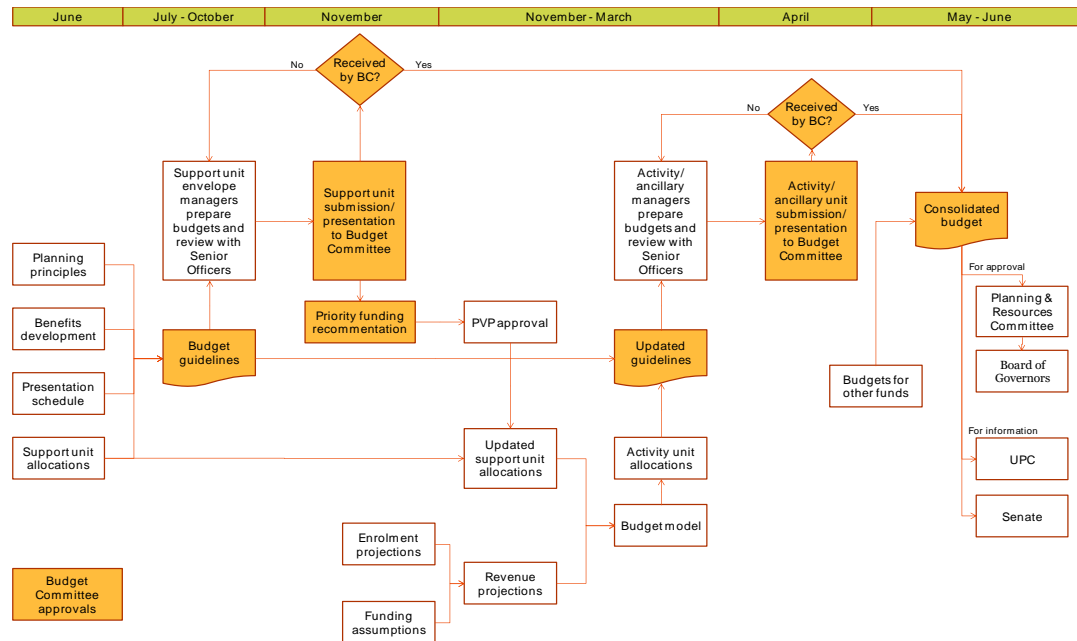
The budget approach has been continually assessed and evaluated both internally and externally, the latter involving the sharing of best practices with other Canadian and U.S. universities, as well as participating in research undertaken by the Education Advisory Board. Review feedback and ongoing input and analysis has resulted in some changes to the budget to either address concerns or enhance incentives aligned to strategic priorities. The budget adjustments mostly alter values of the parameters and not the underlying principles. The most recent review of the budget model involving external and internal budget leaders was released in September 2017 and did not recommend any substantive changes be made. Additional information on the budget model is available at <http://budgetmodel.mcmaster.ca/>.

Changes to the MCU funding allocation approach are in the SMA3 shifting funding from primarily enrolment based toward roughly 60% performance- or outcomes-based by 2025. The shift in funding

focus by the MCU will be examined for its possible implications on the University's budget model approach.

## 8.5 BUDGET CYCLE

Figure 6: Budget Cycle



**June:** The budget cycle for the Operating Fund and Specifically Funded Programs begins as the Budget Committee reviews and approves the assumptions and guidelines that will apply to all units across the University. Submissions include a projection for the current year, budget for next year, and plans for the following two years. The Budget Committee requests the submissions on a standard template, identifying:

- Strategic objectives and their relationship to *Forward with Integrity* and the Strategic Mandate Agreement
- Key metrics and benchmarks, including enrolment trends, ratio of students to faculty, staffing levels, and space requirements
- New initiatives and cost pressures, the actions taken to achieve a balanced budget, effects on the University community, and the related risks
- All one-time costs and the related funding sources
- Capital and/or renovation plans, including funding sources or internal financing capacity

Benefit rates are set to cover statutory deductions as well as pension, post-retirement benefits, and other benefit costs associated with employer plans offered to employee groups. Assumptions for salary and wage increases by employee group are reviewed, incorporating information from collective

agreements. Support units have a fixed budget year-over-year unless otherwise unit-level approved allocations and/or approved strategic investments are made. Incremental allocations to support units to defray compensation increases are discussed, and if feasible are allocated for the upcoming budget year only.

**July to October:** Budget allocations to activity units follow both the total level of funding and the allocations made to support units. The budget cycle is divided into two stages, with support units preparing their budgets first from July through October, so that any funding for any recommended priorities may be incorporated into the activity unit allocations.

**November:** Support units present budgets during a three-day Budget Committee conference, attended by additional guests including the Vice-Presidents, Faculty Deans and Directors of Faculty Administration. This allows the Faculty or activity unit leaders to consider and comment on the budget priorities and expenditures of all support units before the Budget Committee votes to receive each budget.

While receiving budget submissions, the Budget Committee identifies unfunded priorities and potentially unacceptable cost-cutting actions. The Committee explicitly prioritizes these items for review by the President, recommending some for funding. In consultation with the Vice-Presidents, as many of these important items as possible are funded.

**November to March:** Activity units begin budget preparation. Reasonable estimates of future enrolment and revenues based on provincial regulations, strategic objectives, historical demand, and other commitments are prepared. The activity unit allocations are updated in the budget model using the revenue estimates and the final support unit allocations, and the Operating Fund Guidelines are released with the updated allocations.

Ancillaries are self-funded and not dependent on support unit allocations, but may use enrolment assumptions in their revenue estimates. Ancillary Fund Guidelines are issued using the same salary and benefit cost assumptions as the Operating Fund, and including rent charges and amounts to be contributed to the Operating Fund.

**April:** Activity units and ancillaries present their budgets during a two-day Budget Committee conference, attended by additional guests including the Vice-Presidents, Faculty Deans and Directors of Faculty Administration. The Budget Committee votes to receive each budget, and reviews the final total.

Budgeted consolidated financial statements are prepared incorporating plans for the remaining funds. In order to finalize the budget, senior management reviews the financial position over the three-year planning horizon and makes adjustments, where necessary, to ensure reasonableness of the consolidated position and continued financial sustainability while promoting the academic mission.

**May to June:** The budget is presented to the University Planning Committee and the Senate for information and comment before presentation to the Planning and Resources Committee and Board of Governors for approval.

**Extraordinary circumstances:** The above timeline reflects McMaster's standard timeline approach, however due to uncertainty affecting fall enrolment intake and the degree of re-opening operations

the budget will be reviewed mid-year. A mid-year, or five-month, updated 2020/21 budget projection will be prepared once fall enrolment is finalized and re-opening plans are defined.

## 8.6 REVENUE ASSUMPTIONS

### 8.6.1 ENROLMENT

A 20% international enrolment reduction overlay, translating to \$32 million in reduced international tuition, has been factored into the budget baseline. Overall the enrolment baseline is projected to increase in accordance with the Strategic Mandate Agreement and the enrolment management targets, enabled by the completion of Wilson Hall in 2016/17, the Peter George Centre for Living and Learning in August 2019, and the McLean Centre for Collaborative Discovery. McMaster demand remains greater than the number of spaces available. Many applicants whose academic record suggests that they could be successful at McMaster must be turned away. Enrolment increases are expected to be maintained and managed through a combination of admitting eligible domestic applicants up to the corridor midpoint and allowing increased international participation rates due to MCU limitations on domestic new entrants.

The undergraduate enrolment projection model uses the Enrolment Management Team's level 1 targets to forecast each Faculty's annual intake. For movement between levels 2 and above, within each Faculty and between Faculties, the model applies a flow-through methodology that incorporates each Faculty's historical three-year transition rate.

To project graduate enrolment, since no level 1 intake targets are set at the graduate level, the graduate enrolment projection model is a flow-through model based on the following two elements:

- Each Faculty's historical level 1 intake: The 2019/20 level 1 intake (i.e. as of November 1, 2019) is applied as the anticipated level 1 intake from 2020/21 to 2024/25, unless a specific target was provided by a program.
- The transition probabilities of students from levels 2 and above: Similar to the undergraduate projection, for movement between levels 2 and above, within each Faculty and between Faculties, the graduate model applies a flow-through methodology that incorporates each Faculty's historical three-year transition rate, adjusted for mid-year graduation rates.

For both undergraduate and graduate enrolment projection models, actual enrolment data at the student level are used to simulate the projections. The projection data includes FTEs, headcount and WGU counts by Faculty, level, registration status, immigration status, and fee category.

**Table 2: Enrolment Assumptions**

		2019/20 Budget	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
Undergraduate FTEs	Domestic	23,446	23,968	23,759	24,141	24,307
		-0.8%	+0.9%	-0.9%	+1.6%	+0.7%
	International	3,138	3,514	3,296	4,476	4,843
		+12.1%	+24.8%	-6.2%	+35.8%	+8.2%
	Total	26,584	27,483	27,055	28,617	29,150
		+0.5%	+3.4%	-1.6%	+5.8%	+1.9%
Graduate FTEs	Domestic	3,105	3,126	3,061	3,127	3,132
		+1.4%	+2.1%	-2.1%	+2.1%	+0.2%
	International	1,255	1,316	1,087	1,323	1,325
		+1.5%	+6.5%	-17.4%	+21.7%	+0.2%
	Total	4,360	4,442	4,148	4,450	4,457
		+1.5%	+3.4%	-6.6%	-7.3%	+0.2%

### 8.6.2 TUITION RATES

The domestic tuition rate increase is expected to match that allowed by the MCU tuition fee framework (see Table 3), for 2020/21. In the absence of the Ministry tuition fee framework policy for 2021/22 and beyond, tuition increases have been held to zero percent, in other words frozen.

Incremental international tuition revenues are included in the budget and planning years, due to McMaster's corridor-capped domestic intake, allowing greater international participation. For 2020/21 and 2021/22, international undergraduate and graduate rates are assumed to increase by 10% per year for level 1 and 6% for level 2 and above, with exceptions to specific programs. However, due to the 4% maximum increase guarantee granted to international students enrolled prior to 2019/20, the 6% increase will be applied only to new cohorts. Note that international PhD tuition will mirror that of the domestic PhD in accordance with McMaster's decision to harmonize the international and domestic PhD tuition starting 2018/19.

**Table 3: Tuition Rate Assumptions**

			2019/20 Budget		2019/20 Projection		2020/21 Budget		2021/22 Plan		2022/23 Plan	
			Level 1	Level 2 +	Level 1	Level 2 +	Level 1	Level 2 +	Level 1	Level 2 +	Level 1	Level 2 +
Domestic	Undergraduate	Arts & Science or other	-10%	-10%	-10%	-10%	0%	0%	0%	0%	0%	0%
		Professional	-10%	-10%	-10%	-10%	0%	0%	0%	0%	0%	0%
	Graduate	Research (with thesis component)	-10%	-10%	-10%	-10%	0%	0%	0%	0%	0%	0%
		Professional (course work only)	-10%	-10%	-10%	-10%	0%	0%	0%	0%	0%	0%
International	Undergraduate	Arts & Science or other	10%	6%	10%	6%	10%	6%	10%	6%	10%	6%
		Professional	10%	6%	10%	6%	10%	6%	10%	6%	10%	6%
	Graduate	Research (with thesis component)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		Professional (course work only)	10%	6%	10%	6%	10%	6%	10%	6%	10%	6%

### 8.6.3 OPERATING GRANTS

In accordance with the provincial funding formula, grants are held flat at essentially the 2016/17 level with adjustments for graduate expansion achieved in 2019/20, thus resetting the corridor midpoint for 2020/21 and the remaining SMA period between 2020/21 and 2025/26. However, a net decline in the operating grant is expected associated with the incremental \$750 per international student tax charged by the province to universities.

**Table 4: Operating Grant Assumptions**

		2019/20 Budget	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
Core Operating Grant (COG)		\$2,903/WGU based on WGU midpoint 2016/17	Flat	\$2,355/WGU based on WGU midpoint 2019/20	\$2,017/WGU based on WGU midpoint 2019/20	\$1,679/WGU based on WGU midpoint 2019/20
Differentiation Grant/Performance Based Funding		\$261.7/WGU based on WGU midpoint 2016/17	Flat	Up to 26% of Total Operating Grants	Up to 36% of Total Operating Grants	Up to 46% of Total Operating Grants
Graduate Expansion Grant rate	COG	± \$2,903/WGU based on WGU 2016/17 as base	Flat	N/A	N/A	N/A
	Differentiation	± \$261.7/WGU based on WGU 2016/17 as base	Flat	N/A	N/A	N/A
International student reduction		\$750 per international student	Flat	Flat	Flat	Flat

## 8.7 ACTIONS TAKEN TO ACHIEVE THE STRATEGIC PLAN

All areas across the University are involved in initiatives that support the strategic plan. Activity units and ancillaries fund activities from current revenue and appropriations<sup>6</sup> carried forward. Under the budget model, allocations to support units are held flat, therefore new initiatives are either funded

<sup>6</sup> Appropriations are the accumulated surpluses or deficits from prior years, also known as reserves. In accordance with the Operating and Ancillary Budgets Policy, these balances are carried forward to future years. Surplus appropriations may be used to provide funds to offset one-time spending and investments in deficit-reducing strategies. Envelope managers must present plans to eliminate deficit appropriations with their budget submissions.

from appropriations or a request is made to the Budget Committee to fund priority items. COVID related revenue and expense adjustments will be funded from appropriations in 2020/21, unless a specific request for funding is made to Budget Committee in the 2021/22 cycle.

The budget process provides a transparent means of prioritizing incremental funding for strategic investments or unavoidable costs in support units. For the 2020/21 budget, additional allocations have been made for:

- An indigenous support librarian
- Further investment in the Library operations to eliminate potential structural deficits and provide collection and learning support
- The McMaster Okanagan Committee
- For increased annual investment in deferred maintenance at the University
- Classroom digital audio-visual (AV) upgrades
- Sexual Violence and Prevention Director position in the Equity and Inclusion Office
- Phases 2 and 3 of a project to improve Graduate Admissions' systems and process
- Research operations, support, and administration
- Further branding and marketing to support international recruitment

In addition to the above, a number of smaller base or one-time investments have been made in the 2020/21 budget and/or planning years. Further to the actions that directly support the strategic plan, a series of administrative support reviews and benchmarking activities have been conducted to ensure that non-academic services are operating at maximum efficiency while continuing to reflect McMaster's values.

Initiated in 2017/18, UniForum is an annual benchmarking and feedback program that allows McMaster to collect information and data about the distribution of non-academic services and activities that support teaching and research. Participation in the UniForum program enables McMaster to understand how non-academic support services are being delivered, where they are being delivered, and at what cost. This information is being used to help the University fully understand how it is supporting the academic and research mission and how it benchmarks against other participating institutions. A total of 54 universities have participated over the past ten years. There are currently 38 participating post-secondary institutions worldwide—16 universities in Australia and New Zealand, 17 in the United Kingdom and now 6 others in Canada.

The Research-Finance Review brought together a team of internal and external researchers and administrators to evaluate delivery of strategic research financial and reporting services, and to determine the most efficient and effective basis on which to deliver those services. The resulting recommendations, including review and coordination of roles and procedures, are in various stages of implementation. Projects such as MacBill (an accounts receivable module), MacBuy (a procurement tool), and the new research report are examples of initiatives prioritized from the review.

The IT Services Review completed in 2016, resulted in the launch of a new IT governance framework in 2017. An IT Executive Committee now oversees enterprise-wide systems needs supporting teaching and learning, research, administration, and infrastructure and security. In 2018/19 a new IT Strategic Plan was developed which will help guide future IT investments. A number of IT projects have been prioritized, developed, and approved in the budget or planning years applying the new framework and plan.

An HR review was launched in the Fall of 2018, concluding in the Fall of 2019. This was an aspirational and functional review of all HR activities across the University. The review reached several recommendations which are beginning to be addressed around 4 core themes. The theme areas are payroll process improvements, standardize and simplify processes, Integrated service model, structure & accountability, and recruitment improvements.

Specific activities contributing to achieving the University's *FWI* strategic plan are put forward in each Faculty and department budget submissions. A summary of these activities follows.

### 8.7.1 STUDENT EXPERIENCE

Key initiatives affecting the student experience that McMaster will either continue or launch in the budget year are:

- Expansion or introduction of new programs including -
  - A separate B.Comm stream where students that successfully secure a placement are enrolled in this plan that has the internship placement as a degree requirement.
  - Expansion of the Computer Sciences program at McMaster.
  - An interdisciplinary MA in Public Policy in Digital Society, the Faculty of Social Sciences' first professional program (outside social work).
  - School of Rehabilitation Science is rolling out a new undergraduate course which will be an opportunity for interdisciplinary education learning about the different approaches undertaken by rehabilitation professionals when it comes to addressing physical, cognitive, and mental health considering consider local and global perspectives.
  - The Arts & Science Program will administer the McMaster Spring Intersession, a 3-year pilot project (2019-22).
  - Following extensive consultation with external experts and internal stakeholders, the Faculty of Humanities has completed and submitted an Institutional Quality Assurance Process (IQAP) proposal to introduce a new Integrated Arts (iArts) program. This undergraduate program, which will replace three existing programs, will offer students the chance to learn and create across disciplinary boundaries, undertaking the sorts of projects and collaborations that exist for those working in the creative arts industries.
- Knowledge mobilization of online resources for graduate student retention and completion: thesis writing, supervisory relationships, accessibility and accommodation, resources for underrepresented groups, professional development.



- Creation of an international student advisory group to promote a university-shared approach to supporting international students.
- Embedded Student Advocate Team in four academic programs as a pilot for Undergraduate Student Well-Being by assisting students in navigating through the stresses of the undergraduate experience and to develop and refine wellness programming.
- Launched new consolidated student services centre which pulls together student services delivered from the Registrar's office, Financial Aid & Scholarships frontline and Student Accounts and Cashiers frontline.
- Collaborate with international institutions to offer increased opportunities for student research and exchange experiences. Further, create a global rotational program with local employers that have offices abroad (i.e.: ArcelorMittal Dofasco). This initiative will provide students an opportunity to experience a job in different parts of the world but working for the same organization.
- Graduate Admissions project aimed at easing the application process for potential students and reducing the workload for program administrators.
- Continue mentoring and experiential learning programs. As well, engage alumni, living abroad, to mentor students who are going abroad to decrease anxiety surrounding mobility.
- Career Readiness in Humanities to include:
  - The development of three additional new specializations or concurrent certificates that will provide Humanities majors with job-ready competencies.
  - A pilot project supported by a private gift to match Humanities' graduates with Hamilton-area employers.
- In partnership with the McMaster Alumni Association the Faculty is broadening its network of alumni support for current students and among recent grads to assist with career growth.
- Further enhancement of Student Support Services partnerships with Faculties of Social Sciences and Humanities to offer programming that addresses the needs of students at risk. Developing pre-university programming that will better prepare 1st year incoming students for the university's learning environment.
- Building of the McLean Centre, and continue the expansion of the Athletics and Recreation facility to provide additional athletic and student wellness space.

### 8.7.2 INNOVATION IN TEACHING AND LEARNING EXCELLENCE

- Continue the transformational shift in Engineering to encourage design thinking, creativity, reflection and integrated learning called The Pivot. The Pivot is the first program of its kind to intensely focus on our engineering students and their learning, not the specific projects they will tackle.
- The McLean Centre for Collaborative Discovery is designed to facilitate curriculum changes in a way that ensures students will learn from, and with, other students and faculty across the University, as well as partners in the community. Through discovery-based learning

projects, they'll actively engage in real-world business challenges in the McLean Centre's interconnected, learning "hubs" or "labs".

- In the spring of 2019, more than 940 undergraduate Engineering, Bachelor of Technology and Computer Science students received the institution's first ever digital diplomas following Engineering's Spring Convocation. The Faculty is now a leading partner in the recently founded Digital Credentials Consortium, initiated by MIT, and which includes 12 partner institutions.
- Student proposals for intellectual Community Engaged Scholarships (SPICES) program will continue to provide leadership opportunities for graduate students to develop/deliver innovative and creative programs for their peers and the broader community.
- Collaboration between MacPherson Institute for Teaching and Learning, Humanities Media and Computing, and the University Library, and with support from University Technology Services, for the development of a Course Outline Portal with goals of creating consistent course outlines in line with university policies, creating efficiencies in communications and support among campus support units and instructors, and offering opportunities for integrated data management and records keeping processes.
- The MacPherson Institute for Teaching and Learning will also lead an Ontario based consortium of educational developers supporting program review processes and provide expertise and guidance to this group.
- Careers of the future summit to address the new labour market and skills needed. Topics will include digital skills, data analysis, artificial intelligence (atomization), freelancing and growing entrepreneurial start-up economy, and the global marketplace.
- Partnership between University Library, Health Sciences Library, Research & High Performance Computing Support, Institutional Research & Analysis and Communications & Public Affairs to explore a new program to support the effective and ethical use of bibliometric data across all disciplines.
- Implementation beyond current testing phase of Databee Exams Manager, a new system to manage examinations, improving the overall exams process. This software improves the scheduling of accommodated exams.
- Actively developing a micro-learning strategy in Continuing Education given the market trend for just in time knowledge and skills training.
- Continue to publicly recognize outstanding contributions to education through innovation, continued excellence in teaching, and enhanced student learning by funding the President's Award for Outstanding Contributions to Teaching and Learning, and supporting the annual President's Retreat for past and present award winners to share best practices, share educational innovations and reflect on the overall student experience.

### 8.7.3 ACCESS AND EQUITY

- Increase the Library's collecting of books by First Nations authors. Actively build collections of rare books and primary sources relating to indigenous peoples. Contribute to national efforts to revise and adopt appropriate subject descriptors.
- Implementation of Faculty of Health Sciences (FHS) Indigenous Health Education Strategic Plan will be led by the FHS Indigenous Health Learning Lodge of an Indigenous academic community of staff, faculty, students and Elders with linkages to internal and external collaborators.
- Indigenous Student Services (ISS) continues to increase the profile of McMaster University as the University of choice for Indigenous learners, while improving Indigenous governance and policy development to maximize the student experience and success of Indigenous students.
- Continue the implementation of the Campus Accessibility Action Plan to improve access to campus facilities. Further, continue to prioritize accessibility and health related maintenance requests as the most urgent projects.
- Improved partnerships and communication to encourage reporting to Security. Focus on Mental Health and Wellness, Substance use and abuse and Sexual Assault and violence. To improve the security and safety throughout the university community.
- Create an "Inclusive Dining Hall" concept in 2020/21 which will be unique to the university world, supporting and promoting inclusivity by providing dedicated dining stations for: allergen-free, local, halal, cultural foods, and vegan & vegetarian. Food security initiatives will also be implemented from the location to support students with financial restrictions.
- Continue employment equity principles and best practices (e.g., objectives related to data collection, training and support of search committees). As well, continue to progress the hiring practices actions underway with the office of employment equity, diversity and inclusion that includes selection committee training with a focus on unconscious bias, and the provision of census information at a unit and local demographic level.

### 8.7.4 RESEARCH EXCELLENCE AND IMPACT

- Continuation of the Brighter World Research Initiative.
- The Faculty of Health Sciences is acquiring and implementing highly multiplexed immunohistochemistry using multiplex ion beam imaging (MIBI) and establishing it as a core facility. Renovations will be undertaken to accommodate a new MIBI in the Health Sciences Centre and it will support a variety of researchers obtain high quality imaging to support their research. This is the only MIBI in Canada and McMaster researchers will be leaders in this field.
- The new David Braley Centre for Antibiotic Discovery operates from within the Michael G. DeGroote Institute for Infectious Disease Research and is home to McMaster's leading researchers in the field of antimicrobial resistance (AMR).

- Michael G. DeGroote Initiative for Innovation in Healthcare (MGDII) is establishing bold initiatives that foster cutting-edge innovative research and teaching in health leadership, medicinal cannabis, biomedical engineering and lung health, and that develop a culture of innovation, commercialization and entrepreneurship.
- Re-envisioning the role of the Brockhouse Institute for Materials Research (BIMR) as the research home of over 120 McMaster faculty members; developing a new focus for the institute as the hub for all materials research related activities on campus.
- Undertake new research initiatives in medical isotope development for clinical use and supply Ho-166 medical isotope to up-coming global clinical trials.
- Launching the “Global Science” initiative which will act as a platform to enable and promote international activity from undergraduate and graduate educational programs, to collaborative research projects with international partners.
- Building a digital data platform to support research into the use of artificial intelligence and machine learning to solve industry scale problems and realize opportunities.
- Establishing the Centre for Research in Empirical Social Sciences (CRESS) for education, research support and service, along with the Community Research Platform.
- Integrate teaching and service data into faculty Experts profiles. Pilot a new module of McMaster Experts to support faculty annual reporting (no more manual entry of citations!). Raise awareness of the value of maintaining an online research profile. Introduce and promote ORCID IDs (unique identifiers).
- Continued research commercialization of McMaster researchers by developing spaces for research spin-off companies at the McMaster Innovation Park enabling the relocation of new companies from campus to the innovation hub. In exchange, McMaster negotiates arrangements with newly formed companies that provide new companies access to space at an affordable start-up rate with access to shared services to reduce initial operating costs in exchange for equity, convertible debt, or equivalent consideration

#### 8.7.5 INNOVATION, ECONOMIC DEVELOPMENT AND COMMUNITY ENGAGEMENT

- In addition to the research commercialization strategy that is building a research business hub at the McMaster Innovation Park keeping research spin-off companies in Hamilton; McMaster will also invest in four large projects. First, the McLean Centre for Collaborative Discovery a nine storey expansion on top of Innis Library for multi-disciplinary problem-based learning; an undergraduate residence<sup>7</sup> along Main Street West expanding McMaster's

<sup>7</sup> The undergraduate and graduate residence projects are public-private partnerships whereby a developer will build and finance the project and McMaster will manage, maintain, and operate the student life programming of the buildings just as it would any other residence. These projects are subject to affordability metrics and will be cancelled if the City amends its development charge exemption for McMaster projects as the projects would no longer be economically viable.

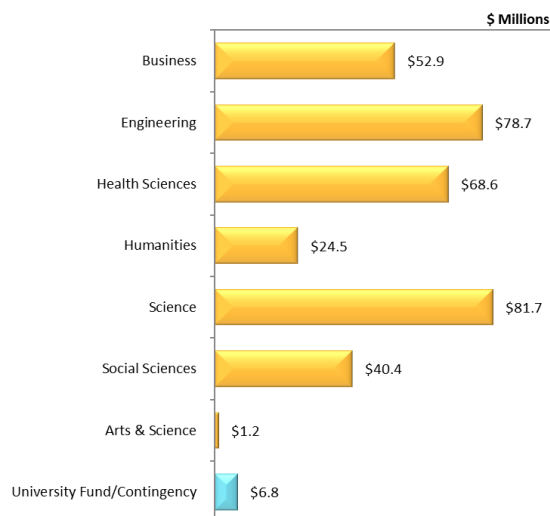
main campus; and finally, a graduate residence in downtown Hamilton adjacent to the David Braley Health Sciences Centre.

- The McMaster Museum of Art is partnering with Nia Centre for the Arts (Toronto Centre for the appreciation of arts from the African Diaspora) and the Aboriginal Curatorial Collective on the Black, Indigenous and People of Colour (BIPOC) Cultural Administrators Mentorship Program, the first of its kind in Canada.
- Expand the transition and retention programming carried out with community partners and other institutions such as Mohawk College, Six Nations Polytechnic.
- Continue McMaster Employer Engagement Campaign “Hire McMaster” which is an inter faculty career and co-op initiative to develop an integrated, seamless proactive employer outreach strategy complemented by a robust administrative process.
- Partner with the Canadian Warplane Heritage Museum to digitize its ‘flat’ map collection, returning to them digitized copies and displaying the collection on the University Library’s Digital Archive.
- Continue to provide leadership opportunities for graduate students to develop/deliver innovative and creative programs for graduate students, postdocs and the broader community through the Student Proposals for Intellectual Community and Engages Scholarship (SPICES) program.
- Launch of the Entrepreneur Partnership Program by the Campus Store, inviting Students to promote and sell their products through the store. An Entrepreneur area will be set up within the store featuring products created by McMaster. The store will use its social media and website platforms to highlight both the products and the stories behind them.
- Continue to work with the City and community on needs matching strategic importance to the University. As well, further develop and grow relationships with existing partners within the Hamilton community and continue collaborative efforts to grow and enhance existing programs.
- Strengthen relationships with a diversity of racialized communities/groups in the City, to enhance support/service.
- Continue the Socrates Project, which acts as a point of convergence for artists, scholars, and diverse communities as they engage in crucial conversations regarding pressing issues.
- Expansion of the University short stay suites “Hotel McMaster” designed to make year-round executive style accommodation available to the campus and conferences hosted by McMaster.

## 9 ENVELOPE HIGHLIGHTS

### 9.1 ACTIVITY UNITS (FACULTIES)

Figure 7: Operating Fund 2020/21 Budget Activity Unit Allocations



#### 9.1.1 FACULTY OF HUMANITIES

The Faculty of Humanities provides students with communication, collaboration, and critical thinking skills that many employers in the region seek in their employees. With the priority of focusing on several new careers-minded concurrent certificate options, experiential education opportunities and post-graduate employment matching projects, the Faculty will be further able to serve students and the wider community.

Humanities has substantially improved the fiscal status of the Faculty but will continue to face considerable revenue risk, given the reduction in tuition, the fixed domestic grant and the international enrolment uncertainty of the recent environment. The highly successful McMaster English Language Development programs play a major role in not only the positive financial situation in the Faculty but in the continued success of the entire University's international strategy.

The Faculty of Humanities is engaged in the Brighter World Research Initiative, with researchers taking a leadership role in the West Campus redesign (Designing Paradise), and is ready to engage in the priorities that will emerge around the Civic University theme. Through new programs such as Integrated Arts and through research in areas like the ethics of innovation, relationships are being forged and/or strengthened across the Faculties and with partners off campus.

#### 9.1.2 FACULTY OF BUSINESS

The DeGroote School of Business (DSB) is scheduled to begin construction on the MacLean Centre for Collaborative Discovery very early in 2021. This new student-focused facility will enable an exciting

new Commerce curriculum, designed to allow students to be better problem solvers, better team members and better able to compete in a rapidly changing labour market.

The risk presented by the coronavirus has the potential to require quick actions on proposed spending plans. However, DSB has the option of reducing the transfers made to the McLean Centre project to accommodate any revenue pressures. The School will fulfill its commitment to the project in FY20, and future transfers will be adjusted downward should enrolment be severely impacted by the coronavirus.

The School of Business has begun implementing its planned changes to the Commerce program. The new GR0 courses and the Internship stream will come online in September 2020 and, between now and the completion of the space expansion, will move iteratively to implement the remaining changes. The plan anticipates having all enhancements in place to coincide with the 2023 occupancy date. These changes are significant and align with SMA3 and the requirements of our employers.

### 9.1.3 FACULTY OF HEALTH SCIENCES

In the face of cutbacks, the Faculty of Health Sciences is looking to maintain and grow excellence in research, education and clinical service. The Faculty will work to strengthen the student experience, be innovative in teaching, increase access and equity, sustain and grow research excellence and continually enhance economic development and community engagement including the implementation of the FHS Indigenous Health Strategic Plan

Potential threats to financial stability of the Faculty of Health Sciences are of great concern at a time when costs are rising, university operating funds are tightening, tuition is reduced, and support unit costs are rising. There are also considerable financial pressures on the academic hospital partners. The eventual end of Gulf State resident revenues is particularly concerning. The Faculty is dealing with an aging animal facility that needs capital investment, a loss of funding for other capital needs, and accreditation pressures in the professional schools.

The Faculty of Health Sciences is marketing its BHSc program to the U.S. market, and implementing an administrative hub model to streamline its processes and reduce the number of employees involved in high volume transactions. The new FHS Budget Model will enhance transparency and accountability and facilitate the strategic planning. Work continues on the implementation of Finance Review results, while at the same time exploring opportunities identified in the HR Review and the FHS IT needs assessment.

### 9.1.4 FACULTY OF ENGINEERING

Engineering is in the midst of an exciting transformation of the undergraduate Engineering curriculum - The Pivot. This initiative will amplify experiential learning and develop skills and competencies to prepare students for a rapidly changing world. Also planned is the expansion of the Computer Science program in response to an ever-increasing demand. These initiatives will require additional space. Engineering continues to employ strategic actions to increase the number of women in the student and faculty complement and these efforts are showing results. Investments in facilitating impactful and interdisciplinary research continues.

Engineering's international enrolment is experiencing growth which has helped to offset the provincially mandated tuition reduction. There is a significant risk of losing some of this momentum

with current health concerns. There is also recognition that the new curriculum and related activities around the Pivot are more resource intensive.

In addition to continued activity to increase the diversity in the international population, Engineering will be looking to expand space to address the new curriculum and the student population growth in the coming years.

#### **9.1.5 FACULTY OF SOCIAL SCIENCES**

The Faculty of Social Science is engaged in improving skills and job outcomes for students and is investing in key initiatives that enhance experiential education support and develop career readiness programming. The Faculty is focusing growth in priority areas and developing interdisciplinary programming which includes a new professional MA and social innovation programming. The Faculty is working to enhance retention rates by investing in a student success coach along with a first-year academic coordinator. Community and Economic Impact continues to be a priority, and initiatives such as the community research platform will assist in moving this priority forward.

Enrolments in Social Sciences have stabilized and are expected to grow over the coming years, however recent pandemic concerns may delay or somewhat derail plans. Uncertainty regarding future funding, dependence on international enrolment coupled with compensation increases for faculty and staff create challenges for making necessary investments in strategic research, educational and support areas.

The Faculty is taking action on both revenues and expenditures, by continuing to invest in international recruitment activities to expand and diversify international enrolment, while reviewing opportunities to streamline processes and build capacity to better support and advance the core educational and research mission.

#### **9.1.6 FACULTY OF SCIENCE**

The Faculty of Science continues to make strategic investments in faculty, staff and infrastructure. The goal is to enable positive results related to the student experience, graduate success metrics, excellence in teaching and learning, research excellence and impact, innovation, economic development and community engagement. This includes an increase in diversity in staff and faculty complement and support for high impact practices in learning, discovery and engagement.

The common challenges faced relate to the uncertainty in future revenue projections in all categories of domestic tuition, government grants, international student tuition, research revenue and fundraising capacity. As a result, there is an effort to balance the desire for innovation and investment, with a conservative approach to renewal and reinvigoration of resources.

The procurement and use of data is ongoing in order to address top priorities that directly link to the SMA3, while also aligning with the Faculty's strategic plan 2020 for academic, research and community engagement missions. There is continued investment in expanding the capacity for advancement and development functions and in enhancing international strategy.

#### **9.1.7 ARTS & SCIENCE PROGRAM**

An ongoing priority for the interdisciplinary Arts & Science Program is the creative development of experiential learning and student research. A key initiative involves plans to increase the involvement



of Arts & Science alumni in the promotion of the program and to engage them in offering learning opportunities for students within a culture of scholarly challenge and social responsibility.

Essential to the success of the Arts & Science Program is a strong, well-planned, and sustainable faculty complement, which entails ongoing agreements with the Faculties of Humanities, Science, and Social Sciences.

Teaching secondments continue to be negotiated successfully. In collaboration with Communications and Public Affairs, a new Communications Manager position aims to take the Arts & Science Program's profile, recruitment initiatives, and strategic planning to a new level.

#### 9.1.8 UNIVERSITY FUND

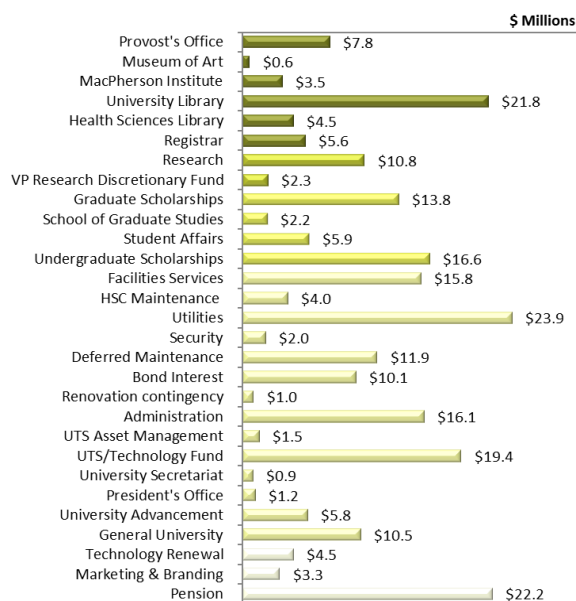
The University Fund has the goal of supporting excellence, innovation and renewal in all areas of the university. By design, the projects supported in this way have been short-term and allocated for specific purposes with the intention that successful innovations will be funded permanently by different means, thus freeing the University Fund for new initiatives of innovation and excellence.

The Office of the Provost is responsible for developing appropriate mechanisms to control and use the University Fund as a strategic tool for the University. This Fund is used to support unforeseen or unfunded priorities and to seed new strategic initiatives. A significant portion of the Fund is now being used to support ongoing commitments and capital infrastructure, thus limiting the Fund's capacity for supporting worthwhile new initiatives.

The Provost is actively supportive of strategic initiatives and is providing funding from the University Fund to enable innovative projects that support the University's mission. In future, the focus of the Fund will hopefully shift to greater support for research and emerging transformative initiatives.

## 9.2 SUPPORT UNITS

Figure 8: Operating Fund 2020/21 Budget Support Unit Allocations



### 9.2.1 STUDENT AFFAIRS

Student Affairs has moved from shoring up its financial foundation, to focusing on initiatives that will drive internationalization, and innovation and that will support inclusivity and well-being. These priorities are interrelated. Well-being is the foundation of student success and is even more critical for students who are here from abroad. Institutions that welcome and include students from diverse backgrounds, and that encourage domestic students to gain experience abroad, will enable innovation and nurture global citizens.

These priorities are funded on soft money and could be seen by some as peripheral to the core mandate of the institution. Rather than view these priorities through that lens, an alternative is to take a holistic view that is core to student development and learning - one that values supporting well-being, creating global citizens, and nurturing an innovative mindset.

In the short term, student accessibility services require funding to sustain operations. Government and donor strategies will continue to be pursued to develop a more sustainable model. An increase to student fees will be pursued to help mitigate some of the costs related to mental health support and career support.

### 9.2.2 LIBRARIES

The University Library will move aggressively on a variety of fronts including enhancements to McMaster Experts (for showcasing faculty research), digitization of unique content, research data management, and classroom technology renewal. The organization will explore new models for

better supporting student's first year experience as well as delivering on the University's community engagement

The University Libraries continue to face the ongoing problem of journal cost inflation. Our researchers need access to elite journals; the vast majority of our serial subscriptions are made consortially as part of binding, multi-year contracts in US dollars. Cost for journal subscriptions are linked to McMaster's research intensity and thus McMaster pays higher prices than some of our counterparts.

The University Library has implemented several cost-savings measures including complement review, trimming low impact, low use journal subscriptions and implementation of centrally mitigating exchange rate impacts.

### 9.2.3 OFFICE OF THE REGISTRAR

The Registrar's Office drives recruitment and admissions activities and is committed to providing timely, relevant, efficient service to students and support to Faculties and other administrative functions at the university. In the upcoming year, the Registrar's Office will be focused on achieving increased international recruitment goals. New initiatives include the Service Centre transformation, and the implementation of new service support systems - an enterprise-wide Admissions system, the Databee exam administration system, AwardSpring scholarship management and convocation e-ticketing.

The most significant budget pressure facing the Office of the Registrar continues to be working with existing staffing resources to continue to deliver on expectations in the face of uncertain times and increasing student population, and expanding resource pressures to support, maintain, enhance and upgrade increasingly complex systems.

The Office of the Registrar continues to review best and emerging practices to most efficiently and effectively service the needs of the University. Changing the method of delivery of some services (e.g. online chat versus responding to phone and email inquiries) provides for more impactful timely responses, with less resources.

### 9.2.4 SCHOOL OF GRADUATE STUDIES

The School of Graduate Studies (SGS) works in concert with the Faculties to achieve their strategic priorities by assisting in the development of new graduate programs, ensuring such proposals are prepared according to the latest Ministry and Council guidelines and aligned with the University's priorities. The office facilitates the recruitment and admissions of graduate students and the scholarship administration.

SGS's biggest challenge is the fixed status of the Graduate Scholarship envelope, therefore limiting the amount of funding available per student as student numbers increase. Optimizing current staff complement structure is also an ongoing concern

Roles, responsibilities and functions performed are being review to assess the value added to graduate students and the University, with a goal of modifying and re-engineering roles to ensure service levels are optimized.

### 9.2.5 PAUL R. MACPHERSON INSTITUTE FOR LEADERSHIP, INNOVATION AND EXCELLENCE IN TEACHING

The initiatives undertaken by MacPherson Institute are directly tied to directions of the Strategic Mandate Agreement. The introduction of a liaison model for providing support to instructors will enhance goals in Innovations in Teaching and Learning, as will the new collaborative Course Outline Portal offering efficiency and consistency in course planning and administration. The internationally recognized efforts in the Student Partners Program enhance both Student Experience and Access and Equity. Robust support of research in teaching and learning and the publication of the International Journal of Student Partners contributes to Research Excellence and Impact.

Current budget challenges reflect uncertainty with respect to the implementation of the liaison model of support. As implementation of this model rolls out changes in workload and human resources are beginning to be understood.

A process of program review has begun to evaluate services and supports offered and to determine what, if any, changes need to be made to these programs in order to deliver on the strategic plan.

### 9.2.6 RESEARCH ENVELOPE (INCLUDES NUCLEAR OPERATIONS AND FACILITIES)

Support provided by the Research envelope is critical to meeting the metrics in SMAs 2 and 3. These services ensure that McMaster remains in good standing and is eligible to apply for and hold funds. MILO, in their support of private sector partnerships, protection of IP, licensing, patents and start-ups, is critical to McMaster's efforts to meet the SMA3 metric of increased research funding from the private sector. New initiatives such as increased support for core research facilities will enhance our institutional responsibility of effective operation and maintenance of research infrastructure; ensure infrastructure is available for use by researchers and industry partners and encourage researchers to apply for additional infrastructure funding. Research Centres and Institutes reporting to the VPR support inter-disciplinary research, the focus of significant research funding opportunities that acknowledge the importance multiple perspectives for solving complex societal problems.

Nuclear Operations and Facilities' (NO&F) main initiative is to continue to enable nuclear research in support of McMaster University and the Canadian research community. As Canada's sole major neutron source, McMaster Nuclear Reactor (MNR) makes McMaster the only university in Canada capable of hosting several types of research, including the Small Angle Neutron Scattering (SANS) facility (which relies on the neutrons present in the MNR) and the McMaster Intense Positron Beam Facility (MIPBF) (which utilizes the high gamma ray fields in the reactor core). The Centre for Advanced Nuclear Systems (CANS) hot cell facility is also sited at McMaster so that it can be in proximity to the MNR to enable researchers to measure the impact on materials to exposure at an operating reactor core. Without the staff recruitment, training, fuel procurement, reactor physics analysis, safety analysis, quality management, licensing support, technical expertise, radioisotope research, and commercial operations to enable cost-neutral operation provided by NO&F, none of these three facilities would be sited at McMaster.

Given the importance of research funding to SMA3, it is critical that secure support be provided to the Research envelope. Roll-up of the Research Operations and Support budget with that of the McMaster Nuclear Reactor and Research Centres and Institutes have masked the deficit of these departments critical to support of research. Research royalties provide additional income to the VPR

envelope, however given that this funding arises from a very small number of inventions or licenses, royalties are not a secure sustainable source of support.

Nuclear Operations and Facilities initiated its 3rd technology transfer for the production of Iodine-125 to an international research reactor in 2018. The transfer activities were completed in 2019. Re-establishing a dual supply of Iodine-125, following the closure of Canada's National Research Universal Reactor, is essential to maintaining the confidence of our medical isotope customers and growing market share of this cancer therapeutic. McMaster initiated a Market Assessment for the nuclear facilities here at the University. This external assessment was completed in Q3 of 2019, following which a strategic plan will be developed to address any findings from the assessment. Discussions regarding using a portion of MNR accumulated surplus to assist with the Research Operations and Support accumulated debt will continue following completion of the study.

### 9.2.7 UNIVERSITY TECHNOLOGY SERVICES (UTS)

The Chief Technology Officer will be focusing on the implementation of the new McMaster IT Strategic Plan. Changes related to service, systems, service delivery and ongoing funding of IT initiatives across the full campus are all part of the plan. The focus of the strategic plan is on creating a stable and secure environment while also implementing desired technologies and capabilities that can enhance the teaching, learning and research activities of the institution and improve the student experience.

There are always finite dollars balanced against infinite IT needs and enhancements. The lack of investment in IT over several years has resulted in a large backlog of desired solutions and necessary spending related to infrastructure such as wireless networks. Finding the necessary funds to address necessary infrastructure needs and new systems to improve automation and capabilities across campus is a challenge however delaying investments will only set McMaster farther behind.

University Technology Services will continue to enhance its focus on people, processes and technology across all current services and in line with strategic future services. Enhancing employee engagement and competency levels, reducing deferred maintenance risks, enhancing IT Security capabilities, developing strong partnerships and collaboration opportunities with partners across campus, evaluating and 'rationalizing' IT services, and the ongoing support of projects and priorities highlighted as part of the McMaster IT Strategic Plan within the IT Governance framework are all key areas of focus. UTS is starting to focus on "enabling" technologies so that we can give our partners easier access to institutional data without being a bottleneck or imposing too many hurdles.

### 9.2.8 ADMINISTRATION AND FACILITY SERVICES

There is broad acceptance that continued improvement in service effectiveness is dependent on integrated planning and execution of cross-campus initiatives. While the University may have the most cost-effective administration among the 5 Canadian universities in UniForum, it is equally clear that there is substantial opportunity to improve in comparison to other top-tier universities in AUS/NZ & UK. Since initiating UniForum and a number of area specific service reviews a number of improvement-oriented task forces and committees have been struck. Improvements achieved cover all areas of operational support affecting the academy, research, and other support areas. Key improvements have been driven in simplifying system flows for research transactions and financial transactions. New systems' implementations focused on process efficiency have been launched such as MacBuy for eprocurement and MacBill for billing and accounts receiving. In addition, the HR service

review has translated into a new project structure to support a number of key improvement opportunities planned to launch in 2020/21.

The next UniForum update will be impacted by COVID-19 related operational impacts and may not demonstrate the extent of operational improvement expected from the changes already implemented. Additional efforts will be made in 2020/21 to continuously and further improve processes identified by both UniForum and reviews with anticipation that the stakeholder community is finding net positive benefit from the increased service efficiency focus.

### 9.2.9 UNIVERSITY ADVANCEMENT

University Advancement (UA) is a support unit for McMaster and plays an important role in supporting the Strategic Mandate Agreement (SMA) priorities by delivering creative and leading advancement programs. UA's Strategic Business Plan 2015-2020 was built on the priorities outlined within McMaster's SMA and was updated in 2018 to reflect changes in the landscape and respond to opportunities. The UA strategic plan is designed to support these objectives with a strong emphasis on internationalization, Indigenous programs and research, supporting a distinctive student experience and the needs of the research enterprise. The University priorities all require resources, strong relationships with key stakeholders, including government, funders, friends and alumni, and a robust university reputation. By working collaboratively, each area within the UA team delivers on these commitments so McMaster is well-positioned to maximize its strengths and priorities.

University Advancement is using strategic savings to seed staff positions for the Brighter World Research Initiative (BWRI), however will be partnering with the Vice-President, Research's office for a funding ask in support of this important university priority with a goal of significantly growing revenue.

UA continues to focus on Key Success Factors for building McMaster's relationships, reputation and resources. The work in support of the University enables other areas to be successful in achieving their respective objectives that directly correlate with the tenets of the SMA. UA will continue to play a lead role in the University's marketing and branding exercise as McMaster recognizes that the strength of its brand is integral to the achievements of its institutional objectives in the increasingly competitive post-secondary environment. Public Affairs (formerly Government Relations) continues to be a priority at both the provincial and federal levels as we work to influence policy and secure investment. UA is playing a lead role, in partnership with the Vice-President, Research's office, in the planning and implementation of the Brighter World Research Initiative (BWRI) to bring more revenue into the University's research enterprise.

### 9.2.10 UNIVERSITY BRAND

The marketing initiative has delivered on numerous projects this year that have increased the University's reputation, developed new digital resources, shared brand guidance and training with the full McMaster community and generated discussion, pride and support for McMaster's differentiation as an internationally leading research and teaching university that is focused on advancing human and societal health and well-being.

The University has made a strong commitment to the marketing program which is allowing McMaster to reposition itself. While the current focus is on priority goals in the plan, it is clear that areas across the University will benefit from increased resources in developing modern and comprehensive

marketing approaches in order to compete for students and faculty and to help influence government and to attract other funding sources.

The marketing program will continue to support the priorities established by the Steering Committee to achieve both short and long-term objectives through delivering efficient, effective and innovative marketing while at the same time assessing the long-term related resource requirements.

