

18-19

Budget Report

Including key performance metrics



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Executive summary

This budget report has once again been prepared with the collaboration of a significant number of individuals throughout Brock University in support of the academic mission and overall operations. It continues to represent a step in an ongoing and iterative process of making the financial operations of the University increasingly open, transparent and financially sustainable. This report was designed to encourage thought, discussion and recommendations for future planning purposes. Input and recommendations for the budget are encouraged and can be emailed to

budgetreport@brocku.ca

Revenue is budgeted to increase by \$15.2 million over the 2017-18 budget, a 4.7 per cent increase over 2017-18. Student fees represent 53 per cent of Brock's revenue in the budget (52 per cent in 2017-18). Global tuition is increasing by \$8.7 million, with 22 per cent of this increase attributed to planned enrolment growth, 61 per cent attributed to planned rate increases, 13 per cent attributed to a retention target (\$1.1 million) and 5 per cent attributed to expected enrolment exceeding the prior 2017-18 budget. Government grants represent 29 per cent of Brock's revenue budget (30 per cent in 2017-18). Government grants are increasing by \$1.2 million as a result of additional graduate student funding (\$0.4 million) and special purpose grants (\$0.8 million). Other revenues are increasing by \$3.8 million, which represents 19 per cent of Brock's revenue in the budget (18 per cent in 2017-18).

Consistent with the balanced budget, expenses are increasing in tandem with revenues by \$15.2 million. Personnel costs are increasing by \$6.6 million and non personnel by \$8.6 million. These investments support the many academic, research, community and support activities. To name a few, this budget supports enhancing areas of Indigenous content, international master's student support through a tuition freeze on research – based programs, an investment for international PhD students to reduce their net cost of tuition to zero and attract high calibre graduate students, classroom modernization projects and infrastructure renewal.

Our budget environment remains similar to recent years. In 2017-18, the Ontario government launched a new grant funding formula. Overall, with the changes to the operating grants, Brock remains the lowest funded University in the province, which challenges our operations to remain lean and still support all of the activities of the University. Brock's Differentiation Grant, as a per cent of the combined Core and Differentiation Grant Envelope, is 4 per cent based on preliminary 2017-18 actuals. The 2018-19 budget includes a target to increase funded eligible graduate enrolment by 40 master's FTE and 16.1 PhD FTE. If achieved, this will increase Brock's differentiation grant proportion of the Core and Differentiation grant envelope to 5.8 per cent. Increasing Brock's Differentiation grant to the provincial average of 9.3 per cent would represent total differentiation funding of \$8.4 million, an additional \$3.3 million increase beyond this budget.

As the budget environment continues to develop, we remind readers of this report that we have a \$339-million budget to deploy, and to achieve great results, we need to capitalize on the opportunities and meet the challenges that are ahead. We are Brock – one community – the sum of its students, faculty, staff, volunteers, supporters and external community partners. Let's continue to all work together to make 2018-19 another year to be proud of.

This report contains certain forward-looking information. In preparing the Budget Report, certain assumptions and estimates were necessary. They are based on information available to management at the time of preparing the budget. Users are cautioned that actual results may vary. Throughout the text in this report, financial values have been rounded to the nearest thousand unless otherwise stated.

Financial results

The funding budget for fiscal 2018-19 is illustrated in Figure 1. It identifies a balanced budget, consistent with 2017-18. At the time of preparing the budget report, fiscal 2017-18 has not been completed; however, we are projecting through our second trimester reporting (T2) for fiscal 2017-18 a funding surplus of \$3.0 million. The information below speaks to our financial health and compares several of our financial metrics to other comprehensive universities. This budget report addresses actions being taken and next steps that will need to be considered to improve these metrics.

Figure 1: Funding budget

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue			
Student fees	178,091	167,875	158,341
Grant revenue	97,575	96,326	95,009
Internal chargebacks	8,994	8,792	9,703
Inter-fund revenue	5,416	3,138	4,859
Other revenue	49,130	47,826	46,182
Total revenues	339,206	323,957	314,094
Operating costs			
Personnel costs	(219,568)	(212,939)	(196,994)
Inter-fund expense	(25,293)	(18,590)	(20,965)
Other operating costs	(94,345)	(92,428)	(90,611)
Total operating costs	(339,206)	(323,957)	(308,570)
Funding surplus	-	-	5,524

Statement of operations metrics

The following metrics were developed to identify areas of strength as well as improvement.

Figure 2

By student headcount (\$000s)	Brock ⁽¹⁾		Median ⁽²⁾		Average ⁽²⁾	
	April 2017	April 2016	April 2017	April 2016	April 2017	April 2016
Student fees (primarily tuition)	8.47	8.20	8.96	8.59	8.79	8.30
Grant	5.92	5.87	9.68	9.69	10.92	10.79
Personnel costs	10.75	10.60	13.78	13.47	14.06	13.69
Scholarships	1.05	0.99	1.34	1.28	1.43	1.37
Interest on long-term debt	0.39	0.40	0.26	0.27	0.27	0.27
Investment income	0.12	0.06	0.81	0.42	0.82	0.50

(1) Brock's 2016 metrics have been adjusted to account for reclassifications.

(2) Calculated using financial information from 14 other comprehensive universities. Certain 2016 metrics have been updated due to revisions in certain universities' financial statements.

Brock's tuition is in line with the average; however, grant revenue per student continues to be well below the sector average and represents an area of ongoing attention for the University. Naturally, Brock must operate more efficiently with below-average funding and this is seen in the lower personnel costs per student. Brock continues to invest in students through increasing scholarships. Interest and investment income metrics are in line with Brock's comparatively weak financial health metrics, as detailed below.

Financial health metrics

Figure 3

	Brock ⁽¹⁾		Median ⁽²⁾		Weighted average ⁽²⁾	
	April 2017	April 2016	April 2017	April 2016	April 2017	April 2016
Primary reserve ratio	14.6%	11.7%	26.4%	24.1%	38.5%	36.1%
Debt burden ratio	3.0%	3.1%	2.6%	2.5%	2.9%	3.0%
Interest burden %	2.5%	2.6%	1.7%	1.7%	1.5%	1.6%
Interest coverage	3.70	3.35	7.89	3.68	7.21	5.93
Viability ratio	31.9%	24.5%	177.4%	189.9%	127.0%	120.1%
Net operating revenues ratio	5.1%	7.5%	7.1%	8.2%	9.1%	8.6%
Employee future benefits per student headcount (\$000s)	\$(0.53)	\$(1.12)	\$(3.03)	\$(3.27)	\$(2.36)	\$(3.24)
Endowment per student headcount (\$000s)	\$5.01	\$4.50	\$8.75	\$6.96	\$7.56	\$6.89

(1) Certain ratios have been restated to align with the Council of Ontario Universities' (COU) metrics to improve comparability across various reporting agencies.

(2) Calculated using financial information from 14 other comprehensive universities. Certain 2016 metrics have been updated due to revisions in certain Universities' financial statements.

Refer to page 82 for explanations of the debt-related financial health metrics and Appendix G for metric definitions.

Message from leadership



Gervan Fearon, President and Vice-Chancellor



Thomas Dunk, Provost and Vice-President, Academic



Tim Kenyon, Vice-President, Research



Brian Hutchings, Vice-President, Administration

Brock University aims to advance its academic mission in support of meeting students' needs; advancing regional community and economic growth and development; and fostering national prominence in post-secondary education. For two consecutive years, Brock has achieved balanced budgets in pursuit of these goals by developing a plan crafted out of thoughtful consultation across the University community. The 2018-19 budget invests in key strategic priority areas relating to supporting student success; promoting Brock's academic programming; advancing research, scholarly, and creative activities; and contributing to regional and community development. The entire Brock community was instrumental in making decisions to develop the financially sustainable plan reflected in the budget that supports Brock's academic mission and facilitates the University's contributions to the advancement of knowledge and understanding, as well as the betterment of communities and society.

This document outlines all the budgetary allocations and supports the teaching, research, scholarly and creative activities, and university service activities, conducted by the talented faculty and staff at Brock. Specifically, this budget supports advances in Indigenous education and community engagement, undergraduate and graduate scholarships and fellowships, international master's student assistance through a tuition freeze on research-based programs, investment for international PhD students to reduce their net cost of tuition to zero, full-time faculty and support staff, library acquisitions and support, information technology improvements through a new human resources system and capital improvements, such as dedicated funds for classroom modernization.

Brock is strongly rooted in the Niagara region. We aim to partner across the region to support community and economic development. Brock's research cultivates healthy

communities and our faculty and students support local institutions through co-op and experiential learning. We are committed to working with community leaders to enhance the overall well-being of the Niagara region.

This budget supports the initiatives established through the Province of Ontario 2017-20 Strategic Mandate Agreement (SMA2) process. Our SMA2 aims to continuously improve our contributions to the students and communities we serve. Brock's SMA2 aspires to enhance our academic excellence, as well as our established strengths in experiential education, transdisciplinary programming and research activities.

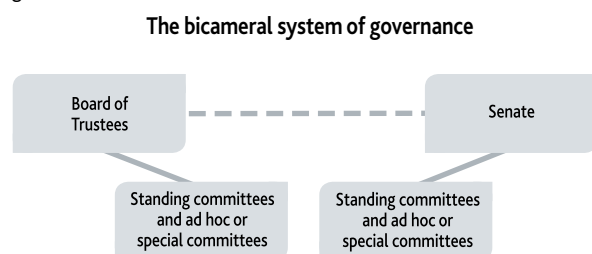
At Brock, we are engaged in the development of a new University Strategic Plan that will further assist in refining the key priorities and budget alignment of the University over the next five years. The Strategic Plan will involve a full environmental scan and consultation to support the establishment of shared academic and administrative priorities across the University, which will inform the Fiscal Framework and Revenue and Expense Allocation Model to facilitate long-term sustainable budgets in support of the academic mission of the University.

Looking forward, we will be establishing the core priorities to guide the strategic direction, choices and actions of the University. Our future budgets will evolve and be informed by our new strategic plan. The Strategic Plan will support pedagogy, programs in liberal arts/science and professional fields, experiential learning, entrepreneurship and knowledge dissemination, while also noting the University has a strong existing commitment to transdisciplinary studies and research. Enrolment through considerations of undergraduate, graduate, and continuing-adult professional education will support these activities. Furthermore, Brock aims to contribute to Niagara regional development through excellence, partnerships and innovative initiatives at the local and national levels.

Governance at Brock University

The University was incorporated in 1964 through The Brock University Act (the Act), a Statute of the Province of Ontario. The Act provides that except as otherwise specifically assigned to the Senate, the government, conduct, management and control of the University's property and the conduct of its business and affairs is vested in the Board of Trustees (the Board). The Act provides that the Senate is responsible for the education policy of the University. This bicameral system of governance, consisting of two governing bodies – the Board and the Senate – is shown below.

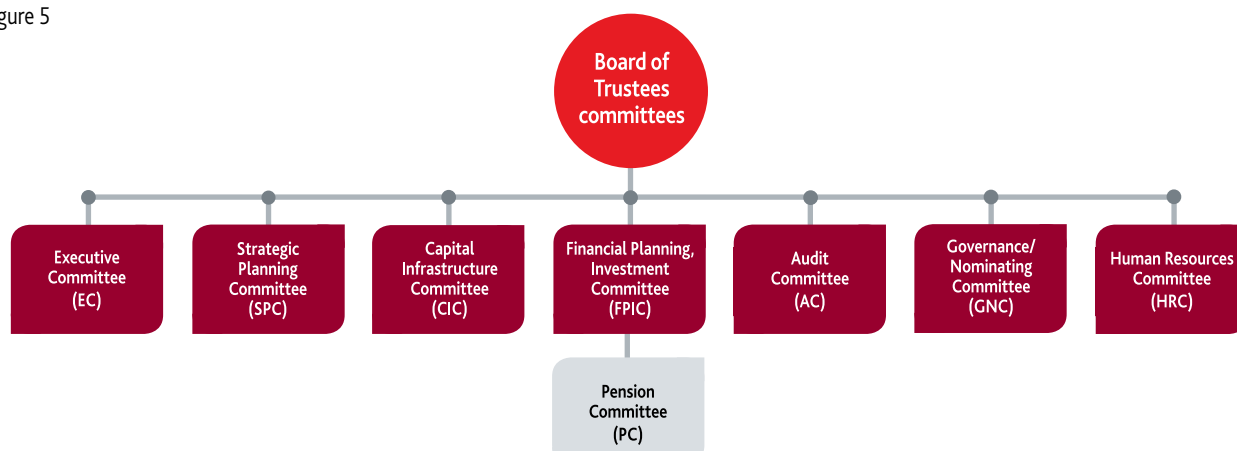
Figure 4



Board of Trustees

The Board consists of 26 members, including 17 community members elected by the Board, as well as two Brock students, three faculty members and two staff members elected by their respective constituencies. The Chancellor and the President and Vice-Chancellor are ex officio members of the Board.

Figure 5



2017-18 Board of Trustees members

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- Sophia Aggelonitis (community member – AC and HRC)
- Mark Arthur (Chair – SPC; community member – EC, AC and PC)
- Michele-Elise Burnett (community member – CIC and HRC)
- Shirley Cheechoo (Chancellor)
- Gary Comerford (Chair of the Board)
- Mario De Divitiis (Vice-Chair – GNC; community member – SPC)
- Mary De Sousa (community member – AC and GNC)
- Gervan Fearon (President and Vice-Chancellor)
- John Fisher (Vice-Chair – FPIC; community member – SPC)
- Giulia Forsythe (staff member – SPC)
- Kristine Freudenthaler (Vice-Chair of the Board; Chair – CIC; community member – AC)
- Faisal Hejazi (undergraduate student member – CIC)
- Dennis Hewko (Chair – FPIC; community member – EC and CIC)
- Shannon Kitchings (graduate student member – EC and SPC)
- Diane Miller (faculty member – EC and SPC)
- Beverley Morden (community member – FPIC and SPC)
- Chris Phillips (community member and Alumni Association – CIC and SPC)
- Miriam Richards (faculty member – SPC)
- William (Bill) Rickers (Vice-Chair – CIC; community member – FPIC)
- Kristen Smith (staff member – EC and CIC)
- Leanne Standryk (Chair – HRC; community member – EC and GNC)
- John Suk (Immediate Past Chair of the Board)
- David Whitehead (Chair, Senate – CIC)
- Dr. Robin Williams (Vice-Chair – SPC and HRC)
- Elisabeth Zimmermann (Chair – GNC; community member – EC and FPIC)
- John Zoccoli (Chair – AC; community member – EC and CIC)

Senate

As of April 1, 2018, the Senate consists of 67 members, including 38 elected full-time teaching staff and professional librarians, two members of the Board, three undergraduate students and two graduate students elected by their respective constituencies. There are also 22 ex officio members of the Senate.

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2017-18 Senate members

Members ex officio

- Shirley Cheechoo (Chancellor)
- Gervan Fearon (President and Vice-Chancellor)
- Thomas Dunk (Interim Provost and Vice-President, Academic)
- Tim Kenyon (Vice-President, Research)
- Greg Finn (Vice-Provost and Associate Vice-President, Academic)
- Anna Lathrop (Vice-Provost, Teaching, Learning and Student Success)
- James Mandigo (Vice-Provost, Enrolment Management and International)
- Ejaz Ahmed (Dean, Faculty of Mathematics and Science)
- Diane Dupont (Interim Dean, Faculty of Graduate Studies)
- Andrew Gaudes (Dean, Goodman School of Business)
- Ingrid Makus (Dean, Faculty of Social Sciences)
- Carol Merriam (Dean, Faculty of Humanities)
- Michael Owen (Dean, Faculty of Education)
- Peter Tiidus (Dean, Faculty of Applied Health Sciences)
- Geraldine Jones (Registrar)
- Mark Robertson (University Librarian)
- Gary Comerford (Chair, Board of Trustees)
- Aidan Hibma (BUSU, Vice-President, Finance and Administration)
- Thomas Winger (President, Concordia Seminary)
- Brian Hutchings (Vice-President, Administration)
- James O'Brien (Alumni Association Representative)
- Michele-Elise Burnett (Indigenous Representative)

Note:

Faculty of Applied Health Sciences (AHS);

Goodman School of Business (GSB);

Faculty of Education (FOE);

Faculty of Humanities (FOH);

Faculty of Mathematics and Science (FMS) and

Faculty of Social Sciences (FOSS).

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Full-time teaching staff/professional librarian representatives

- Kate Bezanson (FOSS)
- Michael Berman (FOH)
- Irene Blayer (FOH)
- Jonah Butovsky (FOSS)
- Poling Bork (FMS)
- Christene Carpenter-Cleland (FMS)
- June Corman (FOSS)
- Don Cyr (GSB)
- Spy Dénommé-Welch (FOE)
- Tamara El-Hoss (FOH)
- Fayez Elayan (GSB)
- Nancy Francis (AHS)
- Allison Glazebrook (FOH)
- Ian Gibson (Library)
- David Hutchison (FOE)
- Nota Klentrou (AHS)
- Linda Lowry (Library)
- Phillip Mackintosh (FOSS)
- Lynn McCleary (AHS)
- Bozidar Mitrovic (FMS)
- Christie Milliken (FOSS)
- Laurie Morrison (Library)
- Roberto Nickel (FOH)
- Shauna Pomerantz (FOSS)
- Lynn Rempel (AHS)
- Tim Ribaric (Library)
- Matthew Royal (FOH)
- Miriam Richards (FMS)
- Barbara Sainty (GSB)
- Larry Savage (FOSS)
- Dennis Soron (FOSS)
- Susan Sydor (FOE)
- Donna Szoke (FOH)
- Tek Thongpapanl (GSB)
- David Whitehead (GSB)
- Michelle Webber (FOSS)
- Terrance Wade (AHS)
- Vera Woloshyn (FOE)

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Representatives of the Board of Trustees

- William Rickers
- Elisabeth Zimmermann

2

Undergraduate student representatives

- Kingsley Nwogu
- Mickey Calder
- David Stark

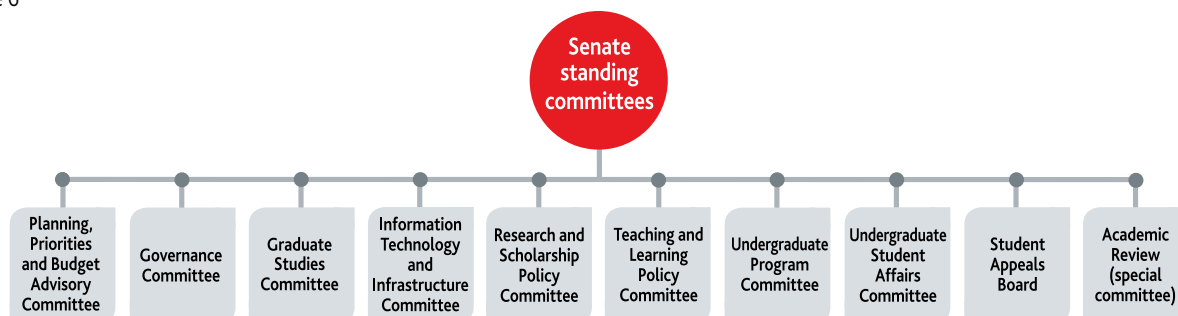
3

Graduate student representatives

- Emily Guertin
- Charissa Sanche

2

Figure 6



Planning, Priorities and Budget Advisory Committee

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The Senate's Planning, Priorities and Budget Advisory Committee (PPBAC) defines its terms as follows: It undertakes the responsibility to advise Senate regarding advice to the Board of Trustees in respect to the consistency of the budgets, policies, plans and prioritization processes with academic policy, as well as their consonance with the goals of the University. The PPBAC advises Senate regarding the following:

- The principles of allocation of the University budget and determination of strategic objectives and prioritization processes.
- The academic and fiscal priorities of the University.
- The academic and fiscal challenges of the University.
- The budget system and strategic planning processes, and any proposed changes in the budget system and strategic planning processes of the University.
- Matters requiring institutional advocacy.
- Any other matters referred to it by the Senate or Senate Governance Committee.

The following are the 2017-18 PPBAC members:

Elected members

7

- Nota Klentrou (AHS) – Chair, Information Technology and Infrastructure
- Lynn Rempel (AHS) – Chair, Undergraduate Student Affairs
- Lynn McCleary (AHS) – Chair, Graduate Studies
- Don Cyr (GSB) – Vice-Chair, Governance
- June Corman (FOSS) – Chair, Research and Scholarship Policy
- Laurie Morrison (Library) – Chair, Teaching and Learning Policy
- Susan Sydor (FOE) – Chair, Undergraduate Program

Students

2

- Christopher Yendt – graduate student
- Aidan Hibma – undergraduate student

Ex officio

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- David Whitehead (GSB) – Senate Chair
- Gervan Fearon – President and Vice-Chancellor
- Tom Dunk – Interim Provost and Vice-President, Academic
- Tim Kenyon – Vice-President, Research
- Greg Finn – Vice-Provost and Associate Vice-President, Academic
- Carol Merriam (FOH) – Faculty Dean
- Peter Tiidus (AHS) – Faculty Dean
- Linda Rose-Krasnor (FOSS) – BUFA observer (non-voting)



Brock's Mission Statement

Brock University flourishes through the scholarly, creative, and professional achievements of its students, faculty and staff. Offering a range of undergraduate and graduate programs, Brock fosters teaching and research of the highest quality. As a diverse and inclusive community, we contribute positively to Canada and beyond through our imagination, innovation and commitment.

Brock's values

Brock is committed to seven core values that inform and strengthen our actions.

1. Integrity and respect
2. Freedom of thought and expression coupled with academic responsibility
3. Unique student experience
4. Innovation
5. Accountability and stewardship
6. Sustainability
7. Generation and mobilization of knowledge

Integrated Strategic Plan and Strategic Mandate Agreement

Brock University's 2010 Integrated Strategic Plan, which has been endorsed by both the Board and the Senate, sets out the University's strategic priorities, representing the principles of allocation of the University. The full Integrated Strategic Plan can be viewed at brocku.ca/webfm_send/18651

Strategic priorities

- Ensure Brock is a preferred place to work and study.
- Support Brock's undergraduate student-centred focus while maintaining excellence in graduate education.
- Foster excellence in research, scholarship and creativity.
- Serve the social, cultural and economic well-being of the University, as well as the local, national and global communities.
- Encourage transdisciplinary initiatives.
- Promote internationalization.
- Practise accountability, fiscal responsibility and stewardship.

Brock University's 2017-20 Strategic Mandate Agreement (SMA2) responds to the Ministry of Advanced Education and Skills Development's (MAESD) request that every college and university in Ontario prepare a document that would articulate the mandate and vision of each institution. Guidelines set out by the MAESD call for SMAs to be updated every three years. Brock signed its first Strategic Mandate Agreement with the government in 2014. Following a period of negotiation with the MAESD over the summer of 2017, SMA2 was signed on Feb. 7, 2018. The 2017-2020 SMA can be viewed at brocku.ca/vp-academic/wp-content/uploads/sites/65/Brock-University-SMA-Signed-Final-Feb-7.pdf. The SMA2 outlines the following shared objectives and priorities for differentiation:

Objectives/priorities

1. **Student Experience:** Brock committed to increase the quality, breadth and diversity of co-op programs, and to extend its commitment to a broader array of curricular and co-curricular experiential learning in undergraduate and graduate program offerings.
2. **Innovation in Teaching and Learning Excellence:** Brock is expanding its experiential education opportunities, recently becoming the first Canadian university to have its experiential education definitions adopted by its Senate, allowing such opportunities to be recognized through program outcomes and on the student co-curricular record.
3. **Access and Equity:** Brock's recruitment efforts encourage a wide and diverse spectrum of potential undergraduate and graduate students, including under-represented groups such as Indigenous peoples, new Canadians, persons with disabilities, first-generation students, students with low income and mature students.
4. **Research Excellence and Impact:** Brock researchers are strengthening our international reputation through partnerships that create the knowledge, services and infrastructure required for the Niagara region's success in a globalized economy through a transdisciplinary approach. The University has worked to challenge traditional disciplinary boundaries, encouraging the application of multiple theoretical and methodological approaches in the completion of a range of unique programs.
5. **Innovation, Economic Development and Community Engagement:** Brock is responding to local needs by capitalizing on and developing the community's own intellectual property, resulting in two-way knowledge exchange, commercialization of intellectual property, the creation of spinoff companies in partnership with the Niagara Regional Innovation Centre and joint-venture activity between the University, industry and community organizations.

Construction in progress on
the Rankin Family Pavilion.





Introducing the data points

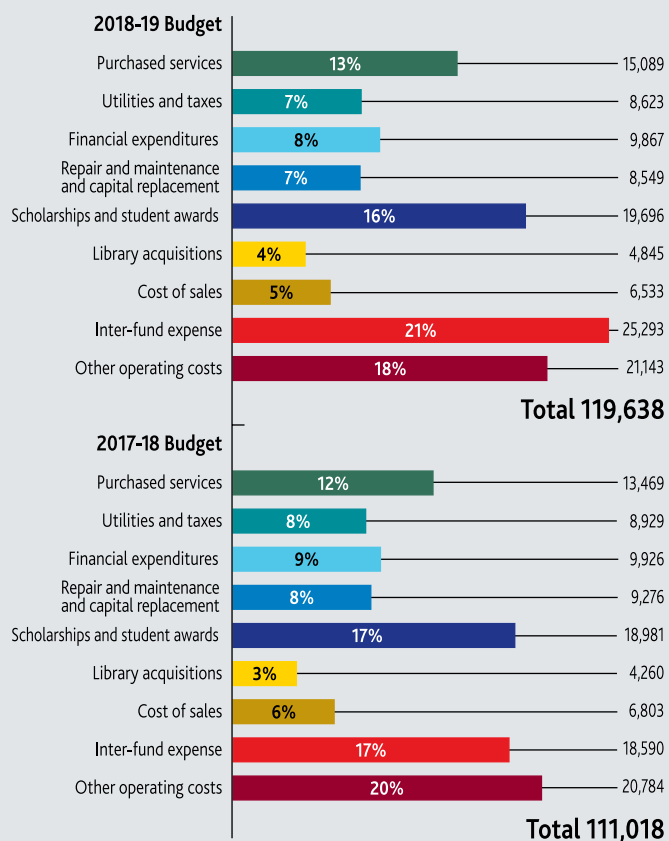
As the budget report continues to evolve, we once again provide data points to assist users of this report to draw relationships between financial and non-financial data.

The goal is to continue the process of providing meaningful data points to help establish a foundation to explain the “why” behind the revenue and expense values and the outcomes the budget supports. The data points presented in this report were chosen in consultation with Institutional Analysis (IA), with an emphasis on points which have a financial impact. The data points were made available from IA as well as other Units throughout the University. Your suggestions for future budget reports and key data points are always welcome at budgetreport@brocku.ca

The second “pullout” after page 22 presents a timeline that includes some major events impacting our financial experience since 1999-2000, when the move to a comprehensive university was proposed and endorsed.

We hope that you find these data points useful and that they encourage constructive and collegial discussion.

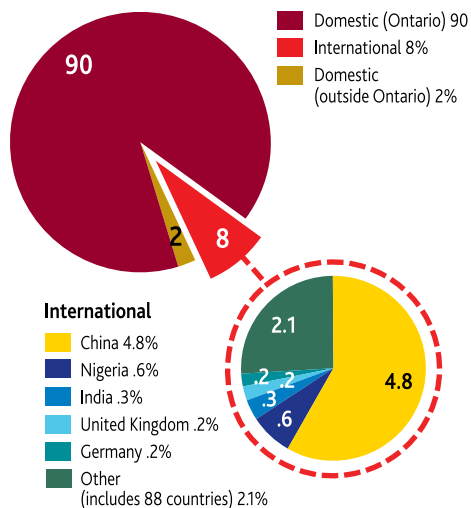
Budgeted operating costs (\$000s)



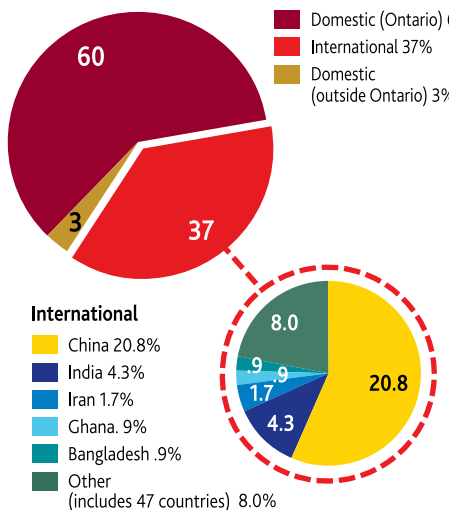
Personnel group ⁽¹⁾ (\$000s)	2018-19 Budget			2017-18 Budget		
	Salary/wage	Benefits	Total personnel costs	Salary/wage	Benefits	Total personnel costs
Faculty and professional librarians	91,119	19,613	110,732	88,194	19,448	107,642
Admin/professional	42,319	11,336	53,655	40,146	10,445	50,591
CUPE 4207 – Unit 1	13,990	1,527	15,517	13,461	1,394	14,855
OSSTF	8,164	2,633	10,797	8,305	2,521	10,826
CUPE 1295 FT	6,882	2,349	9,231	6,803	2,240	9,043
SAC	4,928	963	5,891	4,627	929	5,556
Other	12,939	1,706	14,645	13,632	1,694	15,326
Total	180,341	40,127	220,468	175,168	38,671	213,839
Transfer to employee future benefits reserve (EFB)		(900)	(900)		(900)	(900)
Total personnel	180,341	39,227	219,568	175,168	37,771	212,939

(1) Faculty and professional librarians – BUFA members, Associate Deans, Associate Vice-Presidents of Research and Associate Librarian; Admin/Professional-administrative/professional and exempt staff; CUPE 4207 – Unit 1 instructors, teaching assistants, lab demonstrators, course co-ordinators and marker/graders; OSSTF – support and technical staff; CUPE 1295 FT – full-time maintenance, trades and custodial staff; SAC – Senior Administrative Council; Other – all other union groups, part-time teaching and non-teaching positions and stipend transfers.

2017 headcount of undergraduate students (%)



2017 headcount of graduate students (%)



Number of undergraduate applicants from 2013 to 2017 self-identified as Indigenous: **979**

Number of undergraduate registrations from 2013 to 2017 self-identified as Indigenous: **337**

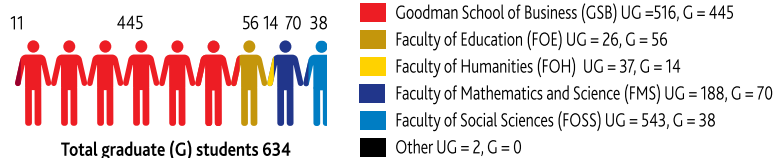
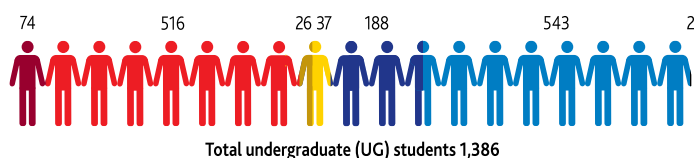
Full course equivalents (FCE) offered in 2017-18 (%)



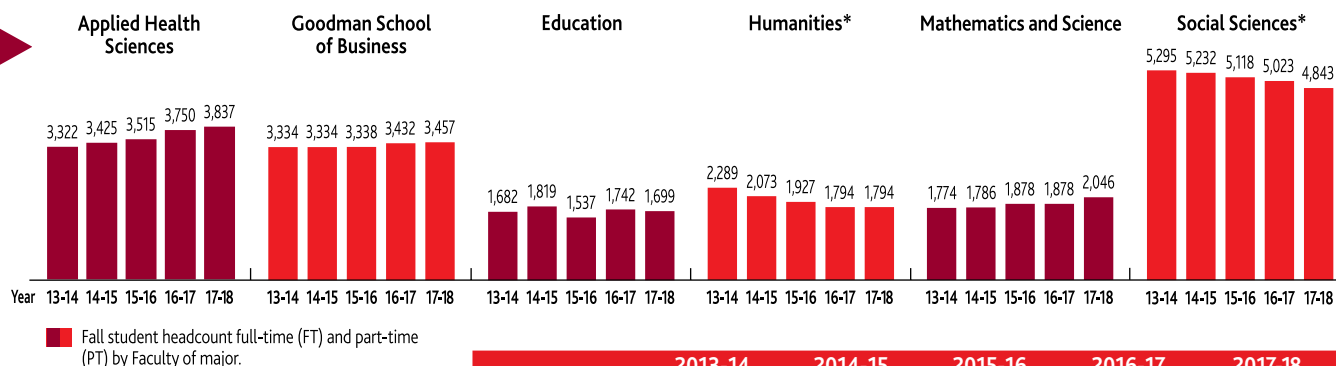
Students that received OSAP in 2017-18 (%)



2017 international student headcount by Faculty



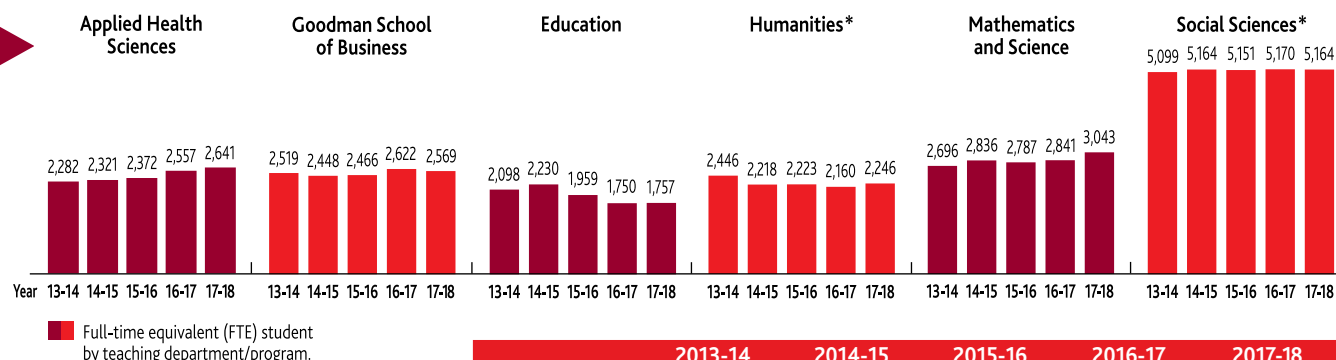
Student headcount by Faculty of major



(1) Figures in the table include undeclared Arts, letter of permission, non-degree students and auditors, which are not included in any of the Faculties in the above charts.

	2013-14	2014-15	2015-16	2016-17	2017-18
Undergraduate (FT)	14,853	14,911	14,656	14,840	14,766
Undergraduate (PT)	2,146	2,243	2,157	2,178	2,289
Graduate (FT)	1,298	1,259	1,264	1,336	1,381
Graduate (PT)	391	411	385	354	352
Total⁽¹⁾	18,688	18,824	18,462	18,708	18,788

Student full-time equivalent by teaching Faculty



*2013-14 FTE were adjusted due to the Department of Applied Linguistics' move from the Faculty of Humanities to the Faculty of Social Science in 2014-15 in order to make the year-to-year comparison more relevant.

	2013-14	2014-15	2015-16	2016-17	2017-18
Undergraduate	15,712	15,831	15,578	15,666	15,862
Graduate	1,428	1,387	1,380	1,434	1,558
Total	17,140	17,218	16,958	17,100	17,420

91% of Brock undergraduate students were employed within six months of graduation.

Source: 2016 Ontario University Graduate Survey.

96% of Brock undergraduate students were employed within two years of graduation.

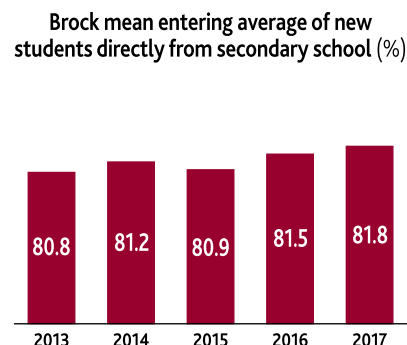
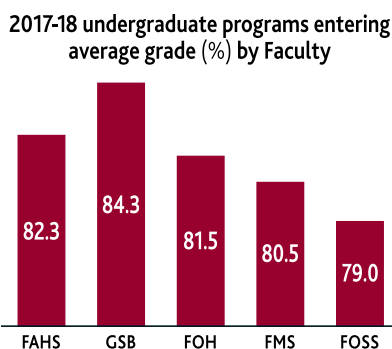
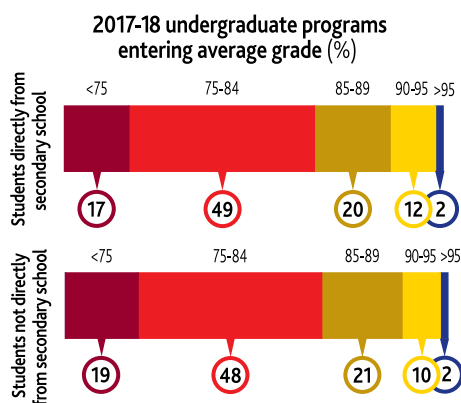
Source: 2016 Ontario University Graduate Survey.

83% of fourth-year Brock undergraduate students rated the quality of their overall experience at Brock as very good or excellent (vs. Ontario average of 78 per cent).

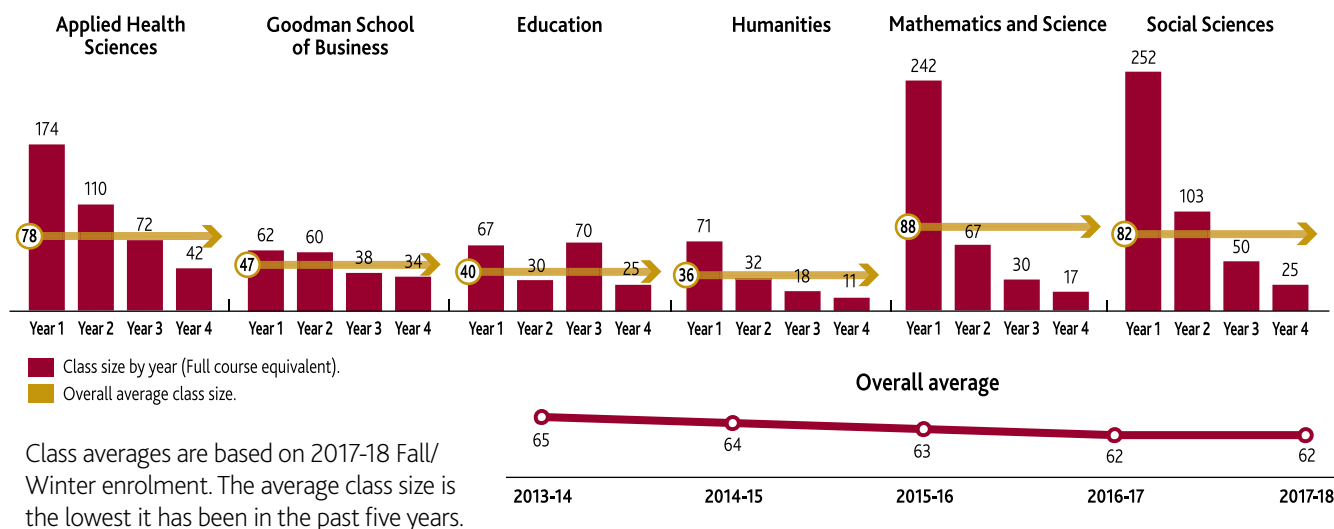
Source: 2017 National Survey of Student Engagement.

