Budget 2017-2018

The University of Ottawa has begun planning its budget for the coming fiscal year (2017-2018).

Like other Ontario universities, uOttawa is under increasing financial pressure. We are facing new challenges that will affect our activities and budgets. In particular, in light of a restrictive budgetary environment, the provincial government has announced that it intends to review and change the way it allocates funding to universities, and it has yet to announce the regulatory framework that will govern next year’s tuition fees.

The challenges involved in balancing our budget are considerable. We must deal with the fact that our expenses are growing faster than our revenues. Moreover, we must take into account demographic decline in the populations from which we have traditionally drawn our students, as well as financial market volatility, pension plan special payments, regulatory requirements, infrastructure maintenance and the ambitious strategic goals we have set in Destination 2020. The past fiscal year has reminded us that we must continue to exercise sound, prudent and rigorous financial management.

Fiscal year 2015-2016 ended with a structural budget deficit of $9.8M, which we brought down to $2M through one-time measures, such as the use of surpluses garnered from the faculties and services. Given our current activities and processes, the forecast for 2016-2017 predicts a deficit of $4.9M and the three-year budget for 2017-2019 forecasts a deficit of $15.6M as of April 30, 2018. Under Policy 55 (Budget Management), the budget presented to the Board of Governors must be balanced and the Administrative Committee is responsible for implementing various measures to maximize revenues and efficiently manage expenses. The Board of Governors reaffirmed its expectations in this regard during a meeting held on September 26, 2016.

Over the coming months, University community members will need to work together to find feasible structural solutions to manage this situation and balance the budget. You are all invited to send your ideas and comments to the Financial Planning Service team.

To help us overcome this challenge, the University will create a Standing Budget Committee, which will be tasked with developing budgetary principles and approaches, and allocating funds to balance the budget. The Standing Budget Committee will be composed of:

- the Vice-President Academic and Provost, as co-chair
- the Vice-President, Resources, as co-chair
- the Vice-President, Research, or this person’s representative
- two members of the Board of Governors
- two financial experts from the University community, selected by the AC
- the president (ex-officio)

This committee will receive input from experts such as the associate vice-president, financial resources; the associate vice-president, planning; and the director, financial planning service.

The Committee will review the budgeting process and how our limited resources are allocated. This review will examine all sources of revenue, which consist primarily of tuition fees and grants. The Committee will also examine the relevance of our expenditures, as well as the efficacy and efficiency of our operations. We will focus on the operating fund, and suggest to the Budget Committee that each unit (faculty or service) submit its own budget containing its activities and initiatives performance improvement.
We must keep in mind that the coming fiscal year will be crucial in ensuring that our University can continue to work towards achieving the goals set out in Destination 2020.

P. Marc Joyal, CPA, CA
Vice-President, Resources

Michel Laurier
Vice-President Academic and Provost