## 10 BUDGET BY FUND

### 10.1 OPERATING FUND

Table 5: Operating Fund Summary

(\$ thousands)							
	2019/20 Budget	2019/20 Projection	2019/20 Variance		2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>							
Provincial grants	235,868	235,684	(184)	-0.1%	235,540	235,021	234,736
Tuition	326,962	342,732	15,770	4.8%	337,244	402,641	437,368
Research overhead income	27,470	30,111	2,641	9.6%	28,993	28,841	28,841
Investment income	12,634	12,634	(0)	0.0%	9,467	9,467	9,467
Other income	106,008	109,368	3,360	3.2%	109,508	112,140	115,246
<b>Total revenues</b>	<b>708,942</b>	<b>730,529</b>	<b>21,587</b>	<b>3.0%</b>	<b>720,753</b>	<b>788,110</b>	<b>825,658</b>
<b>Expenses</b>							
Salaries, wages and benefits	496,875	498,272	(1,397)	-0.3%	522,608	529,879	541,224
Utilities and maintenance	38,638	40,900	(2,263)	-5.9%	43,051	47,397	49,386
Equipment and renovations	52,030	68,955	(16,925)	-32.5%	62,021	73,985	90,455
Scholarships, bursaries and work study	38,739	34,178	4,562	11.8%	34,737	35,084	34,873
Library acquisitions	13,249	14,053	(804)	-6.1%	14,253	14,576	15,047
Debt and financing charges	18,220	18,836	(616)	-3.4%	18,448	21,937	21,092
All other expenses	81,096	65,319	15,777	19.5%	79,495	81,885	89,187
<b>Total expenses</b>	<b>738,848</b>	<b>740,513</b>	<b>(1,665)</b>	<b>-0.2%</b>	<b>774,612</b>	<b>804,744</b>	<b>841,265</b>
<b>Excess of revenues over expenses</b>	<b>(29,906)</b>	<b>(9,984)</b>	<b>19,922</b>	<b>66.6%</b>	<b>(53,859)</b>	<b>(16,634)</b>	<b>(15,606)</b>
Fund balance, beginning of year	145,168	167,657	22,489	15.5%	157,672	103,811	87,176
<b>Fund balance, end of year</b>	<b>115,262</b>	<b>157,673</b>	<b>42,411</b>	<b>36.8%</b>	<b>103,812</b>	<b>87,177</b>	<b>71,570</b>

The Operating Fund is projected to result in annual deficits beginning in 2019/20 on an aggregate one-time (non-structural) basis as a reflection of both the domestic tuition rate cut and freeze, cancellation of the expansion grants, and use of appropriations to support strategic initiatives. There is currently a larger deficit in Budget 2020/21 as a result of reducing the international enrolment expectation and tuition by an estimated \$32 million due to COVID-19 impacts. Details of the variances between the 2019/20 budget and projection are available in Appendix 1. The revenue trend table that follows in the next section is not inflation adjusted, meaning where revenues remain flat or fixed over time the actual purchasing power of those funds is decreasing by approximately 2% per year (average of Ontario consumer price index inflation).



## 10.1.1 REVENUE

Figure 9: Operating Fund Revenue Trend

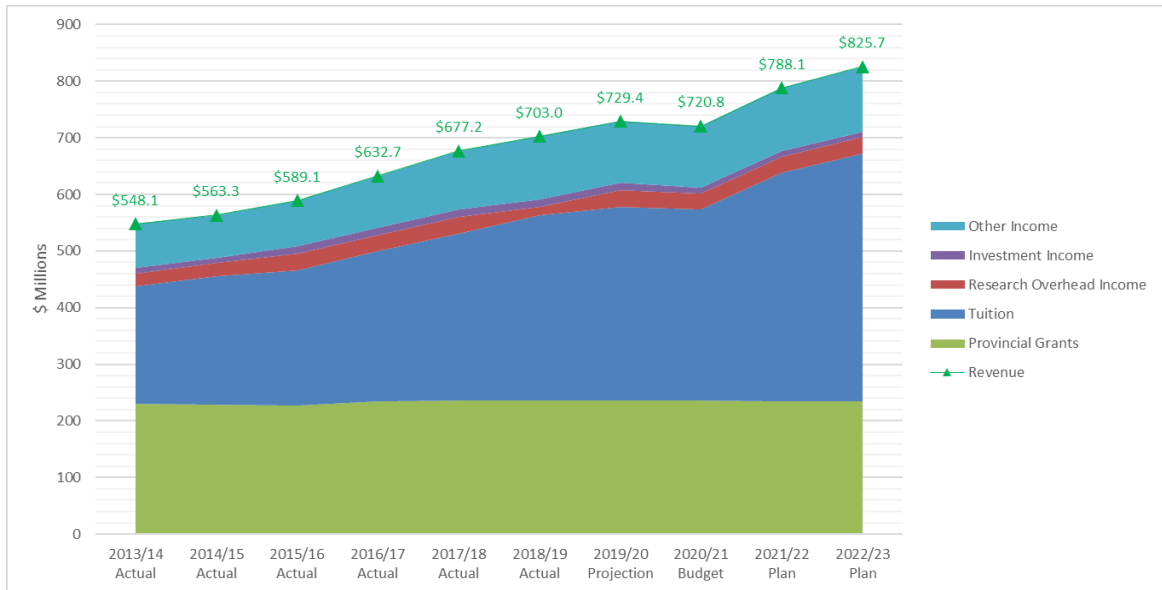


Figure 10: Operating Fund 2020/21 Budget Revenue by Type

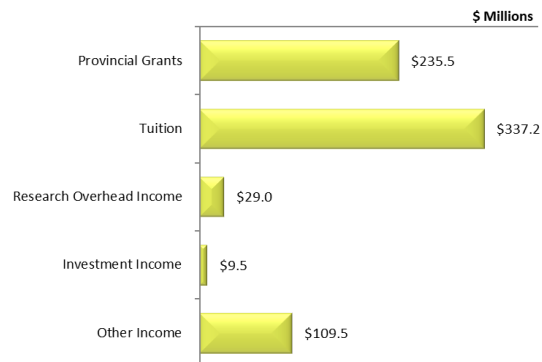
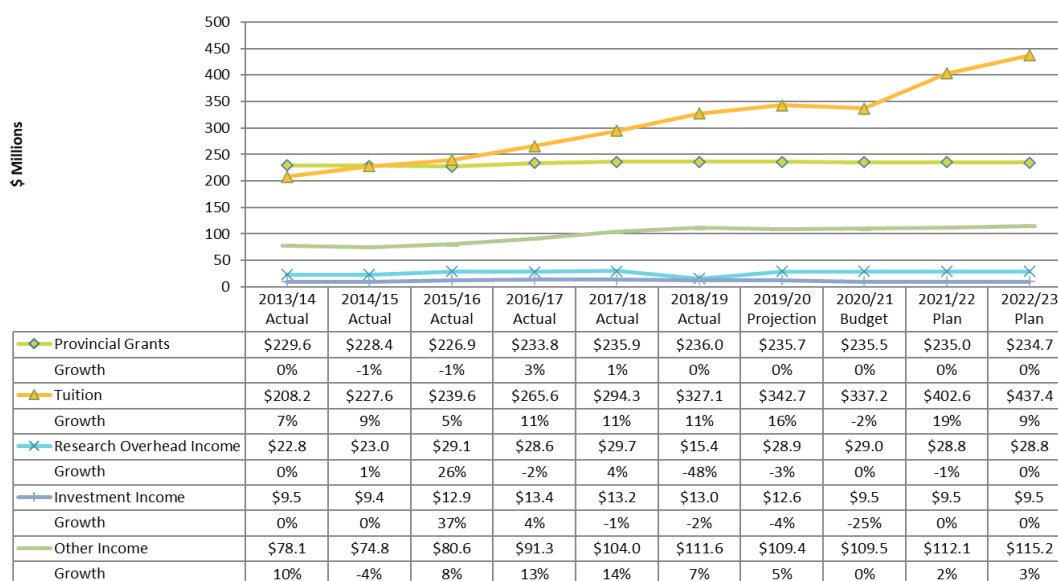


Figure 11: Operating Fund Budget Revenue Trend by Type



#### 10.1.1.1 PROVINCIAL GRANTS

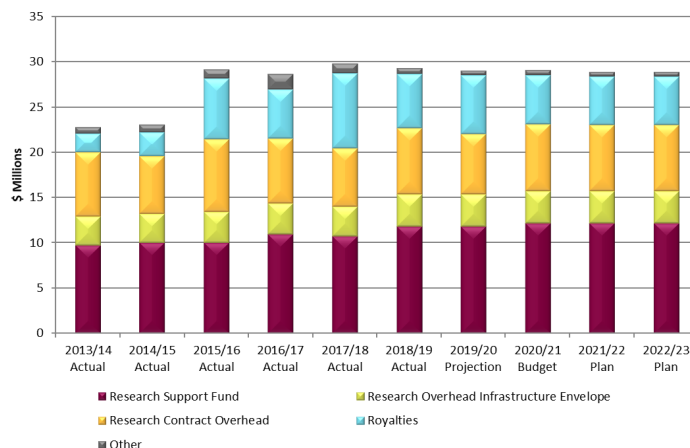
With enrolment of domestic students projected to stay within the provincial corridor, both the Core Operating Grant and Performance/Student Success Grant are expected to remain flat over the planning horizon. Graduate enrolment growth will result in an increase in the Graduate Expansion Grant, partially offset by the International Student Reduction (\$750 tax per international student enrolled) as international enrolment increases. The next phase of the Strategic Mandate Agreement that was due in 2020/21 (now delayed by a year) is expected to increase outcomes-based funding from under 10% up to 60% by 2024/25. The increase to at-risk funding will result in a corresponding decline in the Core Operating Grant by adjusting weighted grant units downward.

#### 10.1.1.2 TUITION

Based on the enrolment targets outlined previously, the revised tuition framework, and the budgeted hit to international enrolment from the COVID-19 fall out, 2020/21 net overall tuition income is projected to decrease by \$5.5 million (-1%) from the 2019/20 projection. This decrease is a combination of the domestic tuition rate framework freeze and the COVID-19 related estimate for international enrolment reduction from initial targets. The Ministry has stipulated a zero percent domestic rate increase for 2020/21 but has not outlined a tuition framework (rate increase caps) for 2021/22 or beyond. For planning purposes, a continuation of the zero percent framework has been assumed.

## 10.1.1.3 RESEARCH OVERHEAD INCOME

Figure 12: Operating Fund Research Overhead Income Trend



Research overhead income has been conservatively budgeted. All research overhead income is intended to fund a portion of central and departmental administrative and infrastructure costs related to conducting research.

The federal Research Support Fund and provincial Research Overhead Infrastructure Envelope grants are calculated based on the amount of Tri-Council research funding the University receives. As a result of the incremental investment in Tri-Council research in the federal *Budget 2018*, additional funding to McMaster known as the Incremental Projects Grant (IPG) within the Research Support Fund has been built into projections based on the 2019/20 amount received. These grants are distributed to activity units through the budget model.

Overhead is levied on research grants and contracts from the private sector and other agencies where allowed. It is normally calculated as a percentage of direct research costs, with the objective of recovering the full amount of indirect costs. Revenue fluctuates with the funding received, therefore has been budgeted at the average historical amount. The income is credited directly to activity units, where it may be further distributed to departments or reinvested in research.

Royalty income is payment for commercial use of intellectual property owned by McMaster as a result of research discoveries. Similar to research contract overhead, it will fluctuate depending on usage and has been budgeted at the average amount normally received. This income is also credited directly to activity units, with a share going to inventors.

Other research overhead income may be earned on funding from Centres of Excellence, Canada Research Chairs, and Early Researcher Awards.

## 10.1.1.4 INVESTMENT INCOME

The Operating Fund receives a share of the investment pool interest revenue derived from two primary sources. First, the H. Lyman Hooker Endowment Fund, which is a gift directed to “provide a steady annual flow of funds to support programs that will enrich the academic achievements of the

University and to provide a suitable memorial to Dr. Hooker". Second, the employer portion of the pension payout in 2003. Annual interest from these two funds at the smoothed expected long-term return rate approximates \$9 million per year.

The annual Operating Fund investment income allocation is fixed at \$9 million regardless of actual positive or negative annual investment returns. This approach ensures a stable level of funds to support ongoing operating expenditures. During the period 2015/16 to 2019/20, the investment reserve provided an additional \$3 million per year. The additional income has helped defray the additional cost of external debt taken out in 2015 for the Peter George Centre for Living and Learning project. The additional interest income allocation to the Operating Fund ended in 2019/20 when the building project became available for use.

#### 10.1.1.5 OTHER INCOME

Other income is primarily earned directly by budget envelopes, including:

- Ministry of Health and Long-Term Care grants
- Post-graduate medical training
- Tuition from non-Ministry funded programs
- Nuclear Reactor sales
- Ancillary sales contributions to the Operating Fund (reflecting 4.5% on sales)
- Contributions to the Athletics and Recreation facility expansion
- Registration and service fees
- Recovery of utility costs from partners

## 10.1.2 EXPENSE

Figure 13: Operating Fund Expense Trend

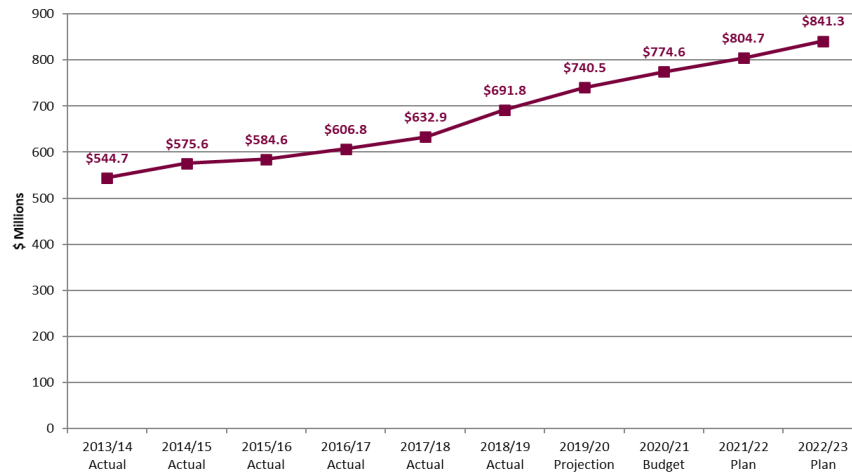


Figure 14: Operating Fund 2020/21 Budget Expense by Type

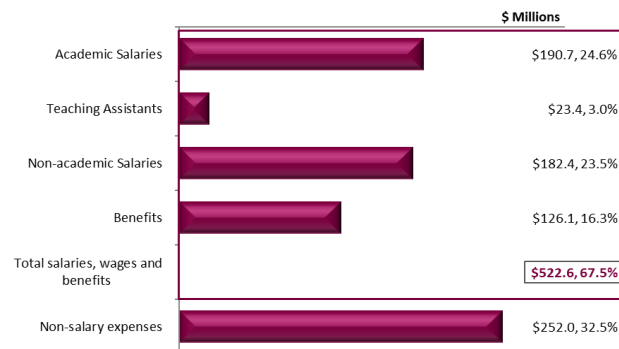
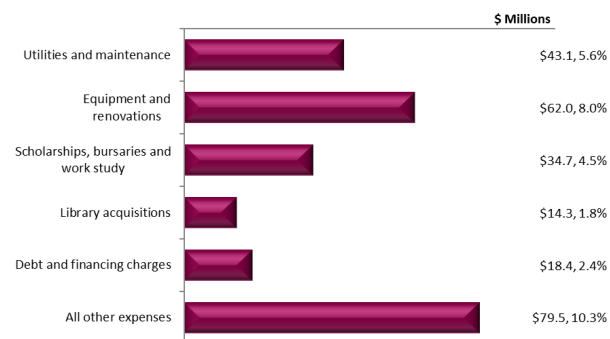


Figure 15: Operating Fund 2020/21 Budget Non-salary Expenses by Type



### 10.1.2.1 SALARIES, WAGES AND BENEFITS

At close to 70% of all expenditures, salaries, wages and benefits are the largest component of the operating budget. As a research-intensive, student-centered university, the quality of the faculty driving the education and research mission is a key success factor. Highly skilled administrative and support staff are required to facilitate academic work and sustain an exceptional student experience.

In order to maintain the quality of education, accommodate new programs and additional enrolment, and prepare for upcoming retirements, there is an increasing emphasis on faculty renewal. Teaching by tenured, tenure-track or teaching-track faculty will be maintained while addressing the growth in student-to-faculty ratios. In addition, there is a continued focus on staff processes, drawing on benchmarking information, examining further opportunities to streamline business processes in order to maintain a reasonable complement of support staff.

Through labour negotiations, McMaster has pursued strategies targeted at optimizing the rate of compensation increases to control costs while being mindful of the need to be competitive in the market to ensure effective retention and recruitment. The *Fair Workplaces, Better Jobs Act, 2017* has had a significant impact on wage inflation. The budget reflects increases to minimum wage, as well as the requirement for equal pay for all employees doing substantially the same work regardless of differences in employment status.

The benefit rates used for budgeting purposes collect smoothed funding into a benefit reserve to settle the variable cash outflow schedules produced by the plan actuaries. The payment schedules are updated routinely and compared to benefit rate collections. McMaster completed an early filing election for the Salaried Plans adopting the new *Pension Act* provisions put in place in 2018. The updated filing provides payment certainty under the rules until 2021 and eliminates the funding requirement for solvency while introducing a new funding requirement for the provision for adverse deviation. Due to these changes the budget has been adjusted to reflect a new lower smoothed benefit rate for employer contributions.

The salary pension plan charge-out rates approved by the Budget Committee at the beginning of the budget process were as follows:

- The employer contribution rate built into the benefit charges for salaried faculty and staff remain at 150% of employee contributions for all funds including ancillary
- 2021/22 and 2022/23 high-level planning assumes 150% for the departmental rate, and 150% for the ancillary rate.

Taking these factors into account, the increase in total compensation costs approximates just under 5% over the planning horizon.

The University will elect to file early the Hourly Valuation for January 1, 2020, which will allow the University to count an additional \$4.7 million one-time employer payment to the plan in March 2020 as an in-transition asset to the plan. The early valuation follows the July 1, 2019 full valuation and will allow the plan to be return to three year valuation cycles.

The pension plan valuations are not immediately impacted by COVID-19 economic impacts. Both market volatility and reduced interest rates negatively affect the plan. No changes are recommended

at this time to benefit rate plans for the budget and planning years as a result of COVID-19 and post-pandemic economic impacts. Pension payment certainty is in place for the salaried plan until 2022 and for the Hourly plan until 2023.

#### 10.1.2.2 UTILITIES AND MAINTENANCE

Utilities and maintenance represent 5.6% of the operating budget, including annual contributions of \$11.9 million to deferred maintenance. These costs increase in 2020/21 as the Peter George Centre for Living and Learning opened in the fall of 2019.

Costs for utilities can be volatile, subject to market rates, weather fluctuation, unplanned maintenance failures, and campus behavior. McMaster is the backup for the hospital's energy, which can also lead to increased costs due to unforeseen utility requirements during high-cost periods. In addition, critical components of the physical campus infrastructure, such as the central electrical station, are beyond end of life. Replacement costs are part of the deferred maintenance plan.

The largest component of utility costs is electricity. Rates have been conservatively budgeted at about \$0.11 per kilowatt hour in 2020/21 with an increase to \$0.15 for 2021/22 following the end of the OREC and OER rebate. Facility services continuously looks for potential strategies to lower these rates and mitigate the increase that is expected.

McMaster tracks the Ontario Association of Physical Plant Administrators (OAPPA) numbers for benchmarking purposes. Although there is a defined reporting method it is questionable if all members are following the methodology, and due to this McMaster continues to report and track this data but does not rely on it to make decisions. The most recent OAPPA G6 benchmark average for energy was \$2.72 per square foot (/SF). McMaster University Medical Centre and Michael DeGroote Centre for Learning and Discovery have a significantly higher energy cost index at \$ 4.87/SF due to the energy intensive nature of health research and the heating/cooling requirements of the hospital with in-patient beds and emergency rooms/operating rooms. Excluding these two facilities, the energy cost index for the McMaster campus was \$1.61/SF.

#### 10.1.2.3 EQUIPMENT AND RENOVATIONS

Physical and technical infrastructure resources are essential to achieving the strategic plan and delivering an optimal student experience. Space is increasingly a challenge as enrolment increases and additional capacity for research is required. In addition, equipment and software renewal is essential for leading-edge education and research. Infrastructure physical and technical is a key priority to facilitate student registration, control administrative costs, and minimize risk of infrastructure failure or security issues.

The budget includes transfers to capital at an average of \$48 million per year for new and upgraded physical facilities, including new community spaces. Projects planned in the 2020/21 budget may be deferred into 2021/22 due to COVID-19, however the consolidated budget currently assumes all work originally budgeted will be achieved in-year. A key focus includes classroom renewal whereby investments are directed based on areas of greatest need as identified by the University community. Other major items include:

- Upgrades to lab equipment and classroom audio-visual equipment

- Systems to improve the student experience, including Visual Schedule Builder, document management, and customer relationship management
- Expansion of the wireless network
- Annual investment towards the deferred maintenance
- Improved security through maintenance and enhancement of campus emergency assistance phones

#### 10.1.2.4 SCHOLARSHIPS, BURSARIES AND WORK STUDY

Scholarships support the University's recruitment and admission goals, recognize student achievement, and aid in retention. Favourable positioning of McMaster's admission and scholarship offers is imperative in recruiting the best students. Depending on need, additional support may be provided to students in high-cost programs through the provincially mandated Student Access Guarantee (SAG).

In support of the provincial government, McMaster issues a net bill to students, which details the costs of education less Ontario Student Access Program (OSAP) and other student aid reductions. The net bill builds off the net estimate initiative, which provided new students a net cost estimate before accepting an offer of admission. Together these initiatives aim to increase transparency and help students make decisions that are more informed. Although McMaster's entrance awards on their own are not competitive when compared to other Ontario universities, this initiative will allow the total aid and award package from multiple sources of funding to be managed and remain attractive students.

Enrolment growth has increased the demand for need-based aid over recent years. The number of student requests for work program opportunities and bursary assistance continues to rise across the University. To ensure that sufficient funding is available to meet SAG obligations, the funding provided through the budget model varies with actual amounts required. The budget incorporates estimated expenses given the enrolment assumptions.

#### 10.1.2.5 LIBRARY ACQUISITIONS

As the number of publishers of academic journals decreases, their ability to raise prices increases. The cost of purchasing the collection of core titles climbs by approximately \$0.5 million annually.

In order to achieve the University's mission, access to the journals with the highest profile and impact must be maintained. Most serial subscriptions are purchased through the Canadian Research Knowledge Network (CRKN) consortium as part of a binding, multi-year contract for large publisher journal packages. While reducing flexibility, purchasing through a consortium helps to mitigate the impact of journal inflation. Controlling costs by purchasing subscriptions individually is not an option.

McMaster's high research intensity works to increase journal costs since the CRKN subscription fees are linked to a University's research intensity factor. McMaster has higher pricing than some peers, unrelated to student numbers or usage, but because the University pulls in more research dollars.



Several actions have been taken to try to contain costs. An analysis of cost per use data will be done to suggest packages for possible cancellation. A comparison of holdings against those of partners will determine if there is any overlap. Results from CRKN initiatives will be monitored to ensure alternatives are explored.

The budget reflects the combined impacts of inflation and expected exchange rates. In order to reduce pressure on the library envelopes, the US exchange rate has been internally fixed at the long-term rate, with any gain or loss covered centrally.

#### 10.1.2.6 DEBT AND FINANCING CHARGES

In 2002, McMaster issued \$120 million in debentures. Expense of \$7.4 million represents the interest-only payment on the bond with a coupon rate of 6.15%. The principal will be repaid in 50 years as a bullet payment. An internal reserve or sinking fund of \$6.1 million was established in 2002. The sinking fund is invested in the investment pool and monitored annually is expected to be sufficient to repay the principal in 2052. The annual balance in this internally restricted reserve is disclosed in the notes to the audited financial statements.

In 2015, McMaster issued an additional \$120 million in 50-year private placement (public style) debentures. The coupon rate of 4.105% (\$4.9 million) is offset by short-term investments with an estimated yield of 1.6%, which will be available on a declining basis until the funding is fully utilized for capital projects. Payments on internal loans for additional capital projects are included in the budgeted expense (see Section 12 Overall Borrowing and Debt Position). The principal will be repaid using a separate internal reserve or sinking fund approach similar to the one described above.

#### 10.1.2.7 ALL OTHER EXPENSES

This line represents 10% of operating costs and includes a broad range of supplies and other expenses not categorized elsewhere. The expense is net of recoveries including transfers from trust funds, contributions of ancillaries to occupancy costs, and internal services. It includes a provision for expected strategic initiatives facilitated by the University Fund and at the consolidated budget level an overlay of an additional 10% in costs for COVID-19 and post-COVID inflationary impacts.

### 10.1.3 OPERATING FUND APPROPRIATIONS

With the budgeted deficit of \$53.9 million, Operating Fund appropriations are expected to reduce to \$103.8 million, or 14.4% of operating revenue, by the end of 2020/21. According to the budget policy, envelope managers may carry forward unspent balances to future years (see Appendix 3 Operating Fund Unit Level Tables). These balances assume an increasing importance as costs increase faster than allocations. Although each envelope is required to present a balanced budget, an appropriation balance may be utilized to fund strategic initiatives including academic, research and capital; as well as initiatives that are one-time projects or cause temporary structural deficits until greater efficiencies are achieved. The appropriation balance is expected to fall to of 8.6% of operating revenues during the planning horizon.

### 10.1.4 ONE-TIME EXPENDITURES

Table 6: Operating Fund Ongoing and One-time Summary

(\$ thousands)							
	2019/20 Budget	2019/20 Projection	2019/20 Variance		2020/21 Budget	2021/22 Plan	2022/23 Plan
Ongoing:							
Allocated income	594,050	609,839	15,789	2.7%	604,266	669,536	704,067
Other income	110,707	116,195	5,488	5.0%	115,957	118,224	121,242
Total revenues	704,757	726,034	21,277	3.0%	720,223	787,760	825,309
Expenses	694,264	706,017	(11,753)	-1.7%	742,884	750,644	772,828
Excess of revenues over expenses	10,493	20,017	9,523	90.8%	(22,661)	37,116	52,481
% of revenue	1.5%	2.8%			-3.1%	4.7%	6.4%
One-time:							
Allocated income	3,167	3,166	(1)	0.0%	-	-	-
Other income	1,018	1,329	311	30.6%	530	350	350
Total revenues	4,185	4,495	310	7.4%	530	350	350
Expenses	44,584	34,496	10,088	22.6%	31,728	54,100	68,437
Excess of revenues over expenses	(40,399)	(30,001)	10,398	-25.7%	(31,198)	(53,750)	(68,087)
Excess of revenues over expenses	(29,906)	(9,984)	19,922	-66.6%	(53,859)	(16,634)	(15,606)
Fund balance, beginning of year	145,168	167,657	22,489	15.5%	157,672	103,811	87,176
Fund balance, end of year	115,262	157,673	42,411	36.8%	103,812	87,177	71,570

The budget shows a structural surplus across the planning horizon, apart from 2020/21 Budget where the impacts of a lower budgeted International tuition revenue due to the potential impacts of COVID-19 are reflected. Increases in ongoing expenses are mainly either strategic investments like faculty renewal or unavoidable costs. One-time costs include:

- \$19.5 million renovation and expansion of facilities
- \$10.0 million for undetermined strategic investments from the University Fund likely to include:
  - COVID-19 related expenses
  - IT Commitments
  - Investment in rejuvenating core Research Platforms and commercialization
  - Incentives and impact minimization of internal and external policy changes
  - New opportunities for capital renewal and expansion
- \$2.7 million investment in research
- \$2.2 million towards Branding and Marketing activities
- \$2.1 million wireless network expansion

### 10.1.5 OPERATING FUND BUDGET CONCLUSIONS

The 2020/21 Operating Fund is in temporary structural deficit of \$22.7 million, with a deficit of \$53.9 million after net one-time expenditures of \$31.2 million. The deficit is predominantly driven by the extraordinary budget impact of a 20% reduction in international enrolment and associated reduced

tuition. Excluding the budgeted revenue reduction from COVID-19 would result in a structural surplus of \$9.1 million. The Operating Fund is also supporting some of the shortfall related to existing contractual commitments for capital projects underway, which were meant to be funded by the MD or Graduate Expansion Grant cancelled by MCU in 2019.

Significant funding pressures continue associated with COVID-19 and post-pandemic modified operations, wage inflation, elimination of mandatory retirement, technology/capital infrastructure and sustainability, and increasing needs for student services and support all limit the level of investments toward priorities. Faculties and support units will draw upon departmental appropriations or reserves to ensure key priorities can occur in the budget and planning years ahead. Further, many areas across the University continue to undertake reviews and are drawing on benchmarking information to focus task forces and committees on implementing process changes attempting to maximize funds available to progress strategic initiatives.

Amidst ongoing pressures this budget does continue to include plans for seed funding new academic initiatives and projects from the University Fund and research portfolio, and other Faculty investments in research excellence including creating new research centres and appointing new research chairs. Further, investments toward developing new collaborative spaces all contribute greatly needed capacity toward active learning principles and other technologically-enabled pedagogical approaches to further enrich McMaster's experiential learning opportunities. In addition, an emphasis on career pathways associated with programs will be made to better connect students' educational choices with career objectives, including new program launches and redesigned curricula. Marketing initiatives will be implemented to ensure these and other offerings at McMaster are effectively communicated.

Budget pressures continue into the planning years. Investments toward operational and efficiency reviews and retirement incentives to enable some faculty renewal are planned. Finally, budget plans continue to include broadening existing community initiatives and partnerships including a continued focus on healthy communities and living initiatives with the City of Hamilton and beyond.

## 10.2 RESEARCH FUND

Table 7: Research Fund Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Research grants and contracts	197,000	196,000	(1,000)	153,000	202,000	204,000
<b>Total revenues</b>	<b>197,000</b>	<b>196,000</b>	<b>(1,000)</b>	<b>153,000</b>	<b>202,000</b>	<b>204,000</b>
<b>Expenses</b>						
Salaries, wages and benefits	111,000	111,000	-	86,000	113,000	114,000
All other expenses*	75,000	83,000	(8,000)	65,000	86,000	86,000
Transfers to (from) other funds	(14,346)	(14,624)	278	(15,566)	(15,107)	(14,459)
<b>Total expenses</b>	<b>171,654</b>	<b>179,376</b>	<b>(7,722)</b>	<b>135,434</b>	<b>183,893</b>	<b>185,541</b>
<b>Excess of revenues over expenses</b>	<b>25,346</b>	<b>16,624</b>	<b>(8,722)</b>	<b>17,566</b>	<b>18,107</b>	<b>18,459</b>
Fund balance, beginning of year	224,952	226,036	1,084	242,660	260,226	278,333
<b>Fund balance, end of year</b>	<b>250,298</b>	<b>242,660</b>	<b>(7,638)</b>	<b>260,226</b>	<b>278,333</b>	<b>296,792</b>

\*Including transfers to capital

The 2019/20 Research Fund revenue projection is \$196 million, which is based on research revenue received, including revenue received for future periods, net of hospital research. The projection is \$1 million lower than the original budget due to variances in recoveries from funding organizations.

Although additional funding has been awarded toward research into COVID-19, the budget for 2020/21 of \$153 million reflects a significant decline in research revenue due to the economic impact of the pandemic on sponsors. Tri-Agency funding will be extended, however there is the possibility that less funding will be available from government sources and particularly from industry and not-for-profit sponsors. Expenses are also assumed to decline as non-essential research projects are paused due to restrictions. The plan years of 2021/22 and 2022/23 show a return to historical funding levels and also include modest growth in research receipts in 2022/23.

### 10.3 CAPITAL FUND

Table 8: Capital Fund Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Operating grants	3,520	3,390	(130)	3,290	5,970	5,330
Other revenues	9,650	12,287	2,637	11,620	46,351	110,800
<b>Total revenues</b>	<b>13,170</b>	<b>15,677</b>	<b>2,507</b>	<b>14,910</b>	<b>52,321</b>	<b>116,130</b>
<b>Expenses</b>						
All other expenses, including capital	192,126	134,135	57,991	170,149	167,478	154,436
Transfers to (from) other funds	(35,012)	(60,819)	25,806	(37,715)	(41,263)	(55,052)
Debt and financing charges	(12,096)	(10,920)	(1,176)	(12,645)	(14,095)	(17,746)
<b>Total expenses</b>	<b>145,018</b>	<b>62,396</b>	<b>82,621</b>	<b>119,789</b>	<b>112,120</b>	<b>81,638</b>
<b>Excess of revenues over expenses</b>	<b>(131,848)</b>	<b>(46,719)</b>	<b>85,128</b>	<b>(104,879)</b>	<b>(59,799)</b>	<b>34,492</b>
Fund balance, beginning of year	20,568	70,120	49,552	23,401	(81,478)	(141,277)
<b>Fund balance, end of year</b>	<b>(111,280)</b>	<b>23,401</b>	<b>134,680</b>	<b>(81,478)</b>	<b>(141,277)</b>	<b>(106,785)</b>

Spending in the Capital Fund includes major building and renovation projects, transfers from the Operating Fund, and repayments of internal capital loans. The information in the table above reflects capital projects included in the University's Capital Master Plan (see also Section 6.3), as well as the prior year's budget updated with current spending.<sup>8</sup>

Table 9 below summarizes the total expected capital funding and spending by project for fiscal 2019/20 to 2022/23. The updated capital projection (\$134.1 million) is significantly lower than the original budget (\$192.1 million) due to slower than expected spending on some key projects such as the DeGroote School of Business expansion, the Athletics and Recreation expansion, and the graduate student residence, as well as the mandated halt of all non-essential construction projects due to COVID-19. For 2020/21, spending on capital projects is expected to resume, however timing of both approved and unapproved projects may be affected.

<sup>8</sup> Capital expenditures used in operations and to support ancillary departments are budgeted through the Operating and Ancillary Funds within the same envelope system, and using the same priority-setting, monitoring and control process as operating expenses. Capital expenditures budgeted within the Operating and Ancillary Funds include equipment, renovations, faculty start-up costs, and deferred maintenance. Internally led projects that require financing borrow from McMaster's central bank approach at the weighted average cost of capital plus a stabilization factor, which is currently 5.75%.

Table 9: Capital Spending by Project

(\$ thousands)

	2019/20 Projection	2020/21 Plan	2021/22 Plan	2022/23 Plan
<b>Approved projects</b>				
ABB Deep Retrofit - SIF Program	2,056	-	-	-
Advanced Manufacturing Centre	8,991	-	-	-
Athletic and Recreation - Pulse and Student Space Expansion	20,828	30,110	10,000	-
CCEM CALM Lab Renovation	-	3,400	-	-
CFI 2017	4,665	-	-	-
Classroom Reconfiguration Plan	2,000	2,000	1,888	-
Deferred Maintenance Projects	5,020	5,020	5,020	5,020
DSB Expansion	2,000	29,726	35,153	22,851
Energy Management Projects and Sustainability	6,690	-	-	-
Existing Building Infrastructure Asset Management and Renewal	8,000	8,000	8,000	8,000
Graduate Student Residence Partnership	500	13,642	16,180	-
Greenhouse and LSB Phase one	2,000	10,000	9,935	-
Innovation Hub - The Clinic	1,500	1,492	-	-
Lot K Parking Structure	-	7,000	10,000	-
McMaster Main Street Residence	-	(2,950)	-	-
One-Stop Shop	500	6,000	2,500	-
Parking and Security Relocation	-	2,300	-	-
Peter George Center for Living and Learning	24,124	8,104	-	-
Research Commercialization & Spin-Off Space	35,730	9,980	-	-
Residence Renewal Program	491	2,000	2,000	2,000
Strategic Property Acquisitions	5,600	11,100	-	-
Other	3,440	3,052	737	737
<b>Total approved projects</b>	<b>134,135</b>	<b>149,975</b>	<b>101,414</b>	<b>38,608</b>
<b>Estimate of planned projects - not yet approved</b>	-	20,174	66,064	115,828
<b>Total capital spending</b>	<b>134,135</b>	<b>170,149</b>	<b>167,478</b>	<b>154,436</b>

The table above includes capital projects that are approved, as well as an estimate of projects in the planning phase. The unapproved projects are currently being reviewed by senior management. The provincial government's withdrawal of graduate and MD expansion capital funding of over \$5 million annually may impact the timing of planned projects as alternative sources of funding are identified. If these planned projects are pursued, a business case will be created including stress testing for varying income adjustments. Approval will be subject to the appropriate governance process.

While not all external funding for projects has been received at the time of construction, all funding sources for a project are identified prior to the project's approval. Interim and long-term financing is provided by a University central bank. Additional external borrowing needs are examined annually, as outlined in Section 12 Overall Borrowing and Debt Position.

## 10.4 EXTERNAL ENDOWMENT

Table 10: External Endowment Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Other revenues	2,721	6,875	4,154	2,787	2,637	2,559
Investment income (loss)	28,838	(90,147)	(118,985)	15,781	21,087	21,944
<b>Total revenues</b>	<b>31,559</b>	<b>(83,272)</b>	<b>(114,831)</b>	<b>18,568</b>	<b>23,724</b>	<b>24,503</b>
<b>Expenses</b>						
All other expenses	3,745	277	3,468	1,869	2,811	2,545
Transfers to (from) other funds	19,619	22,750	(3,131)	20,718	19,549	19,065
<b>Total expenses</b>	<b>23,364</b>	<b>23,027</b>	<b>337</b>	<b>22,587</b>	<b>22,360</b>	<b>21,610</b>
<b>Excess of revenues over expenses</b>	<b>8,195</b>	<b>(106,299)</b>	<b>(114,494)</b>	<b>(4,019)</b>	<b>1,364</b>	<b>2,893</b>
Fund balance, beginning of year	488,783	500,819	12,036	394,520	390,501	391,864
<b>Fund balance, end of year</b>	<b>496,978</b>	<b>394,520</b>	<b>(102,458)</b>	<b>390,501</b>	<b>391,864</b>	<b>394,757</b>

The external endowment consists of accounts that hold donations or bequests received by the University that have conditions or legal requirements for use agreed upon by the donor and the University. Endowed donations are held in perpetuity and invested in the University's long-term investment pool.

The 2019/20 rate of return on endowed trust funds is projected to be -18% net of investment management fees. For planning years 2020/21 through 2022/23, rates of return are assumed to be 4.0%, 5.4% and 5.6% respectively. In 2020/21, endowed trust fund donations are projected at \$2.8 million compared to \$6.9 million in the 2019/20 projection.

In order to protect the capital value of external endowments and ensure that spending allocations can increase over time with inflation, an endowment capital protection policy limits the amount of investment income allocated for spending and administration<sup>9</sup>. The policy requires the reinvestment of excess income earned (interest, dividends, realized and unrealized gains, net of expenses) to protect the capital value of the endowment from inflation.

Following the market downturn in 2008, several policies were implemented to smooth the spending allocation spend despite volatility.

- The spending allocation is calculated based on the monthly market value of the capital balance of each trust fund over the last five years. The impact of temporary losses is moderated by the longer-term market values.
- In years where investment returns are less than the spending allocation, the policy allows temporary encroachment of reinvested income. Temporary encroachment is projected to occur in 2019/20 and the remaining years in the planning horizon.

<sup>9</sup> The current spending limit is 5% (4% for spending and 1% for administration).

In the event of a more severe downturn, the specific purpose reserve may be used as a backstop to allow spending to continue.

**Figure 16: External Endowment Fund Balance Trend**

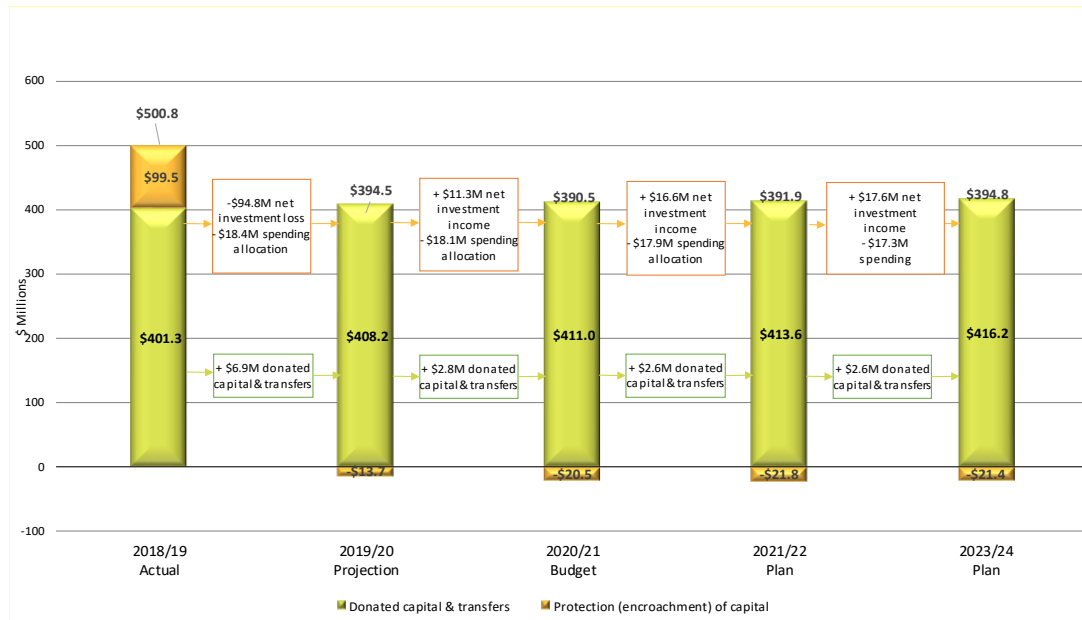


Figure 16 illustrates the impact of the market losses due to the COVID-19 pandemic. At April 30, 2019, the University's external endowment was \$500.8 million, including a protection of capital amount of \$99.5 million. Given the projected -18% rate of return for 2019/20, the external endowment declines to \$395.4 million at April 30, 2020 and the protection of capital is drawn into a negative position. Using the projected rates of return, the preservation of capital will begin to be rebuilt in 2021/22 when rates are assumed to return to a level above the spending rate. Underwater trusts, where the market value is below the original capital, will continue to be regularly monitored and appropriation action taken.



## 10.5 INTERNAL ENDOWMENT

Table 11: Internal Endowment Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Other revenues	100	228	128	100	100	101
Investment income (loss)	8,696	(27,074)	(35,770)	4,673	6,237	6,505
Investment income transfer	(5,556)	(5,861)	(305)	(5,507)	(5,103)	(4,647)
<b>Total revenues</b>	<b>3,240</b>	<b>(32,707)</b>	<b>(35,947)</b>	<b>(734)</b>	<b>1,234</b>	<b>1,959</b>
<b>Expenses</b>						
All other expenses	53	128	(75)	-	-	-
Transfers to (from) other funds	540	752	(212)	584	578	581
<b>Total expenses</b>	<b>593</b>	<b>880</b>	<b>(287)</b>	<b>584</b>	<b>578</b>	<b>581</b>
<b>Excess of revenues over expenses</b>	<b>2,647</b>	<b>(33,587)</b>	<b>(36,234)</b>	<b>(1,318)</b>	<b>656</b>	<b>1,378</b>
Fund balance, beginning of year	147,381	150,410	3,029	116,823	115,505	116,161
<b>Fund balance, end of year</b>	<b>150,028</b>	<b>116,823</b>	<b>(33,205)</b>	<b>115,505</b>	<b>116,161</b>	<b>117,539</b>

The internal endowment includes unrestricted donations, bequests and other allocations that are set aside for future obligations and restricted by the Board of Governors. The funds are invested in the University's long-term investment pool. The largest endowment is the Dr. H. L. Hooker Endowment, which is a bequest restricted for use to advance the University's mission. An annual allocation from the internal endowment is made to the Operating Fund and distributed to Faculties through the budget model. In 2020/21 the allocation amounts to \$5.6 million.

The negative projected variance from budget of \$33.2 million is associated with the market downturn and COVID-19, the updated projection assumes -18% returns compared to 5.6% budgeted.

## 10.6 INTERNAL RESERVES

There are other critical internal reserves created to settle future obligations associated with current faculty, staff or other activities. The balance in 2019/20 is projected to be \$41.4 million, with a temporary deficit of \$91.9 million in 2020/21 and \$8.2 million in 2021/22 before returning to a surplus in 2022/23 and future years.

Internal reserves include two categories of funding. First, Operating and Ancillary Fund reserves are balances carried forward into future years. Faculties and departments are required to develop structurally balanced budgets each year and additionally are expected to save reserves for new capital investments or renovations or other large strategic initiatives. These reserves provide a resource for the challenges associated with COVID-19 and are projected to be significantly drawn down by the resulting lower revenues and additional costs. Combined Operating and Ancillary Fund reserves are projected to be \$155.3 million in 2019/20, falling to \$82.1 million in 2020/21 due to the impact of lower international enrolment, and further to \$65.5 million in 2021/22 and \$51.7 million in 2022/23 as Faculties and departments continue to fund strategic initiatives.

The second component of internal reserves relates to future obligation settlement needs. The settlement-related internal reserves appear as internal reserves on the University's Statement of Financial Position and could be misinterpreted as funding available for other uses, however to do so would be detrimental to future University generations by passing on unfunded obligations related to current operations. Some examples of these internal reserves include two debt retirement sinking funds, the Canadian Nuclear Safety Commission's required Nuclear Reactor decommissioning fund, and the special post-retirement benefit fund. Each of the aforementioned internal reserves are monitored annually for sufficiency of the reserve compared to the future liability or third-party projected obligation. Balances of these settlement reserves compared to targeted funding are presented separately throughout the year to the Planning and Resources Committee of the Board of Governors. For example, the special post-retirement fund has grown to 36% of the funding required to settle future payments related to existing faculty and staff in the plan. Due to the combined impact of negative investment returns, unfavourable pension revaluation, and COVID-19 losses, the internal reserves are projected to be drawn down into a deficit position until replenished by a return to surpluses on the Statement of Operations and additional planned debt in 2021/22.

Overall, internal reserves are a critical component of the University's financial health strategy to ensure funding is appropriately set aside today for future obligations arising from current faculty, staff and activities. The reserve strategies have proved to be a prudent set aside of University resources following the 2008/09 economic crisis and have served the University well to temper COVID-19 impacts.

## 10.7 ANCILLARY FUND

Table 12: Ancillary Fund Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Ancillary sales and services	89,378	64,908	(24,470)	55,172	94,157	97,335
<b>Total revenues</b>	<b>89,378</b>	<b>64,908</b>	<b>(24,470)</b>	<b>55,172</b>	<b>94,157</b>	<b>97,335</b>
<b>Expenses</b>						
Salaries, wages and benefits	32,442	25,460	6,982	23,009	34,177	34,452
All other expenses	32,815	28,215	4,600	27,237	33,864	34,107
Transfers to (from) other funds*	17,218	16,226	992	16,199	16,024	17,207
Debt and financing charges	7,661	7,006	655	8,093	10,191	9,577
<b>Total expenses</b>	<b>90,135</b>	<b>76,907</b>	<b>13,229</b>	<b>74,538</b>	<b>94,256</b>	<b>95,344</b>
<b>Excess of revenues over expenses</b>	<b>(757)</b>	<b>(11,999)</b>	<b>(11,242)</b>	<b>(19,367)</b>	<b>(98)</b>	<b>1,991</b>
Fund balance, beginning of year	9,358	9,642	284	(2,357)	(21,723)	(21,822)
<b>Fund balance, end of year</b>	<b>8,601</b>	<b>(2,357)</b>	<b>(10,957)</b>	<b>(21,723)</b>	<b>(21,822)</b>	<b>(19,830)</b>

\*Including transfers to capital

Ancillary operations provide essential academic and student support services across the University. Ancillary units enhance the student experience and contribute funding to both direct student support and the operating budget to support the core University mission. Ancillaries must be self-sustaining, maintaining a surplus or break-even position after paying all direct costs including space, as well as

contributing approximately 4.5% of sales to the Operating Fund. Each ancillary operation must save funding or finance (through the form of an internal loan) for its own capital additions and infrastructure renewals, thus a reserve or appropriations balance for the fund of up to 15% of revenues is possible in advance of key capital project decisions. Funding for capital projects, once approved or committed to, is transferred into the project reserve and approved once sufficient funding for the project is collected or reasonably assured. Between March and September 2020 a reduction in revenues, and related salaries, benefits, and cost of sales has been factored into the projection and budget to account for the potential impact of COVID-19 on the operations of lower student numbers and events on campus. No adjustments have been factored into the budget for indirect salary, wages or benefits savings. The budget plan is a worst-case results scenario and will be updated during a mid-year projection update process. If sales revenues do not return sufficiently to achieve break-even operations, then employee costs will be reduced to offset the decline. The employee related expenses are in the budget and planning years in full for optimal conservatism. The analysis to return each unit to break-even or profitability will occur when fall enrolment is finalized and campus re-opening plans are further defined.

### 10.7.1 CAMPUS STORE

Learning in the classroom continues to evolve as new tools for teaching and assessment are introduced to the educational marketplace. The materials selected to facilitate this learning come in a variety of formats and each format supports a different learning style. The Campus Store works closely with faculty, provide students with a variety of course material options that support their educational experience. The Campus Store has the ability to delivery dynamic digital content as well as traditional physical textbooks. Materials include both paid and free content that is published by faculty members or sourced from major publishers and open educational resources content providers.

With the rise in online learning and growth of dynamic content and ebooks, the unit sales of print materials continue to decline. The sale of course materials still generates enough revenue to offset expenses but the general book department within the Campus Store currently operates at a loss. The store continues to sell general reference materials, alumni and faculty publications as well as general reading materials by offsetting this lost though the sale of crested merchandise.

In the budget and planning years ahead Campus Store will be focused on outreach and community engagement; working with community partners to move current objectives forward while exploring new business opportunities.

### 10.7.2 CENTER FOR CONTINUING EDUCATION (CCE)

Key strategic initiatives tied to the SMA include CCE's Implementation of tutoring services, online exam proctoring services, a new Client Resource Management system, and a new web site that will enhance the student experience. Technology-supported experiential learning, short courses, microlearning, badging, and new educational technologies will contribute to innovation in learning. Ensuring access and a culture of equity and inclusion for all adult learners is a priority. Scholarship work includes staff presentations at provincial and national conferences and publications in peer reviewed venues. Hosting the 2019 Canadian Association for University Continuing Education (CAUCE) conference distinguished the unit as a leader in educational scholarship.

Challenges include the heightened competition in the online market with some newer providers pricing their programs below market price. The colleges also price their programs at a lower price point. Tuition changes in higher education likewise affect continuing education. Salaries and benefits and changes in professional development budgets within organizations are risks.

CCE are planning a number of actions for the coming year. New academic and non-academic programs; an enhanced marketing strategy; an improved student experience; increased collaborations with McMaster Faculties and institutes; diverse educational innovations; regional, national and international partnerships. All actions will build on work done to date and skills gaps identified by government and research centres.

### 10.7.3 HOSPITALITY SERVICES

Each Hospitality Services location plays a critical support role in McMaster's on-going pursuit of excellence and enhancing the student experience. Ensuring a focus on efficiency, flexibility and adaptability allows the unit to contribute to McMaster's mission and the core Operating Budget. The Hospitality Services three-year strategic plan was developed within the framework of the key business objectives of the department that align with the Strategic Mandate and the Administration Division strategy. Hospitality Services has developed a strong direction for achieving financial stability, operational growth and improving on the student experience to ensure long term relevance in supporting McMaster's overall strategy and vision. Technology, nutrition and the Internationalization of menus will guide the department as to provide a more in-depth food service experience for students and integrate deeper into the community through business and volunteer partnerships. Hospitality is also committed to the further enrichment of program elements in the areas of community, wellness and sustainability as a means of furthering our alignment with the Okanagan Charter.

McMaster University continues to operate a highly respected Hospitality Services department – a reputation built on quality and value. Providing this based on some of the lowest Meal Plan pricing amongst our peers is a testament to the resourcefulness and the innovation of the department. However, it will be necessary for the department to continually assess both Meal Plan and Retail pricing to maintain a balanced budget. Planned increases, considering student value first and foremost, will be critical to absorb the financial impacts in the areas of unionized labour contracts; remaining competitive in our market; and, continuing the current level of quality and reputation. In addition to these pricing challenges, increased university operating costs and volatile food inflationary costs will pose financial challenges to the department.

While the pressures of cost and pricing create budget challenges, we are committed to diligently work to assess and validate our approach and take corrective actions that will keep Hospitality Services at the forefront of their sector within the Canadian university marketplace and contribute positively to McMaster's overall mission and reputation. Actions for new value driven revenue streams to overcome financial challenges will include reviews of meal plan and retail pricing; increased Internationalized menu offerings that support our diverse cultural student needs; continued review/implementation of trending and innovative concepts; social media marketing; and, collaboration with internal partners to develop an integrated technology strategy. Operational efficiencies will be driven through a streamlined, compliant purchasing approach and a cost mitigation strategy that includes the review of Hospitality units that operate at a loss.

#### 10.7.4 HOUSING AND CONFERENCE SERVICES (HCS)

HCS directly supports the University's goal of advancing human and societal wellbeing and the overriding vision of educating for capability. Specifically, HCS provides a distinctive living and learning experience for 4,100 students focused on key educational priorities including community development, personal growth and wellness, academic excellence, and inclusion. The residence experience we offer students is a critical proven factor to assisting with our SMA metric of retaining students between Year 1 and Year 2.

The key financial pressures facing HCS are capital renewal/capacity expansion and debt servicing.

HCS is advancing a 'One Stop Shop' ancillary service delivery model, improved access to campus space to intensify the summer utilization of campus assets, and diversifying revenue streams by introducing year-round executive-style accommodations to serve the local and campus community.

#### 10.7.5 MEDIA PRODUCTION SERVICES (MPS)

MPS will serve the University by adopting a cost-recovery business model, to provide optimal pricing of products and services, without impairment to quality. To help the University achieve its web compliance requirements, MPS will provide internal areas with a free, self-serve option of MacSites. Both objectives will be met with the goal of maintaining and/or improving levels of customer satisfaction (currently 93%). In 2020/21, MPS will temporarily relocate to building T34 in support of the DSB expansion strategy, making every effort to minimize disruption to customers. Finally, MPS will implement an end to end management information system (MIS) in 2020/21 that will offer additional efficiencies and an improved customer experience.

MPS has faced large revenue fluctuations annually and the new cost-recovery business model will be more sensitive to those changes. The objective for MPS is to implement a cost-recovery pricing structure to better support internal customers in a way that maintains minimal but sufficient surplus to provide capital/equipment renewal and structural consistency. In parallel, the relocations will be handled with the intent to minimize disruptions to customers which may involve some additional costs. Finally, the new MIS will, like all new technology, take extra resources for implementation, change management, and training.

MPS is adapting its business model to better serve the University's needs in the future with the implementation over 3 years of a new cost-recovery model and the introduction of the free, self-serve option of MacSites to help meet the University's AODA compliance goals January 1, 2021.

#### 10.7.6 PARKING AND TRANSIT SERVICES

The department will continue to invest in physical space on campus by financing underground structures for new buildings on campus and improving road and sidewalk infrastructure meeting slips, trips and falls mandates.

Campus parking capacity is constrained and the upcoming end of lease contract for the Ward Ave parking lot will further reduce inventory. A new structure at Lot K is proposed to mitigate loss of space and accommodate growing demand. Three new loans will be added to the parking budget over next three years. Department must pursue revenue generating opportunities to ensure a balanced financial position.

A multi-year parking strategy is being developed. Strategy is focused on managing demand, ensuring financial accountability, improving service and sustainable transportation. Actions have been taken to update parking technology and increase visitor parking on main campus for community members.

## 10.8 SPECIFICALLY EXTERNALLY FUNDED

Table 13: Specifically Externally Funded Summary

(\$ thousands)						
	2019/20 Budget	2019/20 Projection	2019/20 Variance	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>						
Other revenues	32,987	35,151	2,164	33,481	31,588	31,657
<b>Total revenues</b>	<b>32,987</b>	<b>35,151</b>	<b>2,164</b>	<b>33,481</b>	<b>31,588</b>	<b>31,657</b>
<b>Expenses</b>						
Salaries, wages and benefits	23,715	24,022	(306)	23,534	23,202	23,073
All other expenses	10,352	11,501	1,149	10,463	8,659	8,582
Transfers to (from) other funds	(176)	(161)	(16)	(165)	(166)	(169)
<b>Total expenses</b>	<b>33,891</b>	<b>35,362</b>	<b>(1,471)</b>	<b>33,833</b>	<b>31,695</b>	<b>31,486</b>
<b>Excess of revenues over expenses</b>	<b>(904)</b>	<b>(210)</b>	<b>693</b>	<b>(352)</b>	<b>(107)</b>	<b>171</b>
Fund balance, beginning of year	6,711	7,056	345	6,846	6,494	6,387
<b>Fund balance, end of year</b>	<b>5,807</b>	<b>6,846</b>	<b>1,039</b>	<b>6,494</b>	<b>6,387</b>	<b>6,558</b>

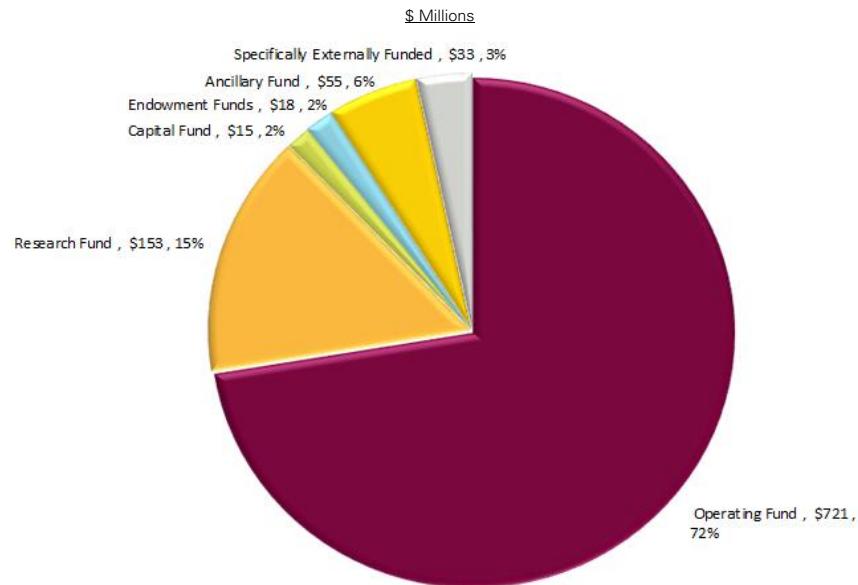
Externally restricted funds other than research, trust or capital are tracked in a separate fund. Programs managed in this fund involve external sponsors such as the Ministry of Health and Long-Term Care and the Ontario Online Initiative, and meet the following criteria:

- The funding is provided by an external entity
- There is an agreement with the sponsor to spend the funding for a specified purpose on specified items
- Unspent funding must be returned to the sponsor

Departments are responsible for administering this funding, ensuring that it is used for the intended purpose and not overdrawn. Specifically externally funded programs are included within budget submissions to Budget Committee.

## 11 CONSOLIDATED RESULTS

Figure 17: Consolidated 2020/21 Budget Revenue by Fund



As outlined in Section 8.3 Budget Design, the budget process results in a revenue and expense budget for each fund. The Annual Financial Report includes the audited financial statements that are prepared on a full accrual basis using the deferral method of accounting for revenue (see Appendix 6 Significant Accounting Policies for more details). Under this method, all funds are consolidated into a single column for the Statement of Operations, Statement of Financial Position and the Statement of Cash Flows. In order to complete the Consolidated Budget document on the same basis as the Annual Financial Report accounting adjustments are made to each fund.

Table 14: Reconciliation of Operating Fund Budget to Accrual-Based Budget

(\$ thousands)

	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
Excess/(deficiency) of Operating Fund revenues over expenses	(9,984)	(53,859)	(16,634)	(15,606)
+ Capital expenditures net of amortization	43,943	96,215	49,560	(29,810)
+ Investment income on internal endowments	(33,587)	(1,318)	657	1,378
+ Pension & non-pension adjustments	14,355	13,638	12,956	12,308
+ Change in other (non-internal endowment) investment returns, changes in other reserves net of Operating Fund income	(66,417)	(69,562)	(3,101)	91,011
+ Prior period adjustment/pension special payment	2,433	1,898	6,475	(7,689)
Total accrual adjustment	(39,272)	40,871	66,547	67,198
Excess of revenues over expenses	(49,256)	(12,988)	49,913	51,592

Consolidated Results

Table 14 shows the summary adjustments required to reconcile the Operating Fund's net income from the fund and cash accounting basis to the full accrual basis for all funds, the adjustments include:

- Capital expenditures treated as immediate cash basis expenses are added back and only the net amortization expense is deducted, reflecting the useful life of the capital asset over time.
- Investment income earned or (lost) on internal endowments, net of funds not already transferred to the Operating Fund, are added back or (subtracted).
- Actuarial adjustments (excluding re-measurements) for pension and non-pension costs are recorded.
- Reclassifications to offset internal transactions between departments affecting revenues and expenditures are recorded.

The large negative adjustment to other reserves reflects investment losses in 2019/20, and the impact of lower international enrolment on non-operating funds in 2020/21. The additional debt planned for 2021/22 and future surpluses will increase reserves.

## 11.1 STATEMENT OF OPERATIONS

Table 15: Consolidated Statement of Operations (Accrual Basis)

(\$ thousands)

	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Revenues</b>				
Operating grants	273,961	273,794	273,194	272,866
Research grants and contracts	180,692	183,403	186,154	190,808
Tuition fees	352,477	349,130	421,271	460,585
Ancillary sales and services	64,908	55,172	79,999	81,799
Other revenues	206,879	211,017	215,237	219,542
Investment income (net)	(59,877)	48,131	51,590	54,916
Amortization of deferred capital contributions	45,963	45,033	43,907	45,267
Revenues from new capital projects	-	-	300	300
Additional revenue from internal loan repayment	9,937	17,382	18,183	17,014
<b>Total revenues</b>	<b>1,074,940</b>	<b>1,183,061</b>	<b>1,289,835</b>	<b>1,343,097</b>
<b>Expenses</b>				
Salaries and wages	539,566	558,181	577,550	598,457
Employee benefits	126,654	129,187	131,771	134,406
Supplies and services	320,431	365,292	379,903	395,099
Interest on long-term debt	13,196	13,155	15,677	18,198
Amortization of capital assets	87,556	93,441	100,113	106,731
Expenses from new capital projects	16,793	16,793	19,908	23,613
Contingent expenses	20,000	20,000	15,000	15,000
<b>Total expenses</b>	<b>1,124,196</b>	<b>1,196,049</b>	<b>1,239,922</b>	<b>1,291,505</b>
<b>Excess of revenues over expenses</b>	<b>(49,256)</b>	<b>(12,988)</b>	<b>49,913</b>	<b>51,592</b>

The consolidated Statement of Operations aim to achieve a 10% excess of revenues over expenses in order to fund the internal reserves for future obligations sufficiently. The excess is currently less



than 10% of consolidated revenues in all years. In 2019/20 and 2020/21 the losses are a function of the impact of COVID-19 on investment returns and reduced international enrolment. In 2021/22 and beyond the enrolment is expected to return to normal levels. Investment returns are expected to be positive in the budget and planning years but below the long-term rate of 5.9%. Faculties will continue to invest in strategic priorities drawing upon unit-level reserves.

## 11.2 STATEMENT OF FINANCIAL POSITION

Table 16: Consolidated Statement of Financial Position

(\$ thousands)

	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Assets</b>				
Cash	31,228	33,224	34,442	35,875
Short-term investments	156,138	166,118	172,211	179,376
Medium-term investments	335,086	164,149	223,351	271,790
Long-term investments	818,720	826,699	858,864	882,983
Capital assets	1,247,805	1,354,513	1,452,928	1,530,634
Other assets	161,460	164,689	167,983	171,343
<b>Total assets</b>	<b>2,750,437</b>	<b>2,709,391</b>	<b>2,909,780</b>	<b>3,072,000</b>
<b>Liabilities and deferred contributions</b>				
Current portion of long-term debt	654	678	703	728
Deferred contributions for future expenses	367,225	371,362	375,583	379,887
Deferred capital contributions	495,367	482,974	497,938	581,991
Long-term debt	252,420	251,742	376,040	375,311
Decommissioning obligation	14,774	15,912	17,137	18,457
Employee future benefits and pension	364,436	346,214	353,138	360,201
Other liabilities	192,676	196,530	200,460	204,470
<b>Total liabilities and deferred contributions</b>	<b>1,687,552</b>	<b>1,665,412</b>	<b>1,820,999</b>	<b>1,921,045</b>
<b>Net assets</b>				
Unrestricted	10,755	10,755	10,755	10,755
Internally restricted reserves	41,423	(91,900)	(8,247)	55,300
Internally restricted endowments	116,823	115,505	116,161	117,539
Externally restricted endowments	394,520	390,501	391,864	394,757
Net investment in plant, adjusted	499,364	619,119	578,247	572,604
<b>Total net assets</b>	<b>1,062,885</b>	<b>1,043,979</b>	<b>1,088,781</b>	<b>1,150,954</b>
<b>Total liabilities and net assets</b>	<b>2,750,437</b>	<b>2,709,391</b>	<b>2,909,780</b>	<b>3,072,000</b>

The Statement of Financial Position is the University's consolidated balance sheet. The cash and short-term investments reflect funds needed for current spending. Medium-term investments are funds invested in longer durations approximating 36 to 48 months. The long-term investments reflect funds placed in the unitized investment pool, which targets an annual 5.9% return. Long-term investments hold both external and internal endowment funds, as well as a component of funds not needed in the short or medium term. Capital assets reflect infrastructure additions that meet the capitalization accounting policy (described further in Appendix 6). Other assets include grants and other accounts receivable, prepaid expenses, inventories and investments in McMaster Innovation Park, Adiga Life Sciences and the Halton McMaster Family Health Centre.

Deferred contributions for future expenses and capital reflect funding received for specific purposes that has not yet been expended or met the test to expense. This funding is reduced when the related expense occurs resulting in offsetting revenue or neutral impact to the Statement of Operations. The long-term debt obligation relates primarily to bonds raised in 2002 and 2015 for capital investments, with additional debt of up to \$125 million planned for fiscal 2022 as outlined in section 12. All bond obligations will have an internally restricted sinking fund reserve to settle the future \$365 million in balloon payments, \$120 million due in 2052, \$120 million due in 2065, and the new \$125 million bond planned for a 40-year term to be due in 2061. The decommissioning liability is a figure determined by the Canadian Nuclear Safety Commission and an offsetting internally restricted reserve has been created to fund this obligation when it becomes due. The employee future benefits and pension liability is determined by the University's third-party actuary for each future benefit and pension plan the University has with its faculty and staff. For costs associated with the variable pension expenses and future post-retirement benefits, internally restricted reserves are used. Other liabilities generally include accounts payable and accrued liabilities, as well as deferred revenue that will be recognized in a future period.

Finally, net assets contain almost \$11 million in unrestricted reserves and \$41.4 million in internally restricted reserves as explained previously in section 10.6. The external and internal endowments are also explained in greater detail in sections 10.4 and 10.5 respectively. Finally, net investment in plant reflects accrual-basis adjustments that increase with new University-funded capital investments, and decrease with amortization over the assets' useful life.

## 11.3 STATEMENT OF CASH FLOWS

Table 17: Consolidated Statement of Cash Flows

(\$ thousands)				
	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
Excess of revenues over expenses	(49,156)	(12,888)	50,013	51,692
<b>Add/(deduct) non-cash items</b>				
Change in deferred pension asset	-	-	-	-
Amortization of capital assets	87,556	93,441	100,113	106,731
Amortization of deferred capital contributions	(45,963)	(45,033)	(43,907)	(45,267)
Amortization of deferred contributions for future expenses	4,057	4,138	4,220	4,305
Change in decommissioning obligation	1,056	1,138	1,225	1,320
Miscellaneous non-cash changes in assets and liabilities	15,399	(17,597)	7,561	7,712
<b>Add/(deduct) cash from operations, finance and investing</b>				
Change in deferred capital contributions	35,739	32,640	58,871	129,320
Contributions to externally restricted endowments	(106,299)	(4,020)	1,364	2,893
Repayment of long-term debt (existing and proforma debt)	(665)	(654)	(678)	(703)
Other	(3,482)	(1,998)	(6,575)	7,589
New debt issuance	-	-	125,000	-
Acquisition of capital assets	(176,567)	(200,149)	(198,528)	(184,436)
Change in cash	(9,284)	(1,996)	(1,219)	(1,433)
Change in short-term investments	47,764	(9,980)	(6,094)	(7,164)
Change in long-term investments	193,190	(7,980)	(32,165)	(24,118)
<b>Increase/(decrease) in medium-term investments</b>	<b>(6,656)</b>	<b>(170,938)</b>	<b>59,202</b>	<b>48,439</b>
Medium-term investments, beginning of year	341,742	335,086	164,149	223,351
<b>Medium-term investments</b>	<b>335,086</b>	<b>164,149</b>	<b>223,351</b>	<b>271,790</b>

## 11.4 METRICS

### 11.4.1 HIGHLIGHTS

Table 18: Budget Financial Highlights

(\$ millions)				
	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
Total net assets	1,062.9	1,044.0	1,088.8	1,151.0
Available expendable resources	441.8	293.5	364.8	417.4
Capital spending	171.0	191.6	188.8	175.4
Total revenues	1,074.9	1,183.1	1,289.8	1,343.1
Total expenses	1,124.2	1,196.0	1,239.9	1,291.5
Excess of revenues over expenses - consolidated	(49.3)	(13.0)	49.9	51.6
Excess/(deficiency) of revenues over expenses - Operating Fund	(10.0)	(53.9)	(16.6)	(15.6)

### 11.4.2 DEBT MANAGEMENT RATIOS

MCU requires the above ratios to be reported each year, and in the annual SMA report. No targets have been set by MCU, however McMaster is satisfied that the resulting ratios are consistent with the University's own credit management ratios. These ratios are shown in the table below and include acceptable ranges as defined in the University's Debt Management Policy. These ratios are consistent with those monitored by the University's credit rating agencies.

Table 19: Debt Management Ratios

	2019/20 Projection	2020/21 Budget	2021/22 Plan	2022/23 Plan
<b>Debt Management Policy Ratios</b>				
Expendable Net Assets to Debt (Target > 1.0x)	1.6	1.1	0.9	1.1
Interest Burden (Target < 4.0%)	1.3%	1.2%	1.4%	1.5%
Debt per FTE (Target < \$12,000)	8,628	8,731	11,999	11,764
<b>Debt Management Monitoring Ratios</b>				
Net Income/(Loss) Ratio (McMaster Target > 1.0%)	-4.6%	-1.1%	3.9%	3.8%
Net Operating Revenues (McMaster Target > 2.0%)	1.0%	2.0%	9.0%	9.0%
Primary Reserves Ratio (McMaster Target > 91 days)	142	91	106	117
Viability Ratio (McMaster Target > 1.0)	1.6	1.1	0.9	1.1

### 11.5 RISKS TO THE 2020/21 BUDGET

The risk posed by the COVID-19 pandemic creates the greatest uncertainty around the 2020/21 budget. Although governments have moved quickly to mitigate the economic impacts and there are plans to continue instruction remotely, financial results are heavily dependent on maintaining enrolment levels, which will be more challenging the longer the restrictions continue. In addition to the impacts to tuition, much of the ancillary and other alternative revenue depends on the physical presence of students. The shut-down of non-essential research creates additional costs and jeopardizes progress in many fields. Completion of new and existing capital projects will be delayed, which could result in capacity issues.

Once the threat of COVID-19 is past, the risks that existed prior to the pandemic generally remain. Achieving diversified international enrolment targets remains an important goal. Diversity of international enrolment will be important to minimize geopolitical risk. Enrolment growth will eventually be limited by capacity, forcing a greater focus on the delivery of new revenues and operational process efficiencies.

Implementation of provincial performance- or outcomes-based funding has been delayed, but when implemented in 2021/22 introduces the risk that up to 60% of McMaster's funding will be linked to the achievement of ten SMA targets, nine set by MCU and one selected by McMaster. The budget has absorbed the 10% domestic tuition cut in 2019/20 and the rate freeze in 2020/21, however there is no indication of changes to the tuition framework in 2021/22 and beyond, and if held frozen the University will not have any source of inflationary funding related to domestic higher education delivery.

Risk of market volatility and capital losses could continue to impact annual commitments to operations, including funding for Chairs, scholarships and bursaries. This risk is managed by diversification and experienced oversight, as well as maintenance of an internally restricted

investment reserve established more formally following the 2008 financial crisis to cover annual spending commitments that might otherwise be hindered in a prolonged market loss situation. In addition to market losses, a decline in interest rates would affect pension plan liabilities and increase the amount of required payments. Projections and scenario modeling are used to monitor this risk and develop funding strategies using internally restricted benefit reserves to potentially supplement payment schedules, resulting in a process of smoothed benefit rate budgeting for Faculties and departments and enabling greater stability.

Additional systemic or uncontrollable risks include ensuring sufficiency of funding for investments in infrastructure and strategic priorities. Further still, the University has partnered with the private sector in an effort to minimize the debt held directly by the University while still delivering on key capital projects of strategic importance to the University's mission. Risk of bankruptcy of public-private partners involves mitigation strategies including extensive due diligence initiatives, strategic negotiations allowing remedy within a defined period and the University's right to buy out the partnership or replace the partner failing reasonable remedy.

## 12 OVERALL BORROWING AND DEBT POSITION

Strategic initiatives and capital projects for both infrastructure and technology require a combination of financing solutions, including internal loans from the central bank, commitments against future revenue streams, gifts, external and off-book financing.

External financing is used to fund the central bank and is considered a perpetual component of the University's capital structure. The University examines optimal debt positions for strategic and capital needs against established debt management guidelines and financial health metrics annually, results of which are outlined in a debt strategy report along with multi-year financial projections. McMaster uses debt retirement funds (or sinking funds) for the bonds outstanding.

Additional borrowing is identified in the 2020 Debt Strategy Report suggesting approximately \$125 million over 40 years for 2021/22 is necessary to support high-priority strategic- and capital- projects. Despite past Ministry funding cuts and upcoming funding model changes in the next Strategic Mandate Agreement, McMaster will require continued infrastructure investments in research, student support, and technology infrastructure.

The University has taken a strategic approach to delay the recommendation for approval to proceed with this new debt until mid-2021 to support Dr. David Farrar's appointment as President and his objective to update the University's strategic plan. Thus, new 2021 debt can be anchored on new strategic planning priorities rather than a generic central bank top-up. The timing of the new debt is also tied to delays in some approved projects, such as the residence projects that are undergoing an appeals process with the City.

Internal loans associated with completed projects average a 30-year repayment schedule. A 40-year debt maturity creates staggering maturities for external debt and allows current strategic initiatives to proceed, while maintaining strong financial health metrics and our AA credit rating with DBRS and S&P, and minimizing the University's weighted average cost of capital (WACC). The Debt Management Policy identifies that financing should preferably go toward projects with internal loan repayment streams as a principle, and business cases should show an ability to repay the capital investment with interest at WACC over a reasonable repayment period.

## 13 CONCLUSIONS ON THE 2020/21 BUDGET

McMaster University's 2020/21 consolidated budget is structurally balanced before one-time spending initiatives and before extraordinary adjustments for COVID-19. The true financial impact of the current pandemic is unknown, therefore an updated in-year budget projection will be prepared during 2020/21 as fall enrolment numbers are finalized and phased re-opening plans are operationalized.

COVID-19 has forced the summer term to be a blend of virtual and online activities, which may carry into the fall term. International enrolment has been reduced by 20%, or \$32 million in reduced tuition. Domestic tuition and the operating grant revenues are held flat although the University is working to mitigate declined international enrolment by increasing domestic student offers.

Additional COVID-19 expenditures include transition investments required for virtual, online, and digital resources of \$5 million. Increased non-personnel related expenses by a further 10% to reflect a potential high inflationary and limited supply environment post-COVID. Salaries, wages and benefits are unadjusted as Human Resources is working closely with employee groups to address area specific needs.

The consolidated budget also includes a number of initial steps the University has taken to support students such as, increased student financial aid, waiver of late fees and student interest during the summer, an introduction of a fall student tuition and fees payment deferral program, and additional support through bursary programs.

Research activities unrelated to COVID-19 are predominantly shutdown. During 2020/21 a phased re-opening of research activities will occur. Research expenditures incurred to re-open and address staff implications will be reviewed during the mid-year budget projection update.

Capital expenditures prioritized for 2020/21 are delayed as non-essential construction work. The Capital Fund budget has not been adjusted for COVID-19. To support strategic- and capital- priorities additional debt financing approximating \$125 million is budgeted in 2021/22 following the President's strategic planning update in 2020/21.

Ancillary revenues, cost of sales and directly related personnel costs are materially reduced reflecting campus closure May through August. Indirect personnel costs are unadjusted for the declined sales and result in significant deficit if left unaddressed.

Overall, the 2020/21 consolidated budget reflects what management considers to be a fair estimate of potential financial results during the COVID-19 pandemic. The Operating Fund will have a budgeted deficit of \$53.9 million and planning deficits approximating \$16 million in both 2021/22 and 2022/23, which can be funded by faculty and department reserves. The consolidated budget will close 2019/20 with an investment driven deficit in 2019/20 of \$49.3 million and a small budgeted deficit of \$13 million in 2020/21, followed by a return to projected planned surpluses. An in-year projection will be prepared when fall enrolment is finalized and more is known in relation to phased re-opening.

## APPENDIX 1– OPERATING FUND PROJECTION VS. BUDGET

Table 20: Operating Fund 2019/20 Projection vs. Budget

(\$ thousands)	Operating Fund		2019/20 Variance	
	2019/20 Budget	2019/20 Projection	Favourable/ (Unfavourable)	
<b>Sources of Funding:</b>				
Provincial Grants	235,868	235,684	(184)	-0.1%
Tuition	326,962	342,732	15,770	4.8%
Research Overhead Income	27,470	30,111	2,641	9.6%
Investment Income	12,634	12,634	(0)	0.0%
Other income	106,008	109,368	3,360	3.2%
<b>Total sources of funding</b>	<b>708,942</b>	<b>730,529</b>	<b>21,587</b>	<b>3.0%</b>
<b>Expenditure:</b>				
Salaries, wages and benefits	496,875	498,272	(1,397)	-0.3%
Utilities and maintenance	38,638	40,900	(2,263)	-5.9%
Equipment and renovations	52,030	68,955	(16,925)	-32.5%
Scholarships, bursaries and work study	38,739	34,178	4,562	11.8%
Library acquisitions	13,249	14,053	(804)	-6.1%
Debt and financing charges	18,220	18,836	(616)	-3.4%
All other expenses	81,096	65,319	15,777	19.5%
<b>Total expenditures</b>	<b>738,848</b>	<b>740,513</b>	<b>(1,665)</b>	<b>-0.2%</b>
<b>Total surplus (deficit)</b>	<b>(29,906)</b>	<b>(9,984)</b>	<b>19,922</b>	<b>66.6%</b>
Fund balances, beginning of year	145,168	167,657	22,489	15.5%
<b>Fund balances, end of year</b>	<b>115,262</b>	<b>157,673</b>	<b>42,411</b>	<b>36.8%</b>

The Operating Fund is projected to end 2019/20 in a more favourable position than the original budget due to favourable fund balances at the end of 2018/19 carrying over, as well as reduced deficit projected in year.

Provincial grants are unfavourable by \$0.2 million (-0.1%) due to increased international student recovery driven by the higher than budget international enrolment.

Tuition is favourable by \$15.8 million (4.8%) primarily due to higher international enrolment compared to planned target in the budget.

Research overhead income is favourable by \$3.0 million (11.7%) due to greater royalties, larger contract overhead revenues, and a slight increase in Incremental Projects Grant (IPG) component of the Research Support Fund, partially offset by lower research contract overhead grants.

Other income is favourable by \$3.4 million due to revenue sources not anticipated at the time of the original budget. In particular, additional revenues in Humanities' supplementary English language program mentioned above, as a result of the targeted increase in international enrolment. As well, other income is favourable due to increased revenue from other supplementary programs and fees.

Salaries, wages and benefits are unfavourable by \$1.4 million (-0.3%) due to slightly higher support staff salaries than budgeted.

Utilities and maintenance are unfavourable by \$2.3 million (-5.9%) due to the impact of slightly higher utility rates and consumption than budget.



Equipment and renovations are unfavourable by \$16.9 million (-32.5%) driving the unfavourable variance are increased capital transfers for the McLean Centre project and Business renovations, Faculty of Science buildings, as well as un-budgeted investments in the Multiple Ion Beam Imaging equipment, Health Sciences Library renovations, Science equipment, computer equipment and software.

Scholarships, bursaries and work-study expenditures are favourable by \$4.6 million (11.8%) due to lower Student Access Guarantee (SAG) obligations.

Library acquisitions are unfavourable by \$0.8 million (-6.1%) due to e-book acquisitions in the Faculty of Health Sciences related to Michael G. DeGroote Initiative for Innovation in Healthcare (MGDII).

All other expenses are favourable by \$15.8 million (19.5%) primarily due to lower than expected contingency spending on priorities in other expenses, especially University Fund spending crystalizing in other spending categories.

The resulting \$19.9 million favourable in-year deficit variance plus the \$22.5 million favourable opening appropriations variance result in a projected closing balance in the Operating Fund of \$42.4 million (26.8%) greater than the original budget. These appropriations will be carried forward for expenditure in 2020/21 and future years and will help to mitigate the challenges associated with COVID-19 and planned investments in capital.

## APPENDIX 2 – BUDGET MODEL CALCULATIONS

McMaster University - New Budget Model - Faculties			University Fund		Prof. Faculties		Other Faculties		VP Research Discretionary Fund					
Projected Budget Allocation			Research Infrastructure Fund		8.00%		8.00%				10.00%			
2019-20					3.00%		1.00%							
	Budgets prior to double stepdown allocation	Net double stepdown allocation	Business	Engineering	Health Sciences	Humanities	Science	Med Rad - Mohawk	Social Sciences	Arts & Science	Other (reconciling items)	University Fund	Research Infrastructure Fund	Total (after double stepdown to support unit allocations)
Revenue														
Undergraduate Tuition			51,889	91,940	31,023	15,576	65,044	2,055,511	34,737	1,540	-			293,805
UG Tuition Adjustment for tuition fee framework			(257)	(954)	237	185	497		275	17				-
Total UG SAG Obligation			(1,742)	(5,752)	(14)	(3)	(4)	-	(14)	-	7,529			-
Graduate Tuition			17,301	12,311	12,424	2,546	4,524		2,163	-				51,269
Operating Grant			18,174	43,744	82,697	14,154	50,800	2,119	22,277	1,580	-	140	-	235,684
Other Income			1,085	2,088	4,599	655	2,000		953	86	-	7,251	-	18,718
Gross Revenue			86,451	143,376	130,965	33,113	122,861	4,174,565	60,392	3,223	7,529	7,391	-	599,476
Undergraduate Cross Faculty Teaching Adjustment			(6,286)	(12,399)	317	7,371	6,959		4,640	(603)	-			(0)
Revenue for Contributions			80,165	130,977	131,283	40,484	129,820	4,174,565	65,032	2,620	7,529	7,391	-	599,476
Internal International Tax			(146)	(206)	(2)	(22)	(136)	-	(69)	-		580	-	-
University Fund Contribution			(6,413)	(10,478)	(10,503)	(3,239)	(10,386)	-	(5,203)	(210)		46,431	-	-
Research Infrastructure Fund Contribution			(2,405)	(3,929)	(1,313)	(405)	(1,298)	-	(650)	(79)		-	10,079	-
Indirect Cost of Research (excluding Royalties)			298	5,353	11,685	231	4,358	-	687	-	33	-		22,645
VP Research Discretionary (10 % of ICR above)			(30)	(535)	(1,168)	(23)	(436)	-	(69)	-	2,261	-		-
Adjustments for ICR received by Journal (Contract & ERA)			(4)	(1,444)	(5,327)	-	(476)	-	(2)	-	-	-		(7,255)
Adjustments for Current Practices					(4,106)	(218)	186	(186,098)	218	-	-	-		(4,106)
Research Infrastructure Fund Distribution			133	2,386	5,208	103	1,943		306	-	-	-	(10,079)	-
Research Excellence Fund (from UF)			56	506	1,103	44	412		130	-	-	(2,250)		-
Revenue Prior to Shared Support Unit Allocations			71,654	122,629	126,860	36,955	123,987	3,988,466	60,381	2,332	9,823	52,152	-	610,760
Shared Support Unit Allocations - via double stepdown														
Occupancy Cost	43,703	(14,208)	(827)	(7,357)	(8,864)	(2,256)	(8,510)	-	(1,633)	(47)	-	-	-	(29,495)
Deferred Maintenance	10,593	(4,010)	(185)	(1,642)	(1,978)	(504)	(1,899)	-	(365)	(10)	-	-	-	(6,583)
Insurance	1,197	(506)	(20)	(176)	(197)	(54)	(204)	-	(39)	(1)	-	-	-	(691)
MIP Occupancy 1	2,667	(310)	-	(1,279)	(771)	(44)	(24)	-	(239)	-	-	-	-	(2,357)
MIP Occupancy 2	167	-	-	(167)	-	-	-	-	-	-	-	-	-	(167)
HR	6,926	(989)	(328)	(943)	(3,167)	(385)	(728)	-	(377)	(9)	-	-	-	(5,937)
HR Employee Programs	2,055	(534)	(107)	(234)	(524)	(164)	(337)	-	(155)	(1)	-	-	-	(1,521)
Financial Affairs/Admin/ Inst Support	7,557	(2,469)	(619)	(937)	(1,726)	(453)	(866)	-	(467)	(20)	-	-	-	(5,088)
Supplementary Pension	4,738	(344)	(406)	(728)	(1,659)	(388)	(788)	-	(422)	(3)	-	-	-	(4,394)
Pension Special	17,437	(4,533)	(905)	(1,982)	(4,447)	(1,389)	(2,856)	-	(1,316)	(9)	-	-	-	(12,904)
Presidential/Univ Sec	2,081	(790)	(157)	(238)	(438)	(115)	(220)	-	(119)	(5)	-	-	-	(1,291)
General University Expense	7,667	(3,154)	(549)	(831)	(1,531)	(401)	(768)	-	(414)	(17)	-	-	-	(4,513)
Bond Interest	9,922	(3,732)	(174)	(1,544)	(1,860)	(473)	(1,786)	-	(343)	(10)	-	-	-	(6,190)
UTS/ Technology Fund	17,741	2,196	(2,474)	(3,876)	(4,269)	(1,519)	(4,953)	-	(2,692)	(153)	-	-	-	(19,937)
UTS- ERP	4,517	(177)	(538)	(844)	(929)	(331)	(1,078)	-	(586)	(33)	-	-	-	(4,340)
UA	6,336	1,515	(1,023)	(1,793)	(1,894)	(546)	(1,708)	-	(850)	(38)	-	-	-	(7,850)
Office of the Provost	7,725	(2,803)	(599)	(906)	(1,670)	(438)	(838)	-	(452)	(19)	-	-	-	(4,922)
Research Support	9,992	5,843	(176)	(3,125)	(9,481)	(281)	(2,058)	-	(713)	-	-	-	-	(15,835)
Student Affairs	5,361	6,095	(1,557)	(2,331)	(1,770)	(909)	(3,100)	-	(1,689)	(99)	-	-	-	(11,456)
MIITL	1,779	694	(329)	(492)	(427)	(192)	(655)	-	(357)	(21)	-	-	-	(2,473)
Libraries	19,917	8,555	(3,600)	(5,450)	(5,888)	(2,196)	(7,175)	-	(3,937)	(226)	-	-	-	(28,472)
HS Library	3,921	1,840	(728)	(1,103)	(1,191)	(444)	(1,452)	-	(796)	(46)	-	-	-	(5,761)
Registrar	5,607	9,390	(1,923)	(2,874)	(2,228)	(1,193)	(4,294)	-	(2,335)	(150)	-	-	-	(14,997)
SGS	1,885	401	(367)	(553)	(713)	(152)	(321)	-	(179)	-	-	-	-	(2,286)
Museum of Art	623	497	(134)	(211)	(269)	(83)	(269)	-	(146)	(8)	-	-	-	(1,120)
UG Scholarship	5,178	738	(799)	(1,293)	(454)	(496)	(1,843)	-	(970)	(62)	-	-	-	(5,916)
UG Bursaries	3,834	(0)	(505)	(817)	(380)	(313)	(1,165)	-	(613)	(39)	-	-	-	(3,834)
Grad Scholarship	13,818	692	(2,338)	(3,511)	(4,498)	(972)	(2,049)	-	(1,143)	-	-	-	-	(14,510)
Branding and Marketing	1,006	106	(145)	(254)	(269)	(77)	(242)	-	(120)	(5)	-	-	-	(1,112)
Adjustments for Current Practices - Support Units			-	-	4,559	-	-	-	-	-	(4,559)	-	-	0
Total Shared Support Unit Allocations	225,949	0	(21,512)	(47,491)	(58,934)	(16,768)	(52,185)	-	(23,469)	(1,032)	(4,559)	-	-	(225,949)
Net Revenue			50,142	75,138	67,926	20,187	71,802	3,988	36,912	1,300	5,264	52,152	-	384,811
UF Supplement			-	-	-	3,500	-	-	-	-	-	(3,500)	-	-
UF Supplement 2 - Grants top up			-	-	2,280	-	-	-	-	-	-	(2,280)	-	-
Base Net Projected Budget 2019-20			50,142	75,138	70,206	23,687	71,802	3,988	36,912	1,300	5,264	46,371	-	384,811

McMaster University - New Budget Model - Faculties			University Fund		Prof. Faculties		Other Faculties		VP Research Discretionary Fund		10.00%			
Projected Budget Allocation			Research Infrastructure Fund		8.00%	8.00%	3.00%	1.00%						
2020-21														
	Budgets prior to double stepdown allocation	Net double stepdown allocation	Business	Engineering	Health Sciences	Humanities	Science	Med Rad - Mohawk	Social Sciences	Arts & Science	Other (reconciling items)	University Fund	Research Infrastructure Fund	Total (after double stepdown to support unit allocations)
<b>Revenue</b>														
Undergraduate Tuition			55,805	99,362	31,283	17,442	73,583	2,070	39,910	1,532	-			320,986
UG Tuition Adjustment for tuition fee framework			(257)	(954)	237	185	497		275	17				-
Total UG SAG Obligation			(1,700)	(5,813)	(14)	(3)	(4)	-	(14)	-	7,548			-
Graduate Tuition			17,968	12,941	12,013	2,531	4,457	-	2,186	-	-			52,097
Operating Grant			18,053	43,993	82,494	14,258	50,755	2,122	22,190	1,533	-	141	-	235,539
Other Income			1,090	2,088	4,586	659	2,001	-	956	86	-	4,310	-	15,777
Gross Revenue			90,959	151,618	130,599	35,073	131,289	4,192	65,504	3,167	7,548	4,451	-	624,400
Undergraduate Cross Faculty Teaching Adjustment			(6,598)	(13,360)	428	7,485	7,719	-	4,910	(584)	-			0
Revenue for Contributions			84,362	138,257	131,026	42,558	139,008	4,192	70,414	2,584	7,548	4,451	-	624,400
Internal International Tax			(818)	(1,170)	(17)	(150)	(874)	-	(471)	-		3,500	-	-
University Fund Contribution			(6,749)	(11,061)	(10,482)	(3,405)	(11,121)	-	(5,633)	(207)		48,657	-	-
Research Infrastructure Fund Contribution			(2,531)	(4,148)	(1,310)	(426)	(1,390)	-	(704)	(78)		-	10,586	-
Indirect Cost of Research (excluding Royalties & CRC)			298	5,353	11,685	231	4,358	-	687	-	33	-	-	22,645
VP Research Discretionary (10 % of ICR above)			(30)	(535)	(1,168)	(23)	(436)	-	(69)	-	2,261	-	-	-
Adjustments for ICR received by Journal (Contract & ERA)			(4)	(1,444)	(5,327)	-	(476)	-	(2)	-	-	-	-	(7,255)
Adjustments for Current Practices			-	-	(4,031)	(218)	182	(182)	218	-	-	-	-	(4,031)
Research Infrastructure Fund Distribution			139	2,506	5,470	108	2,040	-	322	-	-	-	(10,586)	-
Research Excellence Fund (from UF)			56	506	1,103	44	412	-	130	-	-	(2,250)	-	-
<b>Revenue Prior to Shared Support Unit Allocations</b>			<b>74,723</b>	<b>128,264</b>	<b>126,949</b>	<b>38,718</b>	<b>131,703</b>	<b>4,010</b>	<b>64,891</b>	<b>2,299</b>	<b>9,842</b>	<b>54,358</b>	<b>-</b>	<b>635,759</b>
<b>Shared Support Unit Allocations - via double stepdown</b>														
Occupancy Cost	44,176	(14,779)	(825)	(7,333)	(8,834)	(2,249)	(8,482)	-	(1,628)	(47)	-	-	-	(29,397)
Deferred Maintenance	11,593	(4,412)	(201)	(1,791)	(2,158)	(549)	(2,072)	-	(398)	(11)	-	-	-	(7,181)
Insurance	1,197	(516)	(20)	(174)	(194)	(53)	(201)	-	(39)	(1)	-	-	-	(681)
MIP Occupancy 1	2,667	(310)	-	(1,279)	(771)	(44)	(24)	-	(239)	-	-	-	-	(2,357)
MIP Occupancy 2	167	-	-	(167)	-	-	-	-	-	-	-	-	-	(167)
HR	6,926	(985)	(329)	(944)	(3,169)	(385)	(728)	-	(378)	(9)	-	-	-	(5,941)
HR Employee Programs	2,055	(534)	(107)	(234)	(524)	(164)	(337)	-	(155)	(1)	-	-	-	(1,521)
Financial Affairs/Admin/ Inst Support	7,454	(2,418)	(613)	(928)	(1,709)	(448)	(857)	-	(463)	(19)	-	-	-	(5,036)
Supplementary Pension	4,738	(342)	(406)	(728)	(1,660)	(388)	(788)	-	(422)	(3)	-	-	-	(4,396)
Pension Special	17,437	(4,533)	(905)	(1,982)	(4,447)	(1,389)	(2,856)	-	(1,316)	(9)	-	-	-	(12,904)
Presidential/Univ Sec	2,081	(789)	(157)	(238)	(438)	(115)	(220)	-	(119)	(5)	-	-	-	(1,292)
General University Expense	7,667	(3,153)	(549)	(831)	(1,531)	(402)	(768)	-	(415)	(17)	-	-	-	(4,514)
Bond Interest	10,089	(3,799)	(176)	(1,569)	(1,890)	(481)	(1,815)	-	(348)	(10)	-	-	-	(6,290)
UTS/ Technology Fund	18,241	2,206	(2,483)	(4,042)	(4,317)	(1,564)	(5,108)	-	(2,778)	(155)	-	-	-	(20,446)
UTS- ERP	4,517	(175)	(527)	(858)	(917)	(332)	(1,085)	-	(590)	(33)	-	-	-	(4,342)
UA	6,336	1,522	(1,052)	(1,831)	(1,830)	(530)	(1,725)	-	(855)	(35)	-	-	-	(7,858)
Office of the Provost	7,880	(2,868)	(610)	(923)	(1,700)	(446)	(853)	-	(460)	(19)	-	-	-	(5,012)
Research Support	11,668	5,886	(195)	(3,465)	(10,511)	(311)	(2,282)	-	(790)	-	-	-	-	(17,553)
Student Affairs	5,361	6,149	(1,527)	(2,382)	(1,753)	(917)	(3,127)	-	(1,706)	(98)	-	-	-	(11,510)
MIETL	3,517	699	(548)	(854)	(717)	(329)	(1,122)	-	(612)	(35)	-	-	-	(4,216)
Libraries	21,208	8,651	(3,691)	(5,815)	(6,096)	(2,311)	(7,561)	-	(4,152)	(233)	-	-	-	(29,859)
HS Library	4,492	1,859	(785)	(1,237)	(1,297)	(492)	(1,608)	-	(883)	(50)	-	-	-	(6,351)
Registrar	5,750	10,196	(2,008)	(3,087)	(2,325)	(1,280)	(4,599)	-	(2,490)	(156)	-	-	-	(15,945)
SGS	1,885	403	(350)	(585)	(713)	(147)	(309)	-	(184)	-	-	-	-	(2,288)
Museum of Art	623	503	(132)	(215)	(267)	(83)	(272)	-	(148)	(8)	-	-	-	(1,126)
UG Scholarship	5,178	740	(783)	(1,305)	(446)	(499)	(1,852)	-	(971)	(61)	-	-	-	(5,918)
UG Bursaries	3,834	0	(495)	(825)	(374)	(316)	(1,171)	-	(614)	(38)	-	-	-	(3,834)
Grad Scholarship	13,818	693	(2,231)	(3,710)	(4,491)	(938)	(1,968)	-	(1,173)	-	-	-	-	(14,511)
Branding and Marketing	1,006	106	(149)	(259)	(260)	(75)	(244)	-	(121)	(5)	-	-	-	(1,112)
Adjustments for Current Practices - Support Units			-	-	4,559	-	-	-	-	-	(4,559)	-	-	0
<b>Total Shared Support Unit Allocations</b>	<b>233,560</b>	<b>0</b>	<b>(21,853)</b>	<b>(49,591)</b>	<b>(60,781)</b>	<b>(17,237)</b>	<b>(54,034)</b>	<b>-</b>	<b>(24,446)</b>	<b>(1,059)</b>	<b>(4,559)</b>	<b>-</b>	<b>-</b>	<b>(233,560)</b>
<b>Net Revenue</b>			<b>52,870</b>	<b>78,673</b>	<b>66,169</b>	<b>21,481</b>	<b>77,669</b>	<b>4,010</b>	<b>40,445</b>	<b>1,240</b>	<b>5,283</b>	<b>54,358</b>	<b>-</b>	<b>402,199</b>
UF Supplement			-	-	-	3,000	-	-	-	-	-	(3,000)	-	-
UF Supplement 2 - Grants top up					2,445	-	-	-	-	-	-	(2,445)	-	-
<b>Base Net Projected Budget 2020-21</b>			<b>52,870</b>	<b>78,673</b>	<b>68,614</b>	<b>24,481</b>	<b>77,669</b>	<b>4,010</b>	<b>40,445</b>	<b>1,240</b>	<b>5,283</b>	<b>48,913</b>	<b>-</b>	<b>402,199</b>

McMaster University - New Budget Model - Faculties					Prof. Faculties		Other Faculties									
Projected Budget Allocation					University Fund		8.00%		8.00%		VP Research Discretionary Fund		10.00%			
2021-22					Research Infrastructure Fund		3.00%		1.00%							
	Budgets prior to double stepdown allocation	Net double stepdown allocation														
			Business	Engineering	Health Sciences	Humanities	Science	Med Rad - Mohawk	Social Sciences	Arts & Science	Other (reconciling items)	University Fund	Research Infrastructure Fund	Total (after double stepdown to support unit allocations)		
Revenue																
Undergraduate Tuition			61,715	108,108	31,995	19,620	83,616	2,140	45,940	1,615	-					354,749
UG Tuition Adjustment for tuition fee framework			(114)	(643)	176	118	290		166	7						-
Total UG SAG Obligation			(1,691)	(5,911)	(14)	(3)	(4)	-	(14)	-	7,637					-
Graduate Tuition			17,563	13,277	11,994	2,496	4,403		2,204	-	-					51,937
Operating Grant			17,892	44,022	82,417	14,226	50,612	2,135	21,948	1,630	-	137	-			235,020
Other Income			1,104	2,090	4,549	671	2,005	-	963	85	-	4,702	-			16,169
Gross Revenue			96,468	160,943	131,117	37,129	140,922	4,275	71,207	3,338	7,637	4,839	-			657,875
Undergraduate Cross Faculty Teaching Adjustment			(6,767)	(13,794)	463	7,673	7,982	-	5,054	(612)	-					0
Revenue for Contributions			89,702	147,149	131,581	44,802	148,904	4,275	76,260	2,726	7,637	4,839	-			657,875
Internal International Tax			(786)	(1,110)	(19)	(166)	(910)	-	(508)	-		3,500	-			-
University Fund Contribution			(7,176)	(11,772)	(10,526)	(3,584)	(11,912)	-	(6,101)	(218)		51,290	-			-
Research Infrastructure Fund Contribution			(2,691)	(4,414)	(1,316)	(448)	(1,489)	-	(763)	(82)		-	11,203	-		-
Indirect Cost of Research (excluding Royalties & CRC)			298	5,353	11,685	231	4,358	-	687	-	33	-	-			22,645
VP Research Discretionary (10 % of ICR above)			(30)	(535)	(1,168)	(23)	(436)	-	(69)	-	2,261	-	-			-
Adjustments for ICR received by Journal (Contract & ERA)			(4)	(1,444)	(5,327)	-	(476)	-	(2)	-	-	-	-			(7,255)
Adjustments for Current Practices			(632)	(1,450)	(5,941)	(718)	(1,395)	(183)	(495)	(32)	-	-	-			(10,845)
Research Infrastructure Fund Distribution			147	2,652	5,789	114	2,159	-	340	-	-	-	(11,203)	-		-
Research Excellence Fund (from UF)			56	506	1,103	44	412	-	130	-		(2,250)	-			-
Revenue Prior to Shared Support Unit Allocations			78,884	134,934	125,859	40,251	139,215	4,092	69,480	2,395	9,931	57,379	-			662,420
Shared Support Unit Allocations - via double stepdown																
Occupancy Cost	44,176	(14,777)	(825)	(7,333)	(8,835)	(2,249)	(8,483)	-	(1,628)	(47)	-	-	-	-	-	(29,399)
Deferred Maintenance	11,593	(4,412)	(201)	(1,791)	(2,158)	(549)	(2,072)	-	(398)	(11)	-	-	-	-	-	(7,181)
Insurance	1,197	(516)	(20)	(174)	(194)	(53)	(201)	-	(39)	(1)	-	-	-	-	-	(681)
MIP Occupancy 1	2,667	(310)	-	(1,279)	(771)	(44)	(24)	-	(239)	-	-	-	-	-	-	(2,357)
MIP Occupancy 2	167	-	-	(167)	-	-	-	-	-	-	-	-	-	-	-	(167)
HR	6,926	(985)	(329)	(944)	(3,169)	(385)	(728)	-	(378)	(9)	-	-	-	-	-	(5,941)
HR Employee Programs	2,055	(534)	(107)	(234)	(524)	(164)	(337)	-	(155)	(1)	-	-	-	-	-	(1,521)
Financial Affairs/Admin/ Inst Support	7,454	(2,418)	(613)	(928)	(1,709)	(448)	(857)	-	(463)	(19)	-	-	-	-	-	(5,037)
Supplementary Pension	4,738	(342)	(406)	(728)	(1,660)	(388)	(788)	-	(422)	(3)	-	-	-	-	-	(4,396)
Pension Special	17,437	(4,533)	(905)	(1,982)	(4,447)	(1,389)	(2,856)	-	(1,316)	(9)	-	-	-	-	-	(12,904)
Presidential/Univ Sec	2,081	(789)	(157)	(238)	(438)	(115)	(220)	-	(119)	(5)	-	-	-	-	-	(1,292)
General University Expense	7,667	(3,153)	(549)	(831)	(1,531)	(402)	(768)	-	(415)	(17)	-	-	-	-	-	(4,514)
Bond Interest	10,089	(3,799)	(176)	(1,569)	(1,890)	(481)	(1,815)	-	(348)	(10)	-	-	-	-	-	(6,290)
UTS/ Technology Fund	18,941	2,193	(2,547)	(4,198)	(4,431)	(1,611)	(5,307)	-	(2,874)	(165)	-	-	-	-	-	(21,134)
UTS- ERP	4,517	(172)	(524)	(863)	(911)	(331)	(1,091)	-	(591)	(34)	-	-	-	-	-	(4,345)
UA	6,336	1,523	(1,068)	(1,852)	(1,753)	(524)	(1,758)	-	(872)	(32)	-	-	-	-	-	(7,859)
Office of the Provost	7,880	(2,868)	(610)	(923)	(1,700)	(446)	(853)	-	(460)	(19)	-	-	-	-	-	(5,012)
Research Support	11,668	5,887	(195)	(3,465)	(10,511)	(311)	(2,282)	-	(790)	-	-	-	-	-	-	(17,555)
Student Affairs	5,361	6,150	(1,512)	(2,393)	(1,748)	(912)	(3,140)	-	(1,705)	(101)	-	-	-	-	-	(11,511)
MIETL	3,517	699	(542)	(859)	(713)	(327)	(1,127)	-	(612)	(36)	-	-	-	-	-	(4,216)
Libraries	21,208	8,652	(3,660)	(5,847)	(6,055)	(2,302)	(7,601)	-	(4,154)	(240)	-	-	-	-	-	(29,860)
HS Library	4,492	1,860	(779)	(1,244)	(1,288)	(490)	(1,617)	-	(884)	(51)	-	-	-	-	-	(6,352)
Registrar	5,750	10,197	(2,001)	(3,092)	(2,315)	(1,278)	(4,614)	-	(2,486)	(160)	-	-	-	-	-	(15,946)
SGS	1,885	403	(338)	(600)	(716)	(144)	(307)	-	(183)	-	-	-	-	-	-	(2,288)
Museum of Art	623	504	(131)	(217)	(265)	(83)	(274)	-	(148)	(9)	-	-	-	-	-	(1,127)
UG Scholarship	5,178	740	(780)	(1,303)	(452)	(498)	(1,854)	-	(969)	(62)	-	-	-	-	-	(5,918)
UG Bursaries	3,834	(0)	(493)	(824)	(376)	(315)	(1,173)	-	(613)	(40)	-	-	-	-	-	(3,834)
Grad Scholarship	13,818	693	(2,151)	(3,806)	(4,514)	(916)	(1,957)	-	(1,168)	-	-	-	-	-	-	(14,511)
Branding and Marketing	1,006	106	(151)	(262)	(249)	(74)	(248)	-	(123)	(5)	-	-	-	-	-	(1,112)
Adjustments for Current Practices - Support Units			-	-	4,559	-	-	-	-	-	2,241	-	-	-	-	6,800
Total Shared Support Unit Allocations	234,260	0	(21,769)	(49,945)	(60,767)	(17,229)	(54,353)	-	(24,549)	(1,088)	2,241	-	-	-	-	(227,460)
Net Revenue			57,114	84,989	65,093	23,022	84,861	4,092	44,931	1,307	12,172	57,379	-			434,960
UF Supplement			-	-	-	1,500	-	-	-	-	-	(1,500)	-			-
UF Supplement 2 - Grants top up			-	-	2,935	-	-	-	-	-	-	(2,935)	-			-
Base Net Projected Budget 2021-22			57,114	84,989	68,028	24,522	84,861	4,092	44,931	1,307	12,172	52,944	-			434,960

McMaster University - New Budget Model - Faculties			University Fund		Prof. Faculties		Other Faculties								
Projected Budget Allocation					8.00%		8.00%		VP Research Discretionary Fund			10.00%			
2022-23					Research Infrastructure Fund		3.00%		1.00%						
	Budgets prior to double stepdown allocation	Net double stepdown allocation	Business	Engineering	Health Sciences	Humanities	Science	Med Rad - Mohawk	Social Sciences	Arts & Science	Other (reconciling items)	University Fund	Research Infrastructure Fund	Total (after double stepdown to support unit allocations)	
Revenue															
Undergraduate Tuition			68,017	117,821	32,557	21,711	93,582	2,214	51,911	1,680	-			389,493	
UG Tuition Adjustment for tuition fee framework			(114)	(643)	176	118	290		166	7				-	
Total UG SAG Obligation			(1,699)	(6,023)	(14)	(3)	(4)	-	(14)	-	7,757			-	
Graduate Tuition			17,392	13,417	12,123	2,420	4,392		2,182	-				51,927	
Operating Grant			17,833	44,027	82,531	14,183	50,450	2,148	21,750	1,679		134	-	234,736	
Other Income			1,104	2,090	4,549	671	2,005		963	85		4,788	-	16,255	
Gross Revenue			102,533	170,689	131,923	39,100	150,715	4,362	76,959	3,451	7,757	4,922	-	692,412	
Undergraduate Cross Faculty Teaching Adjustment			(6,859)	(14,027)	533	7,844	8,015		5,138	(644)	-			0	
Revenue for Contributions			95,674	156,662	132,456	46,944	158,730	4,362	82,097	2,807	7,757	4,922	-	692,412	
Internal International Tax			(765)	(1,079)	(21)	(175)	(930)	-	(530)	-		3,500	-	-	
University Fund Contribution			(7,654)	(12,533)	(10,596)	(3,756)	(12,698)	-	(6,568)	(225)		54,030	-	-	
Research Infrastructure Fund Contribution			(2,870)	(4,700)	(1,325)	(469)	(1,587)	-	(821)	(84)			11,857	-	
Indirect Cost of Research (excluding Royalties & CRC)			298	5,353	11,685	231	4,358	-	687	-	33	-		22,645	
VP Research Discretionary (10 % of ICR above)			(30)	(535)	(1,168)	(23)	(436)	-	(69)	-	2,261	-		-	
Adjustments for ICR received by Journal (Contract & ERA)			(4)	(1,444)	(5,327)	-	(476)	-	(2)	-		-		(7,255)	
Adjustments for Current Practices			(1,289)	(2,949)	(7,886)	(1,227)	(3,023)	(184)	(1,228)	(65)	-	-		(17,852)	
Research Infrastructure Fund Distribution			156	2,807	6,127	121	2,285	-	360	-	-		(11,857)	-	
Research Excellence Fund (from UF)			56	506	1,103	44	412	-	130	-		(2,250)		-	
Revenue Prior to Shared Support Unit Allocations			83,572	142,088	125,047	41,689	146,634	4,178	74,056	2,433	10,051	60,202	-	689,950	
Shared Support Unit Allocations - via double stepdown															
Occupancy Cost	44,176	(14,777)	(825)	(7,334)	(8,835)	(2,249)	(8,483)	-	(1,628)	(47)	-	-	-	(29,399)	
Deferred Maintenance	11,593	(4,412)	(201)	(1,791)	(2,158)	(549)	(2,072)	-	(398)	(11)	-	-	-	(7,181)	
Insurance	1,197	(516)	(20)	(174)	(194)	(53)	(201)	-	(39)	(1)	-	-	-	(681)	
MIP Occupancy 1	2,667	(310)	-	(1,279)	(771)	(44)	(24)	-	(239)	-	-	-	-	(2,357)	
MIP Occupancy 2	167	-	-	(167)	-	-	-	-	-	-	-	-	-	(167)	
HR	6,926	(985)	(329)	(944)	(3,169)	(385)	(728)	-	(378)	(9)	-	-	-	(5,941)	
HR Employee Programs	2,055	(534)	(107)	(234)	(524)	(164)	(337)	-	(155)	(1)	-	-	-	(1,521)	
Financial Affairs/Admin/ Inst Support	7,454	(2,417)	(613)	(928)	(1,709)	(448)	(857)	-	(463)	(19)	-	-	-	(5,037)	
Supplementary Pension	4,738	(342)	(406)	(728)	(1,660)	(388)	(788)	-	(422)	(3)	-	-	-	(4,396)	
Pension Special	17,437	(4,533)	(905)	(1,982)	(4,447)	(1,389)	(2,856)	-	(1,316)	(9)	-	-	-	(12,904)	
Presidential/Univ Sec	2,081	(789)	(157)	(238)	(438)	(115)	(220)	-	(119)	(5)	-	-	-	(1,292)	
General University Expense	7,667	(3,153)	(549)	(831)	(1,531)	(402)	(768)	-	(415)	(17)	-	-	-	(4,514)	
Bond Interest	10,089	(3,799)	(176)	(1,569)	(1,890)	(481)	(1,815)	-	(348)	(10)	-	-	-	(6,290)	
UTS/ Technology Fund	19,441	2,187	(2,619)	(4,314)	(4,500)	(1,636)	(5,448)	-	(2,937)	(173)	-	-	-	(21,628)	
UTS- ERP	4,517	(169)	(527)	(867)	(905)	(329)	(1,095)	-	(590)	(35)	-	-	-	(4,348)	
UA	6,336	1,523	(1,077)	(1,864)	(1,675)	(525)	(1,788)	-	(898)	(32)	-	-	-	(7,859)	
Office of the Provost	7,880	(2,868)	(610)	(923)	(1,700)	(446)	(853)	-	(460)	(19)	-	-	-	(5,012)	
Research Support	11,668	5,888	(195)	(3,465)	(10,512)	(311)	(2,282)	-	(790)	-	-	-	-	(17,555)	
Student Affairs	5,361	6,151	(1,518)	(2,402)	(1,738)	(905)	(3,146)	-	(1,700)	(103)	-	-	-	(11,512)	
MIETL	3,517	700	(545)	(862)	(709)	(325)	(1,129)	-	(610)	(37)	-	-	-	(4,217)	
Libraries	21,208	8,652	(3,678)	(5,874)	(6,008)	(2,284)	(7,623)	-	(4,147)	(246)	-	-	-	(29,860)	
HS Library	4,492	1,860	(782)	(1,249)	(1,278)	(486)	(1,622)	-	(882)	(52)	-	-	-	(6,352)	
Registrar	5,750	10,197	(2,008)	(3,106)	(2,299)	(1,271)	(4,622)	-	(2,477)	(163)	-	-	-	(15,947)	
SGS	1,885	403	(341)	(603)	(718)	(138)	(305)	-	(183)	-	-	-	-	(2,288)	
Museum of Art	623	505	(132)	(218)	(263)	(83)	(275)	-	(148)	(9)	-	-	-	(1,128)	
UG Scholarship	5,178	740	(782)	(1,305)	(454)	(495)	(1,854)	-	(964)	(64)	-	-	-	(5,918)	
UG Bursaries	3,834	(0)	(495)	(826)	(375)	(313)	(1,174)	-	(610)	(40)	-	-	-	(3,834)	
Grad Scholarship	13,818	693	(2,173)	(3,826)	(4,526)	(879)	(1,943)	-	(1,163)	-	-	-	-	(14,511)	
Branding and Marketing	1,006	106	(152)	(263)	(238)	(74)	(253)	-	(127)	(4)	-	-	-	(1,112)	
Adjustments for Current Practices - Support Units			-	-	4,559	-	-	-	-	-	9,241	-	-	13,800	
Total Shared Support Unit Allocations	234,760	0	(21,922)	(50,167)	(60,667)	(17,168)	(54,561)	-	(24,606)	(1,111)	9,241	-	-	(220,960)	
Net Revenue			61,650	91,921	64,380	24,522	92,073	4,178	49,451	1,322	19,292	60,202	-	468,990	
UF Supplement			-	-	-	-	-	-	-	-	-	-	-	-	
UF Supplement 2 - Grants top up			-	-	3,306	-	-	-	-	-	-	(3,306)	-	-	
Base Net Projected Budget 2022-23			61,650	91,921	67,686	24,522	92,073	4,178	49,451	1,322	19,292	56,896	-	468,990	

## APPENDIX 3 – OPERATING FUND UNIT LEVEL TABLES

Table 21: Operating Fund 2019/20 Projection by Unit

	Sources of Funding					Salaries & Benefits			Non-salary Expenses				Total Expenses	Annual Surplus (Deficit)
	Framework Allocation	University Fund Allocation	Research Overhead Income	Other Income	Total Income	Salaries & Wages	Benefits & PDA	Total	Scholarships	Library Acquisitions	All Other Expenses	Total		
<b>1. Faculties</b>														
Business	51,286	581	4	5,515	57,386	29,021	6,780	35,801	1,018	-	24,022	25,040	60,841	(3,455)
Engineering	77,406	2,027	1,518	2,962	83,913	48,592	12,076	60,667	1,739	-	13,499	15,238	75,905	8,009
Health Sciences	72,936	2,764	7,260	37,300	120,260	88,851	22,281	111,132	2,679	602	8,130	11,411	122,543	(2,282)
Humanities	23,835	2,393	109	12,740	39,077	27,485	7,130	34,615	372	-	2,370	2,742	37,357	1,720
Science	72,123	1,117	536	2,301	76,177	50,574	13,401	63,975	384	-	21,930	22,314	86,289	(1)
Medical Radiation - Mohawk share	3,988	-	-	-	3,988	-	-	-	-	-	3,989	3,989	3,989	(1)
Social Sciences	37,439	1,788	51	663	39,942	27,690	7,332	35,022	257	-	2,801	3,059	38,081	1,861
Arts & Science	1,313	57	-	3	1,373	1,655	113	1,768	1	-	(241)	(240)	1,528	(155)
Sub-total	<b>340,426</b>	<b>10,728</b>	<b>9,479</b>	<b>61,484</b>	<b>422,117</b>	<b>273,869</b>	<b>69,112</b>	<b>342,981</b>	<b>6,451</b>	<b>602</b>	<b>76,500</b>	<b>83,552</b>	<b>426,533</b>	<b>(4,416)</b>
<b>2. Academic Priorities</b>														
University Fund	36,590	(12,716)	-	50	23,924	245	-	245	-	-	26,536	26,536	26,781	(2,857)
Revenue Projection Contingency	(2,483)	-	-	-	(2,483)	-	-	-	-	-	-	-	-	(2,483)
Ongoing Priorities Contingency	(1,065)	-	-	-	(1,065)	1,630	-	1,630	-	-	(11,626)	(11,626)	(9,996)	8,931
One-time Priorities Contingency	(1,073)	-	-	-	(1,073)	-	-	-	-	-	-	-	-	(1,073)
Sub-total	<b>31,969</b>	<b>(12,716)</b>	<b>-</b>	<b>50</b>	<b>19,303</b>	<b>1,875</b>	<b>-</b>	<b>1,875</b>	<b>-</b>	<b>-</b>	<b>14,910</b>	<b>14,910</b>	<b>16,785</b>	<b>2,518</b>
<b>TOTAL ACADEMIC</b>	<b>372,395</b>	<b>(1,988)</b>	<b>9,479</b>	<b>61,534</b>	<b>441,420</b>	<b>275,744</b>	<b>69,112</b>	<b>344,856</b>	<b>6,451</b>	<b>602</b>	<b>91,410</b>	<b>98,462</b>	<b>443,318</b>	<b>(1,898)</b>
<b>3. Academic Support</b>														
Provost's Office	7,616	-	-	775	8,391	5,952	1,220	7,172	33	-	3,039	3,072	10,244	(1,854)
Museum of Art	623	-	-	206	829	571	209	780	-	-	50	50	830	(1)
MacPherson Institute	1,779	1,738	-	75	3,592	2,922	796	3,719	-	-	461	461	4,180	(588)
University Library	20,123	-	-	106	20,229	6,864	2,058	8,922	3	10,607	698	11,308	20,230	(1)
Health Sciences Library	4,277	-	15	94	4,386	1,693	501	2,194	-	2,844	(969)	1,875	4,070	317
Registrar	5,429	-	-	2,776	8,205	6,615	1,836	8,451	-	-	250	250	8,700	(495)
Sub-total	<b>39,847</b>	<b>1,738</b>	<b>15</b>	<b>4,032</b>	<b>45,632</b>	<b>24,617</b>	<b>6,620</b>	<b>31,237</b>	<b>36</b>	<b>13,451</b>	<b>3,529</b>	<b>17,016</b>	<b>48,253</b>	<b>(2,621)</b>
<b>4. Research Support</b>														
Research	9,274	250	4,911	9,096	23,531	12,320	3,452	15,772	127	1	8,977	9,105	24,878	(1,346)
VP Research Discretionary Fund	2,473	-	-	2,473	-	36	9	45	-	-	2,432	2,432	2,477	(4)
Research Loans	-	-	-	-	-	-	-	-	-	-	(89)	(89)	(89)	89
Sub-total	<b>11,747</b>	<b>250</b>	<b>4,911</b>	<b>9,096</b>	<b>26,004</b>	<b>12,356</b>	<b>3,462</b>	<b>15,817</b>	<b>127</b>	<b>1</b>	<b>11,320</b>	<b>11,448</b>	<b>27,266</b>	<b>(1,262)</b>
<b>5. Student Support</b>														
Graduate Scholarships	13,818	-	-	-	13,818	1,053	146	1,199	12,619	-	(0)	12,619	13,818	0
School of Graduate Studies	2,335	-	-	(0)	2,335	1,330	360	1,690	59	-	895	955	2,645	(310)
Student Affairs	5,911	-	-	24,082	29,993	14,532	3,301	17,833	520	-	12,526	13,046	30,879	(887)
DBAC Building Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DBAC Deferred Maintenance	-	-	-	-	-	-	-	-	-	-	(160)	(160)	(160)	160
Undergraduate Scholarships	15,945	-	-	291	16,236	2,275	-	2,275	14,365	-	1,805	16,170	18,445	(2,209)
Sub-total	<b>38,009</b>	<b>-</b>	<b>-</b>	<b>24,372</b>	<b>62,381</b>	<b>19,190</b>	<b>3,807</b>	<b>22,997</b>	<b>27,563</b>	<b>-</b>	<b>15,066</b>	<b>42,629</b>	<b>65,627</b>	<b>(3,245)</b>
<b>6. Facilities Support</b>														
Facilities Services	15,486	-	-	1,131	16,617	12,139	3,823	15,962	-	-	663	663	16,626	(9)
HSC Maintenance	4,087	-	-	40	4,127	-	-	-	-	-	4,118	4,118	4,118	9
Utilities	23,781	-	-	1,849	25,630	1,659	541	2,200	-	-	23,185	23,185	25,385	245
Security	2,049	-	-	103	2,152	2,129	514	2,643	-	-	(107)	(107)	2,536	(384)
Deferred Maintenance	10,930	-	-	-	10,930	-	-	-	-	-	10,930	10,930	10,930	(0)
Bond Interest	10,089	-	-	-	10,089	-	-	-	-	-	10,089	10,089	10,089	-
Renovation contingency	974	-	-	-	974	-	-	-	-	-	978	978	978	(4)
Sub-total	<b>67,396</b>	<b>-</b>	<b>-</b>	<b>3,122</b>	<b>70,518</b>	<b>15,927</b>	<b>4,879</b>	<b>20,806</b>	<b>-</b>	<b>-</b>	<b>49,856</b>	<b>49,856</b>	<b>70,661</b>	<b>(143)</b>
<b>7. Institutional Support</b>														
Administration	15,598	-	-	1,698	17,296	12,388	3,616	16,004	-	-	3,241	3,241	19,246	(1,949)
UTS Asset Management	1,500	-	-	-	1,500	67	23	90	-	-	1,805	1,805	1,895	(395)
UTS/Technology Fund	20,127	-	-	128	20,255	9,267	2,765	12,033	-	-	8,749	8,749	20,781	(526)
University Secretariat	912	-	-	0	912	557	170	727	-	-	136	136	863	49
President's Office	1,169	-	-	-	1,169	411	124	535	-	-	777	777	1,312	(143)
University Advancement	5,760	-	-	123	5,883	6,728	1,883	8,611	-	-	(2,479)	(2,479)	6,132	(249)
General University	9,431	-	-	2,100	11,531	1,332	175	1,507	-	-	10,636	10,636	12,144	(612)
Sub-total	<b>54,497</b>	<b>-</b>	<b>-</b>	<b>4,049</b>	<b>58,546</b>	<b>30,751</b>	<b>8,756</b>	<b>39,507</b>	<b>-</b>	<b>-</b>	<b>22,865</b>	<b>22,865</b>	<b>62,373</b>	<b>(3,827)</b>
<b>8. Institutional Priority allocations</b>														
Technology Renewal	4,517	-	-	-	4,517	-	-	-	-	-	-	-	-	4,517
Marketing & Branding	2,422	-	-	-	2,422	708	167	876	-	-	3,052	3,052	3,927	(1,505)
Pension	22,175	-	-	-	22,175	-	22,175	22,175	-	-	-	-	22,175	-
Strategic Priorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	<b>29,114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,114</b>	<b>708</b>	<b>22,342</b>	<b>23,051</b>	<b>-</b>	<b>-</b>	<b>3,052</b>	<b>3,052</b>	<b>26,102</b>	<b>3,012</b>
<b>Surplus/(Deficit)</b>	<b>613,005</b>	<b>0</b>	<b>14,405</b>	<b>106,206</b>	<b>733,616</b>	<b>379,293</b>	<b>118,979</b>	<b>498,272</b>	<b>34,178</b>	<b>14,053</b>	<b>197,098</b>	<b>245,329</b>	<b>743,600</b>	<b>(9,984)</b>
<b>Under/(over)allocated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,087)</b>	<b>(3,087)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,087)</b>	<b>(3,087)</b>	<b>(3,087)</b>	<b>-</b>
<b>Total Surplus/(Deficit)</b>	<b>613,005</b>	<b>0</b>	<b>14,405</b>	<b>103,119</b>	<b>730,529</b>	<b>379,293</b>	<b>118,979</b>	<b>498,272</b>	<b>34,178</b>	<b>14,053</b>	<b>194,011</b>	<b>242,242</b>	<b>740,513</b>	<b>(9,984)</b>

Table 22: Operating Fund 2020/21 Budget by Unit

(S thousands)	Sources of Funding					Salaries & Benefits			Non-salary Expenses				Total Expenses	Annual Surplus (Deficit)
	Framework Allocation	University Fund Allocation	Research Overhead Income	Other Income	Total Income	Salaries & Wages	Benefits & PDA	Total	Scholarships	Library Acquisitions	All Other Expenses	Total		
<b>1. Faculties</b>														
Business	52,870	-	-	4,754	57,624	31,423	7,979	39,403	1,328	-	16,894	18,221	57,624	0
Engineering	78,673	1,172	1,514	2,722	84,082	54,704	13,971	68,675	1,861	-	18,626	20,487	89,162	(5,080)
Health Sciences	68,614	1,289	6,940	36,775	113,618	88,402	23,212	111,614	2,660	(0)	5,460	8,120	119,734	(6,115)
Humanities	24,481	1,826	340	13,202	39,849	28,538	7,331	35,869	460	-	2,279	2,739	38,609	1,241
Science	77,669	573	448	2,176	80,866	53,335	14,495	67,830	462	-	14,805	15,268	83,098	(2,232)
Medical Radiation - Mohawk share	4,010	-	-	-	4,010	-	-	-	-	-	4,010	4,010	4,010	-
Social Sciences	40,445	975	50	616	42,087	29,565	8,191	37,755	251	-	3,563	3,813	41,569	518
Arts & Science	1,240	57	-	1,297	1,875	161	2,036	1,875	1	-	(208)	(208)	1,829	(532)
Sub-total	<b>348,002</b>	<b>5,893</b>	<b>9,292</b>	<b>60,245</b>	<b>423,433</b>	<b>287,842</b>	<b>75,340</b>	<b>363,182</b>	<b>7,023</b>	<b>(0)</b>	<b>65,429</b>	<b>72,451</b>	<b>435,633</b>	<b>(12,200)</b>
<b>2. Academic Priorities</b>														
University Fund	38,913	(6,143)	-	-	32,770	550	-	550	-	-	39,299	39,299	39,849	(7,079)
Revenue Projection Contingency	(31,492)	-	-	-	(31,492)	-	-	-	-	-	-	-	-	(31,492)
Ongoing Priorities Contingency	33	-	-	-	33	1,821	-	1,821	-	-	(1,823)	(1,823)	(2)	35
One-time Priorities Contingency	(654)	-	-	-	(654)	-	-	-	-	-	-	-	-	(654)
Sub-total	<b>6,800</b>	<b>(6,143)</b>	<b>-</b>	<b>-</b>	<b>657</b>	<b>2,371</b>	<b>-</b>	<b>2,371</b>	<b>-</b>	<b>-</b>	<b>37,476</b>	<b>37,476</b>	<b>39,847</b>	<b>(39,191)</b>
<b>TOTAL ACADEMIC</b>	<b>354,802</b>	<b>(250)</b>	<b>9,292</b>	<b>60,245</b>	<b>424,089</b>	<b>290,213</b>	<b>75,340</b>	<b>365,553</b>	<b>7,023</b>	<b>(0)</b>	<b>102,905</b>	<b>109,927</b>	<b>475,480</b>	<b>(51,391)</b>
<b>3. Academic Support</b>														
Provost's Office	7,771	-	-	780	8,551	5,918	1,282	7,200	33	-	3,024	3,057	10,257	(1,706)
Museum of Art	623	-	-	173	796	719	228	947	-	-	(151)	(151)	796	(0)
MacPherson Institute	3,517	-	-	75	3,592	2,971	813	3,784	-	-	405	405	4,188	(596)
University Library	21,788	-	-	106	21,894	7,313	2,151	9,463	3	11,030	1,012	12,044	21,508	386
Health Sciences Library	4,507	-	15	94	4,616	1,839	537	2,377	-	3,222	(796)	2,426	4,803	(187)
Registrar	5,572	-	-	2,911	8,483	6,848	1,944	8,792	-	-	73	73	8,865	(381)
Sub-total	<b>43,778</b>	<b>-</b>	<b>15</b>	<b>4,139</b>	<b>47,932</b>	<b>25,608</b>	<b>6,956</b>	<b>32,563</b>	<b>36</b>	<b>14,252</b>	<b>3,566</b>	<b>17,854</b>	<b>50,417</b>	<b>(2,484)</b>
<b>4. Research Support</b>														
Research	10,797	250	3,981	9,293	24,321	12,837	3,555	16,392	94	1	8,257	8,351	24,744	(423)
VP Research Discretionary Fund	2,261	-	-	-	2,261	36	9	45	-	-	2,216	2,216	2,261	0
Research Loans	-	-	-	-	-	-	-	-	-	-	(89)	(89)	(89)	89
Sub-total	<b>13,058</b>	<b>250</b>	<b>3,981</b>	<b>9,293</b>	<b>26,582</b>	<b>12,873</b>	<b>3,564</b>	<b>16,437</b>	<b>94</b>	<b>1</b>	<b>10,384</b>	<b>10,479</b>	<b>26,916</b>	<b>(334)</b>
<b>5. Student Support</b>														
Graduate Scholarships	13,818	-	-	-	13,818	1,064	142	1,205	12,613	-	-	12,613	13,818	(0)
School of Graduate Studies	2,235	-	-	-	2,235	1,306	359	1,665	60	-	770	830	2,495	(260)
Student Affairs	5,911	-	-	24,354	30,265	15,387	3,529	18,916	485	-	11,412	11,897	30,813	(548)
DBAC Building Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DBAC Deferred Maintenance	-	-	-	-	-	-	-	-	-	-	(160)	(160)	(160)	160
Undergraduate Scholarships	16,560	-	-	263	16,823	2,125	-	2,125	14,427	-	271	14,698	16,823	(0)
Sub-total	<b>38,524</b>	<b>-</b>	<b>-</b>	<b>24,617</b>	<b>63,141</b>	<b>19,881</b>	<b>4,030</b>	<b>23,912</b>	<b>27,585</b>	<b>-</b>	<b>12,293</b>	<b>39,877</b>	<b>63,789</b>	<b>(649)</b>
<b>6. Facilities Support</b>														
Facilities Services	15,829	-	-	2,010	17,839	12,189	3,882	16,070	-	-	1,825	1,825	17,895	(56)
HSC Maintenance	4,002	-	-	40	4,042	-	-	-	-	-	4,042	4,042	4,042	0
Utilities	23,911	-	-	1,923	25,834	1,658	555	2,213	-	-	23,714	23,714	25,927	(93)
Security	2,049	-	-	25	2,074	2,142	523	2,665	-	-	(315)	(315)	2,350	(276)
Deferred Maintenance	11,930	-	-	-	11,930	-	-	-	-	-	11,930	11,930	11,930	(0)
Bond Interest	10,089	-	-	-	10,089	-	-	-	-	-	10,089	10,089	10,089	-
Renovation contingency	974	-	-	-	974	-	-	-	-	-	974	974	974	0
Sub-total	<b>68,784</b>	<b>-</b>	<b>-</b>	<b>3,998</b>	<b>72,782</b>	<b>15,989</b>	<b>4,959</b>	<b>20,948</b>	<b>-</b>	<b>-</b>	<b>52,259</b>	<b>52,259</b>	<b>73,207</b>	<b>(425)</b>
<b>7. Institutional Support</b>														
Administration	16,122	-	-	1,731	17,853	12,229	3,609	15,838	-	-	3,414	3,414	19,252	(1,398)
UTS Asset Management	1,500	-	-	-	1,500	67	23	90	-	-	1,602	1,602	1,693	(193)
UTS/Technology Fund	19,386	-	-	128	19,514	8,939	2,678	11,617	-	-	9,928	9,928	21,545	(2,031)
University Secretariat	912	-	-	912	1,824	600	180	780	-	-	129	129	909	3
President's Office	1,169	-	-	-	1,169	389	117	505	-	-	601	601	1,106	63
University Advancement	5,760	-	-	92	5,852	7,525	2,143	9,668	-	-	(2,906)	(2,906)	6,762	(911)
General University	10,485	-	-	2,102	12,587	1,376	181	1,557	-	-	10,945	10,945	12,502	85
Sub-total	<b>55,334</b>	<b>-</b>	<b>-</b>	<b>4,053</b>	<b>59,387</b>	<b>31,124</b>	<b>8,931</b>	<b>40,056</b>	<b>-</b>	<b>-</b>	<b>23,713</b>	<b>23,713</b>	<b>63,769</b>	<b>(4,381)</b>
<b>8. Institutional Priority allocations</b>														
Technology Renewal	4,517	-	-	-	4,517	-	-	-	-	-	-	-	-	4,517
Marketing & Branding	3,294	-	-	-	3,294	772	192	964	-	-	1,042	1,042	2,006	1,288
Pension	22,175	-	-	-	22,175	-	22,175	22,175	-	-	-	-	22,175	-
Strategic Priorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	<b>29,986</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,986</b>	<b>772</b>	<b>22,367</b>	<b>23,139</b>	<b>-</b>	<b>-</b>	<b>1,042</b>	<b>1,042</b>	<b>24,181</b>	<b>5,805</b>
<b>Surplus/(Deficit)</b>	<b>604,266</b>	<b>(0)</b>	<b>13,287</b>	<b>106,346</b>	<b>723,899</b>	<b>396,460</b>	<b>126,148</b>	<b>522,608</b>	<b>34,737</b>	<b>14,253</b>	<b>206,161</b>	<b>255,151</b>	<b>777,759</b>	<b>(53,859)</b>
<i>Under/(over)/allocated</i>	<i>(0)</i>	<i>(0)</i>	<i>(3,146)</i>	<i>(3,146)</i>	<i>(3,146)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(3,146)</i>	<i>(3,146)</i>	<i>(3,146)</i>	<i>(0)</i>
<b>Total Surplus/(Deficit)</b>	<b>604,266</b>	<b>(0)</b>	<b>13,287</b>	<b>103,199</b>	<b>720,753</b>	<b>396,460</b>	<b>126,148</b>	<b>522,608</b>	<b>34,737</b>	<b>14,253</b>	<b>203,014</b>	<b>252,004</b>	<b>774,612</b>	<b>(53,859)</b>

Table 23: Operating Fund 2021/22 Plan by Unit

(\$ thousands)	Sources of Funding					Salaries & Benefits			Non-salary Expenses				Total Expenses	Annual Surplus (Deficit)
	Framework Allocation	University Fund Allocation	Research Overhead Income	Other Income	Total Income	Salaries & Wages	Benefits & PDA	Total	Scholarships	Library Acquisitions	All Other Expenses	Total		
<b>1. Facilities</b>														
Business	57,114	-	-	4,754	61,868	32,486	7,832	40,317	1,327	-	20,223	21,551	61,868	(0)
Engineering	84,989	410	1,598	2,776	89,773	58,071	14,082	72,153	1,829	-	23,083	24,912	97,065	(7,292)
Health Sciences	68,028	394	6,721	35,067	110,211	89,192	22,549	111,741	2,681	(0)	4,152	6,834	118,575	(8,364)
Humanities	24,522	1,407	340	14,198	40,468	29,156	7,039	36,195	711	-	2,677	3,388	39,584	884
Science	84,861	110	445	2,059	87,475	54,472	14,955	69,426	416	-	15,783	16,198	85,624	1,851
Medical Radiation - Mohawk share	4,092	-	-	-	4,092	-	-	-	-	-	4,092	4,092	4,092	-
Social Sciences	44,931	570	50	435	45,986	31,098	8,243	39,341	280	-	7,945	8,225	47,566	(1,580)
Arts & Science	1,307	57	-	-	1,364	1,740	133	1,873	1	-	(145)	(144)	1,729	(365)
Sub-total	<b>369,844</b>	<b>2,949</b>	<b>9,154</b>	<b>59,289</b>	<b>441,236</b>	<b>296,215</b>	<b>74,832</b>	<b>371,047</b>	<b>7,246</b>	<b>(0)</b>	<b>77,810</b>	<b>85,056</b>	<b>456,103</b>	<b>(14,866)</b>
<b>2. Academic Priorities</b>														
University Fund	42,944	(2,949)	-	-	39,995	550	-	550	-	-	41,451	41,451	42,001	(2,006)
Revenue Projection Contingency	316	-	-	-	316	-	-	-	-	-	-	-	-	316
Ongoing Priorities Contingency	6,833	-	-	-	6,833	1,821	-	1,821	-	-	(1,823)	(1,823)	(2)	6,835
One-time Priorities Contingency	7,095	-	-	-	7,095	-	-	-	-	-	3,656	3,656	3,656	3,439
Sub-total	<b>57,188</b>	<b>(2,949)</b>	<b>-</b>	<b>-</b>	<b>54,239</b>	<b>2,371</b>	<b>-</b>	<b>2,371</b>	<b>-</b>	<b>-</b>	<b>43,284</b>	<b>43,284</b>	<b>45,656</b>	<b>8,584</b>
<b>TOTAL ACADEMIC</b>	<b>427,032</b>	<b>-</b>	<b>9,154</b>	<b>59,289</b>	<b>495,476</b>	<b>298,586</b>	<b>74,832</b>	<b>373,418</b>	<b>7,246</b>	<b>(0)</b>	<b>121,095</b>	<b>128,340</b>	<b>501,759</b>	<b>(6,283)</b>
<b>3. Academic Support</b>														
Provost's Office	7,771	-	-	780	8,551	5,903	1,247	7,149	33	-	3,079	3,112	10,262	(1,711)
Museum of Art	623	-	-	187	810	735	223	957	-	-	(147)	(147)	810	0
MacPherson Institute	3,517	-	-	75	3,592	2,866	766	3,632	-	-	466	466	4,099	(507)
University Library	21,788	-	-	106	21,894	7,372	2,075	9,448	3	11,222	971	12,196	21,644	250
Health Sciences Library	4,507	-	-	94	4,601	1,876	541	2,417	-	3,353	(776)	2,577	4,994	(393)
Registrar	5,572	-	-	3,053	8,625	6,793	1,826	8,619	-	-	(121)	(121)	8,498	128
Sub-total	<b>43,778</b>	<b>-</b>	<b>-</b>	<b>4,295</b>	<b>48,073</b>	<b>25,545</b>	<b>6,677</b>	<b>32,222</b>	<b>36</b>	<b>14,575</b>	<b>3,472</b>	<b>18,083</b>	<b>50,306</b>	<b>(2,232)</b>
<b>4. Research Support</b>														
Research	9,832	-	3,981	9,556	23,369	12,853	3,402	16,255	94	1	7,747	7,841	24,096	(727)
VP Research Discretionary Fund	2,261	-	-	-	2,261	36	9	45	-	-	2,216	2,216	2,261	-
Research Loans	-	-	-	-	-	-	-	-	-	-	(89)	(89)	(89)	89
Sub-total	<b>12,093</b>	<b>-</b>	<b>3,981</b>	<b>9,556</b>	<b>25,630</b>	<b>12,889</b>	<b>3,411</b>	<b>16,300</b>	<b>94</b>	<b>1</b>	<b>9,874</b>	<b>9,968</b>	<b>26,268</b>	<b>(638)</b>
<b>5. Student Support</b>														
Graduate Scholarships	13,818	-	-	-	13,818	1,072	138	1,210	12,608	-	-	12,608	13,818	0
School of Graduate Studies	2,235	-	-	-	2,235	1,223	321	1,544	60	-	770	830	2,374	(139)
Student Affairs	5,361	-	-	27,335	32,696	16,128	3,449	19,578	485	-	13,525	14,010	33,588	(891)
DBAC Building Financing	-	-	-	-	-	-	-	-	-	-	1,764	1,764	1,764	(1,764)
DBAC Deferred Maintenance	-	-	-	-	-	-	-	-	-	-	(420)	(420)	(420)	420
Undergraduate Scholarships	16,649	-	-	263	16,912	2,125	-	2,125	14,556	-	231	14,787	16,912	(0)
Sub-total	<b>38,063</b>	<b>-</b>	<b>-</b>	<b>27,598</b>	<b>65,661</b>	<b>20,549</b>	<b>3,908</b>	<b>24,457</b>	<b>27,709</b>	<b>-</b>	<b>15,870</b>	<b>43,579</b>	<b>68,035</b>	<b>(2,374)</b>
<b>6. Facilities Support</b>														
Facilities Services	15,829	-	-	1,975	17,804	12,449	3,924	16,372	-	-	1,705	1,705	18,077	(273)
HSC Maintenance	4,002	-	-	40	4,042	-	-	-	-	-	4,042	4,042	4,042	-
Utilities	23,911	-	-	2,183	26,094	1,667	567	2,234	-	-	26,880	26,880	29,113	(3,019)
Security	1,949	-	-	25	1,974	2,162	528	2,690	-	-	(415)	(415)	2,276	(302)
Deferred Maintenance	11,930	-	-	-	11,930	-	-	-	-	-	11,930	11,930	11,930	-
Bond Interest	10,089	-	-	-	10,089	-	-	-	-	-	10,089	10,089	10,089	-
Renovation contingency	974	-	-	-	974	-	-	-	-	-	974	974	974	-
Sub-total	<b>68,684</b>	<b>-</b>	<b>-</b>	<b>4,223</b>	<b>72,907</b>	<b>16,278</b>	<b>5,019</b>	<b>21,297</b>	<b>-</b>	<b>-</b>	<b>55,205</b>	<b>55,205</b>	<b>76,501</b>	<b>(3,594)</b>
<b>7. Institutional Support</b>														
Administration	16,122	-	-	1,691	17,813	12,204	3,474	15,678	-	-	3,075	3,075	18,752	(940)
UTS Asset Management	1,500	-	-	-	1,500	67	23	90	-	-	1,535	1,535	1,625	(125)
UTS/Technology Fund	17,861	-	-	128	17,989	8,901	2,525	11,426	-	-	7,950	7,950	19,376	(1,387)
University Secretariat	912	-	-	-	912	610	178	788	-	-	129	129	917	(5)
President's Office	1,169	-	-	-	1,169	464	134	597	-	-	572	572	1,169	(0)
University Advancement	5,760	-	-	92	5,852	7,113	1,960	9,072	-	-	(2,659)	(2,659)	6,413	(562)
General University	8,864	-	-	2,104	10,968	1,416	177	1,593	-	-	10,886	10,886	12,478	(1,510)
Sub-total	<b>52,188</b>	<b>-</b>	<b>-</b>	<b>4,015</b>	<b>56,203</b>	<b>30,775</b>	<b>8,470</b>	<b>39,245</b>	<b>-</b>	<b>-</b>	<b>21,486</b>	<b>21,486</b>	<b>60,732</b>	<b>(4,529)</b>
<b>8. Institutional Priority allocations</b>														
Technology Renewal	4,517	-	-	-	4,517	-	-	-	-	-	-	-	-	4,517
Marketing & Branding	1,006	-	-	-	1,006	620	145	765	-	-	1,741	1,741	2,506	(1,500)
Pension	22,175	-	-	-	22,175	-	22,175	22,175	-	-	-	-	22,175	-
Strategic Priorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	<b>27,698</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,698</b>	<b>620</b>	<b>22,320</b>	<b>22,940</b>	<b>-</b>	<b>-</b>	<b>1,741</b>	<b>1,741</b>	<b>24,681</b>	<b>3,017</b>
<b>Surplus/(Deficit)</b>	<b>669,536</b>	<b>-</b>	<b>13,135</b>	<b>108,977</b>	<b>791,648</b>	<b>405,242</b>	<b>124,638</b>	<b>529,879</b>	<b>35,084</b>	<b>14,576</b>	<b>228,743</b>	<b>278,402</b>	<b>808,282</b>	<b>(16,634)</b>
<i>Under/(over)allocated</i>	-	-	-	(3,538)	(3,538)	-	-	-	-	-	(3,538)	(3,538)	(3,538)	-
<b>Total Surplus/(Deficit)</b>	<b>669,536</b>	<b>-</b>	<b>13,135</b>	<b>105,439</b>	<b>788,110</b>	<b>405,242</b>	<b>124,638</b>	<b>529,879</b>	<b>35,084</b>	<b>14,576</b>	<b>225,205</b>	<b>274,865</b>	<b>804,744</b>	<b>(16,634)</b>



Table 24: Operating Fund 2022/23 Plan by Unit

(S thousands)	Sources of Funding					Salaries & Benefits				Non-salary Expenses				Total Expenses	Annual Surplus (Deficit)
	Framework Allocation	University Fund Allocation	Research Overhead Income	Other Income	Total Income	Salaries & Wages	Benefits & PDA	Total	Scholarships	Library Acquisitions	All Other Expenses	Total			
1. Faculties															
Business	61,650	-	-	4,754	66,404	33,050	8,060	41,110	1,327	-	23,967	25,294	66,404	-	0
Engineering	91,921	-	1,598	2,966	96,485	59,964	14,749	74,713	1,828	-	25,434	27,262	101,975	-	(5,491)
Health Sciences	67,686	65	6,721	34,812	109,284	91,301	23,160	114,461	2,515	(0)	5,171	7,685	122,146	-	(12,862)
Humanities	24,522	1,253	340	15,595	41,711	30,053	7,226	37,278	696	-	2,669	3,365	40,643	-	1,067
Science	92,073	-	445	1,997	94,515	55,822	15,401	71,223	416	-	23,203	23,619	94,842	-	(327)
Medical Radiation - Mohawk share	4,178	-	-	-	4,178	-	-	-	-	-	4,178	4,178	4,178	-	-
Social Sciences	49,451	570	50	435	50,506	32,507	8,614	41,121	280	-	8,012	8,292	49,413	-	1,093
Arts & Science	1,322	57	-	-	1,379	1,530	67	1,597	1	-	56	56	1,654	-	(275)
Sub-total	392,803	1,945	9,154	60,558	464,461	304,226	77,277	381,503	7,062	(0)	92,690	99,752	481,255	-	(16,794)
2. Academic Priorities															
University Fund	46,896	(1,945)	-	-	44,951	550	-	550	-	-	46,955	46,955	47,505	-	(2,554)
Revenue Projection Contingency	316	-	-	-	316	-	-	-	-	-	-	-	-	-	316
Ongoing Priorities Contingency	13,833	-	-	-	13,833	1,821	-	1,821	-	-	(1,823)	(1,823)	(2)	-	13,835
One-time Priorities Contingency	7,770	-	-	-	7,770	-	-	-	-	-	7,770	7,770	7,770	-	-
Sub-total	68,815	(1,945)	-	-	66,870	2,371	-	2,371	-	-	52,901	52,901	55,273	-	11,597
TOTAL ACADEMIC	461,618	-	9,154	60,558	531,331	306,597	77,277	383,875	7,062	(0)	145,591	152,653	536,528	-	(5,197)
3. Academic Support															
Provost's Office	7,771	-	-	780	8,551	5,866	1,231	7,097	33	-	2,871	2,904	10,002	-	(1,451)
Museum of Art	623	-	-	192	815	752	230	982	-	-	(167)	(167)	815	-	(0)
MacPherson Institute	3,517	-	-	75	3,592	2,824	754	3,578	-	-	622	622	4,200	-	(608)
University Library	21,728	-	-	106	21,834	7,502	2,128	9,630	3	11,571	1,037	12,612	22,242	-	(409)
Health Sciences Library	4,492	-	-	94	4,586	1,917	544	2,461	-	3,475	(715)	2,760	5,221	-	(635)
Registrar	5,572	-	-	3,202	8,774	6,915	1,876	8,791	-	-	(128)	(128)	8,663	-	112
Sub-total	43,703	-	-	4,449	48,152	25,776	6,764	32,540	36	15,047	3,519	18,602	51,142	-	(2,990)
4. Research Support															
Research	9,832	-	3,981	10,264	24,077	12,971	3,526	16,497	-	1	7,427	7,428	23,925	-	152
VP Research Discretionary Fund	2,261	-	-	-	2,261	36	9	45	-	-	2,216	2,216	2,261	-	-
Research Loans	-	-	-	-	-	-	-	-	-	-	(39)	(39)	(39)	-	39
Sub-total	12,093	-	3,981	10,264	26,338	13,007	3,535	16,542	-	1	9,604	9,605	26,147	-	191
5. Student Support															
Graduate Scholarships	13,818	-	-	-	13,818	1,082	142	1,224	12,594	-	-	12,594	13,818	-	0
School of Graduate Studies	2,135	-	-	-	2,135	1,216	327	1,543	60	-	670	730	2,272	-	(137)
Student Affairs	5,361	-	-	28,074	33,435	16,364	3,548	19,911	485	-	13,545	14,030	33,941	-	(506)
DBAC Building Financing	-	-	-	-	-	-	-	-	-	-	712	712	712	-	(712)
DBAC Deferred Maintenance	-	-	-	-	-	-	-	-	-	-	(420)	(420)	(420)	-	420
Undergraduate Scholarships	16,769	-	-	263	17,032	2,125	-	2,125	14,636	-	271	14,907	17,032	-	(0)
Sub-total	38,083	-	-	28,336	66,419	20,786	4,016	24,802	27,775	-	14,778	42,553	67,355	-	(936)
6. Facilities Support															
Facilities Services	15,829	-	-	2,094	17,923	12,613	3,920	16,533	-	-	1,678	1,678	18,211	-	(289)
HSC Maintenance	4,002	-	-	40	4,042	-	-	-	-	-	4,042	4,042	4,042	-	-
Utilities	23,911	-	-	2,278	26,189	1,682	577	2,260	-	-	28,595	28,595	30,854	-	(4,666)
Security	1,949	-	-	25	1,974	2,198	543	2,742	-	-	(415)	(415)	2,327	-	(353)
Deferred Maintenance	11,930	-	-	-	11,930	-	-	-	-	-	11,930	11,930	11,930	-	-
Bond Interest	10,089	-	-	-	10,089	-	-	-	-	-	10,089	10,089	10,089	-	-
Renovation contingency	974	-	-	-	974	-	-	-	-	-	974	974	974	-	-
Sub-total	68,684	-	-	4,436	73,120	16,493	5,041	21,534	-	-	56,893	56,893	78,428	-	(5,307)
7. Institutional Support															
Administration	16,122	-	-	1,710	17,832	12,429	3,558	15,987	-	-	2,908	2,908	18,895	-	(1,063)
UTS Asset Management	1,500	-	-	-	1,500	67	23	90	-	-	1,675	1,675	1,765	-	(265)
UTS/Technology Fund	17,861	-	-	128	17,989	9,017	2,576	11,594	-	-	7,590	7,590	19,184	-	(1,195)
University Secretariat	912	-	-	-	912	622	182	805	-	-	129	129	934	-	(22)
President's Office	1,169	-	-	-	1,169	473	137	610	-	-	559	559	1,169	-	(0)
University Advancement	5,760	-	-	92	5,852	6,678	1,841	8,519	-	-	(2,568)	(2,568)	5,952	-	(100)
General University	8,864	-	-	2,107	10,971	1,460	181	1,641	-	-	11,070	11,070	12,711	-	(1,740)
Sub-total	52,188	-	-	4,036	56,224	30,747	8,499	39,246	-	-	21,363	21,363	60,609	-	(4,385)
8. Institutional Priority allocations															
Technology Renewal	4,517	-	-	-	4,517	-	-	-	-	-	-	-	-	-	4,517
Marketing & Branding	1,006	-	-	-	1,006	406	104	510	-	-	1,996	1,996	2,506	-	(1,500)
Pension	22,175	-	-	-	22,175	-	22,175	22,175	-	-	-	-	-	-	22,175
Strategic Priorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	27,698	-	-	-	27,698	406	22,279	22,685	-	-	1,996	1,996	24,681	-	3,017
Surplus/(Deficit)	704,067	-	13,135	112,081	829,283	413,813	127,411	541,224	34,873	15,047	253,745	303,665	844,889	-	(15,606)
Under/(over)allocated	-	-	-	(3,624)	(3,624)	-	-	-	-	-	(3,624)	(3,624)	(3,624)	-	-
Total Surplus/(Deficit)	704,067	-	13,135	108,456	825,658	413,813	127,411	541,224	34,873	15,047	250,120	300,040	841,265	-	(15,606)

