Roadmap@Destination2020

GETTING THERE FROM HERE:

Reaching *Destination 2020* in the Age of Differentiation and Financial Challenges

FEBRUARY, 2014
Like all of its counterparts, of course, it provides teaching and conducts research. These are the two basic functions of all universities. But the University of Ottawa carries them out in both official languages. The fact that we have successfully done so for over a century while reaching elite levels in our core responsibilities is a remarkable achievement of which we are all proud. What is more, we play a national role due to our location in Canada's capital, our close working relationships with both government and national institutions, and our annual contribution of bilingual graduates ready to take on leadership positions in both the public and private sectors. That unique national role has earned us the moniker “Canada's university”.

In all of this, uOttawa takes as its first priority the quality of each student’s experience.

Everything we do and aspire to do places students at the centre, as we strive to create a stimulating and supportive environment in which our students can thrive. Our research mission, where we are among the nation's leaders, also contributes to the student experience: undergraduates are increasingly involved on research teams, and the teaching they receive in the classroom is informed and enriched by the most recent discoveries. None of this would be possible without the passionate commitment of our scientists and scholars, and the deep engagement of our managers and staff, qualities that derive from their firm and sincere belief in our inspiring mission.
As a public institution, uOttawa is subject to changes in regulation and shifts in the province’s ability to provide financial support.

Both of those factors are at work at present to create a challenging environment in which we must operate. Reduced levels of public funding, regulated tuition and diminished revenues due to (deliberately) slower growth combine with annual increases in expenses to produce difficulties in balancing our operating budget. Taken together with the capital outlays required to build the facilities our students need and the challenge of paying down considerable deficits in our pension plan, it becomes obvious that we will have to change the way we do things if we are to achieve financial sustainability and the ambitious goals we have set for ourselves in our strategic plan, Destination 2020.

At the same time, the province has asked us to enter into a strategic mandate agreement that will define our differentiating characteristics: how are we different from other Ontario universities? What are the special qualities that we aspire to develop and strengthen by implementing our strategic plan? How will our progress be measured and reported, so that we are accountable for our performance? The provincial government is asking that we address these questions in the coming months.

So this is a time of great challenge for Ontario universities, including uOttawa.

Our mission may be unique, but we face the same challenges as others. Like all universities in Ontario, we must critically examine how we manage our affairs, look for ways to remain financially sustainable, identify and focus on differentiation and, all the while, remain true to key priorities: in our case, the quality of our students’ experience.

Ontario universities are not alone in confronting these challenges. And it is not just here in Canada that such questions are being asked. Across North America and around the world, universities are engaging their faculty, their staff, their Boards and their Senates, seeking to find new models and better ways to educate and conduct research. They are examining their missions and their methods critically.

Here at uOttawa, we are neither immune to the pressures being felt by others nor exempt from the duty to find ways to address them.

The time has come for us to talk about these challenges and develop consensus about the way forward. Succeeding in these bold efforts will require sustained commitment. But let’s not lose sight of our ultimate objective. We aim to create an academic environment in which students are challenged and respond, teachers are valued and inspire, and researchers are supported and excel. And we want this extraordinary mission grounded firmly in the deep commitment of our administrative personnel, who have served the university so well in all that we do.

This is an inspiring vision. Let’s remember that it is your vision. Destination 2020 expresses the aspirations that you voiced during our extensive consultations as we put it together. We must now find a way to make the vision a reality while managing our finances and responding to the province’s challenge to specialize and excel.

This document is intended to flesh out these themes and provide a framework for the discussions we must now have about the way forward.
Part One

THE PROVINCIAL CONTEXT

The PSE sector in Ontario is facing major challenges. Costs are rising in Ontario’s twenty universities and their revenues are not keeping pace. The provincial government, facing a sizeable deficit and a sluggish economy, is not in a position to fund the shortfall.

The government is concerned about the sector’s financial viability and has begun taking steps to address the situation. It is sending clear signals that it cannot provide new funding and expects universities to manage on less. Having already imposed a number of controls and constraints, the government is increasingly using the language of “productivity”, “efficiencies” and “consolidation.”