60% of Brock graduate students rated the quality of their overall experience at Brock as very good or excellent (vs. Ontario average of 58 per cent in 2013).

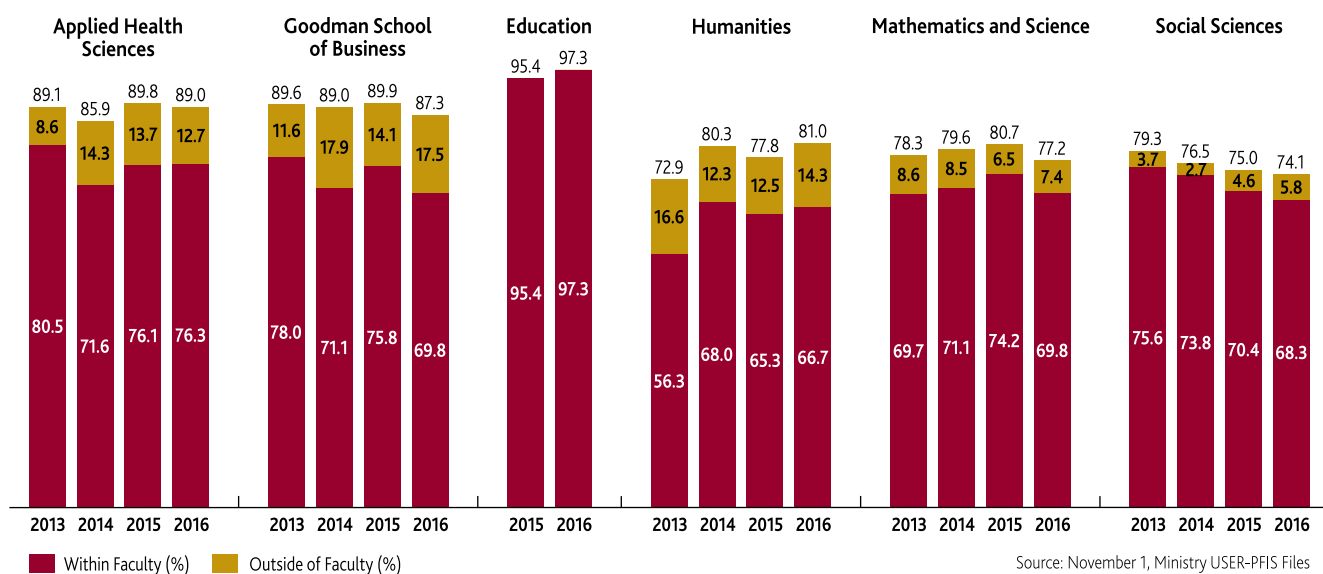
Source: 2016 Canadian Graduate and Professional Student Survey.



Undergraduate class size



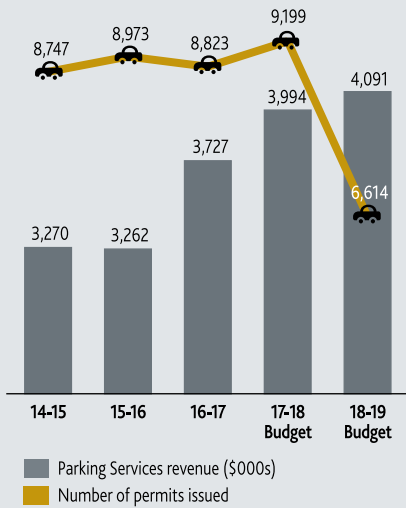
Year 1 to Year 2 flow-through



Source: November 1, Ministry USER-PFIS Files

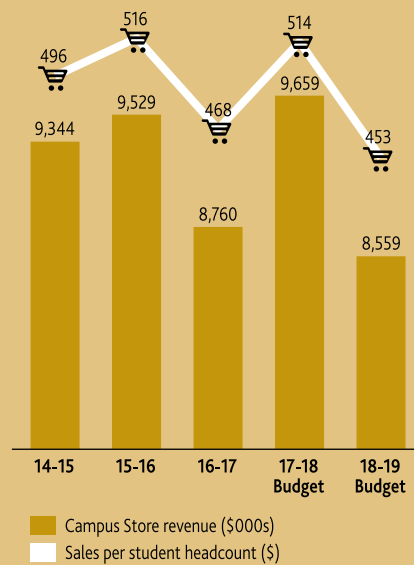
Figures represent the tracking of Year 1 students seeking a bachelor's degree or a first professional degree. The figures represent the percentage of students returning the following November, regardless of year of study.

Parking revenue 2014 to 2019

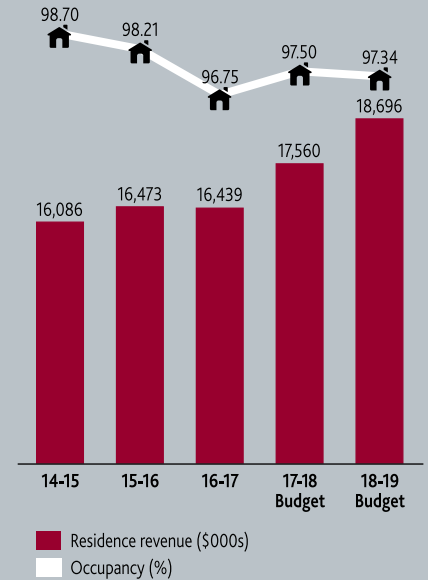


Note: Starting in 2018-19, permits are no longer required in Zones 1 and 2 for the months of May, June, July and August.

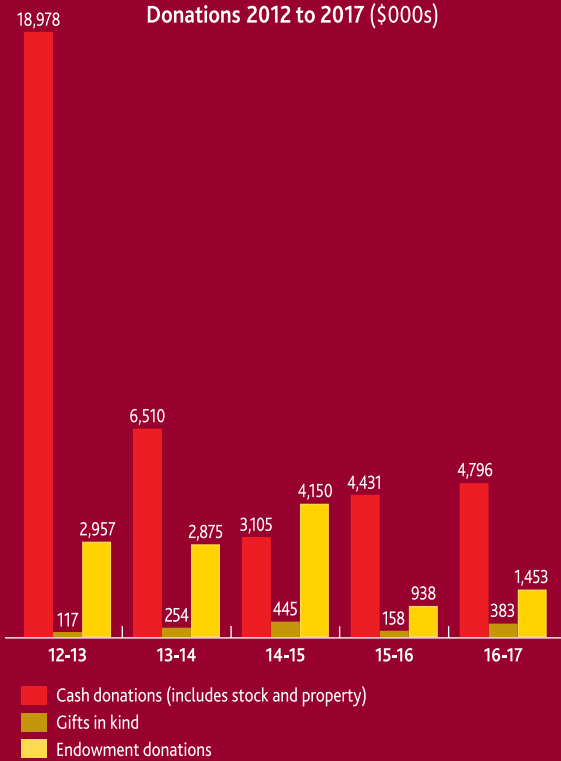
Campus Store revenue 2014 to 2019



Residence revenue 2014 to 2019

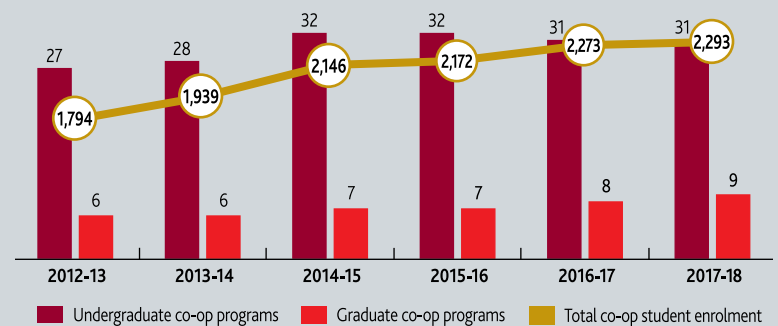


Donations 2012 to 2017 (\$000s)

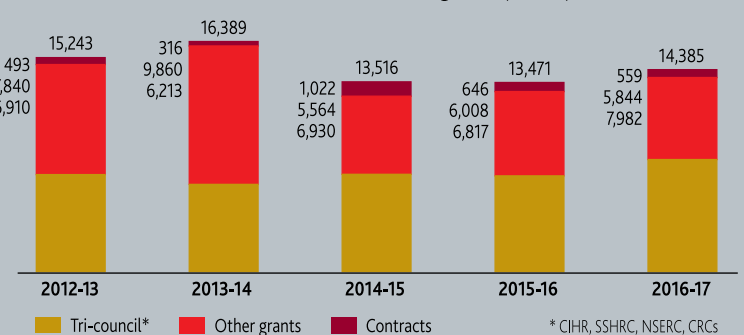


Provided by: Development and Alumni Relations.

Co-op programs and enrolment

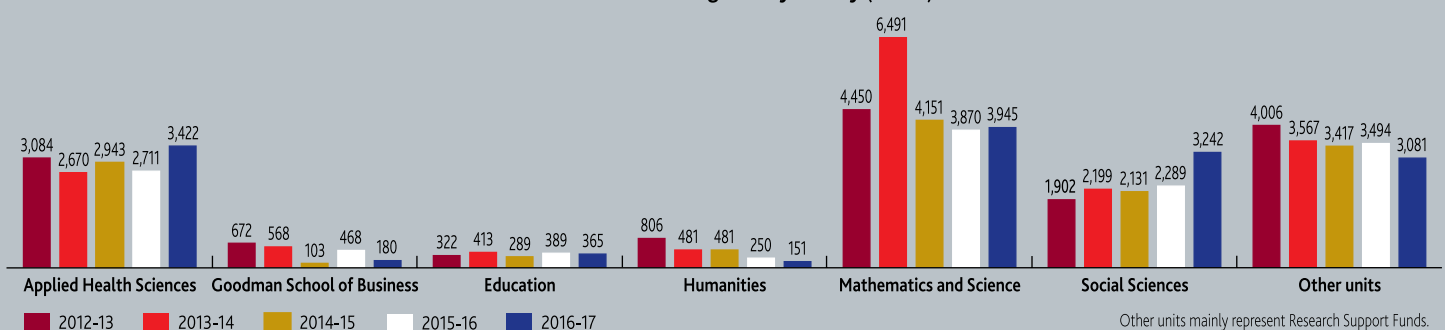


2012 to 17 external research grants (\$000s)



* CIHR, SSHRC, NSERC, CRCs

2012 to 17 external research grants by Faculty (\$000s)



Other units mainly represent Research Support Funds.

Provided by: Office of Research Services. Grants are presented on a cash basis.



Process and objectives

The budget is a plan to allocate resources in advance for the maximum benefit of stakeholders. It is a method to authorize spending authority and establish revenue targets of units within Brock University.

The 2018-19 budget process was one of consultation with the Senior Administrative Council (multiple updates); the Finance Committee of the Council of Academic Deans (multiple meetings); the Senate Planning, Priorities and Budget Advisory Committee (multiple meetings); in addition to numerous unit-specific meetings. Every effort was made to ensure the budget was consistent with the academic policy of the University, and that it supported the 2010 Integrated Strategic Plan and the 2017-20 Strategic Mandate Agreement (SMA2).

This budget was developed under the direction of the May 7, 2015 Board of Trustees two-part motion: "That the President be given a mandate to:

1. Ensure the University funding budget for 2015-16 and all subsequent years are prepared and presented as balanced. If a balanced funding budget cannot be achieved when presented to the Board of Trustees for approval, the deficit can be presented as a mitigation target provided a plan to achieve the mitigation target is included.
2. Manage the affairs of the University in order for it to achieve, or do better than, the funding budget."

We thank all units that reviewed their operations and submitted their budgets to bring the 2018-19 budget together.

As established three years ago, the timeline for the budget process allows the budget to be completed for approval at the cycle 4 meeting of the Board of Trustees in May to coincide with the start of our fiscal year – running from May 1 to April 30. We thank all units for meeting the requirements of the timeline.

The approach taken to establish the 2018-19 budget was similar to the prior year; incorporating the following objectives:

1. Support the Integrated Strategic Plan and the SMA2.
2. Provide new investment where critically needed.
3. Support ongoing initiatives.
4. Continue to simplify the budget and bring financial and non-financial information together to enhance accountability, understandability and transparency.

1. Support the Integrated Strategic Plan and Strategic Mandate Agreement

This budget was developed to support the 2010 Integrated Strategic Plan and the 2017-20 Strategic Mandate Agreement (SMA2).

2. Provide new investment where critically needed

Although the 2018-19 budget is balanced, given the risks identified and explained in the Budget Environment section of this report, the mitigation measures of fiscal 2017-18 will remain in effect. However, the long-term growth and development of the University should not be limited to the mitigation actions. Certain areas will need investment for the University to continue to develop. Thus, this section provides additional information in areas where new investment is critically needed. This section provides no priority to any of the functions, tasks or programs identified.

Operations

Some critical and significant University investments have been included as part of the 2018-19 budget. Examples of these investments include continued and increased Indigenous support, additional Library acquisitions, additional support for the Teaching Faculties and service units, support for student wellness and accessibility, and innovative funding for students.



Brock University's 2017-20 Strategic Mandate Agreement (SMA2) specifically identifies Indigenous student outreach as one of Brock's institutional initiatives. This initiative aims "to improve the University experience for Indigenous students and scholars, while also increasing awareness of Indigenous issues and perspectives across campus." In an effort to support this initiative, the 2018-19 budget provides additional funding for a number of Indigenous areas in the University, as noted below.

Indigenous support

- New Vice-Provost Indigenous Education and Community Engagement
- Continued support of Tecumseh Centre, Aboriginal Student Services, the Aboriginal stream of Adult Education and the Northern Nishnawbe Education Council
- A tenure-track position in Indigenous Sociology
- Targeted scholarship support for Indigenous students
- Development of an Aboriginal Governance program with Weengushk Film Institute
- Certificate program with Weengushk in Film Studies
- Three new courses in Indigenous languages



Operating funding support for all six of the Teaching Faculties, student awards and services, as well as infrastructure renewal remain key priorities in the 2018-19 budget. In April of 2018, the Senate passed the following motion "THAT the 2018-19 Budget is consistent with the academic policy of the University." Senate passed this motion subsequent to a year of ongoing consultation and review of academic and fiscal matters relevant to the budget with the Council of Academic Deans and the Senate Planning, Priorities and Budget Advisory Committee.

A sample of some of the investments in the Teaching Faculties are highlighted below.

Teaching Faculties

- Total net direct operating budget⁽¹⁾: \$137.1 million
- Investment in personnel: \$2.9 million increase – over 2017-18 budget
- Increased work-related placements for students in numerous programs
- Innovative I-EQUIP program, which provides students with opportunities to develop health quality related projects with numerous community partners
- Enhanced laboratory experiences for Kinesiology and Health Sciences students with human cadaver anatomy laboratories, and improved equipment for wet labs
- Opportunities to work with and/or research various populations, such as older adults, cardiac rehabilitation patients, children and youth, and spinal cord injured individuals in clinical, rehabilitation and community settings
- Goodman School of Business use of a new cloud-based admissions platform to streamline the assessment process
- Faculty of Education offering extra cohort of Master's Preparation Certificate in Education courses
- Faculty of Education continuing teacher education experiential learning in China.
- New string orchestra in Music
- New stream in Music – Paths to Music Therapy
- Faculty of Mathematics and Science continues the development of lab experiences for students, field trips, and other key sources of experiential learning
- Tenure-track position in Applied Disability Studies to promote increased graduate spaces, enhancing experiential learning opportunities for students and responding to increased student demand for professional programs.
- Support for both undergraduate and graduate student travel to present research and academic conferences
- Development of an Aboriginal Governance program to be delivered on Manitoulin Island in partnership with Weengushk Film Institute.
- Additional investments in marketing and communications for brand-building initiatives.
- Offering more Indigenous-language courses university-wide through Tecumseh
- Adult education enhancements including online offerings

brocku.ca/academics

Brock continues to make inroads into ensuring the University's affordability through a number of funding initiatives for students.



Funding for Students

- New to 2018-19, increasing international doctoral fellowships to match the tuition costs.
- New to 2018-19, tuition freeze for international students in research-based master's and PhD programs.
- Continuation of tuition freeze for domestic continuing master's and PhD students.

The Library acquisition budget was increased by \$629,000 in 2018-19. We know the Library is important to both teaching and research, and for this reason, in order to ensure Brock's Library remains competitive with our peers, the Fiscal Framework establishes a goal of benchmarking our acquisitions on a per student basis against our peers in the Canadian Association of Research Libraries (CARL).



Library acquisitions

- Net direct operating budget⁽¹⁾: \$4.8 million
 - Strategic Investment: \$0.63 million
 - Where is this budgeted: Library
- brocku.ca/library

Brock's Student Wellness and Accessibility net funding increased by \$253,000 from MAESD grants, which facilitated a total increase in spending on their support services by \$364,000.



Student Wellness and Accessibility

- Net direct operating budget⁽¹⁾: \$1.53 million
- OG FTE⁽²⁾: 31.1 vs. 26.4 in 2017-18 budget
- Additional grant funding: \$0.25 million

brocku.ca/swac/

Infrastructure

Some critical and significant infrastructure investments include the Rankin Family Pavilion project and the Brock District Energy Efficiency Project (DEEP) – Phase 1 funded in part from the Government of Canada's Post-Secondary Institutions Strategic Investment Fund (SIF) and Phase 2 funded from the Ministry of Advanced Education and Skills Development (MAESD) Greenhouse Gas Campus Retrofits Program (GGCRP) – deferred maintenance across campus including residences, the new Human Resources information system, classroom modernization projects, and improvement of several areas of Brock's information technology.

The Rankin Family Pavilion project will transform the outdoor space in front of the Schmon Tower, with an enclosed atrium that includes collaborative and digital innovation space, as well as a second level to house and expand commercialization activities. This project will be completed in the summer of 2018.

Rankin Family Pavilion

- Total construction budget: \$19.3 million
- Funding sources: \$8.5 million SIF, \$4.9 million from the 2018-19 capital and related project budget, \$3.0 million in donations, \$1.5 million of surplus from previous years' capital and related project budgets, and \$1.4 million from the 2017-18 capital and related project budget.

brocku.ca/brock-news/2017/03/board-of-trustees-meeting-highlights-atrium-and-upgraded-power-projects-moving-forward/



(1) Net direct operating budget equals revenue minus expenses for 2018-19 fiscal year. These budgets do not allocate overhead costs (i.e. support services, space etc.).

(2) OG FTE represents 2018-19 budgeted ongoing staff and faculty full-time equivalent positions – excludes temporary contract workers and includes any budgeted but unfilled position.

The first phase of Brock's District Energy Efficiency Project (DEEP) project is replacing half of the existing natural gas-powered co-gen engines with state-of-the-art, high-efficiency, electronically controlled units. The project is expected to be completed this summer. DEEP Phase 2, which is being funded entirely through the GGCRP, will replace the remaining co-gen engines and install a new high-efficiency electric chiller unit. Work is expected to be wrapped up by March 2019.

The completed DEEP project will result in Brock's annual NOx (nitrogen oxide) gas emissions dropping by 85 per cent and reducing the non-methane hydrocarbons by 73 per cent. The new co-generation engines will also consume 26 per cent less fuel and result in hundreds of thousands of dollars in utility cost saving each year.

Brock DEEP Phase 1 and 2

Brock DEEP Phase 1

- Total construction budget: \$10.8 million
- Funding sources: \$5.2 million SIF, \$1.3 million from the 2018-19 capital and related project budget, \$2.6 million from the 2017-18 capital and related project budget (\$1.3 million of which is Facilities Renewal Program Funds), \$1.0 million of one-time Facilities Renewal Program Funds received in 2016-17, \$0.3 million of the general 2016-17 Facilities Renewal Program Funds (reallocated mid-year from other projects), \$0.3 million from the sale of equipment and \$0.1 million reallocated from a 2015-16 capital project.

Brock DEEP Phase 2

- Total construction budget: \$7.9 million
- Funding sources: \$7.9 million from GGCRP

brocku.ca/brock-news/2018/03/7-9-million-in-provincial-funding-means-green-light-for-brocks-green-energy-project/



The 2018-19 capital and related projects budget also includes a new investment of \$500,000 toward classroom modernization.

Also included in the 2018-19 capital and related projects budget is \$2,070,000 of investment in residences, which includes \$1,115,000 of deferred maintenance projects. The investments range from proximity card upgrades to Village residence renewal.

Human Resources (HR) currently runs on old legacy systems and applications that are beyond end of life and considered high risk. Replacement is required as soon as possible. The HR component of Workday, which will replace the current HR system, is a modern cloud-based system that will provide an integrated system with Workday Finance, improved access to information and better HR service delivery. This project is scheduled to be live with Phase 1 on July 1, 2018.

Workday Human Resources

- Total project budget: \$7.2 million
- Assessment and pre-implementation budget: \$0.8 million
- Implementation budget: \$6.4 million
- Funding sources: \$0.8 million 2016-17 capital and related projects budget, \$2.3 million 2017-18 capital and related projects budget, \$3.5 million of the 2018-19 capital and related project budget and \$0.6 million of pre-encumbrance of the 2019-20 capital and related projects budget.

brocku.ca/brock-news/2017/11/brock-human-resources-preparing-to-launch-new-system/



The full 2018-19 capital and related projects plan can be found starting on page 75.

3. Support ongoing initiatives

As part of the Budget Details section of this report, Figure 38 provides a high-level overview of where budget dollars are allocated by detailing the net revenue and expenses of the following areas: Teaching Faculties, Academic Support, Student Specific, Shared Services, Ancillary, Space and Global. In addition to this high-level information, this budget report has additional information on each of the individual units grouped into these categories in the section of responsibility centres on pages 46 to 73. These pages provide information on the various units of the University and the Faculties, and specifically provide links to their strategic plans and accomplishments.

This section serves to highlight some specific ongoing initiatives supported by the budget. There is no priority to any of the functions, tasks or programs identified.

The Cool Climate Oenology and Viticulture Institute (CCOVI) at Brock University is an internationally recognized research institute focused on the research priorities of the Canadian grape and wine industry, and the continuing educational and outreach-service needs of that community.

CCOVI is currently embarking on a \$2.4-million project that expands and enhances its fermentation, wine flavour and consumer behaviour facilities as a result of a \$960,000 grant from Canadian Foundation for Innovation (CFI), announced in Oct. 2017, a matching grant from the Ontario Research Fund, announced in Jan. 2018, plus contributions from the grape and wine industry. This project will help CCOVI establish the world's first mediated-reality wine consumer laboratory that will combine sights, smells and sounds to help researchers study the science of consumer choice in the wine industry. The project also includes expanding the capacity of CCOVI's research winery to include a state-of-the-art fermentation facility, as well as the purchase of several advanced analytical instruments required for grape and wine flavour and aroma analysis.



CCOVI

- Net direct operating budget⁽¹⁾: \$0.5 million
- Where this is budgeted: transfer from Research Services to the Research With no External Obligations Fund.

brocku.ca/ccovi
cuvee.ca

The 2018-19 budget continues to support the Human Rights and Equity Services unit. The 2018-19 budget increased by \$0.13 million. The Human Rights and Equity Services unit is a resource for all Brock community members to provide information, education, assistance and advice on issues related to human rights harassment and discrimination.



Human Rights and Equity Services

- Net direct operating budget⁽¹⁾: \$0.6 million
- Where this is budgeted: Shared Services Support
- OG FTE⁽²⁾: 4.0

brocku.ca/human-rights/

(1) Net direct operating budget equals revenue minus expenses for 2018-19 fiscal year. These budgets do not allocate overhead costs (i.e. support services, space etc.).

(2) OG FTE represents 2018-19 budgeted ongoing staff and faculty full-time equivalent positions – excludes temporary contract workers and includes any budgeted but unfilled position.

The Department of Development and Alumni Relations is responsible for Brock's philanthropic activity, alumni engagement and capital fundraising campaigns.



Development and Alumni Relations

- Net direct operating budget ⁽¹⁾: \$1.6 million
- Five-year average annual funds raised (2013-14 to 2017-18 as of April 9, 2018) \$6.2 million
- OG FTE ⁽²⁾: 18.5

brocku.ca/bold-new-brock

The mission statement of Brock athletics is to enrich the overall student life experience by providing quality sport programs and leadership in the pursuit of athletic excellence. It provides students with the opportunity to take part in athletics both as participants and fans.

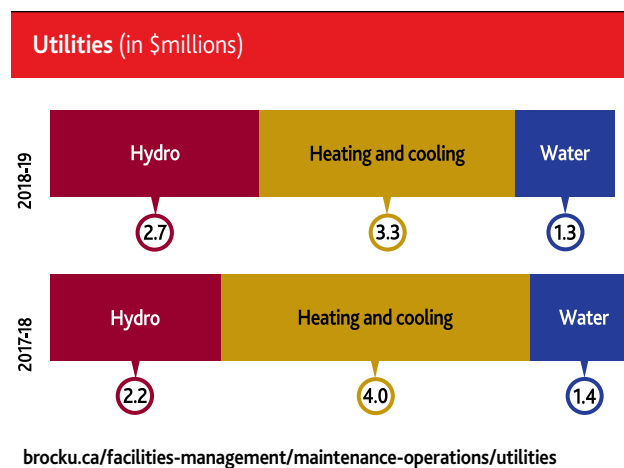


Brock Athletics and Intramurals

- Number of athletic teams and athletes: 45 teams and 910 athletes
- Number of intramurals and athletes: 741 teams and 3,328 athletes
- Net direct operating budget of Brock Sports and Recreation ⁽¹⁾: \$1.4 million

gobadgers.ca

The majority of the utilities are shown in the Utilities, Taxes and Insurance responsibility centre on page 70.



The majority of the scholarships, bursaries and student awards are shown in the Scholarships, Bursaries and Student Awards responsibility centre on page 71. These funds represent six per cent of total revenue.

Scholarships, Bursaries and Student Awards

- Undergraduate \$13.2 million
- Graduate: \$8.3 million
- Funding sources: \$19.7 million (91%) operating costs and \$1.8 million (9%) endowment.

brocku.ca/international-recruitment/funding-costs/
brocku.ca/safa/awards
brocku.ca/graduate-studies/fgs-awards



(1) Net direct operating budget equals revenue minus expenses for 2018-19 fiscal year. These budgets do not allocate overhead costs (i.e. support services, space etc.).

(2) OG FTE represents 2018-19 budgeted ongoing staff and faculty full-time equivalent positions – excludes temporary contract workers and includes any budgeted but unfilled position.

4. Continue to simplify the budget and bring financial and non-financial information together to enhance accountability, understandability and transparency.

To everyone involved in the budget development, congratulations and thank you for making this balanced budget possible. Furthermore, this year's report continues the linkage of financial and non-financial data through a strong partnership with Financial Services and Institutional Analysis. We suspect this information will generate discussion, which is encouraged.

It is anticipated that future budget reports will continue to build and add to the financial and non-financial data disclosed herein. Discussing both financial and non-financial

data together will help support ongoing efforts to ensure a fiscally responsible budget while paying close attention to quality and academic outcomes.

It is hoped that the efforts made throughout the development of this budget have enhanced its accountability, understandability and transparency. Feedback is always encouraged and welcomed, and can be directed to budgetreport@brocku.ca





Budget environment

The budget environment for the University is dominated by government policy, enrolment and the decisions we as a University make. These same factors were identified in last year's budget report, the 2018-19 Fiscal Framework Update, and continue today.

The topics identified in this section should not detract from the emphasis put on the 2017-20 Strategic Mandate (SMA2) Agreement or 2010 Integrated Strategic Plan. This discussion on the budget environment only serves to highlight three areas that significantly impact the fiscal framework and budget development.

Government policy

Brock continues to appreciate its strong and collaborative relationship with the Province of Ontario through the Ministry of Advanced Education and Skills Development (MAESD). Despite the MAESD's fiscal constraint, they continue to add to the list of Brock projects they back with funding support, most recently through a commitment of \$7.9 million to complete Phase 2 of Brock's District Energy Efficiency Project (DEEP), funded by the MAESD's Greenhouse Gas Campus Retrofits Program (GGCRP) Innovation Grant Fund. The DEEP project will significantly upgrade and modernize Brock's co-generation facility. See page 12 for more details on this project.

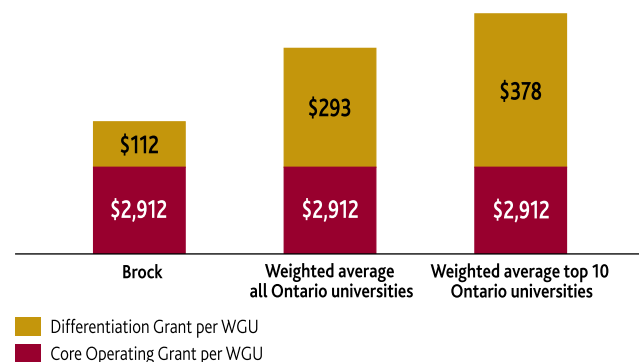
As described in the 2017-18 Budget Report, entering 2017-18, the MAESD released a redesigned funding model for universities. The new university funding model has three major categories of funding:

- A Core Operating Grant (COG), where institutions will receive a base level of operating funding based on a specific level of eligible university enrolment or Weighted Grant Units (WGU). The COG will be governed by an enrolment corridor mechanism (see pages 32-33 in the 2017-18 Budget Report for a more detailed explanation of the new government grant model);
- A new Differentiation Envelope with a performance portion to allow funding to be allocated based on performance against metrics in priority areas, as well as mission-related funding; and
- Special Purpose Grants to address government and system-wide priorities such as improving access for Indigenous learners and students with disabilities.

Despite this funding reform, Brock remains the lowest funded university in the province on a per student basis, which is demonstrated through the level of differentiation funding Brock received relative to our peers, as shown in Figure 7. The MAESD has achieved its goal of creating an equal portion of funding per eligible enrolment through the Core Operating Grant; however, variations in the system still persist and are now captured within the Differentiation Grant Envelope. While this demonstrates an ongoing fiscal challenge for Brock to compete against higher funded universities, we do recognize that Brock has the lowest proportion of grant at risk compared to those with higher differentiation funding.

Figure 7

2015-16 Core Operating and Differentiation Grants Envelope per weighted grant unit (WGU)
Brock vs Ontario universities



Source: MAESD's Feb. 2017 technical release of the funding model.

The Province has also removed automatic funding for enrolment growth of undergraduate students, previously funded through the Undergraduate Accessibility Grant. That said, the Province did increase the number of funded master's and PhD students through Brock's SMA2 negotiations. Overall increases in funded graduate spaces included 14.7 per cent in 2017-18, 7.8 per cent in 2018-19 and 5.2 per cent in 2019-20. This was an important investment Brock achieved in the SMA2 negotiations as in 2016-17, 60.7 master's FTEs went unfunded.

Enrolment

The 2017-18 Budget Report discussed the Statistics Canada (Stats Can) forecast for 18 to 20 year olds, suggesting a decline in this demographic group in the order of 10 per cent over 10 years. Stats Can has recently revised their projection for this demographic group and the change is significant. The new forecast for 18 to 20 year olds is relatively flat over the next 10 years, as shown in Figure 8. Projections by region increased for all regions, with the highest increases in Toronto and the GTA, see Figure 9 for updated population projections by region.

As enrolment generates the majority of the University's revenue, and it influences to some extent each unit's budget, it remains a focus of our planning process. Total all-in headcount is expected to increase by 126 students as compared to 2017-18. This increase is driven mainly by degree-seeking students, with increases in both undergraduate degree-seeking of 71 and graduate of 33. In addition, Enrolment Management and International has again this year set a target to increase historical retention numbers across each Faculty, resulting in an increase to targeted tuition revenue of \$1.1 million. This increased retention translates to an additional 100 degree-seeking students, assuming 20 per cent international.

Figure 8

Statistics Canada population projections for 18 to 20 year olds (000's)

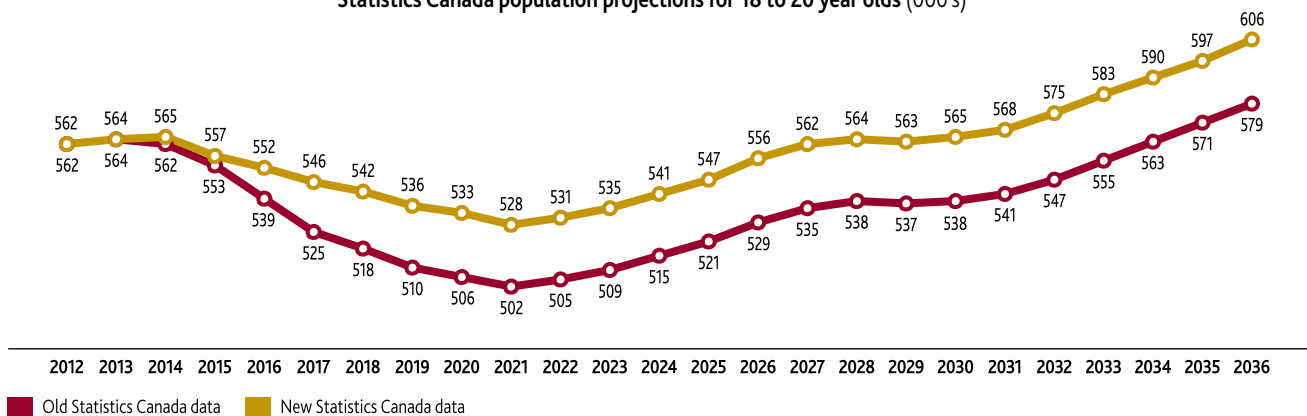
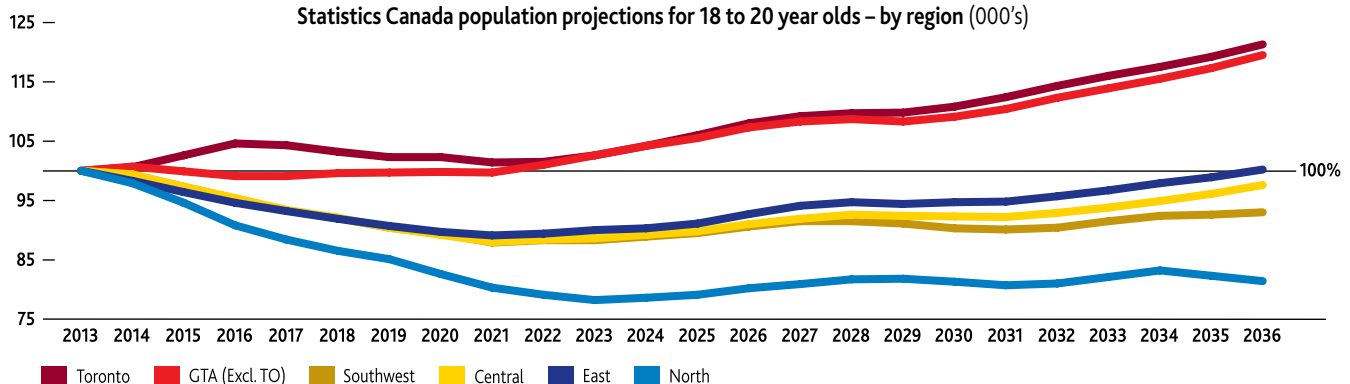


Figure 9

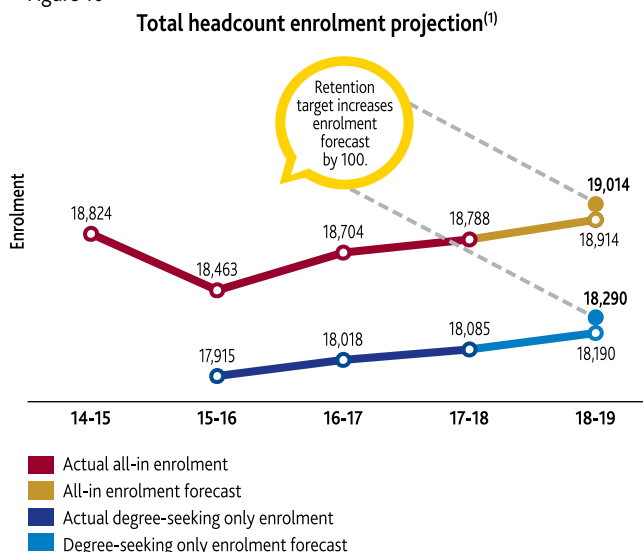
Statistics Canada population projections for 18 to 20 year olds – by region (000's)



Note: Data has been indexed to population changes since 2013.

See Figure 10 for historical headcount enrolment and 2018-19 forecasts for all-in enrolment and degree seeking students.

Figure 10



Source: Enrolment Planning Model (EPM).

(1) The enrolment forecast used for the 2018-19 budget is 'all-in' and includes letter of permissions, non-degree students, auditors, additional qualifications, and certificates. These are excluded in the degree-seeking only enrolment as typically presented by the Office of the Registrar.

University funding is heavily dependant on student enrolment; therefore, universities will naturally compete to maintain or increase their enrolment. Looking forward, we know that competition for students will only increase; therefore, we must continue to challenge ourselves to find

new ways to meet and exceed the expectations of the 21st-century learner so that Brock continues to become a preferred place to work and study.

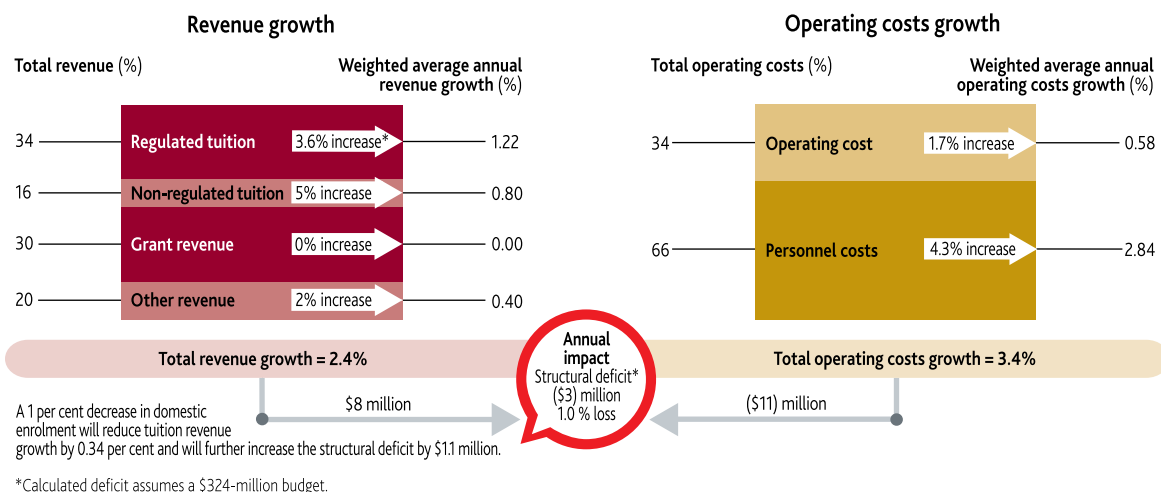
Ourselves – the decisions we make

So why talk about “ourselves” and the decisions we make as an aspect of the current fiscal environment? It’s because we ultimately have the power to recommend changes to the programs we offer and how we offer them, our areas of focus, the compensation we seek, and how resources are allocated.

Using the term insolvency may be a bit extreme; however, if our growth in costs continue to outpace the growth in our revenues, our sustainability could be at risk. Figure 11 has been shown in prior budget reports. This fiscal complexity continues to hold true for financial planning going forward, despite a balanced budget presented for 2018-19. With revenue growth at 2.4 per cent and operating costs growth at 3.4 per cent, this creates an annual requirement to find \$3 million each year in mitigation. Working towards a long-term structurally balanced budget model will minimize this risk.

Going forward, we must look to ourselves to make real decisions that will take us out of the repetitive process of budget mitigation. We have a great University with amazing programs and research. We need to ensure we don’t stand in our own way.

Figure 11





Financial update

At the time of writing this budget report, we are projecting through our second trimester reporting (T2) for fiscal 2017-18 a funding surplus of \$3.0 million. The T2 reporting can be found at brocku.ca/about/university-financials/#reports-2017-18. The majority of the surplus was driven by lower than budgeted salary and benefit costs as a result of positions included in the budget but not filled during the year either partially or entirely. At year end, this projection will be updated to actual results in the 2017-18 Annual Report.

After a challenging year of prioritizing spending and reducing costs where possible, we are showing a balanced budget for the second year in a row, after more than a decade of deficit budgets.

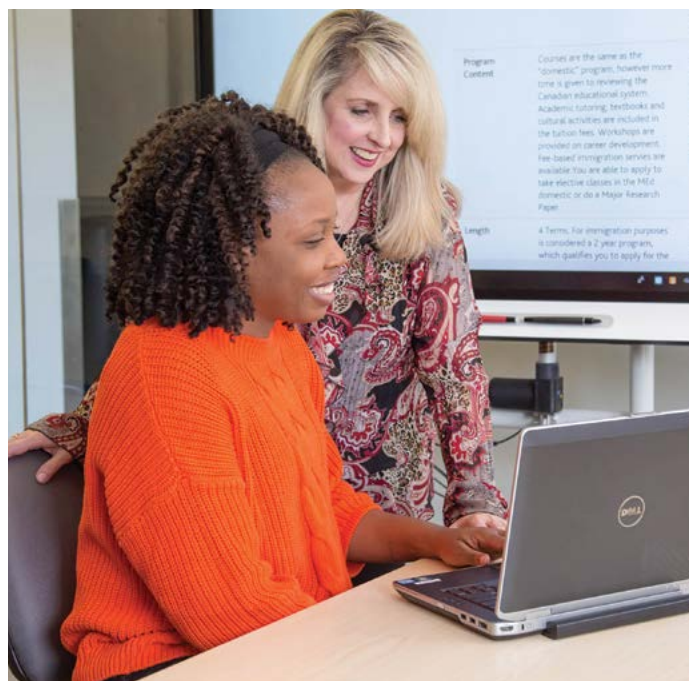
The 2018-19 budget was established with certain key assumptions:

1. The initial enrolment forecast shows a 71-student headcount increase in degree-seeking undergraduate students, and an increase of 33 degree-seeking graduate students, or 126 overall, including non-degree seeking students.
2. In addition, an incremental tuition target of \$1.1 million was added to the budget driven by Enrolment Management and International's ongoing retention strategies. This tuition could translate into an additional increase to undergraduate headcount of 100 students, with 20 per cent being international students.
3. The budgeted investment income increased by \$0.3 million, which represents a risk depending on interest rates into 2018-19.
4. No further change in the Province's tuition policy.
5. Grants in 2018-19, will be consistent with those budgeted in 2017-18 plus an additional \$0.4 million increase related to graduate students. More information is available on this in the grant section starting on page 32.
6. Although we are budgeting to have a balanced budget again in 2018-19, the mitigation measures of fiscal 2017-18 will remain in effect due to the risk inherent in the longer-term budget forecast.

These measures will assist us in meeting our target of a year-end balanced result, or better. Steps are also required to find a way to permanently eliminate the need for these mitigation measures and ensure we remain financially

sustainable where revenues naturally grow in harmony with the rate of growth in our expenditures. The "Looking forward" section can be found on page 85, which further reviews this topic and links future planning to the Fiscal Framework.

The Looking forward section also describes the next phase of the University's budget – a revenue and expense allocation model which is integrated as a component of the Fiscal Framework.





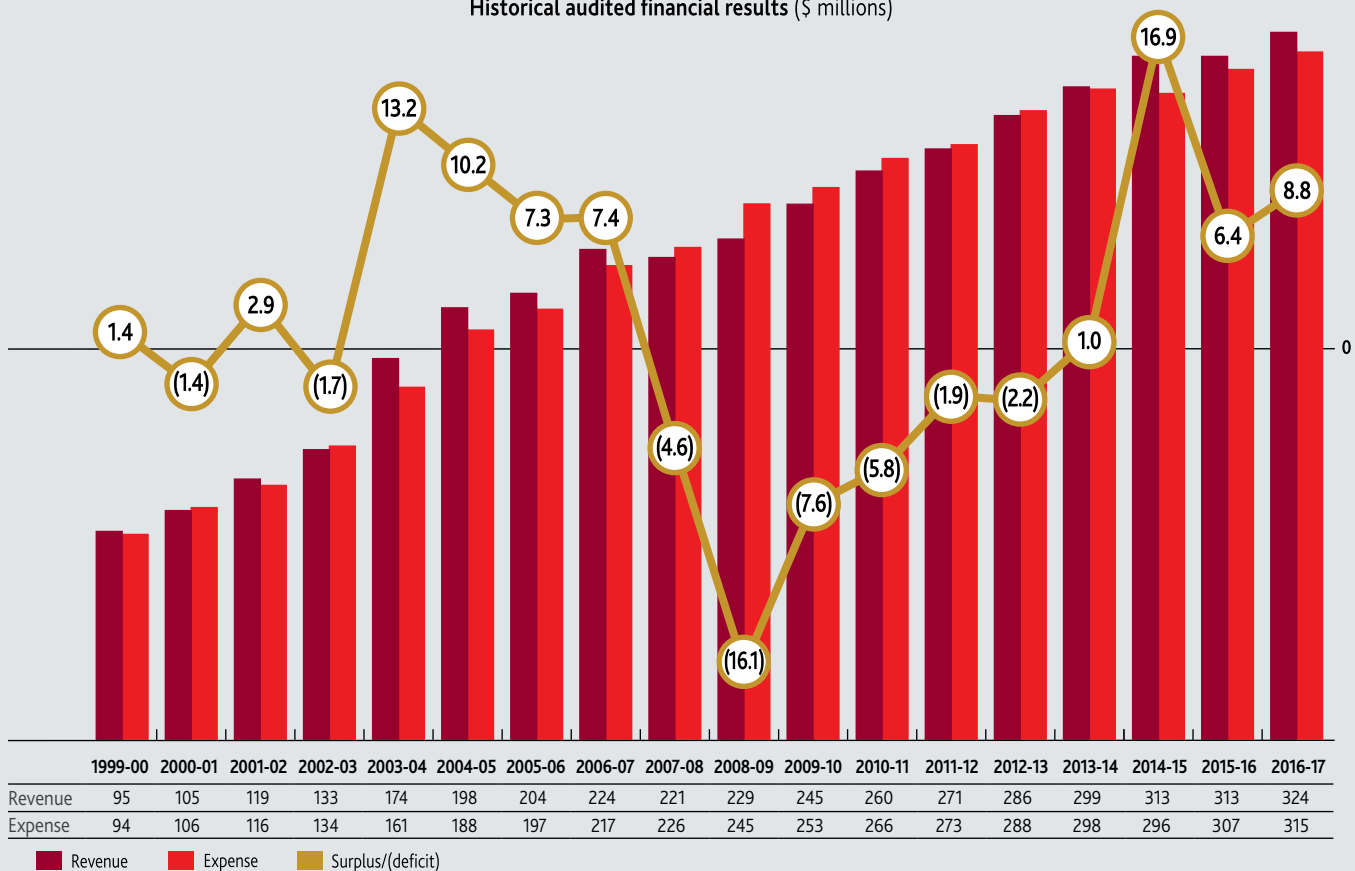
Historical timeline

In planning for the future, it can be useful to look back and ask “how did we get here?” The chart and historical timeline provided here attempts to rewind the clock and identify some key decisions with significant financial impact that have occurred since 1999-2000. These key decisions have been identified on the timeline along with an undergraduate and graduate student headcount and a faculty, professional librarian and staff headcount. The chart begins in 1999-2000, as this is when Institutional Analysis began publishing these data points (brocku.ca/institutional-analysis/brock-facts). It also closely coincides with when the move to a comprehensive university was proposed and endorsed. An interesting observation is that the student to faculty and librarians, and the staff to faculty and librarians ratios are the same level or lower in 2017-18 as they were in 1999-2000.

Note: The faculty and professional librarians headcount figures accumulated and presented by Institutional Analysis as part of Brock Facts, represent roster data (i.e. all employees holding a faculty position in the academic year). The staff headcount figures are from the Human Resources Information System (HRIS) and represent headcount as of Oct. 1 of each year.

Figure 12

Historical audited financial results (\$ millions)



Note: The figures were obtained from the audited financial statements of Brock University, which were prepared in accordance with the Canadian generally accepted accounting principles for not-for-profit organizations (1999-00 to 2010-11) and in accordance with Canadian accounting standards for not-for-profit organizations (2011-12 to 2016-17).

The following charts present two different ways of examining space at the University. Figure 14 details the space usage by category as of 2016, which was prepared for the Council of Ontario Universities' Survey of Physical Facilities, as well as an updated estimate for 2017. Only 69 per cent of the University's space is assignable to specific functions, while 31 per cent is non-assignable, meaning that it relates to items such as utility plants, corridors and hallways. Figure 15 details the deferred maintenance backlog by asset type and compares this to the replacement value of those assets. This information was obtained from the condition assessment performed by VFA Inc. (through Council of Ontario Universities) in October 2017, which determined that Brock has \$167 million in deferred maintenance requirements that have accumulated over a number of years of under-investing. In addition, the chart details the Facility Condition Index (FCI) (deferred maintenance divided by the current replacement value), which determines the relative condition of the asset. The lower the FCI, the better the condition of the asset. For example, MIWSFPA has the lowest FCI and is the newest building, while buildings with higher FCIs are generally older, such as the Thistle building and the Schmon Tower. Brock's overall FCI is 0.18, which translates to "poor."

Figure 14

Space usage

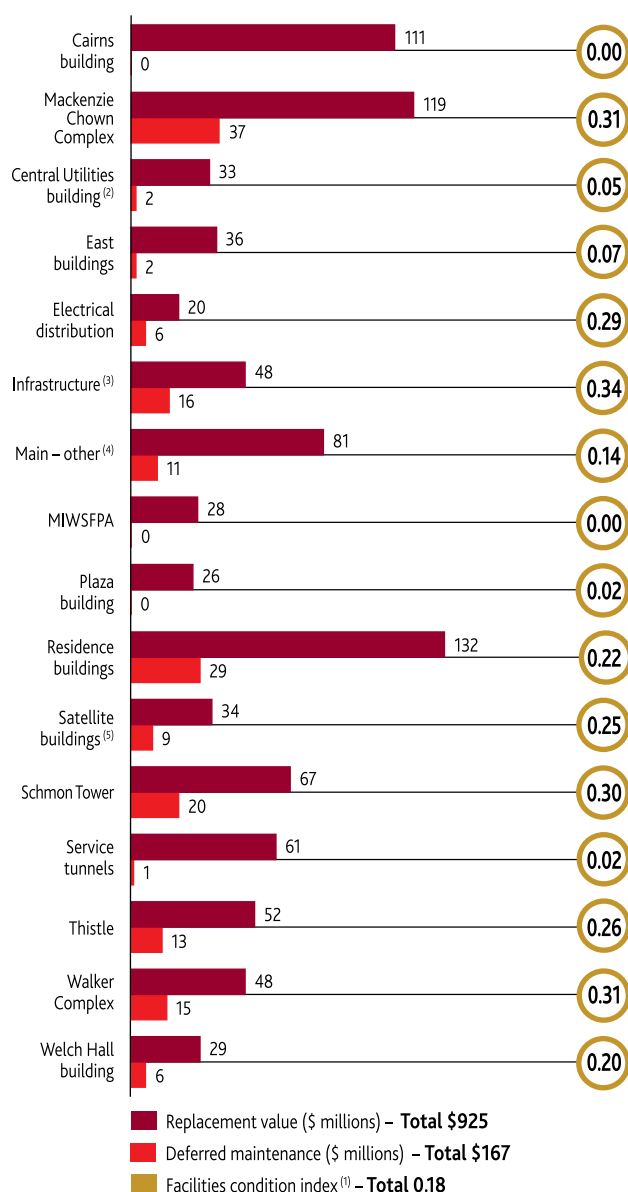
Category	Estimate 2017 ⁽¹⁾		Actual 2016 ⁽¹⁾	
	Metres ²	%	Metres ²	%
Classroom facilities	13,061	6%	13,098	6%
Laboratory – undergraduate	10,117	5%	10,370	5%
Research laboratory space	12,803	6%	12,866	6%
Academic departmental office and related	19,571	9%	19,636	9%
Library facilities and library study space	6,700	3%	6,584	3%
Athletic/recreation space	9,382	4%	9,164	4%
Food service	5,206	2%	5,206	2%
Bookstore and other merchandising facilities	1,409	1%	1,436	1%
Plant maintenance	2,523	1%	2,538	1%
Central administrative office and related	9,310	4%	9,729	4%
Non-library study space	4,329	2%	4,446	2%
Central services	2,226	1%	3,571	1%
Health service facilities	815	0%	902	0%
Common use and student activity space	1,433	1%	1,494	1%
Assembly and exhibition facilities	2,608	1%	2,573	1%
Residential space	48,288	22%	48,239	22%
Animal space	169	0%	169	0%
Other University facilities	2,219	1%	2,219	1%
Health science clinical facilities	708	0%	687	0%
Net non-assignable square metres (NNASM) ⁽²⁾	69,864	31%	68,270	31%
Total	222,742	100%	223,198	100%

(1) The 2016 data was prepared for submission to the Council of Ontario Universities' Triennial report that takes place every three years. The data is as of Nov. 1, 2016, but was updated after the original submission, so some of the numbers may be different than what was shown in the 2017-18 Budget Report. 2017 estimate data is included as an updated comparison to the 2016 data.

(2) NNASM includes items such as central utilities plants, corridors, stairwells, elevators, service tunnels and parking structures.

Figure 15

Deferred maintenance 2017



Source: VFA Asset List Report, 2010-2017

(1) Facilities Condition Index (FCI): Represents replacement value divided by deferred maintenance backlog.

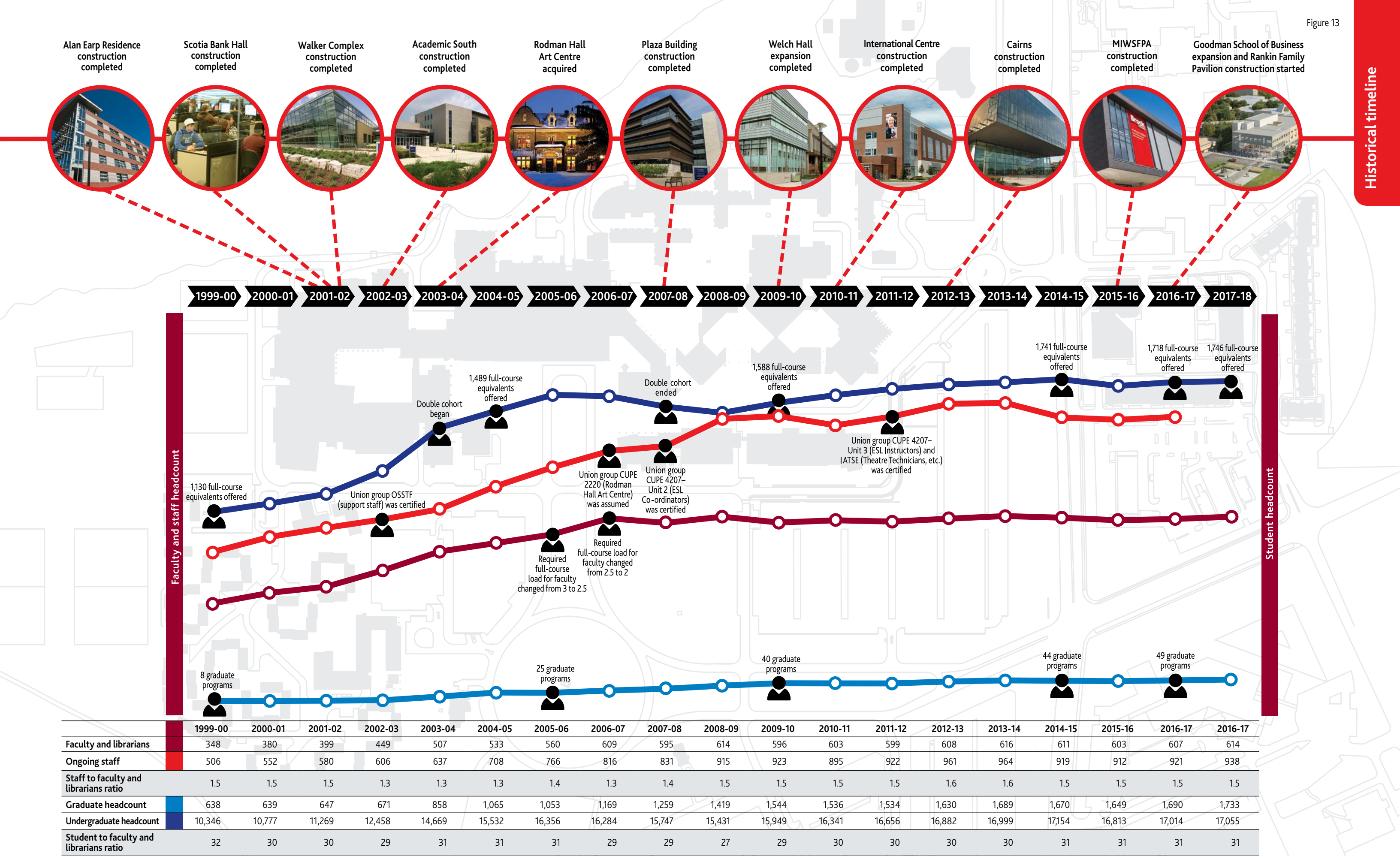
(2) Central Utilities Building: Mainly relates to the Cogeneration Facility and also includes Facilities Management offices.

(3) Infrastructure: Includes many of the non-building assets such as parking lots, storm sewers and roadways.

(4) Main – other: All buildings on the main campus that are not specifically identified.

(5) Satellite buildings: Includes Brock Research and Innovation Centre, Hamilton campus and Rodman Hall Art Centre.

Figure 13



Source: Brock Facts. Visit brocku.ca/institutional-analysis/brock-facts



Funding budget

The funding budget is used to communicate revenue targets and expense approvals. It fundamentally tracks where cash has been allocated. Figure 16 details the funding budget for 2018-19 in comparison to the 2017-18 budget and 2016-17 actual. Some reclassifications were made to the 2017-18 budget for comparison purposes when the overall funding budget was not impacted. See Appendix C for reconciliation of these reclassifications.

Figure 16

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue			
Student fees	178,091	167,875	158,341
Grant revenue	97,575	96,326	95,009
Internal chargebacks	8,994	8,792	9,703
Inter-fund revenue	5,416	3,138	4,859
Other revenue	49,130	47,826	46,182
Total revenues	339,206	323,957	314,094
Operating costs			
Personnel costs	(219,568)	(212,939)	(196,994)
Inter-fund expense	(25,293)	(18,590)	(20,965)
Other operating costs	(94,345)	(92,428)	(90,611)
Total operating costs	(339,206)	(323,957)	(308,570)
Funding surplus	-	-	5,524

Revenue assumptions

Student fees

Student fees include both tuition and fee revenue, and represent 53 per cent of total revenue (52 per cent in 2017-18). Student fees are budgeted to be \$178.1 million for 2018-19, which is detailed in Figure 17. Student fees are projected to increase by \$10.2 million over the 2017-18 budget and \$19.8 million as compared to 2016-17 actual.

Figure 17

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Tuition	170,332	160,558	150,272
Fee revenue	7,759	7,317	8,069
Total student fees	178,091	167,875	158,341

Tuition revenue

Tuition revenue, defined as a fee charged for educational instruction, is budgeted to be \$170.3 million, \$9.8 million over the 2017-18 budget and \$20.1 million over 2016-17 actual. Of the total tuition revenue, \$150.4 million (\$141.7 million in 2017-18) is budgeted in the University Global responsibility centre, the remaining \$19.9 million (\$18.9 million in 2017-18) is budgeted in the Faculties as well as Brock International. Figure 18 details the tuition revenue by program type, separated by where the tuition is reported. Overall, international student programs (ISPs) are budgeted to generate an increase of \$1.8 million over the 2017-18 budget, while other self-funded programs are budgeted to experience a decrease of \$0.8 million over the 2017-18 budget. See Appendix B for approved tuition fee increases.



Figure 18

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual	
Total tuition revenue budgeted in University Global	150,439	141,667	134,397	(1)
Tuition revenue budgeted in respective departments				
Professional Master's Preparation Certificate (Business) (PMPC)	757	801	801	(2)
International Master of Business Administration (IMBA)	8,516	7,763	6,895	(2)
International Master of Professional Accounting (MPAcc)	2,653	1,835	1,461	(2)
Master's Preparation Certificate in Education (MPCE)	586	419	451	(3)
International Master of Education (MEd)	1,219	1,161	870	(3)
Master of Arts Applied Linguistics (MA LING)	149	147	57	(4)
International Master of Science in Materials Science	140	105	39	(5)
Total international student programs (ISP)s	14,020	12,231	10,574	
Continuing Teacher Education – Additional Qualifications (AQ)	636	950	623	(3)
Center for Adult Education and Community Outreach (CAECO)*	871	920	941	(3)
Other Education programs	12	199		(3)
Intensive English Language Program (IELP)	3,944	4,230	3,286	(6)
Summer English Language Program (SELP)	410	361	451	(6)
Total other self-funded programs	5,873	6,660	5,301	
Tuition revenue budgeted in respective department	19,893	18,891	15,875	
Total tuition revenue	170,332	160,558	150,272	

* Includes Aboriginal Adult Education.

Departments the Tuition Revenue is reported in: (1) University Global; (2) Goodman School of Business; (3) Faculty of Education; (4) Faculty of Social Sciences; (5) Faculty of Mathematics and Science; (6) Brock International.



Figure 19

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Tuition revenue budgeted in University Global			
Undergraduate – domestic			
Faculty of Applied Health Sciences	25,160	23,486	21,910
Goodman School of Business	21,802	19,700	18,977
Faculty of Education	6,288	5,802	6,007
Faculty of Humanities	10,647	9,809	10,267
Faculty of Mathematics and Science	12,438	11,170	11,135
Faculty of Social Sciences and undeclared arts	30,196	30,605	30,236
Other ⁽¹⁾	277	451	264
Total undergraduate – domestic	106,808	101,023	98,796
Graduate – domestic			
Faculty of Applied Health Sciences	1,526	1,268	1,175
Goodman School of Business	1,413	1,508	1,289
Faculty of Education	1,347	1,179	1,245
Faculty of Humanities	554	493	520
Faculty of Mathematics and Science	993	693	711
Faculty of Social Sciences	2,630	2,699	2,592
Total graduate – domestic	8,463	7,840	7,532
Total domestic	115,271	108,863	106,328
Undergraduate – international			
Faculty of Applied Health Sciences	1,515	1,420	1,319
Goodman School of Business	12,440	11,479	10,755
Faculty of Education	73	47	43
Faculty of Humanities	810	425	523
Faculty of Mathematics and Science	4,438	2,757	2,837
Faculty of Social Sciences and undeclared arts	11,189	9,640	9,095
Other ⁽¹⁾	69	130	119
Total undergraduate – international	30,534	25,898	24,691
Graduate – international			
Faculty of Applied Health Sciences	184	182	141
Goodman School of Business	1,792	1,379	1,378
Faculty of Education	78	120	66
Faculty of Humanities	133	141	107
Faculty of Mathematics and Science	864	1,392	1,118
Faculty of Social Sciences	483	692	568
Total graduate – international	3,534	3,906	3,378
Total international	34,068	29,804	28,069
Retention target	1,100	3,000	
Total tuition revenue budgeted in University Global	150,439	141,667	134,397

(1) Includes letter of permission, non-degree students and auditors.

Figure 19 details Global tuition by Faculty of major, segregated by graduate/undergraduate and domestic/international. Note: although Figure 19 details global tuition by Faculty of major, the revenue and expense allocation model explained in the Looking Forward section of this report has been adopted and records tuition based on where students take their courses (i.e. teaching Faculty). Figure 20 reconciles the 2018-19 budgeted tuition from 2017-18. The increase in budgeted Global tuition of \$8.8 million over the 2017-18 budget is mainly a result of tuition rate increases.

Figure 20

2017-18 Budget \$141.7 million

- \$0.4 million – 2017-18 Budget to 2017-18 Actual (Note: actual tuition was not yet finalized at the time of writing)
- \$5.3 million – **Rate impact** (\$3.5 million domestic and \$1.8 million international)
- \$1.9 million – **Enrolment impact** (\$1.6 million domestic and \$0.3 million international)
- \$1.1 million – **Retention target** tuition

2018-19 Budget \$150.4 million



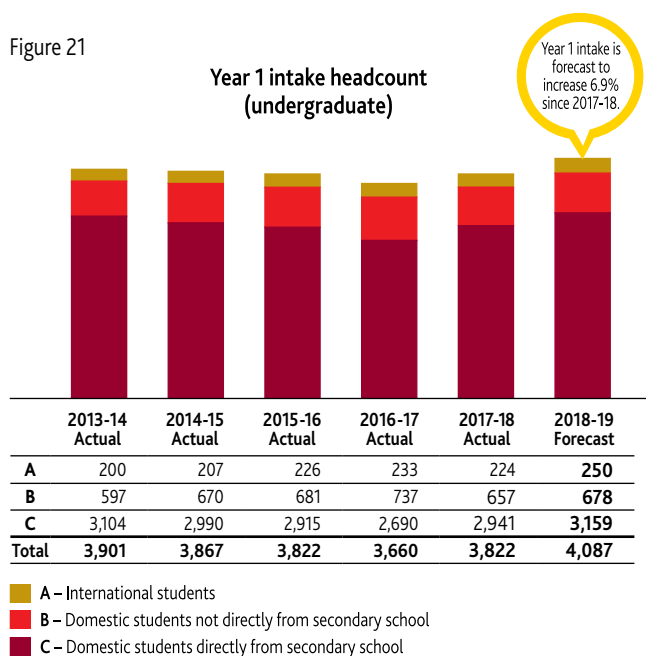


The process for budgeting tuition revenue consists of two key considerations – student enrolment and tuition rates. Forecasting student enrolment differs for undergraduate and graduate students, as such, the following section describes each method.

i. Enrolment projections – undergraduate

There are two key assumptions in projecting undergraduate enrolment: intake targets for Year 1 and the retention behaviour of current students. For intake purposes, students are classified on the basis of their admission status. In addition, based on observation, each group behaves differently in terms of their retention status: (1) domestic students directly from secondary school, (2) domestic students not directly from secondary school and (3) international students. Figure 21 displays the undergraduate Year 1 (full-time) intake headcount projections for 2018-19 as compared to prior years.

Figure 21



Source: Enrolment Planning Model (EPM).

Institutional Analysis' Enrolment Planning Management (EPM) tool establishes the intake targets through collaboration and consultation with units across the University, including the Faculties. 2018-19 year 1 intake is projected to increase 6.9 per cent over 2017-18. Year 1 intake headcount is dependant on the applications received. As shown in Figure 22, Brock's undergraduate applications directly from secondary school are up 3.2 per cent over the same time last year, with the most notable increases in the

Faculty of Mathematics and Science where these applications increased 11.2 per cent and the Faculty of Social Sciences with an increase of 4.2 per cent. Increases were seen in all other Faculties, with the exception of the Faculty of Humanities. Another promising trend is that with a conscious shift in the timing of confirmations, they are up 84.9 per cent compared to the same time last year (as of Feb. 25, 2018). Given the applications experience, mix of programs offered, mix of students offered (domestic and international), recruiting techniques and timing of offers, Brock's overall yield rate will have to increase to hit the intake targets for 2018-19.

Figure 22: Applications directly from secondary school

Faculty	2018-19	2017-18	% Change
Applied Health Sciences	4,365	4,340	0.58%
Goodman School of Business	3,251	3,136	3.67%
Humanities	1,566	1,627	-3.75%
Mathematics and Science	2,486	2,236	11.18%
Social Sciences	4,260	4,090	4.16%
Total applications	15,928	15,429	3.23%
Offer rate (offers/applications)	71%		
Yield rate (registrations/offers)	27%		
Resulting intake – domestic	2,941		

Source: Data was extracted from the PowerBI application details as of April 2018.

The Year 1 intake figures are then combined with retention and progression rates, as well as movement to and from full-time and part-time status (retention behaviour), to determine a total returning undergraduate headcount. This retention behaviour is determined by reviewing historical enrolment patterns. As an example, Figure 23 shows the return or retention rates of students who entered the University directly from secondary school in 2016 into the 2017-18 year.

Figure 23

2016-17 domestic directly from secondary school cohort	# students	% students
Entered in 2016 as Year 1⁽¹⁾	2,650	
Activity in 2017-18		
Returned as full-time as year 1	711	27%
Returned as full-time as year 2	1,535	58%
Returned as part-time year 1	40	1%
Returned as part-time year 2	16	1%
Not registered	348	13%
Total	2,650	100%

Source: PFIS – USER 2016 and 2017 Nov. 1 enrolment files.

(1) Total 2016-17 domestic directly from secondary school enrolment differs from Figure 21 as this figure only represents Nov. 1 entry versus all term entry in Figure 21.

After these considerations, total undergraduate degree-seeking headcount for 2018-19 is forecast to increase by 71 students or 0.4 per cent for 2018-19, as shown in Figure 24. In addition, an incremental tuition target of \$1.1 million was added to the budget driven by Enrolment Management and International's ongoing retention strategies. This tuition translates into an additional undergraduate headcount of 100 students, with 20 per cent being international.

Figure 24: Degree-seeking undergraduate headcount

Faculty	2018-19 Forecast	2017-18 Actual	Change	% Change
Faculty of Applied Health Sciences	3,821	3,623	198	5.5%
Goodman School of Business	2,870	2,821	49	1.7%
Faculty of Education	1,069	1,053	16	1.5%
Faculty of Humanities	1,675	1,718	(43)	(2.5%)
Faculty of Mathematics and Science	1,931	1,933	(2)	(0.1%)
Faculty of Social Sciences	5,057	5,204	(147)	(2.8%)
Total	16,423	16,352	71	0.4%
Adjusted enrolment forecast (20% international)	16,523		171	1.0%

Once the total forecasted headcount is determined, it is then translated into full-time equivalents (FTE) based on average course load, which is then combined with the tuition rates to calculate tuition. See Appendix A for definitions of measures of enrolment.

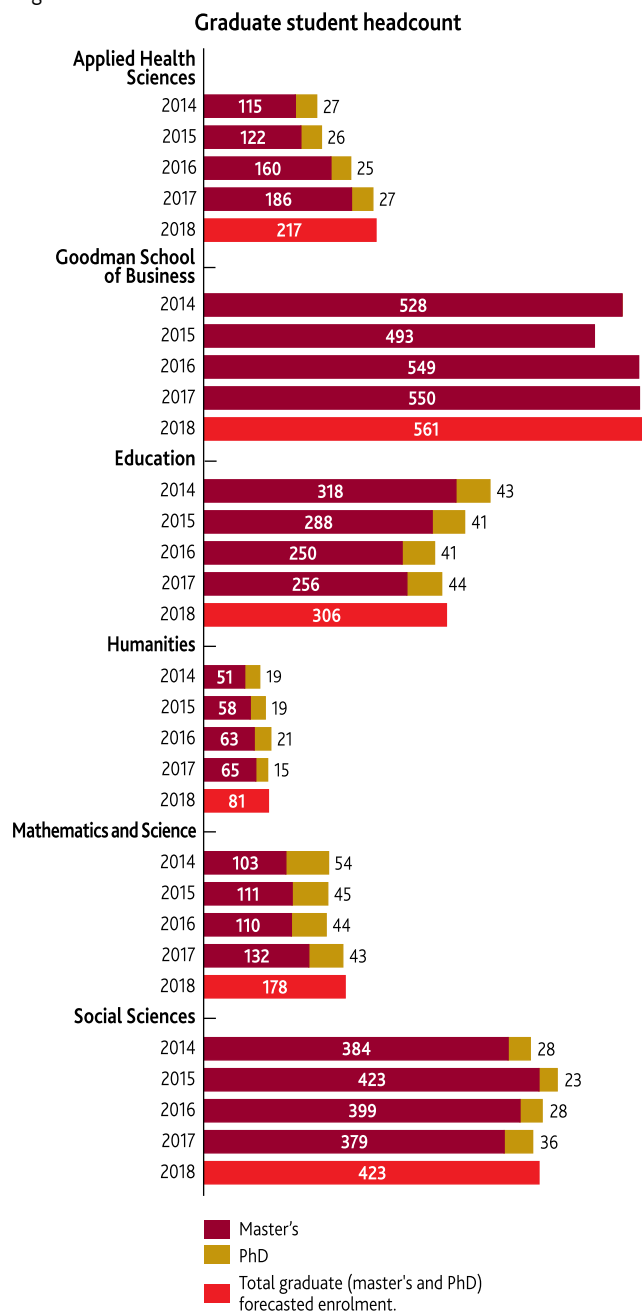
ii. Enrolment projections – graduate

Overall, graduate degree-seeking headcount is forecast to increase by 33 students, with 22 additional master's and 11 additional PhDs. The largest growth is seen in the Goodman School of Business, with headcount forecasted to increase by 11. All other Faculties are also forecasting increases – Faculty of Social Sciences with eight, Faculty of Education with six, Faculty of Applied Health Sciences with four, Faculty of Mathematics and Science with three and Faculty of Humanities with one.

iii. Fee and rate setting

See Appendix B for an explanation of the tuition fee policies for both government-funded programs and non government-funded programs as well as the approved tuition fee increases for 2018-19.

Figure 25



Note: Consolidated total graduate student headcount is shown in the "Student headcount by faculty of major," section in "The big picture" pullout of this report.



Fee revenue

Fee revenue is budgeted to be \$7.8 million, which is \$0.4 million higher than the 2017-18 budget. Student fee revenue includes both ancillary fees and other student fees.

Ancillary fees are established by student referendum, according to the ancillary fee protocol and agreed to with the Brock University Students' Union (BUSU). Some existing fees can increase automatically (i.e. only after the Consumer Price Index [CPI] has accumulated to five per cent since the last fee increase), or fees are system-wide and applicable to all Ontario university students. Ancillary fees are all assessed and collected by the University, and are either administered by the University, BUSU or the GSA (Graduate Students' Association). Note: only the University administered ancillary fees are included as part of the funding budget. The setting of ancillary and administrative fees was delegated to the President and Vice-President, Administration at the December 1, 2016 Board of Trustees meeting.

University administered ancillary fees are budgeted to be \$4.1 million in 2018-19, which is higher than the 2017-18 budget by \$0.1 million, due mainly to rate increases.

University administered ancillary fees include the following:

- Undergraduate Brock University Student Life Fee of \$1.7 million (\$1.7 million in 2017-18), of which \$1.2 million is reported as part of Brock Sports and Recreation and \$0.5 million in Student Wellness and Accessibility.

- Undergraduate athletic, intramural and recreational program fee (separate from the Student Life Fee) of \$1.5 million (\$1.5 million in 2017-18), which is reported in Brock Sports and Recreation.
- Undergraduate health services fee of \$0.4 million (\$0.4 million in 2017-18), which is reported in Student Wellness and Accessibility.
- Undergraduate recreation facilities fee of \$0.2 million (\$0.2 million in 2017-18), which is reported in Brock Sports and Recreation.
- Graduate Health Service fee of \$0.04 million (\$0.04 million in 2017-18), which is reported in Student Wellness and Accessibility.
- Graduate Students' Mental Health and Wellness fee of \$0.04 million (\$0.04 million in 2017-18), which is reported in Student Wellness and Accessibility.
- Graduate Zone Fitness Centre Fee of \$0.08 million (\$0.10 million in 2017-18), which is reported in Brock Sports and Recreation.
- Graduate Athletics Fee of \$0.05 million (\$0.07 million in 2017-18), which is reported in Brock Sports and Recreation.
- Graduate Recreation Facilities Fee of \$0.02 million (\$0.01 million in 2017-18), which is reported in Brock Sports and Recreation.

Other student fees of \$3.7 million were included as part of fee revenue in the 2018-19 budget (\$3.3 million in 2017-18). Included as part of other student fees is the International Student Recovery Fee, which was introduced by the MAESD in 2013-14 as a reduction in the Basic Operating Grant by \$750 per international student. Starting in 2015-16, this fee is charged to international students and results in \$1.1 million of revenue in 2018-19 (\$1.0 million in 2017-18). This fee is directly offset by a reduction in the Basic Operating Grant and is reported as part of the University Global responsibility centre. Also included in other student fees are program-specific fees charged by the program in which a student is enrolled. Included in this figure are \$1.6 million (\$1.4 million in 2017-18) of co-op fees (reported in Co-op Career and Experiential Education), \$0.7 million (\$0.7 million in 2017-18) of ESL ancillary fees for international students (reported in Brock International) and \$0.3 million (\$0.2 million in 2017-18) related to the Business English and Skill Transition fee for International Student Program students in the Goodman School of Business.

Grant revenue

Grant revenue, including operating grants and specific purpose grants, represents 29 per cent of total revenue (30 per cent in 2017-18 budget), and is budgeted to be \$97.6 million for 2018-19, which is detailed in Figure 26. Grant revenue increased \$1.2 million over the 2017-18 budget and \$2.6 million over actual 2016-17.

Figure 26

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Operating grants			
Core Operating Grant	82,000	82,000	
Differentiation Grant Envelope	5,067	4,633	
Basic Operating Grant (including Teacher Education)			71,471
Undergraduate Accessibility Fund			7,250
Graduate Expansion Grant			2,415
General Access and Quality Grant			3,722
Performance Fund			706
Provincial Research Overhead Infrastructure Envelope			147
International Student Recovery	(1,400)	(1,465)	(1,254)
Nursing Grant	2,787	2,813	2,861
Total operating grants	88,454	87,981	87,318
Specific purpose grants	9,121	8,345	7,691
Total grant revenue	97,575	96,326	95,009

Operating grants

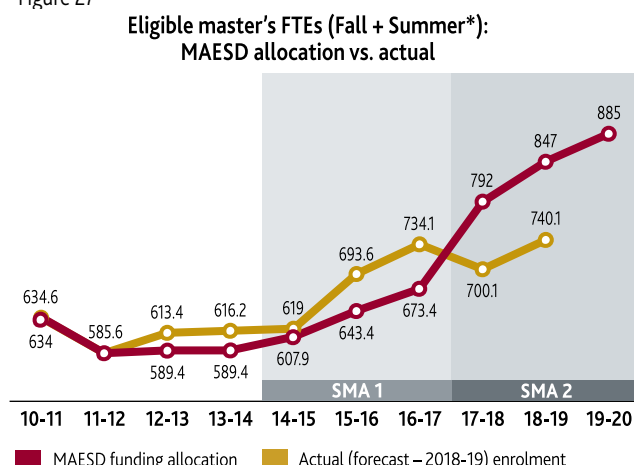
Operating grants represent 26 per cent of total revenue (27 percent in 2017-18). As described in the 2017-18 Budget Report, the Ministry of Advanced Education and Skills Development (MAESD) introduced a new university funding model in 2017-18. Under this funding model, a number of grants were re-allocated into two new grants – the Core Operating Grant (COG) and the Differentiation Grant Envelope. For further details on the background of this transition, refer to the 2017-18 Budget Report.

Core Operating Grant (COG) and Differentiation Grant Envelope

MAESD has asserted that the COG will deliver a predictable and stable level of funding for each institution through a corridor system, beginning in 2017-18. This corridor system means that changes to enrolment within a range of +3 per cent and -3 per cent will not change the base funding level for at least three years, representing the terms of the 2017-2020 Strategic Mandate Agreement (SMA2). At this point, a new Strategic Mandate Agreement will be set and changes to this grant can be negotiated. Therefore, it is important to understand that this means there is no automatic additional funding for incremental increases in enrolment for at least the next two years.

The base-level funding was initially set at the amount actually received in 2016-17. Brock was able to negotiate, through the SMA2 process, additional funding related to graduate students. For purposes of the 2017-18 grant budget, the eligible master's enrolment was forecast at 736.1 FTEs and 93.4 for PhDs. This resulted in a grant of \$86.6 million (both Core operating and Differentiation) for the 2017-18 budget, which was \$0.9 million higher than 2016-17 Actual. In addition, the funded master's and PhD allocations were further increased for 2018-19 and 2019-20 to the end of SMA2, as shown in Figure 27 and 28. However, currently it is forecast that 2017-18 enrolment will fall short of the budget, with an expected shortfall of 36 master's FTE (91.9 unfilled allotments); offset by 13.5 additional PhD FTEs (1.1 unfilled allotments), resulting in an expected shortfall of \$0.5 million versus the 2017-18 budget. For purposes of the 2018-19 grant budget, it is forecasted that eligible enrolment will increase over 2017-18 actuals, with master's at 740.1 and PhDs at 125. This represents an increase of \$0.4 million over the 2017-18 budget and \$0.9 million over the currently forecasted 2017-18 actuals.

Figure 27



*Figures include winter Master of Accountancy FTEs.

Note: The split between the COG and the Differentiation Grant Envelope was determined using a new measure of enrolment for each program type, termed weighted grant units (WGUs). Each university's WGUs are then multiplied by a rate per WGU to determine the COG. The difference between this calculated COG and the funding base represents the university's Differentiation Grant Envelope. The COG and the Differentiation Grant Envelope are both reported in the University Global responsibility centre.

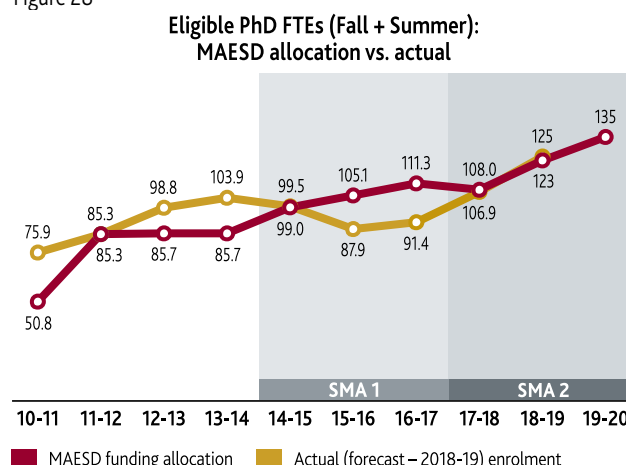
International Student Recovery

In 2013-14, the MAESD introduced the International Student Recovery that reduced the operating grants by \$750 for every undergraduate and master's-level international student, and commenced with new student admissions. This reduction continues in the updated University funding model. The reduction budgeted for 2018-19 is \$1.4 million, which is \$0.07 million lower than the 2017-18 budget and is reported in the University Global responsibility centre.

Nursing Collaborative and Completion Grant

The Nursing Grant is separately funded through the college system. Brock receives its grant through Loyalist College and is paid on a slip-year basis (based on enrolment in the prior year). The grant is expected to be \$2.8 million in 2018-19, which is \$0.03 million less than budgeted in 2017-18 and \$0.07 million less than what was actually received in 2016-17. This grant is reported in the University Global responsibility centre.

Figure 28



Specific-purpose grants

The University receives a number of grants, mainly funded by the provincial or federal governments, for specific purposes which are detailed in Figure 29.

Figure 29

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Specific-purpose grants			
Research Support Fund	1,850	1,750	1,790
Facilities Renewal Program Funds	1,761	1,298	864
Grant in Lieu of Municipal Taxation	1,081	1,081	1,081
Graduate Enrolment Capital Expansion Grant	750	750	750
Access Fund for Students with Disabilities	565	515	592
First Generation Project Grant	440	440	428
Other grants	2,674	2,511	2,186
Total specific purpose grants	9,121	8,345	7,691

Research Support Fund

The Research Support Fund is a Government of Canada funding program to assist Canadian post-secondary institutions in offsetting the cost of administering research awards from the three federal granting councils (Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council and the Canadian Institute of Health Research). Brock receives funding to support the indirect costs incurred on Tri-Council-funded research through the program. These costs can include maintenance and utilities of libraries and laboratories, salaries for staff or students who provide research administration support, training costs for workplace health and safety or the administrative costs associated with getting a patent.

The amount is determined by a formula that incorporates a base amount and the average of the last three years of research funding from the three agencies. Brock's funding is estimated to be \$1,850,000 for 2018-19, which is \$100,000 more than the 2017-18 budget and is reported as part of the Office of Research Services.

Note: The funding budget does not include research grants for restricted purposes or the offsetting research expenses; they are, however, included in the NFPS financial statements. An adjustment was made to the funding budget as part of the reconciliation to NFPS financial statements in Appendix D of this report.

Facilities Renewal Program Funds

The provincial Facilities Renewal Program (FRP) funds are meant to help ensure that academic spaces and supporting infrastructure are maintained in good repair to provide a safe environment to work and study. To address deferred maintenance at colleges and universities, in April 2014, it was announced that the Province intended to increase funding for facilities renewal beginning in 2015-16. The plan includes phasing in additional renewal funding – growing to a total investment of \$100 million to colleges and universities annually by 2019-20.

The distribution of the university sector FRP funds is determined based on the university's share of the theoretical space entitlement calculated in accordance with the Council of Ontario Universities' space standards. The data used in the formula is taken from the Inventory of Physical Facilities of Ontario Universities, which is updated every three years. The formula also includes a floor so that no institution receives less than 0.5 per cent of the total university sector allocation.

Brock's projected funding level for 2018-19 is \$1,761,000, which is \$463,000 greater than the 2017-18 budget and \$897,000 greater than the amount received in 2016-17. The specific items that the facilities renewal funds are being used for are detailed as part of the capital and related project budget, starting on page 75.

The grant revenue related to the Facilities Renewal Program Funds is reported in the Capital responsibility centre.



Grant in Lieu of Municipal Taxation

The MAESD provides subsidies to universities to pay their municipal taxes. The municipal tax (payment in lieu of property taxes) is based on a charge of \$75 per domestic FTE; however, the related grant does not increase with enrolment. The 2018-19 tax payments are budgeted to be \$1,282,000 (2017-18 actual payment was \$1,216,000) and the grant is budgeted to be \$1,081,000 (2017-18 actual grant received was \$1,096,000); therefore, \$201,000 is budgeted to be unfunded through this grant. Both the grant revenue related to the Grant in Lieu of Municipal Taxation and the offsetting payment in lieu of property taxes, are reported as part of the Utilities, Taxes and Insurance responsibility centre.

Graduate Enrolment Capital Expansion Grant

The MAESD provides capital funding to support the expansion of graduate education. The value of the grant is determined based on the graduate enrolment growth (two-year slip) up to a maximum number of master's and PhD FTEs. In 2018-19, the grant is expected to be \$750,000, based on projected FTEs. The grant revenue related to the Graduate Enrolment Capital Expansion Grant is shown as part of the University Global responsibility centre.

Access Fund for Students with Disabilities

The MAESD provides funding to support a wide range of services for students with disabilities, through the Access Fund for Students with Disabilities (AFSD). These services include access to adaptive computer and software learning technology; arranging note-taking for students who are visually impaired; and interpreter services for students who are deaf, deafened and hard of hearing. Brock's funding for 2018-19 is expected to be \$565,000, which is an increase of \$50,000 over the 2017-18 budget. The grant revenue related to the Access Fund for Students with Disabilities is shown as part of Student Wellness and Accessibility.

First Generation Project Grant

The MAESD provides funding for the First Generation Project (FGP) through the First Generation Project Grant. The purpose of the FGP is to provide service and support to enrolled first-generation students (parents/guardians who have not attended a post-secondary institution) through orientation, peer support, mentoring, academic workshops and other unique academic services tailored for first-generation students. The funding level is budgeted to remain unchanged at \$440,000. The revenue related to the FGP Grant is shown as part of the Student Success Centre.

Other specific-purpose grants

Included in other specific-purpose grants are a number of special grants including the following:

- The Aboriginal Student Success Funding from the MAESD supports Aboriginal students through funding for student support initiatives, academic enrichment and partnership initiatives. The 2018-19 budget for this funding is \$336,000, which is reported in Student Success Centre.
- The Career Ready Fund: University Kick Start Grant from the MAESD supports the creation of more experiential learning opportunities for students. The 2018-19 budget for this funding is \$279,000, which is reported in the Co-op, Career and Experiential Education unit.
- The Credit Transfer Institutional Grant, also funded by the MAESD, funds support for post-secondary education transfer mobility initiatives. The 2018-19 budget for this funding is \$211,000, which is reported in The Office of the Registrar.
- The Mental Health Support for Post-Secondary Education Students Grant and Mental Health Workers Grant from MAESD funds support for mental health initiatives for students. The 2018-19 budget for this funding is \$138,000 and \$100,000 respectively, both are reported in the Student Wellness and Accessibility.
- Also included in other specific-purpose grants are the following: funding from the Government of Ontario's On-campus Entrepreneurship Activities program, Disabilities Interpreters Grant (MAESD), provincial student bursaries, Women's Campus Safety Grant (MAESD) and other smaller special grants. The revenue related to these grants is shown as part of a number of departments, including the Goodman School of Business, Student Wellness and Accessibility, the Scholarship, Bursaries and Student Awards responsibility centre, Brock International, Faculty of Humanities, etc.

In addition to the grants detailed above, the MAESD provides two-third funding for the following scholarships:

- Ontario Trillium Scholarships in the amount of \$213,000 in 2018-19.
- Queen Elizabeth II Ontario Graduate Scholarships in the amount of \$580,000 in 2018-19.
- Note: These two grants and their offsetting scholarship expenses are included in the Scholarship, Bursaries and Student Awards responsibility centre.

Internal chargebacks

Internal chargebacks represent revenue received by units within the University for services performed or goods received from other units. The offsetting expenses are within operating costs of those units that received the service. Internal chargeback revenue is budgeted to be \$8.99 million in 2018-19 and includes the following:

- Charges for Utilities mainly to the Department of Residence of \$1,471,000 (\$1,455,000 in 2017-18).
- Printing and binding of \$938,000 (\$1,015,000 in 2017-18). In addition, the 2017-18 budget included \$285,000 of photocopying chargebacks. These chargebacks have been eliminated starting in 2018-19 as per the Fiscal Framework guidance to eliminate chargebacks where appropriate.
- Information Technology Services of \$366,000 (\$364,000 in 2017-18), mainly to the Department of Residence.
- Postage services of \$200,000 (\$234,000 in 2017-18).
- Facilities Management Services of \$585,000 (\$569,000 in 2017-18).
- Stationary chargebacks \$280,000 (\$256,000 in 2017-18)
- Parking services chargebacks \$55,000 (\$86,000 in 2017-18)
- Faculty of Mathematics and Science charges for Machine and Electronic Shop and Mass Spectrometer/ Nuclear Magnetic Resonance charges of \$48,000 (\$74,000 in 2017-18).
- Campus Security chargebacks \$100,000 (\$0 in 2017-18), mainly to the Department of Residence.

Also included in internal chargebacks are inter-departmental transfers of funds to support operations. Included in the 2018-19 budgeted internal chargebacks are the following:

- Funding of the Department of Residence and Parking Services' portion of the capital budget in the amount of \$2,865,000 and \$420,000 respectively (\$2,795,000 and \$410,000 in 2017-18). See page 75 for details of the capital budget.
- Funding of the Goodman Career Development Office from the Goodman School of Business to Co-op, Career and Experiential Education of \$410,000 (\$417,000 in 2017-18).
- Transfer to University Global from the Faculties in the amount of \$379,500 (\$335,000 in 2017-18) relating to the International Student Recovery Fee for international student programs.
- Additional inter-departmental transfers include a number of smaller transfers within and between units related to specific projects and initiatives.

Inter-fund revenue

Inter-fund revenue represents transfers from various funds, including reserves, to support operating activities. Inter-fund revenue is budgeted to be \$5.42 million in 2018-19 and includes the following:

- Spending allocations from Marilyn I. Walker School of Fine and Performing Arts Endowment Fund of \$463,000 (\$417,000 in 2017-18), shown in the Faculty of Humanities and the Goodman Family Foundation's donation of \$300,000 (\$729,000 in 2017-18), shown in Goodman School of Business.
- Transfers from Canada Research Chairs' grants from the Government of Canada to fund a portion of the salaries of the chair holders of \$930,000 (\$997,000 in 2017-18), shown in the Faculty of Mathematics and Science, the Faculty of Social Sciences, the Faculty of Applied Health Sciences and the Faculty of Education.

- Transfer from the Provost Strategic Initiative Fund for recruitment, relocation and start-up costs for new faculty members of \$856,000 (\$699,000 in 2017-18), shown in University Global.
- Additional transfers from the Provost Strategic Initiative Fund to support the Library with the Ontario Council of University Librarians' (OCUL) Collaborative Futures of \$300,000 and the Faculty of Applied Health Sciences to support faculty positions of \$450,000.
- Endowment funding supporting scholarships, bursaries and student awards of \$1,842,000, this revenue is offset by inter-fund expenses for the same amount. For further information on this transfer, see page 83.

Other revenue

Other revenue represents revenue from ancillary operations, including residence fees, investment income and sales and services, and represents 14 per cent of total revenue. As detailed in Figure 30, other revenue is budgeted to be \$49.1 million, an increase of \$1.3 million over the 2017-18 budget and \$2.9 million over 2016-17 actual. Revenue from ancillary operations and residence fees will be discussed in the snapshot section of this report on pages 66 and 68, respectively.

Figure 30

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Residence fees	18,257	17,317	16,174
Other ancillary revenue	16,095	17,559	15,155
Total ancillary revenue	34,352	34,876	31,329
Investment income	1,516	1,201	1,137
Sales and services	13,262	11,749	13,716
Total other revenue	49,130	47,826	46,182

Investment income

Investment income represents the interest that the University receives on short-term investments of \$1,200,000 (\$900,000 in 2017-18). The increase in short-term investment income over the 2017-18 budget is a stretch goal to balance the budget as explained on page 21. Also included is the investment income on the Mawer balanced fund investments of \$316,000 (\$301,000 in 2017-18). This investment income net of administration fees, is transferred to an internally restricted reserve as part of inter-fund expenses to support the repayment of the 2045 \$93-million debenture (i.e. sinking fund) and the employee future benefits reserve.





Sales and services

Income generated from sales and services represents a wide variety of sources, including the following: Ontario University Application Centre revenue; recreation and youth program revenue, including aquatic centre instructional fees; various service fees charged on student accounts; health insurance reimbursement; intramural fees and Brock Sports Performance Centre fees; affinity revenue; administrative “fees-for-service,” including transcript printing fees, applications to graduate to cover gown rentals, letters of permission and graduate studies application fees; rental income (e.g. Heritage Place Plaza); chargebacks to external units, including utilities; contributions from the pension plan for pension-related expenses; contributions from the endowment fund for endowment-related expenses; revenue from programs such as Centre for Innovation, Management and Enterprise Education (CIMEE), Smart Start, BOOST, and international learning programs; student printing fees; funds from the Niagara Catholic District School Board to run their Outdoor Education Program; as well as donation revenue.

Figure 31

Personnel group ⁽¹⁾ (\$000s)	2018-19 Budget			2017-18 Budget		
	Salary/wage	Benefits	Total personnel costs	Salary/wage	Benefits	Total personnel costs
Faculty and professional librarians	91,119	19,613	110,732	88,194	19,448	107,642
Admin/professional	42,319	11,336	53,655	40,146	10,445	50,591
CUPE 4207 – Unit 1	13,990	1,527	15,517	13,461	1,394	14,855
OSSTF	8,164	2,633	10,797	8,305	2,521	10,826
CUPE 1295 FT	6,882	2,349	9,231	6,803	2,240	9,043
SAC	4,928	963	5,891	4,627	929	5,556
Other	12,939	1,706	14,645	13,632	1,694	15,326
Total	180,341	40,127	220,468	175,168	38,671	213,839
Transfer to employee future benefits reserve (EFB)		(900)	(900)		(900)	(900)
Total personnel	180,341	39,227	219,568	175,168	37,771	212,939

(1) Faculty and professional librarians – BUFA members, Associate Deans, Associate Vice-Presidents of Research and Associate Librarian; Admin/Professional-administrative/professional and exempt staff; CUPE 4207 – Unit 1 instructors, teaching assistants, lab demonstrators, course co-ordinators and marker/graders; OSSTF – support and technical staff; CUPE 1295 FT – full-time maintenance, trades and custodial staff; SAC – Senior Administrative Council; Other – all other union groups, part-time teaching and non-teaching positions and stipend transfers.

Operating cost assumptions

Personnel costs

Personnel costs include both salaries/wages and benefits and known impacts of Bill 148, and represent 65 per cent of the total budgeted costs. Personnel costs are budgeted to be \$219.6 million, an increase of \$6.6 million from the 2017-18 budget and \$22.6 million from 2016-17 actual.

Benefit costs include employer contributions to the Brock University Pension Plan, dental, medical and statutory taxes (CPP, EI, EHT and WSIB). Also included in the benefit costs is funding of the University's pension plan deficit obligation. Furthermore, the allocation of \$900,000 to the employee future benefits reserve is also shown in the benefit figures in Figure 31. Due to the fact that funding of this reserve is actually reported as an inter-fund expense (rather than as part of personnel), it is then removed from the total in Figure 31. Both the pension plan obligation and the employee future benefits reserve are more fully described in the Employee Future Benefits section of this report (page 38).

Figures 32 and 33 show personnel costs for part-time teaching by Faculty and by type of spending. Note: the amounts in Figure 32 and 33 include stipend transfers, which in some cases would have an offsetting amount in another unit of the University.

Figure 32: Part-time teaching by Teaching Faculty

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Faculty of Applied Health Science	3,574	3,072	2,451
Goodman School of Business	3,425	3,528	3,421
Faculty of Education	3,711	4,437	3,628
Faculty of Humanities	3,281	3,625	2,969
Faculty of Mathematics and Science	2,707	2,607	2,506
Faculty of Social Science	5,663	6,462	5,244
Total	22,361	23,731	20,219

Includes salaries and benefits in Teaching Faculties for the following: CUPE 4207 – Unit 1, non-union instructors, BUFA overload, stipend transfers and CUPE 4207 – Unit 3.

Figure 33: Part-time teaching by spend category

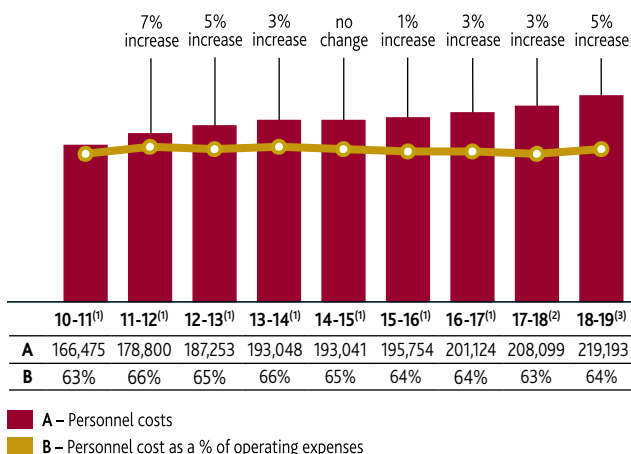
(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
CUPE 4207 – Unit 1	15,387	15,390	13,364
Non-union instructors	4,079	4,644	3,977
BUFA overload	3,115	3,740	3,298
CUPE 4207 – Unit 3	62	140	113
Stipend transfers	(282)	(183)	(533)
Total	22,361	23,731	20,219

Note: the figure above includes part-time teaching costs reported in the Teaching Faculties only. Budgets related to the personnel groups noted above reported outside the Teaching Faculties are not reported in these figures.

Figure 34 shows NFPS personnel costs and personnel costs as a percentage of operating costs since 2010-11.

Figure 34

2010-11 to 2018-19 NFPS personnel costs (\$000s)



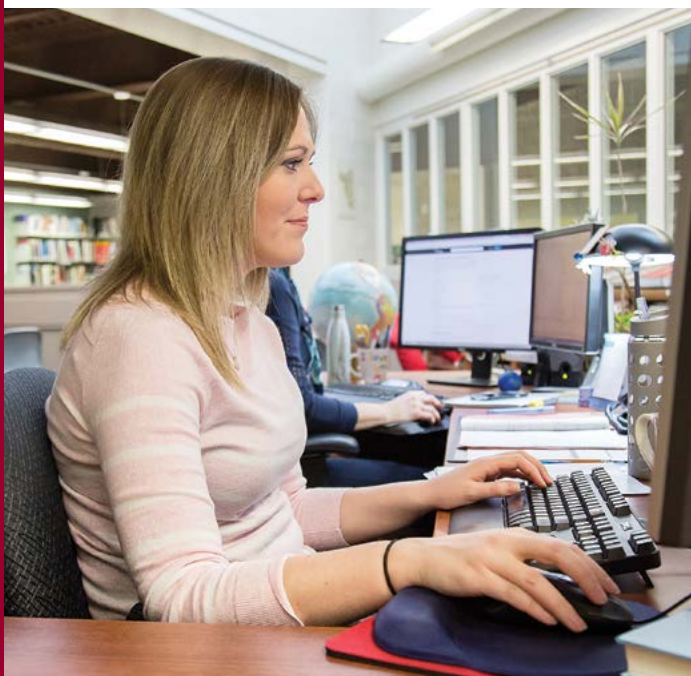
(1) Represents figures prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations (2009-10 to 2010-11), in accordance with Canadian accounting standards for not-for-profit organizations (2011-12 to 2016-17), and have been audited by KPMG LLP (independent auditors). 2015-16 figure includes a reclassification between operating expenses and salaries and benefits made for comparative purposes.
(2) Represents trimester two forecast figures converted to NFPS.
(3) Represents budget figures converted to NFPS.

Employee future benefits

Employee future benefits comprise both the University's pension and the non-pension retirement benefits received by employees post retirement.

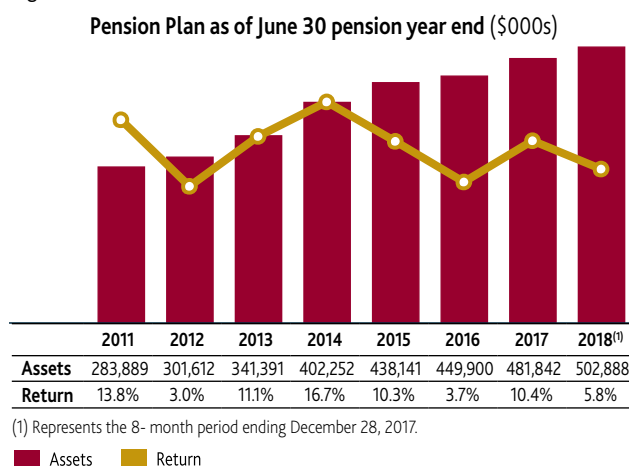
i. Pension

The pension plan continues to be a topic of interest at our University and for many universities across the province. Our plan has continued to experience positive returns over the past couple of years as illustrated in Figure 35. Every three years, the financial health of the plan is recalculated through an actuarial valuation. This actuarial valuation on the pension plan was recently completed as at July 1, 2017, indicating the plan was 96 per cent funded on a going-concern basis (99 per cent as at July 2014) and 105 per cent on a solvency basis (105 per cent as at July 2014). Through the valuation, the going concern deficit was determined to be \$17.88 million (\$3.56 million as at July 2014). The main contributor to the increase in the going concern deficit was a reduction in the pension plan discount rate to 5.45 per cent (6.0 per cent as at July 2014). The actuary sets the expected rates of returns



based on industry best practices guided by the Canadian Institute of Actuaries. The University has no control or influence over the assumptions used by the actuary. The largest contributor to the going concern deficit is active members (65 per cent of the total deficit). The University contribution ratio – that is the amount the University contributes to the plan for every dollar put into the plan by the employee – is 2.09 (1.82 as at July 2014), which remains high. The Province is working on a joint-sponsored pension plan (JSPP) where one of the requirements to join this plan would be a 50/50 cost sharing ratio with plan members.

Figure 35



The increased going concern deficit required the special payments into the plan to increase by \$1.53 million and the current service cost payments for the defined benefit component of the plan to increase by \$0.44 million for a total increase in University contributions of \$1.97 million annually. For 2018-19, the annual budgeted contribution is \$3.6 million. There was no increase to the 2018-19 budget as a result of proactive test valuations performed in 2016-17 to estimate the impact of this valuation. Those tests suggested a \$2.0 million increase in pension contributions would be required by the University and as a result, the increase was funded in the 2017-18 budget.

It should be noted that the Ontario Pension Benefits Act has recently changed to allow for a 12-month deferral on changing required payments into the pension plan. The Financial Planning and Investment Committee approved a recommendation to take advantage of this deferral and invest the 2017-18 budgeted savings of \$1.6

million into a pension stabilization reserve as at April 30, 2018, to be drawn upon at the next valuation in July 2020, should the funded status of the pension plan deteriorate.

Pension plans with a solvency ratio of 85 per cent or less are required to file annual valuations instead of triennial valuations. As the pension plan had a solvency ratio of 105 per cent, the next valuation will be required by July 1, 2020. For more information on the Brock University Pension Plan, visit brocku.ca/human-resources/pension/

ii. Post-retirement benefits

Brock University's non-pension post-retirement benefits liability as at April 30, 2017 was \$24.5 million. Figure 36 describes the nature of these future obligations.

Figure 36

Employee future benefits (as at April 30, 2017) (\$'000s)	
Retiree benefits	3,296
Health-care spending account	14,904
Retirement allowance benefits	1,259
Sick leave	361
Disability	4,710
Total	24,530

Brock has traditionally had a "pay as you go" model to fund immediate requirements. For example, in 2017-18 Brock paid an estimated \$0.17 million related to BUFA's health-care spending account. As the institution ages, continuation of this practice would impact Brock's financial sustainability. This would occur as people retire, become sick or disabled, and the University becomes obligated to pay these benefits, in addition to the benefits of the replacement employee. The reality is these post-retirement costs are similar to Brock's pension liability, which is funded while employees earning the benefit perform their employment responsibilities. It is in the interest of Brock and its employees that these post-retirement benefits are funded in a similar manner as the pension liability to ensure these future obligations can also be met.

For these reasons, starting in 2015-16, the budget includes an annual allocation of \$900,000 to begin setting aside assets for this obligation. This amount is in addition to the "pay as you go" funds already in the budget. It is important to note that in DBRS's most recent credit rating they noted, 'Brock's decision to begin reserving for

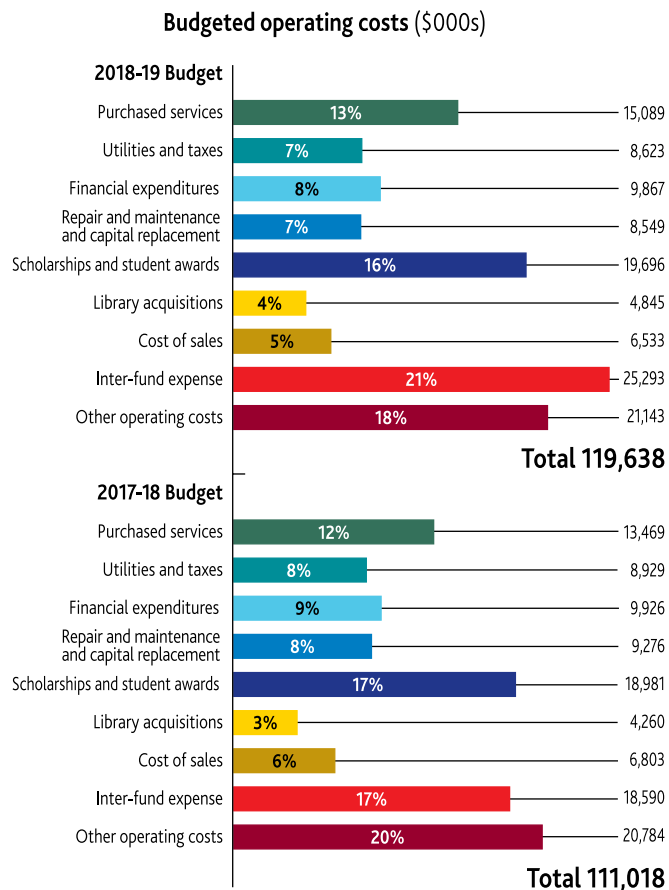
non-pension post-employment benefits is viewed as a prudent practice, which will gradually address growth in these obligations over time.”

Ontario universities vary on how they fund post-retirement benefits. There are some that have a reserve balance that equals the total liability, and others with no reserve. This said, most Ontario universities are implementing funding strategies for these liabilities, if they have not done so already.

Operating costs

Non-personnel operating costs (operating costs), including inter-fund expenses, represent 35 per cent of the total budgeted expenditures of the University. Operating costs increased \$8.6 million over the 2017-18 budget and \$8.1 million over 2016-17 actual. Operating costs have been segregated into nine categories. See Figure 37 for a breakdown by category for both the 2018-19 and 2017-18 budgets.

Figure 37



Purchased services

Purchased services include the following: international recruitment agent commissions; residence annual lease payments (Quarryview and Gateway); security services; the payment to the FirstOntario Performing Arts Centre; custodial, maintenance and grounds outside contractors; foodservice; physician and counselling services; the payment to Niagara College for the Gaming program; consulting, legal and audit fees; liability and property insurance; internet, mobile phones and external information technology services; and other professional fees and contracted services.

Utilities and taxes

Utilities and taxes include the cost of heating and cooling, hydro and water, as well as municipal taxes (payment in lieu of property taxes). The majority of the University's utilities expenses, \$6.80 million (\$7.01 million in 2017-18), are reported in the Utilities, Taxes and Insurance responsibility centre. In addition, utility expenses of \$0.54 million (\$0.62 million in 2017-18) are directly reported in specific units, the majority of which is reported in the Department of Residence (\$0.48 million in 2018-19 and \$0.57 million in 2017-18) as well as Heritage Plaza and Rodman Hall. See page 14 for a breakdown of the net utilities costs by type.

Utilities and taxes includes \$1.28 million (\$1.29 million in 2017-18) related to municipal tax, of which the majority is reported in the Utilities, Taxes and Insurance responsibility centre. See page 34 for further discussion on property taxes and the offsetting Grant in Lieu of Municipal Taxation.

Financial expenditures

The financial expenditures included in the 2018-19 budget represent both the interest and principal payments of the University's external debt, of which \$4.43 million (\$4.43 million in 2017-18) is reported in the Department of Residence and \$5.13 million (\$5.14 million in 2017-18) is reported in the Financing responsibility centre. Refer to the Financing section on page 70 for a detailed discussion. Also included as part of financial expenditures are banking charges and payment card fees of \$0.3 million (\$0.3 million in 2017-18), which are reported in units throughout in the University.

Repairs and maintenance and capital replacement

Repairs and maintenance and capital replacement costs include \$4.70 million (\$4.91 million in 2017-18) of costs related to performing routine activities as well as the repairs and maintenance of devices, buildings and grounds and

their related supplies. Also included are \$3.85 million (\$4.36 million in 2017-18) of furniture, equipment and software, and license purchases that are not included in any projects within the capital and related project budget. Note: funding of the Capital and Related Project budget is not included in repairs and maintenance and capital replacement, but is reported as part of inter-fund expenses.

Scholarships and student awards

Undergraduate entrance scholarship funding, financial-need bursaries and other student awards are budgeted to be \$11.76 million in 2018-19 (\$11.45 million in 2017-18). The majority of these undergraduate student awards, \$10.02 million (\$9.68 million in 2017-18), are reported in the Scholarships, Bursaries and Student Awards (SBSA) responsibility centre. In addition, included in the undergraduate student awards are \$1.49 million (\$1.49 million in 2017-18) of student tuition waivers, also budgeted SBSA responsibility centre. Refer to page 71 for further discussion. The remaining \$0.25 million (\$0.28 million in 2017-18) is reported in a number of units throughout the University, with the majority in the Goodman School of Business.

Graduate student scholarships and student awards, mainly in the form of fellowships, are budgeted to be \$7.94 million (\$7.53 million in 2017-18), the majority of which – \$7.44 million (\$7.00 million in 2017-18), is reported in the SBSA responsibility centre. In addition, included in the graduate student awards are \$0.15 million (\$0.15 million in 2017-18) of student tuition waivers, also budgeted SBSA responsibility centre. Refer to page 72 in the Responsibility Centre snapshots section for further discussion. The remaining \$0.35 million (\$0.38 million in 2017-18) is reported in a number of units throughout the University, including the Goodman School of Business.

Note: Starting in 2018-19, the funding budget now includes the endowment allocated spend related to scholarships and student awards of \$1.84 million for 2018-19 – \$1.49 million undergraduate and \$0.35 million graduate. This support is reported in the funding budget as a funding source (inter-fund revenue), with the offsetting expense (inter-fund expense) in the SBSA responsibility centre. The 2017-18 budget for scholarships and student awards does not include scholarships and awards available from endowments, estimated at \$1.79 million.

Library acquisitions

The budgeted library acquisitions represent the funding to purchase critical information resources (ejournals, books, ebooks, geospatial data, music, full text databases, etc.) and discovery/access/dissemination technologies to support teaching and research.

Cost of sales

Cost of sales represents the cost of purchasing the items for resale by Ancillary Operations.

Inter-fund expense

Inter-fund expenses represent transfers from the operating budget to other funds within the University. Included in this category is the funding related to the capital and related project budget of \$16.01 million (\$12.13 million in 2017-18) as outlined on pages 75-79 of this report. The related interest and principal payments are included as part of the financial expenditures category. Also included in this category are transfers from the Financing responsibility centre to the debt repayment reserve of \$1.30 million (\$1.02 million in 2017-18) and to the sinking fund of \$0.32 million (\$0.30 million in 2017-18); transfers of \$1.31 million (\$1.24 million 2017-18) from Research Services to the research with no external obligation fund for funding of transdisciplinary hubs, CCOVI, the Centre for Lifespan Development, the Niagara Community Observatory and the Match of Minds program; transfers of \$2.70 million (\$2.01 million in 2017-18) from the Faculties, the Library and other units for professional expense reimbursements (PER), accountable allowances and start-up accounts; transfers of \$1.84 million to endowment fund for scholarships (this is offset by inter-fund revenue from the endowment fund); a transfer of \$0.9 million (\$0.9 million in 2017-18) to the employee future benefits reserve; and transfers of \$0.5 million (\$0.5 million in 2017-18) from the Teaching Faculties to operating project accounts and internally restricted research funds with no external obligations.

Other operating costs

Other operating costs represent all other costs not included in the above eight categories, including internal chargeback expenses, travel costs, marketing and advertising expenses, other materials and supplies, membership dues and subscriptions, hospitality costs, postage and courier charges, professional development and training, practicum payments, printing and duplicating costs, conference fees, bad debt expense and other costs.

Funding budget by responsibility centre

Figure 38 details the funding budget by responsibility centre, where all personnel costs, operating costs and revenue have been grouped by their responsibility centre, which in turn are grouped into one of the following categories: Teaching Faculties, Academic Support, Student Specific, Shared Services, Ancillary, Space and Global. Each responsibility centre is described in the Responsibility centre snapshots section of this report, starting on page 46. (Note: Certain reclassifications were made to the 2017-18 budget as compared to the figures presented in the 2017-18 Budget Report. See Appendix C for the details of these reclassifications.)

Figure 38: **Funding budget by responsibility centre**

(\$000s)	2018-19 Budget				2017-18 Budget				Difference of "Net" amounts	Page ref.
	Revenue	Personnel costs	Non-personnel costs	Net	Revenue	Personnel costs	Non-personnel costs	Net		
Teaching Faculties										
Faculty of Applied Health Sciences	875	(22,008)	(876)	(22,009)	340	(20,790)	(896)	(21,346)	(663)	48
Goodman School of Business	13,048	(27,718)	(4,258)	(18,928)	11,870	(26,563)	(4,085)	(18,778)	(150)	49
Faculty of Education	3,736	(16,679)	(1,624)	(14,567)	4,021	(17,185)	(1,922)	(15,086)	519	50
Faculty of Humanities	616	(21,447)	(1,211)	(22,042)	616	(21,010)	(1,255)	(21,649)	(393)	51
Faculty of Mathematics and Science	641	(22,184)	(818)	(22,361)	658	(21,482)	(811)	(21,635)	(726)	52
Faculty of Social Sciences	459	(36,326)	(1,287)	(37,154)	432	(36,464)	(1,287)	(37,319)	165	53
Total Teaching Faculties	19,375	(146,362)	(10,074)	(137,061)	17,937	(143,494)	(10,256)	(135,813)	(1,248)	
Academic Support										
Faculty of Graduate Studies	360	(1,332)	(230)	(1,202)	310	(1,291)	(256)	(1,237)	35	54
Library	507	(5,600)	(5,550)	(10,643)	78	(4,977)	(4,802)	(9,701)	(942)	54
Research Services	2,136	(1,531)	(1,745)	(1,140)	1,986	(1,563)	(1,636)	(1,213)	73	55
Centre for Pedagogical Innovation	233	(825)	(279)	(871)	280	(858)	(316)	(894)	23	56
Total Academic Support	3,236	(9,288)	(7,804)	(13,856)	2,654	(8,689)	(7,010)	(13,045)	(811)	
Student Specific										
The Office of the Registrar	2,039	(3,910)	(1,184)	(3,055)	2,034	(3,962)	(1,115)	(3,043)	(12)	57
Student Life and Community Experience	185	(758)	(191)	(764)	219	(696)	(228)	(705)	(59)	57
Student Wellness and Accessibility	2,684	(2,911)	(1,301)	(1,528)	2,409	(2,703)	(1,145)	(1,439)	(89)	58
Student Success Centre	1,042	(1,332)	(158)	(448)	962	(1,335)	(163)	(536)	88	59
Brock International	5,631	(4,691)	(2,301)	(1,361)	5,760	(4,934)	(2,273)	(1,447)	86	59
Co-op, Career and Experiential Education	2,516	(3,223)	(692)	(1,399)	1,924	(3,031)	(387)	(1,494)	95	60
Brock Sports and Recreation	6,935	(5,119)	(3,209)	(1,393)	6,872	(4,773)	(2,833)	(734)	(659)	61
Total Student Specific	21,032	(21,944)	(9,036)	(9,948)	20,180	(21,434)	(8,144)	(9,398)	(550)	

Figure 38 continued

(\$000s)	2018-19 Budget				2017-18 Budget				Difference of "Net" amounts	Page ref.
	Revenue	Personnel costs	Non-personnel costs	Net	Revenue	Personnel costs	Non-personnel costs	Net		
Shared Services										
Leadership		(2,827)	(508)	(3,335)		(2,617)	(526)	(3,143)	(192)	62
Information Technology Services	444	(6,107)	(2,109)	(7,772)	458	(5,953)	(2,224)	(7,719)	(53)	62
Financial Services	493	(2,996)	(661)	(3,164)	437	(3,014)	(691)	(3,268)	104	63
Human Resources	263	(3,278)	(667)	(3,682)	257	(3,413)	(782)	(3,938)	256	63
Marketing and Communications	1,552	(1,596)	(2,088)	(2,132)	1,789	(1,568)	(2,183)	(1,962)	(170)	64
Development and Alumni Relations	740	(1,790)	(573)	(1,623)	655	(1,705)	(619)	(1,669)	46	64
Shared Services Support		(2,104)	(251)	(2,355)		(1,972)	(216)	(2,188)	(167)	65
Total Shared Services	3,492	(20,698)	(6,857)	(24,063)	3,596	(20,242)	(7,241)	(23,887)	(176)	
Ancillary										
Ancillary Operations	15,765	(2,744)	(9,023)	3,998	17,540	(2,475)	(9,448)	5,617	(1,619)	66-67
Department of Residence	18,696	(3,746)	(13,303)	1,647	17,560	(2,880)	(13,549)	1,131	516	68
Total Ancillary	34,461	(6,490)	(22,326)	5,645	35,100	(5,355)	(22,997)	6,748	(1,103)	
Space										
Facilities Management	731	(12,543)	(3,686)	(15,498)	659	(12,292)	(3,405)	(15,038)	(460)	69
Campus Security Services	122	(1,477)	(1,169)	(2,524)	59	(1,468)	(1,104)	(2,513)	(11)	69
Campus Development Services and Community Agreements	341	(8)	(1,150)	(817)	345		(962)	(617)	(200)	69
Utilities, Taxes and Insurance	2,857		(10,298)	(7,441)	2,833		(10,332)	(7,499)	58	70
Financing	316		(6,744)	(6,428)	301		(6,490)	(6,189)	(239)	70
Total Space	4,367	(14,028)	(23,047)	(32,708)	4,197	(13,760)	(22,293)	(31,856)	(852)	
Global										
Scholarships, Bursaries and Student Awards	2,842		(20,940)	(18,098)	1,007		(18,348)	(17,341)	(757)	71-72
Capital	5,046		(16,008)	(10,962)	4,503		(12,127)	(7,624)	(3,338)	72
University Global	245,355	(758)	(3,546)	241,051	234,783	35	(2,602)	232,216	8,835	73
Total Global	253,243	(758)	(40,494)	211,991	240,293	35	(33,077)	207,251	4,740	
Total University	339,206	(219,568)	(119,638)	-	323,957	(212,939)	(111,018)	-	-	

Funding budget by responsibility centre leader

Figure 39 details the funding budget by responsibility centre, where all personnel costs, operating costs and revenue have been grouped by their responsibility centre, which in turn have been grouped to whom they report: President; Vice-President, Academic; Vice-President, Administration; Vice-President, Research and Global. Each responsibility centre is described in the Responsibility centre snapshots section of this report, starting on page 46. (Note: Certain reclassifications were made to the 2017-18 budget as compared to the figures presented in the 2017-18 Budget Report. See Appendix C for the details of these reclassifications.)

Figure 39: Funding budget by responsibility centre leader

(\$000s)	2018-19 Budget				2017-18 Budget				Difference of "Net" amounts	Page ref.
	Revenue	Personnel costs	Non-personnel costs	Net	Revenue	Personnel costs	Non-personnel costs	Net		
President										
Development and Alumni Relations	740	(1,790)	(573)	(1,623)	655	(1,705)	(619)	(1,669)	46	64
Leadership (Split) ⁽¹⁾		(1,818)	(449)	(2,267)		(1,730)	(465)	(2,195)	(72)	62
Marketing and Communications	1,552	(1,596)	(2,088)	(2,132)	1,789	(1,568)	(2,183)	(1,962)	(170)	64
Shared Services Support (Split) ⁽²⁾		(281)	(18)	(299)		(265)	(17)	(282)	(17)	65
Total President	2,292	(5,485)	(3,128)	(6,321)	2,444	(5,268)	(3,284)	(6,108)	(213)	
Vice-President, Academic										
Faculty of Applied Health Sciences	875	(22,008)	(876)	(22,009)	340	(20,790)	(896)	(21,346)	(663)	48
Goodman School of Business	13,048	(27,718)	(4,258)	(18,928)	11,870	(26,563)	(4,085)	(18,778)	(150)	49
Faculty of Education	3,736	(16,679)	(1,624)	(14,567)	4,021	(17,185)	(1,922)	(15,086)	519	50
Faculty of Humanities	616	(21,447)	(1,211)	(22,042)	616	(21,010)	(1,255)	(21,649)	(393)	51
Faculty of Mathematics and Science	641	(22,184)	(818)	(22,361)	658	(21,482)	(811)	(21,635)	(726)	52
Faculty of Social Sciences	459	(36,326)	(1,287)	(37,154)	432	(36,464)	(1,287)	(37,319)	165	53
Faculty of Graduate Studies	360	(1,332)	(230)	(1,202)	310	(1,291)	(256)	(1,237)	35	54
Library	507	(5,600)	(5,550)	(10,643)	78	(4,977)	(4,802)	(9,701)	(942)	54
Centre for Pedagogical Innovation	233	(825)	(279)	(871)	280	(858)	(316)	(894)	23	56
Co-op, Career and Experiential Education	2,516	(3,223)	(692)	(1,399)	1,924	(3,031)	(387)	(1,494)	95	60
The Office of the Registrar	2,039	(3,910)	(1,184)	(3,055)	2,034	(3,962)	(1,115)	(3,043)	(12)	57
Student Life and Community Experience	185	(758)	(191)	(764)	219	(696)	(228)	(705)	(59)	57
Student Wellness and Accessibility	2,684	(2,911)	(1,301)	(1,528)	2,409	(2,703)	(1,145)	(1,439)	(89)	58
Student Success Centre	1,042	(1,332)	(158)	(448)	962	(1,335)	(163)	(536)	88	59
Brock International	5,631	(4,691)	(2,301)	(1,361)	5,760	(4,934)	(2,273)	(1,447)	86	59
Leadership (Split) ⁽³⁾		(1,009)	(59)	(1,068)		(887)	(61)	(948)	(120)	62
Shared Services Support (Split) ⁽⁴⁾		(380)	(20)	(400)		(366)	(48)	(414)	14	65
Total Vice-President, Academic	34,572	(172,333)	(22,039)	(159,800)	31,913	(168,534)	(21,050)	(157,671)	(2,129)	

Figure 39 continued

(\$000s)	2018-19 Budget				2017-18 Budget				Difference of "Net" amounts	Page ref.
	Revenue	Personnel costs	Non-personnel costs	Net	Revenue	Personnel costs	Non-personnel costs	Net		
Vice-President, Administration										
Brock Sports and Recreation	6,935	(5,119)	(3,209)	(1,393)	6,872	(4,773)	(2,833)	(734)	(659)	61
Information Technology Services	444	(6,107)	(2,109)	(7,772)	458	(5,953)	(2,224)	(7,719)	(53)	62
Financial Services	493	(2,996)	(661)	(3,164)	437	(3,014)	(691)	(3,268)	104	63
Human Resources	263	(3,278)	(667)	(3,682)	257	(3,413)	(782)	(3,938)	256	63
Ancillary Operations	15,765	(2,744)	(9,023)	3,998	17,540	(2,475)	(9,448)	5,617	(1,619)	66-67
Department of Residence	18,696	(3,746)	(13,303)	1,647	17,560	(2,880)	(13,549)	1,131	516	68
Facilities Management	731	(12,543)	(3,686)	(15,498)	659	(12,292)	(3,405)	(15,038)	(460)	69
Campus Security Services	122	(1,477)	(1,169)	(2,524)	59	(1,468)	(1,104)	(2,513)	(11)	69
Shared Services Support (Split) ⁽⁵⁾		(1,443)	(213)	(1,656)		(1,341)	(151)	(1,492)	(164)	65
Total Vice-President, Administration	43,449	(39,453)	(34,040)	(30,044)	43,842	(37,609)	(34,187)	(27,954)	(2,090)	
Vice-President, Research										
Research Services	2,136	(1,531)	(1,745)	(1,140)	1,986	(1,563)	(1,636)	(1,213)	73	55
Total Vice-President, Research	2,136	(1,531)	(1,745)	(1,140)	1,986	(1,563)	(1,636)	(1,213)	73	
Global										
Campus Development Services and Community Agreements	341	(8)	(1,150)	(817)	345		(962)	(617)	(200)	69
Utilities, Taxes and Insurance	2,857		(10,298)	(7,441)	2,833		(10,332)	(7,499)	58	70
Financing	316		(6,744)	(6,428)	301		(6,490)	(6,189)	(239)	70
Scholarships, Bursaries and Student Awards	2,842		(20,940)	(18,098)	1,007		(18,348)	(17,341)	(757)	71-72
Capital	5,046		(16,008)	(10,962)	4,503		(12,127)	(7,624)	(3,338)	72
University Global	245,355	(758)	(3,546)	241,051	234,783	35	(2,602)	232,216	8,835	73
Total Global	256,757	(766)	(58,686)	197,305	243,772	35	(50,861)	192,946	4,359	
Total University	339,206	(219,568)	(119,638)	-	323,957	(212,939)	(111,018)	-	-	

(1) Includes the offices of the President; Vice-President, Administration; the Provost and Vice-President, Academic; and the Vice-President, Research.

(2) Includes the Office of Government Relations.

(3) Includes the offices of the Vice-Provost and Associate Vice-President, Academic; Vice-Provost Teaching and Learning; and the Vice-Provost Enrolment Management and International.

(4) Includes Institutional Analysis and Planning.

(5) Includes the Office of University Secretariat, Internal Audit Department and Human Rights and Equity Services.

Responsibility centre snapshots

The following “snapshots” present the budgeted revenue and total costs of each of the University’s responsibility centres. Revenue shown in the Faculties does not include an allocation of global tuition (shown on page 27) or operating grant revenue. Revenue shown by the responsibility centre only reflects the tuition, fee and grant revenue specifically reported in the respective centres, as well as any other revenue generated within each centre.

Total costs, as shown in the responsibility centres, include salaries, benefits and direct non-personnel costs (operating costs). Support service costs have not been allocated in these figures. For example, the majority of utility costs are shown collectively as part of the Utilities, Taxes and Insurance responsibility centre on page 70, and the majority of scholarships, bursaries and student awards are reported as part of the Scholarships, Bursaries and Student Awards responsibility centre on page 71. As detailed in the “Looking forward” section, the revenue and expense allocation model has been developed and allocates all budgeted net operating costs of the University, including support service costs to each for the six teaching Faculties. The Provost, working with Financial Services, will utilize this model as a planning tool. Refer to page 85 for a full discussion of this model.

It should also be noted that direct research revenue and matching expenses are not included in the budget.

The following “snapshots” also detail the ongoing (OG) faculty and staff full-time equivalent (FTE) positions within each unit. The FTE of an ongoing faculty/staff member is calculated based on whether they are full-time, part-time, seasonal, etc. For example, an ongoing part-time position that works 17.5 hours per week would be counted as 0.5 FTE; whereas a full-time position would be counted as 1 FTE. In addition, the FTE figures represent each ongoing position included in the budget (i.e. the salary and benefits related to this position are included in the budget) and represent both filled and unfilled positions.

The “Notes” at the end of write-ups for certain snapshots detail revenues and expenses by type included in the units’ budgets where the value is \$100,000 or over in 2018-19.

During 2017-18, there have been a number of reorganizations of units across the University. Reclassifications were made to the 2017-18 budget as reported in the 2017-18 Budget Report for comparison purposes to the 2018-19 Budget, when the overall funding budget was not impacted. See Appendix C for details of these adjustments.





Teaching Faculties



Faculty of Applied Health Sciences

The Faculty of Applied Health Sciences (FAHS) is more than a Faculty. It is the lifeblood that continues to supply the world with individuals capable of making a healthy difference. The Faculty's vision is clear – it advances the health and well-being of individuals to make the world a healthier place to live. With expertise in a diverse range of health and related fields, its researchers continue to conduct new and innovative studies that range from cancer detection protocols to sport for development initiatives and management issues in amateur and professional sports. Its students and alumni share the Faculty's passion for health, sport management, physical activity, recreation and well-being, serving as agents of change that translate the vision into everyday practice. For more information on the FAHS, visit the Faculty website at brocku.ca/applied-health-sciences and the 2014-15 Annual Report at issuu.com/fahscommunicationsofficer/docs/fahs-annual-report-2014-15

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	875	340	763
Personnel costs	(22,008) 96.2%	(20,790) 95.9%	(18,926) 95.5%
Operating costs	(876) 3.8%	(896) 4.1%	(902) 4.5%
Total costs	(22,884) 100%	(21,686) 100%	(19,828) 100%
Net	(22,009)	(21,346)	(19,065)
OG FTE – Faculty ⁽¹⁾	84.9	83.8	
FTE – LTA/ILTA Faculty ⁽¹⁾	5.8	4.4	
OG FTE – Staff ⁽²⁾	30.2	29.2	

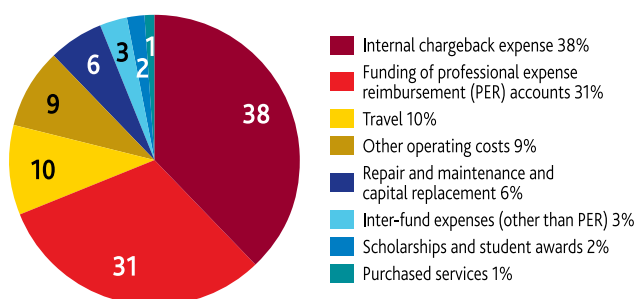
(1) Ongoing (OG) Full-time equivalent (FTE) faculty/librarians represents Brock University Faculty Association (BUFA) probationary and tenured faculty and Associate Deans (both filled and unfilled positions). LTA/ILTA represents BUFA limited term and instructional limited-term faculty appointments. Faculty on sabbatical are represented as 1 FTE.

(2) OG FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

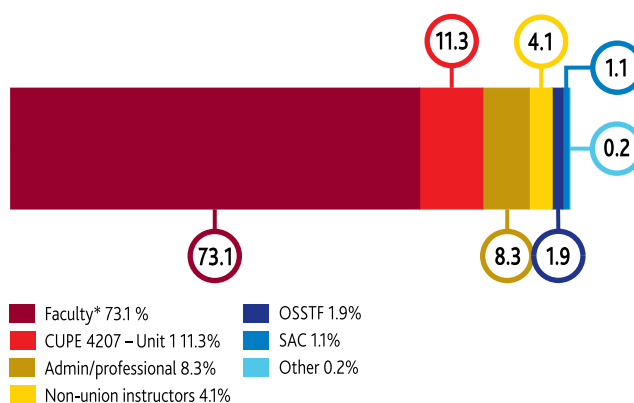
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size				
Overall		78.1	71.8	75.0
Year 1		174.2	163.2	162.2
Year 2		109.7	102.4	100.3
Year 3		72.0	57.9	70.0
Year 4		42.1	44.3	41.0
Headcount by major (Nov. 1)				
Undergraduate	3,821	3,624	3,565	3,367
Graduate	217	213	185	148
FTE students taught				
Undergraduate		2,450	2,387	2,235
Graduate		192	170	137

Source: Institutional Analysis

2018-19 Operating costs (%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.



Goodman School of Business

The Goodman School of Business is one of the country's newest and fastest-growing business schools, with one of the most international outlooks in Canada. The excellence of the school has been recognized internationally through the accreditation by the Association to Advance Collegiate Schools of Business (AACSB) International. Goodman received re-accreditation in 2018, ensuring our students learn from a school that continually works toward higher standards – standards that translate into the best quality business education available. In today's business world, students need to stand out and set themselves apart from the rest. Goodman is uniquely positioned to help them do just that. As the first school in Ontario to be accredited and reaccredited by CPA Ontario, Goodman has solidified its position as one of, if not the, fastest programs for students to become eligible to write the Common Final Exam (CFE). Goodman's exclusive dual degree co-op program is the only one of its kind in Canada, providing students with the opportunity to study and receive valuable work experience in Canada and either France, Ireland or Germany while earning two degrees. Having an outstanding education is just the start. Goodman goes beyond the classroom to provide students with the opportunities and experiences that help them build skills and experiences so they can stand out from the crowd. For more information, visit brocku.ca/goodman

Note: Revenue includes \$12,196,000 of student fees (\$10,614,000 in 2017-18) and \$125,000 of grant revenue (\$165,000 in 2017-18). Operating costs include \$1,287,000 of purchased services (\$1,001,000 in 2017-18), \$317,000 of repairs and maintenance and capital replacement costs (\$496,000 in 2017-18) and \$373,000 of scholarships and student awards (\$405,000 in 2017-18).

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	13,048	11,870	10,643
Personnel costs	(27,718) 86.7%	(26,563) 86.7%	(24,669) 87.1%
Operating costs	(4,258) 13.3%	(4,085) 13.3%	(3,660) 12.9%
Total costs	(31,976) 100%	(30,648) 100%	(28,329) 100%
Net	(18,928)	(18,778)	(17,686)
OG FTE – Faculty ⁽¹⁾	83.9	81.4	
FTE – LTA/ILTA Faculty ⁽¹⁾	15.0	15.0	
OG FTE – Staff ⁽²⁾	42.0	38.7	

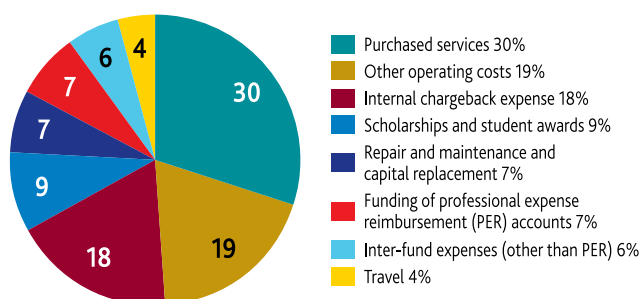
(1) Ongoing (OG) Full-time equivalent (FTE) faculty/librarians represents Brock University Faculty Association (BUFA) probationary and tenured faculty and Associate Deans (both filled and unfilled positions). LTA/ILTA represents BUFA limited term and instructional limited-term faculty appointments. Faculty on sabbatical are represented as 1 FTE.

(2) OG FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

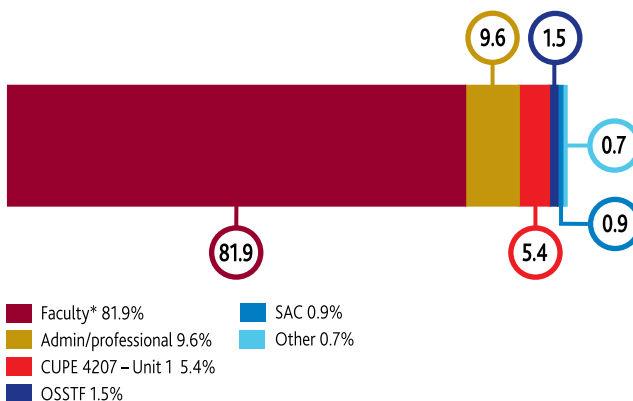
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size				
Overall		47.0	50.4	48.9
Year 1		62.2	69.5	69.7
Year 2		60.1	68.1	62.0
Year 3		38.1	38.7	40.8
Year 4		33.6	32.2	31.5
Headcount by major (Nov. 1)				
Undergraduate	2,958	2,907	2,883	2,845
Graduate	561	550	549	493
FTE students taught				
Undergraduate		1,986	2,102	2,003
Graduate		582	520	463

Source: Institutional Analysis

2018-19 Operating costs (%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.



Faculty of Education

The Faculty of Education offers programs for students wanting to teach in all environments using a variety of delivery mechanisms. Our programs encompass early childhood education, K-12 teachers and adult education. We use all sorts of delivery modes, ranging from the traditional face-to-face to the most modern digital techniques. For information on the Faculty of Education, visit brocku.ca/education

Note: Revenue includes \$3,324,000 of student fees (\$3,649,000 in 2017-18). Operating costs include \$177,000 of purchased services (\$215,000 in 2017-18).

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	3,736	4,021	3,369
Personnel costs	(16,679) 91.1%	(17,185) 89.9%	(15,986) 92.2%
Operating costs	(1,624) 8.9%	(1,922) 10.1%	(1,343) 7.8%
Total costs	(18,303) 100%	(19,107) 100%	(17,329) 100%
Net	(14,567)	(15,086)	(13,960)
OG FTE – Faculty ⁽¹⁾	45.5	47.3	
FTE – LTA/ILTA Faculty ⁽¹⁾	12.0	9.3	
OG FTE – Staff ⁽²⁾	38.5	39.8	

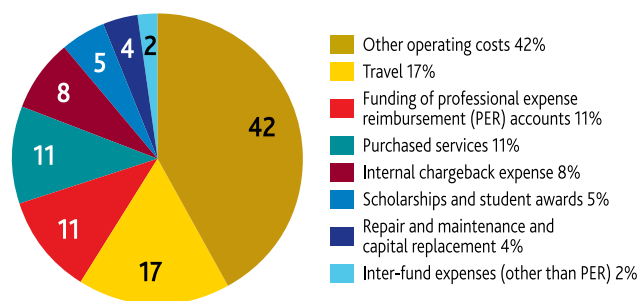
(1) Ongoing (OG) Full-time equivalent (FTE) faculty/librarians represents Brock University Faculty Association (BUFA) probationary and tenured faculty and Associate Deans (both filled and unfilled positions). LTA/ILTA represents BUFA limited term and instructional limited-term faculty appointments. Faculty on sabbatical are represented as 1 FTE.

(2) OG FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

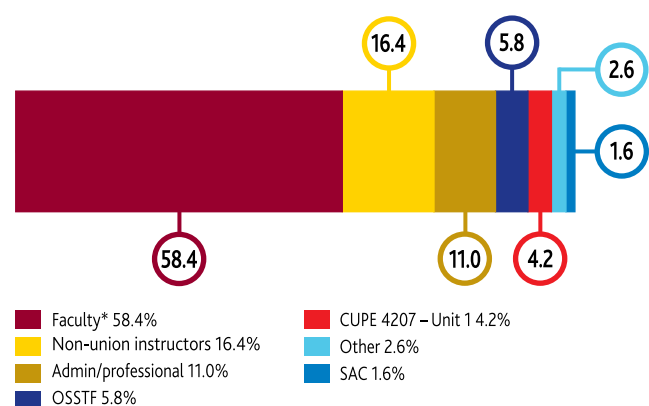
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size (ABST, EDUC and ADED Year 1-3 courses)				
Overall		39.9	31.7	34.6
Year 1		66.5	72.1	33.4
Year 2		30.3	24.1	20.5
Year 3		70.2	55.7	43.5
Year 4		24.5	21.3	43.5
Headcount by major (Nov. 1)				
Undergraduate	1,420	1,399	1,451	1,208
Graduate	306	300	291	329
FTE students taught				
Undergraduate		1,557	1,563	1,747
Graduate		201	187	212

Source: Institutional Analysis

2018-19 Operating costs (%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.



Faculty of Humanities

Studying in the Faculty of Humanities inoculates against extremism by examining the cultural and intellectual frameworks of the world from ancient times to the present. We work on figuring out what has really happened or is really happening, how we can know, and what we can do about it. Along the way, our students develop excellent problem-solving and communication skills that serve them well in their future careers in law, business, education, government, culture or tech industries, or any area where imagination, reason and passion can serve. For more information on The Faculty of Humanities and its programs, visit brocku.ca/humanities/

Note: Revenue includes \$463,000 of spending allocations from the MIWSFPA Endowment Fund (\$417,000 in 2017-18). Operating costs include \$195,000 of purchased services (\$167,000 in 2017-18) and \$106,000 of repairs and maintenance and capital replacement costs (\$113,000 in 2017-18).

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	616	616	845
Personnel costs	(21,447) 94.7%	(21,010) 94.4%	(19,980) 94.3%
Operating costs	(1,211) 5.3%	(1,255) 5.6%	(1,201) 5.7%
Total costs	(22,658) 100%	(22,265) 100%	(21,181) 100%
Net	(22,042)	(21,649)	(20,336)
OG FTE – Faculty ⁽¹⁾	91.4	86.6	
FTE – LTA/ILTA Faculty ⁽¹⁾	3.5	5.8	
OG FTE – Staff ⁽²⁾	31.4	32.0	

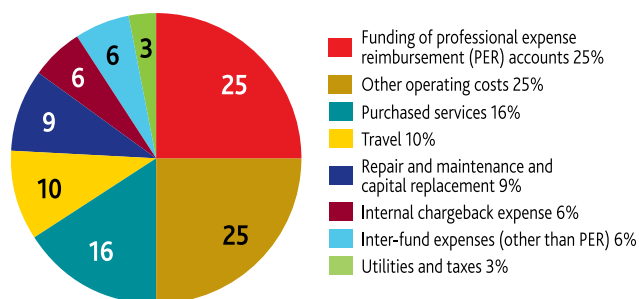
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(2) OG FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

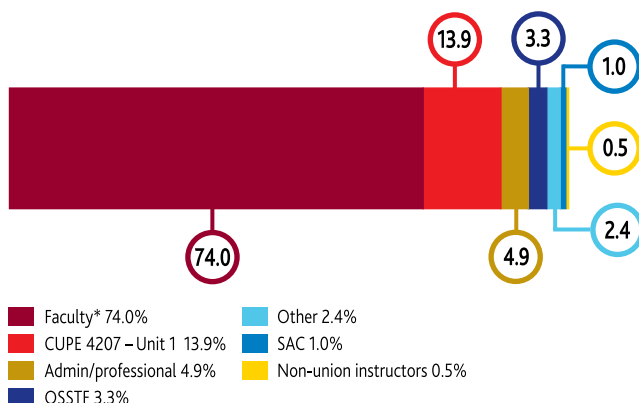
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size				
Overall		35.7	36.6	39.3
Year 1		71.2	72.7	73.3
Year 2		32.4	31.7	35.7
Year 3		17.6	20.9	22.4
Year 4		11.4	11.6	13.9
Headcount by major (Nov. 1)				
Undergraduate	1,677	1,712	1,713	1,850
Graduate	81	80	84	77
FTE students taught				
Undergraduate		2,166	2,079	2,148
Graduate		80	81	76

Source: Institutional Analysis

2018-19 Operating costs (%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.



Faculty of Mathematics and Science

The Faculty of Mathematics and Science develops and delivers programs (many with a co-op option) and courses to provide knowledge and hands-on experiences that serve as a strong foundation for its students. It also promotes science awareness and provides outreach activities. For information on the Faculty of Mathematics and Science, visit brocku.ca/mathematics-science and the Faculty Strategic Plan (2008) at brocku.ca/webfm_send/1036

Note: Revenue includes \$140,000 of student fees (\$105,000 in 2017-18). Operating costs include \$280,000 of repairs and maintenance and capital replacement costs (\$280,000 in 2017-18).

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	641	658	722
Personnel costs	(22,184) 96.4%	(21,482) 96.4%	(20,571) 95.8%
Operating costs	(818) 3.6%	(811) 3.6%	(893) 4.2%
Total costs	(23,002) 100%	(22,293) 100%	(21,464) 100%
Net	(22,361)	(21,635)	(20,742)
OG FTE – Faculty ⁽¹⁾	69.9	68.3	
FTE – LTA/ILTA Faculty ⁽¹⁾	4.9	5.0	
OG FTE – Staff ⁽²⁾	47.0	48.5	

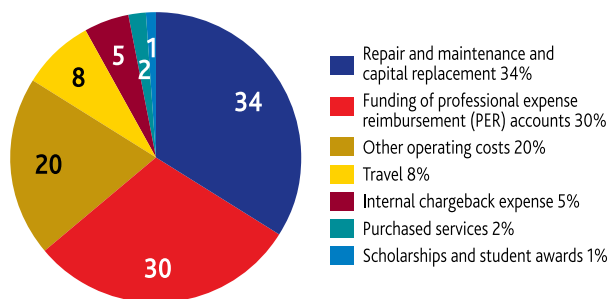
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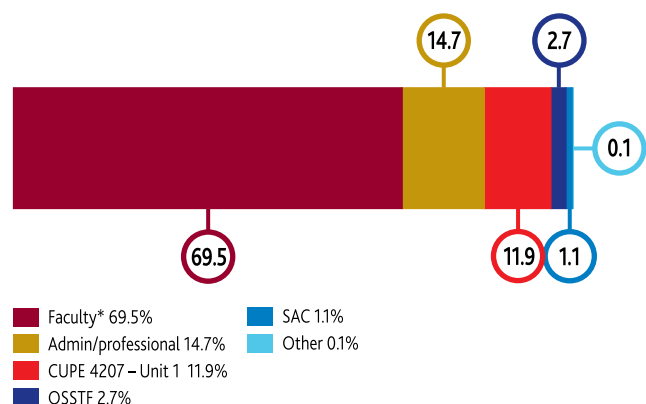
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size				
Overall		87.8	89.5	89.5
Year 1		242.0	234.1	232.4
Year 2		67.3	66.2	66.0
Year 3		29.8	27.7	28.7
Year 4		17.2	17.0	15.1
Headcount by major (Nov. 1)				
Undergraduate	1,936	1,871	1,724	1,722
Graduate	178	175	154	156
FTE students taught				
Undergraduate		2,867	2,691	2,634
Graduate		176	150	153

Source: Institutional Analysis

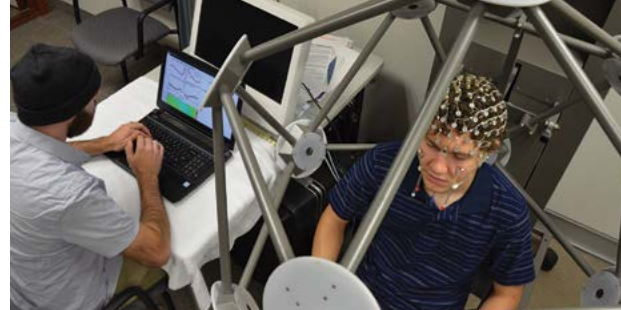
2018-19 Operating costs (%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.



Faculty of Social Sciences

Brock's largest Faculty offers cutting-edge programs and diverse experiential learning opportunities, providing students with opportunities to push boundaries while developing the tools required to succeed in an ever-changing world. Home to both new and emerging fields of study, such as environmental sustainability, politics, economics, psychology, labour studies, communication theory and business communications, applied disability studies, child and youth studies, social justice, applied linguistics, popular culture and film studies, geography and tourism, gender studies, and sociology, the Faculty of Social Sciences prepares students for multiple career paths. An emphasis on understanding complex phenomena through a variety of lenses helps students become innovative, engaged citizens ready to tackle the problems that matter most to them. Visit brocku.ca/social-sciences/ for additional information about the Faculty, or browse through recent issues of our annual review at brocku.ca/social-sciences/wp-content/uploads/sites/27/FOSSreview2017forweb.pdf

Note: Revenue includes \$149,000 of student fees (\$147,000 in 2017-18).

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	459	432	428
Personnel costs	(36,326) 96.6%	(36,464) 96.6%	(34,404) 96.5%
Operating costs	(1,287) 3.4%	(1,287) 3.4%	(1,241) 3.5%
Total costs	(37,613) 100%	(37,751) 100%	(35,645) 100%
Net	(37,154)	(37,319)	(35,217)
OG FTE – Faculty ⁽¹⁾	153.0	152.5	
FTE – LTA/ILTA Faculty ⁽¹⁾	4.7	3.7	
OG FTE – Staff ⁽²⁾	38.6	38.3	

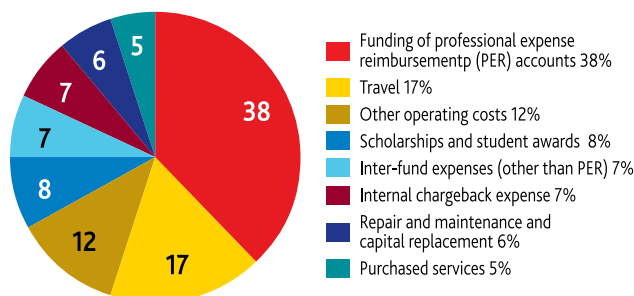
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(2) OG FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

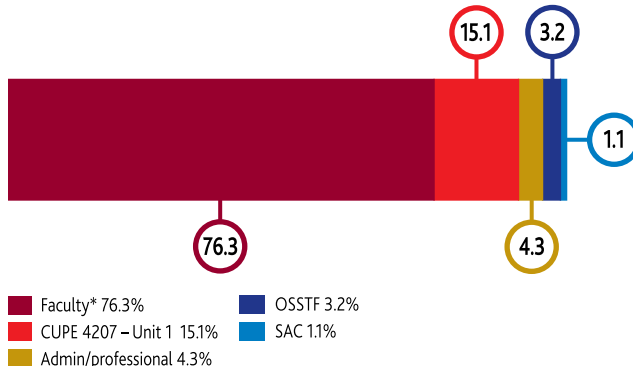
	2018-19 Budget	2017-18 Actual	2016-17 Actual	2015-16 Actual
Undergraduate average class size				
Overall		81.7	83.0	85.5
Year 1		251.7	245.6	242.2
Year 2		103.3	109.8	109.4
Year 3		49.8	52.2	55.9
Year 4		24.9	22.5	21.9
Headcount by major (Nov. 1)				
Undergraduate	4,348	4,428	4,596	4,672
Graduate	423	415	427	446
FTE students taught				
Undergraduate		4,836	4,843	4,811
Graduate		329	327	340

Source: Institutional Analysis

2018-19 Operating costs(%)



2018-19 Budget personnel costs (including benefits) (%)



*Note: BUFA positions, BUFA overload and Associate Deans.

Academic support

Faculty of Graduate Studies

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	360	310	347
Personnel costs	(1,332) 85.3%	(1,291) 83.5%	(1,223) 85.5%
Operating costs	(230) 14.7%	(256) 16.5%	(207) 14.5%
Total costs	(1,562) 100%	(1,547) 100%	(1,430) 100%
Net	(1,202)	(1,237)	(1,083)
OG FTE – staff ⁽¹⁾	15.0	14.5	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Brock embraces integrative graduate education as a pathway to independence and a breadth of career options built on a foundation of collegial mentorship, collaboration, transparency and merit. Accordingly, our graduate programs embrace contemporary issues, highlighting and pushing the boundaries of current thought, ongoing progress, and future developments across and between disciplines. The Faculty of Graduate Studies (the Faculty) has a critical role in positioning Brock as a key comprehensive university for the 21st century.

The Faculty is the centralized administrative and academic entity for the University's 49 graduate programs. We therefore operate across all Faculties and we are intimately involved in integrative recruitment and retention efforts for both undergraduate and graduate levels.

The Faculty oversees all graduate applications, admissions and registration, ongoing enrolment and records, funding, internal and external graduate scholarships and awards, and graduate student essential skills and professional development (VITAE) programming.

In collaboration with Brock's Graduate Council and Senate Graduate Studies Committee, the Faculty ensures the development and enforcement of all relevant rules, regulations and policies concerning graduate studies.

In collaboration with the Graduate Students' Association, the Faculty also advocates for graduate student needs and issues on campus.

Note: Graduate scholarships and student awards, including bursaries, are shown as part of the Scholarships, Bursaries and Student Awards responsibility centre. In addition, the above costs do not reflect the cost of teaching graduate students. These costs are reflected in the Teaching Faculties.

Library

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	507	78	51
Personnel costs	(5,600) 50.2%	(4,977) 50.9%	(4,778) 52.7%
Operating costs	(5,550) 49.8%	(4,802) 49.1%	(4,295) 47.3%
Total costs	(11,150) 100%	(9,779) 100%	(9,073) 100%
Net	(10,643)	(9,701)	(9,022)
OG FTE – Faculty ⁽¹⁾	17.6	16.6	
FTE – LTA/ILTA Faculty ⁽¹⁾	1.0	0.3	
OG FTE – staff ⁽²⁾	34.7	30.9	

(1) Ongoing (OG) Full-time equivalent (FTE) faculty/librarians represents Brock University Faculty Association (BUFA) probationary and tenured faculty and Associate Deans (both filled and unfilled positions). LTA/ILTA represents BUFA limited-term and instructional limited term faculty appointments. Faculty on sabbatical are represented as 1 FTE.

(2) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The Brock University Library enriches teaching, learning and research at Brock through collaborative expertise, rich content and inclusive spaces. The Library supports student success by providing the competencies, tools and resources that learners need to excel in a changing environment; advances knowledge by providing access to scholarly information and through active engagement in the research lifecycle; and inspires discovery by developing new and reimagined physical and virtual experiences, and by fostering creative engagement with technology. The Brock University Library includes the James A. Gibson Library; the Map, Data and GIS Library; and Archives and Special Collections. The Library comprises six departments, and a staff of 53, of whom 19 are professional librarians. In fall 2018, the Brock Library will be launching a new Digital Scholarship Lab and expanded Makerspace in a newly built facility adjacent to the James A. Gibson Library. The Brock Library has a new strategic plan with five strategic pillars highlighting student success; the research lifecycle; the library experience; community engagement; and strengthening capacity. For more information, visit brocku.ca/library

Note: Operating costs include \$4,845,000 of library acquisitions (\$4,216,000 in 2017-18) and \$495,000 of purchased services (\$371,000 in 2017-18).

Research Services

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,136	1,986	1,998
Personnel costs	(1,531) 46.7%	(1,563) 48.9%	(1,421) 36.0%
Operating costs	(1,745) 53.3%	(1,636) 51.1%	(2,522) 64.0%
Total costs	(3,276) 100%	(3,199) 100%	(3,943) 100%
Net	(1,140)	(1,213)	(1,945)
OG FTE – staff ⁽¹⁾	18.0	19.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Research Services, as defined in the 2018-19 budget, includes the Office of Research Services (ORS), costs related to research involving animals, the Cuvée Grand Tasting event and funding of the Cool Climate Oenology and Viticulture Institute (CCOVI), the Jack and Nora Walker Canadian Centre for Lifespan Development Research (Centre for Lifespan Development), the Niagara Community Observatory (NCO), as well as Brock's five transdisciplinary hubs. (Note: Costs related to the office of the Vice-President, Research are included in the Leadership responsibility centre.)

ORS brings together a multitude of services to support a culture rooted in pervasive research and creative activity by assisting researchers with advice and administrative support, including application processes and financial management. For information on the ORS, visit brocku.ca/research. For information on research involving animals, visit brocku.ca/research-at-brock/office-of-research-services/research-ethics-office/#animal-care

The Cuvée Grand Tasting event, hosted by CCOVI, helps attendees discover Ontario's best VQA wines while also raising thousands of dollars to fund academic scholarships and research. Visit cuvée.ca/grand-tasting/

CCOVI is Brock's flagship transdisciplinary institute. It defines a place, not only within the University, to network faculty, students and staff dedicated to advancing the Canadian grape and wine industry. It extends to partnering academic communities, federal and provincial government research organizations, and regional grape and wine industry groups across Canada, as well as cool climate wine regions around the world. For information on CCOVI, visit brocku.ca/ccovi

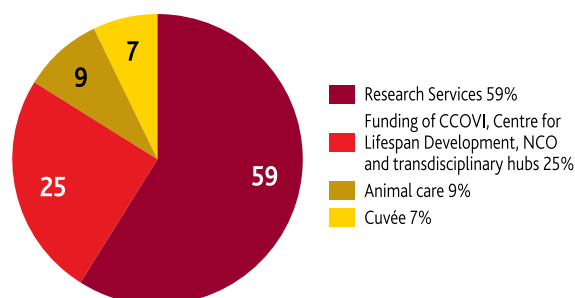
The Centre for Lifespan Development is a multidisciplinary collaboration effort dedicated to studying human development across the lifespan, with special strengths in childhood and adolescence. For information on the Centre for Lifespan Development, visit brocku.ca/lifespan-development-research. The Niagara Community Observatory works with partners across the Niagara community to foster, produce and disseminate evidence-based research on current and emerging issues. For information on the Niagara Community Observatory, visit brocku.ca/niagara-community-observatory

Brock's five transdisciplinary hubs are incubators of innovation and bridges to the community. They cross disciplinary boundaries and integrate methods and theoretical approaches in order to better tackle pressing contemporary issues and generate knowledge breakthroughs for our 21st century reality. For more information, visit brocku.ca/research-at-brock/institutes-and-centres/

Note: Revenue includes \$1,850,000 of grant revenue related to the Research Support Fund (\$1,750,000 in 2017-18). Operating costs include \$168,000 of purchased services (\$139,000 in 2017-18), \$250,000 of funding for transdisciplinary hubs (\$250,000 in 2017-18) and \$569,000 of funding for the Cool Climate Oenology and Viticulture Institute, the Centre for Lifespan Development and the Niagara Community Observatory (\$626,000 in 2017-18).

The above costs do not reflect the direct revenue or expenses of research. Nor do they reflect the research portion of Faculty members' salary and benefits (standardly 40 per cent) and other overhead related costs. Faculty members' salary and benefits are reflected in the Teaching Faculties.

2018-19 total costs by cost centre (%)





Centre for Pedagogical Innovation

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	233	280	30
Personnel costs	(825) 74.7%	(858) 73.1%	(754) 82.2%
Operating costs	(279) 25.3%	(316) 26.9%	(163) 17.8%
Total costs	(1,104) 100%	(1,174) 100%	(917) 100%
Net	(871)	(894)	(887)
OG FTE – staff ⁽¹⁾	8.5	7.0	

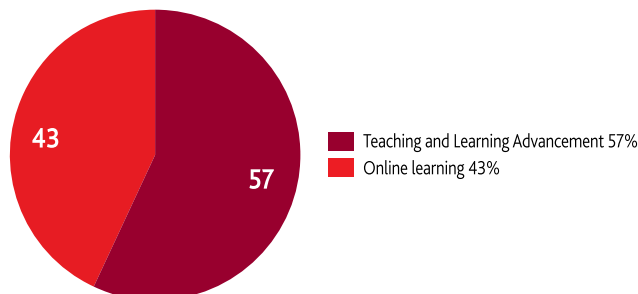
(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The Centre for Pedagogical Innovation (CPI), as defined in the 2018-19 budget, includes teaching and learning advancement, online learning and the revenue and expenses related to certain eCampusOntario grants for which CPI provides operational support.

CPI is committed to fostering a culture of excellence in teaching and learning across the University. Through educational outreach and services to Brock faculty, instructors, teaching assistants and staff, CPI brings people together to explore effective teaching and learning practices, as well as innovative pedagogies, both in the classroom and online. For information on CPI, visit brocku.ca/pedagogical-innovation. CPI also assists departments and instructors in the design, development and delivery of online and blended courses and programs. For more information, visit brocku.ca/pedagogical-innovation/what-we-offer/technology-enabled-learning/

Note: Included in the revenue and expenses is \$100,000 of grant revenue and offsetting costs related to certain eCampusOntario grants (\$250,000 in 2017-18).

2018-19 total costs by cost centre (%)
(excluding ecampus learning)



Student specific

The Office of the Registrar

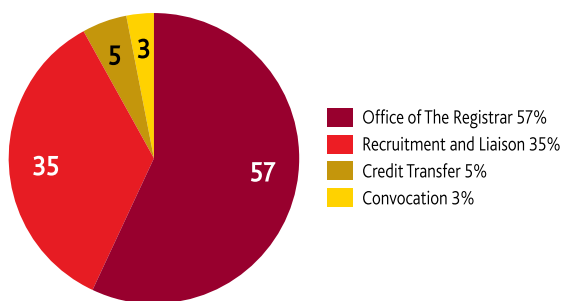
(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,039	2,034	2,032
Personnel costs	(3,910) 76.8%	(3,962) 78.0%	(3,261) 70.5%
Operating costs	(1,184) 23.2%	(1,115) 22.0%	(1,363) 29.5%
Total costs	(5,094) 100%	(5,077) 100%	(4,624) 100%
Net	(3,055)	(3,043)	(2,592)
OG FTE – staff ⁽¹⁾	44.6	44.8	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The Office of the Registrar provides a wide range of services that include recruitment, admissions, Brock Central, registration, curriculum management support, maintenance and enhancement of the student information system, examinations and scheduling, grade reporting, degree audit, and convocation. It issues official academic transcripts and is responsible for maintaining the integrity of the University's student academic record. For information on the Office of the Registrar, visit brocku.ca/registrar

Note: Revenue includes \$211,000 of grant revenue (\$205,000 in 2017-18). Operating costs include \$234,000 of purchased services (\$270,000 in 2017-18).

2018-19 total costs by cost centre (%)



Student Life and Community Experience

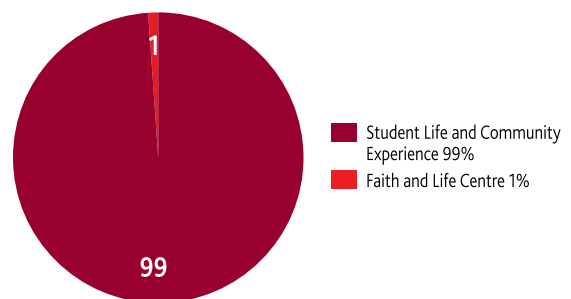
(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	185	219	336
Personnel costs	(758) 79.9%	(696) 75.3%	(627) 63.7%
Operating costs	(191) 20.1%	(228) 24.7%	(357) 36.3%
Total costs	(949) 100%	(924) 100%	(984) 100%
Net	(764)	(705)	(648)
OG FTE – staff ⁽¹⁾	8.2	8.2	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Student Life and Community Experience (SLCE) offers programs and services that support student success through co-curricular learning activities, campus involvement, leadership development, community engagement, off-campus living, and student rights and responsibilities. SLCE also includes First-Year Experience, an integrated set of programs and supports to help students excel throughout their first year at Brock. For information, visit brocku.ca/student-life

The Faith and Life Centre provides opportunities for friendship, education, spiritual counselling and personal growth. For information on the Faith and Life Centre, visit brocku.ca/campus-ministries

2018-19 total costs by cost centre (%)



Student Wellness and Accessibility

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,684	2,409	2,590
Personnel costs	(2,911) 69.1%	(2,703) 70.2%	(2,268) 63.0%
Operating costs	(1,301) 30.9%	(1,145) 29.8%	(1,332) 37.0%
Total costs	(4,212) 100%	(3,848) 100%	(3,600) 100%
Net	(1,528)	(1,439)	(1,010)
OG FTE – staff ⁽¹⁾	31.1	26.4	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The team at the Student Wellness and Accessibility Centre (SWAC) are driven by the vision of health, wellness and personal success for all students. The team consists of Student Health, Counselling and Accessibility Services.

Student Health Services offers a diverse range of health-care services. A psychiatrist and primary care physicians are available to students at the main campus in two locations – Campus Pharmacy and Harrison Hall; services include physical exams, sexual and reproductive health, first aid for injuries, mental health, wellness counselling, injections, prescriptions, and referrals to other health professionals and services.

Student Accessibility Services supports students with medical conditions (physical and mental), as well as learning and sensory disabilities during their time at the University. Staff work with students to develop individualized accommodation

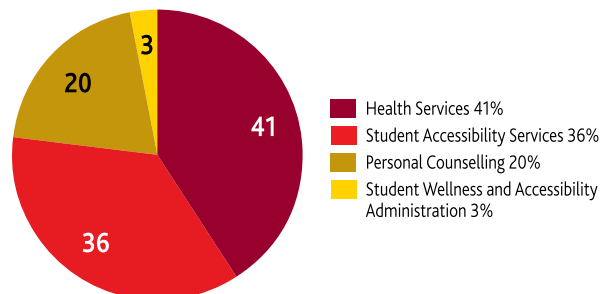
plans based on documented disability-related needs. They also provide individualized and group support to build students' self-advocacy skills and learning strategies in keeping with their strengths.

Personal Counselling Services offers students individual, group and crisis counselling. These services are provided by professional therapists contracted through a purchase of service agreement with a local service provider as well as a small team of Brock staff including a psychologist.

The Health Promotion team provides information, programming and outreach for students in important aspects of student life, such as stress management, healthy relationships and physical and mental wellness.

Note: Revenue includes \$977,000 of student fees (\$954,000 in 2017-18) and \$923,000 of grant revenue (\$670,000 in 2017-18). Operating costs include \$1,063,000 of purchased services (\$845,000 in 2017-18).

2018-19 total costs by cost centre (%)



Student Success Centre

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	1,042	962	991
Personnel costs	(1,332) 89.4%	(1,335) 89.1%	(1,243) 84.7%
Operating costs	(158) 10.6%	(163) 10.9%	(225) 15.3%
Total costs	(1,490) 100%	(1,498) 100%	(1,468) 100%
Net	(448)	(536)	(477)
OG FTE – staff ⁽¹⁾	15.5	13.5	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The Student Success Centre, as defined in the 2018-19 budget, includes A-Z Learning Services, Academic Advising, and Aboriginal Student Services.

A-Z Learning Services helps Brock students with a broad range of challenges as they transition to and progress through their University life. Workshops and drop-in services are available throughout the year to help students with time management, note-taking, writing, math and science, exam preparation and more.

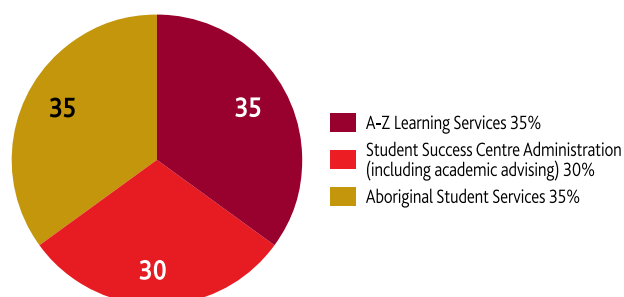
Academic Advising provides one-on-one advice for students to help them achieve their academic goals. This service is helpful for students who are considering changing their major and/or exploring adding a minor, students who are undeclared/undecided, students without a specific major, students returning to studies following an absence, and students on academic probation.

Aboriginal Student Services is dedicated to helping all Aboriginal students, including First Nations, Métis and Inuit, to make the transition to the Brock University community, and to be successful in their program of study. Support and resources are provided to enhance students' academic, cultural, personal and spiritual life at Brock in a culturally sensitive manner.

For more information, visit brocku.ca/student-success-centre/

Note: Revenue includes \$776,000 of grant revenue (\$776,000 in 2017-18).

2018-19 total costs by cost centre (%)



Brock International

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	5,631	5,760	5,021
Personnel costs	(4,691) 67.1%	(4,934) 68.5%	(3,912) 66.2%
Operating costs	(2,301) 32.9%	(2,273) 31.5%	(1,993) 33.8%
Total costs	(6,992) 100%	(7,207) 100%	(5,905) 100%
Net	(1,361)	(1,447)	(884)
OG FTE – staff ⁽¹⁾	59.3	57.3	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Brock International, as defined in the 2018-19 budget, includes English as a Second Language (ESL) Services, the Office of International Market Development (IMD) and Brock International Services.

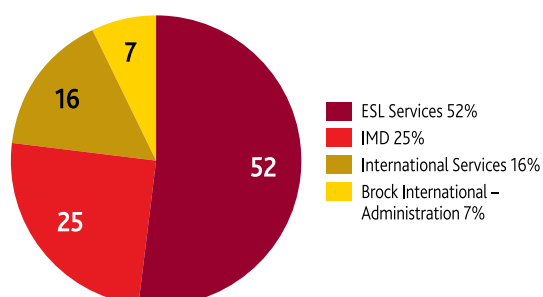
ESL Services offers English courses to students from all over the world through a mixture of formal classroom settings (including IELP and SELP programs) and sociocultural activities. For information on ESL Services, visit brocku.ca/esl-services

IMD offers international student recruitment, including identifying market needs and new opportunities. For information on IMD, visit brocku.ca/international/future/connect/

The mission of Brock International Services is to provide services and support to all international and Canadian students, visiting international scholars, Brock faculty and researchers, institutional partners and visitors by offering a wide range of high-quality programs, activities and international opportunities. For information on Brock International Services, visit brocku.ca/international-services

Note: Revenue includes \$5,105,000 of student fees (\$5,270,000 in 2017-18) and \$100,000 of grant revenue (\$99,000 in 2017-18). Operating costs include \$995,000 of purchased services (\$998,000 in 2017-18).

2018-19 total costs by cost centre (%)



Co-op, Career and Experiential Education

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,516	1,924	2,179
Personnel costs	(3,223) 82.3%	(3,031) 88.7%	(2,527) 85.4%
Operating costs	(692) 17.7%	(387) 11.3%	(432) 14.6%
Total costs	(3,915) 100%	(3,418) 100%	(2,959) 100%
Net	(1,399)	(1,494)	(780)
OG FTE – staff ⁽¹⁾	38.0	35.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Co-op, Career and Experiential Education is the overarching department for all things related to student and new graduate employment, curricular experiential education and career development on campus – both for undergraduate and graduate students. The department consists of the following operational areas: Co-operative Education, Career Education (Campus and Goodman Career Education) and Experiential Education. A team of dedicated human resources, career development and experiential professionals work with students, employers, faculty and community members in their employment and/or experiential needs. For more information, visit brocku.ca/ccee

Co-operative education offers a valuable opportunity for students to enhance their education by acquiring career-related work experience before graduation. Undergraduate and graduate students gain practical experience, develop a network of contacts and obtain a better understanding of careers in their field.

Career Education offers career exploration and development information, as well as resources to support students and alumni. Career Education provides employers and community members with information and services about on-campus recruiting and talent brand opportunities. Included in the Career Education department is also Goodman Career Education, which operates within this unit. The funding is provided through the Goodman School of Business as well as student levies. This office helps business and accounting students navigate the career planning process from first year to graduation.

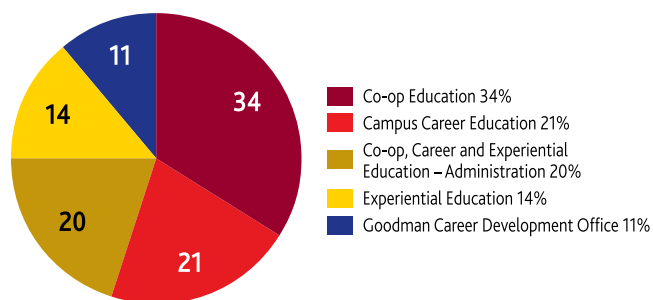
Experiential Education promotes faculty, staff, students and community partners working together to provide opportunities for students to apply their classroom learning



through hands-on, real-world experience. Undergraduate and graduate students reflect on their experiences in order to build skills, realize competencies and contribute to the community, both within Niagara and beyond, in order to prepare for their careers and build beneficial connections that will help along the way. Experiential opportunities include internships, placements, field courses, service-learning, labs and more, and are available in every Faculty at Brock.

Note: Revenue includes \$1,576,000 of student fees (\$1,407,000 in 2017-18), and \$279,000 of grant revenue (\$0 in 2017-18). Co-operative education students pay tuition (applicable half-credit fee for each work term). However, like the Faculties, the revenue reported in this unit does not include an allocation of the Global tuition. Revenue does include \$410,000 of internal chargeback revenue from the Goodman School of Business to support the Goodman Career Development Office (\$417,000 in 2017-18). Operating costs include \$107,000 of repairs and maintenance and capital replacement costs (\$107,000 in 2017-18).

2018-19 total costs by cost centre (%)



Brock Sports and Recreation

(\$000s)	2018-19 Budget ⁽²⁾	2017-18 Budget	2016-17 Actual
Revenue	6,935	6,872	6,501
Personnel costs	(5,119) 61.5%	(4,773) 62.8%	(4,618) 61.3%
Operating costs	(3,209) 38.5%	(2,833) 37.2%	(2,920) 38.7%
Total costs	(8,328) 100%	(7,606) 100%	(7,538) 100%
Net	(1,393)	(734)	(1,037)
OG FTE – staff ⁽¹⁾	26.6	22.8	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

(2) 2018-19 Figures include an overhead allocation from the Ancillary Services shared services unit.

Brock Sports takes a leadership role and engages the community through sporting events and activities, tournaments, community partnerships, and the Badgers Sports Camp programs. Badgers men's and women's teams provide more than 900 students with the opportunity to participate in OUA and U SPORTS competitions. Brock Sports also runs the Athletic Therapy Clinic, Brock Sports Performance Centre and the Zone fitness centre. For more information, visit gobadgers.ca

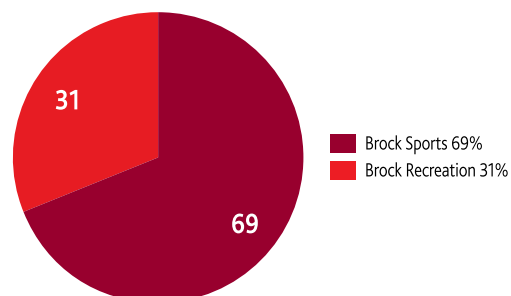
Providing community and campus programming through student experiential learning opportunities defines the Brock Recreation department. The Brock Recreation department offers community-based programming that includes aquatic programs, camps for children and youth, school-based learning programs, and job skill certification programs. Brock Recreation also provides an environment that engages students in inclusive and diverse intramural activities. In 2018-19, Brock Recreation

plans for 23,100 participants across all programs offered. For information on programming, visit brocku.ca/recreation

Brock Sports and Recreation experienced notable year-over-year increases driven predominately by recent changes in minimum wage, competitive pricing pressures for programs, the implementation of a professional development program for the department and overhead allocations from the Ancillary Services shared service unit. These overhead allocations are new to Brock Sports and Recreation as a result of the department joining the newly created Ancillary Services. See page 66 for further details. The department has set a goal of being cost neutral within five years.

Note: Revenue includes \$3,087,000 of student fees (\$3,032,000 in 2017-18) and program fees of \$1,874,000 (\$1,021,000 in 2017-18). Operating costs include \$417,000 of purchased services (\$505,000 in 2017-18) and \$575,000 of repairs and maintenance and capital replacement costs (\$513,000 in 2017-18).

2018-19 total costs by cost centre (%)



Shared services

Leadership

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue			25
Personnel costs	(2,827) 84.8%	(2,617) 83.3%	(2,571) 79.1%
Operating costs	(508) 15.2%	(526) 16.7%	(680) 20.9%
Total costs	(3,335) 100%	(3,143) 100%	(3,251) 100%
Net	(3,335)	(3,143)	(3,226)
OG FTE – staff ⁽¹⁾	14.8	14.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Leadership, as defined in the 2018-19 budget, represents a number of the offices of senior administration as well as the operating costs of the Board of Trustees and Senate. The senior administrative offices included are: the President; the Vice-President, Administration; the Provost and Vice-President, Academic; the Vice-President, Research (Note: See the Research Services responsibility centre for revenue and costs of the rest of the Research Department); the Vice-Provost and Associate Vice-President, Academic; Vice-Provost Teaching and Learning; and the Vice-Provost Enrolment Management and International.

Note: Operating costs include \$138,000 of purchased services (\$148,000 in 2017-18).

Information Technology Services

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	444	458	556
Personnel costs	(6,107) 74.3%	(5,953) 72.8%	(5,627) 73.5%
Operating costs	(2,109) 25.7%	(2,224) 27.2%	(2,030) 26.5%
Total costs	(8,216) 100%	(8,177) 100%	(7,657) 100%
Net	(7,772)	(7,719)	(7,101)
OG FTE – staff ⁽¹⁾	61.2	61.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

ITS (Information Technology Services) works closely with students, faculty and staff to support the academic and administrative work in our community. Its mission is to provide top-quality service and technology solutions to enable you to study, research and work more effectively and efficiently. ITS is comprised of four teams – Enterprise Systems Support, Client Services, Infrastructure and the Project and Administrative Support Office (PASO). The Enterprise Systems

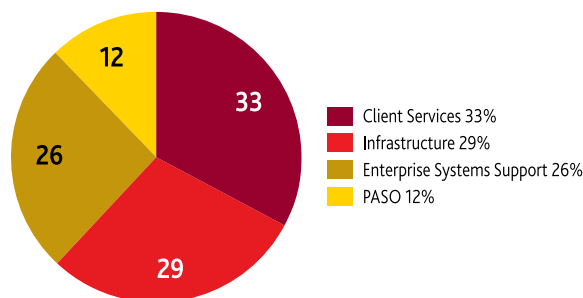


Support team provides support for Workday, Student and Administrative Systems, Data Decision Support, as well as software development. Client Services provides support to the Brock community through a centralized Help Desk, desktop support, cyber security awareness, classroom technology, audio-visual support, and video/teleconferencing. Infrastructure support manages a centralized data centre, virtual servers, network access across campus, infrastructure security and the telephone system. PASO supports the ITS department for all administrative day-to-day operations and projects, including planning, procurement, maintenance schedules and budgeting. For more information on ITS, visit brocku.ca/information-technology

Note: Revenue includes \$366,000 of internal chargeback revenue (\$364,000 in 2017-18). Operating costs include \$525,000 of purchased services (\$416,000 in 2017-18) and \$1,334,000 of repairs and maintenance and capital replacement costs (\$1,512,000 in 2017-18).

In addition to the budget reported in the ITS responsibility centre, \$5,138,000 in Information Technology Services projects are budgeted in the Capital responsibility centre. Details on these expenditures can be found on page 77.

2018-19 total costs by cost centre (%)



Financial Services

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	493	437	463
Personnel costs	(2,996) 81.9%	(3,014) 81.3%	(3,134) 81.7%
Operating costs	(661) 18.1%	(691) 18.7%	(701) 18.3%
Total costs	(3,657) 100%	(3,705) 100%	(3,835) 100%
Net	(3,164)	(3,268)	(3,372)
OG FTE – staff ⁽¹⁾	37.0	37.0	

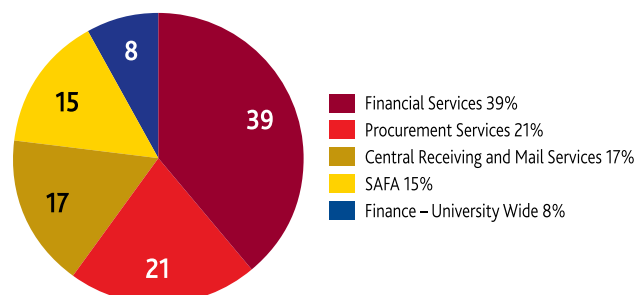
(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Financial Services is responsible for the efficient control of all financial activities of the University, including budgeting, accounting, financial reporting and treasury functions, as well as shared responsibility for various operating units. Procurement services, the Student Accounts and Financial Aid (SAFA) office, and Central Receiving and Mail Services are also part of Financial Services. For more information on Financial Services, visit brocku.ca/finance

Note: Revenue includes \$200,000 of internal chargeback revenue related to Central Receiving and Mail Services (\$234,000 in 2017-18). Operating costs include \$190,000 of purchased services (\$188,000 in 2017-18) and \$101,000 of financial expenditures (\$78,000 in 2017-18).

Note: The majority of scholarships and student awards are shown as part of the Scholarships, Bursaries and Student Awards responsibility centre, including the offsetting grant revenue related to grant-funding scholarships and student awards.

2018-19 total costs by cost centre (%)



Human Resources

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	263	257	223
Personnel costs	(3,278) 83.1%	(3,413) 81.4%	(3,035) 81.0%
Operating costs	(667) 16.9%	(782) 18.6%	(711) 19.0%
Total costs	(3,945) 100%	(4,195) 100%	(3,746) 100%
Net	(3,682)	(3,938)	(3,523)
OG FTE – staff ⁽¹⁾	34.3	35.8	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Human Resources provides leadership and supports University operations through the promotion of personal, professional and organizational development, building strategic partnerships and fostering a respectful, healthy and safe environment for Brock employees and students. Key portfolios include Organizational Development and Talent Acquisition; Total Rewards (including the Brock Pension Plan); Faculty and Staff Relations; Health, Safety and Wellness and Systems and Special Projects. For information on Human Resources, visit brocku.ca/hr

Note: Operating costs include \$407,000 of purchased services (\$482,000 in 2017-18).



University Marketing and Communications

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	1,552	1,789	1,975
Personnel costs	(1,596) 43.3%	(1,568) 41.8%	(1,479) 38.0%
Operating costs	(2,088) 56.7%	(2,183) 58.2%	(2,417) 62.0%
Total costs	(3,684) 100%	(3,751) 100%	(3,896) 100%
Net	(2,132)	(1,962)	(1,921)
OG FTE – staff ⁽¹⁾	20.0	18.5	

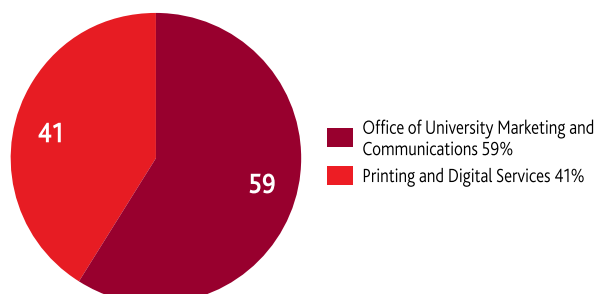
(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The University Marketing and Communications unit, represents the Office of University Marketing and Communications (UMC) as well as Printing and Digital Services. UMC provides the strategic direction for Brock University's brand, marketing, and communications efforts. As stewards of Brock's brand and reputation, UMC tells the Brock story to the University's many and varied audiences, including students, prospective students, staff and faculty, the community, industry and the government. UMC's key responsibilities include brand management, integrated marketing and communications, media relations and public affairs, social media, web and digital content development, and community engagement. Learn more about UMC at brocku.ca/marketing-communications

Printing and Digital Services is the official on-campus provider for printing, stationery and the management of the fleet of multifunction copiers across campus. The department provides a full in-house manufacturing facility to produce a wide range of print materials for academic, administrative and student print requirements. For information, visit brocku.ca/printing

Note: Revenue includes \$1,205,000 of Printing Services internal chargeback revenue (\$1,563,000 in 2017-18). Operating costs include \$296,000 of purchased services (\$360,000 in 2017-18).

2018-19 total costs by cost centre (%)



Development and Alumni Relations

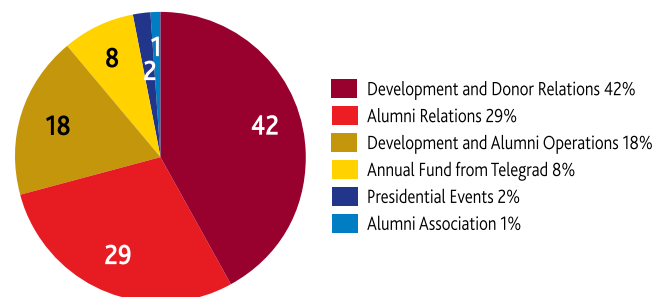
(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	740	655	676
Personnel costs	(1,790) 75.8%	(1,705) 73.4%	(1,656) 71.7%
Operating costs	(573) 24.2%	(619) 26.6%	(653) 28.3%
Total costs	(2,363) 100%	(2,324) 100%	(2,309) 100%
Net	(1,623)	(1,669)	(1,633)
OG FTE – staff ⁽¹⁾	18.5	18.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

The Department of Development and Alumni Relations is responsible for Brock's philanthropic activity, alumni engagement and maintaining records to stay in touch with Brock's more than 100,000 alumni. The department works with donors who provide philanthropic support for University priorities, including capital projects, teaching and learning, technology and student support, and with the volunteer Brock University Alumni Association Board of Directors. For more information, visit brocku.ca/bold-new-brock and brocku.ca/alumni

Note: Operating costs include \$122,000 of repairs and maintenance and capital replacement costs (\$122,000 in 2017-18).

2018-19 total costs by cost centre (%)



Shared Services Support

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Personnel costs	(2,104) 89.3%	(1,972) 90.1%	(1,461) 81.9%
Operating costs	(251) 10.7%	(216) 9.9%	(322) 18.1%
Total costs	(2,355) 100%	(2,188) 100%	(1,783) 100%
Net	(2,355)	(2,188)	(1,783)
OG FTE – staff ⁽¹⁾	20.5	20.5	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Shared Services Support, as defined in the 2018-19 budget, represents the Office of Government Relations, the Office of the University Secretariat, the Internal Audit Department, Human Rights and Equity Services, and Institutional Analysis and Planning.

The University Secretariat works to ensure that the University's two governing bodies (Board of Trustees and Senate) and their committees operate effectively and efficiently by providing administrative services, research and analysis, and general support. The Office of the University Secretariat also has primary responsibility for the administration of the Freedom of Information and Protection of Privacy Act (FIPPA), and overseeing and managing the legal services provided to the University by the University's legal counsel. The Secretariat also manages the University's policy framework and processes as well as the University's record management program. For more information on the University Secretariat, visit brocku.ca/university-secretariat

The Office of Government Relations builds relationships at all levels of government to advance Brock University's strategic priorities and to raise awareness about the University's unique areas of strength. The office is responsible for supporting Brock's strategic priorities with all levels of government by:

- Monitoring and providing advice on public policy and programs
- Building relationships with elected representatives and non-elected officials
- Supporting Brock's government advocacy
- Acting as a liaison and central point of contact
- Co-ordinating strategic communications and engagement
- Facilitating government visits to Brock's campus
- Engaging with sector associations including Universities Canada and the Council of Ontario Universities (COU)

For more information on the Office of Government Relations, visit brocku.ca/government-relations

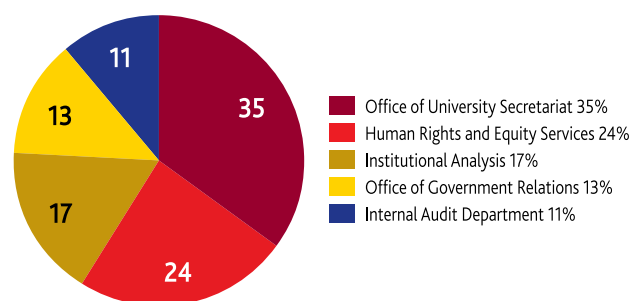
Institutional Analysis and Planning gathers, processes, interprets and translates campus data into useful information for University decision-makers, the government and the general public, focusing on enrolment, retention and graduation statistics, institutional characteristics, survey analysis and support, and ad hoc requests. For information on Institutional Analysis and Planning, visit brocku.ca/institutional-analysis

The Internal Audit Department independently assesses the strength of the University's risk and control processes. The department performs consulting engagements, value-for-money reviews and traditional risk-and-control-based audits. For information on the Internal Audit Department, visit brocku.ca/internal-audit

Human Rights and Equity is a resource for all members of the Brock community that provides information, education and complaint resolution related to harassment, discrimination and bullying. For more information on Human Rights and Equity, visit brocku.ca/human-rights

Note: Operating costs include \$163,000 of purchased services (\$93,000 in 2017-18).

2018-19 total costs by cost centre (%)



Ancillary

Ancillary Operations

During 2017, Brock University updated the way it organizes and delivers many of its business-oriented and service-based departments. Moving from Ancillary Operations and University Services, the newly created Ancillary Services merged all business operations under one umbrella. Units included in Ancillary Services are Brock Card and Welcome Desks, Campus Store, Conference and Event Services, Dining Services, Parking Services and Residences. In addition, Brock Sports and Recreation, and Campus Development Services and Community Agreements, described on pages 61 and 69 of this report, are also managed as part of the new Ancillary Services.

Following the realignment, Ancillary Services underwent a strategic planning exercise identifying its core pillars of customer, value, simplicity and people. As part of this exercise, the Ancillary Services mission – to support learning through engaged experiences – and vision – to provide experiences that exceed expectations – were established. For more information on Ancillary Services' full strategic plan, including details on strategic initiatives from 2018 to 2023, visit brocku.ca/about/senior-administration/bryan-boles/

Ancillary Services is one of the largest student employers on campus, with more than 650 students hired annually, providing service to students, faculty/staff and community members. When including sales processed through our dining provider, total sales of ancillary services are greater than \$50 million.

Note: For the purposes of this report, net expenses and FTEs of the Office of the Associate Vice-President, Ancillary (Ancillary Services shared service unit) has been allocated to the departments within Ancillary Operations, Brock Sports, and Recreation and Campus Development Services and Community Agreements.

Brock Card and Welcome Desks

The Brock Card is the official identification (ID) card for students, faculty and staff at the University. The Brock Card functions primarily as Brock ID and as a payment card on campus and with community partners. In addition, the Brock Card serves as a campus recreation centre membership card, a transit card (when affixed with a current bus pass sticker) and it is used to control access to specific areas/buildings on campus. For more information, visit brocku.ca/card



The Welcome Desks have three locations – Walker Sports Complex, Thistle/Sean O'Sullivan Theatre and, once complete, the new front atrium. These desks provide general information as well as individualized services, including Brock Card processing, Game Day tickets and student/community recreational program registrations.

Note: Operating costs include \$164,000 of purchased services (\$67,000 in 2017-18).

Campus Store

The Campus Store manages the retail environment on campus as the sole retailer at Brock University. It includes everything from textbooks and tools required for success in the classroom, to your favourite Brock or Badger sweatshirt. The Campus Store is committed to leveraging the purchasing power of Brock to ensure it is providing affordable options that meet the needs of its customers. For more information, visit campusstore.brocku.ca

Note: Operating costs include \$6,443,000 of cost of sales (\$6,727,000 in 2017-18), and \$107,000 of purchased services (\$41,000 in 2017-18).

Conference and Event Services

With an experienced team of conference and event co-ordinators, and facilities for every occasion, Brock Conference and Event Services delivers exceptional experiences one event at a time. Focused on the customer, conference co-ordinators simplify the event management process and ensure that events exceed expectations. Off campus, the team supports and participates in events in the community. Conference and Event Services has planned for 7,900 participants to attend conferences in 2018-19. For more information, visit brocku.ca/conference-services

Note: Operating costs include \$442,000 of purchased services (\$499,000 in 2017-18).

Dining Services

Valuing healthy, quality and convenient food options to fuel the mind, as well as special dietary needs, Dining Services operates eight locations, as well as catering and vending. Dining Services also manages all food and beverage contracts with external vendors such as Sodexo, Brock's dining provider. Dining Services is committed to providing seamless and comprehensive services and choices while supporting a healthy and sustainable University environment. Dining Services has budgeted for 2,243 meal plans to be sold in 2018-19 (1,208 traditional meal plans, 1,035 townhouse meal plans). For more information, visit brocku.ca/dining-services.

Note: Operating costs include \$261,000 of repairs and maintenance and capital replacement costs (\$337,000 in 2017-18).

Parking Services

As the first touchpoint for many campus guests, Parking Services manages the issuance of permits, parking payment systems, maintenance, special event parking, parking lot enforcement and enforcement appeals on campus. Committed to excellent customer service, Parking Services works with partners across campus and local transit providers to ensure a positive experience for all customers travelling to campus. The 2018-19 budget reflects free parking for weeknights, weekends and all of spring and summer for Zone 1 and Zone 2 lots as part of an initiative to make the campus more accessible to the Brock University community and visitors. Parking Services has budgeted for 6,147 parking permits to be sold 2018-19. For more information, visit brocku.ca/parking-services

Note: Included in internal chargeback expenses is a \$420,000 contribution to the capital and related projects budget (\$410,000 in 2017-18).

(\$000s)	Campus Store	Parking Services	Conference and Event Services	Brock Card and Welcome Desk	Dining Services	Total Ancillary Operations
2018-19 Budget⁽¹⁾						
Revenue	8,559	4,091	1,345	367	1,403	15,765
Personnel costs	(1,079)	(534)	(382)	(266)	(483)	(2,744)
Operating costs*	(6,798)	(870)	(640)	(270)	(445)	(9,023)
Total costs	(7,877)	(1,404)	(1,022)	(536)	(928)	(11,767)
Net	682	2,687	323	(169)	475	3,998
2017-18 Budget						
Revenue	9,659	3,994	2,133	399	1,355	17,540
Personnel costs	(1,127)	(474)	(406)	(345)	(123)	(2,475)
Operating costs*	(7,232)	(956)	(632)	(194)	(434)	(9,448)
Total costs	(8,359)	(1,430)	(1,038)	(539)	(557)	(11,923)
Net	1,300	2,564	1,095	(140)	798	5,617
2016-17 Actual						
Revenue	8,760	3,723	1,922	327	1,037	15,769
Personnel costs	(1,185)	(509)	(406)	(243)	(132)	(2,475)
Operating costs*	(7,312)	(904)	(683)	(120)	(384)	(9,403)
Total costs	(8,497)	(1,413)	(1,089)	(363)	(516)	(11,878)
Net	263	2,310	833	(36)	521	3,891
OG FTE – staff^{(1), (2)}						
2018-19 Budget	11.8	3.9	4.3	2.1	4.6	26.7
2017-18 Budget	14.8	4.3	4.3	2.5	1.7	27.6

(1) 2018-19 Figures include an overhead allocation from the Ancillary Services shared services unit.

(2) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

* Included in operating costs is cost of sales (COS.) Operating costs do not include allocated costs such as lighting, security, etc.

Residences

(\$000s)	2018-19 Budget ⁽²⁾	2017-18 Budget	2016-17 Actual
Revenue	18,696	17,560	16,439
Personnel costs	(3,746) 22.0%	(2,880) 17.5%	(2,064) 13.6%
Operating costs	(13,303) 78.0%	(13,549) 82.5%	(13,124) 86.4%
Total costs	(17,049) 100%	(16,429) 100%	(15,188) 100%
Net	1,647	1,131	1,251
OG FTE – staff ⁽¹⁾	39.6	31.6	

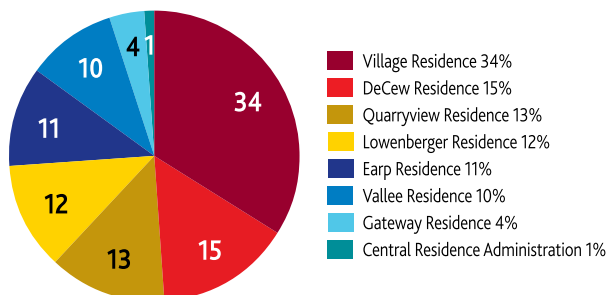
(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

(2) 2018-19 Figures include an overhead allocation from the Ancillary Services shared services unit.

As students' home away from home, the Residences team supports the University experience by providing safe living and positive learning experiences in seven complexes on campus for 2,475 students. There are three semi-suite style residences, two townhouses complexes, one traditional style residence and one apartment style building. Two of the seven residences are part of Brock Suites, which are geared towards upper-year and graduate students. The Brock Residences team delivers student-centred services in a supportive living environment that embraces diversity, fosters mutual respect and promotes accountability and good citizenship. For more information, visit brocku.ca/residence

Note: Revenue includes \$18,155,000 of residence fees (\$17,068,000 in 2017-18). Operating costs include \$1,916,000 of purchased services (\$1,907,000 in 2017-18), \$482,000 of utility costs (\$567,000 in 2017-18), \$4,433,000 of financial expenditures (\$4,433,000 in 2017-18) and \$1,032,000 of repairs and maintenance and capital replacement costs (\$1,530,000 in 2017-18). Residence's internal chargeback expense includes a contribution to the capital and related projects budget of \$2,865,000 (\$2,795,000 in 2017-18).

2018-19 total revenue by cost centre (%)



Facilities Management

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	731	659	774
Personnel costs	(12,543) 77.3%	(12,292) 78.3%	(12,138) 75.7%
Operating costs	(3,686) 22.7%	(3,405) 21.7%	(3,889) 24.3%
Total costs	(16,229) 100%	(15,697) 100%	(16,027) 100%
Net	(15,498)	(15,038)	(15,253)
OG FTE – staff ⁽¹⁾	147.5	147.0	

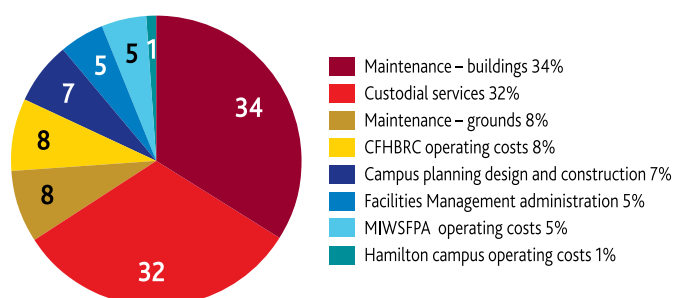
(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers.

Facilities Management's mandate is to provide a safe, clean, accessible and well-maintained physical environment for the University community by planning and delivering services that are sustainable and supportive of academic excellence, including: management of campus utilities and the co-generation plant; facility maintenance; grounds maintenance; capital planning, design and construction; project management; code and bylaw compliance; and cleaning and non-hazardous waste management. For more information, visit brocku.ca/facilities-management

Note: Revenue includes \$585,000 of internal chargeback revenue (\$569,000 in 2017-18). Operating costs include \$2,191,000 of repairs and maintenance and capital replacement costs (\$1,942,000 in 2017-18) and \$1,395,000 of purchased services (\$1,344,000 in 2017-18). Utilities costs are not included in the Facilities Management budget and are reported as part of the Utilities, Taxes and Insurance responsibility centre on page 70.

In addition to the budget above, \$10,870,000 (\$8,719,000 in 2017-18) in Facilities Management projects are budgeted in the Capital responsibility centre. Details on these expenditures can be found on page 78.

2018-19 total costs by cost centre (%)



Campus Security Services

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	122	59	70
Personnel costs	(1,477) 55.8%	(1,468) 57.1%	(1,376) 55.9%
Operating costs	(1,169) 44.2%	(1,104) 42.9%	(1,086) 44.1%
Total costs	(2,646) 100%	(2,572) 100%	(2,462) 100%
Net	(2,524)	(2,513)	(2,392)
OG FTE – staff ⁽¹⁾	18.0	18.0	

(1) Ongoing (OG) FTE staff represents budgeted OG staff (both filled and unfilled positions) – excludes temporary contract workers

Campus Security Services is a dedicated team of experienced, skilled professionals who provide a safe and secure environment for the Brock community and all University campuses and properties. They are a special constable service responsible for community policing, enforcing federal and provincial statutes, assisting and supporting any victims of crime, and apprehending offenders. They work closely with all University departments and are responsible for emergency preparedness and life safety in partnership with external emergency agencies and responders. For more information on Campus Security, visit brocku.ca/campus-security

Note: Revenue includes \$109,000 of internal chargeback revenue (\$2,000 in 2017-18). Operating costs include \$1,061,000 of purchased services (\$950,000 in 2017-18).

Campus Development Services and Community Agreements

(\$000s)	2018-19 Budget ⁽¹⁾	2017-18 Budget	2016-17 Actual
Revenue	341	345	298
Personnel costs	(8) 0.7%	0.0%	0.0%
Operating costs	(1,150) 99.3%	(962) 100.0%	(944) 100.0%
Total costs	(1,158) 100%	(962) 100%	(944) 100%
Net	(817)	(617)	(646)

(1) 2018-19 Figures include an overhead allocation from the Ancillary Services shared services unit.

Campus Development Services includes Heritage Plaza, which houses McDonald's, Tim Hortons, the Campus Pharmacy and Medical Clinic and Spiice Chinese Express and Tea Lounge. Community Agreements include payments for an on-campus art collection, community events, the payment to the FirstOntario Performing Arts Centre and a \$150,000 payment to BUSU for transit funding (shown in Parking Services in 2017-18).

Utilities, Taxes and Insurance

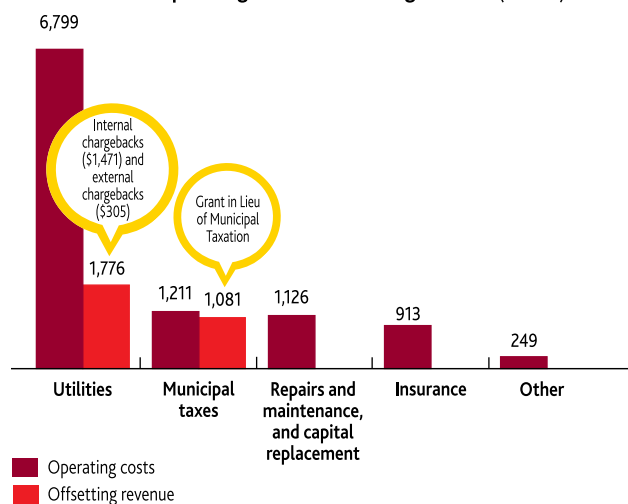
(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,857	2,833	2,805
Operating costs	(10,298) 100%	(10,332) 100%	(9,327) 100%
Total costs	(10,298) 100%	(10,332) 100%	(9,327) 100%
Net	(7,441)	(7,499)	(6,522)

The Utilities, Taxes and Insurance responsibility centre includes all centrally billed utility costs of \$6,799,000 (\$7,013,000 in 2017-18), which represents the majority of the University's total utility costs of \$7,341,000 (\$7,637,000 in 2017-18). Note: The remaining \$542,000 (\$624,000 in 2017-18) of utility costs is billed directly to operating units. As detailed in the chart below, offsetting these utility costs are chargebacks to both internal units, mainly the Department of Residence and external units to the University.

Also included in operating costs are municipal taxes (payment in lieu of property taxes) of \$1,211,000 (\$1,216,000 in 2017-18), offset by the Grant in Lieu of Municipal Taxes of \$1,081,000 (\$1,081,000 in 2017-18). For more details, see page 34.

The remaining operating costs are made up of repairs and maintenance and capital replacement costs of \$1,126,000 (\$1,122,000 in 2017-18), the majority of which is related to the University's central utilities building; insurance costs of \$913,000 (\$781,000 in 2017-18), and other operating costs of \$249,000 (\$199,000 in 2017-18).

2018-19 operating costs vs. offsetting revenue (\$000s)



Financing

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	316	301	
Operating costs	(6,744) 100%	(6,490) 100%	(7,147) 100%
Total costs	(6,744) 100%	(6,490) 100%	(7,147) 100%
Net	(6,428)	(6,189)	(7,147)

Along with the Department of Residence, the Financing responsibility centre includes all of the interest and principal payments of the University's external debt, as well as the investment towards the debt reduction strategy. See details below:

(\$000s)	2018-19 Budget		2017-18 Budget	
	Financing unit	Department of Residence	Financing unit	Department of Residence
Bond – interest	2,137	2,483	2,137	2,483
Cairns – interest	1,114		1,150	
Cairns – principal	790		754	
Residence – interest		1,002		1,067
Residence – principal		948		883
MIWSFPA building – interest	364		381	
MIWSFPA building – principal	720		720	
Debt reduction strategy	1,303		1,022	
Total	6,428	4,433	6,164	4,433

The 2018-19 revenue of \$316,000 (\$301,000 in 2017-18) represents investment income on the Mawer balanced fund investments, which is transferred to an internally restricted reserve as part of inter-fund expenses to support the repayment of the 2045 \$93-million debenture (i.e. sinking fund) and the employee future benefits reserve. In 2017-18, \$25,000 of sinking fund administration fees were included in this responsibility centre, which is shown in the Financial Services responsibility centre in 2018-19.

See page 81 for further discussion of Brock's financing strategies and debt outstanding.

Scholarships, Bursaries and Student Awards

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	2,842	1,007	1,031
Operating costs	(20,940) 100%	(18,348) 100%	(16,356) 100%
Total costs	(20,940) 100%	(18,348) 100%	(16,356) 100%
Net	(18,098)	(17,341)	(15,325)

This unit represents the majority of Brock's undergraduate and graduate scholarships, bursaries and student awards (SBSAs). Of the total SBSAs reported in this unit, \$12,998,000 (\$11,167,000 in 2017-18) relates to support for undergraduate students and \$7,942,000 (\$7,152,000 in 2017-18) relates to support for graduate students.

Undergraduate

The undergraduate SBSAs can be segregated into four main types: University-funded, those funded by government grants, student tuition waivers and those funded by endowments.

Total budgeted undergraduate University-funded SBSAs of \$9,818,000 (\$9,478,000 in 2017-18) are either merit-based or need-based.

- Merit-based awards are budgeted to be \$7,706,000 (\$7,254,000 in 2017-18). Merit-based awards include Brock Entrance Scholars Awards of \$3,200,000 (\$3,038,000 in 2017-18) and renewals of those scholarships of \$2,655,000 (\$2,570,000 in 2017-18), as well as a number of other awards, including course-based scholarships, the International Education Fund, the Principal's Awards, etc.
- Need-based awards are budgeted to be \$2,112,000 (\$2,224,000 in 2017-18). This includes funding related to the requirements of the Student Access Guarantee (SAG), a MAESD initiative that states that no qualified Ontario student should be prevented from attending post-secondary education because of a lack of financial support programs. The MAESD requires all colleges and universities that receive public funding to provide enough financial aid to cover a student's assessed needs for expenses directly related to his or her program that are not fully met by OSAP. Also included in need-based awards is Brock's bursary assistance of \$553,000 (\$760,000 in 2017-18), as well as Brock's entrance bursaries of \$500,000 (\$500,000 in 2017-18) and a number of other specialty awards including the Student International Mobility Awards, Emergency Bursaries, etc.

Undergraduate student tuition waivers for Brock faculty and staff and their dependents are budgeted to be \$1,490,000 (\$1,490,000 in 2017-18).

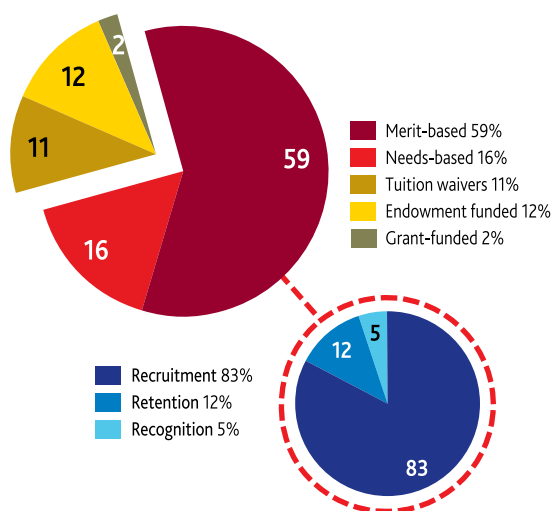
Total grant-funded undergraduate SBSAs for 2018-19 are budgeted to be \$199,000 (\$199,000 in 2017-18), which is directly offset in grant revenue.

Starting in 2018-19, the funding budget now includes the endowment allocated spend related to scholarships and student awards. The undergraduate portion for 2018-19 is \$1,491,000. This support is shown in the budget as an inter-fund expense, with an offsetting inter-fund revenue of the same amount.

Also included in revenue is \$8,000 (\$3,000 in 2017-18) of interdepartmental transfers to fund certain scholarships budgeted in this responsibility centre.

The following chart details the proportion of the total undergraduate SBSAs (in this unit) by type – merit-based, needs-based, tuition waivers, endowment funded and grant funded. Another way to analyze the University-funded undergraduate SBSAs is by primary purpose – recruitment, retention and recognition – which is also detailed in the following chart.

2018-19 undergraduate scholarships and student awards (%)





Graduate

The majority of graduate SBSAs are in the form of University-funded fellowships of \$5,665,000 (\$4,756,000 in 2017-18). Other graduate SBSAs of \$589,000 (\$1,059,000 in 2017-18) include University-funded entrance scholarships and awards for excellence and research awards. In the 2017-18 budget, there was \$30,000 for graduate student travel support, this was moved to the Graduate Studies budget in 2018-19. In addition, there are scholarships funded two-thirds by the MAESD, in the amount of \$1,190,000 (\$1,190,000 in 2017-18), with an offsetting grant revenue of \$793,000 (\$793,000 in 2017-18).

Also included in graduate SBSAs are student tuition waivers for Brock faculty and their dependents and Brock staff, which are budgeted to be \$147,000 (\$147,000 in 2017-18).

As previously mentioned, starting in 2018-19, the funding budget now includes the endowment allocated spend related to scholarships and student awards. The graduate portion for 2018-19 is \$351,000. This support is shown in the budget as an inter-fund expense, with an offsetting inter-fund revenue of the same amount.

Also included in revenue in 2017-18 was \$12,000 of interdepartmental transfers to fund certain scholarships budgeted in this responsibility centre. The budget for 2018-19 is nil.

Note: Additional scholarships and awards of \$0.60 million are included in other units throughout the University.

It should also be noted that there has been a one-time funding commitment of \$485,000 from the anticipated 2017-18 surplus for support for international PhD students and Graduate Studies' matching fellowships. This funding will have to be built into the 2019-20 budget.

Capital

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	5,046	4,503	5,502
Operating costs	(16,008) 100%	(12,127) 100%	(14,581) 100%
Total costs	(16,008) 100%	(12,127) 100%	(14,581) 100%
Net	(10,962)	(7,624)	(9,079)

The Capital responsibility centre represents the total funding of both the Facilities Management projects of \$10,870,000 (\$8,719,000 in 2017-18) and the Information Technology Services projects of \$5,138,000 (\$3,408,000 in 2017-18) in the capital and related project budget. Offsetting these costs is the contribution of the Department of Residences to the capital and related project budget of \$2,865,000 (\$2,795,000 in 2017-18) – to fund the facilities management and information technology services projects, and the \$420,000 (\$410,000 in 2017-18) transfer from Parking Services – to fund facilities management projects. Also included in revenue is Facilities Renewal Program Funds of \$1,761,000 (\$1,298,000 in 2017-18). See page 34 for a discussion of these funds. See pages 75 to 79 for details of the capital and related project budget.



University Global

(\$000s)	2018-19 Budget	2017-18 Budget	2016-17 Actual
Revenue	245,355	234,783	228,641
Personnel costs	(758) 17.6%	35 -1.4%	1,191 -16.0%
Operating costs	(3,546) 82.4%	(2,602) 101.4%	(8,656) 116.0%
Total costs	(4,304) 100%	(2,567) 100%	(7,465) 100%
Net	241,051	232,216	221,176

University Global represents those costs and revenue that are University-wide and have not been allocated to any specific Faculty or department.

Revenue for University Global includes the following:

- Global tuition of \$150,439,000 (\$141,667,000 in 2017-18) as detailed in Figure 19 on page 27.
- Grant revenue of \$89,244,000 (\$88,882,000 in 2017-18) as follows:
 - Core operating grant of \$82,000,000 (\$82,000,000 in 2017-18) – see page 32.
 - Differentiation grant envelope of \$5,067,000 (\$4,633,000 in 2017-18) – see page 32.
 - Nursing grant of \$2,787,000 (\$2,813,000 in 2017-18) – see page 33.
 - Graduate Enrolment Capital Expansion grant of \$750,000 (\$750,000 in 2017-18) – see page 34.
 - An offset to grant revenue of \$1,400,000 (\$1,465,000 in 2017-18) due to International Student Recovery Fee – see page 33.
- International Student Recovery Fee of \$1,100,000 (\$1,030,000 in 2017-18), which offsets the reduction mentioned above in grant revenue – see page 33.
- Investment income of \$1,200,000 (\$900,000 in 2017-18) – see page 36.
- Inter-fund revenue of \$856,000 (\$699,000 in 2017-18) – see page 36.
- Internal chargebacks of \$380,000 (\$335,000 in 2017-18) from the Faculties relating to the International Student Recovery Fee for international student programs.
- Other revenue of \$2,135,000 (\$1,271,000 in 2017-18), which mainly represents interest charged on student accounts.

Personnel costs for University Global include \$1,210,000 (\$5,098,000 in 2017-18) related to salary and wage increases that are anticipated but not yet awarded or negotiated. Note: The salary and wage increases that were anticipated but not yet awarded or negotiated included in the Global responsibility unit in the 2017-18 Budget Report have since been allocated to the respective units and are therefore reported as such in this Budget Report. See Appendix C for further details. Offsetting these costs are budgeted savings from voluntary reduction of \$304,000 (\$300,000 in 2017-18).

Operating costs for University Global include the following:

- Recruitment, relocation and start-up funds for faculty members and librarians of \$856,000 (\$699,000 in 2017-18), which is funded by a transfer from the Provost Strategic Initiative Fund (included in inter-fund revenue).
- Other operating costs of \$1,489,000 (\$1,000,000 in 2017-18), which include University memberships, allowances for uncollectable funds and other University-wide expense items.

University Global also includes an adjustment between personnel costs and operating costs (inter-fund expenses) of \$900,000 (\$900,000 in 2017-18) related to the employee future benefits reserve transfer, which is reported in each unit as a benefit expense; however, overall, is recorded as an inter-fund expense.





Capital and related projects budget

Background

The capital and related project budget was approved on Nov. 30, 2017 by the Board of Trustees after input-gathering from the Brock community. The process to develop this capital and related project budget began in the summer of 2017, when Facilities Management and Information Technology Services first published proposed projects and sought input. Further discussions were held at committee levels, including the Senate Information Technology and Infrastructure Committee and the Senate Planning, Priorities Budget Advisory Committee.

Approving the capital and related projects budget in late November or December allows Facilities Management and Information Technology Services time to start planning the projects so, where possible, they can be accomplished in the spring and summer when the campus is less busy, as well as to ensure there is sufficient time to obtain appropriate pricing.

Information and updates on the 2017-18 capital and related projects can be found in the 2017-18 trimester reporting at brocku.ca/about/university-financials. A key feature of this capital and related project planning is that any unspent funds of the 2017-18 capital and related projects budget will be reserved at April 30, 2018, and be moved into fiscal 2018-19 so the projects can be completed.

2018-19 capital and related projects overview

The 2018-19 capital and related projects budget (capital plan) approved by the Board of Trustees was \$15,508,000 (Information Technology Services Projects – \$5,138,000; Facilities Management Projects – \$10,370,000). Since its approval, there have been a number of additions to the plan.

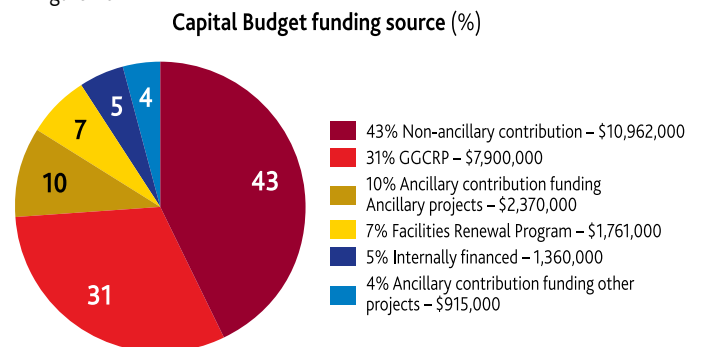
Additional funding to the capital plan of \$500,000 for classroom modernization has been built into the operating budget. Furthermore, on March 27, 2018, it was announced that Brock will receive \$7.9 million from the Ministry of Advanced Education and Skills Development (MAESD) Greenhouse Gas Campus Retrofits Program (GGCRP) to fully fund the District Energy Efficiency Project (DEEP) Phase 2. This project has also been added to the plan. Finally, at the end of March, a Brock University Students' Union (BUSU) referendum was passed in favour of funding a \$6.8 million expansion to the Zone fitness centre, which includes all construction costs, information technology

equipment and initial fitness equipment requirements.

This project will initially be internally financed, and the University will be reimbursed by BUSU through student fees charged to students once the project is complete. Spending on the project of \$1.36 million is expected in 2018-19 and has been added to the capital plan.

The total capital plan, including the additions as described, are shown in Figures 42 and 43 is \$25,268,000. As shown in Figure 40, the funding is made up as follows: \$16,008,000 is funded by the 2018-19 operating budget – both ancillary and non-ancillary contributions (this includes an additional \$500,000 for classroom modernization), \$7.9 million is funded from the GGCRP for the DEEP Phase 2 and \$1.36 million is internally financed for the Zone expansion. Ancillary units contribute \$3.3 million to the budget, with spending on ancillary projects at \$2.4 million for 2018-19.

Figure 40



We have made significant progress in recent years in providing funding to support our infrastructure going forward. The 2018-19 capital and related projects budget identifies key areas of investment, including the Rankin Family Pavilion (\$4.9 million), Brock DEEP project Phase 1 (\$1.3 million), Brock DEEP project Phase 2 (\$7.9 million), residence projects (\$2.1 million), classroom modernization and renewal (\$0.5 million), and human resource system replacement (\$3.5 million). In addition, the capital plan includes \$4.6 million in deferred maintenance spending.

The primary driver informing much of the Facilities Management campus planning regarding deferred maintenance has been the condition assessment performed by VFA Inc. VFA, through the Council of Ontario Universities (COU), maintains a common reporting tool to track facilities conditions across Ontario universities for deferred maintenance reporting.

The condition assessment report (May 2017) by VFA Inc. determined the University has \$167 million in deferred maintenance requirements (including residences) that have accumulated over a number of years of under-investing. Although this level of maintenance is not obviously apparent when walking the halls of the University, the reality is that much of the deferred maintenance is related to roofs, HVAC, electrical, plumbing and accessibility. An important observation is that this deferred maintenance figure does not include information technology. The specific classifications of areas of deferred maintenance are included in Figure 41.

Figure 41: COU VFA Data (as at May 2017)

	Deferred maintenance (\$000s)	Current replacement value (\$000s)	FCI
Academic and administrative			
Main campus	103,674	565,767	0.18
East campus	2,422	35,457	0.07
Satellite campuses	8,482	62,296	0.14
Total academic and administrative	114,578	663,520	0.17
Site and utility infrastructure			
Roadways	1,091	5,188	0.21
Parking lots	1,334	8,533	0.16
Water supply mains	2,213	5,654	0.39
Storm sewer	2,758	8,353	0.33
Electrical distribution	5,711	19,968	0.29
Service tunnels	1,035	60,910	0.02
Other	8,849	20,558	0.43
Total site and utility infrastructure	22,991	129,164	0.18
Residence			
Total residence	29,234	132,324	0.22
Total	166,803	925,008	0.18

Source: VFA Facility Asset Condition Database.

The Facility Condition Index (FCI) metric provides a methodology to determine the relative condition of a single building, group of buildings or total facilities and is calculated by dividing the deferred maintenance backlog by the current replacement value. The lower the FCI, the better the condition. Brock's backlog of deferred maintenance items, as described above, results in the FCI for Brock of 0.18, which translates to "Poor" (an FCI > 0.15).

Looking back over the past couple of years, the turning point of the capital program really occurred when the Board of Trustees endorsed a motion to invest \$6 million in deferred maintenance in the 2014-15 budget. The intent of the \$6-million contribution was to at least maintain deferred maintenance and FCI at its current level. Looking forward, the funding model, as detailed in the 2018-19 Fiscal Framework Update, forecasts a deferred maintenance funding envelope greater than \$6 million in future years, up to \$8.6 million in 2021-22, in order to take into account future maintenance needs as well.

Recognizing some of the challenges in the current budget environment, Facilities Management continues to take a deeper dive into the deferred maintenance numbers. While the methods used and values obtained in the VFA report are appropriate, they are done at a fairly high level. At the time of writing this report, multi-year deferred maintenance reviews at a detailed level are being performed with external engineers. These reviews will help ensure projects chosen now and in the future will have the desired impact on the deferred maintenance backlog, help prioritize projects, and in some cases cause us to rethink the future uses of some infrastructure. This information will be useful and informative when developing future capital and related budgets.

In addition to the 2018-19 capital and related projects budget, other units maintain capital replacement and significant repairs and maintenance budgets. The Facilities Management budget (page 69) has \$2,191,000 in capital replacement and repairs and maintenance costs and the Utilities, Taxes and Insurance budget (page 70) has \$1,126,000 included as part of its operating costs. These budgets support building, mechanical, electrical and grounds maintenance, projects ranging from elevator maintenance to door repairs to annual repair and maintenance on the co-gen plant. The Information Technologies Services budget (page 62) also maintains a capital replacement and repairs and maintenance budget of \$1,334,000.

The proposed expansion would increase the Zone to 15,600 square feet, and include two storeys of workout space along with a BUSU meeting space.



Figure 42: Capital and related project budget – Information Technology Services projects

Project	Facilities renewal program	Other	Total project costs	Rationale	Category
IT infrastructure					
Call pilot and CC7 risk mitigation – telephone system		75,000	75,000	Enhancement	Campus-wide
IPv6 2018 deployment planning/proof of concept		50,000	50,000	Enhancement	Campus-wide
Hamilton campus internet redundancy		50,000	50,000	Enhancement	Hamilton
Total IT infrastructure	-	175,000	175,000		
IT hardware evergreening					
End of life core switches – administrative		120,000	120,000	Enhancement	Campus-wide
End-of-life core switches – residences		25,000	25,000	Enhancement	Residence
End-of-life appliances – administrative		30,000	30,000	Enhancement	Residences
Wireless – administrative		68,000	68,000	Enhancement	Campus-wide
UPS – administrative	30,000		30,000	Enhancement	Campus-wide
UPS – residence		10,000	10,000	Enhancement	Residence
Isonas door readers – administrative		90,000	90,000	Enhancement	Residences
CCTV camera – Plaza		54,000	54,000	Enhancement	Campus-wide
Computer purchase and redeployment program		150,520	150,520	Enhancement	Campus-wide
Surplus projectors		15,000	15,000	Enhancement	Campus-wide
Servers for Goodman School of Business		60,000	60,000	Enhancement	Campus-wide
Disk storage		75,000	75,000	Enhancement	Campus-wide
Data back-up	61,216	63,784	125,000	Enhancement	Campus-wide
Proxy card upgrade – residence		387,680	387,680	Enhancement	Residence
Total IT hardware evergreening	91,216	1,148,984	1,240,200		
IT hardware growth					
Wireless – administrative		164,800	164,800	Enhancement	Campus-wide
Video conference system – Plaza 600F		15,000	15,000	Enhancement	Campus-wide
Total IT hardware growth	-	179,800	179,800		
Enterprise software					
Human Resources system replacement (Mosaic)		3,523,000	3,523,000	Planned renewal	Campus-wide
Develop/proof of concept Azure		20,000	20,000	Planned renewal	Campus-wide
Total enterprise software	-	3,543,000	3,543,000		
Total	91,216	5,046,784	5,138,000		

Figure 43: Capital and related project budget – Facilities Management projects

Project	DM – Deferred Maintenance	DM – Facilities Renewal Program	Non-DM – Facilities Renewal Program	Other	Grant funded/ Internally financed	Total project costs	Rationale	Category
Major capital projects								
Rankin Family Pavilion				4,875,312		4,875,312	Grant application	Major capital
Brock DEEP Phase 1	1,271,610					1,271,610	Grant application	Major capital
Brock DEEP Phase 2					7,900,000	7,900,000	Grant application	Major capital
Zone expansion					1,360,000	1,360,000	Student referendum	Major capital
Total major capital projects	1,271,610	-	-	4,875,312	9,260,000	15,406,922		
Buildings								
Annual high-voltage maintenance		100,000				100,000	Deferred maintenance	Interior
Annual building automation system controls conversion		50,000				50,000	Deferred maintenance	Interior
Flooring renewal		60,000				60,000	Deferred maintenance	Interior
Interior and exterior door replacements		60,000				60,000	Deferred maintenance	Renovations
Miscellaneous painting of common areas		65,000				65,000	Deferred maintenance	Interior
Roof replacement (Hamilton Campus, Walker Complex, 573 Glenridge Ave.)		1,010,000				1,010,000	Deferred maintenance	Roof
Pool floor adjustment cylinder rebuild	173,515					173,515	Deferred maintenance	Interior
Total buildings	173,515	1,345,000	-	-		1,518,515		
Adaptations, renovations and major renewal projects								
Space moves prioritization	125,000			125,000		250,000	Deferred maintenance	Interior
Classroom modernization				500,000		500,000	CRTTC ⁽²⁾ priority	Classroom modernization
Prioritized minor projects	82,680					82,680	Deferred maintenance	Interior
Total adaptations, renovations and major renewal projects	207,680	-	-	625,000		832,680		
AODA⁽¹⁾ accessible built environment (ABE)								
Washroom upgrades AODA			60,000			60,000	Accessibility	AODA ⁽¹⁾
Total AODA⁽¹⁾ accessible built environment	-	-	60,000	-		60,000		

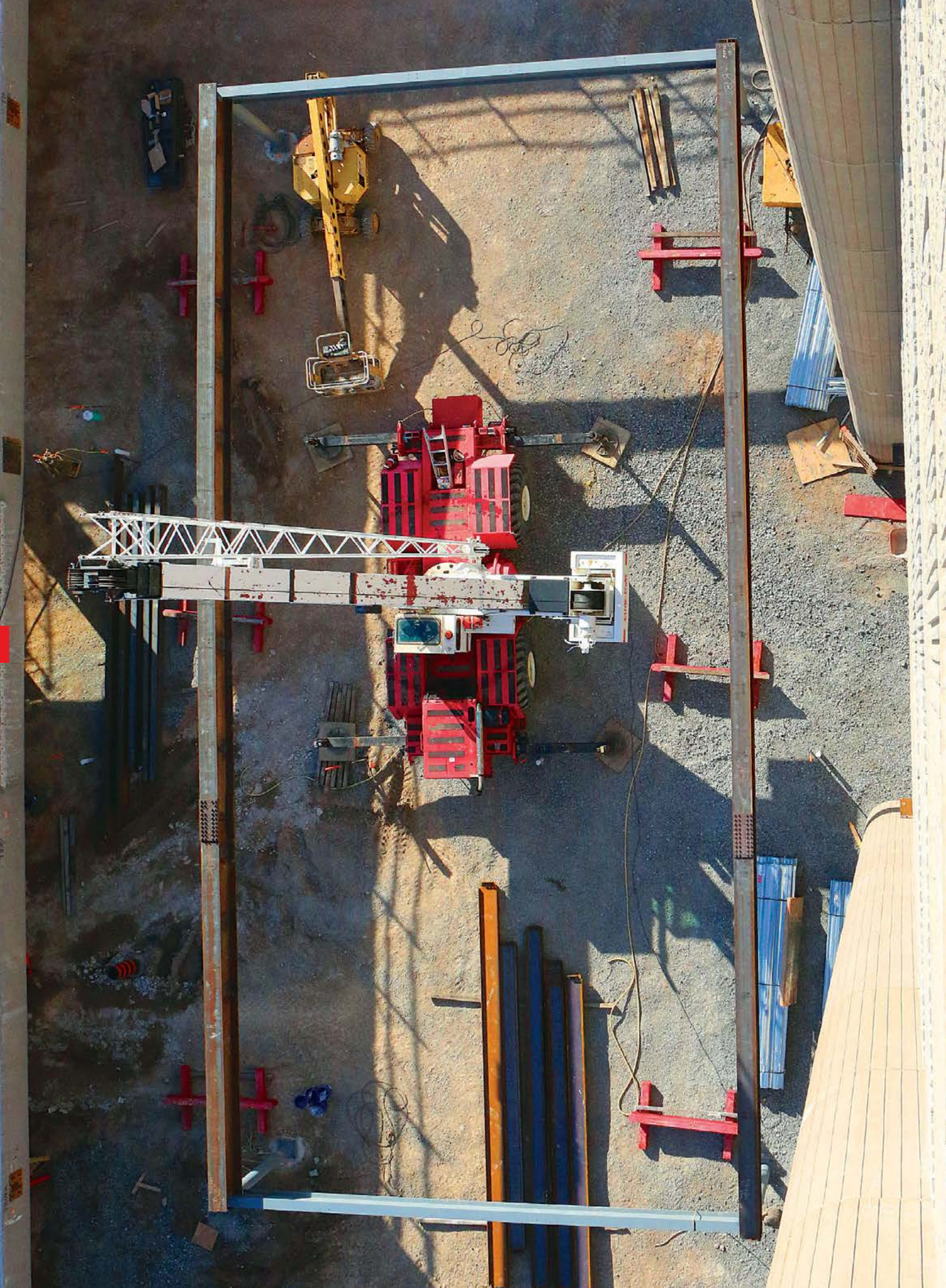
Figure 43: Capital and related project budget – Facilities Management projects (continued)

Project	DM – Deferred Maintenance	DM – Facilities Renewal Program	Non-DM – Facilities Renewal Program	Other	Grant funded/ Internally financed	Total project costs	Rationale	Category
Above surface/sub-surface utilities, drainage, roads and parking lots, sidewalks								
University Rd. West lot P to Alphonse's		214,784				214,784	Deferred Maintenance	Exterior
Parking lot renewal-A, E1, E2, S and P	252,150			168,100		420,250	Deferred Maintenance	Exterior
Total above-surface/sub-surface utilities, etc.	252,150	214,784	-	168,100		635,034		
Residence								
Lowenberger residence – riser waterpipe replacement	400,000					400,000	Deferred Maintenance	Exterior
Residence proximity card access system Phase 2	200,000			412,320		612,320	Accessibility	Exterior
Village residence renewal	514,529					514,529	Improvements	Interior
Total residence	1,114,529	-	-	412,320		1,526,849		
Audits and studies								
Annual facility condition audits (VFA Inc.)		50,000				50,000	Planning	Interior
Total audits and studies	-	50,000	-	-		50,000		
Vehicles								
Vehicle – replace unit 70 (2006 Econoline Van)				100,000		100,000	Planned Renewal	Vehicle
Total vehicles	-	-	-	100,000		100,000		
Total	3,019,484	1,609,784	60,000	6,180,732	9,260,000	20,130,000		

Deferred Maintenance = \$4,629,268
(The sum of DM – Deferred Maintenance
3,019,484 plus DM –Facilities Renewal
Program 1,609,784.)

Total projects funded by the funding budget = \$10,870,000
(The sum of Deferred Maintenance \$4,629,268 plus Non-DM – Facilities
Renewal Program 60,000 plus Other 6,180,732.)

- (1) AODA – Accessibility for Ontarians with Disabilities
(2) CRTTC – Classroom Renewal Teaching and Technology Committee



Financing

Figure 44 details the current and projected external debt of the University. It does not reflect any new external debt past 2014-15. At the time of writing this report, there are no approved projects that would require additional debt financing. As set out in the Fiscal Framework document, any new debt requirements are highly dependent on donations and/or other incremental sources of funding.

In March 2015, the Board of Trustees approved a debt reduction strategy that would see \$475,000 set aside each year starting in 2014-15. As presented in the Fiscal Framework document, a revised debt reduction strategy was established to repay the loan on the Marilyn I. Walker School of Fine and Performing Arts (MIWSFPA) by its renewal date in 2019-20; the loan on the Cairns Family Health and Bioscience Research Complex (Cairns) building by 2024-25 and the debt (other than the bond) on residence loans by 2029-30.

This model combines the funding envelopes of deferred maintenance and debt repayment, and increases the total contribution equal to the construction price index (currently factored at 2.5 per cent). The rationale for this combination is that both envelopes relate to infrastructure, since current spending results in new infrastructure and the debt originally issued allowed for new infrastructure to be built at that time. As the debt is

paid off, the infrastructure that was once new now requires deferred maintenance work. It makes sense to repurpose those debt payments to maintain infrastructure.

This enhanced debt reduction strategy causes the debt repayment reserve contribution to increase each year, with the contribution of \$1,303,000 in 2018-19 (\$1,022,000 2017-18).

Also included in the Fiscal Framework document is a funding plan for the 40-year bullet bond taken out in 2005 for \$93 million. In 2045, this debt will need to be repaid. The funding plan is based on an annualized rate of return on the sinking fund of 5 per cent plus additional payments starting when the debt on residence loans (other than the bond) is fully paid in 2029-30.

The next maturity of external debt is June 3, 2019, related to the debt of \$18 million financed in fiscal 2014-15. The amount due at maturity will be \$14.46 million. Other future debt maturities can be found in the audited financial statements of the University.

The requirement for the debt reduction strategy is supported by Brock's key debt metrics found in Figure 45, which also compare these metrics to that of the median and average of other universities in our comprehensive category.

Figure 44: Outstanding debt

(\$000s) (unless otherwise noted)	Actual			Budget		Forecast			
	April 30, 2015	April 30, 2016	April 30, 2017	April 30, 2018	April 30, 2019	April 30, 2020	April 30, 2021	April 30, 2022	April 30, 2023
Bond	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Cairns building	26,269	25,583	24,863	24,109	23,319	22,491	21,623	20,714	10,154
Residence	16,801	16,037	15,215	14,333	13,385	12,366	11,271	10,095	8,931
Marilyn I. Walker School of Fine and Performing Arts (MIWSFPA)	17,400	16,680	15,960	15,240	14,520				
Total debt	153,470	151,300	149,038	146,682	144,224	127,857	125,894	123,809	112,086
Total student FFTE⁽¹⁾	20,056	19,885	20,086	19,983	20,780	21,309	21,822	22,368	22,848
Total debt/FFTE (in dollars)⁽¹⁾	7,652	7,609	7,420	7,340	6,941	6,000	5,769	5,535	4,906
Debt reduction strategy									
Sinking fund	5,462	5,647	6,413	6,322	6,639	6,970	7,319	7,685	8,069
Debt repayment reserve	475	950	2,895	3,917	5,220		2,937	6,159	
M. Walker donation – MIWSFPA	5,045	5,181	5,326	5,465	5,612				
Other donations – MIWSFPA	250	324	399	473	548				
Total assets for debt reduction	11,232	12,102	15,033	16,177	18,019	6,970	10,256	13,844	8,069
Net debt	142,238	139,198	134,005	130,505	126,205	120,887	115,638	109,965	104,017
Net debt/FFTE (in dollars)⁽¹⁾	7,092	7,000	6,672	6,531	6,073	5,673	5,299	4,916	4,553

(1) See Appendix A for a definition of fiscal full-time enrolment (FFTE).

Figure 45: Financial health metrics

	Brock ⁽¹⁾		Median ⁽²⁾	
	April 2017	April 2016	April 2017	April 2016
Primary reserve ratio	14.6%	11.7%	26.4%	24.1%
Debt burden ratio	3.0%	3.1%	2.6%	2.5%
Interest burden %	2.5%	2.6%	1.7%	1.7%
Interest coverage	3.70	3.35	7.89	3.68
Viability ratio	31.9%	24.5%	117.4%	189.9%

(1) Certain ratios have been restated to align with the Council of Ontario Universities (COU) metrics to improve comparability across various reporting agencies.

(2) Calculated using financial information from 14 other comprehensive universities. Certain 2016 metrics have been updated due to revisions in certain universities' financial statements.

Appendix G provides full definitions of each financial health metric. The following details a high-level explanation of the debt metrics:

1. The primary reserve ratio refers to the amount of cash available to cover operations. It identifies at April 2017 Brock has approximately 53 days of expendable reserves.
2. The next two ratios describe how Brock utilizes a greater proportion of its annual operating expense to fund debt obligations.
3. The interest coverage ratio measures the ability to fund interest charges from cash generated through operations. It remains above the guidance of 2.00 set by the Board of Trustees and above the ratio of 2.50 considered to be the standard by the University's credit rating agency, DBRS, for Brock's current credit rating of A high.
4. The viability ratio is essentially how much of the institution's debt could be paid off with expendable resources. The average institution in our category could pay almost all its debt with expendable resources, whereas Brock can only pay off 32 per cent and, therefore, is vulnerable to unplanned events.

These metrics highlight the need to pay down the debt so, in time, we can reduce the debt and interest burden on the University.



Endowment summary

In past years, the University endowment activity has not been integrated into the University funding budget (with the exception of certain operating endowments, such as the MIWSFPA endowment spending). Starting in 2018-19, the funding budget now includes the full endowment allocated spend related to undergraduate and graduate scholarships and student awards of \$1.84 million for 2018-19. This support is shown in the funding budget as a funding source (inter-fund revenue) with the offsetting expense (inter-fund expense). The endowment fund policy can be found at brocku.ca/policies/wp-content/uploads/sites/94/Endowment-Management-Policy.pdf

Figure 46

(\$000s)	2016-17 Actual	2015-16 Actual	2014-15 Actual
Opening Endowment	83,098	81,695	74,527
Spending	(1,999)	(1,995)	(6,915)*
Investment Income	11,145	2,460	9,933
New Endowments	1,453	938	4,150
Ending Endowment	93,697	83,098	81,695

* Figure includes \$5 million un-endowment of a fund to be allocated to a capital project in accordance with donor wishes.

The full activity of the endowment for the past three years is shown in Figure 46. Figure 47 details the 2018-19 approved endowment spending of \$2.5 million, which includes both the student awards spending allocations as well as the operating and capital.

Figure 48 details the Top 10 endowments from 2016-17. Due to the timing of preparing and approving this budget, the information presented is as of April 30, 2017. This information will be updated for April 30, 2018 and incorporated into the University's 2017-18 Annual Report.

Figure 47

Endowment	Approved spending (\$000s)	
	2018-19	2017-18 ⁽¹⁾
Undergraduate Scholarships	660	653
Undergraduate Bursaries	668	634
Undergraduate Prizes	163	156
Graduate Awards	351	329
Operating	209	235
Capital	468	582
Total	2,519	2,589

(1) The 2017-18 approved spending has been adjusted for certain corrections since the 2017-18 Budget Report.

Includes the MIWSFPA endowment spending allocation, which can be used for both capital and operating.

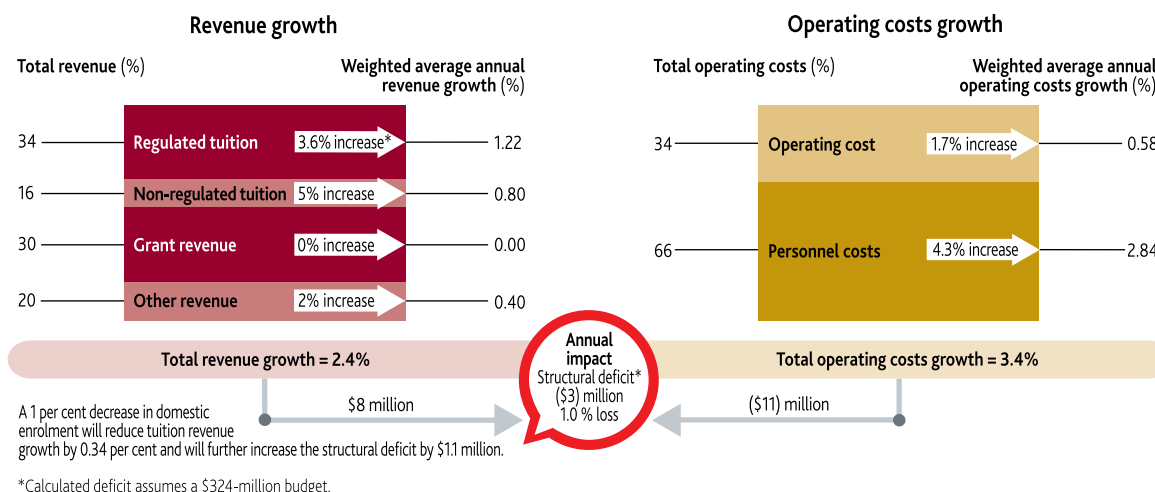
Figure 48: Top 10 endowments (2016-17 Actual)

Amount (\$000s)	Name	Purpose
16,667	Marilyn I. Walker SFPA Fund	Supports the MIWSFPA
7,360	Harrison-Thompson Bursary Trust	Supports Undergraduate Awards
2,335	VP Research Discretionary Fund	VP Research Discretionary
1,812	Dr. and Mrs. Moriyama Graduate Fellowship Fund	Supports Graduate Awards
1,777	Bluma Appel Entrance Scholarship For Excellence	Supports Graduate Awards
1,737	Ontario Graduate Fellowship Program	Supports Graduate Awards
1,409	Luigi and Amalia Setacci Award	Supports Undergraduate Awards
1,313	Ruth Evelyn Williamson Estate	Supports Undergraduate Awards
1,278	Provost Discretionary Enhancement Fund	Provost Discretionary
1,151	The Joyce Foundation Bursary	Supports Undergraduate Awards



Looking forward

Figure 49



The budget for fiscal 2018-19, like the budget for 2017-18, is balanced, and we should take a moment to reflect on the hard work and decisions made to achieve this outcome for a second consecutive year, following many years of financial uncertainty. Looking forward, the budget development process will evolve out of the institutional strategic plan that is being finalized over the coming months.

Demands on the University are unlimited, but the resources available to meet them are not. The University must therefore have some means of deciding how much it can afford to spend, what to spend on, and how to get the most for the money spent. As we envision a productive and sustainable future for Brock, the Fiscal Framework, with the newly adopted Revenue and Expense Allocation Model, will assist in implementing Brock's strategic goals and objectives. Figure 49 has been shown in previous budget reports and was recently updated for the 2018-19 Fiscal Framework Update. The 2018-19 balanced budget, assumes one-time employee benefits savings of \$1.0 million and one-time revenue enhancements of \$1.4 million (student retention \$1.1 million, \$0.3 million investment income). Relying on mitigation targets or one-time budget enhancements will become more challenging as we move forward if we do not address the reality – our expense inflation continues to outpace our revenue inflation (excluding enrolment growth). As mapped out in the 2018-19 Fiscal Framework update, our ideal state would be a fiscal model where revenues (excluding enrolment growth) grow at the same

rate as expenses. This model would expedite our ability to implement our strategic goals and objectives. In order to successfully unlock the funding from enrolment growth or new revenue streams to be used on enhancing the academic and research activities at the University, we will need to continue our work towards aligning our core operations within the guidance of the Fiscal Framework.

Revenue and expense allocation model

We have come a long way in budget development and the challenges ahead should not detract from the improvements we have made on fiscal planning. This year's budget development began with the introduction of a revenue and expense allocation model. Figure 50 is a visual representation of the 2018-19 budget, using the Revenue and Expense Allocation Model shown in Figure 51. This model reports the full operating budget and the chart portrays expenses as a percentage of revenues allocated by each Faculty and in total. The model identifies three Faculties generating net positive contributions and three Faculties requiring additional funding from these positive contributions to support their operations. Through guidance from the Council of Academic Deans, this model now reports all tuition based on students in seats. Regardless of a student's home Faculty, all tuition is allocated to the course students take and the Faculty the course belongs to.

Previously, the model allocated all tuition to a student's home Faculty, then allocated 50 per cent of the course tuition to the Faculty that provides a context credit to the student outside of their home Faculty. This change recognizes that there is currently a greater level of major discipline requirements in certain programs. Taking a student-centric approach, allocating tuition based on a 100 per cent students-in-seats model would facilitate the ongoing review of academic program requirements and support increased flexibility in programs for students to take additional elective credits.

Figure 50

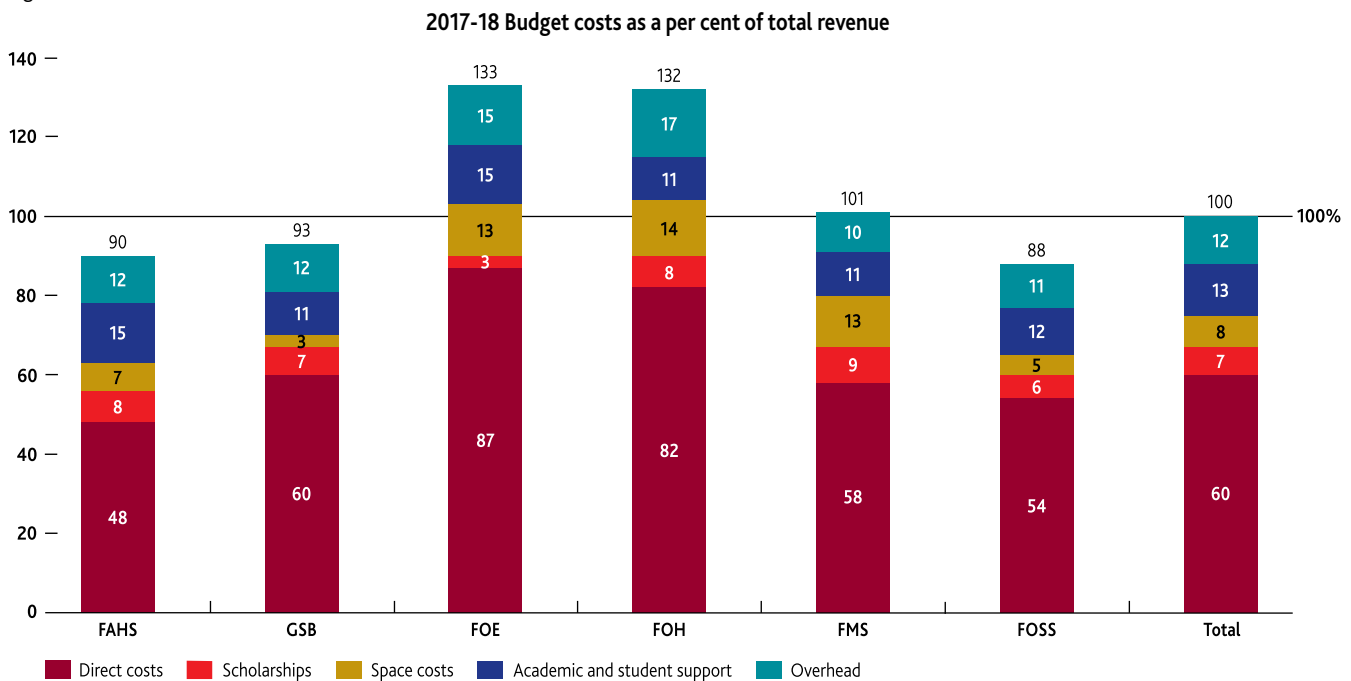


Figure 51: Full Revenue and Expense Allocation Model – based on the 2018-19 Budget

(\$000s)	Faculty of Applied Health Sciences	Goodman School of Business	Faculty of Education	Faculty of Humanities	Faculty of Mathematics and Science	Faculty of Social Sciences	Total
Revenue							
Global tuition by teaching Faculty (undergraduate) ⁽¹⁾	18,409	23,962	8,417	17,964	26,708	41,882	137,342
Global tuition by teaching Faculty (graduate)	1,668	3,001	1,447	729	2,052	3,100	11,997
Direct revenue	875	13,048	3,736	616	641	459	19,375
Grant	26,736	13,442	7,354	8,228	10,469	24,454	90,683
Total revenue	47,688	53,453	20,954	27,537	39,870	69,895	259,397
Contribution margins							
Direct ongoing personnel costs	18,346	24,174	12,526	17,947	19,403	30,576	122,972
Direct temporary personnel costs	3,662	3,544	4,153	3,500	2,781	5,750	23,390
Direct operating costs	876	4,258	1,624	1,211	818	1,287	10,074
Contribution margin (before scholarships and bursaries)	24,804	21,477	2,651	4,879	16,868	32,282	102,961
Fellowships, scholarships, bursaries and student awards	3,903	3,541	590	2,262	3,586	4,214	18,096
Contribution margin (after scholarships and bursaries)	20,901	17,936	2,061	2,617	13,282	28,068	84,865
Space costs							
Space costs	3,548	1,624	2,672	3,845	5,380	3,843	20,912
Net contribution (after space costs)	17,353	16,312	(611)	(1,228)	7,902	24,225	63,953
Academic and student-specific support units							
Research Services (includes TDIs, CCOVI, etc.)	604	50	69	59	797	510	2,089
Faculty of Graduate Studies	160	415	226	60	132	313	1,306
Library	2,920	2,558	1,261	1,310	1,548	3,485	13,082
Centre for Pedagogical Innovation	216	190	95	98	116	258	973
Student Specific ⁽²⁾	3,309	2,884	1,414	1,441	1,732	3,909	14,689
Net contribution (before overhead allocations)	10,144	10,215	(3,676)	(4,196)	3,577	15,750	31,814
Overhead allocations							
Shared services	4,853	5,227	2,517	3,730	3,146	6,248	25,721
Ancillary operations contribution	(866)	(755)	(370)	(377)	(454)	(1,023)	(3,845)
Capital	2,434	2,142	1,066	1,103	1,309	2,907	10,961
University Global	(467)	(348)	(104)	321	116	(541)	(1,023)
Net contribution	4,190	3,949	(6,785)	(8,973)	(540)	8,159	-
Transfer receipts/(payments)	(4,190)	(3,949)	6,785	8,973	540	(8,159)	-

(1) Global tuition does not include the retention target of \$1.1 million. This amount is included in University Global.

(2) Includes Brock Sports, Brock International, Co-op, Career and Experiential Education, Registrar, Student Life and Community Experience, Student Success Centre and Student Wellness and Accessibility.

Five-year financial forecast

This year we are presenting a five-year financial forecast in an effort to enhance the understandability of Brock's fiscal challenges as outlined in the Fiscal Framework. Brock is currently developing a strategic plan; therefore, it is premature to begin modelling a comprehensive five-year budget forecast before final goals and objectives are approved.

Before delving into the forecast, some context is necessary. Enrolment growth is shown as flat and existing cost structures such as staffing levels and support services remain as they are today. The intent of this forecast is to demonstrate the current need to increase enrolment to cover existing cost increases. The forecast in Figure 52 is consistent with the budget development process over the past two years, where prior to achieving balanced

budgets, efficiency targets were required to cover our cost escalations and subsequent revenue shortfalls. As outlined in the 2018-19 Fiscal Framework Update, enrolment growth of 2 per cent is required to balance our budget if we do not increase our faculty and support staff levels. There is no one solution to achieve long-term financial balance; however, as we move forward there will be consultation and commitment to enhancing academic programs through the academic program review, research, enrolments and revenue targets, cost savings, fundraising and infrastructure. The institutional strategic plan will prioritize these goals and objectives, and will be supported by the Fiscal Framework and the Revenue and Expense Allocation model. Through these efforts, we plan to develop and present updates to this budget forecast that will portray future balanced budgets in support of the strategic plan.

Figure 52: Five-year financial forecast

(\$000s)	2018-19 Budget	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast	2022-23 Forecast
Revenue					
Student fees	178,091	184,474	191,115	198,025	205,216
Grant revenue	97,575	99,221	99,221	99,221	99,221
Ancillary revenue	34,352	35,265	36,196	37,146	38,115
Other revenue	29,188	29,827	30,482	31,153	31,840
Total revenue	339,206	348,787	357,014	365,545	374,392
Operating costs					
Personnel costs	(219,568)	(229,009)	(238,856)	(249,127)	(259,839)
Non-personnel costs	(119,638)	(124,033)	(125,882)	(127,862)	(130,281)
Total operating costs	(339,206)	(353,042)	(364,738)	(376,989)	(390,120)
Funding deficit	-	(4,255)	(7,724)	(11,444)	(15,728)
Funding deficit as a % of revenue		1.2%	2.2%	3.1%	4.2%

Appendix A

Enrolment definitions

The following are measures of enrolment used in this budget report.

- **All-in enrolment:** Includes degree-seeking, non-degree-seeking, additional qualifications and certificate programs.
- **Degree-seeking:** Someone seeking either a bachelor's degree, a first professional degree or a graduate master's or PhD degree.
- **Fiscal full-time equivalent (FFTE) enrolment:** FFTE is represented by a student whose study load in the fiscal year is equal to the normal full-time study load for their program and level of registration in the academic year. Graduate FFTE is calculated based on the registration level, full-time or part-time.
Full-time = 1.000 FFTEs, part-time = 0.300 FFTEs.
Undergraduate and graduate FFTEs are calculated for each academic term.
- **Full-time equivalent (FTE) enrolment:** FTEs are used to provide enrolment, expressed as the equivalence to full-time students. For undergraduate students, FTEs are calculated by dividing total course enrolments by five (the nominal load of a full-time student). Graduate students are calculated as only Fall FTEs (Fall full-time headcount plus Fall part-time headcount* 0.3).
- **Headcount enrolment:** A "snapshot" of the number of individuals who are attending the University at a particular point in time, usually Nov. 1, and the response to the commonly asked question: "How many students does Brock have?"
- **Non-degree-seeking undergraduate:** Those enrolled in the Undeclared Arts program on a Letter of Permission, those auditing a course/program, or someone enrolled in undergraduate courses but with no program declaration.
- **Weighted grant units (WGUs):** WGUs are used in reporting enrolment to the Ontario government for funding purposes and represent a weighted enrolment measure. The WGUs for Brock University range from 1, for General Arts, and 2.782 for Nursing and Science upper-year honours.

Eligible FTEs are those that are associated with programs approved by the Ontario government for funding purposes. Also, certain categories of students are "ineligible" (international, additional qualification and co-op on work term being the three largest groups).



Appendix B

Tuition fee policy, government-funded programs

On March 28, 2013, the MAESD introduced a new tuition framework, where tuition fee increases are capped at an average of 3 per cent, which is 2 per cent lower than prior years. This tuition framework has been extended for 2017-18 and 2018-19.

The MAESD guidelines allow for tuition fee differentiation based on program and program year of study as follows:

- Distinguishes separate maximum limits for first year of study and continuing years.
- Tuition fees may increase within specified limits, with the average tuition increase not to exceed 3 per cent (excluding changes in enrolment activity).

The approved fee changes for the 2018-19 academic year, detailed in Figure 53, starting in spring of 2018-19, balance competitive pricing pressures with the financial requirements of the University.

Figure 53

MAESD tuition guidelines		
	Program year	
	First year	Continuing years
Undergraduate professional* programs (enrolled before 2013-14)	N/A	4.0%
Undergraduate professional* programs (enrolled after 2013-14)	5.0%	5.0%
Undergraduate arts and science and other programs	3.0%	3.0%
Graduate programs	5.0%	5.0%
Average tuition increase**	3.0%	

Brock University board-approved 2018-19 rate increases		
	Program year	
	First year	Continuing years
Undergraduate professional* programs (enrolled before 2013-14)	N/A	4.0%
Undergraduate professional* programs (enrolled after 2013-14)	5.0%	5.0%
Undergraduate arts and science and other programs	3.0%	3.0%
Graduate programs	0.85%~	0.0%
Average tuition increase**	3.0%	

* Undergraduate professional programs include Computer Science and Business.

** Average increase weighted based on enrolment.

~ Except for MBA and Master of Accountancy (MAcc) fee which will increase by 5%.

Tuition fee policy, non-government-funded programs

International students in undergraduate and graduate programs and cost-recovery programs are not eligible for provincial government funding, and therefore universities are not governed by the government's tuition policy in setting tuition rates for this student group. A differentiated approach is taken to account for demand, after benchmarking to fees charged at other Ontario universities. Figure 54 details the 2018-19 non-government-funded program rates that were proposed to and approved by the Board of Trustees in Nov. 2017.

Figure 54: Brock University board-approved 2018-19 rate increases

International program types	Tuition increase
Undergraduate international students	6%
Graduate international students (Research programs)	0%
Graduate international students (Professional programs)	5%
International student programs	
Professional Master's Preparation Certificate (Business) (PMPC)	5%
International Master of Business Administration (IMBA)	5%
International Master of Professional Accounting (MPAcc)	5%
Master's Preparation Certificate in Education (MPCE)	5%
International Master of Education (MED)	5%
International Master of Science in Materials Science	5%
Master of Arts Applied Linguistics (MA LING)	1.4%
Other programs	
Centre for Continuing Teacher Education – Additional Qualification Courses (AQ)	0%
Intensive English Language Program (IELP/SELP)	2.2%



Appendix C

Figure 55: Reclassifications by function

(\$000s)	2017-18 approved budget ⁽¹⁾	Reclass.	2017-18 adjusted budget
Revenue			
Student fees	167,875		167,875
Grant revenue	96,326		96,326
Internal chargebacks	8,792		8,792
Inter-fund revenue	3,138		3,138
Other revenue	47,826		47,826
Total revenues	323,957	-	323,957
Operating costs			
Personnel costs	(213,337)	398	(212,939)
Inter-fund expense	(18,192)	(398)	(18,590)
Other operating costs	(92,428)		(92,428)
Total operating costs	(323,957)	-	(323,957)
Mitigation target			
Funding deficit	-	-	-

(1) Agrees to the 2017-18 Budget Report

Summary of budget adjustments

As a result of certain changes in the approach of preparing the 2018-19 budget, reclassifications were made to the 2017-18 budget as reported in the 2017-18 Budget Report for comparison purposes when the overall funding budget was not impacted. Figures 55 and 56 detail these reclassifications by function and responsibility centre with the most notable reclassifications highlighted with explanations.

Reclassifications by function

- \$398,000 was reclassified as Inter-fund expenses from personnel costs during 2017-18.

Reclassifications by responsibility centre

- \$4,161,000 of personnel cost increases were allocated out from the University Global responsibility centre to other units throughout the University during 2017-18 as these specific amounts were not known at the time of preparing the 2017-18 budget. Of this total, \$2,838,000 related to salary increases to BUFA Faculty/Librarians and LTA's, \$584,000 related to salary rate increases to administrative/professional staff and \$739,000 related to salary rate increases to CUPE 4201 Unit 1 staff.

Figure 56: Reclassifications by responsibility centre

(\$000s)	2017-18 approved budget ⁽¹⁾	Salary rate increase	Other reclasses.	2017-18 adjusted budget
Teaching Faculties				
Faculty of Applied Health Sciences	(20,794)	(552)		(21,346)
Goodman School of Business	(18,196)	(582)		(18,778)
Faculty of Education	(14,792)	(312)	19	(15,085)
Faculty of Humanities	(21,026)	(604)	(19)	(21,649)
Faculty of Mathematics and Science	(21,087)	(549)		(21,636)
Faculty of Social Sciences	(36,264)	(1,054)		(37,318)
Total Teaching Faculties	(132,159)	(3,653)	-	(135,812)
Academic Support				
Faculty of Graduate Studies	(1,230)	(7)		(1,237)
Library	(9,612)	(89)		(9,701)
Research Services	(1,203)	(17)	7	(1,213)
Centre for Pedagogical Innovation	(885)	(9)		(894)
Total Academic Support	(12,930)	(122)	7	(13,045)
Student Specific				
Brock International	(1,440)	(7)		(1,447)
Office of the Registrar	(3,022)	(21)		(3,043)
Student Life and Community Experience	(699)	(7)		(706)
Student Success Centre	(524)	(12)		(536)
Student Wellness and Accessibility	(1,421)	(18)		(1,439)
Co-op, Career and Experiential Education	(1,469)	(25)		(1,494)
Brock Sports and Recreation	(849)	(29)	144	(734)
Total Student Specific	(9,424)	(119)	144	(9,399)
Shared Services				
Leadership	(3,135)	(8)		(3,143)
Information Technology Services	(7,655)	(63)		(7,718)
Financial Services	(2,811)	(24)	(433)	(3,268)
Human Resources	(3,889)	(42)	(7)	(3,938)
Marketing and Communications	(2,274)	(15)	325	(1,964)
Development and Alumni Relations	(1,650)	(20)		(1,670)
University Services	(191)		191	
Shared Services Support	(2,175)	(13)		(2,188)
Total Shared Services	(23,780)	(185)	76	(23,889)
Ancillary				
Ancillary Operations	5,861	(17)	(227)	5,617
Department of Residence	1,141	(11)		1,130
Total Ancillary	7,002	(28)	(227)	6,747
Space				
Facilities Management	(15,001)	(37)		(15,038)
Campus Security Services	(2,496)	(17)		(2,513)
Campus Development Services and Community Agreements	(617)			(617)
Utilities, Taxes and Insurance	(7,499)			(7,499)
Financing	(6,189)			(6,189)
Total Space	(31,802)	(54)	-	(31,856)
Global				
Scholarships, Bursaries and Student Awards	(17,341)			(17,341)
Capital	(7,624)			(7,624)
University Global	228,058	4,161		232,219
Total Global	203,093	4,161	-	207,254
Total University	-	-	-	-

(1) Agrees to the 2017-18 Budget Report.

- In 2017, Brock University updated the way it organizes and delivers a wide range of support, business-oriented and service-based departments, from Residences and Food Services to Parking, Brock Sports, Youth Programs, the Campus Store and Printing Services. Due to the timing of this announcement, this change was not reflected in the 2017-18 Budget Report. The 2017-18 budgets associated with these changes were reclassified for comparative purposes. As such, the University Services responsibility centre (as reported in the 2017-18 Budget Report) was divided and their budgets moved to these respective departments: \$325,000 (net surplus) for Printing Services moved to Marketing and Communications; \$433,000 for Central Receiving and Mail Services moved to Financial Services as part of Procurement Services; \$82,000 Visitor Services moved to Ancillary Operations. In addition, the \$145,000 related to the Walker Welcome Desk moved from Brock Sports and Recreation to Ancillary Operations.

Appendix D

Reconciliation of funding budget to financial statements

The University's funding budget was also prepared in accordance with Canadian accounting standards for not-for-profit organizations (NFPS). In order to accomplish this task, certain accounting entries and reclassifications are required. Figures 57 and 58 detail these entries, with the following explanations.

Explanation of adjustments

1. Grants received by the University to be used for future capital purchases are included as part of deferred capital contributions in the NFPS financial statements, and later amortized over the useful life of the capital item it funded. The NFPS adjustment represents the elimination of this type of grant (Facilities Renewal Program funds) included in the 2018-19 budget.
2. Funding from the Strategic Initiative Fund (\$1.751 million) and from the operating project accounts (\$0.05 million) have been included as revenue in the 2018-19 budget. These transfers from reserves are eliminated as part of the NFPS adjustments, as they would not be recorded as revenue for the NFPS financial statement purposes.
3. Amortization of deferred capital contributions and capital assets, while not cash inflows or outflows, are required for NFPS financial statements. The 2018-19 forecasted amortization figures are included as part of the NFPS adjustments.
4. Research grants for restricted purposes and the offsetting research expenses, including fellowships, have not been included as part of the funding budget due to the limited line of sight regarding spending patterns on the funds to which they are related; however, they are included as part of the NFPS financial statements. An estimate has been included as part of the NFPS adjustments, based on the average of the prior three years' actual figures (2014-15 to 2016-17) less the portion already included in the funding budget.
5. Endowment and trust spending (mainly in the form of scholarships) is included as an expense, with an offsetting revenue as part of the NFPS financial statements. Starting in 2018-19, the approved endowment spending related to scholarships was included as revenue (inter-fund) in the operating budget. Therefore, only the portion of the 2018-19 approved endowment spending not related to scholarships (\$0.179 million) has been included as part of the NFPS adjustments, along with the offsetting revenue. Unless trust spending results in a direct offset to the funding budget, this spending is not recorded as part of the funding budget. An estimate of the 2018-19 trust spending, less the portion already included in the funding budget (\$1.278 million), has been included as part of the NFPS adjustments, along with the offsetting revenue.
6. Principal debt payments, while they represent a cash outflow, are not considered an expense in the operating statement of the NFPS financial statements, as they reduce



Figure 57

(\$000s)	2018-19 Funding Budget	NFPS adjustments	Notes	Reclass of inter-fund transfers	Eliminate internal chargebacks	2018-19 NFPS budget
Revenue						
Student fees	178,091					178,091
Grant revenue	97,575	(1,761)	1			95,814
Internal chargebacks	8,994				(8,994)	-
Inter-fund revenue	5,416	(1,801)	2	(3,615)		-
Other revenue	49,130	20,497	3-5	3,615		73,242
Total revenue	339,206	16,935		-	(8,994)	347,147
Operating costs						
Personnel costs	(219,568)	375	10-11			(219,193)
Inter-fund expense	(25,293)	18,827	8-9	6,466		-
Other operating costs	(94,345)	(31,005)	3-7	(6,466)	8,994	(122,822)
Total costs	(339,206)	(11,803)		-	8,994	(342,015)
Funding surplus	-	5,132		-	-	5,132

a liability. The 2018-19 budgeted principal debt payments have been eliminated in the NFPS adjustments.

7. Non-capital purchases of \$2.184 million expected to be made in the capital fund should be reported as an expense in the NFPS financial statements. Conversely, capital purchases made as part of operating spend (ie. not from the capital and related projects budget) are recorded as an asset in the Statement of Financial Position for NFPS purposes. The University expects purchases of \$1.695 million in the 2018-19 budget to actually be capitalized. This net amount has been included as part of the NFPS adjustments.
8. The 2018-19 funding budget includes funding transfers to the employee future benefit reserve of \$0.9 million, \$16.008 million to the capital and related projects budget, \$1.303 million to the debt reduction strategy reserve and \$0.3 million to the contingency reserve. These transfers are eliminated as part of the NFPS adjustments, as they would not be recorded as expenses for NFPS financial statement purposes.
9. Investment income on the sinking fund is recorded as a net zero in the funding budget, as the investment income earned on the fund is offset with a transfer to the sinking fund reserve. However, the investment income is required to be reflected in the NFPS financial statements. The 2018-19 budgeted investment income related to the sinking fund is included as part of the NFPS adjustments.
10. Post-retirement benefits represent health, dental and in some cases health-care spending accounts paid to faculty and staff in retirement. The \$1.31 million is the net actuarially calculated benefit that current faculty and staff earned in 2016-17 plus a growth rate for 2017 to 2019. Since this amount is not included in the funding budget because it is non-cash, it is therefore included as part of the NFPS adjustments.
11. The annual pension liability payment of \$3.56 million calculated by the University's actuary is recorded as an expense in the funding budget, as it represents a cash outflow. However, \$1.685 million of the \$3.56 million represents

Figure 58

Notes	Reconciliation of NFPS adjustments (\$000s)	
1	Capital grants	(1,761)
2	Funding from reserves	(1,801)
3	Amortization of deferred capital contributions	8,009
4	Research, including fellowships	11,031
5	Endowment and trust spending	1,457
	Total revenue adjustments	16,935
3	Amortization of capital assets	(20,486)
4	Research, including fellowships	(11,031)
5	Endowment and trust spending	(1,457)
6	Principal payments	2,458
7	Non-capital purchases in capital and infrastructure project reserves net of capital purchases from operating	(489)
8	Funding of capital and reserves	18,511
9	Sinking fund	316
10	Post-retirement benefits	(1,310)
11	Pension	1,685
	Total costs adjustments	(11,803)

the estimated "paydown" of the pension liability if the actuarial assumptions are met. The NFPS financial statements require only \$1.90 million to be expensed and the remaining \$1.685 million is shown as reduction to the pension liability and therefore adjusted in the NFPS adjustments.

Explanation of reclassifications

Reclass of inter-fund transfers (Revenue) – Included as part of the total budgeted inter-fund revenue is funding from endowments of \$2.340 million, \$0.967 million from the research fund and \$0.308 million from the non-endowed trust internally restricted fund. These transfers will be recorded as revenue in the NFPS financial statements and have therefore been reclassified to other revenue.

Reclass of inter-fund transfers (Expenses) – Included as part of the total budgeted expenses, as part of inter-fund expenses, are transfers to internally restricted research funds with no external obligations of \$1.437 million, transfers to the professional expense reimbursements internally restricted fund of \$1.845 million, transfers to the endowments fund of \$1.842 million, transfers to internally restricted start-up funds of \$0.855 million, transfers to the operating projects internally restricted fund of \$0.445 million and a \$0.042-million transfer to the research fund. These transfers will be recorded as operating expenses in the NFPS financial statements and have therefore been reclassified to operating costs.

Elimination of internal chargebacks – Included as part of total 2018-19 budgeted revenue is \$8.994 million of internal charges between departments within the University. The NFPS reclassification removes these charges, as they are not included as part of the NFPS financial statements.

Appendix E

Tracking efficiencies

This appendix was designed to highlight some of the efficiency work done in-year by units throughout the University. This work was undertaken with an understanding that quality would be maintained or improved. The list below is not exhaustive, but it does serve to highlight and document some of the more widely discussed changes. The efficiency projects identified can be summarized as follows:

Figure 59

Unit	Efficiency	Estimated savings
Information Technology Services (ITS)	During 2017-18, Information Technology Services negotiated a new vendor of record with Roger's for mobile use. This negotiation resulted in annual savings.	\$37,000 annually
Brock International	ESL Services' contract negotiation for class coverage changed from 1.5 overtime hours to straight time.	\$40,000 annually
	The ESL Services application of a per-student budget for student activities has reduced the activity spending budget.	\$30,000 annually
	International Market Development made changes to the commission structure, from a flat fee to a percentage of actual tuition paid, and payment date deadlines.	\$40,000 annually
Facilities Management (FM)	During 2017-18, FM installed Variable Frequency Drives (VFDs) on a large HVAC system in Schmon Tower. Operating the system with the VFDs in place allows for greater control and significant energy savings.	\$80,000 annually
Facilities Management (FM)	FM Installed an Energy Transfer Skid (ETS) to better control heating (hot water) supplied to Schmon Tower from the main Campus District Energy Loop. The ETS allows for a much more efficient transfer of heat energy required to heat the tower and increases the heating capacity of the District Energy Loop.	\$12,000 annually
Facilities Management (FM)	During 2017-18, FM installed LED Lighting on the first and fifth Floors of Schmon Tower and throughout the service tunnels, replacing less efficient fluorescent lighting.	\$5,000 annually
Facilities Management (FM)	FM made modifications to piping and control valves to enable the Campus District Energy Loop to supply chilled water to the Plaza building. The changes to the operation prior to the 2017 cooling season eliminated the need to operate the electric chiller which would normally provide cooling to the Plaza building.	\$75,000 annually
Financial Services	Financial Services is responsible for Finance, Procurement, Student Accounts and Financial Aid and Central Receiving and Mail. During 2017-18, Financial Services restructured its management and support staff model. This reallocation of resources was done to increase the capacity for decision support and financial analysis needs of Brock's various units and stakeholders. As we move forward with a new Revenue and Expense Allocation model, Financial Services will have resources available to provide timely, accurate and valuable decision support analyses for units to use in their decision-making process. This internal client support model, which evolved out of this restructuring, also allowed for the addition of a new position to manage the University Risk Management responsibilities, identified as a priority of the Board of Trustees through the Audit Committee. With the addition of this new risk management position and additional professional analysts, Financial Services was still able to reduce their overall budget.	\$104,000 annually

Appendix F

Multi-year financial results on a funding basis

Figure 60

(\$000s)	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
Revenue					
Student fees	151,382	158,341	167,875	167,116	178,091
Grant revenue	93,201	95,009	96,326	96,926	97,575
Internal chargebacks	7,522	9,703	8,792	8,985	8,994
Inter-fund revenue	2,585	4,859	3,138	3,150	5,416
Other revenue	46,728	46,182	47,826	47,107	49,130
Total revenue	301,418	314,094	323,957	323,284	339,206
Operating costs					
Personnel costs	(193,777)	(196,994)	(212,939)	(207,233)	(219,568)
Inter-fund expenses	(17,700)	(20,965)	(18,590)	(21,443)	(25,293)
Other operating costs	(85,431)	(90,611)	(92,428)	(91,580)	(94,345)
Total operating costs	(296,908)	(308,570)	(323,957)	(320,256)	(339,206)
Mitigation target					
Funding surplus	4,510	5,524	-	3,028	-



Appendix G

Financial health metrics definitions

Figure 61

Metric	Definition	Formula
Primary reserve ratio	The primary reserve ratio compares expendable net assets to total expenses and provides an indication of an institution's financial strength and flexibility by determining how long the institution could function using its expendable reserves without relying on additional net assets generated by operations. Expendable Net Assets include: unrestricted surplus (deficit), internally restricted net assets and internally restricted endowments, adjusted for the non-cash component of employee future benefits.	Primary reserve ratio = expendable net assets/ total expenses
Debt burden ratio (Non-cash basis)	The debt burden ratio measures how an institution utilizes a greater portion of its annual expenditures to fund debt obligations. The ratio is calculated by dividing total current debt obligations, which include interest expenses and principal payments, by operating expenses.	Debt burden ratio = (interest expense + principal payments)/ total expenses
Interest burden %	The Interest burden ratio compares the level of current debt service with the institution's total expenses. It is an indicator of debt affordability, as it examines the percentage of total expenses used to cover an institution's cost of servicing its debt. The ratio is calculated as interest expense over total expenses (adjusted for amortization of capital assets).	Interest burden ratio = interest expense/ (total expenses – amortization)
Interest coverage ratio	Interest coverage ratio measures how many times an institution could pay its current interest payment with its available earnings. The ratio is calculated by dividing earnings before interest, depreciation and amortization (EBIDA) during a given period by the amount an institution must pay in interest on its debts during the same period.	Interest coverage ratio = EBIDA/interest expense
Viability ratio	The viability ratio is a basic determinant of an institution's financial health, as it provides an indication of the funds on hand to settle its long-term obligations. It is calculated as expendable net assets over long-term debt. Expendable net assets include: unrestricted surplus (deficit), internally restricted net assets and internally restricted endowments, adjusted for the non-cash component of employee future benefits. Long-term debt is total external long-term debt as disclosed in the institution's financial statements without adding the current portion that may be included in accounts payable.	Viability ratio = expendable net assets/ long-term debt
Net operating revenues ratio	The net operating revenues ratio provides an indication of the extent to which institutions are generating positive cash flows in the long run to be financially sustainable. The ratio is calculated as cash flow from operating activities over total revenues.	Net operating revenues ratio = cash flow from operating activities/ total revenues

On the cover: The butterfly image used on the cover symbolizes transformation, growing and evolving into something new. This past summer, Brock welcomed a new President. In addition, Brock's budget is beginning the process of being transformed through the revenue and expense allocation model. Also, the Rankin Family Pavilion and the Goodman School of Business expansion are two major construction projects underway this year. The use of geometric shapes form one shape/one Brock and building blocks reflect the construction at Brock. The other sections in the shapes represent the many facets of the University. They morph from flat design to 3D design, creating movement that evokes a feeling of the ever-changing and ongoing innovation and emergence of Brock as a leading-edge university.

Inside back cover: Close-up photo of the Mormon butterfly wing, which is also shown as a ghosted image on the cover.



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