Table 25: Operating Fund Annual Net Change by Unit

(\$ thousands)	2019/20		2020/21	2021/22	2022/23
	Budget	Projection	Budget	Plan	Plan
<b>1. Faculties</b>					
Business	424	(3,455)	0	(0)	0
Engineering	(6,767)	8,009	(5,080)	(7,292)	(5,491)
Health Sciences	(8,591)	(2,282)	(6,115)	(8,364)	(12,862)
Humanities	493	1,720	1,241	884	1,067
Science	(7,110)	(10,112)	(2,232)	1,851	(327)
Medical Radiation - Mohawk share	-	(1)	-	-	-
Social Sciences	(443)	1,861	518	(1,580)	1,093
Arts & Science	(44)	(155)	(532)	(365)	(275)
Sub-total	<b>(22,038)</b>	<b>(4,416)</b>	<b>(12,200)</b>	<b>(14,866)</b>	<b>(16,794)</b>
<b>2. Academic Priorities</b>					
University Fund	(17,394)	(2,857)	(7,079)	(2,006)	(2,554)
Revenue Projection Contingency	4,305	(2,483)	(31,492)	316	316
Ongoing Priorities Contingency	5,030	8,931	35	6,835	13,835
One-time Priorities Contingency	618	(1,073)	(654)	3,439	-
Sub-total	<b>(7,442)</b>	<b>2,518</b>	<b>(39,191)</b>	<b>8,584</b>	<b>11,597</b>
<b>TOTAL ACADEMIC</b>	<b>(29,479)</b>	<b>(1,898)</b>	<b>(51,391)</b>	<b>(6,283)</b>	<b>(5,197)</b>
<b>3. Academic Support</b>					
Office of the Provost	(1,564)	(1,854)	(1,706)	(1,711)	(1,451)
Museum of Art	80	(1)	(0)	0	(0)
MacPherson Institute	(612)	(588)	(596)	(507)	(608)
University Library	(327)	(1)	386	250	(409)
Health Sciences Library	350	317	(187)	(393)	(635)
Registrar	(532)	(495)	(381)	128	112
Sub-total	<b>(2,605)</b>	<b>(2,621)</b>	<b>(2,484)</b>	<b>(2,232)</b>	<b>(2,990)</b>
<b>4. Research Support</b>					
Research	(7)	(1,346)	(423)	(727)	152
VP Research Discretionary Fund	141	(4)	0	-	-
Research Loans	89	89	89	89	39
Sub-total	<b>222</b>	<b>(1,262)</b>	<b>(334)</b>	<b>(638)</b>	<b>191</b>
<b>5. Student Support</b>					
Graduate Scholarships	(869)	0	(0)	0	0
School of Graduate Studies	(396)	(310)	(260)	(139)	(137)
Student Affairs	139	(887)	(548)	(891)	(506)
DBAC Building Financing	-	-	-	(1,764)	(712)
DBAC Deferred Maintenance	160	160	160	420	420
Undergraduate Scholarships	0	(2,209)	(0)	(0)	(0)
Sub-total	<b>(966)</b>	<b>(3,245)</b>	<b>(649)</b>	<b>(2,374)</b>	<b>(936)</b>
<b>6. Facilities Support</b>					
Facilities Services	41	(9)	(56)	(273)	(289)
HSC Maintenance	85	9	0	-	-
Utilities	932	245	(93)	(3,019)	(4,666)
Security	(261)	(384)	(276)	(302)	(353)
Deferred Maintenance	0	(0)	(0)	-	-
Bond Interest	0	(0)	-	-	-
Renovation contingency	0	(4)	0	-	-
Sub-total	<b>797</b>	<b>(143)</b>	<b>(425)</b>	<b>(3,594)</b>	<b>(5,307)</b>
<b>7. Institutional Support</b>					
Administration	(729)	(1,949)	(1,398)	(940)	(1,063)
UTS/Technology Fund	(727)	(526)	(2,031)	(1,387)	(1,195)
UTS Asset Management	(88)	(395)	(193)	(125)	(265)
University Secretariat	14	49	3	(5)	(22)
Presidential Budget	14	(143)	63	(0)	(0)
University Advancement	(360)	(249)	(911)	(562)	(100)
General University	86	(612)	85	(1,510)	(1,740)
Sub-total	<b>(1,791)</b>	<b>(3,827)</b>	<b>(4,381)</b>	<b>(4,529)</b>	<b>(4,385)</b>
<b>8. Institutional Priority allocations</b>					
Technology Renewal	4,517	4,517	4,517	4,517	4,517
Marketing & Branding	(600)	(1,505)	1,288	(1,500)	(1,500)
Pension	-	(0)	(0)	-	-
Strategic Priorities	-	-	-	-	-
Sub-total	<b>3,917</b>	<b>3,012</b>	<b>5,805</b>	<b>3,017</b>	<b>3,017</b>
<b>Surplus/(Deficit)</b>	<b>(29,906)</b>	<b>(9,984)</b>	<b>(53,859)</b>	<b>(16,634)</b>	<b>(15,606)</b>
<i>Under/(over)allocated</i>	0	(0)	(0)	-	-
<b>Total Surplus/(Deficit)</b>	<b>(29,906)</b>	<b>(9,984)</b>	<b>(53,859)</b>	<b>(16,634)</b>	<b>(15,606)</b>

Table 26: Operating Fund 2019/20 Financial Position and Variance by Unit

(\$ thousands)	2019/20 Budget				2019/20 Projection				Favourable (Unfavourable) Variance						
	Appropriations April 30, 2019	On-going	One-time	Total	Appropriations April 30, 2020	Appropriations April 30, 2019	On-going	One-time	Total	Appropriations April 30, 2020	Appropriations April 30, 2019	On-going	One-time	Total	Appropriations April 30, 2020
1. Facilities															
Business	3,699	4,954	(4,530)	424	4,123	3,455	7,880	(11,335)	(3,455)	0	(244)	2,926	(6,805)	(3,879)	(4,123)
Engineering	22,661	(2,939)	(3,828)	(6,767)	15,894	24,248	6,235	1,773	8,009	32,256	1,587	9,175	5,601	14,775	16,362
Health Sciences	42,669	(9,370)	779	(8,591)	34,078	41,243	(6,296)	4,014	(2,282)	38,961	(1,425)	3,074	3,234	6,308	4,883
Humanities	1,647	(2,214)	2,707	797	2,140	2,578	(664)	2,384	1,720	4,298	931	1,550	(323)	1,227	2,158
Science	18,742	(5,023)	(4,087)	(7,110)	11,632	20,363	2,192	(12,304)	(10,112)	10,251	1,621	5,215	(8,216)	(3,002)	(1,381)
Medical Radiation - Mohawk share	0	-	-	-	0	1	(1)	-	(1)	-	1	(1)	-	-	(0)
Social Sciences	4,590	(2,068)	1,624	(443)	4,147	6,276	(448)	2,309	1,861	8,137	1,686	1,620	684	2,304	3,990
Arts & Science	1,516	(101)	57	(44)	1,472	1,564	(525)	370	(155)	1,408	48	(425)	313	(111)	(64)
Sub-total	95,524	(14,760)	(7,277)	(22,038)	73,486	99,728	8,374	(12,790)	(4,416)	95,311	4,204	23,134	(5,513)	17,621	21,825
2. Academic Priorities															
University Fund	40,673	10,406	(27,800)	(17,394)	23,278	39,925	6,175	(9,032)	(2,857)	37,068	(748)	(4,231)	18,768	14,537	13,790
Revenue Projection Contingency	4,563	4,305	-	4,305	8,868	4,563	2,080	(4,563)	(2,483)	2,080	-	(2,225)	(4,563)	(6,788)	(6,788)
Ongoing Priorities Contingency	40	5,030	-	5,030	5,070	1,111	29	8,902	8,931	10,043	1,071	(5,000)	8,902	3,902	4,973
One-time Priorities Contingency	(1,712)	10,000	(9,382)	618	(1,094)	(1,712)	10,000	(11,073)	(1,073)	(2,785)	-	-	(1,691)	(1,691)	(1,691)
Sub-total	43,564	29,740	(37,182)	(7,442)	36,122	43,887	18,284	(15,766)	2,518	46,406	323	(11,456)	21,416	9,960	10,283
TOTAL ACADEMIC	139,088	14,980	(44,459)	(29,479)	109,608	143,615	26,658	(28,556)	(1,898)	141,717	4,528	11,678	15,903	27,581	32,109
3. Academic Support															
Office of the Provost	7,675	(1,365)	(198)	(1,564)	6,111	7,877	(1,724)	(130)	(1,854)	6,023	202	(359)	69	(290)	(88)
Museum of Art	(1)	80	-	80	79	1	(24)	23	(1)	0	2	(104)	23	(81)	(79)
MacPherson Institute	2,298	(520)	(92)	(612)	1,686	2,711	(460)	(127)	(588)	2,123	412	60	(35)	25	437
University Library	192	(505)	178	(327)	(135)	544	(114)	113	(1)	543	352	391	(65)	326	678
Health Sciences Library	(356)	(6)	356	350	(6)	(290)	(39)	356	317	27	66	(33)	-	(33)	33
Registrar	1,004	(334)	(198)	(532)	472	1,449	(246)	(249)	(495)	954	445	89	(51)	38	482
Sub-total	10,812	(2,651)	46	(2,605)	8,207	12,291	(2,607)	(14)	(2,621)	9,670	1,479	44	(60)	(16)	1,463
4. Research Support															
Research	877	(972)	965	(7)	870	4,315	(1,317)	(29)	(1,346)	2,969	3,439	(345)	(995)	(1,339)	2,099
VP Research Discretionary Fund	73	141	-	141	213	4	51	(55)	(4)	(0)	(69)	(90)	(55)	(145)	(213)
Research Loans	(654)	89	-	89	(565)	(654)	89	-	89	(566)	(0)	(0)	-	(0)	(0)
Sub-total	295	(743)	965	222	517	3,665	(1,178)	(84)	(1,262)	2,403	3,370	(435)	(1,049)	(1,484)	1,886
5. Student Support															
Graduate Scholarships	403	(869)	-	(869)	(466)	546	0	-	0	546	143	869	-	869	1,012
School of Graduate Studies	(43)	(396)	-	(396)	(439)	8	(285)	(25)	(310)	(302)	51	111	(25)	86	138
Student Affairs	1,951	(1,622)	1,761	139	2,090	4,403	(655)	(231)	(887)	3,517	2,452	967	(1,992)	(1,025)	1,427
DBAC Building Financing	(0)	-	-	-	(0)	-	-	-	-	-	0	-	-	-	0
DBAC Deferred Maintenance	2,541	160	-	160	2,701	2,641	160	-	160	2,801	100	(0)	-	(0)	100
Undergraduate Scholarships	253	(1,000)	1,000	0	253	2,262	76	(2,285)	(2,209)	52	2,009	1,076	(3,285)	(2,209)	(201)
Sub-total	5,105	(3,727)	2,761	(966)	4,139	9,860	(704)	(2,542)	(3,245)	6,615	4,755	3,023	(5,302)	(2,279)	2,476
6. Facilities Support															
Facilities Services	414	41	-	41	455	241	(9)	-	(9)	232	(174)	(50)	-	(50)	(223)
HSC Maintenance	(85)	(0)	85	85	(0)	(9)	(76)	85	9	0	77	(76)	-	(76)	0
Utilities	1,357	932	-	932	2,289	2,840	245	-	245	3,085	1,483	(687)	-	(687)	797
Security	552	(256)	(5)	(261)	291	877	(254)	(130)	(384)	492	325	1	(125)	(124)	201
Deferred Maintenance	(0)	0	0	0	(0)	(0)	(0)	-	(0)	(0)	0	(0)	(0)	(0)	(0)
Bond Interest	(1)	0	0	0	(1)	(1)	(0)	0	(0)	(1)	(0)	(0)	0	(0)	(0)
Renovation contingency	952	0	-	0	952	0	(4)	-	(4)	(4)	(952)	(4)	-	(4)	(956)
Sub-total	3,189	717	80	797	3,986	3,948	(98)	(45)	(143)	3,805	758	(815)	(125)	(940)	(182)
7. Institutional Support															
Administration	2,962	85	(814)	(729)	2,233	5,482	(926)	(1,023)	(1,949)	3,532	2,520	(1,011)	(210)	(1,220)	1,299
UTS/Technology Fund	724	(1,760)	1,034	(727)	(3)	3,162	(2,399)	1,873	(526)	2,635	2,438	(639)	840	201	2,639
UTS Asset Management	(526)	(88)	-	(88)	(614)	321	(395)	-	(395)	(74)	847	(307)	-	(307)	540
University Secretariat	213	25	(11)	14	227	246	56	(8)	49	295	33	31	4	35	68
Presidential Budget	2,226	14	-	14	2,240	2,220	(23)	(120)	(143)	2,077	(6)	(37)	(120)	(157)	(162)
University Advancement	1,259	(360)	-	(360)	899	2,022	(268)	18	(249)	1,773	763	93	18	111	874
General University	0	86	-	86	86	605	(1,112)	500	(612)	(7)	605	(1,198)	500	(698)	(93)
Sub-total	6,859	(1,999)	208	(1,791)	5,067	14,058	(5,067)	1,240	(3,827)	10,231	7,200	(3,067)	1,032	(2,036)	5,164
8. Institutional Priority allocations															
Technology Renewal	(21,283)	-	4,517	4,517	(16,766)	(21,283)	-	4,517	4,517	(16,766)	-	-	-	-	-
Marketing & Branding	1,103	(600)	-	(600)	503	1,503	(1,505)	(0)	(1,505)	(2)	400	(905)	(0)	(905)	(505)
Pension	-	-	-	-	-	-	(0)	-	(0)	(0)	-	(0)	-	(0)	(0)
Strategic Priorities	0	-	-	-	0	-	-	-	-	-	(0)	-	-	-	(0)
Sub-total	(20,180)	(600)	4,517	3,917	(16,263)	(19,780)	(1,505)	4,517	3,012	(16,768)	400	(905)	(0)	(905)	(505)
Surplus/(Deficit)	145,168	5,976	(35,882)	(29,906)	115,262	167,657	15,500	(25,484)	(9,984)	157,673	22,489	9,523	10,398	19,922	42,411
Under/(over)allocated	(0)	4,517	(4,517)	0	(0)	(0)	4,517	(4,517)	(0)	(0)	0	(0)	-	(0)	(0)
Total Surplus/(Deficit)	145,168	10,493	(40,399)	(29,906)	115,262	167,657	20,017	(30,001)	(9,984)	157,673	22,489	9,523	10,398	19,922	42,411

Table 27: Operating Fund Budget and Plan Financial Position by Unit

(\$ thousands)	2020/21 Budget				2021/22 Plan				2022/23 Plan			
	Appropriations April 30, 2020	On-going	One-time	Total	Appropriations April 30, 2021	On-going	One-time	Total	Appropriations April 30, 2022	On-going	One-time	Total
	Appropriations April 30, 2023	On-going	One-time	Total	Appropriations April 30, 2023	On-going	One-time	Total	Appropriations April 30, 2023	On-going	One-time	Total
<b>1. Faculties</b>												
Business	0	7,028	(7,028)	0	0	10,760	(10,760)	0	0	14,333	(14,333)	0
Engineering	32,256	(1,578)	(3,503)	(5,080)	27,176	898	(8,190)	(7,292)	19,883	4,034	(9,525)	(5,491)
Health Sciences	38,961	(7,136)	1,021	(6,115)	32,846	(8,665)	301	(8,364)	24,481	(12,833)	(28)	(12,862)
Humanities	4,298	(515)	1,756	1,241	5,538	(446)	1,330	884	6,422	(119)	1,186	1,067
Science	10,250	4,004	(6,236)	(2,232)	8,019	9,746	(7,895)	1,851	9,870	15,178	(15,505)	(327)
Medical Radiation - Mohawk share	-	-	-	-	-	-	-	-	-	-	-	-
Social Sciences	8,137	337	180	518	8,655	2,838	(4,418)	(1,580)	7,075	5,511	(4,418)	1,093
Arts & Science	1,408	(879)	347	(532)	877	(635)	270	(365)	512	(332)	57	(275)
Sub-total	95,310	1,262	(13,462)	(12,200)	83,110	14,495	(29,362)	(14,866)	68,244	25,772	(42,566)	(16,794)
<b>2. Academic Priorities</b>												
University Fund	37,068	2,921	(10,000)	(7,079)	29,988	14,994	(17,000)	(2,006)	27,982	12,446	(15,000)	(2,554)
Revenue Projection Contingency	2,080	(31,492)	-	(31,492)	(29,412)	316	-	316	(29,096)	316	-	316
Ongoing Priorities Contingency	10,043	35	-	35	10,077	6,835	-	6,835	16,912	13,835	-	13,835
One-time Priorities Contingency	(2,785)	10,000	(10,654)	(654)	(3,439)	10,000	(6,561)	3,439	-	10,000	(10,000)	-
Sub-total	46,406	(18,537)	(20,654)	(39,191)	7,215	32,145	(23,561)	8,584	15,799	36,597	(25,000)	11,597
<b>TOTAL ACADEMIC</b>	141,716	(17,275)	(34,116)	(51,391)	90,325	46,640	(52,923)	(6,283)	84,042	62,369	(67,566)	(5,197)
<b>3. Academic Support</b>												
Office of the Provost	6,023	(1,447)	(259)	(1,706)	4,317	(1,492)	(218)	(1,711)	2,606	(1,550)	99	(1,451)
Museum of Art	0	(0)	-	(0)	(0)	0	-	0	0	(0)	-	(0)
MacPherson Institute	2,123	(477)	(119)	(596)	1,527	(455)	(52)	(507)	1,020	(557)	(51)	(608)
University Library	543	(35)	421	386	929	(413)	663	250	1,179	(1,005)	597	(409)
Health Sciences Library	27	(187)	-	(187)	(160)	(393)	-	(393)	(553)	(635)	-	(635)
Registrar	954	(15)	(366)	(381)	573	128	-	128	700	112	-	112
Sub-total	9,670	(2,162)	(323)	(2,484)	7,185	(2,625)	393	(2,232)	4,953	(3,635)	646	(2,990)
<b>4. Research Support</b>												
Research	2,969	(538)	115	(423)	2,546	(727)	-	(727)	1,819	152	-	152
VP Research Discretionary Fund	(0)	0	-	0	0	-	-	-	0	-	-	-
Research Loans	(566)	89	-	89	(477)	89	-	89	(388)	39	-	39
Sub-total	2,403	(449)	115	(334)	2,069	(638)	-	(638)	1,431	191	-	191
<b>5. Student Support</b>												
Graduate Scholarships	546	(0)	-	(0)	545	0	-	0	545	0	-	0
School of Graduate Studies	(302)	(260)	-	(260)	(562)	(139)	-	(139)	(701)	(137)	-	(137)
Student Affairs	3,517	(1,307)	759	(548)	2,969	(994)	103	(891)	2,077	(624)	118	(506)
DBAC Building Financing	-	-	-	-	-	(1,764)	-	(1,764)	(1,764)	(712)	-	(712)
DBAC Deferred Maintenance	2,801	160	-	160	2,961	420	-	420	3,381	420	-	420
Undergraduate Scholarships	52	(0)	-	(0)	52	(0)	-	(0)	52	(0)	-	(0)
Sub-total	6,615	(1,408)	759	(649)	5,966	(2,477)	103	(2,374)	3,592	(1,053)	118	(936)
<b>6. Facilities Support</b>												
Facilities Services	232	44	(100)	(56)	176	(173)	(100)	(273)	(98)	(189)	(100)	(289)
HSC Maintenance	0	0	-	0	0	-	-	-	0	-	-	-
Utilities	3,085	(93)	-	(93)	2,993	(3,019)	-	(3,019)	(27)	(4,666)	-	(4,666)
Security	492	(276)	-	(276)	216	(302)	-	(302)	(85)	(353)	-	(353)
Deferred Maintenance	(0)	(0)	-	(0)	(0)	-	-	-	(0)	-	-	-
Bond Interest	(1)	-	-	-	(1)	-	-	-	(1)	-	-	-
Renovation contingency	(4)	0	-	0	(4)	-	-	-	(4)	-	-	-
Sub-total	3,805	(325)	(100)	(425)	3,380	(3,494)	(100)	(3,594)	(214)	(5,207)	(100)	(5,307)
<b>7. Institutional Support</b>												
Administration	3,532	(909)	(489)	(1,398)	2,134	(1,083)	143	(940)	1,194	(1,379)	316	(1,063)
UTS/Technology Fund	2,635	(2,194)	163	(2,031)	605	(1,521)	134	(1,387)	(783)	(1,195)	-	(1,195)
UTS Asset Management	(74)	(193)	-	(193)	(267)	(125)	-	(125)	(391)	(265)	-	(265)
University Secretariat	295	3	-	3	298	(5)	-	(5)	293	(22)	-	(22)
Presidential Budget	2,077	87	(24)	63	2,140	(0)	-	(0)	2,140	(0)	-	(0)
University Advancement	1,773	(934)	24	(911)	862	(562)	-	(562)	301	(100)	-	(100)
General University	(7)	(1,419)	1,504	85	78	(1,510)	-	(1,510)	(1,432)	(1,740)	-	(1,740)
Sub-total	10,231	(5,560)	1,178	(4,381)	5,850	(4,806)	277	(4,529)	1,321	(4,701)	316	(4,385)
<b>8. Institutional Priority allocations</b>												
Technology Renewal	(16,766)	-	4,517	4,517	(12,249)	-	4,517	4,517	(7,732)	-	4,517	4,517
Marketing & Branding	(2)	(0)	1,288	1,288	1,286	0	(1,500)	(1,500)	(214)	0	(1,500)	(1,500)
Pension	(0)	(0)	-	(0)	(0)	-	-	-	(0)	-	-	-
Strategic Priorities	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	(16,768)	(0)	5,805	5,805	(10,963)	0	3,017	3,017	(7,946)	0	3,017	3,017
<b>Surplus/(Deficit)</b>	157,672	(27,178)	(26,681)	(53,859)	103,812	32,599	(49,233)	(16,634)	87,178	47,964	(63,570)	(15,606)
<b>Under/overallocated</b>	(0)	4,517	(4,517)	(0)	(0)	4,517	(4,517)	-	(0)	4,517	(4,517)	-
<b>Total Surplus/(Deficit)</b>	157,672	(22,661)	(31,198)	(53,859)	103,812	37,116	(53,750)	(16,634)	87,178	52,481	(68,087)	(15,606)

## APPENDIX 4 – SUMMARY BY FUND

Table 28: Consolidated 2019/20 Projection by Fund

(\$ thousands)

	Operating Fund	Research Fund	Capital Fund	External Endowment	Internal Endowment	Ancillary Fund	Externally Funded	Total	GAAP Adjustment	Full Accrual Basis
<b>Revenues</b>										
Operating grants	235,684	-	3,390	-	-	-	-	239,074	34,887	273,961
Research grants and contracts	-	196,000	-	-	-	-	-	196,000	(15,308)	180,692
Tuition fees	342,732	-	-	-	-	-	-	342,732	9,745	352,477
Ancillary sales and services	-	-	-	-	-	64,908	-	64,908	0	64,908
Other revenues	139,479	-	12,287	6,875	228	-	35,151	194,020	22,796	216,816
Amortization of deferred capital contributions	-	-	-	-	-	-	-	-	45,963	45,963
Investment income (loss)	6,773	-	-	(90,147)	(27,074)	-	-	(110,448)	50,571	(59,877)
Investment income transfer	5,861	-	-	-	(5,861)	-	-	-	-	-
<b>Total revenues</b>	<b>730,529</b>	<b>196,000</b>	<b>15,677</b>	<b>(83,272)</b>	<b>(32,707)</b>	<b>64,908</b>	<b>35,151</b>	<b>926,286</b>	<b>148,654</b>	<b>1,074,940</b>
<b>Expenses</b>										
Salaries, wages and benefits	498,272	111,000	-	-	-	25,460	24,022	658,753	7,467	666,220
All other expenses	187,530	83,000	134,135	277	128	28,215	11,501	444,786	(87,562)	357,224
Amortization expense	-	-	-	-	-	-	-	-	87,556	87,556
Transfers to (from) other funds	35,876	(14,624)	(60,819)	22,750	752	16,226	(161)	0	(0)	0
Debt and financing charges	18,836	-	(10,920)	-	-	7,006	-	14,922	(1,726)	13,196
<b>Total expenses</b>	<b>740,513</b>	<b>179,376</b>	<b>62,396</b>	<b>23,027</b>	<b>880</b>	<b>76,907</b>	<b>35,362</b>	<b>1,118,461</b>	<b>5,735</b>	<b>1,124,196</b>
<b>Excess of revenues over expenses</b>	<b>(9,984)</b>	<b>16,624</b>	<b>(46,719)</b>	<b>(106,299)</b>	<b>(33,587)</b>	<b>(11,999)</b>	<b>(210)</b>	<b>(192,175)</b>	<b>142,919</b>	<b>(49,256)</b>

Table 29: Consolidated 2020/21 Budget by Fund

(\$ thousands)

	Operating Fund	Research Fund	Capital Fund	External Endowment	Internal Endowment	Ancillary Fund	Externally Funded	Total	GAAP Adjustment	Full Accrual Basis
<b>Revenues</b>										
Operating grants	235,540	-	3,290	-	-	-	-	238,830	34,964	273,794
Research grants and contracts	-	153,000	-	-	-	-	-	153,000	30,403	183,403
Tuition fees	337,244	-	-	-	-	-	-	337,244	11,886	349,130
Ancillary sales and services	-	-	-	-	-	55,172	-	55,172	0	55,172
Other revenues	138,502	-	11,620	2,787	100	-	33,481	186,490	41,909	228,399
Amortization of deferred capital contributions	-	-	-	-	-	-	-	-	45,033	45,033
Investment income (loss)	3,960	-	-	15,781	4,673	-	-	24,414	23,717	48,131
Investment income transfer	5,507	-	-	-	(5,507)	-	-	-	-	-
<b>Total revenues</b>	<b>720,753</b>	<b>153,000</b>	<b>14,910</b>	<b>18,568</b>	<b>(734)</b>	<b>55,172</b>	<b>33,481</b>	<b>995,150</b>	<b>187,912</b>	<b>1,183,062</b>
<b>Expenses</b>										
Salaries, wages and benefits	522,608	86,000	-	-	-	23,009	23,534	655,152	32,216	687,368
All other expenses	217,610	65,000	170,149	1,869	-	27,237	10,463	492,329	(90,244)	402,085
Amortization expense	-	-	-	-	-	-	-	-	93,441	93,441
Transfers to (from) other funds	15,946	(15,566)	(37,715)	20,718	584	16,199	(165)	0	(0)	-
Debt and financing charges	18,448	-	(12,645)	-	-	8,093	-	13,896	(741)	13,155
<b>Total expenses</b>	<b>774,612</b>	<b>135,434</b>	<b>119,789</b>	<b>22,587</b>	<b>584</b>	<b>74,538</b>	<b>33,833</b>	<b>1,161,377</b>	<b>34,672</b>	<b>1,196,049</b>
<b>Excess of revenues over expenses</b>	<b>(53,859)</b>	<b>17,566</b>	<b>(104,879)</b>	<b>(4,019)</b>	<b>(1,318)</b>	<b>(19,367)</b>	<b>(352)</b>	<b>(166,227)</b>	<b>153,240</b>	<b>(12,987)</b>

Table 30: Consolidated 2021/22 Plan by Fund

(\$ thousands)

	Operating Fund	Research Fund	Capital Fund	External Endowment	Internal Endowment	Ancillary Fund	Externally Funded	Total	GAAP Adjustment	Full Accrual Basis
<b>Revenues</b>										
Operating grants	235,021	-	5,970	-	-	-	-	240,991	32,203	273,194
Research grants and contracts	-	202,000	-	-	-	-	-	202,000	(15,846)	186,154
Tuition fees	402,641	-	-	-	-	-	-	402,641	18,630	421,271
Ancillary sales and services	-	-	-	-	-	94,157	-	94,157	(14,158)	79,999
Other revenues	140,981	-	46,351	2,637	100	-	31,588	221,657	12,063	233,720
Amortization of deferred capital contributions	-	-	-	-	-	-	-	-	43,907	43,907
Investment income (loss)	4,364	-	-	21,087	6,237	-	-	31,688	19,902	51,590
Investment income transfer	5,103	-	-	-	(5,103)	-	-	-	-	-
<b>Total revenues</b>	<b>788,110</b>	<b>202,000</b>	<b>52,321</b>	<b>23,724</b>	<b>1,234</b>	<b>94,157</b>	<b>31,588</b>	<b>1,193,134</b>	<b>96,701</b>	<b>1,289,835</b>
<b>Expenses</b>										
Salaries, wages and benefits	529,879	113,000	-	-	-	34,177	23,202	700,258	9,063	709,321
All other expenses	232,542	86,000	167,478	2,811	-	33,864	8,659	531,355	(116,544)	414,811
Amortization expense	-	-	-	-	-	-	-	-	100,113	100,113
Transfers to (from) other funds	20,385	(15,107)	(41,263)	19,549	578	16,024	(166)	0	(0)	-
Debt and financing charges	21,937	-	(14,095)	-	-	10,191	-	18,033	(2,356)	15,677
<b>Total expenses</b>	<b>804,744</b>	<b>183,893</b>	<b>112,120</b>	<b>22,360</b>	<b>578</b>	<b>94,256</b>	<b>31,695</b>	<b>1,249,646</b>	<b>(9,724)</b>	<b>1,239,922</b>
<b>Excess of revenues over expenses</b>	<b>(16,634)</b>	<b>18,107</b>	<b>(59,799)</b>	<b>1,364</b>	<b>656</b>	<b>(98)</b>	<b>(107)</b>	<b>(56,511)</b>	<b>106,424</b>	<b>49,913</b>

Table 31: Consolidated 2022/23 Plan by Fund

(\$ thousands)

	Operating Fund	Research Fund	Capital Fund	External Endowment	Internal Endowment	Ancillary Fund	Externally Funded	Total	GAAP Adjustment	Full Accrual Basis
<b>Revenues</b>										
Operating grants	234,736	-	5,330	-	-	-	-	240,066	32,800	272,866
Research grants and contracts	-	204,000	-	-	-	-	-	204,000	(13,192)	190,808
Tuition fees	437,368	-	-	-	-	-	-	437,368	23,217	460,585
Ancillary sales and services	-	-	-	-	-	97,335	-	97,335	(15,536)	81,799
Other revenues	144,087	-	110,800	2,559	101	-	31,657	289,205	(52,349)	236,856
Amortization of deferred capital contributions	-	-	-	-	-	-	-	-	45,267	45,267
Investment income (loss)	4,820	-	-	21,944	6,505	-	-	33,269	21,647	54,916
Investment income transfer	4,647	-	-	-	(4,647)	-	-	-	-	-
<b>Total revenues</b>	<b>825,658</b>	<b>204,000</b>	<b>116,130</b>	<b>24,503</b>	<b>1,959</b>	<b>97,335</b>	<b>31,657</b>	<b>1,301,243</b>	<b>41,854</b>	<b>1,343,097</b>
<b>Expenses</b>										
Salaries, wages and benefits	541,224	114,000	-	-	-	34,452	23,073	712,750	20,113	732,863
All other expenses	246,122	86,000	154,436	2,545	-	34,107	8,582	531,793	(98,081)	433,712
Amortization expense	-	-	-	-	-	-	-	-	106,731	106,731
Transfers to (from) other funds	32,826	(14,459)	(55,052)	19,065	581	17,207	(169)	0	(0)	-
Debt and financing charges	21,092	-	(17,746)	-	-	9,577	-	12,922	5,276	18,198
<b>Total expenses</b>	<b>841,265</b>	<b>185,541</b>	<b>81,638</b>	<b>21,610</b>	<b>581</b>	<b>95,344</b>	<b>31,486</b>	<b>1,257,465</b>	<b>34,039</b>	<b>1,291,504</b>
<b>Excess of revenues over expenses</b>	<b>(15,606)</b>	<b>18,459</b>	<b>34,492</b>	<b>2,893</b>	<b>1,378</b>	<b>1,991</b>	<b>171</b>	<b>43,778</b>	<b>7,815</b>	<b>51,593</b>



## APPENDIX 6 – SIGNIFICANT ACCOUNTING POLICIES

The University's audited financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountant (CPA) Canada Handbook. A summary of the significant accounting policies follows:

1) Revenue recognition: The University follows the deferral method of accounting for contributions which include donations and government grants. The principles under this method are summarized as follows:

- Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- Contributions externally restricted for purposes such as research grants and non-endowed donations are deferred and recognized as revenue in the year in which the related expenses are recognized.
- Contributions externally restricted for capital asset purchases are deferred and amortized to operations on the same basis as the related capital asset.
- External endowment contributions and investment income preserved under the endowment capital protection policy are recognized as a direct increase in endowment net assets. Income earned from the investment, to the extent it is allocated, is recorded as deferred contributions and recorded as revenue in the periods in which the related expenses are incurred.

2) Capital assets and amortization: Capital assets are recorded at cost, or if donated, at fair value on the date of receipt. Amortization is recorded on the straight-line basis over the expected life of the asset.

3) Collections and works of art: The McMaster Museum of Art has significant collections of works of art and coins. Donations of works of art are recorded in operations in the year of acquisition.

4) Pensions and other employee future benefits: The University maintains defined benefit registered and non-registered pension plans, a retirement incentive program and group registered retirement savings plans. Non-pension post-retirement and post-employment benefits plans are also provided. Accruals for these costs are recorded over the periods of service. An actuarial accounting valuation is performed annually at the University's year-end to update the liabilities related to the pension and non-pension obligations. The valuation reflects the long-term nature of the plans and uses management's estimates of investment yields, salary escalation, health care cost trends and other factors. The assumptions are consistent with those used for the tri-annual registered pension plan valuations.

- Re-measurement and other items are recognized as a direct increase (decrease) to net assets and are not reclassified to the statement of operations in subsequent periods. Re-measurement and other items comprise the aggregate of: the difference between the actual return on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation; the actuarial gains and losses; the effect of any valuation allowance in the case of a net defined benefit asset; past service costs; and any gains and losses arising from settlements and curtailments.

- The employer's share of group RRSP contributions is charged to operations in the year made.
- 5) Investments: Short-term investments are recorded at cost plus accrued income which together approximates fair value. Long-term investments are carried at fair values. Changes in fair value are included in investment income.
- 6) Endowment capital protection policy: In order to protect the capital value of endowment investments, an endowment capital protection policy limits the amount of investment income allocated for spending to 4%, plus 1% administration spending, and requires the reinvestment of excess income earned (interest, dividends, realized and unrealized capital gains, net of investment expenses). Should endowment spending commitments exceed allocated income, or in fiscal years when investment losses are incurred, annual spending allocations are funded by reinvested investment income accumulated in prior years. For endowments without sufficient accumulated investment income, temporary encroachment on capital is permitted where the terms allow. The encroached amounts will be recovered from future investment returns.

## APPENDIX 7 – OPERATING FUND ENVELOPE GROUPINGS

Major areas and depts included in envelopes:

### Activity Units

#### DeGroote School of Business

Accounting and Financial Management  
Executive Education  
Finance and Business Economics  
Health Policy and Management  
Human Resources and Management  
Information Systems  
Marketing  
Operations Management  
Strategic Management  
Research Centres  
Digital Research Centre  
Gould Trading Floor  
Health Leadership Academy  
Investment Decision Centre  
Management of Innovation and Technology

#### Faculty of Engineering

Chemical Engineering  
Civil Engineering  
Computing and Software  
Electrical and Computer Engineering  
Engineering Physics  
Materials Science and Engineering  
Mechanical Engineering  
School of Biomedical Engineering  
W. Booth School of Engineering Practice and Technology  
Research Centres  
ArcelorMittal Dofasco Centre for Engineering and Public Policy  
Centre for Effective Design of Structures  
Centre for Emerging Device Technologies  
Centre for Engineering Design  
Centre for Research in Micro- and Nano-systems  
Computing Infrastructure Research Centre  
McMaster Centre for Software Certification  
McMaster Institute for Energy Studies  
McMaster Manufacturing Research Institute  
McMaster Steel Research Centre  
Xerox Centre for Engineering Entrepreneurship and Innovation

#### Faculty of Health Sciences

Anaesthesia  
Biochemistry & Biomedical Sciences  
Health Research Methods, Evidence, and Impact  
Health Policy  
Family Medicine  
Michael G. DeGroote School of Medicine  
Midwifery  
Obstetrics and Gynecology  
Oncology  
Pathology and Molecular Medicine  
Pediatrics  
Psychiatry and Behavioural Neurosciences  
Radiology  
Surgery  
School of Nursing  
School of Rehabilitation Science

#### Faculty of Humanities

Classics  
Communication Studies and Multimedia  
English and Cultural Studies  
French  
Gender Studies and Feminist Research  
History  
Linguistics and Languages  
Peace Studies  
Philosophy  
School of the Arts  
Research Centres  
Bertrand Russell Research Centre  
Centre for Advanced Research in Experimental and Applied Linguistics

#### Faculty of Science

Biology  
Chemistry and Chemical Biology  
Geography and Earth Sciences  
Kinesiology  
Mathematics and Statistics  
Physics and Astronomy  
Psychology, Neuroscience and Behaviour  
Research Centres  
Biointerfaces Institute  
McMaster Centre for Climate Change  
McMaster Institute for Music and the Mind  
Origins Institute

#### Faculty of Social Sciences

Anthropology  
Economics  
Health, Aging and Society  
Indigenous Studies  
Labour Studies  
Political Science  
Religious Studies  
Social Work  
Sociology  
Research Centres  
Gilbreath Centre for Studies in Aging  
Institute on Globalization and the Human Condition  
Public Economics Data Analysis Laboratory

#### Arts & Science Program

## Support Units

## Academic Support

Provost and Vice-President (Academic) Office  
 Equity and Inclusion Office  
 Health Policy and Management  
 Health Sciences Library  
 Institutional Research and Analysis  
 International Affairs  
 Museum of Art  
 Paul R. MacPherson Institute for Leadership, Innovation and  
 Excellence in Teaching  
 Registrar's Office  
 University Library

## Research Support

Research  
 Vice-President (Research) Office  
 Biosafety Committee  
 Health Physics  
 McMaster Industry Liaison Office  
 Nuclear Reactor  
 Research Ethics  
 Research Finance  
 Research High Performance Computing  
 Research Office for Administration, Development and Support  
 Research Centres  
 Accelerator Lab  
 Brockhouse Institute for Material Research  
 Interface: McMaster Institute for Multi-Hazard Systemic Risk Studies  
 McMaster Indigenous Research Institute  
 McMaster Institute for Healthier Environments  
 McMaster Institute for Research on Aging  
 McMaster Institute for Transportation and Logistics  
 Statistics Canada Research Data Centre at McMaster  
 Vice-President (Research) Discretionary Fund

## Student Support

School of Graduate Studies  
 Student Affairs  
 Athletics and Recreation  
 Career Planning and Employment  
 Indigenous Student Services  
 International Student Services  
 Ombuds  
 Student Accessibility Services  
 Student Development  
 Student Success Centre  
 Student Wellness Centre  
 Graduate Scholarships  
 Undergraduate Scholarships

## Facilities Support

Facility Services  
 Security  
 Utilities

## Institutional Support

Administration  
 Vice-President (Administration) Office  
 Financial Affairs  
 Human Resources  
 Internal Audit  
 Advancement  
 Advancement Services  
 Alumni Advancement  
 Communications and Public Affairs  
 Development  
 Stewardship and Donor Relations  
 Vice-President (Advancement) Office  
 General University  
 Office of the President  
 University Secretariat  
 University Technology Services

## Institutional Priorities

Marketing and Branding  
 Pension  
 Strategic Priorities  
 Technology Renewal

## APPENDIX 8 – ACRONYMS

<b>AMR</b>	Antimicrobial resistance
<b>AODA</b>	Accessibility for Ontarians with Disabilities Act
<b>BIMR</b>	Brockhouse Institute for Materials Research
<b>BIPOC</b>	Black, Indigenous and People of Colour
<b>BWRI</b>	Brighter World Research Initiative
<b>CANS</b>	Centre for Advanced Nuclear Systems
<b>CAUCE</b>	Canadian Association for University Continuing Education
<b>CCE</b>	Center for Continuing Education
<b>CCEM</b>	Canadian Centre for Electron Microscopy
<b>CFI</b>	Canada Foundation for Innovation
<b>COG</b>	Core Operating Grant
<b>COU</b>	Council for Ontario Universities
<b>CPA</b>	Chartered Professional Accountant
<b>CRC</b>	Canada Research Chair
<b>CRDCN</b>	Canadian Research Data Centre Network
<b>CRESS</b>	Centre for Research in Empirical Social Studies
<b>CRKN</b>	Canadian Research Knowledge Network
<b>DB</b>	Defined Benefit
<b>DSB</b>	DeGroote School of Business
<b>EDI</b>	Equity, Diversity, and Inclusion
<b>FHS</b>	Faculty of Health Sciences
<b>FWI</b>	Forward with Integrity
<b>GAAP</b>	Generally accepted accounting principle
<b>HCS</b>	Housing and Conference Services
<b>HR</b>	Human Resources
<b>HSL</b>	Health Sciences Library
<b>IP</b>	Intellectual Property
<b>IPG</b>	Incremental Projects Grant
<b>IQAP</b>	Institutional Quality Assurance Process
<b>ISS</b>	Indigenous Student Services
<b>IT</b>	Information Technology
<b>MA</b>	Master of Arts
<b>MARC</b>	McMaster Automotive Resource Centre
<b>MBA</b>	Master of Business Administration
<b>MCU</b>	Ministry of Colleges and Universities
<b>MD</b>	Medical Doctorate
<b>MGDI</b>	Michael G. DeGroote Initiative for Innovation in Healthcare
<b>MIBI</b>	Multiplex Ion Beam Imaging
<b>MIPBR</b>	McMaster Intense Positron Beam Facility
<b>MIRI</b>	McMaster Indigenous Research Institute
<b>MIS</b>	Management Information System
<b>MIT</b>	Massachusetts Institute of Technology
<b>MNR</b>	McMaster Nuclear Reactor
<b>MPS</b>	Media Production Services
<b>MSI</b>	Major Science Initiatives
<b>MUMC</b>	McMaster University Medical Centre
<b>NFRF</b>	New Frontiers in Research Fund
<b>NO&amp;F</b>	Nuclear Operations and Facilities
<b>OAPPA</b>	Ontario Association of Physical Plant Administrators
<b>OBPS</b>	Output Based Pricing System
<b>OER</b>	Ontario Electricity Rebate
<b>OREC</b>	Ontario Rebate for Electricity Consumers
<b>OSAP</b>	Ontario Student Access Program
<b>PfAD</b>	Provision for adverse deviation
<b>PGCLL</b>	Peter George Centre for Living and Learning
<b>PRB</b>	Post-retirement benefit
<b>PVP</b>	Presidents and Vice-Presidents
<b>RRSP</b>	Registered Retirement Savings Plan
<b>RSF</b>	Research Support Fund
<b>S&amp;P</b>	Standard & Poors
<b>SAG</b>	Student Access Guarantee
<b>SANS</b>	Small Angle Neutron Scattering
<b>SF</b>	Square Feet
<b>SGS</b>	School of Graduate Studies
<b>SMA</b>	Strategic Mandate Agreement
<b>SPICES</b>	Student Proposals for Intellectual Community and Engages Scholarship
<b>TRC</b>	Truth and Reconciliation Commission of Canada
<b>UA</b>	University Advancement
<b>UTS</b>	University Technology Services
<b>VPR</b>	Vice-President Research
<b>WGU</b>	Weighted Grant Units

# PACBIC

The President's Advisory Committee  
on Building an Inclusive Community  
**welcomes diversity and  
opposes hatred and bigotry.**

[pacbic.mcmaster.ca](http://pacbic.mcmaster.ca)

President's Advisory Committee  
on Building an Inclusive Community



ANNUAL REPORT TO THE MCMASTER COMMUNITY  
April 1, 2019 – March 31, 2020



# EXECUTIVE SUMMARY

## McMASTER'S STATEMENT ON BUILDING AN INCLUSIVE COMMUNITY

Inclusion occurs when an organization provides equitable access to its services, benefits and opportunities, and when systems and structures facilitate full participation by all members, especially in decision-making processes. In accordance with its [Statement on Building an Inclusive Community with a Shared Purpose](#) (January 1, 1970), at McMaster University, an inclusive community is one in which there is real, visible and meaningful representation and engagement of the diversity evident in the wider community at all levels and in all constituencies on campus (faculty, staff, students, administration). An inclusive community is one in which all members are treated equitably and fairly, and with respect and dignity. It is also a community where the rights of all individuals and groups are protected, and all members are recognized and valued for their contributions to the shared purposes of the University: academic, educational, research and service excellence.

## McMASTER'S STRATEGIC COMMITMENTS TO BUILDING AN INCLUSIVE COMMUNITY

The President's Advisory Committee on Building an Inclusive Community (PACBIC) was established in 2002 in response to the third goal of McMaster's strategic plan, [Refining Directions: 'to build an inclusive community with a shared purpose'](#). The University's commitment to inclusion was amplified in the principles set out by the then President's [Forward with Integrity: A Letter to the McMaster Community \(2011\)](#), and reiterated in the emphasis on 'building an inclusive community, promoting equity and fairness, and celebrating our rich diversity' in *Forward with Integrity: The Next Phase* (2015)<sup>3</sup>. Under the current President, McMaster has developed an EDI Strategy: Towards Inclusive Excellence and 2019 – 2022 EDI Action Plan.

## PACBIC'S 2019 REFLECTIONS AND RECOMMENDATIONS

This report describes the work accomplished by PACBIC in the 2019/20 academic year and discusses both reflections on the year as well as recommendations and areas for priority attention moving forward. Among the recommendations, PACBIC has identified the following for particular institutional attention and support.

1. Track efforts to improve recruitment, experience and retention of equity-seeking faculty and senior leaders.
2. Promote accessible education training as a requirement for instructors.
3. Strengthen African and African Diaspora Studies (AADS) and support other areas of critical race, ethnic and diasporic studies through targeted hiring and program development.
4. Centre the voices of persons with disabilities in accessibility and disability inclusion work.
5. Launch a Black, Indigenous, and People of Colour (BIPOC) Employee Resource Group.

## **PACBIC's PURPOSE AND PEOPLE**

### **MANDATE**

PACBIC's broad membership is made up of organizational members who represent specific areas on campus, and individual members who bring their interest and expertise to the committee. See Appendix A for the 2019 membership list. PACBIC aims to:

- Identify issues of equity, diversity and inclusion (EDI) affecting equity-seeking communities (including but not limited to First Nations, Métis and Inuit peoples, members of racialized communities/communities of colour, newcomers and refugees, members of diverse faith communities, persons with disabilities, gender-diverse and sexually marginalized communities, and women), and discuss, develop and advance strategies to remove barriers to and enhance EDI;
- Communicate plans and priorities through annual reports to the University community;
- Submit annual reports and make recommendations for action to the President, the University Planning Committee (UPC) and other relevant University bodies in order to channel advice through the University structure and thus continue to build a University culture that advances EDI;
- Review and provide feedback to the President on institutional progress involving the planning, development, implementation and evaluation of University strategies, policies and programs to support the advancement of EDI priorities and goals; and
- Organize and support forums for discussion, reflection and learning on issues of inclusion, equity and community-building in a manner that is in keeping with and empowered by institutional values and commitments to creating spaces for respectful and responsible dialogue and debate.

### **ORGANIZATION**

The Priorities & Planning (P&P) Steering Committee coordinates work for and by the larger PACBIC.

The P&P includes the PACBIC Chairs, PACBIC Sub-Committee Conveners, and assigned Equity & Inclusion Office (EIO) resource people. Currently, PACBIC has five sub-committees established to focus attention on and/or mobilize efforts to address emergent and ongoing issues and priorities.

- Disability Inclusion, Madness, Accessibility, Neurodiversity (DIMAND) Working Group
- First Nations, Métis & Inuit (FNMI) Priorities Group
- Gender and Sexualities (G&S) Working Group
- Interfaith (IF) Issues Working Group
- Race, Racialization & Racism (R3) Working Group



Below is a list of the members of P&P through the 2019 – 2020 reporting year.

#### **CHAIRS**

- Co-Chair (Faculty): Dr. Eugenia Zuroski, English and Cultural Studies
- Co-Chair (AVP, Equity and Inclusion): Dr. Arig al Shaibah, EIO and Sociology
- Vice-Chair (Staff): Faith Ogunkoya, Student Services, Registrar's Office
- Vice-Chair (Students): Prarthna Sakhuja, MSU Diversity Services Director
- EIO Resource Person: Joan Johnson

#### **DISABILITY INCLUSION, MADNESS, ACCESSIBILITY, NEURODIVERSITY WORKING GROUP**

- Staff Co-Convener: Anne Pottier, Associate University Librarian
- Student Co-Convener: Brittany Allan, MSU Maccess Coordinator
- EIO Resource Person: Kate Brown

#### **FIRST NATIONS, MÉTIS AND INUIT PRIORITIES GROUP**

- Faculty Co-Convener: Dr. Vanessa Watts, Indigenous Studies and Sociology
- Staff Co-Convener: Jordan Carrier, Indigenous Student Services
- Associates: Matthew Jocko & Catherine Booker, Indigenous Student Health Sciences

#### **GENDER & SEXUALITIES WORKING GROUP**

- Faculty Co-Convener: Dr. Amber Dean, Gender Studies and Feminist Research
- Student Co-Convener: Drew Lu-McLean, MSU PCC Coordinator
- Student Co-Convener: Nealob Kakar, MSU WGEN Coordinator
- EIO Resource Persons: Vilma Rossi/Joan Johnson

#### **INTERFAITH ISSUES WORKING GROUP**

- Convener: Andy Crowell, Ecumenical Chaplain
- EIO Resource Person: Khadijeh Rakie

#### **RACE, RACIALIZATION AND RACISM WORKING GROUP**

- Faculty Co-Convener: Dr. Juliet Daniel, Biology
- Student/Staff Co-Convener: Rodrigo Narro Perez, Graduate student, Science
- Faculty Support: Dr. Daniel Coleman, English and Cultural Studies
- EIO Resource Person: Khadijeh Rakie

For more information on PACBIC, visit: <https://pacbic.mcmaster.ca/>

To express an interest in joining PACBIC, e-mail: [pacbic@mcmaster.ca](mailto:pacbic@mcmaster.ca)

## **PACBIC REFLECTIONS AND RECOMMENDATIONS**

### **PRIORITIES & PLANNING STEERING COMMITTEE**

The P&P Steering Committee includes the faculty Co-Chair; Associate Vice-President Equity and Inclusion (Co-Chair); staff Vice-Chair; student Vice-Chair; sub-committee conveners who are faculty, staff or students; and sub-committee resource members from the Equity and Inclusion Office (EIO).

The 2019/20 academic year was, for PACBIC as well as the community at large, a time of both ongoing strategic development and sudden and unexpected change. The P&P Committee took responsibility for supporting the targeted work undertaken by the working groups, weaving those efforts together as part of a broader vision of inclusivity at McMaster based on PACBIC member feedback and discussion, and reflecting on the kinds of relationships—both community-based and institutional—that will continue to make this work possible. To take on such labors over the course of a year whose twists and turns in conditions of work were so relentless and increasingly dramatic required extraordinary levels of commitment and flexibility. As co-chair of the committee I offer my heartfelt thanks to all P&P members for not only staying the course, but keeping the ship afloat.

Even before COVID-19 required a campus shut-down, P&P was focused on the question of institutional structure and how PACBIC's placement within the university fit with its multidimensional mission to build inclusive community. I came in as the new faculty co-chair, following the brilliant lead of the outgoing faculty co-chair, Dr. Ameil Joseph, to take up the ongoing work of moving PACBIC from a solely faculty-chaired advisory committee to one in which the faculty chair works in collaboration with the AVP, Equity and Inclusion. P&P is the site where the division of labor between co-chairs is worked out most intensively, and where this dual leadership has the potential to enable community-based agitation, deliberation, and advocacy to be channeled into institutionally supported strategic transformation. This year revealed the enormous potential for PACBIC to operate as a site where the knowledge of our membership—professional, scholarly, and experiential—can be gathered into institutional vision and material transformation.

Our Reflections and Recommendations for the coming year were drawn both from the efforts of the PACBIC working groups, detailed below, and the sustained observations and requests of our membership, which we understand as an informed critique of existing conditions of teaching, learning, research, and work. An avid note-taker, I have used our “big PACBIC” meetings this year as opportunities to document our conversations at the granular level in order to create records that allow us to see the big pictures generated by collective anecdotal insight: for example, how mandatory university-wide accessibility training could dismantle a wide range of structural barriers to learning perennially observed by members of disabled and neurodiverse communities; or how strategic hiring and promotion of BIPOC faculty could address increased demands for programs based in critical race, ethnic, diasporic, and Indigenous studies as well as sustained requests for stronger networks of mentorship and interdisciplinary connection in these areas. One of my own goals for the coming year is to devise a method for sharing my compilations of member feedback with the membership, to help us all perceive the relationships of individual experience to institutional structure, of current inequities to strategies of institutional change.

One of PACBIC's most vital responsibilities is to enable all members of the McMaster community to imagine that more equitable and inclusive community is possible at our university, and that meaningful strides are perpetually being made in that direction. As we continue this work in the coming year, we will have to account for the unforeseen institutional disruptions at the end of this academic year, which have had a profound effect both on the lives of community members and on the practical organization of university activity. Yet I feel hopeful that as we continue to build the relationships among PACBIC, EIO, the Faculties, and the President, we will move toward a common understanding of how community can grow and strengthen in uncertain times—indeed, how structures of inclusion and equity are particularly urgent in a time when mutual need and dependence are clearer than ever.

Dr. Eugenia Zuroski, Ph.D.  
Faculty Co-Chair

### **DISABILITY INCLUSION, MADNESS, ACCESSIBILITY AND NEURODIVERSITY WORKING GROUP**

#### **Reflections on the Year:**

The 2019 academic year for this working group has been one of shifting and growth. After spending almost two years on hiatus as an active PACBIC working group, the former Accessibility, Disability, Accommodation/Madness, Eugenics, Disablism, and Sanism (ADA/MEDS) working group was revitalized under a new name, and with a significant shift in group membership. This new group met twice in-person in early 2020 to discuss what the group's main priorities would be for the upcoming academic year.

The group landed on the acronym/new name "DIMAND": Disability Inclusion, Madness, Accessibility and NeuroDiversity, in order to forefront goals of Disability Inclusion; to acknowledge and preserve the term and concept of "Madness"; to name NeuroDiversity and invite members from neurodiverse communities into this renewed working group; and to connect all of these terms within a broader umbrella of Accessibility work, with the understanding that accessibility work cannot be ethically or properly carried out in the absence of disability / mad / neurodiverse inclusion. This acronym intentionally reflects the current frustration that many working group members have in feeling that their voices and concerns as disabled members of the McMaster community are not being heard; indeed, several members have described the constant need to DIMAND reaction / attention/ thoughtful responses from those with the power to meet this community's concerns and needs.

In moving forward under this new name, we would like to acknowledge the significant history of the ADA/MEDS working group, in order to resist potential historical erasure; to celebrate the work that the ADA/MEDS working group has carried out throughout the past several years; and to continue with this work, as the focus of the DIMAND working group has not fundamentally changed, but has merely shifted and expanded as membership changes and grows, and as, more broadly, the University moves toward institutional approaches to Equity, Diversity and Inclusion work. Indeed, two initiatives that were born from the ADA/MEDS working group have been included in the newly developed EDI Strategy and Framework for the entire University: 1) The creation of a Disability Studies Minor, and 2) The creation of annual accessibility/EDI awards for McMaster community members.

We would like to sincerely thank former members of the ADA/MEDS working group for your unbelievable academic and advocacy work; for your detailed attention to the inclusion of McMaster community members who (broadly defined) identify with disability; and for being one of the only formal disability / mad-centric groups on campus throughout the past decade, where members could join without being forced to reveal their disabled identities, and before much of the formal accessibility infrastructure that exists today at McMaster was created. We will continue to honour your work moving forward.

As this working group transition took place closer to the beginning of the 2020 year, it should be noted that the ADA/MEDS group contributed working group funding and support to two community initiatives during the 2019 calendar year:

- The collaborative “Race and Disability: Beyond a One-Dimensional Framework” event, co-hosted by R3’s *Let’s Talk About Race* and AccessMac/EIO’s *Disability DIScussions*, and with the Disability Justice Network of Ontario’s Youth Council attending as presenters. This event was attended by over 40 McMaster and Hamilton community members and centered the experiences of three disabled, Black disability justice activists during a two-hour event.
- The printed release of this year’s Accessibility and Disability Inclusion Update, 2018 – 2019, a community publication that saw contributions from over 70 McMaster community members, was launched on December 3, 2019 – the International Day of Persons with Disabilities – to an in-person audience of over 50 McMaster community members and countless other members. [A digital version of the Update](#) is available in the Inclusion Initiatives section of the McMaster Accessibility Hub website.

#### Recommendations Moving Forward:

The new DIMAND working group will focus on our central group work, keeping in mind that this work must not 1) overlap counterproductively with the mandate of the AccessMac Program / the Equity and Inclusion Office and 2) subsidize the institution with free labour in areas where the institution should already be providing and supporting accessibility / accommodation work according to accessibility legislation requirements and best practices. Top priorities for this group include:

- Work that centers social justice / disability justice, which could involve bringing well-known disability justice activists to the University to host events; supporting diverse subsets of discussion as part of the *Disability DIScussions* series; supporting ongoing community-building efforts that may already be taking place at the University for persons with disabilities; and
- Work that centers disability experience / inclusion as being the pathway to successful accessibility and accommodation work, which could look like developing experiential / experience-centered education for the campus and/or developing consultation groups of persons with disabilities to act as experts in different parts of the University where needed and useful.

Additionally, the group decided to hire a DIMAND working group member to compile the extensive feedback that has been provided to various units within the University by persons with disabilities over the past several years. This allowed the working group to better understand the overall concerns that disabled members of the McMaster community have been voicing for some time, without asking the same questions that had already yielded repeated, yet unanswered, responses.

As part of this work, three sets of documents were analyzed, after which feedback was thematically organized and aggregated. These documents include: *Disability DIScussions* feedback documents (Equity and Inclusion Office, 2017–2020), [Enhancing Accessibility and Disability Inclusion in McMaster's School of Social Work Report](#) (de Bie, A., 2015), and the [Ontario Undergraduate Student Alliance Accessibility and Disability Inclusion Policy Paper](#) (Cruz, Hackett, Nip, and Williams, 2019). This project / compilation document is a growing / “live” document, to make it possible that other feedback provided moving forward can be added to and organized within the categories of the document.

During the President’s visit to the annual year-end PACBIC meeting, several DIMAND working group members made the following recommendations:

- That Accessible Education training be made mandatory for all McMaster instructional staff
- McMaster works to de-mystify the processes of accommodation and accessibility to faculty members and managers, where the two concepts are often conflated
- Center disability inclusion in areas of disability research, writing, accommodations process and education (“Nothing about us without us”)

### **FIRST NATIONS, MÉTIS AND INUIT PRIORITIES GROUP**

#### **Reflections on the Year:**

The FNMI priorities group provided feedback on the Equity and Inclusion Office’s *EDI Action Plan*, McMaster’s *Student Diversity Census*, and the new *Online Inclusive Teaching and Learning Guide* (a collaboration between the MacPherson Institute and the Equity and Inclusion Office). In addition, the FNMI priorities group supported the initiative of the R3 working group to bring a Chilean theater group from Toronto that provided a short performance and presentation on organized resistance to gendered political violence currently happening in Chile. The group was led by Indigenous Chilean women and was an opportunity for the FNMI priorities group to provide solidarity to Indigenous women in other parts of the world, as well as to collaborate with R3 to educate the McMaster community about global issues of inequity. Other planned activities were disrupted by the early closure of campus due to COVID-19: we had hoped to provide support for students and families to attend the Little NHL hockey tournament in March and to support Indigenous Languages Week; and we had begun discussions to financially support students attending the Native American and Indigenous Studies Association Annual Meeting scheduled in Toronto in May. Due to the global pandemic these events were cancelled.

### Looking Ahead and Priorities Moving Forward:

The FNMI priorities group has plans to restructure its membership to include more Indigenous students, staff and faculty from all across the McMaster community. Thus far, the PACBIC Co-Chairs have met with the Indigenous Education Council about amending PACBIC's *Terms of Reference* to include a member of the IEC as the new convener for the FNMI priorities group beginning in the 2020–2021 academic year. This will be an opportunity for the wider Indigenous community to support efforts to ensure that McMaster is a safe learning and working environment for Indigenous peoples.

### GENDER AND SEXUALITY WORKING GROUP

#### Reflections on the Year:

This working group was newly formed last year, with work focusing on identifying priorities of relevance to equity-seeking groups working for greater justice related to gender and sexuality, including women and 2SLGBTQ+ community members. Events coordinated by the G&S working group included a 2SLGBTQ+ Welcome (Back) Reception for McMaster students, faculty, and staff, as well as a 2SLGBTQ+ Celebration and Information Fair. The working group also contributed significantly to organizing McMaster's annual National Day of Remembrance and Action on Violence Against Women, which this year included a keynote by Jaime Black, the Métis artist who created the REDress Project that is installed on McMaster's campus annually on December 6 to commemorate Missing and Murdered Indigenous Women as part of the community's reflections on systemic gender-based violence.

#### Recommendations Moving Forward:

The work of clarifying the mandate of the new group, and therefore most effective membership and leadership, is critically important in the context of the following evolving efforts:

- the University has expanded programming through the Sexual Violence Prevention and Response Office, under the purview of the Equity and Inclusion Office, which will include the re-imagining of a Sexual Violence Prevention and Response Working or Advisory Group; and
- University partners involved in the December 6<sup>th</sup> (Day of Remembrance and Action on Violence Against Women) Planning Committee are evaluating best approaches for a collaborative and impactful McMaster-wide annual event.

Next year's discussions of the working group's mandate and objectives will also consider ways of collaborating with other working groups and organizations to surface and program for intersectional 2SLGBTQ+ issues; programming for International Transgender Day of Remembrance (TDoR), observed annually on November 20; and enhancing sustained visibility of diverse gender- and sexuality-based identities and concerns on campus

## **INTERFAITH ISSUES WORKING GROUP**

### **Reflections on the Year:**

The Interfaith Issues Working Group (IFWG) continued through 2019/2020 with its various ad hoc interfaith/cultural gatherings, as well as its goal of moving closer toward a comprehensive Protocol for Spiritual Care at McMaster. The ongoing work of cultivating interfaith and cross-cultural community took place both in student Interfaith dialogue forums, and in organized social gatherings, featuring Kosher and Halal food, that began between the Abrahamic/Sarah/Hagar traditions of Judaism, Christianity and Islam and widened out to others.

After two years of work, the Protocol is coming to completion this Spring. This effort has included the recruitment of representation on campus from an audit of Indigenous, Religious, Secular and Spiritual identified communities (to help write the Protocol); developing a Terms of Reference; and organizing a transparent checks-and-balance polity for decision-making. The Protocol is currently in the hands of an Editor, after which it is subject to final approval by the Protocol committee and the Associate VP & Dean of Student Affairs.

### **Looking Ahead and Priorities Moving Forward:**

Looking ahead, the comprehensive impact of the Protocol will come down to implementation. The commitment, conviction and endurance of the Protocol group itself bodes well for the resiliency of this vision going forward. The first step would be to organize an official entity responsible for Spiritual Care within the University (as per the conditions of the Protocol); creating a digital space for its services and programs; establishing its administrative infrastructure; and eventually centralizing its presence at a physical site on campus.

## **RACE, RACISM AND RACIALIZATION WORKING GROUP**

### **Reflections on the Year:**

The R3 working group was first established in March 2015 (then named Anti-Racism Working Group) in response to ongoing conversations on campus about intersectional forms of racism and barriers to inclusion faced by diverse BIPOC (Black, Indigenous, and People of Colour) communities. Currently PACBIC's largest working group, R3 is comprised of engaged staff, students, faculty, and community members dedicated to a variety of anti-racist initiatives. This year, the working group's major activities included supporting month-long programming for Black History Month and Latin American Heritage Month; the year-long *Let's Talk About Race* series for BIPOC staff, students, and faculty; and sustained advocacy for more robust BIPOC staff support, increased numbers of full-time racialized faculty and executive leaders, and the development of a program in African & African Diaspora Studies (AADS). These myriad continuing efforts are indebted to the ideas, opinions, perspectives, work, commitment and time that all members of R3 volunteer throughout the year—we are incredibly thankful and inspired by all R3 members.

### ***Black History Month***

2020 was the third year in which McMaster had a dedicated Black History Month (BHM) Coordinator to support the programming and coordination of all the activities for the month (February) at McMaster. R3 actively participated in the extensive BHM planning. A highlight of the program was a visit by [OCAD University](#) Professor of Creative Writing and renowned dub poet, Lillian Allen, on February 27. A highlight of the program, Dr. Allen led a well-attended *Let's Talk about Race* lunchtime seminar in addition to headlining a public dub performance and talk followed by an on-stage interview with Angelo Grant, a second year Health Science student and editor of the Black student magazine, Pitch. This performance and interview was coordinated with English professor Dr. Daniel Coleman's first-year class and drew an audience of approximately 80 people. Other BHM 2020 events included a screening of the film "The Last Black Man in San Francisco"; a Black Expo in MUSC Atrium; an Art and Jazz Soiree in the McMaster Art Museum in coordination with "A Harlem Nocturne," a solo exhibition of work by Deanna Bowen; and the Mobile International African Museum showcasing the innovations of Black people from around the world. Black History Month 2020 was incredibly successful and R3 would like to congratulate and thank the BHM Coordinator, Tolulope Ojo, as well as all students, faculty and staff involved in planning or hosting BHM events for their contributions.

### ***Latin American Heritage Month***

This year, R3 helped organize McMaster's first celebration of Latin American Heritage Month. On June 21, 2018, the Canadian Parliament passed a law designating October as Latin American Heritage Month, in recognition of the significant contribution that the Latin American community has made to the social, economic, political and cultural fabric of Canada. Ontario has been celebrating this month since 2015. On October 9<sup>th</sup>, McMaster hosted the Honorable Senator Rosa Galvez, the first and only Latin American who has held a seat in the Senate of Canada. During her first event of the day, Senator Galvez discussed her experience as a racialized woman in engineering, her research, and her journey from academia to politics. She then participated in a panel with racialized women faculty from McMaster Science and Engineering, followed by a small lunch with various members of the McMaster community including students. The Senator also visited the McMaster Nuclear Reactor and met with senior leaders of the university. The day ended with Senator Galvez discussing the role that Latin American immigrants play in Canadian politics and society. This event was sponsored with various campus partners and R3 hopes that a similar celebration can occur in 2020.

### ***Let's Talk about Race Series***

Since 2018, with support from the Office of the President and Vice-Chancellor, R3's *Let's Talk about Race* (LTAR) series continues to be a renowned success with dozens of BIPOC students, faculty and staff participating regularly in the monthly events and discussions. Unfortunately, due to the COVID-19 outbreak, the March LTAR event was cancelled; we hope that it can be rescheduled in the future.



Below is a table that lists LTAR themes and facilitators engaged from October 2019 to March 2020:

Month	Theme	Facilitator(s)
October 2019	The importance of Language and Words	Rodrigo Narro Perez
November 2019	The Erasure of experience and the subjects of oblivion: speaking back to the obliviousness of whiteness	Dr. Ameil Joseph
January 2020	Islamophobia	Dr. Shelina Kassam, Fareeda Baruwa and Gachi Issa
February 2020	Decolonizing as Anti-Racist Practice	Dr. Lillian Allen
March 2020 (cancelled/ postponed)	Creating Safety for Marginalized Students in the Pedagogy	Ange Bitwayiki, Valerie Nwaokoro, Renee Hall and Fatemah Shamkhi

### ***Underrepresentation of Racialized Faculty Members and Executive Leaders***

While R3 continues to create programming and space for BIPOC communities to have important discussions and share their experiences at McMaster—thereby providing an essential service for BIPOC on campus—persistent structural and systemic issues involving race continue to be brought to our attention by members of R3. The working group recognizes the important work that the Equity and Inclusion Office and Human Resources have done these past couple of years regarding hiring practices and the incorporation of EDI principles and best practices. Yet we note that while the processes have changed, the outcomes continue to be the same both at the executive level (both centrally and within Faculties) and in the hiring of faculty members: in these positions, racialized individuals, particularly Black, Indigenous, Latin American and South East Asian people, continue to be severely underrepresented.

R3 continues to refer to the research conducted by the Academic Women's Association (University of Alberta) led by Dr. Malinda Smith that highlights the lack of diversity in the leadership of Canadian universities. For example, in 2019 it was reported that in the U15 (which includes McMaster), 100% of the Provosts and VPs (Academic) were white and 66.7% female; 92.2% of the U15 Deans of Faculties and Schools were white, 32% are female and 7.7% were a visible minority or Indigenous person [4]. R3 and many other McMaster community members know that these figures mirror and underlie day-to-day experience at McMaster, which continues to be conditioned in myriad ways by white privilege and the marginalization of racialized people. R3 continues to be in discussion with the AVP, Equity and Inclusion to discuss strategies to address this underrepresentation in positions of university leadership and authority.

### ***Support for BIPOC Staff***

Staff are an integral part of the McMaster community and they contribute in crucial ways to student success. Unfortunately, BIPOC staff continue to communicate that they see little to no support that is specific to the needs of racialized individuals. In response, R3 organized two lunches for BIPOC staff (in June 2019 and December 2019) to enable discussion of how McMaster can better support them. (Plans for a third lunch were disrupted by the COVID-19 closure of campus.) At both of these events, 20–25 staff members attended. They raised issues of concern including but not limited to: professional development, building a sense of community amongst other BIPOC staff, effective communication with managers, understanding McMaster career pathways, and advocacy and community work. In conversation with the AVP, Equity and Inclusion, guidelines for an Employee Resource Group (ERG) were drafted and will be presented to the BIPOC staff group for their feedback in the near future.

### ***ACFAM, AADS, and Ethnic Studies***

R3 continues to work closely with ACFAM (African Caribbean Faculty Association of McMaster University) in regards to their programming and to support the implementation of the African & African Diaspora Studies Minor (AADS). As part of Black History Month, ACFAM organized a Meet & Greet for Black Students (February 13<sup>th</sup>) that was sponsored by R3. In conjunction with an *ad hoc* working group of professors from various Faculties advocating for more full-time positions in AADS-related fields, R3 envisions the expansion of the AADS minor into a dedicated program that makes full use of McMaster's disciplinary and interdisciplinary strengths; its international commitment; its significant Caribbean archives of Miss Lou, Austin Clarke, and the large collection donated by Dr. Tony MacFarlane; and Hamilton's location in Canada from a geographic, political and historical perspective. R3 also continues to advocate for other regional/ethnic studies at McMaster such as Latin American Studies. There has been a noticeable increase in Latin American students on campus and the last census revealed that Spanish is the third most spoken language in Hamilton after Arabic and Italian (not including English). As McMaster continues to grow its expertise and curricula in the fields of critical race studies, ethnic studies, AADS and Black studies, and Indigenous studies, it is important to recognize how these fields of knowledge enhance and support one another and must be cultivated together, not in competition with one another, as part of a nexus of strategic interventions toward future student and researcher success in a diverse and transforming world. There is significant research and public discourse indicating that student success for Black and Latinx students is intrinsically linked with institutions offering ethnic academic programs linked to their identity.

### **Recommendations Moving Forward:**

R3 calls for the following initiatives to be prioritized and funded:

- Enhanced support for the African and African Diaspora Studies (AADS) minor, specifically through the hiring of faculty in this area, in alignment with the EDI and Internationalization strategic plans; exploration of the creation of a Latin American and Hispanic Studies minor; consideration of hiring faculty experts in these fields, as well as faculty with intersecting research interests and strengths to support these areas from an interdisciplinary perspective.

- Continued and enhanced support for Black-focused programming at McMaster University. McMaster should continue with the hiring of a Black History Month Coordinator, who should be hired at least 5 months before BHM. Further financial support should be dedicated to support Black-focused student programming such as Black Convocation, Maroon in Black Formal and other events.
- A hiring strategy that explicitly addresses the underrepresentation of BIPOC in executive and faculty positions, and that is grounded in ongoing, well-supported institutional research into the structural causes of such underrepresentation and the most effective ways of redressing it.
- The establishment of an Employee Resource Group to better support BIPOC staff.
- Continued support and resourcing of new and ongoing longitudinal research projects to further the study of race, racialization and racism on campus, in ways that not only advance breadth of scholarship in the field, but also advance McMaster's articulated EDI goals and priorities.

## APPENDIX A

### PACBIC 2019 MEMBERSHIP LIST

<b>Executive Members</b>	<b>Position</b>
Arig al Shaibah, AVP, Equity and Inclusion	Co-Chair
Eugenia Zuroski, Faculty, English & Cultural Studies	Co-Chair (Faculty)
Faith Ogunkoya, Global Experience Coord., Student Success Centre	Vice-Chair (Staff)
Prarthna Sakhuja, Diversity Services Coordinator, MSU	Vice-Chair (Student)
Anne Pottier, Associate Librarian/Chair, MAC	DIMAND Co-Convenor
Brittany Allan, Maccess Coordinator, MSU	DIMAND Co-Convenor
Vanessa Watts, Faculty, Sociology/ISP	FNMIP Co-Convenor
Jordan Carrier, Counsellor, Indigenous Student Services	FNMIP Co-Convenor
Amber Dean, Faculty, English & Cultural Studies	Gender and Sexuality Co-Convenor
Drew Lu-McLean, Pride Community Centre, MSU	Gender and Sexuality Co-Convenor
Nealob Kakar, Women & Gender Equity Network Coordinator, MSU	Gender and Sexuality Co-Convenor
Andy Crowell, Ecumenical Chaplain	Inter-Faith Issues Convenor
Juliet Daniel, Faculty, Biology	R3 Co-Convenor
Rodrigo Narro Perez, Graduate Student/Staff	R3 Co-Convenor

<b>Organization Members</b>	<b>Organization</b>
Karen Arnott, Manager, Finance and Administration	Athletics and Recreation
Wanda McKenna, AVP and CHRO	Human Resources Services
May-Marie Duwai-Sowa, Employment Equity Specialist	Human Resources Services
Melanie Garaffa, Manager Organization Development	Human Resources Services
Danielle Soucy, Director and Program Coordinator	Indigenous Students Health Centre
Catherine Booker, Recruitment and Liaison Officer	Indigenous Students Health Centre
Matthew Jocko, Assistant Program Coordinator	Indigenous Students Health Centre
Eliot Storm, Educational Development	MacPherson Institute
Judith Dworkin, Director	McMaster Hillel
Humza Ali, PR External, MSA	McMaster Muslim Students Association
Shemar Hackett, Vice-President Education	McMaster Student Union (MSU)
Lynne Serviss, Librarian	McMaster University Academic Librarians' Association
Elisabet Service, Graduate Chair, Dept of Linguistics and Languages	McMaster University Faculty Association
Sashaina Singh, Project Coordinator	Office of Community Engagement
Megan Cheng, Undergraduate	Ontario Public Interest Research Group (OPIRG)
Tim Nolan, Director	Student Accessibility Services (SAS)
Rosanne Kent, Director	Student Wellness Centre
Jim McAndrew, Health & Safety Coordinator	UNIFOR 5555

<b>Individual Members</b>	<b>Student, Staff, Faculty</b>
Albina Veltman	Faculty, Health Sciences
Bernice Downey	Faculty, Indigenous Health Initiative
Alex Lee	Staff, Indigenous Health Initiative
Ameil Joseph	Faculty, Social Work
Faiza Hirji	Faculty, Communication Studies and Multimedia
Kaitlin Debicki	Faculty, English & Cultural Studies/Indigenous Studies
Dilyana Mincheva	Faculty, Communication Studies and Multimedia
Sarah Brophy	Faculty, English & Cultural Studies
Arlene Fajutrao Dosen	Staff, Outreach & Engagement, Engineering
Chika Agbassi	Staff, Health Research Methodologist
Chris Roberts	Staff, Hospitality Services
Joanne Buckley	Staff, Student Accessibility Services
Karen Sutton	Staff, Campus Store/UNIFOR 5555
Tanya Rumble	Staff, University Advancement
Grace Pollock	Staff, Humanities
Shawn Small	Staff, Athletics and Recreation
Krista Jamieson	Staff, University Library
Carrie McMullin	Staff, Indigenous Studies Program
Sujane Kandasamy	Student
Aisha Wilks	Student
Maddie Brockbank	Student
Nya Wuol	Student
Thuan (Paul) Tieu	Student
Yimeng Wang	Student
Kelsey McCready	Student
Ange Bitwayiki	Student
Adrianna Michell	Student
Carolyn Brendon (ex-officio)	Staff, Ombuds Office

## APPENDIX B

### PACBIC 2019 SPONSORED AND/OR SUPPORTED EVENTS

#### **Beyond a One-Dimensional Framework: Race and Disability Discussions, March 26, 2019**

A two hour public event that invited Black/Disabled/Queer members of the Disability Justice Network of Ontario's Youth Council to discuss lived experiences of racism and ableism in engaging with work, study and community through presentations, imagery and poetry, as well as their active efforts to resist various forms of oppression and "isms" that they regularly experience as individuals with highly visible intersectional identities.

#### **Denoire Collective: Mental Health Conversations, May 26, 2019**

Q&A Panel and Discussion with spoken word performances; An opportunity to unite our community (particularly the Black Hamilton community) through discussions of mental health that focus on the experiences, perceptions, resources and conversation surrounding Black mental health.

#### **Black, Indigenous, People of Colour (BIPOC) Staff Networking Group, July and December, 2019**

A space for BIPOC McMaster Staff can network and share resources.

#### **2SLGBTQ+ Welcome (back) Reception for Students, Staff and Faculty, September 24, 2019**

Welcome reception for all 2SLGBTQ+ McMaster community.

#### **Let's Talk about Race, September 2019 – March 2020**

A series featuring various guest speakers that invites racialized students, staff and faculty to drop in to talk about racism and discrimination and to share resources and ideas. Overseen by R3 with support from the Equity and Inclusion Office, the series was made possible by financial support from the President and Vice-Chancellor's Fund.

#### **Hispanic Fair / Feria Hispania Community Event, October 5, 2019**

A fair featuring the food, music, dance, and customs of various Latin American countries in celebration of Latin American Heritage Month.

#### **2SLGBTQ+ Celebration and Information Fair, October 10, 2019**

In honour of National Coming Out Day, this event was to celebrate and reclaim the crosswalks that had been vandalized the year prior with 2SLGBTQ+ students, staff and faculty at McMaster and the broader Hamilton community.

#### **ConversAction: Anti-Racism Conference, November 7 and 8, 2019**

A focus on how to convert dialogue at the (e)Race(r) Conference into tangible action against racism.

#### **International Day of Persons with Disabilities Event, December 2, 2019**

Accessibility and Disability Inclusion Update Launch Party

50+ members of the McMaster community gathered in L.R. Wilson's Community Room on December 3<sup>rd</sup> to collectively celebrate the release of the 2<sup>nd</sup> annual Accessibility and Disability Inclusion Update and to celebrate and commemorate the International Day of Persons with Disabilities.

**Cultural Night in Solidarity with Chile, December 5, 2019**

Apoyamos Chile

An event to raise awareness in the Hamilton community about the situation in Chile by coming together in solidarity with the Chilean people, both in Canada and Chile. This free event invited members of the Hamilton community to theatre performances, musical performances and speeches by Chileans to educate the audience of the political situation in Chile.

**Black History Month Event List 2020: John C. Holland Awards (community event), February 1, 2020**

The annual awards honour African Canadian achievement and contributions in the Hamilton community.

**Black History Month Official Launch, February 3, 2020**

Opening remarks by Associate Vice-President, Equity and Inclusion, Dr. Arig al Shaibah.

**Black Expo, February 3, 2020**

An opportunity to learn and engage with Black-focused student groups on campus.

**Film Showing – “The Last Black Man in San Francisco”, February 4, 2020**

McMaster students, staff and faculty were invited to a screening and discussion of this 2019 American drama.

**Human Library Series of 1-on-1 speakers, February 5, 2020**

The Human Library is an inclusive, confidential, and non-judgmental space where members of the McMaster Community can choose to become “Human Books” and share their personal life stories. Face-to-face conversations allow students, staff and faculty at McMaster to celebrate the diversity present on the McMaster campus, help break down stereotypes and prejudices and help strengthen the McMaster community.

**Art & Jazz Soirée, February 6, 2020**

An event featuring various displays of art, including the McMaster Museum of Art's exhibition "A Harlem Nocturne" by artist Deanna Bowen and a display of works by community artists, and a musical performance by acclaimed vocalist Colina Phillips.

**The International African Museum, February 10, 2020**

A mobile museum showcasing continental African and Caribbean inventions.

**Guest Speaker: Dr. Onye Nnorom – “Beyond Bias: Systems, Race and Health”, February 10, 2020**

The social determinants of health—education, gender, culture, immigration, institutionalized racism—can affect health and health behaviours. Using the Black community as a case example, Dr. Nnorom discussed how racism impacts people's health, as well as promising practices for addressing systemic and inter-personal racism in healthcare.

**Building Solidarity: Between Faith, Two Spirit and LGTQIA+ Communities, February 13, 2020**

This panel discussion explored ways for diverse marginalized communities to safely connect with and support one another.



May 5, 2020

TO: University Planning Committee

FROM: Dr. Karen Mossman, Acting Vice-President, Research

RE: **Centre for Human Rights and Restorative Justice (CHRRJ)**

=====

The Committee on Research Institutes and Centres has reviewed the attached Proposal for the Centre for Human Rights and Restorative Justice (CHRRJ) as per the policies and guidelines, and has been unanimously approved.

Please include this as an agenda item for the next University Planning Committee Meeting on Wednesday, May 13, 2020. Dr. Mossman will be available to attend the University Planning Committee meeting to discuss the proposed Institute in further detail.

KM:jt

Attach.

cc: Acting Provost and Vice-President (Academic)  
Vice-Provost and Dean of Graduate Studies  
Dean of Humanitites  
University Secretariat and Freedom of Information and Protection of Privacy Officer



## Proposal to Establish a New Research Centre

### **The Centre for Human Rights and Restorative Justice (CHRRJ)**

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## 1. Objectives and Activities

### 1.1. Name

Centre for Human Rights and Restorative Justice (CHRRJ)

### 1.2. Objectives

The Centre for Human Rights and Restorative Justice (CHRRJ) is a McMaster research centre dedicated to the multidisciplinary and transnational study of human rights and restorative justice processes around the world. It aims to address historical atrocities and contemporary human rights violations as well as explore the ways in which societies seek to rebuild and repair in the aftermath of conflict.

CHRRJ brings together a network of expert scholars, policymakers, human rights and peacebuilding practitioners, community leaders and other stakeholders to study the impacts and legacies of human rights violations alongside the restorative justice mechanisms established to address these violations. In order to achieve the overarching goal of advancing McMaster's research excellence in the interdisciplinary domain of human rights and transformative justice, the primary objectives of CHRRJ are the following:

1. To provide a platform for the sustained study of global human rights conditions and transitional justice projects, including the research infrastructure necessary for archiving data and resources that enable the exploration and analyses of collective memories of human rights violations and post-conflict peacebuilding.
2. To provide excellent research training and create networking opportunities for CHRRJ members and graduate students.
3. To engage in sustained knowledge mobilization and outreach to key stakeholders through activities that include but are not limited to policy consultancy, education in media literacy, and community engagement.

CHRRJ takes a broad approach to human rights and restorative justice. It approaches human rights not simply as legalistic entitlements, but also as ethical claims founded on cross-cultural notions of human dignity and wellbeing. Its approach to restorative justice emphasizes responsibility, redress, peacebuilding and societal repair. The work of CHRRJ is founded on the belief that collective acknowledgment of past atrocities, redress of present abuses, reflection and repair through restorative justice processes can help build more equitable and inclusive societies. This, in turn, can foster civic engagement and democratic participation.

With this mandate in mind, CHRRJ will support the development of research partnerships and foster interdisciplinary collaborations within the Centre and between the Centre and other organizations, at McMaster and beyond. The goal and objectives of the Centre outlined above have been shaped by consultations with McMaster faculty members working in the field of human rights and social/environmental justice as well as consultations with related McMaster organizations such as the Peace Studies Program and the Centre for Community Engaged Narrative Arts.

### 1.3. Activities – Overview

CHRRJ activities will be organized into three strategic areas, each of which addresses a core objective of the Centre outlined above.

#### *a. Research Projects Clusters*

This set of CHRRJ activities will centre around clusters of researchers, practitioners and students working on topics within the broad mandate of the centre. Research within these clusters can take two forms: 1) Collaborative projects initiated by two or more members that align with the Centre's goal and objectives; 2) New or ongoing individual projects by members related to at least one of CHRRJ's research clusters that is supported by the Centre's resources and networks. The Centre will provide the conditions for fruitful interactions within and between clusters. This will include organising workshops on topics that cut across individual and cluster projects. Additional details regarding the initial themes designated for research clusters are provided in section 1.4 below.

#### *b. Student Training*

CHRRJ will provide research and practitioner training on human rights, memory studies and restorative justice to undergraduate and graduate students affiliated with the Centre. Students will work with members and have opportunities to collaborate with the Centre's network of members and affiliates. CHRRJ will develop a summer internship program for High School students in the Hamilton community to give them an opportunity to receive experiential learning in human rights and social justice research. The Centre will work with local youth charities to develop modalities for granting these internships. The Centre will also support members who wish to develop courses arising from their centre-related research projects.

#### *c. Knowledge Communication*

CHRRJ will communicate research knowledge through hosting and sponsoring annual workshops and international conferences. Summer Workshops are a

unique opportunity for growth and cross-disciplinary knowledge exchange on human rights and social justice research and advocacy. The workshops will be open to academics, NGO workers, practitioners and policymakers. The Centre will work with a reputable academic press to publish edited volumes arising from its research activities. The Centre's research and programs will also be disseminated through the publication of policy briefs and media commentaries.

#### **1.4. Current and Proposed Research Activities**

CHRRJ activities will build on the several ongoing research projects of its members. These projects include:

- [The Confronting Atrocity Project](#) is an international project on truth commissions and politics of memory in Africa, the Middle East and Latin America. The Confronting Atrocity Project has created a research network of expert scholars, practitioners, community partners and graduate students working on restorative justice projects in 16 countries. It has developed partnerships with several institutions, think tanks and organizations involved in human rights, social justice and civic inclusion research (PI: Bonny Ibhawoh).
- [Participedia](#) is a global partnership titled Participedia (funded by a SSHRC Partnership Grant) aims to create and mobilize knowledge about democratic innovations (PI: Mark Warren, UBC). CHRRJ members at McMaster are part of Participedia's cluster on "Human and Political Rights," and are leading a SSHRC Partnership Grant application for Phase Two (PI: Bonny Ibhawoh).
- Community-engaged research and teaching in histories of women's rights movements and social inequalities. This includes research and teaching with the Integrated Business and Humanities Program (IBH) (PI: Karen Balcom).
- Research project on Immigration Detention and Deportation Policies. This project involves critical race theory, critical disability studies, criminal justice research, postcolonial studies, ethics and social justice research. (PI: Ameil Joseph).
- Research on catastrophic history and the history of the future with special focus on environmental justice (PI: Michael Egan).
- Historical research on recent human rights activists, including Canadian and US advocates of anti-racism, labour rights, and women's rights (PI: Ruth Frager).

- Research on international and domestic law relating to human rights, health and environmental sustainability (PI: Nancy Doubleday)
- Research projects on social entrepreneurship and indigenous movements in Bolivia, Ecuador and Brazil, and community engagement projects in Hamilton. This includes work on social movements, indigenous social entrepreneurship, immigrant integration, and gender studies. Projects also encompass community-engaged research and teaching with the Integrated Business and Humanities (IBH) program (PI: Benson Honig).
- Research on government apologies, decolonial archives, oral histories of violence, race and nation making in Canada, transnational histories of violence, politics of memorialization, racial grief, and collective narratives of trauma. This project also focuses on collecting oral histories of and developing an Air India archive at McMaster to create new forms of public history and avenues for memorialization with the hope of influencing public policy (PI: Chandrima Chakraborty).
- Project on colonial institutions and children's welfare in the British Caribbean. This SSHRC-funded comparative project focuses on exploring the experiences of children in colonial reformatories and industrial schools in the British Caribbean in the first half of the 20th century. This work includes a focus on the impact of contemporary ideas about race, gender, and class (PI: Juanita De Barros).
- Research project on genocide history, literature and memorialization practices in Rwanda (PI: Eugène Nshimiyimana).
- Research on human rights and military intervention in Latin America and Africa with a focus on the political role of the judiciary in Chile (PI: Nibaldo Galleguillos).

CHRRJ will provide an institutional home for these ongoing projects, and create a platform for new collaborative projects organized into three key research themes - *Human Rights and Memory, Transitional and Restorative Justice, and Social and Environmental Justice*. Members are not required to be permanently associated with a specific cluster, and may move in and out of clusters depending on their research interests.

***a. Human Rights and Memory Cluster***

This cluster will focus on research into historical atrocities, as well as initiatives aimed at redressing the impacts and legacies of these atrocities. The cluster will also explore contemporary human rights abuses and peacebuilding efforts through the study of collective memory. Cluster projects will examine atrocities arising from slavery, colonialism, genocides, war crimes, discrimination and violence against women, labour and minority rights violations, and state repression. Projects will also explore institutional efforts to address historical and contemporary human rights abuses, including but not limited to truth commissions, policy reforms, apologies, memorials and commemorations. Under this cluster, CHRRJ will support the ongoing development of a comprehensive global database of truth commission records to facilitate the study of national truth-seeking and reconciliation processes.

***b. Transitional and Restorative Justice Cluster***

This research cluster will focus on post-conflict peacebuilding, democratic transition processes, and restorative justice initiatives in the context of states, criminal justice and school systems. It will include studies of societies in transition, political and social re-integration and economic reforms in environments of transition. An example of an ongoing project that will be located in this cluster is the Participedia Project. Participedia is a global platform for sharing knowledge and stories about public participation and democratic innovations. CHRRJ's Participedia sub-project aims to develop a web-based repository of academic and practitioner resources on restorative justice processes across various sectors including international conflict resolution and peacebuilding processes, criminal justice, and in schools. In February 2020, CHRRJ submitted a SSHRC Partnership Grant Letter of Intent application to support this project. Ongoing research by CHRRJ members that falls within this cluster include studies of transitional justice processes in Latin America, Africa, Europe and Southeast Asia, and entrepreneurship in transitional economies.

***c. Social and Environmental Justice Cluster***

This cluster will focus on research on local and global social/environmental justice initiatives and movements, including how these initiatives inform and are informed by social-ecological systems, communities and cultural expression. CHRRJ members working within this cluster are involved in research on a wide range of cultural forms, organizations and actors that contribute to the expression of social justice issues, conflict and conflict resolution, and political and social activist movements. Cluster members document and explore representations of racism, bigotry, intolerance, and xenophobia in literature, film and media.

Projects under this cluster also include research on political crises, migration and new migrant experiences, critical race theory, critical disability studies, sustainability and environmental justice.

Under the guidance of its advisory and governance committees, CHRRJ will consolidate and expand research activities currently being undertaken in these research clusters. Through the cluster model, ongoing research projects will be connected to the Centre's larger platform, resources and network as a means of broadening the knowledge sharing and impact of these projects, while also enhancing the knowledge and training of students and faculty affiliated with the Centre. Importantly, the clusters will also serve to seed new research initiatives and collaborations, which will then be integrated with and supported by the Centre in their initial stages in order to develop and seek external funding, partners and resources.

## **2. Rationale**

Human rights principles, which have provided the key framework for ordering society since the mid-20th century, are in danger of fracturing at a moment of global insecurity and increasing political disarray. Climate change, refugee flows, xenophobic populism, growing inequalities, and toxic forms of digital communication all pose threats to people, societies, and political systems – threats, it appears, that cannot be adequately countered by the scope and powers of international organizations, which now struggle to maintain their legitimacy against resurgent nationalisms.

States are increasingly reluctant to honour established international human rights treaties or fulfil domestic rights obligations, as is evident in the political marginalization of minority communities and a growing tolerance of the use of torture for national security purposes. Significantly, the current assault on human rights and democracy is not a problem faced only in weak or developing states. Human rights are also increasingly under assault in advanced liberal democracies. Across the world, state and non-state actors have been responding in innovative and important ways to increase accountability, foster democratic governance, and work collectively to defend peace, security and human rights.

The establishment of the Centre for Human Rights and Restorative Justice (CHRRJ) responds to the recognition of these growing challenges, the historical trends that preceded them, and the emergence of new social movements at this critical moment in time. At a theoretical level, the notion of universal human rights continues to be challenged and complicated on multiple fronts. It is complicated by proponents of varying degrees of national and cultural relativism who question universalist claims; by positivists who refuse to recognize any human rights other than legally enforceable

entitlements; by essentialists who subscribe only to a post-World War II United Nations-inspired definition of universal human rights, and by evolutionists who emphasize the historical continuities of the human rights idea and not just the paradigmatic ideological shifts of the twentieth century. CHRRJ researchers will engage with these important theoretical and philosophical debates about human rights.

At the practical level of policy and international law, the post-Second World War international consensus on universal human rights seems to be waning. The promise of the Universal Declaration of Human Rights adopted by the United Nations in 1948 is far from being fulfilled. According to the United Nations High Commissioner for Human Rights, this contributes to the present conditions that are enabling the rise of “populist authoritarian nationalists who are taking aim at the most vulnerable groups of society.” Given the current alarming conjunction of authoritarianism, populism, globalization, and mass migration, there is need for renewed intellectual and research focus on human rights and social justice.

The interdisciplinary research generated by the CHRRJ will necessarily cross academic and practitioner domains. It will at once be aimed at enhancing our understanding of historical and current challenges, and invested in upholding the principles of equality, dignity, human rights, and social justice in our responses, whether local, national or global in scale. In this way, CHRRJ’s mandate will make an important and timely contribution to advancing McMaster’s commitment to fostering *Equitable, Prosperous and Sustainable Societies*, as outlined in the University’s Strategic Research Plan (SRP). The SRP asks the following crucial question: *How do we respond to those who have become alienated and left behind by social, economic, and cultural change, while shaping a fast-moving world to be more inclusive of all in society?* (“Research for a Brighter World, McMaster University Strategic Plan for Research 2018-2023”). CHRRJ’s mandate is also relevant to the United Nations’ Sustainable Development Goals, specifically, SDG goal #16 (Peace, Justice & Strong Institutions) which focuses on building more peaceful, inclusive societies.

The formation of a new research centre will provide the means for a robust response to these critically important social concerns, one that builds on the strengths of current research being undertaken at McMaster by bringing together researchers currently dispersed across sites of the University. CHRRJ will provide the framework for a collective effort that will generate groundbreaking research equipped to address questions of social exclusion and other pressing societal problems rooted in injustice. CHRRJ will respond to the urgent call for the increased participation of scholars and academic institutions in matters of public and political significance – a call that is both ethical and intellectual in nature – by focusing attention on the historical and



contemporary human rights abuses and inequities that fuel present-day conflicts, with the aim of deepening our collective understanding of these issues and providing rigorous, practical solutions to restore justice and prevent future harm.

### 3. Participants and Membership

McMaster faculty members with research interests and accomplishments in areas related to human rights and restorative justice are eligible for membership in CHRRJ. Members will be invited or self-identified based on their research interests and profile. Membership in the Centre will be determined by the Director in consultation with the Internal Advisory Committee. The Director will maintain the membership list and may seek input from the Advisory Committees and the Governing Board. CHRRJ members are expected to be active participants in one or more of the Centre's identified research clusters and may propose new cluster areas that align with the Centre's goal and objectives and involve at least two Centre members. Members will receive communications pertaining to the Centre's activities, and, where possible, share information and opportunities with other Centre members (through the Centre's online platform). They will be encouraged to engage in collaborative research, training and knowledge communication under the auspices of the Centre. Members' contributions may comprise of individual and team research that intersects with the goal and objectives of the Centre, or may involve collaboration in projects associated with the cluster themes.

The following list represents McMaster faculty members who will form the initial membership of the Centre, with members of the Internal Advisory Committee (AC) indicated. We expect this list to grow as more researchers elect to join the Centre.