It has also reduced per-student grants by 1% in each of this year and next, and has set aside the savings in an “innovation fund” to support proposals intended to reduce cost and increase efficiencies (and from which the University of Ottawa has been awarded funding for proposals it has made both individually and jointly with other universities).

Most recently, the Ministry of Training, Colleges and Universities (“MTCU”) adopted a framework to differentiate the universities in the province (and has done the same, separately, with colleges). Differentiation now lies at the heart of the government’s strategy towards the PSE sector.

The introductory language in the government’s framework is revealing:

“The 2008 economic downturn and the ensuing precarious state of the global economy have made Ontario’s fiscal environment challenging. Substantial new investment by the government at levels comparable to the previous decade is not feasible. As enrolment growth is expected to slow in the near future, so too will operating grant funding. With institution inflation ranging from 5–8% annually, and operating grants increasing annually by 1.1% on average, existing cost structures are under pressure. Over time the sustainability of postsecondary education may be at risk.

Changes are required to protect the gains of the last 10 years, and to ensure that Ontario’s postsecondary education continues to enjoy a productive and promising future. With active collaboration among government, postsecondary institutions, and students, there is an opportunity to address the challenges facing the system.

Central to this pursuit is the need to preserve, even enhance, educational quality and institutional excellence within a sustainable cost structure. This will require a careful balancing act between government stewardship and institutional leadership. The government will use appropriate policy levers to steer the system in ways that align with provincial priorities while respecting the autonomy and expertise of our institutions.

The government has opted for differentiation as a primary policy driver for the system. Our overriding goal is to build on and help focus the well-established strengths of institutions, enable them to operate together as complementary parts of a whole, and give students affordable access to the full continuum of vocational and academic educational opportunities that are required to prosper in our contemporary world.”

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1 These cuts will result in an estimated annual revenue loss of $6.2 million each year going forward.

2 The University’s funded projects include (i) online tools do develop course plans and learning outcomes database, (ii) methodology to assess the financial viability of existing or new programs in relation to quality, increased access to communication and synchronous sharing tools, (iii) and a development assistance fund for the design or redesign of courses or programs. The proposals we have made in partnership with other universities include (i) a collaborative and transformative e-procurement initiative, (ii) a process for optimizing the reception, scanning and authentication of admission documents coming from foreign students, (iii) shared low-enrolment courses offered in French, and (iv) a feasibility study to explore way to extending program offering in French in the centre-south-west.
The framework sets out the advantages the government foresees through “differentiation”. It encourages universities to achieve greater productivity through reviewing programs, course redesign and “back office efficiencies”.

It proposes eight broad categories of differentiation:

- Teaching and Learning
- Student Population
- Jobs, Innovation, and Economic Development
- Strategic Enrolment
- Research
- Program Offerings
- Institutional Collaboration
- Sustainability (Financial)

As part of the differentiation process, each Ontario university will be required to enter into a Strategic Mandate Agreement (“SMA”) with MTCU to describe how it will achieve differentiation. The SMA will also include a strategic enrolment plan, with multi-year enrolment targets undergraduate, masters, professional masters and PhD programs. SMAs will also contain metrics by which the university’s progress will be measured. The SMAs must be signed by spring 2014.

Through the SMA, the province will want to establish “…how institutions see themselves, what makes them distinctive, where they are headed (e.g., new planned areas of focus), how they will get there (e.g., strategic enrolment plans, program prioritization and resource re-allocation), and metrics relevant to holding themselves accountable”.

The province will “align its policy, processes and funding levers”. This suggests that future funding will be tied to our performance in relation to the metrics arising from our SMA, and that any new funding will be designed to achieve provincial objectives.

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3 MTCU has appointed Dr. Paul Genest (former President of COU and now deputy Minister for Francophone Affairs), as its negotiator-in-chief for all university SMAs. Dr. Genest has visited the University of Ottawa for an initial session with the CA and Deans.
Part Two

DIFFERENTIATION AT uOttawa

uOttawa is well-positioned to accommodate the government’s desire to encourage differentiation and to achieve institutional accountability. Our strategic plan, Destination 2020, sets out clear institutional objectives that align well with the province’s categories of differentiation.

