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Operating Budget

**For the Fiscal Years**

**2020/21, 2021/22 and 2022/23**

TABLE OF CONTENTS

[1 Key Considerations 1](#_Toc11320052)

[2 Mission 1](#_Toc11320053)

[3 Benchmarks/Indicators of Performance 1](#_Toc11320054)

[3.1 Internal 1](#_Toc11320055)

[3.2 External 1](#_Toc11320056)

[4 Services Provided 1](#_Toc11320057)

[4.1 Base services provided 1](#_Toc11320058)

[4.2 Fee for service 2](#_Toc11320059)

[5 Objectives 2020/21 – 2022/23 2](#_Toc11320060)

[5.1 Overall Objectives 2](#_Toc11320061)

[5.2 Significant new initiatives 2](#_Toc11320062)

[5.2.1 Name of new initiative #1 2](#_Toc11320063)

[5.2.2 Name of new initiative #2 2](#_Toc11320064)

[5.3 Alignment with Strategic Mandate Agreement 2](#_Toc11320065)

[5.4 Non-priority activities or programs reduced/eliminated 3](#_Toc11320066)

[6 the Budget PLAN 3](#_Toc11320067)

[6.1 Revenue 4](#_Toc11320068)

[6.1.1 Operating allocation 4](#_Toc11320069)

[6.1.2 All other revenue 4](#_Toc11320070)

[6.2 Staffing 4](#_Toc11320071)

[6.3 Other expenses 5](#_Toc11320072)

[6.4 Significant cost pressures 5](#_Toc11320073)

[6.4.1 Name of cost pressure #1 5](#_Toc11320074)

[6.4.2 Name of cost pressure #2 5](#_Toc11320075)

[6.5 Summary of items in Budget 6](#_Toc11320092)

[6.6 Plans for use of appropriations 6](#_Toc11320093)

[6.7 Capacity Constraints and Capital Budget Plans 6](#_Toc11320094)

[7 Major Opportunities and Key Risks to Your Operational Plan 6](#_Toc11320095)

[8 Other Major Assumptions 7](#_Toc11320096)

[9 Narrative of Envelope Highlights 7](#_Toc11320097)

[Appendix A – Organizational Chart 8](#_Toc11320098)

[AppENDIX B – Details of Major Variances 9](#_Toc11320099)

[Appendix C – Report on use of 2019/20 One-time priority funding 10](#_Toc11320100)

[Appendix D – Details of Transfers 11](#_Toc11320101)

[Appendix E – Details of All One-Time Revenues and Expenses 12](#_Toc11320102)

[Appendix F – Major Specifically Externally Funded (Fund 45) Activities 13](#_Toc11320103)

# Key Considerations

Please provide 3 to 5 bullet points highlighting the major issues in the envelope to provide context to readers, subject to vetting prior to submission – maximum 200 words.

# Mission

Please provide the envelope’s mission statement or a brief statement of the envelope’s long-term vision.

# Benchmarks/Indicators of Performance

## Internal

Insert other data as relevant. Include KPIs and results of customer satisfaction surveys if applicable. This may also include student, staff, and faculty surveys. If available, include the most recent employee engagement results (top and bottom three areas if in summary form).

## External

Insert other data as relevant, such as benchmarking survey results of activities with other universities across Ontario, G6[[1]](#footnote-1), and U15[[2]](#footnote-2).

# Services Provided

## Base services provided

Please summarize services provided for which no additional fee or recovery is levied. Provide details of any planned changes in services provided.

## Fee for service

Please detail services provided for a fee or as cost recovery, including current rates and any proposed rate increases with justification.

# Objectives 2020/21 – 2022/23

## Overall Objectives

Please summarize main objectives for the period 2020/21-2022/23 and how they align to current SMA goals.

## Significant new initiatives

### Name of new initiative #1

Briefly describe new initiative, and how it links to the SMA. Please note if there are significant impacts on stakeholders/ other university units and quantify the impact of the initiative that has been included in your budget.

### Name of new initiative #2

Briefly describe new initiative, and how it links to the SMA. Please note if there are significant impacts on stakeholders/ other university units and quantify the impact of the initiative that has been included in your budget.

## Alignment with Strategic Mandate Agreement

Strategic Mandate Agreements form part of the government’s plan to strengthen Ontario’s postsecondary education system. McMaster’s agreement identifies the areas below as the priorities and strengths that differentiate us from other universities, enhance our impact on society, and inform Ministry decision-making. (The full agreement is available at https://president.mcmaster.ca/wp-content/uploads/2018/01/SMA\_SIGNED\_PublicVersion\_Oct17.pdf) Institutional reporting requirements include achievements of SMA commitments over the past three years and goals for the next three years. Please complete the chart below IN POINT FORM ONLY with achievements and goals.

Note: It is not expected that all lines will be completed.

|  | Achievements  2018/19– 2019/20 | Goals  2020/21 – 2022/23 |
| --- | --- | --- |
| Student Experience |  |  |
| Innovation in Teaching and Learning |  |  |
| Access and Equity |  |  |
| Research Excellence and Impact |  |  |
| Innovation, Economic Development and Community Engagement |  |  |

## Non-priority activities or programs reduced/eliminated

* With limited funding available it is necessary to review all existing activities to ensure they continue to make positive contribution to strategy. Please list any activities that may be cut back or eliminated.

# the Budget PLAN

The expectation of the Budget Committee is that the envelope is in either a surplus or balance position in each fiscal year. This section reflects the budget numbers based on the enrolment trends and area initiatives, and details other revenues, staffing, other expense pressures.

Please insert the table from the Hyperion file for Operating Variances from the Guidelines and Templates section of the Budgeting Services website at <https://financial-affairs.mcmaster.ca/services/budgeting/budget-guidelines-and-templates/> **At this stage only include the main numbers section from the file.** DELETE THIS COMMENT FROM YOUR FINAL VERSION

Sample table:



## Revenue

### Operating allocation

Where an envelope has significant change in the operating allocation, please describe the major changes impacting the allocation, e.g. enrolment, teaching, drivers, priority funding from UF or Budget Committee etc.

### All other revenue

Please describe other **major** sources of revenue (>$200K) outside of the operating allocation included in this budget submission.

## Staffing

Please complete the table with staff complement as of year-end for each year. Outline hiring plans and justifications for any changes to support staff FTEs and if relevant, how they are linked to changes described in section 3.1 Objectives.

|  | Actual | | | Projected | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| Support staff |  |  |  |  |  |  |  |
| Support staff - cost recovery |  |  |  |  |  |  |  |
| Support staff - spec funded 45 |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |
| Part-time/casual/student |  |  |  |  |  |  |  |

***Definitions***

***Support staff: S****taff paid from this envelope, not including those reported in the categories below.*

***Support staff-cost recovery:*** *Staff paid from this envelope but cost recovered either directly or indirectly. (eg. Faculty career office is funded by co-op fees and should be reported on this line)*

***Support staff - spec funded 45****: Staff paid on Fund 45*

***FTE*** *= Full time equivalent. Refers to the number of employees, prorated by either their regularly scheduled hours (eg. hired for 4 out of 5 days a week equals 0.8 FTE), or if a shared position, by the percentage paid by this envelope. Please note that the FTE data calculated by Hyperion which shows on the financial submission further prorates FTE by the number of hours actually worked in the year (i.e. takes into account time of year position was vacated or replaced and leaves of absence, etc.). The difference in the two numbers should give you a good idea of historical employment gapping.*

## Other expenses

Please describe any changes in other expenses or **major** expenses (>$200K).

## Significant cost pressures

### Name of cost pressure #1

Please describe cost pressure and any mitigation strategies, quantify if possible.

### Name of cost pressure #2

Please describe cost pressure and any mitigation strategies, quantify if possible.



## Summary of items in Budget

Use the table below to summarise **only items** **in the budget** in terms of significant new initiatives and cost pressures.