- |                         |   |
|-------------------------|---|
| - Karen Balcom          | Humanities (History) – AC                             |
| - Chandrima Chakraborty | Humanities (English & Cultural Studies/Peace Studies) |
| - Juanita DeBarros      | Humanities (History) - AC                             |
| - Nancy Doubleday       | Humanities (Philosophy/Peace Studies)                 |
| - Michael Egan          | Humanities (History) – AC                             |
| - Ruth Frager           | Humanities (History) - AC                             |
| - Nibaldo Galleguillos  | Social Science (Political Science)                    |
| - Benson Honig          | DeGroote School of Business                           |
| - Bonny Ibhawoh         | Humanities (History/Peace Studies) – AC               |
| - Ameil Joseph          | Social Science (Social Work)                          |
| - Eugène Nshimiyimana   | Humanities (French)                                   |
| - Stephan Sciaraffa     | Humanities (Philosophy) – AC                          |

- Melike Yilmaz Humanities (History)
- Mesut Yilmaz Humanities (History)

In addition to a membership comprised of McMaster researchers, CHRRJ will host researchers from partner universities and organizations involved with the centre as Visiting Professors and Fellows.

#### 4. Business Plan

##### 4.1. Financial Resources

The proposed Centre has received start-up funding and an annual commitment from the Faculty of Humanities and the Office of the Provost.

##### **One Time Start-Up Funding, 2019-20**

Dean of Humanities	\$10,000
Office of the Provost	\$20,000
<b>Total:</b>	<b>\$30,000</b>

##### **Annual Committed Revenue, 2019-2025**

Dean of Humanities (5-year commitment)	\$45,000
Office of the Provost (3-year commitment)	\$15,000
<b>Total:</b>	<b>\$60,000</b>

Annual financial revenues will be used to support the ongoing research, personnel and infrastructure costs of the Centre. A minimum portion of \$20,000 from the annual commitment made by the Dean of Humanities will be used for the Centre's infrastructure and staffing costs. Yearly expenses associated with the Centre's activities are expected to include (but not be limited to) the costs associated with the student internship program, and knowledge mobilization and outreach activities such as hosting workshops and international conferences. See *Appendix A* for a detailed breakdown of anticipated expenditures.

The research programs of faculty members affiliated with the proposed Centre have been supported and recognized by substantial external grants (SSHRC, Asper Foundation, Jarislowsky Foundation, etc.). With additional funding from pending and future grant applications, it is anticipated that external research funding will supplement the financial resources provided by McMaster. Moreover, the Centre will actively and strategically seek additional resources and external support. A regular feature of Centre activities will be the hosting of workshops and conferences, often involving applications to SSHRC's Connection Grant program (e.g., an application to support an international

conference at McMaster in 2021 is underway).

As the conversation between Centre members about shared research deepens, we will look for opportunities to support the development of joint funding applications, including applications to foundations and to SSHRC. In addition to supporting the new projects arising from the Centre's facilitated research clusters, CHRRJ will bring together individual researchers and groups of researchers who continue to undertake their own, independently funded initiatives. Thus, the level of activity connected to the Centre will be much higher than the "core" budget might suggest.

#### **4.2. Space and Research Infrastructure**

CHRRJ will be located on the 6<sup>th</sup> floor of Chester New Hall in space allocated by the Faculty of Humanities. The space includes offices for the Director and research personnel, as well as an open, multi-use space for events and for research assistants. Start-up funds will enable CHRRJ to acquire high performance computers and software for digitization and analyses of video, audio and textual data. The Centre will also acquire audiovisual conferencing equipment to facilitate meetings with research partners in other countries.

Part of the long-term development plans for CHRRJ is to establish an Oral History Laboratory within the space currently allocated to the Centre. This research lab will include infrastructure for media recording, digitization and editing. It will provide technical services, support and consultation in the areas of oral history methodology, multimedia recording, digitization, curation and preservation. It will include acoustically managed sound-booths for interview sessions and technical facilities for transcription and for converting analog audio/video to digital formats.

#### **4.3. Human Resources**

The Faculty of Humanities will support annual teaching release for the Centre's Director equivalent to one course (or 3 units of teaching), applicable when the Director does not have a reduced teaching load. With start-up funding, a part-time Research Coordinator with PhD qualification was hired in 2020. It is expected that yearly expenses of the CHRRJ will include the ongoing cost of a part-time Research Coordinator and student research assistants trained in digital research who will work with members on individual or group projects. Research staff and students who work for the Centre will report to the Centre's Director and support the Director to plan, implement and oversee the activities of CHRRJ.

In addition, the Faculty of Humanities will provide in-kind staff support from Humanities Media and Computing (HMC). HMC will provide valuable technical and computing expertise to the Centre during the critical set-up phase, and on an ongoing basis to ensure the maintenance and renewal of research infrastructure. This will include providing advice on equipment and software purchase, identifying research needs and resources for grant-writing purposes, and support for database/website development. CHRRJ will continue to work closely with HMC on technical support and on the plans to establish an Oral History Lab.

## **5. Organizational Structure and Governance**

CHRRJ is a research centre affiliated primarily with a single Faculty, the Faculty of Humanities, and as such will report directly to the Dean of Humanities. Its governance structure will comply with the requirements of the McMaster Guidelines for the Governance and Review of Research Institutes, Centres and Groups. The principal administrative roles connected to the Centre are a Director, a Governing Board, an Internal Advisory Committee, and an External Advisory Committee (see Appendix B for diagram of roles and reporting lines).

### **5.1. Director**

The Director will be a faculty member of the Faculty of Humanities who will be appointed for a five-year, renewable term by the Senate and Board of Governors upon the recommendation of the Dean of Humanities to whom the Director will report. The Director will set the agenda for the Centre in consultation with the Governing Board and Advisory Committees. The Director will report directly to the Dean of the Faculty of Humanities, with whom final authority for all matters regarding the direction and operation of the Centre rests, and will work in collaboration with the Associate Dean (Research) of Humanities. The Director will submit a written report annually to the Governing Board, which will be chaired by the Dean of Humanities (or delegate).

### **5.2. Advisory Committee (Internal)**

An Internal Advisory Committee (IAC) of 6 members will be formed, and will include and be chaired by the Centre's Director. Five McMaster faculty members who are also members of the Centre will be appointed to the internal AC for 3-year renewable terms. Appointments will be made by the Centre's Director in consultation with the full membership. The internal AC will advise the Director on research and scholarly priorities, as well as programming and strategic directions. It will assist the Director by reviewing the preliminary report of Centre activities and

budget before submission to the Governing Board. The internal AC will be consulted on an ongoing basis electronically, scheduling formal in-person meetings as necessary.

### **5.3. Advisory Committee (External)**

The Director will establish an External Advisory Committee whose purpose is to provide expert national and international advice to the Director with regard to scholarly priorities and strategic directions for the Centre. Members of the external AC are chosen by the Director, and will be consulted at least every two years, or more frequently at the discretion of the Director.

### **5.4. Governing Board**

The Governing Board will comprise the Dean of Humanities (who normally chairs the Governing Board), the Associate Dean (Research) of Humanities and the Chair of the History Department. The GB will receive a report from the Centre Director on an annual basis, including an update of the Centre's business plan, its financial viability, and its progress toward meeting goals.

### **5.5. External Review Board**

The External Review Board (ERB) will be appointed by the Dean of Humanities, or designate, every five years. The Dean will determine the composition of the ERB, which may consist of external or internal reviewers and will provide an assessment of the Centre's performance in terms of its aspirations and the status, progress and plans associated with its research program. The ERB will be provided the Guidelines for the Governance and Review of Research Institutes, Centres and Groups to guide its review, and will submit a report to the Dean of Humanities.

## **6. CHRRJ's Current and Prospective Relationships**

Although CHRRJ is located primarily within the Faculty of Humanities, it will strive to develop strong relationships with other research organizations, offices and units at McMaster and with external partners, including those identified below.

### **6.1. Faculty Context**

- a. Associate Dean of Graduate Studies and Research.* CHRRJ will work with the Associate Dean (Research) for the Faculty of Humanities to ensure that the Centre's research and programs align with the Faculty's strategic research priorities.
- b. Peace Studies Program:* The objectives of the peace studies program complement the mandate of CHRRJ. Peace Studies seeks to understand

war and peace, violence and nonviolence, conflict and conflict transformation, and explores ways to promote human well-being. CHRRJ focuses on research and research training primarily in support of faculty and emerging scholars; Peace Studies focuses on academic curricula and undergraduate student development. This will present many opportunities to work together. CHRRJ will partner with Peace Studies on mutually beneficial research projects, curriculum development, knowledge communication and student training.

## 6.2. University Context

The current and future activities of CHRRJ will benefit from relationships with the following University units.

- a. *Sherman Centre for Digital Scholarship*: The Sherman Centre is supported by the University Library and Faculty of Humanities. It provides consulting and technical support to faculty and graduate students with all levels of technological experience. Researchers and graduate students affiliated with CHRRJ will draw on the support and training programs provided by the Sherman Centre. The Sherman Centre's technical facilities and resources in the areas of database development, media digitization, the coding and analysis of qualitative data and MacSphere data storage will be especially relevant to the work of CHRRJ.
- b. *Research & High-Performance Computing*: RHPCS supports the computational and digital research infrastructure needs of researchers at McMaster. Its services include data storage and backups, data visualization and analysis programming and research laboratory and research infrastructure design. The current technological and computing needs of CHRRJ are adequately supported by Humanities Media Computing. However, we have consulted with Dr. Ranil Sonnadara who heads RHPCS on the possibilities of additional technical support as the work of the centre grows.
- c. *MacDATA*. MacDATA is a University-wide Institute that coordinates data-driven research and training at McMaster. MacDATA offers graduate student fellowships for data-driven research and a data science certificate offered by the Centre for Continuing Education. CHRRJ researchers will be dealing mostly with qualitative textual and multimedia data rather than quantitative data which is the main focus of MacDATA. However, CHRRJ members will explore collaboration with MacDATA in relevant areas such as data analytics and data harmonization. Graduate students affiliated with CHRRJ will be

encouraged to apply for MacDATA fellowships.

- d. *Office of Community Engagement.* The Office of Community Engagement (OCE) works to foster collaboration between University and community partners to better understand and consider the issues identified as priorities by local communities. It is also involved in performing research, teaching and service with community members and partners. Where suitable, CHRRJ research clusters and individual members will collaborate with the OCE on research, students training and knowledge communication.

### 6.3 Regional and National Contexts

Where opportunities arise, CHRRJ will collaborate with institutions and organizations across Ontario and Canada involved in human rights and social justice research, education and advocacy. CHRRJ members have ongoing research contacts and partnerships with related Canadian University-based institutes such as the Centre for Critical Development Studies at the University of Toronto, the Centre for International Studies at the University of Montreal, Community Engaged Research Initiative at Simon Fraser University and Coady International Institute at St. Francis Xavier University. CHRRJ will strengthen existing partnerships with the Canadian Museum of Human Rights and forge links with the Centre for Transitional Justice and Post-Conflict Reconstruction at the University of Western Ontario, and the National Centre for Truth and Reconciliation at the University of Manitoba.

### 6.3 International Contexts

CHRRJ has emerged in response to the global crisis in democratic governance at a time when academic institutions, governmental agencies and non-governmental organizations across the world are devoting more attention and resources to research and advocacy work on human rights, peacebuilding and transitional justice. CHRRJ members have ongoing partnerships with researchers and institutions in several countries in North America, Africa, the Caribbean, South America, Europe and South East Asia. CHRRJ members have partnered with international organizations such as the United Nations Development Program (UNDP) and the Office of the United Nations High Commissioner for Human Rights in Geneva. These partnerships position CHRRJ well to contribute to current international human rights debates.

Recently, Dr. Bonny Ibhawoh, a founding member of the CHRRJ, was appointed by the United Nations Human Rights Council in Geneva as a UN

"Special Procedure Mandate" Expert on the Right to Development. Dr. Ibhawoh's UN mandate involves international monitoring, evaluation and reporting on human rights policies and practices. Promoting the UN Sustainable Development Goals (SDGs) is a core part of Dr. Ibhawoh's UN mandate. In 2019 McMaster was ranked second in the world for global impact based on the United Nation's SDGs. CHRRJ's connections and collaborations with international organizations such as the UN will strengthen McMaster's reputation as one of the most socially impactful universities in the world.



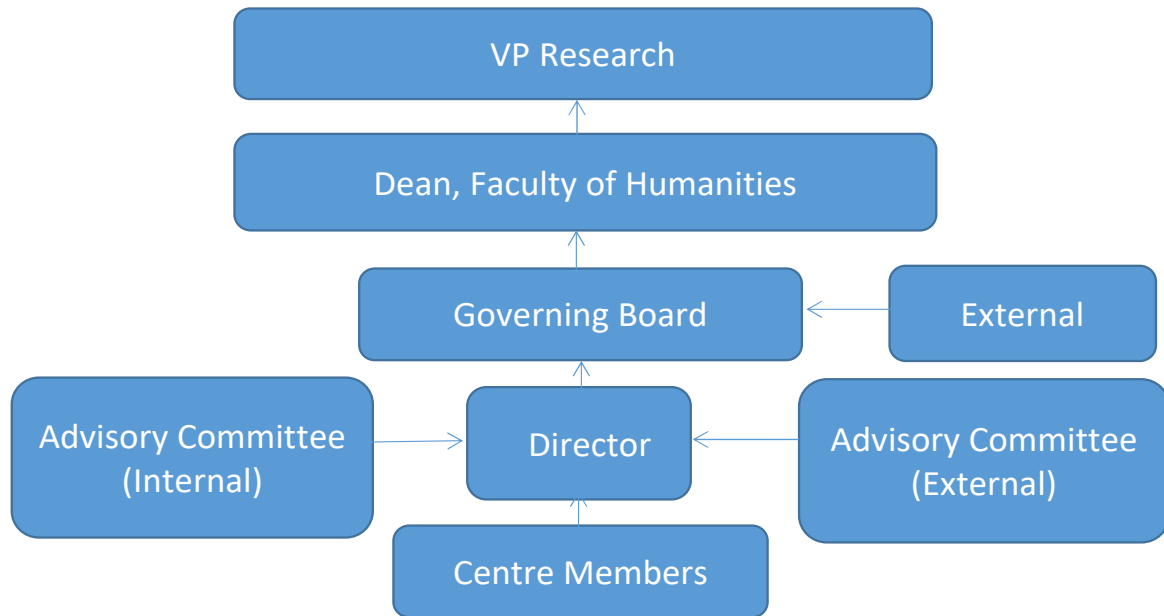
## APPENDIX A - Budget

### Centre for Human Rights and Restorative Justice (CHRRJ)

	2020-21	2021-22	2022-23	2024-25	2025-26	Total
<b>OPENING BALANCE/CARRY FORWARD</b>		\$ -	\$ -	\$ -	\$ -	\$ -
<b>REVENUE - indicate whether secured or anticipated</b>	Insert year	Insert year	Insert year	Insert year	Insert year	Total
<i>Please ensure that any anticipated revenue from grant funding will only support costs eligible for that grant</i>						
Provost	\$ 35,000	\$ 15,000	\$ 15,000			\$ 65,000
Dean of Humanities	\$ 55,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 235,000
<b>TOTAL REVENUE</b>	<b>\$ 90,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>\$ 300,000</b>
<b>EXPENSES</b>	Insert year	Insert year	Insert year	Insert year	Insert year	Total
<b>Administrative Expenses: (add rows as required)</b>						
Administrative Personnel						\$ -
Research Coordinator Salary (Part-time)	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Student Salaries (Data analyses and websites)	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 30,000
Summer Internship Program	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 20,000
Office Supplies:						\$ -
Telephone, stationaries and printing	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
						\$ -
Office Equipment:						\$ -
Computers /Printer/digital recorders	\$ 14,000	\$ 4,000	\$ 4,000			\$ 22,000
Software Costs (Nvivo/Transcription subscption)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 4,000	\$ 4,000	\$ 23,000
Teaching release for Director - Not budgeted for first 5 years						\$ -
Workshops, Conferences and Speakers	\$ 20,000	\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 80,000
Ongoing costs for space:						\$ -
Space renovations, logo and signage	\$ 20,000					\$ 20,000
Occupies existing space supported by the Faculty of Humanities; No additional ongoing space cost.						\$ -
<b>Total Administrative Expenses</b>	<b>\$ 90,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>\$ 300,000</b>
<b>Research Expenses: (add rows as required)</b>						
Not included in this operating budget						\$ -
<b>Total Research Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENSES</b>	<b>\$ 90,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>\$ 300,000</b>
<b>IN-YEAR (Surplus/ Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## APPENDIX B

### Reporting Lines for the Centre



16<sup>th</sup> April 2020

**Re: Termination of the Stem Cell and Cancer Research Institute (SCC-RI)**

Dear Mr. Merkel and Members of the Board of Governors:

McMaster's Stem Cell and Cancer Research Institute (SCC-RI) was established in 2006, and has enjoyed nearly 15 years of productive research supported by several of the University's major donors. In 2006, Dr. Mick Bhatia was recruited to McMaster to lead the Institute, and he continued to serve in this role for nearly three consecutive terms. Dr. Bhatia also holds the Michael G. DeGroote Chair in Stem Cell and Cancer Biology, which coincides with his term as Director.

While Dr. Bhatia and the other members of the Institute have carried out impressive and impactful research, it has become clear that the original mandate of the Institute, and its unique collaborative approach to stem cell research, are no longer aligned with the best interests of the Institute members or of the Faculty of Health Sciences.

In December 2019, Dr. Bhatia stepped down as Director, and two of the remaining researchers in the Institute have accepted roles at other institutions. After consultation with the members of the SCC-RI Governing Board, I requested that an external review of the Institute be performed. The unanimous recommendation of the committee was for termination of the Institute.

Therefore, I am recommending that the SCC-RI be officially terminated according to the University's guidelines. We are currently exploring new ways to support the remaining members of the SCC-RI, including through new collaborative research structures and alignment with priority research areas in the Faculty. I will be communicating with the donors who have

supported the Institute so that they are aware of these changes and how their support will be designated into the future.

Should you have any questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul M. O'Byrne". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Paul M. O'Byrne, MB, FRCP(C), FRSC  
Dean and Vice-President  
Faculty of Health Sciences  
Michael G. DeGroote School of Medicine  
Distinguished University Professor  
McMaster University

**REPORT TO THE UNIVERSITY PLANNING COMMITTEE**  
*from the*  
**UNDERGRADUATE COUNCIL EXECUTIVE COMMITTEE**

**I**     Revisions to Certificate and Diploma Programs

At its April 29, 2020 meeting, the Undergraduate Council Executive Committee approved revisions to the McMaster English Language Development (MELD) Diploma program. Details of the proposed revisions are contained within the circulated report.

It is now recommended,

Motion:

**that the University Planning Committee approve revisions to the McMaster English Language Development (MELD) Diploma program, as circulated.**

**University Planning Committee: FOR APPROVAL**  
**May 13, 2020**

# Proposal for a virtual MELD in 2020-21

*or Life in the time of COVID*

April 2020

MELD

## Crisis planning

Given the uncertainty brought about by the COVID-19 pandemic, the MELD program has been considering how best to plan for an uncertain 2020-21. Although all university teaching and learning is impacted by the current public health crisis, the MELD program faces particular challenges in addition to the those faced by other programs:

1. Our students do not meet the English language requirements to study at university (that's why they are in MELD);
2. All of our students are international students with language and communication barriers;
3. Our courses are complex multi-section courses that challenge the limits of what's possible to ensure a reasonably consistent student experience.

The proposal below is our response to the COVID-19 crisis. Delivering an ESL program virtually is not ideal; we continue to maintain that in-person learning, in small groups, and the in-person student experience, is still the gold standard for a high-quality ESL program. However, rather than suspend the MELD program for an academic year, we have sought to think creatively about a virtual MELD that would enable us to fulfill our mandate and meet the needs of students.

In thinking through various options, we have endeavored to answer three key questions:

1. Can we still deliver a high-quality program centred on student engagement?
2. Can we still effectively prepare students for their undergraduate studies?
3. Do we have the structures and technologies to ensure remote but equal student access and participation from any part of the world?

We are confident that the proposal outlined below addresses these concerns.

## Lessons learned from Winter 2020

The abrupt transition to virtual delivery at the end of the Winter 2020 term has been instructive. In an emergency year-end situation, instructors were rightly asked to deliver the minimum possible, when possible, and however possible – nothing more could be reasonably expected. Of course, we cannot begin a new academic year – with new students who possess weaker language skills, and with whom we have yet to build a rapport – in the same way. It will not suffice to post a PowerPoint in lieu of numerous contact hours, nor will it be acceptable to have only some students participating in synchronous teaching, discussion boards and virtual office hours, while others make do with a static document and email communication. While we do not intend to create an online version of MELD, we wish to combine the best of what online teaching has to offer with the best methods of transforming, with appropriate technologies, the physical classroom into a transformative virtual space. We hope to achieve a coherent, high-quality hybrid program that can meaningfully engage and meet the needs of all of our students, and that can deliver a consistent and equally-accessible, synchronous student experience.

## Pedagogical agility

In these uncertain times, pedagogical agility is crucial. No one knows whether there will be in-person delivery only, virtual course delivery only, or a combination of the two at different points throughout the 2020-21 academic year. The model outlined below anticipates the flexibility needed to transition relatively seamlessly between in-person and virtual delivery, as fluid circumstances may necessitate.

## Virtual MELD 2020-21

Students currently have **21 contact hours** per week, per term, in the MELD program: 4 x 4 hours of MELD courses (16 hrs) + 3 hours of Linguistics 1Z03/1ZZ3 + Ling Lab (1 hr) + mentorship meeting (1 hr). Aside from the Linguistics courses, which are large lectures, and the mentorship meetings (1 mentor per 3-4 MELD students), all other contact hours are experienced in groups of 20 students (i.e., 17 contact hours are in classes of 20 students). We provide details below for the structural changes to the core MELD courses. The degree-credit Linguistics courses (3 hours of lecture + a 1-hour linguistics lab) will continue to be part of the MELD program, and will also need to be part of a plan for virtual delivery. The key changes proposed for MELD courses in 2020-21 are as follows:

1. Total contact hours per week, per term, are increased to **28** (from 21) + 1 floating hour (see point 7 below)
2. A common lecture hour (2 hours) is added to each core MELD course (reading, writing, listening, speaking); the common lecture:
  - a. will be delivered to the entire MELD cohort
  - b. will be delivered in person in a large lecture hall or synchronously if virtual
  - c. will make use of student engagement technologies for real-time chat functions and participation
  - d. will be accompanied by in-person and/or virtual office hours as necessary
3. The remaining four hours of delivery per each core MELD course are divided equally between a two-hour tutorial, and a two-hour lab (for a visual representation, see the diagram in the Appendix below)
  - a. For example, MELD 1A03 is comprised of C01 (2 hours) + T01 (2 hours) + L01 (2 hours) for a total of 6 contact hours
4. The 'tutorial' component will be dedicated to 'applying' concepts learned in the common lecture (activities, exercises, language practice) and to developing critical ESL skills
  - a. delivery will be synchronous if virtual
  - b. tutorial groups will be limited to 10-12 students if virtual, 20 students if in person
  - c. will be accompanied by in-person and/or virtual office hours as necessary
5. The 'lab' component will include online discussion boards, virtual seminars, reflective practice and problem-based learning,<sup>1</sup> all thematically linked to course content, with a focus on developing critical thinking skills
  - a. virtual seminars will be delivered synchronously
  - b. discussion boards will be used synchronously and asynchronously
  - c. lab groups will be limited to 10-12 students if virtual, 20 students if in person
  - d. will be accompanied by in-person and/or virtual office hours as necessary
6. Students will be exposed to three different instructors/leaders for each component of each MELD course (common lecture instructor, tutorial leader, lab leader)
  - a. This feature of the proposed model will be advantageous to students, both in terms of exposure to a greater variety of language and teaching styles, and in terms of having multiple and varied opportunities to participate and engage with course content.
7. There will be a 'floating hour' per week for each MELD student. The current program has both an embedded mentoring component and a co-curricular component – these will be combined so as to have a weekly, consistent floating hour.
  - a. MELD students will be able to choose to have individual or group mentoring meetings, or participate in co-curricular activities, or a combination of the two.
  - b. Students can choose to participate in more than the one mandatory co-curricular hour weekly.

---

<sup>1</sup> The MELD program had already planned to introduce in Fall 2020 a PBL component into the core courses.

With the above structural changes, the MELD program can continue to deliver high-quality and engaging courses that will prepare students for undergraduate studies. The factors that enable us to mitigate any potential shortcomings resulting from an inability to have in-person delivery at any point include: the addition of several contact hours; the proviso to deliver contact hours synchronously if virtual; the stipulation that virtual labs and tutorials have a smaller number of students; the plan for virtual one-on-one office hours; planned program investments in technologies<sup>2</sup> that make synchronous student participation effective and possible.

## Appendix

To represent visually the key structural changes to MELD courses, we use a hypothetical cohort of 100 students.

### Current MELD course structure

Currently, for 100 students, we would plan 5 sections of each MELD core course in each term. In the Fall there would be 5 sections of each of MELD 1A03, 1B03, 1C03, 1D03, at 20 students per section; in the Winter term there would be 5 sections each of MELD 1AA3, 1BB3, 1CC3, 1DD3, at 20 students per section.

### Virtual MELD

The structure of virtual MELD is represented visually below. The blocks in the top row represent the ‘common lecture’ for each core course in the Fall (Winter term would have the same structure). Each block assumes two contact hours. We have assigned 10 tutorials and 10 labs for each course on the assumption of virtual delivery (we would require half the number for in-person delivery).

MELD 1A03 C01	MELD 1B03 C01	MELD 1C03 C01	MELD 1D03 C01
T01 L01	T01 L01	T01 L01	T01 L01
T02 L02	T02 L02	T02 L02	T02 L02
T03 L03	T03 L03	T03 L03	T03 L03
T04 L04	T04 L04	T04 L04	T04 L04
T05 L05	T05 L05	T05 L05	T05 L05
T06 L06	T06 L06	T06 L06	T06 L06
T07 L07	T07 L07	T07 L07	T07 L07
T08 L08	T08 L08	T08 L08	T08 L08
T09 L09	T09 L09	T09 L09	T09 L09
T10 L10	T10 L10	T10 L10	T10 L10

<sup>2</sup> The MELD program already subscribes to a video-hosting platform that ensures that students from China have access to materials.





# Facility Services

## 2020/2021 Capital Plan Update

**BRIGHTER WORLD**

**FACILITY SERVICES**



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## **1 INTRODUCTION**

### **1.1 *Scope of the Capital Plan***

McMaster University's 2020/2021 Capital Plan is a planning document that supports the University's strategy Forward with Integrity (2011) and the Strategic Mandate Agreement (2014-17 and 2017-20) and will evolve as the President develops his strategic priorities over the coming year. The intended purpose of this Capital Plan is to guide the growth of physical assets at McMaster University and it includes planning through fiscal year 2025/2026. The Capital Plan encompasses all buildings under the purview of McMaster, both on and off the main campus.

The Capital Plan is a Board-approved document helping to guide the University's priority setting and planning of capital projects over a period of time. It is intended to be responsive to the University's strategic vision both at present and in future. As a result, the Capital Plan is viewed as a dynamic document that is subject to change in order to align itself with the shifting priorities and opportunities of the University. According to the capital planning process, this plan is updated annually. Additionally, the plan is supported by detailed documents that elaborate on various concepts and initiatives related to infrastructure such as academic and enrolment plans, research priorities, the Campus Master Plan, the Campus Capacity Study, the Asset Management Plan, the Campus Accessibility Action Plan and the Energy Management Plan.

### **1.2 *What is a Capital Plan?***

The Capital Plan represents McMaster University's existing approved priorities and a number of additional projects (funded, partially funded, or unfunded) for capital investment. It will set forth a framework to guide the growth of physical assets such as buildings and land and infrastructure. The IT Strategy 2019-21, which sets the strategy for information systems, is a separate document.

The Capital Plan provides an overview of the capital needs, issues and projects in various stages of development. Additionally, the plan summarizes the status of current and planned capital activities that are directly related to various planning processes. Furthermore, the Capital Plan encompasses other capital projects' activities related to the current condition of the University's building infrastructure, energy management capital projects and building accessibility capital investments.

Table 1 illustrates the relationship of the Capital Plan within the hierarchy of key capital plans and other documents prepared for the University.

**Table 1**

<b>Level of Planning/Reporting</b>	<b>Key Capital Plans and Reports at McMaster University</b>	<b>Audience</b>	<b>Review</b>
<b>Strategic:</b> University's overall philosophy and approach to managing capital; highest level of planning; fundamental decisions and actions directed to achieving institutional goals	<b>McMaster Capital Plan</b>	<b>Public</b>	<b>Annual</b>
	Campus Master Plan	Public	Every 5 - 10 years
	Asset Management Plan	Public	Annual
	Energy Management Plan	Public	Annual
	Campus Accessibility Action Plan	Public	Annual
	Campus Capacity Study	Public	2011
<b>Portfolio Governance:</b> Updates/funding status of capital projects for Board; delineate McMaster's management, oversight and monitor capital projects approved/under construction	McMaster Capital Plan	Public	Annual
	Capital Funding and Expenditure Report	Planning and Resource Committee	Every meeting
<b>Project Management:</b> Identify strategic and specific capital requirements along with plans and strategies intended to resolve the most urgent and highest priority needs	Key Technical/Management Documents (Asset Reports)		
	Asset Management Plan	Public	Annual

## **2 BACKGROUND AND THE CURRENT STATE OF CAPITAL INFRASTRUCTURE**

### **2.1 *The First 30 Years in Hamilton***

In 1930, the University moved from Toronto to Hamilton, the forty-first academic session opening on the present site. The University's lands and new buildings were secured through gifts from graduates, members of the churches of the Baptist Convention of Ontario and Quebec and citizens of Hamilton.

## **2.2 Buildings Procured 1960 – 2019**

For detailed information about the development of McMaster facilities during this period, refer to “McMaster University, Facility Services, Planning and Infrastructure Development History: 1960 – 2019” posted at <https://facilities.mcmaster.ca/app/uploads/2019/05/2019-04-16-History.pdf>.

In the past 60 years McMaster has not only acquired infrastructure through new build construction and renovation/addition projects but has also procured the use of various existing off-campus buildings. For example:

- McMaster's family practice teaching unit, established in the early 1970's at Henderson Hospital, was relocated in the early 1990's to the south mountain as the Stonechurch Family Health Centre.
- McMaster Innovation Park (procured for use in 2004).
- 100 Main St West (David Braley Health Science Centre opened in 2015)
- 88 Forsyth Avenue (purchased in 2015).
- 47 Whitton Road (acquired in May 2015 and used for research purposes).
- 182 Sterling Street (purchased in 2015).
- One James North (leased from 2015).
- 96 Forsyth Avenue North (purchased in 2017).
- Existing houses bound by Forsyth Avenue South, Traymore Avenue, Dalewood Avenue and Main Street West (purchased in 2017).
- 106 Forsyth Avenue North (purchased in 2018).
- 132 Mayfair Crescent (purchased in 2019).
- 8 Mayfair Crescent (purchased in 2019).

Furthermore, McMaster has expanded to house remote campuses in space procured or leased in municipalities other than Hamilton:

- The Waterloo Regional campus was established by McMaster at the University of Waterloo in 2007 and focuses on Health and Medical Sciences.
- In 2012, McMaster opened Educational Services space in St. Catharine's at Brock University's Cairns Family Health and Bioscience Research Complex.
- In 2010, McMaster built the Ron Joyce Centre in Burlington.
- The Welland McMaster Family Health Team has been in operation since 2011.

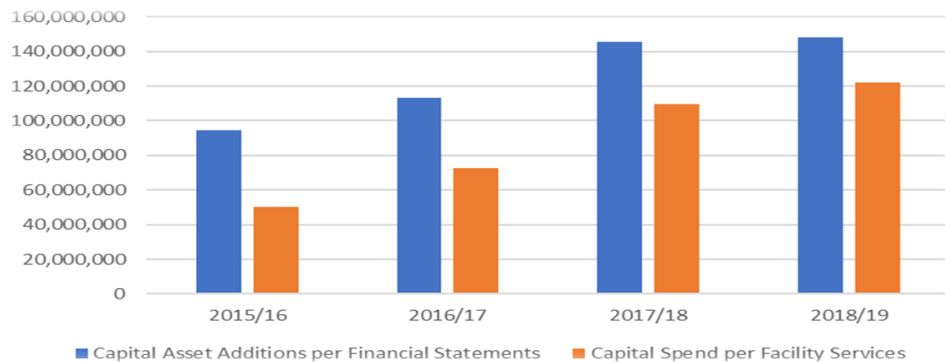
### **2.2.1 Summary**

Since 1960, McMaster has added a total of 41 buildings on campus to its existing infrastructure through new construction. These buildings total 4,952,836 gross square feet of added infrastructure, during the past 60 years. McMaster has also invested in several renovation/addition projects to existing infrastructure since 1960. During this time, McMaster has completed major renovations/additions, totaling 1,029,656 SF, on 21 campus buildings. Renovations and additions were often completed in order to update technological, electrical and utility infrastructure as well as add usable space. These construction projects have been supplemented with infrastructure growth off

campus, particularly in the last decade, through the procurement of buildings and property.

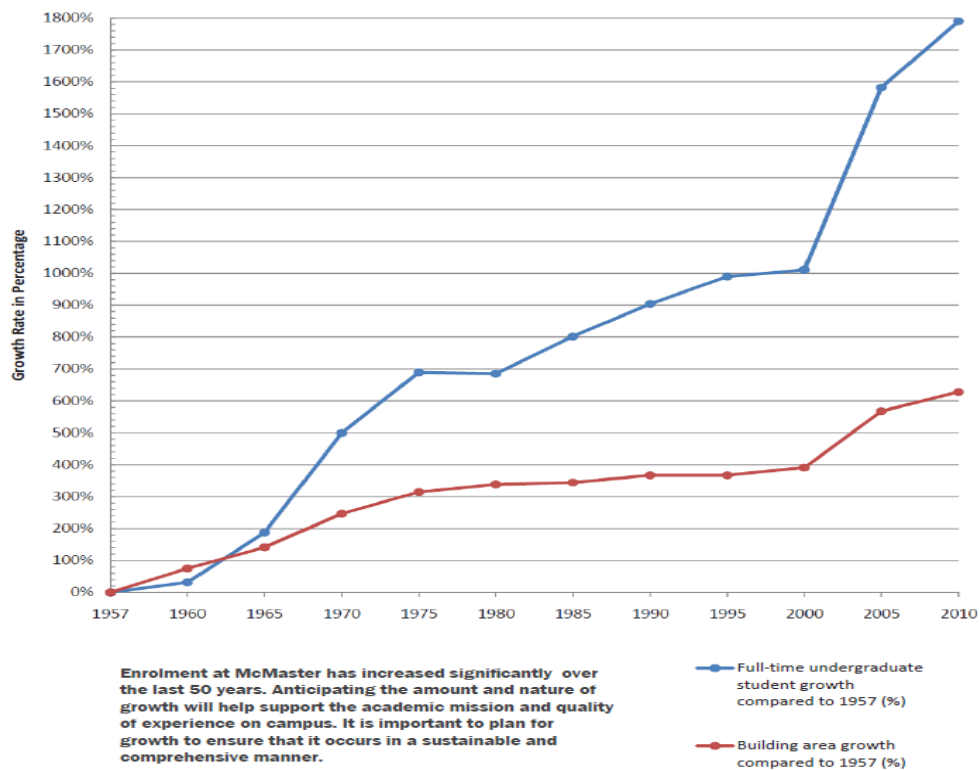
Facility Services has undertaken significant growth in projects over the last 4 years with the capital spend on new building expansion and renovation; this is depicted in the chart below compared to capital asset additions per our audited financial statements.

**Chart 1 – Capital Spending**



In addition to the above the following Chart 2 below indicates the growth in student population and the comparative amount of new space added to McMaster.

**Chart 2 - 50 Years of Growth in Space and Undergraduate Enrolment**



### 2.3 Existing Usage, Ownership and Condition of McMaster's Physical Assets

McMaster University was home to a total enrolment of 33,147 students (undergraduate and graduate<sup>1</sup>). The University employs more than 10,000 staff and 1,011 full-time instructional faculty. Concerning the critical space categories, space is dispersed as indicated in Table 2, current as of November 1, 2016 and reported to the Council of Ontario Universities (COU) Committee on Space Standards and Reporting to inform the triennial "2016-17 Inventory of Physical Facilities of Ontario Universities."

**Table 2: 2016 Space by Category**

Category	Area (net assignable square feet (NASF))	Area (net assignable square metres (NASM))
1 Classrooms	284,372	26,419
2 Class Labs	194,515	18,071
3 Research Labs	620,712	57,666
4 Office Academics	644,898	59,913
5.1 Library Stacks	104,937	9,749
5.3 Library Support	10,419	968
5.4 Library Study	49,439	4,593
6 Athletics	185,602	17,243
9 Maintenance Shop	36,619	3,402
10 Office Administration	195,139	18,129
7,8,12,13,14,15 Central Services	257,925	23,962
<b>Total</b>	<b>2,584,577</b>	<b>240,115</b>

McMaster's most recent Campus Capacity Study (2011) cites critical needs for administrative office and related space, graduate student offices, assembly facilities and service space. A similar study is being considered to update this information.

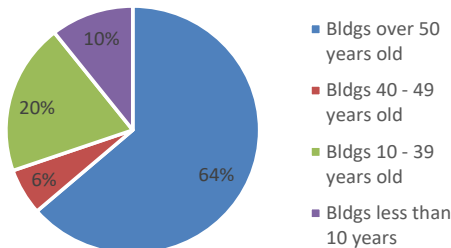
McMaster has 55 buildings on the main campus, including 13 residences, a nuclear reactor, a stadium complex and a hospital. McMaster owns or otherwise operates out of several more buildings throughout Hamilton and the province, such as the Ron Joyce Centre in Burlington and the David Braley Health Sciences Centre in downtown Hamilton. The main campus itself sits on 296 acres of land with approximately 6,293,464 gross square feet of building area. Appendix E includes a list of McMaster properties.

<sup>1</sup> McMaster Fast Facts



Chart 3 and Chart 4 shows the breakdown of McMaster's building age and area (facilities as listed in Appendix D).

**Chart 3: Number of Bldgs based on Age**



**Chart 4: Bldg Gross Area based on Age**

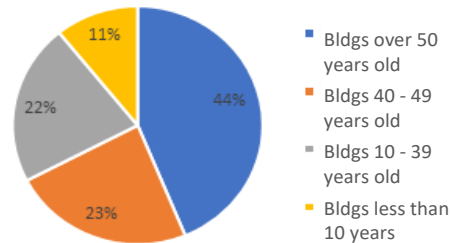
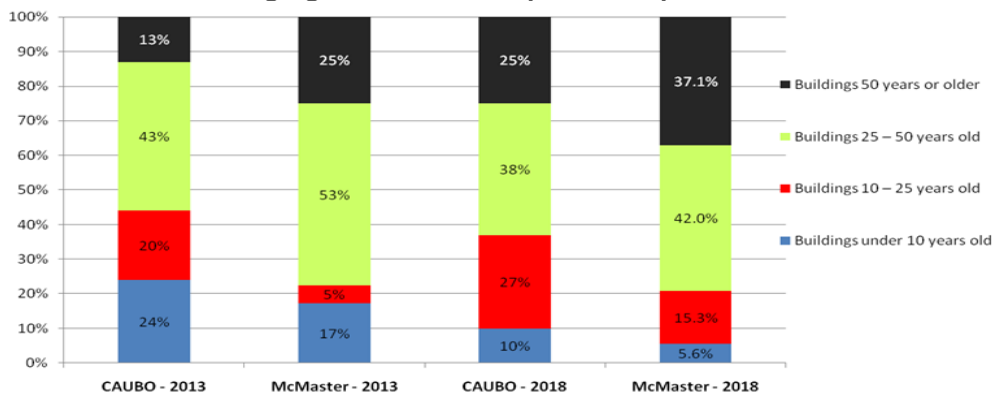


Chart 5 shows building age (as a percentage of total building area) at Canadian campuses compared to that at McMaster.

**Chart 5: Building Age: Canadian Campuses compared with McMaster**



**\* This chart includes existing buildings only. Potential new development is not included.**

The Deferred Maintenance backlog was identified in 2012 as a high-risk item. Facility Services developed an Asset Management Plan which is updated on an annual basis.

Currently the University funds deferred maintenance from the operating budget. The asset management base was increased by \$2 million in each of 2013/14, 2014/2015, 2015/16 and 2016/17; i.e., until the allocation reached an annual base increase of \$8 million per year. This allocation continued for years 2017/18 and 2018/19. In 2019/2020 McMaster allocated \$600,000 for DM requirements at MUMC, however, after reviewing the DM requirements of MUMC, the annual allocation was increased by another \$700,000 for a total of \$1.1 million per year. In 2020/21, an additional \$1.0 million was approved on a continued basis, dedicated initially to the tunnels, buried utilities and

other failing infrastructure upgrades. The total budget for deferred maintenance for 2020/21 is \$14.09 million, which includes the \$9.7 million base allocation, along with \$3.39 million from the Ministry of Colleges and Universities for deferred maintenance needs and \$1 million in additional operating funding within Facilities Services. The 2020/21 approved project list for deferred maintenance items is attached as Appendix F.

The Council of Ontario Universities (COU) Space Management Committee's Triennial Report was published in June, 2018 as the Inventory of Physical Facilities of Ontario Universities 2016-17 and shows that McMaster's current interior classroom space totals 284,382 net assignable square feet. It also shows that overall, the institution has increased its inventory of classroom space from having approximately 84% of the space it needs (2013) to 85% (2016) according to COU standards (for more details see Section 5.1.). This report will be updated in 2020.

### **2.3.1 Computerized Maintenance Management System**

PeopleSoft's Maintenance and Asset Management modules are used to maintain McMaster University's facilities and grounds. These modules integrate with McMaster's Finance landscape (Asset Management, Project Costing, Expenses, Procurement and Payables and General Ledger). Proper maintenance of an organization's asset infrastructure is key to ensuring safety, complying with regulations and achieving the financial and operational targets that are established by the leadership team. This software enables the organization to create work orders, schedule resources and track costs associated with asset maintenance and repair. In addition, McMaster employees can create an online self-service request to report or request maintenance, repairs, renovations, cleaning, moves and other service activities. When required, a work order is generated from the service request and associated costs can be billed back to the requestor. Business process mapping of the work order process has begun in 2019 to ensure the most efficient process is in place.

### **2.4 Land Assets, Physical Growth Opportunities**

The McMaster University Campus Master Plan was originally prepared in 2002 and updated in 2008 and again in 2017. The 2017 process included the sourcing of campus user input by way of on-campus visioning stations, online polling and meetings with stakeholders in a working committee that included students, staff and faculty.

The Campus Master Plan provides an overall physical framework for campus growth and renewal. The Plan outlines a vision for the campus and recommends that this be updated every five to ten years. Specifically, it establishes a framework for future development that extends the structure of the campus' historic core to its periphery while respecting the surrounding built and open space context. Although it does not advocate for growth, it identifies area for potential new development, with supporting open space amenities and infrastructure initiatives. The current capacity available for new development is estimated to be 3,000,000 gross square feet of floor area on the Main Campus. As outlined in the Campus Master Plan, physical capacity on McMaster's main campus has been largely determined by its physical structure, which contains a well-established hierarchy of streets and natural features. This clear structure has

provided a strong setting and logic for development and infrastructure investments to continue to evolve in an integrated manner. The Campus Master Plan is intended to be flexible, to accommodate the changing needs of various departments and Faculties and to enhance learning by providing the physical environment in which to gain knowledge, live and work.

An important component of the implementation of the vision outlined in the Campus Master Plan was the identification of several potential development sites that could support incremental growth throughout the University campus. However, it is understood that some of these sites may not be developed and that McMaster may need to consider further off-campus development in appropriate locations.

The identified development sites are primarily within the Core Campus, North Campus and West Campus.

- Within the Core Campus, there are several opportunities to introduce new buildings and/or building additions: north of Bates Residence beside the President's Residence, Forsyth Avenue frontages and a significant gateway/landmark development site at the location of existing building to be removed, T-13. Parking Lot 'I' at Cootes Drive and Main Street was being planned for development of a transit hub with the LRT development however the University is still looking at options even after the cancellation of the LRT.
- Even with years of substantial building activity in the North Campus (the David Braley Athletic Centre, Stadium and Les Prince Hall), there remains development potential in the area. The Peter George Centre for Living and Learning opened in 2019 at the location of previously demolished buildings T28, T29 and T18. The McMaster Athletics and Recreation Complex Facility Assessment and Master Plan Study, October 2016, identified a number of potential additions that are either under consideration for future development or otherwise are already at the initial construction stage, i.e., the Student Activity and Fitness Expansion (SAFE) project.
- West Campus has substantial potential to accommodate new buildings, subject to more detailed investigations. There is current interest in developing the West Campus as a potential living laboratory. The development of a strategy for this area of campus, and connecting it to the Campus Master Plan, is ongoing.

**Figure 1: Potential Development Sites**



Off campus, McMaster has acquired the land adjacent to the Ron Joyce Centre in Burlington, which would allow for more construction in an expansion of that campus. In downtown Hamilton, McMaster has built the David Braley Health Sciences Centre; the north parcel of that building site includes an existing parking lot facing King Street West and Bay Street South, which remains vacant and could be developed (Hamilton Integrated Research Centre proposed for this site that would house some of McMaster's growing research programs in Health Sciences and other collaborative areas with a building size estimated similar to current DBHSC). Also, McMaster's property at Lower Lions Club Road, currently used in part by the Faculty of Science, could see limited future development to further that Faculty's efforts.

McMaster has recently acquired seven existing houses in the Westdale neighbourhood; 88 Forsyth Avenue North has been transformed into the new Home of the Bertrand Russell Archives and Research Centre. The Faculty of Engineering is using 47 Whitton Road as a "Smart House", i.e., as a space to monitor elderly health in a typical home; 182 Sterling Street is now being used by Student Affairs for recipients of the Wilson Leadership Scholar Award; both 106 and 96 Forsyth are managed by the University (Housing and Conference Services and the President's Office) for small meetings. In 2019, McMaster purchased 132 Mayfair Avenue (under construction) and 8 Mayfair Avenue, both of which will be managed by Housing and Conference Services.

McMaster also owns land and a grouping of houses bound by Main Street West, Traymore Avenue, Dalewood Avenue and Forsyth Avenue South. This is a prime development location, immediately adjacent to the main campus. The University has received Board approval to build an undergraduate student residence at this location as part of a P3 partnership. It is anticipated that this building will be open in 2023 pending planning approvals.

McMaster also received Board approval to build a Graduate student residence on the south-west corner of King Street West and Bay Street South in downtown Hamilton; this is also part of a P3 partnership. The University anticipates construction to begin in the fall of 2020 and completion in the summer of 2023.

## **2.5 Accessibility**

### **2.5.1 McMaster University Accessibility Plan 2012-2025**

In September 2012, the McMaster Accessibility Council (MAC) published the McMaster University Accessibility Plan 2012-2025 in order to comply with the evolving Accessibility for Ontarians with Disabilities Act (AODA). This plan reflects a commitment by the University to engage in incremental initiatives in accordance with the AODA and the expectation that the University will be free of attitudinal, physical and social barriers by the year 2025.

### **2.5.2 Campus Accessibility Action Plan (CAAP)**

The Campus Accessibility Action Plan (CAAP) Phase 2 (2018-2023) is a multi-year plan to address the identified accessibility issues on campus buildings. The Plan is posted at: <https://facilities.mcmaster.ca/app/uploads/2018/10/Campus-Accessibility-Plan-2018-2013-V5-20Apr2018.pdf>. Funding for the plan is provided by an operating allocation.

## **2.6 Building Sustainability**

The 2020/21 Energy Management Plan identifies and recommends 11 potential energy-saving projects. More information about Sustainability, included the LEED and Energy Management is included in the Energy Management Plan posted on the Facility Services website and Section 5.3, Energy Management Projects and Sustainability.

### 2.6.1 LEED®

McMaster currently has fifteen LEED® certified, or anticipated to be certified, projects. New buildings and major additions at McMaster are to be constructed according to McMaster's Sustainable Building Policy, which in turn references the LEED® Rating System. The LEED Rating system has recently undergone some revisions, which will need to be reflected in an updated Sustainable Building Policy moving forward.

**Table 3: LEED® Certified Projects**

Building	Construction Date / Renovation Date	Gross Area (S.F.)	Attained/ Anticipated LEED® Certification Level
<b>New Construction</b>			
Les Prince Hall	2006	106,016	LEED® Certified
David Braley Athletic Centre	2007	140,479	LEED® Certified
Engineering Technology Building	2009	125,600	LEED® Gold
Ron Joyce Centre (Burlington)	2010	105,745	LEED® Gold
CANMET Materials Technology Laboratory (MIP)	2010	145,000	LEED® Platinum
Halton McMaster Family Health Centre – Burlington	2014	10,647	LEED® Gold
David Braley Health Sciences Centre – Downtown Hamilton	2014	192,081	LEED® Gold
L. R. Wilson Hall	2015	177,927	LEED® Gold
Peter George Centre for Living and Learning (PGCLL)	2019	335,167	LEED® Silver*
<b>Total New Construction</b>		<b>1,338,662</b>	
<b>Renovation/Addition</b>			
C.E. Burke Science Building	2005	196,401	LEED® Silver
Nuclear Research Building	2011	23,605	LEED® Gold
Ivor Wynne Centre	2012	20,010	LEED® Silver
McMaster Automotive Resource Centre (MARC)	2013	85,000	LEED® Silver*
Gerald Hatch Centre for Engineering Experiential Learning	2017	28,007	LEED® Silver*
ABB Addition	2018	63,173	LEED® Silver*
<b>Total Renovation/Addition</b>		<b>416,196</b>	
<b>TOTAL New &amp; Reno Construction</b>		<b>1,754,858</b>	gross square feet

\* denotes anticipated certification level



### **2.6.2 Trends of Energy Consumption**

See link below to the Energy Management Plan:

<https://facilities.mcmaster.ca/app/uploads/2019/08/Energy-Management-Plan-April-29-2019-EC.pdf>

### **2.7 Environmental Compliance**

McMaster University retained the services of an external environmental consultant in late 2012 to survey all campus buildings in terms of their compliance with the Ontario Ministry of Environment (MOE) air and noise emission regulations. A multi-year Environmental Compliance Action Plan (ECAP) was developed in the fall of 2013.