Destination 2020 is accompanied by our Scorecard, which establishes concrete targets linked to each strategic goal. The Scorecard includes internal metrics by which we will measure progress. Action plans have been developed towards the achievement of each Scorecard metric and progress reports will be made to the Board of Governors (“the Board”) regularly. The Administration Committee (“CA”) has decided to set aside $5 million per year until 2020 to support these strategic investments. In sum, our plans, processes and policies reflect very closely the provincial focus on differentiation, coupled with institutional accountability through measurement and reporting.

We are also well advanced in the development of teaching strategies that link to both Destination 2020 and the provincial reform agenda, including technology-assisted teaching (such as the “flipped classroom” and hybrid courses) and experiential learning.

Amidst all this change, it is important to remember the mounting evidence that uOttawa is achieving success in seeking its ambitious goals. According to almost all recognized rankings, we are now securely positioned among the world’s top 200 universities, among a handful of Canadian universities in this coveted category. We have for a decade been among the top 10 research-intensive universities in Canada, and we have advanced this year from #8 to #7 in that ranking. Our national and global reputation is strengthening each year as we increase admission averages, improve student experience, deepen international engagement and focus on areas of special strength.

Whatever else we now do, we must be careful to maintain the momentum we have developed and preserve the optimism and sense of possibility that now prevails on campus.

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4 The draft provincial framework recognizes several categories of differentiation that are reflected in our current and planned priorities. These include the capacity to serve specific student populations as a differentiating characteristic. The framework refers more than once to the need to meet the needs of Francophone students. In our comments on the framework, we have emphasized the need to recognize, as one element of our existing differentiation, our bilingualism and our very extensive French-language programs and services.

5 Those action plans include specific measures like the creation of new faculty positions to improve the student-professor ratio. Steps are being taken to deploy these new positions strategically (the Provost has asked each faculty to prepare a three-year hiring plan).

6 These strategic investments will total $35 million by 2020.
Part Three

UOTTAWA’S FINANCIAL CONDITION

uOttawa has not been exempt from the financial pressures facing other institutions in Ontario’s PSE sector. Although our balance sheet is stronger, our debt load lighter and our administrative expenses lower than most other universities in our peer-group, we are facing annual increases in expenses that significantly exceed additional revenues.

Those revenues derive almost entirely from two sources: the per-student government grant, and tuition. As noted earlier, the grant is being cut. And because student population growth remains the only way to increase provincial revenues, limiting our growth will have an important impact.

As for tuition, it is provincially regulated and the current government has limited annual increases to 3% until 2016. The picture on the expenses side is just as challenging.

In an institution where salaries and benefits account for 70% of outlays, average annual increases in compensation of 4-5.5% constitute a major factor. In addition, significant deficits in our pension plan (on both the solvency and “going concern” basis) will require special annual payments (in increasing amounts) from operating budgets during the entire planning period to 2020. We will also see annual increases in the cost of benefits and of the plan itself, threatening the sustainability of those benefits.

We took an important first step in the recent labour negotiations when both our full-time professors and administrative personnel agreed to increase their annual contribution to the pension plan’s costs. Given these challenging circumstances, the Board has asked the CA (Administrative Committee) to prepare a plan to deal with anticipated deficits in the coming years, with the objective of achieving balanced budgets in 2013-14 and the years beyond.

Any such plan must take into account the provincial context, including the government’s limited finances, its differentiation policy and the performance metrics in the SMA we negotiate in the months ahead. Efficiencies already adopted in recent years leave little room for easy choices: preparing the plan will mean focusing on areas of strength and strategic priorities. The plan must also consider our own strategic goals under Destination 2020, the Scorecard indicators and the action plans developed for their achievement.