Sample table:

|  |  | |  | Impact - Favourable/(Unfavourable) | |
| --- | --- | --- | --- | --- | --- |
| Major Action | Fiscal Year | Likelihood? | | One-Time | Ongoing |
| New program | 19/20 | High | | (150,000) | 300,000 |
| External recovery | 20/21 | Medium | |  | 500,000 |
|  |  |  | |  |  |
|  |  |  | |  |  |
| Total |  |  | | (150,000) | 800,000 |

## Plans for use of appropriations

Describe how you will use any surplus appropriation balance. Where an envelope has existing structural deficits and/or accumulated debt please describe the plan to eradicate this along with the timeline and include the impact in the table above.

## Capacity Constraints and Capital Budget Plans

Click here to enter text.

# Major Opportunities and Key Risks to Your Operational Plan

List, describe and if possible quantify

# Other Major Assumptions

Please detail any assumptions that differ from or are in addition to the budget guidelines and are not included elsewhere in this document.

# Narrative of Envelope Highlights

Please provide a paragraph of highlights which may be included in the consolidated budget document, please write as if for an external reader – maximum 200 words.

|  |
| --- |
| ***Details of key strategic initiatives and ties to Strategic Mandate Agreement***  *Paragraph 1* |
| ***Budget challenges***  *Paragraph 2* |
| ***Actions taken and planned additional actions***  *Paragraph 3* |

# Appendix A – Organizational Chart

Please append the most recent organizational chart

# AppENDIX B – Details of Major Variances

Please insert the table from the Hyperion file for Operating Variances from the Guidelines and Templates section of the Budgeting Services website, at <https://financial-affairs.mcmaster.ca/services/budgeting/budget-guidelines-and-templates/> ,**ensuring you hide the plan year columns**, and provide **brief** explanations for only those items highlighted (>$100K and 10%).

Sample table:



|  | 2019/20 Projection vs  2018/19 Actual | 2019/20 Projection vs  2019/20 Budget | 2020/21 Budget vs  2019/20 Projection |
| --- | --- | --- | --- |
| Operating allocation |  |  |  |
| Other revenue |  |  |  |
| Salaries & benefits |  |  |  |
| Other expenses |  |  |  |

# Appendix C – Report on use of 2019/20 One-time priority funding

If required, this section will be requested in writing, otherwise it may be deleted.

# Appendix D – Details of Transfers

***(Information used by Budgeting Services only – not included in final budget submission)***

Please include completed 2019/20 table from the Hyperion file for Analysis of Variances, available from the Guidelines and Templates section of the Budgeting Services website at <https://financial-affairs.mcmaster.ca/services/budgeting/budget-guidelines-and-templates/>

**Individual operating transfers < $10K (Support Units) can be summarized on one line**

# Appendix E – Details of All One-Time Revenues and Expenses

***(Information used by Budgeting Services only – not included in final budget submission)***

Please complete the table below, making sure the itemized list ties to one-time amounts in the financial report. Reflect credits as positive (+), and debits as negative (-).

| Description | 2018/19 Projection | 2019/20 Budget | 2020/21 Plan | 2021/22 Plan |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Total |  |  |  |  |

# Appendix F – Major Specifically Externally Funded (Fund 45) Activities

***(Information used by Budgeting Services only – not included in final budget submission)***

Discuss major specifically externally funded programs. Appendix may be deleted if there are none.

1. G6 leading research-intensive universities in Ontario are McMaster University, University of Ottawa, Queen’s University, University of Toronto, University of Waterloo, and University of Western Ontario. [↑](#footnote-ref-1)
2. U15 Group of Canadian Research Universities are University of Alberta, University of British Columbia, University of Calgary, Dalhousie University, Université Laval, University of Manitoba, McGill University, McMaster University, Université Montréal, University of Ottawa, Queen’s University, University of Saskatchewan, University of Toronto, University of Waterloo, and University of Western Ontario. [↑](#footnote-ref-2)