The approved Phase 1 of the plan authorized spending of \$400,000 per year for 5 years (2014/15 to 2018/19) from the deferred maintenance funds to achieve compliance for all buildings on campus except the E.T. Clarke building. While this was ongoing, in 2017, as part of the co-gen project Environmental Compliance Approval (ECA) process, the MOE asked McMaster to apply for a campus-wide ECA. This changed the mitigation requirements and a re-audit of all campus buildings was undertaken again in 2017. A campus wide ECA application was made in June 2017 and McMaster received a conditional ECA in November of 2017. The ECA require McMaster to replace the non-compliant cooling towers at E. T. Clarke building and achieve compliance before 2028.

Phase 2 of the ECAP is for 2019/20 – 2027/28. Facility services engaged mechanical, structural and an environmental consultant to prepare a feasibility report for replacing the cooling towers. The consultant report estimates \$15.19 million in 5 phases for replacing the ten existing cooling towers, roof replacement, additional structural reinforcements and the acoustical sound barrier. This will be funded from the deferred maintenance funds of years 2020/21 to 2027/28 (8 years).

## **3 RESEARCH PRIORITIES GUIDING FUTURE CAPITAL DEVELOPMENT**

McMaster University continues to submit applications to the Canada Foundation for Innovation's (CFI) competitions and to the Province of Ontario seeking funding for new construction and renovation projects to support McMaster's innovative and transformative research and technology development activities.

During the last year McMaster has been awarded more than \$5.8M from the CFI John Evans Leaders Fund (JELF) and the Ontario Research Fund-Research Infrastructure programs to provide McMaster researchers with the infrastructure they require to achieve advances in a variety of strategic research areas. Three of the ten awarded projects include minor renovations which are expected to be completed in 2020. Electrical upgrades to the Central Animal Facility, the installation of new fume hoods in the Life Sciences Building, and security upgrades to L.R. Wilson Hall will

contribute to our understanding healthy aging, sustainable aquatic systems, and the use of artificial intelligence to support democracy and human rights.

McMaster also recently received funding from the CFI Major Science Initiatives (MSI) program in support of the Canadian Centre for Electron Microscopy (CCEM) and the Canadian Research Data Centre Network (CRDCN). The CCEM has been recognized by the CFI as a national facility and, as such, was awarded over \$6M in funding through the 2014 and 2017 competitions for operation and maintenance of the more than \$50M in state-of-the-art infrastructure that it houses. CFI MSI funding to the CCEM was recently increased by \$2M following a successful mid-term review of the current award. The additional funding will assist with the operation and maintenance of \$11M in new infrastructure to be installed in the CCEM following renovations of approximately \$1M. The anticipated completion date for the project is 2021.

The CRDCN was also recognized by the CFI as a national facility with an award of almost \$6M in 2017. Like the CCEM, the CRDCN succeeded in securing more than \$2M in additional CFI MSI funding following favorable review of its mid-term review report. The additional funding will assist with operation and maintenance of the high-performance computing infrastructure which constitutes the \$10M “Canadian Research Data Centre Network Transition to High Performance Computing: Liberating Data for Research and Policy” project. In 2017 the multi-institutional infrastructure project was awarded \$2.8M from CFI and \$2.6M from various provincial governments across Canada. The project includes minor security upgrades to L.R. Wilson Hall and has an anticipated completion date of 2023.

## **4 PLANNING AND GROWTH ASSUMPTIONS**

### **4.1 *Enrolment Growth***

McMaster has experienced rapid growth in recent years in part due to population increases in the Greater Toronto Area and Hamilton Region. This institutional growth has been further accelerated because of the rising prominence of many of the University's diverse academic offerings, particularly in the fields of Health Sciences and Engineering. With continued enrolment growth expected and the ongoing development of new academic programs, McMaster is ideally positioned to become one of North America's most prominent universities.

International student enrolment has been steadily increasing. In 2006, 1,714 international students made up 7.8% of the McMaster student population. In 2019, 4,075 international students made up 13.5% of the McMaster student population.

### **4.2 *Technological Development***

The McMaster IT Strategic Plan 2019-2021 was published in January 2019. The Plan is focused on the Strategic Pillars of a Connected McMaster community, a Seamless Foundation and Transformative Information Technologies and Services. This new IT strategy addresses classroom and technology needs for the future.



### **4.3      *Efficient Space Management***

In order to actively and responsibly plan for future growth, McMaster is presently reviewing its current space management practices. The McMaster University Space Management Policy was last approved in 1987 and will be reviewed in 2020. Space processes such as maintenance of the space inventory database, control of scheduling, maintenance of facilities, new project approval, evaluation of space requests, etc., will be reviewed through this policy revision.

The University has a need for more and better classroom space. For this type of space, McMaster's I/G (Inventory of Space / Generated, or needed space based on COU standards) is 85%. In 2014, a Classroom Design Subcommittee was struck, co-chaired by the AVP Facilities and the AVP Leadership and Learning, to study and analyze the current utilization of classroom spaces. This activity has resulted in a Reconfiguration Plan which calls for the upgrading of existing classrooms and which also lays out a strategic approach to designing new, needed, teaching and learning space.

In early 2019, the Board of Governor's approved a \$2 million annual allocation for 5 years to renovate classrooms on campus. Classrooms have been prioritized based on data from a survey completed in 2018 of faculty and students along with health, safety and legislative requirements. Funding will be used to replace seating, upgrade lighting, flooring, electrical, accessibility and audio visual in classrooms identified. To date, classrooms in Togo Salmon Hall have been renovated, along with planned renovations in Chester New Hall in the summer of 2020.

### **4.4      *Student Residences***

In May of 2017, The Government of Ontario released an update to the June 16, 2006 Growth Plan for the Greater Golden Horseshoe, under the terms of the provincial Places to Grow Act, 2005. A core objective of the Growth Plan policies is accommodating and directing new population and employment growth to built-up areas through intensification. Directing growth in this manner is intended to create complete communities that offer options for living, working, shopping and playing; providing greater choice in housing types; and curbing development sprawl.

McMaster's objective is to guarantee all first-year entrants a space in residence if they so desire. Currently, admission is given using an incoming average percent cut-off. This cut-off percentage changes from year to year based on factors including number of applicants, existing capacity and department cut-off percentages.

Since 2012, configurations to campus residences – such as changing bunk and loft rooms to double rooms – have impacted total capacity. McMaster has thirteen different residence buildings on campus, with a variety of room types and lifestyle themes for a total capacity across all buildings of 4,298 students living on campus. Given enrolment growth as noted above, more capacity is needed. To this end, new residence buildings (approved by Board) are being planned which includes the following:

- A new Main Street Undergraduate student residence bordering Main Street West, Traymore Avenue, Forsyth Avenue and Dalewood Avenue and is now moving through the approval stages with the City of Hamilton. This new residence will include 1,373 beds and is part of a P3 partnership.
- A new 30-storey Graduate Student Residence also working in partnership with a P3 developer and an integrated McMaster parking garage, will be located on the south-west corner of King Street West and Bay Street South in downtown Hamilton. This new residence will be home to 630 graduate students.

Research shows that students who stay in residence develop stronger relationships and support networks, leading to a more positive overall student experience. McMaster is one of only two universities in Ontario that cannot guarantee residence to all first-year students, for lack of space.

## **5 PROJECTS AND INITIATIVES TO SUPPORT THE CAPITAL PLAN**

### **5.1 *Addressing Research, Program and Enrolment Growth***

Space at McMaster is tracked relative to its need. McMaster's inventory vs. generated (I/G) ratio represents the amount of net assignable space that McMaster has versus how much is ideal based on standards set by the Council of Ontario Universities. The construction of new buildings and additions, the fluctuation in the number of students and professors and consideration of different needs for different types of spaces, are some of the factors that impact this ratio.

The Council of Ontario Universities (COU) published the results of the most recently prepared triennial report on space, i.e., from 2016. Facilities Services compared these results to those from 2013 and will complete the survey again this year. Once this survey has been completed and analyzed, we will update comparisons of McMaster to our peer institutions.

McMaster's I/G for classroom space and athletics and recreation space kept relatively stable compared to the 2013 triennial report, at 85.3% and 68.6% respectively. In these cases, student population growth kept close pace with net building floor area growth.

For library space, McMaster's I/G is 78.6%. This was a decrease over the previous report, resulting from a change in COU standards that required study space to be split into library and (a new separate category) non-library space.

As noted in part in the Campus Capacity Study, the most critical space needs at McMaster were for administrative offices, graduate student offices, assembly facilities, service space, classrooms, research space, recreation space and quiet study space. The new Peter George Centre for Living and Learning (PGCLL) is anticipated to address the need for new large classrooms. A new addition has recently been completed on the A. N. Bourns Science Building (ABB) as part of a Strategic Innovation Fund (SIF) project. Another project is underway to increase athletics and recreation

space. This project is building additions to the David Braley Athletics Centre and the Ivor Wynne Centre

#### **5.1.1 Projections of Growth in Research**

Recent trends (five years of McMaster's financial statements as reported to the Canadian Association of University Business Officers (CAUBO)) indicate a sponsored research income of approximately \$205 - \$220 million per year, not including intake for affiliated hospitals.

#### **5.1.2 Ongoing Projects and Initiatives**

The following summarizes the ongoing major capital projects at McMaster. These are also summarized in Appendix A.

- Peter George Centre for Living and Learning
  - In recognition of the strong need at McMaster for more classroom, exam-writing, residence, administrative and daycare space, this project recently received substantial completion at the previous location of temporary buildings #T28, #T29 and #T18, including 335,000 gross square feet at a total cost of \$122 million.
- Athletics and Recreation – Pulse and Student Space Expansion
  - In March 2017 students voted in a referendum to have a significant expansion and improvement of campus activity and athletic recreation space, including adding nearly 100,000 square feet of fitness studios, study areas, multi-faith prayer space and meeting facilities. The plan calls for the expansion of the Pulse fitness area, providing all students with Pulse memberships, a small grocery store and rooms for events and meetings. The expanded facilities will contribute to a revitalization of the north end of campus, which is also the site of the Peter George Living and Learning Centre.
- DSB Expansion (at Innis Library) – The McLean Centre for Collaborative Discovery
  - To address the need for new administrative and academic space at the DeGroote School of Business, this \$89.7 million, 160,000 sq. ft. project will allow for additional floor levels to be built north of the existing DSB building.
- Research Capital Commercialization Project
  - McMaster is investing \$50 million into the renovation of the warehouse at 200 Longwood at MIP. This space will be sublet by McMaster to research intensive companies in the next phase of commercialization of research. This space will allow for a continued commitment to research by the University.

- Graduate Student Residence Partnership and Parking Structure (P3)
  - In partnership with Knightstone Capital, a new Graduate Residence will support student recruitment and retention and will also further enhance the student experience at McMaster. A total of 630 new graduate student beds and 265 parking spaces will be housed in a 30-storey building located in downtown Hamilton. This project's integrated parking structure has been designed to meet the needs of the building and provide public parking in the downtown core.
- McMaster Main Street Residence (P3)
  - The University, in partnership with Knightstone Capital, continues to work with stakeholders as plans progress for a proposed undergraduate student residence on Main Street West. The proposal is for a mixed-use student residence building on a site owned by the University, on Main Street between Forsyth and Dalewood. The current plan envisions a two-phased project housing approximately 1,373 students.
- Global Hub / International Affairs / One-Stop Shop (Student Affairs)
  - This major renovation was originally planned for select spaces at Gilmour Hall, Togo Salmon Hall and Kenneth Taylor Hall. Current plans have a portion of the group located in one of the two shell floors in the new McLean Centre for Collaborative Discovery. The project is to include front-facing student service space, back-of-house office space and consolidation of existing functions.
- Existing Building Infrastructure Asset Management and Renewal
  - See the Asset Management Plan, posted on the Facility Services website, for details.
- Energy Management Projects and Sustainability
  - Projects included with listing of other projects in Appendix 'A' In addition, the Energy Management Plan is updated yearly.
- Campus Accessibility Action Plan (CAAP)
  - The approved Campus Accessibility Action Plan (CAAP) now invests \$337,000 annually for accessibility-related improvements to McMaster buildings. The CAAP Phase 1 ran from 2012-2013 through to 2016-2017. Phase 2 of CAAP (2018-2023) is underway.
- Environmental Compliance
  - The Cogeneration project completed at the E.T. Clarke Centre required an Environmental Compliance Approval (ECA) and the Ministry of the Environment asked McMaster to submit a campus wide ECA application. Some of the major noncompliance noise sources such as cooling towers will be mitigated as part of a multi-year plan. McMaster is implementing a 9 year phased plan given that most of the non-compliant sources are at the end of their service life and are identified

for replacement as part of the deferred maintenance/Asset Management Plan.

### **5.1.3 *Planned Projects and Initiatives***

#### **5.1.3.1 *Major Projects (see Appendix B and Appendix C)***

Appendix B provides a summary of potential future capital projects for the University in several categories of prioritization. These projects are at various stages of planning/development and available funding. Appendix C summarizes the funding for capital projects over a planning horizon until 2027. The following projects can be found within the Appendix B. All projects will flow through appropriate governance as the projects evolve.

#### **A - High Priority Projects - Partially Funded**

- Bates Residence – Retrofit
  - This \$44 million, multi-year, multi-phase project calls for major upgrades to nearly all building systems at Bates Residence and includes interior finish replacements and suite re-arrangements (currently funded at \$24M).
- Greenhouse (Construction and Demolition)

This \$14.4 million project involves demolishing the existing Greenhouse and relocating it to land between Life Sciences and Divinity College. This project will now be combined with some interior renovations in LSB.
- JHE Interior Renovation
  - The Faculty of Engineering has initiated the planning of upgrades to JHE in a series of steps over the coming years. This includes some much-needed upgrades to washrooms, which will be funded with some deferred maintenance funding as much as feasible. Upgrades to corridors and the addition of collaborative spaces are part of the long-term project, estimated project cost of \$5 million.
- JHE Tower – The PIVOT
  - The Faculty of Engineering is reimagining the curriculum, beginning with Level 1, and working through all levels to increase integration, experiential learning, PBL, innovation, etc. Space to support this transition is needed; with an estimated project cost of \$50 million.

#### **B - High Priority Projects Unfunded**

- Peak Shaver Installation and Boiler
  - This project is expected to include a \$10M investment (approximate) in electric boilers, funded through savings from peak shavers, installed and operated by an external company The peak shavers' electrical

output is synchronized with the electrical grid. The peak shaver generators would only be operated at times when the IESO is experiencing the potential of a coincidental peak demand. With the operation of the peak shavers, this would reduce McMaster's typical 9-11MW electrical demand down to approximately 6 MW, resulting in a reduction of GA costs by 30%. This savings stream will provide payback to central bank to purchase and install 2 Boilers that would replace the current 1962 boiler that is at the end of its useful life. Facilities is exploring both gas and battery-powered generators.

- Lot K Parking Structure
  - This \$12 million project will build a parking structure on the current Lot K parking footprint. The University is in need of additional off central campus parking spaces. The University currently leases land at Ward Ave and this lease is set to expire in Fiscal 2024 with no option to renew.
- Life Science Building Deep Renovation
  - Revitalization of the buildings envelope, systems and infrastructure. The proposed \$59.5 million deep retrofit will solve existing building envelope deficiencies of barrier leaks, thermal bridging, and roof leaks. Student study space and an identifiable entrance is lacking within the current configuration. With a growing enrolment for the programs, additional space is needed to increase capacity and must be located within close proximity to required services. Overall this project would offer a platform for future development and growth of life sciences research and education. It would also bring an aging building in line with current industry standards for both research and operations.
- Fit Out of Floors 7&8 DSB Expansion
  - The University has made the decision to shell in floors 7 and 8 of the DSB Expansion project for future growth at a cost of \$5.6 million (total for both floors). One of these floors will be occupied by the One Stop Shop hub (already approved) and the other is under discussion.
- Athletics & Recreation – Aquatic Centre/Pool Replacement
  - This phase includes the demolition and re-construction of the pool, to be known potentially as the Bay Area Community Pool and Aquatic Centre at McMaster University (BACPAC@MAC). Further, this phase includes a new student gym and major retrofits. A total of 23,190SF of new/renovated space is included in this project. This project is outlined in the Athletics and Recreation Business Case (November 3, 2017); project estimated cost of \$56 million.
- Hamilton Integrated Research Centre - downtown
  - To be constructed on the parking lot adjacent to the DBHSC building on Bay Street, downtown Hamilton. This research centre, intended to be similar to The Francis Crick Institute in Paris, France, would house some of McMaster's growing research programs in Health Sciences

and other collaborative areas. Building size estimated similar to DBHSC with parking requirements met through the Graduate Student Residence on King Street; estimated cost of \$100 million. This project replaces the previous STEM building on previous capital lists.

- Central Animal Facility (CAF) Renovation
  - The Central Animal Facility (CAF), located in the MUMC building, is in need of a complete renovation in order to meet accreditation requirements by the Canadian Council on Animal Care. The facility has undergone minor renovations in the past several years, including an overhaul of the ventilation system, but a more extensive complete renovation is now an urgent need. An external consultant has been engaged and the current estimate is a \$20M investment in order to meet the current requirements; estimated total project cost of \$36 million.
- Arts Quad Renovation
  - L. R. Wilson Hall (phase 1), allowed for the migration of teaching and learning spaces from the Arts Quad to this new building. Phase 2 – Arts Quad Renovation is to allocate \$63 million toward critically needed design and construction renovation improvements in the teaching and learning spaces within the existing Arts Quad.
- Land Acquisition – Downtown (adjacent to GSR)
  - 0.76 acres of land adjacent to the Graduate Student Residence property downtown is available through Knightstone Capital for a partnership opportunity. In the interim, the land is being sub-leased to the City for parking, and this could continue for the foreseeable future; land cost \$8 million.

### **C - Medium Priority Projects unfunded**

- Thode Library – High Density Shelving
  - This is a multi-phase project to thoroughly renovate and expand library space on campus.
- Housing and Conference Services Exterior Spaces plan (multi year plan)
  - Housing has a multi-year plan to upgrade and install landscape/hardscape in the residence areas around campus. This plan will likely be a 20+ year plan, with funding set aside each year to accomplish small projects.



#### **D - Low Priority Projects unfunded**

Please see the following chart, projects listed here will only be elevated if funding becomes available or circumstances change that change the priority:

Transit Hub - Academic and Commercial Building (Phase 2)	\$34,900,000
Transit Hub - Academic Classroom (Phase 3)	\$56,250,000
Athletics and Recreation - Phase 3 Expansion	\$37,900,000
Arts Quad Cover	\$47,500,000
Thode Library Phase 2: Major Renovations	\$6,000,000
Mills Library Phase 1 Research Collections	\$4,000,000
Mills Library Phase 2: Library Entrance, Washrooms	\$2,500,000
Mills Library Phase 3: Staff Spaces, General Learning and Collections Reno #1	\$4,500,000
Mills Library Phase 4: Staff Spaces, General Learning and Collections Reno #2	\$4,000,000
MAC Forest (Ancaster) - proposed teaching and research building	\$4,000,000
IAHS Expansion with Mohawk	\$20,000,000

#### **E - McMaster Innovation Park Projects**

McMaster Innovation Park also has several capital projects under various stages of development/planning. These projects are highlighted in the MIP strategy presentation annually to the McMaster Board of Governor's and Planning and Resources Committee.

Hotel	\$23,000,000
ETC#1 (Gowlings)	\$35,000,000
44 Frid Street (Hamilton Spectator)	\$30,000,000
Glass Warehouse	\$110,000,000
Park Complete Build-out	TBD



## **5.2      *Design Principles and Standards***

All projects will be executed in accordance with appropriate campus planning principles, design standards, code compliance and functional requirements; and all major projects are to adhere to McMaster policy on sustainable buildings.

The overall planning policies for the McMaster Campus follow from the twelve principles as detailed in Section 3.4, Westdale Campus Master Plan. They are intended to guide the University's growth and renewal over time. They are supplemented by area-specific policies for the campus found elsewhere in the Campus Master Plan.

In all cases, the policies are intended to reflect the intent of the University's Environmental Policies, including its Sustainable Building Policy, the City of Hamilton's Official Plan and Zoning By-law, the principles of Hamilton's Vision 2020 document and the planning and environmental policies of the Hamilton Conservation Authority and Royal Botanical Gardens.

Also, the space standards from the McMaster Space Management Policy (1987) need to be reviewed and revised, to more appropriate and up-to-date minimum standards, based on current minimum space standards outlined by the Council of Ontario Universities and the analysis of McMaster's current spatial data to reflect how space is actually being used on campus.

## **6            CONCLUSIONS AND RECOMMENDATIONS**

McMaster has recently successfully completed a great deal of new construction, addition/renovation projects and has acquired new space by lease arrangements. As identified by the Campus Master Plan areas for development still exist on the Main Campus, and these locations need to be the focus of future growth. McMaster's many currently ongoing addition/renovation projects and plans for new residence buildings and new teaching facilities, will help support existing needs and any new growth over the next few years.

In regards to existing infrastructure asset management, it should be noted that out of the 66 buildings, 46 buildings (70%) and 67% of our total gross building area are over 40 years old. With a total deferred maintenance backlog for all buildings and infrastructure including Residences and MUMC of \$713.87 million, and \$419.77 million for all buildings and infrastructure excluding Residences and MUMC, funding for deferred maintenance remains a high priority. McMaster University is currently funding deferred maintenance for the academic portfolio at \$9.4 million and MUMC at \$1.3 million/year (includes a loan payment), for a total allocation of \$10.7 million/year, an investment that will only maintain control of the top priority deferred maintenance items in the short term.

In the interest of sustainability, energy conservation and cost savings, McMaster has implemented several energy management programs.

## 7 EXECUTIVE SUMMARY

This 2020/2021 Capital Plan is an update of Version 4, published by McMaster University Facility Services in May 2019.

The amount of classroom space on campus is close to 86% of what is needed by COU standards. Full-Time Student Enrolment and the subsequent critical demands for space, is increasing. As such, McMaster University needs to identify and take advantage of existing opportunities for physical growth. McMaster needs to seek out off-campus expansion opportunities and to take advantage of the area available for development on the main campus. It will also be essential to increase efficiencies in planning for the utilization of existing space.

Over its rich history, McMaster has accumulated a wealth of physical assets. The challenge today is to manage this inventory of aging buildings and infrastructure as best suits anticipated needs. To this effect, McMaster University has increased the deferred maintenance funding for the academic portfolio and is allocated to spend \$14.09 million (including funds from the Ministry of Colleges and Universities) in 2020/21. This investment will maintain control of the top priority deferred maintenance items in the short term.

In addition, McMaster needs to further embrace sustainable construction and energy management practices. Accessibility needs to be increased for compliance with today's standards, including new installations of barrier-free ramps, washrooms, fire alarm strobe lights, water fountains, etc.

Numerous documents and reports have been produced to inform McMaster's efforts. Chief among them are McMaster President and Vice-Chancellor Patrick Deane's 2011 letter, "Forward with Integrity" (FWI), his 2012 letter, "Forward with Integrity: The Emerging Landscape" and the follow up document "Forward with Integrity: Next Phase" issued in October 2015. The Strategic Mandate Agreements (2014-17 and 2018-20) have also been prominent in outlining priorities and principles which help shape the University's development. Also, McMaster has joined the world's health-promoting universities and colleges in signing the Okanagan Charter, dedicated to advancing human and societal health and wellbeing.

## Appendix A: 2019/20 Governance Approved Capital Projects

Active Projects at December 2019 (greater than \$2M)*		Funding Source
Innovation Hub - The Clinic	3,100,000	Donor/Equity
Athletic and Rec - Pulse and Student Space Expansion	64,000,000	Equity/Student
DSB Expansion (at Innis Library)	89,730,000	Donor/Equity
Classroom Reconfiguration Plan	12,000,000	Equity
Research Capital Commercialization Project	50,000,000	Equity
Residence Renewal	18,000,000	Equity
Energy Management Projects and Sustainability	27,830,778	Gov't/Equity
Peter George Centre for Living and Learning	122,320,000	Equity
Advanced Manufacturing Centre	9,060,000	Equity
ABB - SIF (Renovation, addition, DM)	56,220,000	Gov't/Equity
Existing Building Infrastructure Asset Management and Renewal	80,000,000	Equity
Deferred Maintenance Projects	50,200,000	Gov't/Equity
Environmental Compliance	2,800,000	Equity
Campus Accessibility Action Plan (CAAP)	2,359,000	Equity
CFI 2017 (University contribution)	4,664,976	Equity
One Stop Shop/International Affairs	9,000,000	Equity
CFI Research Future Matching Funds	5,403,044	Equity
Graduate Student Residence Downtown	30,600,000	P3
Main Street Student Residence (Traymore)	12,900,000	P3
LRT Transit Hub and Parking Garage	8,980,000	P3/Equity
ABB 5 <sup>th</sup> Floor (Engineering and Science)	2,815,000	Equity
Parking and Security Relocation	2,300,000	Equity
CFI 2014 and 2015 (University contribution)	1,280,538	Equity
Mayfair Properties	5,600,000	Equity
Forge expansion at MIP parking garage	1,800,000	Gov't/Equity
Fraunhofer Center IZI at MIP - BEAM	17,400,000	Gov't/Equity
SANS for Nanostructured Materials (Gaulin CFI)	8,920,669	Gov't/Equity
L.R. Wilson Hall and Parking	66,054,595	Donor/Gov't/Equity
McMaster Health Campus	84,644,854	Donor/Gov't/Equity

\*Note: the above includes any projects that will remain open/active during May 1, 2020 to April 30, 2021 with a budget greater than \$2M. In addition, the highlighted projects are substantially complete.

## Appendix B: 2020/21 Subject to Approval Capital Projects

Summary Table:

	<b>PVP Approved: High Priority and Partially Funded:</b>	
1	Bates Retrofit (Partially Funded \$24,000,000)	44,000,000
2	Greenhouse new Construction and Demolition (Partially Funded \$5,000,000)	14,400,000
3	JHE Interior Renovation (Fully funded)	5,000,000
4	JHE Tower – The PIVOT (Partially Funded \$15,000,000)	50,000,000
	<b>Contemplated:</b>	
	<b>High Priority Unfunded:</b>	
5	Peak Shaver Installation and Boiler	10,000,000
6	Lot K Parking Structure	12,000,000
7	Life Science Building Deep Renovation	59,500,000
8	Fit Out of Floors 7&8 DSB Expansion (BHSC Expansion, Other – TBD)	5,674,200
9	Athletics & Recreation – Aquatic Centre/Pool Replacement	56,000,000
10	Hamilton Integrated Research Centre – downtown (replacement for STEM)	100,000,000
11	Central Animal Facility (CAF) Renovation	36,000,000
12	Arts Quad Renovation	63,000,000
13	Land Acquisition – Downtown (adjacent to GSR)	8,000,000
	<b>Medium Priority Unfunded:</b>	
14	Thode Library - High Density Shelving	2,000,000
15	Housing and Conference Services Exterior Spaces plan (multi-year plan)	20,000,000
	<b>Low Priority Unfunded:</b>	
16	Transit Hub - Academic and Commercial Building (Phase 2)	34,900,000
17	Transit Hub - Academic Classroom (Phase 3)	56,250,000
18	Athletics and Recreation - Phase 3 Expansion	37,900,000
19	Arts Quad Cover	47,500,000
20	Thode Library Phase 2: Major Renovations	6,000,000
21	Mills Library Phase 1 Research Collections	4,000,000
22	Mills Library Phase 2: Library Entrance, Washrooms	2,500,000
23	Mills Library Phase 3: Staff Spaces, General Learning and Collections Reno #1	4,500,000
24	Mills Library Phase 4: Staff Spaces, General Learning and Collections Reno #2	4,000,000
25	MAC Forest (Ancaster) - proposed teaching and research building	4,000,000
26	IAHS Expansion with Mohawk	20,000,000
	<b>MIP Funded Projects:</b>	
	Hotel	23,000,000
	ETC#1 (Gowlings)	35,000,000
	44 Frid Street (Hamilton Spectator)	30,000,000
	Glass Warehouse	109,795,372
	Park Complete Build-out	TBD

Appendix C: Capital Budget – Summary (Refer to Section 5)

Projects	Pre 2018	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Grand Total
Active - Ongoing												(850,512,286)
Innovation Hub - The Clinic			(108,037)	(1,500,000)	(1,491,963)							(3,100,000)
Athletic and Rec - Pulse and Student Space Expansion (SAFE)		(1,590,299)	(1,471,901)	(20,828,099)	(30,109,701)	(10,000,000)						(64,000,000)
DSB Expansion (at Innis Library)				(2,000,000)	(29,725,779)	(35,153,026)	(22,851,195)					(89,730,000)
Classroom Reconfiguration Plan	(1,520,000)	(541,594)	(3,000,000)	(2,000,000)	(2,000,000)	(2,938,406)						(12,000,000)
Research Capital Commercialization Project		(20,495)	(4,270,225)	(35,729,775)	(9,979,505)							(50,000,000)
Residence Renewal		(974,578)	(4,534,497)	(490,925)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)		(18,000,000)
Energy Management Projects and Sustainability	(12,546,727)	(6,631,224)	(1,963,073)	(6,689,754)								(27,830,778)
Peter George Center for Living and Learning	(7,116,042)	(28,686,137)	(54,289,582)	(24,124,281)	(8,103,958)							(122,320,000)
Advanced Manufacturing Centre			(68,911)	(8,991,089)								(9,060,000)
ABB - SIF (Renovation, addition, DM)	(3,270,694)	(30,530,655)	(20,362,353)	(2,056,298)								(56,220,000)
Existing Building Infrastructure Asset Management and Renewal (annual)		(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(80,000,000)
Deferred Maintenance Projects (annual)		(4,200,000)	(5,250,000)	(5,020,000)	(5,020,000)	(5,020,000)	(5,020,000)	(5,020,000)	(5,020,000)	(5,020,000)	(5,020,000)	(49,610,000)
Environmental Compliance		(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)		(3,600,000)
Campus Accessibility Action Plan (CAAP)		(334,000)	(334,000)	(337,000)	(337,000)	(337,000)	(337,000)	(337,000)	(337,000)	(337,000)		(3,027,000)
CFI 2017 (University contribution)				(4,664,976)								(4,664,976)
One Stop Shop/International Affairs				(500,000)	(6,000,000)	(2,500,000)						(9,000,000)
CFI Research Future Matching Funds						(5,036,666)						(5,036,666)
Graduate Student Residence Downtown (P3)		(277,549)		(500,000)	(13,642,004)	(16,180,447)						(30,600,000)
McMaster Main Street Student Residence (P3)	(6,434,360)	(7,770,304)	(1,645,336)		2,950,000							(12,900,000)
LRT Transit Hub and Parking Garage						(5,926,460)	(3,053,540)					(8,980,000)
ABB 5th Floor (Engineering and Science)				(500,000)	(2,315,000)							(2,815,000)
Parking and Security Relocation					(2,300,000)							(2,300,000)
CFI 2014 and 2015 (University contribution)		(187,000)	(1,093,538)									(1,280,538)
Mayfair Properties				(5,600,000)								(5,600,000)
Forge expansion at MIP parking garage - PVP Approved			(1,817,210)									(1,817,210)
Fraunhofer Center IZI at MIP	(4,099,366)	(10,314,730)	(1,765,941)	(1,219,963)								(17,400,000)
SANS for Nanostructured Materials (Gaulin CFI)	(6,383,952)	(2,548,589)	11,872									(8,920,669)
L.R. Wilson Hall and Parking	(64,371,074)	(1,395,122)	(288,399)									(66,054,595)
McMaster Health Campus	(81,387,375)	(2,402,593)	(162,959)	(691,927)								(84,644,854)
PVP Approved: High Priority and Partially Funded:												(113,400,000)
Bates Retrofit - PVP Approved							(4,000,000)	(20,000,000)	(20,000,000)			(44,000,000)
Greenhouse new Construction and Demolition - HPF				(500,000)	(7,000,000)	(6,900,000)						(14,400,000)
JHE Interior Renovation					(2,500,000)	(2,500,000)						(5,000,000)
JHE Tower - The PIVOT						(5,000,000)	(20,000,000)	(20,000,000)	(5,000,000)			(50,000,000)
High Priority Unfunded:												(350,184,440)
PeakShavers and Boilers					(5,000,000)	(5,000,000)						(10,000,000)
Lot K Parking Structure					(12,000,000)							(12,000,000)
Life Science Building Deep Renovation						(6,500,000)	(23,500,000)	(23,500,000)	(6,000,000)			(59,500,000)
Fit Out Floors 7&8 - DSB Expansion (BHSC Expansion, Other - TBD)					(5,674,200)							(5,674,200)
Athletics & Recreation - Aquatic Centre						(5,601,024)	(22,404,096)	(22,404,096)	(5,601,024)			(56,010,240)
Hamilton Integrated Research Centre - downtown						(2,000,000)	(32,000,000)	(42,000,000)	(17,000,000)	(7,000,000)		(100,000,000)
Central Animal Facility Renovation				(4,000,000)		(16,000,000)	(16,000,000)					(36,000,000)
Arts Quad Renovations - HPU						(3,000,000)	(31,500,000)	(28,500,000)				(63,000,000)
Land Acquisition - Downtown (adjacent to GSR)					(8,000,000)							(8,000,000)
Medium Priority Unfunded:												(9,000,000)
Thode Library - High Density Shelving					(2,000,000)							(2,000,000)
H&CS Exterior Spaces Plan (Multi year to 2041 \$20M)					(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(7,000,000)
Low Priority Unfunded:												(221,550,000)
LRT - Ph 2 - Academic Commercial Building - LPU						(4,900,000)	(25,000,000)	(5,000,000)				(34,900,000)
LRT - Ph 3- Academic Classroom - LPU							(11,250,000)	(45,000,000)				(56,250,000)
Athletics and Recreation - Phase 3 Expansion - LPU						(2,900,000)	(4,000,000)	(11,500,000)	(11,500,000)	(8,000,000)		(37,900,000)
Arts Quad Cover - LPU					(500,000)	(20,000,000)	(16,000,000)	(11,000,000)				(47,500,000)
Thode Library Phase 2 Major Renovations - LPU					(3,500,000)	(2,500,000)						(6,000,000)
Mills Library Phase 1 (Sherman) - LPU					(4,000,000)							(4,000,000)
Mills Library Phase 2 Entry, Washroom, CAV Renovations - LPU						(2,500,000)						(2,500,000)
Mills Library Phase 3 Staff, Learning, Collections Area Renovations 1 - LPU						(2,000,000)	(2,500,000)					(4,500,000)
Mills Library Phase 4 Staff, Learning, Collections Area Renovations 2 - LPU							(2,000,000)	(2,000,000)				(4,000,000)
MAC Forest Research Building - LPU					(200,000)	(2,500,000)	(1,300,000)					(4,000,000)
IAHS Expansion with Mohawk						(5,000,000)	(10,000,000)	(5,000,000)				(20,000,000)

## Appendix D: Schedule of Facilities

Building Code	Building Name	Building Section	Construction / Renovation / Acquisition Date	Current Total Building Gross Area (Square Feet)	Current Total Building Gross Area (Square Metres)
1	University Hall		1929	48,652.83	4,520.00
		Addition	1991		
2	Hamilton Hall		1929	51,865.81	4,818.49
4	Refectory		1929	23,365.44	2,170.72
		Addition	1965		
5	Edwards Hall		1929	25,025.44	2,324.94
6	Wallingford Hall		1929	23,461.70	2,179.66
7	Alumni House (Formerly President's Residence)		1929	6,523.90	606.09
8	Alumni Memorial Building		1949	14,062.10	1,306.41
		Addition	2003		
9	Nuclear Research Building		1950	61,117.00	5,677.96
		Addition	1957		
		Addition	2001		
		Addition	2011		
10	Mills Memorial Library/Alvin A. Lee Building		1950	230,069.00	21,374.11
		Addition	1962		
		Addition	1968		
		Addition	1990		
11	Burke Science Building		1953	196,401.35	18,246.28
		Addition	1958		
		Addition	1961		
		Addition	1963		
12	E. T. Clarke Centre		1954	53,465.93	4,967.15
		Addition	1958		
		Addition	1965		
		Addition	1968		
		Addition	1996		
15	Nuclear Reactor		1957	28,780.8	2,673.8
			1958		
16	John Hodgins Engineering Building	Addition	2017	278,377	25862.06
		Addition	1989		
		Addition	2001		
		Addition	2016		
17	Divinity College		1959	38,148.20	3,544.08
18	Moulton Hall		1959	58,692.50	5,452.71
19	Whidden Hall		1959	69,989.40	6,502.23

20	Gilmour Hall		1959	90,127.80	8,373.15
22	General Sciences Building		1962	59,583.20	5,535.46
23	Chester New Hall		1964	87,870.01	8,163.39
24	Ivor Wynne Centre		1964	246,954	22,942.77
		Addition	1972		
		Addition	2011		
25	Arthur N. Bourns Building		1968	352,648.00	32,762.07
		Addition	2003		
		Addition	2006		
		Addition	2019		
26	Matthews Hall		1964	61,808.30	5,742.18
27	McKay Hall		1964	66,824.30	6,208.18
28	Commons Building		1965	56,448.90	5,244.27
		Addition	1968		
29	Togo Salmon Hall		1965	146,039.68	13,567.53
		Addition	2000		
		Addition	2015		
30	Biology Greenhouse		1967	8,377.60	778.30
31	Campus Services Building		1968	51,935.60	4,824.98
32	Tandem Accelerator Building		1966	36,493.00	3,390.31
		Addition	2002		
		Addition	2011		
33	Applied Dynamics Laboratory		1967	21,480.00	1,995.56
34	Psychology Building		1970	102,691.5	9,540.3
		Addition	2013		
35	Woodstock Hall		1968	64,341.30	5,977.50
36	Brandon Hall		1968	118,354.70	10,995.51
37	Health Sciences Centre <sup>1</sup>		1970	981,238	91,159
		Addition	2005		
38	Kenneth Taylor Hall		1971	126,990.70	11,797.82
39	Life Sciences Building		1970	106,851.52	9,926.83
40	Bates Residence		1971	164,055.40	15,241.25
		Addition	1972		
42	H. G. Thode Library		1976	87,793.70	8,156.30
43	Communications Research Laboratory		1983	28,862	2,681.36
		Addition	1989		
44	Health Sciences Parking Garage		1986	N/A	N/A
45	Hedden Hall		1989	104,279.10	9,687.85
46	DeGroote School of Business		1990	74,422.44	6,914.07
		Addition	1999		
		Addition	2001		
48	Institute for Applied Health Sciences <sup>1</sup>		2000	118,652	11,023.13
49	Information Technology Building		1955	123,725.60	11,494.48
		Addition	1959		
		Addition	2001		
50	Mary E. Keyes Residence		2002	146,195.20	13,581.98
51	McMaster University Student Centre		2002	146,830.69	13,641.01
			2016		
52	Michael G. Degroote Centre for Learning and Discovery		2004	304,365.61	28,276.49
		Addition	2005		
		Addition	2017		
53	Les Prince Hall		2006	106,016.20	9,849.23

54	David Braley Athletic Centre		2007	140,478.85	13,050.91
55	Ron V. Joyce Stadium		2008	56,941.95	5,290.08
56	Engineering Technology Building		2009	138,682	12,883.97
57	Ron Joyce Centre (Burlington)		2010	103,591.87	9,624.00
58	MIP - MARC		2013	85,000	7,896.75
59	MIP – Atrium Building		2009	140,751	13,076.19
73	St. Paul's Anglican Church (Hamilton) – Leased Space		2013	5,808	539.5
74	L.R Wilson Hall		2016	177,927.00	20,438.20
82	88 Forsyth Avenue North		2015	4754	441.66
83	David Braley Health Sciences Centre		2015	232,843.00	21,631.82
85	One James North – Leased Space <sup>1</sup>		2015	52,991	4,923.02
86	47 Whitton Road		2015	3,587	333.24
87	182 Sterling Street		2015	3,937.00	365.76
89	Peter George Centre for Living and Learning (PGCLL)		2019	335,165.00	31,137.85
90	Halton McMaster Family Health Centre/JBH		2013	31,107.70	2,890.00
91	Canadian Martyrs – Licensed Space		2016	4,172	387.59
92	Cairns Research Complex- (Brock University)		2012	10,176	954.49
94	96 Forsyth Avenue North		2017	5,944.78	552.29
95	106 Forsyth Avenue North		2018	5012	465.63
96	132 Mayfair Crescent		2019	2,900	269.42
97	8 Mayfair Crescent		2019	4,600	427.35
T13	Preliminary Laboratory		1967	23,066.60	2,142.96
TB26	Temporary Building, Multi-use (Formerly Scourge Building)		1989	2,112.00	196.21
T31	Stone Church Family Health Care Centre		N/A	15,726.01	1,460.99
T32	Temporary Portables (Offices)		2013	6,031.56	560.35
T33	Temporary Portables (McMaster Children's Centre)		2013	7,805.02	725.11
T34	Temporary Classroom/Offices		2019	5,000.00	464.51
200	Integrated Health Building (Waterloo)		2010	59,816.34	5,557.12
<b>Grand Total:</b>				<b>7,066,182.13</b>	<b>656,469.79</b>

Note 1: McMaster space in shared building



## Appendix E: Schedule of Properties

Of McMaster's on-campus buildings, the following have unique ownership arrangements:

- Divinity College – owned by College of Divinity.
- Health Sciences Centre – owned by McMaster and leased to Hamilton Health Sciences (HHS then leases approximately 38% of the building back to the Faculty of Health Sciences).
- Institute for Applied Health Sciences – owned jointly by McMaster and Mohawk.
- McMaster University Student Centre – operated by McMaster Students Union under the direction of a management committee.
- David Braley Athletic Centre – owned by McMaster and operated by Athletics and Recreation; construction paid for from external sources, operating expenses paid for by McMaster and the students.

Additionally, off campus, the University owns or leases the following:

- 4350 South Service Road, Burlington – Ron Joyce Centre (east side)
- 4350 South Service Road, Burlington – Farmland (west side)
- 200 Longwood Rd South, Hamilton – McMaster Automotive Resource Centre (MARC) Warehouse (MIP)
- 175 Longwood Rd South, Hamilton – The Atrium Building at McMaster Innovation Park (MIP), aka The Atrium@MIP (Various Suites)
- 155 Chatham Street, Hamilton – (MIP) (undeveloped)
- 270 Longwood Road South, Hamilton – BEAM (Fraunhofer)
- 565 Sanatorium Road, Hamilton – Chedoke Hospital (leased space)
- 25 Charlton Avenue East, Hamilton, Suites: 300, 303, and 702 – Family Medicine
- 30 Birge Street, Hamilton – David Braley Research Institute (leased space)
- 237 Barton Street East, Hamilton – Hamilton General Hospital (leased space)
- 699 Concession Street, Hamilton – Juravinski Cancer Centre (leased space)
- 100 West 5th Street, Hamilton – Juravinski Centre for Integrated Healthcare (leased space)
- 711 Concession Street, Hamilton – Juravinski Hospital (leased space)
- 1475 Upper Ottawa St, Hamilton – Stonechurch Family Health Centre
- 2757 King Street East, Hamilton – St. Joseph's Community Health Services (leased space)
- 50 Charlton Avenue East, Hamilton – St. Joseph's Healthcare (leased space)
- 1140 King Street West, Hamilton – St. Paul's Anglican Church in Westdale (leased space)

- 10B Victoria Street, Kitchener – McMaster Michael G. DeGroote School of Medicine in the Integrated Health Building, Waterloo Regional Campus, Education Services, Faculty of Health Sciences
- 304 Victoria Avenue, Hamilton – Victoria Medical Center (leased space)
- 25 Main Street West – (leased space)
- 88 Forsyth Avenue North, Hamilton
  
- 100 Main Street West, Hamilton – David Braley Health Sciences Centre (south side)
- 100 Main Street West, Hamilton – Parking (north side)
- One James North, Hamilton –
- (previously known as The Downtown Centre, i.e., DTC) (leased space at Lloyd D. Jackson Square):
  - The Centre for Continuing Education (CCE),
  - Finance,
  - University Advancement (UA),
  - Institutional Research and Analysis (IRA)
- 47 Whitton Road, Hamilton
- 182 Sterling Street, Hamilton
- Existing houses bound by Forsyth Avenue South, Traymore Avenue, Dalewood Avenue, and Main Street West
- 1221 Lakeshore Road, Burlington – Halton McMaster Family Health Centre at Joseph Brant Hospital
- 1355 Main Street West, Hamilton – Canadian Martyrs (licensed space)
- Brock University, Level 200 @ 500 Glenridge Ave., St. Catharines – (leased space, Education Services)
- 96 Forsyth Avenue North, Hamilton
- 106 Forsyth Avenue North, Hamilton
- 110 King Street West, Hamilton – (leased space)
- 199 James Street North, Unit 2, Hamilton – (leased space, Sociology)
- 1205 Rymal Road East, Hamilton – (leased space, Faculty of Health Sciences)
- 142 Queenston Street, St. Catharines – (leased space)
- 16-24 Ontario Street, St. Catharines – (leased space, Medical Clinic)
- 180 James Street South, Hamilton – (leased space)
- 249 Caroline St S, Unit A, Hamilton – (leased space, School of Nursing)
- 293 Wellington Street North, Hamilton - (leased space, Family Medicine - Surgery), Suites: 110, 111
- 3155 Harvester Rd., Burlington – (leased space, Family Medicine), Suites: 207, 208, 209
- 495 Woodward Avenue, Hamilton – (leased space)
- 1960 Main Street West, Ancaster – (leased space)
- 555 Prince Charles Drive North, Suite 201, Welland – (leased space)
- 700 Bay Street, Suite 2303, Toronto – (leased space)
- 701 Main St. West, Suite 101, Hamilton - Family Medicine – Maternity Centre (leased space)
- 162 Ward Avenue, Hamilton - Parking lot (leased lot)
- Lot 56, of Hamilton Plan 1475 – (MIP)
- 245 James Street North, Hamilton – (leased space)
- 200 Victoria Street, Toronto, unit 1506 (leased space)

- Property on the north side of Lower Lions Club Road, east of Louise Drive, Ancaster – (undeveloped 115 acres)
- 120 Forsyth Avenue North, Hamilton – (The Oval at Mayfair Crescent: 5.5 acres)
- Grant Boulevard at Barrie Street, Hamilton – (undeveloped)
- 1190 Main Street West, Hamilton – (between Forsyth Avenue South and Dalewood Avenue) (undeveloped)
- 1480 Sandhill Drive, Ancaster – (leased space) Suites: 9A
- 777 Bay Street, Toronto – Capital Hill Group (leased space)
- 459 Hume Street, Collingwood – Collingwood General and Marine Hospital (leased space)
- Osler Drive, south side, east of University Plaza (undeveloped)
- Osler Drive, north side, east of University Plaza (undeveloped)
- 132 Mayfair Crescent, Hamilton
- 8 Mayfair Crescent, Hamilton

## Appendix F: 2020/21 Approved Project List for Deferred Maintenance Items

Bldg #	Building Name	Scope	Estimate (\$)
<b>Structure</b>			
4	Refectory	Structural repairs under loading dock	
Sub-Total			\$75,000
<b>Exterior Enclosure</b>			
24	Ivor Wynne Centre	Replace windows on 2nd floor south offices	
7	Alumni House	Replace windows	
15	Nuclear Reactor	Replace roof and exterior wall restoration	
10	Mills Library	Replace screens in the Sherman Centre Basement	
12	E.T. Clarke	Roof replacement below cooling tower cells 7 & 8	
Sub-Total			\$1,525,000
<b>Conveyance and Interior Finishes</b>			
10	Mills Library	Elevator upgrade	
2	Hamilton Hall	Flooring replacement	
29	Togo Salmon Hall	Lobby area and classroom B129 renovations	
42	Thode Library	Basement and Second floor ceiling	
16	John Hodgins Engineering	South Washrooms renovation	
16	John Hodgins Engineering	Common washrooms and corridor upgrades	
Sub-Total			\$1,550,000
<b>Mechanical</b>			
22	General Sciences Building	HVAC upgrades and additional noise mitigation	
28	Commons Building	HVAC upgrades	
16	John Hodgins Engineering	Replace AHU 1, 2, 3 and 5	
10	Mills Library	Replace re-heat coils on 4th floor	
20	Gilmour Hall	Replace all supply and return fans in the basement mechanical room	
39	Life Sciences Building	Replace RO water system	
24	Ivor Wynne Centre	26.67% of the ICIP funding application to upgrade the HVAC in Burrigge Gym	
48	Institute of Applied Health Sciences	Deferred maintenance work, cost shared with Mohawk	
Sub-Total			\$3,944,730
<b>Electrical</b>			
28	Commons Building	Replace high voltage sub-station	
16	John Hodgins Engineering	Replace sub-station, MCC and 2 distribution switchboards	
39	Life Sciences Building	Replace 600V main breaker and low voltage switchboard	
Sub-Total			\$2,000,000
<b>Fire Safety</b>			
24	Ivor Wynne Centre	Fire alarm Upgrade	
48	Institute of Applied Health Sciences	Fire damper fusible links replacement (Cost is shared with Mohawk College)	
4	Refectory	Fire alarm panel upgrade	
Sub-Total			\$650,000
<b>Environmental Compliance Action Plan - Phase 2</b>			
12	E.T. Clarke	First phase of the cooling tower replacement	
Sub-Total			\$1,345,270
<b>Infrastructure</b>			
Campus Tunnels		Repairs to tunnels and replacement of buried cables and utilities - Phase 1	
Campus Mall drainage		Add drainage and connect to existing sewer system	
Sub-Total			\$1,700,000
<b>McMaster University Medical Centre (MUMC)</b>			
37	MUMC	Facility contribution to pay for the outstanding central bank loan	\$200,000
37	MUMC	Infrastructure projects at MUMC	\$1,100,000
Sub-Total			\$1,300,000
Total			\$14,090,000