Perhaps most importantly, that plan must emerge from broad consultation on campus to ensure that its measures enjoy widespread support and reflect our institutional culture and values. For without real and substantive consultation, any such plan will lack the broad consensus necessary to ensure its success when it is implemented. And we owe it to our students and all members of the University community not only to develop such a plan, but also to put it into effect.

“... that plan must emerge from broad consultation on campus...”

7 The University experienced a modest deficit in its operating budget in 2012-13 and is at present also anticipating deficits in 2013-14 and 2014-15.

8 After a decade of unprecedented growth that almost doubled the student population, the Board of Governors decided in 2011 as part of the Destination 2020 strategic plan to “moderate” growth so that by 2016 uOttawa would be in a “steady state”, with just enough new registrations each year to replace the graduating cohort. This strategy, along with the hiring of additional professors, will enable us to focus on increasing admission averages, bringing down class sizes, creating additional teaching and research space and in all other respects improving the quality of our students’ experience.

9 Tuition increases put an acknowledged burden on our students who come to the campus from a variety of economic circumstances.

10 The annual inflation rate is driven by wage increases provided for in collective agreements plus “progress in the ranks”, amounting to annual increases for professors and administrative personnel to reflect growing seniority.

11 But even after those increased contributions take effect in the last two years of the collective agreement, the respective share of the plan’s cost in 2016 will be approximately 64% employer and 36% employee, still far from the 50-50 shared cost that both the University and the province regard as an objective. Additional steps must therefore be taken in the next bargaining round.
Part Four

TYING IT TOGETHER: AN INTEGRATED APPROACH

There are therefore several forces at work all at once that must be managed in a coordinated manner if we are successfully to navigate the complex terrain ahead. Provincial policies, government austerity, our own strategic objectives and competitive opportunities must all be accommodated as we plot the way forward. What is needed is a comprehensive approach that will trace a secure path through this crowded landscape and towards the success of which we are capable.

It is also important that these separate but converging factors be managed in a coherent and integrated fashion, while remembering that we shall have to satisfy MTU that our proposed plan in the SMA for differentiation is acceptable.

- The way we choose to differentiate must reflect our institutional goals;
- Accountability to government through the SMA and its metrics must be aligned with our obligations to the Board to meet the objectives in Destination 2020; and
- Strategies for achieving financial sustainability at the University must take into account our SMA obligations and our own strategic objectives.

So what are the steps that must now be taken, and in what sequence?

(i) Determine Scope and Scale of our Financial Shortfall

First, the scope and scale of the financial challenges must be defined. That means working up reliable forecasts of revenues and expenses for the planning period to 2020, on the assumption that we continue operating as we are at present. Determining reliable projections for the planning period to 2020 will not be easy: there are variables and uncertainties that may result in significant shifts, especially in the outer years.

Nonetheless, we must do the best we can to estimate our financial position based on realistic assumptions, recognizing that the farther out we go, the less assurance there can be that the numbers will remain the same.

So the starting point must be a consensus on the deficits projected for the planning period so that we are all working with the same assumptions. Once there is common ground about the scale of anticipated deficits, that information must then be shared, first with the Board and the Senate, and then with the university community more broadly.

In communicating this information, and in managing the broader consultation to follow, we must aim to achieve transparency, consistency and responsiveness. Without those qualities, we will not establish the trust essential to the success of the collective effort.
(ii) Negotiate an SMA

We were required to submit a draft SMA to MTCU by December 20, 2013. We will now enter into negotiations with MTCU’s special adviser, Dr. Paul Genest, in order to conclude the SMA in final form. Dr. Genest has expressed the hope that university SMAs can be concluded by April, 2014.

Committing to an SMA that defines our differentiation means deciding where we will put the academic and research emphasis in the years ahead. We will be guided in that effort by the faculties’ Three Year Plans that the Deans have now submitted to the Provost.

Differentiation is all about making choices. For example:

- What are the disciplines in which we have established a national and international reputation for excellence, and so have a solid base on which to build our differentiation?
- Assuming that we are not, and cannot become, equally excellent in every discipline, are there other areas where we have sufficient momentum that we can reasonably aim to achieve differentiating pre-eminence?
- Are we operating some programs at a deficit, while in other programs that pay for themselves, turning away even outstanding students because we are short of faculty or space?

The preparation of the SMA will of course be influenced by the financial review that we must undertake. The SMA process will provide an opportunity for community comment and the SMA will be approved by the Senate and the Board before being submitted to MTCU in final form.

(iii) Engage the Senate and the Board

The Board and the Senate have been asked to endorse and support a broad effort aimed at defining differentiation for the University of Ottawa, recommitting to our Destination 2020 goals and achieving the University’s long-term financial viability.

The Senate and the Board have been informed that the CA proposes a thorough and critical evaluation of our administrative and academic programs, policies and services in order to:

- Improve their quality;
- Reduce their complexity;
- Ensure their alignment with both our Destination 2020 goals and the differentiation we will propose in our SMA; and
- Reduce their cost.

The CA will set out for the Senate and the Board the wide-ranging nature of the exercise that we propose. Those bodies should tell the CA whether it is asking the right questions.

(iv) Engage the Community

Effective and continuous communication of information and of purpose will be of utmost importance. A variety of communication methods should be deployed on a continuing basis throughout the process to provide a complete picture of our financial situation, of our choices and their implications. The objective must be to work towards a broad consensus on the best way forward.

This discussion, and the subsequent task of discerning and expressing consensus, should be led by the Provost and Vice-President Academic, supported by his CA colleagues and both internal and external

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12 Given the very short period for preparation, the draft was largely based on the proposed SMA we submitted in October, 2012.
expertise. While the Vice-President Resources will have a key role to play, it will be especially important that (i) the Provost and Vice-President Academic lead the discussion, (ii) the Vice-President Research participates fully and that (iii) the Deans play an active role in the consultation and in designing the resulting plan.

Why? Because though our challenges involve issues of administration and management, they arise in an academic institution. Our highest priority is the quality of each student’s experience. Students must remain at the centre of the analysis. Fiscal challenges must therefore be addressed in a way that respects our academic and research mission. And the services we provide on campus must be aligned to support that mission and achieve effective governance.

Three Cautionary Notes

1. This is Not Just About Cutting Costs
   It might be tempting to view the exercise as only about reducing spending. In view of the many factors that are involved, however, that would be too narrow a focus. Indeed, this is not about an “across the board cut.” Rather, the current situation requires us to look at our spreadsheet with a strategic eye. By doing so, we can develop approaches that will guide our spending and investments not simply for Budget 2014-15 but for the planning period: not simply to balance the books but also to help us achieve our strategic and SMA goals.

2. This is Not Just About the Central Administration
   One tends to think only of the central administration when discussions of revenues and expenses arise. But if we are to plan our way towards financial sustainability, the faculties and their budgets must also be examined with a critical eye, and questions about duplication, consolidation and efficiencies both within and between faculties, and between faculties and the central administration, must be considered.

3. This is Not Just About Overcoming Deficits
   The task we are undertaking (especially in the second phase) is about more than just balancing the books from one year to another. As important as it is to balance the annual budget, our challenge goes beyond just coping with temporary shortfalls. The reality is that the traditional funding model for Ontario’s universities is no longer meeting our needs. When it comes to funding for PSE in our province (and perhaps for Canada) things are changing and they are changing for good. While it is impossible to predict exactly what new model may emerge in the future, it seems bound to involve reduced public funding, a high expectation that universities will manage more efficiently, and greater accountability for measureable results. So when we tackle the second, longer phase of this work, we should be addressing the difficult and complex question: What will University of Ottawa 2.0 look like? How to create it? Such an exercise will force us out of our comfort zone and into a new way of thinking about the university of the future. Such an effort will take courage and imagination, but nothing less will be required if we are to anticipate and prepare for the fundamental changes that seem, given fiscal realities, to be all but inevitable.

13 The University of Ottawa already has among the lowest rates of spending among U15 universities for the costs of administration.
Part Five

AREAS OF POTENTIAL CHANGE

There are many areas that must be examined as we evaluate the University’s programs, services and activities to determine whether we are organized and administered optimally to achieve our strategic objectives and respect our eventual SMA commitments.

