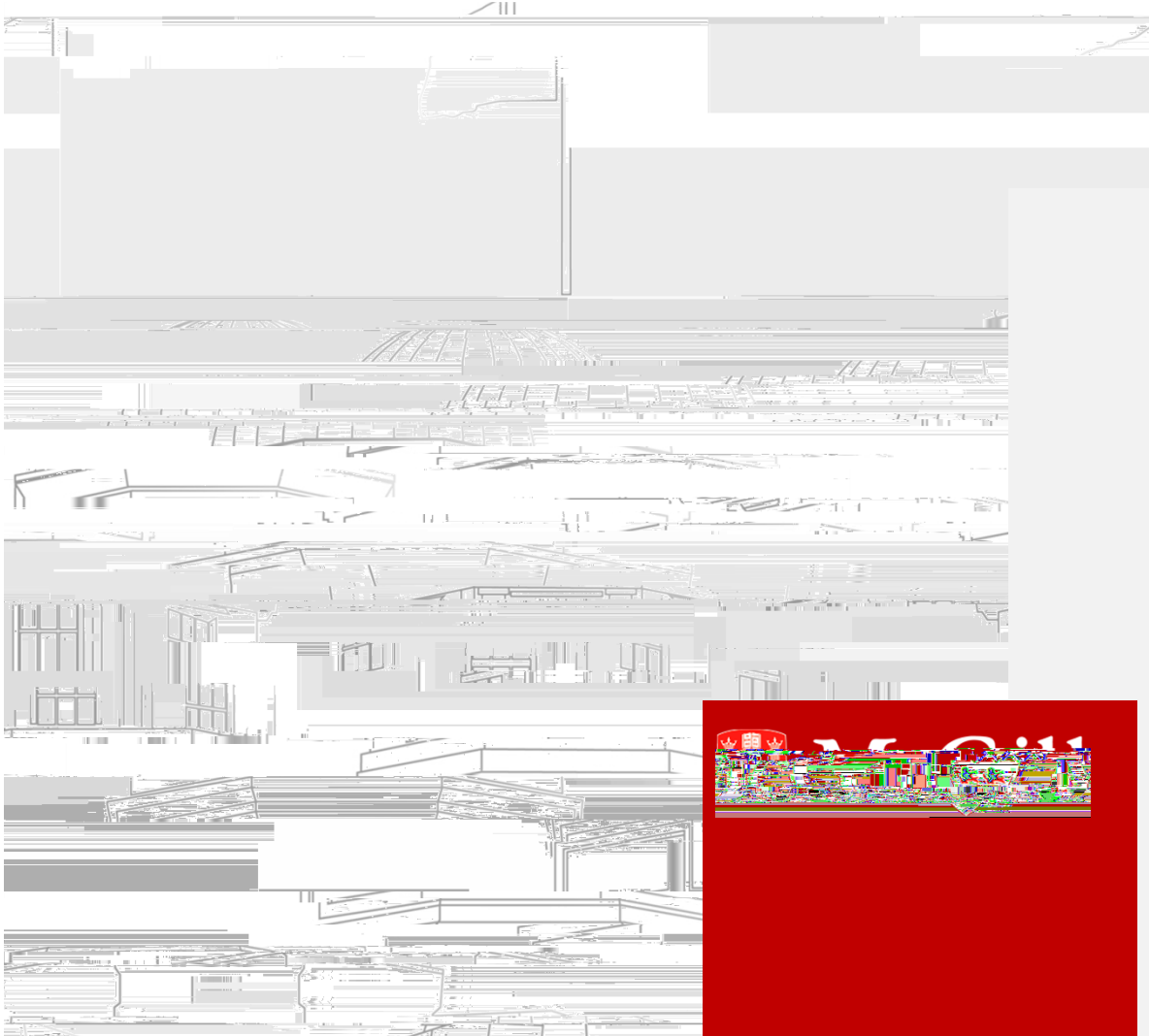


Office of the Provost
James Administration Building
845 Sherbrooke St. West, Room 504

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

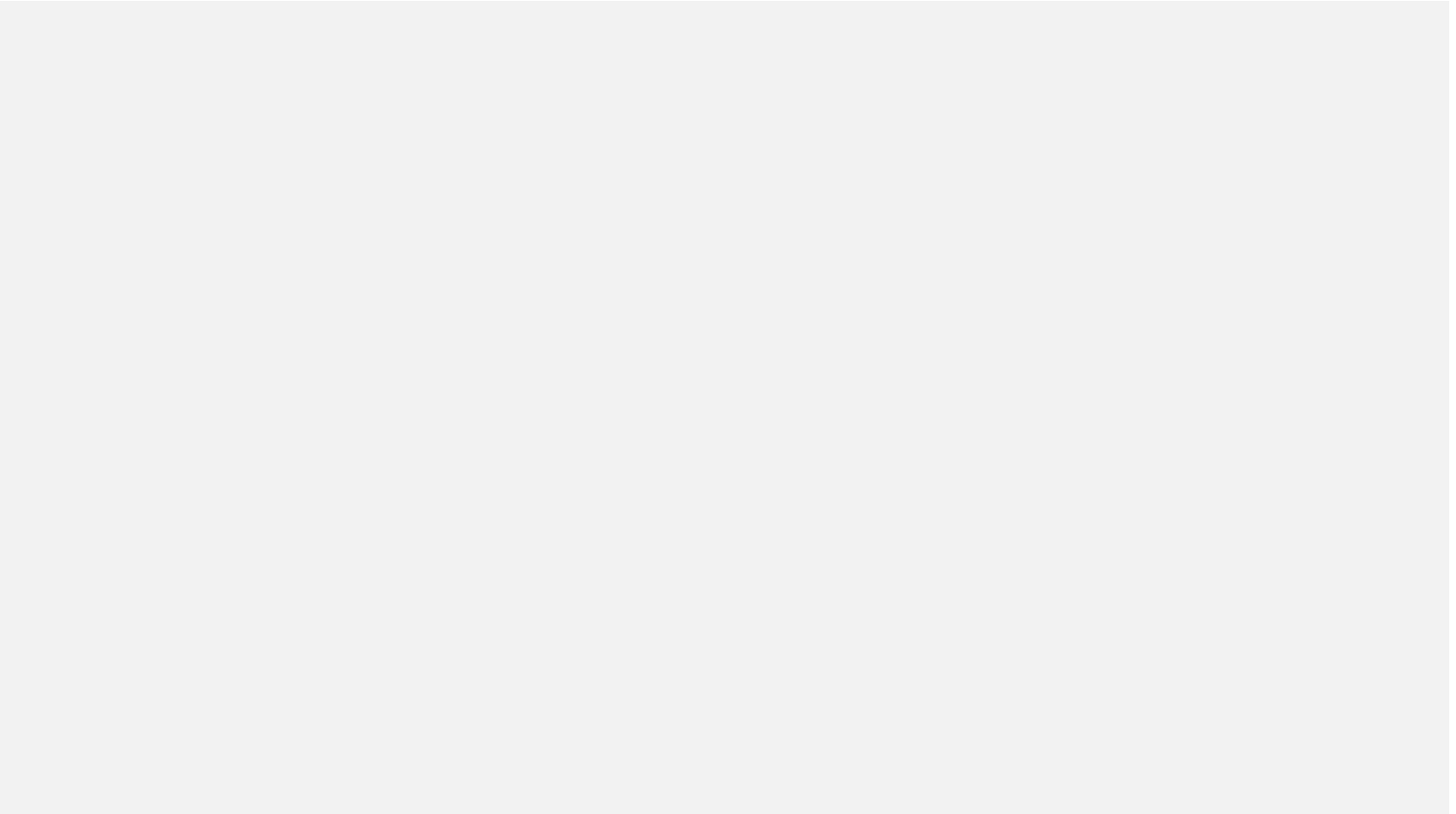
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1. McGill's strategic priorities: the drivers of budget allocations
2. FY2013: Financial results
3. FY2014: Forecast of preliminary variances

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:

