



Interim Budget Estimates 2005-2006

June 23, 2005

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FOREWARD

In 2004, the provincial government requested former Premier Bob Rae to undertake a review of postsecondary education in Ontario. The “Rae Review” entitled “Ontario: A Leader in Learning” was issued in February 2005. The 2005 Ontario Budget announced on May 11, 2005, was clearly shaped by the recommendations of the Rae Review. The budget was unprecedented in that it positioned post-secondary education as its centerpiece. There is a significant funding increase for 2005-06 along with a commitment for future years. The total new investment for 2005-06 for postsecondary education is \$683 million, rising to \$1.6 billion by 2009-10. The Budget outlines three broad areas for investment: Access, Quality and Accountability. The main elements of these areas are:

Access

- √ An increase in the number of students.
- √ \$358 million for student financial assistance by 2009-10; \$192 million of new funding in 2005-06.
- √ New low-income tuition grants (in partnership with the Canada Millennium Scholarship Foundation), higher weekly loan limits & reduced parental contributions; these will benefit approximately 135,000 students.
- √ \$50 million for the Ontario Trust for Student Support (a continuation of the current Ontario Student Opportunities Trust Fund), which will match private sector donations to create endowments for student support.
- √ \$100 million to create endowments at universities for graduate student fellowships (Brock’s share of this amount is \$2.3 million).
- √ \$55 million by 2009-10 to improve access for under-represented groups.
- √ \$220 million annually by 2009-10 to add 14,000 graduate student spaces.
- √ A strategy to attract more international students and encourage study abroad.
- √ Capital support to expand graduate and medical school facilities.

Quality

- √ \$1.2 billion increase in operating grants by 2009-10 to support enrolment growth, hiring faculty, improving student resources, expansion of graduate education, and enhanced student experience.
- √ Research Council of Ontario to “co-ordinate research priorities.”
- √ \$25 million to endow new faculty chairs “for research and to improve graduate education.

Accountability

- √ Higher Education Quality Council of Ontario “to take a lead role on system performance and measures”.
- √ Bilateral performance agreements with all public institutions “to improve accountability”.

The Council of Ontario Universities (COU) has estimated the operating financial impact to Universities as follows:

(\$Million)	2005-06	2006-07	2007-08	2008-09	2009-10
Total PSE Sector	\$ 447.00	\$ 732.00	\$ 932.00	\$ 958.00	\$ 1,156.00
Incremental Increase		(+ 285)	(+ 200)	(+ 26)	(+ 198)
University share	282.00				
Not yet split between sectors					
Access	10.00				
Undeclared funds	20.00				
University allocations					
Graduate (add \$2.5M already in base)	19.00	70.00	170.00	195.00	220.00
Tuition Compensation	57.80				
Estimate Undergraduate growth	65.40				
Medical and Clinical	18.90				95.00
Total estimated allocated	\$ 161.10				
Remainder for Quality incl. unfunded	\$ 120.90				

While the general financial picture is known specific details regarding the 2005-06 grant allocation (even though a priority with the Ministry of Training, Colleges & Universities) remain unknown. Given past practice, announcements will most likely occur in August. Consequently, sufficient information does not exist to determine a Final Budget for the Board of Trustee’s consideration at the end of June. This budget is therefore presented as an “Interim Budget,” based on best assumptions concerning revenues and anticipated expenditures. A Final Budget will be submitted to the Board of Trustees in the fall, once more information on grant transfer payments is known.

This Interim budget will be limited with respect to new initiatives but it will address the following contractual salary and non-salary (“have to do”) items:

- Salary commitments,
- Guaranteed minimum pension liability,
- Debt servicing,
- Approved 2005-06 Faculty positions,
- Selected staff positions, and
- Additional funding for Graduate student support.

Also, in the short-term, one-time funding will be available as follows:

- √ On March 24, 2005, the Ministry announced additional 2004-05 Facilities Renewal funding for all colleges and universities. Minor capital requests will be funded through this Facility Renewal funding for Brock totaling \$3,668,820.
- √ At mid-year, additional accessibility grant revenue of \$2,700,000 was estimated due to higher growth and funding values. Since the Ministry was holding on all announcements until funding availability was confirmed, this revenue was held back for spending. This funding was confirmed in April 2005 and since these funds were left unspent at the end of fiscal 2004-05, they are being carried forward into 2005-06 to address one-time new budget initiatives and requests.

BUDGET PROCESS

Budget Development

The current budget development process was first initiated at Brock University for the 2003-04 budget year. Many changes and improvements to the process have been implemented over the last two years with the full cooperation and participation of the Board of Trustees, faculty, staff and management. The process for 2005-06 continued to evolve with two new significant innovations:

1. For efficiency, the budget was developed and prepared in separate time periods:
 - a) Ongoing salary budget (full-time and permanent part-time) in January
 - b) Operating budget (all other part-time, non-salary and revenue) in February.
2. Departmental budgets were entered on-line to the financial accounting system by each Budget Developer (or designate) and then reviewed and modified by Finance.

Further information regarding the budget development procedures and instructions provided to Budget Developers, is available on the Brock University Finance website www.brocku.ca/finance/staffbudgeting.

Preliminary Guidelines

In January, Preliminary Guidelines were provided to developers for preparation of the 2005-06 budget were as follows:

Guidelines and principles will need to be clarified once the Rae Review is issued at the end of January and/or further information is available from the Ministry. SAC (Senior Administrators Council) recommended that the budget process begin and follow previously established timelines and preliminary guidelines. The President and the Vice-Presidents have met to review the preliminary guidelines:

- 2004-05 base operating budgets will be rolled over to 2005-06 (e.g. budgets include the original approved 2004-05 budget plus any on-going approvals from the mid-year review).
- Permanent Salaries and Benefits costs as generated by Human Resources & Finance Departments.
- Additional Faculty and Staff positions as previously approved (e.g. mid-year review), vacant and/or as per the “Allocation of Positions” memorandum from the Vice President, Academic.

Guiding Principles

Since this new budget process has been implemented a number of “Principles” have been used in allocating and approving budget requests. They were as follows:

1. The fiscal capacity of the University
2. The operating budget is balanced
3. The contractual, policy and legal obligations of the University to employees, students and the public
4. The primacy of the University’s academic mission
5. The five “directional statements” articulated in the Final Report of the President’s Task Force on Planning and Priorities (Feb, 1999)
 - “continued evolution as a comprehensive university”
 - “commitment to students”
 - “focus on career-related and/or experiential learning”
 - “strengthened commitment to the Niagara region”
 - “continued commitment to enhancing Brock’s academic reputation and image”
6. The Report of the Long-Range Planning Committee (2003) as approved
7. The additional cost increases for support services, both academic and non-academic, which are driven by planned and unanticipated enrolment growth.

Timelines and Process

The Timelines and Process document (Appendix II) outlines the significant steps of the process as they have been communicated to the Budget Developers throughout the University. The 2005-06 timelines and process did not significantly vary from those followed in 2004-05.

Fiscal Forecasts

With the implementation of the current Budget Development Process, a Fiscal Forecast procedure was introduced to monitor revenues and expenditures against the budget and forecast projections to year-end. Reports were made regularly to the Board of Trustees throughout the year to review changes in revenues and expenditures as follows:

- The first Fiscal Forecast occurred at the mid-year budget review. This was an opportunity for Budget Developers to analyze financial changes that had occurred since the 2004-05 Final Budget Estimates were determined. It was assumed that the 2004-05 approved budget would suffice if no mid-year review adjustments were requested. Budget Developers had the opportunity to meet with the Vice-Presidents and President to present their mid-year review request. Those efforts resulted in allocations of about \$1,400,000, which were incorporated into the “2004-05 Updated Budget Estimates – Mid-Year Review” that were approved by the Board of Trustees on November 25, 2004.
- The second Fiscal Forecast report occurred as of January 31, 2005. This report updated information regarding changes that had occurred since the November Mid-Year Review.
- The third Fiscal Forecast report occurred as of March 31, 2005. They were required to include projections of their 2004-05 budgets to the end of the fiscal year and to provide requests for the 2005-06 budgets. During March, all Budget

Developers met with the Vice-Presidents and President to review their 2005-06 Budget Request and the 2004-05 projections.

- Final fiscal results and audited results are presented in June and September respectively.

Interim Budget

The 2004-05 budget was presented in June 2004 as a “Final Budget”. Given that the Ministry has issued no grant allocations, this budget will be presented as an “Interim Budget”. The Final Budget will be submitted to the Board of Trustees in the fall, once more information on grant transfer payments is known. This was the normal practice prior to 2004-05. A fiscal forecast will be completed at the same time to determine whether, on the basis of activity to date, there needs to be any mid-year budget adjustments.

ENROLMENT/REVENUE MODEL FOR 2005-06

The Advisory Committee on Institutional Data (ACID) is charged with the responsibility of developing an annual enrolment/revenue model that will inform the annual budget process. The model, in its current form, has undergone extensive re-development and refinement based on the experiences of last year and is becoming a permanent fixture in the budget process.

Along with the mandate for enrolment/revenue projections, ACID was also asked to develop a means to more directly and clearly relate actual revenue received to activity levels reported.

During 2004-05 estimates from this model were compared to actual results. There were no significant variances except the calculation of (Basic Income Units) BIUs that inform the estimate of the Accessibility grant.

The Committee has attempted to develop enrolment projections which are separate for each of

- Spring and Summer Sessions (eligible undergraduate excluding Nursing),
- The Fall/Winter Session (eligible undergraduate excluding Nursing),
- Graduate Studies,
- International (Visa) Students, and
- Nursing.

It should be noted that eligible (for government funding purposes) Fiscal Full-Time Equivalents (FFTEs) are relevant for determining both grant and tuition revenue, and that ineligible FFTEs generate either tuition or Coop Fee revenue.

The Committee focused on FTEs as a barometer of tuition income and on BIUs (Basic Income Units - weighted FFTEs) as determinants of revenue relative to Accessibility Envelopes (Graduate and Undergraduate).

The Committee has excluded programs which are subject to “special revenue sharing arrangements” from its consideration. These would include such programs as Graduate ISP (International Special Program), IELP (Intensive English Language Program), and Education in-service programs.

Refer to Appendix IV for an explanation on “counting students” and corresponding definitions.

2005-06 FINANCIAL - HIGHLIGHTS

The Interim 2005-06 Budget is balanced. Appendix 1 provides full details of the 2005-06 Interim Budget Revenue and Expenditure Estimates.

	Interim Budget <u>2005-06</u>	05/06% Incr <u>over 04-05</u>	Final Approved <u>2004-05</u>
Total Revenues	\$175,401,049	12.6%	\$156,286,912
Total Expenses	\$175,401,049	12.7%	\$156,145,392
Net Surplus	\$ -		\$ 141,520

Total revenues (including gross revenues from ancillary operations) are expected to increase by \$19,100,000 or 12.2%. The major increases over 2004-05 are due to:

Undergraduate Tuition – activity only	\$ 1,900,000
Graduate Tuition – activity only	450,000
2005-06 Grants:	
University grant allocation confirmed by Ministry	
Facilities Renewal Grant	3,700,000
System Grant funding confirmed, amount estimated by Brock	
Tuition Compensation	750,000
Undergraduate Accessibility	2,900,000
Graduate Accessibility	270,000
System Grant funding not confirmed, amount estimated by Brock	
Quality and Equal Funding Grant (<i>*see note below</i>)	3,600,000
2004-05 Mid-year Revenue Increases on-going	
Tuition and operating grant increases	1,500,000
Accessibility Grant	2,700,000
Gross Revenue from Ancillary Operations	<u>800,000</u>
Total Revenues	<u>\$18,570,000</u>

Expenses for 2005-06 (including gross expenses from ancillary operations) are estimated to increase by \$19,200,000 or 12.3%. The major increases over 2004-05 are due to:

Salary commitments and approved positions	\$9,600,000
Guaranteed minimum pension liability	90,000
Debt servicing	1,050,000
Operating costs – capital and computer system expansion	500,000
Additional funding for Graduate student support	1,200,000
On-going 2004-05 mid-year non-salary approvals	300,000
Facilities Renewal Grant	3,700,000
Quality and Equal Funding Grant – reserve fund (<i>*see note below</i>)	2,200,000
Gross expenses from Ancillary Operations	1,100,000
Minor Capital and New Initiatives budgets reduced	(800,000)

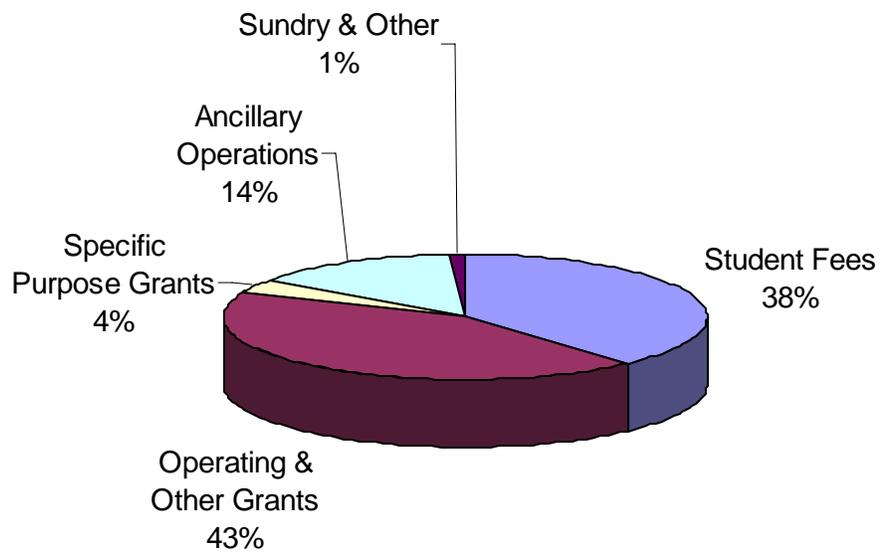
Total Expenses **\$18,940,000**

*A balanced budget was achieved by using \$1,400,000 of the expected Quality and Equal Funding Grant. The remaining \$2,200,000 has been set aside in a reserve fund for spending until Ministry grant allocations are received and enrolment activity is confirmed. An initial first call on this reserve would be to fund a number of on-going new budget requests such as staffing positions. Refer to New Initiatives (near the end of this report) for further information regarding on-going new budget requests.

The following sections provide detailed financial information on the Interim Budget, including comparatives for 2003-04 and 2004-05 and commentaries on significant revenue and expenditure changes.

Appendix 1 provides full details of the 2005-06 Interim Budget Revenue and Expenditure Estimates.

2005-06 Revenue Estimates



2005-06 REVENUE ESTIMATES

The following highlights the significant categories of the 2005-06 Interim Budget Revenue Estimates.

TUITION REVENUE

Enrolment Information

The single most important generator of revenue for the University is its enrolment. In the recent past, increases to basic grants were almost nonexistent and enrolment growth alone provided the additional resources needed to fulfil the University's overall funding needs. The 2005 Ontario Budget dramatically changed the funding environment for Ontario's publicly funded universities. While growth is still fully funded, resources are also provided to offset increases in base costs. Also, a commitment is provided over a five-year period. While the government has yet to provide full information, particularly relating to years two through five, estimates of revenue increases for 2005-06 are possible.

For next year, Year III of the "double cohort", the number of new domestic full-time Year I students admitted directly out of secondary school will decrease from 2,605 in November 2004 to 2,400 in November 2005 while the number of other domestic Year I students will decrease from 636 in 2004 to 600 in 2005. However, the flow through of the large number of students admitted in 2003, the main double cohort year, means that:

- a) the "headcount" of students as of November 1st is expected to grow from 16,597 in 2004 to 17,225 in 2005;
- b) the count of FFTEs will increase from 15,642 in 2004-05 to 16,311 in 2005-06; and
- c) BIUs will increase from 21,760 in 2004-05 to 22,770 in 2005-06.

The longer-term implication of these enrolment targets/expectations are that Brock's overall enrolment, measured in terms of fall headcount, will increase from 15,522 in 2003 to around 17,500 by 2006. More importantly, the 16,000 FFTE "cap" recommended in the 2002-03 Final Report of the Long-Range Planning Committee will be exceeded (by some 300 FFTEs) in 2005-06. Full details are presented in Appendix III.

Refer to Appendix IV for an explanation on "counting students" and corresponding definitions.

Tuition Fee Rate Information

The government announced, in April 2004, that tuition rates would be frozen for two years, from September 1, 2004 until August 31, 2006. This freeze applies to regulated and eligible additional cost recovery programs that are funded through provincial operating grants.

In lieu of tuition rate increases, the government announced a “compensation grant” that provides funding for universities for two years at the rate of 1.4% (70% of 2%) for undergraduate and 5.6% (70% of 8%) for graduate programs. The 30% reduction is the amount previously “set-aside” for bursaries that would be required with any tuition increase. The compensation grant is estimated at \$750,000 for 2005-06, which will be in addition to the continuation of the 2004-05 grant of \$775,000, for a total of \$1,525,000.

Undergraduate fees in 2005-06 will remain at the 2003-04 level of \$836.82 per course.

Graduate fees are deregulated but since the programs are funded, the fees are subject to the tuition freeze.

The tuition freeze does not apply to programs or for student categories that are ineligible for Ministry operating grant funding. For example, full cost recovery/self-funded programs and fees for international students.

International Visa fees were increased in 2004-05 by 10% because the fee amount was falling behind the tuition fees charged by other universities. For 2005-06 no fee increases are recommended.

Graduate – International Student Programs (ISP) fee increases for 2005-06 have been approved by the Board of Trustees:

Master of Accountancy: \$17,500 U.S. to \$20,000 U.S.

Master of Business Administration: \$23,000 U.S. to \$25,000 U.S.

Master of Education: \$13,000 U.S. to \$19,000 Cdn. (fee increase and currency restated).

Master of Arts/TESOL: \$13,000 U.S. to \$16,000 Cdn. (only currency restated).

Master of Science/BTECH: \$25,000 U.S. to \$30,500 Cdn. (only currency restated).

Given the need to meet recruitment schedules and publications, further fee increases were approved by the Board of Trustees for 2006-07 as follows:

Master of Accountancy: \$20,000 U.S. to \$20,500 U.S.

Master of Business Administration: \$25,000 U.S. to \$26,000 U.S.

IELP (Intensive English Language Program) currently operates three 14-week sessions per year. Tuition fees for the IELP have not increased in more than two years. The IELP tuition was approved by the Board of Trustees to increase by \$500 from the present \$2,500 to a total of \$3,000 per 14-week Session, effective for the fall 2005 intake and inclusive of a \$100 per student charge for the Homestay operation, and \$100 per student charge for the Social Activities operation. The Homestay and Social Activities revenues will be transferred directly to the revenue budgets for those two cost centres.

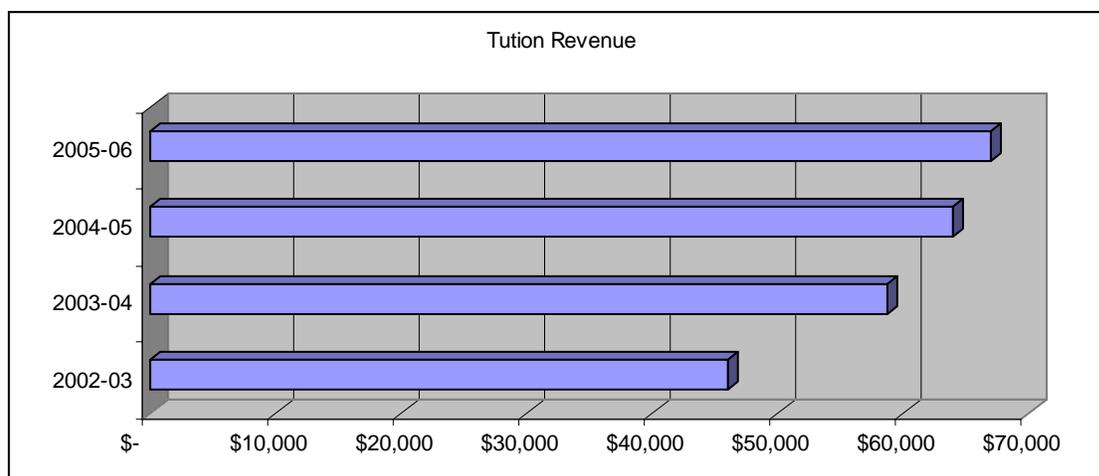
Contribution from Other Tuition

The net student income from the IELP (Intensive English Language Program) is budgeted to contribute \$358,264 in 2005-06 (compared to \$386,200 for 2004-05). Also included in this category are contributions from a number of special programs in Adult Education, International Masters of Accountancy and the International MBA program, which are together projected to contribute the same as in 2005-06 as in 2004-05: \$378,000.

2005-06 Interim Budget Tuition Revenue

Enrolment projections (through the ACID committee) indicate that FFTE increases of 457 will generate \$1,900,000 in tuition for undergraduate programs. Similarly, FFTE increases of 212 are expected to generate \$450,000 in tuition for Graduate programs.

Total budgeted tuition of \$67,074,366 includes gross tuition, incidental fees and the net contributions from special funding arrangements offered to the IELP and Graduate ISP programs. Projections are that tuition revenue will increase by 4.8% over 2004-05 approved budget levels. A four-year comparison follows:



Set-Aside Bursary

Since 1996/97, the Ministry has required that 30% of tuition increases be “set-aside” for student financial assistance (bursaries and scholarships). With tuition rates frozen, there have been no increases in the level of “set-aside” over the 2003-04 level of \$3,600,000.

A four-year comparison follows:

2005-06	\$3,600,000
2004-05	\$3,600,000
2003-04	\$3,600,000
2002-03	\$3,300,000

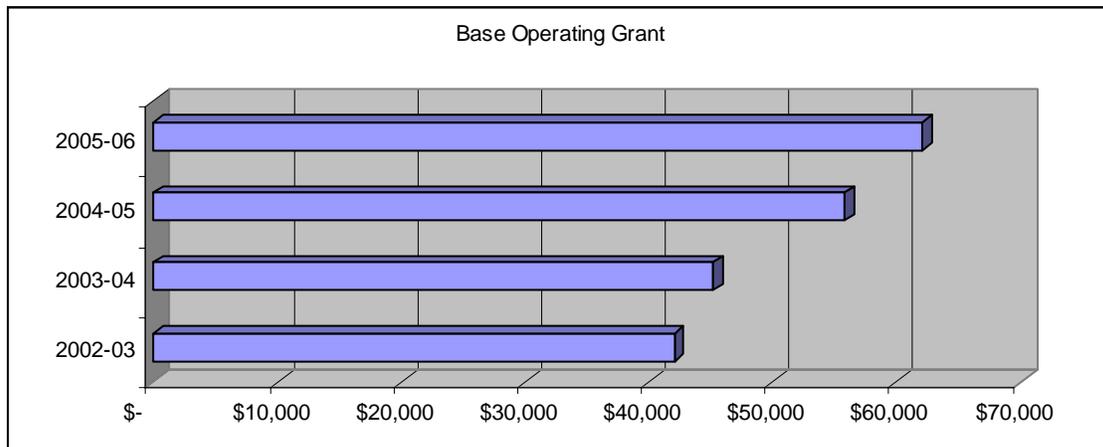
GOVERNMENT GRANTS

The Ministry of Training, Colleges and Universities typically do not announce any specific grant announcements and allocations until late summer. At the time of writing, the following assumptions are based on the University's best estimate of expected grant revenues.

Basic Operating Grant

Core government funding comes through Basic Operating Grants. This funding is distributed to universities based on agreed enrolment levels. To approximate the cost of each program, the number of fiscal full-time equivalent (FFTE) students is multiplied by a program weight to determine the number of Basic Income Units (BIUs). This funding remains stable as long as the University maintains enrolment within a given range of its agreed level. The Basic Operating Grant has not been adjusted, for several years, for inflation. Since 2001-02, increases to the Basic Operating Grant have come from the Accessibility funding that has been rolled into (or paid) with the base grant.

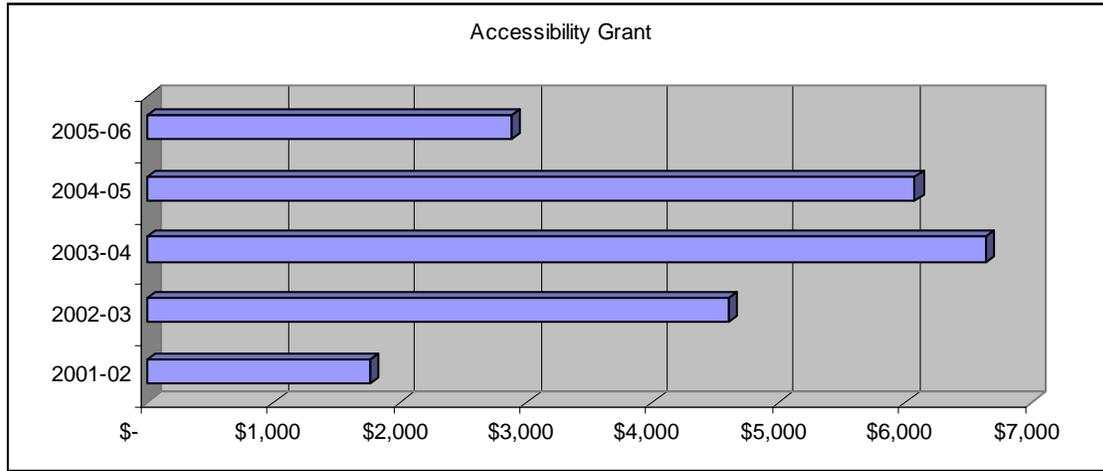
In 2004-05, Brock received a Basic Operating Grant of \$55,813,068, plus 2004-05 Undergraduate and Graduate Accessibility Funding of \$5,746,529 and \$270,646 respectively and the 2003-04 Accessibility grant received in 2004-05 of \$330,575. These are combined into the Basic Operating Grant Budget estimate for 2005-06 of \$62,160,818. A four-year comparison follows:



Accessibility Fund Growth - Undergraduate

In 2001-02, the government introduced an Accessibility Fund to assist universities in coping with an expected increase in students. In April 2005, the Ministry announced that all 2004-05 growth funding would be provided. Even though growth estimates for the system in 2005-06 will not be known for some time, Provincial Budget announcements indicate growth funding will continue for 2005-06. Therefore interim revenue projections include an amount of \$2,883,176 that is based on 777 new undergraduate BIUs at an average funding unit value of \$3,711 as projected by the ACID committee.

The following shows the actual funding from the Undergraduate Accessibility Envelope since its inception:



Accessibility Fund Growth - Graduate

This funding envelope is a smaller grant for Brock since it includes such metrics as graduate enrolment, research funding, degrees granted and fixed funding to those institutions that are less than 1% of total system Graduate enrolment. Brock exceeded the 1% “benchmark” in 2004-05 (will be 1.3% of total system Graduate enrolment). These factors result in Brock’s Graduate Accessibility funding over the last three years as follows:

2005-06	\$270,000
2004-05	\$270,646
2003-04	\$120,000

Quality and Equal Funding Grant

The significant unknown feature of the Ontario Budget is the \$121 million earmarked to improve quality and to ensure equal funding per student (i.e. to fund “unfunded” BIUs). Very preliminary estimates show that the 2005-06 funding may cover the unfunded BIUs in the amount of \$2,600,000. Alternatively, the funding could be estimated using the assumption that this grant will be at least Brock’s pro-rated share of the system (about 3%). Therefore, the grant would approximate \$3,600,000. This amount is included in the revenue projections. However, given the size and range of funding possibilities, it is proposed to set-aside (reserve) an amount of \$2,200,000 until there are official Ministry announcements. The remaining \$1,400,000 is needed to balance the budget.

Nursing Completion and Collaborative Grant

A separate Nursing grant is funded through a College system envelope. Brock receives its grant through Loyalist College and is paid on a slip-year basis, that is, in the year following the year during which the student growth is experienced. The grant for the 2005-06 Collaborative and Degree Completion students has been estimated at \$1,100,000. This is the same level as 2004-05 as no growth in this program area is expected. A three-year comparison follows:

2005-06	\$1,100,000
2004-05	\$1,122,000
2003-04	\$ 925,392

Performance Fund

Beginning in 2000-01, the government has provided performance funding. Universities are rated on three indicators: the employment rate of graduates six months after graduation, employment rates two years after graduation, and a cohort based graduation (degree completion) rate. A benchmark is established for the three indicators and universities performing within 10% of the benchmark receive funding based on their share of total BIUs. We have assumed no change in the level of funding for 2005-06. A three-year comparison follows:

2005-06	\$ 799,000
2004-05	\$ 799,000
2003-04	\$ 895,000

Quality Assurance Fund

In 2003-04, the Ministry announced a new fund (in the amount of \$75 million) for Ontario universities but with the change in government, the funding was frozen in 2004-05 at 2003-04 levels. It is expected that with recent Provincial Budget announcements this fund will ultimately be rolled into the base operating grants. A three-year comparison follows:

2005-06	\$ 2,341,000
2004-05	\$ 2,341,000
2003-04	\$ 2,216,000

Other and Specific Purpose Grants

The University receives a number of grants funded by the Provincial or Federal government for specific expenditures. Generally speaking, there are matching expenses of the same amount. This category includes a number of special grants relating to Students with Disabilities, Interpreter and Learning Opportunities, Aboriginal, provincial Research Overhead, Municipal Taxes, Womens' Campus Safety, provincial Student Bursaries, Facilities Renewal Fund and Federal Indirect Costs. It is expected that all of these grants will approximate 2004-05 actual levels. The only exception is the special one-time Facilities Renewal Grant, announced in March, of \$3,668,820. Refer to Minor Capital expenditures (near the end of this report) for further information regarding the plans for this grant.

New in 2003-04 was the Indirect Costs Program. The three federal granting agencies, CIHR, NSERC, and SSHRC, support the direct costs of conducting research. The Indirect Costs Program helps universities to defray the indirect costs of federally supported research. These include operations, maintenance, libraries and technology. The amount is determined based on a formula that incorporates the last three years of research funding from the three agencies. Brock's funding is estimated to be \$1,298,342 for 2005-06. This operating budget does not include the direct cost funding for Research nor the costs associated with Research.

NET CONTRIBUTION FROM ANCILLARY OPERATIONS

Ancillary Operations include the gross revenue from the Bookstore, Print Shop, Parking, Residences & Conference Services, Rodman & Community Services. Ancillary Operations are expected to contribute \$1,715,845 (compared to \$2,097,478 for 2004-05) on a total financial activity of \$24,155,842. The following chart summarizes the projected gross revenues and expenses for 2005-06:

	Revenues	Expenses	Net
Bookstore & Printshop	9,388,145	8,087,277	1,300,868
Residence and Conference	11,530,287	11,438,479	91,808
Parking	2,187,870	1,299,121	888,749
Rodman & Community Services	<u>1,049,540</u>	<u>1,615,120</u>	<u>(565,580)</u>
Total	\$24,155,842 =====	\$22,439,997 =====	\$1,715,845 =====

OTHER REVENUES

Other revenues repeat but by their nature, can fluctuate from year to year. Some of these revenues include investment, rental, sundry and one-time revenue. It is expected that the 2005-06 revenue budgets will be consistent with 2004-05 budget levels.

Investment Income

The investment income includes the interest that the University receives on short-term investments of its excess operating cash. These funds are currently invested in special investment accounts with the Scotiabank, ScotiaCassels and UBS.

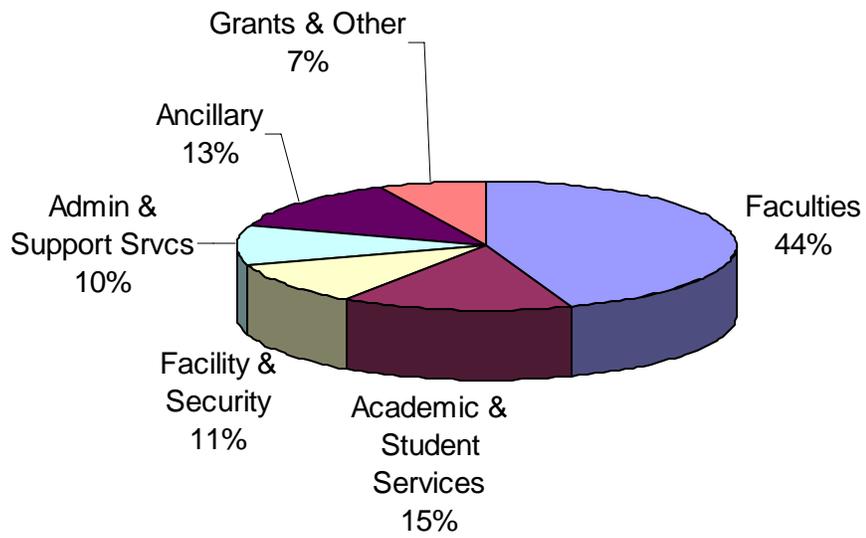
Rental and Sundry

This revenue category includes sources such as the Ontario University Application Centre, space rental, interest charges on accounts receivable, and fees for transcripts and Letters of Permission.

One-Time Revenue

This category is reserved for those revenues that are unexpected or non-recurring by nature. We are not estimating any revenues from these sources in 2005-06.

2005-06 Expenditure Estimates



EXPENDITURE ESTIMATES – COMMENTARY

The following highlights the significant items of the 2005-06 Interim Budget Expenditure Estimates.

Academic Faculties

The largest percentage of expenses within the six Faculties is faculty salary costs. The following salary costs account for almost all of the 10% increase:

- Average salary increases have been built into these budgets at 6.35% for 2005-06 (10 months) plus benefits.
- Full fiscal impact of 2004-05 salary increases (2 months) at 6.25% plus benefits.
- 17 new faculty positions and 1 staff position costing \$1,800,000 (including benefits).
- Salary increases and benefit for all other salary groups included in these Faculties.

Academic Support and Student Services

Academic Support includes departments such as the Library, Office of Research Services, Graduate Studies (including Fellowship bursaries), VP Academic and Provost, Co-op Services, the Centre for Teaching and Learning and Athletics.

The largest increase in costs in this category is due to \$1,200,000 increase in graduate fellowships. The remaining cost increases are due to the full fiscal impact of 2004-05 salary increases, average 2005-06 salary increases being built into the Library budgets at 6.35%, and the addition of a new Librarian position.

Student Services includes the Office of the Associate VP of Student Services, Registrar, Recruitment, Financial Aid, Off-Campus Housing, Student Development and Health, Career, and International Services.

Similarly, the cost increases for this group are due to the full fiscal impact of 2004-05 salary increases, new positions approved and other on-going 2004-05 mid-year approvals.

Executive, Administration and Facilities

This category includes campus support departments such as Facilities Management, Campus Security, Centre for the Arts, Information Technology, Recreation & Aquatics. Also included are the offices of the President and VP Finance & Administration and supporting departments such as Human Resources, Finance, Purchasing, Internal Auditor, Institutional Planning & Analysis, Harassment Prevention, the University Secretariat, Alumni, Communications and Development. Global costs such as interest, debt, pension, insurance, utilities and the co-generation plant are also included in this category.

Cost increases are due to 2005-06 salary increases built into some departments, full impact of the 2004-05 salary rate increases, debt service, pension, a computer system upgrade and on-going mid-year approvals.

Ancillary Operations

Ancillary Operations include the gross expenses of the Bookstore, Print Shop, Parking, Residences & Conference Services, Rodman & Community Services. Refer to the revenue section above for further information on gross expenses and net contribution for each category.

Other Expenditures

This category includes costs that are not specific to any one department or division such as consulting and professional allowances. This category will also include global funds for minor capital, new initiatives and salary increases until such time they are approved and budget transfers are completed to the specific department or division. The significant increase in this category is the reserve fund for the Quality and Equal Funding grant of \$2,200,000. This increase is partially offset by the reduction of \$800,000 for Minor Capital and the New Initiatives fund that existed in 2004-05. For 2005-06 these expenses will be funded from the Facilities Renewal grant and the one-time revenue surplus coming forward from 2004-05. This is explained in further detail in paragraphs to follow.

Specific Purpose Grants

The University receives a number of grants that are funded by the Provincial or Federal government for specific expenditures. Generally speaking, there are matching expenses of the same amount. Refer to the revenue section above for further information on the types of grants included in this category.

SALARIES AND BENEFITS

Faculty and staff salaries (full and part-time) and benefits comprise the most significant portion (approximately \$125,000,000 or 80%) of the University's expenditure budget (excluding gross ancillary costs and special purpose grants). The majority of the expenditure increases or \$9,600,000 for 2005-06 is due to salary rate adjustments (known and estimated), new faculty positions, staff appointments and the full year impact of 2004-05 mid-year hires and salary rate increases. No increases to on-going benefit costs are expected. The following summarizes the major components of the increases for 2005-06:

- Salary rate increases for negotiated contract settlements and unknown rate increases for pending contract negotiations and other salary groups represent the most significant budget cost. This is estimated to be \$5,100,000 or about 3% of the total operating budget.
- The Faculties and Library were allocated 20 new positions for the 2005-06 budget year. This will cost \$1,600,000 or 1% of the total operating budget.

- The benefit costs associated with increased salary rates and new positions are estimated to be about \$1,200,000.
- The cost of the on-going 2004-05 mid-year approvals and the annualized impact of 2004-05 salary rate increases will increase the budget requirements in 2005-06 by about \$1,700,000.

Salary Rate Increases

Contract settlements are known for the bargaining units of BUFA, CUPE 1295 and CUPE 4207. Thus, most 2005-06 salary increases are known. Average rate increases have been allocated to specific department/divisional budgets, which will minimize the budget adjustments required once actual individual salaries are known. Salary increases for OSSTF will soon be in negotiation and increases have not yet been determined for non-unionized employees. The budgets for these salary groups have been captured globally.

Actual faculty and staff salary adjustments for both unionized and non-unionized employees are as follows:

- BUFA (faculty) settled salary negotiations in July 2003. The contract expires June 2006. The average increase for 2005-06 is 6.35%.
- CUPE (Local 4207 – teaching assistants and part-time instructors) settled salary negotiations in September 2004 for a three-year agreement from July 1, 2004 to June 30, 2007. The average increase for 2005-06 is approximately 6%.
- CUPE (Local 1295- trades, maintenance, custodial) settled in October 2003 for a three-year contract retroactive to May 2003. The average increase for 2005-06 is 3% plus step increases as applicable to individual staff.
- OSSTF (support staff) contract expires May 31, 2005 and negotiations will soon be in progress.
- Administration and Professional – Salary adjustments are currently being reviewed and are typically announced annually in July.

Full Time Complements

The Final 2004-05 Budget was prepared under circumstances where no new faculty or staff positions were approved but with a plan to address faculty growth in 2005-06. Those efforts during mid-year 2004-05 have resulted in 20 new positions for 2005-06 being allocated to the Faculties and Library as follows:

Business	4
Humanities	4
Applied Health Sciences	2 (1 faculty and 1 staff position)
Education	4
Social Sciences	5
Mathematics & Science	-
Library	<u>1</u>
Total	<u>20</u>

Staff positions were approved as follows:

- During the mid-year review, some Budget Developers presented strategies to create full time staff complements from existing part-time or staff re-organizations.
- Staff positions for ancillary operations such as a Residence Life Coordinator, Event Planner and Sales Coordinator for Conference Services.
- A new Accessibilities Coordinator was deemed to be a needed staff resource position in Student Services.

Part-time Teaching

Consistent with previous years, Budget Developers were requested to hold their part time budgets to 2004-05 levels or fund part-time budget increases with appropriated surpluses.

EMPLOYEE FUTURE BENEFITS

The University provides pension benefits to employees primarily through a hybrid pension plan. Under this arrangement, the University and employees are required to make contributions based on a specified percentage of the employee’s earnings. The amount of pension benefits provided to employees is based upon the accumulation of contributions and investment earnings thereon, when the employee retires, subject to a guaranteed minimum benefit amount. As the minimum benefit guarantee is an insignificant portion of the plan, the plan is essentially a defined contribution arrangement.

However, the Minimum Guarantee fund is in a deficit position and thus the University is required to fund the Minimum Guarantee service costs. These were previously funded through the surplus of the pension plan. Commencing July 1, 2002, the University was required to begin paying the Minimum Guarantee Fund current service costs as well as to make payments toward the deficit. The University’s 2005-06 contribution requirements are estimated to be \$90,000 higher than in 2004-05 and are summarized as follows:

Current Service Cost for	
Supplemental Benefits	\$325,000
Money Purchase Conversion	125,000
Special Payments to amortize unfunded liability	<u>115,000</u>
Total	\$565,000
	=====

NON-SALARY COSTS

Budget developers were requested to hold their non-salary operating budgets to the 2004-05 levels. That is, budgets would include the original approved 2004-05 budget plus any on-going approvals from the mid-year review. Major non-salary contractual costs and commitments include the following:

- Graduate Fellowships have increased by \$900,000 over the previous year because of the increased number of graduate programs at the University. The total budget for fellowships is \$2,789,564. The fiscal impact is \$300,000 more than 2004-05 since a one-time 2003-04 surplus carryforward was used in 2004-05.
- Debt service requirements of an additional \$600,000 for the cogeneration plant and Brock 2000. Also included are estimated interest and debt costs of \$450,000 for the building acquisition at 573 Glenridge.
- Computer system conversion costs are estimated at about \$400,000, which is in addition to the commitment added during the 2004-05 mid-year review of \$200,000.
- Operating costs of about \$100,000 (including utilities) for the new MacKenzie Chown addition
- During the 2004-05 mid-year review a number of expenditure and contractual enhancements were added to a variety of budgets. However the majority of those enhancements were one-time approvals. An amount of about \$300,000 was added to the 2005-06 base budget. These include budget enhancements to Campus Security for increasing the number of constables and to Athletics for the support of women's teams.

Minor Capital Projects

Minor capital requests (Schedule 7s), as submitted by Budget Developers and Facilities Management, amounted to approximately \$14,500,000.

On March 24, 2005, the Ministry announced additional 2004-05 Facilities Renewal funding for all colleges and universities. Brock's share of this funding amounts to \$3,668,820.

All approved minor capital requests will be funded through this new funding, so the 2004-05 base budget allocation of \$600,000 was redirected to relieve other operating pressures.

A number of high priority ("have to do") items were approved by Senior Management on June 3, 2005 in the amount of \$3,440,000. A few projects are on hold pending further

review and cost estimates. The following summarizes the projects currently planned (shown in 000's):

573 Glenridge renovations* and furniture	\$ 1,100
Pond Inlet flooring and audio visual	77
Hamilton Campus electrical and renovations	30
Roads, parking lots, sidewalks and landscaping upgrades	342
Signage and way-finding	45
Accessibility improvements	166
Walker Complex showers/washrooms	297
Schmon Tower & Thistle Roof	392
Health & Safety Issues	50
Computer room HVAC	139
Emergency Power Generator	650
Room renovations, networking and cables	<u>152</u>
	<u>\$ 3,440</u>

* Note that these renovations may be capitalized and funded from the capital project

New Initiatives

For the last few years, a process has existed to allow Budget Developers an opportunity to submit additional requests (Schedule 5s) beyond their base budget. Given budget constraints in 2004-05, a nominal fund of only \$200,000 was established in the base budget. However, during the mid-year review additional tuition and grant funds provided an opportunity to respond to emerging issues and increases in expenditure projections. One-time budget enhancements of about \$1,100,000 were allocated.

At mid year, additional accessibility grant revenue of \$2,700,000 was estimated due to higher growth rates and funding values. This revenue had been held back for spending by setting up a budget reserve line of the same amount until the official grant allocations were confirmed. This funding was confirmed in April 2005. Since these funds were left unspent at the end of fiscal 2004-05, they will be carried forward into 2005-06 to address new one-time initiatives.

Senior Management has reviewed the Schedule 5 list of about \$4.4 million and prioritized one-time items of \$1,823,000 that will be accommodated from this one-time surplus carried forward from 2004-05.

The following summarizes the one-time approvals currently planned (shown in 000's):

Faculty enhancements and programming requirements	\$ 860
Equipment & computer related acquisitions	366
Master Servicing Plan	110
HR training & Health & Safety matters	65
Library acquisitions Scholars Portal	324
International Services and Student Mobility	<u>98</u>
	<u>\$ 1,823</u>

In addition, Senior Management needed to address a number of important new budget requests that involve on-going funding. This on-going funding includes 16 support staff positions that are being considered in the Faculties, Student Services and Administration areas. The funding for these requests is proposed to come from the amount set-aside (\$2,200,000) for the Quality and Equal Funding grant. Alternatively, funding for 2005-06 could come from the remaining portion (\$877,000) of the 2004-05 unspent accessibility grant. Then, costs in 2006-07 and beyond would have to be the first call on future funding.

The following summarizes the on-going approvals currently planned (shown in 000's):

16 Support Staff positions (salary and benefit costs)	\$ 713
Academic Strategic Fund	100
Library Scholars Portal	78
Student Services and Faculty support	<u>118</u>
	<u>\$ 1,009</u>

Appropriations

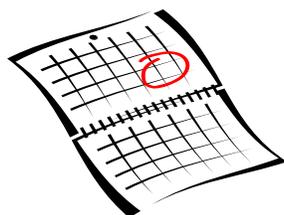
Faculty and Library budgets are afforded the opportunity to carryforward (appropriate) any unspent budgets. Funds will be available from 2004-05 for these budget developers to deal with unfunded Schedule 5s or other increases from additional activity. Other budget developers are allowed to request carryforward of specific items that were approved in the previous year but they were unable to transact by year end. These requests are dependent on the year end results and require formal approval by the Board of Trustees as part of the approval process for the audited financial statements.



BROCK UNIVERSITY OPERATING BUDGET

	2003-04	2004-05	2005-06	05/06	
	Approved Budget	Approved Budget	Interim Budget	Increase(Decrease) over 04/05 Approved	
Revenues					
Student Fees					
Tuition Revenue	53,153,787	57,894,887	61,034,312	3,139,425	5.4%
Set-Aside Bursary	3,604,667	3,609,616	3,628,000	18,384	0.5%
Incidental Fees	1,431,640	1,725,700	1,675,790	(49,910)	-2.9%
Contribution from Other Tuition	563,530	764,200	736,264	(27,936)	-3.7%
sub-total	58,753,624	63,994,403	67,074,366	3,079,963	4.8%
Operating & Other Grants					
Basic Operating Grant	45,225,822	55,346,454	62,160,818	6,814,364	12.3%
Accessibility Fund - undergraduate	9,239,290	3,035,872	2,883,176	(152,696)	-5.0%
Accessibility Fund - Delayed Payment	892,048	-	-	-	
Quality and Equal Funding Grant	-	-	3,600,000	3,600,000	
Nursing Collaborative & Completion Grant	925,392	992,013	1,100,000	107,987	10.9%
Accessibility Fund - graduate	120,000	163,000	270,000	107,000	65.6%
Performance Fund	894,589	894,589	799,000	(95,589)	-10.7%
Quality Assurance Fund	2,180,778	2,215,898	2,341,000	125,102	5.6%
Tuition Compensation - grant	-	852,031	1,525,000	672,969	79.0%
Other Grants	586,639	656,626	655,895	(731)	-0.1%
Access To Opportunities Program	976,000	-	-	-	
sub-total	61,040,558	64,156,483	75,334,889	11,178,406	17.4%
Specific Purpose Grants					
Other Grants	840,918	908,893	1,083,790	174,897	19.2%
Facilities Renewal Grants	734,865	734,865	735,000	135	0.0%
Facilities Renewal Grant - Special One-time	-	-	3,668,820	3,668,820	
Federal - Indirect Costs Program	961,886	1,112,588	1,298,342	185,754	16.7%
sub-total	2,537,669	2,756,346	6,785,952	4,029,606	146.2%
Gross Revenues from Ancillary Operations					
Bookstore & Printshop Operations	8,282,000	9,536,000	9,388,145	(147,855)	-1.6%
Residences & Conference Services	10,229,835	10,952,649	11,530,287	577,638	5.3%
Parking	1,900,000	2,092,000	2,187,870	95,870	4.6%
Other Community Services	219,130	697,531	954,540	257,009	36.8%
Rodman Hall	-	89,500	95,000	5,500	6.1%
sub-total	20,630,965	23,367,680	24,155,842	788,162	3.4%
Other Revenues					
Investment Income	350,000	350,000	350,000	-	0.0%
Rental & Sundry	1,550,000	1,662,000	1,700,000	38,000	2.3%
One-time Revenue	-	-	-	-	
sub-total	1,900,000	2,012,000	2,050,000	38,000	1.9%
Total Revenues	144,862,816	156,286,912	175,401,049	19,114,137	12.2%

BROCK UNIVERSITY OPERATING BUDGET	2003-04	2004-05	2005-06	05/06	
	Approved Budget	Approved Budget	Interim Budget	Increase(Decrease) over 04/05 Approved	
Expenditures					
Academic Faculties					
Faculty of Applied Health Sciences	8,466,981	9,291,262	10,296,485	1,005,223	10.8%
Faculty of Business	8,446,569	9,761,259	11,145,486	1,384,227	14.2%
Faculty of Education	9,996,416	10,513,959	11,542,935	1,028,976	9.8%
Faculty of Humanities	11,220,494	12,152,348	13,336,200	1,183,852	9.7%
Faculty of Math & Science	11,838,640	12,437,511	13,236,892	799,381	6.4%
Faculty of Social Sciences	15,273,998	16,617,598	18,481,873	1,864,275	11.2%
sub-total	65,243,098	70,773,937	78,039,871	7,265,934	10.3%
Academic Support & Student Services					
Library Department	3,849,801	4,095,776	4,394,710	298,934	7.3%
Library Acquisitions	2,342,373	2,047,875	2,047,875	-	0.0%
Research & AVP Research	657,244	638,176	693,036	54,860	8.6%
Graduate Studies & Fellowships	1,820,169	2,070,430	3,490,118	1,419,688	68.6%
VP Acad, Co-op, CTLET, Athletics, Space	3,886,721	3,828,947	3,985,060	156,113	4.1%
Financial Aid - Set Aside	3,424,434	3,429,135	3,429,000	(135)	0.0%
Financial Aid - Operating Support	1,202,493	902,493	902,000	(493)	-0.1%
AVP, Registrar, Recruitment & Support Student Services	6,622,102	6,908,160	7,434,146	525,986	7.6%
sub-total	23,805,337	23,920,992	26,375,945	2,454,953	10.3%
Executive, Administration, Facilities					
Facilities Mgmt Operating Costs	7,331,767	7,631,182	8,593,100	961,918	12.6%
Interest & Principal (Brock 2000, Co-gen, Hamilton)	2,221,211	2,729,990	3,329,990	600,000	22.0%
Facilities Mgmt - Utilities & Co-gen Plant	4,715,874	5,428,184	5,508,008	79,824	1.5%
Campus Security	1,111,745	1,202,213	1,312,803	110,590	9.2%
Brock Centre for the Arts	665,152	652,097	714,296	62,199	9.5%
Information & Technology Services	4,686,072	4,867,294	5,134,981	267,687	5.5%
Information & Technology Acquisitions	1,678,677	1,699,127	2,124,127	425,000	25.0%
Recreation, Aquatics & Fitness	849,507	769,693	701,075	(68,618)	-8.9%
President, Senate, Secretariat, Brock International	1,247,929	1,242,536	1,307,344	64,808	5.2%
Planning, Internal Audit and Harassment Prevention	296,963	383,049	408,385	25,336	6.6%
VP Finance/Admin, Finance, HR & Health & Safety	4,449,343	4,930,835	5,332,794	401,959	8.2%
Development, Alumni and Communications	1,496,068	1,554,715	1,722,357	167,642	10.8%
sub-total	30,750,308	33,090,915	36,189,260	3,098,345	9.4%
Gross Expenses from Ancillary Operations					
Bookstore & Printshop Operations	7,389,143	8,083,270	8,087,277	4,007	0.0%
Residences & Conference Services	10,120,263	10,905,110	11,438,479	533,369	4.9%
Parking	1,150,000	1,196,902	1,299,121	102,219	8.5%
Other Community Services	325,210	797,434	1,301,521	504,087	63.2%
Rodman Hall	-	287,486	313,599	26,113	9.1%
sub-total	18,984,616	21,270,202	22,439,997	1,169,795	5.5%
Other Expenditures					
Professional & Consulting Fees	350,000	175,000	275,000	100,000	57.1%
Professional Allowances	550,000	680,000	750,000	70,000	10.3%
Global salary and benefit budgets	349,748	2,678,000	1,900,000	(778,000)	-29.1%
Minor Capital Projects	1,613,500	600,000	-	(600,000)	-100.0%
New Initiatives	-	200,000	-	(200,000)	-100.0%
Capital Acquisitions - Debt & Interest	-	-	450,000	450,000	-
Grant Funding - Reserve	-	-	2,218,314	2,218,314	-
sub-total	2,863,248	4,333,000	5,593,314	1,260,314	29.1%
Specific Purpose Grants					
Facilities Renewal Grants	734,865	734,865	735,000	135	0.0%
Facilities Renewal Grant - Special One-time	-	-	3,668,820	3,668,820	-
Federal - Indirect Costs Program	961,886	1,112,588	1,298,342	185,754	16.7%
Other Grants	840,918	908,893	1,060,500	151,607	16.7%
sub-total	2,537,669	2,756,346	6,762,662	4,006,316	145.3%
Total Expenditures	144,184,276	156,145,393	175,401,049	19,255,656	12.3%
Excess of Revenues over Expenditures	678,540	141,520	-	(141,520)	



Brock University Budget Development 2005 - 2006 Timelines and Process

	<u>2005</u>
Distribute Preliminary Budget Information, Instructions, Preliminary and Guidelines to Budget Developers	Jan 7
Distribute Permanent Employees on Benefits Salary (Schedule 3) to Budget Developers	Jan 10
Budget Schedules available on Finance website	Jan 14
-Schedule 2/Revenue Projections	
-Schedule 4/Part Time & Casual Employees	
-Schedule 5/Additional Budget Resources	
-Schedule 6/Feedback & Action Sheet	
-Schedule 7/Minor Capital Renovation Requests	
Salary Schedule 3 submission deadline to Finance (except Faculties)	Jan 21
Salary Schedule 3 submission deadline to Finance – Faculties	Jan 28
Workshops on Budget Preparation including new on-line capability	Jan 27, 28, 31
Open on-line budget development to Budget Developers	Jan 28
Final Guidelines and Principles (Post Rae Review)	Feb 7
Close on-line budget development to Budget Developers (except Faculties)	Feb 18
Close on-line budget development to Budget Developers – Faculties	Feb 25
Finance compilation and analysis of Budget Developers' proposals	Mar 11
Meetings of Budget Developers with President and VP's	Mar 16-25
Review status of 2005-06 budget development with:	
Planning, Finance and Human Resources Committee of the Board	Apr 19
Budget Developers (joint meeting)	Apr 20
Senate re: process	Apr 20
Senate Budget Committee	Apr 25
Board of Trustees	Apr 28
Review "Draft" Final Budget with	
Planning, Finance and Human Resources Committee of the Board	May 19
Budget Developers (SAC, CAD, FAD & other Directors)	week of May 23
Senate Budget Committee	May 20
Senate (special meeting)	Jun 1
Formal presentation and submit Interim Budget for approval to:	
Planning, Finance and Human Resources Committee of the Board	Jun 14
Board of Trustees	Jun 23
Approved budgets available to Budget Developers	Jul 4
Mid-year budget review	end of October
Review updated 2005-06 Final Budget with	
Budget Developers	November
Senate Budget Committee	-
Review updated 2005-06 Final budget and approval of variances with:	
Planning, Finance and Human Resources Committee of the Board	November
Board of Trustees	-
Commence cycle for 2006-07	Nov/Dec

Enrolment Tables

Fall Headcount

Year	Undergraduate			Graduate			Total		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total
2001	8,422	2,854	11,276	216	432	648	8,638	3,286	11,924
2002	9,445	3,124	12,569	240	433	673	9,685	3,557	13,242
2003	11,528	3,136	14,664	373	485	858	11,901	3,621	15,522
Change:	1,031	-163	868	158	49	207	1,189	-114	1,075
2004	12,559	2,973	15,532	531	534	1,065	13,090	3,507	16,597
Change:*	498	0	498	100	30	130	598	30	628
2005*	13,057	2,973	16,030	631	564	1,195	13,688	3,537	17,225

FFTEs (Fiscal Full-Time Equivalents)

Year	Undergraduate			Graduate			Total		
	Eligible	Ineligible	Total	Eligible	Ineligible	Total	Eligible	Ineligible	Total
2001-02	8,866.9	1,150.5	10,017.4	723.8	228.7	952.5	9,590.7	1,379.2	10,969.9
2002-03	9,783.5	1,400.0	11,183.5	856.1	177.3	1,033.4	10,639.6	1,577.3	12,216.9
2003-04	11,661.0	1,332.9	12,993.9	991.9	362.0	1,353.9	12,652.9	1,694.9	14,347.8
Change:	843.0	67.2	910.2	193.3	190.7	384.0	1,036.3	257.9	1,294.2
2004-05	12,504.0	1,400.1	13,904.1	1,185.2	552.7	1,737.9	13,689.2	1,952.8	15,642.0
Change:*	457	0	457	170	42	212	627	42	669
2005-06*	12,961.0	1,400.1	14,361.1	1,355.2	594.7	1,949.9	14,316.2	1,994.8	16,311.0

BIUs (Basic Income Units)

Year	Undergraduate			Graduate			Total		
	Eligible	Ineligible	Total	Eligible	Ineligible	Total	Eligible	Ineligible	Total
2001-02	12,421.6	1,866.7	14,288.3	780.3	245.1	1,025.5	13,201.9	2,111.8	15,313.8
2002-03	13,698.6	2,300.0	15,998.6	949.0	200.0	1,149.0	14,647.6	2,500.0	17,147.6
2003-04	16,053.9	2,156.1	18,210.0	1,099.7	400.0	1,499.7	17,153.6	2,556.1	19,709.7
Change:	1,561	65	1,626	227	197	424	1,787	263	2,050
2004-05	17,614.5	2,221.5	19,836.0	1,326.3	597.5	1,923.8	18,940.8	2,818.9	21,759.8
Change:*	777	0	777	187	46	233	964	46	1,010
2005-06*	18,391.5	2,221.5	20,613.0	1,513.3	643.7	2,157.0	19,904.8	2,865.1	22,770.0

* = estimated

Counting Students (Definitions)

There are essentially three major ways of measuring enrolment at a university in Ontario.

1. Headcount Enrolment:

A “snapshot” of the number of individuals who are attending the university at a particular point in time and the response to the commonly asked question: “How many students does Brock have?”

2. Full-Time Equivalent (FTE) Enrolment:

Also commonly (but erroneously) referred to as Fiscal Full-Time Equivalent Enrolment, this revenue is used to provide enrolment expressed as the equivalence of full-time students and is calculated using enrolment from all sessions measured with great precision.

For undergraduate students, FTEs are calculated by dividing total course enrolments by 5 (the nominal load of a full-time student). Some graduate students are counted on the basis of their registration status such that 1 full-time graduate student equals 1.000 FTE per term (3 FTEs if registered for three terms) and 1 part-time graduate student equals 0.300 FTE per term. Other graduate students are counted in a manner similar to undergraduates. There are 19 reporting dates for both undergraduate and graduate students.

3. Basic Income Units (BIUs):

BIUs are used in reporting enrolment to the Ontario government for funding purposes and represent a weighted enrolment measure. Thus, one FTE undergraduate student in the “Arts” represents 1.0 BIU if enrolled in a pass (three-year) program and 1.5 BIUs if an honours student. Certain programs have higher weights (e.g., Business is 1.5 and Education is 2.0); otherwise Year 1 students (regardless of program) have a weight of 1.0.

“Eligible” BIUs (and FTEs) are those which are associated with programs, which have been approved by the Ontario government for funding purposes. Also, certain categories of students are “ineligible” (international, additional qualification and coop on work term being the three largest groups).