The following represents a starting point. It is intended to stimulate discussion and is by no means an exhaustive or an immutable list. Other and different approaches will no doubt be proposed. But these ideas may be helpful in getting the discussion started.

First, the broad context for our discussion:

- Acknowledging that we cannot solve the problems of the entire PSE sector on our own, what steps can we take to put our own finances on a more sustainable footing for the planning period?

- Put another way, since our forecast shows that if we continue as we are operating we will encounter major deficits in the years to come, how can we change the programs we offer (and the way we offer them), the services we provide (and the way we provide them) in order to achieve financial sustainability?

- What lessons can we draw from other universities\(^\text{14}\) that have recently had to introduce changes to their programs, policies and practices in order to confront financial challenges?

**Planning Period**

- Given the difficulty of making reliable long-term projections in such a volatile sector, the CA should propose that the effort to plan for financial sustainability be divided into two phases: measures that can produce changes in the short term (to 2015-16) and those that will have an effect in the longer term (to 2019-2020).

**SMA**

- What differentiating elements should be included in the draft SMA we will put before MTCU to open negotiations?

- How can the SMA (and the effort towards long-term financial sustainability) be aligned with provincial policies in the sector that encourage shifting resources from lower to higher institutional priorities, consolidating services within

\(^{14}\) Similar challenges are being faced not just elsewhere in Canada but also in the United States, the UK and Europe. There may be lessons to be learned from various jurisdictions.
(and between) institutions, and differentiating by favouring areas of comparative strength?

**Administrative Dimension**

- Are our administrative services, policies and processes designed to meet our strategic needs? If not, how should they be changed?

**Academic Dimension**

- Are our academic programs aligned with our strategic objectives? Are there some that by reason either of quality or cost-effectiveness should be eliminated?

- Are our academic services, policies and processes aligned with our strategic objectives? Can they be modified to reduce cost or complexity?

**Potential Sources of Additional Revenue**

- Are there steps we can take to increase revenue by changing certain policies or strategies in relation, for example, to fundraising, continuing education, enrolling more international students, greater commercialization of our research?

- Can revenues be enhanced through more focused and strategic management of our assets (including our considerable land holdings, our market investments and our intellectual property)?

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I: Making a Difference in the Short Term (to 2016)

(a) **Scholarships and Financial Aid:**

- Align scholarships and financial aid to conform with strategic goals.

- Prioritize fundraising efforts to secure gifts that will offset ongoing operating costs.

(b) **Evaluate the internal funding formula** and financial funding policies to ensure that it provides an incentive for the right things; strategic goals instead of (as in 2003 when the current formula was adopted) growth in the student population.

(c) **Examine the Recommendations of the Optimization of Resources Task Force, 2010**

- Determine whether the time has come to implement some of the far-reaching recommendations that were considered at the time;

- Evaluate those recommendations in the current context.

(d) **Initiate the Evaluation of all administrative and academic services**

- Examine relevance, delivery model and efficiencies.

- Review Deloitte recommendations from the 2009 *Optimization* exercise concerning the possible centralization of many services.

- Determine investments needed to automate those processes that are now manual, and to standardize and simplify those that are now inconsistent and too complex.

- Explore with other post-secondary institutions the possibilities of consolidation, sharing and pooling of efforts in order to overcome duplication and diminish cost without putting quality at risk.

- Objective is to improve service delivery, eliminate non-relevant services, reduce the burden of complexity, overcome duplication of services so as to better support University mission, ensure appropriate governance and reduce cost of services.
(e) Initiate the evaluation of all academic programs

- Use existing Senate mechanisms, amended as required, to evaluate academic programs from the point of view of quality assessment, course design, cost-effectiveness, use of technology, and alignment with strategic plan, SMA and faculties’ three year plans.

- Design an evaluation process that meets these criteria and that also operates in “real time”, so that decisions can be made and acted upon quickly.

- Objective is to improve the quality of programs and therefore student experience, align with faculties’ three-year plans, focus on areas of comparative strengths, differentiate in accordance with SMA, line up program offerings with differentiation, increase revenue and add to research intensity.

(f) Examine potential sources of increased external revenues

- Include fundraising, continuing education, distance education, satellite campuses, increasing international enrolment, more aggressive commercialization of research and enhanced asset management.

- Consider ways to put the campus to more productive use during the summer months, whether by enlarging “third semester” enrolment or expanding other remunerative activities.

II: Efforts that can be Initiated Now, but with Results in the Longer Term (2016-2020)

(g) Pension benefits reform:

- Identify potential changes for inclusion in the round of bargaining towards the next collective agreements;

- The objective is to put the pension plan on a sustainable footing, continue the move towards sharing costs at 50%-50% (which started in the collective agreement of 2013), align benefits with other similar plans in the Ontario PSE sector, and ensure that benefits are sustainable.

(h) Determine whether savings and efficiencies can be generated by structural reform (combining certain faculties, merging certain departments or combining certain programs).

(i) Examine whether there are advantages to shifting the mix in academic posts:

- Moving posts from lower revenue and less research-intensive programs to higher;

- Would such changes align with SMA commitments and differentiation?

(j) Focus and intensify fundraising efforts:

- In preparation for the launch of our major fundraising campaign in late 2014, examine fundraising expenses in light of results and concentrate on items that will reduce the burden of cost in the University budget15.

(k) Examine and improve policies in relation to capital expansion:

- Require that all new buildings be self-sustaining financially, with an income stream derived from public-private partnerships or otherwise that will defray annual maintenance and carrying costs16;

- Working with the Board’s Campus Development Committee, establish strategies for the development of our lands in such a way as to maximise financial benefits.

(l) Evaluate our commercialization policies
to determine whether they represent “best practices”, and determine how we can generate more revenue for the University in this way. Establish and publish targets to ensure follow-up and accountability.

(m) Examine efficiencies that might be possible by out-sourcing, sharing services with other PSE institutions, including student services and administrative and other “back office” activities.

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15 Such as scholarships and bursaries and endowments for professorships and research chairs.

16 For example, by setting aside ground-floor or other prominent space to be rented out for retail or commercial use, on attractive terms.
Ask government to do its proper part: We cannot look to government to provide the solutions we seek. It will be up to us to do the hard work required to find new methods and models by addressing the many questions set out above. But there are some items that fall squarely within government’s responsibilities and that government should address. Here are some of the government “action items” for which we can and should advocate:

- **Seek full funding for bilingualism** at the University. The University receives subsidies from the provincial and federal governments that help with the cost of providing programs and services in both languages. Those subsidies represent less than half the full cost of bilingualism at the University each year. The shortfall represents a significant investment from our operating budget, an expense that other universities do not incur. It is time to “level the playing field”.

- **Change the provincial funding formula.** On its own, as well as through COU (Council of Ontario Universities), uOttawa should continue on-going efforts to persuade Queen’s Park to devote a portion of provincial money set aside in the period to 2016 for “growth” in the system to fund “quality” instead.

- **Provide additional pension plan relief**, including exemption from the “solvency” test requirement and further extensions of time to repay the “going concern” deficit.

- **Address increasingly urgent deferred maintenance needs.** The longer these needs are ignored, the more expensive they will become, and in the meantime, the quality of our students’ experience is diminished.

- **Invest in additional infrastructure.** Despite considerable new construction in recent years, uOttawa still has among the lowest ratios of teaching/lab space per student in Ontario. Public infrastructure investments would address this need while reducing our borrowing costs.

### Part Six

**CONCLUDING WORDS**

The process that is about to begin holds enormous possibilities for the University of Ottawa, and presents an opportunity to achieve a number of important objectives all at once: to reaffirm our commitment to our **Destination 2020** goals; to define with clarity our areas of differentiated strength; to open the way towards financial sustainability; and to improve our processes, practices and programs to the benefit of our students, faculty and staff.

We will, as always, find a way forward. We will do so by working together, as we have in the past, in shared commitment and common cause.