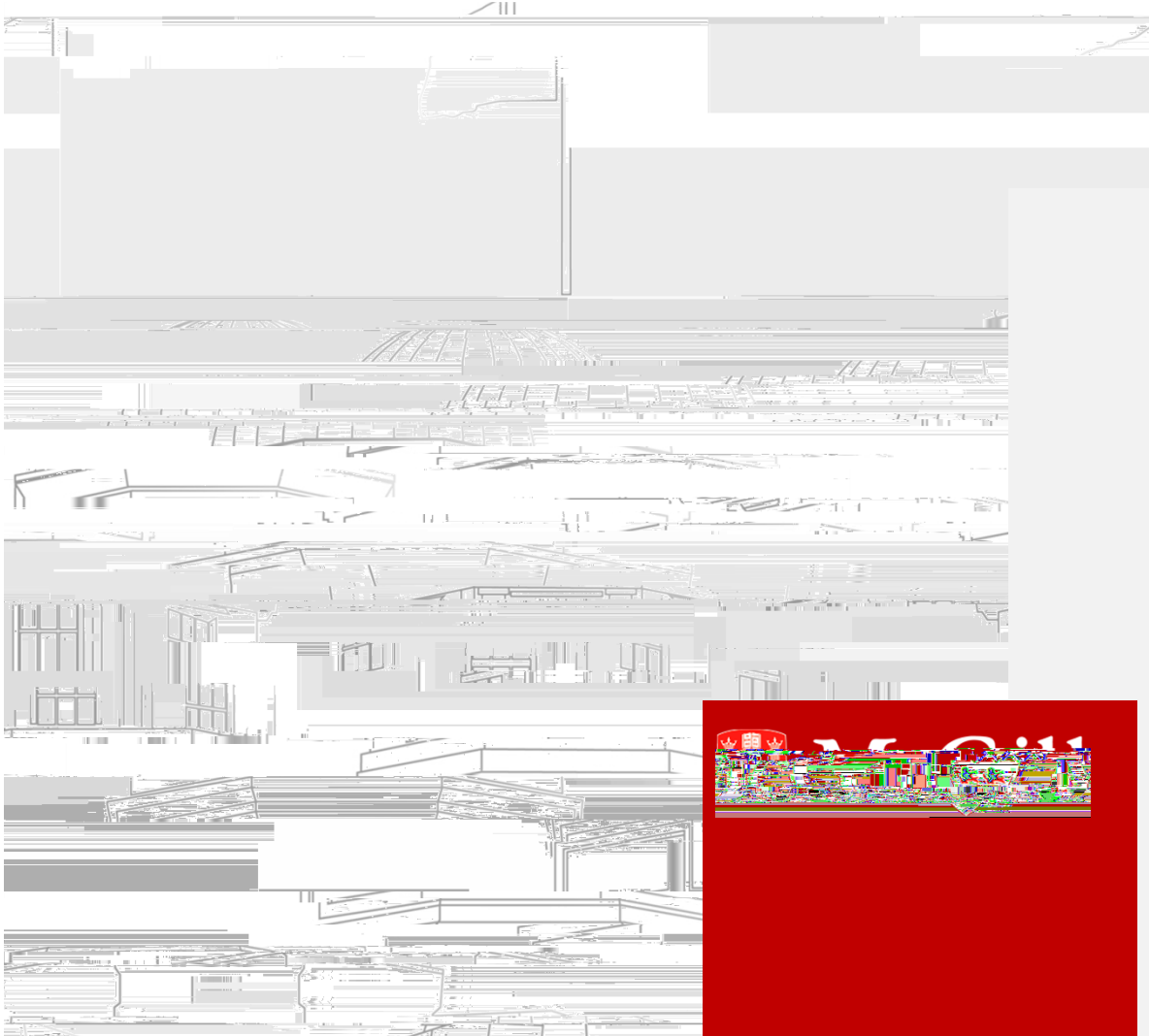


Office of the Provost  
James Administration Building  
845 Sherbrooke St. West, Room 504

TO: Senate  
FROM: Prof. Anthony C. Masi, Provost  
SUBJECT: Budget Planning for 2014-2015: Report I  
DATE:



# Budget Planning I for FY2015

## Key Considerations

Prof. Anthony C. Masi,  
Provost

4 December 2013

Presentation to Senate

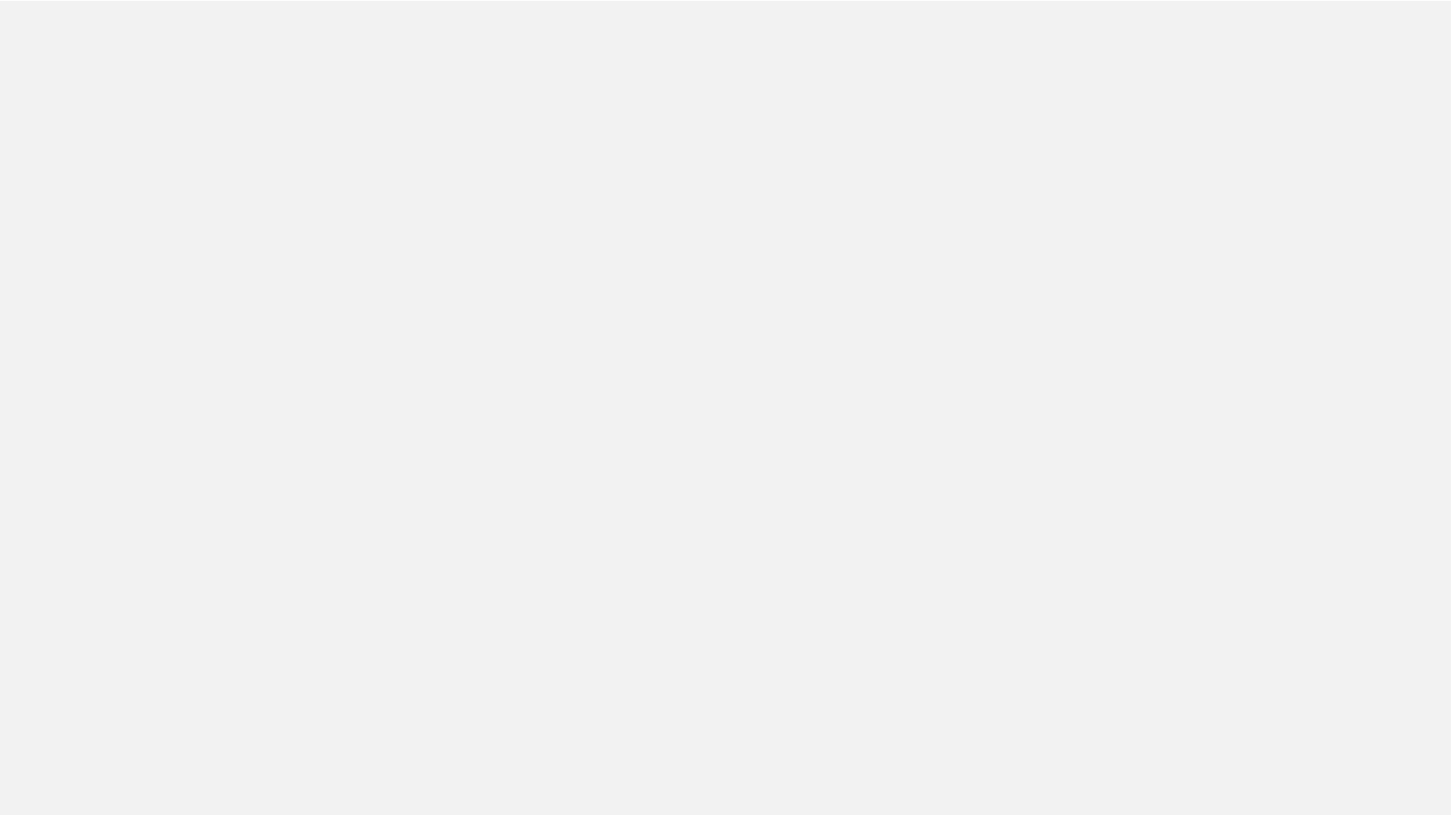
# Table of Contents

1. McGill's strategic priorities: the drivers of budget allocations
2. FY2013: Financial results
3. FY2014: Forecast of preliminary variances

# 1. McGill's strategic priorities: the drivers of budget allocations

- Advancing McGill's academic success, profile and reputation for excellence, nationally and internationally.
- Achieving a sustained student centred focus that will enhance educational, research and extra curricular life and learning for students at all levels.
- Managing existing resources on a multi year basis and diversifying and optimising revenue sources for maximum impact in support of educational programs, research activities, and community engagement.

## 2. FY2013:



### 3. FY2014: Forecast of preliminary variances

FY2014 budgeted deficit in University operating fund

## 4. FY2015 and beyond: Budget implications of strategic objectives

1. Targeted investments initiatives that advance strategic priorities in *ASAP 2012* and related initiatives
  - a. competitiveness of academic compensation for success in recruitment, development, retention, and promotion
  - b. innovative pedagogy
  - c. enhanced research competitiveness
  - d. infrastructure: facilities and IT
2. Meeting on going financial commitments, providing for one time only projects, and attending to deferred maintenance
3. Development of

## 5. FY2015 and beyond: Proposed MESRST Reinvestments

- \$1,764M reinvestment projected across universities for FY2015 to FY2019
  - of this proposed \$1.8B reinvestment, approximately \$650M represents a



## 6. Accountability at the unit level: benchmarking, performance and capacity measures

- Beyond university wide KPIs
- For administrative units, need voice of clients (Faculties, students, professors) in helping to determine appropriate service levels and indicators
- Indicators to be developed in conjunction with Faculties and admin units

# 7. Revenue growth and diversification

- On going discussions about ways we can:
  - grow existing revenues
  - innovate to develop new revenue sources
  - diversify revenue beyond traditional sources

## 8. FY2015 to FY2019 operating budgets: Summary of incremental outlook

### Quantitative

| Item                     | FY2015 incremental | FY2015 2017 incremental | FY2015 2019 incremental |
|--------------------------|--------------------|-------------------------|-------------------------|
| Revenue forecast         | \$43.4M            | \$149.0M                | \$280.8M                |
| Salary increments        | (\$17.2M)          | (\$117.3M)              | (\$287.3M)              |
| Non salary related items | (\$25.4M)          | (\$30.9M)               | \$8.8M                  |
| Total                    | \$0.8M             | \$0.8M                  | \$2.3M                  |

### Qualitative

- Conservative incremental outlook
  - expected revenues
  - potential new initiatives

Note: All figures are preliminary and incremental on FY2014 budget

## 9. Seeking advice:

